

FY 2018

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, \$542,966,000, together with not to exceed \$64,876,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

Note. – A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, this account is operating under a continuing resolution (P.L. 114-254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2016 Enacted		FY 2017 Full Year C.R.		FY 2018 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	2,195	\$544,000	2,185	\$542,966	2,144	\$542,966
<i>Subtotal Appropriation</i>	<i>2,195</i>	<i>\$544,000</i>	<i>2,185</i>	<i>\$542,966</i>	<i>2,144</i>	<i>\$542,966</i>
Offsetting Collections From:						
Reimbursements	143	\$32,773	154	\$32,145	154	\$32,940
Trust Funds	0	\$65,000	0	\$64,876	0	\$64,876
<i>Subtotal Offsetting Collections</i>	<i>143</i>	<i>\$97,773</i>	<i>154</i>	<i>\$97,021</i>	<i>154</i>	<i>\$97,816</i>
B. Gross Budget Authority	2,338	\$641,773	2,339	\$639,987	2,298	\$640,782
Offsetting Collections To:						
Reimbursements	-143	-\$32,773	-154	-\$32,145	-154	-\$32,940
<i>Subtotal Offsetting Collections</i>	<i>-143</i>	<i>-\$32,773</i>	<i>-154</i>	<i>-\$32,145</i>	<i>-154</i>	<i>-\$32,940</i>
C. Budget Authority Before Committee	2,195	\$609,000	2,185	\$607,842	2,144	\$607,842
Offsetting Collections From:						
Reimbursements	143	\$32,773	154	\$32,145	154	\$32,940
<i>Subtotal Offsetting Collections</i>	<i>143</i>	<i>\$32,773</i>	<i>154</i>	<i>\$32,145</i>	<i>154</i>	<i>\$32,940</i>
D. Total Budgetary Resources	2,338	\$641,773	2,339	\$639,987	2,298	\$640,782
Unobligated Balance Expiring:						
Budget Authority Before Committee	-48	-\$621	0	\$0	0	\$0
Reimbursements	-10	-\$6,714	0	\$0	0	\$0
E. Total, Estimated Obligations	2,280	\$634,438	2,339	\$639,987	2,298	\$640,782

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SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2017 Full Year C.R.	FY 2018 Request	Net Change
Budget Authority			
General Funds	\$542,966	\$542,966	\$0
Trust Funds	\$64,876	\$64,876	\$0
Total	\$607,842	\$607,842	\$0
Full-Time Equivalents			
General Funds	2,185	2,144	-41
Trust Funds	0	0	0
Total	2,185	2,144	-41

Explanation of Change	FY 2017 Base		FY 2018 Change				Total	
	FTE	Amount	Trust Funds FTE	Amount	General Funds FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	2,185	\$203,051	0	\$0	0	\$3,859	0	\$3,859
Personnel benefits	0	\$66,613	0	\$0	0	\$1,265	0	\$1,265
Working Capital Fund	0	\$37,127	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	2,185	+\$306,791	0	\$0	0	+\$5,124	0	+\$5,124
Total Increase	2,185	+\$306,791	0	\$0	0	+\$5,124	0	+\$5,124
Decreases:								
A. Built-Ins:								
To Provide For:								
Federal Employees' Compensation Act (FECA)	0	\$222	0	\$0	0	-\$29	0	-\$29
Built-Ins Subtotal	0	+\$222	0	\$0	0	-\$29	0	-\$29
B. Program:								
FTE Reduction to Absorb Inflationary Costs	2,185	\$607,620	0	\$0	-41	-\$5,095	-41	-\$5,095
Program Subtotal	2,185	+\$607,620	0	\$0	-41	-\$5,095	-41	-\$5,095
Total Decrease	2,185	+\$607,842	0	\$0	0	-\$5,124	0	-\$5,124
Total Change	2,185	+\$607,842	0	\$0	-41	\$0	-41	\$0

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2016 Enacted		FY 2017 Full Year C.R.		FY 2018 Request		Diff. FY18 Request / FY17 Full Year C.R.	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Labor Force Statistics	509	\$262,892	526	\$266,547	518	\$268,754	-8	\$2,207
General Funds	509	197,892	526	201,671	518	203,878	-8	2,207
Unemployment Trust Funds	0	65,000	0	64,876	0	64,876	0	0
Prices and Cost of Living	1,038	\$213,548	1,045	\$210,357	1,025	\$209,863	-20	-\$494
General Funds	1,038	213,548	1,045	210,357	1,025	209,863	-20	-494
Compensation and Working Conditions	355	\$85,793	369	\$84,344	359	\$82,880	-10	-\$1,464
General Funds	355	85,793	369	84,344	359	82,880	-10	-1,464
Productivity and Technology	52	\$10,795	57	\$10,974	56	\$10,798	-1	-\$176
General Funds	52	10,795	57	10,974	56	10,798	-1	-176
Executive Direction and Staff Services	193	\$35,972	188	\$35,620	186	\$35,547	-2	-\$73
General Funds	193	35,972	188	35,620	186	35,547	-2	-73
Total	2,147	\$609,000	2,185	\$607,842	2,144	\$607,842	-41	\$0
General Funds	2,147	\$544,000	2,185	\$542,966	2,144	\$542,966	-41	\$0
Unemployment Trust Funds	0	\$65,000	0	\$64,876	0	\$64,876	0	\$0

NOTE: 2016 reflects actual FTE.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
	Full-Time Equivalent				
	Full-time Permanent	1,913	1,908	1,878	-30
	Other	282	277	266	-11
	Reimbursable	143	154	154	0
	Total	2,338	2,339	2,298	-41
	Average ES Salary	\$174,000	\$176,000	\$180,000	\$4,000
	Average GM/GS Grade	11.0	11.0	11.0	0
	Average GM/GS Salary	\$87,000	\$89,000	\$91,000	\$2,000
11.1	Full-time permanent	\$188,074	\$190,005	\$198,115	\$8,110
11.3	Other than full-time permanent	13,095	13,046	12,933	-113
11.5	Other personnel compensation	2,524	3,718	3,437	-281
11.9	Total personnel compensation	203,693	206,769	214,485	7,716
12.1	Civilian personnel benefits	65,145	66,835	70,064	3,229
13.0	Benefits for former personnel	56	56	56	0
21.0	Travel and transportation of persons	6,400	6,487	5,393	-1,094
22.0	Transportation of things	10	0	0	0
23.1	Rental payments to GSA	33,178	33,285	38,764	5,479
23.2	Rental payments to others	134	109	69	-40
23.3	Communications, utilities, and miscellaneous charges	5,345	5,066	5,290	224
24.0	Printing and reproduction	1,209	1,589	1,501	-88
25.1	Advisory and assistance services	33	33	33	0
25.2	Other services from non-Federal sources	16,895	20,422	11,907	-8,515
25.3	Other goods and services from Federal sources 1/	124,814	131,527	132,954	1,427
25.5	Research and development contracts	11,500	10,987	4,523	-6,464
25.7	Operation and maintenance of equipment	60,363	45,619	46,111	492
26.0	Supplies and materials	1,236	1,217	1,139	-78
31.0	Equipment	7,045	5,869	3,404	-2,465
41.0	Grants, subsidies, and contributions	71,944	71,972	72,149	177
	Total	\$609,000	\$607,842	\$607,842	\$0
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$31,850	\$35,054	\$35,054	\$0
	DHS Services	5,153	5,768	6,091	323
	Census Bureau	86,380	88,783	89,597	814

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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

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APPROPRIATION HISTORY

(Dollars in Thousands)

	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriation	FTE
2008	\$574,443	\$576,118	\$560,000	\$544,251	1/ 2,283
2009	592,806 2/	596,058 2/ 3/	598,306 2/	597,182 2/	2,376
2010	611,623	611,623	611,271 3/	611,447 4/	2,393
2011	645,351	611,447 5/	632,488 3/	610,224 6/	2,338
2012	647,030	620,224 3/	611,224	609,071 7/	2,313
2013	618,207			577,213 8/	2,239
2014	613,794			592,212	2,232
2015	610,082			592,212	2,234
2016	632,737	609,000 3/	579,194 3/	609,000	2,195
2017	640,943				
2018	\$607,842				

- 1/ Reflects a rescission of \$9,677 pursuant to P.L. 110-161.
- 2/ Includes a comparative transfer from ODEP to BLS of \$550 and -0- FTE.
- 3/ Amount listed was reported out of Subcommittee, and was not passed by the Full Chamber.
- 4/ Does not reflect a transfer from the BLS to EBSA of \$2,700 and -0- FTE.
- 5/ Reflects a full-year continuing resolution funding level passed by the Full House.
- 6/ Reflects a rescission of \$1,223 pursuant to P.L. 112-10.
- 7/ Reflects a rescission of \$1,153 pursuant to P.L. 112-74.
- 8/ 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.
- 9/ A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

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 2018, the BLS requests \$607,842,000, which keeps funding flat at the FY 2017 Full Year Continuing Resolution (CR) level, and 2,144 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 2016, more than 27 million eligible workers and families received more than \$67 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. States and local jurisdictions use Local Area Unemployment Statistics (LAUS) data to allocate federal funds from assistance programs in such areas as employment, training, public works, and welfare assistance. Also, in 2015, programs such as the state Children’s Health Insurance Program, used Quarterly Census of Employment and Wages (QCEW) data to allocate approximately \$397 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.

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 Office of Management and Budget’s Statistical Policy Directives. 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

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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. 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.

In FY 2018, the BLS will implement non-permanent programmatic reductions that may temporarily affect the quality and quantity of select BLS products. The BLS may need to delay or defer spending on implementation of certain data improvements, development and research projects, and stakeholder outreach efforts. In addition to considering efficiencies and changes in our operations, the plan for FY 2018 includes changes to some programs that may be necessary in order to reallocate funding to the production of core data series.

(1) **Labor Force Statistics** – The Budget request of \$268,754,000, which is \$2,207,000 above the FY 2017 Full Year CR level, and 518 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. In FY 2018, for example, the Current Population Survey may remove student dorms from the survey sample.

(2) **Prices and Cost of Living** – The Budget request of \$209,863,000, which is \$494,000 below the FY 2017 Full Year CR level, and 1,025 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. In FY 2018, the BLS will slow efforts to modernize systems supporting the PPI and IPP, as well as the redesign of the CE Survey.

(3) **Compensation and Working Conditions** – The Budget request of \$82,880,000, which is \$1,464,000 below the FY 2017 Full Year CR level, and 359 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. In FY 2018, the National Compensation Survey will not publish detailed information on health plan provisions. This currently is the only federal source of this type of information in the benefits market.

(4) **Productivity and Technology** – The Budget request of \$10,798,000, which is \$176,000 below the FY 2017 Full Year CR level, and 56 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.

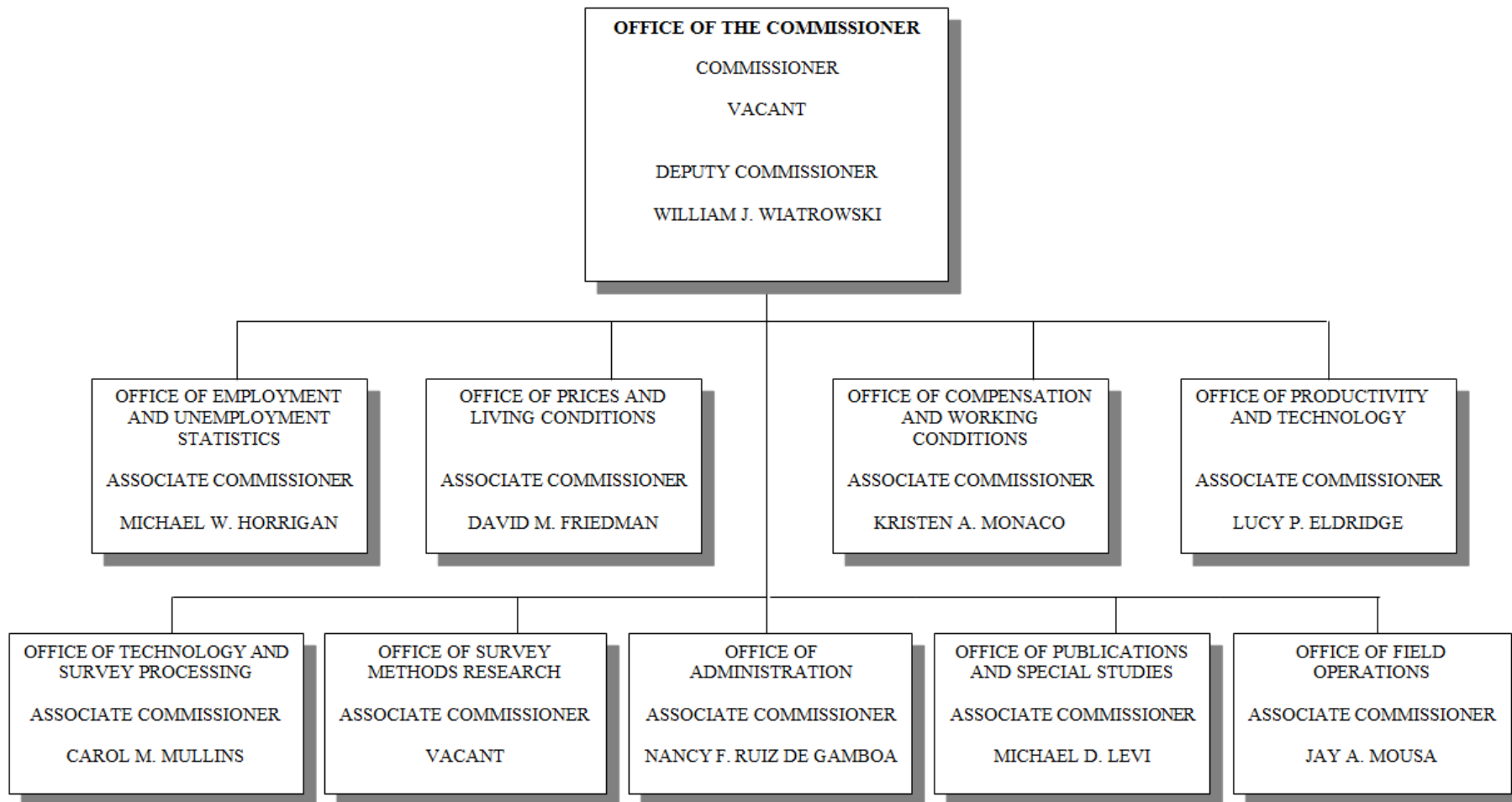
(5) **Executive Direction and Staffing Services** – The Budget request of \$35,547,000, which is \$73,000 below the FY 2017 Full Year CR level, and 186 FTE, will provide funds to support

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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 necessary to produce and release statistical and research output in a reliable, secure, timely, and effective manner.

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ORGANIZATION CHART



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BLS CROSS-CUTTING MEASURES					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
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/	17,000,000	16,324,885	16,400,000	16,500,000
BLS 5.1 CCM.05	Customer satisfaction with the BLS website through the ForeSee Experience Index (FXI) (<i>Mission Achievement</i>) 6/	75	76	76	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 20 accuracy measures for the PFEI programs.
- 4/ Measure reflects eight relevance measures for the PFEI programs.
- 5/ The BLS missed its FY 2016 target due to lower than expected page views in fourth quarter.
- 6/ The BLS will continue to use the ForeSee Experience Index (FXI), formerly known as the E-Government Satisfaction Index (EGSI), to measure customer feedback with its website. In FY 2016, the BLS score improved in the areas of content, functionality, and search.

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	\$262,892	\$266,547	\$268,754	\$2,207
FTE	509	526	518	-8

NOTE: FY 2016 reflects actual FTE. Authorized FTE for 2016 was 522.

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 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 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 jobs in demand to support states' efforts to better train for the hiring needs of business.

Current Population Survey

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

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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, professional certification/license 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 2018, 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.

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 WIOA. The BLS uses cooperative agreements to fund the states for these programs. BLS regional staff, under the direction of the Office of Field Operations in the national office, negotiate and monitor LMI cooperative agreements.

Current Employment Statistics

The CES program collects information on employment, hours, and earnings from the payroll records of employers. The BLS produces national, state, and major metropolitan area data. These data are released in partnership with the State Workforce Agencies (SWAs), which provide additional state analysis and help disseminate the estimates. National data available from the CES program include: nonfarm employment for detailed industry classifications; all employee average weekly hours and average hourly and weekly earnings; production worker

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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 2018, each month, the BLS will survey about 147,000 businesses and government agencies (composed of approximately 634,000 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 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

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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 \$397 billion in FY 2015 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 a 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 2018, the SWAs, in cooperation with the BLS, will collect employment and wage data from an estimated 10 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 142,000 multi-unit firms (representing more than 1.7 million worksites and about 42 percent of the employment) report their employment and wages for each establishment, which improves the geographic and industrial accuracy of these key data. Second, in the ARS, the SWAs will 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.

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Occupational Employment Statistics

The OES program is the only comprehensive source of regularly produced occupational employment and wage rate information for the U.S. economy, as well as states, the District of Columbia, Guam, Puerto Rico, the Virgin Islands, all metropolitan areas and divisions, and balance-of-state areas for each state. The OES program produces employment and wage estimates by nonfarm industry and occupation.

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 data meets requirements set by law under WIOA and for setting prevailing wages for certain visas.

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. These data are a critical input to the states' production of jobs in demand to support the WIOA. 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 2018, the SWAs, in cooperation with the BLS, will collect employment and wage information from semi-annual sample panels of approximately 180,000 establishments, for a total of 360,000 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 to states and local jurisdictions covered by 25 assistance programs across 9 Departments and independent agencies in areas such as employment, training, public works, and welfare assistance.

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

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divisions, the Cleveland and Detroit 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 2018, the BLS will generate monthly estimates of employment and unemployment for approximately 7,000 geographic areas, including all states, labor market areas, counties, cities with a population of 25,000 or more, and cities and towns in New England with a population of 1,000 or more. 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), as well as significant life events, of two groups of the U.S. population. These data are essential to understanding changes in labor force behavior of groups over time and informing policymakers at all levels of government.

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

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

In 1979, a cohort was fielded to research the “baby boomer” generation, with a sample of over 12,000 young men and women who were 14-21 years of age as of December 31, 1978. This

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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 2018, the NLS program will complete data collection of round 18 of the NLSY97.

Job Openings and Labor Turnover Survey

The JOLTS program provides monthly national measures on labor demand by broad industry groups and by firm size. These measures complement the unemployment rate, which measures labor supply. Data published include the levels and rates for job openings, hires, and total separations, as well as three breakouts of separations: 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 2018, each month, the BLS will continue to collect data from a sample of 16,000 businesses and derive estimates on levels and rates of job openings, hires, and separations (quits, layoffs and discharges, and other separations) at the national level for major industry groups, and at the regional level for total nonfarm employment.

American Time Use Survey

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

Analysts use these data about time-use, combined with information about respondents' demographics, labor force status, and household composition, to examine how much time is being invested in childcare and eldercare in U.S. society; how time-use varies based on marital and employment status; and how much time people spend in education, among other questions.

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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 2018, each month, the BLS and the Census Bureau will survey about 900 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. National employment projections from BLS are used by each state to develop state and area projections, which are funded by the Employment and Training Administration. Projections are a critical component of workforce development systems and serve as the basis for determining jobs in demand. Determining jobs in demand helps align education and training programs with the hiring needs of businesses and is a key component of the WIOA. Projections also are used for individual career decision purposes by students, parents, counselors, dislocated workers, jobseekers, and career changers. The program relies on a wide variety of data from the OES, CES, CPS, and QCEW programs, and from other federal agencies, such as the BEA and the Census Bureau.

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

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

Finally, a national industry-occupation employment matrix and the industry projections are used to project employment by occupation. EP staff analyze the occupational structure of detailed industries and evaluate the expected impact of changes in demographics, technology, product mix, business practices, and other factors on the demand for specific occupations. The matrix quantifies in detail the distribution of occupational employment by industry for both the current

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and projected years. The 2014-24 matrix, which was released in FY 2016, 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 also produces the *Occupational Outlook Handbook (OOH)*. This 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/jobseekers 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 the information in the *OOH* is presented in numerous private publications and websites on vocational guidance and career planning.

- In FY 2018, the EP program will release the 2016-2026 economic and employment projections. The EP program also will update the *OOH* with new wage data and produce 35 web postings for *Career Outlook*.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$262,938	521
2014	\$265,383	527
2015	\$259,177	529
2016	\$262,892	522
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

Funding Mechanism

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

On an annual basis, the BLS contracts with the Census Bureau to conduct the CPS. Under the agreement of November 18, 1959, between the Secretary of Labor and the Secretary of Commerce, the BLS obtains budgetary support for this program and annually reimburses the Census Bureau for the collection and related support services associated with the monthly CPS

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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 2018

In FY 2018, the BLS will prioritize its spending to activities necessary for the production of core data series in the areas of Labor Force Statistics and also will undertake work to make operations more efficient. In addition, the BLS is considering a number of changes to achieve savings to support core production, including but not limited to the relevant items below:

The CPS will publish data from the Contingent Worker Supplement and field the Unemployment Insurance (UI) Non-Filers Supplement with funding through reimbursable agreements. The CPS also may remove student dorms from the survey sample. This could reduce the quality of LAUS estimates for certain states and metropolitan areas.

The CES program will implement NAICS 2017 with the release of the March 2017 benchmark in the second quarter of FY 2018. If research and testing of concurrent seasonal adjustment for the State and Area series is successful, the CES program will implement the methodology changes with the March 2017 benchmark. If research of alternative benchmarking methods indicates an improvement can be made, the CES program will begin work toward implementing the methodology. The CES program may not require states to provide summary information on state contributions to the annual benchmarking process nor information on local events and indicators that might assist in the analysis of estimates.

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 registers, in order to improve the consistency of BLS and Census products and thereby improve measures at the Bureau of Economic Analysis. Additionally, the QCEW program will continue development of a new state system used for data collection and processing. The QCEW program may raise the allowable threshold for unclassified establishments from 2.5 percent to 3 percent, which will reduce the quality of sub-state estimates for select NAICS codes and county codes. QCEW may also focus less on address refinement for private sector single and sub-units with employment of 100 or more. This may diminish the accuracy of establishment surveys that rely on QCEW's address refinement.

The OES program plans to publish the 2018 Standard Occupation Classification (SOC) system. The OES program also will convert to the 2017 NAICS and will continue work on modernizing data collection systems. In addition, the OES program will continue work on a new centralized fed/state system used for data collection and processing. The OES program may reduce the sample by 6.5 percent, decreasing the number of areas for which the program publishes data, and increasing relative errors.

The LAUS program 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. The LAUS program will continue to research additional methodological enhancements to improve estimation. The LAUS program will make improvements to its subnational estimation systems.

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LAUS may forgo estimation of 441 New England Minor Civil Divisions with populations less than 1,000, which is approximately 6 percent of the number of areas for which LAUS currently publishes data.

The NLS program will complete data collection of round 18 of the NLSY97.

The JOLTS program will replace establishment-based size class estimates with firm size estimates pending user input. The JOLTS program also will research and plan to publish experimental estimates for each Federal Reserve District.

The ATUS will finish collecting a 2017 Module to the ATUS on the topic of Workers' Access to Leave and Job Flexibilities.

The EP program will release the 2016-2026 economic and employment projections and will incorporate these projections into the *OOH*. Throughout the year, EP also will produce 35 web postings for *Career Outlook* and will begin work on the 2018-2028 projections.

FY 2017

Figures shown for FY 2017 reflect the Full Year Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

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DETAILED WORKLOAD AND PERFORMANCE					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
Labor Force Statistics					
	Principal Federal Economic Indicators 1/				
	Current Population Survey				
BLS 5.1 CPS.01.P	Monthly series 2/ 3/	14,500	15,772	14,900	14,900
BLS 5.1 CPS.02.P	Other series published annually, quarterly, or irregularly 4/	17,200	17,293	18,000	18,370
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/	26,900	26,971	26,700	26,700
BLS 5.1 CES.02.P	State and local area monthly and annual series maintained 6/	23,400	23,644	23,800	23,800
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%	0.1%	<0.4%	<0.4%
BLS 5.1 CES.06.A	Number of not seasonally adjusted 1st - 3rd closing revisions of total nonfarm employment > 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	3,600,000	3,600,000	3,600,000
BLS 5.1 QCEW.02.W	Establishment records (current and longitudinal) maintained by the Longitudinal Data Base System 8/	9,700,000	9,606,817	9,884,000	10,000,000

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		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
BLS 5.1 QCEW.03.P	Business Employment Dynamics (BED) series maintained on job creation and destruction levels and rates 9/	75,000	83,726	83,700	83,700
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 10/	135,000	139,358	135,000	126,500
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 11/	107,050	107,050	108,100	102,600
BLS 5.1 LAUS.02.T	Percentage of monthly and annual releases on schedule (25 out of 25) 12/	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 13/	≥90%	100%	--	--
BLS 5.1 LAUS.03.A	Percentage of the month-to-month changes in seasonally adjusted unemployment rates that are < 0.4 percentage points	--	--	≥90%	≥90%
BLS 5.1 LAUS.04.A	Number of states with annual average unemployment rate revisions ≥ 0.4 percentage points	≤10	1	≤8	≤8
National Longitudinal Surveys					
BLS 5.1 NLS.01.O	Number of journal articles published that examine NLS data 14/	137	153	145	150
Job Openings and Labor Turnover Survey					
BLS 5.1 JOLTS.01.P	Monthly and annual estimates 15/	840	1,088	1,088	1,088
American Time Use Survey					
BLS 5.1 ATUS.01.P	Annual estimates 16/	8,900	9,600	8,400	10,600
Employment Projections					
BLS 5.1 EP.01.W	Number of industries for which the BLS publishes economic and employment projections (2-year cycle) 17/	206	206	n/a	205
BLS 5.1 EP.02.A	Percentage of total employment covered by projections in the 2-year cycle	100%	100%	n/a	100%
BLS 5.1 EP.03.P	Detailed occupations covered in the <i>Occupational Outlook Handbook</i> 18/	576	576	576	576
BLS 5.1 EP.04.P	<i>Career Outlook</i> web postings 19/	35	40	35	35

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		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 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/ The FY 2016 result reflects additional series on educational attainment and race and ethnicity. The FY 2017 target decreased due to series associated with race and ethnicity that were based on very small sample sizes and are no longer produced on a monthly basis.
- 4/ In FY 2016, CPS exceeded its target by releasing additional estimates by detailed industry and occupation, weekly earnings, and hourly earnings. The FY 2017 target reflects the addition of race and ethnicity series that previously were produced on a monthly basis. The increase in FY 2018 reflects the Contingent Worker Supplement (fielded in May 2017) sponsored by DOL.
- 5/ The FY 2017 target reflects the loss of series from some small industries that no longer will meet confidentiality and reliability requirements.
- 6/ In FY 2017, target increase is primarily due to additional Metropolitan Statistical Areas (MSAs) being seasonally adjusted following redefinition in FY 2015, as well as CES implementation of a unified cell structure.
- 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 result and FY 2017 target reflect the release of new series that provide information on annual firm size and age measures for the nation and states by industry.
- 10/ The FY 2018 target reflects the estimated impact of an approximate 6.5 percent sample reduction that may be implemented.
- 11/ The number of estimates increases each year as cities that newly exceed the LAUS population threshold of 25,000 are added. The FY 2017 target also reflects revised MSA delineations. The FY 2018 target reflects the possibility that the program may forgo estimation of 441 New England Minor Civil Division with populations less than 1,000.
- 12/ 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.
- 13/ This measure was replaced in FY 2017 by the measure immediately below it in the table.
- 14/ The targets are based on historical results.
- 15/ In FY 2017, JOLTS will release additional estimates based on the release of experimental firm size class estimates in FY 2016.
- 16/ In even fiscal years, ATUS updates a number of tables with multiyear estimates that are published on the BLS website. The FY 2017 target reflects a news release on eldercare. Beginning in FY 2017, ATUS will publish new estimates on leisure activities and detail by educational attainment in its annual news release.
- 17/ The number of industries is based on benchmark data from the Bureau of Economic Analysis and is constrained by available data. The FY 2018 target reflects combining NAICS 525 and 523 (within the Finance and Insurance Sector) as CES no longer separately publishes employment for NAICS 525.
- 18/ Beginning in FY 2017, content is updated on a continual basis instead of being released on a two-year cycle.
- 19/ Content is released online on a rolling basis throughout the year.

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Workload Narrative

The BLS fulfills 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. For example, in FY 2018, the OES program will research enhancements to estimation methods to determine if improvements to local area data can be made.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	\$50,454	\$52,619	\$55,134	\$2,515
11.3	Other than full-time permanent	300	396	134	-262
11.5	Other personnel compensation	607	1,019	941	-78
11.9	Total personnel compensation	51,361	54,034	56,209	2,175
12.1	Civilian personnel benefits	16,800	17,743	18,691	948
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	1,141	1,147	894	-253
22.0	Transportation of things	10	0	0	0
23.1	Rental payments to GSA	7,223	7,749	9,024	1,275
23.2	Rental payments to others	33	18	18	0
23.3	Communications, utilities, and miscellaneous charges	2,671	2,671	2,806	135
24.0	Printing and reproduction	815	1,177	1,112	-65
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	8,674	10,122	7,614	-2,508
25.3	Other goods and services from Federal sources 1/	65,756	67,915	66,599	-1,316
25.5	Research and development contracts	11,500	10,987	4,523	-6,464
25.7	Operation and maintenance of equipment	29,603	25,799	34,659	8,860
26.0	Supplies and materials	420	402	366	-36
31.0	Equipment	1,885	1,907	1,363	-544
41.0	Grants, subsidies, and contributions	65,000	64,876	64,876	0
	Total	\$262,892	\$266,547	\$268,754	\$2,207
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$7,191	\$8,155	\$8,155	\$0
	DHS Services	1,329	1,487	1,570	83
	Census Bureau	56,842	57,608	56,253	-1,355

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CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$1,007	
Personnel benefits	336	
Benefits for former personnel	0	
Travel and transportation of persons	0	
Transportation of things	0	
Rental payments to GSA	0	
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	0	
Working Capital Fund	0	
Other Federal sources (Census Bureau)	0	
Other Federal sources (DHS Services)	0	
Other goods and services from Federal sources	0	
Research and development contracts	0	
Operation and maintenance of equipment	0	
Supplies and materials	0	
Equipment	0	
Grants, subsidies, and contributions	0	

Built-Ins Subtotal **\$1,343**

Net Program **-\$1,343**

Direct FTE **-8**

	Estimate	FTE
Base	\$270,097	526
Program Increase	\$0	0
Program Decrease	-\$1,343	-8

PRICES AND COST OF LIVING

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	\$213,548	\$210,357	\$209,863	-\$494
FTE	1,038	1,045	1,025	-20

NOTE: FY 2016 reflects actual FTE. Authorized FTE for 2016 was 1,074.

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.

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.

PRICES AND COST OF LIVING

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

- In FY 2018, the BLS will collect approximately 94,000 commodity and service prices (monthly) and 96,000 Rent/Rental equivalence prices (annually), in approximately 87 geographic areas (additional information on the number of geographic areas can be found on page BLS-33).

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 2018, the BLS will collect approximately 88,000 price quotations.

International Price Program

The IPP measures price change of commodities in U.S. foreign trade classified by end use, 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.

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

- In FY 2018, the BLS will collect data from a probability sample of establishments and products. Approximately 2,000 exporters and 3,000 importers will report approximately 21,000 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 2018, the Census Bureau will conduct the survey for the BLS in 91 geographic areas of the United States, collecting 12,000 weekly expenditure diaries and 24,600 quarterly interviews.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2013	\$194,298	1,092
2014	\$200,585	1,099
2015	\$206,012	1,088
2016	\$213,548	1,074
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

FY 2018

In FY 2018, the BLS will prioritize its spending to activities necessary for the production of core data series in the areas of Prices and Cost of Living and also will undertake the following

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activities:

CPI will continue to introduce an updated geographic area sample based on the 2010 Decennial Census. The CPI will introduce the new sample in four waves over the course of several years. Upon completion, the urban geographic sample will be reduced from the current set of 87 primary sampling units (PSUs) to 75 PSUs, resulting in larger sample sizes in the remaining PSUs. In FY 2018, CPI will begin regular pricing of Commodities and Services (C&S) and Housing samples in the first wave of new PSUs with inclusion in CPI estimates beginning with the January 2018 index published in February 2018.

The Industrial Price programs (IPP and PPI) will continue modernizing the IPS Initiation System.

PPI will implement NAICS 2017 in the second quarter of FY 2018. PPI plans to provide data visualizations to the public of PPI changes and variances for a selected set of time series.

The CE Survey will reassess the program redesign of its surveys, elongating the effort, which will impact implementation of the improvements.

FY 2017

Figures shown for FY 2017 reflect the Full Year Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

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DETAILED WORKLOAD AND PERFORMANCE					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
Prices and Cost of Living					
<u>Principal Federal Economic Indicators</u>					
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	96,000	96,000
BLS 5.1 CPI.03.P	Indexes published monthly 2/	6,200	6,300	6,200	6,200
BLS 5.1 CPI.04.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%
BLS 5.1 CPI.05.A	Number of months that the standard error on the 12-month change in the U.S. City Average All Items CPI-U Index is ≤ 0.25 percentage points	12	12	12	12
BLS 5.1 CPI.06.I	Average Age of Housing Sample (years) 3/	4	4	4	3
Producer Prices and Price Indexes					
BLS 5.1 PPI.01.W	Price quotations collected/processed monthly 4/	95,000	95,000	93,500	88,000
BLS 5.1 PPI.02.P	Indexes published monthly 5/	10,500	10,659	10,700	10,800
BLS 5.1 PPI.03.A	Percentage of industry product line indexes published monthly	82%	82%	82%	82%
BLS 5.1 PPI.04.T	Percentage of monthly releases on schedule (12 out of 12)	100%	100%	100%	100%
BLS 5.1 PPI.05.A	Percentage of domestic output, within the scope of the PPI, which the PPI covers: Goods produced	97.6%	97.6%	97.6%	97.6%
BLS 5.1 PPI.06.A	Construction	34.0%	34.0%	34.0%	34.0%
BLS 5.1 PPI.07.A	Services produced	71.5%	71.5%	71.5%	71.5%
BLS 5.1 PPI.08.A	Total production	76.6%	76.6%	76.6%	76.6%
BLS 5.1 PPI.09.A	Number of revisions of the one-month percentage change between the first and final release of the Final Demand Index (not seasonally adjusted) > 0.4 percentage points	≤ 2	0	≤ 2	≤ 2

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		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
International Price Program					
BLS 5.1 IPP.01.W	Price quotations collected/processed monthly 6/	22,000	22,000	21,000	21,000
BLS 5.1 IPP.02.P	Indexes published monthly	1,050	1,050	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	100%	100%	100%	100%
BLS 5.1 IPP.05.A	Services in trade	10%	10%	10%	10%
BLS 5.1 IPP.06.A	Total in trade	84%	84%	84%	84%
BLS 5.1 IPP.07.A	Percentage of U.S. foreign trade exports covered by the IPP:				
	Goods in trade	100%	100%	100%	100%
BLS 5.1 IPP.08.A	Services in trade	8%	8%	8%	8%
BLS 5.1 IPP.09.A	Total in trade	72%	72%	72%	72%
BLS 5.1 IPP.10.A	Number of revisions of the one-month percentage change between the first and final release of the Import Price Index > 0.5 percentage points	≤2	0	≤2	≤2
BLS 5.1 IPP.11.A	Number of revisions of the one-month percentage change between the first and final release of the Export Price Index > 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 7/	13,800	12,743	12,000	12,000
BLS 5.1 CE.02.W	Complete Quarterly Interviews: Number of Consumer Unit Interviews 7/	27,600	25,489	24,600	24,600

- 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 2016, 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 sometime during FY 2018, but not necessarily at the end of the year.
- 4/ Periodically, PPI discontinues items from delinquent respondents. PPI focused on delinquent respondents in FY 2016, impacting the FY 2017 and FY 2018 targets. In FY 2018, the target also reflects the impact of increased use of alternative data sources that improve index quality but which often use different and unique monthly data collection processes; the resulting decline does not reflect a decrease in performance.

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- 5/ In FY 2016, PPI exceeded its target because it published more new net inputs to industry indexes than expected. PPI expects to publish additional indexes in this series in FY 2018.
- 6/ FY 2017 and FY 2018 targets reflect a decrease in the number of IPP price quotations collected monthly due to lower initiation rates.
- 7/ The FY 2016 result and outyear targets reflect continued issues related to respondent privacy concerns.

Workload Narrative

The BLS fulfills 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. For example, in FY 2018, the PPI will publish new net inputs to industry indexes.

PRICES AND COST OF LIVING

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	\$76,696	\$76,308	\$79,317	\$3,009
11.3	Other than full-time permanent	12,295	12,030	12,259	229
11.5	Other personnel compensation	1,069	1,429	1,329	-100
11.9	Total personnel compensation	90,060	89,767	92,905	3,138
12.1	Civilian personnel benefits	28,781	29,058	30,315	1,257
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	3,988	3,688	3,593	-95
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	14,752	14,798	17,234	2,436
23.2	Rental payments to others	34	24	24	0
23.3	Communications, utilities, and miscellaneous charges	1,313	1,094	1,144	50
24.0	Printing and reproduction	44	64	62	-2
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	5,871	8,355	2,960	-5,395
25.3	Other goods and services from Federal sources 1/	46,488	48,899	51,856	2,957
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	19,337	11,705	8,130	-3,575
26.0	Supplies and materials	427	426	426	0
31.0	Equipment	2,453	2,479	1,214	-1,265
41.0	Grants, subsidies, and contributions	0	0	0	0
	Total	\$213,548	\$210,357	\$209,863	-\$494
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$14,340	\$15,087	\$15,087	\$0
	DHS Services	1,872	2,096	2,213	117
	Census Bureau	29,498	31,135	33,304	2,169

PRICES AND COST OF LIVING

CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$1,679
Personnel benefits	550
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
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	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Services)	0
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$2,229**

Net Program **-\$2,229**

Direct FTE **-20**

	Estimate	FTE
Base	\$212,092	1,045
Program Increase	\$0	0
Program Decrease	-\$2,229	-20

COMPENSATION AND WORKING CONDITIONS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	\$85,793	\$84,344	\$82,880	-\$1,464
FTE	355	369	359	-10

NOTE: FY 2016 reflects actual FTE. Authorized FTE for 2016 was 349.

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 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 measures the incidence and provisions of employment-based retirement, health care coverage, 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 (computed in conjunction with the Occupational Employment Statistics (OES) program), compensation cost levels and trends, benefit incidence, and detailed benefit provisions. This includes the ECI and EBS. The NCS also supports the Occupational Requirements Survey (ORS), funded by the Social Security Administration (SSA). The ORS gathers job-related information regarding physical demands, environmental conditions, mental and cognitive demands, and vocational preparation requirements.

- In FY 2018, the BLS will collect data from a sample of about 11,400 private industry establishments and state and local governments providing both wage and benefit information. The BLS collects data from a sample of occupations within establishments in private industry and state and local governments through a combination of personal visits, mail, telephone, and electronic contacts.

COMPENSATION AND WORKING CONDITIONS

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 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. 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 2018, the BLS will publish 278 indexes and 332 levels quarterly, using a sample of 11,400 establishments.

Employee Benefits Survey

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

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

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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 are used 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.

- In FY 2018, the BLS will collect data on benefit incidence and provisions from a sample of 11,400 establishments, and will complete an analysis of health and retirement plans obtained from a sample of 3,350 private establishments.

WORK STOPPAGES STATISTICS

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

OCCUPATIONAL SAFETY AND HEALTH STATISTICS

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

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

COMPENSATION AND WORKING CONDITIONS

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 expanded use of 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 2018, the BLS will conduct the annual survey in a 50/50 cost-sharing partnership with 41 states, 3 territories, and 1 city, and collect the injury and illness data in nonparticipating states through its regional offices to produce national data. The BLS will collect information, which is based on the records of job-related injuries and illnesses that the Occupational Safety and Health Administration (OSHA) requires many employers to keep and report to its employees annually, from a sample of approximately 230,000 establishments. Additionally, the survey collects detailed information on case circumstances and worker characteristics for approximately 250,000 injury or illness cases that require days away from work, job transfer, or restriction to recuperate.

CENSUS OF FATAL OCCUPATIONAL INJURIES

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

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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 2018, 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>
2013	\$76,068	369
2014	\$81,506	360
2015	\$81,935	361
2016	\$85,793	349
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

FY 2018

In FY 2018, the BLS will prioritize its spending to activities necessary for the production of core data series in the areas of Compensation and Working Conditions and also will undertake the following activities:

NCS will develop and publish estimates concerning the distribution of compensation costs. Estimates will include employer costs for select benefits at given percentiles of the wage distribution. NCS will not publish detailed information on health plan provisions, which currently is the only federal source of this type of information in the benefits market.

With continued funding from the SSA, the BLS will complete the collection of occupational information for physical demands, environmental conditions, specific vocational preparation, and cognitive demands for a variety of occupations under the 3-year ORS sample design. The BLS expects to release the estimates from the second ORS production sample.

The SOII will further expand the use of computer-assisted coding to automatically classify detailed circumstances of workplace injuries and illnesses for additional circumstance types and occupations. The SOII will make enhancements to the auto-coder by employing a neural network and will release data that incorporates a broader use of computer-assisted coding 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.

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The SOII will conclude a pilot test of collecting occupational injury and illness data from workers. The results of this study, combined with the pending recommendations from the National Academy's *Committee on Developing a Smarter Surveillance System for Occupational Safety and Health in the 21st Century*, will help determine future enhancements to SOII data.

The SOII will also conduct research and release a report on the feasibility of integrating OSHA administrative data into the SOII to reduce respondent burden and improve precision for some estimates.

The CFOI will release data that was, in part, produced with source documents obtained utilizing web-scraping technology. The expected increase in source documents will increase the level of narrative detail to State partners and improve accuracy.

The CFOI program will expand the availability of its data by offering microdata files to CFOI State partners with the State identifier unmasked for each respective State, to conduct BLS-approved research. CFOI also will make available a data file with all State identifiers in the Federal Statistical Research Data Centers (FSRDCs).

FY 2017

Figures shown for FY 2017 reflect the Full Year Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

COMPENSATION AND WORKING CONDITIONS

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
Compensation and Working Conditions					
	<u>Principal Federal Economic Indicator</u>				
	<u>Employment Cost Index</u>				
BLS 5.1 ECI.01.W	Number of establishments	11,400	11,400	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)	11,400	11,400	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) 1/	3,350	3,352	1,590	3,350
	<u>Work Stoppages Statistics</u>				
BLS 5.1 WSS.01.P	Number of monthly and annual releases	13	13	13	13
	<u>Survey of Occupational Injuries and Illnesses 2/</u>				
BLS 5.1 SOII.01.W	Number of participating states, territories, and cities 3/	45	45	45	45
BLS 5.1 SOII.02.W	Number of establishments surveyed	230,000	230,941	231,679	230,000
BLS 5.1 SOII.03.W	Cases for which case circumstances and worker characteristics are collected and coded 4/	255,000	257,596	253,707	250,000
BLS 5.1 SOII.04.P	Number of national industry estimates published	22,200	22,220	22,230	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	2,200,000	2,244,488	2,217,118	2,200,000

COMPENSATION AND WORKING CONDITIONS

		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
BLS 5.1 SOII.06.A	Percentage of employment for which national estimates are produced: Private Sector 5/	92%	92%	92%	92%
BLS 5.1 SOII.07.A	Public Sector	87%	87%	87%	87%
BLS 5.1 SOII.08.A	The margin of error on the annual estimate of the national incidence rate for total job-related injuries and illnesses at the 95% confidence level (calendar year data)	<±0.10	±0.02	±0.02	<±0.10
Census of Fatal Occupational Injuries 6/					
BLS 5.1 CFOI.01.W	Number of participating states, territories, and cities 7/	51	51	51	51
BLS 5.1 CFOI.02.W	Number of source documents per fatal injury 8/	3.6	N/A	4.4	3.6
BLS 5.1 CFOI.03.A	Percentage of employment covered by fatal occupational injury statistics	100%	100%	100%	100%
BLS 5.1 CFOI.04.A	Revisions of the annual count of fatal work-related injuries (as a percentage of the total fatalities-calendar year data) 9/	<5.0%	3.0%	--	--

- 1/ The state and local government sample, which has fewer but larger establishments, is the basis of detailed provision estimates for publication in FY 2017. The number of establishments will return to the FY 2016 level with the private sample in FY 2018.
- 2/ The BLS reported results for the 2014 SOII in FY 2016. In FY 2017, the BLS reported results for the 2015 SOII, and in FY 2018, the BLS will report results for the 2016 SOII. FY 2017 reflects results from the 2015 SOII released in first quarter 2017.
- 3/ The BLS collects data for those states not participating in the Federal/State Cooperative program to produce nationwide estimates.
- 4/ The FY 2018 target reflects an overall decrease in the number of cases reported by employers.
- 5/ The SOII does not collect data on several groups of private industry employees, including: self-employed nonagricultural workers; self-employed agricultural workers; wage and salary agricultural workers; railroad workers; domestic workers, and unpaid family workers.
- 6/ In FY 2016, the BLS reported final results for the 2014 CFOI. Beginning with the 2015 CFOI released in FY 2017, the BLS reported counts with a single release rather than preliminary and final counts. In FY 2017, the BLS reports results for the 2015 CFOI. In FY 2018, the BLS will report the results for the 2016 CFOI.
- 7/ The BLS collects data for those states not participating in the Federal/State Cooperative program to produce nationwide counts of fatal work injuries. The targets reflects 46 states, 3 territories and 2 cities.
- 8/ FY 2016 result not available due to the shift to a single release beginning with the 2015 CFOI.
- 9/ Beginning with the 2015 CFOI released in FY 2017, the BLS reported counts with a single release of annual counts of fatal work-related injuries rather than preliminary and final counts. As a result, CFOI discontinued this measure after FY 2016.

COMPENSATION AND WORKING CONDITIONS

Workload Narrative

The BLS fulfills 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. For example, in FY 2018, the SOII will further expand the use of computer-assisted coding to automatically classify detailed circumstances of workplace injuries and illnesses for additional circumstance types and occupations. The SOII will make enhancements to the auto-coder by employing a neural network and will release data that incorporates a broader use of computer-assisted coding for some injuries and illnesses.

COMPENSATION AND WORKING CONDITIONS

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	\$35,244	\$35,319	\$36,681	\$1,362
11.3	Other than full-time permanent	200	377	384	7
11.5	Other personnel compensation	447	704	643	-61
11.9	Total personnel compensation	35,891	36,400	37,708	1,308
12.1	Civilian personnel benefits	11,531	11,677	12,231	554
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	929	1,317	786	-531
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	8,412	7,937	9,244	1,307
23.2	Rental payments to others	57	57	17	-40
23.3	Communications, utilities, and miscellaneous charges	1,044	994	1,044	50
24.0	Printing and reproduction	318	318	297	-21
25.1	Advisory and assistance services	33	33	33	0
25.2	Other services from non-Federal sources	1,315	1,249	749	-500
25.3	Other goods and services from Federal sources 1/	10,092	11,394	11,319	-75
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	7,188	4,636	1,292	-3,344
26.0	Supplies and materials	192	192	167	-25
31.0	Equipment	1,847	1,044	720	-324
41.0	Grants, subsidies, and contributions	6,944	7,096	7,273	177
	Total	\$85,793	\$84,344	\$82,880	-\$1,464
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$8,559	\$9,499	\$9,499	\$0
	DHS Services	1,269	1,421	1,500	79
	Census Bureau	40	40	40	0

COMPENSATION AND WORKING CONDITIONS

CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$679
Personnel benefits	220
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
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	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Services)	0
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$899**

Net Program **-\$899**

Direct FTE **-10**

	Estimate	FTE
Base	\$83,779	369
Program Increase	\$0	0
Program Decrease	-\$899	-10

PRODUCTIVITY AND TECHNOLOGY

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	\$10,795	\$10,974	\$10,798	-\$176
FTE	52	57	56	-1

NOTE: FY 2016 reflects actual FTE. Authorized FTE for 2016 was 52.

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 and growth in the economy. 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.

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 18 manufacturing industries (roughly corresponding to 3-digit NAICS industries), as well as for the total manufacturing, durable goods manufacturing, and nondurable goods manufacturing sectors. In addition, 42 non-manufacturing industries comprising the private business sector and the total economy multifactor productivity measures are also made available annually. The measures for industries are constructed as output per combined inputs of labor, capital, energy, materials, and purchased services. The multifactor data help explain trends in output per hour worked 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,

PRODUCTIVITY AND TECHNOLOGY

multifactor productivity data from the BLS continue to be used to set the payment schedule of physicians treating patients under the Medicare program.

The BLS uses data from its own programs, and obtains data from the 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>
2013	\$11,425	70
2014	\$10,203	60
2015	\$10,477	58
2016	\$10,795	52
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

FY 2018

In FY 2018, the BLS will prioritize its spending to activities necessary for the production of core data series in the areas of Productivity and Technology and also will undertake the following activities:

PRODUCTIVITY AND TECHNOLOGY

Major Sector Productivity (MSP) will complete production testing of the new Major Sector Productivity Statistical Analysis System (SAS) production systems and will undertake efforts to enhance documentation. Industry Productivity Studies (IPS) will expand industry coverage of labor productivity measures in the transportation sector and improve the database structure for the industry multifactor productivity measures.

The Office of Productivity and Technology (OPT) will develop recommendations to improve production efficiencies associated with the use of CPS data and will continue the multi-year collaborative “micro-productivity” project with the Census Bureau’s Center for Economic Studies.

FY 2017

Figures shown for FY 2017 reflect the Full Year Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

PRODUCTIVITY AND TECHNOLOGY

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
Productivity and Technology					
	<u>Principal Federal Economic Indicator</u>				
	Major Sector Productivity				
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%
	Other Programs				
	Industry Productivity Studies				
BLS 5.1 IPS.01.P	Series updated 1/ 3/	4,200	4,236	4,280	4,290
BLS 5.1 IPS.02.A	Percentage of industries covered by labor productivity measures 2/ 3/	62.6%	63.1%	64.3%	64.3%
	Other Output Measures				
BLS 5.1 OPT.01.P	Number of industries and sectors with multifactor productivity measures	111	111	111	111
BLS 5.1 OPT.02.P	Major studies, articles, technical papers, and special reports	21	21	21	21

- 1/ The number of labor productivity series updated is based on coverage of NAICS 2-, 3-, 4-, and 5-digit industries, and not 6-digit NAICS industries, because the availability of source data at the 6-digit level is subject to frequent changes.
- 2/ The percent of industries covered by labor productivity measures is based on the coverage of NAICS 4-digit industries.
- 3/ Beginning in FY 2016, IPS expanded coverage by adding measures for the specialized freight trucking sectors. In FY 2017, IPS will expand coverage by adding measures for new industries, including hospitals. In FY 2018, IPS will add measures in the service sector.

Workload Narrative

The BLS fulfills 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,

PRODUCTIVITY AND TECHNOLOGY

and examine the factors underlying productivity change. On an annual basis, the BLS identifies individual improvements that can be made by each Budget Activity. For example, in FY 2018, the IPS program will expand coverage in the service sector.

PRODUCTIVITY AND TECHNOLOGY

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	\$5,513	\$5,669	\$5,930	\$261
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	68	95	90	-5
11.9	Total personnel compensation	5,581	5,764	6,020	256
12.1	Civilian personnel benefits	1,840	1,930	2,046	116
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	47	40	25	-15
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	914	918	1,069	151
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	35	25	25	0
24.0	Printing and reproduction	2	0	0	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	82	87	52	-35
25.3	Other goods and services from Federal sources 1/	1,081	1,303	1,277	-26
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	1,086	803	245	-558
26.0	Supplies and materials	21	20	13	-7
31.0	Equipment	106	84	26	-58
41.0	Grants, subsidies, and contributions	0	0	0	0
	Total	\$10,795	\$10,974	\$10,798	-\$176
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$922	\$1,069	\$1,069	\$0
	DHS Services	147	164	174	10
	Census Bureau	0	0	0	0

PRODUCTIVITY AND TECHNOLOGY

CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$108
Personnel benefits	35
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
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	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Services)	0
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$143**

Net Program **-\$143**

Direct FTE **-1**

	Estimate	FTE
Base	\$10,941	57
Program Increase	\$0	0
Program Decrease	-\$143	-1

EXECUTIVE DIRECTION AND STAFF SERVICES

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
Activity Appropriation	\$35,972	\$35,620	\$35,547	-\$73
FTE	193	188	186	-2

NOTE: FY 2016 reflects actual FTE. Authorized FTE for 2016 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.

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 within BLS; procurement and contract administration; facilities and space management; security of the National Office; safety, and health; print, mail, property, and records management; management of statistical confidentiality policy (Confidential Information Protection and Statistical Efficiency Act); and information system security compliance (Federal Information Security Modernization 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

EXECUTIVE DIRECTION AND STAFF SERVICES

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 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

EXECUTIVE DIRECTION AND STAFF SERVICES

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>
2013	\$32,484	187
2014	\$34,535	186
2015	\$34,611	198
2016	\$35,972	198
2017	\$0	0

NOTE: A full-year 2017 appropriation for this account was not enacted at the time the budget was prepared.

FY 2018

In FY 2018, the Executive Direction and Staff Services programs will prioritize their spending to support activities necessary for the production of core data series by continuing to provide agency-wide policy and management direction as described above, including all centralized support services in the administrative, publications, information technology, field operations, and statistical methods research areas.

FY 2017

Figures shown for FY 2017 reflect the Full Year Continuing Resolution level, as a full-year appropriation had not been enacted at the time the budget was produced. The Department will provide an Operating Plan after a full-year appropriation bill is enacted.

EXECUTIVE DIRECTION AND STAFF SERVICES

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2016 Enacted		FY 2017 Full Year C.R.	FY 2018 Request
		Target	Result	Target	Target
Executive Direction and Staff Services					
BLS 5.1 ED.01	Percentage of time in which LAN infrastructure is available for BLS programs	≥99.00%	99.99%	≥99.00%	≥99.00%
BLS 5.1 ED.02	Number of financial audit findings	≤3	0	≤3	≤3
BLS 5.1 ED.03	Number of BLS Twitter followers 1/	41,600	39,962	45,400	52,700
BLS 5.1 ED.04	Average number of click-throughs to links in BLS tweets 1/	500	345	350	350

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

Workload Narrative

The BLS fulfills 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. For example, in FY 2018, the BLS will continue to publish Twitter content of interest to data users and the public with the goal of increasing the audience for BLS products.

EXECUTIVE DIRECTION AND STAFF SERVICES

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2016 Enacted	FY 2017 Full Year C.R.	FY 2018 Request	Diff. FY18 Request / FY17 Full Year C.R.
11.1	Full-time permanent	\$20,167	\$20,090	\$21,053	\$963
11.3	Other than full-time permanent	300	243	156	-87
11.5	Other personnel compensation	333	471	434	-37
11.9	Total personnel compensation	20,800	20,804	21,643	839
12.1	Civilian personnel benefits	6,193	6,427	6,781	354
13.0	Benefits for former personnel	56	56	56	0
21.0	Travel and transportation of persons	295	295	95	-200
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	1,877	1,883	2,193	310
23.2	Rental payments to others	10	10	10	0
23.3	Communications, utilities, and miscellaneous charges	282	282	271	-11
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	953	609	532	-77
25.3	Other goods and services from Federal sources 1/	1,397	2,016	1,903	-113
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	3,149	2,676	1,785	-891
26.0	Supplies and materials	176	177	167	-10
31.0	Equipment	754	355	81	-274
41.0	Grants, subsidies, and contributions	0	0	0	0
	Total	\$35,972	\$35,620	\$35,547	-\$73
1/ Other goods and services from Federal sources					
	Working Capital Fund	\$838	\$1,244	\$1,244	\$0
	DHS Services	536	600	634	34
	Census Bureau	0	0	0	0

EXECUTIVE DIRECTION AND STAFF SERVICES

CHANGES IN FY 2018

(Dollars in Thousands)

Activity Changes

Built-Ins

To Provide For:

Costs of pay adjustments	\$386
Personnel benefits	124
Federal Employees' Compensation Act (FECA)	-29
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
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	0
Working Capital Fund	0
Other Federal sources (Census Bureau)	0
Other Federal sources (DHS Services)	0
Other goods and services from Federal sources	0
Research and development contracts	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$481**

Net Program **-\$481**

Direct FTE **-2**

	Estimate	FTE
Base	\$36,028	188
Program Increase	\$0	0
Program Decrease	-\$481	-2