Frequently asked questions: The impact of the coronavirus (COVID-19) pandemic on The Employment Situation for May 2020

(NOTE: On September 23, 2020, BLS corrected data in the response to item 17 in this document. Minor corrections were made to occupation estimates. For more information on these corrections, see https://www.bls.gov/bls/errata/revision-to-current-population-survey-estimates-for-January-through-July-2020.htm.)

The labor market data from the establishment and household surveys for May reflect a limited resumption of economic activity that had been curtailed in March and April due to the coronavirus (COVID-19) pandemic and efforts to contain it. The material below addresses some questions about the effect of the pandemic on The Employment Situation for May 2020, which presents national-level estimates from the establishment (Current Employment Statistics, or CES) and household (Current Population Survey, or CPS) surveys. (See the assessments of the impact on the Employment Situation for March 2020 and April 2020.)

Additional detail at the state and local area level will be available in forthcoming releases with data from the CES State and Metro Area and the Local Area Unemployment Statistics (LAUS) programs.

1. Household and establishment surveys: What is the reference period for the two surveys?

The household survey reference period is generally the calendar week (Sunday–Saturday) that contains the 12th of the month, in this case May 10th through May 16th. In the household survey, individuals are classified as employed, unemployed, or not in the labor force based on their answers to a series of questions about their activities during the survey reference week.

In the establishment survey, workers who are paid by their employer for all or any part of the pay period including the 12th of the month are counted as employed, even if they were not actually at their jobs. Workers who are temporarily or permanently absent from their jobs and who are not being paid are not counted as employed, even if they continue to receive benefits. The length of the reference period varies across businesses in the establishment survey; one-third of businesses have a weekly pay period, slightly over 40 percent bi-weekly, about 20 percent semi-monthly, and a small amount monthly.

2. Establishment survey: Was there an impact on data collection in the establishment survey?

Yes. Data collection for the establishment survey was impacted by the coronavirus. Approximately one-fifth of the data is assigned to four regional data collection centers for collection. Although these centers were closed during the collection period, about three-quarters of the interviewers at these centers worked remotely to collect data by telephone. Additionally, BLS encouraged businesses to report electronically. More than 40 percent of data that are typically collected by the data collection centers were instead

collected by web this month. As a result, web collection represented 30 percent of May data, and Computer Assisted Telephone Interviewing (CATI) represented 11 percent.

Table A. Establishment survey data by collection method at first preliminary release, May 2020 (Percent distribution)

Collection method	May 2019	Average for 12 months ending February 2020	April 2020	May 2020	
All methods	100	100	100	100	
Computer Assisted Telephone					
Interviewing (CATI)	26	26	9	11	
Web	18	20	30	30	
Electronic Data Interchange (EDI)	48	47	53	50	
Touchtone Data Entry (TDE)	2	2	2	2	
Fax	2	1	1	1	
Other	4	3	6	7	

Note: Estimates may not sum to 100 due to rounding.

The collection rate for the establishment survey in May was 69 percent. This is slightly lower than the average for the 12 months ending in February 2020, before data collection was impacted, and lower than April (75 percent). This rate was also lower than that for May 2019 (81 percent). Collection rates were adversely impacted by pandemic-related issues to some degree, but as in the past, a larger influence on the establishment survey collection rates is the length of the collection period, which can range between 10 and 16 days. Additional information and a full time series is available in the establishment survey collection rate documentation.

Table B. Establishment survey collection rate for first preliminary release, May 2020 (Percent)

May 2019	Average for 12 months ending February 2020	April 2020	May 2020
81	75	75	69

Note: See establishment survey collection rates over time.

The collection rates for construction, manufacturing, education and health services, other services, and state government declined between 10 and 20 percentage points in May from the average for the 12 months ending in February 2020. The collection rate for federal government declined by nearly 30 percentage points in May compared to the average for the 12 months ending in February 2020. The collection rates for all other major industries were within 10 percentage points of the average for the 12 months ending in February 2020.

Although the collection rates were adversely affected by pandemic-related issues, BLS was still able to obtain estimates that met our standards for accuracy and reliability.

3. Establishment survey: Were there methodological changes to the establishment survey estimates?

Yes. In April, BLS made changes to the establishment survey <u>net birth-death model</u> used in the estimation process. These changes were continued in May. However, after further research, BLS extended the estimation modifications back to March. This change contributed to the revision for March.

Business births and deaths cannot be adequately captured by the establishment survey as they occur. Therefore, the establishment survey estimates use a model to account for the relatively stable net employment change generated by business births and deaths. Due to the impact of the pandemic, the relationship between the two was no longer stable starting in March. To account for the shifting relationship between business births and deaths, the establishment survey made changes to the birth-death model.

These changes include using a portion of business deaths and births reported by establishments in the estimation process for March final estimates through the current month's estimates. Business births and deaths are normally excluded from the estimation process. Beginning with estimates for April 2020, BLS also added a regression variable to the model for forecasting net business births and deaths. The regression variable added more recent information to the model, which typically relies on inputs only available at a lag of several months. See additional information about changes to the net birth-death model.

4. Establishment survey: How did the pandemic response impact May employment, hours, and earnings estimates?

As highlighted in <u>The Employment Situation news release</u>, total nonfarm payroll employment rose by 2.5 million in May, reflecting a limited resumption of economic activity that had been curtailed due to the pandemic and efforts to contain it. Employment fell by 1.4 million and 20.7 million, respectively, in March and April. Despite the over-the-month increase, nonfarm employment in May was nearly 20 million (or 13 percent) below its February level. (A full discussion can also be found in the BLS <u>Commissioner's statement</u> on the Employment Situation. See also <u>historical data</u> from the establishment survey.)

Average weekly hours for all private-sector workers showed an increase of 0.5 hour in May. One should use caution when interpreting changes in the workweek at the total private nonfarm level. While employees in most industries saw an increase in their workweeks in May, large employment changes in industries with shorter-than-average workweeks can complicate monthly comparisons of the average weekly hours figures.

Similarly, estimates of average hourly earnings for May must be interpreted with caution. Average hourly earnings of all employees on private nonfarm payrolls declined by 29 cents in May to \$29.75, following a gain of \$1.35 in April. The increase in average hourly earnings in April largely reflects the disproportionate number of lower-paid workers who went off payrolls, which put upward pressure on the total private average hourly earnings estimate. Some of these workers returned to payrolls in May, and job gains among lower-paid workers put downward pressure on average hourly earnings, though the effect is more muted given the smaller magnitude of the employment change. The large changes in

employment in recent months make it difficult to discern longer-term trends in the hours and earnings measures.

5. Household survey: What was the impact on data collection in the household survey?

The household survey is conducted by the Census Bureau and normally includes both in-person and telephone interviews, with the majority of interviews collected by telephone. Interviewing for the household survey began on May 17th, 2020.

Households are in the survey's sample for a total of 8 months, meaning that interviewers attempt to interview someone in the household each of those 8 months. Generally, households entering the sample for their first month are interviewed through a personal visit, and households in their fifth month also often receive a personal visit. Interviews for other months are generally conducted by telephone.

For the safety of both interviewers and respondents, the Census Bureau did not conduct in-person interviews in May. Additionally, the two Census Bureau call centers that assist with telephone interviewing remained closed. The Census Bureau continued to conduct the household survey by telephone and made efforts to collect telephone interviews for households that would normally have been interviewed in person.

The response rate for the household survey was 67 percent in May 2020, following rates of 70 percent in April and 73 percent in March. For comparison, the average response rate for the 12 months ending in February 2020 was 83 percent. (See table C below.)

In May, the response rate for households entering the sample for their first month was again particularly low. The response rate for these households, which would normally have been interviewed in person, was over 30 percentage points lower than the average for the 12 months ending in February 2020. In addition, the rate for households in the sample for their second month—which entered the sample for the first time last month and had low response rates in April—were down 27 percentage points compared with the average for the 12 months ending in February. The rate for those in their third month was 16 percentage points lower.

Although the response rate was adversely affected by pandemic-related issues, BLS was still able to obtain estimates that met our standards for accuracy and reliability.

(See table C on the next page.)

Table C. Household survey response rates by month in sample, May 2020 and recent months (Percent)

Month in sample	*	March	April 2020	May 2020	Percentage point difference from prior average*			
interview		2020			March 2020	April 2020	May 2020	
Total	82.5	73.0	69.9	67.4	-9.5	-12.6	-15.1	
Month in sample								
First	80.1	56.8	46.7	47.8	-23.3	-33.4	-32.3	
Second	83.1	74.2	63.5	56.4	-8.9	-19.6	-26.7	
Third	83.7	77.3	75.7	67.7	-6.4	-8.0	-16.0	
Fourth	83.8	77.5	78.2	76.5	-6.3	-5.6	-7.3	
Fifth	80.7	68.6	68.6	68.3	-12.1	-12.1	-12.4	
Sixth	82.4	75.2	72.7	71.4	-7.2	-9.7	-11.0	
Seventh	82.7	76.1	76.2	73.7	-6.6	-6.5	-9.0	
Eighth	83.6	78.6	78.1	77.7	-5.0	-5.5	-5.9	

^{*} Prior average is the average for the 12 months ending in February 2020.

Note: In the household survey, interviewers attempt to interview each household for 8 months total. The first month is generally an in-person interview; the fifth month is often an in-person interview.

6. Household survey: Were there modifications to the seasonal adjustment methodology for the household survey?

During their review of household survey data for May, BLS staff tested for outliers to determine whether any changes were needed to the seasonal adjustment models. BLS staff determined that, as in April, the vast majority of household survey data series had significant outliers in May. Therefore, BLS staff made adjustments to the models used in seasonal adjustment processing to better account for these outliers.

Seasonal adjustment factors can be either multiplicative or additive. A multiplicative seasonal effect is assumed to be proportional to the level of the series. A sudden large increase in the level of the series will be accompanied by a proportionally large seasonal effect. In contrast, an additive seasonal effect is assumed to be unaffected by the level of the series. In times of relative economic stability, the multiplicative option is generally preferred over the additive option. However, in the presence of a large level shift in a time series, multiplicative seasonal adjustment factors can result in systematic over- or under-adjustment of the series; in such cases, additive seasonal adjustment factors are preferred since they tend to more accurately track seasonal fluctuations in the series and have smaller revisions.

Prior to April, most seasonally adjusted household data series used multiplicative seasonal adjustment factors. In April, the vast majority of series had significant outliers, and BLS staff specified these series as additive. In May, BLS staff specified two additional series as additive. In accordance with the household survey's usual practice, the seasonal adjustment models and factors will be reviewed at the end of the calendar year, when 5 years of seasonally adjusted estimates will be subject to revision.

More information about seasonal adjustment is available in the household survey documentation.

7. Household survey: Were there any changes to measures of error for household survey estimates?

As with all survey-based estimates, household survey estimates are subject to sampling error. When a sample is surveyed, there is a chance that the sample estimates may differ from the true population values they represent. The component of this difference that occurs because samples differ by chance is known as sampling error, and its variability is measured by the standard error of the estimate. There is about a 90-percent chance, or level of confidence, that an estimate based on a sample will differ by no more than 1.6 standard errors from the true population value because of sampling error. BLS analyses are generally conducted at the 90-percent level of confidence.

In general, estimates based on a large number of observations have lower standard errors (relative to the size of the estimate) than estimates based on a small number of observations. Also, estimates of higher magnitude tend to have higher standard errors than estimates of lower magnitude.

The relatively low May response rate—meaning that household survey estimates were based on fewer observations in May than in prior months—increased standard errors for most measures. However, many estimates had substantially different magnitudes than in prior months, which also had an effect on standard errors. For example, the 90-percent confidence interval for the over-the-month change in the unemployment rate was +/- 0.4 percentage point in May 2020, compared with +/- 0.2 percentage point in May of last year. The increase in the size of the confidence interval was largely due to the increase in the magnitude of the unemployment rate (13.3 percent in May 2020 versus 3.6 percent in May 2019) rather than to the lower response rate. See information about the <u>reliability of estimates</u> in the household survey.

8. Household survey: Were interviewers provided with any special guidance?

Due to the unusual circumstances related to the pandemic, Census Bureau interviewers were given additional training prior to collecting data in May. Supervisors held all-interviewer training sessions and reviewed the guidance that had been provided in March and April on how to record answers to the three survey questions detailed below. Information was not provided for other survey questions.

The guidance can be summarized as follows:

If someone who usually works full time (35 hours or more per week) reports working 1 to 34 hours during the <u>survey reference week</u>, interviewers ask them the main reason why they worked less than 35 hours. If a person says they were under quarantine or self-isolating due to health concerns, interviewers were instructed to select "own illness, injury, or medical problem." For people who were not ill or quarantined but say that their hours were reduced "because of the coronavirus," interviewers were instructed to select "slack work or business conditions." An example would be "the store cut back hours during the coronavirus."

For those who do not work at all during the survey reference week, if a person says they were under quarantine or self-isolating due to health concerns, interviewers were instructed to select "own illness, injury, or medical problem." For people who were not ill or quarantined but say that they did not work last week "because of the coronavirus," interviewers were instructed to select "on layoff (temporary or indefinite)." Examples include "I work at a sports arena and everything is postponed" or "the restaurant closed for now because of the coronavirus."

To be classified as unemployed on temporary layoff, a person has either been given a date to return to work by their employer or expects to be recalled to their job within 6 months. (They must also be available to return to work if recalled.) Additional guidance was also provided to household survey interviewers regarding the question "Have you been given any indication that you will be recalled to work within the next 6 months?" If, because of the coronavirus, a person is uncertain when they will be able to return to work and thus is unsure how to answer the question, interviewers were instructed to enter a response of "yes," rather than "don't know." This would allow the individual to be included among the unemployed on temporary layoff. In light of the uncertainty of circumstances related to the pandemic, this unusual step was taken as part of an attempt to classify people who were effectively laid off due to pandemic-related closures among the unemployed on temporary layoff.

9. Household survey: How did the pandemic response impact May estimates?

As highlighted in <u>The Employment Situation news release</u>, household survey total employment rose and unemployment fell in May. These improvements in the labor market reflected a limited resumption of economic activity that had been curtailed in March and April due to the coronavirus pandemic and efforts to contain it. Although unemployment fell in May, the unemployment rate and the number of unemployed people are up by 9.8 percentage points and 15.2 million, respectively, since February. (A full discussion can also be found in the BLS <u>Commissioner's statement</u> on the Employment Situation. See also <u>historical data</u> from the household survey.)

The household survey can identify people who were not at work during the survey reference week for reasons such as their own illness, vacation, or taking care of a family member. Under the guidance provided to the household survey interviewers, workers who indicate that they were not working during the entire reference week due to efforts to contain the spread of the coronavirus should be classified as unemployed on temporary layoff, whether or not they are paid for the time they were off work. (See details in item 8 above.)

Among the unemployed, the number of people on temporary layoff decreased in May, but remained high. However, as happened in <u>April</u> and <u>March</u>, some workers who were not at work during the entire reference week were not classified as unemployed on temporary layoff in May. Rather, they were classified as employed but absent from work. BLS analysis of the underlying data suggests that most of these workers were misclassified; they should have been classified as unemployed on temporary layoff. (See details in item 12 below.)

The number of hours some people worked were affected by efforts to contain the pandemic. 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 slack work or business conditions, including those due to

pandemic-related closures, are classified as employed part time for economic reasons. (See details in item 15 below.) Other effects can be seen in the number of people at work part time for noneconomic reasons. (See details in item 16 below.)

The number of people not in the labor force who currently want a job fell in May, but remained elevated as the impact of the pandemic likely kept many individuals from engaging in labor market activity. (See details in item 18 below.)

10. Household survey: How are people who are absent from their jobs counted in the household survey?

The monthly household survey has two measures that show the number of people who missed work. One addresses people who did not work at all in the <u>survey reference week</u>, and the other addresses people who usually work full time but were at work part time (1 to 34 hours) during the reference week.

First, the survey collects data on the number of people who had a job but were not at work for the entire reference week due to reasons like vacation or their own illness. These people are counted as employed regardless of whether they were paid for the time off. People who have a job but were not at work for other reasons may be classified as employed or unemployed depending on the reason they missed work. For example, people who missed work due to vacation, parental leave, or bad weather are classified as employed. People who were temporarily laid off and expecting recall (and available to return to their job if recalled) are classified among the unemployed on temporary layoff. (See details in item 11 below.)

Second, the household survey provides a measure of the number of people who usually work full time (35 hours or more per week) but were at work part time (1 to 34 hours) during the survey reference week. Depending on the reason provided, these workers are then grouped into those at work part time for economic or noneconomic reasons. Economic reasons include working reduced hours due to slack work or business conditions, seasonal work, or starting or ending a job during the week. Noneconomic reasons include illness, vacation, holidays, schooling, childcare problems, labor dispute, bad weather, and other reasons. (See details in items 15 and 16 below.)

People who report in the survey that they do not have a job, including those who permanently lost their job, are classified as unemployed if they are both available for work and actively looking for employment. (People on temporary layoff do not need to look for work to be unemployed.) People who do not meet the criteria to be unemployed (for example, they are not available to work for reasons other than their own temporary illness or they do not expect to be recalled from their layoff) are classified as not in the labor force. (See further explanation in item 18 below.)

11. Household survey: How many employed people were not at work during the reference week?

In May, 8.4 million workers were classified as employed with a job but not at work during the <u>survey</u> <u>reference week</u> (not seasonally adjusted). Although lower than the 11.5 million not at work in April, this measure remains about twice the <u>typical</u> level at this time of the year. This likely reflects the impact of the coronavirus pandemic. (See table D on the next page.)

Table D. Employed people with a job but not at work, April and May, selected years, not seasonally adjusted

(Numbers in thousands)

Year	Aŗ	oril	M	ay	Difference* (May - April)		
	Total employed	With a job not at work	Total employed	With a job not at work	Total employed	With a job not at work	
2016	151,075	4,022	151,594	4,224	519	202	
2017	153,262	5,625	153,407	3,915	145	-1,710	
2018	155,348	4,083	156,009	3,949	661	-134	
2019	156,710	4,078	157,152	4,249	442	171	
2020	133,326	11,524	137,461	8,350	4,135	-3,174	

^{*} Users are generally cautioned against over-the-month comparisons of not seasonally adjusted data, as the change could be affected by some seasonal component.

There were many reasons why employed people were not at work for the entire survey reference week. BLS tabulates data on employed people not at work whose main reason for being absent was vacation, own illness, childcare problems, other family or personal obligations, labor dispute, bad weather, maternity or paternity leave, school or training, civic or military duty, and other reasons. Vacation and a person's own illness are typically the most common reasons people are not at work. (See table E below.)

Of the 8.4 million employed people not at work during the survey reference week in May 2020, 1.5 million people were included in the "own illness, injury, or medical problems" category (not seasonally adjusted). This was down from 2.0 million in <u>April</u>, but was larger than the 932,000 that is typical for May in recent years. People who were not at work to care for a sick family member should be counted in the "other family or personal obligations" category. As it had been in April, this measure was within the usual range for May 2016–2019.

In May 2020, 620,000 people were recorded as absent from work because of vacation, essentially unchanged from April. This is about one-third of the number usually recorded in the vacation category for May.

In May 2020, 5.4 million people were included in the "other reasons" category—about two-thirds of the total 8.4 million employed people not at work during the survey reference week (not seasonally adjusted). This is lower than the 8.1 million people not at work for "other reasons" in April, but was substantially higher than the average of 549,000 for May in recent years. As in April, BLS analysis of the underlying data suggests that this group included workers affected by the pandemic response 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. BLS and the Census Bureau are investigating why this misclassification error continues to occur and are making changes for the June collection. (See item 14 below.)

(See table E on the next page.)

Table E. Employed people with a job but not at work, May, selected years, not seasonally adjusted (Numbers in thousands)

May	Total not at work	Vacation	Own illness, injury, or medical problems	Childcare problems	Other family or personal obligations	Labor dispute	Bad weather	Maternity or paternity leave	School or training	Civic or military duty	Other reasons
2016	4,224	1,691	1,061	31	256	23	87	295	171	15	594
2017	3,915	1,725	903	30	213	ı	43	299	175	5	523
2018	3,949	1,730	861	10	238	-	38	323	154	3	593
2019	4,249	1,856	902	53	294	14	85	403	146	12	484
2020	8,350	620	1,534	82	258	1	39	295	60	12	5,448

Note: Dash indicates no data.

12. Household survey: How many more workers should have been classified as unemployed on temporary layoff in May?

Other than those who were themselves ill, under quarantine, or self-isolating due to health concerns, people who did not work during the <u>survey reference week</u> (May 10–16) due to efforts to contain the spread of the coronavirus should have been classified as "unemployed on temporary layoff." However, as happened in <u>April</u> and <u>March</u>, some people who were not at work during the entire reference week for reasons related to the coronavirus were not included in this category. Instead, they were misclassified as employed but not at work.

Of the 8.4 million employed people not at work during the survey reference week in May 2020, 5.4 million people were included in the "other reasons" category, much higher than the average of 549,000 for May 2016–2019 (not seasonally adjusted). BLS analysis of the underlying data suggests that this group included workers affected by the pandemic response 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. BLS and the Census Bureau are investigating why this misclassification error continues to occur and are making changes for the June collection. (See item 14 below.)

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.

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

If the workers who were recorded as employed but not at work for the entire <u>survey reference week</u> had been classified as "unemployed on temporary layoff," the overall unemployment rate would have been higher than reported. This kind of exercise requires some assumptions. For example, first one needs to

determine how many workers might be misclassified. There were 5.4 million workers with a job but not at work who were included in the "other reasons" category in May 2020, about 4.9 million higher than the average for May 2016–2019. (While this category contains misclassified workers, not every person in this category was necessarily misclassified. The average for recent May estimates was 549,000 employed people with a job not at work for "other reasons.")

One assumption might be that these additional 4.9 million workers who were included in the "other reasons" category should have been classified as unemployed on temporary layoff. If these workers were instead considered unemployed on temporary layoff, the number of unemployed people in May (on a not seasonally adjusted basis) would increase by 4.9 million from 20.5 million to 25.4 million. The number of people in the labor force would remain at 158.0 million in May (not seasonally adjusted) as people move from employed to unemployed but stay in the labor force. The resulting unemployment rate for May would be 16.1 percent (not seasonally adjusted), compared with the official estimate of 13.0 percent (not seasonally adjusted). Estimates of people with a job but not at work are not available on a seasonally adjusted basis, so seasonally adjusted data, such as the unemployment rate mentioned in The Employment Situation news release, are not used in this exercise. (Repeating this exercise, but combining the not seasonally adjusted data on additional people with a job but not at work in the "other reasons" category with the seasonally adjusted estimates reported in The Employment Situation news release yields a similar 3.1 percentage point increase in the unemployment rate for May—or 16.4 percent, compared with the official seasonally adjusted rate of 13.3 percent.)

(Comparable calculations were previously published for March and April.)

14. Household survey: What are BLS and the Census Bureau doing about the misclassification error?

BLS and our partners at the Census Bureau take the misclassification error very seriously, and we're taking additional steps to address the problem.

Prior to the March data collection, instructions were provided to survey interviewers on how to answer the temporarily absent question if a person said that they had a job but did not work due to the coronavirus pandemic. (See item 8 above.) Prior to April data collection, an email was sent to all interviewers that included instructions with more detailed examples and a reference table to aid in coding responses. Prior to May data collection, every field supervisor had a conference call with the household survey interviewers they manage. In these conference calls, the supervisors went over the detailed instructions and examples and were available to answer interviewers' questions.

We will continue to investigate the reasons why the misclassification error persists. In addition, we are making further changes prior to the June collection. The Census Bureau will conduct additional training to review the guidance. Also, we are embedding instructions into the data collection instrument to make them more accessible during survey interviews.

(Continues on next page.)

15. Household survey: How many people were at work part time for economic reasons in May?

The pandemic may have affected the number of hours some people worked during the <u>survey reference</u> week (May 10–16). For example, some people may have worked during the reference week, but not as many hours as they usually work. Some people may have worked more hours than usual.

In May 2020, there were 10.6 million workers who worked part time for economic reasons (seasonally adjusted). These individuals, who would have preferred full-time employment, were working part time because their hours had been reduced or they were unable to find full-time jobs. This measure was little changed from April, but was still about 6.3 million higher than in February, clearly reflecting slack work or business conditions due to the pandemic response.

The pandemic impact was particularly acute in the accommodation and food services industry, where people working part time for economic reasons represented about 1 in 5 of those at work in that industry in May (not seasonally adjusted).

16. Household survey: What else do we know about why people were at work part time in May?

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 survey reference week are asked the reason they worked part time that week. Depending on the reason provided, these workers are then grouped into those at work part time for economic or noneconomic reasons. Economic reasons include working reduced hours due to slack work or business conditions, seasonal work, or starting or ending a job during the week. (See item 15 for a discussion of people at work part time for economic reasons.) Noneconomic reasons include illness, vacation, holidays, schooling, childcare problems, labor dispute, bad weather, and other reasons.

The number of people who usually work full time but were at work part time for noneconomic reasons fell in May. The number of full-time workers who reported being at work part time for "other reasons" also fell over the month, likely reflecting the recent limited resumption of economic activity since the beginning of pandemic. There were 2.2 million workers who usually work full time but worked less than 35 hours due to "other reasons" in May (not seasonally adjusted); those who reported "other reasons" accounted for 40 percent of full-time workers who were at work part time for noneconomic reasons. Prior to 2020, this category typically accounted for less than 10 percent.

It is important to note that these household survey data do not reflect all cases of people who worked fewer hours during the month. They refer to work missed only during the <u>survey reference week</u>. They are restricted to cases where people who usually work full time (35 hours or more per week) worked 1 to 34 hours. Thus, a person who usually works 50 hours per week but missed 8 hours would not be included in this measure since they still worked more than 35 hours. Also, the data do not reflect how many people who usually work part time miss work.

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17. Household survey: What were the effects of the coronavirus on occupational employment and unemployment?

In May, the household survey estimate of total employment rose, after falling sharply in April. The unemployment rate declined in May after a historically large increase the month before. A similar pattern could be seen across most of the occupation groups. Notably, employment in service occupations rose by 1.1 million in May, following a steep decline in the prior month (-7.3 million). The unemployment rate for workers whose last job was in service occupations was 23.6 percent in May, down from 27.2 percent the month before (not seasonally adjusted).

Online monthly tables show additional information on <u>employment</u> and <u>unemployment</u> by occupation. Time series estimates of employment and unemployment by occupation from the household survey are also available in our <u>online database</u>. (These data are not seasonally adjusted. 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, changes in the classification of occupations complicate comparisons over time.)

18. Household survey: How many people want a job, but are not classified as unemployed?

People are categorized as either employed, unemployed, or not in the labor force based on how they respond to survey questions about their recent activities. People who have a job are employed, including those who may be temporarily absent (whether or not they are paid). People who do not have a job and are actively looking for and available for work are unemployed. People who do not have a job and are on layoff and expecting to be recalled to their job do not need to look for work to be counted as unemployed, but they do need to be able to return to work if recalled. Those who do not meet the criteria to be classified as either employed or unemployed are not in the labor force.

Among those not in the labor force, the survey identifies people who want a job. There were 9.0 million people not in the labor force who wanted a job in May, down from 9.9 million in April (a high for the monthly series that dates back to 1994). Despite the decline in May, this measure was more than one and a half times as large as in March (5.5 million). In both April and May, people who wanted a job represented roughly 1 in 10 of those not in the labor force, much higher than in earlier months. Similarly, among people ages 25 to 54, those who wanted a job represented almost 1 in 5 people not in the labor force in April and May, much higher than in prior months.

Relative to earlier months, the large number of people who wanted a job in April and May likely reflects the impact of the pandemic on the job market, as mandatory business closures, stay-at-home orders, and concerns about the coronavirus may have kept many individuals from engaging in labor market activity. Most people who wanted a job in April and May had not looked for work recently. If they had actively looked for work in the prior 4 weeks and were available to take a job, they would have been counted among the unemployed.

If all people who want a job but were not in the labor force were added to the total 21.0 million people unemployed in May, the resulting 29.9 million people would represent 17.9 percent of the combined total of the labor force plus those who want a job. A similar calculation results in 19.8 percent for April and 7.5 percent for March.

19. Household survey: What's the difference between a furlough and a layoff?

Some people use the terms furlough and layoff interchangeably, and others find them to be distinct. The household survey does not have a formal measure or definition of furlough.

The survey identifies different <u>reasons people are unemployed</u>, including being on temporary layoff. This measure includes people who were "furloughed," although that is not a term used in the survey questionnaire. (The manual provided to survey interviewers discusses how to code responses from people who report that they are furloughed. This guidance was prepared several years ago and was tailored to the use of "furlough" as a term describing budget-related layoffs, typically among government entities.)

Unemployed people on temporary layoff are those who said they were laid off or were not at work during the survey reference week because of layoff (temporary or indefinite) or slack work/business conditions, and who have been given a date to return (or expect to be recalled within the next 6 months), and who could have returned to work if they had been recalled (except for temporary illness). Unlike other unemployed people, those on temporary layoff do not need to look for work to be classified as unemployed. Pay status is not a criteria to be unemployed on temporary layoff. People absent from work due to temporary layoff can be classified as unemployed on temporary layoff, whether or not they are paid for the time they were off work.

Recent information about unemployed people on temporary layoff is available in an <u>online table</u>; historical data are available from our <u>online database</u>.

The household survey does not include any information on whether people on temporary layoff return to their employers. The monthly survey provides a snapshot of the labor market and is not designed to track people's work experience over time.

20. Household survey: When are the household survey microdata files available?

Microdata from the household survey are available from the Census Bureau. The Census Bureau generally makes a <u>microdata file</u> available on the Wednesday following the publication of <u>The Employment Situation</u> (see <u>news release schedule</u>). The microdata can also be obtained through the Census Bureau's <u>Microdata Access Tool (MDAT)</u>, where data are generally made available on the Thursday following publication. Personally identifiable information is removed from all household survey microdata.

21. How many working people had to take care of children who could not go to school?

BLS does not have monthly estimates of employed parents, nor do we have data that reflect school closures.

22. Do the household and establishment surveys measure telework?

No, the surveys do not regularly measure telework or work from home. However, BLS is adding new questions related to the coronavirus pandemic to the household survey, including one on telework. (See item 23 below.)

23. Are there plans to learn more about people affected by the pandemic?

Yes, the household survey began collecting information from 5 new questions related to the pandemic in May. Information from these new questions are not yet available. BLS will update the new question page as additional information regarding these new questions becomes available.

24. How are these data different from the unemployment insurance (UI) claims data?

For the household and establishment surveys, the data for a given month relate to a particular week or pay period. In the household survey, the reference period is generally the calendar week that contains the 12th day of the month, in this case May 10th through May 16th. In the establishment survey, the reference period is the pay period that includes the 12th of the month, regardless of the length of the pay period. (The length of the reference period varies across businesses in the establishment survey; one-third of businesses have a weekly pay period, slightly over 40 percent bi-weekly, about 20 percent semi-monthly, and a small amount monthly.)

Every week, the Department of Labor's Employment and Training Administration (ETA) reports the number of people filing <u>initial and continued claims</u> for UI benefits. Individuals file initial claims to request a determination of basic eligibility for the UI program. A continued claim is filed to claim benefits for a particular week of unemployment. Because the UI claims data are weekly series, they can capture the impact of shocks more quickly than the BLS monthly household and establishment surveys, particularly when these shocks hit between survey reference periods.

Data users must be cautious about trying to compare or reconcile the UI claims data with the official unemployment figures gathered through the household survey. The unemployment data derived from the household survey in no way depend upon the eligibility for or receipt of UI benefits. In some cases, UI claims data exclude people who would be identified as unemployed in the household survey, like new entrants to the labor force with no prior work experience. In other cases, UI data may include individuals who do not meet the CPS definition of unemployment. The recent Emergency Unemployment Insurance Stabilization and Access Act of 2020, signed on March 27, 2020, allowed states to temporarily modify or suspend the "actively seeking work" requirement to respond to the spread of COVID-19. With the exception of those unemployed on temporary layoff, individuals without a job who are not actively seeking work are classified as not in the labor force in the household survey.

Learn more about how the household survey measures unemployment.