

**A Component of the Act 1 Index:
EMPLOYMENT COST INDEX (ECI)**
TOTAL COMPENSATION FOR ELEMENTARY AND SECONDARY SCHOOLS

Employment Cost Index (ECI)

- A national measure of compensation cost trends
- Tracks employment costs specific to the public education sector
- Calculated on a fiscal year basis
- Prepared by the Bureau of Labor Statistics of the Federal Department of Labor

How the legislation defines the index.

Act 1, in section 302 Definitions, defines the employment cost index as the most recent official figures, for the previous 12-month period beginning July 1 and ending June 30 for the employment cost index series for elementary and secondary schools, reported by the Bureau of Labor Statistics of the Federal Department of Labor.

How the U.S. Department of Labor prepares the data.

The Employment Cost Index (ECI) is the Bureau of Labor Statistics' major measure of compensation cost trends. The ECI is calculated using a sample survey that distinguishes among economy sector (civilian, private industry, and state and local government) and among series (such as service occupations, health services and white collar occupations) It is a wage survey based on the existing situation and describes "what has already happened." The ECI is prepared by the Office of Compensation and Working Conditions (OCWC) within the Bureau of Labor Statistics. The OCWC does not forecast the Employment Cost Index. In March of 2006, the Bureau made changes in their reclassification system. This was a government wide change which they do periodically to keep up with changes in the economy. Instead of June 1989 as base equal to 100 for this series, December 2005 is the base 100. Despite this update in data collection, results are similar.

How to access the data.

Data for the Employment Cost Index (ECI) can be found by logging onto the Bureau of Labor Statistics homepage at <http://www.bls.gov> or by calling the National Compensation Survey Information Line of the OCWC at (202) 691-6199.

To get information from the website, log onto <http://www.bls.gov> and select "get detailed statistics" from the blue bar across the top.

Scroll down the pages to the third black heading "Compensation and Working Conditions."

The third item down is the employment cost index. Click on the Create Customized Tables (one screen)

This brings up a custom table maker with the following 6 components:

1. **Select a Compensation Component** - Select the first option "Total Compensation"
2. **Select Economy Sector** - Select "State and local Government" which provides information on public schools
3. **Select Index Number or Change Periodicity** - Select 12 month percent change to have the program calculate the percent change or select index number to create a table with the data set
4. **Select one or more Series** - Select 6110000000 Elementary and Secondary schools
5. **Select Seasonal Adjustment** - There is no seasonal adjustment applied to a 12 month percent change or to the data set
6. Click on Get Data