

Local Area Unemployment Statistics Overview

Introduction

The Local Area Unemployment Statistics (LAUS) program is a federal-state cooperative effort in which monthly estimates of total employment and unemployment are prepared for approximately 6,800 areas across the United States. In New York State, LAUS data are available for the state, labor market regions, metropolitan areas, counties, and municipalities of at least 25,000. A complete list of the [counties in each metropolitan area](#) is available.

Several important improvements were made in estimating methodology, effective with the release of January 2005 labor force data. Estimates for all states, including New York, are produced using a statistically improved model, known as the 3rd generation model, developed by the U.S. Bureau of Labor Statistics (BLS). Estimates based on the new model are adjusted each month using "real-time" data. In addition to using a new model to make its estimates, BLS will adjust, or "benchmark," the estimates using a series of inputs on a monthly basis rather than waiting until the end of the year. With the new methodology, economic shocks will be reflected in the state estimates on a real-time basis, and end-of-year revisions should be significantly smaller. The new methodology also provides improvement in the sub-state unemployment estimates, as it accounts for new entrants and reentrants to the labor force.

Definitions

Labor force, employment and unemployment data are based on the same concepts and definitions as those used for the official national estimates obtained from the Current Population Survey (CPS), a sample survey of households that is conducted for the U.S. Bureau of Labor Statistics by the U.S. Bureau of the Census. Definitions of these concepts follow:

Civilian Labor Force is the sum of civilian employment and civilian unemployment. These individuals are civilians (not members of the Armed Services) who are age 16 years or older, and are not in institutions such as prisons, mental hospitals, or nursing homes.

Civilian Employment includes all individuals who worked at least one hour for a wage or salary, or were self-employed, or were working at least 15 unpaid hours in a family business or on a family farm, during the week including the 12th of the month. Those who were on vacation, other kinds of leave, or involved in a labor dispute, were also counted as employed.

Civilian Unemployment includes those individuals who were not working but were able, available, and actively looking for work during the week including the 12th of the month. Individuals who were waiting to be recalled from a layoff, and individuals waiting to report to a new job within 30 days were also considered to be unemployed.

Unemployment Rate is the number of unemployed as a percentage of the labor force.

Caution:

There are a number of caveats to be aware of when using LAUS data. Below is a list of the most important ones:

- The "Employment" which is shown under "Labor Force" is not directly comparable to the "Total Nonfarm" employment data from the Current Employment Series (CES) survey. See [comparing sources of employment data](#) for more information.
- Sub-state labor force data are not seasonally adjusted. When doing a comparison with State and U.S. rates, it is important to use "Not Adjusted for Seasonality" labor force data for the State and the nation.
- The unemployment rate usually gets the most attention, as it is a rough gauge of the area's labor market. It is best to consider the unemployment rate over a period of several months, or years. The employment and unemployment figures tend to vary from month to month for many reasons. Seasonal variation often may not reflect the economic conditions in all areas of the county. Seasonal factors may contribute to an area's high unemployment rate, but firms in some industries may have difficulty finding qualified employees. The labor market can vary greatly in different industries, in different occupations, and in different parts of the county.
- The annual average figures, over time, tend to be a better gauge of the labor force trends within the area.
- Month-to-month labor force data are a useful indicator to show the seasonal changes in the area, such as outdoor activities (e.g. construction), holiday hiring, school schedules, and agricultural patterns.
- Changes in the method of estimating sub-state areas caused breaks in the continuity of the data series. These breaks occurred during the following periods: March 1988 to April 1988; October 1989 to November 1989; December 1989 to January 1990; December 1993 to January 1994; and December 1999 to January 2000. Data for the period preceding each break are not comparable to data for the period following each break because of the changes in methodology.