

Principles and Prerequisites for an Effective Move of the Bureau of Labor Statistics to the Commerce Department

The Administration proposes to move the Bureau of Labor Statistics (BLS) from the Labor Department into the Commerce Department¹, where the two other major economic statistics agencies, the Bureau of the Census and Bureau of Economic Analysis (BEA), reside. The American Economic Association has expressed its general support for this move². However, for the move to accomplish its goals of enhanced accuracy and availability of economic data, increased operational efficiency, and reductions in survey respondent burden, the following actions on reorganization **must** accompany any physical and administrative move.

- 1. Maintaining the independence and missions of the BEA, BLS, and Census.** To provide objective, relevant, accurate, and timely information, federal statistical agencies must have a widely acknowledged position of independence and the necessary authority to protect independence. In addition, a federal statistical agency must have a clearly defined mission. **Prerequisites** for a successful reorganization are maintaining the independence of the agencies and assuring the separate missions of BEA, BLS, and Census continue forward, with ongoing service to the stakeholders of each of the agencies' data products.
- 2. Comprehensive data synchronization among BEA, BLS, and Census.** Removing barriers to data synchronization and integration is also a **prerequisite** for a successful reorganization. This will yield improvements in the measurement and timeliness of key national indicators on the health of the American economy such as output, productivity, earnings, job growth, and inflation as it enhances the efficiency and effectiveness of the agencies. CIPSEA³ already provides common protection for privacy and confidentiality. However, enabling legislation that permits the protected and secure exchange and reconciliation of the household and business administrative registers and survey data across the agencies is needed.
- 3. Coordinated interagency strategic planning for data collection and dissemination, joint projects, and common mechanisms for data governance.** A successful reorganization will build on synergies to avoid overlap and improve coordination. Conscious, coordinated design of survey questionnaires, data collection, and access to and use of administrative data will substantially increase data collection efficiency and improve the accuracy of data collected.
- 4. Common measurement and statistical methods.** Common measurement and statistical methods should be used across agencies for business, household and worker data, where possible. This includes using core organizing frameworks to guide economics measurement. For example, an integrated system of national accounts should guide the collection and processing of business data. Using common measurement and statistical methods will enable internal consistency of aggregate indicators, such as GDP, with more disaggregated measures of business activity. Coordination of statistical methods should also include common disclosure avoidance protocols.
- 5. Common administrative infrastructure for information technology and data access protocols.** 21st Century statistical agencies will increasingly rely on advanced computational infrastructure to collect and process data from disparate sources. To maximize efficient operations, the agencies should be able to integrate information technology infrastructure, including user portals for access to disparate data sources.
- 6. Quality improvements and efficiency gains require investment.** While substantial improvements in quality and efficiency are expected, implementing effective coordination among the agencies will require sustained and proactive investments in each agency over the near term.

¹ Available at <https://www.performance.gov/GovReform/Reform-and-Reorg-Plan-Final.pdf>

² See <https://www.aeaweb.org/content/file?id=8362>

³ Confidential Information Protection and Statistical Efficiency Act <https://www.govinfo.gov/content/pkg/FR-2007-06-15/pdf/E7-11542.pdf>