

FRIENDS OF LABOR STATISTICS

An Informal Network of Organizations and Individuals Reliant on BLS Statistics

June 24, 2015

Senator Thad Cochran
Chair, Senate Committee on Appropriations
113 Dirksen Senate Office Building
Washington, DC 20510

Senator Barbara Mikulski
Ranking Member, Senate Committee on Appropriations
503 Hart Senate Office Building
Washington DC 20510

Dear Senators Cochran and Mikulski

As your Committee considers final appropriation levels for Fiscal Year 2016 we strongly encourage you to restore support of the core programs and essential initiatives of the U.S. Bureau of Labor Statistics (BLS). BLS is the nation's principal fact-finding agency in the broad fields of labor, employment, consumer and producer price, and American productivity statistics. It is not able to sustain its programs at the level of funding it received in FY 2015. The consequences of reductions from FY 2015 appropriations, as would occur under the appropriations recommended by the LHHS Subcommittee, are potentially dire.

BLS produces essential economic information for public and private decision making. It is vital to our nation's business community, labor and workforce communities, and the research community that studies and evaluates labor and related economic policies and programs. If the U.S. hopes to compete in complex, increasingly data-driven global markets, it needs BLS survey data and economic indicators. Specifically, BLS provides data, programs, and products that serve our economy and workforce by:

- measuring labor market activity that supplies the critical gauge of our nation's employment/unemployment status;
- tracking consumer and producer price changes and developing price indicators, such as the principal inflation-measuring Consumer Price Index;
- calculating the productivity of business endeavors in a manner that can be compared across sectors and countries;
- monitoring working conditions; and
- informing state and local labor markets

The real (inflation adjusted) value of appropriations to the Bureau of Labor Statistics (BLS) fell between 2004 and 2008, and has been falling again since 2009 (See Figure 1). Its current purchasing power is less than it was in 2001. The agency has increasingly become unable to fulfill its basic responsibilities, despite its having made a series of cost-saving program changes since 2011, eliminating in 2013 its Mass Layoffs Statistics, Measuring Green Jobs, and International Labor Comparisons programs, and curtailing, in 2014, some collection under its Quarterly Census of Employment and Wages. In 2015, it has had to rely on a one-time contribution from the Department of Commerce in order to continue its Export Price Program. We users of BLS statistics are especially fearful that the agency's current cuts in hiring and

investments in staff training and development could affect the quality of its statistical information. These cuts are not sustainable, not even over the short run.

Without adequate funding in FY 2016, the BLS will be obligated to eliminate surveys and/or data programs. There is no other option.

Every existing BLS program has a large, varied, and vocal army of government agencies, businesses, community interests and others who rely on its output. Indeed, there are legislated limits on the programs that could be subject to elimination. The potentially continued cost-squeeze suggests that some of the millions of BLS customers will no longer have timely, objective, high quality data on which to make important decisions.

Accordingly, we prevail upon the Committee to restore lost funding for all core BLS programs and for renewed investment in its technical staff. A level of at least \$609 million would make progress toward this restoration.

Thank you for your understanding of the gravity of the BLS funding situation and our hope to see it resolved in FY 2016 - to the benefit of evidence-based employment and workforce policies, U.S. firms' informed decision making, and our basic understanding of how U.S. prosperity is linked with wages, employment, consumer prices, and trade.

Sincerely,

Agricultural and Applied Economics Association

American Statistical Association

APB Associates

Association of Public Data Users

Beer Institute

Robert Bednarzik, Professor, Georgetown University Public Policy Institute

Consortium of Social Science Associations

Council for Community and Economic Research

Council of Professional Associations on Federal Statistics

Maurine Haver, President, Haver Analytics

International Council of Shopping Centers

Alan B. Krueger, Bendheim Professor of Economics and Public Affairs, Princeton University

National Apartment Association

National Association for Business Economics

National Association of Forensic Economists

National Association of Home Builders

National Association of Workforce Boards

National Multifamily Housing Council

North American Regional Science Council

Randall Olsen, Director, Center for Human Resource Research, and Professor, The Ohio State University

Population Association of America

The Prison Policy Initiative

Andrew Reamer, Professor, George Washington University Institute of Public Policy

RTI International

Workforce Data Quality Campaign

