Panel Discussion: OMB Proposal to Move BLS to Department of Commerce—Potential Impact on BEA

Brent Moulton
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BEA’s mission

• “The Bureau of Economic Analysis (BEA) promotes a better understanding of the U.S. economy by providing the most timely, relevant, and accurate economic accounts data in an objective and cost-effective manner.”

• What are economic accounts?
  • Based on a *double-entry accounting* framework
  • Designed to provide comprehensive, consistent time-series
  • Derived from source data from dozens of federal surveys and administrative sources, mostly from other agencies
  • Source of major macroeconomic statistics such as
    • Gross domestic product
    • National income
    • Personal income, saving
    • Corporate profits
    • GDP by state; State personal income
Examples of source data used by BEA

**Census Bureau**
- Monthly/annual retail sales and inventories
- Quarterly services survey/Services annual survey
- Monthly/annual manufacturing shipments and inventories
- Monthly construction spending
- Monthly trade in goods
- Quarterly financial report

**Bureau of Labor Statistics**
- Current employment statistics
- Quarterly census of employment and wages
- Consumer price index
- Producer price index
- International price indexes
Need for statistical coordination

- For BEA to compile economic accounts using source data from multiple agencies requires coordination:
  - Consistent standards (e.g., NAICS)
  - Coordination of coverage to minimize data gaps
  - Coordination of statistical improvements
  - Coordination of release dates, data access, etc.

- BEA holds regular meetings with agencies and engages in joint projects to address cross-cutting needs

- As part of the same Department (and now located in the same building), greater opportunities for joint work by BEA and Census Bureau
OMB proposal to move BLS to DoC

• Envisioned as a first step in a longer term process
  • Lays the groundwork for future, incremental steps

• Achieving goals of enhanced data harmonization and integration will require time and effort

• Moving BLS to DoC will facilitate that effort

• In the longer term, additional legislation would probably be needed to allow for greater sharing of data among the statistical agencies
Potential benefits of proposal – Data sharing

• Potential benefits of data sharing:
  • More consistent and improved industry classifications
  • More accurate reporting by resolving data anomalies
  • More detailed and consistent data with no increase in respondent burden
  • Answer policy and analytical questions while protecting confidentiality

• Short-run — Data sharing agreements under existing authority could be expedited

• Longer-run — Sets stage for legislation for broader sharing of data by statistical agencies
Potential benefits — Administrative

• Potential operational efficiencies:
  • Information technology and databases
  • Enhanced privacy protection
  • Coordinated data collection (*Large enterprise groups*)
  • Improved data quality

• Coordination of strategic planning and budgets
  • Jointly set priorities
  • Initiatives for new or improved data collections

• Each agency will retain its distinctive branding, organizational culture
Potential benefits – Statistical programs

• Opportunity to address inconsistencies in data due to differences in classification, coverage, etc.
• Better able to weave together different datasets
• Opportunity to improve coordination of release schedules, revision cycles, etc.
• Opportunity for agency staff to better understand how survey data are reflected in national accounts, productivity, etc.
• Gives the statistical system the capacity to address emerging data needs
Thank you!