Changes to the Labour Force Survey 2022

Center for Labour Market Information
September 2022

Delivering insight through data for a better Canada

CONTENTS

- LFS Overview

- Enhancing the LFS questionnaire

- Maximizing the value of the LFS sample

- A program of LFS supplements

- Upcoming changes in January 2023

Overview of the Labour Force Survey

Labour Force Survey

- The Labour Force Survey provides estimates of employment and unemployment, which are among the most timely and important measures of the performance of the Canadian economy.

- It presents a comprehensive reading of the state of Canada's labour market at the national, provincial and sub provincial levels.

- The survey is specifically designed to provide the best possible measure of month-to-month changes in employment, unemployment and other labour market indicators 10 days after the completion of data collection (or 20 days after the reference week).

Labour Force Survey

- The Labour Force Survey (LFS) is a monthly survey representative of the civilian, non-institutionalized population 15 years of age or older.

- It is conducted nationwide, in both the provinces and the territories.

- Excluded from the survey's coverage are:
  - persons living on reserves and other Indigenous settlements in the provinces,
  - full-time members of the Canadian Armed Forces,
  - the institutionalized population, and
  - households in extremely remote areas with very low population density.

- These groups together represent an exclusion of approximately 2% of the population aged 15 and over

- The LFS follows a rotating panel sample design, in which households remain in the sample for six consecutive months.
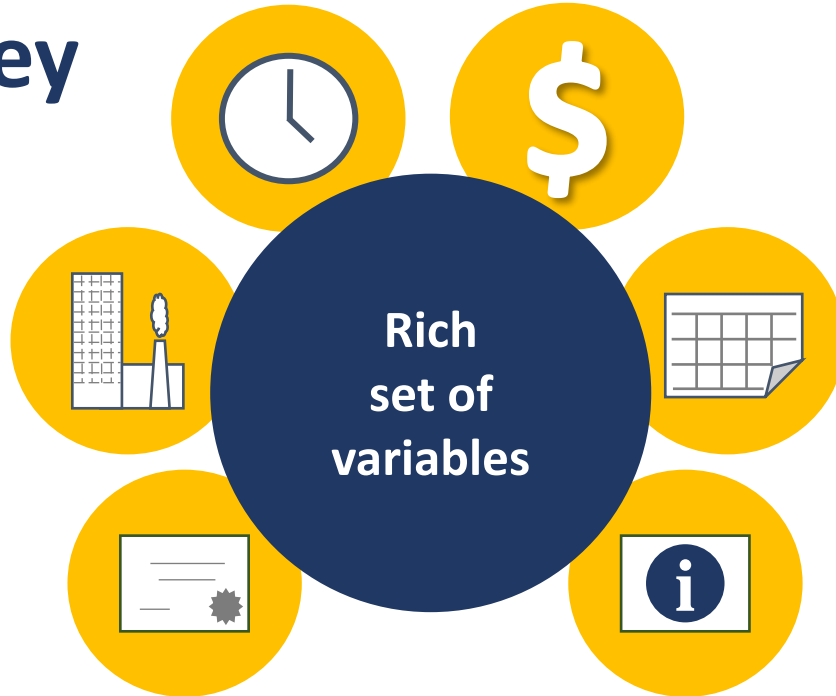
Enhancing the LFS questionnaire

Sex at birth and gender

- Starting in January 2022, LFS directly asks respondents to report both their sex at birth and their gender
  - Sex at birth refers to the respondent's biological sex assigned at birth
  - Gender refers to the respondent's current gender which may be different from sex assigned at birth and may be different from what is indicated on legal documents
    - Respondents can identify as either one of the binary genders or a non-binary gender
- These are not mandatory questions and can be left blank at the discretion of the respondent
- Sex at birth is asked only in a respondent's first month of the survey; gender is asked every month

Estimates based on gender not released immediately

- Population estimates based on gender were first released in April with the 2021 Census
- Internal assessment of gender data collected through the LFS is required
- Monthly population controls for the LFS (used as part of weighting) continue to be based on sex at birth
- LFS estimates will continue to be released according to "sex at birth" in order to maintain the continuity of the time series. LFS estimates by gender will be released at a later time, if feasible.

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Indigenous identity

- Since January 2022, previous two questions on Indigenous identity are now combined into one, which aligns the LFS with harmonized content used by the Census and other Statistics Canada surveys

- Language used was updated and no longer references "aboriginal"

New table of monthly estimates by Indigenous status

- To complement existing annual tables, a new table of monthly estimates (three-month moving averages) by Indigenous status was released in August 2022
  - Includes disaggregation by province/region, age group, sex, and Indigenous group (First Nations off-reserve and Métis)

[Labour force characteristics by detailed Indigenous group, three-month moving averages, monthly, unadjusted for seasonality (statcan.gc.ca)](https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410040101)

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Visible minority / population group

- Between July 2020 and December 2021, a question on population groups was asked in the supplementary questions to the LFS on the Labour Market Impacts of COVID-19

- This question was moved to the LFS demographics module on a permanent basis as of January 2022

- Results are reported according to "visible minority group", which is derived from the responses to the population group question
  - Visible minority refers to whether a person belongs to a visible minority group as defined by the Employment Equity Act

- This approach aligns with current harmonized content used throughout Statistics Canada for capturing visible minority status
  - Statistics Canada is currently engaged in a process of consultation and analysis to modernize the approach to disaggregating data by racialized group

First release of estimates by visible minority group

- A new table of labour market characteristics by visible minority group was released in April 2022 (three-month moving averages, disaggregation by age group, sex, and province)

- Similar table with annual averages will be released in January 2023 (for 2022)

Labour force characteristics by visible minority group, three-month moving averages, monthly, unadjusted for seasonality (statcan.gc.ca)
https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1410037301

Maximising the value of the LFS sample

Targeted increase in sample

- A 25% increase of the LFS sample size was implemented from November 2021 to April 2022
  - Implemented within current LFS rotating panel design (incoming rotation was increased each month)
  - The increase targeted the 23 largest municipalities (CSDs) in Canada, and the largest two municipalities in each province
  - This also indirectly increased the sample of respondents who are a members of visible minority groups
- The objective was to increase the number of domains (e.g. municipalities) and sub-populations (e.g. visible minority groups) for which labour force characteristics can be measured and released
- A dissemination strategy and outputs (e.g. new public tables) are under development
  - The monthly LFS Daily article is already making use of more disaggregated data
  - In future, representative estimates (three-month moving averages) for about 40 municipalities are expected to be available
  - Data will also support a program of analysis and research on economic inclusion of racialized groups

Small Area Estimation program

- Small Area Estimation (SAE) is any of several statistical techniques/models involving the estimation of parameters for small sub-populations, generally used when the sub-population of interest is included in a larger survey

- SAE is important in light of a continual demand by data users for finer geographic detail of published statistics and for various subpopulations

- Methods rely on the use of auxiliary data sources (typically administrative data with population-level coverage, or the Census) to produce small-domain (e.g., geographic or demographic) estimates

- SAE estimates are generally more precise than those produced from surveys alone

- Three projects under way using the LFS and other sources:
  - Unemployment rate and employment by Census Agglomeration/Census Metropolitan Area (LFS and Employment Insurance data)
  - Unemployment rate by self-contained labour market area (LFS and Employment Insurance data)
  - Median hourly wage by economic region and 4-digit NOC (LFS and Census)

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Program of LFS Supplements

LFS Supplements

1. **Extended LFS Questionnaire (monthly)**

- Short set of questions asked after LFS questionnaire – 4/6ths of sample

- Objectives include:
  - o Responding to changing labour market realities
  - o Addressing quality of employment topics
  - o Testing potential changes to core questionnaire, coordinated with CLMI international activities

2. **Quality of Employment Supplement (quarterly)**

- Limited to LFS respondents in their last month in sample

- Conducted in July-Sep and Oct-Dec, beginning July 2022

- Longer set of questions on aspects of quality of employment
  - o To be repeated on an annual, bi-annual or 5-year basis

The supplement program in action: tracking the shift to hybrid work

- Since January 2022, the percentage of workers who report that they usually have a hybrid work arrangement (usually work both at home and at other locations) has been steadily increasing, while the percentage who usually work exclusively at home has fallen

% of workers

Usually works exclusively at home   Usually works both at home and in locations other than home
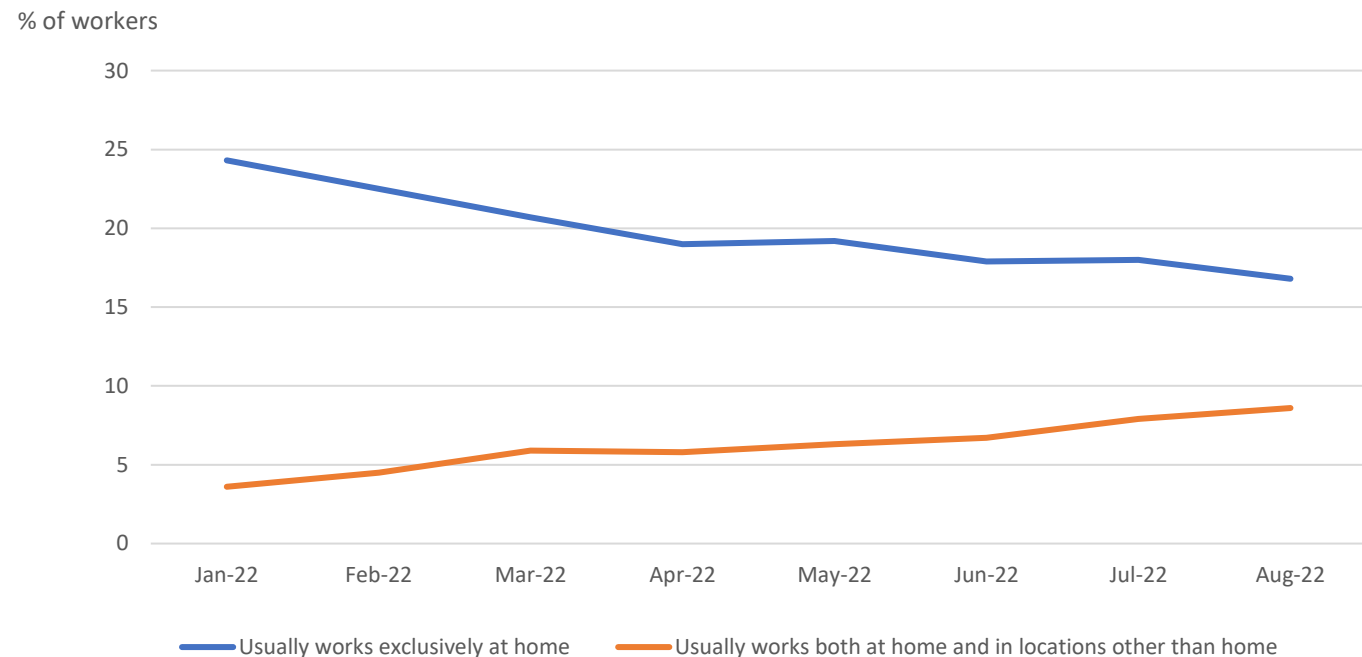
Note: Workers aged 15 to 69 living in the provinces
Source: Labour Force Survey Supplement, custom tabulation

Labour market outcomes of Canadians with disabilities

- Results from a pilot project linking LFS data with disability indicators were released on March 4, 2022.
  - o [The Daily — Mental health-related disability rises among employed Canadians during pandemic, 2021 (statcan.gc.ca)](#)
  - o [https://www150.statcan.gc.ca/n1/daily-quotidien/220304/dq220304b-eng.htm](#)
- Based on this project, as of January 2022, a subset of LFS respondents each month (from the outgoing rotation) complete the Disability Screening Module (DSQ)
  - o This is harmonized content used across Statistics Canada surveys to measure disability status
- Plans for the ongoing release and analysis of LFS data by disability status are in progress
  - o This data will complement results from the post-Censal Canadian Survey on Disability

Upcoming changes – January 2023

Planned LFS updates for January 2023

- Regular annual revision of seasonally-adjusted data
- Release of annual table by visible minority group
- Adoption of National Occupational Classification (NOC) 2021
    - Extensive change to occupational codes
    - Change from 4-digit to 5-digit classification
    - Introduction of a new categorization representing the degree of Training, Education, Experience and Responsibilities (TEER) required for an occupation
    - All LFS tables with data by occupation will be revised back to 1987 using NOC 2021 codes

In summary:

This latest series of investments in the LFS will lead to a more fully developed and integrated program of labour market information. This includes:

- Richer insights into the economic inclusion of diverse groups of Canadians, including Indigenous Canadians, members of racialized groups, women and Canadians with disabilities
- A wider range of more disaggregated – and more accessible – data products
- Improved monitoring of local labour market conditions and increased engagement with municipal and local partners
- Alignment of LFS concepts, methods and standards with evolving technological change, globalisation and the changing nature of work

About the Data Service Centre...

The Data Service Centre (DSC) offers to data users a complete range of services. The DSC assists data users:

- With simple and free data requests, technical and methodological questions;
- With complex requests requiring research, extraction or customization of data from multiple sources;
- By producing customized reports, analyses and maps;
- By offering standard and customized workshops for data users of all levels of expertise;
- Through various outreach activities such as webinars, newsletters, presentations, information sessions and open houses.

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