

## **Frequently asked questions: The impact of the partial federal government shutdown on the Employment Situation for January 2019**

Some federal government agencies were shut down or were operating at reduced staffing levels during a lapse in appropriations from December 22, 2018, until January 25, 2019. The Bureau of Labor Statistics (BLS) was funded during the shutdown period and was operating as usual.

### **1. Household and establishment surveys: Did the partial federal government shutdown affect survey operations?**

Household and establishment survey operations, including data collection, occurred as scheduled.

The establishment survey (Current Employment Statistics, or CES) is collected by BLS, and collection of the data was not affected by the lapse in appropriations.

The Census Bureau collects data for the household survey (Current Population Survey, or CPS) for BLS. This data collection activity is mostly funded by BLS and was not affected by the lapse in appropriations. Therefore, data for January 2019 were collected as scheduled.

### **2. Establishment survey: How did the partial federal government shutdown impact January estimates?**

In the establishment survey, there were no discernible impacts of the partial federal government shutdown on the January estimates of employment, hours, and earnings.

There was no impact on the establishment survey estimate of federal employment, which was essentially unchanged in January (+1,000). Federal employees on furlough during the shutdown were considered employed because they worked or received pay (or will receive pay) for the pay period that included the 12th of the month.

There were no discernible impacts of the shutdown on private-sector data from the establishment survey. Federal contractors, as well as other workers, who did not work or receive pay during the shutdown were not counted among the employed. (In the establishment survey, workers who are paid for any part of a pay period are defined as employed.) It is likely that some private industries were affected by the shutdown; however, BLS is not able to identify or quantify the impacts.

### **3. Household survey: How did the partial federal government shutdown impact January estimates?**

Unlike the establishment survey, some of the estimates from the household survey reflect an impact of the partial federal government shutdown. Both the unemployment rate, at 4.0 percent, and the number of unemployed people, at 6.5 million, edged up in January (on a seasonally adjusted basis). The impact of the shutdown contributed to the uptick in the measures. In the household survey, workers who indicate that they were not working during the entire reference week due to a shutdown-related furlough and expect to be recalled to their jobs should be classified as unemployed on temporary layoff, whether or not they are paid for the time they were off work. (The household survey reference week was January 6–12.)

In January, many furloughed federal employees were classified as unemployed on temporary layoff, contributing to a rise in the overall number of unemployed people on temporary layoff. (See details in item 4 below.)

However, as was the case with the 2013 partial federal government shutdown, some federal workers who were not at work during the entire reference week were not classified as unemployed on temporary layoff in January. Rather, they were classified as employed but absent from work. BLS review of the underlying data indicates that most of these workers were misclassified; they should have been classified as unemployed on temporary layoff. (See details in item 5 below.)

The shutdown may have affected the number of hours some people worked. Employed people who usually work full time (35 hours or more per week) but indicate that they had worked fewer than 35 hours in the reference week because of a shutdown are classified as employed part time for economic reasons. (See details in item 8 below.)

### **4. Household survey: How many federal workers were unemployed on temporary layoff in January?**

In the household survey, workers who indicate that they were not working during the entire reference week due to a government shutdown-related furlough and expect to be recalled to their jobs should be classified as unemployed on temporary layoff, whether or not they are paid for the time they were off work. (People on temporary layoff do not need to be looking for work to be classified as unemployed.) The household survey reference week was January 6–12.

In January, there were 104,000 unemployed federal workers on temporary layoff (not seasonally adjusted). This is much larger (roughly 80,000 larger) than the number of federal workers on temporary layoff in prior months and years and reflects the impact of the partial federal government shutdown. These furloughed federal employees contributed to the rise in the overall number of unemployed people on temporary layoff and the uptick in total unemployment. Household survey data for federal workers are available only on a not seasonally adjusted basis. Over-the-month changes in federal government data series cannot be directly compared with seasonally adjusted over-the-month changes in total unemployment.

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Table A. Unemployed federal workers, including those on temporary layoff, December and January, selected years, not seasonally adjusted

(Numbers in thousands)

Year as of January	December (prior year)		January		Difference* (January - December)	
	Total unemployed	On temporary layoff	Total unemployed	On temporary layoff	Total unemployed	On temporary layoff
2015	175	12	202	23	27	11
2016	120	26	156	17	36	-9
2017	121	2	148	13	27	11
2018	93	22	113	22	20	0
2019	152	13	228	104	76	91

\* Users are generally cautioned against over-the-month comparisons of not seasonally adjusted data, as the change could be affected by some seasonal component. Additionally, December - January changes in these data are influenced by the introduction of updated population controls. For the purposes of this analysis, the impact of the population control adjustments is assumed to be negligible.

Note: Federal workers refers to federal wage and salary workers in nonagricultural industries.

#### 5. Household survey: Where else did furloughed federal workers appear?

Federal workers who did not work during the reference week (January 6–12) due to the partial federal government shutdown should have been classified as unemployed on temporary layoff. However, some federal workers who were not at work during the entire reference week were not included among the unemployed. Instead, they were classified as employed but absent from work. A similar misclassification occurred with the October 2013 partial federal government shutdown.

In January, there were 239,000 federal workers classified as employed with a job but not at work during the survey reference week (not seasonally adjusted). This is much larger than the number of federal workers with a job not at work in prior months and years and reflects the impact of the shutdown.

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Table B. Employed people with a job but not at work, December and January, selected years, not seasonally adjusted  
(Numbers in thousands)

Year as of January	December (prior year)			January			Difference* (January - December)	
	Total employed	With a job not at work		Total employed	With a job not at work		With a job not at work	
		Total	Federal		Total	Federal	Total	Federal
2015	147,190	3,852	81	146,552	4,091	79	239	-2
2016	149,703	3,894	102	149,037	4,250	108	356	6
2017	151,798	3,919	88	150,527	4,903	124	984	36
2018	153,602	3,823	82	152,848	5,269	74	1,446	-8
2019	156,481	3,974	77	154,964	4,929	239	955	162

\* Users are generally cautioned against over-the-month comparisons of not seasonally adjusted data, as the change could be affected by some seasonal component. Additionally, December - January changes in these data are influenced by the introduction of updated population controls. For the purposes of this analysis, the impact of the population control adjustments is assumed to be negligible.

Note: Federal workers refers to federal wage and salary workers in nonagricultural industries.

There are many reasons why employed people were absent from work for the entire survey reference week (January 6–12). BLS tabulates data on employed people not at work whose main reason for being absent was vacation, illness, childcare problems, other family/personal obligations, labor dispute, bad weather, maternity or paternity leave, school/training, civic/military duty, and other reasons. Of the 239,000 employed federal workers not at work during the survey reference week in January 2019, about 153,000 people were included in the “other reasons” category (not seasonally adjusted). This is much higher than usual. BLS analysis of the underlying data suggests that this group included federal workers affected by the shutdown who should have been classified as unemployed on temporary layoff. Such a misclassification is an example of nonsampling error and can occur when respondents misunderstand questions or interviewers record answers incorrectly.

Table C. Employed federal workers with a job but not at work by reason, January 2015–2019, not seasonally adjusted  
(Numbers in thousands)

	Total not at work	Vacation	Illness	Childcare problems	Other family/ personal obligations	Labor dispute	Bad weather	Maternity or paternity leave	School/ training	Civic/ military duty	Other reasons
2015	79	25	31	–	6	–	–	2	–	1	13
2016	108	30	54	–	6	–	–	1	10	–	6
2017	124	31	49	–	21	–	3	9	–	4	8
2018	74	27	31	–	0	–	–	4	–	1	11
2019	239	40	24	–	4	7	0	8	–	2	153

Note: Federal workers refers to federal wage and salary workers in nonagricultural industries. Dash indicates no data.

**6. Household survey: Why weren't the misclassified January data corrected?**

According to usual practice, the data from the household survey are accepted as recorded. To maintain data integrity, no ad hoc actions are taken to reassign survey responses. The October 2013 misclassification was handled in the same fashion.

**7. Household survey: What would the unemployment rate be if these misclassified workers were included among the unemployed?**

If the federal workers who were recorded as employed but absent from work had been classified as unemployed on temporary layoff, the overall unemployment rate would have been slightly higher than reported. This kind of exercise requires some assumptions. For example, one might assume that all 153,000 federal workers with a job but not at work who were included in the "other reasons" category were misclassified workers on furlough. (While this category contains misclassified workers, not every person in this category was necessarily misclassified.) If these 153,000 employed federal workers were to be considered unemployed, the number of unemployed people in January (on a not seasonally adjusted basis) would increase by 153,000 from 7,140,000 to 7,293,000. The number of people in the labor force (employed and unemployed combined) would remain at 162,104,000 (not seasonally adjusted). The resulting unemployment rate for January would be 4.5 percent (not seasonally adjusted), compared with the official estimate of 4.4 percent (not seasonally adjusted). Estimates of federal workers are not available on a seasonally adjusted basis, so seasonally adjusted data, such as the unemployment rate mentioned in The Employment Situation news release, cannot be used in this exercise.

**8. Household survey: How many people were at work part time for economic reasons in January?**

The shutdown may have affected the number of hours some people worked during the survey reference week (January 6–12). For example, some people may have worked for some part of the survey reference week, but not as many hours as they usually work. Employed people who usually work full time (35 hours or more per week) but indicated that they had worked fewer than 35 hours in the reference week because of the shutdown are classified as employed part time for economic reasons.

The total number of people at work part time for economic reasons increased by about one-half million in January to 5.1 million (on a seasonally adjusted basis). Nearly all of this increase was in the private sector and may reflect the shutdown, as hours were reduced because of slack work or business conditions.

In January, there were 47,000 employed federal workers working part time for economic reasons (not seasonally adjusted). This is not much different from prior months and years.

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Table D. People at work part time for economic reasons, December and January, selected years, not seasonally adjusted  
(Numbers in thousands)

Year as of January	December (prior year)		January		Difference* (January - December)	
	Total	Federal	Total	Federal	Total	Federal
2015	6,970	65	7,269	54	299	-11
2016	6,179	38	6,406	72	227	34
2017	5,707	45	6,226	58	519	13
2018	5,060	51	5,474	59	414	8
2019	4,740	33	5,640	47	900	14

\* Users are generally cautioned against over-the-month comparisons of not seasonally adjusted data, as the change could be affected by some seasonal component. Additionally, December - January changes in these data are influenced by the introduction of updated population controls. For the purposes of this analysis, the impact of the population control adjustments is assumed to be negligible.

Note: Federal workers refers to federal wage and salary workers in nonagricultural industries.

**9. How many federal workers were affected by the partial federal government shutdown in January?**

BLS has no estimate of how many federal workers were affected by the partial shutdown of the federal government in January 2019. Neither the establishment nor household survey is designed to measure the impact of the shutdown.

According to public sources, about 800,000 federal employees were affected by the lapse in appropriations, including approximately 500,000 federal employees who worked without pay during the lapse in appropriations and roughly 300,000 who did not work during the shutdown. The number of workers affected varied during the period, as some agencies recalled additional workers.

**10. How many private-sector workers were affected by the partial federal government shutdown in January?**

Some private-sector workers were affected by the partial federal government shutdown. However, BLS is not able to identify and quantify the impacts in the January data. BLS has no estimate of how many private-sector workers were affected by the shutdown. Neither the establishment nor household survey identifies federal contractors or any other workers who might have been affected by the shutdown.

One possible indication of a shutdown effect can be seen in the household survey estimate of people who are employed part time for economic reasons. The number of these workers—also referred to as involuntary part-time workers—increased by about one-half million in January to 5.1 million (on a seasonally adjusted basis). Nearly all of this increase was in the private sector and may reflect the shutdown, as hours were reduced because of slack work or business conditions. (People employed

part time for economic reasons want to work full time—that is, 35 hours or more per week—but worked less than 35 hours in the survey reference week because their hours were reduced or they were unable to find full-time work.)

**11. Were federal workers classified the same way in January 2019 as they were for the October 2013 shutdown?**

Both partial federal government shutdowns overlapped with the reference periods for the household and establishment surveys. In January 2019, the classification of federal workers in both surveys was consistent with the way they were classified for the October 2013 shutdown.

In the establishment survey, there were no discernible impacts of the shutdown on the estimates of employment, hours, and earnings in October 2013 or January 2019. In the household survey data for October 2013 and January 2019, there was an increase in the number of unemployed federal workers on temporary layoff and in the measure of employed federal workers with a job but not at work. For more information about the impact of the October 2013 shutdown, see [www.bls.gov/bls/shutdown\\_2013\\_empsit\\_qa.pdf](http://www.bls.gov/bls/shutdown_2013_empsit_qa.pdf).