U.S. Bureau of Labor Statistics Current Population Survey (CPS) Technical Documentation January 2024

(See documentation for prior years)

Revisions to seasonally adjusted national household survey labor force series effective in January 2024

At the end of each calendar year, the Bureau of Labor Statistics (BLS) reestimates the seasonal factors for the Current Population Survey (CPS, or household survey) data series by including another full year of data in the estimation process.

Following this annual reestimation, BLS revises the seasonally adjusted national household survey labor force estimates for the previous 5 years. The revised historical data are released in January each year with the publication of the latest December data.

As a result, each year's data are generally subject to five revisions before the values are considered final. The fifth and final revisions to data for the earliest of the 5 years are usually quite small, while the first-time revisions to data for the most recent years are generally much larger. For the major aggregate labor force series, however, the first-time revisions rarely alter the essential trends observed in the initial estimates. See <u>detailed information about the seasonal adjustment procedures</u>.

Revisions to 2023 estimates

This year's revisions incorporate data through December 2023 and provide revised estimates for January 2019 through November 2023 for all previous seasonally adjusted labor force series. (Many data series had large outliers after the onset of the coronavirus (COVID-19) pandemic. Therefore, starting in 2020, BLS staff made some modifications to seasonal adjustment models as needed for series with large outliers. These changes, which are described in the following section, are reviewed as part of the annual reestimation process.)

An important criterion for evaluating alternative methods of seasonal adjustment is how close initial estimates are to the results of subsequent revisions. Users of seasonally adjusted data are often most interested in current information. Thus, it is desirable that the initial seasonally adjusted estimates be as close as possible to the improved estimates generated after more data become available. Even though the revisions currently being released for the 2023 seasonally adjusted data are not final, the first revisions are usually the largest and often indicate the direction of subsequent revisions.

Table 1 shows the unemployment rates for January to November 2023, as first published and as revised. The seasonally adjusted unemployment rate was revised slightly for 1 month in 2023. (Note that December 2023 is the final month of the series and has no revision.)

Table 1. Seasonally adjusted unemployment rates in 2023 and change due to revision

Month	As first published	As revised	Change
Ionuagy	3.4	3.4	0.0
January	J. 4	3.4	0.0
February	3.6	3.6	0.0
March	3.5	3.5	0.0
April	3.4	3.4	0.0
May	3.7	3.7	0.0
June	3.6	3.6	0.0
July	3.5	3.5	0.0
August	3.8	3.8	0.0
September	3.8	3.8	0.0
October	3.9	3.8	-0.1
November	3.7	3.7	0.0

Extension of seasonal adjustment to additional series

No new seasonally adjusted series were added for 2024.

Pandemic-related modifications to seasonal adjustment models

The onset of the pandemic early in 2020 had a marked impact on many data series from the household survey. Since April 2020, BLS staff have monitored household survey data series for outliers to determine whether any changes were needed to the seasonal adjustment models in real time. BLS staff determined that the vast majority of household survey data series had large outliers and made adjustments as needed to the models used in seasonal adjustment processing to account for them. For more information on the modifications, see Revisions to seasonally adjusted national household survey labor force series effective in January 2022.

Availability of revised series

These revised estimates replace the seasonally adjusted estimates previously published. Revised historical seasonally adjusted labor force data are available in various forms on the <u>CPS data page</u>, including as a <u>text file</u>. The seasonally adjusted data last published for 2018 and earlier years were not further revised. (Not seasonally adjusted data were not subject to revision.)