

**FY 2016**

**CONGRESSIONAL BUDGET JUSTIFICATION**

**BUREAU OF LABOR STATISTICS**

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# BUREAU OF LABOR STATISTICS

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# **BUREAU OF LABOR STATISTICS**

## **APPROPRIATION LANGUAGE**

### **Federal Funds**

#### **SALARIES AND EXPENSES**

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, [\$527,212,000] \$567,737,000, together with not to exceed \$65,000,000 which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

*(Consolidated Appropriations Act, 2015)*

## BUREAU OF LABOR STATISTICS

<b>AMOUNTS AVAILABLE FOR OBLIGATION</b>						
(Dollars in Thousands)						
	2014		2015		2016	
	FTE	Amount	FTE	Amount	FTE	Amount
<b>A. Appropriation</b>	<b>2,232</b>	<b>\$527,212</b>	<b>2,234</b>	<b>\$527,212</b>	<b>2,304</b>	<b>\$567,737</b>
<i>Subtotal Appropriation</i>	<i>2,232</i>	<i>\$527,212</i>	<i>2,234</i>	<i>\$527,212</i>	<i>2,304</i>	<i>\$567,737</i>
Offsetting Collections From:						
Reimbursements	89	\$20,349	108	\$24,213	123	\$24,644
Trust Funds	0	\$65,000	0	\$65,000	0	\$65,000
<i>Subtotal Offsetting Collections</i>	<i>89</i>	<i>\$85,349</i>	<i>108</i>	<i>\$89,213</i>	<i>123</i>	<i>\$89,644</i>
<b>B. Gross Budget Authority</b>	<b>2,321</b>	<b>\$612,561</b>	<b>2,342</b>	<b>\$616,425</b>	<b>2,427</b>	<b>\$657,381</b>
Offsetting Collections To:						
Reimbursements	-89	-\$20,349	-108	-\$24,213	-123	-\$24,644
<i>Subtotal</i>	<i>-89</i>	<i>-\$20,349</i>	<i>-108</i>	<i>-\$24,213</i>	<i>-123</i>	<i>-\$24,644</i>
<b>C. Budget Authority Before Committee</b>	<b>2,232</b>	<b>\$592,212</b>	<b>2,234</b>	<b>\$592,212</b>	<b>2,304</b>	<b>\$632,737</b>
Offsetting Collections From:						
Reimbursements	89	\$20,349	108	\$24,213	123	\$24,644
<i>Subtotal</i>	<i>89</i>	<i>\$20,349</i>	<i>108</i>	<i>\$24,213</i>	<i>123</i>	<i>\$24,644</i>
<b>D. Total Budgetary Resources</b>	<b>2,321</b>	<b>\$612,561</b>	<b>2,342</b>	<b>\$616,425</b>	<b>2,427</b>	<b>\$657,381</b>
Unobligated Balance Expiring:						
Direct BA and FTE Lapse	-67	-\$657	0	\$0	0	\$0
Reimbursable BA and FTE Lapse	-6	-\$2,780	0	\$0	0	\$0
<b>E. Total, Estimated Obligations*</b>	<b>2,248</b>	<b>\$609,124</b>	<b>2,342</b>	<b>\$616,425</b>	<b>2,427</b>	<b>\$657,381</b>

\*2014 includes actual FTE and obligations

# BUREAU OF LABOR STATISTICS

## SUMMARY OF CHANGES

(Dollars in Thousands)

	2015	2016	Net Change
<b>Budget Authority</b>			
General Funds	\$527,212	\$567,737	+\$40,525
Trust Funds	\$65,000	\$65,000	\$0
<b>Total</b>	<b>\$592,212</b>	<b>\$632,737</b>	<b>+\$40,525</b>
<b>Full Time Equivalents</b>			
General Funds	2,234	2,304	70
Trust Funds	0	0	0
<b>Total</b>	<b>2,234</b>	<b>2,304</b>	<b>70</b>

Explanation of Change	2015 Base		Trust Funds		2016 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Increases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Costs of pay adjustments	2,234	\$203,802	0	\$0	0	\$2,707	0	\$2,707
Personnel benefits	2,234	\$64,152	0	\$0	0	\$1,898	0	\$1,898
One more day of pay	2,234	\$267,954	0	\$0	0	\$1,053	0	\$1,053
Rental payments to GSA	0	\$33,763	0	\$0	0	\$790	0	\$790
Other services from non-Federal sources	0	\$15,462	0	\$0	0	\$1,513	0	\$1,513
Other goods and services from Federal sources (Census Bureau)	0	\$87,254	0	\$0	0	\$1,440	0	\$1,440
Other goods and services from Federal sources (DHS Charges)	0	\$5,303	0	\$0	0	\$102	0	\$102
Research and development contracts	0	\$9,380	0	\$0	0	\$223	0	\$223
Operation and maintenance of equipment	0	\$48,381	0	\$0	0	\$1,118	0	\$1,118
Grants, subsidies, and contributions	0	\$71,809	0	\$0	0	\$135	0	\$135
<b>Built-Ins Subtotal</b>	<b>2,234</b>	<b>+\$539,306</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>+\$10,979</b>	<b>0</b>	<b>+\$10,979</b>

**B. Programs:**

## BUREAU OF LABOR STATISTICS

Explanation of Change	2015 Base		Trust Funds		2016 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
To restore funds for staff and other inflationary costs that were not provided under the Consolidated Appropriations Act level in FY 2014 and FY 2015	2,234	\$592,212	0	\$0	12	\$17,564	12	\$17,564
Annual Current Population Survey Supplement	39	\$63,154	0	\$0	3	\$1,577	3	\$1,577
Expand Data on the Dynamics of the U.S. Labor Market and on the Supply of and Demand for Skills	18	\$4,669	0	\$0	17	\$6,500	17	\$6,500
Restore Funding for International Price Program Export Indexes	75	\$16,315	0	\$0	29	\$4,667	29	\$4,667
Support a Supplemental Poverty Measure	79	\$45,219	0	\$0	9	\$2,500	9	\$2,500
<b>Programs Subtotal</b>	<b>2,234</b>	<b>+\$592,212</b>	<b>0</b>	<b>\$0</b>	<b>70</b>	<b>+\$32,808</b>	<b>70</b>	<b>+\$32,808</b>
<b>Total Increase</b>	<b>2,234</b>	<b>+\$592,212</b>	<b>0</b>	<b>\$0</b>	<b>70</b>	<b>+\$43,787</b>	<b>70</b>	<b>+\$43,787</b>
<b>Decreases:</b>								
<b>A. Built-Ins:</b>								
To Provide For:								
Federal Employees' Compensation Act (FECA)	0	\$245	0	\$0	0	-\$33	0	-\$33
Working Capital Fund	0	\$29,504	0	\$0	0	-\$1,679	0	-\$1,679
Other goods and services from Federal sources (2010 Census Sample Redesign)	0	\$1,550	0	\$0	0	-\$1,550	0	-\$1,550
<b>Built-Ins Subtotal</b>	<b>0</b>	<b>+\$31,299</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$3,262</b>	<b>0</b>	<b>-\$3,262</b>
<b>B. Programs:</b>								
N/A								
<b>Programs Subtotal</b>	<b>0</b>	<b>+\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$0</b>	<b>0</b>	<b>-\$0</b>
<b>Total Decrease</b>	<b>0</b>	<b>+\$31,299</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>-\$3,262</b>	<b>0</b>	<b>-\$3,262</b>
<b>Total Change</b>	<b>2,234</b>	<b>+\$592,212</b>	<b>0</b>	<b>\$0</b>	<b>70</b>	<b>+\$40,525</b>	<b>70</b>	<b>+\$40,525</b>

## BUREAU OF LABOR STATISTICS

<b>SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY</b>								
(Dollars in Thousands)								
	2014		2015		2016		Diff. 2016 / 2015	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<b>Labor Force Statistics</b>	<b>501</b>	<b>\$265,383</b>	<b>529</b>	<b>\$259,177</b>	<b>551</b>	<b>\$284,129</b>	<b>22</b>	<b>\$24,952</b>
General Funds	501	200,383	529	194,177	551	219,129	22	24,952
Unemployment Trust Funds	0	65,000	0	65,000	0	65,000	0	0
<b>Prices and Cost of Living</b>	<b>1,055</b>	<b>\$200,585</b>	<b>1,088</b>	<b>\$206,012</b>	<b>1,119</b>	<b>\$216,048</b>	<b>31</b>	<b>\$10,036</b>
General Funds	1,055	200,585	1,088	206,012	1,119	216,048	31	10,036
<b>Compensation and Working Conditions</b>	<b>363</b>	<b>\$81,506</b>	<b>361</b>	<b>\$81,935</b>	<b>378</b>	<b>\$85,793</b>	<b>17</b>	<b>\$3,858</b>
General Funds	363	81,506	361	81,935	378	85,793	17	3,858
<b>Productivity and Technology</b>	<b>56</b>	<b>\$10,203</b>	<b>58</b>	<b>\$10,477</b>	<b>58</b>	<b>\$10,795</b>	<b>0</b>	<b>\$318</b>
General Funds	56	10,203	58	10,477	58	10,795	0	318
<b>Executive Direction and Staff Services</b>	<b>190</b>	<b>\$34,535</b>	<b>198</b>	<b>\$34,611</b>	<b>198</b>	<b>\$35,972</b>	<b>0</b>	<b>\$1,361</b>
General Funds	190	34,535	198	34,611	198	35,972	0	1,361
<b>Total</b>	<b>2,165</b>	<b>\$592,212</b>	<b>2,234</b>	<b>\$592,212</b>	<b>2,304</b>	<b>\$632,737</b>	<b>70</b>	<b>\$40,525</b>
<b>General Funds</b>	<b>2,165</b>	<b>\$527,212</b>	<b>2,234</b>	<b>\$527,212</b>	<b>2,304</b>	<b>\$567,737</b>	<b>70</b>	<b>\$40,525</b>
<b>Unemployment Trust Funds</b>	<b>0</b>	<b>\$65,000</b>	<b>0</b>	<b>\$65,000</b>	<b>0</b>	<b>\$65,000</b>	<b>0</b>	<b>\$0</b>

NOTE: 2014 reflects actual FTE.

## BUREAU OF LABOR STATISTICS

<b>BUDGET AUTHORITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
	Full-Time Equivalent				
	Full-time Permanent	1,942	1,944	2,014	70
	Other	290	290	290	0
	Reimbursable	89	108	123	15
	<b>Total</b>	<b>2,321</b>	<b>2,342</b>	<b>2,427</b>	<b>85</b>
	Average ES Salary	\$172,000	\$173,000	\$175,000	\$2,000
	Average GM/GS Grade	11.1	11.1	11.1	0
	Average GM/GS Salary	\$86,000	\$87,000	\$88,000	\$1,000
11.1	Full-time permanent	\$188,737	\$188,328	\$197,881	\$9,553
11.3	Other than full-time permanent	13,067	13,069	13,277	208
11.5	Other personnel compensation	2,390	2,405	2,487	82
11.8	Special personal services payments	0	0	0	0
11.9	<b>Total personnel compensation</b>	<b>204,194</b>	<b>203,802</b>	<b>213,645</b>	<b>9,843</b>
12.1	Civilian personnel benefits	59,473	64,397	68,313	3,916
13.0	Benefits for former personnel	56	56	56	0
21.0	Travel and transportation of persons	6,136	6,136	6,188	52
22.0	Transportation of things	10	10	10	0
23.1	Rental payments to GSA	33,509	33,763	34,553	790
23.2	Rental payments to others	109	109	109	0
23.3	Communications, utilities, and miscellaneous charges	6,043	5,790	5,818	28
24.0	Printing and reproduction	1,909	1,788	1,899	111
25.1	Advisory and assistance services	33	33	33	0
25.2	Other services from non-Federal sources	16,901	15,462	19,300	3,838
25.3	Other goods and services from Federal sources 1/	117,617	125,435	124,695	-740
25.5	Research and development contracts	11,528	9,380	11,947	2,567
25.7	Operation and maintenance of equipment	56,446	48,381	66,336	17,955
26.0	Supplies and materials	1,298	1,295	1,325	30
31.0	Equipment	5,259	4,566	6,266	1,700
41.0	Grants, subsidies, and contributions	71,690	71,809	72,244	435
42.0	Insurance claims and indemnities	1	0	0	0
	<b>Total</b>	<b>\$592,212</b>	<b>\$592,212</b>	<b>\$632,737</b>	<b>\$40,525</b>
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$21,719	\$29,504	\$27,825	-\$1,679
	DHS Services	4,834	5,303	5,459	156
	Census Bureau	88,432	88,804	89,787	983

# **BUREAU OF LABOR STATISTICS**

## **SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEES' REPORTS**

### Metropolitan Statistical Areas within the Current Employment Statistics (CES) Program

House and

Senate: The Bureau of Labor Statistics (BLS) is directed to conduct a review of methodology for the collection and reporting of data for Metropolitan Statistical Areas within the Current Employment Statistics program. Within 180 days of enactment of this act, BLS shall submit a report to the House and Senate Committees on Appropriations on ways that reporting for Metropolitan Statistical Areas could be improved and any estimated costs of implementation.

Response: The BLS is working to conduct the review described above and will complete the requested report.

# BUREAU OF LABOR STATISTICS

## AUTHORIZING STATUTES

<b>Legislation</b>	<b>Statute No. / US Code</b>	<b>Expiration Date</b>
An Act to Establish the Bureau of Labor, 1884 (amended by Act of 1913 to establish the Department of Labor)	29 U.S.C. 1 et. seq.	n/a
The Wagner-Peyser Act of 1933, as amended	29 U.S.C. 49 et. seq.	n/a
International Investment and Trade in Services Survey Act	22 U.S.C. 3101	n/a
The Social Security Act	42 U.S.C. 503(a)(6)	n/a
Veterans' Employment, Training, and Counseling Amendments of 1988	38 U.S.C. 4110A	n/a
An Act to amend Title 13, United States Code, to provide for a mid-decade census of population and for other purposes	13 U.S.C. 182	n/a
An Act to revise, codify, and enact without substantive change certain general and permanent laws related to money and finance	31 U.S.C. 1535 - 1536	n/a
Trade Act of 1974	19 U.S.C. 2393	n/a
Federal Employees Pay Comparability Act	5 U.S.C. 5301-5304	n/a
Occupational Safety and Health Act of 1970	29 U.S.C. 673	n/a

# BUREAU OF LABOR STATISTICS

## APPROPRIATION HISTORY

(Dollars in Thousands)

	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2006	542,523	542,523	542,523	537,098 <sup>1/</sup>	2,408
2007	563,288 <sup>2/</sup>	565,288	563,288	548,123	2,408
2008	574,443	576,118	560,000	544,251 <sup>3/</sup>	2,283
2009	592,806 <sup>4/</sup>	596,058 <sup>4/ 5/</sup>	598,306 <sup>4/</sup>	597,182 <sup>4/</sup>	2,376
2010	611,623	611,623	611,271 <sup>6/</sup>	611,447 <sup>7/</sup>	2,393
2011	645,351	611,447 <sup>8/</sup>	632,488 <sup>9/</sup>	610,224 <sup>10/</sup>	2,338
2012	647,030	620,224 <sup>11/</sup>	611,224	609,071 <sup>12/</sup>	2,313
2013	618,207			577,213 <sup>13/</sup>	2,239
2014	613,794			592,212	2,232
2015	610,082			592,212	2,234
2016	632,737				2,304

- 1/ Reflects a rescission of \$5,425 pursuant to P.L. 109-148.
- 2/ Includes a comparative transfer to the Working Capital Fund for centralized services of \$1,230 and -0- FTE.
- 3/ Reflects a rescission of \$9,677 pursuant to P.L. 110-161.
- 4/ Includes a comparative transfer from ODEP to BLS of \$550 and -0- FTE.
- 5/ This bill was reported out of Subcommittee and was not passed by the Full House.
- 6/ This bill was reported out of Subcommittee and was not passed by the Full Senate.
- 7/ Does not reflect a transfer from the BLS to EBSA of \$2,700 and -0- FTE.
- 8/ Reflects a full-year continuing resolution funding level passed by the Full House.
- 9/ This bill was reported out of the Committee but was not passed by the Full Senate.
- 10/ Reflects a rescission of \$1,223 pursuant to P.L. 112-10.
- 11/ This bill was reported only as a draft out of the Subcommittee and was not passed by the Full House.
- 12/ Reflects a rescission of \$1,153 pursuant to P.L. 112-74.
- 13/ Reflects a 0.2% across-the-board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

# BUREAU OF LABOR STATISTICS

## OVERVIEW

### Introduction

The Bureau of Labor Statistics (BLS) of the Department of Labor (DOL) is the principal Federal statistical agency responsible for measuring labor market activity, working conditions, and price changes in the economy. Its mission is to collect, analyze, and disseminate essential economic information to support the public and private decision-making that forms the basis of our democratic, free-enterprise system. Like all Federal statistical agencies, the BLS executes its statistical mission with independence, serving its users by providing products and services that are accurate, objective, relevant, timely, and accessible. Policies and decisions based on BLS data affect virtually all Americans, and the wide range of BLS data products is necessary to fulfill the diverse needs of a broad customer base. For FY 2016, the BLS requests \$632,737,000, which is \$40,525,000 above the FY 2015 Enacted level, and 2,304 FTE.

The June 27, 1884 Act that established the BLS states, “The general design and duties of the Bureau of Labor Statistics shall be to acquire and diffuse among the people of the United States useful information on subjects connected with labor, in the most general and comprehensive sense of that word, and especially upon its relation to the capital, the hours of labor, social, intellectual, and moral prosperity.”

Several BLS series are used in the administration of Federal programs. For example, the Internal Revenue Service (IRS) ties changes in Federal income tax brackets and personal exemption amounts to annual changes in the Consumer Price Index (CPI). The IRS also uses CPI data to adjust income eligibility thresholds for the Earned Income Tax Credit (EITC). In 2013, more than 27 million taxpayers received more than \$63 billion in EITC payments. Select CPIs and Employment Cost Indexes (ECI) also are used in updates to the Medicare Prospective Payment System, and Consumer Expenditure (CE) data are used to adjust the U.S. cost of living allowances in U.S. military locations. Changes in BLS data have direct effects on overall Federal budget expenditures, including Federal allocations to State and local jurisdictions. In 2014, States and local jurisdictions used Local Area Unemployment Statistics data to allocate about \$90 billion in Federal funds from assistance programs in such areas as employment, training, public works, and welfare assistance. Also in 2013, programs, such as the State Children’s Health Insurance Program, used Quarterly Census of Employment and Wages (QCEW) data to allocate approximately \$308 billion in Federal funds.

The Social Security Administration escalates benefits annually based upon changes in the Consumer Price Index. In 2014, nearly 59 million Americans received \$863 billion in Social Security benefits.

The BLS contributes to Secretary Perez’s Vision of *Promoting and Protecting Opportunity*. In particular, the BLS supports the DOL Strategic Goal to *Produce timely and accurate data on the economic conditions of workers and their families*, and the Strategic Objective to *Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans*.

## BUREAU OF LABOR STATISTICS

The BLS has identified six high-level strategies to achieve its Strategic Goal, Strategic Objective, and Performance Goal. The following ongoing strategies also help fulfill the need for economic information to support decision-making:

- Continue to produce objective data and analyses that are timely, accurate, and relevant;
- Improve the timeliness, accuracy, and relevance of its products and processes, and develop new products that reflect economic changes and meet the needs of its broad customer base;
- Inform current and potential customers about the availability and uses of its information products; reach out to current and potential customers to understand their needs for economic information; and ensure that the content, presentation, and delivery of BLS information products match its customers' needs;
- Improve data collection processes, maintain high response rates, and optimize the balance between quality, cost, and respondent burden in its data collection programs;
- Ensure that BLS data, products, and services on the BLS website are easy to find, understand, and use; and
- Recruit, train, and retain a talented, innovative, and diverse group of individuals who are experts in the production and continuous improvement of its products and services, including employees who will support those functions, and who are well prepared to represent the agency and become its future leaders.

Each of the BLS strategies aligns with one or more of the three Departmental strategies. For example, the BLS employs evaluation/data driven strategies by reaching out to customers to better understand their needs for economic data; innovation strategies by developing new data collection methods that minimize respondent burden; and improved implementation strategies by analyzing business processes for efficiency and effectiveness and making ongoing improvements.

The BLS meets its responsibilities through five budget activities:

(1) **Labor Force Statistics** – The Budget request of \$284,129,000, which is \$24,952,000 above the FY 2015 Enacted level, and 551 FTE, will provide funds to support the production, analysis, and publication of data on the labor force, employment and unemployment, persons not in the labor force, labor demand and turnover, wages, hours, earnings, time use, and employment projections. The Budget includes \$16,875,000 for built-in increases and for the restoration of funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels.

The Budget also includes \$1,577,000 and 3 FTE to add one annual supplement to the Current Population Survey. In odd years, the BLS will conduct the Contingent Work Supplement to capture data on contingent work and alternative work arrangements. In even years, the BLS will conduct other supplements relevant to the BLS mission, including topics that will provide more data on workplace flexibility and work-family balance.

## BUREAU OF LABOR STATISTICS

In addition, the Budget includes \$6,500,000 and 17 FTE to improve Job Openings and Labor Turnover Survey (JOLTS) data timeliness by releasing data at the same time as *The Employment Situation*, thereby allowing for contemporaneous analysis of the change in U.S. payroll jobs reported each month. The proposal also will enhance the relevance of JOLTS data by expanding the sample to provide both greater industry detail and State level data, and add depth by allowing for a series of focused questions on labor market issues. This enhancement will fill in gaps in our real-time understanding of labor market conditions, wages and skills of jobs created versus destroyed, and employer perception of opportunities.

(2) **Prices and Cost of Living** – The Budget request of \$216,048,000, which is \$10,036,000 above the FY 2015 Enacted level, and 1,119 FTE, will provide funds to support the production, analysis, and publication of a wide variety of information on price changes in the U.S. economy, specifically the CPI, the Producer Price Index (PPI), the U.S. Import and Export Price Indexes from the International Price Program (IPP), and data from the CE Survey. The Budget includes \$2,869,000 for built-in increases and for the restoration of funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels.

The Budget also includes \$4,667,000 and 29 FTE to restore funding for the IPP export price indexes. These indexes currently are used in the production of National Income and Product Accounts and in the calculation of real Gross Domestic Product. In addition, these indexes are used to help understand trends in U.S. real trade balances and competitiveness and issues such as the impact of exchange rate movements.

Additionally, the Budget includes \$2,500,000 and 9 FTE for the CE Survey to support the Census Bureau in its development of a supplemental statistical poverty measure using CE data. As part of this initiative, the CE Survey will develop questions to be added to the Interview Survey and accelerate to early August the delivery of the CE poverty thresholds to the Census Bureau to support the September release date of the income and poverty report.

(3) **Compensation and Working Conditions** – The Budget request of \$85,793,000, which is \$3,858,000 above the FY 2015 Enacted level, and 378 FTE, will provide funds to support the production, analysis, and publication of a diverse set of measures of employee compensation; work stoppages statistics; and the compilation of data on work-related injuries, illnesses, and fatalities. The change from the FY 2015 Enacted level reflects built-in increases and the restoration of funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels.

(4) **Productivity and Technology** – The Budget request of \$10,795,000, which is \$318,000 above the FY 2015 Enacted level, and 58 FTE, will provide funds to support the production, analysis, and publication of data on productivity trends in the U.S. economy, as well as major sectors and individual industries; and the examination of the factors underlying productivity growth. The change from the FY 2015 Enacted level reflects built-in increases and the restoration of funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels.

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(5) **Executive Direction and Staffing Services** – The Budget request of \$35,972,000, which is \$1,361,000 above the FY 2015 Enacted level, and 198 FTE, will provide funds to support agency-wide policy and management direction, and centralized program support activities, such as data dissemination, field operations, the Internet Data Collection Facility, and statistical methods research. The change from the FY 2015 Enacted level reflects built-in increases and the restoration of funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels.

Federal statistical programs meet the needs of a wide range of users by providing data that adhere to the highest quality standards. The BLS conforms to the conceptual framework of the Interagency Council on Statistical Policy’s “Guidelines for Reporting Performance by Statistical Agencies” and the “Strengthening Federal Statistics” chapter of the Analytical Perspectives volume in the President’s Budget. The BLS measures accuracy, timeliness, relevance, dissemination, and mission achievement. In addition, the BLS also reports the full cost to produce its data products. These six criteria are common among statistical agencies, because they represent critical aspects of a statistical program’s performance. Using these common concepts as a basis for measuring and reporting on statistical agency outcomes helps to inform decision-makers more consistently about the performance of statistical agencies. The BLS strategies are designed to support these six performance criteria. As the BLS continues to improve the information that it makes available to decision-makers, the BLS will reflect these changes in its performance measures and targets in budget submissions and other documents relating to the Government Performance and Results Act Modernization Act of 2010.

The American labor market is adapting to an economic environment shaped by demographic shifts, technological advances, and major legislative changes. The BLS remains focused on providing data that accurately reflect the changing labor market and also respond to data users’ needs. In FY 2014, the Current Population Survey (CPS) added new variables to the public use files on self-employed persons’ number of paid employees. The addition of these variables allows researchers to study additional characteristics of the self-employed and investigate how these change over time. The QCEW program released over six years of research data measuring the nonprofit sector, a project which merged publicly available Internal Revenue Service data with the QCEW business universe. The Occupational Employment Statistics (OES) program continued to coordinate activities associated with revising the Standard Occupational Classification system that is expected to culminate in a 2018 version. In FY 2014, the PPI program completed the transition from the current aggregation structures that only reflect goods in stage-of-progressing type outputs to the new aggregation structures that reflect goods, services, and construction. This transition included completion of the seasonal adjustment of the new aggregate indexes and a revised set of PPI publication outputs reflecting the new structure that features comprehensive final and intermediate demand indexes.

The BLS is committed to innovative improvement of its data products. For example, in FY 2014, the Survey of Occupational Injuries and Illnesses (SOII) program continued to research causes of the undercount of injuries and illnesses and explore possible mitigating solutions. Specifically, in FY 2014, the SOII program interviewed a large sample of employers to obtain statistically significant results on various recordkeeping practices, researched the automated coding of narrative text fields to improve classification consistency, and examined the additional

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matching of SOII data to workers' compensation records to analyze any undercount trends over time. In FY 2015 and FY 2016, the SOII will continue to evaluate the results of undercount research, and continue additional research to explore collecting injury and illness data directly from workers. The research also will explore if SOII respondents update Occupational Safety and Health Administration (OSHA) information for new cases not reported in the collection year, or for cases which originally were reported but have since evolved.

The BLS continues to strive for better responsiveness to user needs. In FY 2014, the BLS participated in a media roundtable to better assess how the agency can provide better access to BLS data. In an effort to make data more accessible to users, the BLS is developing a new product to highlight BLS measures on topics of current interest and provide resources for more information. To complement the expansion of JOLTS data proposed in FY 2016, the BLS also will conduct detailed research into expanding the use of large and complex data sets from a variety of sources in BLS production activities. The BLS will research record linkage and automated text analysis as ways to develop opportunities to link BLS and other data sources together to provide data on hires and separations at finer levels of industrial, occupational, and geographical classification.

Consolidation of Federal Business and Trade Programs: The President is again asking Congress to revive an authority enabling him to submit fast-track proposals to reorganize or consolidate Federal programs and agencies to reduce the size of Government or cut costs. The Budget includes a variety of proposed reforms across government designed to drive efficiency and accountability, prevent duplication, and make government work better and smarter for the American people. One of these reorganizations the President would propose with this authority reiterates his previous proposal to consolidate Federal business and trade programs into one more efficient and effective department dedicated to promoting U.S. competitiveness, exports, and American businesses and jobs. The proposal would integrate the six Federal agencies that focus primarily on business and trade, along with other related programs. These include the Department of Commerce's core business and trade functions, the Small Business Administration, the Office of the U.S. Trade Representative, the Export-Import Bank, the Overseas Private Investment Corporation, and the U.S. Trade and Development Agency, as well as rural business programs at the Department of Agriculture, Treasury's Community Development Financial Institution Program, the BLS, and the statistical agency at the National Science Foundation. To strengthen the new department's focus on business and economic growth, the National Oceanic and Atmospheric Administration would be consolidated into the Department of Interior, strengthening stewardship and conservation efforts and enhancing scientific resources. The Budget schedules for these agencies and programs, including those for the BLS, continue to reflect them in their current alignment.

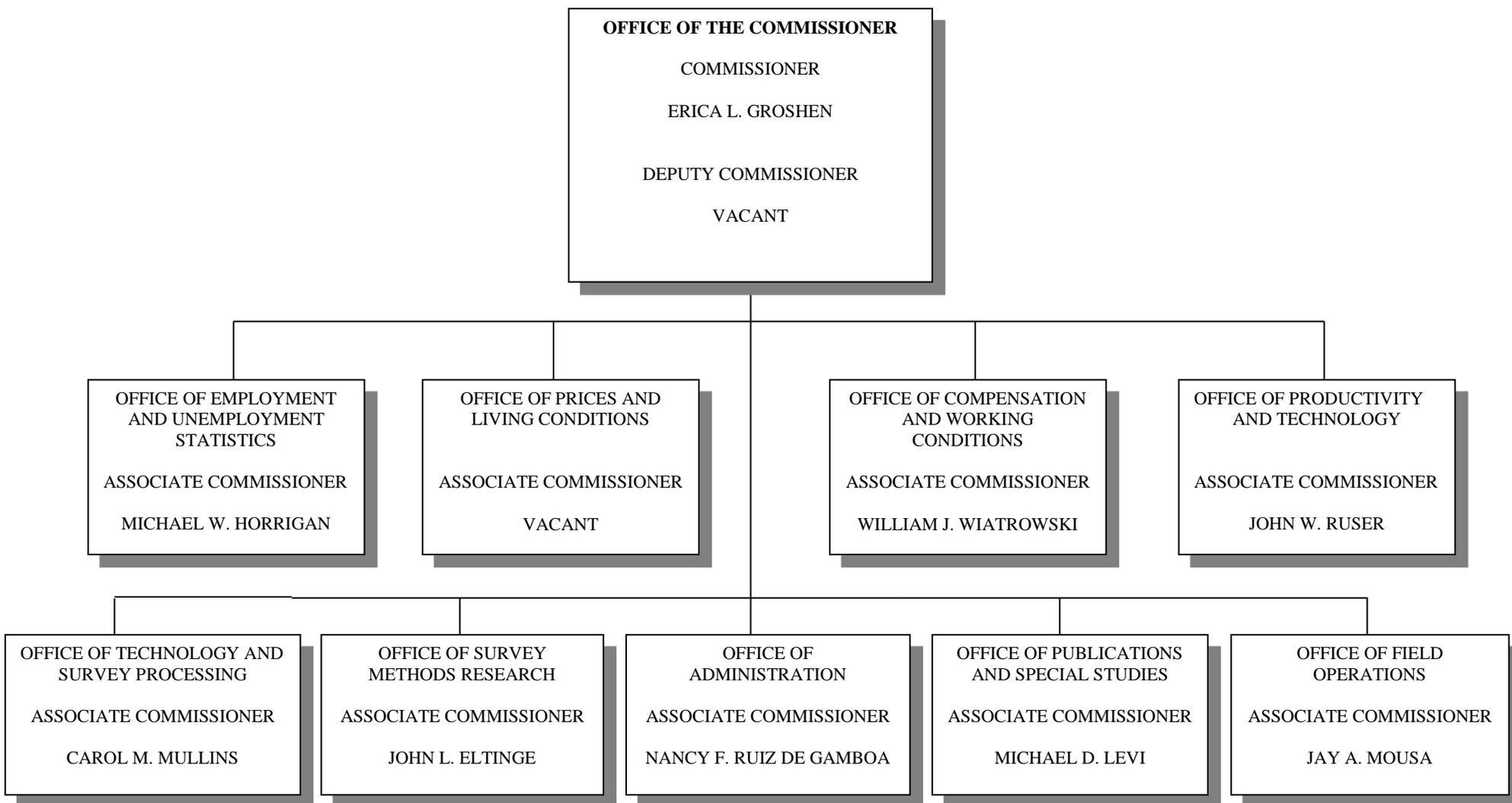
Evaluation Funding Flexibility Pilot: High-quality evaluations and statistical surveys are essential to building evidence about what works. They are also inherently complicated, dynamic activities; often they span many years, and there is uncertainty about the timing and amount of work required to complete specific activities--such as the time and work needed to recruit study participants. In some cases the study design may need to be altered part-way through the project to better respond to the facts on the ground. The currently available procurement vehicles lack the flexibility needed to match the dynamic nature of these projects. Additionally, some studies

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provide high quality information in which many federal agencies are interested, and it is frequently desirable to cosponsor these activities in order to efficiently extend the utility of the data collected. Changes in timing and content can make cosponsorship difficult, since funds are often time-limited.

In order to streamline these procurement processes, improve efficiency, and make better use of existing evaluation resources, the Administration proposes to provide the BLS and other agencies with expanded flexibilities to spend funds over a longer period of time. This request is a part of a proposed pilot program that also includes The Department of Health and Human Services' Assistant Secretary for Planning and Evaluation and the Office for Planning, Research and Evaluation in the Administration for Children and Families; The Department of Labor's Chief Evaluation Office; The Department of Justice's National Institute of Justice and Bureau of Justice Statistics; the Census Bureau; and the Department of Housing and Urban Development's Office of Policy Development & Research. These flexibilities will allow agencies to better target evaluation and statistical funds to reflect changing circumstances on the ground.

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**ORGANIZATION CHART**



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<b>BLS CROSS-CUTTING MEASURES</b>					
		<b>2014</b>		<b>2015</b>	<b>2016</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.</b>					
<b>Strategic Objective 5.1 - Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.</b>					
BLS 5.1 CCM.01.T	Percentage of timeliness targets achieved for the Principal Federal Economic Indicators (PFEIs) 1/ 2/	100%	100%	100%	100%
BLS 5.1 CCM.02.A	Percentage of accuracy targets achieved for the PFEIs 1/ 3/	100%	95%	100%	100%
BLS 5.1 CCM.03.R	Percentage of relevance targets achieved for the PFEIs 1/ 4/	100%	100%	100%	100%
BLS 5.1 CCM.04	Average number of Internet site user sessions each month <i>(Dissemination)</i> 5/	8,700,000	8,395,453	--	--
BLS 5.1 CCM.04	Average number of BLS website page views each month <i>(Dissemination)</i>	Baseline	17,423,845	17,400,000	17,400,000
BLS 5.1 CCM.05	Customer satisfaction with the BLS website through the American Customer Satisfaction Index <i>(Mission Achievement)</i>	77	77	77	77

1/ PFEI programs are Current Employment Statistics, Current Population Survey, Consumer Price Index, Producer Price Index (PPI), International Price Program, Employment Cost Index, and Major Sector Productivity.

2/ Measure reflects seven timeliness measures for the PFEI programs.

3/ Measure reflects 19 accuracy measures for the PFEI programs. In FY 2014, the BLS reached 95% of the underlying accuracy targets for its PFEIs, missing the PPI *Percentage of industry product line indexes published monthly* target by one percentage point. PPI changed its policy for delinquent respondents, resulting in fewer industry indexes meeting publishability requirements.

4/ Measure reflects nine relevance measures for the PFEI programs.

5/ This measure was replaced by the new measure immediately below it in the table beginning in FY 2015.



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<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
<b>Activity Appropriation</b>	<b>\$265,383</b>	<b>\$259,177</b>	<b>\$284,129</b>	<b>\$24,952</b>
FTE	501	529	551	22

NOTE: 2014 reflects actual FTE. Authorized FTE for 2014 was 527.

### **Introduction**

Labor Force Statistics programs produce, analyze, and publish data on the labor force, employment and unemployment, persons not in the labor force, labor demand and turnover, wages, hours, and earnings. The programs prepare studies that cover a broad range of topics, including annual analyses of labor market developments, occupational analyses, characteristics of special worker groups, time-use patterns of workers and nonworkers, and labor force experiences of displaced workers. In addition, these programs develop information about the labor market and labor force trends 10 years into the future. They also make assessments of the effect on employment of specified changes in economic conditions and/or changes in Federal programs and policies.

Labor Force Statistics programs support Secretary Perez’s Vision of *Promoting and Protecting Opportunity*. Specifically, these programs support the DOL Strategic Goal to *Produce timely and accurate data on the economic conditions of workers and their families*, and the Strategic Objective to *Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans*. These programs provide support for the Secretary’s vision by producing data for analysis and decision-making, as discussed in the program sections below.

Labor Force Statistics programs are authorized by an Act dated July 7, 1930, which provides that the BLS shall prepare “...full and complete statistics of the volume of and changes in employment...” (29 U.S.C. 1 and 2). Programs in this area help fulfill many requirements of the Wagner-Peyser Act as amended by the Workforce Investment Act (WIA), and more recently the Workforce Innovation and Opportunity Act (WIOA) of 2014, including requirements that the Secretary of Labor “...develop and maintain the elements of the workforce and labor market information system ...” as well as the development and maintenance of national projections of employment opportunities by occupation and industry. This legislation requires the development of information on the outlook for jobs and research to improve the methods of projecting future labor demand and supply relationships.

### **Current Population Survey**

The Current Population Survey (CPS), a monthly household survey, provides a comprehensive body of information on the employment and unemployment experience of the Nation’s population, classified by age, sex, race, Hispanic origin, and a variety of other characteristics. The CPS also provides key inputs into the Local Area Unemployment Statistics (LAUS) models for estimating employment and unemployment for States and selected local areas.

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Labor force statistics from the CPS, together with data from the Current Employment Statistics (CES) program, are among the earliest economic indicators available each month and represent the Nation's most comprehensive measures of national employment and unemployment. The CPS is a primary source of data on employment status, characteristics of the labor force, and emerging trends and changes in the employment and unemployment status among various groups of workers. These BLS data serve as aids in: monitoring the performance of the job market, developing more complete data for labor force planning, determining the factors affecting changes in the labor force participation of different population groups, and evaluating earnings trends for specific demographic groups.

The BLS data available from this program include:

- Employment status of the working-age population by age, sex, race, Hispanic origin, marital status, family relationship, educational attainment, disability status, veteran status, and nativity (i.e., foreign born or native born);
  - Employed persons by occupation, industry, class of worker, hours of work, full- and part-time status, and reason for working part time (i.e., economic or noneconomic);
  - Unemployed persons by occupation, industry, and class of worker; duration of unemployment; reasons for unemployment; and methods used to find employment;
  - Characteristics and job-seeking intentions of persons not in the labor force, including information on discouraged workers and others of significant public policy interest;
  - Special topics on particular sub-groups of the population, such as women maintaining families, working women with children, or on particular topics such as work experience and status of high school graduates and dropouts; and
  - Information on weekly and hourly earnings by demographic group, full- and part-time employment status, occupation, and industry.
- In FY 2016, the BLS and the Census Bureau will continue to jointly sponsor and oversee the monthly sample survey, with BLS funding supporting a sample of about 60,000 households. Households are contacted through in-person and telephone interviews. Data generally relate to the calendar week that includes the 12th day of the month. Also, in FY 2016, the BLS is requesting \$1,577,000 to add an annual supplement to the survey. In odd years, the BLS will conduct the Contingent Work Supplement (CWS) to capture data on contingent work and alternative work arrangements. In even years, the BLS will conduct other supplements relevant to the BLS mission, such as topics that will provide more data on workplace flexibility and work-family balance. Additional information is provided on page BLS-28.

### LABOR MARKET INFORMATION COOPERATIVE STATISTICAL PROGRAM

The BLS operates the CES, Quarterly Census of Employment and Wages (QCEW), Occupational Employment Statistics (OES), and LAUS programs in cooperation with the States and territories. As noted within their respective descriptions, these programs compose the BLS Labor Market Information (LMI) Cooperative Statistical Program, which is conducted in accordance with the provisions of the Wagner-Peyser Act as amended by the WIA and WIOA. The BLS uses cooperative agreements to fund the States for these programs. BLS regional staff,

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under the direction of the Office of Field Operations in the national office, negotiate and monitor LMI cooperative agreements.

### **Current Employment Statistics**

The CES program collects information on employment, hours, and earnings from the payroll records of employers. The BLS produces national, State, and major metropolitan area data. These data are released in partnership with the State Workforce Agencies (SWAs), which provide additional State analysis and help disseminate the estimates. National data available from the CES program include: nonfarm employment for detailed industry classifications; all employee average weekly hours and average hourly and weekly earnings; production worker average weekly hours and average hourly and weekly earnings; manufacturing worker overtime hours; indexes of aggregate hours and payroll; and diffusion indexes of employment change for the Nation. Diffusion indexes are a measure of the dispersion of employment change, indicating how widespread employment increases and decreases are across industries. The program also provides similar data for all States, most metropolitan statistical areas (MSAs), and metropolitan divisions, but with less industry detail.

The payroll statistics from the CES program, along with data from the CPS, are among the earliest economic indicators available each month and measure the health of the U.S. economy in terms of job creation, average earnings, and average length of workweek. These data serve as direct input into other major U.S. economic indicators, including the Index of Leading Economic Indicators, the Index of Coincident Economic Indicators, the advance and preliminary Personal Income estimates produced by the Bureau of Economic Analysis (BEA), the Industrial Production Index, and productivity measures. In addition to their critical use as economic indicators, the private sector uses these data in plant location planning, wage negotiations, economic research and planning, regional analysis, and industry studies.

- In FY 2016, each month, the BLS will survey a sample of about 144,000 businesses (composed of approximately 554,000 individual worksites) nationwide. The sample is stratified by State, industry, and the employment size of the business. Respondents provide data for the payroll period that includes the 12th day of the month.

### **Quarterly Census of Employment and Wages**

The QCEW program provides national, State, MSA, and county data on monthly employment and quarterly total wages and the number of establishments, by 6-digit North American Industry Classification System (NAICS) code and size of establishment, with a six month lag after each quarter. These data originate largely from the administrative records of the Unemployment Insurance (UI) system in each State. The program includes all employees covered by State and Federal UI laws, or about 97 percent of total non-farm employment. The workers excluded from the UI files are railroad employees, members of the Armed Forces, self-employed persons, unpaid family workers, and some agricultural and private household employees.

The BLS uses these data to construct an up-to-date “universe” file, or sample frame, of the establishments reporting under the State and Federal UI systems, from which it selects samples

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for its establishment-based surveys, such as the CES, OES, Job Openings and Labor Turnover Survey (JOLTS), Employment Cost Index, Occupational Safety and Health Statistics (OSHS), and Producer Price Index. The QCEW program is responsible for maintaining the accuracy of each establishment's industry code, county code, size class, physical location address, mailing address, and other information that directly affects the quality of the survey programs' samples.

In addition, the BLS uses data from this program as the annual employment benchmark by industry in the CES, OES, OSHS, and JOLTS programs. Total wages and salaries from the QCEW program compose about 47.3 percent of Personal Income, as measured by the BEA, for the Nation, States, and counties. The QCEW wage data are the largest single input to the Personal Income component of the National Income and Product Accounts. QCEW data also underlie State UI actuarial systems (tax rates, employer contributions, and benefit levels). Other uses include State and local labor force information, industry trends, forecasting, transportation planning, local economic development planning, and allocating about \$307 billion in FY 2013 in Federal funds under such programs as the State Children's Health Insurance Program. Economic research, regional analysis, marketing studies by private industry, industry analysis, and plant location studies are further uses of data from this program. The rich industry and geographic detail—all 6-digit NAICS industries by county—makes these among the most prized data for State and local implementation of the statutory requirements. QCEW also shares data with the BEA, Census Bureau, Employment and Training Administration, National Oceanic and Atmospheric Administration, and other agencies to assist with their ongoing production and special studies. For example, each quarter, QCEW provides hundreds of thousands of industry codes to the Census Bureau for mostly new and small businesses, which improves data quality and decreases respondent burden and costs for the Census Bureau. QCEW data also are the basis for the BLS Business Employment Dynamics series. These series cover gross job gains and losses, data on establishment age and survival, and firm size. In addition, the series include data on establishment births, openings and expansions; and deaths, closings and contractions, by major industry and State. In addition, QCEW data are used to prepare maps and tabulations of the economic impacts of natural disasters for State and Federal officials, and are used on an ongoing basis to document recovery efforts in affected areas.

- In FY 2016, the SWAs, in cooperation with the BLS, will collect employment and wage data from an estimated 9.7 million establishments subject to UI laws. The UI data are supplemented with two BLS collections, the Multiple Worksite Report (MWR) and Annual Refiling Survey (ARS), which are necessary to provide accurate industry and geographical measures at the local level. First, in the MWR, each quarter, over 136,000 multi-unit firms (representing 1.6 million worksites and about 41 percent of the employment) report their employment and wages for each establishment, which improves the geographic and industrial accuracy of these key data. Second, in the ARS, the SWAs will recontact approximately one-third of all establishments in the private sector with three or more employees, about 800,000 establishments, to maintain the accuracy of their industry coding under the NAICS and to update geographical information, such as addresses, which are integral to its use as a sample frame for other BLS business surveys. While the majority of establishments are recontacted on a three-year cycle, some establishments in industries that exhibit lower rates of change are selected for a six-year cycle.

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## Occupational Employment Statistics

The OES program is the only comprehensive source of regularly produced occupational employment and wage rate information for the U.S. economy, as well as States, the District of Columbia, Guam, Puerto Rico, the Virgin Islands, all metropolitan areas and divisions, and balance-of-State areas for each State, for complete geographic coverage. The OES program produces employment and wage estimates by nonfarm industry for the full Standard Occupational Classification (SOC) system, which includes over 800 detailed occupations.

Uses of the data include evaluating current and historical employment and wages by industry, occupation, and geographic area; foreign labor certification; projecting occupational demand for the Nation and States; vocational planning; estimating social security receipts, and as an input to calculating reimbursement rates for Medicare and Medicaid providers; identifying science, technology, engineering and mathematics (STEM) related occupations for the National Science Foundation; calculating occupational injury rates; as an input to the President's Pay Agent report; and industry skill and technology studies.

The OES portions of the BLS public website generate some of the highest levels of activity among all program areas. In addition, OES data are the foundation of the industry-occupation matrix used in the Employment Projections (EP) program to produce national occupational projections. OES employment and wage data are used throughout the *Occupational Outlook Handbook (OOH)* and related career publications, as well as in similar products produced by the SWAs for State and local areas.

- In FY 2016, the SWAs, in cooperation with the BLS, will collect employment and wage information from semi-annual sample panels of approximately 200,000 establishments, for a total of 400,000 for the year. Respondents provide data for a payroll period that includes the 12th day of the survey month.

## Local Area Unemployment Statistics

LAUS statistics provide timely and important information on current labor force and unemployment trends for States and local areas. The LAUS program issues monthly estimates for regions and States two weeks after the release of national estimates in *The Employment Situation*. Metropolitan area estimates, as well as all remaining sub-State area estimates, are issued about one-and-a-half weeks later. LAUS estimates serve as economic indicators, are a major source of information for labor market research, analysis, and planning, and enable current analysis of State and area labor force characteristics. In addition to economic analysis, another important use of LAUS data is in the direct allocation of Federal funds (nearly \$90 billion in FY 2013) to States and local jurisdictions under Federal assistance programs in areas such as employment, training, public works, and welfare assistance.

Using data from the CPS, CES, and State UI programs, the LAUS program uses time-series models to produce monthly estimates for all States, the District of Columbia, New York City, the Los Angeles-Long Beach-Glendale metropolitan division, and the balances of New York and California. Time-series models also are used for the Chicago, Miami, and Seattle metropolitan

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divisions, the Cleveland and Detroit MSAs, and the five respective balance-of-State areas. The LAUS program also makes the resultant model-based estimates for these areas available in a seasonally adjusted format. Estimates for the remainder of sub-State areas are produced through a building-block approach that also utilizes data from several sources, including the CES, QCEW, CPS, and State UI programs, and the decennial census, and are adjusted to statewide measures of employment and unemployment.

Each month, the SWAs, in cooperation with the BLS, develop the labor force, employment, and unemployment estimates. The LAUS program is responsible for the concepts, definitions, and technical procedures that States use in the preparation of State and local labor force and unemployment estimates. Both the SWAs and the BLS analyze and publish the LAUS estimates each month.

- In FY 2016, the BLS will generate monthly estimates of employment and unemployment for approximately 7,500 geographic areas, including all States, metropolitan and small labor market areas, counties, cities with a population of 25,000 or more, and all cities and towns in New England. The BLS will continue to generate monthly smoothed seasonally-adjusted estimates for all metropolitan areas and metropolitan divisions.

### National Longitudinal Surveys

The National Longitudinal Surveys (NLS) provide a set of data on the labor force experience (current labor force status, employment status, work history, and characteristics of current/last job) of two groups of the U.S. population. Each survey gathers information on the labor market experiences of these groups of American men and women at multiple points in time.

Cross-sectional data, such as those from the CPS, primarily provide snapshots of the labor market and are used to track changes in the labor force behavior of groups over time. The NLS focuses on capturing long-run changes in individual labor force behavior by interviewing the same individuals over extended time periods. Economists, sociologists, and other researchers in government, the academic community, and private organizations use NLS data to examine and inform policymakers at all levels of government about a variety of issues such as:

- Employment and earnings of workers in the labor market;
- Educational experience, achievement, and the transition from school to work;
- The effects of training on future employment and wages;
- The ability to advance out of low-wage jobs;
- Relationships between work and various indicators of family well-being;
- The long-term effects of unemployment; and
- The retirement behavior of older workers and the problems of the elderly.

In 1979, a cohort was fielded to research the “baby boomer” generation, with a sample of over 12,000 young men and women who were 14-21 years of age as of December 31, 1978. This survey, conducted every year through 1994, is known as the 1979 National Longitudinal Survey of Youth (NLSY79). In 1994, the survey began operating on a biennial interview cycle.

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In 1997, the BLS began the 1997 National Longitudinal Survey of Youth (NLSY97), a survey consisting of 9,000 individuals aged 12-16 as of December 31, 1996. This survey contains an oversample of blacks and Hispanics. The young age of this sample (when compared with past NLS cohorts) reflects the increased emphasis on early labor market activity and other aspects of youths' lives that have an impact on their labor market successes and their general success in becoming productive adults. The long-term objectives of the study are to relate early development and influences on later-life outcomes. In 2012, the NLSY97 survey began operating on a biennial interview cycle.

- In FY 2016, the NLS program will release data from round 26 and begin collection of round 27 of the NLSY79, and complete data collection for round 17 of the NLSY97.

### **Job Openings and Labor Turnover Survey**

The JOLTS program provides monthly national measures on labor demand by broad industry groups and by firm size. These measures complement the unemployment rate, which measures labor supply. Data published include the levels and rates for job openings, hires, and total separations, as well as three separations breakouts: quits, layoffs and discharges, and other separations. These data items also are provided at the total nonfarm level for four regions. Thus, policymakers and analysts have a better understanding of imbalances between the demand for and the supply of labor, and improved tools for assessing the presence of labor shortages in the U.S. labor market. JOLTS data are used for labor market analysis and by the Federal Reserve on decisions on monetary policy. These data also provide evidence of upward pressures on wage rates.

- In FY 2016, each month, the BLS will continue to collect data from a sample of 16,000 businesses and derive estimates on levels and rates of job openings, hires, and separations (quits, layoffs and discharges, and other separations) at the national level for major industry groups, and at the regional level for total nonfarm employment. In FY 2016, the BLS is requesting \$6,500,000 to change and expand JOLTS by improving data timeliness for contemporaneous analysis of the change in U.S. payroll jobs reported each month in *The Employment Situation*; improving relevance by expanding the sample to provide both greater industry detail and State level data; and adding depth by allowing for a series of focused questions on labor market issues. Additional information is provided beginning on page BLS-29.

### **American Time Use Survey**

The American Time Use Survey (ATUS) provides nationally representative estimates of how Americans spend their time during an average day, both for weekdays and weekends. Data from the ATUS enable researchers to develop broader assessments of national well-being and national production than otherwise would be available. The ATUS is the only Federal survey that provides data on the full range of nonmarket activities, from childcare to volunteering. ATUS data provide widely used information about how Americans balance work with family and community commitments.

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Analysts use these data about time-use, combined with information about respondents' demographics, labor force status, and household composition, to examine how much time is being invested in childcare and eldercare in U.S. society; how time-use varies between single people and married people; and how much time people spend in education, among other questions. The availability of national time-use data also facilitates comparisons of time-use patterns in the United States with patterns in other countries, including alternative measures of GDP developed by some countries that include measures of the value of non-market work. Depending on sponsor availability, modules periodically are added to the survey. Additional uses of ATUS data include supplying information to other BLS programs, including the EP program; Federal agencies and forums, such as the BEA, and the Federal Interagency Forums on Aging-Related and Child and Family Statistics; and international organizations, such as the Organization for Economic Cooperation and Development.

- In FY 2016, each month, the BLS and the Census Bureau will survey about 1,000 individuals, ages 15 and older, drawn from households that recently have completed the monthly CPS.

### **Employment Projections**

The EP program produces long-term (10-year) projections for the labor force, the overall economy, and industry and occupational employment and job openings by occupation. The program relies on a wide variety of data from the OES, CES, CPS, and QCEW programs, and from other Federal agencies, such as the BEA and the Census Bureau.

Labor force and labor force participation rate projections for detailed demographic groups are produced every two years using CPS data and Census Bureau population projections. These projections are used as an input to the preparation of the overall economic, industry, and occupational projections, and to further analyze the demographic characteristics of future workers and future training and education needs.

The overall economic projections include the GDP, the demand and income composition of the GDP, and the industrial structure of the U.S. economy. These projections are prepared under specific assumptions for government economic policies and for basic economic variables, such as exports and imports, unemployment, and productivity. Projections of industry final demand, output, and employment, as well as input-output tables, also are produced. These data are the basis for evaluating alternative policy options affecting the medium- and long-term outlook, developing estimates of occupational requirements by industry, and evaluating the future size and composition of the labor force.

Finally, a national industry-occupation employment matrix and the industry projections are used to project employment by occupation. EP staff analyze the occupational structure of detailed industries and evaluate the expected impact of changes in demographics, technology, product mix, business practices, and other factors on the demand for specific occupations. The matrix quantifies in detail the distribution of occupational employment by class of worker—wage and salary, self-employed, and unpaid family—and by industry for both the current and projected years. The 2012-22 matrix, which was released in December 2013, covered projections for

## LABOR FORCE STATISTICS

818 detailed occupations in 329 detailed industries. In addition to the projections of job openings resulting from job growth, the EP program also estimates job openings needed to replace workers who leave occupations.

The EP program produces the *OOH*. This biennial web-based publication provides information on the type of work; education, training, and other qualifications; employment; job outlook; wages; similar occupations; and sources of additional information for hundreds of occupations. The program also produces *Career Outlook* (formerly the *Occupational Outlook Quarterly*), a career information web-based publication that presents a wide variety of supplemental information on occupational employment prospects, educational requirements, and earnings. Guidance and career counselors across the country use the information in these publications to advise students and adults on job training and future employment opportunities. Individuals also use these publications for personal career planning and development. The most widely used BLS website is the *OOH*, and *OOH* information is presented in numerous private publications and websites on vocational guidance and career planning.

- In FY 2016, the EP program will release the 2014-24 economic and employment projections and the 2016-17 edition of the *OOH*. The EP program also will produce 35 web postings for *Career Outlook*.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2011	\$277,976	531
2012	\$276,543	534
2013	\$262,938	521
2014	\$265,383	527
2015	\$259,177	529

### **Funding Mechanism**

As previously discussed, the Labor Market Information Cooperative Statistical Program is operated in cooperation with the States and territories. Section 14 of the Wagner-Peyser Act (29 USC 49f(a)(3)(D)) authorizes the Secretary of Labor to reimburse the States to provide data for national statistical programs. Since 1917, the BLS has entered into cooperative arrangements to fund and use employment statistics collected by the States and territories.

On an annual basis, the BLS contracts with the Census Bureau to conduct the CPS. Under the agreement of November 18, 1959, between the Secretary of Labor and the Secretary of Commerce, the BLS obtains budgetary support for this program and annually reimburses the Census Bureau for the collection and related support services associated with the monthly CPS and selected supplements. The authority for the Census Bureau to enter into this agreement is 13 U.S.C. 8(b). The authority for the BLS to enter into this agreement is 29 U.S.C. 2.

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## FY 2016

In FY 2016, the BLS is requesting \$284,129,000 for this activity, which is an increase of \$24,952,000 over the FY 2015 Enacted level. This includes \$8,077,000 in program increases broken out and described below, as well as funds to avoid programmatic reductions or eliminations: \$4,180,000 for built-ins and \$12,695,000 to restore funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels. With the requested funding, in FY 2016, the BLS will continue the production of core data series and will undertake the following new work in the areas of Labor Force Statistics:

In FY 2016, the BLS is requesting \$1,577,000 to add an annual supplement to the CPS. While current collection allows the BLS to produce high quality estimates with high response rates, the BLS cannot provide information on particular important subgroups, such as contingent workers, without support for supplements.

To fill this data gap, the BLS will conduct one CPS supplement annually. In FY 2016, with the requested funds, the BLS will work with the Census Bureau to update specifications for the Contingent Worker Supplement (CWS) and Work Schedules Supplement (WSS) and will research possible new topics for supplements. The CWS allows data users to explore many important questions, like the types of workers who are most likely to be contingent workers – that is, to be employed temporarily – and how the prevalence of contingent workers in different industries has changed over time. The CPS will produce the CWS in odd years beginning the year after funding is received. In even years, starting with the WSS in 2018, the BLS will conduct a supplement on a topic relevant to the BLS mission. The BLS will publish results from each supplement several months after the Census Bureau collects the data.

Conducting new CPS supplements on a regular basis greatly enhances the value of the data by providing insights into trends and the impact of the business cycle. For example, the WSS will provide additional information on workplace flexibility and work-family balance by capturing data on the availability of flexible work schedules, shift work and work at home, to allow analysts to study different working arrangements by occupation, age, gender, and race. These work schedule data also will help analysts study the possible impact of flexible work arrangements on earnings. Moreover, the BLS will have resources to develop new supplements on emerging topics such as entrepreneurship. This information will allow data users and decision-makers to develop a more fundamental understanding of developments in the labor market.

In FY 2016, the CPS program also will publish labor force estimates for people with and without certifications and licensures.

In FY 2016, the CES program will continue to evaluate potential methodological improvements in areas such as benchmarking, net birth/death rates, and non-response adjustments.

In FY 2016, pending renewal of a Memorandum of Understanding with the Census Bureau, the QCEW program will continue to match large establishments of multi-unit businesses with industry codes that are different on the BLS and Census Bureau business register. For these

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businesses, BLS will seek to identify the correct industry code, with each agency changing codes as warranted. The result will be improved consistency of BLS and Census products and improved measures at the BEA. QCEW also will prepare for the implementation of the NAICS 2017 revisions.

The OES program will continue to coordinate activities for revising the SOC, which is expected to culminate in a 2018 version of the SOC. The OES program also will publish data for the new metropolitan and balance-of-State areas.

In FY 2016, LAUS will work with State partners to review the estimates produced with the fourth generation time-series models and develop analytical articles and materials as needed. LAUS also will complete implementation of a new computer system, the Program to Measure Insured Unemployment Statistics (PROMIS), in all States.

In FY 2016, the NLS program will release data from round 26 and begin collection of round 27 of the NLSY79, and complete data collection for round 17 of the NLSY97.

In FY 2016, the BLS is requesting \$6,500,000 to change and expand the JOLTS program in three ways in order to better understand U.S. labor market dynamics:

1. Improve JOLTS data timeliness by changing the reference period to reduce the current 5- to 6-week publication lag. This will allow JOLTS to be published sooner, at the same time as *The Employment Situation*—which reports the unemployment rate and nonfarm payroll job growth.
2. Enhance relevance by expanding the sample from 16,000 to 36,000 establishments. This will allow publication of JOLTS data at the 3-digit NAICS level for many industries for the Nation, and at least three high-level industries for each State. JOLTS data elements will be published for each State for (at least) the total nonfarm, goods producing, and private service-providing industries. Also, the sample expansion will improve the reliability of the estimates currently produced.
3. Add depth by allowing for a series of focused questions on labor market issues to enhance the understanding of Openings, Hires, and Separations. Questions could cover topics such as:
  - Duration of vacancies (a sign of labor shortages),
  - Intensity of recruiting efforts (a sign of the strength of labor demand),
  - Occupations and/or wages of hires (signs of labor demand), and
  - Tenure, occupations, and/or demographics of workers involved in quits and layoffs.

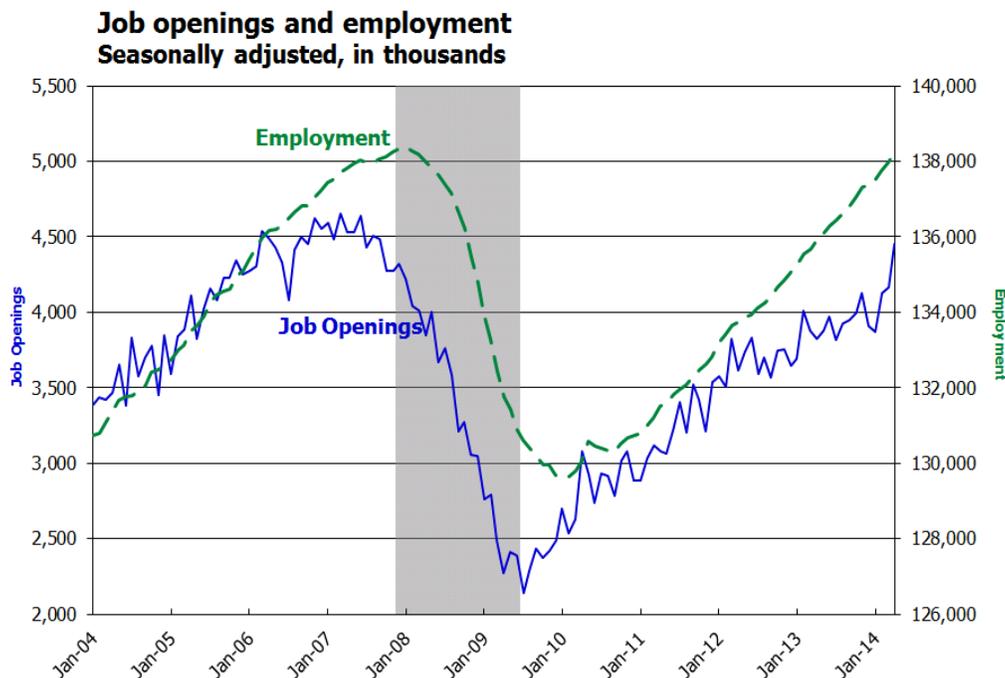
Complementing other BLS labor market metrics, the JOLTS series currently is the only BLS product that directly contributes information on current labor demand. JOLTS data have a demonstrated ability to measure the high level of churn in the labor market and the movements that underlie monthly employment change as measured by the CES program. Currently, the monthly JOLTS program publishes data on job openings, hires, quits, layoffs and discharges, and other separations at the national and regional levels with a 5- to 6-week lag. The enhancements

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to the JOLTS program will provide policymakers with timely invaluable data concerning the behavior of employers and employees before, during, and after shocks to the labor market, enabling them to craft more effective policy to promote economic vitality. Data on these and other issues will fill in gaps in our real-time understanding of labor market conditions, wages and skills of jobs created versus destroyed, and employer perception of opportunities.

Use of JOLTS data by the Federal Reserve, Council of Economic Advisers, Treasury Department, and other policymakers is rapidly expanding. In addition, the BLS receives frequent and repeated requests for more detailed JOLTS information from other Federal entities, researchers, and the States. A number of State Labor Market Information Directors have noted that State level JOLTS data will provide critical insight into understanding their economies. Moreover, expanding the capability of JOLTS to provide greater industry and geographic detail will give economic planners and business people valuable additional information for use in identifying and acting on changes in the behavior of the labor market in their realms.

The JOLTS enhancement will improve the ability of observers to detect an oncoming recession, with the potential for decision-makers to react with more timely policy actions to mitigate the impact of the recession. Existing JOLTS data shows that job openings peaked in March 2007, 9 months before the recession began and 11 months before employment started to fall. Similarly, job openings began to rise again in August 2009, 7 months before employment began to rise.



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The ability to detect an oncoming recession sooner will have significant impacts for the American worker, households, and the economy as a whole:

- More than 8.7 million jobs were lost between the employment peak in January 2008 and the trough in February 2010. Stopping the recession 6 months earlier, in July 2009, could have prevented the loss of nearly 1.2 million jobs, potentially saving \$45.9 billion in wages, and lowering payments for unemployment insurance claims.
- Not only could early detection help to mitigate the loss in jobs, but it also could have softened the loss in housing value, securities in retirement accounts, and the loss in household net worth.
- Early detection will have decreased the amount of Federal Government funding needed in the form of a stimulus package and bank bailouts to lessen the impact of the recession.

To complement the expansion of JOLTS data, the BLS also will conduct detailed research into expanding the use of the large and complex data sets from a variety of sources in BLS production activities. This work carries the potential to integrate a range of existing datasets together to create new data opportunities. For example, it may be possible to link BLS and other sources together allowing data on hires and separations at finer levels of industrial, occupational and geographical classification. Developing these opportunities requires research into two key areas: record linkage and automated text analysis.

Establishment-level information in corporate or Federal agency data files often use company names, street addresses, and related information that are not identical to those collected in standard BLS survey forms. The BLS likely will be able to use statistical record linkage to reliably integrate multiple data sources, and better understand the quality of the combined data files generated. The long-term goal for the BLS is to use data linkage to incorporate alternative data sources and reduce the number or frequency of questions asked of each establishment. Once records are linked, the next step is to use the full range of available information that will otherwise not be directly usable, requiring sophisticated text analysis and interpretation software to classify the information into usable variables. For example, text analysis of occupational classifications used in corporate employment files may help to ensure timely identification of new or emerging occupations. In addition, text analysis of paradata provided through the interviewer “notes field” will strengthen assessments of data quality and support more efficient collection of data. Finally, expanding real-time data on employment dynamics and skills shortages will require the BLS to conduct a much larger volume of classification work with very short turnaround times. As a result, automating text analysis will become necessary for the BLS to manage long-term costs of industrial and occupational classification.

In FY 2016, the JOLTS program will research the necessary steps required to implement the change in the reference periods, modify questionnaires and interviewing procedures, and modify systems and data review procedures. As soon as that initial research phase is over and feasibility confirmed, and the questionnaires and interviewing procedures are updated, the BLS will begin to phase in the expanded sample, with the expanded sample implemented fully by the end of the third year of data collection.

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Also in FY 2016, the JOLTS program will publish official firm size class estimates pending release of experimental data during FY 2015.

In FY 2016, contingent on funding from the Economic Research Service of the U.S. Department of Agriculture, the ATUS program will release the 2014 Eating and Health Module data files and complete fielding the 2015 Eating and Health Module.

The EP program will release the 2014-24 economic and employment projections and the 2016-17 edition of the *OOH*. The EP program also will continue to incorporate employment and wage data by State in the *OOH* and to update wage data as released by OES.

### **FY 2015**

In FY 2015, the BLS will continue the production of core data series and will undertake the following new work in the areas of Labor Force Statistics:

In FY 2015, based on stakeholder input, CPS will add three questions on certification/licensure and will remove three infrequently-used educational attainment questions to limit the increase in respondent burden. The BLS also will begin monthly publication of a table containing standard errors for key economic statistics from the CPS, including the national unemployment rate.

In FY 2015, the CES program will release experimental size class estimates, and seek input from stakeholders regarding the methodology, usability, and the amount of industry detail that will be available.

In FY 2015, the QCEW program will continue to match large establishments of multi-unit businesses with industry codes that are different from those on the Census Bureau business register. For these businesses, BLS will seek to identify the correct industry code. The result will be improved consistency of BLS and Census products and improved measures at the BEA. The QCEW program also will develop plans to implement changes coming as a part of the NAICS 2017 structure.

The OES program will continue to coordinate activities for revising the SOC, which is expected to culminate in a 2018 version of the SOC. The OES program also will begin collecting data on the new metropolitan and balance-of-State areas.

In FY 2015, the LAUS program will implement a program redesign that will incorporate model-based real-time benchmarking into fourth generation time-series models. The program also will introduce methodology improvements that include using the American Community Survey (ACS) as inputs to LAUS estimation. LAUS also will publish estimates for the statistical areas based on the 2010 Census. In addition, the program will continue to implement the PROMIS system in all States.

In FY 2015, the NLS program will release data from round 16 and begin collection of round 17 of the NLSY97. The NLS program released data for round 25 and will carry out data collection of round 26 of the NLSY79.

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In FY 2015, the JOLTS program will begin to publish experimental firm size class estimates.

In FY 2015, contingent on funding from the Economic Research Service of the U.S. Department of Agriculture, the ATUS program will complete fielding the 2014 Eating and Health Module. The program will begin fielding the 2015 Eating and Health Module in January 2015.

The EP program will continue work on the 2014-24 economic and employment projections and the 2016-17 edition of the *OOH*. The EP program also will begin to incorporate employment and wage data by State in the *OOH* and to update wage data as released by OES.

### **FY 2014**

In FY 2014, the BLS continued the production of a refocused set of core data series and work in the following areas of Labor Force Statistics:

In FY 2014, the CPS added new variables to the public use files on self-employed persons' number of paid employees. The addition of these variables allows researchers to study additional characteristics of the self-employed and investigate how these change over time. The BLS also researched the feasibility of adding 3 questions on certification and licensure to the CPS.

In FY 2014, the CES program continued to work on experimental size class estimates, with the expected release date in FY 2015. In FY 2014, the CES program converted Puerto Rico estimates from a quota-based to a probability-based sample.

In FY 2014, the BLS curtailed the QCEW program to protect other, more critical programs. As part of the curtailment, the QCEW program reduced the scope and frequency of collection for select units in the ARS, resulting in a small degradation in the quality of QCEW data and making the QCEW slightly less accurate as a sampling frame. The QCEW program also continued matching large establishments of multi-unit businesses with industry codes that are different from those on the Census Bureau business register. For these businesses, the BLS seeks to identify the correct industry code. The results are improved consistency of BLS and Census products and improved measures at the BEA.

The OES program continued the coordination of activities associated with revising the SOC, which is expected to culminate in a 2018 version of the SOC.

The LAUS program conducted a time and task study of State operations, to assess the newly-implemented LAUSOne operating system. The LAUS program also continued research on methodology improvements, such as using model-based real-time benchmarking and the ACS estimates as inputs to LAUS methodology. In addition, the program continued to implement newly delineated metropolitan and micropolitan areas, and developing definitions for small labor market areas with the State partners. The LAUS program also continued to implement the PROMIS system in all States.

In FY 2014, the NLS program completed collection of round 16 of the NLSY97.

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In FY 2014, the ATUS program completed fielding and released data for the 2013 Well-Being Module. The program began fielding an Eating and Health Module, sponsored by the Economic Research Service of the U.S. Department of Agriculture.

In FY 2014, the EP program released the 2012-22 economic and employment projections, the 2014-15 edition of the *OOH*, and the supplementary projections materials on the BLS website. The program finalized an assessment of the feasibility of a plan to incorporate more recent wage data and employment and wage data by State in the *OOH*. The EP program began work on the 2014-24 economic and employment projections and the 2016-17 edition of the *OOH*. In addition, the EP program published three issues of the *OOQ*. In September FY 2014, the EP program redesigned and launched the web product, *Career Outlook*, replacing the *OOQ*.

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<b>DETAILED WORKLOAD AND PERFORMANCE</b>					
		<b>2014</b>		<b>2015</b>	<b>2016</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Labor Force Statistics</b>					
<b>Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.</b>					
<b>Strategic Objective 5.1 - Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.</b>					
	<b><u>Principal Federal Economic Indicators</u> 1/</b>				
	<b><u>Current Population Survey</u></b>				
BLS 5.1 CPS.01.P	Monthly series 2/ 3/	14,300	14,407	14,500	14,500
BLS 5.1 CPS.02.P	Other series published annually, quarterly, or irregularly 3/ 4/	16,800	17,064	17,060	17,060
BLS 5.1 CPS.03.T	Percentage of monthly releases on schedule (12 of 12) 2/	100%	100%	100%	100%
BLS 5.1 CPS.04.A	Number of months that a change of at least 0.19 percentage points in the monthly national unemployment rate is statistically significant at the 90% confidence level (for an unemployment rate of 6%)	12	12	12	12
	<b><u>Current Employment Statistics</u></b>				
BLS 5.1 CES.01.P	National monthly and annual series (published and unpublished) maintained 2/ 5/	16,800	19,311	27,300	27,300
BLS 5.1 CES.02.P	State and local area monthly and annual series maintained 6/	22,750	22,744	22,700	22,700
BLS 5.1 CES.03.T	Percentage of national monthly releases on schedule (24 out of 24) 2/	100%	100%	100%	100%
BLS 5.1 CES.04.T	Percentage of State and local area monthly releases on schedule (24 out of 24) 7/	100%	100%	100%	100%
BLS 5.1 CES.05.A	Mean absolute benchmark revision of total nonfarm employment (averaged across five years)	<0.4%	0.3%	<0.4%	<0.4%
BLS 5.1 CES.06.A	No more than 2 not seasonally adjusted 1st - 3rd closing revisions of total nonfarm employment are > 0.1%	≤2	0	≤2	≤2
	<b><u>Other Programs</u></b>				
	<b><u>Quarterly Census of Employment and Wages</u></b>				
BLS 5.1 QCEW.01.W	Covered employment and wages for States and counties at 1-, 2-, 3-, 4-, 5-, and 6-digit NAICS industries published quarterly	3,500,000	3,500,000	3,500,000	3,500,000
BLS 5.1 QCEW.02.W	Establishment records (current and longitudinal) maintained by the Longitudinal Data Base System 8/	9,450,000	9,358,000	9,550,000	9,700,000

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		2014		2015	2016
		Target	Result	Target	Target
BLS 5.1 QCEW.03.P	Business Employment Dynamics (BED) series maintained on job creation and destruction levels and rates 9/	37,600	37,600	37,600	133,000
BLS 5.1 QCEW.04.P	Quarterly press releases on <i>County Employment and Wages</i> ; and <i>Business Employment Dynamics</i>	8	8	8	8
	<b>Occupational Employment Statistics</b>				
BLS 5.1 OES.01.P	National annual series published	135,000	136,000	135,000	135,000
	<b>Local Area Unemployment Statistics</b>				
BLS 5.1 LAUS.01.P	Number of employment and unemployment estimates for States and local areas published monthly and annually 10/	101,500	101,500	107,000	107,050
BLS 5.1 LAUS.02.T	Percentage of monthly and annual releases on schedule (25 out of 25) 11/	100%	100%	100%	100%
BLS 5.1 LAUS.03.A	Percentage of the month-to-month changes in seasonally adjusted unemployment rates that are < 0.5 percentage points	≥90%	99%	≥90%	≥90%
BLS 5.1 LAUS.04.A	Number of States with annual average unemployment rate revisions ≥ 0.4 percentage points	≤10	4	≤10	≤10
	<b>National Longitudinal Surveys</b>				
BLS 5.1 NLS.01.O	Number of journal articles published that examine NLS data	132	143	135	137
	<b>Job Openings and Labor Turnover Survey</b>				
BLS 5.1 JOLTS.01.P	Monthly and annual estimates 12/	824	840	840	876
	<b>American Time Use Survey</b>				
BLS 5.1 ATUS.01.P	Annual estimates 13/	6,654	9,019	7,900	8,900
	<b>Employment Projections</b>				
BLS 5.1 EP.01.W	Number of industries for which the BLS publishes economic and employment projections (2-year cycle) 14/	195	195	n/a	206
BLS 5.1 EP.02.A	Percentage of total employment covered by projections in the 2-year cycle	100%	100%	n/a	100%
BLS 5.1 EP.03.P	Detailed occupations covered in the <i>Occupational Outlook Handbook</i> (2-year cycle) 15/	530	580	n/a	576
BLS 5.1 EP.04.P	<i>Occupational Outlook Quarterly</i> (issues) 16/	4	4	--	--
BLS 5.1 EP.04.P	<i>Career Outlook</i> web postings 16/	--	--	35	35

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		2014		2015	2016
		Target	Result	Target	Target
	<b>State Cooperative Agreements</b>				
BLS 5.1 CA.01.W	Negotiated and monitored for Labor Market Information programs	54	54	54	54

- 1/ The two PFEIs, produced by the CPS and CES programs, are *The Employment Situation* and *Real Earnings*.
- 2/ This measure only relates to PFEIs.
- 3/ The FY 2014 result and FY 2015 target reflect series added periodically to meet user demand.
- 4/ The FY 2016 CPS supplement initiative will not increase the number of series produced until two years after receiving funding.
- 5/ Beginning in FY 2015, CES will increase data output by expanding upon the basic data sets to create new derivative series. These new derivative series will be both seasonally adjusted and unadjusted.
- 6/ In FY 2014, the CES program missed its target primarily because Puerto Rico switched from a quota sample to a probability-based sample and dropped a number of series that no longer met BLS publication standards.
- 7/ This measure includes two monthly news releases: *Regional and State Employment and Unemployment* and *Metropolitan Area Employment and Unemployment*. Due to the schedule of the *Metropolitan Area Employment and Unemployment* release, the number of annual releases may fluctuate from the average of 24. For example, in FY 2012, there were 23 monthly releases of State and local area data.
- 8/ This measure is dependent on economic conditions. Targets are based on current economic trends.
- 9/ The FY 2016 target reflects the release of new series that provide information on annual firm size and age measures for the nation and States by industry.
- 10/ The number of estimates increases each year as cities that newly exceed the LAUS population threshold of 25,000 are added. In FY 2015, LAUS also will incorporate new geography definitions, including new metropolitan statistical areas and micropolitan areas.
- 11/ The LAUS program publishes two monthly news releases, *Regional and State Employment and Unemployment*, and *Metropolitan Area Employment and Unemployment*, and one annual release, *Regional and State Unemployment*. Due to the schedule of the *Metropolitan Area Employment and Unemployment* release, the number of annual releases may fluctuate from the average of 25. For example, in FY 2012, there were 24 releases of State and local area data.
- 12/ Beginning in FY 2014, JOLTS added a breakout of durable goods manufacturing and non-durable goods manufacturing. In FY 2016, JOLTS will add additional series on firm size. The FY 2016 JOLTS initiative will not increase the number of estimates produced until FY 2019.
- 13/ This measure only includes published estimates; ATUS publishes a number of tables that are updated biennially. The FY 2015 target reflects a planned news release on eldercare.
- 14/ The FY 2016 target reflects an accommodation for source data and industrial matrix mapping changes, but does not represent an actual increase in coverage.
- 15/ The FY 2014 target did not anticipate that the 2012 OES data would include the full SOC 2010 for the first time. The FY 2016 target reflects the plan to adjust the number of covered occupations based on usage.
- 16/ In September 2014, the *Occupational Outlook Quarterly* was renamed *Career Outlook* and released as a redesigned product for the web. New content will be released online on a rolling basis throughout each quarter, for a total of 35 new postings annually beginning in FY 2015.

### Workload Narrative

The BLS employs six strategies to ensure that it achieves its strategic objective, and to fulfill the societal need for accurate, objective, relevant, timely, and accessible economic information. The Labor Force Statistics programs produce a diverse set of measures of employment and unemployment, persons not in the labor force, labor demand and turnover, wages, hours, and earnings. On an annual

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basis, the BLS identifies individual improvements that can be made by each Budget Activity and which tie to its ongoing strategies. For example, in FY 2016, in support of its strategy to produce objective data and analyses that are accessible, timely, accurate, and relevant, the BLS will expand the data produced in the Labor Force Statistics programs through the publication of new JOLTS official firm size class estimates. Also, the BLS will expand data through the development of new supplements to the CPS, as described on page BLS-28. The initiative will not affect the above measures until two years after receiving funding. In addition, the BLS will enhance the JOLTS program by improving data timeliness, expanding the sample, and adding a series of focused questions on labor market issues, as described beginning on page BLS-29.

A broad overview of the strategies being used to achieve the BLS strategic objective and address the societal need is included in the Overview section on page BLS-11.

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<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
11.1	Full-time permanent	\$50,347	\$51,002	\$53,814	\$2,812
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	600	599	633	34
11.8	Special personal services payments	0	0	0	0
<b>11.9</b>	<b>Total personnel compensation</b>	<b>50,947</b>	<b>51,601</b>	<b>54,447</b>	<b>2,846</b>
12.1	Civilian personnel benefits	14,761	16,449	17,756	1,307
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	1,177	1,177	1,181	4
22.0	Transportation of things	10	10	10	0
23.1	Rental payments to GSA	9,629	7,848	8,031	183
23.2	Rental payments to others	18	18	18	0
23.3	Communications, utilities, and miscellaneous charges	3,446	3,158	3,180	22
24.0	Printing and reproduction	1,495	1,374	1,485	111
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	11,156	8,440	13,095	4,655
25.3	Other goods and services from Federal sources 1/	64,018	65,902	66,910	1,008
25.5	Research and development contracts	11,528	9,380	11,947	2,567
25.7	Operation and maintenance of equipment	29,690	26,818	38,643	11,825
26.0	Supplies and materials	420	417	437	20
31.0	Equipment	2,088	1,585	1,989	404
41.0	Grants, subsidies, and contributions	65,000	65,000	65,000	0
42.0	Insurance claims and indemnities	0	0	0	0
	<b>Total</b>	<b>\$265,383</b>	<b>\$259,177</b>	<b>\$284,129</b>	<b>\$24,952</b>
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$5,864	\$7,966	\$7,507	-\$459
	DHS Services	1,325	1,368	1,431	63
	Census Bureau	55,796	55,755	57,196	1,441

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## CHANGES IN 2016

(Dollars in Thousands)

### Activity Changes

#### Built-Ins

To Provide For:

Costs of pay adjustments	\$681
Personnel benefits	478
One day more of pay	266
Federal Employees' Compensation Act (FECA)	0
Rental payments to GSA	183
Other services from non-Federal sources	1,434
Working Capital Fund	-459
Other goods and services from Federal sources (Census Bureau)	851
Other goods and services from Federal sources (2010 Census Sample Redesign)	-160
Other goods and services from Federal sources (DHS Charges)	26
Research and development contracts	223
Operation and maintenance of equipment	657
Grants, subsidies, and contributions	0

**Built-Ins Subtotal** **\$4,180**

**Net Program** **\$20,772**

**Direct FTE** **22**

	Estimate	FTE
<b>Base</b>	<b>\$263,357</b>	<b>529</b>
<b>Program Increase</b>	<b>\$20,772</b>	<b>22</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>

## PRICES AND COST OF LIVING

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
<b>Activity Appropriation</b>	<b>\$200,585</b>	<b>\$206,012</b>	<b>\$216,048</b>	<b>\$10,036</b>
FTE	1,055	1,088	1,119	31

NOTE: 2014 reflects actual FTE. Authorized FTE for 2014 was 1,099.

### **Introduction**

Prices and Cost of Living programs collect, compile, and disseminate a wide variety of information on price change in the U.S. economy, and conduct research and analysis to improve the economic statistics produced. The programs include Consumer Prices and Price Indexes (CPI), Producer Prices and Price Indexes (PPI), the International Price Program (IPP), and the Consumer Expenditure (CE) Survey. In addition to meeting general statutory responsibilities assigned to the BLS (29 U.S.C. 1 and 2), these programs produce data that form the basis for adjusting or setting payments, benefits, or other income as required by many laws and private sector contracts.

Prices and Cost of Living programs support Secretary Perez's Vision of *Promoting and Protecting Opportunity*. Specifically, these programs support the DOL Strategic Goal to *Produce timely and accurate data on the economic conditions of workers and their families*, and the Strategic Objective to *Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans*. These programs provide support for the Secretary's vision by producing data for analysis and decision-making, as discussed in the program sections below.

### **Consumer Prices and Price Indexes**

The CPI program, the Nation's principal gauge of inflation, provides measures of price change for all urban areas, four Census regions, three population size classes, and several local areas. Indexes are produced for two population groups: all urban consumers, and urban wage earners and clerical workers. For the population of all urban consumers, there are two indexes: the traditional index (CPI-U) and the superlative index, also known as the chained-CPI (C-CPI-U). The C-CPI-U reflects the effect of substitutions that consumers make across item categories in response to changes in relative prices. The indexes for all urban consumers cover about 89 percent of the U.S. population. The index for the other population group, the CPI-W, covers urban wage earners and clerical workers, about 28 percent of the U.S. population. The CPI is based on a market basket representing all goods and services that consumers purchase for everyday living. Published measures include various monthly, bi-monthly, and semi-annual indexes; annual average indexes; and monthly average retail prices for selected items.

The numerous uses of the CPI data include: primary measure of price change at the consumer level; indicator of inflationary trends in the economy; measure of the purchasing power of the consumer dollar; aid in formulation and evaluation of economic policy; adjustment mechanism for payments under many government programs, including payments to Social Security

## PRICES AND COST OF LIVING

beneficiaries, retired military and Federal civil service employees and survivors, and other recipients of transfer payments; index used to adjust the official U.S. poverty measure, in rental/lease agreements, and in payments from trust funds and wills; deflator of earnings to provide a measure of real earnings; factor in collective bargaining and wage and pension adjustments; and adjustment factor for the income tax structure, including exemptions, standard deductions, and brackets. These last adjustments are intended to prevent inflation from automatically generating tax rate increases.

Through personal visits and telephone interviews, the program collects prices for food, rent, utilities, and a few other items monthly in all areas, and most other commodities and services monthly in the three largest areas, and bimonthly in other areas.

- In FY 2016, the BLS will collect approximately 94,000 commodity and service prices (monthly) and 94,000 Rent/Rental equivalence prices (annually), in 87 geographic areas.

### **Producer Prices and Price Indexes**

The PPI program measures average changes in prices received by domestic producers for their output. It is an industry-based survey that provides monthly price indexes for virtually all agricultural, mining, and manufacturing industries, for selected construction industries, and for a number of service industries. Indexes are available for two different product classification systems. The commodity classification system organizes products by similarity of end use or material composition and features comprehensive intermediate demand and final demand indexes that are designed to facilitate the analysis of the transmission of inflation through the economy. The industry classification system organizes products by industry of origin.

Indexes from the PPI program are used extensively as: major indicators of inflationary trends in the economy; deflators of nominal dollar values over time; escalators of long-term contracts; market research tools; inventory valuation measures; and major inputs to the evaluation and formulation of economic policy.

- In FY 2016, the BLS will collect prices from a probability sample of establishments using a monthly survey of approximately 27,000 sample units and 95,000 price quotations.

### **International Price Program**

The IPP measures price change of commodities in U.S. foreign trade classified by end use, North American Industry Classification System (NAICS), and the Harmonized System. The IPP also publishes a limited number of price indexes of international services, as well as U.S. imports by locality of origin.

Various uses of IPP data include: deflation of the Foreign Trade sector of the National Accounts; assessment of effects of import and export price changes on the U.S. economy; exchange rate analysis; analysis of price behavior in international markets, including assessing U.S. competitiveness, calculating changes in the volume of net exports; and analysis and formulation of economic policy.

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- In FY 2016, the BLS will collect data from a probability sample of establishments and products. Approximately 2,100 exporters and 3,300 importers will report approximately 22,000 prices monthly. Also, in FY 2016, the BLS is requesting \$4,667,000 to restore funding for the export price indexes. Additional information is provided on page BLS-44.

### **Consumer Expenditure Surveys**

The CE Survey provides information on consumers' expenditures and income. Detailed data from this program are published as comprehensive, annual expenditure estimates for a large number of demographic characteristics, such as income, family size, and region.

These estimates are used for a variety of purposes, including revisions of weights and item samples of the CPI, economic policy analysis of particular segments of the population, market research, and economic research and analysis.

The CE Survey is composed of two surveys: an interview and a diary. The quarterly Interview Survey is designed to collect data on major expenditures that respondents can recall for three months. The weekly Diary Survey is designed to obtain expenditure data on small, frequently-purchased items.

- In FY 2016, the Census Bureau will conduct the survey for the BLS in 91 geographic areas of the United States, collecting 13,800 weekly expenditure diaries and 27,600 quarterly interviews. Also in FY 2016, the BLS is requesting \$2,500,000 to modify the CE Survey to support the Census Bureau in its development of a supplemental statistical poverty measure using CE. Additional information is provided beginning on page BLS-44.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2011	\$205,410	1,085
2012	\$205,888	1,110
2013	\$194,298	1,092
2014	\$200,585	1,099
2015	\$206,012	1,088

### **FY 2016**

In FY 2016, the BLS is requesting \$216,048,000 for this activity, which is an increase of \$10,036,000 over the FY 2015 Enacted level. This includes \$7,167,000 in program increases broken out and described below, as well as funds to avoid programmatic reductions or eliminations: \$1,706,000 for built-ins and \$1,163,000 to restore funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels. With the requested funding, in FY 2016, the BLS will continue the production of core data series and will undertake the following new work in the areas of Prices and Cost of Living:

## PRICES AND COST OF LIVING

As the last step in converting the CPI revision process from periodic to continuous in January 2018, in FY 2016 the CPI program will begin activities necessary to introduce a revised geographic area sample based on the 2010 Decennial Census. These activities include screening and initiating housing units in six new geographic areas; interviewing consumers to create a sample of CPI outlets in twelve geographic areas; and refining the commodities and services outlet sample in six new geographic areas.

The IPP and PPI programs will deliver additional pieces of their new joint initiation system for use in production, including the ability to prepare for collecting component prices from complex service industries. They also will deliver a prototype of the core joint initiation system for testing. This system will allow field economists to initiate collection for establishments that are sampled in each program's survey. IPP and PPI will complete coordinating business processes for repricing in preparation for the development of a joint repricing system for managing and editing monthly microdata. In addition, the IPP will deploy the first release of its new Estimation/Index Review System.

In FY 2016, the BLS is requesting \$4,667,000 for the restoration of funding for IPP Export Price Indexes (XPIs), a Principal Federal Economic Indicator (PFEI), which will allow the BLS to maintain current export coverage and continue to provide the Bureau of Economic Analysis (BEA) with these crucial inputs used to deflate the Gross Domestic Product (GDP) estimates. In FY 2014, the BLS announced plans to discontinue production and publication of its XPIs to protect other more critical programs within its funding level. Subsequently, the BLS announced it would maintain these data through FY 2015 using funding from the Department of Commerce as well as BLS funds accrued through temporary one-time savings. As this approach is not a viable, permanent solution, the requested resources are critical to continue this work in FY 2016 and beyond. As the broadest indicator of economic output and growth, GDP is one of the Nation's most important economic indicators and the quarterly release of GDP figures often move financial markets as investors digest and react to the GDP report. "Real" GDP, the headline figure of the BEA quarterly GDP report, is deflated using BLS data to allow for comparisons against other historical time periods. XPI data also are used by the Census Bureau to deflate the closely-watched monthly export trade statistics. The BLS uses XPI data as an input to the quarterly Productivity and Costs Report, which is widely referenced by economists to assess trends in the economy as strong productivity gains have historically been an important driver in the expansion of the U.S. economy.

In addition to being a critical input in GDP and productivity statistics, XPI information is used to measure U.S. industrial competitiveness; analyze the effects of exchange rates on export prices; examine how much of trade volume changes are attributable to price effects and how much to income effects; forecast future prices; and negotiate trade contracts by the Department of State, the Department of Commerce, and the office of the U.S. Trade Representative.

In FY 2016, the BLS also is requesting \$2,500,000 to support the Census Bureau in its development of a supplemental statistical poverty measure using CE data. Poverty is a critical indicator of how widely prosperity is shared in our economy and is a key benchmark for targeting resources toward the disadvantaged. The current U.S. poverty measure was developed in the 1960s and has not been substantially changed since then. It has been widely criticized for

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decades. This supplemental measure does not replace the official measure, but rather will complement the perspective on the distribution of economic deprivation that it provides.

As part of this initiative, in FY 2016, the CE Survey will begin development of questions to be added to the Interview Survey in FY 2018. Additional questions may be added on topics such as school breakfasts or lunches, or subsidies for utilities. The CE Survey also will improve its processing systems in order to release publication tables in early September to coincide with the release of the Census income and poverty report. With continued improvement to its processing systems, by FY 2019, the CE Survey will support this early September release date by providing the supplemental poverty thresholds to the Census Bureau in early August.

### **FY 2015**

In FY 2015, the BLS will continue the production of core data series and will undertake the following new work in the areas of Prices and Cost of Living:

The CPI will continue transitioning to an updated and revised sample of housing units used to estimate the Rent and Owners' Equivalent Rent indexes. Specifically, the CPI will continue the systematic replacement of the sample of housing units. By the end of the second phase in CY 2016, all rental units will have been in the sample for fewer than six years.

The PPI will complete the expansion of collecting price data via the Web, first introduced at the end of FY 2011, by offering web repricing to 98 percent of survey respondents.

The IPP and PPI programs will deliver the first pieces of their new joint initiation system for use in production, including new disaggregation materials and features for building checklists. Development work on other system features will continue. IPP and PPI will continue to coordinate business processes for repricing as an initial step to develop a joint repricing system for managing and editing monthly microdata. In addition, the IPP will deliver the first release of its new Estimation/Index Review System for parallel test runs of select indexes and supporting calculations.

In FY 2015, the CE Survey will implement a new interview survey design, which will reduce the number of interview waves per consumer unit from five to four. After research, the CE Survey determined that a change to the four-wave design would have numerous benefits, including reducing the burden on respondents while having little impact on data quality. The CE Survey also will implement the decennial sample redesign.

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### **FY 2014**

In FY 2014, the BLS continued the production of core data series and work in the following areas of Prices and Cost of Living:

The CPI continued the transition to an updated and revised sample of housing units used to estimate Rent and Owners' Equivalent Rent indexes. In addition, the CPI completed the biennial update of the CPI market basket expenditure weights to the 2011-2012 period with publication of the January 2014 index.

The PPI program completed the transition from the current aggregation structures that only reflect goods in stage-of-processing type outputs to the new aggregation structures that reflect goods, services, and construction. This included the completion of the seasonal adjustment of the new aggregate indexes and a revised set of PPI publication outputs reflecting the new structure that features comprehensive final and intermediate demand indexes. In addition, the PPI continued the expansion of collecting price data via the Web by offering Web repricing to 95 percent of survey respondents.

The IPP and the PPI program continued development of the first version of its new joint initiation system. In addition, IPP worked towards the deployment of an initial version of a new Estimation/Index Review System to calculate and validate import and export price indexes. IPP and PPI planned a multi-year effort to coordinate business processes for repricing as an initial step to develop a joint repricing system for managing and editing monthly microdata.

The CE Survey continued semi-annual publication of integrated (interview and diary) tables. Also, the BLS evaluated user feedback on the semi-annual CE releases and gauged interest in a quarterly release schedule for CE data. In order to support the next decennial sample redesign, the CE Survey continued work to modify the data collection and processing systems both at the Census Bureau and the BLS. In addition, the CE Survey also began development of a survey design change to eliminate the first wave bounding interview of the Interview Survey.

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<b>DETAILED WORKLOAD AND PERFORMANCE</b>					
		<b>2014</b>		<b>2015</b>	<b>2016</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Prices and Cost of Living</b>					
<b>Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.</b>					
<b>Strategic Objective 5.1 - Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.</b>					
<b><u>Principal Federal Economic Indicators</u></b>					
<b>Consumer Prices and Price Indexes</b>					
BLS 5.1 CPI.01.W	Price quotations collected/processed monthly	94,000	94,000	94,000	94,000
BLS 5.1 CPI.02.W	Rent/Rental equivalence price quotations for annual collection	94,000	94,000	94,000	94,000
BLS 5.1 CPI.03.P	Indexes published monthly	6,200	6,200	6,200	6,200
BLS 5.1 CPI.04.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%
BLS 5.1 CPI.05.A	Number of months that the standard error on the 12-month change in the U.S. City Average All Items CPI-U Index is $\leq$ 0.25 percentage points	12	12	12	12
BLS 5.1 CPI.06.I	Average Age of Housing Sample (years) 1/	6	6	5	4
<b>Producer Prices and Price Indexes</b>					
BLS 5.1 PPI.01.W	Price quotations collected/processed monthly 2/	105,000	105,000	95,000	95,000
BLS 5.1 PPI.02.P	Indexes published monthly 3/	10,000	10,344	10,100	10,100
BLS 5.1 PPI.03.A	Percentage of industry product line indexes published monthly 2/	84%	83%	82%	82%
BLS 5.1 PPI.04.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%
BLS 5.1 PPI.05.A	Percentage of domestic output, within the scope of the PPI, which the PPI covers: Goods produced	97.6%	97.6%	97.6%	97.6%
BLS 5.1 PPI.06.A	Construction	34.0%	34.0%	34.0%	34.0%
BLS 5.1 PPI.07.A	Services produced	71.5%	71.5%	71.5%	71.5%
BLS 5.1 PPI.08.A	Total production	76.6%	76.6%	76.6%	76.6%
BLS 5.1 PPI.09.A	No more than 2 revisions of the one-month percentage change between the first and final release of the Finished Goods Index (not seasonally adjusted) are $>$ 0.3 percentage points 4/	$\leq$ 2	1	--	--
BLS 5.1 PPI.09.A	No more than 2 revisions of the one-month percentage change between the first and final release of the Final Demand Index (not seasonally adjusted) are $>$ 0.4 percentage points	--	--	$\leq$ 2	$\leq$ 2
BLS 5.1 PPI.10.I	Percentage of PPI data providers offered Internet repricing 5/	90%	95%	98%	Completed

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		2014		2015	2016
		Target	Result	Target	Target
<b>International Price Program</b>					
BLS 5.1 IPP.01.W	Price quotations collected/processed monthly	22,000	22,672	22,000	22,000
BLS 5.1 IPP.02.P	Indexes published monthly	1,050	1,072	1,050	1,050
BLS 5.1 IPP.03.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%
Percentage of U.S. foreign trade imports covered by the IPP:					
BLS 5.1 IPP.04.A	Goods in trade	100%	100%	100%	100%
BLS 5.1 IPP.05.A	Services in trade	10%	10%	10%	10%
BLS 5.1 IPP.06.A	Total in trade	84%	84%	84%	84%
Percentage of U.S. foreign trade exports covered by the IPP:					
BLS 5.1 IPP.07.A	Goods in trade	100%	100%	100%	100%
BLS 5.1 IPP.08.A	Services in trade	7%	7%	7%	7%
BLS 5.1 IPP.09.A	Total in trade	72%	72%	72%	72%
BLS 5.1 IPP.10.A	No more than 2 revisions of the one-month percentage change between the first and final release of the Import Price Index are > 0.5 percentage points	≤2	0	≤2	≤2
BLS 5.1 IPP.11.A	No more than 2 revisions of the one-month percentage change between the first and final release of the Export Price Index are > 0.3 percentage points	≤2	0	≤2	≤2
<b><u>Other Programs</u></b>					
<b>Consumer Expenditure Surveys</b>					
BLS 5.1 CE.01.W	Complete Weekly Expenditure Diaries: Number collected from Consumer Units 6/	13,400	13,458	14,100	13,800
BLS 5.1 CE.02.W	Complete Quarterly Interviews: Number of Consumer Unit Interviews 6/ 7/	34,400	32,297	31,800	27,600

- 1/ The average age of the housing sample is calculated at the end of the fiscal year based on the sample reflected in published indexes. As part of the FY 2009 CPI initiative to continuously update the housing and geographic samples, the average age will continue to decrease until it is about three years.
- 2/ PPI changed its approach for delinquent respondents, discontinuing their items on an accelerated basis. As a result, fewer indexes met publication requirements beginning in early FY 2014, and fewer price quotations will be processed beginning in FY 2015.
- 3/ The FY 2014 result and FY 2015 target reflect both the addition of the seasonally-adjusted indexes and new aggregation index structures that will cover the intermediate and final demand for goods, services, and construction.
- 4/ This measure will be replaced in FY 2015 by the measure immediately below it in the table. The new measure will incorporate PPIs for goods as well as for services and construction.
- 5/ In FY 2014, PPI exceeded its target mainly due to the inclusion of an insert offering Web repricing in the transition to a new mail and fax form. This measure will be completed once PPI reaches its target of 98% in FY 2015.
- 6/ In FY 2015, CE will update its sampling areas using the 2010 Decennial Census, resulting in a temporary sample size change as new sampling areas are phased in and old areas are phased out. The FY 2016 targets reflects the ongoing number of diaries and interviews.

## PRICES AND COST OF LIVING

7/ In FY 2014, CE missed its target due to the government shutdown. In FY 2015, CE will implement a new interview survey design, which will reduce the number of interview waves per consumer unit from five to four.

### **Workload Narrative**

The BLS employs six strategies to ensure that it achieves its strategic objective, and to fulfill the societal need for accurate, objective, relevant, timely, and accessible economic information. The Prices and Cost of Living programs collect, compile, and disseminate a wide variety of information on price change in the U.S. economy, and conduct research and analysis to improve the economic statistics produced. On an annual basis, the BLS identifies individual improvements each Budget Activity can make and which tie to its ongoing strategies. For example, in FY 2016, in support of its strategy to improve the timeliness, accuracy, and relevance of its products and processes, and to develop new products that reflect economic changes and meet the needs of its broad customer base, the BLS will complete additional pieces of the IPP and PPI new joint initiation system for use in production, including the ability to prepare for collecting component prices from complex service industries.

In FY 2016, the BLS is requesting resources to restore funding for the IPP export price indexes, allowing the BLS to retain 350 monthly indexes from 9,000 price quotations collected/processed monthly. In FY 2016, the BLS also will support the Census Bureau in its development of a supplemental statistical poverty measure using CE data. This supplemental measure is designed to complement rather than to replace the official measure. More information can be found beginning on page BLS-44.

A broad overview of the strategies being used to achieve the BLS strategic objective and address the societal need is included in the Overview section on page BLS-11.

## PRICES AND COST OF LIVING

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
11.1	Full-time permanent	\$76,435	\$74,931	\$79,532	\$4,601
11.3	Other than full-time permanent	12,821	12,842	13,047	205
11.5	Other personnel compensation	1,039	1,048	1,087	39
11.8	Special personal services payments	0	0	0	0
11.9	<b>Total personnel compensation</b>	<b>90,295</b>	<b>88,821</b>	<b>93,666</b>	<b>4,845</b>
12.1	Civilian personnel benefits	26,430	28,239	29,920	1,681
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	3,688	3,688	3,736	48
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	11,703	15,038	15,390	352
23.2	Rental payments to others	24	24	24	0
23.3	Communications, utilities, and miscellaneous charges	1,242	1,271	1,277	6
24.0	Printing and reproduction	64	64	64	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	3,987	5,087	4,121	-966
25.3	Other goods and services from Federal sources 1/	44,208	47,537	46,287	-1,250
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	16,790	14,290	18,664	4,374
26.0	Supplies and materials	422	422	432	10
31.0	Equipment	1,731	1,531	2,467	936
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	1	0	0	0
	<b>Total</b>	<b>\$200,585</b>	<b>\$206,012</b>	<b>\$216,048</b>	<b>\$10,036</b>
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$8,948	\$12,097	\$11,414	-\$683
	DHS Services	1,745	1,927	1,981	54
	Census Bureau	32,596	33,009	32,551	-458

# PRICES AND COST OF LIVING

## CHANGES IN 2016

(Dollars in Thousands)

### Activity Changes

#### Built-Ins

To Provide For:

Costs of pay adjustments	\$1,172
Personnel benefits	822
One day more of pay	456
Federal Employees' Compensation Act (FECA)	0
Rental payments to GSA	352
Other services from non-Federal sources	60
Working Capital Fund	-683
Other goods and services from Federal sources (Census Bureau)	589
Other goods and services from Federal sources (2010 Census Sample Redesign)	-1,390
Other goods and services from Federal sources (DHS Charges)	37
Research and development contracts	0
Operation and maintenance of equipment	291
Grants, subsidies, and contributions	0

**Built-Ins Subtotal** **\$1,706**

**Net Program** **\$8,330**

**Direct FTE** **31**

	Estimate	FTE
<b>Base</b>	<b>\$207,718</b>	<b>1,088</b>
<b>Program Increase</b>	<b>\$8,330</b>	<b>31</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>



## COMPENSATION AND WORKING CONDITIONS

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
<b>Activity Appropriation</b>	<b>\$81,506</b>	<b>\$81,935</b>	<b>\$85,793</b>	<b>\$3,858</b>
FTE	363	361	378	17

NOTE: 2014 reflects actual FTE. Authorized FTE for 2014 was 360.

### **Introduction**

Compensation and Working Conditions programs produce a diverse set of measures of employee compensation; compile work stoppages statistics; compile data on work-related injuries, illnesses, and fatalities; and conduct research to improve the measurement process. The programs fall into two major categories: Compensation Levels and Trends, and Occupational Safety and Health Statistics (OSHS).

Compensation and Working Conditions programs support Secretary Perez's Vision of *Promoting and Protecting Opportunity*. Specifically, these programs support the DOL Strategic Goal to *Produce timely and accurate data on the economic conditions of workers and their families*, and the Strategic Objective to *Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans*. These programs provide support for the Secretary's vision by producing data for analysis and decision-making, as discussed in the program sections below.

### ***COMPENSATION LEVELS AND TRENDS***

Compensation Levels and Trends programs include the National Compensation Survey (NCS) and Work Stoppages Statistics (WSS). The NCS outputs include the Employment Cost Index (ECI), a quarterly measure of wage-push inflation used by many economists and policymakers, and the Employee Benefits Survey (EBS). Data from the EBS tracks trends in employment-based retirement, health care coverage and features, and other benefits. EBS data are frequently used to establish benchmarks when considering changes to national benefits policies. Together with additional data on wages, salaries, and work stoppages, the programs meet general statutory requirements assigned to the BLS (29 U.S.C. 1, 2, and 4) and specific legal requirements, including the requirements of the Federal Employees' Pay Comparability Act of 1990 (FEPCA) [5 U.S.C. 5301-5304].

### **NATIONAL COMPENSATION SURVEY**

The NCS provides comprehensive measures of occupational earnings, compensation cost trends, benefit incidence, and detailed benefit provisions. This includes the ECI and EBS.

- In FY 2016, the BLS will collect data from a sample of about 11,400 private industry establishments and State and local governments providing both wage and benefit information. The BLS collects data from a sample of occupations within establishments in

## COMPENSATION AND WORKING CONDITIONS

private industry and State and local governments through a combination of personal visits, mail, telephone, and electronic contacts.

### **Employment Cost Index**

The ECI measures quarterly changes in total compensation (wages and salaries, and employer costs for employee benefits) for the civilian economy. The ECI coverage includes all private industry, and State and local government workers; and excludes Federal government, farm, household, self-employed, and unpaid family workers. Indexes for compensation, wages and salaries, and benefit costs are available for selected industry and occupational groups and for workers in private industry by bargaining status and geographic region. In addition, the *Employer Costs for Employee Compensation (ECEC)* publication provides quarterly estimates of compensation costs per hour worked for those same categories as well as by establishment employment size, and full- and part-time employment status.

The ECI provides the estimate for the national pay adjustment for Federal General Schedule (GS) workers in compliance with the FEPCA and information from the ECI is used in combination with data from the Occupational Employment Statistics (OES) program to provide estimates of pay by area, occupation, and work level that are used to recommend the locality pay adjustments required under FEPCA. The ECI also provides the basis for pay adjustments for Congress, Federal judges, and top government officials specified in the Ethics Reform Act, as well as the basis for pay adjustments for the military. The Centers for Medicare and Medicaid Services uses the ECI to determine allowable increases in Medicare reimbursements for hospital and physician charges. As part of the Patient Protection and Affordable Care Act (PPACA) of 2010, studies are underway on expanding the use of ECI data for adjustments to Medicare reimbursements. In addition, the Wage and Hour Division uses the ECI to set benefit costs required by the Service Contract Act. Other uses of ECI data include: setting and evaluating monetary policy; macro-economic forecasting; collective bargaining and other pay determinations; estimating compensation in the National Income and Product Accounts; contract cost escalation; and studies on the structure of employee compensation.

- In FY 2016, the BLS will publish 278 indexes and 332 levels quarterly, using a sample of 11,400 establishments.

### **Employee Benefits Survey**

The EBS provides comprehensive data on the incidence and provisions of employee benefit plans in private industry, and State and local governments. The benefits measured by the survey evolve to keep pace with changes in labor market practices. Examples of benefits included are: vacation and sick leave; long-term disability; health and life insurance; retirement plans; and health savings accounts. Incidence measures include the percentage of workers with access to and participating in employer-provided benefit plans, as well as take-up rates, an estimate of the percentage of workers with access to a plan who participate in the plan.

The BLS provides data on benefit incidence and provisions by full- and part-time status of employees, bargaining status, wage intervals, goods-producing and service-producing industries,

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establishment employment size, and by Census division. The BLS also provides statistics on both the employee and employer contributions to medical plan premiums. The EBS reports data separately for selected occupational groups in private industry and State and local governments representing virtually all of the total civilian economy.

The varied uses of these data include: benefit administration and program development in public and private sectors; collective bargaining; conciliation and arbitration in the public and private sectors; and Congress and the President's consideration of legislation affecting the welfare of workers, including changes to retirement benefit plans, especially among small employers, and expanded sick leave policies. EBS data were used in developing the general categories of essential health benefits included in the PPACA of 2010 and in studies that provide more details on health care services and limitations applicable to all covered Americans. This information is essential to policymakers because employer-provided benefits are a primary source of health, disability, and retirement plans for American workers. The EBS will track changes to the incidence and provisions of employment-based health care benefits that come about as a result of PPACA implementation.

- In FY 2016, the BLS will collect data on benefit incidence and provisions from a sample of 11,400 establishments, and will complete an analysis of health and retirement plans obtained from a sample of 3,400 establishments.

### **WORK STOPPAGES STATISTICS**

The BLS compiles data on Work Stoppages to meet general statutory requirements assigned to the BLS (29 U.S.C. 4) "to investigate the causes of, and facts relating to, all controversies and disputes between employers and employees." The program produces monthly and annual data on major strikes and lockouts. The BLS collects from secondary sources the number of work stoppages, workers involved, and days idle.

### ***OCCUPATIONAL SAFETY AND HEALTH STATISTICS***

OSHS assists employers and policymakers in focusing their safety and health efforts, and allows workers to be better informed about workplace hazards by providing relevant data on injuries, illnesses, and fatalities that affect America's workers. It includes the Survey of Occupational Injuries and Illnesses (SOII) and the Census of Fatal Occupational Injuries (CFOI). The Occupational Safety and Health Act of 1970 (29 U.S.C. 673) requires the Secretary of Labor (who, in turn, authorizes the BLS) to compile statistics and to "promote, encourage, or directly engage in programs of studies, information, and communication concerning occupational safety and health statistics and make grants to States or political subdivisions thereof to assist them in developing and administering programs dealing with occupational safety and health statistics." The survey of non-fatal injuries and illnesses and the fatal injury census serve as the Nation's primary public health surveillance system for job-related injuries and illnesses.

The BLS conducts the SOII to estimate the incidence rate and number of workplace injuries and illnesses and to gather information on the more seriously injured and ill workers and the circumstances of their injuries and illnesses. The BLS also conducts an annual fatal injury

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census that compiles a complete roster of job-related fatal injuries, and provides detailed information on the fatally-injured workers and the circumstances of the injuries leading to their deaths. These data include the events or exposures incurred by the worker, and the nature and source of the injury or illness.

OSHS produces a variety of articles and papers highlighting specific aspects of the safety and health of the Nation's workplaces and workers. In recent years, these have included new insights concerning occupational injuries, illnesses, and fatalities to specific groups (such as contractor workers, and psychiatric aides and technicians), in a specific industry (such as oil and gas extraction and public transportation), and details of selected types of injuries and illnesses (such as road construction fatalities and those involving insects). Other areas of research have focused on injuries and illnesses that have led to job transfer or restriction, and the potential for using computer-assisted coding to review or assign codes for injury and illness circumstances.

### **SURVEY OF OCCUPATIONAL INJURIES AND ILLNESSES**

The SOII provides injury and illness information by industry, worker characteristics, and the circumstances of the injury or illness. The survey estimates injury and illness incidence rates by nature of injury and event, industry, occupation, gender, and age for the Nation and participating States. These estimates cover private industry and State and local government workers.

Government agencies, and industry, insurance, academic, public health, labor union, and private researchers analyze trends in these data. They also study the detailed circumstances of the injuries and illnesses to assess the overall occupational safety and health of workers and to identify ways to reduce injuries and illnesses, including potential changes in safety and health regulations or programs. Individual establishments compare their rates to those of their industry to benchmark their worker safety and health performance. Other researchers analyze the data to identify particular risks by occupation or event.

- In FY 2016, the BLS will conduct the annual survey in a 50/50 cost-sharing partnership with 41 States, 3 territories, and 1 city, and collect the injury and illness data in nonparticipating States through its regional offices to produce national data. The BLS will collect information, which is based on the records of job-related injuries and illnesses that the Occupational Safety and Health Administration (OSHA) requires many employers to keep and report to its employees annually, from a sample of approximately 230,000 establishments. Additionally, the survey collects detailed information on case circumstances and worker characteristics for approximately 250,000 injury or illness cases that require days away from work, job transfer, or restriction to recuperate.

### **CENSUS OF FATAL OCCUPATIONAL INJURIES**

The CFOI provides detailed information on fatally-injured workers by industry and State, characteristics of workers, and the circumstances leading to their deaths. The program collects data from a wide variety of documents, such as death certificates, medical examiner records, media reports, and reports of fatalities submitted to Federal and State workers' compensation and regulatory agencies. These diverse data sources allow the BLS and its State partners to compile

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a complete roster of fatal occupational injuries to workers in private and public sector establishments and to the self-employed.

The program provides a comprehensive count of work-related fatal injuries at the national and State level, by industry, and by occupation, as well as detailed information about the fatal incident. The detailed data include information on the characteristics of the fatally-injured workers (age, gender, race and ethnicity, and occupation), the nature and sources of the injury and the circumstances leading to the fatality. Providing these details allows the BLS and other researchers to produce special analyses on specific types of work-related fatal injuries, such as those associated with mine cave-ins, crane collapses, and explosions, and allows government, business, labor, and researchers to design strategies to reduce fatalities.

- In FY 2016, the BLS will conduct the fatal injury census in a 50/50 cost-sharing partnership with 46 States, 3 territories, and 2 cities. The BLS will collect fatal injury reports for the nonparticipating States and publish data for the Nation.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2011	\$80,418	439
2012	\$80,391	390
2013	\$76,068	369
2014	\$81,506	360
2015	\$81,935	361

### **FY 2016**

In FY 2016, the BLS is requesting \$85,793,000 for this activity, which is an increase of \$3,858,000 over the FY 2015 Enacted level to avoid programmatic reductions or eliminations. The increase comprises \$1,076,000 for built-ins and \$2,782,000 to restore funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels. With the requested funding, in FY 2016, the BLS will continue the production of core data series and will undertake the following new work in the areas of Compensation and Working Conditions:

In FY 2016, the NCS will continue implementation of a national sample design in order to preserve the reliability of the ECI and EBS, which will be completed in FY 2017. With funding from the Social Security Administration (SSA), the NCS will continue full-scale collection of updated occupational information on the physical demands, environmental conditions, specific vocational preparation, and cognitive demands for a variety of occupations.

The SOII will release pilot test data in FY 2016 for a new set of industries, describing the detailed case circumstances and worker characteristics for injuries and illnesses that require only days of job transfer or restriction (DJTR). Additionally, in FY 2016 the SOII will continue to collect Federal agency injury and illness data, first begun in FY 2014. The BLS will continue to

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evaluate and improve its completeness, with the goal of including the Federal agency data in SOII estimates once they are of sufficient quality. The SOII will continue to use computer-assisted coding to automatically classify some detailed circumstances of workplace injuries and illnesses. Specifically, the SOII will use computer-assisted coding to review the classification of injury and illness case detail, which also will provide information to refine the computer coding model. In addition, SOII for the first time will release data that incorporates computer-assisted coding to assign occupation codes for some injuries and illnesses.

As part of its ongoing research to explore causes of the undercount of injuries and illnesses and ways to mitigate it, the SOII will evaluate the results of contract research begun in FY 2014 to determine the extent to which employers make changes to their injury and illness records in the calendar year after the original injury or illness occurred. Previous research matching SOII and Workers' Compensation case data have suggested that capturing these subsequent changes to OSHA records might improve the accuracy of the SOII. The SOII also will continue to evaluate the results of the undercount research completed in FY 2015, including the exploration of collecting injury and illness data directly from workers.

### **FY 2015**

In FY 2015, the BLS will continue the production of core data series and will undertake the following new work in the areas of Compensation and Working Conditions:

In FY 2015, the NCS will continue implementation of a national sample design in order to preserve the reliability of the ECI and EBS, which will be fully operational in FY 2017. Toward the end of FY 2015, with funding from the SSA, the NCS will conduct a nationwide pre-production survey and begin full-scale collection of occupational information on the physical demands, environmental conditions, specific vocational preparation, and cognitive demands for a variety of occupations.

The SOII will release data in FY 2015 from the third year of the pilot test to collect detailed case circumstances and worker characteristics for injuries and illnesses that require only days of job transfer or restriction in selected industries. Federal agencies will continue to report injury and illness data to the BLS. The SOII will continue to use the results of its computer-assisted coding research in the formal review of the consistency and accuracy of the codes being used to classify detailed circumstances of workplace injuries and illnesses. In addition, the SOII will develop and implement systems to automatically assign occupation codes for some injuries and illnesses as it receives records from employers in FY 2015, freeing staff to focus on more difficult classification issues.

As part of its efforts to further explore causes of the undercount of injuries and illnesses and ways to mitigate it, the SOII will research the feasibility of collecting updated logs to assess changes employers make to their injury and illness records after SOII data are collected. The SOII also will evaluate the results of testing completed in FY 2014, including employer interviews and additional matching of SOII data to workers' compensation records to analyze any undercount trends over time. Finally, the BLS will evaluate the results of research, begun in

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FY 2014, exploring various means of collecting injury and illness data directly from workers (rather than the employers who provide their OSHA recordkeeping data to the SOII).

### **FY 2014**

In FY 2014, the BLS continued the production of core data series and worked in the following areas of Compensation and Working Conditions:

In FY 2014, the NCS continued the implementation of a national sample design in order to preserve the reliability of the ECI and EBS, which will be fully operational in FY 2017. Also, the NCS completed its transition to the 2010 version of the Standard Occupational Classification (SOC) system. With funding from the SSA, the NCS continued its evaluation of the feasibility of using the NCS platform to collect updated occupation information. In FY 2014, the NCS approved the pre-production survey sample design, selected the sample, completed systems testing, developed procedures, and conducted training.

The SOII published the results from the second year of the pilot test to collect detailed case circumstances and worker characteristics for injuries and illnesses that require only job transfer or restriction. The SOII also began using the results of computer-assisted coding research to formally review the consistency and accuracy of the codes being used to classify case details. The CFOI published an analysis of the new data on fatal work injuries to contract workers in 2011 and 2012.

In addition, as part of its efforts to further explore causes of the undercount of injuries and illnesses and ways to mitigate it, the SOII continued to research related topics on an ongoing basis. Research projects completed in FY 2014 include: interviews with a large sample of employers to obtain statistically significant results on various recordkeeping practices (i.e., recordkeeping practices related to temporary workers); automated coding of narrative text fields to improve classification consistency; and additional matching of SOII data to workers' compensation records to analyze any undercount trends over time. Finally, the SOII began to develop a follow-back study to capture information on changes employers make to their injury and illness records after SOII data are collected and to explore the options for collecting injury and illness data directly from workers.

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<b>DETAILED WORKLOAD AND PERFORMANCE</b>					
		<b>2014</b>		<b>2015</b>	<b>2016</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Compensation and Working Conditions</b>					
<b>Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.</b>					
<b>Strategic Objective 5.1 - Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.</b>					
	<b><u>Principal Federal Economic Indicator</u></b>				
	<b><u>Employment Cost Index</u></b>				
BLS 5.1 ECI.01.W	Number of establishments 1/	12,300	12,300	13,700	11,400
BLS 5.1 ECI.02.T	Percentage of quarterly releases on schedule (4 out of 4)	100%	100%	100%	100%
BLS 5.1 ECI.03.A	Number of quarters that the standard error for the percentage change in the 3-month civilian compensation less incentive paid occupations index is $\leq 0.3$	4	4	4	4
BLS 5.1 ECI.04.P	Number of indexes published quarterly (not seasonally adjusted)	278	278	278	278
BLS 5.1 ECI.05.P	Number of levels published quarterly	332	332	332	332
	<b><u>Other Programs</u></b>				
	<b><u>Employee Benefits Survey</u></b>				
BLS 5.1 EBS.01.W	Number of establishments (benefit incidence) 1/	12,300	12,200	13,700	11,400
BLS 5.1 EBS.02.P	Number of annual releases and bulletins 2/	4	4	3	3
BLS 5.1 EBS.03.W	Number of establishments (detailed provisions) 3/	3,300	3,400	3,400	3,400
	<b><u>Work Stoppages Statistics</u></b>				
BLS 5.1 WSS.01.P	Number of releases and data tables of work stoppages statistics	13	13	13	13
	<b><u>Survey of Occupational Injuries and Illnesses 4/</u></b>				
BLS 5.1 SOII.01.W	Number of participating States, territories, and cities 5/	46	46	45	45
BLS 5.1 SOII.02.W	Number of establishments surveyed	230,000	233,903	230,000	230,000
BLS 5.1 SOII.03.W	Cases for which case circumstances and worker characteristics are collected and coded 6/	280,000	296,021	260,000	250,000
BLS 5.1 SOII.04.P	Number of national industry estimates published 7/	24,000	24,001	23,400	23,400
BLS 5.1 SOII.05.P	Number of national estimates produced on the characteristics of the worker and circumstances of the injury or illness 8/	2,100,000	2,301,054	2,300,000	2,200,000

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		2014		2015	2016
		Target	Result	Target	Target
BLS 5.1 SOII.06.A	Percentage of employment for which national estimates are produced: Private Sector 9/ Public Sector	100%	100%	90%	90%
BLS 5.1 SOII.07.A		86%	87%	87%	87%
BLS 5.1 SOII.08.A	The margin of error on the annual estimate of the national incidence rate for total job-related injuries and illnesses at the 95% confidence level (calendar year data)	<±0.10	±0.02	<±0.10	<±0.10
<b>Census of Fatal Occupational Injuries 10/</b>					
BLS 5.1 CFOI.01.W	Number of participating States, territories, and cities 11/	51	51	51	51
BLS 5.1 CFOI.02.W	Number of source documents 12/	18,500	19,164	--	--
BLS 5.1 CFOI.02.W	Number of source documents per fatal injury	--	--	3.6	3.6
BLS 5.1 CFOI.03.A	Percentage of employment covered by fatal occupational injury statistics	100%	100%	100%	100%
BLS 5.1 CFOI.04.A	Revisions of the annual count of fatal work-related injuries (as a percentage of the total fatalities-calendar year data) 13/	<4.0%	5.6%	<5.0%	<5.0%

- 1/ The targets will continue to fluctuate as part of the multiyear implementation of the new NCS sample design, scheduled for completion in FY 2017.
- 2/ In FY 2014, EBS published an additional detailed provision bulletin. EBS will return to releasing three publications in FY 2015.
- 3/ In FY 2014, the BLS exceeded its target by adding the aerospace sample group into its detailed provisions estimates.
- 4/ The BLS reported results for the 2012 SOII in FY 2014, and the 2013 SOII in FY 2015. In FY 2016, the BLS will report results for the 2014 SOII.
- 5/ The BLS collects data for those States not participating in the Federal/State Cooperative program to produce nationwide estimates. Ohio will participate in collecting data reported beginning in FY 2014. Oklahoma ceased participating in collecting data reported beginning in FY 2015.
- 6/ The FY 2014 result reflects cases from the pilot test in six industries to collect detailed circumstances for cases that lead to job transfer or restriction without days away from work (DJTR). The FY 2015 and FY 2016 targets reflect an overall decrease in the number of cases reported by employers. The FY 2016 target also reflects changing the industries in the DJTR pilot to ones that typically report fewer DJTR cases.
- 7/ The FY 2015 target reflects an expected decrease due to estimates that will not meet SOII publishability criteria.
- 8/ In FY 2014, SOII exceeded the target due to changes in the distribution of case circumstances and worker characteristics of injuries and illnesses incurred in 2012. Beginning in FY 2013, this measure included detailed estimates from the pilot test in six industries to collect detailed circumstances for DJTR cases. The FY 2016 target reflects estimates from a different set of industries, which have reported fewer DJTR cases, as part of the second round of the DJTR pilot test.
- 9/ The SOII does not collect data on several groups of private industry employees, including: self-employed nonagricultural workers; self-employed agricultural workers; wage and salary agricultural workers; railroad workers; domestic workers, and unpaid family workers. The FY 2015 target more accurately reflects the private sector employment groups captured by the SOII.
- 10/ In FY 2014, the BLS reported preliminary results for the 2013 CFOI. In FY 2015, the BLS will report results for the 2014 CFOI, and in FY 2016, the BLS will report the results for the 2015 CFOI.
- 11/ The BLS collects data for those States not participating in the Federal/State Cooperative program to produce nationwide counts of fatal work injuries. The targets reflects 46 states, 3 territories and 2 cities.
- 12/ Beginning in FY 2015, this measure will be replaced by the measure immediately below it in the table.

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13/ In FY 2014, the CFOI was not able to meet its target because it did not receive a source file used to identify a large number of fatal highway incidents in time to for those cases to be included in the preliminary release. The CFOI does not expect to receive this source file in time for the preliminary release in FY 2015 and FY 2016.

### **Workload Narrative**

The BLS employs six strategies to ensure that it achieves its strategic objective, and to fulfill the societal need for accurate, objective, relevant, timely, and accessible economic information. The Compensation and Working Conditions programs produce a diverse set of measures of employee compensation, work stoppages statistics, and work-related injuries, illnesses, and fatalities to inform public and private decision-making. On an annual basis, the BLS identifies individual improvements that can be made by each Budget Activity and which tie to its ongoing strategies. For example, in FY 2016, in support of its strategy to improve the timeliness, accuracy, and relevance of its products and processes, and develop new products that reflect economic changes and meet the needs of its broad customer base, the BLS will release pilot test data for a new set of industries, describing the detailed case circumstances and worker characteristics for DJTR cases.

A broad overview of the strategies being used to achieve the BLS strategic objective and address the societal need is included in the Overview section on page BLS-11.

## COMPENSATION AND WORKING CONDITIONS

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
11.1	Full-time permanent	\$36,753	\$36,289	\$38,111	\$1,822
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	434	438	443	5
11.8	Special personal services payments	0	0	0	0
<b>11.9</b>	<b>Total personnel compensation</b>	<b>37,187</b>	<b>36,727</b>	<b>38,554</b>	<b>1,827</b>
12.1	Civilian personnel benefits	10,860	11,454	12,197	743
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	929	929	929	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	8,814	8,040	8,228	188
23.2	Rental payments to others	57	57	57	0
23.3	Communications, utilities, and miscellaneous charges	1,044	1,044	1,044	0
24.0	Printing and reproduction	318	318	318	0
25.1	Advisory and assistance services	33	33	33	0
25.2	Other services from non-Federal sources	1,078	1,235	1,401	166
25.3	Other goods and services from Federal sources 1/	7,334	9,400	8,988	-412
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	5,915	4,642	5,203	561
26.0	Supplies and materials	260	260	260	0
31.0	Equipment	987	987	1,337	350
41.0	Grants, subsidies, and contributions	6,690	6,809	7,244	435
	<b>Total</b>	<b>\$81,506</b>	<b>\$81,935</b>	<b>\$85,793</b>	<b>\$3,858</b>
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$5,647	\$7,671	\$7,234	-\$437
	DHS Services	1,136	1,306	1,331	25
	Census Bureau	40	40	40	0

## COMPENSATION AND WORKING CONDITIONS

### CHANGES IN 2016

(Dollars in Thousands)

#### Activity Changes

##### Built-Ins

To Provide For:

Costs of pay adjustments		\$502
Personnel benefits		352
One day more of pay		195
Federal Employees' Compensation Act (FECA)		0
Rental payments to GSA		188
Other services from non-Federal sources		16
Working Capital Fund		-437
Other goods and services from Federal sources (Census Bureau)		0
Other goods and services from Federal sources (DHS Charges)		25
Research and development contracts		0
Operation and maintenance of equipment		100
Grants, subsidies, and contributions		135

**Built-Ins Subtotal** **\$1,076**

**Net Program** **\$2,782**

**Direct FTE** **17**

	Estimate	FTE
<b>Base</b>	<b>\$83,011</b>	<b>361</b>
<b>Program Increase</b>	<b>\$2,782</b>	<b>17</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>

## PRODUCTIVITY AND TECHNOLOGY

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
<b>Activity Appropriation</b>	<b>\$10,203</b>	<b>\$10,477</b>	<b>\$10,795</b>	<b>\$318</b>
FTE	56	58	58	0

NOTE: 2014 reflects actual FTE. Authorized FTE for 2014 was 60.

### **Introduction**

Productivity and Technology programs meet several major needs for economic statistics. Data from these programs measure productivity trends in the U.S. economy, as well as in major sectors and individual industries. These programs also analyze trends in order to examine the factors underlying productivity change. Data produced by the Productivity and Technology programs aid economic policymakers, business leaders, and researchers in analyzing current economic activity. In addition, these data are used as economic indicators; in studies of relationships between productivity, wages, prices, profits, and employment; and as an aid in understanding sources of economic growth. The productivity measurement programs are authorized by an act dated June 7, 1940 (29 U.S.C. 2b), which directs that the BLS “make continuing studies of productivity and labor costs in manufacturing, mining, transportation, distribution, and other industries.” The BLS carries out its mandate to produce impartial and objective essential economic data for the Nation in the area of productivity as described below for each program.

Productivity and Technology programs support Secretary Perez’s Vision of *Promoting and Protecting Opportunity*. Specifically, these programs support the DOL Strategic Goal to *Produce timely and accurate data on the economic conditions of workers and their families*, and the Strategic Objective to *Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans*. These programs provide support for the Secretary’s vision by producing data for analysis and decision-making, as discussed in the program sections below.

### **Major Sector Productivity**

The BLS develops measures of labor productivity for broad sectors of the economy: business, nonfarm business, manufacturing, and nonfinancial corporations. These data are used to analyze current economic activity, study the relationships between productivity, wages, prices, profits, and employment, and to aid in understanding sources of economic growth. Data available include quarterly and annual indexes, and percentage changes for output per hour worked, unit labor costs, real and current dollar compensation per hour, and unit nonlabor payments.

In addition, the BLS develops annual indexes and percentage changes of multifactor productivity, output per combined inputs of capital and labor, for the private business and private nonfarm business sectors. The BLS also develops annual multifactor productivity measures for 18 manufacturing industries (roughly corresponding to 3-digit North American Industry Classification System (NAICS) industries), as well as for the total manufacturing, durable goods

## PRODUCTIVITY AND TECHNOLOGY

manufacturing and nondurable goods manufacturing sectors. The measures for manufacturing are constructed as output per combined inputs of hours, capital, energy, materials, and purchased services. The multifactor data help explain trends in output per hour of all workers and form a basis for research on the sources of productivity advancement and the identification of policy options that can affect the pace of productivity change. For example, the Patient Protection and Affordable Care Act (PPACA) of 2010 requires the use of the 10-year moving average increase in private nonfarm business multifactor productivity to adjust Medicare payments to most service providers.

The BLS uses data from its own programs, and obtains data from the Bureau of Economic Analysis (BEA) and other sources, to calculate productivity and related measures for major sectors of the U.S. economy.

### **Industry Productivity Studies**

The BLS develops annual measures of labor productivity and multifactor productivity for a large number of detailed industries. These industry productivity measures are used to compare trends in efficiency across industries, to analyze and compare trends in production costs, to examine the effects of technological improvements, and to understand the sources of aggregate productivity growth.

Labor productivity measures are developed for all 3- and 4-digit NAICS mining, manufacturing, trade, and food services industries and an extensive selection of other service-providing industries. Measures include productivity, unit labor costs, and related indexes; rates of change; and levels of industry employment, hours worked, nominal value of production, and labor compensation.

Multifactor productivity measures relating output to the combined inputs of capital, labor, and intermediate purchases (energy, materials, and purchased services) are developed for all 4-digit NAICS manufacturing industries, as well as for air transportation and the line-haul railroads industry.

The BLS uses data from its own programs, and obtains data from the Census Bureau and other sources, to calculate productivity and related measures for detailed industries.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2011	\$12,078	73
2012	\$12,013	75
2013	\$11,425	70
2014	\$10,203	60
2015	\$10,477	58

## **PRODUCTIVITY AND TECHNOLOGY**

### **FY 2016**

In FY 2016, the BLS is requesting \$10,795,000 for this activity, which is an increase of \$318,000 over the FY 2015 Enacted level to avoid programmatic reductions or eliminations. The increase comprises \$150,000 for built-ins and \$168,000 to restore funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels. With the requested funding, in FY 2016, the BLS will continue the production of core data series and undertake the following new work in the areas of Productivity and Technology:

Major Sector Productivity (MSP) will continue to convert its data production systems to a Statistical Analysis System (SAS) software platform. Industry Productivity Studies (IPS) will explore the possibility of using monthly data from the Federal Reserve and the Census Bureau to improve the timeliness of its annual labor productivity updates. MSP and IPS will continue collaboration with the BEA on production accounts covering the total economy, and continue to improve the productivity websites by developing a glossary of productivity related terminology. OPT also will complete the development of a productivity data user's guide.

### **FY 2015**

In FY 2015, the BLS will continue the production of core data series and undertake the following new work in the areas of Productivity and Technology:

MSP will continue to convert its data production systems to a SAS software platform. IPS will incorporate detailed data from the 2012 Economic Census into the manufacturing industry productivity measures. MSP and IPS will continue collaboration with the BEA on production accounts covering the total economy, and continue to improve the productivity websites by developing a glossary of productivity related terminology. In addition, OPT will begin to develop a productivity data user's guide.

### **FY 2014**

In FY 2014, the BLS continued the production of core data series and work in the following areas of Productivity and Technology:

MSP continued to convert its data production systems to a SAS software platform. IPS converted the industry hours measures to an hours-worked concept. IPS also published labor productivity measures for four new industries. MSP and IPS collaborated to improve the organization and appearance of the productivity websites shared by the two divisions. In addition, MSP and IPS continued collaboration with the BEA on production accounts covering the total economy.

## PRODUCTIVITY AND TECHNOLOGY

<b>DETAILED WORKLOAD AND PERFORMANCE</b>					
		<b>2014</b>		<b>2015</b>	<b>2016</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Productivity and Technology</b>					
<b>Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.</b>					
<b>Strategic Objective 5.1 - Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.</b>					
	<b><u>Principal Federal Economic Indicator</u></b>				
	<b>Major Sector Productivity</b>				
BLS 5.1 MSP.01.P	Series updated	44	44	44	44
BLS 5.1 MSP.02.T	Percentage of initial and revised quarterly <i>Productivity and Costs</i> releases on schedule (8 out of 8)	100%	100%	100%	100%
BLS 5.1 MSP.03.A	Percentage of business sector output covered by published quarterly labor productivity measures	100%	100%	100%	100%
	<b><u>Other Programs</u></b>				
	<b>Industry Productivity Studies</b>				
BLS 5.1 IPS.01.P	Series updated 1/ 2/ 3/	3,400	3,664	4,200	4,200
BLS 5.1 IPS.02.A	Percentage of industries covered by labor productivity measures 2/	39.5%	52.2%	62.6%	62.6%
	<b>Other Output Measures</b>				
BLS 5.1 OPT.01.P	Number of industries and sectors with multifactor productivity measures	111	111	111	111
BLS 5.1 OPT.02.P	Major studies, articles, technical papers, and special reports	21	21	21	21

- 1/ The number of labor productivity series updated is based on coverage of NAICS 2-, 3-, 4-, and 5-digit industries, and not 6-digit NAICS industries, because the availability of source data at the 6-digit level is subject to frequent changes.
- 2/ In FY 2014, IPS exceeded its targets with the fourth quarter update on productivity measures for trade, food service, and drinking places industries. This was due to the use of alternative data sources during the update of manufacturing industries to compensate for the anticipated delay of the 2012 Economic Census data. In FY 2015, the number of series will increase with the availability of the 2012 Economic Census data.

## **PRODUCTIVITY AND TECHNOLOGY**

### **Workload Narrative**

The BLS employs six strategies to ensure that it achieves its strategic objective, and to fulfill the societal need for accurate, objective, relevant, timely, and accessible economic information. The Productivity and Technology programs produce data on productivity trends in the U.S. economy, as well as major sectors and individual industries, and examine the factors underlying productivity change. On an annual basis, the BLS identifies individual improvements that can be made by each Budget Activity and which tie to its ongoing strategies. For example, in FY 2016, in support of its strategy to ensure that BLS data, products, and services on the BLS website are easy to find, understand, and use, the MSP and IPS programs will continue to collaborate to improve the organization and appearance of the productivity websites shared by the two divisions.

A broad overview of the strategies being used to achieve the BLS strategic objective and address the societal need is included in the Overview section on page BLS-11.

## PRODUCTIVITY AND TECHNOLOGY

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
11.1	Full-time permanent	\$5,923	\$5,826	\$5,891	\$65
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	66	67	68	1
11.8	Special personal services payments	0	0	0	0
11.9	<b>Total personnel compensation</b>	<b>5,989</b>	<b>5,893</b>	<b>5,959</b>	<b>66</b>
12.1	Civilian personnel benefits	1,657	1,836	1,872	36
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	47	47	47	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	950	929	951	22
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	29	35	35	0
24.0	Printing and reproduction	2	2	2	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	82	102	82	-20
25.3	Other goods and services from Federal sources 1/	772	1,078	1,031	-47
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	593	463	714	251
26.0	Supplies and materials	21	21	21	0
31.0	Equipment	61	71	81	10
41.0	Grants, subsidies, and contributions	0	0	0	0
	<b>Total</b>	<b>\$10,203</b>	<b>\$10,477</b>	<b>\$10,795</b>	<b>\$318</b>
	1/ Other goods and services from Federal sources				
	Working Capital Fund	\$565	\$885	\$835	-\$50
	DHS Services	166	151	154	3
	Census Bureau	0	0	0	0

# PRODUCTIVITY AND TECHNOLOGY

## CHANGES IN 2016

(Dollars in Thousands)

### Activity Changes

#### Built-Ins

To Provide For:

Costs of pay adjustments	\$78
Personnel benefits	54
One day more of pay	30
Federal Employees' Compensation Act (FECA)	0
Rental payments to GSA	22
Other services from non-Federal sources	0
Working Capital Fund	-50
Other goods and services from Federal sources (Census Bureau)	0
Other goods and services from Federal sources (DHS Charges)	3
Research and development contracts	0
Operation and maintenance of equipment	13
Grants, subsidies, and contributions	0

**Built-Ins Subtotal** **\$150**

**Net Program** **\$168**

**Direct FTE** **0**

	Estimate	FTE
<b>Base</b>	<b>\$10,627</b>	<b>58</b>
<b>Program Increase</b>	<b>\$168</b>	<b>0</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>



## EXECUTIVE DIRECTION AND STAFF SERVICES

<b>BUDGET AUTHORITY BEFORE THE COMMITTEE</b>				
(Dollars in Thousands)				
	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
<b>Activity Appropriation</b>	<b>\$34,535</b>	<b>\$34,611</b>	<b>\$35,972</b>	<b>\$1,361</b>
FTE	190	198	198	0

NOTE: 2014 reflects actual FTE. Authorized FTE for 2014 was 186.

### **Introduction**

Executive Direction and Staff Services provide agency-wide policy and management direction, and centralized program support activities. Major goals of these programs are the development and improvement of economic and statistical programs, efficient management of ongoing programs, and provision of the technical, administrative, information technology, dissemination, and publication services necessary to produce and release statistical and research output in a reliable, secure, timely, and effective manner.

By supporting the statistical programs, Executive Direction and Staff Services enable the BLS to support Secretary Perez's Vision of *Promoting and Protecting Opportunity*. Specifically, the BLS supports the DOL Strategic Goal to *Produce timely and accurate data on the economic conditions of workers and their families*, and the Strategic Objective to *Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans*.

### **Office of the Commissioner**

The Commissioner and Deputy Commissioner, in cooperation with program and support offices, plan, direct, and manage all BLS activities. The Commissioner and the Deputy Commissioner also represent the agency in both national and international forums, including those with the U.S. Congress, the Administration, and economic and statistical organizations.

### **Administration**

The Administrative programs are responsible for planning, executing, and evaluating a broad and responsive management and administrative program that supports the programmatic and technical responsibilities of the BLS. Major functions of this program include budget formulation and execution; budget and performance integration; strategic planning; grants management; accounting and payment services; administrative and management information systems; human resources management; payroll and benefits services; workforce development and training; employee and labor management relations; administration of equal employment opportunity programs; facilities and property management; procurement and contract administration; safety, health, and security; print, mail, and records management; management of statistical confidentiality policy (Confidential Information Protection and Statistical Efficiency Act); management control and oversight; employee ethics; and legal guidance and legislative research.

## EXECUTIVE DIRECTION AND STAFF SERVICES

### Technology and Survey Processing

The Technology and Survey Processing program provides overall planning and execution of information technology (IT) activities. This includes the development, maintenance, and operation of systems that are used for collecting, editing, estimating, and tabulating survey data; systems for public access to BLS data; generalized statistical systems; and management information systems. The program is responsible for maintaining and managing BLS IT infrastructure and ensuring the security of BLS IT systems and data. The program researches and evaluates new IT tools, technologies, and software for use in the BLS IT infrastructure and ensures that IT activities in the BLS are conducted in accordance with the applicable statutes and regulations governing Federal IT activities. Numerous BLS statistical programs utilize the Internet Data Collection Facility, a Web-based data collection system that allows survey respondents to have a single entry point when reporting data over the internet. Statistical programs also use the BLS Central Storage Facility, a secure, high performance system for sharing, managing, protecting, and backing up data and applications.

### Publications

The Publications program provides overall direction and coordination of the entire range of publications and information dissemination activities of the BLS. Utilizing current technology to improve efficiency and customer service, this program makes the statistical materials and research findings of the agency available to the public and responds to inquiries from the public and the media on a timely basis. Information is available to the public 24 hours a day via the BLS website. Information specialists are available during business hours to answer requests submitted by e-mail, telephone, mail, telecommunications devices for the deaf (TDD), fax, or in person. Data and analyses are reviewed, edited, cleared, and made available in print or online as news releases, periodicals, bulletins, reports, brochures, and flyers. Publications developed or coordinated within this program, including the *Monthly Labor Review*, the *BLS Handbook of Methods*, *The Editor's Desk*, *Spotlight on Statistics*, and the *Customer Service Guide*, provide a general overview of the work of the BLS, technical information about its many programs, and comprehensive analyses across all programs.

### Survey Methods Research

The Survey Methods Research program evaluates the effectiveness and soundness of the survey methods currently used by BLS programs, investigates alternative methods to determine their appropriateness for BLS programs, and develops new methods for improving the efficiency and quality of BLS programs. It also conducts research on cross-program issues, consults with program offices on an ongoing basis, and supports ongoing improvement activities for the major statistical programs.

The program consists of two parts: the Behavioral Science Research Center and the Mathematical Statistics Research Center. Research conducted by the Behavioral Science Research Center concentrates on the measurement and reduction of nonsampling error through, for example, questionnaire design studies, investigations into respondent-interviewer interactions, usability studies of computer assisted data collection systems, the development of

## EXECUTIVE DIRECTION AND STAFF SERVICES

response-level data quality measures, and focus-group studies of various stakeholders for BLS statistical programs. Research conducted by the Mathematical Statistics Research Center concentrates on the measurement and reduction of sampling and nonsampling error through, for example, the development of more efficient sample designs, evaluations of alternative estimators, modeling time series for the purpose of seasonal adjustment, model-based estimation, and investigating alternative methods for handling missing data. In support of the BLS website, dissemination-related research activities conducted by this program address the areas of human-computer interaction, information seeking and retrieval, disclosure limitation, knowledge management, and data that describe other data (i.e., metadata).

### **Field Operations**

The Field Operations program consists of a national office component and six regional offices. The national office provides overall operations planning and allocates workload and resources to regional offices. It monitors and evaluates national operation performance, provides technical direction and training, and provides collection expertise to other programs as they plan their survey approaches. The regional offices manage their workload and resources as assigned to complete various tasks, such as collecting survey data, providing and administering Federal/State grants, monitoring and evaluating State work on BLS grants, disseminating region-specific data and information, and providing outreach to local and national audiences.

### **Five-Year Budget Activity History**

<b><u>Fiscal Year</u></b>	<b><u>Funding</u></b> (Dollars in Thousands)	<b><u>FTE</u></b>
2011	\$34,342	210
2012	\$34,236	204
2013	\$32,484	187
2014	\$34,535	186
2015	\$34,611	198

### **FY 2016 and FY 2015**

In FY 2016, the BLS is requesting \$35,972,000 for this activity, which is an increase of \$1,361,000 over the FY 2015 Enacted level to avoid programmatic reductions or eliminations. The increase comprises \$605,000 for built-ins and \$756,000 to restore funds for staff and other inflationary costs that were not provided in the FY 2014 and FY 2015 Enacted levels. In FYs 2016 and 2015, the Executive Direction and Staff Services programs will continue to provide agency-wide policy and management direction as described above, including all centralized support services in the administrative, publications, information technology, field operations, and statistical methods research areas.

### **FY 2014**

In FY 2014, the Executive Direction and Staff Services programs provided agency-wide policy and management direction as described above, including all centralized support services in the

## **EXECUTIVE DIRECTION AND STAFF SERVICES**

administrative, publications, information technology, field operations, and statistical methods research areas.

## EXECUTIVE DIRECTION AND STAFF SERVICES

<b>DETAILED WORKLOAD AND PERFORMANCE</b>					
		<b>2014</b>		<b>2015</b>	<b>2016</b>
		<b>Target</b>	<b>Result</b>	<b>Target</b>	<b>Target</b>
<b>Executive Direction and Staff Services</b>					
<b>Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.</b>					
<b>Strategic Objective 5.1 - Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.</b>					
BLS 5.1 ED.01	Provide a current and reliable computing infrastructure for BLS programs / Maintain LAN reliability	≥99.00%	99.93%	≥99.00%	≥99.00%
BLS 5.1 ED.02	Maintain high quality financial records: Receive no more than three audit findings	≤3	1	≤3	≤3
BLS 5.1 ED.03	Number of outreach activities 1/	270	271	--	--
BLS 5.1 ED.04	Number of people reached through outreach activities 1/ 2/	30,000	25,724	--	--
BLS 5.1 ED.05	Number of BLS Twitter followers	Baseline	24,886	35,480	50,590
BLS 5.1 ED.06	Average number of click-throughs to links in BLS tweets	Baseline	521	525	525

1/ Beginning in FY 2015, these measures are replaced by the two measures immediately below them in the table.

2/ In FY 2014, the BLS did not reach as many people as anticipated mostly because of fewer large broadcasts, which, based on conservative estimates, each reach over 1,000 people.

### Workload Narrative

The BLS employs six strategies to ensure that it achieves its strategic objective, and to fulfill the societal need for accurate, objective, relevant, timely, and accessible economic information. On an annual basis, the BLS identifies individual improvements that can be made by each Budget Activity and which tie to its ongoing strategies. For example, beginning in FY 2015, the BLS will include measures tracking Twitter, in support of its strategy to inform current and potential customers about the availability and uses of its products. The primary goals of BLS outreach efforts are to increase awareness of the BLS brand, to disseminate BLS products and services more effectively, to increase the usefulness of those products to current and new customers, and to maintain and improve responsiveness to BLS surveys.

A broad overview of the strategies being used to achieve the BLS strategic objective and address the societal need is included in the Overview section on page BLS-11.

## EXECUTIVE DIRECTION AND STAFF SERVICES

<b>BUDGET ACTIVITY BY OBJECT CLASS</b>					
(Dollars in Thousands)					
		<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>Diff. 2016 / 2015</b>
11.1	Full-time permanent	\$19,279	\$20,280	\$20,533	\$253
11.3	Other than full-time permanent	246	227	230	3
11.5	Other personnel compensation	251	253	256	3
11.8	Special personal services payments	0	0	0	0
<b>11.9</b>	<b>Total personnel compensation</b>	<b>19,776</b>	<b>20,760</b>	<b>21,019</b>	<b>259</b>
12.1	Civilian personnel benefits	5,765	6,419	6,568	149
13.0	Benefits for former personnel	56	56	56	0
21.0	Travel and transportation of persons	295	295	295	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	2,413	1,908	1,953	45
23.2	Rental payments to others	10	10	10	0
23.3	Communications, utilities, and miscellaneous charges	282	282	282	0
24.0	Printing and reproduction	30	30	30	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	598	598	601	3
25.3	Other goods and services from Federal sources 1/	1,285	1,518	1,479	-39
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	3,458	2,168	3,112	944
26.0	Supplies and materials	175	175	175	0
31.0	Equipment	392	392	392	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	<b>Total</b>	<b>\$34,535</b>	<b>\$34,611</b>	<b>\$35,972</b>	<b>\$1,361</b>
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$695	\$885	\$835	-\$50
	DHS Services	462	551	562	11
	Census Bureau	0	0	0	0

# EXECUTIVE DIRECTION AND STAFF SERVICES

## CHANGES IN 2016

(Dollars in Thousands)

### Activity Changes

#### Built-Ins

To Provide For:

Costs of pay adjustments	\$274
Personnel benefits	192
One day more of pay	106
Federal Employees' Compensation Act (FECA)	-33
Rental payments to GSA	45
Other services from non-Federal sources	3
Working Capital Fund	-50
Other goods and services from Federal sources (Census Bureau)	0
Other goods and services from Federal sources (DHS Charges)	11
Research and development contracts	0
Operation and maintenance of equipment	57
Grants, subsidies, and contributions	0

**Built-Ins Subtotal** **\$605**

**Net Program** **\$756**

**Direct FTE** **0**

	<b>Estimate</b>	<b>FTE</b>
<b>Base</b>	<b>\$35,216</b>	<b>198</b>
<b>Program Increase</b>	<b>\$756</b>	<b>0</b>
<b>Program Decrease</b>	<b>\$0</b>	<b>0</b>