Current Population Survey (CPS) Local Area Unemployment Statistics (LAUS) Explanatory Note

Current Population Survey

Statistics on the employment status of the population and related data are compiled by the Bureau of Labor Statistics (BLS) using data from the Current Population Survey (CPS). This monthly survey of households is conducted for BLS by the Bureau of the Census through a scientifically selected sample designed to represent the civilian noninstitutional population. Respondents are interviewed to obtain information about the employment status of each member of the household 16 years of age and over. The inquiry relates to activity or status during the calendar week, Sunday through Saturday, which includes the 12th day of the month. This is known as the "reference week." Actual field interviewing is conducted in the following week, referred to as the "survey week."

Each month about 60,000 occupied units are eligible for interview. Some 2,600 of these households are contacted but interviews are not obtained because the occupants are not at home after repeated calls or are unavailable for other reasons. This represents a noninterview rate for the survey that ranges between 4 and 5 percent. In addition to the 60,000 occupied units, there are 11,500 sample units in an average month which are visited but found to be vacant or otherwise not eligible for enumeration. The rotation plan provides for three-fourths of the sample to be common from one month to the next, and one-half to be common with the same month a year earlier.

Local Area Unemployment Statistics

Unemployment estimates for States and local areas are key indicators of local economic conditions. These estimates, which are produced by State employment security agencies, are used by State and local governments for planning and budgetary purposes and as determinants for the need for local employment and training services and programs. Local area unemployment estimates are also used to determine the eligibility of an area for benefits in various Federal assistance programs.

Under the Federal-State cooperative program, the Bureau of Labor Statistics develops the concepts, definitions, and technical procedures which are used by State agencies for the preparation of labor force and unemployment estimates. Currently, monthly estimates of employment and unemployment are prepared in State agencies for some 5,400 geographic areas, which include all States, labor market areas (LMA's) and counties and cities having a population of 25,000 or more.