

LMI SOURCES

Labour Force Survey

WHAT IS IT?

The Labour Force Survey (LFS) is a household survey that has been conducted by Statistics Canada since 1945 (provincial data is available back to 1976 for Newfoundland and Labrador). The survey monitors labour force activity in the provinces as well as for Canada (with some data on the territories also collected). Data for the survey is collected monthly and reported during the first or second Friday of the following month. Common indicators that you will find collected through the survey include those for labour force, employment, and unemployment.

REASONS TO USE (STRENGTHS)

- **Timeliness** – New data from this survey becomes available every month. This means the LFS provides you with the most current data available on labour market activity for each of the provinces and territories along with Canada.
- **Industry/Government standard** – Because of its timeliness and long history of use, the LFS is often the source used to make decisions on matters such as policy and programs (e.g., the LFS unemployment rate is the official one used for the federal Employment Insurance program). Using the same source as other organizations is a great way to ensure we are all “on the same page” with regards to how we examine the labour market.
- **Good overall representation** – The large number of individuals surveyed each month (over 55,000 households) provides excellent representation of the population’s labour market characteristics over the long term and also allows for effective data collection on sub-categories such as age groups, occupations, and industry.
- **Wide range of beneficial indicators** – A large number of indicators are available through the survey; not only those directly related to labour market status, but also indicators such as educational attainment, retirement, wages, reasons for not working, job search, and employer characteristics, to name a few.

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- **Variety of user-friendly tools and products** – The LFS provides meaningful information in a number of formats, including customizable data tables, easy-to-read charts, and commentary in the form of a monthly public release. More recently, Statistics Canada has added a related interactive app to make results for this survey even more accessible.

AREAS OF CAUTION (WEAKNESSES)

- **Snapshot of the labour market** – Because the LFS presents labour market data tied to a single week of each month (i.e., the “reference week”), it only allows for data related to a specific point in time. For this reason, it is best not to focus on results in a single month but rather to look at trends over longer timeframes.
- **Survey error** – Since surveys (no matter how large and well collected) do not capture data on all individuals in the population, they are always prone to a certain amount of survey error. Because of this, survey results may occasionally do a less effective job of capturing the true picture of the labour market in a given month. This is another reason why looking at trends and patterns over a longer timeframe is a better approach.
- **Limitations on categories and indicators that can be examined at one time** – The more variables you examine at one time, the more challenging it is to get meaningful results. Put another way, we can easily look at labour market indicators for different age groups, different levels of education, and different geographies individually – but looking at, for instance, the unemployment rate of only youth with less than high school in the Labrador/West Coast region will likely give a poor representation of the actual picture you are interested in and may not even produce results due to low levels of available data.
- **Limitations on usefulness of some indicators** – Not all indicators from the LFS have the same degree of benefit for all users. For example, in provinces such as Newfoundland and Labrador, the categories used for regional geography are broad and not particularly meaningful for examining labour market changes in smaller areas. Likewise, finer level employment data, such as very specific occupations or the number of people living in Newfoundland and Labrador but working in other provinces, cannot be gathered from the LFS alone. Lastly, although the LFS can often tell us what is happening in the labour market, it is not as effective in telling us why these changes may be happening.

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RELATED LINKS

- **Labour Force Survey guide (most recent and archived)** - <https://www150.statcan.gc.ca/n1/en/catalogue/71-543-G>
- **Labour Force Survey data tables** - <https://www150.statcan.gc.ca/n1/daily-quotidien/210312/dq210312a-cansim-eng.htm>
- **Labour Force Survey release schedule** - <https://www150.statcan.gc.ca/n1/dai-quo/cal1-eng.htm?sk=3587> -
- **Labour Force Survey daily news release (type “Labour Force Survey” in search bar for latest release version)** - <https://www150.statcan.gc.ca/n1/dai-quo/ssi/homepage/rel-com/theme14-eng.htm>
- **Labour Force Survey interactive app** - <https://www150.statcan.gc.ca/n1/pub/14-20-0001/142000012018001-eng.htm>