

FY 2015

CONGRESSIONAL BUDGET JUSTIFICATION

BUREAU OF LABOR STATISTICS

BUREAU OF LABOR STATISTICS

TABLE OF CONTENTS

Appropriation Language	1
Amounts Available for Obligation.....	2
Summary of Changes	3
Summary Budget Authority and FTE by Activity	5
Budget Authority by Object Class	6
Significant Items in Appropriation Committees' Reports	7
Authorizing Statutes.....	8
Appropriation History	9
Overview	10
Organization Chart.....	15
Cross-Cutting Measures.....	16
Budget Activities	
Labor Force Statistics	17
Prices and Cost of Living.....	37
Compensation and Working Conditions.....	49
Productivity and Technology	61
Executive Direction and Staff Services	69

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] \$545,082,000, 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, 2014)

BUREAU OF LABOR STATISTICS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2013 Enacted		FY 2014 Enacted		FY 2015 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	2,304	\$541,895	2,232	\$527,212	2,274	\$545,082
Reduction Pursuant to P.L. 113-6 for FY 2013	0	-\$1,084	0	\$0	0	\$0
Reduction Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985	-65	-\$27,260	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>2,239</i>	<i>\$513,551</i>	<i>2,232</i>	<i>\$527,212</i>	<i>2,274</i>	<i>\$545,082</i>
Offsetting Collections From:						
Reimbursements	59	\$18,219	89	\$20,349	100	\$20,651
Trust Funds	0	\$67,176	0	\$65,000	0	\$65,000
Reduction Pursuant to P.L. 113-6 for FY 2013	0	-\$134	0	\$0	0	\$0
Reduction Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985	0	-\$3,380	0	\$0	0	\$0
Trust Funds, Revised	0	\$63,662	0	\$65,000	0	\$65,000
<i>Subtotal Offsetting Collections</i>	<i>59</i>	<i>\$81,881</i>	<i>89</i>	<i>\$85,349</i>	<i>100</i>	<i>\$85,651</i>
B. Gross Budget Authority	2,298	\$595,432	2,321	\$612,561	2,374	\$630,733
Offsetting Collections To:						
Reimbursements	-59	-\$18,219	-89	-\$20,349	-100	-\$20,651
<i>Subtotal</i>	<i>-59</i>	<i>-\$18,219</i>	<i>-89</i>	<i>-\$20,349</i>	<i>-100</i>	<i>-\$20,651</i>
C. Budget Authority	2,239	\$577,213	2,232	\$592,212	2,274	\$610,082
Offsetting Collections From:						
Reimbursements	59	\$18,219	89	\$20,349	100	\$20,651
<i>Subtotal</i>	<i>59</i>	<i>\$18,219</i>	<i>89</i>	<i>\$20,349</i>	<i>100</i>	<i>\$20,651</i>
D. Total Budgetary Resources	2,298	\$595,432	2,321	\$612,561	2,374	\$630,733
Unobligated Balance Expiring:						
Budget Authority Before Committee	15	-\$1,001	0	\$0	0	\$0
Reimbursements	-10	-\$1,771	0	\$0	0	\$0
E. Total, Estimated Obligations	2,303	\$592,660	2,321	\$612,561	2,374	\$630,733

BUREAU OF LABOR STATISTICS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2014 Enacted	FY 2015 Request	Net Change
Budget Authority			
General Funds	\$527,212	\$545,082	+\$17,870
Trust Funds	\$65,000	\$65,000	\$0
Total	\$592,212	\$610,082	+\$17,870

Full-Time Equivalents			
General Funds	2,232	2,274	+42
Trust Funds	0	0	0
Total	2,232	2,274	+42

Explanation of Change	FY 2014 Base		FY 2015 Change					
	FTE	Amount	Trust Funds		General Funds		Total	
			FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	2,232	\$204,194	0	\$0	0	\$2,053	0	\$2,053
Personnel benefits	2,232	\$59,129	0	\$0	0	\$3,286	0	\$3,286
Rental payments to GSA	0	\$33,509	0	\$0	0	\$634	0	\$634
Other services from non-Federal sources	0	\$16,901	0	\$0	0	\$1,265	0	\$1,265
Working Capital Fund	0	\$21,719	0	\$0	0	\$307	0	\$307
Other Federal sources (Census Bureau)	0	\$88,432	0	\$0	0	\$1,251	0	\$1,251
Other Federal sources (DHS Charges)	0	\$4,834	0	\$0	0	\$79	0	\$79
Research and development Contracts	0	\$11,528	0	\$0	0	\$196	0	\$196
Operation and maintenance of equipment	0	\$56,446	0	\$0	0	\$2,199	0	\$2,199
Grants, subsidies, and contributions	0	\$71,690	0	\$0	0	\$119	0	\$119
Built-Ins Subtotal	2,232	+\$568,382	0	\$0	0	+\$11,389	0	+\$11,389

BUREAU OF LABOR STATISTICS

Explanation of Change	FY 2014 Base		FY 2015 Change					
	FTE	Amount	Trust Funds		General Funds		Total	
			FTE	Amount	FTE	Amount	FTE	Amount
B. Programs:								
To restore funds for staff and other inflationary costs that were not provided under the Consolidated Appropriations Act level in FY 2014	2,232	\$592,212	0	\$0	30	\$2,503	30	\$2,503
Annual Current Population Survey Supplement	39	\$61,620	0	\$0	3	\$1,577	3	\$1,577
Support a Supplemental Poverty Measure	70	\$41,123	0	\$0	9	\$2,500	9	\$2,500
Programs Subtotal	2,232	+\$592,212	0	\$0	42	+\$6,580	42	+\$6,580
Total Increase	2,232	+\$592,212	0	\$0	42	+\$17,969	42	+\$17,969
Decreases:								
A. Built-Ins:								
To Provide For:								
Federal Employees' Compensation Act (FECA)	0	\$344	0	\$0	0	-\$99	0	-\$99
Built-Ins Subtotal	0	+\$344	0	\$0	0	-\$99	0	-\$99
B. Programs:								
N/A								
Programs Subtotal	0	\$0	0	\$0	0	\$0	0	\$0
Total Decrease	0	+\$344	0	\$0	0	-\$99	0	-\$99
Total Change	2,232	+\$592,212	0	\$0	42	+\$17,870	42	+\$17,870

BUREAU OF LABOR STATISTICS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2013 Enacted		FY 2014 Enacted		FY 2015 Request		Diff. FY15 Request / FY14 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Labor Force Statistics	536	\$262,938	527	\$265,383	535	\$273,728	8	\$8,345
General Funds	536	199,276	527	200,383	535	208,728	8	8,345
Unemployment Trust Funds	0	63,662	0	65,000	0	65,000	0	0
Prices and Cost of Living	1,082	\$194,298	1,099	\$200,585	1,100	\$207,791	1	\$7,206
General Funds	1,082	194,298	1,099	200,585	1,100	207,791	1	7,206
Compensation and Working Conditions	374	\$76,068	360	\$81,506	379	\$83,032	19	\$1,526
General Funds	374	76,068	360	81,506	379	83,032	19	1,526
Productivity and Technology	67	\$11,425	60	\$10,203	60	\$10,406	0	\$203
General Funds	67	11,425	60	10,203	60	10,406	0	203
Executive Direction and Staff Services	195	\$32,484	186	\$34,535	200	\$35,125	14	\$590
General Funds	195	32,484	186	34,535	200	35,125	14	590
Total	2,254	\$577,213	2,232	\$592,212	2,274	\$610,082	42	\$17,870
General Funds	2,254	\$513,551	2,232	\$527,212	2,274	\$545,082	42	\$17,870
Unemployment Trust Funds	0	\$63,662	0	\$65,000	0	\$65,000	0	\$0

NOTE: FY 2013 reflects actual FTE.

BUREAU OF LABOR STATISTICS

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
	Full-Time Equivalent				
	Full-time Permanent	1,972	1,942	1,984	42
	Other	282	290	290	0
	Reimbursable	49	89	100	11
	Total	2,303	2,321	2,374	53
	Average ES Salary	\$171,000	\$169,000	\$171,000	\$2,000
	Average GM/GS Grade	11.1	11.2	11.2	0
	Average GM/GS Salary	\$85,000	\$86,000	\$87,000	\$1,000
11.1	Full-time permanent	\$185,645	\$188,737	\$192,134	\$3,397
11.3	Other than full-time permanent	13,038	13,067	12,339	-728
11.5	Other personnel compensation	631	2,390	2,409	19
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	199,314	204,194	206,882	2,688
12.1	Civilian personnel benefits	58,592	59,473	63,862	4,389
13.0	Benefits for former personnel	56	56	56	0
21.0	Travel and transportation of persons	5,349	6,136	6,056	-80
22.0	Transportation of things	10	10	10	0
23.1	Rental payments to GSA	34,822	33,509	34,187	678
23.2	Rental payments to others	109	109	109	0
23.3	Communications, utilities, and miscellaneous charges	6,042	6,043	5,478	-565
24.0	Printing and reproduction	1,697	1,909	1,909	0
25.1	Advisory and assistance services	33	33	33	0
25.2	Other services from non-Federal sources	17,182	16,901	17,275	374
25.3	Other goods and services from Federal sources 1/	117,661	117,617	120,360	2,743
25.5	Research and development contracts	9,308	11,528	11,724	196
25.7	Operation and maintenance of equipment	52,581	56,446	62,588	6,142
26.0	Supplies and materials	690	1,298	1,286	-12
31.0	Equipment	3,355	5,259	6,158	899
41.0	Grants, subsidies, and contributions	70,405	71,690	72,109	419
42.0	Insurance claims and indemnities	7	1	0	-1
	Total	\$577,213	\$592,212	\$610,082	\$17,870
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$19,853	\$21,719	\$22,026	\$307
	DHS Services	4,681	4,834	4,935	101
	Census Bureau	89,241	88,432	90,774	2,342

NOTE: FY 2013 reflects actual FTE.

BUREAU OF LABOR STATISTICS

SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEES' REPORTS

Annual Current Population Survey (CPS) Supplement

Senate: Within available resources, the Bureau of Labor Statistics is encouraged to add an annual supplement to the CPS, including contingent work and alternative work arrangements, as proposed in the budget request.

Response: The funding provided with the FY 2014 appropriation did not include sufficient resources to allow the BLS to undertake this effort. The FY 2015 Request includes resources to add an annual supplement to the CPS. Additional information can be found beginning on page BLS-25.

BUREAU OF LABOR STATISTICS

AUTHORIZING STATUTES

Legislation	Statute No. / US Code	Expiration Date
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	Appropriation	FTE
2005	533,518	533,518	533,518	529,004 1/ 2/	2,445
2006	542,523	542,523	542,523	537,098 3/	2,408
2007	563,288 4/	565,288	563,288	548,123	2,408
2008	574,443	576,118	560,000	544,251 5/	2,283
2009	592,806 6/	596,058 6/ 7/	598,306 6/	597,182 6/	2,376
2010	611,623	611,623	611,271 8/	611,447 9/	2,393
2011	645,351	611,447 10/	632,488 11/	610,224 12/	2,338
2012	647,030	620,224 13/	611,224	609,071 14/	2,313
2013	618,207			577,213 15/	2,239
2014	613,794			592,212	2,232
2015	610,082				2,274

1/ Reflects a rescission of \$4,266 pursuant to P.L. 108-447.

2/ Reflects a rescission of \$248 pursuant to P.L. 108-447.

3/ Reflects a rescission of \$5,425 pursuant to P.L. 109-148.

4/ Includes a comparative transfer to the Working Capital Fund for centralized services of \$1,230 and -0- FTE.

5/ Reflects a rescission of \$9,677 pursuant to P.L. 110-161.

6/ Includes a comparative transfer from ODEP to BLS of \$550 and -0- FTE.

7/ This bill was reported out of Subcommittee and was not passed by the Full House.

8/ This bill was reported out of Subcommittee and was not passed by the Full Senate.

9/ Does not reflect a transfer from the BLS to EBSA of \$2,700 and -0- FTE.

10/ Reflects a full-year continuing resolution funding level passed by the Full House.

11/ This bill was reported out of the Committee but was not passed by the Full Senate.

12/ Reflects a rescission of \$1,223 pursuant to P.L. 112-10.

13/ This bill was reported only as a draft out of the Subcommittee and was not passed by the Full House.

14/ Reflects a rescission of \$1,153 pursuant to P.L. 112-74.

15/ 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 public and private decision-making. These policies and decisions affect virtually all Americans. 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. For FY 2015, the BLS requests \$610,082,000, which is \$17,870,000 above the FY 2014 Enacted level, and 2,274 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 ties changes in Federal income tax brackets and personal exemption amounts to annual changes in the Consumer Price Index (CPI). Changes in BLS data have direct effects on overall Federal budget expenditures, including Federal allocations to State and local jurisdictions. In 2013, 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. In 2012, programs, such as the State Children’s Health Insurance Program, used Quarterly Census of Employment and Wages data to allocate approximately \$321 billion in Federal funds.

The Social Security Administration escalates benefits annually based upon changes in the Consumer Price Index. In 2013, nearly 58 million Americans received \$816 billion in Social Security benefits.

The BLS directly 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*.

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;

BUREAU OF LABOR STATISTICS

- 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 FY 2015 Request of \$273,728,000, which is \$8,345,000 above the FY 2014 Enacted level, and 535 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 2015 Request includes \$1,577,000 and 3 FTE to add one annual supplement to the Current Population Survey (CPS). In even years, the BLS will conduct the Contingent Work Supplement to capture data on contingent work and alternative work arrangements. In odd 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.

(2) **Prices and Cost of Living** – The FY 2015 Request of \$207,791,000, which is \$7,206,000 above the FY 2014 Enacted level, and 1,100 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 Import Price Index from the International Price Program and data from the Consumer Expenditure (CE) Survey.

BUREAU OF LABOR STATISTICS

The 2015 Request 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 move up the delivery date of the CE poverty thresholds to the Census Bureau to early August to support the September release date of the income and poverty report.

(3) **Compensation and Working Conditions** – The FY 2015 Request of \$83,032,000, which is \$1,526,000 above the FY 2014 Enacted level, and 379 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.

(4) **Productivity and Technology** – The FY 2015 Request of \$10,406,000, which is \$203,000 above the FY 2014 Enacted level, and 60 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.

(5) **Executive Direction and Staffing Services** – The FY 2015 Request of \$35,125,000, which is \$590,000 above the FY 2014 Enacted level, and 200 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.

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 reports the cost to produce its data products. These six criteria are common among statistical agencies, because these are critical aspects of a statistical program's performance. Common concepts underlying the specifics of measuring and reporting on statistical agency performance help to inform decision-makers 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 economy and labor market are evolving due to rapid technological changes, globalization of world markets, and demographic shifts. The BLS has been, and will continue to be, responsive to users' need to understand changes in the 21st Century economy. In FY 2013, the Occupational Employment Statistics program began publishing research estimates of State industry data. The program also began coordinating activities associated with revising the Standard Occupational Classification system that is expected to culminate in a 2018 version. In FY 2013, the PPI published several new indexes for healthcare building construction. In

BUREAU OF LABOR STATISTICS

FY 2014, the BLS completed a transition from the current aggregation structures that only reflect goods in stage-of-processing type outputs to new aggregation structures for the PPI that reflect goods, services, and construction. This included the first seasonal adjustment of PPI's wherever-provided services indexes. The new structure features comprehensive final and intermediate demand indexes and will represent the first change in PPI "headline numbers" since 1978.

The BLS is committed to continuous improvement. For example, having completed its initial research into the undercount of injuries and illnesses, the Survey of Occupational Injuries and Illnesses (SOII) continued to evaluate the results in FY 2013 to determine if there are changes in SOII procedures that are likely to address any issues identified in the research and are feasible and cost effective. In addition, the SOII created the first estimates and evaluated results from the pilot test to add detailed case circumstances and worker characteristics for injuries and illnesses that require only job transfer or restriction to the SOII.

In keeping with the President's "Campaign to Cut Waste" and other management priorities, the BLS continues to look for and implement opportunities to achieve cost savings and efficiencies. In part, the reductions taken in travel, printing, and supplies, as part of the "Campaign to Cut Waste" were redirected in FY 2013 to help maintain the fielding schedules of the 1979 and 1997 cohorts of the National Longitudinal Surveys on a biennial cycle, rather than a triennial cycle.

In support of the initiative to reduce information technology (IT) spending by 10 percent, in FY 2014, the BLS will consolidate its IT help desk and server administration resources. Currently, a number of BLS IT investments have dedicated help desk and server administration staff supporting the IT infrastructure, as well as the data collection, processing, and dissemination systems. By consolidating these functions, the BLS will be able to realize efficiencies through economies of scale, making it easier to focus resources where the need is greatest at any particular time.

Also, to minimize spending on non-data collection travel, the BLS will continue to expand the use of WebEx for meeting with the BLS regional partners. For example, in 2013, the BLS more than doubled the number of meetings held using WebEx in 2010. This has reduced non-data collection travel expenses and the BLS will continue to use WebEx, when possible. The BLS also will reduce travel expenses by identifying additional activities that can be conducted through videoconferencing and increasing Web-based training.

Cost Model

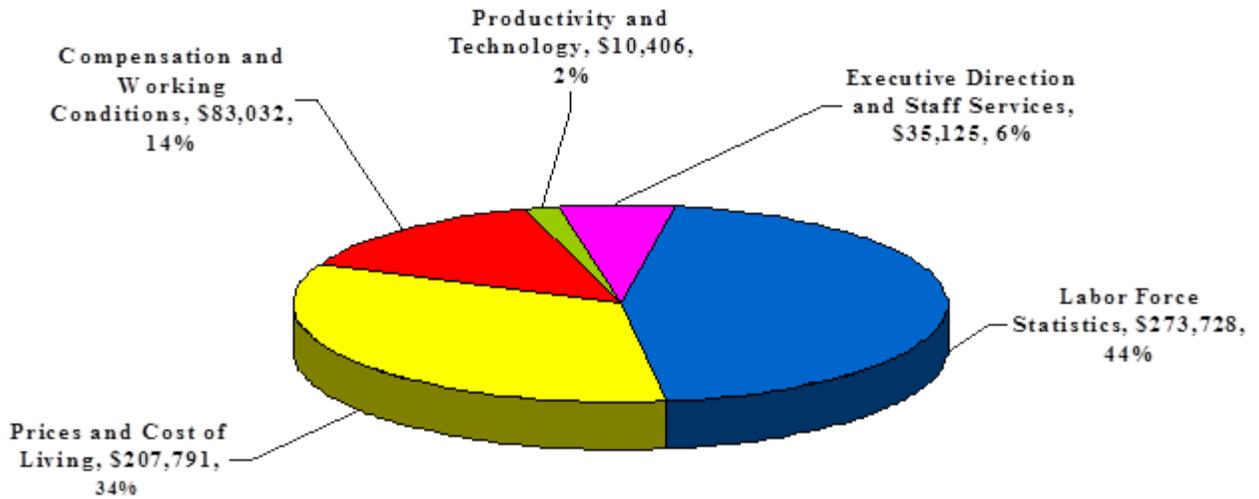
The BLS requests a total of \$610,082,000 and 2,274 FTE, an increase of \$17,870,000 from the FY 2014 Enacted level. This level of funding will enable the BLS to meet its highest priority goals and objectives during FY 2015. Included in this request are:

- A program increase of \$2,503,000 and 30 FTE to restore funds for staff and other inflationary costs that were not provided under the Consolidated Appropriations Act level in FY 2014;
- A program increase of \$1,577,000 and 3 FTE for Labor Force Statistics to add one annual supplement to the CPS; and

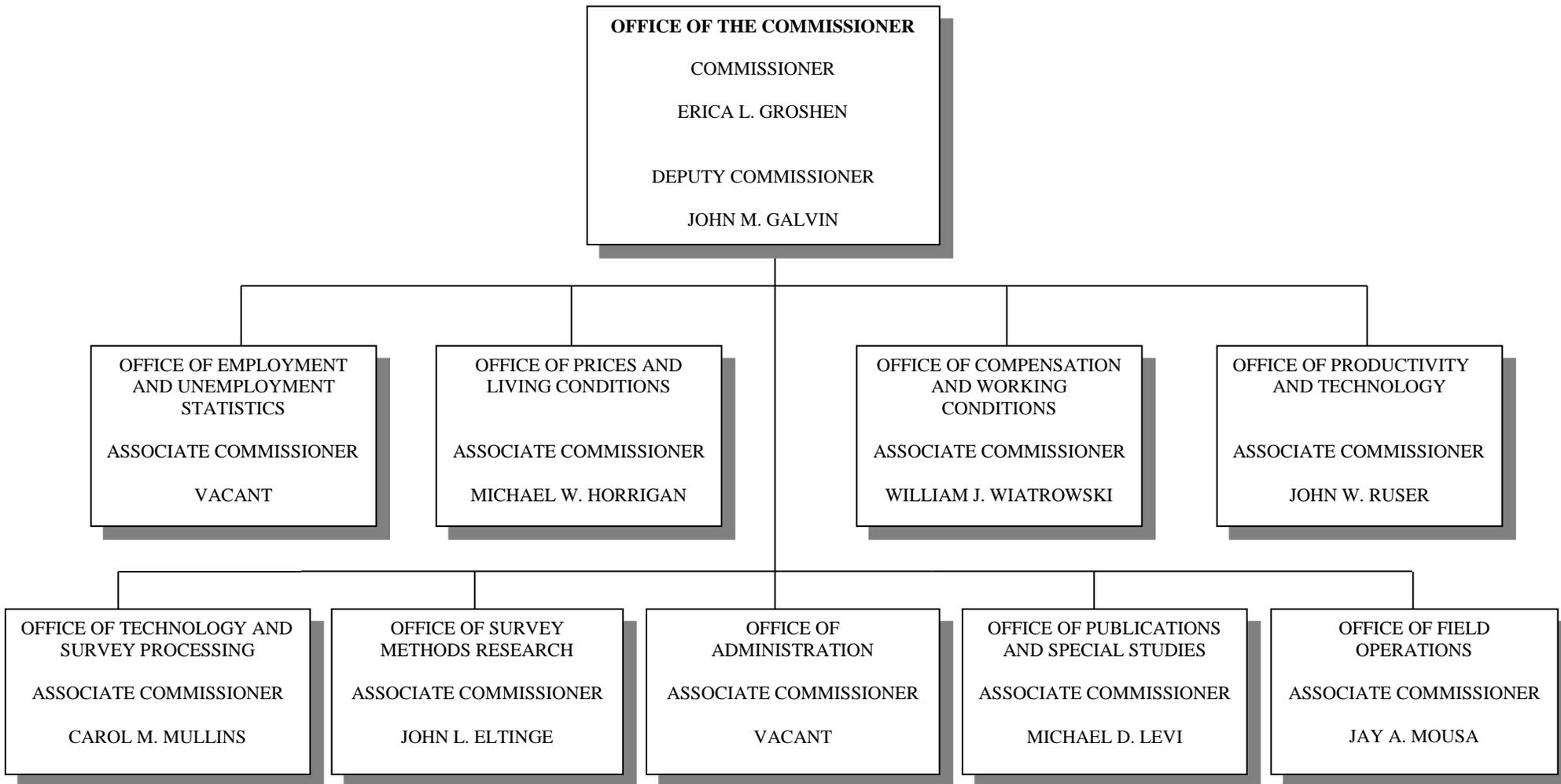
BUREAU OF LABOR STATISTICS

- A program increase of \$2,500,000 and 9 FTE for Prices and Cost of Living to support the Census Bureau in its development of a supplemental statistical poverty measure.

FY 2015 Budget Request by Budget Activity
Total BLS Budget Request \$610,082
(Dollars in Thousands)



BUREAU OF LABOR STATISTICS
ORGANIZATION CHART



BUREAU OF LABOR STATISTICS

BLS CROSS-CUTTING MEASURES					
		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.					
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.					
BLS 5.1 CCM.01.T	Percentage of timeliness targets achieved for the Principal Federal Economic Indicators (PFEIs) 1/ 2/	--	100%	100%	100%
BLS 5.1 CCM.02.A	Percentage of accuracy targets achieved for the PFEIs 1/ 3/	--	100%	100%	100%
BLS 5.1 CCM.03.R	Percentage of relevance targets achieved for the PFEIs 1/ 4/	--	100%	100%	100%
BLS 5.1 CCM.04	Average number of Internet site user sessions each month (<i>Dissemination</i>)	7,800,000	8,765,143	8,700,000	8,700,000
BLS 5.1 CCM.05	Customer satisfaction with the BLS website through the American Customer Satisfaction Index (<i>Mission Achievement</i>)	75	77	77	77

- 1/ Measure is new beginning in FY 2014. The FY 2013 result is shown for comparative purposes only. PFEI programs are Current Employment Statistics, Current Population Survey, Consumer Price Index, Producer Price Index, 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.
- 4/ Measure reflects nine relevance measures for the PFEI programs.

LABOR FORCE STATISTICS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	\$262,938	\$265,383	\$273,728	\$8,345
FTE	536	527	535	8

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 521.

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 directly 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 Workforce Investment Act (WIA) of 1998, including requirements that the Secretary of Labor “...oversee the development, maintenance, and continuous improvement of a nationwide employment statistics system...” as well as the development and maintenance of national projections of employment opportunities by occupation and industry. This Act 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.

LABOR FORCE STATISTICS

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.

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 voluntary);
 - 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 2015, the BLS is requesting resources to add an annual supplement to the survey. In even years, the BLS will conduct the Contingent Work Supplement (CWS) to capture data on contingent work and alternative work arrangements. In odd 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 can be found on page BLS-25. Also, the BLS and the Census Bureau will continue to jointly sponsor and oversee the monthly sample survey 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.

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

LABOR FORCE STATISTICS

accordance with the provisions of the WIA. The BLS uses cooperative agreements to fund the States for these programs. BLS regional staff, 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 2015, each month, the BLS will survey a sample of about 145,000 businesses (composed of approximately 577,000 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.

LABOR FORCE STATISTICS

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 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 47.2 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 \$321 billion in FY 2012 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 WIA. 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 2015, the SWAs, in cooperation with the BLS, will collect employment and wage data from an estimated 9.6 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 1.2 million establishments, in order 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

LABOR FORCE STATISTICS

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.

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; 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 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 2015, 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 divisions, the Cleveland and Detroit MSAs, and the five respective balance-of-State areas. The

LABOR FORCE STATISTICS

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 2015, the BLS will generate monthly estimates of employment and unemployment for nearly 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.

LABOR FORCE STATISTICS

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 2015, the NLS program will release data from round 16 and begin collection of round 17 of the NLSY97, and complete data collection for round 26 of the NLSY79.

Job Openings and Labor Turnover Survey

The JOLTS program provides monthly national measures on labor demand by broad industry groups. 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. These data also provide evidence of upward pressures on wage rates.

- In FY 2015, 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.

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.

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 Gross Domestic Product (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

LABOR FORCE STATISTICS

survey. For example, in FY 2014, the ATUS will complete fielding of a Well-Being Module sponsored by the National Institute on Aging (NIA). Additional uses of ATUS data include supplying information to other BLS programs, including the EP program; Federal agencies and forums, such as the BEA, the Economic Research Service (ERS), 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 2015, each month, the BLS and the Census Bureau will survey about 1,100 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 CES, CPS, OES, 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 2010-20 matrix, which was released in February 2012, covered projections for 749 detailed occupations in 328 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 publication provides information on the type of work; education, training, and other qualifications; employment; job outlook; wages; similar

LABOR FORCE STATISTICS

occupations; and sources of additional information for hundreds of occupations. The program also produces the *Occupational Outlook Quarterly (OOQ)*, a career guidance magazine that presents a wide variety of 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 on vocational guidance.

- In FY 2015, the EP program will begin developing the 2014-24 economic and employment projections and the 2016-17 edition of the *OOH*. The EP program will publish four issues of the *OOQ*.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2010	\$276,116	501
2011	\$277,976	531
2012	\$276,543	534
2013	\$262,938	521
2014	\$265,383	527

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.

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, the BLS proposes 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

LABOR FORCE STATISTICS

provide information on particular important subgroups, such as contingent workers, without support for supplements.

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, a Work Schedules Supplement (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.

To fill this data gap, the BLS will conduct one CPS supplement annually. In FY 2015, with the requested funds, the BLS will work with the Census Bureau to update specifications for the CWS and WSS and will research possible new topics for supplements. The CPS will produce the CWS in even years beginning the following year, providing a reliable source of information on trends within this group. In odd years, starting with the WSS in 2017, 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.

In FY 2015, the CES program will begin to publish official size class estimates, pending evaluation of the experimental size class estimates first released in FY 2014.

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 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. Estimates for the statistical areas based on the 2010 Census will be published. LAUS also will continue to implement the Program to Measure Insured Unemployment Statistics (PROMIS) in all States. The PROMIS system is a tool developed to produce information about unemployed workers covered by Unemployment Insurance. The project will be completed in FY 2016.

In FY 2015, the NLS program will release data from round 16 and begin collection of round 17 of the NLSY97, and complete data collection of round 26 of the NLSY79.

LABOR FORCE STATISTICS

In FY 2015, the JOLTS program will begin to publish official size class estimates, pending evaluation of the experimental size class estimates first released in FY 2014

In FY 2015, contingent on funding from the ERS of the U.S. Department of Agriculture, the ATUS program will complete fielding and release data for the 2014 Eating and Health Module.

The EP program will begin work on the 2014-24 economic and employment projections and the 2016-17 edition of the *Occupational Outlook Handbook (OOH)*. The program will implement a plan to incorporate employment and wage data by State in the *OOH* and to update wage data as released by OES, pending evaluation of feasibility in FY 2014. The program will produce four issues of the *Occupational Outlook Quarterly (OOQ)*.

FY 2014

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

In FY 2014, the CPS will add new variables to the public use files on self-employed persons' number of paid employees. The addition of these variables will allow researchers to study additional characteristics of the self-employed and investigate how these change over time.

In FY 2014, if feedback received from users during the experimental release is favorable, the CES program will develop and begin to implement a plan to produce official size class estimates on an ongoing basis. In addition, during FY 2014, CES plans to convert Puerto Rico estimates from a quota-based to a probability-based sample.

In FY 2014, the BLS is curtailing the QCEW program to protect other, more critical programs. As part of the curtailment, the QCEW program will reduce the scope and frequency of collection for select units in the ARS, which will result in a small degradation in the quality of QCEW data and make the QCEW slightly less accurate as a sampling frame. The QCEW program also will continue 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 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 OES program will continue with the coordination of activities associated with revising the SOC, which is expected to culminate in a 2018 version of the SOC.

The LAUS program will conduct a time and task study of State operations, to assess the newly-implemented LAUSOne operating system. The LAUS program also will continue 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 will continue implementing newly delineated metropolitan and micropolitan areas, and developing definitions for small labor market areas with the State partners. The LAUS program also will continue to implement the PROMIS system in all States.

LABOR FORCE STATISTICS

In FY 2014, the NLS program will release data from round 25 and begin collection of round 26 of the NLSY79, and complete collection of round 16 of the NLSY97.

The JOLTS program began publishing size class estimates on an experimental basis and will begin evaluating estimates and user response to new estimates.

In FY 2014, the ATUS program completed fielding and will release data for the 2013 Well-Being Module. The program began fielding an Eating and Health Module, sponsored by the Economic Research Service.

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 will finalize and assess the feasibility of a plan to incorporate more recent wage data and employment and wage data by State in the *OOH*. In addition, the EP program will publish four issues of the *OOQ*.

FY 2013

In FY 2013, the BLS continued the production of a refocused set of core data series and undertook the following work in the areas of Labor Force Statistics:

In April 2013, the CPS published data from the May 2012 supplement on disability.

In FY 2013, the CES program completed data collection enhancements, started in FY 2012, with the goal of improving response rates, thereby reducing statistical error on the estimates. CES also began work to produce size class estimates on an experimental basis with plans for publication in FY 2014 for evaluation by CES data users.

In FY 2013, the BLS eliminated the Measuring Green Jobs products to protect other, more critical programs. As part of this elimination, the QCEW program eliminated collection and publishing of industry employment data on the green economy. The last QCEW green jobs data were released in March 2013. In addition, the OES program eliminated production of occupational employment and wages data for businesses that produce green goods and services. The last OES green jobs data were released in September 2012. Furthermore, EP no longer will produce narratives on green careers. The final narrative on green careers, *Careers in Water Conservation*, was published in September 2013.

In FY 2013, the QCEW program began a large scale data sharing project with the Census Bureau covering multi-unit businesses to address discrepancies between BLS and Census data resulting from NAICS coding differences.

In FY 2013, the OES program began publishing research estimates of State industry data. The program also completed the implementation of the 2010 SOC in its publication products. The OES program began coordinating activities associated with revising the SOC that is expected to culminate in a 2018 version of the SOC.

LABOR FORCE STATISTICS

The LAUS program prepared a time and task study of State operations, which will be conducted in FY 2014, to assess the newly-implemented LAUSOne operating system. The LAUS program continued research on methodology improvements, such as using model-based real-time benchmarking and the ACS estimates as inputs to LAUS methodology. Work began on implementing newly delineated metropolitan and micropolitan areas, and on developing definitions for small labor market areas. The LAUS program continued to implement the PROMIS system in all States.

In FY 2013, the BLS eliminated the Mass Layoff Statistics (MLS) program to protect other, more critical programs. The last MLS data were released June 21, 2013.

In FY 2013, the NLS program released data from round 15 of the NLSY97 and completed data collection of round 25 of the NLSY79.

In FY 2013, the ATUS program completed fielding for the NIA-sponsored 2012 Well-Being Module and began fielding the 2013 Well-Being Module.

The EP program continued work on the 2012-22 economic and employment projections, and the 2014-15 edition of the *OOH*. The program originally proposed to do initial planning on how to incorporate industry career information into the online *OOH* according to the recommendations made in the FY 2012 assessment. However, based on customer feedback, the program has decided not to move forward with the addition of industry career information, but instead is investigating the feasibility of adding occupational wage data and employment and wage data by State into the *OOH*. The program also continued to work on supplementary projections materials for release on the BLS website in FY 2014. The EP program published four issues of the *OOQ*.

LABOR FORCE STATISTICS

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
Labor Force Statistics					
Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.					
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.					
Principal Federal Economic Indicators 1/					
Current Population Survey					
BLS 5.1 CPS.01.P	Monthly series 2/ 3/	14,200	14,328	14,300	14,300
BLS 5.1 CPS.02.P	Other series published annually, quarterly, or irregularly 3/ 4/	16,747	17,010	16,800	16,800
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
Current Employment Statistics					
BLS 5.1 CES.01.P	National monthly and annual series (published and unpublished) maintained 2/ 5/	19,750	19,771	16,800	16,000
BLS 5.1 CES.02.P	State and local area monthly and annual series maintained 6/	22,400	22,799	22,750	22,750
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/ 8/	100%	96%	100%	100%
BLS 5.1 CES.05.A	Mean absolute benchmark revision (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	1	≤2	≤2

LABOR FORCE STATISTICS

		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
	<u>Other Programs</u>				
	Quarterly Census of Employment and Wages				
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 9/	9,400,000	9,193,000	9,450,000	9,550,000
BLS 5.1 QCEW.03.P	Business Employment Dynamics (BED) series maintained on job creation and destruction levels and rates	37,600	37,600	37,600	37,600
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
BLS 5.1 QCEW.05.W	Number of establishments in targeted industries of green goods and services 10/	120,000	120,000	--	--
BLS 5.1 QCEW.06.P	Number of green goods and services industry jobs series published 10/	3,200	3,200	--	--
	Occupational Employment Statistics				
BLS 5.1 OES.01.P	National annual series published 11/	90,000	135,000	135,000	135,000
BLS 5.1 OES.02.P	Green series published 10/	--	--	--	--
	Local Area Unemployment Statistics				
BLS 5.1 LAUS.01.P	Employment and unemployment estimates for States and local areas published monthly and annually 12/	101,445	101,445	101,500	101,550
BLS 5.1 LAUS.02.T	Percentage of monthly and annual releases on schedule (25 out of 25) 8/ 13/	100%	96%	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%	100%	≥90%	≥90%

LABOR FORCE STATISTICS

		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
BLS 5.1 LAUS.04.A	Number of States with annual average unemployment rate revisions \geq 0.4 percentage points	\leq 10	3	\leq 10	\leq 10
	Mass Layoff Statistics 10/				
BLS 5.1 MLS.01.P	National and State monthly and quarterly series	62,423	62,423	--	--
BLS 5.1 MLS.02.P	Monthly and quarterly releases	12	12	--	--
	National Longitudinal Surveys				
BLS 5.1 NLS.01.O	Number of journal articles published that examine NLS data	130	142	132	135
	Job Openings and Labor Turnover Survey				
BLS 5.1 JOLTS.01.P	Monthly and annual estimates	824	824	824	824
	American Time Use Survey				
BLS 5.1 ATUS.01.P	Annual estimates 14/	6,654	7,167	6,654	6,654
	Employment Projections				
BLS 5.1 EP.01.W	Number of industries for which the BLS publishes economic and employment projections (2-year cycle)	n/a	n/a	195	n/a
BLS 5.1 EP.02.A	Percentage of total employment covered by projections in the 2-year cycle	n/a	n/a	100%	n/a
BLS 5.1 EP.03.P	<i>Occupational Outlook Handbook</i> and <i>Career Guide to Industries</i> profiles (2-year cycle) 15/	n/a	n/a	--	--
BLS 5.1 EP.04.P	Detailed occupations covered in the <i>Occupational Outlook Handbook</i> (2-year cycle) 15/	--	--	530	n/a
BLS 5.1 EP.05.P	<i>Occupational Outlook Quarterly</i> (issues)	4	4	4	4
	State Cooperative Agreements				
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/ In FY 2013, CPS added new series on veterans, and on race and ethnicity.

LABOR FORCE STATISTICS

- 4/ The FY 2014 and FY2015 targets reflect expected series that will meet publication requirements. The CPS supplement initiative will not increase the number of series produced until two years after receiving funding.
- 5/ The decreases in FY 2014 and FY 2015 are due to the continuing loss of series from sectors that no longer will meet confidentiality and reliability requirements.
- 6/ The increase in FY 2014 is due to series added in FY 2013 during the benchmarking process, including series with increased sample size and aggregate data from seasonally adjusted series.
- 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/ The CES and LAUS programs missed their timeliness measures due to the early release of the June 2013 Regional and State Employment and Unemployment news release. It was distributed one day ahead of schedule due to an inadvertent early release of several Employment and Earnings data tables.
- 9/ This measure is dependent on economic conditions. Targets for FY 2014 and FY 2015 are based on current economic trends. The FY 2013 result is based on results from first quarter FY 2013.
- 10/ In FY 2013, the BLS eliminated Green Jobs products and the Mass Layoff Statistics program. The FY 2014 target reflects the full year impact of the eliminations.
- 11/ The OES program exceeded the FY 2013 target due to publishing new data for detailed SOC occupations, broad occupations and minor groups.
- 12/ The number of estimates increases each year as cities that newly exceed the LAUS population threshold of 25,000 are added.
- 13/ 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.
- 14/ This measure only includes published estimates. The FY 2013 result reflects a special news release on eldercare.
- 15/ In FY 2014, EP will replace its current coverage measure with a new measure. The new measure will report the number of detailed occupations published, rather than number of profiles of one or more occupations.

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 basis, the BLS identifies individual improvements that can be made by each Budget Activity and which tie to its ongoing strategies. For example, at the FY 2015 Request level, 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 CES official size class estimates. Also, the BLS will expand data through the development of new supplements to the CPS, as described on page BLS-25. The initiative will not affect the above measures until two years after receiving funding.

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-10.

LABOR FORCE STATISTICS

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
11.1	Full-time permanent	\$51,377	\$50,347	\$50,509	\$162
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	358	600	607	7
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	51,735	50,947	51,116	169
12.1	Civilian personnel benefits	15,314	14,761	16,123	1,362
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	1,106	1,177	1,177	0
22.0	Transportation of things	10	10	10	0
23.1	Rental payments to GSA	9,173	9,629	7,916	-1,713
23.2	Rental payments to others	18	18	18	0
23.3	Communications, utilities, and miscellaneous charges	3,559	3,446	3,010	-436
24.0	Printing and reproduction	1,314	1,495	1,495	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	11,708	11,156	11,431	275
25.3	Other goods and services from Federal sources 1/	64,728	64,018	64,740	722
25.5	Research and development contracts	9,308	11,528	11,724	196
25.7	Operation and maintenance of equipment	29,238	29,690	37,453	7,763
26.0	Supplies and materials	274	420	421	1
31.0	Equipment	1,791	2,088	2,094	6
41.0	Grants, subsidies, and contributions	63,662	65,000	65,000	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	\$262,938	\$265,383	\$273,728	\$8,345
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$5,559	\$5,864	\$5,947	\$83
	DHS Services	1,183	1,325	1,349	24
	Census Bureau	55,987	55,796	56,384	588

LABOR FORCE STATISTICS

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments		\$507
Personnel benefits		817
Federal Employees' Compensation Act (FECA)		0
Rental payments to GSA		148
Other services from non-Federal sources		1,258
Working Capital Fund		83
Other Federal sources (Census Bureau)		-162
Other Federal sources (DHS Charges)		19
Research and development contracts		196
Operation and maintenance of equipment		1,399
Grants, subsidies, and contributions		0

Built-Ins Subtotal **\$4,265**

Net Program **\$4,080**

Direct FTE **8**

Estimate **FTE**

Base **\$269,648** **527**

Program Increase **\$4,080** **8**

Program Decrease **\$0** **0**

PRICES AND COST OF LIVING

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	\$194,298	\$200,585	\$207,791	\$7,206
FTE	1,082	1,099	1,100	1

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 1,092.

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), data produced by the price programs 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 directly 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 87 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

PRICES AND COST OF LIVING

consumer dollar; aid in formulation and evaluation of economic policy; adjustment mechanism for payments under many government programs, including payments to Social Security 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 2015, 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 2015, the BLS will collect prices from a probability sample of establishments using a monthly survey of approximately 28,500 sample units and 105,000 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 price changes on the U.S. economy; exchange rate

PRICES AND COST OF LIVING

analysis; analysis of price behavior in international markets, including assessing U.S. competitiveness and analysis and formulation of economic policy.

- In FY 2015, the BLS will collect data from a probability sample of establishments and products. Approximately 3,300 importers will report approximately 13,000 prices monthly.

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 Interview Survey is a quarterly survey designed to collect data on major expenditures that respondents can recall for three months. The Diary Survey is a weekly survey designed to obtain expenditure data on small, frequently purchased items.

- In FY 2015, the BLS is requesting funding 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 on page BLS-40. Also, the Census Bureau will conduct the survey for the BLS in 91 geographic areas of the United States, collecting 14,100 weekly expenditure diaries and 31,800 quarterly interviews.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2010	\$201,081	1,105
2011	\$205,410	1,085
2012	\$205,888	1,110
2013	\$194,298	1,092
2014	\$200,585	1,099

FY 2015

In 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 less than 4 years.

PRICES AND COST OF LIVING

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

The IPP and the PPI program will implement an initial version of its new joint initiation system that will allow field economists to initiate collection for establishments that are sampled in each program's survey. The initial version will focus on core data capture functionality, with added functionality under development for future delivery. In addition, the IPP will build on the estimation system deployed in FY 2014 by implementing functionality that enables the program to better assess index quality. IPP and PPI also 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 FY 2015, the BLS is requesting funds 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 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 2015, the CE Survey will begin development of questions to be added to the Interview Survey in FY 2017 to support the supplemental poverty measure. 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 2018, the CE Survey will support this early September release date by providing the supplemental poverty thresholds to the Census Bureau in early August.

Also 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.

FY 2014

In 2014, the BLS will continue the production of a refocused set 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 Rent and Owners' Equivalent Rent indexes. In addition, the CPI will complete the biennial update of the CPI market basket expenditure weights to the 2011-2012 period with publication of the January 2014 index.

PRICES AND COST OF LIVING

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 will include 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 will continue the expansion of collecting price data via the Web, first introduced at the end of FY 2011, to 90 percent of survey respondents.

The IPP and the PPI program will continue development of the first version of its new joint initiation system. In addition, IPP will implement an initial version of a new estimation system to calculate and validate import price indexes. IPP and PPI also will coordinate business processes for repricing as an initial step to develop a joint repricing system for managing and editing monthly microdata.

In FY 2014, the BLS is eliminating IPP export price indexes to protect other, more critical programs.

The CE Survey will continue semi-annual publication of integrated (interview and diary) tables. The BLS will evaluate user feedback on the semi-annual CE releases and gauge interest in a quarterly release schedule for CE data. To support the next decennial sample redesign, the CE Survey will continue work to modify the data collection and processing systems at the Census Bureau and the BLS. The CE Survey also will begin development of a survey design change to eliminate the first wave bounding interview of the Interview Survey.

FY 2013

In FY 2013, the BLS continued the production of core data series and work in the following areas of Prices and Cost of Living:

The CPI continued replacing the sample of housing units.

The PPI continued publishing, on an experimental basis, aggregation structures that reflect goods, services, and construction organized by buyer type and type of commodity. Building on stakeholder discussions regarding the future of these indexes, the PPI continued analysis and preparation for replacing the current goods-only stage-of-processing aggregation structures with the new aggregation structures that feature comprehensive final and intermediate demand indexes. In FY 2013, this included the first seasonal adjustment of PPI's wherever-provided services indexes. In addition, the PPI continued to extend the option for reporting price data via the Web, first introduced at the end of FY 2011, to 69 percent of survey respondents. In FY 2013, PPI also published several new indexes for healthcare building construction.

The IPP and the PPI continued developing a new joint initiation system that will allow field economists to initiate collection for establishments that are sampled in each program's survey and a new estimation system to calculate price indexes from IPP data.

PRICES AND COST OF LIVING

The CE Survey transitioned from annual to semi-annual publication of integrated (interview and diary) tables. Also, to support the next decennial sample redesign, the CE Survey continued work to modify the data collection and processing systems at the Census Bureau and the BLS. The CE Survey also implemented questionnaire changes researched and developed during FY 2012.

PRICES AND COST OF LIVING

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
Prices and Cost of Living					
Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.					
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.					
Principal Federal Economic Indicators					
Consumer Prices and Price Indexes					
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 1/	6,400	6,468	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 ≤ 0.25 percentage points	12	12	12	12
BLS 5.1 CPI.06.I	Average Age of Housing Sample (years) 2/	8	7	6	5
Producer Prices and Price Indexes					
BLS 5.1 PPI.01.W	Price quotations collected/processed monthly	105,000	105,000	105,000	105,000
BLS 5.1 PPI.02.P	Indexes published monthly 3/	9,400	9,559	10,000	10,100
BLS 5.1 PPI.03.A	Percentage of industry product line indexes published monthly 4/	82%	84%	84%	84%
BLS 5.1 PPI.04.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%

PRICES AND COST OF LIVING

		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
	Percentage of domestic output, within the scope of the PPI, which the PPI covers:				
BLS 5.1 PPI.05.A	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	≤2	0	≤2	≤2
BLS 5.1 PPI.10.I	Percentage of PPI data providers offered Internet repricing	60%	69%	90%	98%
	International Price Program				
BLS 5.1 IPP.01.W	Price quotations collected/processed monthly 5/ 6/	22,000	23,547	13,000	13,000
BLS 5.1 IPP.02.P	Indexes published monthly 6/	1,050	1,050	700	700
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 6/	100%	100%	--	--
BLS 5.1 IPP.08.A	Services in trade 6/	7%	7%	--	--
BLS 5.1 IPP.09.A	Total in trade 6/	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 6/	≤2	0	--	--

PRICES AND COST OF LIVING

		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
	<u>Other Programs</u>				
	<u>Consumer Expenditure Surveys</u>				
BLS 5.1 CE.01.W	Complete Weekly Expenditure Diaries: Number collected from Consumer Units 7/	14,100	14,544	13,400	14,100
BLS 5.1 CE.02.W	Complete Quarterly Interviews: Number of Consumer Unit Interviews 7/ 8/	35,300	33,813	34,400	31,800

- 1/ CPI will discontinue publication of its Department Store Inventory indexes beginning in early FY 2014.
- 2/ 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.
- 3/ In FY 2013, PPI exceeded its target due to the addition of seasonally-adjusted indexes for wherever-provided service indexes. The FYs 2014 and 2015 targets reflect both the addition of the seasonally-adjusted indexes and new aggregation index structures that will cover both intermediate and final demand for goods, services, and construction.
- 4/ In FY 2013, PPI exceeded its target due to an increase in the detailed industry indexes that met publishing criteria due to the 2012 NAICS implementation.
- 5/ The number of prices collected can vary significantly from one year to the next, due in part to the volatility of the global economy.
- 6/ In FY 2014, the IPP program will eliminate export price indexes.
- 7/ The FY 2014 targets are decreased due to the government shutdown.
- 8/ In FY 2015, CE will update its sampling areas using the 2010 Decennial Census, resulting in a temporary sample increase as new sampling areas are phased in and old areas are phased out. However, CE also will implement a new interview survey design, which will reduce the number of interview waves per consumer unit from five to four, resulting in a net decrease in the number of interviews overall.

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 2015, 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 continue development of CE questionnaire changes to keep the survey current with new products, and to support

PRICES AND COST OF LIVING

CPI requirements. In addition, in support of its strategy to improve data collection processes, maintain high response rates, and optimize the balance between quality, cost, and respondent burden in its data collection programs, the BLS will continue the expansion of offering to report price data via the Web to 98 percent of PPI survey respondents.

At the FY 2015 Request level, the BLS 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 replace the official measure.

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-10.

PRICES AND COST OF LIVING

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
11.1	Full-time permanent	\$74,382	\$76,435	\$77,062	\$627
11.3	Other than full-time permanent	12,893	12,821	12,192	-629
11.5	Other personnel compensation	185	1,039	1,047	8
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	87,460	90,295	90,301	6
12.1	Civilian personnel benefits	25,665	26,430	27,879	1,449
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	3,284	3,688	3,608	-80
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	11,672	11,703	15,352	3,649
23.2	Rental payments to others	24	24	24	0
23.3	Communications, utilities, and miscellaneous charges	1,122	1,242	1,114	-128
24.0	Printing and reproduction	49	64	64	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	3,615	3,987	4,033	46
25.3	Other goods and services from Federal sources 1/	44,190	44,208	45,951	1,743
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	15,894	16,790	16,641	-149
26.0	Supplies and materials	210	422	412	-10
31.0	Equipment	1,106	1,731	2,412	681
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	7	1	0	-1
	Total	\$194,298	\$200,585	\$207,791	\$7,206
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$8,140	\$8,948	\$9,074	\$126
	DHS Services	1,820	1,745	1,792	47
	Census Bureau	33,214	32,596	34,350	1,754

PRICES AND COST OF LIVING

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments		\$892
Personnel benefits		1,424
Federal Employees' Compensation Act (FECA)		0
Rental payments to GSA		283
Other services from non-Federal sources		0
Working Capital Fund		126
Other Federal sources (Census Bureau)		1,413
Other Federal sources (DHS Charges)		30
Research and development contracts		0
Operation and maintenance of equipment		538
Grants, subsidies, and contributions		0

Built-Ins Subtotal **\$4,706**

Net Program **\$2,500**

Direct FTE **1**

Estimate **FTE**

Base **\$205,291** **1,099**

Program Increase **\$2,500** **1**

Program Decrease **\$0** **0**

COMPENSATION AND WORKING CONDITIONS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	\$76,068	\$81,506	\$83,032	\$1,526
FTE	374	360	379	19

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 369.

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 directly 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 2015, the BLS will collect data from a sample of about 13,200 private industry establishments and State and local governments providing both wage and benefit

COMPENSATION AND WORKING CONDITIONS

information. The BLS collects data from a sample of occupations within establishments in 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 2015, the BLS will publish 278 indexes and 332 levels quarterly, using a sample of 13,200 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.

COMPENSATION AND WORKING CONDITIONS

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, 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 2015, the BLS will collect data on benefit incidence and provisions from a sample of 13,200 establishments, and will complete an analysis of health and retirement plans obtained from a sample of 3,300 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 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

COMPENSATION AND WORKING CONDITIONS

census that compiles a complete roster of job-related fatal injuries, and provides detailed information on the fatally-injured workers and the events or exposures and nature and sources of the injuries leading to their deaths.

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 firefighters or Hispanic women), in a specific industry (such as maritime or logging), and details of selected types of injuries and illnesses (such as hearing loss or road construction fatalities). Other areas of research have focused on injuries and illnesses that have led to job transfer or restriction, and how industry shifts in hours worked affect nonfatal work injuries and illnesses.

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 2015, 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 280,000 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 a complete roster of fatal occupational injuries to workers in private and public sector establishments and to the self-employed.

COMPENSATION AND WORKING CONDITIONS

The program provides a comprehensive count of work-related fatal injuries at the national and State level, by industry, occupation, type of incident, and worker characteristics. 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 2015, 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

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2010	\$88,553	494
2011	\$80,418	439
2012	\$80,391	390
2013	\$76,068	369
2014	\$81,506	360

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. With funding from the Social Security Administration (SSA), and depending on the FY 2014 pilot test results, the NCS will begin full-scale collection of updated occupational information on the physical demands, environmental conditions, and vocational preparation required for a variety of occupations.

In FY 2015, the SOII will release data from the third round of testing to collect detailed case circumstances and worker characteristics for injuries and illnesses that require only days of job transfer or restriction in selected industries. As part of its efforts to further explore causes of the undercount of injuries and illnesses and ways to mitigate it, the SOII will work with State grantees to capture and analyze information on changes employers make to their injury and illness recordkeeping logs after SOII data are collected. The SOII also will evaluate the results of testing conducted in FY 2014, including employer interviews; 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. The BLS will continue to work with OSHA to assess the completeness of Federal government injury and

COMPENSATION AND WORKING CONDITIONS

illness data, and make plans to include the data in SOII estimates once the quality is satisfactory.

FY 2014

In FY 2014, 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 2014, 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. Also, the NCS will complete its transition to the 2010 version of the Standard Occupational Classification (SOC) system. With funding from the SSA, the NCS will continue its evaluation of the feasibility of using the NCS platform to collect updated occupation information. Furthermore, NCS will test the sample design and prepare for full-scale collection.

In FY 2014, the SOII will continue its evaluation of the pilot test to collect detailed case circumstances and worker characteristics for injuries and illnesses that require only job transfer or restriction. 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 will continue to research related topics on an ongoing basis. The initial round of research completed in FY 2012 identified several areas for further study. Ongoing research projects scheduled for completion 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. The BLS will evaluate the results of these projects upon their completion. Beginning in FY 2014, Federal agencies will report injury and illness data to the BLS. The BLS will send a complete file of Federal agency data to OSHA once all data have been acquired. The BLS will work with OSHA to assess the completeness of the data, with the goal of including the data in SOII estimates once the quality is satisfactory. Finally, the SOII will develop a follow-back study to capture information on changes employers make to their injury and illness recordkeeping logs after SOII data are collected.

FY 2013

In FY 2013, the BLS continued the production of core data series and undertook the following new work in the areas of Compensation and Working Conditions:

In FY 2013, the NCS continued implementation of a national sample design in order to preserve the reliability of the ECI and EBS. Also, the NCS continued its transition to the 2010 version of the SOC system. In addition, with funding from the SSA, the NCS continued work on the pilot test to evaluate the feasibility of using the NCS platform to collect updated occupational information on the physical demands, environmental conditions, and vocational preparation required for a variety of occupations. The NCS conducted the testing in support of the pilot test in three phases. At the end of each phase, the NCS evaluated the test results and made refinements to the data collection protocols, testing design, and test processes.

COMPENSATION AND WORKING CONDITIONS

Having completed its initial research into the undercount of injuries and illnesses, the SOII continued to evaluate the results to determine if there are changes in SOII procedures that are likely to address any issues identified in the research and are feasible and cost effective. The SOII also continued to research related topics based on the results of research in FY 2012. In addition, the SOII created the first estimates and evaluated results from the pilot test to add detailed case circumstances and worker characteristics for injuries and illnesses that require only job transfer or restriction to the SOII. The SOII released data on the circumstances of non-fatal injuries and illnesses using the revised Occupational Injury and Illness Classification System. The SOII also completed development of the new SOII sampling system and used it to select the 2014 SOII sample, which will be the first SOII sample based on North American Industry Classification System 2012.

The CFOI evaluated the effectiveness of new confidentiality procedures introduced for the 2011 CFOI by analyzing the additional detailed circumstances of fatal work injuries that were produced. The CFOI also analyzed and published new data on fatal work injuries to contractors.

COMPENSATION AND WORKING CONDITIONS

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
Compensation and Working Conditions					
Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.					
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.					
<u>Principal Federal Economic Indicator</u>					
Employment Cost Index					
BLS 5.1 ECI.01.W	Number of establishments 1/	11,400	12,200	12,300	13,200
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 ≤ 0.3	4	4	4	4
BLS 5.1 ECI.04.P	Number of indexes published quarterly (not seasonally adjusted)	270	278	278	278
BLS 5.1 ECI.05.P	Number of levels published quarterly	317	332	332	332
<u>Other Programs</u>					
Employee Benefits Survey					
BLS 5.1 EBS.01.W	Number of establishments (benefit incidence) 1/	11,400	12,200	12,300	13,200
BLS 5.1 EBS.02.P	Number of annual releases and bulletins 2/	3	3	4	3
BLS 5.1 EBS.03.W	Number of benefit plans analyzed 3/	10,000	10,523	--	--
BLS 5.1 EBS.04.W	Number of establishments (detailed provisions)	--	--	3,300	3,300
Work Stoppages Statistics					
BLS 5.1 WSS.01.P	Number of releases and data tables of work stoppages statistics	13	13	13	13

COMPENSATION AND WORKING CONDITIONS

		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
Survey of Occupational Injuries and Illnesses 4/					
BLS 5.1 SOII.01.W	Number of participating States, territories, and cities 5/	45	45	46	45
BLS 5.1 SOII.02.W	Number of establishments surveyed 6/	240,000	232,960	230,000	230,000
BLS 5.1 SOII.03.W	Cases for which case circumstances and worker characteristics are collected and coded 7/	290,000	286,958	280,000	280,000
BLS 5.1 SOII.04.P	Number of national industry estimates produced	24,000	24,234	24,000	24,000
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/	1,800,000	2,314,030	2,100,000	2,100,000
BLS 5.1 SOII.06.A	Percentage of employment for which national estimates are produced:				
BLS 5.1 SOII.07.A	Private Sector	100%	100%	100%	100%
	Public Sector	86%	87%	86%	86%
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
Census of Fatal Occupational Injuries 9/					
BLS 5.1 CFOI.01.W	Number of participating States, territories, and cities 10/	52	52	51	51
BLS 5.1 CFOI.02.W	Number of source documents 11/	20,000	19,229	18,500	18,000
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)	<±4.0%	1.8%	<±4.0%	<±4.0%

- 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 plans to publish an additional detailed provision bulletin. EBS will return to releasing three publications in FY 2015.
- 3/ This measure will be replaced by the measure immediately below it in the table, beginning in FY 2014.
- 4/ The BLS reported results for the 2011 SOII in FY 2013. In FY 2014, the BLS reported results for the 2012 SOII, and in FY 2015, the BLS will report results for the 2013 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 will not participate in collecting data reported beginning in FY 2015.
- 6/ The FY 2014 target reflects a new, more efficient sample selection method that reduces the sample size needed to produce estimates at the current level.

COMPENSATION AND WORKING CONDITIONS

- 7/ In FY 2013, SOII missed its target because Florida no longer is participating in the Federal/State Cooperative program.
- 8/ In FY 2013, SOII exceeded its target due to the new classification of 2011 occupation and case circumstances, which resulted in a larger number of estimates.
- 9/ In FY 2013, the BLS reported results for the 2012 CFOI. In FY 2014, the BLS will report results for the 2013 CFOI, and in FY 2015, the BLS will report the results for the 2014 CFOI.
- 10/ The BLS collects data for those States not participating in the Federal/State Cooperative program to produce nationwide counts of fatal work injuries. The FY 2015 target reflects 46 states, 3 territories and 2 cities.
- 11/ In FY 2013, CFOI missed its target due to the overall lower number of fatal injuries reported in calendar year 2012.

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 2015, 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 data from the third round of testing to collect detailed case circumstances and worker characteristics for injuries and illnesses that require only days of job transfer or restriction (DJTR) in selected industries.

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-10.

COMPENSATION AND WORKING CONDITIONS

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
11.1	Full-time permanent	\$34,806	\$36,753	\$38,265	\$1,512
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	44	434	437	3
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	34,850	37,187	38,702	1,515
12.1	Civilian personnel benefits	9,984	10,860	11,669	809
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	784	929	929	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	9,429	8,814	8,070	-744
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	288	318	318	0
25.1	Advisory and assistance services	33	33	33	0
25.2	Other services from non-Federal sources	1,233	1,078	1,133	55
25.3	Other goods and services from Federal sources 1/	6,782	7,334	7,584	250
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	4,483	5,915	4,941	-974
26.0	Supplies and materials	100	260	259	-1
31.0	Equipment	258	987	1,184	197
41.0	Grants, subsidies, and contributions	6,743	6,690	7,109	419
42.0	Insurance claims and indemnities	0	0	0	0
	Total	\$76,068	\$81,506	\$83,032	\$1,526
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$5,162	\$5,647	\$5,727	\$80
	DHS Services	1,091	1,136	1,156	20
	Census Bureau	40	40	40	0

COMPENSATION AND WORKING CONDITIONS

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments		\$388
Personnel benefits		620
Federal Employees' Compensation Act (FECA)		0
Rental payments to GSA		150
Other services from non-Federal sources		7
Working Capital Fund		80
Other Federal sources (Census Bureau)		0
Other Federal sources (DHS Charges)		20
Research and development contracts		0
Operation and maintenance of equipment		142
Grants, subsidies, and contributions		119

Built-Ins Subtotal **\$1,526**

Net Program **\$0**

Direct FTE **19**

Estimate **FTE**

Base **\$83,032** **360**

Program Increase **\$0** **19**

Program Decrease **\$0** **0**

PRODUCTIVITY AND TECHNOLOGY

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	\$11,425	\$10,203	\$10,406	\$203
FTE	67	60	60	0

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 70.

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. 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 directly 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. Data available include quarterly and annual indexes, and percentage changes, for output per hour of all persons and related measures, such as unit labor costs, real and current dollar compensation per hour, and unit nonlabor payments.

In addition, this program develops annual indexes of multifactor productivity and output per unit of capital services, and annual measures of capital services and combined labor and capital inputs. Data from this program provide a comprehensive productivity measure that incorporates capital inputs in addition to labor inputs. The program publishes multifactor productivity measures for the major sectors annually. The program also develops and publishes annual multifactor productivity measures for all manufacturing groups, along with the associated measures of output, hours, capital, energy, materials, and purchased services. These data 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

PRODUCTIVITY AND TECHNOLOGY

between productivity, wages, prices, profits, and employment; and as an aid in understanding sources of economic growth. The multifactor data 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. In addition, the multifactor data are used to help explain trends in output per hour of all workers.

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 for selected industries. Measures produced include annual indexes and percentage changes for output per hour, output per employee, output, implicit price deflators for output, employment, hours of employees, labor compensation, and unit labor costs.

This program also develops annual measures of multifactor productivity relating output to the combined inputs of capital, labor, and intermediate purchases (energy, materials, and purchased services) for selected industries. Measures of multifactor productivity are available for all 4-digit North American Industry Classification System (NAICS) manufacturing industries, as well as for air transportation and the long-haul railroads industry. 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.

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 U.S. industries.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2010	\$11,904	80
2011	\$12,078	73
2012	\$12,013	75
2013	\$11,425	70
2014	\$10,203	60

PRODUCTIVITY AND TECHNOLOGY

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:

Major Sector Productivity (MSP) will continue to convert its data production systems to a more modern software platform. MSP and Industry Productivity Studies (IPS) will continue collaborating on improvements to the productivity websites and will begin developing a data user guide. In addition, MSP and IPS will continue collaboration with the BEA on production accounts covering the total economy.

FY 2014

In FY 2014, 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 more modern software platform. IPS will convert the industry hours measures to an hours worked concept. MSP and IPS will collaborate to improve the organization and appearance of the productivity websites shared by the two divisions. In addition, MSP and IPS will continue collaboration with the BEA on production accounts covering the total economy.

FY 2013

In FY 2013, the BLS produced a refocused set of core data series and undertook the following new work in the areas of Productivity and Technology:

MSP began the transition of its data production system to a more modern software platform. MSP also improved the presentation of data on its website and provided backup data for published measures on the website to better meet the needs of MSP customers. IPS improved the accessibility and availability of industry multifactor productivity data by providing these data through LABSTAT and expanding the data available in tables on the BLS website. In addition, using data from MSP and IPS, the BLS published a working paper on production accounts comparing joint BEA-BLS productivity measures. The BLS eliminated the International Labor Comparisons program in FY 2013 to protect other, more critical programs. The Conference Board continued producing data using the methodology formerly used by the BLS.

PRODUCTIVITY AND TECHNOLOGY

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
Productivity and Technology					
Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.					
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.					
	<u>Principal Federal Economic Indicator</u>				
	Major Sector Productivity				
BLS 5.1 MSP.01.P	Series updated 1/	44	43	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%
	<u>Other Programs</u>				
	Industry Productivity Studies				
BLS 5.1 IPS.01.P	Series updated 2/ 3/	4,300	4,300	3,400	4,300
BLS 5.1 IPS.02.A	Percentage of industries covered by labor productivity measures 3/	62.0%	62.0%	39.5%	62.0%
	International Labor Comparisons 4/				
BLS 5.1 ILC.01.P	Series updated	67	67	--	--
	Other Output Measures				
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/ In FY 2013, 44 series were updated in seven of the eight *Productivity and Costs* news releases. In one release, 10 series for nonfinancial corporations were not updated due to an error in source data from the BEA, resulting in a lower average of series updated in FY 2013.

PRODUCTIVITY AND TECHNOLOGY

- 2/ 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.
- 3/ Economic Census data used to construct certain industry output and productivity series will not be available in FY 2014, but will become available again in FY 2015.
- 4/ In FY 2013, the BLS eliminated the International Labor Comparisons program. FY 2014 reflects the full-year impact of the elimination.

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 2015, in support of its strategy to better meet the needs of their customers, the MSP and IPS programs will continue to collaborate to improve the organization and appearance of the productivity websites shared by the two divisions, as well as begin to develop a data user guide.

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-10.

PRODUCTIVITY AND TECHNOLOGY

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
11.1	Full-time permanent	\$6,826	\$5,923	\$5,979	\$56
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	3	66	67	1
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	6,829	5,989	6,046	57
12.1	Civilian personnel benefits	1,942	1,657	1,795	138
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	27	47	47	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	1,409	950	933	-17
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	35	29	29	0
24.0	Printing and reproduction	8	2	2	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	65	82	82	0
25.3	Other goods and services from Federal sources 1/	675	772	782	10
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	389	593	588	-5
26.0	Supplies and materials	18	21	21	0
31.0	Equipment	28	61	81	20
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	\$11,425	\$10,203	\$10,406	\$203
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$397	\$565	\$573	\$8
	DHS Services	126	166	168	2
	Census Bureau	0	0	0	0

PRODUCTIVITY AND TECHNOLOGY

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$60
Personnel benefits	95
Federal Employees' Compensation Act (FECA)	0
Rental payments to GSA	17
Other services from non-Federal sources	0
Working Capital Fund	8
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	2
Research and development contracts	0
Operation and maintenance of equipment	21
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$203**

Net Program **\$0**

Direct FTE **0**

Estimate **FTE**

Base **\$10,406** **60**

Program Increase **\$0** **0**

Program Decrease **\$0** **0**

EXECUTIVE DIRECTION AND STAFF SERVICES

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	\$32,484	\$34,535	\$35,125	\$590
FTE	195	186	200	14

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 187.

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 directly 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

EXECUTIVE DIRECTION AND STAFF SERVICES

Act); management control and oversight; employee ethics; and legal guidance and legislative research.

Technology and Survey Processing

The Technology and Survey Processing program provides overall planning and execution of information technology (IT) activities. This includes the development, management, 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 the BLS IT infrastructure and ensuring the security of BLS IT systems and data. Numerous BLS 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, and the BLS Central Storage Facility, a secure, high performance system for sharing, managing, protecting, and backing up data and applications. The program also ensures that IT activities in the BLS are conducted in accordance with the applicable statutes and regulations governing Federal IT activities.

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,

EXECUTIVE DIRECTION AND STAFF SERVICES

for example, questionnaire design studies, investigations into respondent-interviewer interactions, usability studies of computer assisted data collection systems, the development of 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, and disseminating region-specific data and information.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2010	\$33,793	213
2011	\$34,342	210
2012	\$34,236	204
2013	\$32,484	187
2014	\$34,535	186

FY 2015 and FY 2014

In FYs 2015 and 2014, the Executive Direction and Staff Services programs will continue to provide agency-wide policy, management direction, and administrative support services to all programs.

FY 2013

In FY 2013, the Executive Direction and Staff Services programs provided agency-wide policy, management direction, and administrative support services to all programs.

EXECUTIVE DIRECTION AND STAFF SERVICES

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
		Target	Result	Target	Target
Executive Direction and Staff Services 1/					
Strategic Goal 5 - Produce timely and accurate data on the economic conditions of workers and their families.					
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.					
BLS 5.1 ED.01	Provide a current and reliable computing infrastructure for BLS programs / Maintain LAN reliability	≥99.00%	99.90%	≥99.00%	≥99.00%
BLS 5.1 ED.02	Maintain high quality financial records: Receive no more than three audit findings	≤3	2	≤3	≤3
BLS 5.1 ED.03	Number of outreach activities	240	277	270	270
BLS 5.1 ED.04	Number of people reached through outreach activities 2/	23,000	30,076	30,000	30,000
BLS 5.1 ED.05	Number of BLS Twitter followers 3/	--	--	Baseline	TBD
BLS 5.1 ED.06	Average number of click-throughs to links in BLS tweets 3/	--	--	Baseline	TBD

1/ The Dissemination and Mission Achievement measures previously shown in this Budget Activity are moved to the BLS Cross-Cutting Measures exhibit on page BLS-16.

2/ In FY 2013, the BLS exceeded the target mostly due to large broadcasts, each of which reached over 1,000 people, based on conservative estimates.

3/ The FY 2015 target will be established based on FY 2014 baseline data.

EXECUTIVE DIRECTION AND STAFF SERVICES

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, 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 response 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-10.

EXECUTIVE DIRECTION AND STAFF SERVICES

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
11.1	Full-time permanent	\$18,254	\$19,279	\$20,319	\$1,040
11.3	Other than full-time permanent	145	246	147	-99
11.5	Other personnel compensation	41	251	251	0
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	18,440	19,776	20,717	941
12.1	Civilian personnel benefits	5,687	5,765	6,396	631
13.0	Benefits for former personnel	56	56	56	0
21.0	Travel and transportation of persons	148	295	295	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	3,139	2,413	1,916	-497
23.2	Rental payments to others	10	10	10	0
23.3	Communications, utilities, and miscellaneous charges	282	282	281	-1
24.0	Printing and reproduction	38	30	30	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	561	598	596	-2
25.3	Other goods and services from Federal sources 1/	1,286	1,285	1,303	18
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	2,577	3,458	2,965	-493
26.0	Supplies and materials	88	175	173	-2
31.0	Equipment	172	392	387	-5
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	\$32,484	\$34,535	\$35,125	\$590
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$595	\$695	\$705	\$10
	DHS Services	461	462	470	8
	Census Bureau	0	0	0	0

EXECUTIVE DIRECTION AND STAFF SERVICES

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$206
Personnel benefits	330
Federal Employees' Compensation Act (FECA)	-99
Rental payments to GSA	36
Other services from non-Federal sources	0
Working Capital Fund	10
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Charges)	8
Research and development contracts	0
Operation and maintenance of equipment	99
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$590**

Net Program **\$0**

Direct FTE **14**

Estimate **FTE**

Base **\$35,125** **186**

Program Increase **\$0** **14**

Program Decrease **\$0** **0**