

#### Revision in Estimation Procedure

Beginning with the figures for April 1962, information from the 1960 Census of Population replaces that from the 1950 Census in the estimation procedures for the labor force sample survey. The effects of the change are shown in the tables on the following pages presenting data on population and employment status on both the old and the new basis for April. Most of the differences between the old and the new labor force estimates are small and well within the normal range of sampling error.

Population information from the decennial census is used in two stages of the estimation procedure for the sample survey in order to improve the reliability of the results. Since labor force activity is highly correlated with such characteristics as age, color, urban-rural residence, and sex, the sampling variability of the estimates can be reduced if the sample population is brought into line with the known distributions of the total population by these characteristics. (See U. S. Bureau of the Census, Current Population Reports, "Concepts and Methods Used in the Current Employment and Unemployment Statistics Prepared by the Bureau of the Census," Series P. 23, No. 5, for detailed explanation.)

The first stage in the estimation process takes into account differences between the color and urban-rural residence distribution of the population in the sample counties and that of the total population in each of the four major regions of the country at the time of the census. These adjustment ratios remain constant until another census is taken or until changes are made in the counties in the sample.

The second stage adjustment takes account of current differences between the distribution of the sample population by age, color, and sex and that of the Nation as a whole. Each month, the Census Bureau prepares current independent estimates of the noninstitutional population by age, color, and sex by carrying forward the most recent census data to take account of the subsequent aging of the population, mortality, and migration between the United States and other countries. These are used as controls for the sample results for the month. In effect, the sample returns determine the percentage of the population within each age-color-sex group which is employed, unemployed, etc. The absolute numbers are derived by applying these percentages to the independent population figures.

The timing of the change-over to the 1960 Census material was determined by the date of completion of the tabulations of the necessary Census information for all counties. These results became available in time for the processing of the April 1962 survey. In order to measure the effect of the change to 1960 Census data, the survey results were also tabulated using 1950 data. Since the new population figures show a somewhat different age distribution than the old, the age distribution of the labor force and the employed will differ slightly. However, there is no effect on percent distributions within age groups, or on labor force or unemployment rates by age. The effect on comparability with data prior to April 1962 is so minor that no revisions of earlier statistics will be made. Users who wish to make allowances can do so on the basis of the data shown in the following tables.