conducted through the CPS. Supplemental questions are asked following the completion of the regular monthly labor force questions.

Generally, the persons who provide information for the monthly CPS questions also answer the supplemental questions. Occasionally, the kind of information sought in the special survey requires the respondent to be the person about whom the questions are asked. Results of these special surveys usually are published in <a href="mailto:news-releases">news-releases</a> and in the <a href="mailto:Monthly Labor Review">Monthly Labor Review</a> and <a href="mailto:other BLS">other BLS</a> reports.

## How is unemployment measured for States and local areas?

The <u>Local Area Unemployment Statistics (LAUS) program</u> is a Federal-State cooperative effort in which monthly estimates of total employment and unemployment are prepared for approximately 7,300 areas:

- Census regions and divisions
- States
- Metropolitan Statistical Areas and Metropolitan NECTAs (New England City and Town Areas)
- Metropolitan Divisions and NECTA Divisions
- Micropolitan Statistical Areas and Micropolitan NECTAs
- Combined Metropolitan Statistical Areas and Combined NECTAs
- Small Labor Market Areas
- Counties and county equivalents
- Cities of 25,000 population or more
- Cities and towns in New England regardless of population

These estimates are key indicators of local economic conditions. BLS is responsible for the concepts, definitions, technical procedures, validation, and publication of the estimates that State workforce agencies prepare under agreement with BLS.

The concepts and definitions underlying LAUS data are the same as those used at the national level. State monthly model estimates are controlled in "real time" to sum to national monthly labor force estimates from the CPS. These models combine current and historical data from the CPS, the Current Employment Statistics (CES) program, and State UI systems. Estimates for seven large areas and their respective balances of State are also model-based.

Estimates for the remainder of the substate labor market areas are produced through a building-block approach known as the "Handbook method." This procedure also uses data from several sources, including the CPS, the CES program, State UI systems, and the decennial census, to create estimates that are adjusted to the statewide measures of employment and unemployment. Below the labor market area level, estimates are prepared using disaggregation techniques based on inputs from the decennial census, annual population estimates, and current UI data.

## Where can people get more information?

For national labor force statistics from the CPS or inquiries regarding the concepts and definitions described in this report, contact the <u>Division of Labor Force Statistics</u> at BLS. National CPS data can be found on the Internet at: www.bls.gov/cps/.

State and local CPS employment and unemployment data are available on the Internet at: <a href="https://www.bls.gov/lau/">www.bls.gov/lau/</a>; e-mail address: <a href="mailto:lausinfo@bls.gov">lausinfo@bls.gov</a>.

What do the unemployment insurance (UI) figures measure?

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The UI figures are not produced by the Bureau of Labor Statistics. Statistics on insured unemployment in the United States are collected as a by-product of UI programs. Workers who lose their jobs and are covered by these programs typically file claims ("initial claims") that serve as notice that they are beginning a period of unemployment. Claimants who qualify for benefits are counted in the insured unemployment figures (as "continued claims"). Data on UI claims are maintained by the Employment and Training Administration, an agency of the U.S. Department of Labor, and are available on the Internet at: <a href="workforcesecurity.doleta.gov/unemploy/claims.asp">workforcesecurity.doleta.gov/unemploy/claims.asp</a>.

Some countries base their estimates of total unemployment on the number of persons filing claims for or receiving UI payments or the number of persons registered with government employment offices as available for work. These data are also available in the United States, but they are not used to measure total unemployment because they exclude several important groups. To begin with, not all workers are covered by UI programs. For example, self-employed workers, unpaid family workers, workers in certain not-for-profit organizations, and several other small (primarily seasonal) worker categories are not covered.

In addition, the insured unemployed exclude the following:

- 1. Unemployed workers who have exhausted their benefits
- Unemployed workers who have not yet earned benefit rights (such as new entrants or reentrants to the labor force)
- Disqualified workers whose unemployment is considered to have resulted from their own actions rather than from economic conditions; for example, a worker discharged for misconduct on the job
- 4. Otherwise eligible unemployed persons who do not file for benefits

Because of these and other limitations, statistics on insured unemployment cannot be used as a count of *total* unemployment in the United States. Indeed, during 2008, only 36 percent of the total unemployed received UI benefits. The weekly data on UI claims do have important uses, however, and provide a timely indicator on labor market conditions.

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