



# How the Government Measures Unemployment

## Why does the government collect statistics on the unemployed?

When workers are unemployed, they, their families, and the country as a whole lose. Workers and their families lose wages, and the country loses the goods or services that could have been produced. In addition, the purchasing power of these workers is lost, which can lead to unemployment for yet other workers.

Addressing the issue of unemployment requires information about the extent and nature of the problem. How many people are unemployed? How did they become unemployed? How long have they been unemployed? Are their numbers growing or declining? Are they men or women? Are they young or old? Are they White, or Black, or Asian, or of Hispanic ethnicity? How much education do they have? Are they concentrated in one area of the country more than another? These statistics—together with other economic data—can be used by policymakers to determine whether measures should be taken to influence the future course of the economy or to aid those affected by joblessness.

## Where do the statistics come from?

Early each month, the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor announces the total number of [employed and unemployed people](#) in the United States for the previous month, along with many characteristics about them. These figures, particularly the unemployment rate—which tells you the percentage of the labor force that is unemployed—receive wide coverage in the media.

Some people think that to get these figures on unemployment, the government uses the number of people collecting unemployment insurance (UI) benefits under state or federal government programs. But some people are still jobless when their benefits run out, and

many more are not eligible at all or delay or never apply for benefits. So, quite clearly, UI information cannot be used as a source for complete information on the number of unemployed.

Other people think that the government counts every unemployed person each month. To do this, every home in the country would have to be contacted—just as in the population census every 10 years. This procedure would cost way too much and take far too long to produce the data. In addition, people would soon grow tired of having a census taker contact them every month, year after year, to ask about job-related activities.

Because unemployment insurance records relate only to people who have applied for such benefits, and since it is impractical to count every unemployed person each month, the government conducts a monthly survey called the Current Population Survey (CPS) to measure the extent of unemployment in the country. The CPS has been conducted in the United States every month since 1940, when it began as a Work Projects Administration program. In 1942, the U.S. Census Bureau took over responsibility for the CPS. The survey has been expanded and modified several times since then. In 1994, for instance, the CPS underwent a major redesign in order to computerize the interview process as well as to obtain more comprehensive and relevant information.

There are about 60,000 eligible households in the sample for this survey. This translates into approximately 110,000 individuals each month, a large sample compared to public opinion surveys, which usually cover fewer than 2,000 people. The CPS sample is selected so as to be representative of the entire population of the United States. In order to select the sample, all of the counties and independent cities in the country first are grouped into approximately 2,000 geographic areas (sampling units). The Census Bureau then designs and selects a sample of about 800 of these geographic areas to represent each state and the District of Columbia. The sample is a state-based design and reflects urban and rural areas, different types of industrial and farming areas, and the major geographic divisions of each state. (For a detailed explanation of CPS sampling methodology, see Chapter 1 of the BLS [Handbook of Methods](#).)

Every month, one-fourth of the households in the sample are changed, so that no household is interviewed for more than 4 consecutive months. After a household is interviewed for 4 consecutive months, it leaves the sample for 8 months, and then is again interviewed for the same 4 calendar months a year later, before leaving the sample for good. As a result, approximately 75 percent of the sample remains the same from month to month and 50 percent remains the same from year to year. This procedure strengthens the reliability of estimates of month-to-month and year-to-year change in the data.

Each month, highly trained and experienced Census Bureau employees contact the 60,000 eligible sample households and ask about the labor force activities (jobholding and job seeking) or non-labor force status of the members of these households during the survey reference week (usually the week that includes the 12th of the month). These are live interviews conducted either in person or over the phone. During the first interview of a household, the Census Bureau interviewer prepares a roster of the household members,

including key personal characteristics such as age, sex, race, Hispanic ethnicity, marital status, educational attainment, veteran status, and so on. The information is collected using a computerized questionnaire.

Each person is classified according to their activities during the reference week. Then, the survey responses are "weighted," or adjusted to independent population estimates from the Census Bureau. The weighting takes into account the age, sex, race, Hispanic ethnicity, and state of residence of the person, so that these characteristics are reflected in the proper proportions in the final estimates.

A sample is not a total count, and the survey may not produce the same results that would be obtained from interviewing the entire population. But the chances are 90 out of 100 that the monthly estimate of unemployment from the sample is within about 300,000 of the figure obtainable from a total census. Relative to total unemployment—which ranged between about 7 and 15 million over the past decade—the possible error resulting from sampling is not large enough to distort the total unemployment picture.

Because these interviews are the basic source of data for total unemployment, information must be correct and consistent. Survey respondents are never asked specifically if they are unemployed, nor are they given an opportunity to decide their own labor force status. Their status will be determined based on how they respond to a specific set of questions about their recent activities.

Similarly, interviewers do not decide the respondents' labor force classification. They simply ask the questions in the prescribed way and record the answers. Based on information collected in the survey and definitions programmed into the computer, individuals are then classified as employed, unemployed, or not in the labor force.

All interviews must follow the same procedures to obtain comparable results. Because of the crucial role interviewers have in the household survey, a considerable amount of time and effort is spent maintaining the quality of their work. Interviewers are given intensive training, including classroom lectures, discussion, practice, observation, home-study materials, and on-the-job training. At least once a year, they attend day-long training and review sessions. Also, at least once a year, they are accompanied by a supervisor during a full day of interviewing to determine how well they carry out their assignments.

### **What are the basic concepts of employment and unemployment?**

The basic concepts involved in identifying the employed and unemployed are quite simple:

- People with jobs are *employed*.
- People who are jobless, looking for a job, and available for work are *unemployed*.
- The *labor force* is made up of the employed and the unemployed.

- People who are neither employed nor unemployed are *not in the labor force*.

The survey excludes people living in institutions (for example, a correctional institution or a residential nursing or mental health care facility) and those on active duty in the Armed Forces. The survey is designed so that each person age 16 and over (there is no upper age limit) is counted and classified in only one group. The sum of the employed and the unemployed constitutes the civilian labor force. People not in the labor force combined with those in the civilian labor force constitute the civilian noninstitutional population 16 years and over. Under these concepts, most people are quite easily classified. For example, consider these fictional scenarios:

1. Elena reported to the interviewer that last week she worked 40 hours as a sales manager for a beverage company. Elena is *employed*.
2. Steve lost his job when the local plant of an aircraft manufacturing company closed down. Since then, he has been contacting other businesses in town trying to find a job. Steve is *unemployed*.
3. Linda is a stay-at-home mother. Last week, she was occupied with her normal household activities. She neither held a job nor looked for a job. Her 80-year-old father who lives with her has not worked or looked for work because of a disability. Linda and her father are *not in the labor force*.

### **Who is counted as employed?**

People are considered employed if they did any work at all for pay or profit during the survey reference week. This includes all part-time and temporary work, as well as regular full-time, year-round employment. Individuals also are counted as employed if they have a job at which they did not work during the survey week, whether they were paid or not, because they were:

- On vacation
- Ill
- Experiencing child care problems
- On maternity or paternity leave
- Taking care of some other family or personal obligation
- Involved in a labor dispute
- Prevented from working by bad weather

These people are counted among the employed and tabulated separately as *with a job but not at work*, because they have a specific job to which they will return.

Not all of the wide range of job situations in the American economy fit neatly into a given category, however. What about the two following cases?

Garrett is 16 years old, and he has no job from which he receives any pay or profit. However, Garrett does help with the regular chores around his parents' farm and spends about 20 hours each week doing so.

Lisa spends most of her time taking care of her home and children, but she helps in her husband's computer software business all day Friday and Saturday.

Both Garrett and Lisa are considered employed. They fall into a group called *unpaid family workers*, which includes any person who worked without pay for 15 hours or more per week in a business or farm operated by a family member with whom they live. Unpaid family workers comprise a small proportion of total employment. Most of the employed are either wage and salary workers (paid employees) or self-employed (working in their own business, profession, or farm).

In addition to estimating the number of employed people, the survey collects information about the job characteristics of the employed. For example, the survey gathers and provides data about workers' industry and occupation, hours worked, usual earnings, and union membership.

### **Who is counted as unemployed?**

People are classified as unemployed if they do not have a job, have actively looked for work in the prior 4 weeks, and are currently available for work. Actively looking for work may consist of any of the following activities:

- Contacting:
  - An employer directly or having a job interview
  - A public or private employment agency
  - Friends or relatives
  - A school or university employment center
- Submitting resumes or filling out applications
- Placing or answering job advertisements
- Checking union or professional registers
- Some other means of active job search

Passive methods of job search do not have the potential to connect job seekers with potential employers and therefore do not qualify as active job search methods. Examples of passive methods include attending a job training program or course, or merely reading about job openings that are posted in newspapers or on the Internet.

Workers expecting to be recalled from temporary layoff are counted as unemployed whether or not they have engaged in a specific job seeking activity. In all other cases, the individual must have been engaged in at least one active job search activity in the 4 weeks preceding the interview and be available for work (except for temporary illness).

The questions used in the interviews are carefully designed to obtain the most accurate picture of each person's labor force activities. Some of the major questions that determine employment status are as follows (the bolded words are emphasized when read by the interviewers).

1. Does anyone in this household have a business or farm?

2. **Last week**, did you do **any** work for (either) pay (or profit)?

If the answer to question 1 is "yes" and the answer to question 2 is "no," the next question is:

3. **Last week**, did you do any unpaid work in the family business or farm?

For those who reply "no" to both questions 2 and 3, the next key questions used to determine employment status are:

4. **Last week**, (in addition to the business) did you have a job, either full or part time? Include any job from which you were temporarily absent.

5. **Last week**, were you on layoff from a job?

6. What was the main reason you were absent from work **last week**?

For those who respond "yes" to question 5 about being on layoff, the following questions are asked:

7. Has your employer given you a date to return to work?

If "no," the next question is:

8. Have you been given any indication that you will be recalled to work within the next 6 months?

If the responses to either question 7 or 8 indicate that the person expects to be recalled from layoff, he or she is counted as unemployed. For those who were reported as having no job or business from which they were absent or on layoff, the next question is:

9. Have you been doing anything to find work during the last 4 weeks?

For those who say "yes," the next question is:

10. What are all of the things you have done to find work during the last 4 weeks?

If an active method of looking for work, such as those listed at the beginning of this section, is mentioned, the following question is asked:

11. **Last week**, could you have started a job if one had been offered?

If there is no reason, except temporary illness, that the person could not take a job, he or she is considered to be not only looking but also available for work and is counted as unemployed.

Some fictional examples of typical responses that may result in a person being classified as unemployed are:

1. Yvonne reported that 2 weeks ago she applied for jobs at a bank and at a mortgage lending company. She currently is waiting to hear back from both businesses. Yvonne is *unemployed* because she made a specific effort to find a job within the prior 4 weeks and is presently available for work.
2. Ms. Jenkins tells the interviewer that her teenage daughter, Katherine Marie, was thinking about looking for work in the prior 4 weeks but knows of no specific efforts she has made. Katherine Marie does not meet the activity test for unemployment and is, therefore, counted as *not in the labor force*.
3. John has been checking for openings at a local warehouse store for each of the past 3 weeks, but last week he had the flu and was unavailable for work because of it. John is counted as *unemployed* because he took steps to look for work and would have been available for work during the survey reference week, except for his temporary illness.
4. Marcus was laid off from the local plant of a major automaker when the firm began retooling to produce a new model car. Marcus knows he will be called back to work as soon as the model changeover is completed, and he also knows it is unlikely that he would be able to find a job for the period he is laid off; so, although he is available to work, he is not seeking a job. Marcus is *unemployed* because he is waiting to be recalled from layoff.
5. Julia told the interviewer that she has submitted applications with three companies for summer jobs. However, it is only April and she doesn't wish to start work until at least June 15, because she is attending school. Although she has taken specific steps to find a job, Julia is classified as *not in the labor force* because she is not currently available for work. (She could not have started a job if one had been offered.) Students are treated the same as other persons; that is, they are classified as employed or unemployed if they meet the criteria, whether they are in school on a full- or part-time basis.

The total unemployment figures cover more than the number of people who have lost jobs. They include people who have quit their jobs to look for other employment, workers whose temporary jobs have ended, individuals looking for their first job, and experienced workers looking for jobs after an absence from the labor force (for example, stay-at-home parents who return to the labor force after their children have entered school). Information also is collected for the unemployed on the industry and occupation of the last job they held (if applicable), how long they have been looking for work, their reason for being jobless (for example, did they lose or quit their job), and their job search methods.

## Who is not in the labor force?

As mentioned previously, the labor force is made up of the employed and the unemployed. The remainder—those who have no job and are not looking for one—are counted as *not in the labor force*. Many who are not in the labor force are going to school or are retired. Family responsibilities keep others out of the labor force. Since the mid-1990s, typically fewer than 1 in 10 people not in the labor force reported that they want a job.

A series of questions is asked each month of persons not in the labor force to obtain information about their desire for work, the reasons why they had not looked for work in the last 4 weeks, their prior job search, and their availability for work. These questions include the following (the bolded words are emphasized when read by the interviewers).

1. Do you currently want a job, either full or part time?
2. What is the main reason you were not looking for work during the **last 4 weeks**?
3. Did you look for work at any time during the last 12 months?
4. **Last week**, could you have started a job **if** one had been offered?

These questions form the basis for estimating the number of people who are not in the labor force but who are considered to be *marginally attached to the labor force*. These are individuals without jobs who are not currently looking for work (and therefore are not counted as unemployed), but who nevertheless have demonstrated some degree of labor force attachment. Specifically, to be counted as marginally attached to the labor force, they must indicate that they currently want a job, have looked for work in the last 12 months (or since they last worked if they worked within the last 12 months), and are available for work. *Discouraged workers* are a subset of the marginally attached. Discouraged workers report they are not currently looking for work for one of the following types of reasons:

- They believe no job is available to them in their line of work or area.
- They had previously been unable to find work.
- They lack the necessary schooling, training, skills, or experience.
- Employers think they are too young or too old, or
- They face some other type of discrimination.

## What about cases of overlap?

When the population is classified according to who is employed, unemployed, and not in the labor force on the basis of their activities during a given calendar week, situations are often encountered where individuals have engaged in more than one activity. Since individuals are counted only once, a system of priorities is used to determine their status.

Labor force activities take precedence over non-labor force activities, and working or having a job takes precedence over looking for work. Some hypothetical examples are:

1. James and Elyse are high school students. James works after school at a fast food restaurant, and Elyse is seeking a part-time job at the same establishment (also after school). James' job takes precedence over his non-labor force activity of going to school, as does Elyse's search for work; therefore, James is counted as *employed* and Elyse is counted as *unemployed*.
2. Last week, Megan, who was working for a comic book store, went to a home electronics store on her lunch hour to be interviewed for a higher paying job. Megan's interview constitutes looking for work, but her work takes priority, and she is counted as *employed*. (Indeed, because the questionnaire does not ask about job search by the employed, information about Megan's search for work is not even obtained.)
3. Mike has a job at a fabricated metal manufacturer, but he didn't go to work last week because of a strike at the plant. Last Thursday, he went to a machinery manufacturing company to see about getting a temporary job until the strike ends. Mike was *with a job but not at work* due to a labor dispute, which takes priority over looking for work; therefore, he is counted as *employed*. (Again, information would not be obtained on Mike's job search effort.)
4. Avery lost her full-time job at a book store on Wednesday of the survey reference week. She submitted several applications with other local retailers on Thursday and Friday but had not obtained a new job by the end of the week. Avery is counted as *employed*, since she did work for 3 days in the reference week, even though she was unemployed for part of the week. (Once again, information would not be obtained on her search for work, though Avery would be identified as working *part time for economic reasons* also called "involuntary part time," by virtue of having her workweek reduced to part time—defined as less than 35 hours per week—by her dismissal from her previous job.)

To summarize, the *employed* are:

- All those who did any work for pay or profit during the survey reference week.
- All those who did at least 15 hours of unpaid work in a business or farm operated by a family member with whom they live.
- All those who were temporarily absent from their regular jobs because of illness, vacation, bad weather, labor dispute, or various personal reasons, whether or not they were paid for the time off.

The *unemployed* are:

- All those who did not have a job at all during the survey reference week, made at least one specific active effort to find a job during the prior 4 weeks, and were available for work (unless temporarily ill).
- All those who were not working and were waiting to be called back to a job from which they had been laid off. (They need not be looking for work to be classified as unemployed.)

Because of the wide variety of employment arrangements and job seeking methods found in the U.S. labor market, the definitions of employment and unemployment must be specific and objective to ensure uniformity of reporting at any given time and over any period of time. When all of the details are considered, the definitions may seem rather complicated. The basic concepts, however, remain little changed since the inception of the CPS in 1940: People with jobs are *employed*, people who do not have jobs and are looking for jobs are *unemployed*, and people who meet neither labor market test are *not in the labor force*.

Other important labor market statistics are developed using the basic survey estimates of people employed, unemployed, and not in the labor force. These statistics include:

- The number of people in the **labor force**. This measure is the sum of the employed and the unemployed. In other words, the labor force level is the number of people who are either working or actively seeking work.
- The national **unemployment rate**. Perhaps the most widely known labor market indicator, this statistic reflects the number of unemployed people as a percentage of the labor force.
- The **labor force participation rate**. This measure is the number of people in the labor force as a percentage of the civilian noninstitutional population 16 years old and over. In other words, it is the percentage of the population that is either working or actively seeking work.
- The **employment-population ratio**. This measure is the number of employed as a percentage of the civilian noninstitutional population 16 years old and over. In other words, it is the percentage of the population that is currently working.

### Where can people find the data?

Each month, national summary statistics on unemployment and employment are published in a news release titled [The Employment Situation](#). The dates of release are announced in advance and made available on the [BLS release calendar](#).

Detailed information also is published in [tables online](#), and in numerous [news releases and reports](#). Historical data series can be obtained from various [database tools](#).

For a comprehensive subject list of CPS data published by BLS, and access to the data, see the [CPS A to Z Index](#).

## **How are seasonal fluctuations taken into account?**

Total employment and unemployment are higher in some parts of the year than in others. For example, unemployment is higher in January and February, when it is cold in many parts of the country and work in agriculture, construction, and other seasonal industries is curtailed. Also, both employment and unemployment rise every June, when students enter the labor force in search of summer jobs.

The seasonal fluctuations in the number of employed and unemployed people reflect not only the normal seasonal weather patterns that tend to be repeated year after year, but also the hiring (and layoff) patterns that accompany regular events such as the winter holiday season and the summer vacation season. These variations make it difficult to tell whether month-to-month changes in employment and unemployment are due to normal seasonal patterns or to changing economic conditions. To deal with such problems, a statistical technique called seasonal adjustment is used. This technique uses the past history of the series to identify the seasonal movements and to calculate the size and direction of these movements. A statistical procedure is then applied to the estimates to remove the effects of regular seasonal fluctuations on the data. Seasonal adjustment eliminates the influence of these fluctuations and makes it easier for users to observe fundamental changes in the level of the series, particularly changes associated with general economic expansions and contractions. Many of the monthly time series for major labor market indicators, especially those in the monthly *Employment Situation* report, are seasonally adjusted. More information about seasonal adjustment of CPS data is available in the [CPS technical documentation](#).

## **Is there only one official definition of unemployment?**

There is only one official definition of unemployment—people who are jobless, actively seeking work, and available to take a job, as [discussed above](#). The official unemployment rate for the nation is the number of unemployed as a percentage of the labor force (the sum of the employed and unemployed).

Some have argued, however, that these unemployment measures are too restricted, and that they do not adequately capture the breadth of labor market problems. For this reason, economists at BLS developed a set of alternative measures of labor underutilization. These measures, expressed as percentages, are published every month in [The Employment Situation](#) news release. They range from a very limited measure that

includes only those who have been unemployed for 15 weeks or more to a very broad one that includes total unemployed, all people marginally attached to the labor force, and all individuals *employed* part time for economic reasons. More information about the alternative measures is available on the [BLS website](#).

### **What other information is collected in the CPS?**

The CPS also is used to obtain detailed information on particular segments of the population and labor force. Generally, these "supplemental" inquiries are repeated annually or biennially in the same month and include topics such as annual earnings, income, and poverty of individuals and families (published by the [Census Bureau](#)); the extent of work experience of the population during the prior calendar year; the employment of school-age youth, recent high school graduates, and dropouts; job tenure; displaced workers; and veterans with a service-connected disability. Some additional supplements that are unrelated to labor force issues, such as those on smoking and voting, also are conducted through the CPS, although they are not sponsored by BLS. Supplemental questions are asked following the completion of the regular monthly labor force questions.

Results of these special surveys usually are published in [news releases and other BLS reports](#). For a comprehensive subject list of CPS data published by BLS, and access to the data, see the [CPS A to Z Index](#).

### **How is unemployment measured for states and local areas?**

The [Local Area Unemployment Statistics \(LAUS\) program](#) publishes monthly estimates of employment and unemployment for approximately 7,300 areas, including all states, counties, metropolitan areas, and cities of 25,000 population or more, by place of residence. These estimates are key indicators of current local economic conditions. BLS is responsible for the concepts, definitions, technical procedures, validation, and publication of the estimates that state government agencies prepare under agreement with BLS.

Labor force data from the LAUS program follow the same Current Population Survey (CPS) concepts and definitions used for the national labor force data. Because the CPS survey of 60,000 households nationwide is insufficient for creating reliable monthly estimates for statewide and substate areas, LAUS uses three different estimating procedures, each being the most appropriate for the level of geography being estimated. In general, estimates for the states are developed using statistical models that incorporate current and historical data from the CPS, the [Current Employment Statistics \(CES\) program](#), and regular state unemployment insurance (UI) systems. These model-based state estimates are also controlled in "real time" to sum to the not seasonally adjusted national monthly CPS totals. Model-based estimates are also developed for seven large substate areas and their respective balances of state.

Estimates for 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 and the [Quarterly Census of Employment and Wages \(QCEW\) program](#) where CES estimates are not available, 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 created for counties, cities, and towns above 25,000 population using disaggregation techniques based on inputs from the decennial census, annual population estimates, and current UI data.

Unlike the LAUS state and substate labor force estimates, which have multiple sources of inputs and are available on a monthly basis, the demographic labor force data from the [Geographical Profile of Employment and Unemployment \(GP\) bulletins](#), also published by LAUS, are derived solely from the CPS and are issued annually. These demographic data are available for the Census regions/divisions, all 50 states and the District of Columbia, and certain large metropolitan areas and cities.

### **Where can people get more information?**

National CPS data can be found on the Internet at [www.bls.gov/cps](http://www.bls.gov/cps). For national labor force statistics from the CPS or inquiries regarding the concepts and definitions described in this report, [contact the CPS staff at BLS](#).

State, city, county, and other local area employment and unemployment data are available on the Internet at [www.bls.gov/laui](http://www.bls.gov/laui). [Contact the Local Area Unemployment Statistics staff at BLS](#) with questions about these data.

### **What do the unemployment insurance (UI) figures measure?**

Unemployment insurance (UI) programs are administered at the state level and provide assistance to jobless people who are looking for work. Statistics on the insured unemployed in the United States are collected as a by-product of state UI programs. Workers who lose their jobs may file applications to determine if they are eligible for UI assistance. These applications are referred to as "initial claims." Claimants who meet the eligibility requirements must file "continuing claims" for each week that they seek benefits.

Data on initial and continuing 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 <http://workforcesecurity.doleta.gov/unemploy/claims.asp>.

While the UI claims data provide useful information, 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.
2. Unemployed workers who have not yet earned benefit rights (such as new entrants or reentrants to the labor force).
3. Disqualified workers whose unemployment is considered to have resulted from their own actions rather than from economic conditions; for example, a worker fired 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 measure of *total* unemployment in the United States. Indeed, over the past decade, only about one-third of the total unemployed, on average, received regular UI benefits.

UI claims data are widely used as an indicator of labor market conditions. Data users must be cautious, however, about trying to compare or reconcile the UI claims data with the official unemployment figures gathered through the CPS. Even if one sets aside the major definitional limitations outlined above, there are comparability issues related to the distinct reference periods, methodologies, and reporting practices of the two data sources. More importantly, though, the weekly UI claims data reflect only people who became unemployed and do not take into account the number of unemployed people who found jobs or stopped looking for work. The official unemployment figures from the CPS, on the other hand, represent the net result of overall movement into and out of unemployment in a given month. Changes in CPS estimates of total unemployment for any given month will tend to be far smaller than the sum total of weekly UI initial claimants over a month-long span.