

FY 2017

CONGRESSIONAL BUDGET JUSTIFICATION

BUREAU OF LABOR STATISTICS

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BUREAU OF LABOR STATISTICS

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BUREAU OF LABOR STATISTICS

APPROPRIATION LANGUAGE

Federal Funds

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, [\$544,000,000] \$573,927,000, together with not to exceed [\$65,000,000] \$67,016,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund. (Department of Labor Appropriations Act, 2016)

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2015 Enacted		FY 2016 Enacted		FY 2017 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	2,234	\$527,212	2,195	\$544,000	2,214	\$573,927
<i>Subtotal Appropriation</i>	<i>2,234</i>	<i>\$527,212</i>	<i>2,195</i>	<i>\$544,000</i>	<i>2,214</i>	<i>\$573,927</i>
Offsetting Collections From:						
Reimbursements	108	\$24,213	143	\$32,773	143	\$33,180
Trust Funds	0	\$65,000	0	\$65,000	0	\$67,016
<i>Subtotal Offsetting Collections</i>	<i>108</i>	<i>\$89,213</i>	<i>143</i>	<i>\$97,773</i>	<i>143</i>	<i>\$100,196</i>
B. Gross Budget Authority	2,342	\$616,425	2,338	\$641,773	2,357	\$674,123
Offsetting Collections To:						
Reimbursements	-108	-\$24,213	-143	-\$32,773	-143	-\$33,180
<i>Subtotal</i>	<i>-108</i>	<i>-\$24,213</i>	<i>-143</i>	<i>-\$32,773</i>	<i>-143</i>	<i>-\$33,180</i>
C. Budget Authority Before Committee	2,234	\$592,212	2,195	\$609,000	2,214	\$640,943
Offsetting Collections From:						
Reimbursements	108	\$24,213	143	\$32,773	143	\$33,180
<i>Subtotal</i>	<i>108</i>	<i>\$24,213</i>	<i>143</i>	<i>\$32,773</i>	<i>143</i>	<i>\$33,180</i>
D. Total Budgetary Resources	2,342	\$616,425	2,338	\$641,773	2,357	\$674,123
Unobligated Balance Expiring:						
Budget Authority Before Committee	-68	-\$807	0	\$0	0	\$0
Reimbursements	-7	-\$2,125	0	\$0	0	\$0
E. Total, Estimated Obligations	2,267	\$613,493	2,338	\$641,773	2,357	\$674,123

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 Request	Net Change
Budget Authority			
General Funds	\$544,000	\$573,927	+\$29,927
Trust Funds	\$65,000	\$67,016	+\$2,016
Total	\$609,000	\$640,943	+\$31,943

Full-Time Equivalents

General Funds	2,195	2,214	+19
Trust Funds	0	0	0
Total	2,195	2,214	+19

Explanation of Change	FY 2016 Base		FY 2017 Change					
	FTE	Amount	Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	2,195	\$203,693	0	\$0	0	\$2,859	0	\$2,859
Personnel benefits	2,195	\$64,933	0	\$0	0	\$2,279	0	\$2,279
Federal Employees' Compensation Act (FECA)	0	\$212	0	\$0	0	\$12	0	\$12
Benefits for former personnel	0	\$56	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$6,400	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$10	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$33,178	0	\$0	0	\$1,509	0	\$1,509
Rental payments to others	0	\$134	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$5,345	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$1,209	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$33	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$16,895	0	\$0	0	\$347	0	\$347
Working Capital Fund	0	\$28,269	0	\$0	0	\$1,942	0	\$1,942
Other Federal sources (DHS Services)	0	\$5,153	0	\$0	0	\$142	0	\$142
Other Federal sources (Census Bureau)	0	\$89,290	0	\$0	0	\$1,040	0	\$1,040
Other goods and services from Federal sources	0	\$2,102	0	\$0	0	\$0	0	\$0
Research and development contracts	0	\$500	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$71,363	0	\$0	0	\$1,599	0	\$1,599

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Explanation of Change	FY 2016 Base		FY 2017 Change					
	FTE	Amount	Trust Funds		General Funds		Total	
			FTE	Amount	FTE	Amount	FTE	Amount
Supplies and materials	0	\$1,236	0	\$0	0	\$0	0	\$0
Equipment	0	\$7,045	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$71,944	0	\$2,016	0	\$152	0	\$2,168
Built-Ins Subtotal	2,195	+\$609,000	0	+\$2,016	0	+\$11,881	0	+\$13,897
B. Programs:								
To restore funds for staff and other inflationary costs that were not provided under the Consolidated Appropriations Act level in FY 2015 and FY 2016	2,195	\$609,000	0	\$0	7	\$13,160	7	\$13,160
Annual Current Population Survey Supplement	41	\$62,293	0	\$0	3	\$1,577	3	\$1,577
Survey of Employer-Provided Training	0	\$0	0	\$0	0	\$3,000	0	\$3,000
Support a Supplemental Poverty Measure	63	\$41,990	0	\$0	9	\$2,500	9	\$2,500
Programs Subtotal	2,195	+\$609,000	0	+\$0	19	+\$20,237	19	+\$20,237
Total Increase	2,195	+\$609,000	0	+\$2,016	19	+\$32,118	19	+\$34,134
Decreases:								
A. Built-Ins:								
To Provide For:								
Two less days of pay	2,195	\$266,102	0	\$0	0	-\$2,191	0	-\$2,191
Built-Ins Subtotal	2,195	\$266,102	0	\$0	0	-\$2,191	0	-\$2,191
Total Decrease	2,195	\$266,102	0	\$0	0	-\$2,191	0	-\$2,191
Total Change	2,195	+\$609,000	0	+\$2,016	19	+\$29,927	19	+\$31,943

BUREAU OF LABOR STATISTICS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2015 Enacted		FY 2016 Enacted		FY 2017 Request		Diff. FY 17 Request / FY 16 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Labor Force Statistics	510	\$259,177	522	\$262,892	532	\$286,274	10	\$23,382
General Funds	510	194,177	522	197,892	532	219,258	10	21,366
Unemployment Trust Funds	0	65,000	0	65,000	0	67,016	0	2,016
Prices and Cost of Living	1,045	\$206,012	1,074	\$213,548	1,083	\$219,672	9	\$6,124
General Funds	1,045	206,012	1,074	213,548	1,083	219,672	9	6,124
Compensation and Working Conditions	362	\$81,935	349	\$85,793	349	\$87,517	0	\$1,724
General Funds	362	81,935	349	85,793	349	87,517	0	1,724
Productivity and Technology	53	\$10,477	52	\$10,795	52	\$10,993	0	\$198
General Funds	53	10,477	52	10,795	52	10,993	0	198
Executive Direction and Staff Services	196	\$34,611	198	\$35,972	198	\$36,487	0	\$515
General Funds	196	34,611	198	35,972	198	36,487	0	515
Total	2,166	\$592,212	2,195	\$609,000	2,214	\$640,943	19	\$31,943
General Funds	2,166	527,212	2,195	544,000	2,214	573,927	19	29,927
Unemployment Trust Funds	0	65,000	0	65,000	0	67,016	0	2,016

NOTE: 2015 reflects actual FTE.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
	Full-Time Equivalent				
	Full-time Permanent	1,944	1,913	1,932	19
	Other	290	282	282	0
	Reimbursable	108	143	143	0
	Total	2,342	2,338	2,357	19
	Average ES Salary	\$170,000	\$172,000	\$174,000	\$2,000
	Average GM/GS Grade	11.1	11.1	11.1	0
	Average GM/GS Salary	\$87,000	\$88,000	\$89,000	\$1,000
11.1	Full-time permanent	\$188,328	\$188,074	\$191,255	\$3,181
11.3	Other than full-time permanent	13,069	13,095	13,166	71
11.5	Other personnel compensation	2,405	2,524	2,567	43
11.9	Total personnel compensation	203,802	203,693	206,988	3,295
12.1	Civilian personnel benefits	64,397	65,145	67,528	2,383
13.0	Benefits for former personnel	56	56	56	0
21.0	Travel and transportation of persons	6,136	6,400	6,454	54
22.0	Transportation of things	10	10	10	0
23.1	Rental payments to GSA	33,763	33,178	34,856	1,678
23.2	Rental payments to others	109	134	134	0
23.3	Communications, utilities, and miscellaneous charges	5,790	5,345	5,353	8
24.0	Printing and reproduction	1,788	1,209	1,209	0
25.1	Advisory and assistance services	33	33	33	0
25.2	Other services from non-Federal sources	15,462	16,895	20,468	3,573
25.3	Other goods and services from Federal sources 1/	125,435	124,814	129,188	4,374
25.5	Research and development contracts	9,380	500	12,447	11,947
25.7	Operation and maintenance of equipment	48,381	71,363	73,751	2,388
26.0	Supplies and materials	1,295	1,236	1,250	14
31.0	Equipment	4,566	7,045	7,106	61
41.0	Grants, subsidies, and contributions	71,809	71,944	74,112	2,168
	Total	\$592,212	\$609,000	\$640,943	\$31,943
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$28,262	\$28,269	\$30,211	\$1,942
	DHS Services	5,303	5,153	5,317	164
	Census Bureau	88,804	89,290	91,421	2,131

BUREAU OF LABOR STATISTICS

SIGNIFICANT ITEMS IN FY 2016 APPROPRIATIONS COMMITTEES' REPORTS

Labor Force Statistics

House: The Bureau of Labor Statistics shall submit a report to Congress within one year of enactment of this Act on the Bureau's efforts to account for and report on all forms of employment in the current economy, including those working in small businesses, part-time or temporary workers, those with fluctuating schedules, and the self-employed.

Response: The BLS will complete and submit a report to Congress as requested.

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
2007	\$563,288	1/	\$565,288		\$563,288		\$548,123		2,408
2008	574,443		576,118		560,000		544,251	2/	2,283
2009	592,806	3/	596,058	3/ 4/	598,306	3/	597,182	3/	2,376
2010	611,623		611,623		611,271	5/	611,447	6/	2,393
2011	645,351		611,447	7/	632,488	8/	610,224	9/	2,338
2012	647,030		620,224	10/	611,224		609,071	11/	2,313
2013	618,207						577,213	12/	2,239
2014	613,794						592,212		2,232
2015	610,082						592,212		2,234
2016	632,737		609,000	13/	579,194	13/	609,000		2,195
2017	640,943								2,214

- 1/ Includes a comparative transfer to the Working Capital Fund for centralized services of \$1,230 and -0- FTE.
- 2/ Reflects a rescission of \$9,677 pursuant to P.L. 110-161.
- 3/ Includes a comparative transfer from ODEP to BLS of \$550 and -0- FTE.
- 4/ This bill was reported out of Subcommittee and was not passed by the Full House.
- 5/ This bill was reported out of Subcommittee and was not passed by the Full Senate.
- 6/ Does not reflect a transfer from the BLS to EBSA of \$2,700 and -0- FTE.
- 7/ Reflects a full-year continuing resolution funding level passed by the Full House.
- 8/ This bill was reported out of the Committee but was not passed by the Full Senate.
- 9/ Reflects a rescission of \$1,223 pursuant to P.L. 112-10.
- 10/ This bill was reported only as a draft out of the Subcommittee and was not passed by the Full House.
- 11/ Reflects a rescission of \$1,153 pursuant to P.L. 112-74.
- 12/ 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.
- 13/ The House and Senate Allowance levels were reported out of the respective Committees, but were not passed by the Full House or Senate.

BUREAU OF LABOR STATISTICS

OVERVIEW

Introduction

The Bureau of Labor Statistics (BLS) of the Department of Labor (DOL) is the principal federal statistical agency responsible for measuring labor market activity, working conditions, and price changes in the economy. Its mission is to collect, analyze, and disseminate essential economic information to support the public and private decision-making that forms the basis of our democratic, free-enterprise system. Like all federal statistical agencies, the BLS executes its statistical mission with independence, serving its users by providing products and services that are accurate, objective, relevant, timely, and accessible. Policies and decisions based on BLS data affect virtually all Americans, and the wide range of BLS data products is necessary to fulfill the diverse needs of a broad customer base. For FY 2017, the BLS requests \$640,943,000 which is \$31,943,000 above the FY 2016 Enacted level, and 2,223 FTE.

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

Several BLS series are used in the administration of federal programs. For example, the Internal Revenue Service (IRS) ties changes in federal income tax brackets and personal exemption amounts to annual changes in the Consumer Price Index (CPI). The IRS also uses CPI data to adjust income eligibility thresholds for the Earned Income Tax Credit (EITC). In 2015, more than 27 million taxpayers received more than \$66 billion in EITC payments. Select CPIs and Employment Cost Indexes (ECI) also are used in updates to the Medicare Prospective Payment System, and Consumer Expenditure (CE) data are used to adjust the U.S. cost of living allowances in U.S. military locations. Changes in BLS data have direct effects on overall federal budget expenditures, including federal allocations to state and local jurisdictions. In 2014, states and local jurisdictions used Local Area Unemployment Statistics data to allocate about \$85 billion in federal funds from assistance programs in such areas as employment, training, public works, and welfare assistance. Also in 2013, programs, such as the state Children’s Health Insurance Program, used Quarterly Census of Employment and Wages (QCEW) data to allocate approximately \$308 billion in federal funds.

The Social Security Administration escalates benefits annually based upon changes in the Consumer Price Index. In 2015, over 59 million Americans received \$870 billion in Social Security benefits.

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

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

- Continue to produce objective data and analyses that are timely, accurate, and relevant;
- Improve the timeliness, accuracy, and relevance of its products and processes, and develop new products that reflect economic changes and meet the needs of its broad customer base;
- Inform current and potential customers about the availability and uses of its information products; reach out to current and potential customers to understand their needs for economic information; and ensure that the content, presentation, and delivery of BLS information products match its customers' needs;
- Improve its 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 tenets of the President's Management Agenda. For example, the BLS contributes to the tenets of efficiency and effectiveness by analyzing its business processes and making ongoing improvements to its data products. The BLS contributes to another tenet, increasing economic growth, by providing accurate, objective, relevant, and timely data to decision-makers.

The BLS meets its responsibilities through five budget activities:

(1) **Labor Force Statistics** – The Budget request of \$286,274,000, which is \$23,382,000 above the FY 2016 Enacted level, and 541 FTE, will provide funds to support the production, analysis, and publication of data on payroll employment and the civilian labor force, employment and unemployment, persons not in the labor force, labor demand and turnover, wages, hours, earnings, occupational employment, time use, and employment projections. The Budget includes \$13,160,000 for the restoration of funds for staff and other inflationary costs that were not provided in the FY 2015 and FY 2016 Enacted levels.

The Budget also includes \$1,577,000 and 3 FTE to add one annual supplement to the Current Population Survey. The BLS will capture data on contingent work and alternative work arrangements biennially through the Contingent Work Supplement, with data on other topics collected in the intervening years, beginning with the Work Schedules Supplement.

Additionally, the Budget also includes \$3,000,000 for the first year of activities for a survey of employer-provided training. This survey would fill a key gap in knowledge about the workforce

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system by measuring the extent to which employers provide or sponsor job skills training for their workers.

(2) **Prices and Cost of Living** – The Budget request of \$219,672,000, which is \$6,124,000 above the FY 2016 Enacted level, and 1,083 FTE, will provide funds to support the production, analysis, and publication of a wide variety of information on price changes in the U.S. economy, specifically the CPI, the Producer Price Index (PPI), the U.S. Import and Export Price Indexes from the International Price Program (IPP), and data from the CE Survey.

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

(3) **Compensation and Working Conditions** – The Budget request of \$87,517,000, which is \$1,724,000 above the FY 2016 Enacted level, and 349 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 Budget request of \$10,993,000, which is \$198,000 above the FY 2016 Enacted level, and 52 FTE, will provide funds to support the production, analysis, and publication of data on productivity trends in the U.S. economy, as well as in major sectors and individual industries; and the examination of the factors underlying productivity growth.

(5) **Executive Direction and Staffing Services** – The Budget request of \$36,487,000, which is \$515,000 above the FY 2016 Enacted level, and 198 FTE, will provide funds to support agency-wide policy and management direction, and centralized program support activities, such as data dissemination, field operations, the Internet Data Collection Facility, and statistical methods research.

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

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The American labor market is adapting to an economic environment shaped by demographic shifts, technological advances, and major legislative changes. The BLS remains focused on providing data that accurately reflect the changing labor market and also respond to data users' needs. In FY 2015, the Current Population Survey (CPS) added three questions on certification/licensure and removed three infrequently-used educational attainment questions to limit the increase in respondent burden. The Occupational Employment Statistics (OES) program continued to coordinate activities associated with revising the Standard Occupational Classification system that is expected to culminate in a 2018 version. The CE Survey implemented a new interview survey design, which reduced 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.

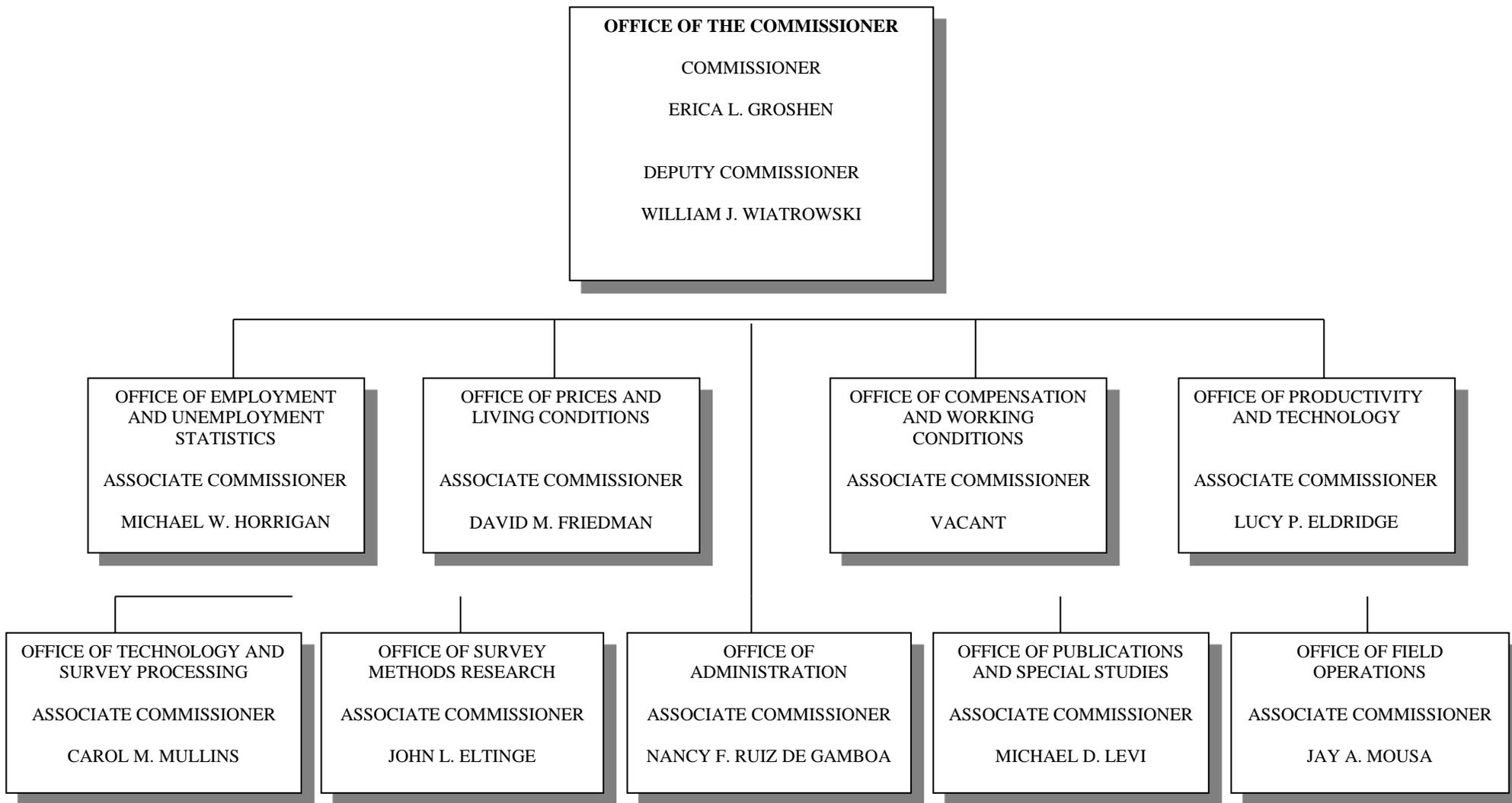
The BLS is committed to innovative improvement of its data products. For example, in FY 2015, the Prices and Cost of Living budget activity introduced experimental disease-based price indexes to provide alternative estimates of inflation for medical output and consumption. These indexes use price data from both the PPI and CPI programs along with quantities from the Department of Health and Human Services' Medical Expenditure Panel Survey, and will give data users additional ongoing information about the evolution of the nation's healthcare system. Toward the end of FY 2015, with funding from the Social Security Administration, the National Compensation Survey (NCS) completed a nationwide pre-production survey of occupational information on the physical demands, environmental conditions, specific vocational preparation, and cognitive demands of occupations and posted the report on the BLS website; NCS also began full-scale collection of the survey for a variety of occupations. Also in FY 2015, the Survey of Occupational Injuries and Illnesses (SOII) program continued to research causes of the undercount of injuries and illnesses and explore possible mitigating solutions. Specifically, in FY 2015, the SOII researched the feasibility of collecting updated logs to assess changes employers make to their injury and illness records after SOII data are collected. The SOII also evaluated the results of testing completed in FY 2014, including employer interviews and additional matching of SOII data to workers' compensation records to analyze any undercount trends over time. In FY 2016 and FY 2017, the SOII will continue to evaluate the results of undercount research, and continue additional research to explore collecting injury and illness data directly from workers.

Evaluation Funding Flexibility Pilot: High-quality evaluations and statistical surveys are essential to building evidence about what works. They are also inherently complicated, dynamic activities; often they span many years, and there is uncertainty about the timing and amount of work required to complete specific activities--such as the time and work needed to recruit study participants. In some cases the study design may need to be altered part-way through the project to better respond to the facts on the ground. The currently available procurement vehicles lack the flexibility needed to match the dynamic nature of these projects. Additionally, some studies provide high quality information in which many federal agencies are interested, and it is frequently desirable to cosponsor these activities in order to efficiently extend the utility of the data collected. Changes in timing and content can make cosponsorship difficult, since funds are often time-limited.

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

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ORGANIZATION CHART



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BLS CROSS-CUTTING MEASURES					
		FY 2015 Enacted		FY 2016 Enacted	FY 2017 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%	100%
BLS 5.1 CCM.02.A	Percentage of accuracy targets achieved for the PFEIs 1/ 3/	100%	100%	100%	100%
BLS 5.1 CCM.03.R	Percentage of relevance targets achieved for the PFEIs 1/ 4/	100%	100%	100%	100%
BLS 5.1 CCM.04	Average number of BLS website page views each month (<i>Dissemination</i>) 5/	17,400,000	16,965,254	17,000,000	17,100,000
BLS 5.1 CCM.05	Customer satisfaction with the BLS website through the American Customer Satisfaction Index (<i>Mission Achievement</i>) 6/	77	75	75	76

- 1/ 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.
- 5/ The BLS missed its FY 2015 target due to lower than expected page views in fourth quarter.
- 6/ The FY 2015 result reflects slightly lower scores, including the heaviest-weighted areas of functionality and search, when compared to FY 2014

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
Activity Appropriation	\$259,177	\$262,892	\$286,274	\$23,382
FTE	510	522	532	10

NOTE: FY 2015 reflects actual FTE. Authorized FTE for 2015 was 529.

Introduction

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

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

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

Current Population Survey

The Current Population Survey (CPS), a monthly household survey, provides a comprehensive body of information on the employment and unemployment experience of the nation’s

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population, classified by age, sex, race, Hispanic origin, and a variety of other characteristics. The CPS also provides key inputs into the Local Area Unemployment Statistics (LAUS) models for estimating employment and unemployment for states and selected local areas. Labor force statistics from the CPS, together with data from the Current Employment Statistics (CES) program, are among the earliest economic indicators available each month and represent the nation's most comprehensive measures of national employment and unemployment. The CPS is a primary source of data on employment status, characteristics of the labor force, and emerging trends and changes in the employment and unemployment status among various groups of workers. These BLS data serve as aids in: monitoring the performance of the job market, developing more complete data for labor force planning, determining the factors affecting changes in the labor force participation of different population groups, and evaluating earnings trends for specific demographic groups.

The BLS data available from this program include:

- Employment status of the working-age population by age, sex, race, Hispanic origin, marital status, family relationship, educational attainment, disability status, veteran status, and nativity (i.e., foreign born or native born);
 - Employed persons by occupation, industry, class of worker, hours of work, full- and part-time status, and reason for working part time (i.e., economic or noneconomic);
 - Unemployed persons by occupation, industry, and class of worker; duration of unemployment; reasons for unemployment; and methods used to find employment;
 - Characteristics and job-seeking intentions of persons not in the labor force, including information on discouraged workers and others of significant public policy interest;
 - Special topics on particular sub-groups of the population, such as women maintaining families, working women with children, or on particular topics, such as work experience and status of high school graduates and dropouts; and
 - Information on weekly and hourly earnings by demographic group, full- and part-time employment status, occupation, and industry.
- In FY 2017, the BLS and the Census Bureau will continue to jointly sponsor and oversee the monthly sample survey, with BLS supporting a sample of about 60,000 households. Households are contacted through in-person and telephone interviews. Data generally relate to the calendar week that includes the 12th day of the month. Also, in FY 2017, the BLS is requesting \$1,577,000 to add an annual supplement to the survey. The BLS will capture data on contingent work and alternative work arrangements biennially, with data on other topics collected in the intervening years. Additional information is provided on page BLS-28.

LABOR MARKET INFORMATION COOPERATIVE STATISTICAL PROGRAM

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

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

Current Employment Statistics

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

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

- In FY 2017, each month, the BLS will survey about 143,000 businesses and government agencies (composed of approximately 588,000 individual worksites) nationwide. The sample is stratified by state, industry, and the employment size of the business. Respondents provide data for the payroll period that includes the 12th day of the month.

Quarterly Census of Employment and Wages

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

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

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

In addition, the BLS uses data from this program as the annual employment benchmark by industry in the CES, OES, OSHS, and JOLTS programs. Total wages and salaries from the QCEW program compose about 48 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 \$308 billion in FY 2013 in federal funds under such programs as the State Children's Health Insurance Program. Economic research, regional analysis, marketing studies by private industry, industry analysis, and plant location studies are further uses of data from this program. The rich industry and geographic detail—all 6-digit NAICS industries by county—makes these among the most prized data for state and local implementation of the statutory requirements. QCEW also shares data with the BEA, Census Bureau, Employment and Training Administration, National Oceanic and Atmospheric Administration, and other agencies to assist with their ongoing production and special studies. For example, each quarter, QCEW provides hundreds of thousands of industry codes to the Census Bureau for mostly new and small businesses, which improves data quality and decreases respondent burden and costs for the Census Bureau. QCEW data also are the basis for the BLS Business Employment Dynamics series. These series cover gross job gains and losses, data on establishment age and survival, and firm size. In addition, the series include data on establishment births, openings and expansions; and deaths, closings and contractions, by major industry and state. QCEW data also 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 addition, there is wide array of uses at the state level. For example, decision-makers use QCEW data as an input into the state and local occupational employment projects, for revenue projections, and by workforce information boards for job training. QCEW data also assist local economic developers in identifying occupational needs for attracting businesses. States also rely on QCEW data to conduct longitudinal analysis of firms, cluster analysis (e.g., biotech, science, technology, engineering, and mathematics (STEM) jobs, healthcare, tourism, and high and low wage industries), and high growth business analyses; plan for local services and local transportation; determine wage rates; and define UI extended benefit triggers.

- In FY 2017, the SWAs, in cooperation with the BLS, will collect employment and wage data from an estimated 9.9 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 138,000 multi-unit firms (representing 1.7 million worksites and about 41 percent of the employment) report their

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employment and wages for each establishment, which improves the geographic and industrial accuracy of these key data. Second, in the ARS, the SWAs will contact approximately one-third of all establishments in the private sector with three or more employees, about 1,200,000 establishments, to maintain the accuracy of their industry coding under the NAICS and to update geographical information, such as addresses, which are integral to its use as a sample frame for other BLS business surveys. While the majority of establishments are contacted 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. 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 employment and wages by industry, occupation, and geographic area; foreign labor certification; projecting occupational demand for the nation and states; vocational planning; estimating social security receipts, and as an input to calculating reimbursement rates for Medicare and Medicaid providers; identifying STEM related employment and wages for the National Science Foundation; calculating occupational injury rates; as an input to the President's Pay Agent report; and industry skill and technology studies.

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

- In FY 2017, 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

The LAUS program provides timely information on 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 and are a major source of information for labor market research, analysis, and planning. In addition to economic analysis, another important use of LAUS data is in the allocation of federal funds (nearly \$85 billion in FY 2014)

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to states and local jurisdictions under 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 metropolitan areas, and the five respective balance-of-state areas. The LAUS program also seasonally adjusts the resultant model-based estimates for these areas. Estimates for counties in non-New England states and cities and towns in New England are produced through a building-block approach that also utilizes data from several sources, including the CES, QCEW, CPS, and state UI programs, as well as the American Community Survey and Population Estimates Program of the Census Bureau, and are adjusted to statewide measures of employment and unemployment. The remainder of the sub-state area estimates are produced using a disaggregation technique.

Each month, the SWAs, in cooperation with the BLS, develop the labor force, employment, and unemployment estimates. The LAUS program runs the state model-based estimates. Also, the LAUS program is responsible for the concepts, definitions, and technical procedures that states use in the preparation of sub-state labor force and unemployment estimates. Both the SWAs and the BLS analyze and publish the LAUS state and sub-state estimates each month.

- In FY 2017, the BLS will generate monthly estimates of employment and unemployment for approximately 7,500 geographic areas, including all states, 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 seasonally-adjusted estimates for non-modeled 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;

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- 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.

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 to later-life outcomes. In 2012, the NLSY97 survey began operating on a biennial interview cycle.

- In FY 2017, the NLS program will release data from round 17 and begin collection of round 18 of the NLSY97. The NLS program also will release data from round 26 and complete data collection of round 27 of the NLSY79.

Job Openings and Labor Turnover Survey

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

- In FY 2017, 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

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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 GDP developed by some countries that include measures of the value of non-market work. Depending on sponsor availability, modules periodically are added to the survey. Additional uses of ATUS data include supplying information to other BLS programs, including the EP program; federal agencies and forums, such as the BEA, and the Federal Interagency Forums on Aging-Related and Child and Family Statistics; and international organizations, such as the Organization for Economic Cooperation and Development.

- In FY 2017, each month, the BLS and the Census Bureau will survey about 1,000 individuals, ages 15 and older, drawn from households that recently have completed the monthly CPS.

Employment Projections

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

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

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

Finally, a national industry-occupation employment matrix and the industry projections are used to project employment by occupation. EP staff analyze the occupational structure of detailed industries and evaluate the expected impact of changes in demographics, technology, product

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mix, business practices, and other factors on the demand for specific occupations. The matrix quantifies in detail the distribution of occupational employment by industry for both the current and projected years. The 2014-24 matrix, which was released in December 2015, covered projections for 819 detailed occupations in 329 detailed industries. In addition to the projections of job openings resulting from job growth, the EP program also estimates job openings needed to replace workers who leave occupations.

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

- In FY 2017, the EP program will continue work on the 2016-26 economic and employment projections and the 2018-19 edition of the *OOH*. Release for the projections and the *OOH* is targeted for early FY 2018. The EP program also will produce 35 web postings for *Career Outlook*.

Survey of Employer-Provided Training

As part of the FY 2017 budget, the BLS is requesting \$3.0 million for the first year activities relating to a new survey of employer-provided training. Additional information is provided beginning on page BLS-30.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$276,543	534
2013	\$262,938	521
2014	\$265,383	527
2015	\$259,177	529
2016	\$262,892	522

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

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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 2017

In FY 2017, the BLS is requesting \$286,274,000 for this activity, which is an increase of \$23,382,000 over the FY 2016 Enacted level. This includes \$4,577,000 in program increases broken out and described below, as well as funds to avoid programmatic reductions or eliminations: \$5,645,000 for built-ins and \$13,160,000 to restore funds for staff and other inflationary costs that were not provided in the FY 2015 and FY 2016 Enacted levels. With the requested funding, in FY 2017, 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 2017, the BLS is requesting \$1,577,000 to add an annual supplement to the CPS. While current collection allows the BLS to produce high quality estimates with high response rates, the BLS cannot provide information on particular important subgroups, such as contingent workers, without support for supplements. In addition, supplements allow BLS to regularly take stock of rapidly emerging trends and broader changes in the economy such as the sharing economy, the rise of new methods of organizing work, and the impact of digital technologies on the workforce at a faster pace than would be possible through other survey instruments.

To fill this data gap, the BLS will conduct one CPS supplement annually. In FY 2017, with the requested funds, the BLS will work with the Census Bureau to update specifications for the Work Schedules Supplement (WSS) and will work with stakeholders to identify a docket of new topics for future years' supplements. The BLS also will field the Contingent Worker Supplement (CWS). The CWS allows data users to explore many important questions, like the types of workers who are most likely to be contingent workers – that is, to be employed temporarily – and how the prevalence of contingent workers in different industries has changed over time. The BLS will capture data on contingent work and alternative work arrangements biennially through the CWS, with data on other topics collected in the intervening years, beginning with the WSS. The BLS will publish results from each supplement several months after the Census Bureau collects the data.

Conducting new CPS supplements on a regular basis greatly enhances the value of the data by providing insights into trends and the impact of the business cycle. For example, the WSS will provide additional information on workplace flexibility and work-family balance by capturing data on the availability of flexible work schedules, shift work and work at home, to allow analysts to study different working arrangements by occupation, age, gender, and race. These work schedule data also will help analysts study the possible impact of flexible work

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arrangements on earnings. Moreover, the BLS will have resources to develop new supplements on emerging topics such as entrepreneurship. This information will allow data users and decision-makers to develop a more fundamental understanding of developments in the labor market.

In FY 2017, the CES program will continue to evaluate potential methodological improvements in areas such as benchmarking, and potential new data products such as industry employment by size and age of firm.

The OES program plans to modernize data collection efforts with more electronic collection and processing and continue work on the 2018 Standard Occupation Classification (SOC) system.

In FY 2017, LAUS will continue to work with state partners to review the estimates produced with the fourth generation time-series models and the redesigned sub-state methodology. LAUS will continue to research additional methodological enhancements to improve estimation.

In FY 2017, the NLS program will release data from round 17 and begin collection of round 18 of the NLSY97. The NLS program also will release data from round 26 and complete data collection of round 27 of the NLSY79.

In FY 2017, the JOLTS program will publish official firm size class estimates pending release of experimental data in 2016.

In FY 2017, contingent on funding from the Economic Research Service of the U.S. Department of Agriculture (USDA), the ATUS program will complete the collection and processing of 2016 Eating and Health (EH) Module data and release 2015 EH Module data files. Contingent on funding from the Women's Bureau of the Department of Labor, the ATUS program will begin collecting and processing a 2017 module on Workers' Access to and Use of Leave. The ATUS program also will publish a news release on eldercare.

In FY 2017, the EP program will continue work on the 2016-26 economic and employment projections and the 2018-19 edition of the *OOH*. Release for the projections and the *OOH* is targeted for early FY 2018. The EP program also will produce 35 web postings for Career Outlook.

In FY 2017, the BLS is requesting \$3,000,000 for the first year activities relating to a new survey of employer-provided training. It has been more than twenty years since the last comprehensive survey of this nature. With funding from the Employment and Training Administration, the BLS carried out both the 1993 and 1995 Surveys of Employer-Provided Training (SEPT). The 1993 survey provided a comprehensive base of information on the nature and existence of formal training provide or financed by employers. The 1995 survey provided information on the amount of formal and informal training provided by employers, as well as the amount employer spent on selected training expenditures.

This survey would fill a key gap in knowledge about the workforce system by measuring the extent to which employers provide or sponsor job skills training for their workers. The decision

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to provide formal job skills training, and how much training to provide, can be viewed in the larger context of hiring practices of employers, such as requiring specific credentials of new employees and hiring skills workers through the use of contract employees, temporary help workers, season workers, and self-employer workers. In addition, there is interest in learning how much firms are relying on informal training mechanisms for skill acquisition. These decisions may vary over the business cycle or across occupations and industry, and depend on the extent to which employers are facing difficulties in finding workers with the right skills.

To address this need, the BLS proposes to begin work to develop and implement an approach to measuring the existence and the intensity of formal job skills training that is provided by establishments. Also, the BLS would begin research on how to develop estimates of the nature and extent of informal job skills training that is taking place. These initial efforts include cognitive interviews to determine the kinds of records that firms maintain on the training they provide or sponsor. In addition, the BLS will begin survey design activities that, if successful, will result in a pilot design to determine the best mode of data collection for this type of survey. Lastly, the BLS will continue stakeholder outreach discussions to discern and clarify the topics and questions of greatest interest to users of the 1993 and 1995 surveys, as well as to potential users of a new survey. In addition, as appropriate, these discussions will explore possibilities for the ongoing financial support necessary to field a new survey.

FY 2016

In FY 2016, the BLS will continue the production of core data series and will undertake the following new work in the areas of Labor Force Statistics:

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

In FY 2016, the CES program will continue to evaluate potential methodological improvements in areas such as benchmarking and non-response analysis, and will publish a final report on net birth/death model adjustments. BLS also will seek input from external stakeholders regarding the methodology and usability of firm size class estimates.

In FY 2016, the QCEW program will continue to match large establishments of multi-unit businesses with industry codes that are different on the BLS and Census Bureau business register. For these businesses, BLS will seek to identify the correct industry code, with each agency changing codes as warranted. The result will be improved consistency of BLS and Census products and improved measures at the BEA. QCEW also will prepare for the implementation of the NAICS 2017 revisions. The Business Employment Dynamics program, which uses longitudinally linked QCEW data, will publish new series for the U.S. and states on job creation and destruction by age and size of firm.

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

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In FY 2016, LAUS will work with state partners to review the estimates produced with the fourth generation time-series models and the redesigned sub-state methodology. The program will develop analytical articles and materials as needed. LAUS also will complete implementation of the encryption of the Program to Measure Insured Unemployment Statistics (PROMIS) database in all states.

In FY 2016, the NLS program will complete data collection for round 26 and begin collection of round 27 of the NLSY79. The NLS program also will carry out data collection for round 17 of the NLSY97.

In FY 2016, the JOLTS program will release experimental firm size class estimates.

In FY 2016, with funding from the Economic Research Service of the USDA, the ATUS program will release the 2014 EH Module data files, complete fielding and process the 2015 EH Module data, and begin fielding a 2016 EH Module. Contingent on funding from the Women's Bureau of the Department of Labor, the ATUS program will develop a module of questions on Workers' Access to and Use of Leave to add to the 2017 ATUS.

In FY 2016, the EP program will release the 2014-24 economic and employment projections and the 2016-17 edition of the *OOH*. The new *OOH* will include employment and wage data by state and will have wage data that is updated to match the latest release from OES. EP will begin work on the 2016-2026 projections and the 2018-19 edition of the *OOH*.

FY 2015

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

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

In FY 2015, the CES program developed experimental size class estimates, and sought input from internal BLS researchers regarding the methodology.

In FY 2015, the QCEW program continued 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 sought to identify the correct industry code. The result was improved consistency of BLS and Census products and improved measures at the BEA. The QCEW program also developed plans to implement changes coming as a part of the NAICS 2017 structure.

The OES program continued to coordinate activities for revising the SOC, which is expected to culminate in a 2018 version of the SOC. The OES program began collecting data on the new metropolitan and balance-of-state areas.

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

In FY 2015, the NLS program released data from round 16 of the NLSY97. The NLS program also released data for round 25 and started data collection for round 26 of the NLSY79.

In FY 2015, the JOLTS program conducted research towards experimental firm size class estimates.

In FY 2015, the ATUS program completed fielding of the 2014 Eating and Health (EH) Module. The program began fielding and processing 2015 EH Module data. The ATUS program also produced a news release on eldercare.

In FY 2015, the EP program continued work on the 2014-24 economic and employment projections and the 2016-17 edition of the *OOH*. The EP program also completed revisions to the design of the *OOH* to incorporate employment and wage data by state in the *OOH* and updated wage data as released by OES.

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DETAILED WORKLOAD AND PERFORMANCE					
		FY 2015 Enacted		FY 2016 Enacted	FY 2017 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/	14,500	14,538	14,500	14,500
BLS 5.1 CPS.02.P	Other series published annually, quarterly, or irregularly 3/ 4/	17,060	17,220	17,200	17,200
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/	27,300	27,367	26,900	26,900
BLS 5.1 CES.02.P	State and local area monthly and annual series maintained 6/	22,700	23,478	23,400	23,400
BLS 5.1 CES.03.T	Percentage of national monthly releases on schedule (24 out of 24) 2/	100%	100%	100%	100%
BLS 5.1 CES.04.T	Percentage of state and local area monthly releases on schedule (24 out of 24) 7/	100%	100%	100%	100%
BLS 5.1 CES.05.A	Mean absolute benchmark revision of total nonfarm employment (averaged across five years)	<0.4%	0.2%	<0.4%	<0.4%
BLS 5.1 CES.06.A	No more than 2 not seasonally adjusted 1st - 3rd closing revisions of total nonfarm employment are > 0.1%	≤2	0	≤2	≤2
Other Programs					
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

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		FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request
		Target	Result	Target	Target
BLS 5.1 QCEW.02.W	Establishment records (current and longitudinal) maintained by the Longitudinal Data Base System 8/	9,550,000	9,531,295	9,700,000	9,884,000
BLS 5.1 QCEW.03.P	Business Employment Dynamics (BED) series maintained on job creation and destruction levels and rates 9/	37,600	37,600	75,000	75,000
BLS 5.1 QCEW.04.P	Quarterly press releases on <i>County Employment and Wages</i> ; and <i>Business Employment Dynamics</i>	8	8	8	8
	Occupational Employment Statistics				
BLS 5.1 OES.01.P	National annual series published	135,000	137,000	135,000	135,000
	Local Area Unemployment Statistics				
BLS 5.1 LAUS.01.P	Number of employment and unemployment estimates for states and local areas published monthly and annually 10/	107,000	107,000	107,050	107,100
BLS 5.1 LAUS.02.T	Percentage of monthly and annual releases on schedule (25 out of 25) 11/	100%	100%	100%	100%
BLS 5.1 LAUS.03.A	Percentage of the month-to-month changes in seasonally adjusted unemployment rates that are < 0.5 percentage points	≥90%	99%	≥90%	≥90%
BLS 5.1 LAUS.04.A	Number of states with annual average unemployment rate revisions ≥ 0.4 percentage points	≤10	3	≤10	≤10
	National Longitudinal Surveys				
BLS 5.1 NLS.01.O	Number of journal articles published that examine NLS data 12/	135	159	137	139
	Job Openings and Labor Turnover Survey				
BLS 5.1 JOLTS.01.P	Monthly and annual estimates 13/	840	840	840	876
	American Time Use Survey				
BLS 5.1 ATUS.01.P	Annual estimates 14/	7,900	8,469	8,900	8,400
	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	206	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	Detailed occupations covered in the <i>Occupational Outlook Handbook</i> (2-year cycle)	n/a	n/a	576	n/a
BLS 5.1 EP.04.P	<i>Career Outlook</i> web postings 15/	35	36	35	35

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		FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request
		Target	Result	Target	Target
	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 2015, CPS exceeded its target by releasing additional estimates by detailed industry and occupation, weekly earnings, and hourly earnings.
- 4/ The FY 2017 CPS Supplement initiative will not increase the number of series produced until two years after receiving funding.
- 5/ The decreases in FY 2016 and FY 2017 are due to the continuing loss of series from sectors that no longer will meet confidentiality and reliability requirements.
- 6/ Beginning in FY 2016, the target increased primarily due to Metropolitan Statistical Areas (MSAs) being added as a result of the 2013 update to statistical area delineations. In addition, CES expects to add approximately 450 published series of 3-month averages.
- 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.
- 8/ This measure is dependent on economic conditions. Targets are based on current economic trends.
- 9/ The FY 2016 target reflects the release of new series that provide information on annual firm size and age measures for the nation and states by industry.
- 10/ The number of estimates increases each year as cities that newly exceed the LAUS population threshold of 25,000 are added.
- 11/ The LAUS program publishes two monthly news releases, *Regional and State Employment and Unemployment* and *Metropolitan Area Employment and Unemployment*, and one annual release, *Regional and State Unemployment*. Due to the schedule of the *Metropolitan Area Employment and Unemployment* release, the number of annual releases may fluctuate from the average of 25. For example, in FY 2012, there were 24 releases of state and local area data.
- 12/ The FY 2017 target reflects the expected number of published journal articles based on historical results.
- 13/ In FY 2017, JOLTS will release additional estimates pending the release of experimental firm size class estimates in FY 2016.
- 14/ The FY 2015 result and FY 2017 target reflects a news release on eldercare. Additionally, in even fiscal years, ATUS updates a number of tables with multiyear estimates that are published on the BLS website.
- 15/ Content is released online on a rolling basis throughout each quarter.

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. Labor Force Statistics programs produce, analyze, and publish data on payroll employment and the civilian labor force, employment and unemployment, persons not in the labor force, labor demand and turnover, wages, hours, earnings, occupational employment, time use, and employment projections. 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 2017, in support of its strategy to produce objective data and analyses that are accessible, timely, accurate, and relevant, the BLS will expand

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the data produced in the Labor Force Statistics programs through the publication of JOLTS official firm size class estimates. Also, the BLS will expand data through the development of new supplements to the CPS, as described on page BLS-28. The initiative will not affect the above measures until two years after receiving funding.

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.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
11.1	Full-time permanent	\$51,002	\$50,454	\$51,881	\$1,427
11.3	Other than full-time permanent	0	300	300	0
11.5	Other personnel compensation	599	607	623	16
11.9	Total personnel compensation	51,601	51,361	52,804	1,443
12.1	Civilian personnel benefits	16,449	16,800	17,602	802
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	1,177	1,141	1,147	6
22.0	Transportation of things	10	10	10	0
23.1	Rental payments to GSA	7,848	7,223	7,614	391
23.2	Rental payments to others	18	33	33	0
23.3	Communications, utilities, and miscellaneous charges	3,158	2,671	2,673	2
24.0	Printing and reproduction	1,374	815	815	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	8,440	8,674	12,083	3,409
25.3	Other goods and services from Federal sources 1/	65,902	65,756	67,685	1,929
25.5	Research and development contracts	9,380	500	12,447	11,947
25.7	Operation and maintenance of equipment	26,818	40,603	42,011	1,408
26.0	Supplies and materials	417	420	424	4
31.0	Equipment	1,585	1,885	1,910	25
41.0	Grants, subsidies, and contributions	65,000	65,000	67,016	2,016
	Total	\$259,177	\$262,892	\$286,274	\$23,382
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$7,631	\$6,203	\$6,650	\$447
	DHS Services	1,368	1,329	1,371	42
	Census Bureau	55,755	57,440	58,853	1,413

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CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$707
Personnel benefits	574
Two less days of pay	-544
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	352
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	257
Working Capital Fund	447
Other Federal sources (DHS Services)	37
Other Federal sources (Census Bureau)	663
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of equipment	1,136
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	2,016
Insurance claims and indemnities	0

Built-Ins Subtotal **\$5,645**

Net Program **\$17,737**

Direct FTE **10**

	Estimate	FTE
Base	\$268,537	522
Program Increase	\$17,737	10
Program Decrease	\$0	0

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
Activity Appropriation	\$206,012	\$213,548	\$219,672	\$6,124
FTE	1,045	1,074	1,083	9

NOTE: FY 2015 reflects actual FTE. Authorized FTE for 2015 was 1,088.

Introduction

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

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

Consumer Prices and Price Indexes

The CPI program, the nation’s principal gauge of inflation, provides measures of price change for all urban areas, four Census regions, three population size classes, and several local areas. Indexes are produced for two population groups: all urban consumers, and urban wage earners and clerical workers. For the population of all urban consumers, there are two indexes: the traditional index (CPI-U) and the superlative index, also known as the chained-CPI (C-CPI-U). The C-CPI-U reflects the effect of substitutions that consumers make across item categories in response to changes in relative prices. The indexes for all urban consumers cover about 90 percent of the U.S. population. The index for the other population group, the CPI-W, covers urban wage earners and clerical workers, about 30 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

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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; adjustments to the official U.S. poverty measure, rental/lease agreements, and 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 2017, the BLS will collect approximately 94,000 commodity and service prices (monthly) and 96,000 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. PPI's net inputs to industry indexes, a new experimental data product introduced in FY 2014, provide information on the average change in prices for domestic inputs consumed by a limited number of industries.

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 2017, the BLS will collect approximately 93,500 price quotations.

International Price Program

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

Various uses of IPP data include: deflation of the Foreign Trade sector of the National Accounts; assessment of effects of import and export price changes on the U.S. economy;

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exchange rate analysis; analysis of price behavior in international markets, including assessing U.S. competitiveness, calculating changes in the volume of net exports; and analysis and formulation of economic policy.

- In FY 2017, the BLS will collect data from a probability sample of establishments and products. Approximately 2,100 exporters and 3,300 importers will report approximately 22,000 prices monthly.

Consumer Expenditure Survey

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

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

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

- In FY 2017, the Census Bureau will conduct the survey for the BLS in 91 geographic areas of the United States, collecting 13,800 weekly expenditure diaries and 27,600 quarterly interviews. Also in FY 2017, the BLS is requesting \$2,500,000 to modify the CE Survey to support the Census Bureau in its development of a supplemental statistical poverty measure using CE. Additional information is provided beginning on page BLS-42.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$205,888	1,110
2013	\$194,298	1,092
2014	\$200,585	1,099
2015	\$206,012	1,088
2016	\$213,548	1,074

FY 2017

In FY 2017, the BLS is requesting \$219,672,000 for this activity, which is an increase of \$6,124,000 over the FY 2016 Enacted level. With the requested funding, in FY 2017, 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:

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In FY 2017, the CPI will complete the transition to an updated and revised sample of housing units used to estimate the Rent and Owners' Equivalent Rent indexes. With the completion of this phase, all rental units will have been in the sample for fewer than six years, with the sample updated continuously rather than periodically, as in the past. In addition, as the last step in converting the CPI revision process from periodic to continuous, the CPI will continue to introduce an updated geographic area sample based on the 2010 Decennial Census. The new sample will be introduced into the CPI calculation process over the course of several years, beginning with indexes calculated in FY 2018. The urban geographic sample will be reduced from the current set of 87 primary sampling areas to 75 areas.

The IPP and PPI programs will continue to deliver additional pieces of their new joint initiation system for use in production, including a feature that allows national office economists to specify data for field economists to collect from complex service industries. This system will ultimately allow field economists to initiate collection for establishments that are sampled in each program's survey and enable national office economists and statisticians to validate these data. IPP and PPI will continue to coordinate business processes for repricing in preparation for the development of a joint repricing system for managing and editing monthly microdata. In addition, IPP will deploy a new Estimation and Index Review System into the production environment for the calculation and review of import and export indexes. This deployment will mitigate the risk of legacy system failure and improve review efficiencies.

In FY 2017, the BLS is requesting \$2,500,000 to support the Census Bureau in its development of a supplemental statistical poverty measure using CE data. Poverty is a critical indicator of how widely prosperity is shared in our economy and is a key benchmark for targeting resources toward the disadvantaged. The current U.S. poverty measure was developed in the 1960s and has not been substantially changed since then. It has been widely criticized for 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 2017, the CE Survey will begin development of questions to be added to the Interview Survey in FY 2019. 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 2020, the CE Survey will support this early September release date by providing the supplemental poverty thresholds to the Census Bureau in early August.

The CE program also will implement biennial questionnaire changes researched and developed during FY 2016.

FY 2016

In FY 2016, the BLS will continue the production of core data series and will undertake the following new work in the areas of Prices and Cost of Living:

The CPI will continue the transition to an updated and revised sample of housing units used to

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estimate the Rent and Owners' Equivalent Rent indexes. In addition, the CPI will begin to introduce an updated geographic area sample, based on the 2010 Decennial Census, including screening and initiating housing units in new geographic areas.

The IPP and PPI programs will deliver additional pieces of their new joint initiation system for use in production, including a feature that allows national office economists to create one or more checklists for each industry that field economists will then use to: describe and classify items produced by an establishment in that industry into the IPP and PPI surveys; and describe the transaction details, including prices and component prices, of those items for subsequent monthly pricing. This system will ultimately allow field economists to initiate collection for establishments that are sampled in each program's survey. IPP and PPI will continue coordinating business processes for repricing in preparation for the development of a joint repricing system for managing and editing monthly microdata. In addition, the IPP will deliver the second release of its new Estimation/Index Review System for parallel test runs of all indexes and supporting calculations.

To keep the survey current with new products and to support CPI requirements, the CE program will develop biennial questionnaire changes to be implemented in the Interview Survey in FY 2017, test questions cognitively, develop instrument requirements, and complete instrument coding.

FY 2015

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

The Office of Prices and Cost of Living introduced experimental disease-based price indexes to provide alternative estimates of inflation for medical output and consumption. These indexes use price data from both the PPI and CPI programs along with quantities from the Department of Health and Human Services' Medical Expenditure Panel Survey, and give data users additional ongoing information about the evolution of the nation's healthcare system.

The CPI continued the transition to an updated and revised sample of housing units used to estimate the Rent and Owners' Equivalent Rent indexes.

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

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

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In FY 2015, the CE Survey implemented a new interview survey design, which reduced 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 implemented the decennial sample redesign.

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DETAILED WORKLOAD AND PERFORMANCE					
		FY 2015 Enacted		FY 2016 Enacted	FY 2017 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 1/	94,000	94,000	94,000	96,000
BLS 5.1 CPI.03.P	Indexes published monthly 2/	6,200	6,400	6,200	6,200
BLS 5.1 CPI.04.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%
BLS 5.1 CPI.05.A	Number of months that the standard error on the 12-month change in the U.S. City Average All Items CPI-U Index is \leq 0.25 percentage points	12	12	12	12
BLS 5.1 CPI.06.I	Average Age of Housing Sample (years) 3/	5	5	4	4
Producer Prices and Price Indexes					
BLS 5.1 PPI.01.W	Price quotations collected/processed monthly 4/	95,000	95,000	95,000	93,500
BLS 5.1 PPI.02.P	Indexes published monthly 5/	10,100	10,617	10,500	10,500
BLS 5.1 PPI.03.A	Percentage of industry product line indexes published monthly 5/ 6/	82%	83%	82%	82%
BLS 5.1 PPI.04.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%
	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 Final Demand Index (not seasonally adjusted) are $>$ 0.4 percentage points	\leq 2	0	\leq 2	\leq 2
BLS 5.1 PPI.10.I	Percentage of PPI data providers offered internet repricing 7/	98%	98%	Completed	Completed

PRICES AND COST OF LIVING

		FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request
		Target	Result	Target	Target
International Price Program					
BLS 5.1 IPP.01.W	Price quotations collected/processed monthly	22,000	22,672	22,000	22,000
BLS 5.1 IPP.02.P	Indexes published monthly	1,050	1,052	1,050	1,050
BLS 5.1 IPP.03.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%
BLS 5.1 IPP.04.A	Percentage of U.S. foreign trade imports covered by the IPP:				
	Goods in trade 8/	100%	100%	100%	100%
BLS 5.1 IPP.05.A	Services in trade 8/	10%	10%	10%	10%
BLS 5.1 IPP.06.A	Total in trade 8/	84%	84%	84%	84%
BLS 5.1 IPP.07.A	Percentage of U.S. foreign trade exports covered by the IPP:				
	Goods in trade 8/	100%	100%	100%	100%
BLS 5.1 IPP.08.A	Services in trade 8/	7%	8%	8%	8%
BLS 5.1 IPP.09.A	Total in trade 8/	72%	72%	72%	72%
BLS 5.1 IPP.10.A	No more than 2 revisions of the one-month percentage change between the first and final release of the Import Price Index are > 0.5 percentage points	≤2	0	≤2	≤2
BLS 5.1 IPP.11.A	No more than 2 revisions of the one-month percentage change between the first and final release of the Export Price Index are > 0.3 percentage points	≤2	0	≤2	≤2
Other Programs					
Consumer Expenditure Surveys					
BLS 5.1 CE.01.W	Complete Weekly Expenditure Diaries: Number collected from Consumer Units 9/ 10/	14,100	13,789	13,800	13,800
BLS 5.1 CE.02.W	Complete Quarterly Interviews: Number of Consumer Unit Interviews 9/ 10/	31,800	28,906	27,600	27,600

- 1/ The FY 2017 target reflects an increased number of rent/rental equivalence price quotations, as the BLS has replaced portions of the existing housing sample.
- 2/ In FY 2015, CPI exceeded its target due to more indexes than expected qualifying for seasonal adjustment, allowing, one time, CPI to publish more indexes on both a seasonally-adjusted and non-adjusted basis.
- 3/ The average age of the housing sample is calculated at the end of the fiscal year based on the sample reflected in published indexes. The average age will continue to decrease until it is about three years, in FY 2018.
- 4/ PPI periodically changes its approach for delinquent respondents, discontinuing items on an accelerated basis. PPI will focus on delinquent respondents again in FY 2016, impacting the FY 2017 target.
- 5/ In FY 2015, PPI exceeded its target because it published more new net inputs to industry indexes than expected. The FYs 2016 and 2017 targets reflect discontinuing certain Stage of Processing indexes in January 2016.
- 6/ In FY 2015, PPI exceeded its target because it published new medical care by payer type indexes.
- 7/ This measure was completed in FY 2015 when PPI reached its target of 98 percent.

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- 8/ The FY 2015 result and subsequent targets reflects updated trade values from the Bureau of Economic Analysis (BEA).
- 9/ In FY 2015, CE missed its target primarily due to issues related to the sample redesign and respondent privacy concerns.
- 10/ In FY 2015, CE updated its sampling areas using the 2010 Decennial Census, resulting in a temporary sample size change as new sampling areas are phased in and old areas are phased out, and implemented a new interview survey design which reduced the number of interview waves per consumer unit from five to four. The FY 2016 and FY 2017 targets reflect the ongoing number of diaries and interviews.

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 2017, 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, over the course of several years, the BLS will continue activities to introduce an updated geographic area sample to the Consumer Price Index, based on the 2010 Decennial Census. In FY 2017, the BLS also will support the Census Bureau in its development of a supplemental statistical poverty measure using CE data. This supplemental measure is designed to complement rather than to replace the official measure. More information can be found beginning on page BLS-42.

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 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
11.1	Full-time permanent	\$74,931	\$76,696	\$78,075	\$1,379
11.3	Other than full-time permanent	12,842	12,295	12,365	70
11.5	Other personnel compensation	1,048	1,069	1,096	27
11.9	Total personnel compensation	88,821	90,060	91,536	1,476
12.1	Civilian personnel benefits	28,239	28,781	29,815	1,034
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	3,688	3,988	4,036	48
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	15,038	14,752	15,552	800
23.2	Rental payments to others	24	34	34	0
23.3	Communications, utilities, and miscellaneous charges	1,271	1,313	1,319	6
24.0	Printing and reproduction	64	44	44	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	5,087	5,871	6,014	143
25.3	Other goods and services from Federal sources 1/	47,537	46,488	48,239	1,751
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	14,290	19,337	20,157	820
26.0	Supplies and materials	422	427	437	10
31.0	Equipment	1,531	2,453	2,489	36
41.0	Grants, subsidies, and contributions	0	0	0	0
	Total	\$206,012	\$213,548	\$219,672	\$6,124
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$11,587	\$12,395	\$13,250	\$855
	DHS Services	1,927	1,872	1,940	68
	Census Bureau	33,009	31,810	32,528	718

PRICES AND COST OF LIVING

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$1,260
Personnel benefits	1,004
Two less days of pay	-965
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	670
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	69
Working Capital Fund	855
Other Federal sources (DHS Services)	51
Other Federal sources (Census Bureau)	377
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of equipment	303
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$3,624**

Net Program **\$2,500**

Direct FTE **9**

	Estimate	FTE
Base	\$217,172	1,074
Program Increase	\$2,500	9
Program Decrease	\$0	0

COMPENSATION AND WORKING CONDITIONS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
Activity Appropriation	\$81,935	\$85,793	\$87,517	\$1,724
FTE	362	349	349	0

NOTE: FY 2015 reflects actual FTE. Authorized FTE for 2015 was 361.

Introduction

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

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

COMPENSATION LEVELS AND TRENDS

Compensation Levels and Trends programs include the National Compensation Survey (NCS) and Work Stoppages Statistics (WSS). The NCS outputs include the Employment Cost Index (ECI), a quarterly measure of wage-push inflation used by many economists and policymakers, and the Employee Benefits Survey (EBS). Data from the EBS tracks trends in employment-based retirement, health care coverage and features, and other benefits. EBS data frequently are 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 2017, the BLS will collect data from a sample of about 11,400 private industry establishments and state and local governments providing both wage and benefit information.

COMPENSATION AND WORKING CONDITIONS

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 Affordable Care Act (ACA) 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 2017, the BLS will publish 278 indexes and 332 levels quarterly, using a sample of 11,400 establishments.

Employee Benefits Survey

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

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 ACA 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 ACA implementation.

- In FY 2017, the BLS will collect data on benefit incidence and provisions from a sample of 11,400 establishments, and will complete an analysis of retirement plans obtained from a sample of 1,590 state and local government establishments.

WORK STOPPAGES STATISTICS

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

OCCUPATIONAL SAFETY AND HEALTH STATISTICS

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

COMPENSATION AND WORKING CONDITIONS

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

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

SURVEY OF OCCUPATIONAL INJURIES AND ILLNESSES

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

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

- In FY 2017, 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 255,000 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

COMPENSATION AND WORKING CONDITIONS

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.

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

In FY 2017, 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>
2012	\$80,391	390
2013	\$76,068	369
2014	\$81,506	360
2015	\$81,935	361
2016	\$83,500	378

FY 2017

In FY 2017, the BLS is requesting \$87,517,000 for this activity, which is an increase of \$1,724,000 over the FY 2016 Enacted level. With the requested funding, in FY 2017, 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 2017, the NCS will complete the transition to a national sample design in order to preserve the reliability of the ECI and EBS. NCS also will publish detailed information on the provision of retirement plans, defined benefit plans, and defined contribution plans provided to public sector workers from a new sample of State and local government establishments. With funding from the Social Security Administration (SSA), the BLS will continue full-scale collection of occupational information on the physical demands, environmental conditions, specific vocational preparation, and cognitive demands for a variety of occupations. In addition, NCS will release estimates on the occupational requirements of work, including the physical and cognitive demands, and the environmental conditions of work, based on the NCS-designed Occupational Requirements Survey.

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In FY 2017, the SOII will expand the use of computer-assisted coding to automatically classify some detailed circumstances of workplace injuries and illnesses. The SOII will release data that incorporates computer-assisted coding to assign detailed circumstance codes, as well as occupation codes, for some injuries and illnesses. Additionally, the SOII will continue to collect and evaluate occupational injury and illness data for Federal workers and to collect and publish estimates for detailed case information for cases with days of job transfer and restriction from select 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 continue to evaluate the feasibility of collecting occupational injury and illness information from workers.

FY 2016

In FY 2016, the BLS will continue the production of core data series and will undertake the following new work in the areas of Compensation and Working Conditions:

In FY 2016, the NCS will continue implementation of a national sample design in order to preserve the reliability of the ECI and EBS, which will be completed in FY 2017. With funding from the SSA, the NCS will complete the first round of full-scale collection of updated occupational information on the physical demands, environmental conditions, specific vocational preparation, and cognitive demands for a variety of occupations. The NCS also will finalize plans and methods for producing the first set of production-level estimates.

The SOII will release pilot test data in FY 2016 for a new set of industries, describing the detailed case circumstances and worker characteristics for injuries and illnesses that require only days of job transfer or restriction. Additionally, in FY 2016 the SOII will continue to collect Federal agency injury and illness data, which began in FY 2014. The BLS will continue to evaluate and improve its completeness, with the goal of including the Federal agency data in SOII estimates once they are of sufficient quality. The SOII will continue to use computer-assisted coding to automatically classify some detailed circumstances of workplace injuries and illnesses. Specifically, the SOII will release data in FY 2016, which for the first time will incorporate computer-assisted coding of occupation for about 25 percent of the injuries and illnesses with detailed case data. In addition, the SOII will continue to use computer-assisted coding to review the classification of injury and illness case detail, which will provide information to refine the computer coding model.

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

COMPENSATION AND WORKING CONDITIONS

In FY 2016, beginning with reference year 2015 data, the CFOI will release annual counts of fatal work-related injuries only once per reference year. The preliminary data release will be eliminated and the final, and only, release for 2015 CFOI data will occur in the first half of FY 2017. This new release schedule will improve processes by releasing final data several months earlier than in past years. The BLS contacted major stakeholders about the change prior to implementation and they unanimously were supportive.

FY 2015

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

The SOII released a three-year report on the pilot test to collect detailed case circumstances and worker characteristics for injuries and illnesses that require only days of job transfer or restriction in selected industries. Federal agencies continued to report injury and illness data to the BLS. The SOII began using computer-assisted coding of occupation as it receives injury and illness case details from employers, allowing staff to focus on more difficult classification issues, and continued to use computer-assisted coding to formally review the consistency and accuracy of codes used to classify detailed circumstances of workplace injuries and illnesses.

As part of its efforts to further explore causes of the undercount of injuries and illnesses and ways to mitigate it, the SOII researched the feasibility of collecting updated logs to assess changes employers make to their injury and illness records after SOII data are collected. The SOII also evaluated results of testing completed in FY 2014, including employer interviews and additional matching of SOII data to workers' compensation records to analyze any undercount trends over time. Finally, the BLS, building on research begun in FY 2014, continued to explore means of collecting injury and illness data directly from workers (rather than from employers providing their OSHA recordkeeping data to the SOII).

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DETAILED WORKLOAD AND PERFORMANCE					
		FY 2015 Enacted		FY 2016 Enacted	FY 2017 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>				
	<u>Employment Cost Index</u>				
BLS 5.1 ECI.01.W	Number of establishments 1/	13,700	13,700	11,400	11,400
BLS 5.1 ECI.02.T	Percentage of quarterly releases on schedule (4 out of 4)	100%	100%	100%	100%
BLS 5.1 ECI.03.A	Number of quarters that the standard error for the percentage change in the 3-month civilian compensation less incentive paid occupations index is ≤ 0.3	4	4	4	4
BLS 5.1 ECI.04.P	Number of indexes published quarterly (not seasonally adjusted)	278	278	278	278
BLS 5.1 ECI.05.P	Number of levels published quarterly	332	332	332	332
	<u>Other Programs</u>				
	<u>Employee Benefits Survey</u>				
BLS 5.1 EBS.01.W	Number of establishments (benefit incidence) 1/	13,700	13,700	11,400	11,400
BLS 5.1 EBS.02.P	Number of annual releases and bulletins	3	3	3	3
BLS 5.1 EBS.03.W	Number of establishments (detailed provisions) 2/	3,400	3,351	3,350	1,590
	<u>Work Stoppages Statistics</u>				
BLS 5.1 WSS.01.P	Number of releases and data tables of work stoppages statistics	13	13	13	13
	<u>Survey of Occupational Injuries and Illnesses 3/</u>				
BLS 5.1 SOII.01.W	Number of participating states, territories, and cities 4/	45	45	45	45
BLS 5.1 SOII.02.W	Number of establishments surveyed	230,000	231,066	230,000	230,000
BLS 5.1 SOII.03.W	Cases for which case circumstances and worker characteristics are collected and coded 5/	260,000	262,501	255,000	255,000
BLS 5.1 SOII.04.P	Number of national industry estimates published 6/	23,400	23,420	22,200	22,000
BLS 5.1 SOII.05.P	Number of national estimates produced on the characteristics of the worker and circumstances of the injury or illness 7/	2,300,000	2,268,694	2,200,000	2,200,000

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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 2017, 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 publish detailed information on the provision of retirement plans, defined benefit plans, and defined contribution plans provided to public sector workers from a new sample of state and local government establishments.

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.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
11.1	Full-time permanent	\$36,289	\$35,244	\$35,466	\$222
11.3	Other than full-time permanent	0	200	200	0
11.5	Other personnel compensation	438	447	447	0
11.9	Total personnel compensation	36,727	35,891	36,113	222
12.1	Civilian personnel benefits	11,454	11,531	11,850	319
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	929	929	929	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	8,040	8,412	8,772	360
23.2	Rental payments to others	57	57	57	0
23.3	Communications, utilities, and miscellaneous charges	1,044	1,044	1,044	0
24.0	Printing and reproduction	318	318	318	0
25.1	Advisory and assistance services	33	33	33	0
25.2	Other services from non-Federal sources	1,235	1,315	1,332	17
25.3	Other goods and services from Federal sources 1/	9,400	10,092	10,651	559
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	4,642	7,188	7,283	95
26.0	Supplies and materials	260	192	192	0
31.0	Equipment	987	1,847	1,847	0
41.0	Grants, subsidies, and contributions	6,809	6,944	7,096	152
	Total	\$81,935	\$85,793	\$87,517	\$1,724
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$7,348	\$8,000	\$8,524	\$524
	DHS Services	1,306	1,269	1,304	35
	Census Bureau	40	40	40	0

COMPENSATION AND WORKING CONDITIONS

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$525
Personnel benefits	417
Two less days of pay	-401
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	360
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	17
Working Capital Fund	524
Other Federal sources (DHS Services)	35
Other Federal sources (Census Bureau)	0
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of equipment	95
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	152

Built-Ins Subtotal **\$1,724**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$87,517	349
Program Increase	\$0	0
Program Decrease	\$0	0

PRODUCTIVITY AND TECHNOLOGY

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
Activity Appropriation	\$10,477	\$10,795	\$10,993	\$198
FTE	53	52	52	0

NOTE: FY 2015 reflects actual FTE. Authorized FTE for 2015 was 58.

Introduction

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

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

Major Sector Productivity

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

In addition, the BLS develops annual indexes and percentage changes of multifactor productivity, output per combined inputs of capital and labor, for the private business and private nonfarm business sectors. The BLS also develops annual multifactor productivity measures for

PRODUCTIVITY AND TECHNOLOGY

18 manufacturing industries (roughly corresponding to 3-digit North American Industry Classification System (NAICS) industries), as well as for the total manufacturing, durable goods manufacturing and nondurable goods manufacturing sectors. The measures for manufacturing are constructed as output per combined inputs of hours, capital, energy, materials, and purchased services. The multifactor data help explain trends in output per hour of all workers and form a basis for research on the sources of productivity advancement and the identification of policy options that can affect the pace of productivity change. For example, the Affordable Care Act (ACA) of 2010 requires the use of the 10-year moving average increase in private nonfarm business multifactor productivity to adjust Medicare payments to most service providers.

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

Industry Productivity Studies

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

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

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

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

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$12,013	75
2013	\$11,425	70
2014	\$10,203	60
2015	\$10,477	58
2016	\$10,795	52

PRODUCTIVITY AND TECHNOLOGY

FY 2017

In FY 2017, the BLS is requesting \$10,993,000 for this activity, which is an increase of \$198,000 over the FY 2016 Enacted level. With the requested funding, in FY 2017, 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 complete its multi-year system software conversion of the Labor Productivity production system and will continue to convert its Multifactor Productivity production systems to a Statistical Analysis System (SAS) software platform. Industry Productivity Studies (IPS) will convert the productivity estimation portions of its system to a SAS software platform. OPT will continue to improve data accessibility and enhance the presentation of data on the website. OPT will continue the collaborative “micro-productivity” project with the Census Bureau’s Center for Economic Studies.

FY 2016

In FY 2016, the BLS will continue the production of core data series and undertake the following new work in the areas of Productivity and Technology:

MSP will continue to convert its data production systems to a SAS software platform and incorporate new labor composition methodology into historical series for private business and private nonfarm business sector multifactor productivity data series. IPS will explore the possibility of using monthly data from the Federal Reserve and the Census Bureau to improve the timeliness of its annual labor productivity updates. MSP and IPS will continue collaboration with the BEA on production accounts covering the total economy, and continue to improve the productivity websites. OPT also will complete a report for launching a productivity data user’s guide on the BLS website. OPT will continue the collaborative “micro-productivity” project with the Census Bureau’s Center for Economic Studies.

FY 2015

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

MSP continued to convert its data production systems to a SAS software platform and developed labor composition indexes for National Income and Product Accounts (NIPA)-level industries. IPS incorporated detailed data from the 2012 Economic Census into the manufacturing industry productivity measures. MSP and IPS continued collaboration with the BEA on production accounts covering the total economy, and improved the productivity websites by developing a glossary of productivity related terminology. In addition, OPT began to develop a productivity data user’s guide. OPT also began a collaborative project with the Census Bureau’s Center for Economic Studies to develop estimates of productivity at the establishment level and produce within-industry measures of productivity dispersion.

PRODUCTIVITY AND TECHNOLOGY

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2015 Enacted		FY 2016 Enacted	FY 2017 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>				
	<u>Major Sector Productivity</u>				
BLS 5.1 MSP.01.P	Series updated	44	44	44	44
BLS 5.1 MSP.02.T	Percentage of initial and revised quarterly <i>Productivity and Costs</i> releases on schedule (8 out of 8)	100%	100%	100%	100%
BLS 5.1 MSP.03.A	Percentage of business sector output covered by published quarterly labor productivity measures	100%	100%	100%	100%
	<u>Other Programs</u>				
	<u>Industry Productivity Studies</u>				
BLS 5.1 IPS.01.P	Series updated 1/	4,200	4,200	4,200	4,200
BLS 5.1 IPS.02.A	Percentage of industries covered by labor productivity measures	62.6%	62.6%	62.6%	62.6%
	<u>Other Output Measures</u>				
BLS 5.1 OPT.01.P	Number of industries and sectors with multifactor productivity measures	111	111	111	111
BLS 5.1 OPT.02.P	Major studies, articles, technical papers, and special reports	21	21	21	21

1/ The number of labor productivity series updated is based on coverage of NAICS 2-, 3-, 4-, and 5-digit industries, and not 6-digit NAICS industries, because the availability of source data at the 6-digit level is subject to frequent changes.

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 in major sectors and individual industries, and examine the factors underlying productivity change. On

PRODUCTIVITY AND TECHNOLOGY

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 2017, in support of its strategy to ensure that BLS data, products, and services on the BLS website are easy to find, understand, and use, the Major Sector Productivity and Industry Productivity Studies programs will continue to collaborate to improve data accessibility and enhance the presentation of data on the productivity websites.

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 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
11.1	Full-time permanent	\$5,826	\$5,513	\$5,546	\$33
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	67	68	68	0
11.9	Total personnel compensation	5,893	5,581	5,614	33
12.1	Civilian personnel benefits	1,836	1,840	1,888	48
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	47	47	47	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	929	914	956	42
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	35	35	35	0
24.0	Printing and reproduction	2	2	2	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	102	82	83	1
25.3	Other goods and services from Federal sources 1/	1,078	1,081	1,143	62
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	463	1,086	1,098	12
26.0	Supplies and materials	21	21	21	0
31.0	Equipment	71	106	106	0
41.0	Grants, subsidies, and contributions	0	0	0	0
	Total	\$10,477	\$10,795	\$10,993	\$198
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$848	\$892	\$950	\$58
	DHS Services	151	147	151	4
	Census Bureau	0	0	0	0

PRODUCTIVITY AND TECHNOLOGY

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$80
Personnel benefits	63
Two less days of pay	-62
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	42
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	1
Working Capital Fund	58
Other Federal sources (DHS Services)	4
Other Federal sources (Census Bureau)	0
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of equipment	12
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$198**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$10,993	52
Program Increase	\$0	0
Program Decrease	\$0	0

EXECUTIVE DIRECTION AND STAFF SERVICES

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
Activity Appropriation	\$34,611	\$35,972	\$36,487	\$515
FTE	196	198	198	0

NOTE: FY 2015 reflects actual FTE. Authorized FTE for 2015 was 198.

Introduction

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

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

Office of the Commissioner

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

Administration

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

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, maintenance, and operation of systems that are used for collecting and editing survey data, producing the Principal Federal Economic Indicators (PFEIs) and other statistical measures, and disseminating BLS data to the public. The program is responsible for maintaining and managing BLS IT infrastructure and ensuring the security of BLS IT systems and data. This infrastructure includes the Internet Data Collection Facility, a Web-based data collection system that allows respondents of numerous BLS surveys to have a single entry point when reporting data over the internet. The program also maintains and manages the BLS Central Storage Facility, a secure, high performance system for sharing, managing, protecting, and backing up data and applications. The program researches and evaluates new IT tools, technologies, and software for use in the BLS IT infrastructure and ensures that IT activities in the BLS are conducted in accordance with the applicable statutes and regulations governing federal IT activities.

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 online or in print as news releases, periodicals, bulletins, reports, brochures, and flyers. Publications developed or coordinated within this program, including the *Monthly Labor Review*, *The Economics Daily*, the *BLS Handbook of Methods*, *Beyond the Numbers*, *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

EXECUTIVE DIRECTION AND STAFF SERVICES

Research Center concentrates on the measurement and reduction of nonsampling error through, for example, questionnaire design studies, investigations into respondent-interviewer interactions, usability studies of computer assisted data collection systems, the development of response-level data quality measures, analysis of survey nonresponse, 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 in order to improve BLS data. This includes the development of innovative and computationally intensive methods for analyzing complex survey data, utilizing unstructured text fields, addressing confidentiality constraints, integrating alternative data sources, and handling missing data. In support of the BLS website, dissemination-related research activities conducted by this program address the areas of human-computer interaction, information seeking and retrieval, disclosure limitation, knowledge management, and data that describe other data (i.e., metadata).

Field Operations

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

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$34,236	204
2013	\$32,484	187
2014	\$34,535	186
2015	\$34,611	198
2016	\$35,972	198

FY 2017 and FY 2016

In FY 2017, the BLS is requesting \$36,487,000 for this activity, which is an increase of \$515,000 over the FY 2016 Enacted level. In FYs 2017 and 2016, the Executive Direction and Staff Services programs will continue to provide agency-wide policy and management direction as described above, including all centralized support services in the administrative, publications, information technology, field operations, and statistical methods research areas.

EXECUTIVE DIRECTION AND STAFF SERVICES

FY 2015

In FY 2015, the Executive Direction and Staff Services programs provided agency-wide policy and management direction as described above, including all centralized support services in the administrative, publications, information technology, field operations, and statistical methods research areas.

EXECUTIVE DIRECTION AND STAFF SERVICES

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request
		Target	Result	Target	Target
Executive Direction and Staff Services					
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%	99.99%	≥99.00%	≥99.00%
BLS 5.1 ED.02	Maintain high quality financial records: Receive no more than three audit findings	≤3	0	≤3	≤3
BLS 5.1 ED.03	Number of BLS Twitter followers 1/	35,480	32,798	41,600	52,750
BLS 5.1 ED.04	Average number of click-throughs to links in BLS tweets 1/	525	472	500	525

1/ Although BLS is tweeting more often, not every tweet generates new followers and click-throughs.

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 began tracking Twitter measures, in support of its strategy to inform current and potential customers about the availability and uses of its products. The primary goals of BLS outreach efforts are to increase awareness of the BLS brand, to disseminate BLS products and services more effectively, to increase the usefulness of those products to current and new customers, and to maintain and improve responsiveness to BLS surveys.

A broad overview of the strategies being used to achieve the BLS strategic objective and address the societal need is included in the Overview section on page BLS-10.

EXECUTIVE DIRECTION AND STAFF SERVICES

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY 17 Request / FY 16 Enacted
11.1	Full-time permanent	\$20,280	\$20,167	\$20,287	\$120
11.3	Other than full-time permanent	227	300	301	1
11.5	Other personnel compensation	253	333	333	0
11.9	Total personnel compensation	20,760	20,800	20,921	121
12.1	Civilian personnel benefits	6,419	6,193	6,373	180
13.0	Benefits for former personnel	56	56	56	0
21.0	Travel and transportation of persons	295	295	295	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	1,908	1,877	1,962	85
23.2	Rental payments to others	10	10	10	0
23.3	Communications, utilities, and miscellaneous charges	282	282	282	0
24.0	Printing and reproduction	30	30	30	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	598	953	956	3
25.3	Other goods and services from Federal sources 1/	1,518	1,397	1,470	73
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	2,168	3,149	3,202	53
26.0	Supplies and materials	175	176	176	0
31.0	Equipment	392	754	754	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	\$34,611	\$35,972	\$36,487	\$515
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$848	\$779	\$837	\$58
	DHS Services	551	536	551	15
	Census Bureau	0	0	0	0

EXECUTIVE DIRECTION AND STAFF SERVICES

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$287
Personnel benefits	221
Two less days of pay	-219
Federal Employees' Compensation Act (FECA)	12
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	85
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	3
Working Capital Fund	58
Other Federal sources (DHS Services)	15
Other Federal sources (Census Bureau)	0
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of equipment	53
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$515**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$36,487	198
Program Increase	\$0	0
Program Decrease	\$0	0