

Coronavirus (COVID-19) Pandemic Impact on July 2021 Household and Establishment Survey Data

Labor force statistics, including the unemployment rate, are based upon estimates from the Current Population Survey of households. Nonfarm employment data are provided by the BLS' Current Employment Statistics survey program. The household survey measures labor force status, including unemployment, by demographic characteristics. The establishment survey measures nonfarm employment, hours, and earnings by industry.

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 are not being paid are not counted as employed, even if they are continuing to receive benefits. Data collection for both surveys was affected by the pandemic.

Since March 2020, household survey interviewers have been instructed to classify employed persons absent from work due to temporary, coronavirus-related business closures or cutbacks as unemployed on temporary layoff, instead of employed but not at work. BLS and Census Bureau analyses of the underlying data suggest that this group still July include some workers affected by the pandemic who should have been classified as unemployed on temporary layoff. The share of responses that July have been misclassified was much smaller in recent months.

Since March 2020, BLS published an estimate of what the unemployment rate might have been had misclassified workers been included among the unemployed. Repeating this same approach, the seasonally adjusted July unemployment rate for the nation would have been 0.3 percentage point higher than reported (this represents the upper bound of the estimate of misclassification and probably overstates the size of the misclassification error). 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 reclassify survey responses.

More information is available at <https://www.bls.gov/covid19/employment-situation-covid19-faq-july-2021.htm>.