

# Bureau of Labor Statistics

## *Priorities for the 117<sup>th</sup> Congress and 2021-2025 Administration*

The Bureau of Labor Statistics (BLS) is the principal federal statistical agency delivering gold-standard data on employment, inflation, working conditions, and productivity in the U.S. economy.

Having lost \$75 million (13%) in purchasing power over the last dozen years, BLS needs budget support to carry out its everyday work while also working to take advantage of myriad new data sources to better track our evolving labor force and economy. With restored funding, BLS can provide more frequent and local statistical products even closer to real time, while reducing reporting burden on businesses

### **Mission, Scope, and Products**

The Bureau of Labor Statistics (BLS) measures labor market activity, working conditions, price changes, and productivity in the U.S. economy to support public and private decision making. BLS achieves its mission through the dedicated work of over 2,000 federal employees comprised of economists, statisticians, data scientists, information technology specialists, researchers, administrative specialists, and many other professionals. BLS maintains partnerships with state and territorial governments, coordinates with other federal statistical agencies, and contracts with private vendors for data collection, information technology, and related services. BLS provides statistical guidance to the Department of Labor and its agencies to support their data needs and DOL's mission "To foster, promote, and develop the welfare of the wage earners, job seekers, and retirees of the United States; improve working conditions; advance opportunities for profitable employment; and assure work-related benefits and rights."

The many BLS programs include the following:

#### Prices

- US Consumer Price Index (CPI)
- Producer Price Index (PPI)
- US Import and Export Price Indices
- Consumer Expenditure Survey (CEX)

#### Employment and unemployment

- Current Population Survey (CPS)
- Current Employment Statistics (CES)
- The Job Openings and Labor Turnover Survey (JOLTS)
- Quarterly Census of Employment and Wages (QCEW)
- Occupational Employment Survey (OES) and Occupational Projections

#### Compensation and working conditions

- Employment Cost Index (ECI)
- National Compensation Survey (NCS)
- Workplace Injury and Fatality Statistics

## Productivity

- Labor productivity
- Multifactor productivity

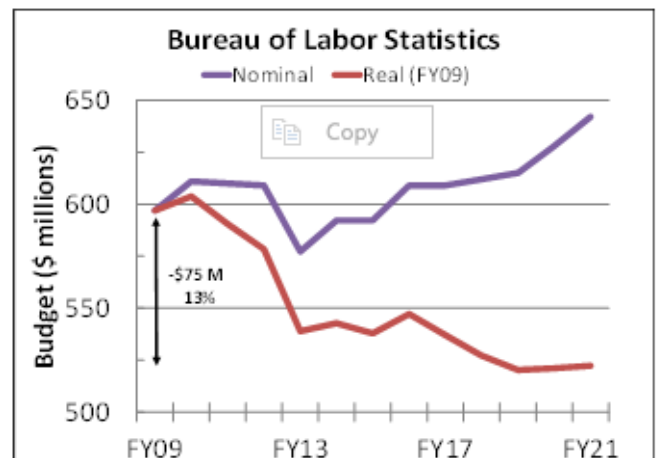
## Opportunity: Statistics that are More Objective, Relevant, Timely and Local

Policymakers and the American people make decisions in a dynamic economy, much of which is measured by BLS statistics. Many BLS data programs have served the American people for decades, but there is a need for objective high frequency data to track continuous economic shifts. In an increasingly digitized and analytically capable economy, BLS products grow more important, as have calls to improve their timeliness and granularity without sacrificing reliability and methodological soundness. BLS has tracked impacts of the COVID-19 pandemic through ongoing programs, conducting a new one-time employer survey and introducing new granularity. With more resources, BLS could meet the dual challenges of updating its existing surveys and data collection systems and linking them with newly-available administrative and other data. Such enhancements would increase the actionable information that decision-makers need to understand the state of our labor markets, productivity, and prices.

This focus is consonant with escalating federal interest in evidence-based policymaking, shown most notably with the 2019 enactment of the bipartisan Foundations for Evidence-Based Policymaking Act. The “Evidence Act” emphasizes the key role of federal statistical agencies, including the responsibilities of BLS.

## Challenges

- Although annual appropriations for BLS have increased recently, the total purchasing power of the BLS budget has shrunk by 13% since FY 2009. (Note: BLS must raise its salaries and benefits and its reimbursements to the Census Bureau in line with federal pay guidelines even when Congressional appropriations do not provide full funding in these areas.)
- BLS needs to re-engineer its current programs without interrupting provision of much needed data on the labor market and the US economy. It simply lacks adequate resources to maintain its aging survey structure and develop a more nimble, responsive survey capacity.
- BLS does not currently have access to states’ Unemployment Insurance (UI) worker records or IRS data. Consequently, BLS is missing opportunities for data linkage that would have clear benefits for BLS and the states and reduce reporting burdens on employers. Administrative data access and data linkage need to become major program activities of BLS with the same visibility, expectations, and support as its surveys and data systems.



- COVID-19 has demonstrated the need for more timely and responsive labor data at the national, state and local level. BLS does not currently have the resources to take advantage of alternative sources of data which can supplement findings from the survey data collection that is conducted. BLS also needs funds designated to pursue issues of emerging interest in the labor market, such as more timely and granular unemployment figures during a pandemic which can inform not just the nation, but states and local areas as well.

## Priorities

- **Tap the potential of UI wage and claims records.** With these records, BLS could produce new granular layoff statistics, reduce revisions in payroll jobs estimates, add new geographic, occupational and industry granularity to many of its programs (such as JOLTS and employment projections), reduce employer reporting burdens, and more. This could be accomplished as a component of the UI system modernization expected in an upcoming appropriations package, and with support from the Department of Labor. Elements required include securing BLS access to the records, standardizing how records are delivered, enhancing wage records (with hours, occupation title, and work location), charging BLS with producing new economic indicators from claims data, funding state LMI offices' use of improved data, and allowing BLS to share curated wage records with state workforce agencies to inform operations, labor shed analyses and program evaluations.
- **Expand data modernization and data linkage.** Exploring some key issues, such as automation's impact on the future of work, requires combining data from many sources, including surveys and non-survey records. Separately, for efficiency, many large firms prefer to respond to survey requests by submitting large electronic files. In order to accommodate large businesses and better leverage its surveys to answer complex questions, BLS seeks to hire data scientists and create a BLS Data Science Center. The center would securely house and analyze surveys and electronic records (corporate and administrative). Such analyses require computationally intensive methods, such as linguistic learning models to code text and create linkages among various sources.
- **Benchmark the Consumer Expenditure Survey (CEX) twice annually.** The market baskets used in estimating average CPI increases and poverty rates are currently reset every two years, even though spending patterns can change much more rapidly, as they have during the pandemic. To increase the frequency of these resets, the CEX must lower the respondent burden, increase the sample size, and embrace multiple data collection modes. This should include funding to support for official Supplemental Poverty Measures. Current estimates are only experimental grade.
- **Upgrade the Job Openings and Labor Turnover Survey (JOLTS).** JOLTS statistics have been particularly crucial to understanding COVID-19's impact on the labor market and will continue to be a valuable resource going forward. Increasing funding for this effort will provide more timely and local information to the agencies and the public by increasing the sample size and adding supplementary questions focused on COVID-19 and its effects on layoffs and hiring. UI records could be leveraged to augment these upgrades.
- **Improve data access.** Support is needed to advance modernized access to government administrative data, as envisioned in the Foundations for Evidence-Based Policymaking Act. This could include extending Title 26 access to IRS data to BLS. The potential benefits are well documented, including reducing costs and burden associated with maintaining separate BLS and Census business registers, which do not always align.

- **Field a new ongoing Survey of Employer-Provided Training (SEPT).** Skills development will be essential to help workers displaced during the COVID recession. Information on the incidence and nature of this training will help local and national policy formulation and corporate decision-makers. SEPT was last conducted in 1995. BLS has developed a plan for a modern SEPT with both employer and worker components.
- **Start a new National Longitudinal Survey of Youth (NLS) cohort.** The ongoing NLS cohorts have provided incomparable insight into labor market causes and consequences, including issues such as education, intergenerational mobility, health, layoffs, incarceration, etc. Beginning a new cohort will allow us to chart this generation's paths through the post-COVID labor market. The current BLS budget supports analysis of the need for a new cohort, but does not fund that cohort.
- **Continue support of the American Time Use Survey (ATUS).** The ATUS measures the amount of time people spend doing various activities, such as paid work, childcare, volunteering, and socializing. Continuing this ongoing data collection effort is critical to understanding daily life in America and allows users to explore US economic activity, health and safety, family and work-life balance, while allowing for international comparability.
- **Modernize economic statistics.** We recommend commissioning a National Academies' Committee on National Statistics study for guidance on the optimal working relationships among BEA, Bureau of Labor Statistics, US Census Bureau, the IRS, and the states to keep pace with the measurement of a rapidly changing economy.

### Endorsing Organizations/Individuals

American Statistical Association

Council of Professional Associations on Federal Statistics (COPAFS)

Population Association of America (PAA)

Association of Population Centers (APC)

The Council for Community and Economic Research (C2ER)

Association of Public Data Users (APDU)

### Supporting materials

- ***Principles and Practices for a Federal Statistical Agency: Sixth Edition.*** National Academies of Sciences, Engineering, and Medicine. 2017.
- [Necessary Improvement in the U.S. Statistical Infrastructure: A Report to Inform the Biden-Harris Transition](#), the American Economic Association
- [Friends of BLS FY21 Appropriations Letter](#)

For other federal statistical agency priorities, please visit <https://www.amstat.org/ASA/Science-Policy-and-Advocacy/home.aspx#resources> or <https://copafs.org/activities-initiatives/>. For any questions on these documents, or to have your organization added as an endorsing or supporting organization, please contact Steve Pierson ([pierson@amstat.org](mailto:pierson@amstat.org)) or Paul Schroeder ([paul.schroeder@copafs.org](mailto:paul.schroeder@copafs.org)).