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**Changing Nature of Work Subcommittee**

**Expedited Recommendations**

**2021**

**Recommendation: Improve Data and Information on the Changing Nature of Work through a Department of Labor (DOL) Working Group**

The WIAC recommends that the Secretary of Labor create a departmental working group to facilitate improvements in publicly available data and information on the changing nature of work—including trends in contingent and alternative work arrangements, the rise of remote work, and the impacts of technological change.

**Importance of Improving Data and Information on the Changing Nature of Work:**

Rapid technological advances, accelerated by the pandemic, are resulting in significant shifts in the knowledge, skills, and abilities required by individual occupations, the growing geographic dispersion of work, and diminishment of traditional employer-worker relationships. Effective public policy and efficient labor markets require the availability of current, reliable, detailed information on these changes. Such information would lead to improvements in public and private workforce investments, education and training, labor law and regulation, human resource management, and career planning, and, importantly, help address the Administration’s immediate priorities.[[1]](#footnote-1)

Federal, state, and local program and policy efforts that would benefit from improved data include, for example:

* Workforce Innovation and Opportunity Act (WIOA) program grants for adults, youths, and dislocated workers;
* The workforce components of the 10 industrial supply chain assessments ordered by President Biden (Executive Order 14017, February 24, 2021); and
* The $100 billion investment in workforce development as proposed by President Biden in the American Jobs Plan (released March 31, 2021).[[2]](#footnote-2)

At present, the nation’s workforce and labor market information system is not adequately measuring the changing nature of work, including trends in the following three areas:

1. Contingent and alternative work arrangements,
2. The rise of remote work, and
3. The impacts of technological change.

As a result, governments, businesses, education and training institutions, workers, and students are making important decisions without full information. Consequently, the nation’s employment, incomes, productivity, and competitiveness are not achieving their full potential.

The WIAC commends DOL for its participation in efforts to improve data in the three realms of the changing nature of work. In particular, DOL is:

* Developing a biannual Contingent Worker Supplement (CWS) to the Current Population Survey (CPS).
* Exploring topics for a second biannual CPS workforce supplement authorized by Congress.
* Collecting information on remote work through seven distinct data collections (six BLS, one ETA). Three other federal agencies also collect remote work information through seven distinct additional data collections (five Census Bureau, one Federal Highway Administration, one Office of Personnel Management).
* Participating in the Jobs and Employment Data Exchange (JEDx) Advisory Committee, organized by the U.S. Chamber of Commerce Foundation to explore mutually beneficial approaches to federal collection of employer-held workforce data.
* Implementing a plan to measure the effects of new technology on the labor force through new surveys, as directed by Congress.

On review, the WIAC perceives these efforts are not sufficiently guided by an understanding of the needs of federal, state, and local policymakers and market actors, are not coordinated with one another, and, in one instance (remote work measurement), may be redundant.

Considering these findings, the WIAC offers observations for the Secretary’s consideration. The WIAC believes that more active hands-on guidance and coordination of this set of efforts by the Office of the Secretary would increase the likelihood of success in meeting the needs of the department’s data customers, particularly federal, state, and local governments; employers; educators and trainers; workers; and students. The Office of the Secretary has both the legal and political stature to encourage key data users to communicate their needs so that BLS and ETA program staff might produce desired products. Within the Office of the Secretary, the Chief Economist and the WD Counselor are uniquely suited to play these guidance, coordination, and facilitation roles. (Details of findings and recommendations are provided in the attached appendix.)

**Concrete Steps for Implementation:**

The WIAC recommends that the Secretary organize a departmental working group charged with preparing a report in 180 days for the Secretary’s review and approval that:

1. Identifies the data and information products on the changing nature of work sought by labor market policymakers, program managers, participants, and researchers; and
2. Provides a plan for developing those products.

On the Secretary’s approval, the working group would facilitate implementation of the plan.

The WIAC recommends that the proposed departmental working group be chaired by representatives of the Office of the Secretary and include representatives appointed by the Commissioner of the Bureau of Labor Statistics, the Assistant Secretary for Employment and Training, and the Assistant Secretary for Policy. Given the proposed working group’s charge to guide data product development based on user needs within and outside the department, the WIAC encourages the Secretary to consider appointing the Chief Economist and the Counselor to the Secretary for Workforce Development (WD Counselor) as co-chairs.

Tasks of the proposed working group would include:

* Obtaining input from key users regarding desired products on the changing nature of work.
* Facilitating BLS’s use of that input in the design of the CWS and the two new survey modules on the technological change.
* Reviewing the current array of federal data collections on telework to recommend how that information might be most cost effectively collected.
* Preparing a recommendation on the frequency with which the Standard Occupational Classification (SOC) system should be updated.
* Participating in the JEDx Advisory Committee.

**APPENDIX: Detailed Findings and Recommendations**

**Detailed Findings**

DOL recognizes the importance of improving measures of the changing nature of work and is actively pursuing significant improvements in all three dimensions of the changing nature of work.

Contingent and alternative work arrangements. As directed by Congress, BLS is actively pursuing the development of a biannual Contingent Worker Supplement (CWS) to the Current Population Survey (CPS).[[3]](#footnote-3) This work fulfills 2018 WIAC Recommendation 4: Develop Information on the Changing Nature of Work. The CWS will be the first recurring supplement sponsored by BLS.

BLS expects the first CWS to be in the field no earlier than July 2023. In designing the new CWS, BLS is considering the Committee on National Statistics report it commissioned *(Measuring Alternative Work Arrangements for Research and Policy*, July 2020). As part of its effort, BLS is asking prospective CWS “power users” about desired data products and tables.

Congress also funded BLS to field a CPS supplement in the alternate (i.e., even) years “on other topics related to the labor force in alternate years, including an occasional veterans supplement.”

Remote work. The WIAC identifies 14 federal data collections measuring the extent and nature of remote work. Eight collections collected such data before the pandemic; six added telework questions in response to the pandemic. Six are household surveys, six are establishment surveys, and two prepare occupational profiles. Six are conducted by BLS, five by the Census Bureau, and one each by the Employment and Training Administration, the Federal Highway Administration, and the Office of Personnel Management.

DOL is exploring two additional telework data collection efforts. First, with its new funding for CPS labor supplements, BLS is considering a Work Schedules Supplement (WSS) to gather information on employee work arrangements, including work at home.[[4]](#footnote-4)

Second, representatives of BLS and ETA are participating with those of other federal agencies, state agencies, and the private sector in the Jobs and Employment Data Exchange (JEDx) Advisory Council hosted by the U.S. Chamber of Commerce Foundation. One aim of JEDx is to promote the enhancement of the Unemployment Insurance (UI) wage record through employers’ adoption of nationwide standards. Such enhancement would facilitate the measurement of remote work through administrative records on a quarterly basis. A second JEDx aim is the nationwide adoption by employers of JobSchema+, a template for job descriptions that would enable the creation of a repository of millions of job descriptions from which up-to-date profiles could be developed, including the prevalence of remote work options by occupation.

Technological change. As directed by Congress in FY2019 appropriations, BLS is implementing a multi-faceted plan to measure the effects of new technology on the labor force.[[5]](#footnote-5) Its efforts are informed by a report commissioned from Gallup (“Assessing the Impact of New Technologies on the Labor Market: Key Constructs, Gaps, and Data Collection Strategies for the Bureau of Labor Statistics,” February 2020) and a subsequent conference of experts to consider the Gallup findings (June 2020). As a result, BLS is developing two new survey instruments: a CPS supplement on work skills and tasks (to be fielded in September 2024) and an establishment survey module on robotics and artificial intelligence. These efforts will enable researchers to have a more informed understanding of the impacts of technological change on a wide range of occupations. BLS also is exploring revisions to the Occupational Requirements Survey (ORS) to better capture data on tasks.

**Detailed Recommendations**

The WIAC sees the following opportunities within each of the three dimensions of the changing nature of work.

Contingent and alternative work arrangements. As BLS is carrying out a major redesign of the CWS, it would benefit from the Chief Economist and WD Counselor understanding the data needs of public policymakers, economic and labor analysts, and researchers regarding the contingent workforce.[[6]](#footnote-6)

Remote work. The WIAC notes widely held expert opinion that the pandemic is leading to a permanent increase in the prevalence of remote work and, as a result, major changes in the nation’s economic geography. Understanding the new geography is important for effective public policy and efficient labor markets. While BLS and the Census Bureau, in response to the pandemic, have significantly expanded collection of data from businesses and households on remote work arrangements, determination of the data products most useful for public policy and labor market decisions will require a degree of coordinated decision-making not currently in place. The WIAC believes that the Office of the Secretary, in the persons of the Chief Economist and the WD Counselor, is best suited to this function—which would involve ascertaining data priorities in light of economic policy-maker needs and facilitating consensus between BLS and the Census Bureau on the most cost-effective approaches to meeting those needs.

Technological change. Regarding understanding the impacts of technology on the labor force, the WIAC offers the Secretary two suggestions for consideration to complement the two BLS survey modules in development. One is for the Secretary’s working group to review options for revising the Standard Occupational Classification (SOC) system more often than once each decade, including the tradeoffs between the benefits of an SOC that reflects current occupations, on the one hand, and data discontinuities and cost on the other. Given the rapidity of technological change, the WIAC believes that the quality of workforce and labor market information, and the efficacy of federally funded training programs, would benefit from a more frequently updated SOC. The question is: How frequently?

The second suggestion is that DOL significantly enhance its widely used products providing detailed occupational profiles. These products include the Occupational Outlook Handbook, Career Outlook, Employment Projections, and the Occupational Requirements Survey—all from BLS--and O\*NET, the Competency Model Clearinghouse, and CareerOneStop—all from ETA. The value of these products for informed decision-making depends on the quality and detail of the information on each occupation. However, at present, DOL’s processes and budgets for updating these profiles has difficulty keeping pace with the effects of technological change.

As noted above, the U.S. Chamber Foundation’s JEDx effort seeks to facilitate updating occupational profiles in real time through widespread employer adoption of JobSchema+. The HR Open Standards Consortium will be working with the Chamber Foundation and JEDx partners to make JobSchema+ the national standard.[[7]](#footnote-7) The WIAC recommends that the Secretary support DOL’s participation in the JEDx Advisory Council and to stay informed about the potential for a JobSchema+ data repository to provide valuable information for the department’s occupational information products.

1. “[The Biden-Harris Administration Immediate Priorities](https://www.whitehouse.gov/priorities/)” are COVID-19, climate, racial equity, economy, health care, immigration, and restoring America’s global standing. [↑](#footnote-ref-1)
2. President Biden named Labor Secretary Marty Walsh to his Jobs Cabinet, responsible for communicating the key elements of the American Jobs Plan. In that role, Secretary Walsh has recognized that “you can’t address a problem correctly if you don’t have the stats.” ([Press Briefing by Press Secretary Jen Psaki and Secretary of Labor Marty Walsh, April 2, 2021](https://www.whitehouse.gov/briefing-room/press-briefings/2021/04/02/press-briefing-by-press-secretary-jen-psaki-and-secretary-of-labor-marty-walsh-april-2-2021/)) [↑](#footnote-ref-2)
3. The House report accompanying FY2021 BLS appropriations: “The Committee encourages BLS to consider expanding the Contingent Worker and Alternative Work Arrangement Supplement (CWS) to the Current Population Survey (CPS) to measure both workers engaged in alternative work as a primary form of occupation as well as workers who engage in alternative work in a supplementary or informal capacity. This could include, but is not limited to, traditional employees who engage in alternative work, including as independent contractors, in addition to their primary occupations.” [↑](#footnote-ref-3)
4. BLS first proposed the WSS in its FY2016 BLS Congressional Budget Justification: “[T]he 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.” [↑](#footnote-ref-4)
5. The Senate report accompanying FY2019 BLS appropriations: “The Committee is concerned that there continues to be insufficient data on the impact technology is having on the American workforce. The Committee encourages BLS to develop a strategy to better understand how automation, digitization, and artificial intelligence are changing the employment landscape. BLS is directed to submit a report to the Committees on Appropriations of the House of Representatives and the Senate no later than 90 days after enactment of this act detailing the steps taken to develop the data strategy as directed.” [↑](#footnote-ref-5)
6. Expected federal users of CWS data include the Office of the Secretary of Labor, the Council of Economic Advisers, the National Economic Council, the Domestic Policy Council, the Office of Management and Budget, the Office of the Secretary of Commerce, the Federal Reserve Board of Governors, the Joint Economic Committee, and the Congressional Budget Office. While state and local government policymakers would benefit from state and local data on contingent workers, the lowest geographic level of CPS supplements is the 10 geographic divisions (e.g., New England, South Atlantic, East North Central, Pacific). [↑](#footnote-ref-6)
7. See <https://www.uschamberfoundation.org/workforce-development/JDX> and <https://www.hropenstandards.org/news/jdx-jobschema-project-partnership>. [↑](#footnote-ref-7)