

Setting Occupational Target Demand

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Using reported occupational shares of industry employment from the Bureau of Labor Statistics' Occupational Employment and Wages dataset and the industry Value Added (quarterly data available from 2005 and annual data available from 1999).

What we will assume is that the baseline de-trended demand for occupation i in the economy D_i is:

$$D_i = \sum_{j=1}^n \bar{d}_{ij} = 1$$

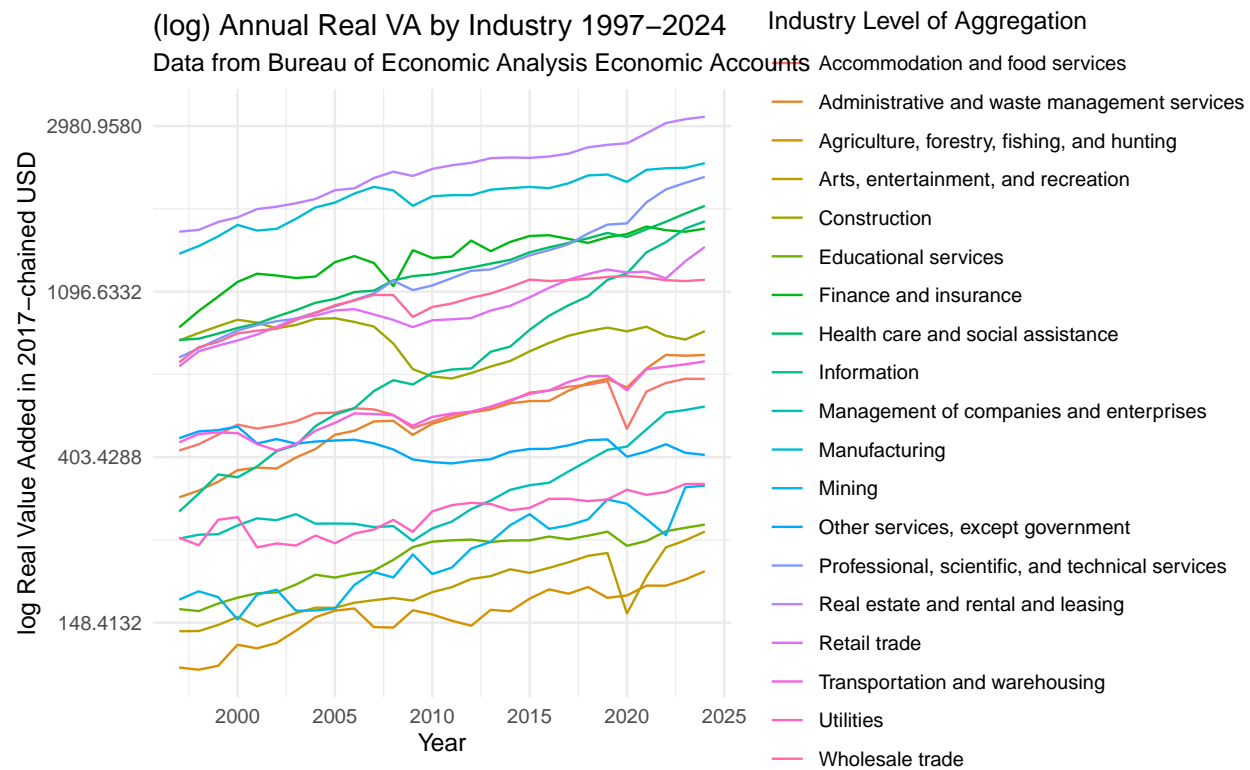
where the de-trended fluctuating demand (ie. demand at time t for occupation i) is:

$$D_{it} = \sum_{j=1}^n \hat{d}_{ijt}$$

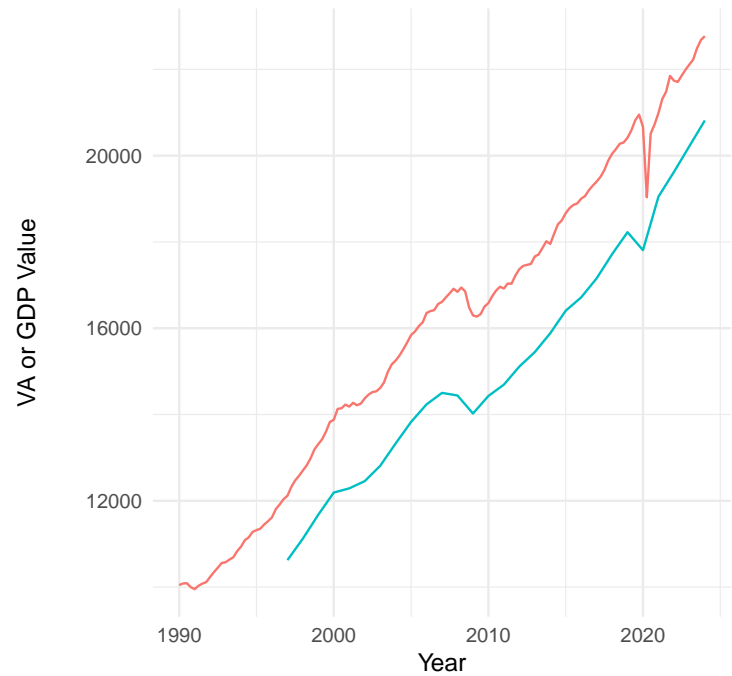
$$\hat{d}_{ijt} = \sum_{j=1}^n \bar{d}_{ij} \theta_{jt}$$

in which \bar{d}_{ij} is the average share of occupation i in industry j and θ_{jt} is the de-trended value-added of industry j at time t . Thus, we obtain occupation-specific fluctuations in demand dependent on their “exposure” or the share of a specific occupation in industry j . We de-trend the value added in the same way as in the GDP series such that we obtain the fluctuation around a mean.

Value Added by Industry



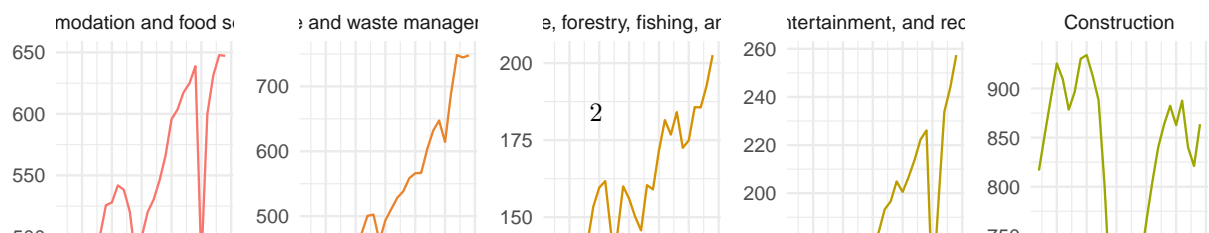
Comparison of Quarterly GDP Series and Real Value Added as Reported by Industry



Series — Real GDP (FRED Series) — Sum of Real Value Added by Industry (BEA Series)

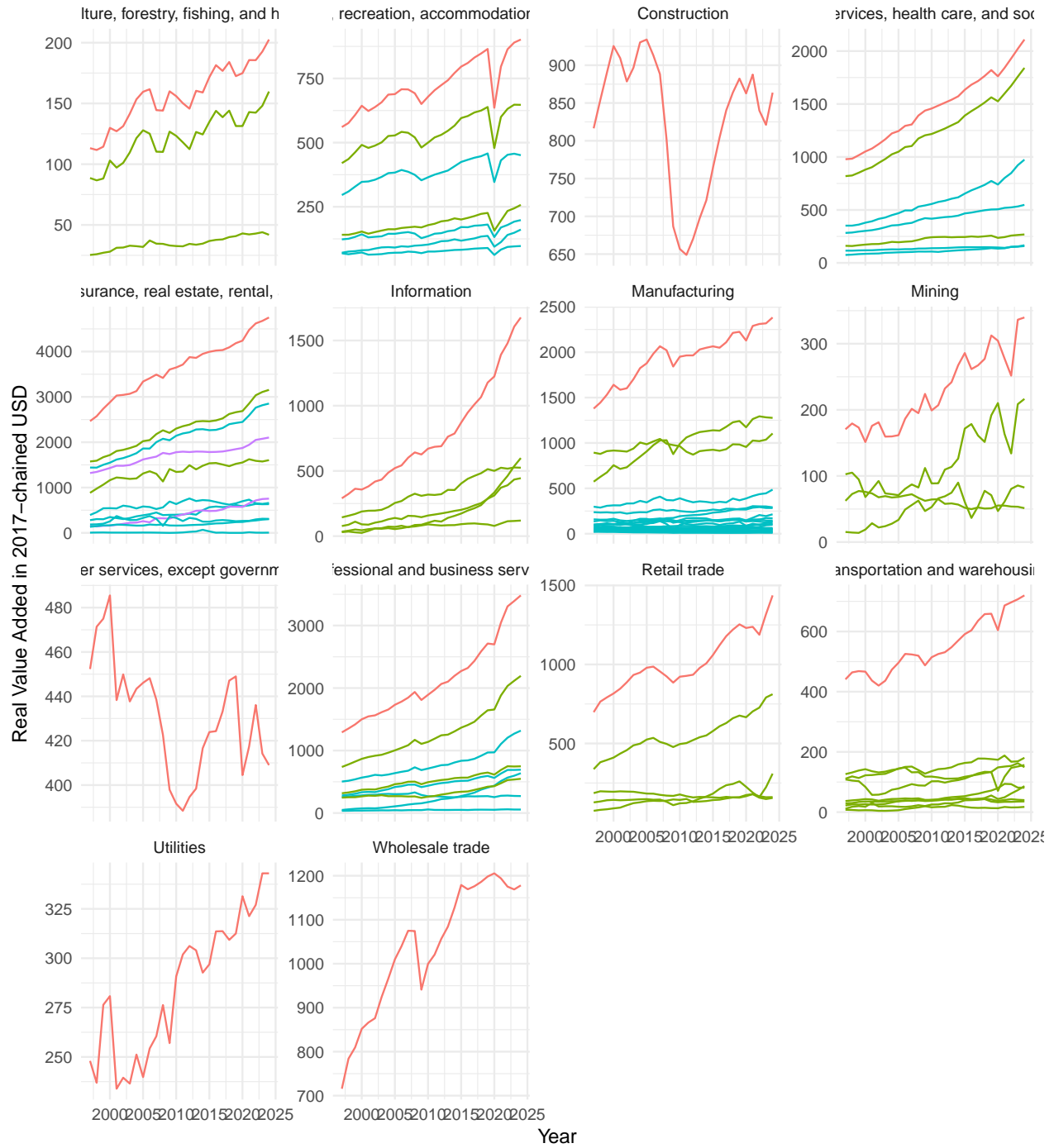
Annual Real VA by Industry 1997–2024

Data from Bureau of Economic Analysis Economic Accounts



Annual Real VA by Industry 1997–2024

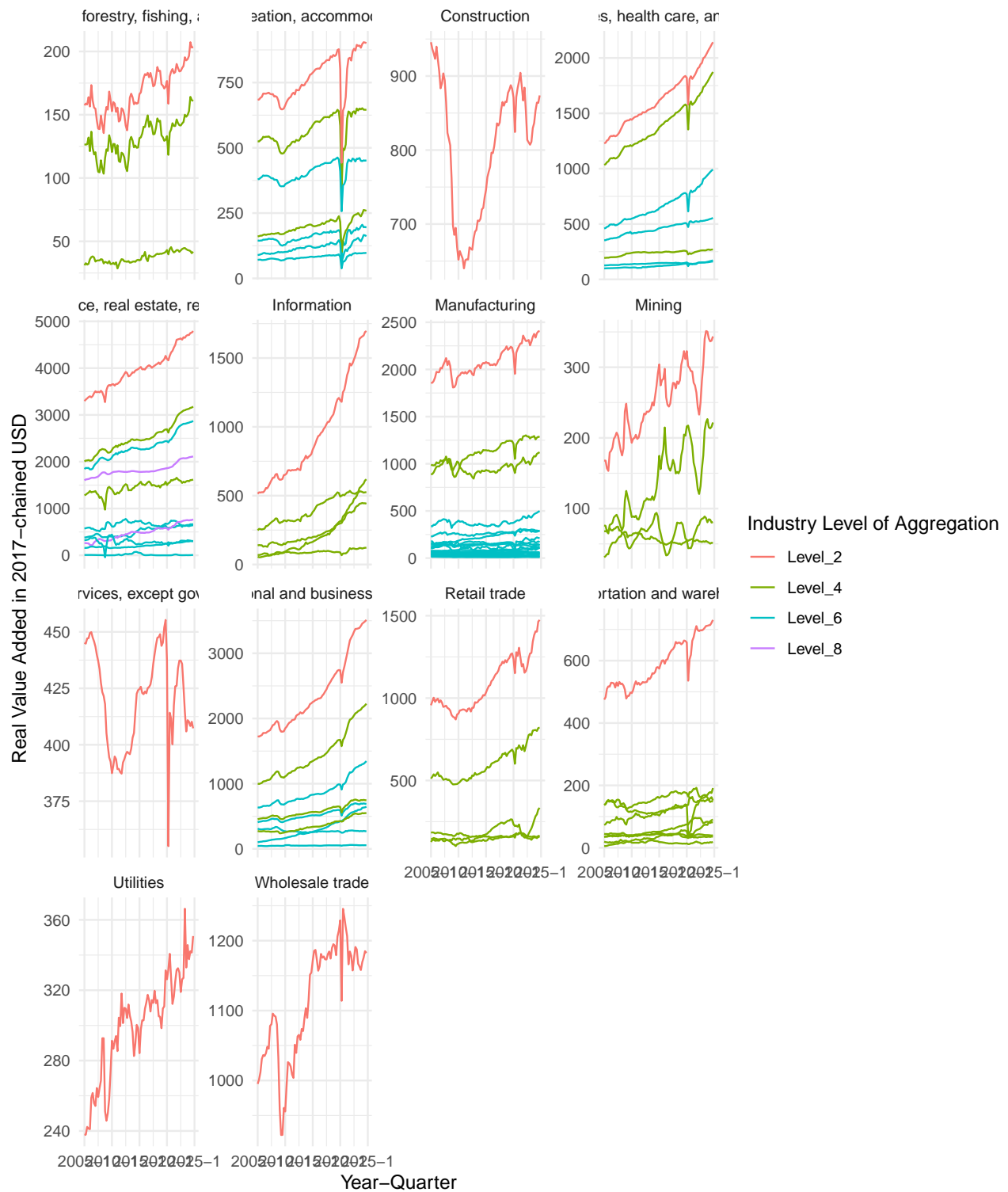
Data from Bureau of Economic Analysis Economic Accounts



Industry Level of Aggregation — Level_2 — Level_4 — Level_6 — Level_8

Data from Bureau of Economic Analysis Economic Accounts

forestry, fishing, and hunting; health care; education, accommodation, and food services; and construction.



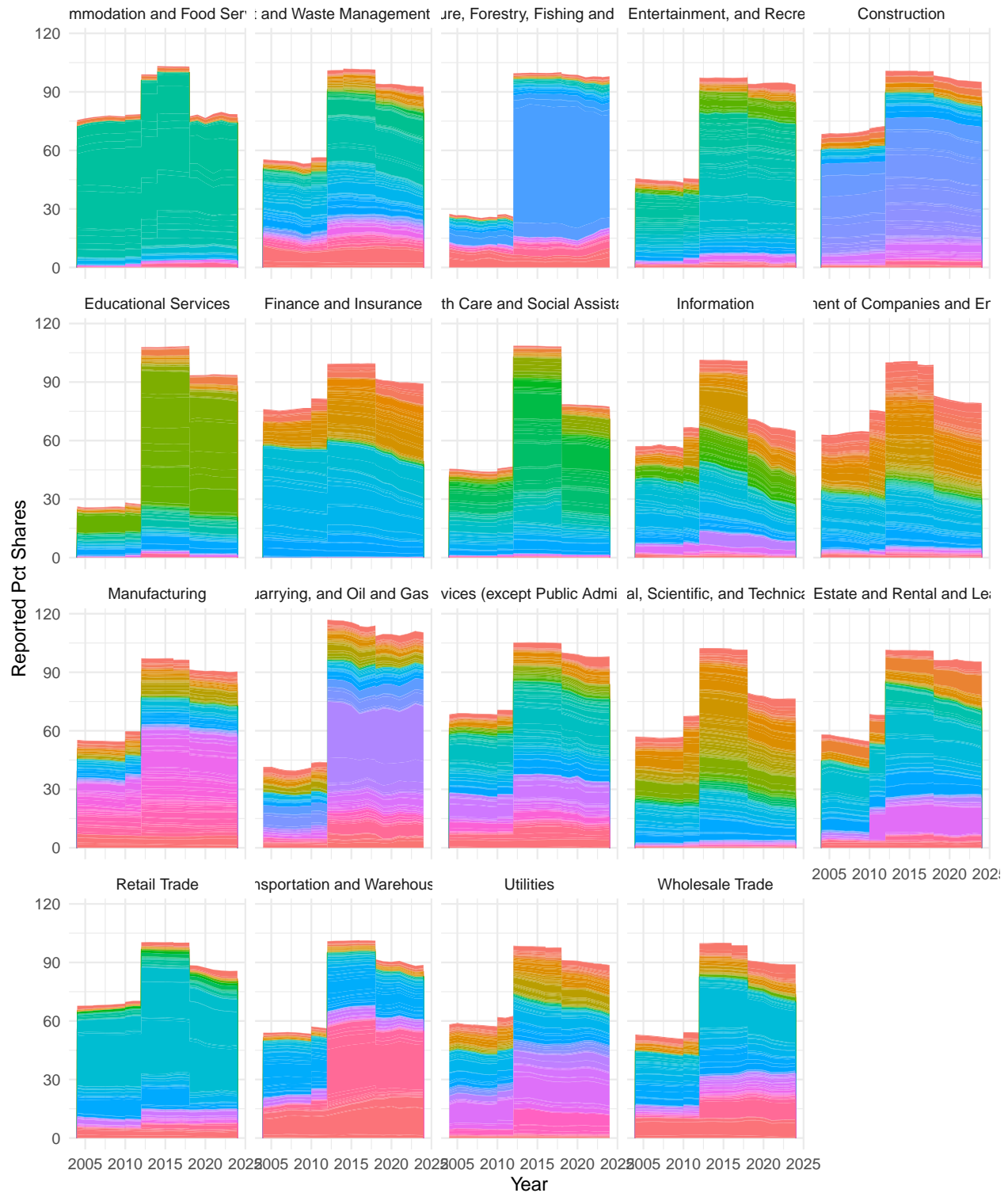
Occupation-shares of industry

We use annual occupational shares of employment from the Occupational Employment and Wage Statistics database from the US Bureau of Labour Statistics to derive our \tilde{d}_{ij} .

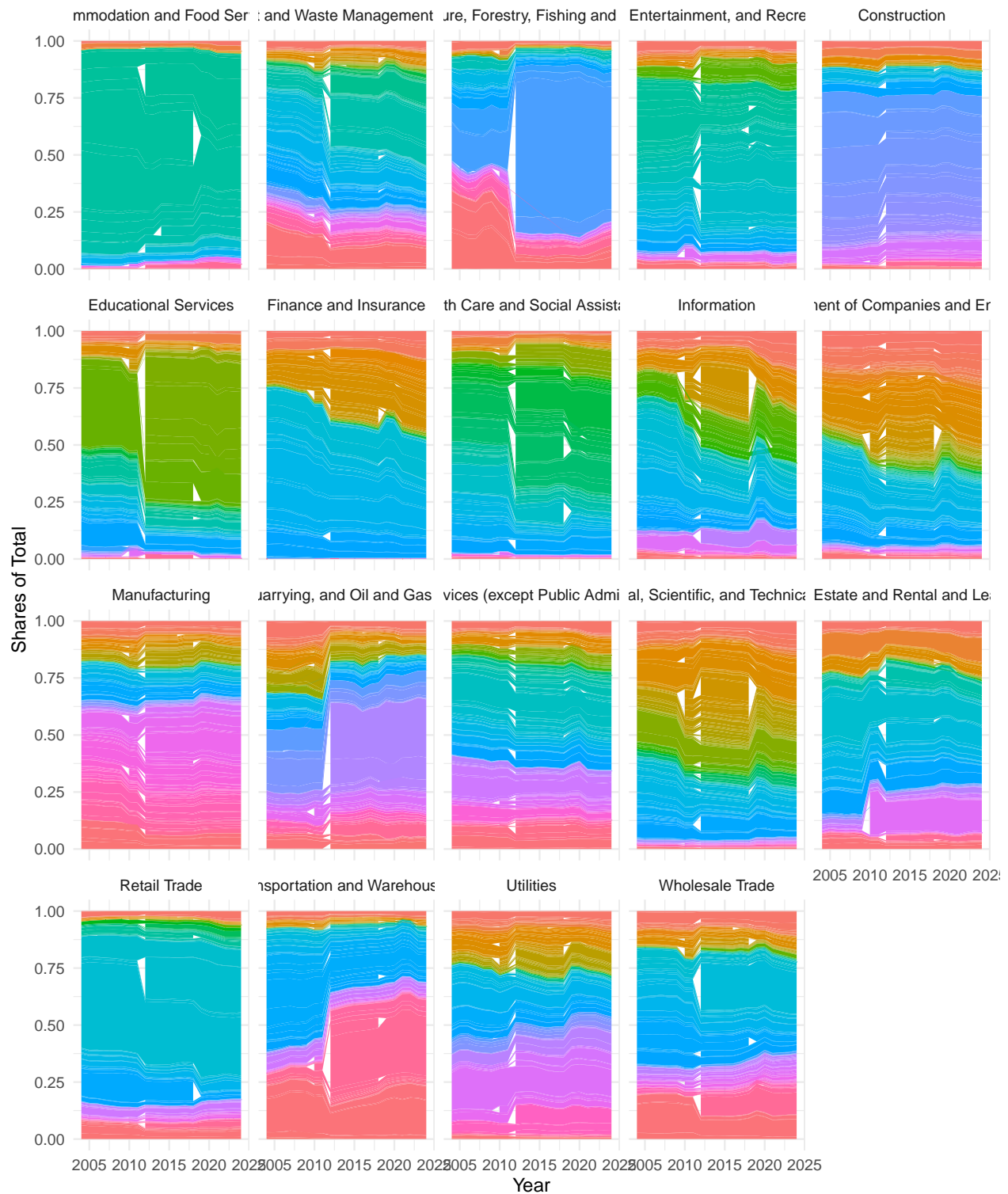
Excludes public administration. The first figure shows the “reported percent total” from the OEWS data. The discrepancies in reporting is almost certainly due to a reshuffling of occupational codes in 2010 and 2018.

If we look at the shares as a percentage of total reported employment in a particular industry the “shares” are not consistent across the recategorisation - I will need to investigate this again.

Occupational Employment Shares by 2-digit NAICS



Occupational Employment Shares by 2-digit NAICS



Occupation–Industry Employment Shares

The colors display the share of total occupational employment in each industry.
Industries are ordered by the total number of occupations they employ in ascending order.
Display only those occupations whose industrial-level employment share is at least 5%.

