

# Census & Labor & Employment

*A census-in-action fact sheet*

## Executive summary

Census data powers labor and employment policy every day. From understanding workforce participation and unemployment to identifying the industries that drive local economies, the Census Bureau provides the core data that federal, state, and local governments; researchers; unions; employers; and advocates rely on.

This fact sheet highlights how census data drives job creation policies, workforce development investments, unemployment programs, and labor protections. It also explains why accurate census counts are essential to ensure that all communities—especially those that are persistently undercounted—benefit from fair labor and employment policies.

## How labor & employment decisions are powered by the census

The census, ACS, and census-derived surveys like the Current Population Survey (CPS) provide the foundation for how we measure work, unemployment, wages, and economic well-being.

Key ways census data supports labor policy:

- **Employment trends:** CPS, ACS, and Local Employment Dynamics (LED) data show how employment, occupation, and industry distributions shift over time.
- **Unemployment & labor-force participation:** CPS data underpins the national unemployment rate—a core indicator used by policymakers and the Federal Reserve.
- **Wage & income tracking:** Census data tracks wages, household income, and poverty, helping set labor standards and measure economic mobility.

### What are the census and the ACS?

The decennial census and the American Community Survey are the two largest sources of public data in the United States. The census's once-a-decade snapshot of every household creates an outline for our understanding of the nation's population. The ACS's yearly information about people and families fills in that outline with detailed data on social and economic characteristics like income and occupation, housing costs, internet use, and languages spoken.

- **Workforce development:** ACS [education](#) and [occupation](#) data guides federal and state investment in job training and apprenticeship programs.
- **Equity in the labor market:** Census data by race, ethnicity, gender, age, disability, and nativity allows policymakers to track disparities in wages, unemployment, and advancement opportunities.

### *Spotlight: Federal labor & employment programs*

Census data plays a direct role in shaping major federal programs, including:

- [Workforce Innovation and Opportunity Act \(WIOA\)](#) training grants.
- [Trade Adjustment Assistance](#) for workers displaced by international trade.
- [Apprenticeship](#) and job training programs funded by the Department of Labor.
- [Unemployment Insurance extensions](#), which use census population and labor force measures in calculating eligibility thresholds and triggers.
- [Economic Development Administration \(EDA\) programs](#), which rely on poverty and employment data to allocate grants.

#### What is LED?

The [Local Employment Dynamics \(LED\)](#) program is a unique federal-state partnership that integrates administrative records with census survey data to create highly detailed, timely, and geographically specific labor market statistics.

#### *Why it matters:*

- Provides information on where workers live and where they work, something no other dataset offers at scale.
- Offers insights into job flows (hires, separations, turnover) and worker characteristics (age, sex, earnings, industry, firm size).
- Supports decision-making at the state, regional, and local levels.

#### *How LED is used in labor policy:*

**Workforce development:** LED's [Quarterly Workforce Indicators \(QWI\)](#) show where jobs are being created or lost, helping states target job training and apprenticeship investments.

**Economic development:** [OnTheMap](#), an LED tool, lets planners see commuting patterns and job clusters, guiding infrastructure and business development.

**Disparities in employment:** LED data disaggregates job trends by race, gender, and age, helping identify inequities and shape policy solutions.

**Rapid response:** Because LED updates quarterly, it provides some of the most current insights into local labor markets, helping policymakers respond quickly to economic shifts.

Without LED, labor policymakers would lack the detailed, local, and timely data needed to connect workers with jobs and guide economic recovery efforts.

### Spotlight: State & local policy uses

- **Labor market forecasting:** States use ACS and LED data to predict occupational demand and skill gaps.
- **Commuting & infrastructure planning:** *OnTheMap* data helps local leaders design transportation systems aligned with job hubs.
- **Union & worker advocacy:** Advocates use census data to track wage inequality, occupational segregation, and employer practices.
- **Minimum wage & living wage studies:** Census income and poverty data support cost-of-living calculations.

## Why an accurate count matters to labor policy

Labor and employment policy depends on understanding where people live and work. Undercounts in the census can skew this picture, leading to:

- Misallocation of workforce development funds
- Underestimates of unemployment in persistently undercounted communities
- Inaccurate data on job access for young workers, immigrants, and people of color
- Reduced bargaining power for workers if demographic shifts are missed

Ensuring a full and accurate count—especially of persistently undercounted workers such as immigrants, renters, and low-income communities—is critical to fair labor policy.

### Can't I just Google that?

Sure...but where does Google get *their* information from? Most labor market information available online is powered by census data. Even job boards, business analytics tools, and private research firms use Census-derived statistics as their foundation. For example:

- Bureau of Labor Statistics uses CPS data (a Census Bureau partnership) to calculate the unemployment rate and workforce participation.
- Economic development agencies rely on ACS and LED data to identify industries driving regional growth.
- Labor economists use census data to model wage growth, job displacement, and sectoral shifts.
- Job platforms rely on census data to provide wage benchmarks, identify in-demand jobs, and power labor market insights.

Census data provide the only nationally consistent, small-area picture of employment dynamics. Without these data, policymakers would lack a reliable foundation for understanding and improving labor markets.

# How the census impacts labor & employment policy

Examples of direct census impacts include:

- **Unemployment rate:** calculated using census-run CPS surveys
- **WIOA funding:** census poverty and population data shape how training resources are distributed
- **Economic development grants:** dependent on census economic and demographic measures
- **Job training programs:** guided by ACS and LED data on skills gaps and emerging industries
- **Equal Employment Opportunity (EEO) monitoring:** relies on census data to measure disparities in hiring, pay, and workforce representation and to support enforcement of anti-discrimination protections<sup>1</sup>

## Conclusion

Census data is the backbone of labor and employment policy in the United States. From unemployment statistics and job training programs to discrimination monitoring and regional workforce planning, policymakers, and advocates depend on Census Bureau data to connect people with jobs, respond to economic changes, and ensure fair treatment for all workers. An accurate count—and ongoing Census-derived updates through CPS, ACS, and LED—is essential for robust, resilient, inclusive labor markets.

This fact sheet was developed by [Census Counts](#) and Census Funder Collaborative. To the best of the authors' knowledge, all information above is correct as of 2026-05-06. This content may be adapted or reused, with no rights reserved. The lead author was Meghan Maury-Fox. H James Lucas created the design. All text is set in MD UI or MD IO, new typefaces designed by Rutherford Craze and published by independent typefoundry Mass-Driver™.

<sup>1</sup> As federal enforcement has decreased, census data has become an even more critical tool for identifying disparities and promoting accountability.