

November 18, 2015

The Honorable Roy Blunt  
Chair, Appropriations Subcommittee on  
Labor, HHS, Education & Related Agencies  
U.S. Senate  
Washington, DC 20510

The Honorable Patty Murray  
Ranking Member, Appropriations Subcommittee  
on Labor, HHS, Education & Related Agencies  
U.S. Senate  
Washington, DC 20510

The Honorable Tom Cole  
Chair, Appropriations Subcommittee on  
Labor, HHS, Education & Related Agencies  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Rosa DeLauro  
Ranking Member, Appropriations Subcommittee  
on Labor, HHS, Education & Related Agencies  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Blunt, Ranking Member Murray, Chairman Cole, and Ranking Member DeLauro:

Accurate, timely data are essential for sound decision making. It is a simple enough premise, but the data side of the equation often is neglected. In an era of increasing economic complexity and mounting social and political challenges, timely access to facts and information is more important than ever.

Real annual spending at the Bureau of Labor Statistics (BLS) is down more than 10 percent since 2010. The Senate Appropriations Committee proposes another round of cuts for FY2016. Although House appropriators have called for a modest increase in BLS spending, their figure still falls \$23 million short of the President's request and does not come close to off-setting the funding shortfalls of the last five years.

These cuts have significant consequences. Hampering the BLS's ability to gather and report timely, accurate, and relevant data causes ripple effects throughout the federal government, the business community, and the U.S. economy. The Federal Reserve Board, for example, relies on BLS data to formulate monetary policy, including its targets for interest rates and monthly bond purchases. When a government shutdown in October of 2013 pushed back the release date for the monthly BLS jobs report, Fed Chair Ben Bernanke asked if the Fed could finance the survey (it could not). When such significant decisions are at stake, policymakers should have the highest-quality data before them.

Business leaders, too, rely on BLS data to make investment and hiring decisions. The BLS website draws over 18 million page views a month, and many business decision makers access BLS data through other channels.

What is more, the U.S. economy and its labor markets are undergoing seismic changes brought about by technological advances, globalization, and new working arrangements. The emerging "gig" economy portends additional changes to come. Accordingly, the task of measuring key economic indicators is more complex than ever — and all the more critical to our understanding of new economic developments and challenges. Now is not the time to shrink BLS resources and capabilities.

The President's proposed budget appears to recognize the importance of high-quality, informative data. It calls for \$632.7 million in funding for the BLS in FY2016. That sum would fund program enhancements aimed at expanding the breadth and depth of the data collected by the BLS.

One proposed addition to the Current Population Survey would enhance the BLS's ability to collect information about the labor force trends noted above, including data on contingent work and alternative work arrangements, workplace flexibility, and work-family balance. All of these are live and serious concerns for American households. Another initiative would expand Job Openings and Labor Turnover Survey (JOLTS) data to allow for contemporaneous analysis of changes in U.S. payroll jobs each month and provide more detailed data by industry and state.

Yet another proposed program would restore funding for the International Price Program's Export Price Indexes, which are used in the calculation of real Gross Domestic Product, in the creation of the National Income and Product Accounts, and for understanding trends in U.S. competitiveness – and which will be discontinued without additional funding.

And finally, the administration's budget would invest in a Supplemental Statistical Poverty Measure to allow the BLS to support the Census Bureau in developing better statistical poverty measures, which are used to target the \$370 billion the federal government spends on safety net programs. The current poverty measure fails to capture the impact of much anti-poverty spending.

Each of these initiatives presents an opportunity to sustain, improve, or expand the information available to policymakers, business leaders, investors, community developers, and others across the United States. Each would improve our understanding of important trends in the U.S. job market that are affecting our local communities in real time.

To be sure, private-sector data initiatives such as ADP's well-known monthly employment reports have a role to play. But they analyze only a slice of the labor market, and they benchmark their findings to BLS data, the gold standard for measuring employment. BLS remains the sole entity in either the public or the private realm with both the mandate and capacity to collect and provide to the public information on the labor market in its entirety. Data collection efforts by independent government agencies like the BLS also benefit from a stamp of legitimacy and neutrality that is difficult to match in the private sector. Private entities, including non-profits and research institutions, will continue to build on BLS data to innovate and expand our knowledge base in their respective areas of expertise. The BLS provides the foundation that enables such initiatives to take root and develop. Economists representing viewpoints from both sides of the aisle agree that providing such basic data resources to the private economy is a key government function.

The very nature of work in the U.S. economy is changing. Now is not the time to cut funding for the main institution charged with tracking these changes – nor should fully funding BLS come at the expense of other critical U.S. government data agencies. BLS data are an essential resource for business leaders as they strive to build prosperous companies and for federal, state, and local officials as they strive to implement smart policies.

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*\* Signatures are endorsements from individuals and not the organizations with which they are affiliated*

cc:

The Honorable Thad Cochran, Chair, Senate Committee on Appropriations  
The Honorable Barbara Mikulski, Vice Chair, Senate Committee on Appropriations  
The Honorable Hal Rodgers, Chair, House Committee on Appropriations  
The Honorable Nita Lowey, Ranking Member, House Committee on Appropriations