

Revisions of the Labour Force Survey from January 2018

To grasp the varied state of the employment and unemployment more precisely, the Statistics Bureau of Japan revised the Labour Force Survey by introducing new questionnaires and enhancing current statistical tables from January 2018.

1. Common revisions to Basic Tabulation and Detailed Tabulation

- Introducing new survey item “duration of employment contract”

Four items in “status in employment” were discontinued and a new survey item “duration of employment contract” was introduced.

By this revision, it became able to grasp more precisely the number of employees by the duration of employment contract and the current situation of “non-regular employee” in terms of the duration employment contract. In according with it, the presentation of items related to the duration of employment contract in the statistical tables are revised as below.

Revision of the classification related to duration of employment contract

Until December 2017	From January 2018
Employee Long-term employee Ordinary employee Indefinite duration contract Limited duration contract *1 Executive of company or corporation Temporary employee *2 Daily employee *3 *1 Duration of employment contract is more than 1 year *2 1 month or more up to 1 year *3 Less than 1 month	Employee Executive of company or corporation Employee excl. executive of company or corp. Indefinite duration contract Limited duration contract Less than 1 month 1 month or more up to 3 months More than 3 months up to 6 months More than 6 months up to 1 year More than 1 year up to 3 years More than 3 years up to 5 years Over 5 years Not knowing the duration Not sure if the duration is specified

Note: A part of breakdowns of “status in employment” are newly presented as “duration of employment contract.”

2. Revisions to Detailed Tabulation

- (1) Introducing figures and indicators for “Labour underutilization”

In addition to “unemployed person (ILO 2013) (B in diagram below),” the SBJ starts to release the figures related to labour underutilization such as “person in time-related underemployment (A)” and “potential labour force (C).”

Indicators for “labour underutilization” would be released quarterly in Detailed Tabulation as well as “unemployment rate” monthly released in Basic Tabulation. These indicators promote a better and more multilateral understanding of the employment situation.

A: Persons in time-related underemployment	C: Potential labour force
(1) employed person (2) whose weekly hours of work was less than 35 hours (3) wishing to work additional hours (4) able to work additional hours	Among persons who were not “Employed person” nor “Unemployed person”, 【Unavailable jobseekers】 (1) did any job seeking activity within one month (2) not ready to work currently but would be within two weeks
B: Unemployed person (ILO 2013)	【Available potential jobseekers】
(1) not in employment (2) did any job seeking activity within one month (3) ready to work if work is available	(1) did not any job seeking activity within one month (2) wishing to work (3) ready to work if work is available

<Indicators for “labour underutilization”>

Labour Underutilization Indicator 1 (LU1)	=	$\frac{\text{Unemployed person (ILO 2013)}}{\text{Labour force}} \times 100$
Labour Underutilization Indicator 2 (LU2)	=	$\frac{\text{Unemployed person (ILO 2013) + Persons in time-related underemployment}}{\text{Labour force}} \times 100$
Labour Underutilization Indicator 3 (LU3)	=	$\frac{\text{Unemployed person (ILO 2013) + Potential labour force}}{\text{Labour force + Potential labour force}} \times 100$
Labour Underutilization Indicator 4 (LU4)	=	$\frac{\text{Unemployed person (ILO 2013) + Potential labour force + Persons in time-related underemployment}}{\text{Labour force + Potential labour force}} \times 100$
Supplementary Labour Underutilization Indicator 1	=	$\frac{\text{Unemployed person (ILO 2013) who quitted a job involuntarily}}{\text{Labour force}} \times 100$
Supplementary Labour Underutilization Indicator 2	=	$\frac{\text{Unemployed person (ILO 2013) + Unavailable jobseekers}}{\text{Labour force + Unavailable jobseekers}} \times 100$

Note: “Unemployed person (ILO 2013) who quitted a job involuntarily” is the person who quitted a job due to “mandatory retirement, or termination of employment contract” or “circumstances of employer or business.”

(2) Revisions to the classification of “Labour force status”

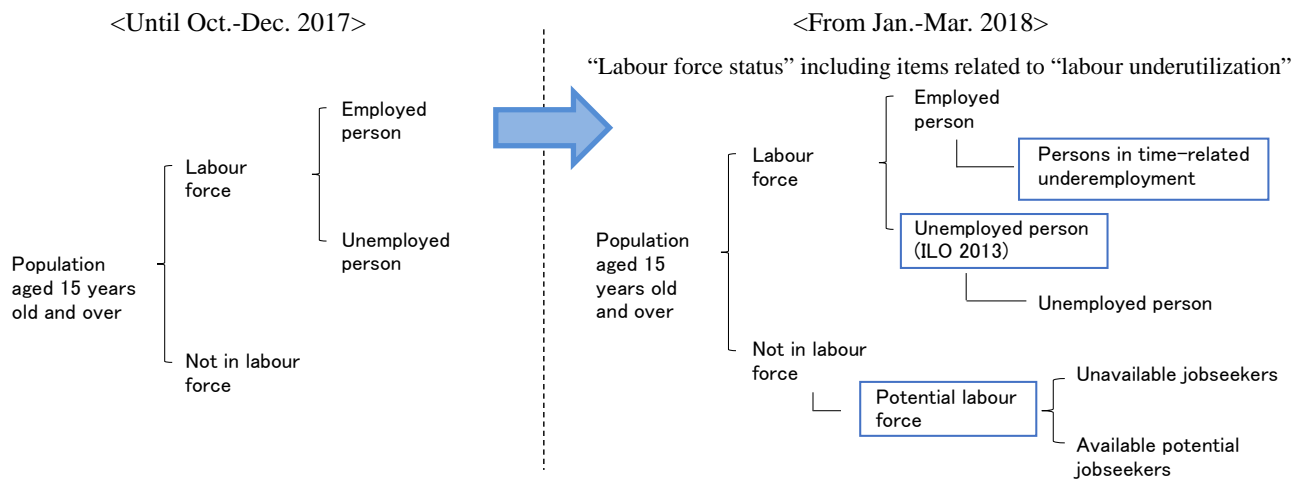
Items related to “labour underutilization” are presented in the category “labour force status” in Detailed Tabulation *1.

According to the revision, “Labour force” is defined as the aggregate of “Employed person” and “Unemployed person (ILO 2013)” *2. Hence, new series of “Labour force” and “Not in Labour force” cannot be compared with series previously released.

There is no change in the definition of “Employed person” by this revision.

*1 There is no change in the definition of items of “labour force status” in Basic Tabulation.

*2 “Unemployed person” which the SBJ has released heretofore is defined as the person 1) with no job, 2) did any job seeking activity within one week and 3) ready to work if work is available. A definition of newly introduced “Unemployed person (ILO 2013)” differs from the traditional one in the reference period for job seeking activity which is extended from one week to one month.



(3) Revisions to the classification for “method used to seek a job”

New answer options for question “Method used to seek a job” for “Unemployed person (ILO 2013)”^{*3} are introduced, which are “making inquiries about results of job seeking” and “waiting for results of job seeking.”

This revision make it able to compare unemployment rate internationally under the same definition^{*4}.

*3 “Unemployed person” up to Dec. 2017

*4 In United States etc., “unemployed person” does not include the person only waiting results of job seeking activities.

Revision of the classification of “Method used to seek a job”

Until Oct.–Dec. 2017	From Jan.–Mar. 2018
Total (Unemployed person)	Total (Unemployed person)
Applying to Public Employment Security Office	Applying to Public Employment Security Office
Applying to Private Employment Security Office	Applying to Private Employment Security Office
Registered at a temporary dispatch labour agency	Registered at a temporary dispatch labour agency
Advertisements or magazines on job vacancies	Advertisements or magazines on job vacancies
Through school or acquaintances	Through school or acquaintances
Applying to prospective employer directly	Applying to prospective employer directly
Preparation to start a business	Preparation to start a business
Other	Making inquiries about results of job seeking
	Waiting for results of job seeking
	Other