

sponsibility for decisions which might affect economic activity and our manpower situation.

The labor force statistics come from the monthly survey of the population, conducted by the Bureau of the Census for the Bureau of Labor Statistics. This survey is also the source for our monthly figures on the employed, the unemployed, and their characteristics. There has been no change in the operation of this survey since 1956 when the sample was last expanded. There has been no change in the sample areas included, in the methods of interviewing, or in the quality control methods used by the supervisory staff. No revisions in the concepts and definitions of labor force, employment, and unemployment have been made since 1957.

The only new element in the statistics is the introduction into the estimation procedure of population data by age, sex, and color from the 1960 census to replace those from the 1950 census. Each month, the sample results are weighted up to population totals by age, sex, and color moved forward month by month from the latest census. It is a standard procedure to introduce the population controls from the new census as soon as they become available and this was done in April 1962. The change had the effect of reducing employment and the civilian labor force by about 200,000, mainly because the new population data showed more people in the age groups over 65 and a smaller number in the prime working ages. The change had virtually no effect on the level of unemployment or on labor force rates and unemployment rates by age and sex. The revision and its effects were fully described in the monthly report on the labor force for April 1962. In each subsequent month, our statements about year-over-year labor force growth always make allowance for this revision.

It is not possible to revise previous data to take account of this change and it would probably not be desirable anyway, because the overall effect was only about 0.3 percent of the civilian labor force. However, in assessing over-the-year growth—that is, during this past year—this difference of 200,000 must be taken into account.

Of course, even with the best survey techniques in the world, a certain amount of statistical variability is bound to enter into the month-to-month and quarter-to-quarter trends in the labor force. This is partly because the figures are based on samples rather than complete counts. Our sample has been designed in accordance with the best statistical methods available. And sampling is the only way the Government can obtain reasonably accurate, current figures at a moderate cost. Nevertheless, we know that some fluctuation will arise because of sampling and we take account of this in our analyses.

Another source of irregularity in labor force behavior over the short run is very bad weather—storms, hurricanes, et cetera, that cannot be corrected for by seasonal adjustment techniques. This is particularly important in the farm labor force where family members who are prevented from working in a particular week do not seek other jobs and therefore do not appear in the labor force figures for that week. Finally, we face the problem that most of the variation in labor force growth (both over the short and the long run) is caused by the very persons whose labor force status is most difficult to measure—teenagers, married women, older men—because their work is often intermittent or part time.