

# MANY AMERICANS ARE STRUGGLING

---

AND NEED BETTER  
INFORMATION  
TO MAKE A COMEBACK



WORKFORCE INFORMATION  
ADVISORY COUNCIL

August 31, 2021

# Table of Contents

Letter from the Chair	ii
Workforce Advisory Council Members	iii
Introduction	1
BACKGROUND	2
SUMMARY OF RECOMMENDATIONS	2
1. Recommendation to the Secretary: Advocate for the Adoption of Enhanced Unemployment Insurance (UI) Wage Records by Including Information on the Occupational Job Title(s), Hours Worked, and Job Site Location	3
IMPORTANCE OF ENHANCING THE UI WAGE RECORD	3
CONCRETE STEPS FOR IMPLEMENTATION	4
2. Recommendation to the Secretary: Improve Data and Information on the Changing Nature of Work Through a DOL Working Group	6
IMPORTANCE OF IMPROVING DATA AND INFORMATION ON THE CHANGING NATURE OF WORK	6
CONCRETE STEPS FOR IMPLEMENTATION	8
Appendix to Recommendation #2: Detailed Findings and Recommendations	9
DETAILED FINDINGS	9
DETAILED RECOMMENDATIONS	10
3. Recommendation to the Secretary: Adequately Fund State Workforce and Labor Market Information Infrastructure to Meet 21st Century Demands for Data-Driven Decision-Making	12
IMPORTANCE OF INVESTING IN STATE WLMI INFRASTRUCTURE	12
CONCRETE STEPS FOR IMPLEMENTATION	15
Appendix to Expedited WIAC Recommendations: Government-wide and DOL Initiatives Supported by the WIAC Recommendations	16
GOVERNMENT-WIDE INITIATIVES	16
<i>Biden-Harris Administration Immediate Priorities</i>	16
<i>OMB Memorandum in Support of Foundations of Evidence-Based Policymaking Act</i>	16
<i>Equitable Data Working Group</i>	16
<i>Executive Order on America’s Supply Chains</i>	16
<i>Justice40 Initiative</i>	17
DEPARTMENT OF LABOR INITIATIVES	17
<i>FY2021 BLS Actions Directed by House Appropriations Committee</i>	17
<i>FY 2022-2026 Strategic Plan and Evidence-Building Plan</i>	17
<i>FY 2022 Budget Request</i>	17



## Workforce Information Advisory Council

WASHINGTON, DC

August 31, 2021

The Honorable Martin J. Walsh, Secretary  
U.S. Department of Labor  
Frances Perkins Building  
200 Constitution Ave., NW  
Washington, DC 20210

Dear Secretary Walsh:

Pursuant to the Workforce Innovation and Opportunity Act of 2014, the Workforce Information Advisory Council is pleased to provide for your consideration a series of expedited recommendations to improve the nation's Workforce and Labor Market Information System. The Council believes that adoption of the recommendations would substantially improve the operation of the nation's labor markets, particularly in the wake of the global pandemic.

These recommendations were unanimously approved by the Council and were informed by the input from numerous subject matter experts and members of the public. They support the intent of Congress and your efforts to ensure that individual students and workers have the information they need to make good decisions regarding their education and employment. The recommendations also will help ensure that educators have the information they need to best advise their students and to design training programs that produce a ready pipeline of skilled workers that meet the needs of the nation's employers.

The Council believes that improved workforce information will result in more effective workforce investments, more efficient labor markets, and a more fully employed labor force across the nation, particularly for historically underserved communities.

We look forward to working with you to ensure that this vision becomes a reality.

Respectfully yours,

A handwritten signature in blue ink that reads "Bruce R. Madson".

Bruce Madson, Chair



## Workforce Information Advisory Council

<b>Representing</b>	<b>Name</b>	<b>Organization</b>
National Business or Trade Organizations	Thomas Anderson	Wellons Land Company and Arkansas Workforce Development Board
State Workforce Investment Agencies	Daryl Bassett	Arkansas Department of Labor
State Workforce Investment Agencies	Deborah Carlson	Texas Workforce Commission
Providers of Training Services	Alicia Crouch	Kentucky Community and Technical College System
WLMI Director	Alexandra Hall Bovee *	Colorado Department of Labor and Employment
WLMI Director	Lesley Hirsch	New Jersey Department of Labor and Workforce Development
WLMI Director	Adrienne Johnston	Florida Department of Economic Opportunity
Workforce Development Boards	Dean Jones	Greenville County Workforce Development Board
State Workforce Investment Agencies	Bruce Madson	Ohio Department of Job and Family Services
Labor Organizations	Chelsea Mason-Placek	Washington State Labor Council, AFL-CIO
WLMI Director	Jason Palmer **	Michigan Department of Technology, Management and Budget
Research Entities	Andrew Reamer	George Washington Institute of Public Policy, George Washington University
Economic Development Entities	Jennifer Zeller	Georgia Power

\* Member resigned due to new position in March 2021.

\*\*Member resigned due to new position in September 2020.

## Introduction

Pursuant to the Workforce Innovation and Opportunity Act of 2014 (WIOA), the Workforce Information Advisory Council (Council) is pleased to provide for your consideration three expedited recommendations, unanimously approved by the Council, to improve the nation's Workforce and Labor Market Information (WLMI) System.

At this unprecedented time in American history, many people are struggling with job loss, unexpected childcare challenges, illness, isolation, and uncertain futures. These challenges are even more acute for historically underserved communities. The nation's WLMI System is essential for supporting meaningful and effective strategies toward a true American recovery, particularly a recovery that advances racial equity and supports underserved communities. This requires the highest possible quality of data and information at the local level in order to identify the nature and extent of challenges and inequities, and to measure whether those challenges and inequities are truly being addressed. Without that critical information, we may only continue to perpetuate the current challenges and historical inequities.

As directed in OMB Memorandum M-21-27, on Evidence-Based Policymaking: Learning Agendas and Annual Evaluation Plans: "There has never been greater urgency for actionable evidence to inform decision-making to serve the needs of the American people. To achieve our nation's great promise, relying on high-quality, credible evidence must become the core of how we operate. Agencies must make evidence-based decisions guided by the best available science and data, and build and use this evidence in a way that upholds scientific integrity and is free from political considerations." (Additional detail on related Administration initiatives is provided in an appendix to this document.)

The Council appointed in 2016 by Secretary Perez submitted its [first set of recommendations](#) to Secretary Acosta in January 2018. Secretary Acosta provided his [response](#) in December 2018. Based on that response and as required by WIOA, in May 2020 Secretary Scalia submitted his [Two-Year Plan for the Workforce and Labor Market Information System](#) to Congress. Soon after, Secretary Scalia appointed the [current members](#) of the Council, including four who were previously appointed by Secretary Perez.

After reconvening in 2020, the Council identified the need for expedited recommendations to address issues that the global pandemic had made more urgent. The Council believes that adoption of these expedited recommendations is critical to ensuring that individual students, workers, educators, employers, and policymakers have the information each needs to re-build and maintain thriving families and communities in the wake of the global pandemic. As stated in the Fiscal Year (FY) 2022 Department of Labor Budget Request: "Workforce development will play a critical role in both rebuilding the economy, especially after the tremendous loss of jobs due to the pandemic, and in developing the workforce that will build the new backbone of our country. As more people look for jobs, rejoin the workforce, or seek out new opportunities in a changing economy, there will be a greater need for quality job training and education and meaningful credentials so workers can earn higher wages, develop rewarding and lasting careers, and improve their economic well-being."

## BACKGROUND

Through WIOA, Congress directs the Secretary to oversee development of a WLMI System that enables state and local labor market participants—including employers, students, workers, workforce investment boards, and education and training agencies and institutions—to make informed decisions.

The law directs the Secretary to develop the WLMI System:

- Through the Bureau of Labor Statistics (BLS) and the Employment and Training Administration (ETA);
- In collaboration with states;
- In cooperation with the heads of other federal agencies to ensure complementarity and nonduplication; and
- In consultation with the 14-member Workforce Information Advisory Council appointed by the Secretary.

WLMI consists of the data and information used by businesses, workers, students, job seekers, education and training providers, workforce development planners and policymakers, and others, to make informed decisions in areas such as hiring and advancement, career choice, curriculum development, and investments in training. WLMI is essential to the nation's economy, providing for the efficient operation of labor markets by supplying quality labor market intelligence. Accurate, objective, relevant, timely, and accessible WLMI is critical for:

- Building a skilled workforce that spurs business competitiveness and economic growth;
- Strengthening career pathways and guiding skill attainment for good jobs, economic opportunity, and career growth;
- Advancing equity for all, particularly for people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality;
- Understanding the rapidly changing nature of work and how it impacts the workforce and U.S. economy; and
- Using evidence-based policymaking to ensure the effective use of workforce training and education funds.

## SUMMARY OF RECOMMENDATIONS

The Council's three expedited recommendations to the Secretary focus on areas of increased importance in the wake of the global pandemic and toward advancing racial equity and supporting underserved communities. Rapid implementation of the following recommendations is crucial to not only restore our nation's economy but also address historical inequities:

- **Recommendation 1:** Advocate for the Adoption of Enhanced Unemployment Insurance Wage Records by including Information on the Occupational Job Title(s), Hours Worked, and Job Site Location
- **Recommendation 2:** Improve Data and Information on the Changing Nature of Work through a Department of Labor Working Group
- **Recommendation 3:** Adequately Fund State Workforce and Labor Market Information Infrastructure to Meet 21st Century Demands for Data-Driven Decision-Making

The Council also requests that the recommended actions be incorporated into the Department's [FY 2022-2026 Strategic Plan and Evidence-Building Plan](#).

## 1. Recommendation to the Secretary: Advocate for the Adoption of Enhanced Unemployment Insurance (UI) Wage Records by including Information on the Occupational Job Title(s), Hours Worked, and Job Site Location

**W**e acknowledge that this improvement is a significant lift for states and employers in terms of resources and financial investment. It is also a substantial investment for implementation—people, training, and dollars would have to be successfully committed. While the upfront costs will be significant, we are confident this investment will reap exponential rewards.

### IMPORTANCE OF ENHANCING THE UI WAGE RECORD

In general, a wage record consists of the employer information alongside an individual's identifying information (e.g., name, Social Security number) and gross wages. Employers are required to report wage records on a regular basis to the state UI agency. This information is used to assess liability for unemployment taxes and to assess eligibility for unemployment benefits. But the information has also proven useful in developing vital WLMi products, particularly the Quarterly Census of Employment and Wages, as well as identifying employment and wage outcomes for individuals served through the public workforce development system. The enhanced UI wage record will provide even more valuable information with the addition of job title, hours worked, and location of job site.

The pandemic's impact on the labor force was a reality check in that it revealed the importance of having more accurate WLMi at the local level. The enhanced UI wage record would allow us to address

the labor force questions that we cannot currently answer, such as the following:

- The enhanced UI wage record, when cross-matched with other data sources (e.g., higher education, demographic data), will allow for greater insights into historic inequities and ways to address them.
- The enhanced UI wage record enables us to answer questions on labor force participation by occupations; currently the information is being reported by industry only.
- The enhanced UI wage record distinguishes full-time from part-time positions to avoid misrepresentation of compensation inadequacies among the same job titles.
- The enhanced UI wage record permits us to evaluate the effectiveness of training programs and eligible training providers, apprenticeship training programs, and other credential programs to ensure they are delivering the technical skills that are aligned with the intended occupations. Educators and other WLMi users will have the ability to track career paths over time for businesses and employees.
- The enhanced UI wage record eliminates the need for the labor-intensive Occupational Employment Statistics (OES) survey of employers and would allow OES federal and state program staff to conduct quality control and analysis of the occupational information provided through the enhanced UI Wage Record.

A three-year-old U.S. Chamber of Commerce Foundation initiative is underway to promote enhancing UI wage records by adding more data fields, such as hours worked, occupation, and demographic information. This initiative demonstrates the importance of enhancing the UI wage record, and can serve as a valuable resource for gleaning best practices and learnings that would inform implementation of this recommendation. This may ultimately result in lower costs for the Department of Labor (DOL), states, and businesses, and it would facilitate broader adoption and acceptance to enhance the UI wage record for all parties. A parallel state pilot effort from the [U.S. Chamber of Commerce Foundation & The T3 Innovation Network](#) in partnership with [JEDx](#) will also lay the groundwork for the recommended pilot below. This Chamber effort is a public-private approach with strong employer leadership in working cooperatively with interested states and other public and private stakeholders. Private sector involvement is critical to the successful adoption of, and compliance with, enhanced UI wage records.

The enhanced wage records would also bolster work of the Census Bureau which maintains the Longitudinal Employer-Household Dynamics (LEHD), a data repository of UI wage records from each state and the District of Columbia over multiple years. LEHD hosts several popular geographic web tools, including Quarterly Workforce Indicators, OnTheMap, Job-to-Job Flows, and Postsecondary Employment Outcomes. UI wage record enhancement as proposed by this recommendation would serve to increase the utility of these LEHD tools.

### **CONCRETE STEPS FOR IMPLEMENTATION**

The UI wage record enhancement process should begin as a pilot to get everything right before building to a national roll out in partnership with

ETA and BLS. In the pilot, states are encouraged to share best practices and learnings on wage record enhancements. We recommend the process also include standardized data dictionaries that are common across all states, consistent with OMB definitions & classification standards.

There are many considerations to work out such as increased expectations of employers and third-party administrators (TPAs). Employers will need to change their practice of reporting wage records to the state UI agency to include the new data elements. Employers may need to change or reprogram their personnel/human resources operating systems. Additionally, state agencies will need to provide education and training to employers and TPAs, as well as payroll software providers on how to comply with any new data elements or submission requirements.

There will also be expectations of states to modernize their computer systems and update their employer reports to accept the new UI wage record information. Across the country, state agencies have computer systems in varying degrees of modernization. Some states are operating with legacy systems that have not been updated in decades. As a result, updates necessary for enhanced UI wage records may not be as high of a priority for state UI agencies compared to other pending UI system IT needs. Additionally, many states have centralized information technology (IT) departments (i.e., shared IT services) that serve agencies across state government. Agencies must prioritize projects and compete for priority with other parts of government.

State agencies will need funding to enhance their computer systems, monitor employer compliance with reporting the additional elements, and standardize the data so it can serve as the foundation for meaningful analysis.



The WIAC suggests that the Secretary encourage states to link their UI wage record enhancement and UI modernization efforts made possible by the American Rescue Plan Act (ARPA), announced August 11, 2021.

States may have to amend their UI laws and regulations to require that employers report these additional data elements. In general, this process takes both political capital and time to achieve.

In the future, sharing such data with parties that are best positioned to realize the expected benefits of adding these new data elements may conflict with existing data confidentiality federal regulations and state laws. Addressing these conflicts may require identifying the parties, the parameters around which such information may be shared, and likely amending state and federal laws to accommodate. States are encouraged to identify ways to explore and share data for policy, analytics, and program evaluation. Anonymity of records, aggregation, and suppression should be considered to ensure confidentiality, while meeting the needs of program management and evaluation.

The WIAC recommends the Secretary appoint a leader from within the Secretary's Office or Deputy Secretary's Office to oversee this initiative, pulling

in the appropriate individuals in the public and private sectors to achieve the recommendation. This leadership position would update and coordinate with the interagency department working group proposed in Recommendation 2.

Future recommendations could include exploring ways to capture information on:

- Those workers not covered by UI wage records such as independent contractors and other contingent workers, self-employed, and active-duty military to have a full understanding of the workforce. This may require the addition of Internal Revenue Service tax filings for those not covered by UI.
- Demographics including age, gender, race, and ethnicity, which would provide more real-time understanding of demographic attributes of the workforce by occupation and industry.
  - ◆ Adding certain demographic data would lend the ability to disaggregate data to target certain demographic groups in crisis (e.g., women in the labor force, race or ethnicity by industry or occupation).
  - ◆ Privacy concerns should be taken into consideration.

## 2. Recommendation to the Secretary: Improve Data and Information on the Changing Nature of Work through a 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 standards, human resource management, and career planning, and, importantly, help address the Administration's immediate priorities, including racial equity.<sup>1</sup>

Federal, state, and local program and policy efforts that would benefit from improved data on the changing nature of work include, for example:

- WIOA program grants for adults, youths, and dislocated workers;
- The Skilled Technical Workforce Initiative, National Science Foundation;<sup>2</sup>
- The National Imperative for Industrial Skills, Industrial Base Analysis and Sustainment Program, U.S. Department of Defense;<sup>3</sup>
- The American Rescue Plan Good Jobs Challenge, Economic Development Administration, U.S. Department of Commerce;<sup>4</sup>
- Executive order to advance racial equity and support for underserved communities through the federal government (Executive Order 13985, January 20, 2021);<sup>5</sup>
- The workforce components of the 10 industrial supply chain assessments ordered by President Biden (Executive Order 14017, February 24, 2021);<sup>6</sup> and
- The \$100 billion investment in workforce development as proposed by President Biden in the American Jobs Plan (released March 31, 2021).<sup>7</sup>

1 [“The Biden-Harris Administration Immediate Priorities”](#) are COVID-19, climate, racial equity, economy, health care, immigration, and restoring America's global standing.

2 [Skilled Technical Workforce Initiative](#), National Science Foundation.

3 [“Defense Department Launches Initiative to Boost U.S. Industrial Workforce.”](#) November 23, 2020.

4 [Good Jobs Challenge: Getting Americans Back to Work](#), Economic Development Administration.

5 President Biden, [Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government](#), January 20, 2021. See also Acting OMB Director Shalanda Young, [“Meeting a Milestone of President Biden's Whole-of-Government Equity Agenda.”](#) August 6, 2021.

6 President Biden, [Executive Order on America's Supply Chains](#), February 24, 2021.

7 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](#))

At present, the nation's WLMI 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, the public sector, 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:

- Preparing a biannual Contingent Worker Supplement (CWS) to the Current Population Survey (CPS) for implementation in FY 2023.
- Preparing a second biannual CPS workforce supplement on workplace flexibilities, for implementation in FY 2024.
- 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).
- Considering the desirability and feasibility of a workforce skills classification system that could be cross-walked with the existing Standard Occupational Classification (SOC) system.
- 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.
- Preparing a plan to measure the effects of new technology on the labor force through new surveys, as directed by Congress.

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 the instance of remote work measurement, may be redundant.

Considering these findings, the WIAC offers several 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 Innovation Officer and the Deputy Assistant Secretary for Research and Evaluation are uniquely suited to play these guidance, coordination, and facilitation roles. (Details of findings and recommendations are provided in the appendix to this recommendation.)

## 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 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 of the Assistant Secretary for Policy, the Commissioner of the Bureau of Labor Statistics, and the Assistant Secretary for Employment and Training. 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 Innovation Officer

and the Deputy Assistant Secretary for Research and Evaluation 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' use of that input in the design of surveys concerning contingent and alternative work arrangements and 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 SOC system should be updated;
- Preparing a recommendation on the desirability and feasibility of a workforce skills classification system; and
- Participating in the JEDx Advisory Committee.

## Appendix to Recommendation #2: 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 CWS to the CPS.<sup>8</sup> 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 in FY 2023. In designing the new CWS, BLS is utilizing 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.” BLS indicates this second

supplement will focus on workplace “flexibilities,” such as work schedules and is expected to start in FY 2024.

**Remote work.** The WIAC identifies 14 federal data collection efforts measuring the extent and nature of remote work. Eight of those efforts 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 DOL’s Employment and Training Administration, the Federal Highway Administration, and the Office of Personnel Management.

DOL is exploring two additional telework data collection efforts. First, as part of its new CPS flexibilities supplement, BLS is considering gathering information on employee work arrangements, including work at home.<sup>9</sup>

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 UI wage record through

- 8 The House report accompanying FY 2021 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.”
- 9 BLS first proposed the Work Schedules Supplement (WSS) in its FY 2016 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.”

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 FY 2019 appropriations, BLS is implementing a multi-faceted plan to measure the effects of new technology on the labor force.<sup>10</sup> 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 exploring the desirability and feasibility of new survey instruments, such as 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.

A number of academic studies are being published that employ various methodologies to analyze the potential **future of work** impacts of technological change, including automation and artificial intelligence impacts. A number of these studies use O\*NET data as a key part of their analysis, particularly Tasks, as well as other O\*NET variables. DOL has assembled a bibliography of these studies and the O\*NET Resource Center is making that bibliography available on an [Additional Initiatives](#) page within the O\*NET Resource Center, along with listings of O\*NET occupations grouped by "automability" rankings.

## 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 Innovation Officer and the Deputy Assistant Secretary for Research and Evaluation understanding the data needs of public policymakers, economic and labor analysts, and researchers regarding the contingent workforce.<sup>11</sup>

**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

10 The Senate report accompanying FY 2019 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."

11 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).



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 Innovation Officer and the Deputy Assistant Secretary for Research and Evaluation, is best suited to this function—which would involve ascertaining data priorities in light of economic policymaker 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 three suggestions for consideration. One is for the Secretary’s working group to review options for revising the SOC system more often than once each decade, including the tradeoffs between the benefits of a 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 WLMI, 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 the Secretary’s working group acquaint itself with DOL explorations to date regarding a work skills taxonomy and then determine the desirability and feasibility of creating such a taxonomy to facilitate capacities to track the impacts of technological change on work.

The third 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.<sup>12</sup> 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.

<sup>12</sup> See <https://www.uschamberfoundation.org/workforce-development/JDX> and <https://www.hropenstandards.org/news/jdx-jobschema-project-partnership>.

### 3. Recommendation to the Secretary: Adequately Fund State Workforce and Labor Market Information Infrastructure to Meet 21st Century Demands for Data-Driven Decision-Making

Easily accessible and understandable state WLMI is critical to data-driven decision-making which promotes economic health and personal well-being for all workers. Yet, funding provided by DOL through BLS and ETA to state WLMI offices has been declining in real and nominal terms for almost 20 years. Over the same time period, states' costs for providing WLMI data products and services, many DOL-required, have increased substantially.

The WIAC recommends that the Secretary of Labor request, with high priority, that Congress double the funding provided through ETA and BLS to state WLMI offices to administer WLMI functions, as well as the funding provided to ETA and BLS to support that work at the state level. Restoring state WLMI funding to adequate levels in the next enacted budget is necessary to ensure the nation's WLMI infrastructure can maintain its structural integrity and meet urgent 21<sup>st</sup> century needs.

#### IMPORTANCE OF INVESTING IN STATE WLMI INFRASTRUCTURE

In addition to core data tools, information-sharing mechanisms across the system and adequate staffing at the state and federal levels, WLMI infrastructure includes, among other things, ongoing investments in:

- Information technology (IT), including both hardware and software to support IT functions;
- Staff training in the collection, administration, and dissemination of WLMI; and

- Routine evaluation of, and improvements to, data security measures.

The following highlight why the call for increased investments in state WLMI infrastructure is urgent and the WIAC believes should be a prioritized request of Congress.

#### **Rapidly Changing Labor Market**

In the best of economic times, relevant, accurate, and actionable WLMI is integral to a well-functioning labor market. In periods of extreme economic change, like those we face today, such WLMI is essential to support a robust business recovery and rapid placement of job seekers in productive work. Current funding levels, which are lower than 2003 levels in real terms, are inadequate to meet today's demand for more localized, timely, and nuanced data to aid our economic rebound. Crucially, the pandemic is changing business models and labor supply decisions, perhaps permanently. Understanding those changes, via detailed workforce and labor market data, will be key to helping individuals, businesses, and policymakers adapt over the long term. Federal investments in WLMI should be increased and sustainable to fully support our rapidly changing labor market.

#### **Learning from the Pandemic to Better Prepare for the Future**

During the economic and health crisis triggered by the pandemic, the demand for timely, localized WLMI hit an unprecedented high and the application of WLMI data stretched far beyond its traditional scope.



Called upon by state officials, local governments, and community leaders, WLMI is helping inform day-to-day decisions surrounding, among other things:

- Workforce impact of restricting or loosening specific business activity;
- Scope of risk, by occupation, to the “frontline” workforce;
- Disparate impact of COVID-19 on people of color, low-wage workers, women, and other populations;
- Administration of extreme expansions to the UI program;
- Prevention of fraudulent UI claims;
- Availability of strictly defined re-employment and training support for millions of laid-off workers in a wildly uncertain job market;
- Recruitment of workers for industries rapidly growing in response to the pandemic;
- Ensuring training dollars connect workers with in-demand, high-quality jobs; and
- Changing housing and transportation needs with the shifting structure of work.

State WLMI systems continue to respond with the highest quality, most timely data that is available. Still, the long-term underfunding of the state WLMI infrastructure undercuts states’ ability to give the level of granular, real-time data that local crisis response and economic recovery efforts demand.

The pandemic magnified how WLMI is integrated into important state and local policy decisions ranging from workforce and economic development to health, safety, and transportation. Yet, we grossly lack specifics on who is doing what in the local labor market at any given time, what the structure of specific jobs are, and where those jobs are being performed.

States will be better prepared for future economic shocks and trends if we learn from the demands for WLMI presented by the pandemic and state WLMI offices are adequately funded to provide the level of detailed and accurate data needed by an expansive range of WLMI users.

***Inadequate Resources for Existing Data Demands***

Working in cooperation with both BLS and ETA, state WLMI offices help create the only official workforce and labor market data available at the state and local levels. They are charged with supporting their state workforce development programs, primarily federally funded via WIOA, by providing state and local workforce and labor market intelligence via the internet and custom reports, and training on use and application of that information, to make data-driven decisions.

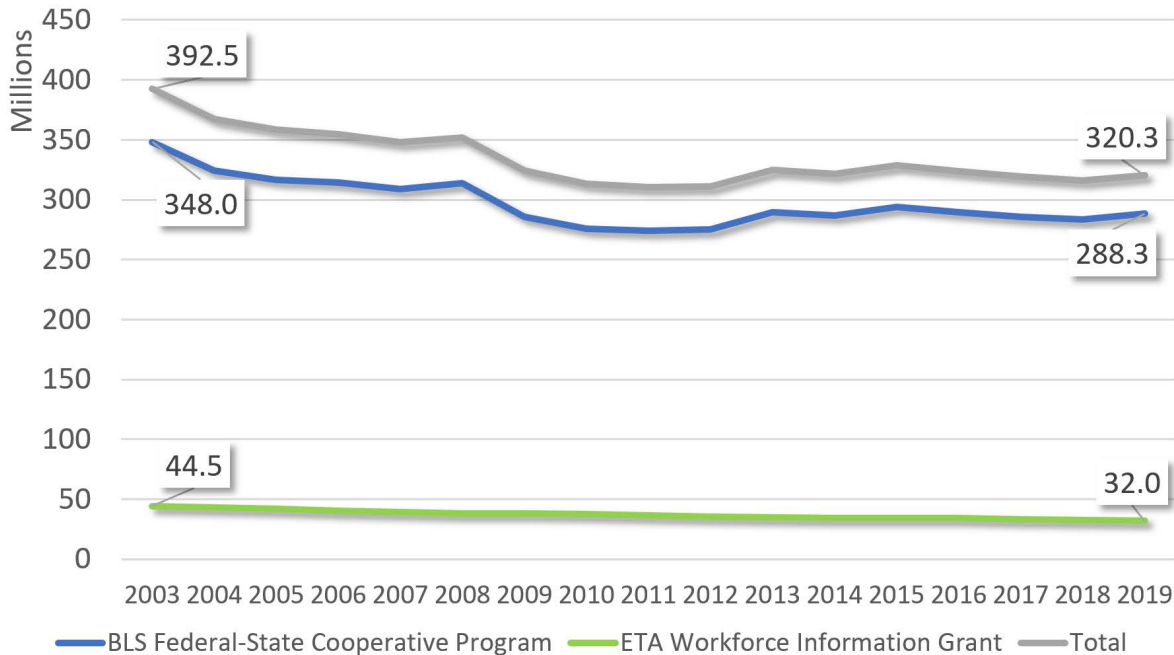
The WLMI developed and disseminated by states, using federal funds, serves a range of customer groups, including the following:

- Job seekers;
- Businesses/employers;
- Workforce and labor market intermediaries such as employment, school, and career counselors, and case managers at American Job Centers, who help individuals find a job or make career decisions, or engage businesses seeking skilled workers;
- Program and service planners at educational institutions and community-based organizations;
- Policymakers, including state and local workforce development boards;
- Partners such as economic development entities and human resource professionals; and
- Other customers, including recipients of workforce development grants, researchers, and the media.

The resource requirements, both in staff and IT, on state WLMI offices has increased substantially since 2003, as has the sophistication of data users and data manipulation and visualization tools potentially available. For instance, the workload of the foundational BLS program that state WLMI offices support, the Quarterly Census of Employment and Wages, has increased on average 1.4 percent annually, as business establishments have increased,

while funding from BLS has declined 21% in 2019 dollars. Over the same period, ETA funding to support state WLMI office activities also decreased 28% in 2019 dollars, as demands increased. By statute, BLS and ETA funds are mutually exclusive and support different state WLMI functions. The following chart shows the actual decline, adjusted for inflation, in both BLS and ETA funding states received since 2003.

**Real Annual WLMI Funding 2003-2019 (in 2019 dollars)**



Source: National Association of State Workforce Agencies, 2021.

**Growing Calls for Evidence-Based Policy Decisions & Enhanced Data Collection**

A recent American Economic Association (AEA) report states, “Statistical infrastructure, as much as transportation infrastructure, is essential to the efficient functioning of the economy.”<sup>13</sup> State WLMI offices are critical national infrastructure to the

workforce development system, providing state and local area WLMI. Increased investment in this critical infrastructure is necessary to restore the quality and number of staff, data, data products, IT, and outreach required to ensure data-driven decisions can be made knowing the information provided by the states is relevant, accurate, and actionable.

<sup>13</sup> [“Necessary Improvement in the U.S. Statistical Infrastructure: A Report to the Biden/Harris Administration,”](#) American Economic Association, January 2021.

President Biden has made clear through Memoranda and other Executive Orders that this Administration will emphasize evidence and data-driven policies: "It is the policy of my Administration to make evidence-based decisions guided by the best available science and data."<sup>14</sup> This includes Executive Orders focused on the health of supply chains<sup>15</sup> and advancing racial equity.<sup>16</sup>

The quarterly wage records that businesses must file with state UI offices could provide abundant evidence to guide the new Administration's pursuit of its priorities. Recognizing the untapped potential of these reports, a three-year-old U.S. Chamber of Commerce Foundation initiative is underway to promote enhancing UI wage records by adding more data fields, such as hours worked, occupation, and demographic information. The WIAC itself is also recommending the enhancement of UI wage records as part of this set of expedited recommendations.

## CONCRETE STEPS FOR IMPLEMENTATION

Prioritize restoring adequate funding for state WLMI infrastructure within DOL and reflect that priority in a request that Congress double the funding for direct and indirect state WLMI support in the next enacted budget. Specifically, request Congress double the funding provided directly to state WLMI offices to produce, analyze, and disseminate vital WLMI, as well as funding provided to ETA and BLS to support that critical work at the state level. In the future, increase funding annually to keep up with inflation. Increased and sustainable funding in support of, and directly to, state WLMI offices is critical to ensuring the WLMI infrastructure restores and maintains its structural integrity and can nimbly adapt to expanded WLMI, such as enhanced data on UI wage records.

<sup>14</sup> [Memorandum on Restoring Trust in Government Through Scientific Integrity and Evidence-Based Policymaking](#), January 27, 2021.

<sup>15</sup> [America's Supply Chains](#), EO 14017, February 24, 2021, [A Sustainable Public Health Supply Chain](#), EO 14001, January 21, 2021, [Ensuring the Future Is Made in All of America by All of America's Workers](#), EO 14005, January 25, 2021

<sup>16</sup> [Advancing Racial Equity and Support for Underserved Communities Through the Federal Government](#), EO 13985, January 20, 2021.

## Appendix to Expedited WIAC Recommendations: Government-wide and DOL Initiatives Supported by the WIAC Recommendations

**Note:** **Bolding** added below for emphasis

### GOVERNMENT-WIDE INITIATIVES

#### ***Biden-Harris Administration Immediate Priorities***

“President Biden will take bold steps to address the inequities in our economy and provide relief to those who are struggling during the COVID-19 pandemic. The President will also work with Congress to pass the American Rescue Plan to change the course of the pandemic, **build a bridge towards economic recovery, and invest in racial justice**. . . . [H]e will build our economy back better from the pandemic and create millions of jobs by strengthening small businesses and investing in the jobs of the future. . . . President Biden is putting equity at the center of the agenda with a whole of government approach to embed racial justice across Federal agencies, policies, and programs. . . . President Biden will take steps to . . . **[equip] the American middle class to succeed in a global economy.**”

#### ***OMB Memorandum in Support of Foundations of Evidence-Based Policymaking Act***

“There has never been greater urgency for actionable evidence to inform decision-making to serve the needs of the American people. To achieve our nation’s great promise, relying on high-quality, credible evidence must become the core of how we operate. **Agencies must make evidence-based decisions guided by the best available science and data**, and build and use this evidence in a way that upholds

scientific integrity and is free from political considerations.”

#### ***Equitable Data Working Group***

“The Data Working Group shall: (i) through consultation with agencies, study and provide recommendations to the APDP [Assistant to the President for Domestic Policy] identifying inadequacies in existing Federal data collection programs, policies, and infrastructure across agencies, and strategies for addressing any deficiencies identified; and (ii) support agencies in implementing actions, consistent with applicable law and privacy interests, that **expand and refine the data available to the Federal Government to measure equity and capture the diversity of the American people.**”

#### ***Executive Order on America’s Supply Chains***

“The United States needs resilient, diverse, and secure supply chains to ensure our economic prosperity and national security. . . . Each [supply chain assessment] report submitted under [this order] shall include a **review of: . . . current domestic education and manufacturing workforce skills for the relevant sector and identified gaps, opportunities, and potential best practices in meeting the future workforce needs for the relevant sector.** . . . General Review and Recommendations . . . shall provide to the President . . . **recommendations concerning: . . . education and workforce reforms needed to strengthen the domestic industrial base.**”

### **Justice40 Initiative**

“Justice40 is a whole-of-government effort to ensure that Federal agencies work with states and local communities to make good on President Biden’s promise to deliver at least 40 percent of the overall benefits from Federal investments in climate and clean energy to disadvantaged communities.”

[Interim Implementation Guidance for the Justice40 Initiative](#) provides that covered programs include “**Training and workforce development** (related to climate, natural disasters, environment, clean energy, clean transportation, housing, water and wastewater infrastructure, and legacy pollution reduction, including in energy communities).”

## **DEPARTMENT OF LABOR INITIATIVES**

### **FY2021 BLS Actions Directed by House Appropriations Committee**

“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. The Committee is aware that BLS forecasts labor-market trends using historical data and is supportive of any efforts that would incorporate a wider and more forward-looking range of inputs to **better project how rapidly changing technology and**

**automation will impact the workforce of the future**. In the fiscal year 2022 Congressional Budget Justification, the Committee requests that BLS include its views on the merits of developing more forward-looking estimates. Furthermore, the Committee is aware of the **development of artificial intelligence and encourages BLS to examine this trend’s impact on the economy.**”

### **FY 2022-2026 Strategic Plan and Evidence-Building Plan**

Proposed DOL high-level goals: **Build Opportunity and Equity for All**; Ensure Safe Jobs, Essential Protections, and Fair Workplaces; Improve Administration of and Strengthen Worker Safety Net Programs; **Statistical Goal – Produce Gold-Standard Statistics and Analyses**

Priority Learning Areas: **Equity in Employment and Training Programs; Barriers to Women’s Employment; Studying Effects of the COVID-19 Pandemic**; Improving Enforcement Activities & Protections for All; **Strengthening Unemployment to Reemployment**

### **FY 2022 Budget Request**

“**Workforce development will play a critical role in both rebuilding the economy**, especially after the tremendous loss of jobs due to the pandemic, and in developing the workforce that will build the new backbone of our country. As more people look for jobs, rejoin the workforce, or seek out new opportunities in a changing economy, there will be a greater need for quality job training and education and meaningful credentials so workers can earn higher wages, develop rewarding and lasting careers, and improve their economic well-being.”



**WORKFORCE INFORMATION  
ADVISORY COUNCIL**