

Measuring Employment and Unemployment in the United States

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Office of Current Employment Analysis

April 28, 2011



www.bls.gov

BLS—Just the facts

“He uses statistics as a drunken man uses lamp posts—for support rather than illumination.”

--Andrew Lang
(1844-1912)



What people want—answers to questions

- Are people able to find work?
- Where's the growth?
- Are there good jobs available?

What people want—answers to questions

- Who's faring best in the job market?
- Who's struggling?
- How does the current situation compare with the past?

Two monthly surveys

- Household survey—The Current Population Survey (CPS)
- Payroll survey—The Current Employment Statistics (CES) Survey

CPS data collection

- Collected since 1940
- Conducted by the Census Bureau for BLS
- 60,000 households each month

CPS data collection

- 2,400 interviewers and supervisors
- In-person and telephone interviews
- Voluntary survey, with a 92 percent response rate

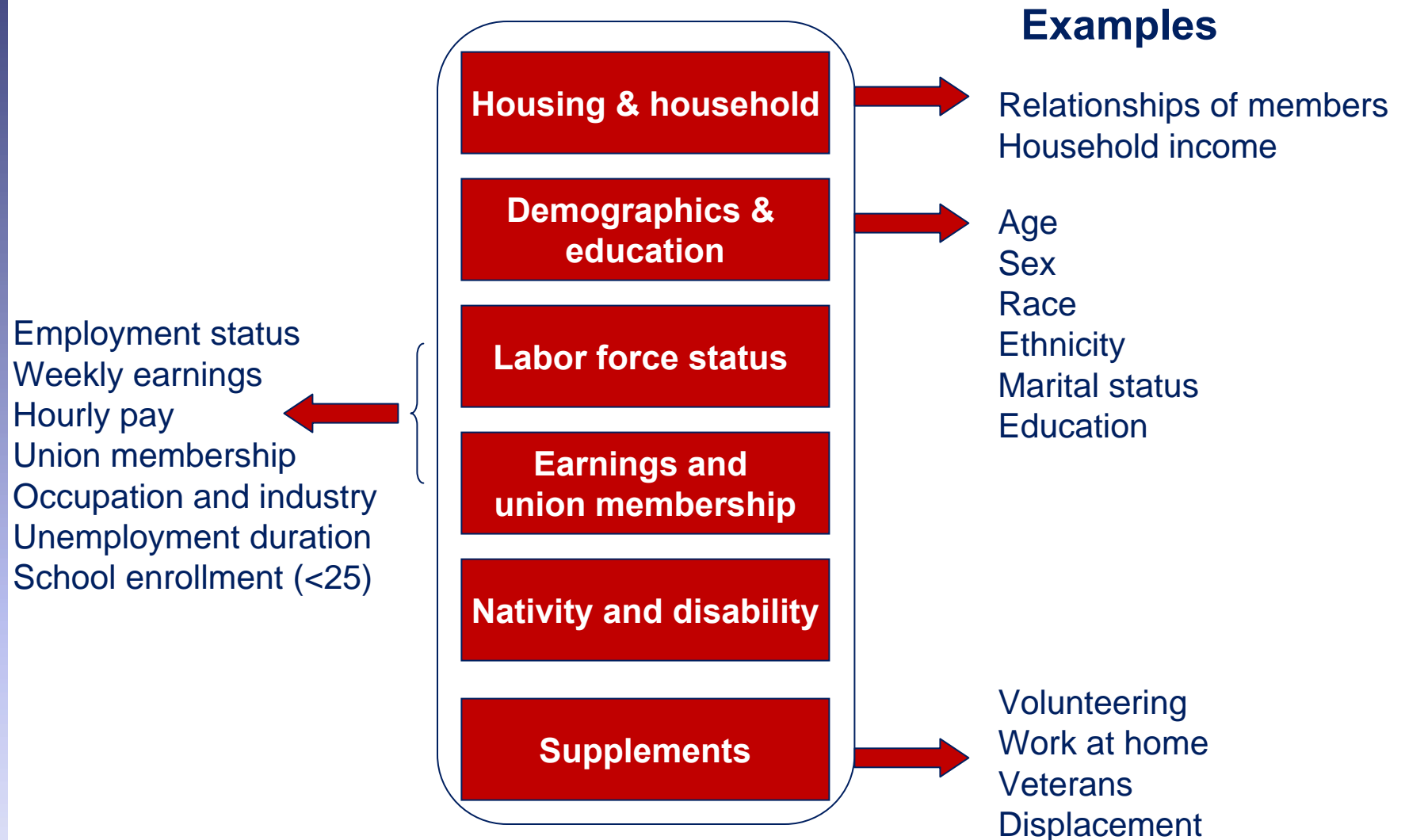
CPS data collection

- Typically one respondent per household
- Computerized questionnaire since 1994

CPS schedule for April 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
3	4	5	6	7	8	9
10	11	12	13	14	15	16
Survey reference week						
17	18	19	20	21	22	23
Survey collection week						
24	25	26	27	28	29	30
May 1	2	3	4	5	Release day	

Current Population Survey



Civilian noninstitutional population

Includes people:

- age 16 and older
- residing in the United States

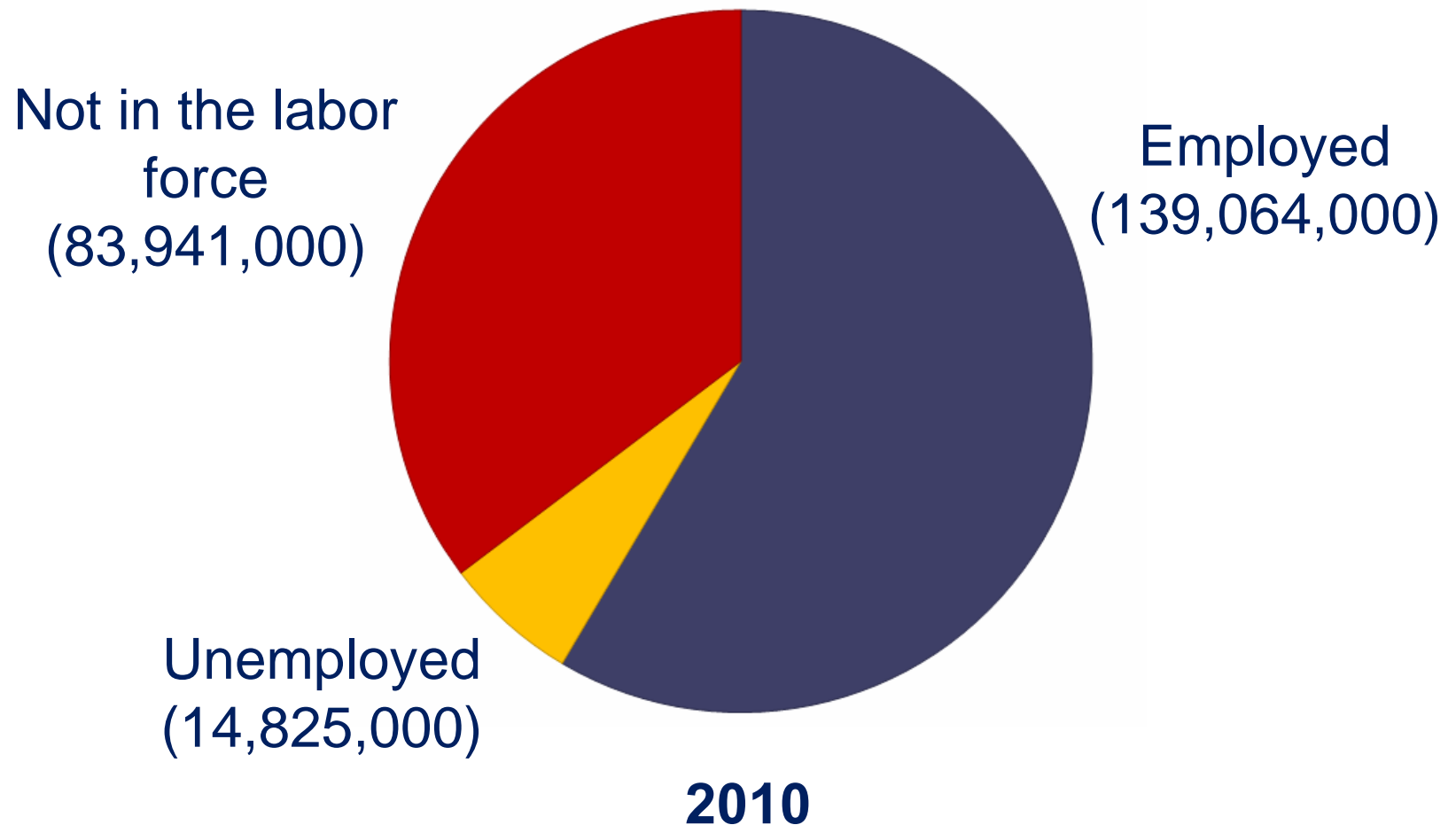
Excludes people:

- in institutions
- in the Armed Forces

Labor force status

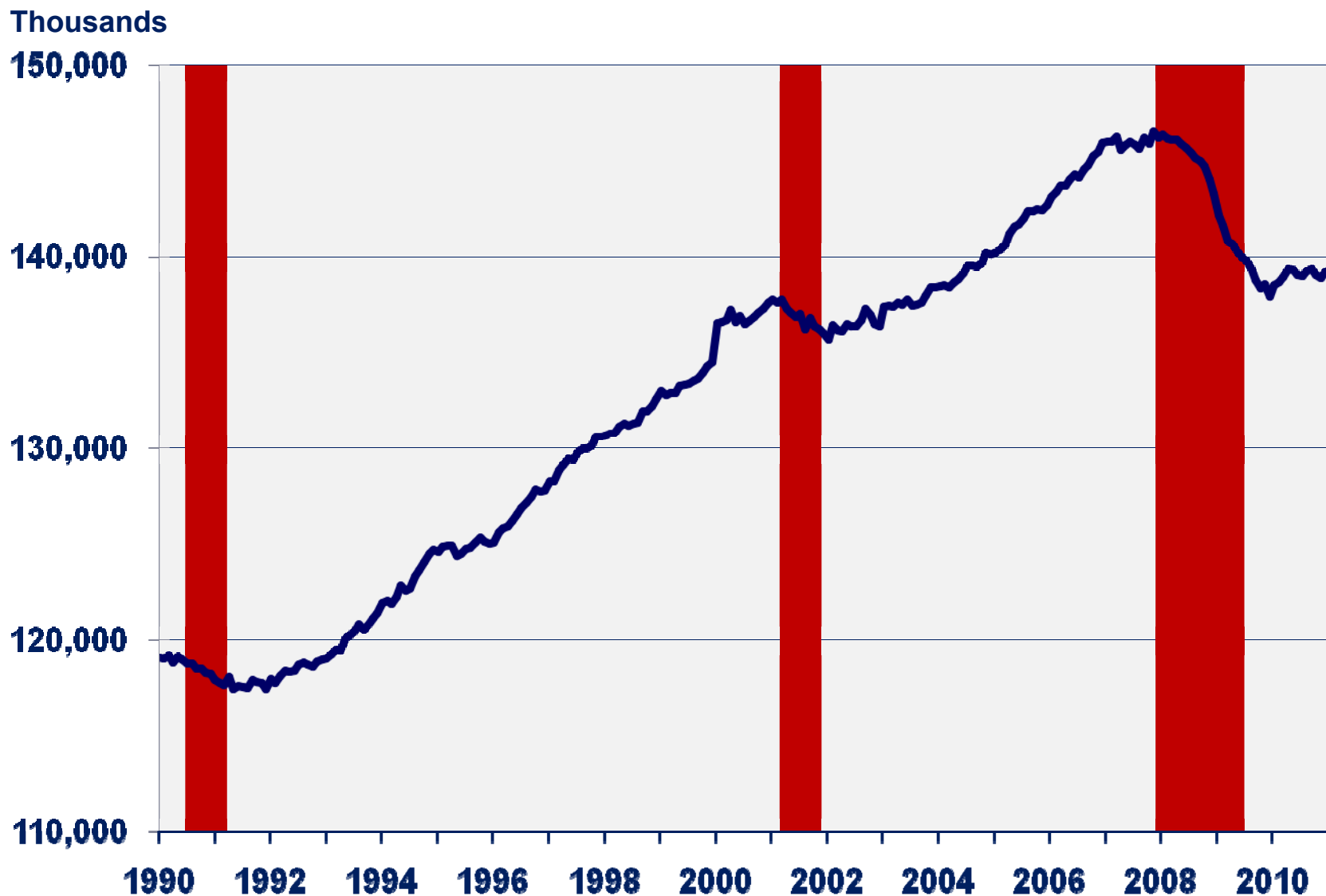
- Who is **employed**?
- Who is **unemployed**?
- Who is **not in the labor force**?

Labor force status of the population



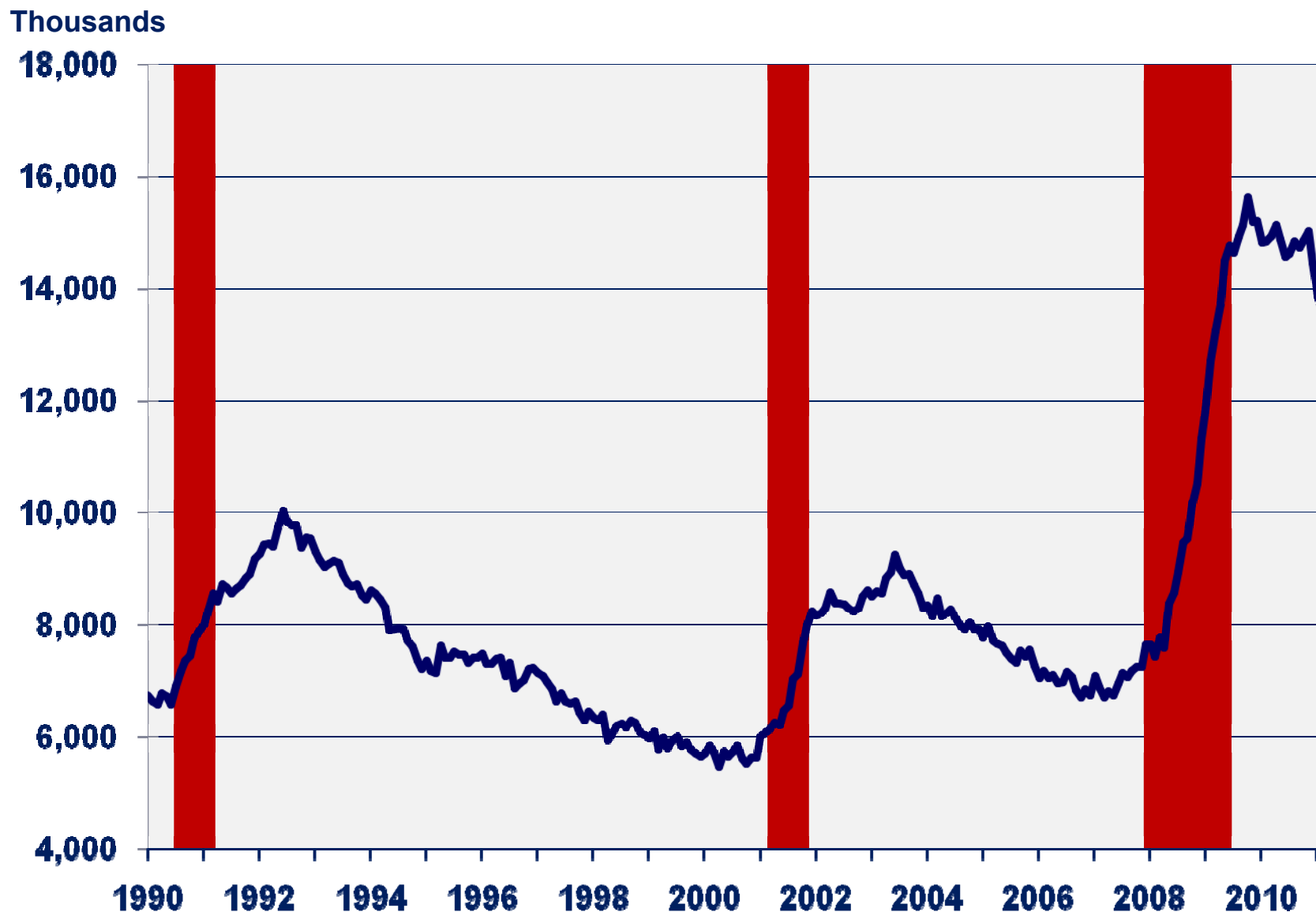
Source: Bureau of Labor Statistics, Current Population Survey

Total employed, 1990-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

Total unemployed, 1990-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

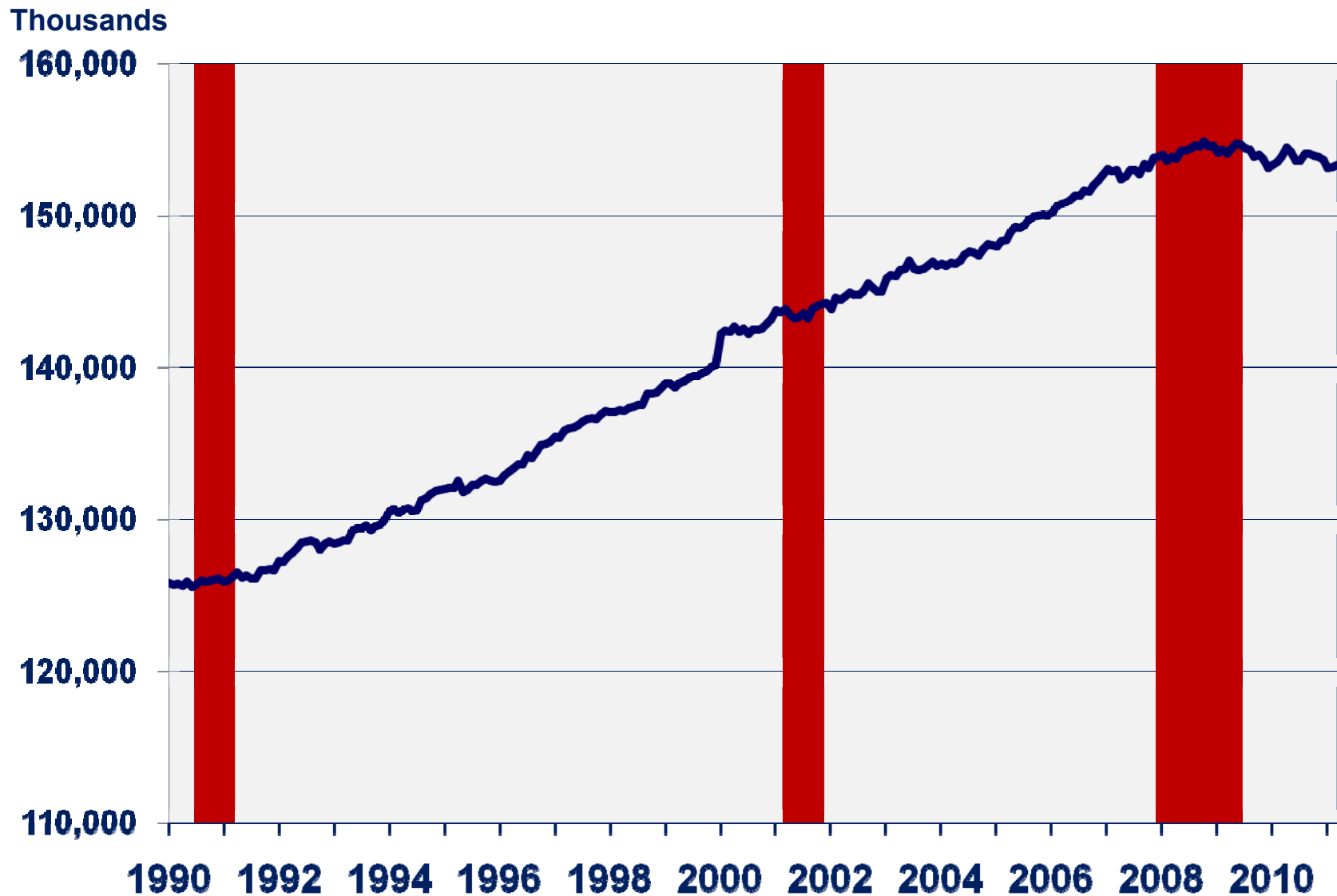


Common CPS terms

Labor force: sum of the employed and unemployed



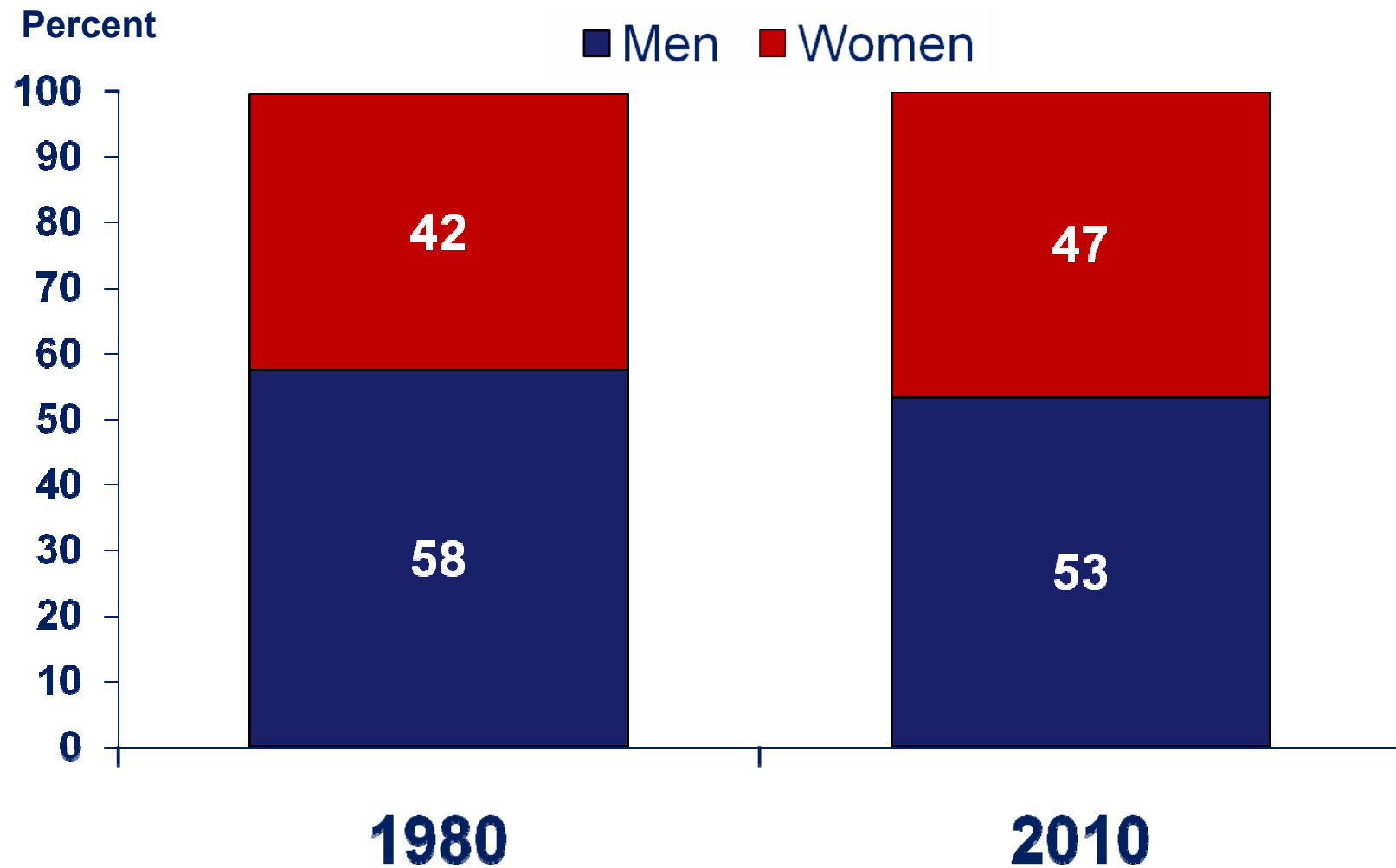
Civilian labor force, 1990-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey



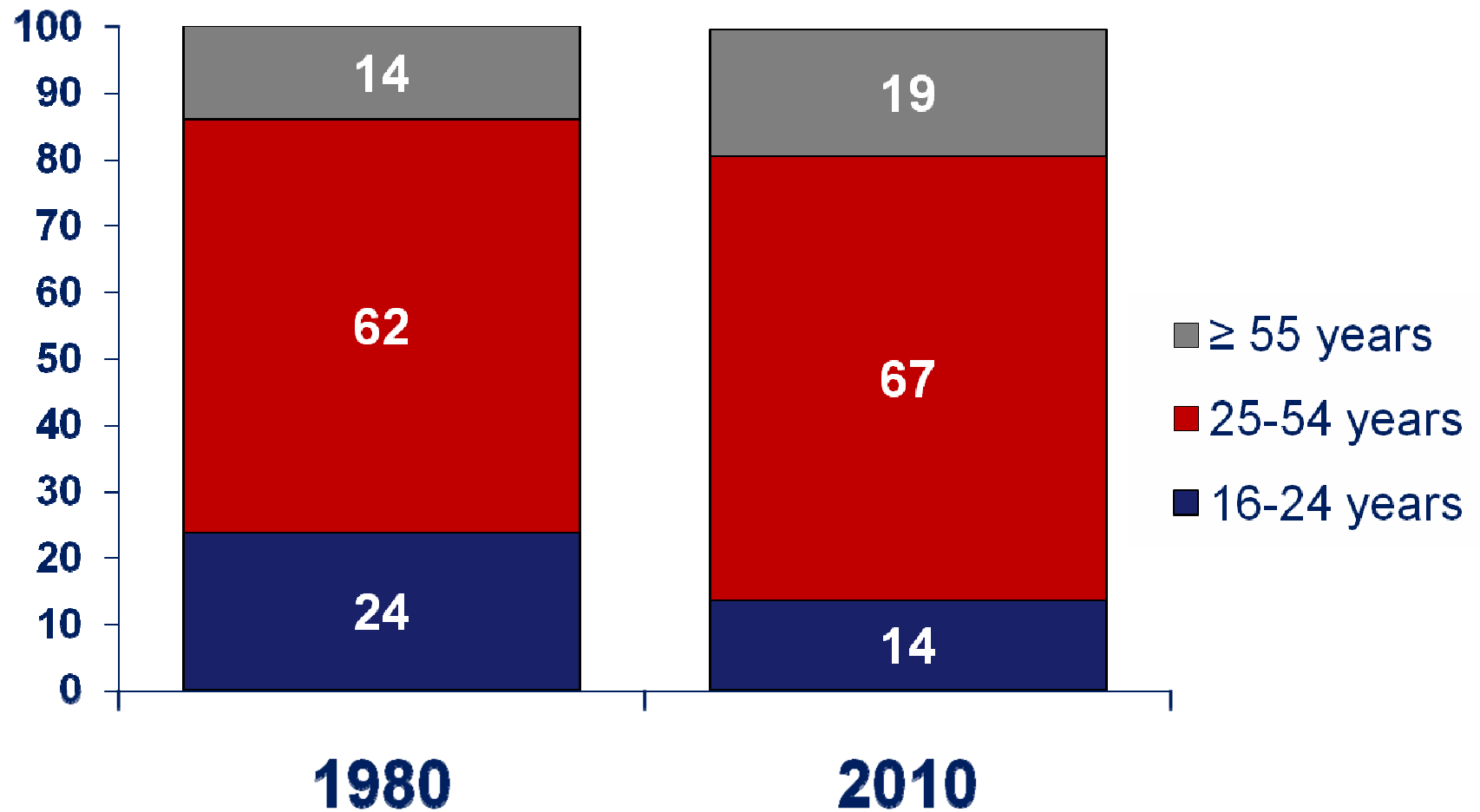
Labor force by gender



SOURCE: Bureau of Labor Statistics, Current Population Survey

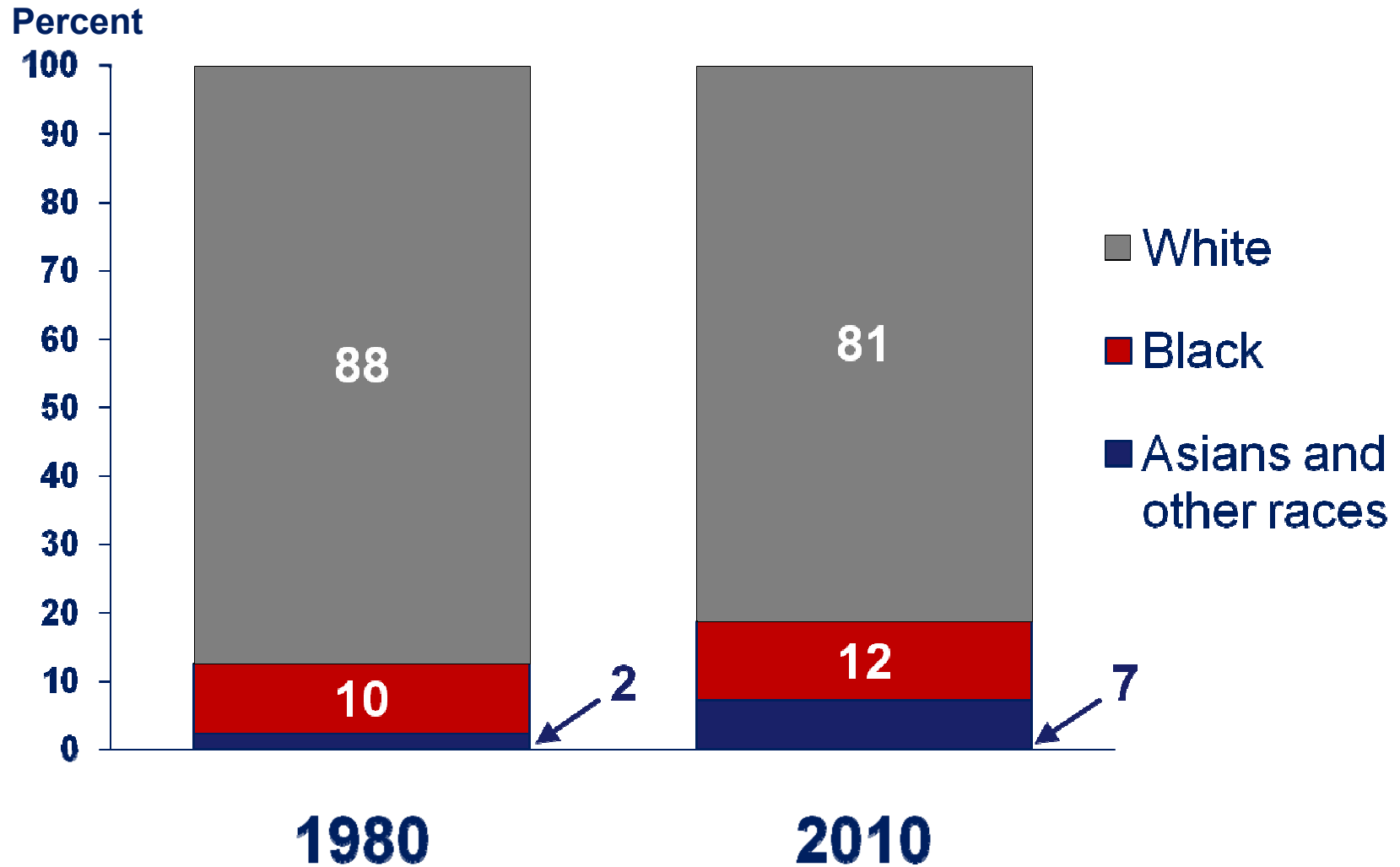
Labor force by age

Percent



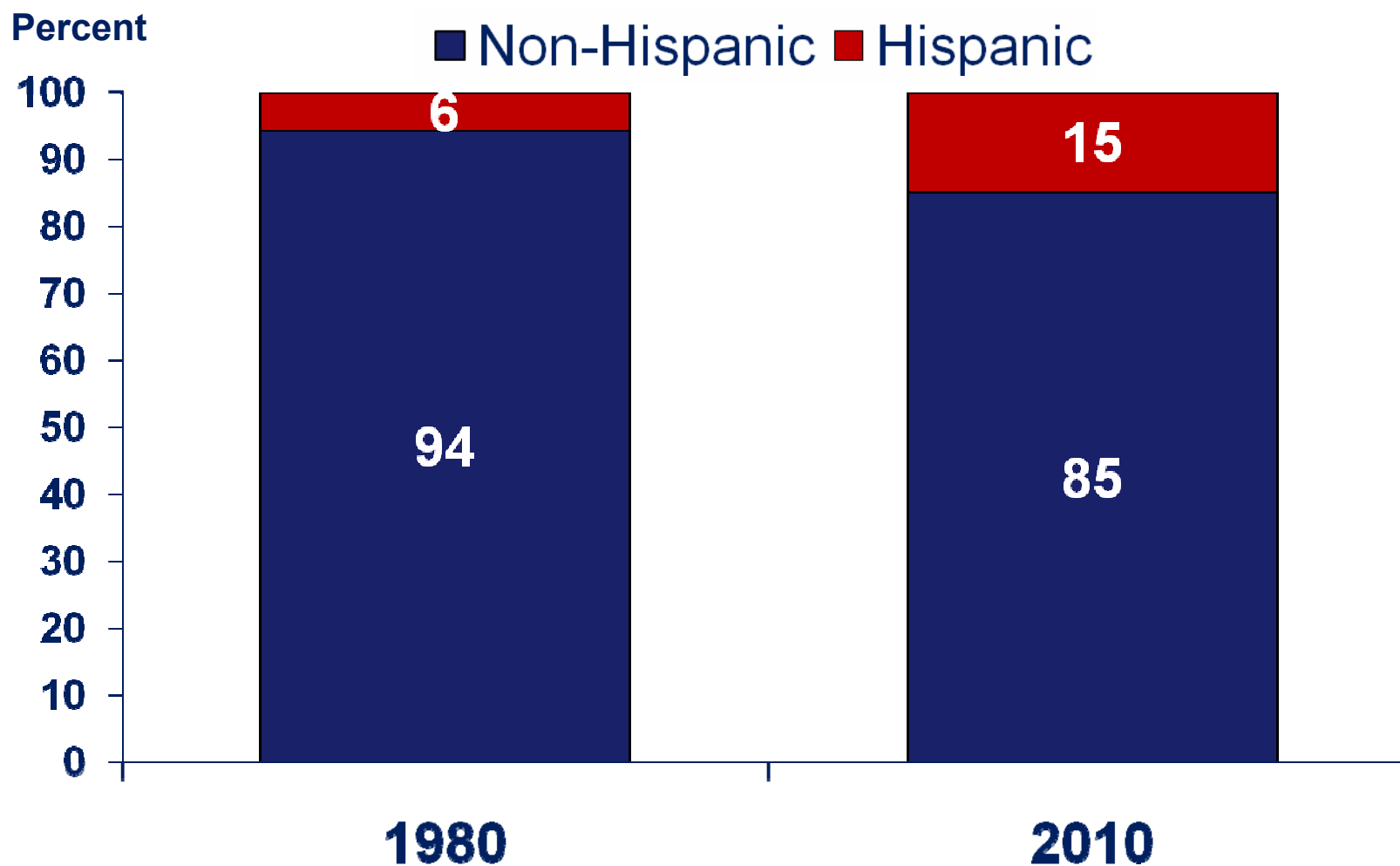
SOURCE: Bureau of Labor Statistics, Current Population Survey

Labor force by race



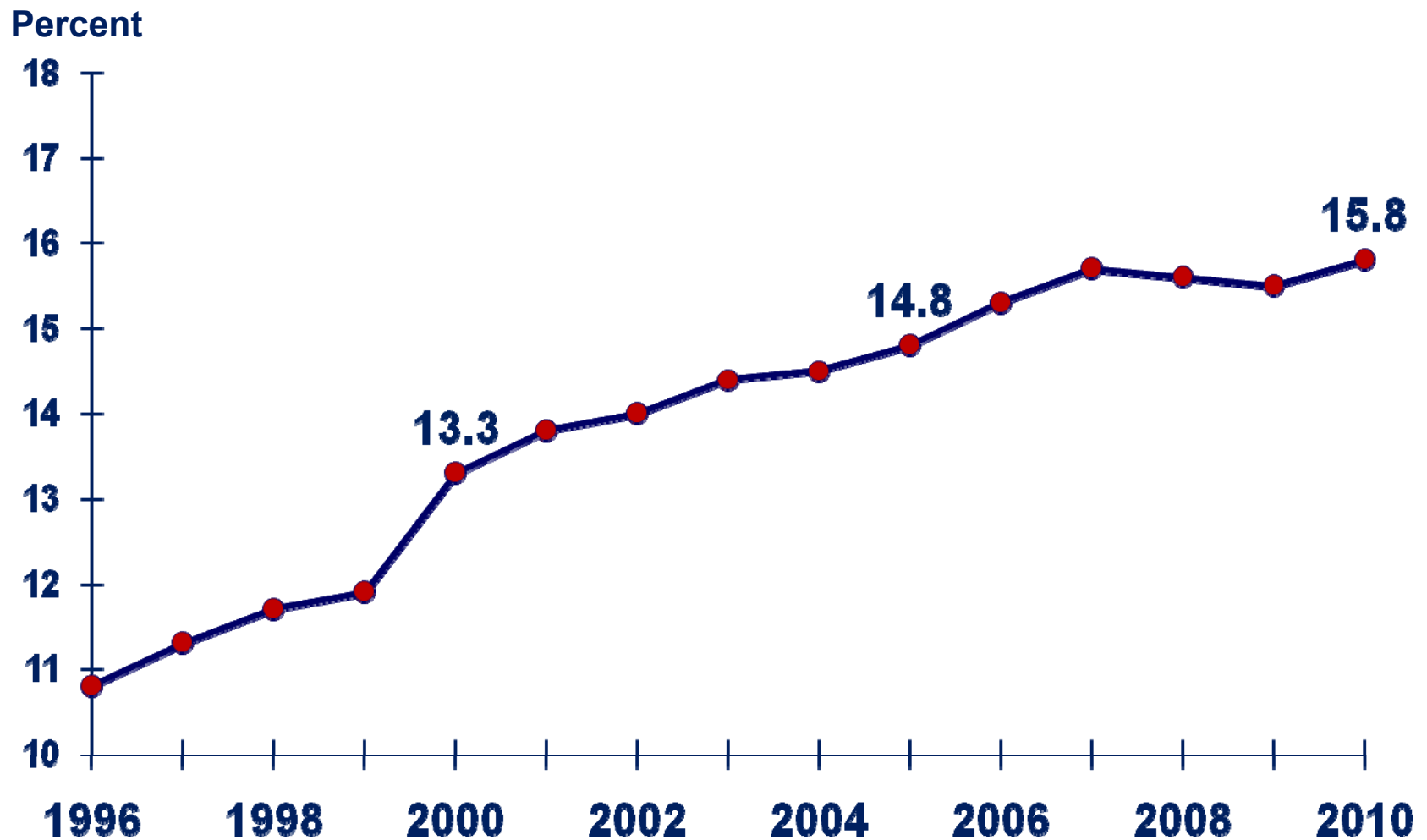
SOURCE: Bureau of Labor Statistics, Current Population Survey

Labor force by Hispanic or Latino ethnicity



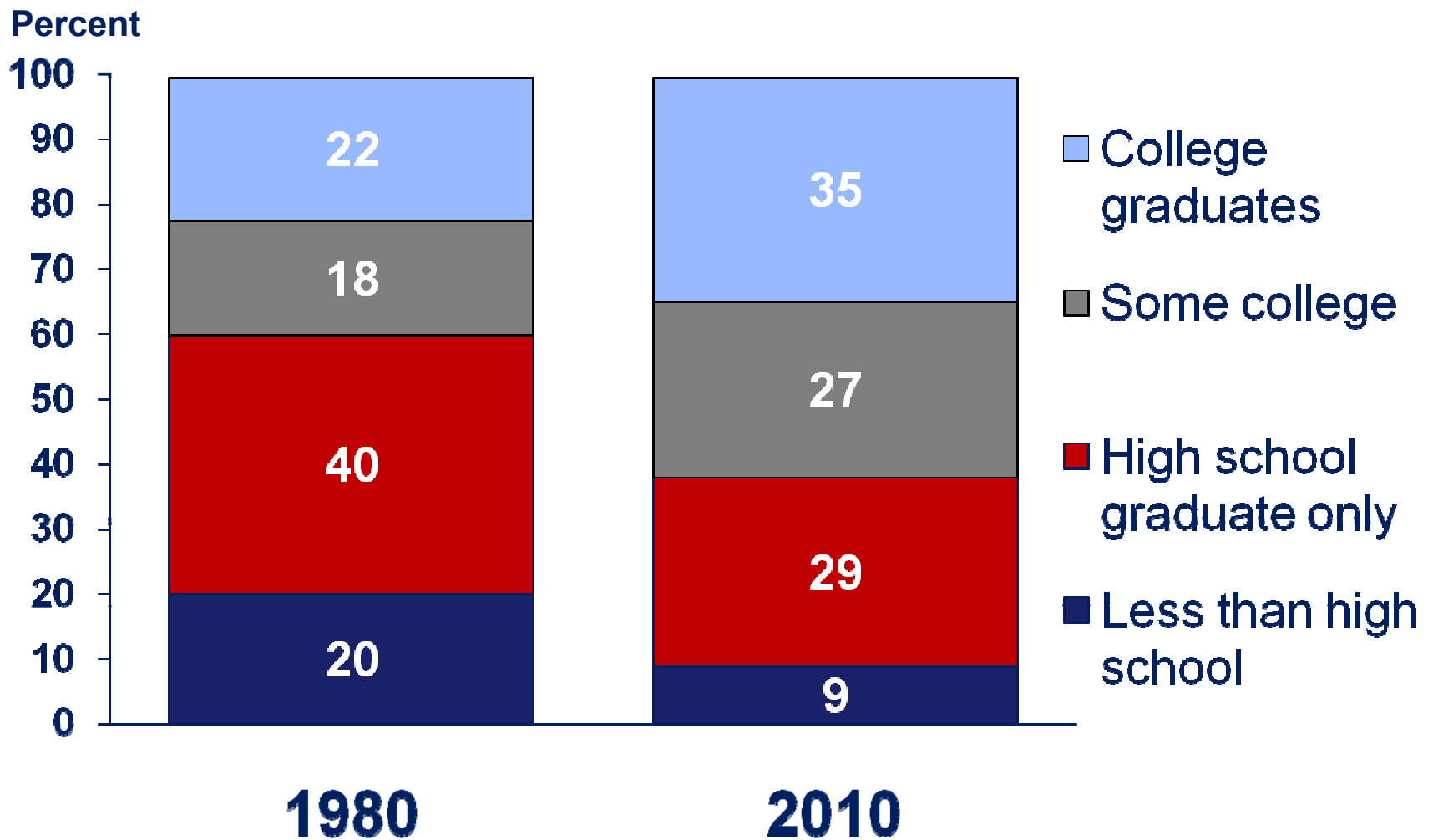
SOURCE: Bureau of Labor Statistics, Current Population Survey

Foreign born labor force as a percent of the total, 1996-2010



SOURCE: Bureau of Labor Statistics, Current Population Survey

Labor force by education

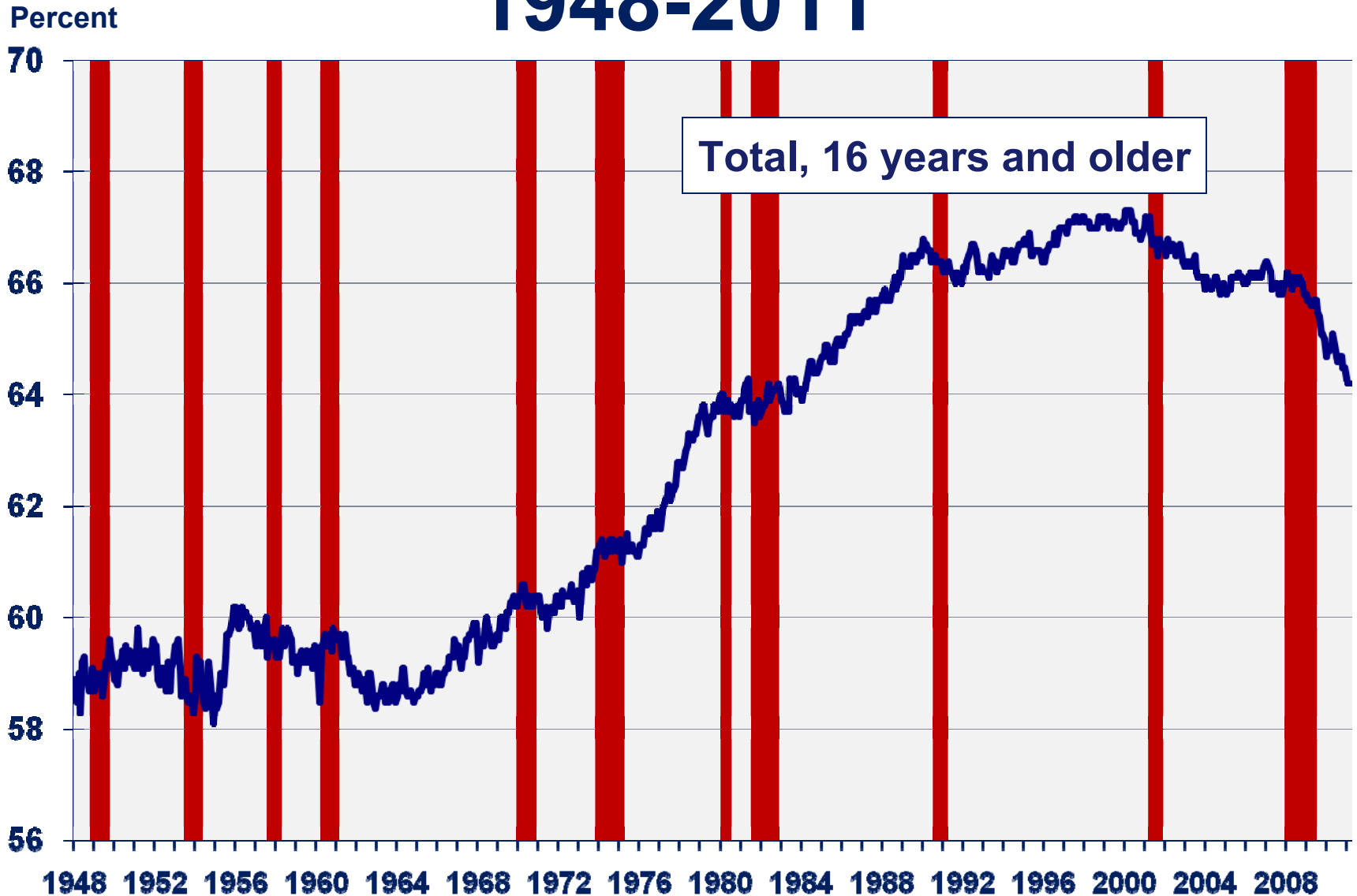


SOURCE: Bureau of Labor Statistics, Current Population Survey

Common CPS terms

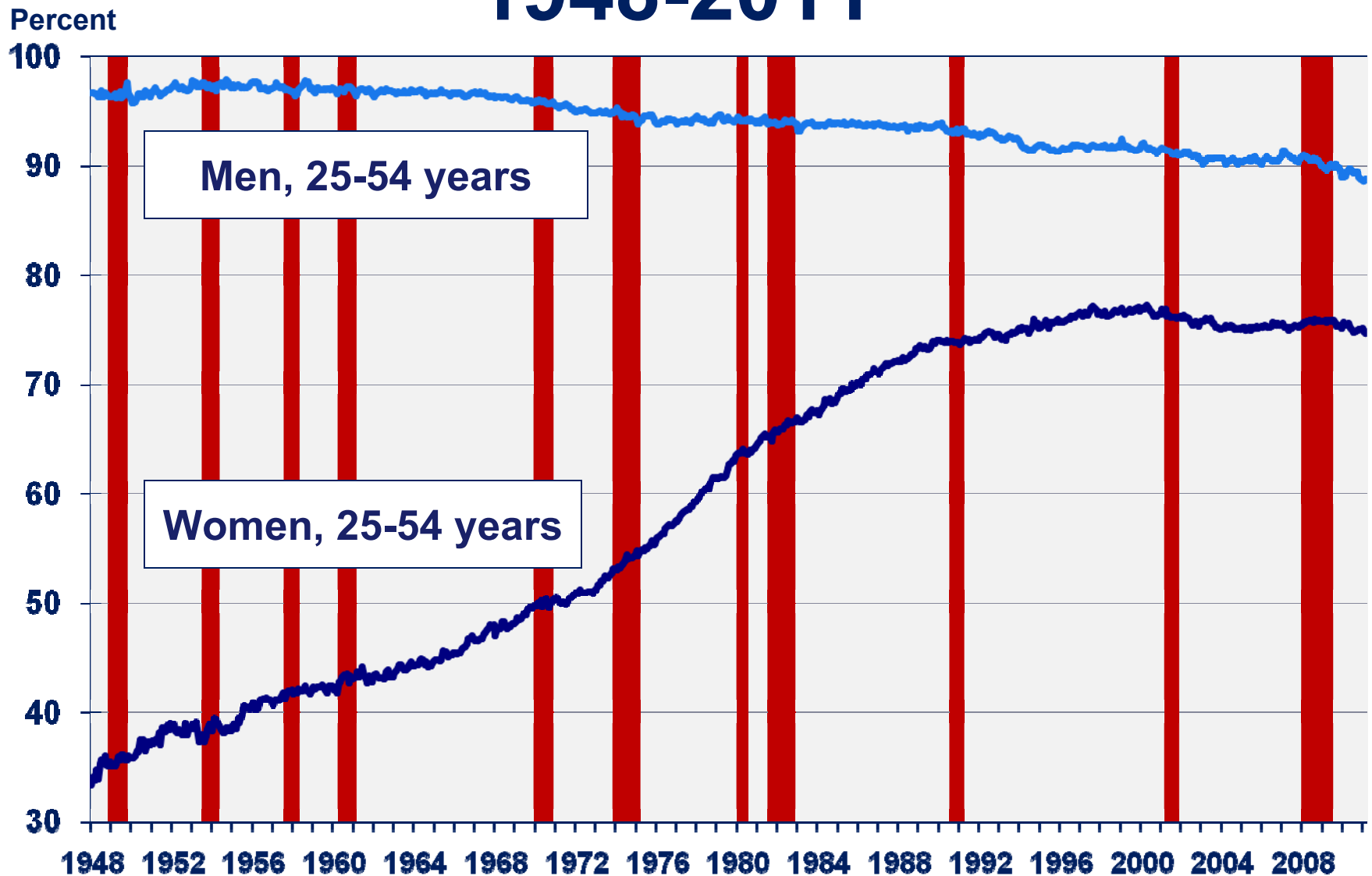
Labor force participation rate:
labor force as a percent of the
population

Labor force participation rate, 1948-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

Labor force participation rate, 1948-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).

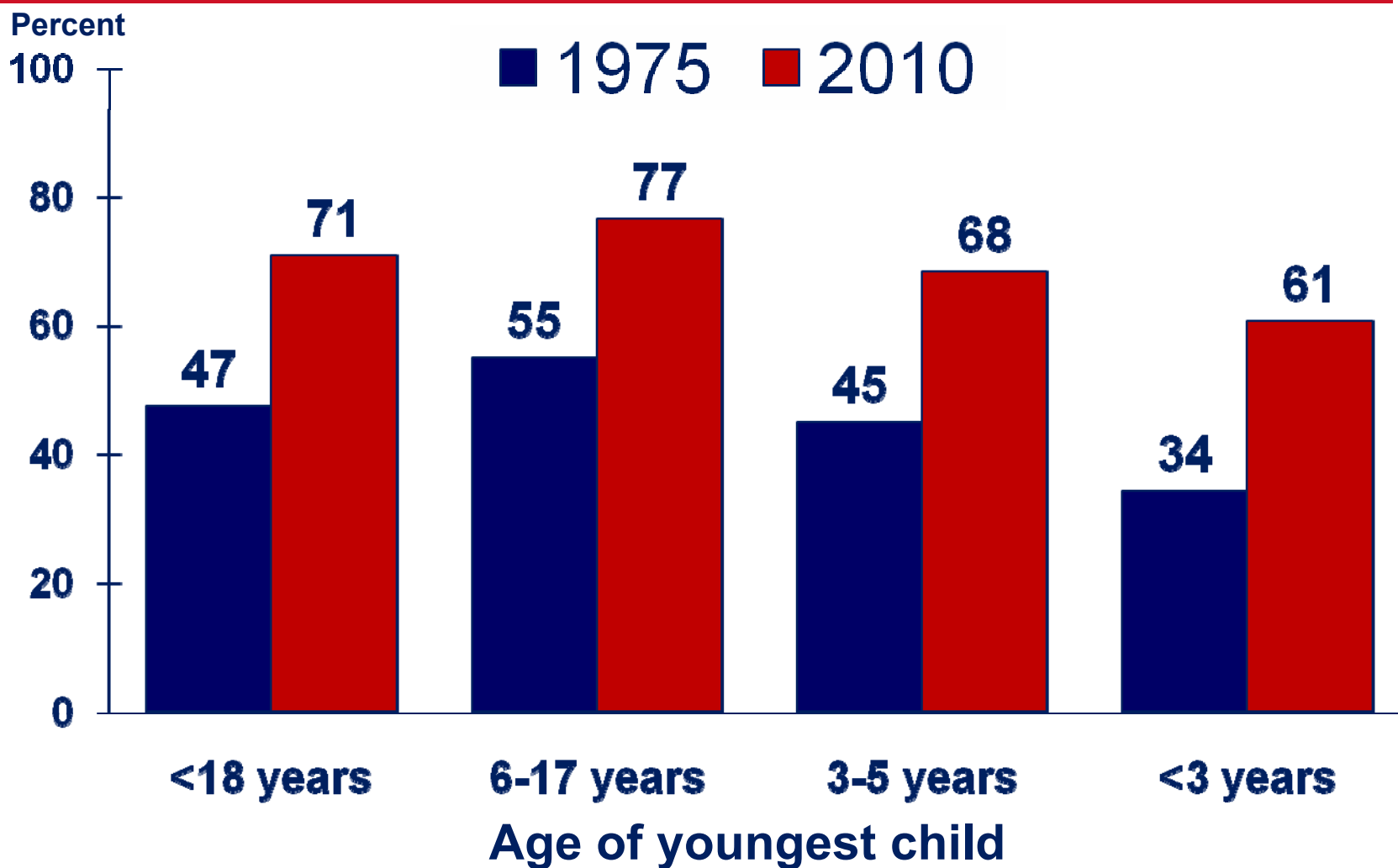
SOURCE: Bureau of Labor Statistics, Current Population Survey



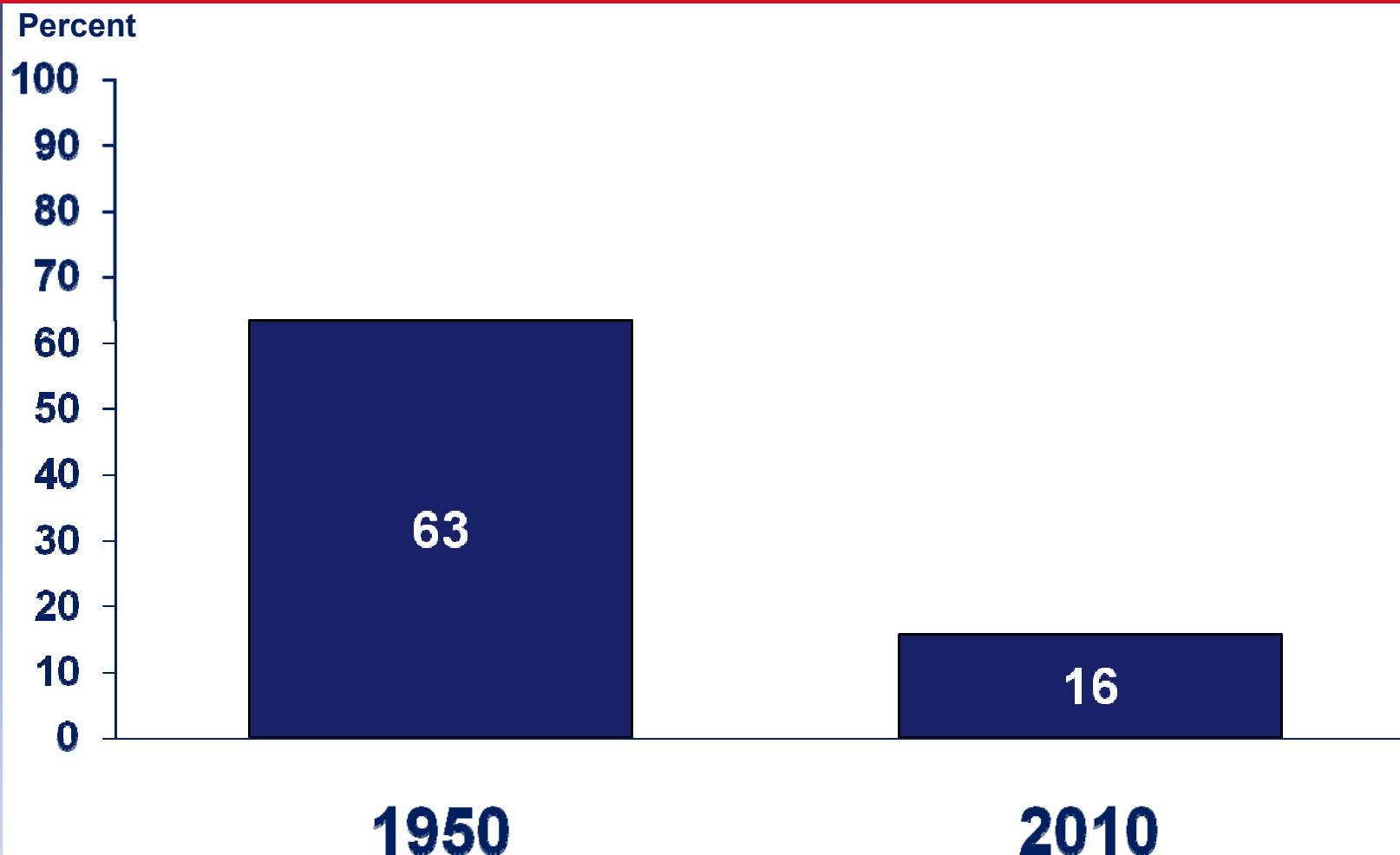
Why has participation of men declined?

- Large drop in participation of less-educated men—fewer job opportunities
- Rise in Social Security Disability payments

Labor force participation rate of mothers



Percent of families that are “traditional”

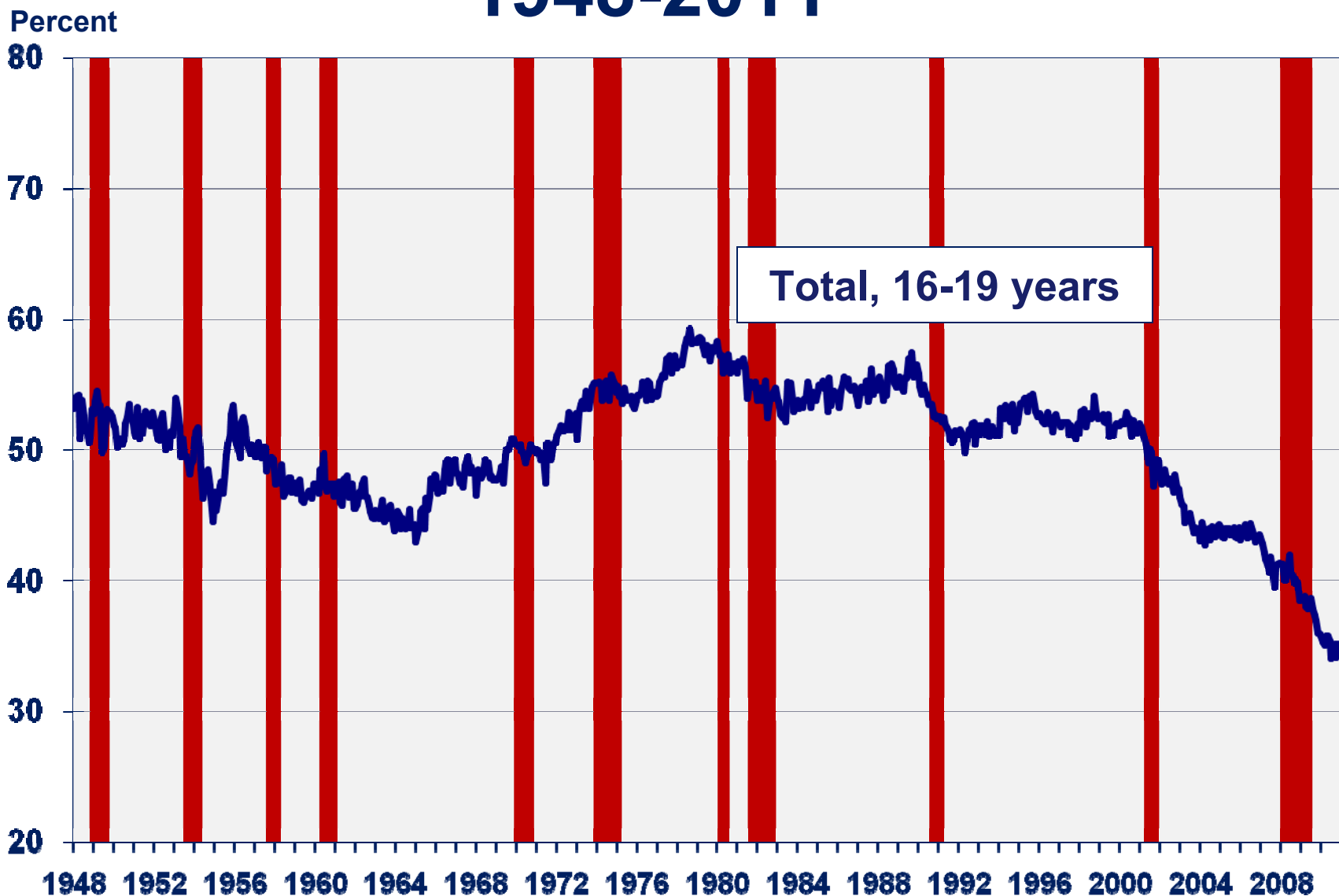


NOTE: “Traditional” families are those in which the husband is in the labor force and the wife is not in the labor force.
SOURCE: Bureau of Labor Statistics, Current Population Survey

Why has participation of women decreased in recent years?

- Decline in participation of highly-educated mothers
- Rising immigration

Labor force participation rate, 1948-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

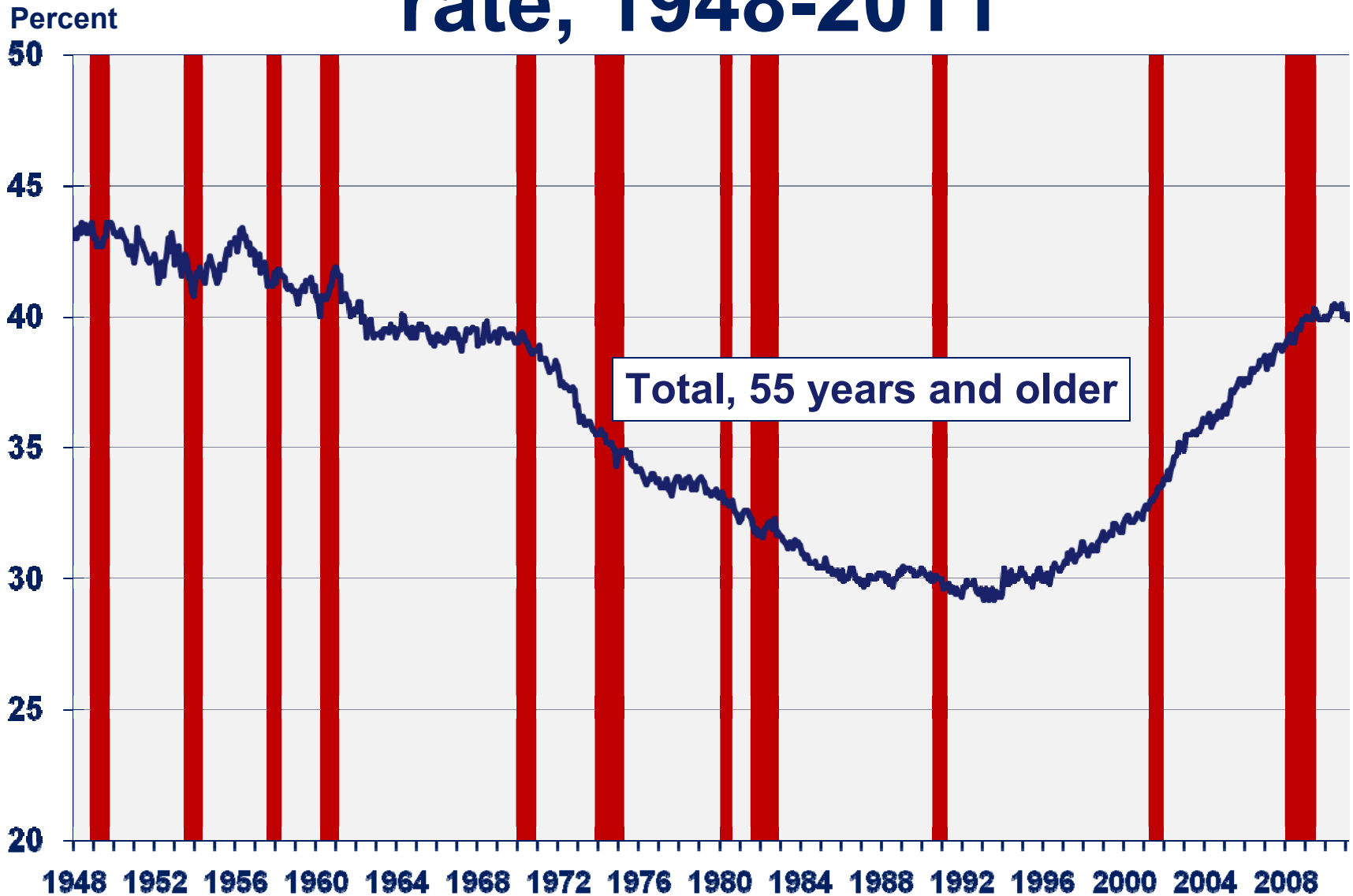
Why has participation of teens declined?

- Rising school enrollment
- Increased competition for available jobs
- Greater demand for more-educated workers

Why has participation of teens declined?

- Rise in family incomes, especially during 1990s
- Personal choice

Labor force participation rate, 1948-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

Why has participation increased for people age 55 and over?

- Changes to Social Security
- Shift from defined-benefit to defined-contribution plans
- Improving health status—longer life expectancies

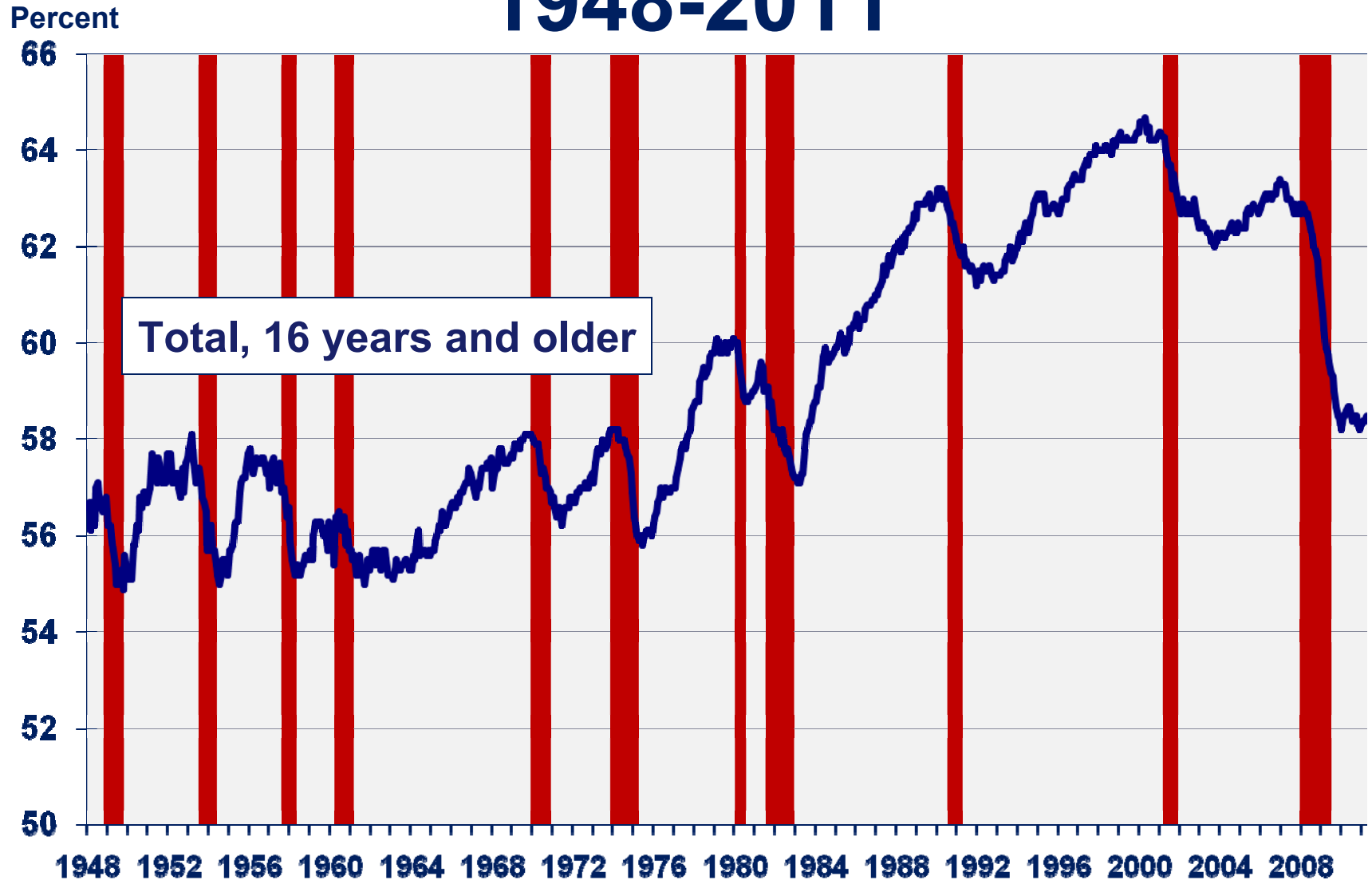
Why has participation increased for people age 55 and over?

- Decline in retiree health benefits from private-sector employers
- Rising health care costs
- Increase in age at first marriage

Common CPS terms

Employment-population ratio:
employed as a percent of the
population

Employment-population ratio, 1948-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey



Wage and salary employment, 2000-2011



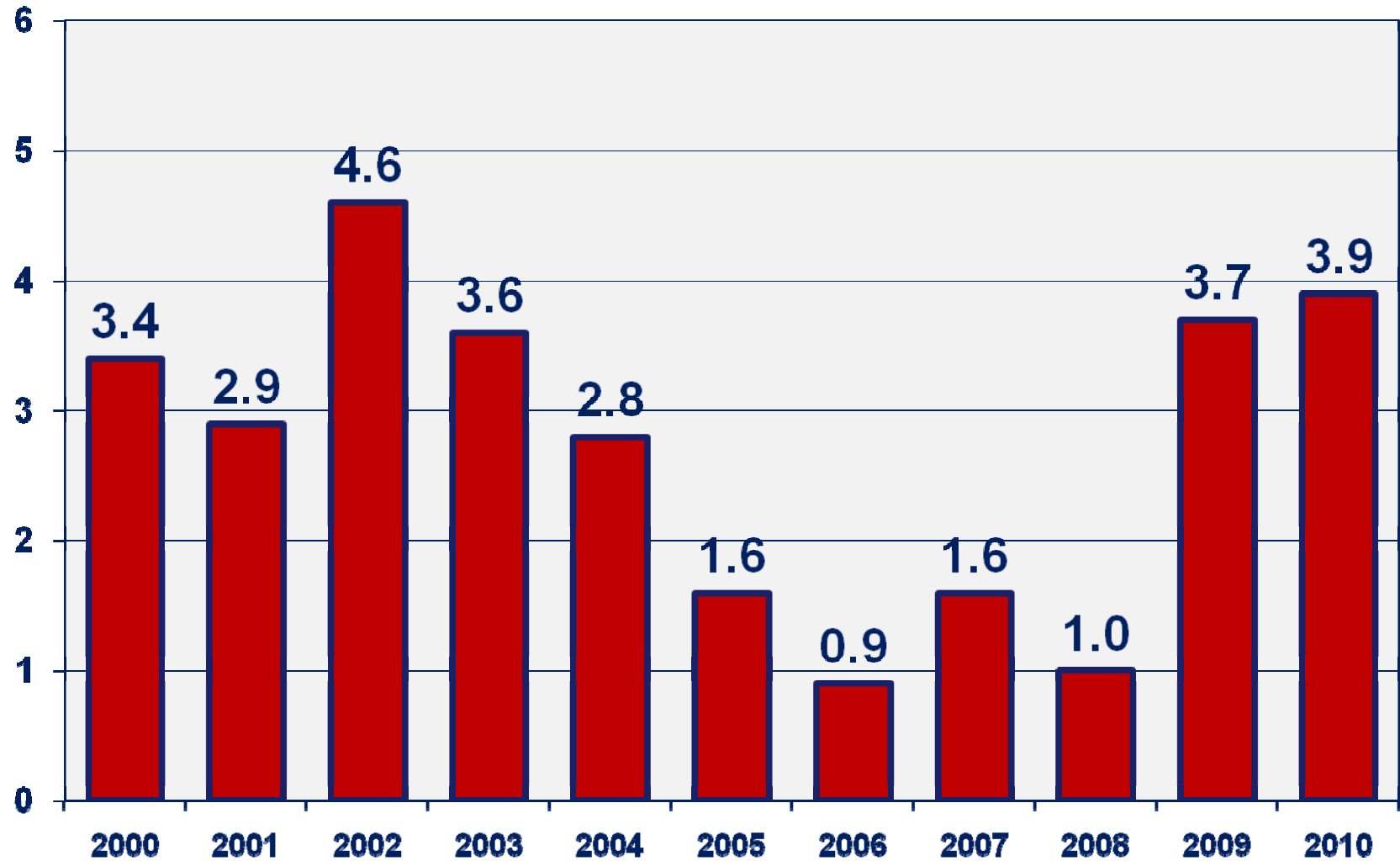
NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

Why has employment growth been slow?

- Psychology—firms reluctant to hire until recovery is firm
- Productivity increases
- Production reorganization

Productivity (output per hour), 2000-2010

Percent change



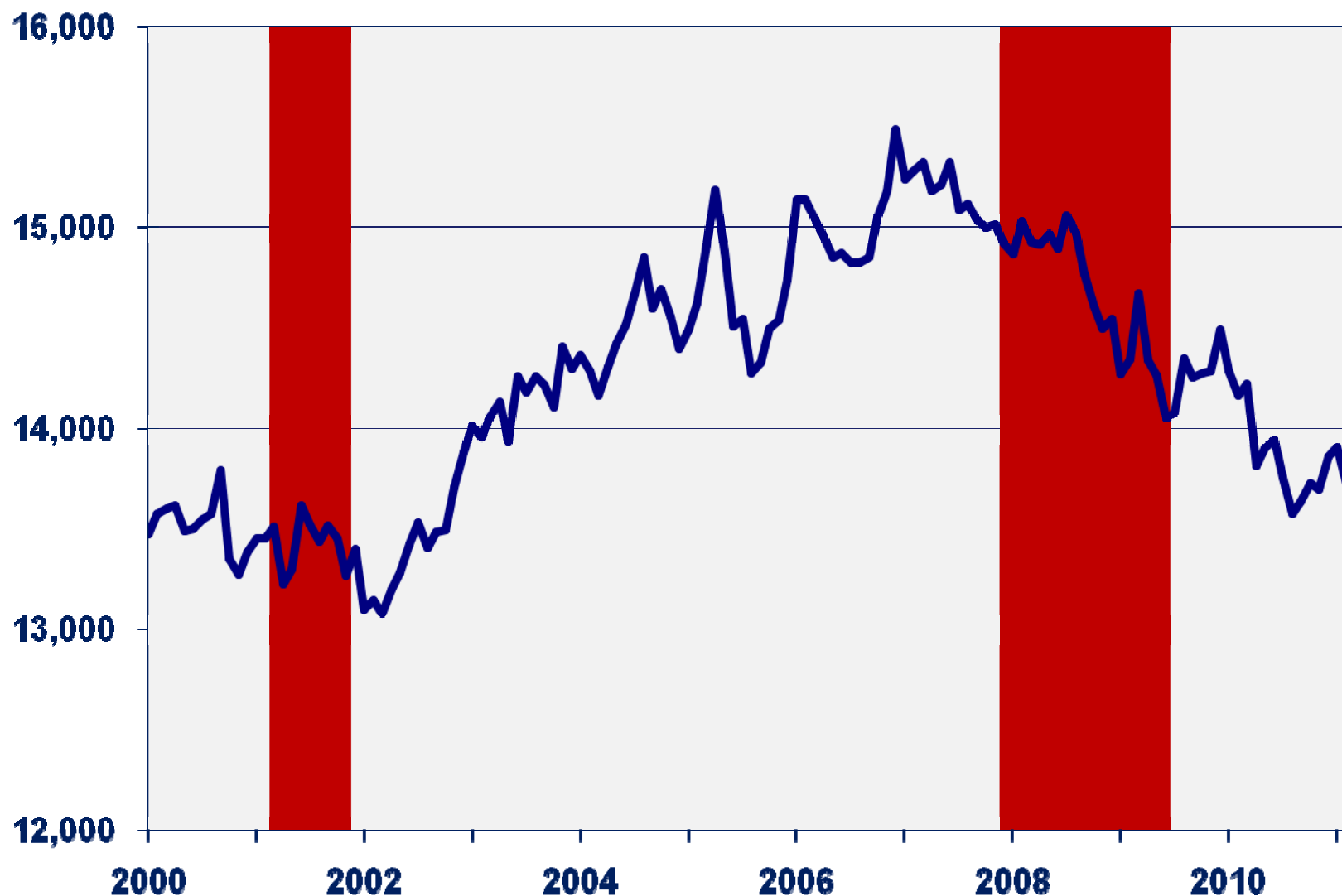
SOURCE: Bureau of Labor Statistics, Office of Productivity

Why has employment growth been slow?

- Structural changes in labor market
- Globalization

Self-employment, 2000-2011

Thousands



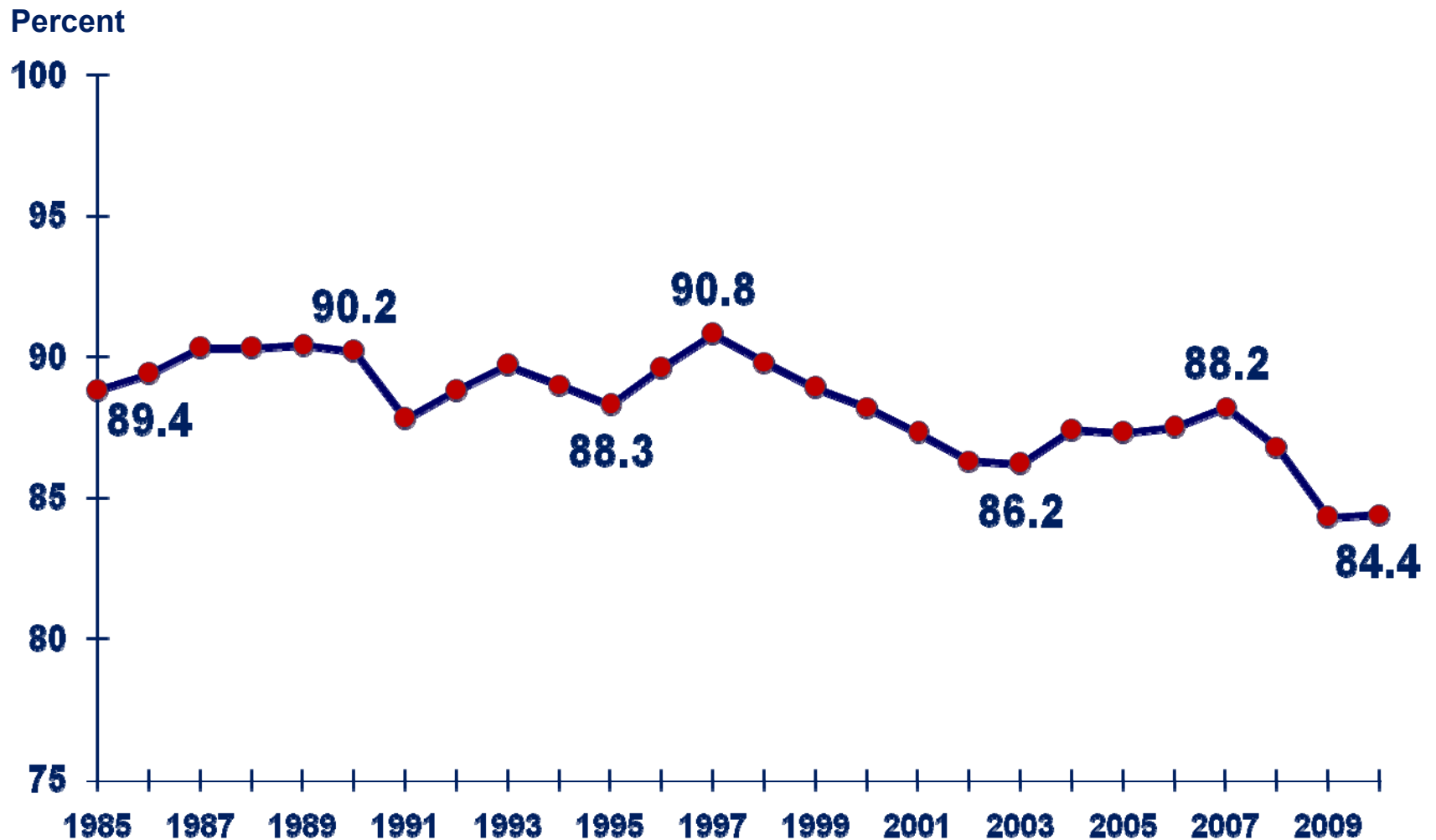
NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey



Why has self-employment declined?

- Sharp rise in business failures
- Limited availability of credit has inhibited new business formation

Employment-population ratio for recent college graduates, 1985-2010

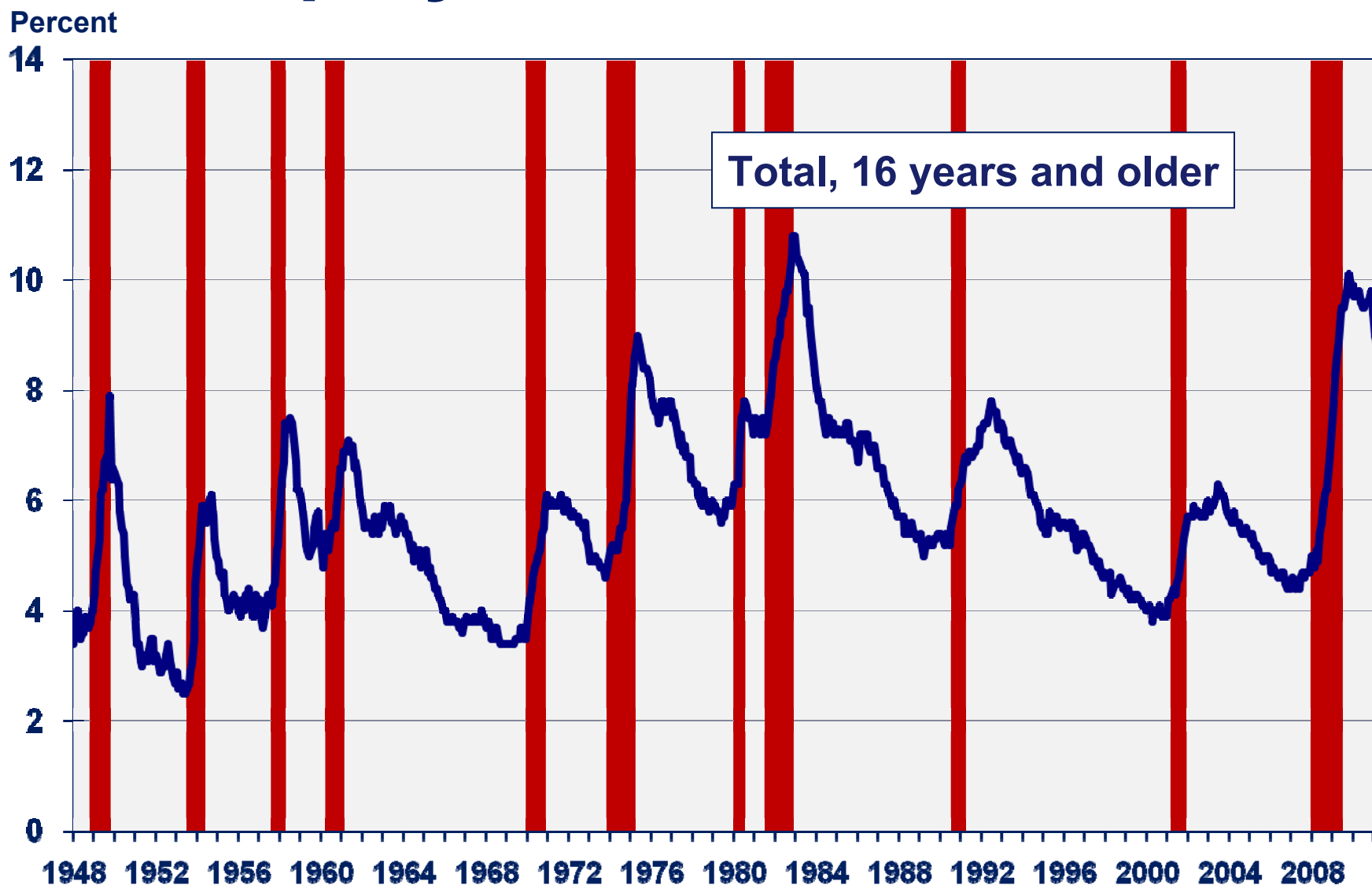


SOURCE: Bureau of Labor Statistics, Current Population Survey

Common CPS terms

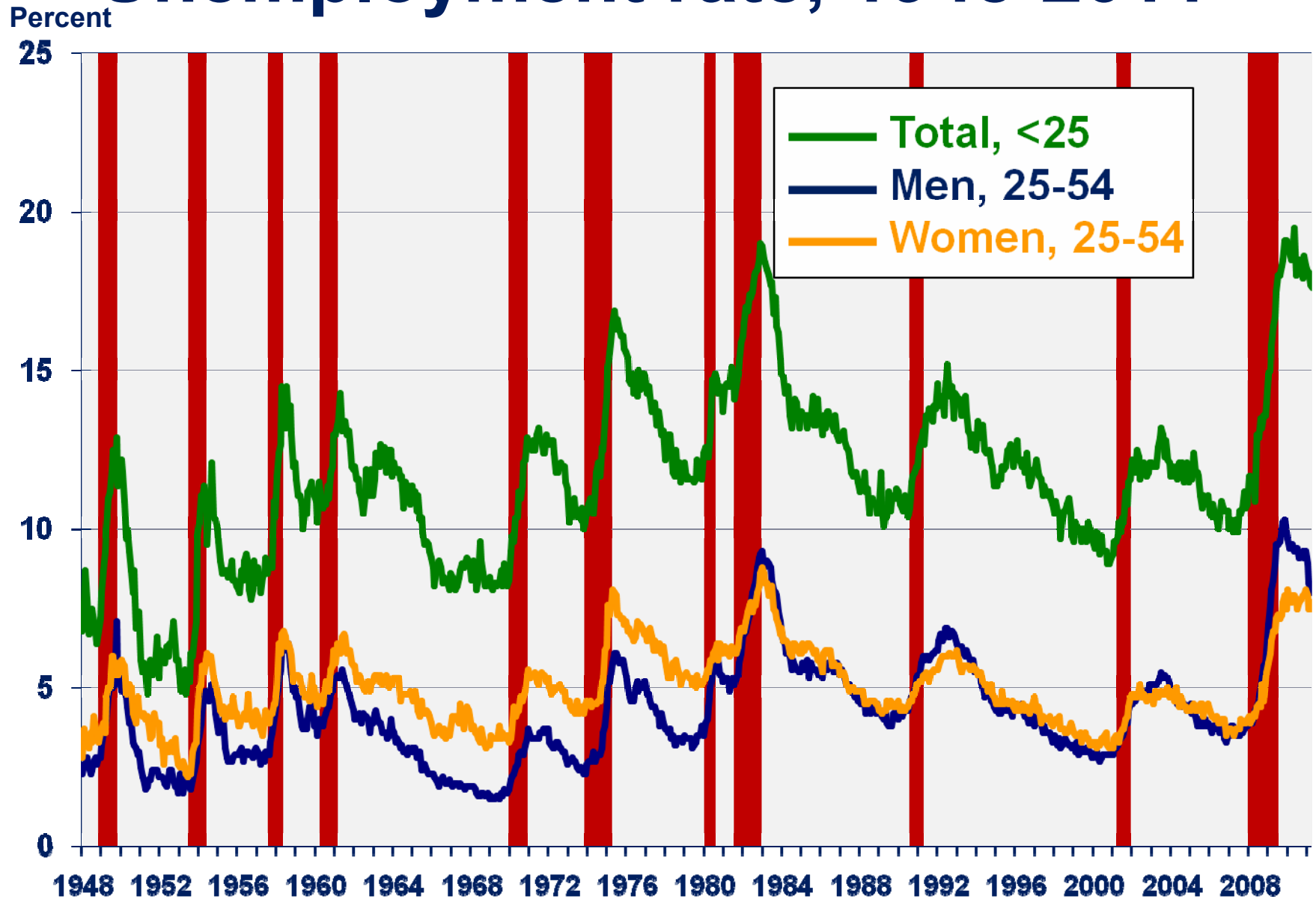
Unemployment rate: unemployed
as a percent of the labor force

Unemployment rate, 1948-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

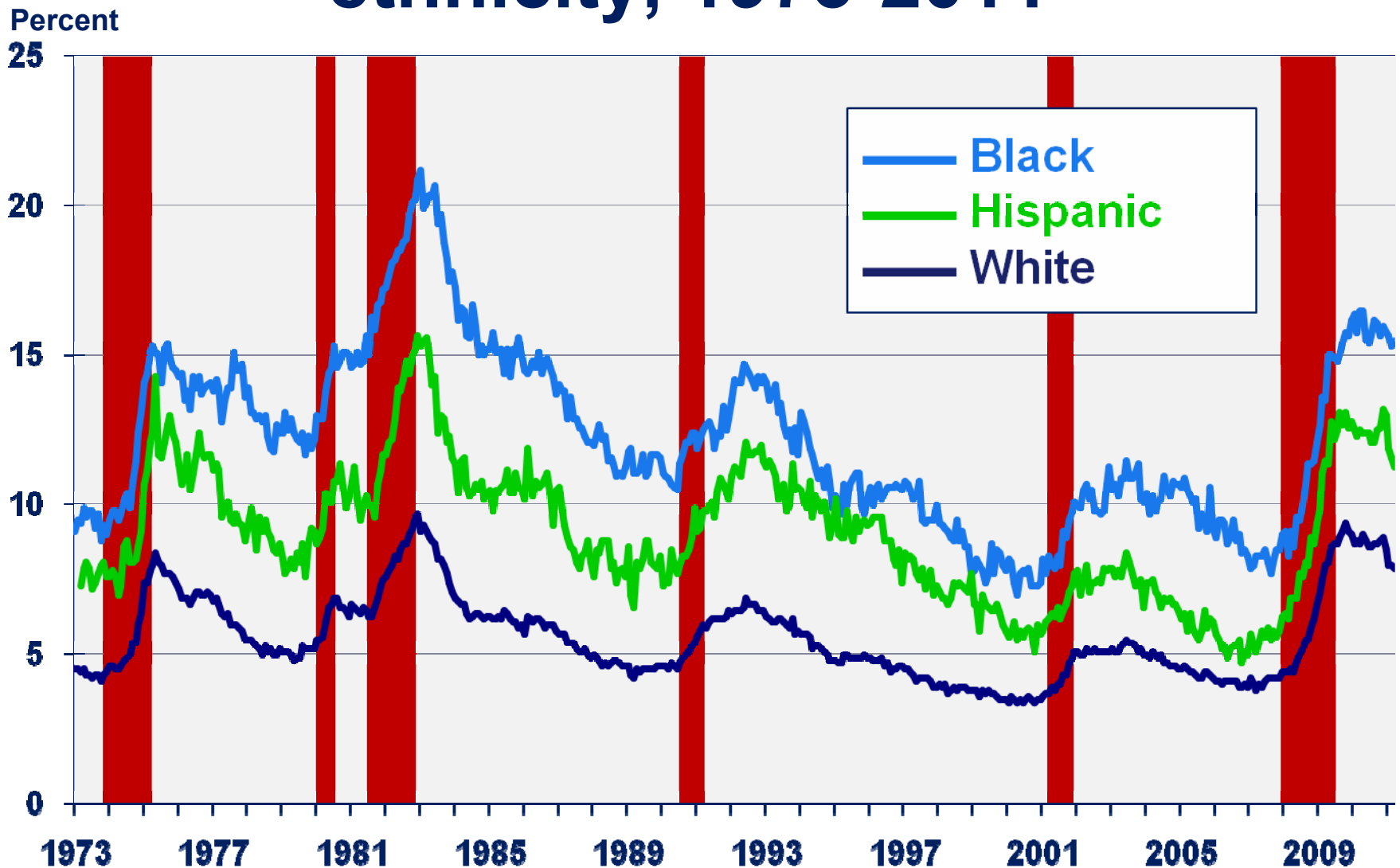
Unemployment rate, 1948-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).

SOURCE: Bureau of Labor Statistics, Current Population Survey

Unemployment rate by race and ethnicity, 1973-2011

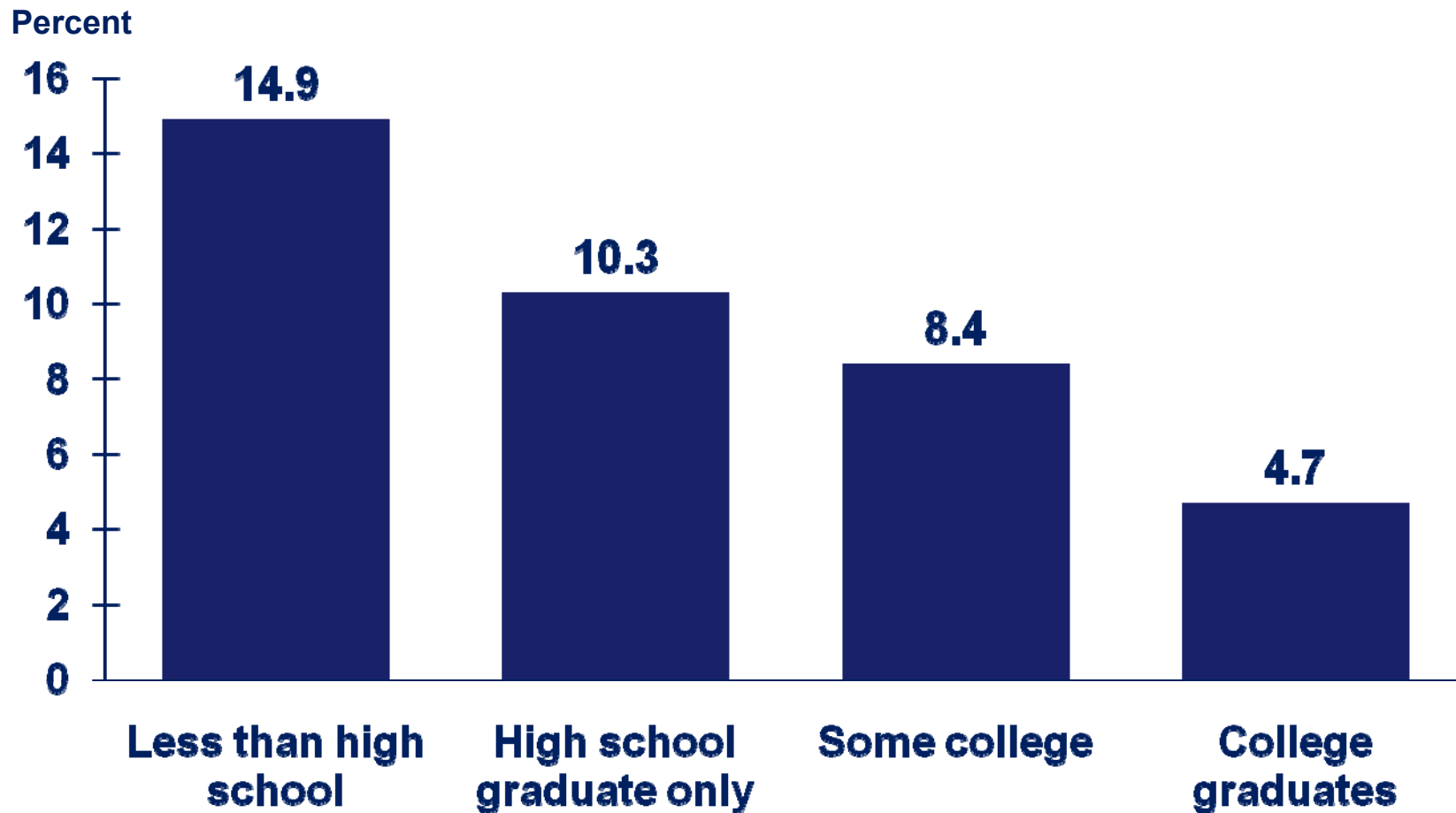


NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).

SOURCE: Bureau of Labor Statistics, Current Population Survey



Unemployment rate by education

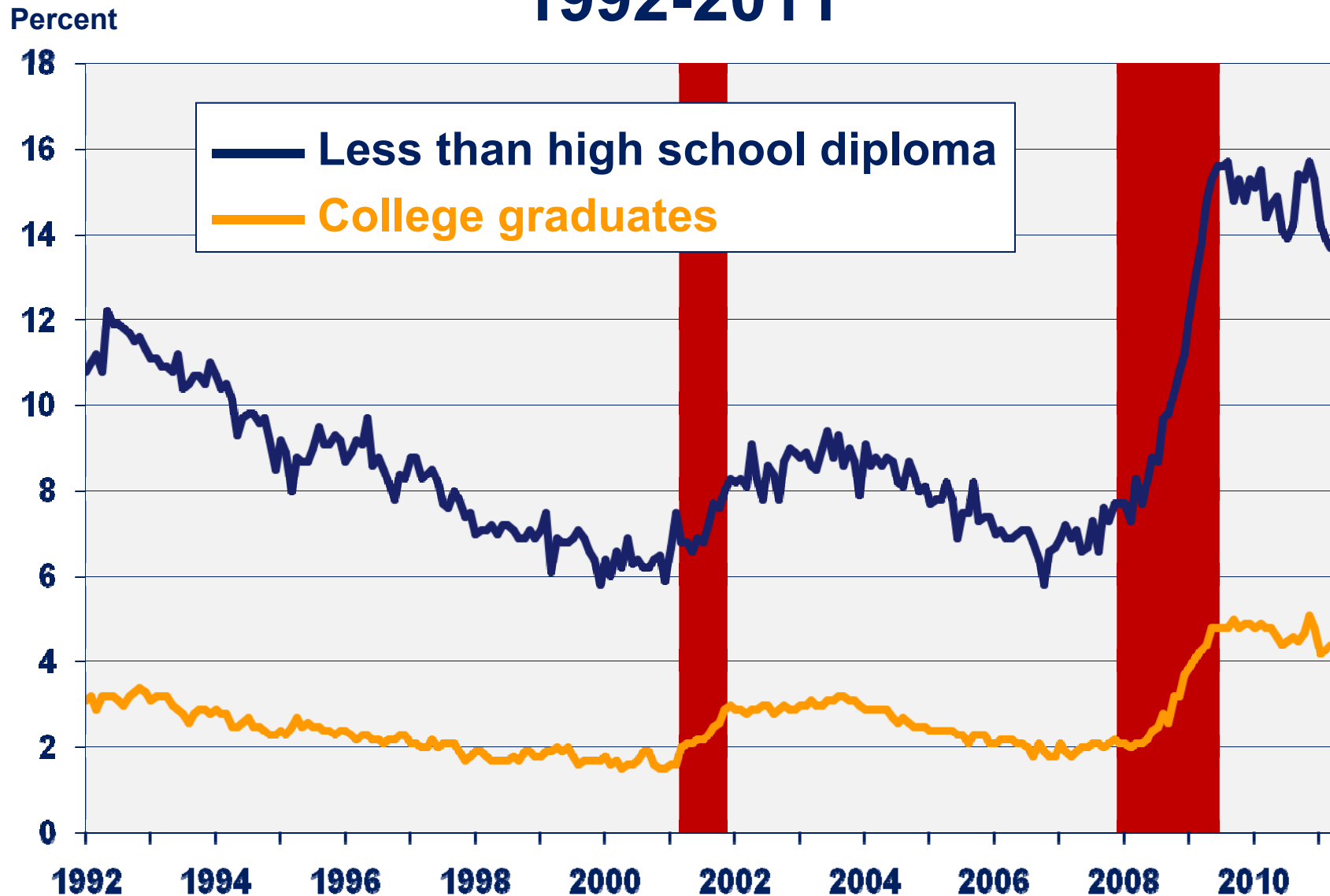


2010



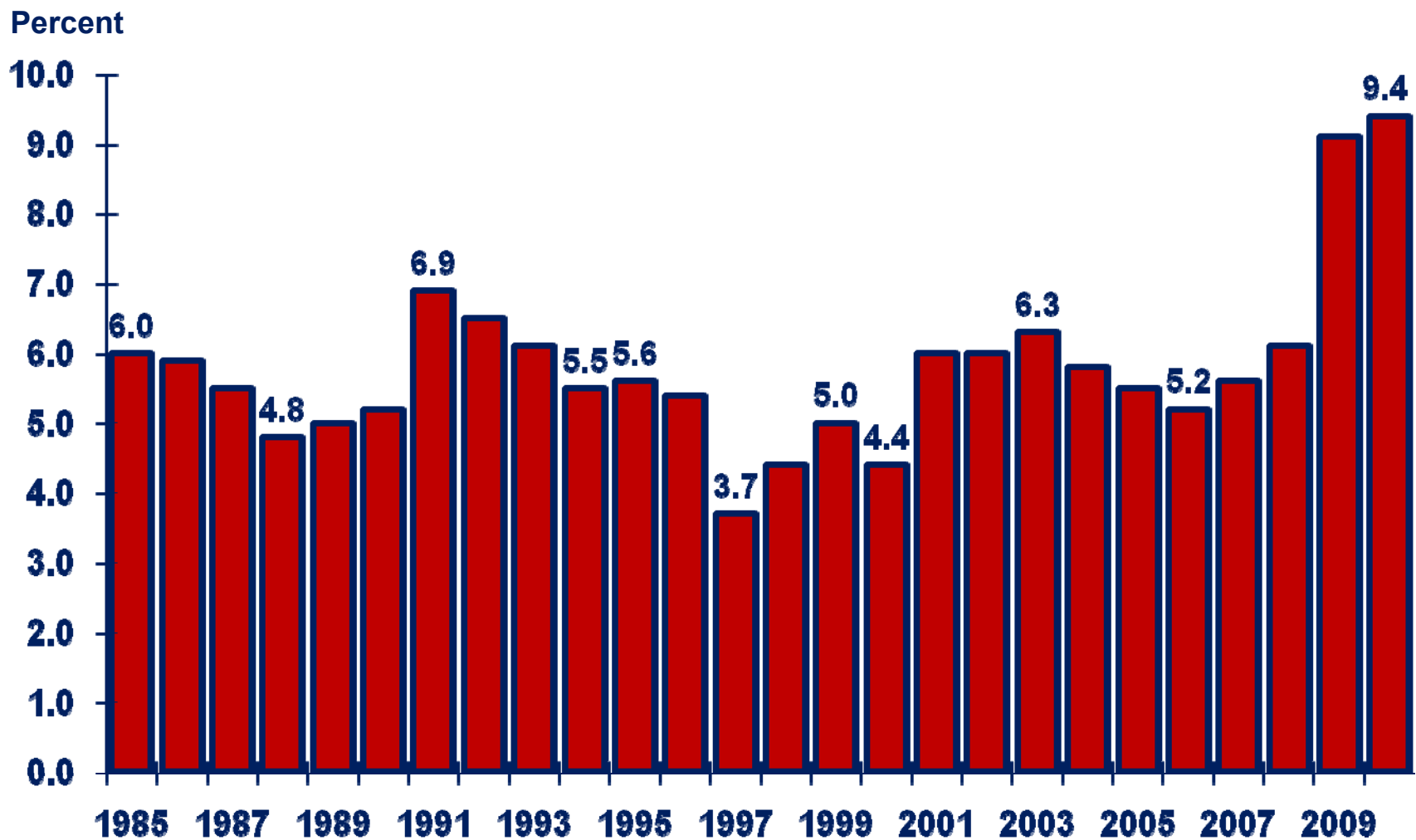
SOURCE: Bureau of Labor Statistics, Current Population Survey

Unemployment rate by education, 1992-2011



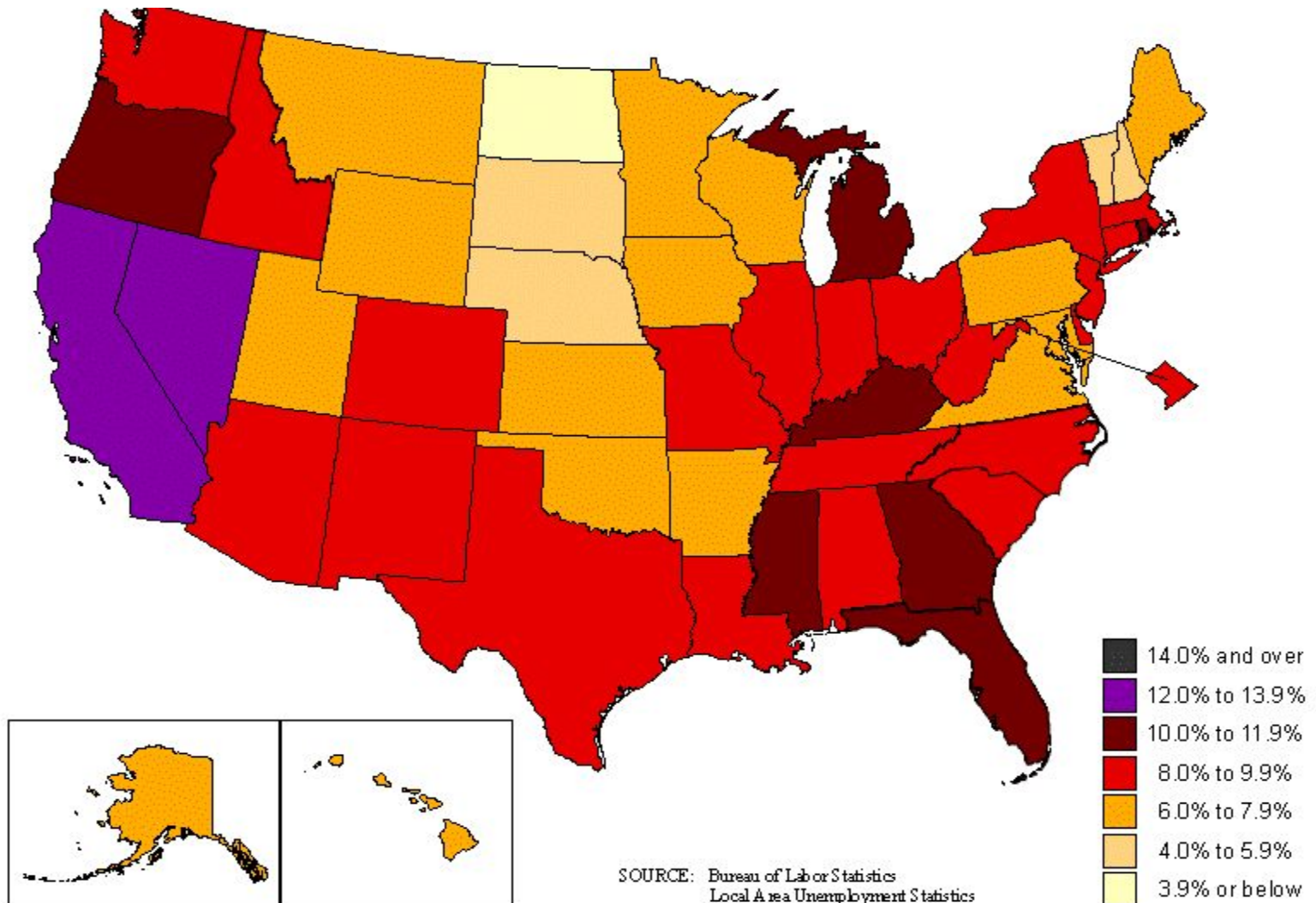
NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

Unemployment rate for recent college graduates, 1985-2010



SOURCE: Bureau of Labor Statistics, Current Population Survey

Unemployment rate by state (March 2011)

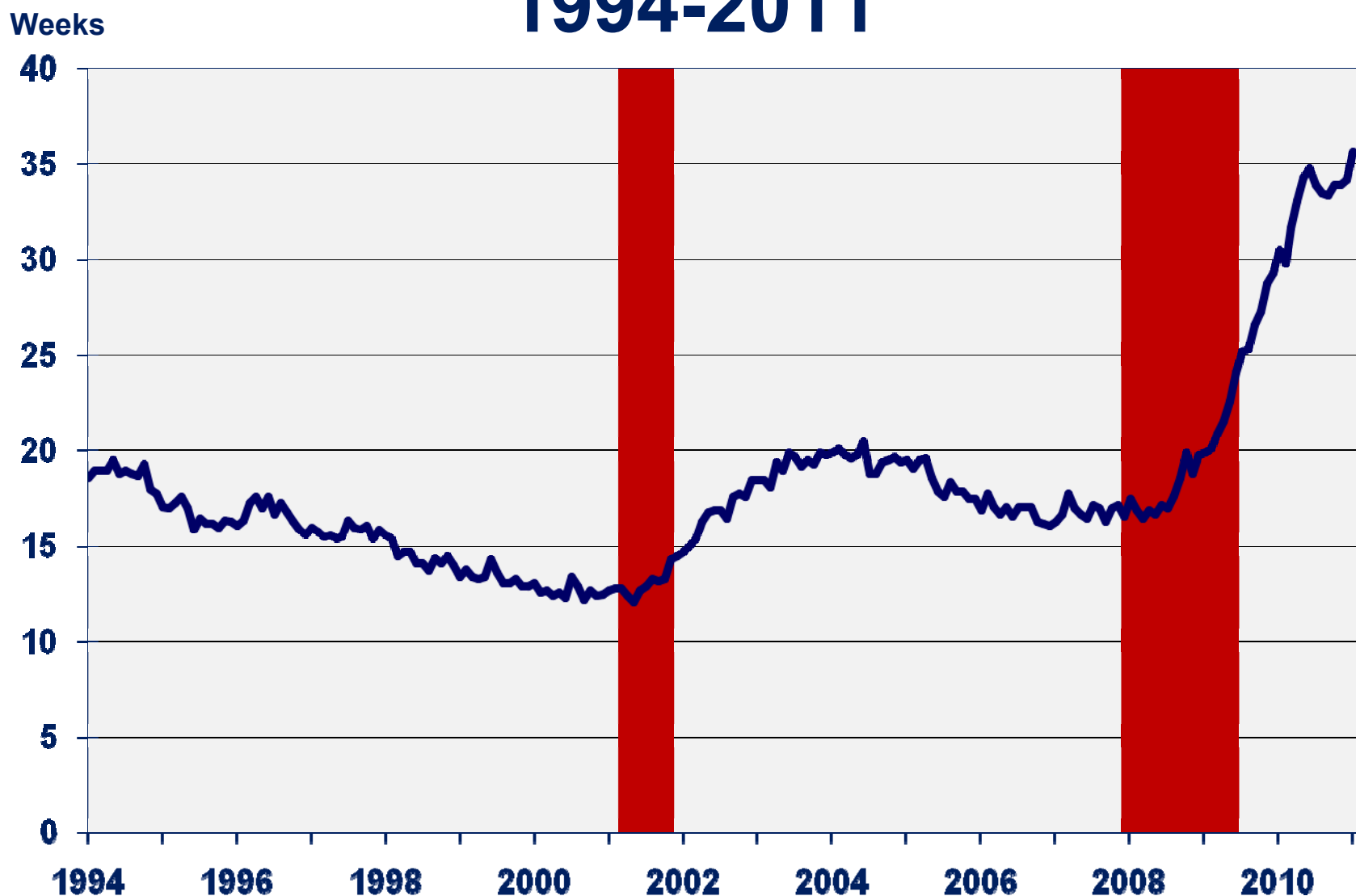


Common CPS terms

Duration of unemployment

Length of time that people classified as unemployed have been actively looking for work

Average duration of unemployment, 1994-2011

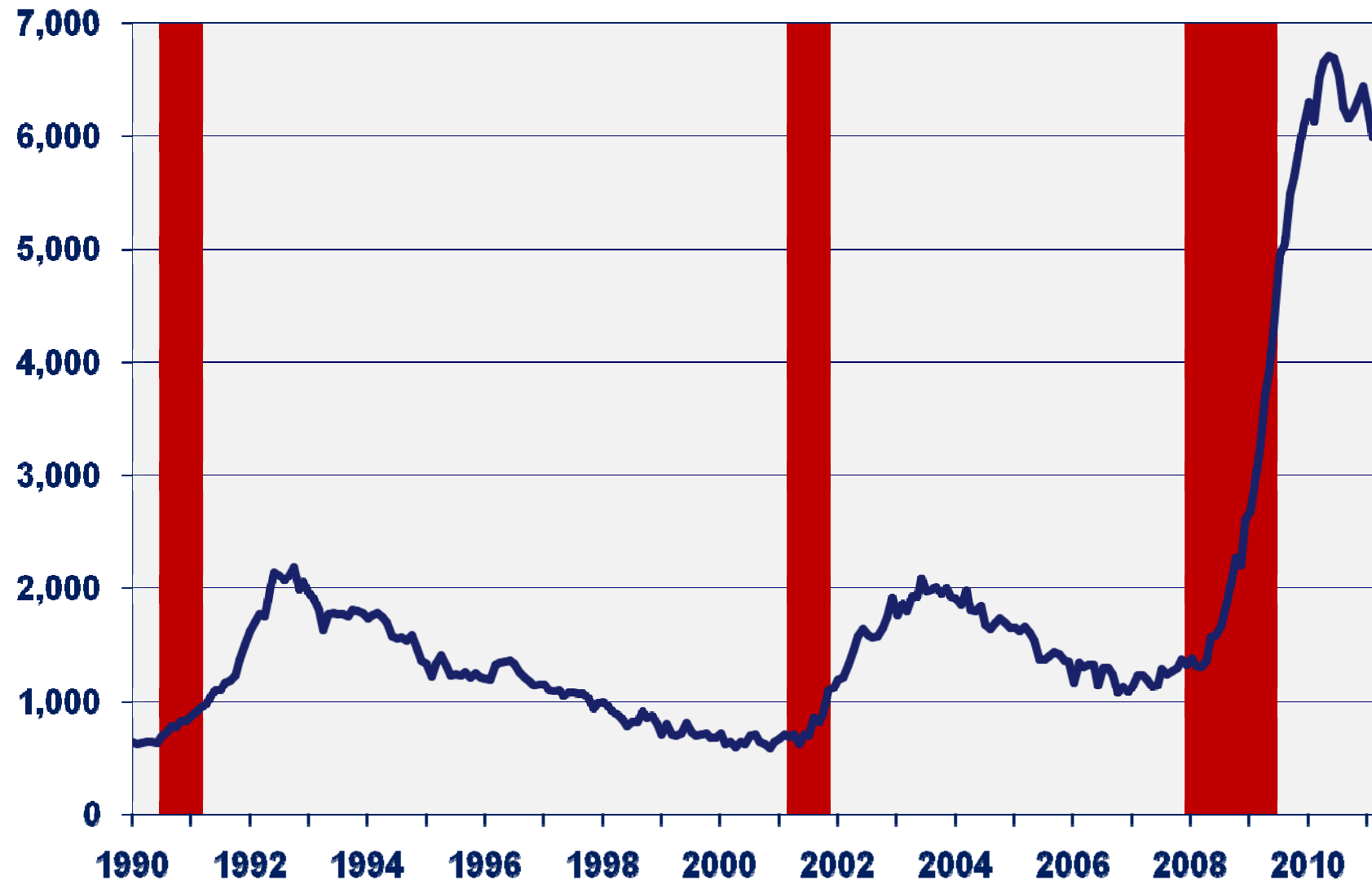


NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey



Long-term unemployed (≥ 27 weeks), 1990-2011

Thousands



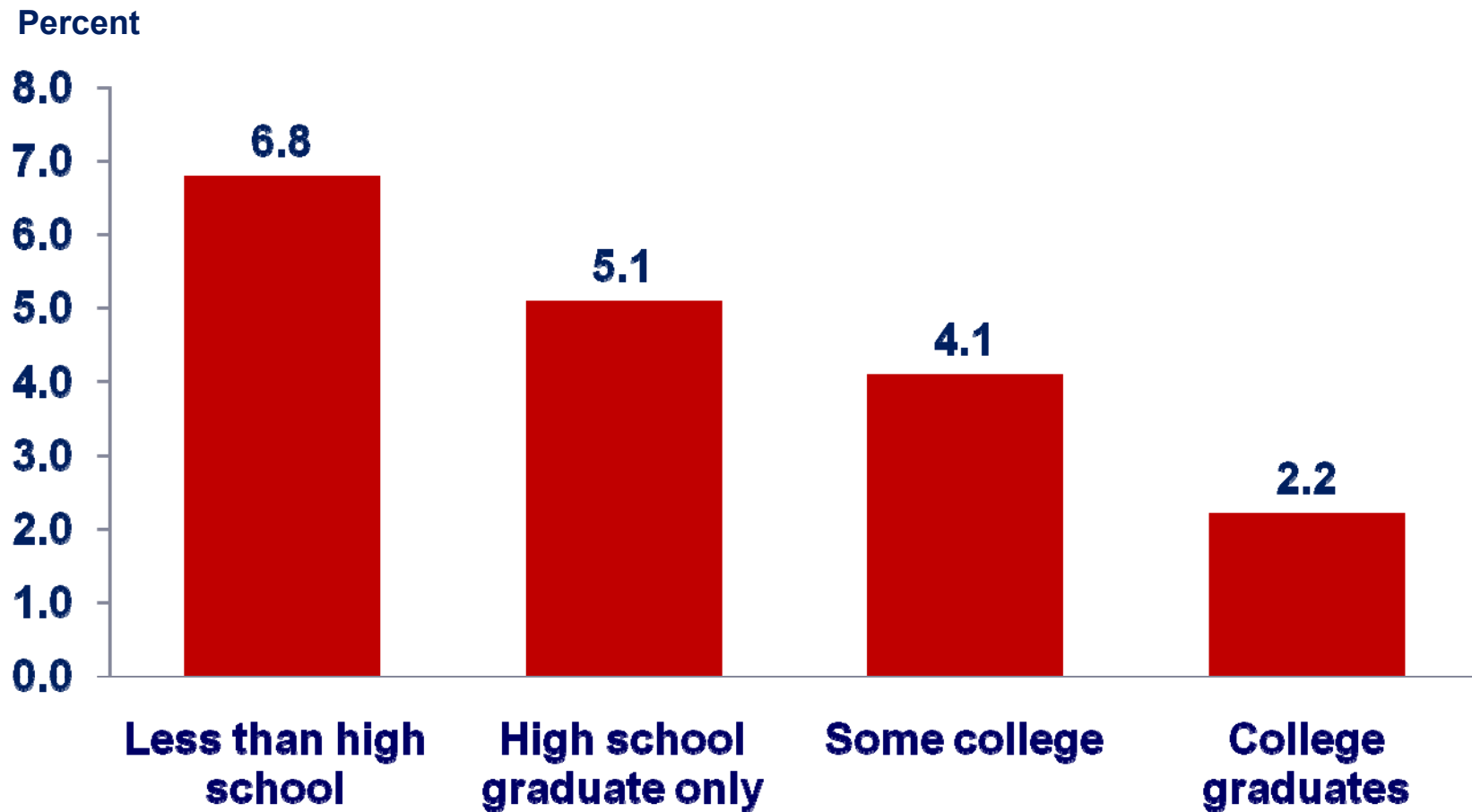
NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey



Common CPS terms

Long-term unemployment rate:
unemployed 27 weeks or more as
a percent of the labor force

Long-term unemployment rate by education



2010

Source: Bureau of Labor Statistics, Current Population Survey



Common CPS terms

Part time for economic reasons:
people who want and are
available for full-time work but can
only find part-time work

Part time for economic reasons, 1990-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER). Beginning in 1994, data reflect the introduction of a major redesign of the Current Population Survey.

SOURCE: Bureau of Labor Statistics, Current Population Survey

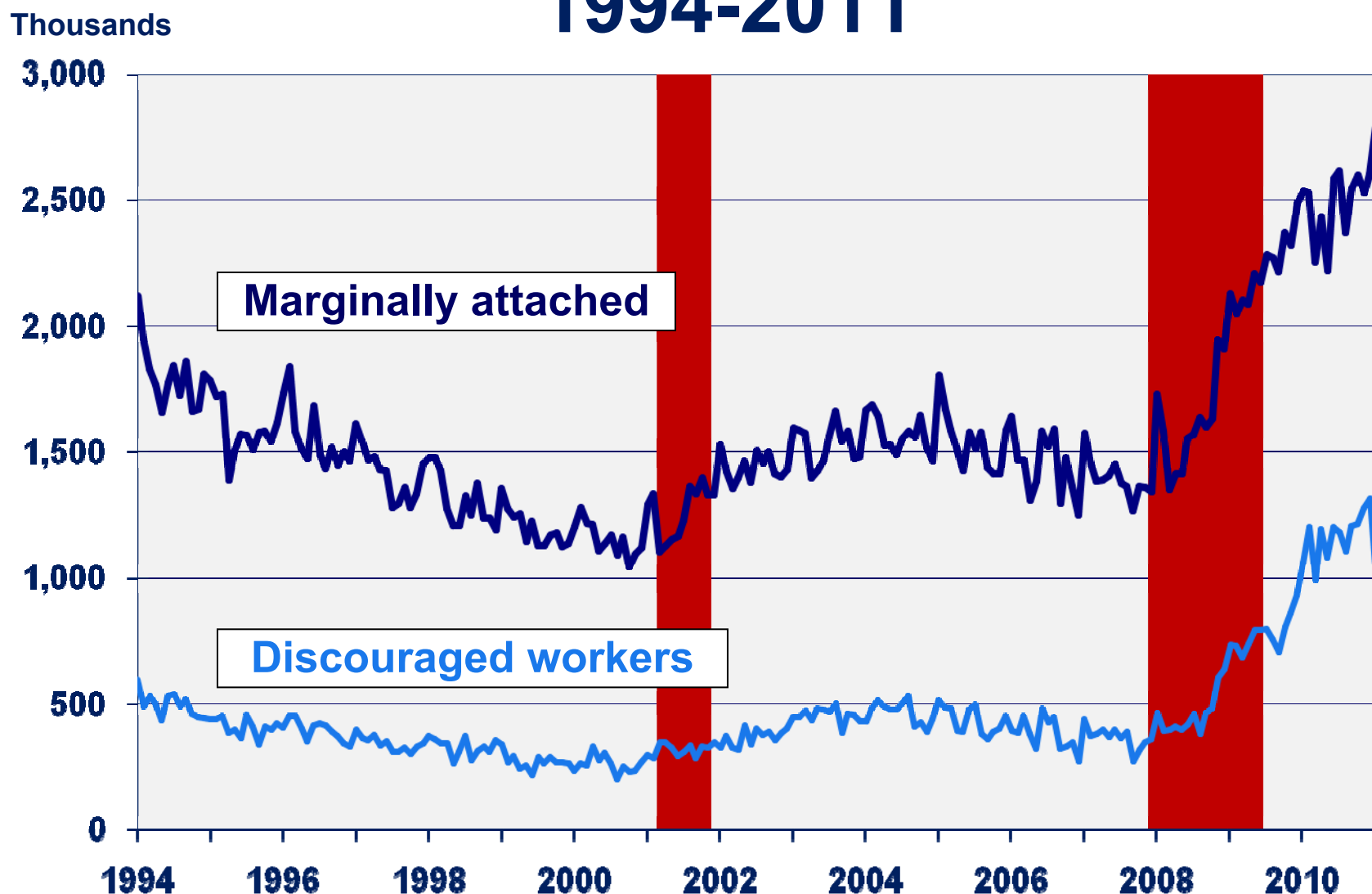


Common CPS terms

Marginally attached to the labor force

Discouraged workers

People not in the labor force, 1994-2011



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

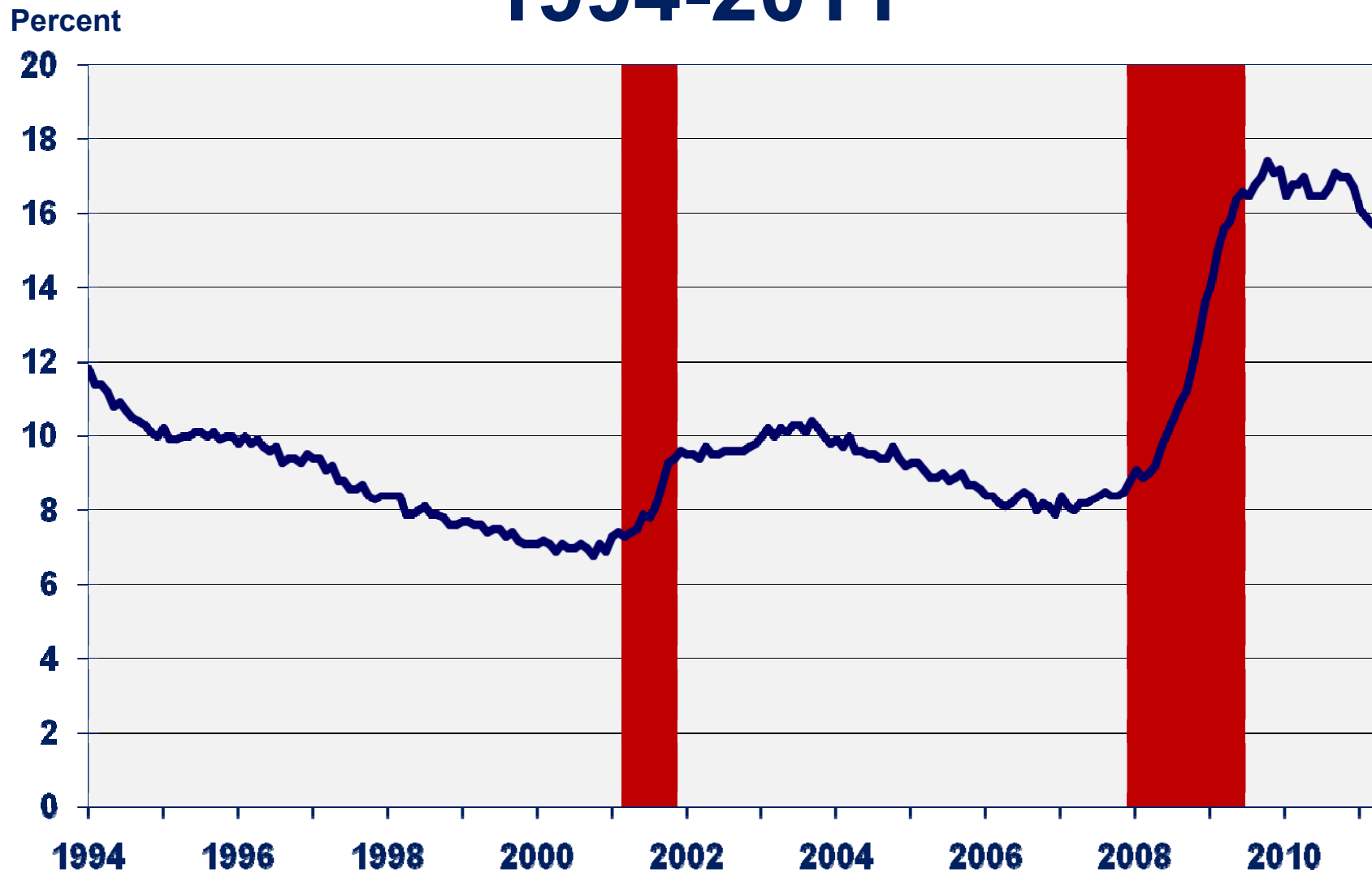


Common CPS terms

Alternative measure of labor underutilization (U-6):

“underemployment rate”—adds involuntary part time and marginally attached to the unemployed

“Underemployment rate” (U-6), 1994-2011



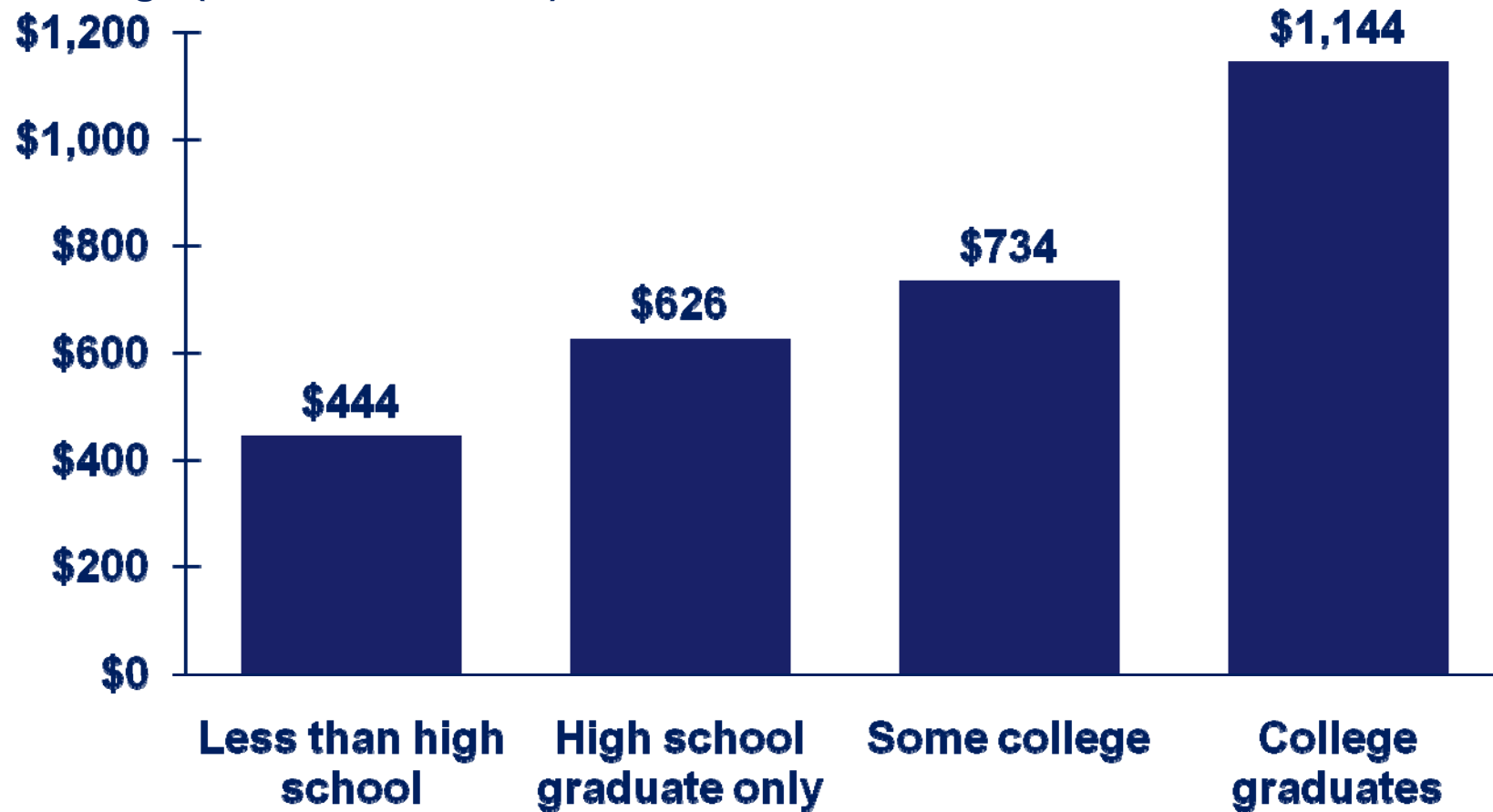
NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Population Survey

Common CPS terms

Usual weekly earnings of full-time wage and salary workers

Median weekly earnings by education

Earnings (Full-time workers)



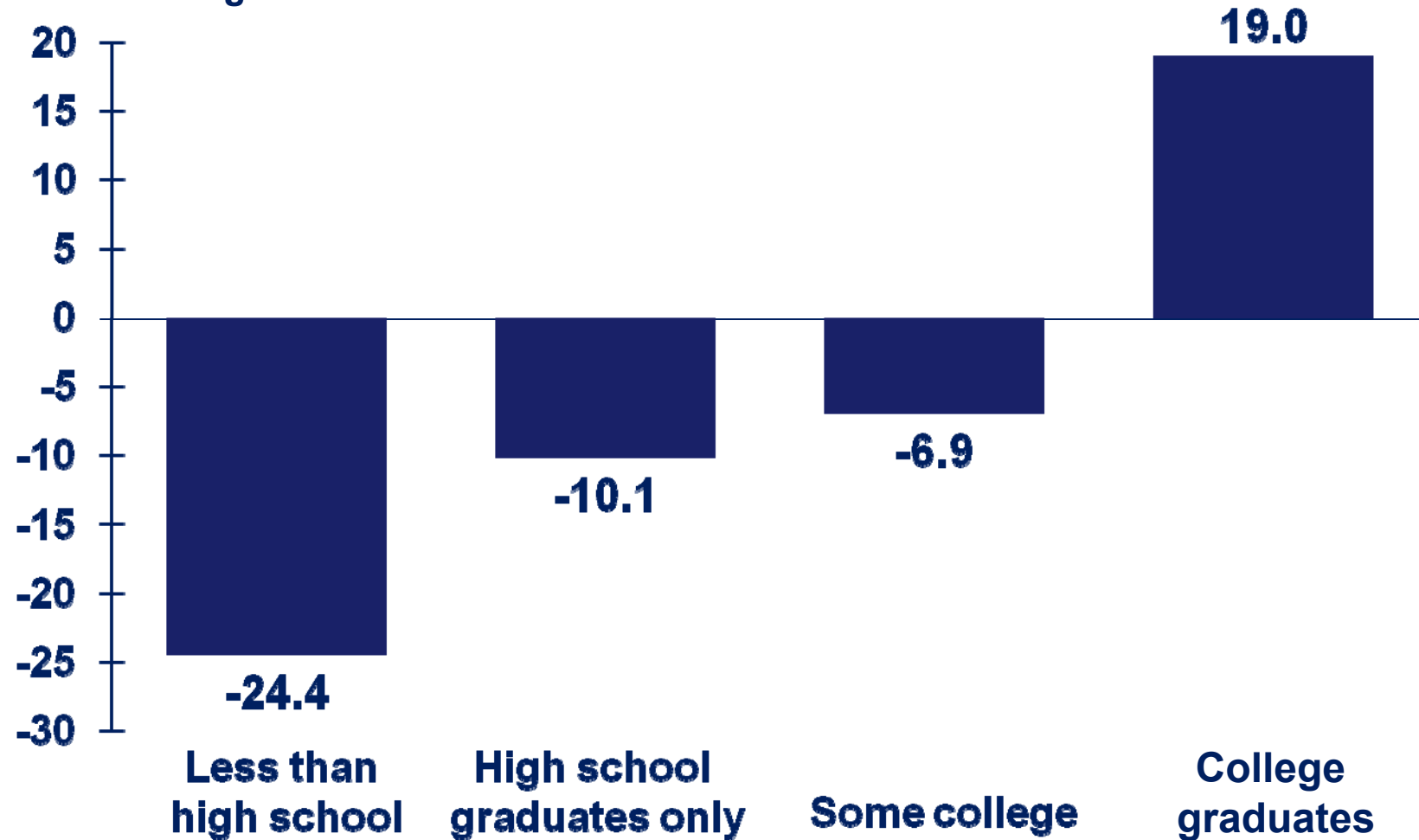
2010



SOURCE: Bureau of Labor Statistics, Current Population Survey

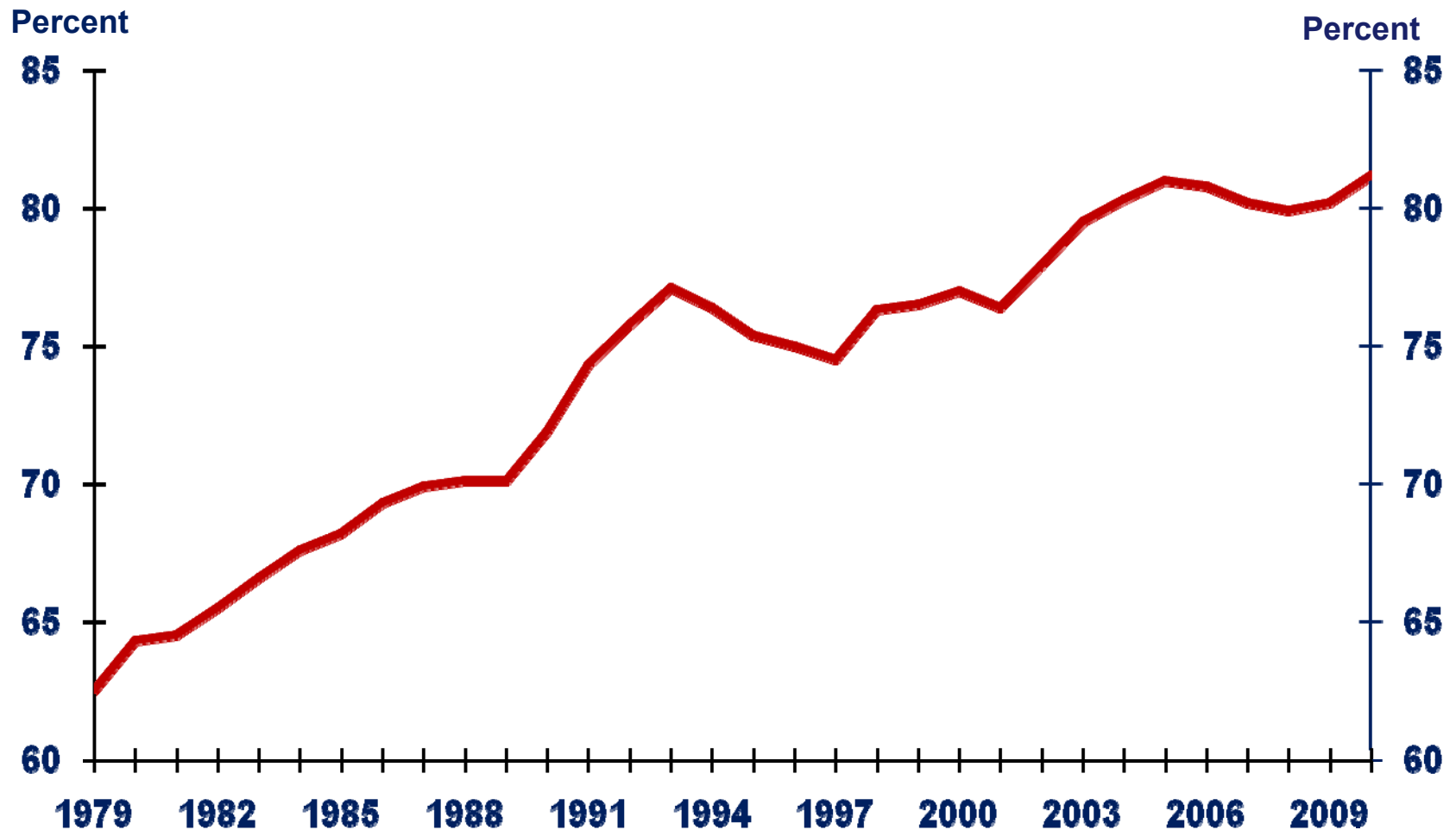
Change in real earnings by education, 1979-2010

Percent change



SOURCE: Bureau of Labor Statistics, Current Population Survey

Women's earnings as a percent of men's, 1979-2010



NOTE: Earnings are median usual weekly earnings of full-time wage and salary workers.
SOURCE: Bureau of Labor Statistics, Current Population Survey

Current Employment Statistics (CES) Survey

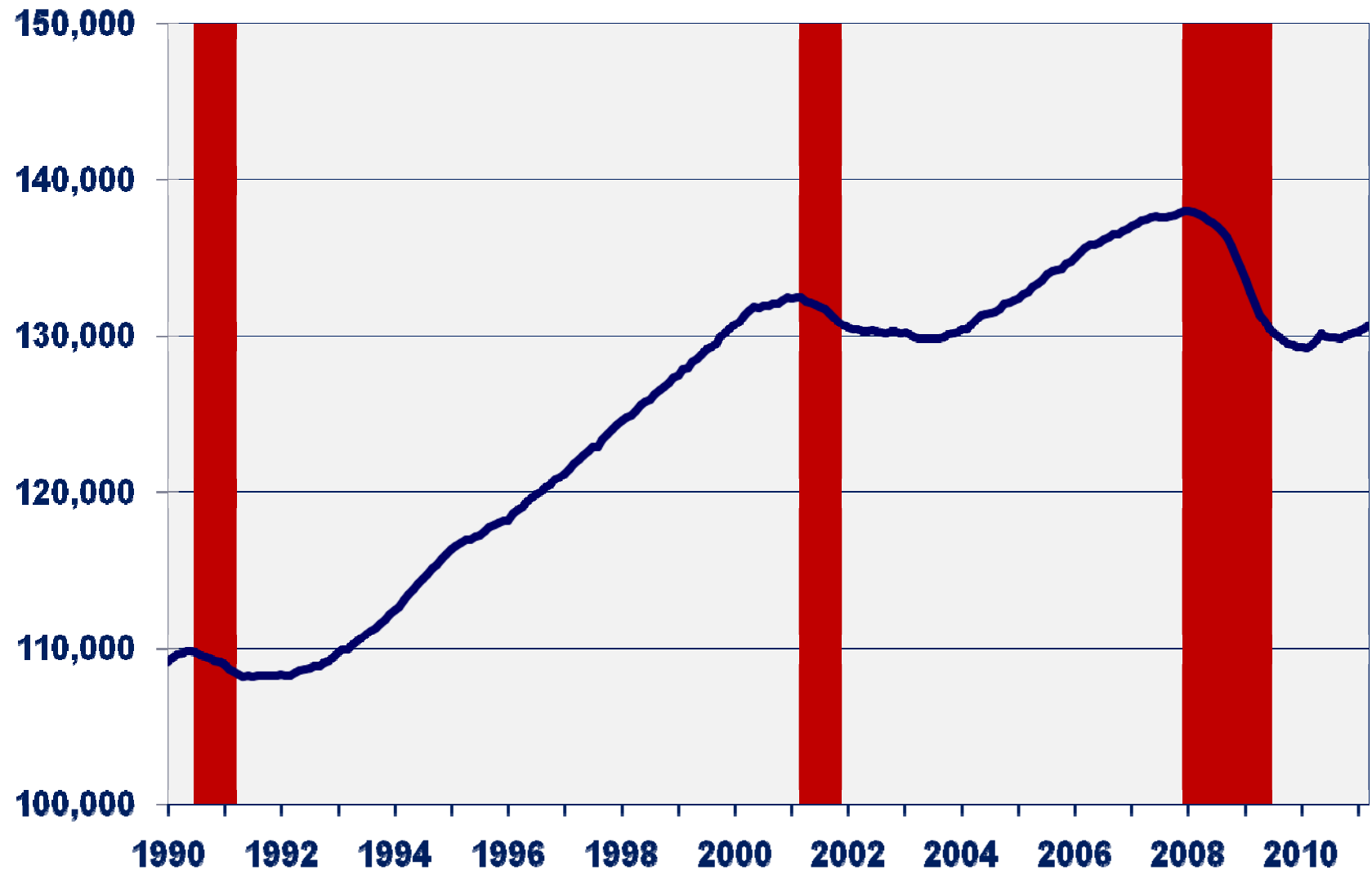
- 400,000 business establishments
- Federal-State program
- Number of jobs created
- Reference period is pay period that includes the 12th day of the month

Major types of CES data

- Nonfarm payroll employment
- Detailed industry
- Hours
- Earnings

Total number of jobs, 1990-2011

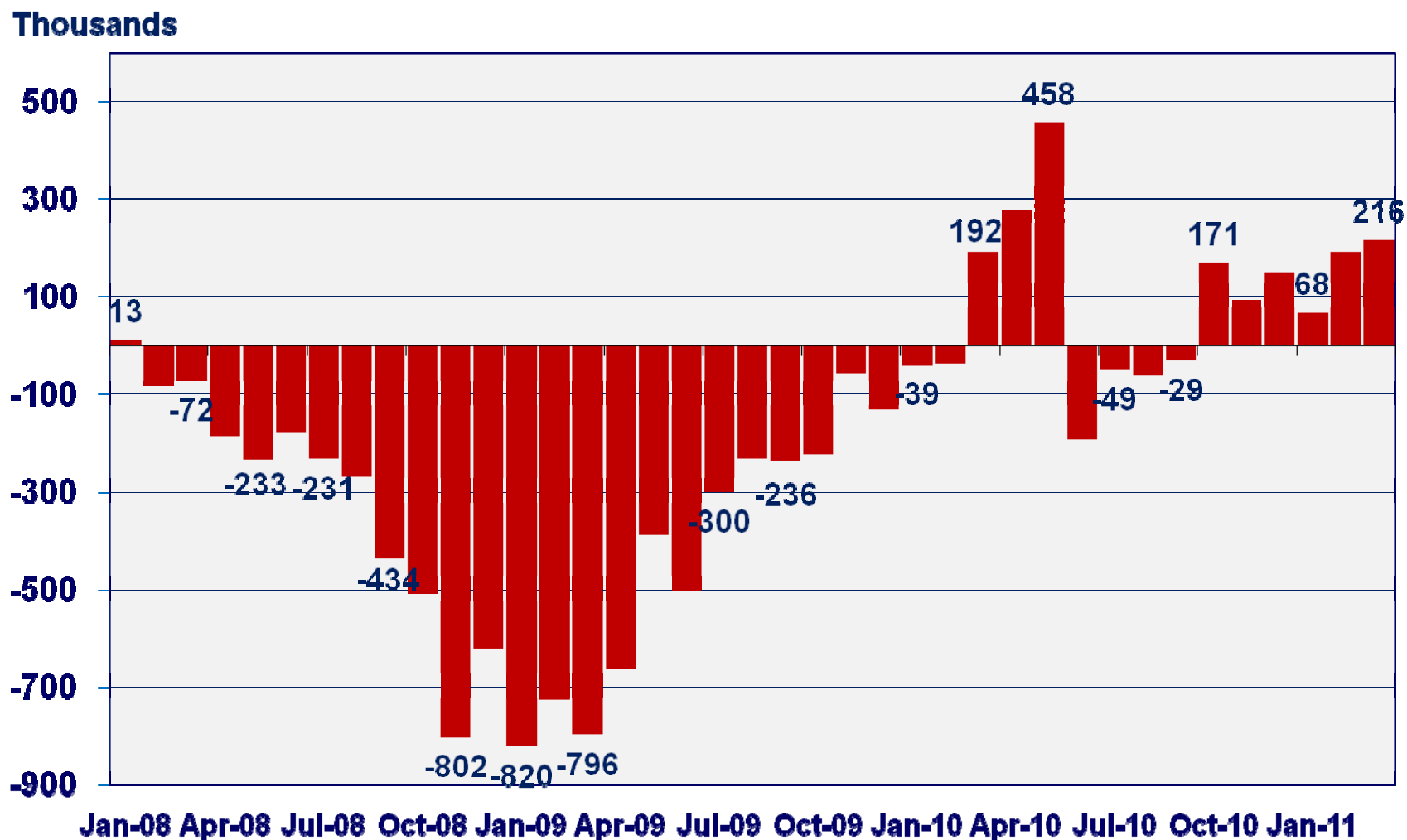
Thousands



NOTE: Shaded areas represent recessions as determined by the National Bureau of Economic Research (NBER).
SOURCE: Bureau of Labor Statistics, Current Employment Statistics Survey



Monthly change in total number of jobs, 2008-2011

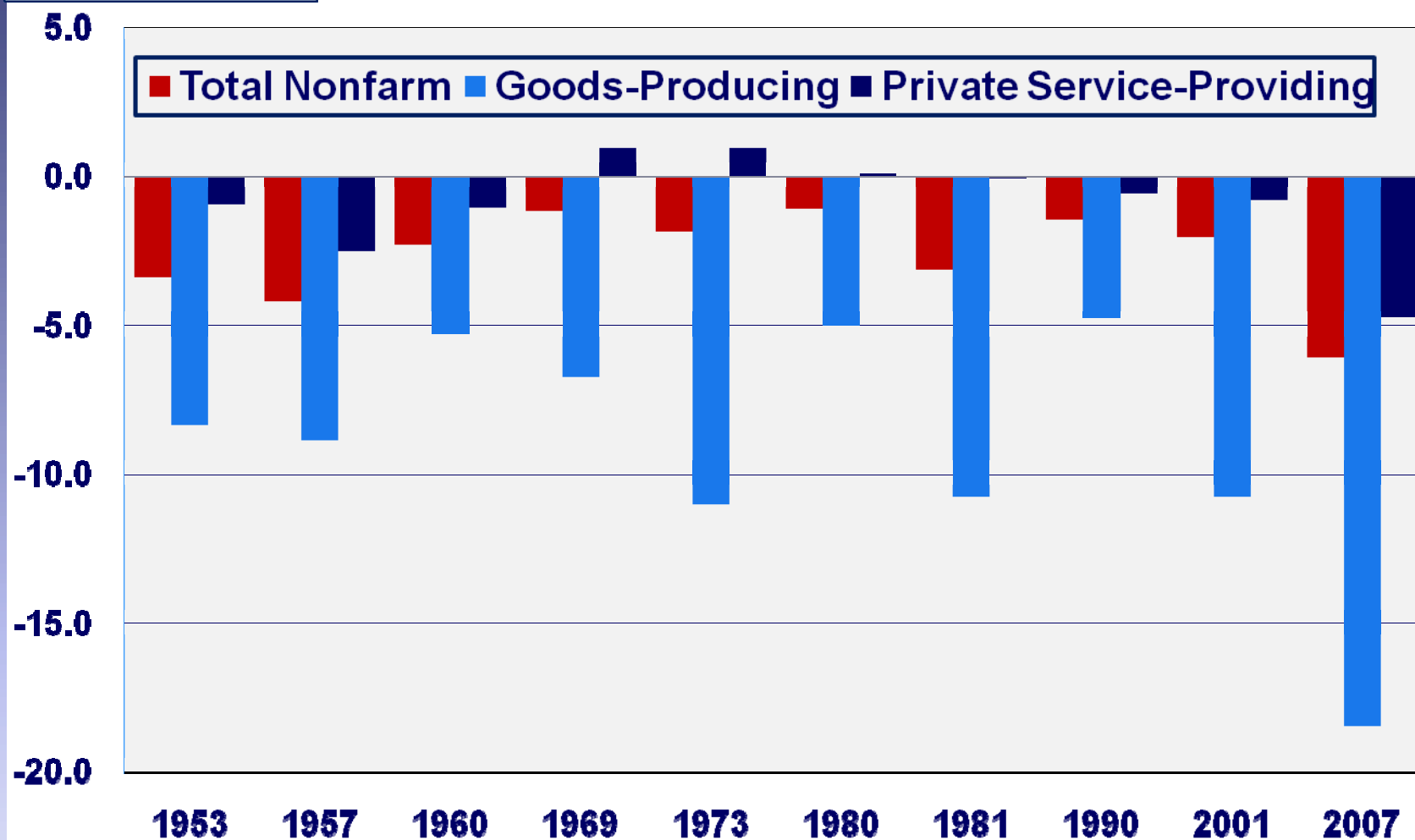


Source: U.S. Bureau of Labor Statistics, Current Employment Statistics survey.



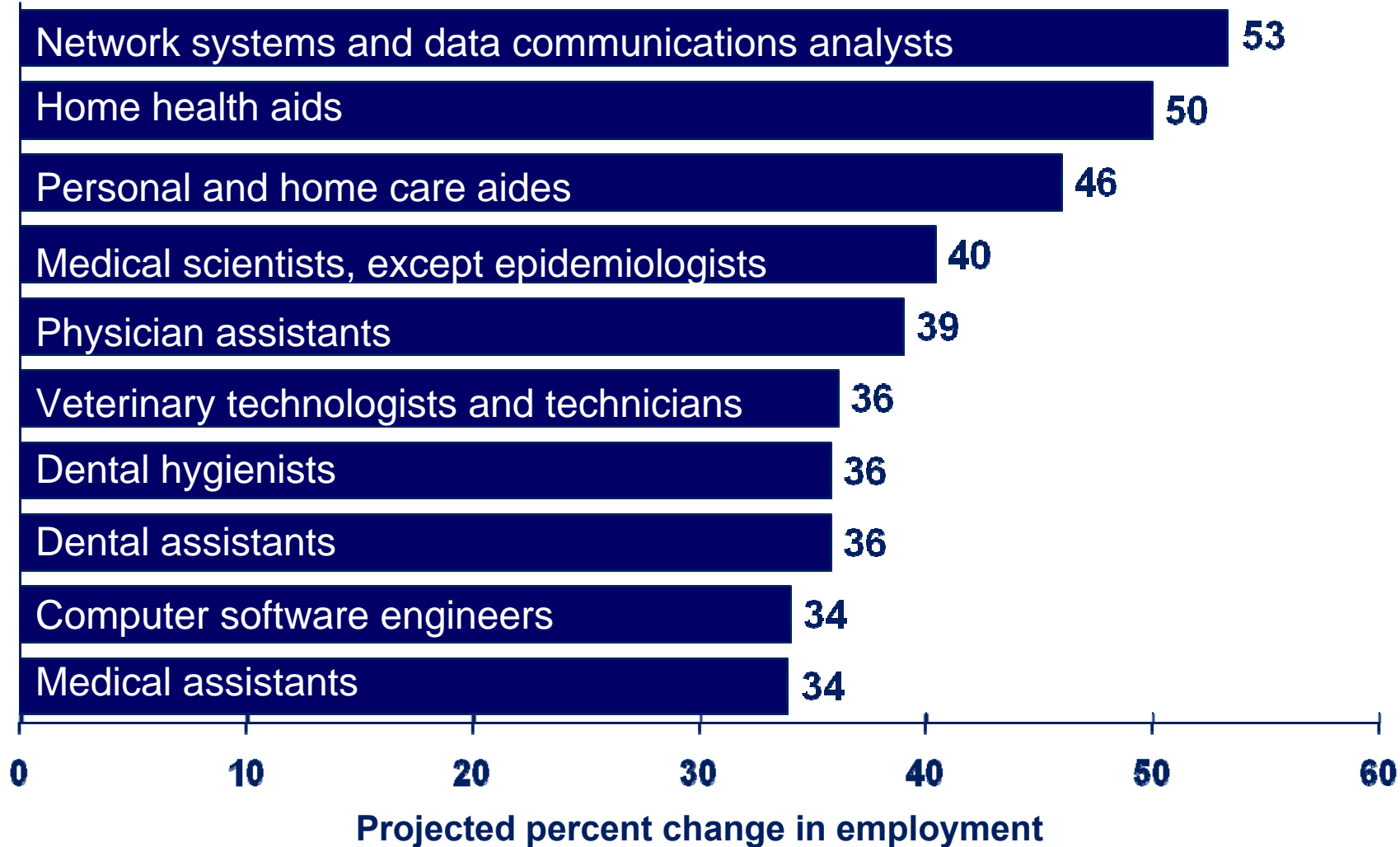
Peak-to-trough employment decline, by downturn

Percent change



Source: Bureau of Labor Statistics, Current Employment Statistics Survey

Fastest growing occupations, 2008-2018



SOURCE: Bureau of Labor Statistics, Office of Employment Projections

Office of Employment Projections at BLS

- Website:
<http://www.bls.gov/emp>
- *Occupational Outlook Handbook*
<http://www.bls.gov/ocol>

Concluding thoughts

- Classification of unemployment requires active job search—not receipt of unemployment insurance
- Job market improving somewhat, but long-term unemployment still a problem

Contact Information

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