Country Notes and Data Sources

International Comparisons of Annual Labor Force Statistics, 1970-2012



International Labor Comparisons

This file contains country-specific information for data associated with "International Comparisons of Annual Labor Force Statistics, 1970-2012", at <u>www.bls.gov/fls/flscomparelf.htm</u>. Various methodological changes, such as national data sources and BLS adjustment methods, have created breaks in the historical continuity of series for most countries. In the tables, a letter "b" appears next to the first year shown that contains data affected by the change. Some breaks have little or no effect on data and are therefore relatively inconsequential, while others affect comparability over time. This section provides background for each country's breaks in series and measures the impact when overlapping data are available, as well as a description of the data sources and adjustments (except for age limits, which are indicated in the working-age population section of the <u>Technical Notes</u>).

UNITED STATES

Unadjusted and adjusted unemployment rates are from a monthly labor force survey called the Current Population Survey (CPS).

Adjustments. None.

Breaks. While current survey concepts and methods are very similar to those introduced at the inception of the CPS in 1940, various changes have been made over the years to improve the accuracy and usefulness of the data. These methodological changes and others, such as the introduction of new population controls from the decennial censuses, have caused many breaks in series, most of which had only a small impact on the comparability of data; however, the 1994 break in series reflects a major redesign of the labor force survey questionnaire and its methodology. The redesign raised the unemployment rate by 0.1 percentage point in 1994. For further information on the breaks in series and their impacts, see "Historical comparability" in the "Household data" section of the BLS publication, Employment and Earnings, at www.bls.gov/cps/eetech methods.pdf.

Sectoral employment is based on the North American Industry Classification System (NAICS) for 2000 onward and the Standard Industrial Classification (SIC) system for prior years. The change in classification system, which created a break in the sectoral employment series in 2000, reduced employment for 2000-02 in all sectors except services. The share of employment in agriculture decreased from 2.6 to 1.8 percent; in industry, from 22.2 to 22.0 percent; and in manufacturing (a subsector of industry), from 14.8 to 14.4 percent. Employment in services increased from 75.2 to 76.2 percent. For all sectors except agriculture, there is an additional break in 1983, which reflects revisions to the industry classification system.

AUSTRALIA

Unadjusted unemployment rates are from a labor force survey, which has been monthly since 1978 and was quarterly for prior years.

Adjustments. National data are closely aligned to U.S. concepts. BLS does not make any adjustments to the nationally published data.

Breaks. For all series, there is a break in 1986. In April 2001, the Australian labor force survey questionnaire was redesigned to adhere more closely to International Labour Organization (ILO) guidelines; data were revised for April 1986 onward, creating a break in 1986. The redesign reduced the unemployment rate by 0.2 percentage point in 1986.

For the unemployment series, there is a break in 2001, which reflects the reclassification of persons waiting to start a new job from not in the labor force to unemployed. The reclassification raised the adjusted unemployment rate by 0.1 percentage point in 2001.

CANADA

Unadjusted unemployment rates are from a monthly labor force survey.

Adjustments. The adjusted series are based on labor force survey statistics. For 1976 onward, BLS adjusts unemployment to:

- Include full-time students looking for full- time work.
- Exclude passive jobseekers.
- Exclude persons unavailable for work due to personal or family responsibilities or vacation.
- Exclude persons waiting to start a new job who did not seek work in the past four weeks (for 1994 onward only since these persons are similarly counted among the unemployed in the United States for prior years).

Statistics Canada provides BLS with the adjusted data for 1976 onward. The adjustments have had a growing impact over time, reducing the annual unemployment rate by 0.2-0.4 percentage point in the 1980s, 0.4-0.9 percentage point in the 1990s, and 0.7-1.0 percentage point in the 2000s. For further information on the adjustments and their impacts, see Constance Sorrentino, "International unemployment rates: how comparable are they?" *Monthly Labor Review*, June 2000, pp. 3-20, at www.bls.gov/opub/mlr/2000/06/art1full.pdf.

Breaks. For all series, there is a break in 1976, which reflects the incorporation of the 2001 Population Census results for 1976 onward. For the adjusted series, the 1976 break also reflects the implementation of the adjustments described above.

For the adjusted unemployment series, there is an additional break in 1994, which reflects a change in the definition of unemployment. Persons waiting to start a new job who did not actively seek work in the past four weeks are included among the unemployed prior to 1994; this group is excluded for 1994 onward.

Sectoral employment is shown on the NAICS basis for 1976 onward. Prior to 1976, data are shown on the Canadian SIC basis. The change in classification system, which created a break in the sectoral employment series in 1976, reduced the share of employment in manufacturing from 15.7 to 15.0 percent in 1998.

FRANCE

Unadjusted unemployment rates are based on a labor force survey, which has been continuous (i.e., covering all weeks of the year) since 2003 and was annual or semi-annual for prior years.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

- Exclude unpaid family workers who worked less than 15 hours per week.
- Exclude military.

Breaks. For all series except working-age population, there is a break in 1975, which reflects a change in BLS estimation methods and a revised definition of unemployment due to the introduction of a criterion on work availability. For all adjusted series except unemployment and working-age population, there is an additional break in 1982 due to a change in sources. For the sectoral employment series, there is also a break in 2008, which reflects revisions to the industry classification system.

GERMANY

Unadjusted unemployment rates are based on registered unemployment and wage and salary workers from an establishment survey.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

- Exclude unpaid family workers who worked less than 15 hours per week prior to 1991.
- Exclude career military.

Breaks. For all series there is a break in 1991, which reflects the inclusion of former East Germany. Data for 1991 onward are for Germany (unified); prior to 1991, data are for former West Germany. The unification raised the adjusted unemployment rate from 4.3 to 5.6 percent in 1991.

For the adjusted series, there are breaks in 2005, 1999, and 1984; working-age population is not affected by the breaks in 1999 and 1984. The 2005 break reflects a change in the periodicity of the German labor force survey data collection. For 2005 onward, data are collected continuously; prior to 2005, data were collected in April of each year. The 1999 break reflects the incorporation of an improved method of data calculation and a change in coverage to persons living in private households only. The 1984 break reflects a change in source: data are from the German Federal Statistical Office prior to 1984 and the Organization for Economic Cooperation and Development (OECD) for 1984 onward. For the sectoral employment series, there is an additional break in 2009, which reflects revisions to the industry classification system.

ITALY

Unadjusted unemployment rates are from a labor force survey, which has been continuous since 2004 and was quarterly for prior years.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

- Exclude unpaid family workers who worked less than 15 hours per week.
- Exclude career military.

Breaks. For all series, there are breaks in 1993, 1991, and 1986; working-age population is not affected by the 1986 break. Italy's labor force survey became continuous in 2004 and Italy's National Institute of Statistics (ISTAT) revised its definitions to more closely follow ILO and the Statistical Office of the European Communities (EUROSTAT) recommendations; data were revised back to 1993, causing a break in that year. The revisions raised the unemployment rate by approximately 0.5 percentage point in 1993. The 1991 break reflects a revision in the method of weighting sample data, which raised the adjusted unemployment rate from 6.6 to 6.9 percent in 1991. The 1986 break reflects a revision in the survey

questionnaire, resulting in a significant increase in the number of people reported as seeking work in the past 30 days. This revision raised the adjusted Italian unemployment rate from 6.3 to 7.5 percent in 1986. For the sectoral employment series, there is an additional break in 2008, which reflects revisions to the industry classification system.

JAPAN

Unadjusted unemployment rates are from a monthly labor force survey. All data for 2011 are based on referential estimates from the Statistics Bureau of Japan that include areas affected by the March 11, 2011 earthquake.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

- Exclude unpaid family workers who worked less than 15 hours per week.
- Exclude military.

BLS also adjusts unemployment for 1985 onward to:

- Exclude inactive jobseekers awaiting the results of previous job applications.
- Include unemployed persons who have sought a job in the previous two to four weeks.
- Include unemployed persons waiting to start a new job.

Breaks. For the adjusted unemployment and labor force series, there is a break in 1985, which reflects a change in definitions due to the implementation of the adjustments to unemployment described above.

KOREA, REPUBLIC OF

Unadjusted unemployment rates are from a labor force survey, which has been monthly since 1982 and was quarterly for prior years.

Adjustments. National data are closely aligned to U.S. concepts. BLS does not make any adjustments to the nationally published data.

Breaks. For all series, there is a break in 1991, which reflects updated population controls. For the unemployment series, there is an additional break in 2000, which reflects a change in the job search criterion from one week to four weeks.

MEXICO

Unadjusted unemployment rates are from a continuous labor force survey.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

- Exclude unpaid family workers who worked less than 15 hours per week.
- Exclude all non-family unpaid workers.
- Exclude military.

Breaks. For all series, there is a break in 2010, which reflects updated population controls.

NETHERLANDS

Unadjusted unemployment rates are based on a combination of registered unemployment, wage and salary workers from an establishment survey, and a labor force survey, which has been continuous since

1986 and was biennial for 1973-85.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

- Exclude unpaid family workers who worked less than 15 hours per week.
- Exclude military.

Breaks. For the adjusted series, there are breaks in 2010, 2003, 2000, 1992, 1987, and 1983; working-age population is not affected by the 2010 and 1992 break. The 2010 break reflects a new survey method. The 2003 break reflects updated population controls. The 2000, 1987, and 1983 breaks reflect changes in sources. The 1992 break reflects a change in labor force definitions. For the sectoral employment series, there is an additional break in 2008, which reflects revisions to the industry classification system.

NEW ZEALAND

Unadjusted unemployment rates are from a quarterly labor force survey.

Adjustments. National data are closely aligned to U.S. concepts. BLS does not make any adjustments to the nationally published data.

Breaks. For the sectoral employment series, there are breaks in 2003 and 1997, which reflect revisions to the industry classification system.

SOUTH AFRICA

Unadjusted unemployment rates are from a quarterly labor force survey.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

• Exclude unpaid family workers who worked less than 15 hours per week.

Breaks. None.

SPAIN

Unadjusted unemployment rates are from a labor force survey, which has been continuous since 1999, quarterly from 1975-98, and was semi- annual for prior years.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

- Exclude unpaid family workers who worked less than 15 hours per week.
- Exclude military.

Breaks. For all series, there is a break in 2005, which reflects the introduction of a new questionnaire. For all series, there is a break in 1996, which reflects updated population controls. For the sectoral employment series, there is an additional break in 2008, which reflects revisions to the industry classification system.

SWEDEN

Unadjusted unemployment rates are based on a labor force survey, which has been continuous since 1993 and was monthly for prior years.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

- Exclude career military.
- Remove upper age limit.

BLS also adjusts unemployment to:

- Include full-time students between 1987-04 who were both seeking work and available for work.
- Remove upper age limit.

Breaks. For all series except working-age population, there are breaks in 2005 and 1987. The 2005 break reflects the introduction of a new questionnaire. The 1987 break reflects many changes. First, a new questionnaire was introduced in that year. Questions regarding availability for work were added and the period of active work-seeking was reduced from 60 days to 4 weeks. These changes reduced the unemployment rate by 0.4 percentage point in 1987. Second, Statistics Sweden implemented new estimation procedures and a new reference week system in 1993. These revisions were implemented for 1987 onward, which raised the unemployment rate by 0.2-0.5 percentage point for 1987-93. Third, for the adjusted series, the break additionally reflects the classification of students seeking work as unemployed rather than not in the labor force. This change was implemented for 1987-04, which raised the unemployment rate by up to 2.2 percentage points.

TURKEY

Unadjusted unemployment rates are from a monthly labor force survey.

Adjustments. The adjusted series are based on labor force survey statistics. BLS adjusts employment to:

• Exclude unpaid family workers who worked less than 17 hours per week.

BLS also adjusts unemployment to:

• Exclude persons counted as unemployed who actively sought for work for more than 4 weeks.

Breaks. None.

UNITED KINGDOM

Unadjusted unemployment rates are based on estimates from the United Kingdom's Office for National Statistics (ONS) as well as a labor force survey, which has been continuous since 1992, annual for 1984-91, and biennial for 1979-83.

Adjustments. The adjusted series for 1992 onward are based on labor force survey statistics. The 1971-91 series are based on administrative and labor force survey data and were created by ONS to be consistent with the series for 1992 onward. BLS adjusts employment to:

• Exclude career military.

Breaks. For the sectoral employment series, there are breaks in 1997 and 1984. The 1997 break reflects revisions to the industry classification system. The 1984 break reflects a change in source: data are from OECD prior to 1984 and ONS for 1984 onward.