# State LMI Agency Funding: Why It's Important and How You Can Make an Impact

**C2ER Webinar** 

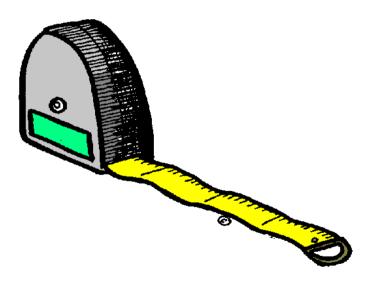
April 28, 2021

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## Agenda

- Data are 21<sup>st</sup> century infrastructure
- Current state of labor market statistics
  - Successes during COVID
  - Deficiencies
- Friends of BLS FY22 recommendation
  - Funding
  - Initiatives (especially UI records)
  - Agency reorganization





#### Key step toward equity—better measurement

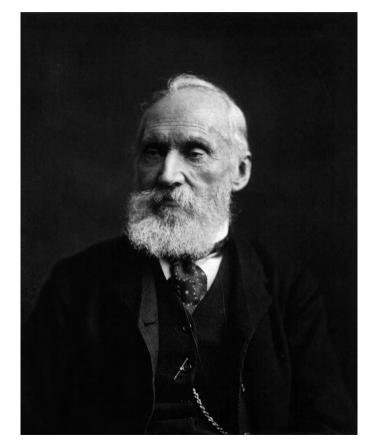
"If you can't measure it, you can't improve it."

William Thomson, 1<sup>st</sup> Baron Kelvin (paraphrased)

# →Official data are 21<sup>st</sup> century infrastructure.

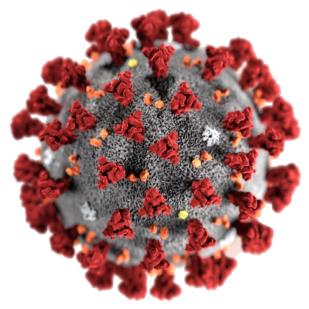


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# Successes during COVID era, BLS examples

- Continuity: on-time, high-quality, relevant
- CPS transparency and new questions
- One-off employer survey
- Updated seasonal adjustment factors
- Changes in JOLTS and LAUS estimation techniques

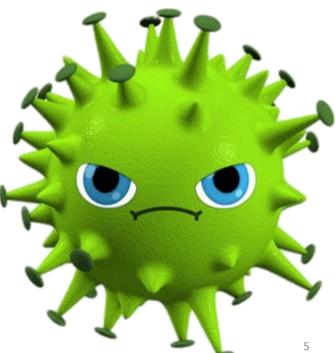




### **Official statistics deficiencies highlighted by COVID**

- To better inform decisions and target policy, we need more
  - Granularity
  - Timeliness and frequency
  - Consistency across products to aid linking and combining data sets
  - Agility to pivot to new questions
  - Privacy protection
  - Guaranteed independence from political influence





# **Official statistics deficiencies regarding racism**

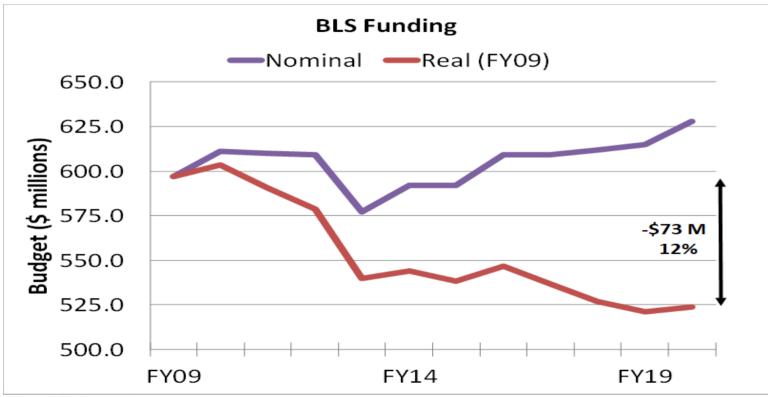
Workshop by American Economic Assn.'s Committee on Economic Statistics

- Deficiencies impede measuring racial disparities and other effects of systemic racism
  - Statistics not broken down by race and ethnicity
  - Poor coverage and low response rates for minority populations
  - No information on key issues (e.g., loans but not applications; income but not wealth)
- Fixes can [eventually] upgrade measures of economic consequences of racism
  - Oversample in surveys
  - Share government admin data, especially Unemployment Insurance and tax records
  - [Fund statistical agencies adequately]





## **FY2020 funding situation**





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# Friends of BLS FY22 budget request initiatives

- Realize potential of UI wage and claims records--via enhancement, access, and State analytic capacity
- New Survey of Employer-Provided Training
- New cohort for National Longitudinal Survey of Youth
- Upgrade Job Openings and Labor Turnover Survey to provide greater industry detail and state-level data
- Create BLS Data Science Center and 2nd electronic data collection facility
- Modernize Consumer Expenditure Survey and increase sample to support Supplemental Poverty measures
- Synchronize BLS and Census business registers on an ongoing basis
- CNSTAT study on reorganization of national economic statistics



# UI wage and claims records -- goals

- Enhance granularity, timeliness, accuracy, frequency of existing BLS products
- Modernize Mass Layoff Statistics and Initial and Continuing UI Claims releases
- Create new micro data resources for State LMI shops
  - Program evaluations
  - Labor-shed analysis
  - In-demand occupations and skills
- Scale back OES and NCS data collections

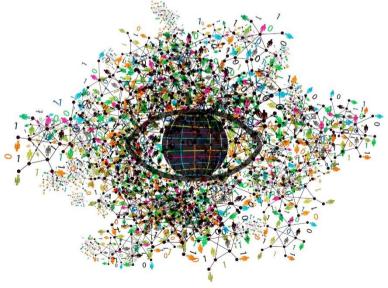


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# UI wage and claims records -- process

- Standard MOU (ala BLS pilot) to share data with BLS and state-to-state
- Fund States adequately to curate and analyze data
- Enhance records
  - Hours
  - Work site
  - Job title
  - Demographics
- Use T3 Innovation Network data schema
  - US Chamber of Commerce Foundation





# Why <u>now</u> for a UI record initiative?

- Public recognition of data deficiencies (e.g., UI Claims, LMI detail and timeliness)
- Administration priorities
  - Measure racial inequities
  - Rely on evidence for policy-making
  - Reform and modernize UI
  - Enhance infrastructure, broadly defined
- Proofs of concept in hand
  - BLS pilot for MOU
  - QCEW for curation and supervision
  - LEHD for examples of uses
- T3 Network to engage private sector, improve data quality, and reduce reporting burden
- New technologies lower costs and expand potential uses





# **Statistical agency reorganization**

#### • Goals

- Pool resources (scale and scope)
- Expand data-sharing
- Advance use of nontraditional data
- Reduce inconsistencies across agencies' products
- Enhance independence
- Process—CNSTAT review of statistical system organization





# Help improve official statistics

- Decry political interference; independence necessary for trust
- Communicate needs and concerns to BLS
- Don't free ride—speak up for evidence and official statistics
  - Cite your sources and attest to trustworthiness
  - Participate in federal surveys; encourage others
  - Tell State leaders and representatives to support funding and restructuring
  - Join Friends of BLS

www.friendsofbls.org LinkedIn: "Friends of BLS" group Twitter: @Friends\_of\_BLS Cornell University



# **Bottom line**

- To thrive in 21<sup>st</sup> century, States need better official statistics, particularly LMI
- BLS could provide States with better LMI and micro data via Friend of BLS FY22 recommendation
  - Shared, curated, enhanced UI wage and claims records
  - Better funding for BLS operations and State-level analysis
  - Stat system reorg?





# Thank you.

# **Questions?**



#### Friends of BLS FY21 initiatives in budget request

#### Proposed increments for initiatives

3       Survey of Employer-Provided Training       \$7 employer + \$5.5 employee       \$12.         4       Benchmark the Consumer Expenditure Survey semiannually. and provide robust data to support the Supplemental Poverty measure       \$       \$         5       Start a new National Longitudinal Survey of Youth Survey cohort       \$       \$         6       Upgrade the Job Openings and Labor Turnover Survey to provide greater industry detail and state-level data       \$       \$         7       Improve data accessSynchronization of BLS and Census business registers on an ongoing basis       \$       \$         8       Modernize economic statisticsCNSTAT study on reorganization of national economic statistics.       \$       \$         9       Continue support for American Time Use Survey all initiatives 2020 funding       \$       \$         2020 funding       \$       \$       \$	1	Tap the potential of UI wage and claims recordsvia enhancement and access	\$76M for BLS to manage records + \$22M for analytical grants to States	\$ 98
4Benchmark the Consumer Expenditure Survey semiannually. and provide robust data to support the Supplemental Poverty measure\$5Start a new National Longitudinal Survey of Youth Survey cohort\$6Upgrade the Job Openings and Labor Turnover Survey to provide greater industry detail and state-level data\$7Improve data accessSynchronization of BLS and Census business registers on an ongoing basis\$8Modernize economic statisticsCNSTAT study on reorganization of national economic statistics.\$9Continue support for American Time Use Survey\$9Continue support for American Time Use Survey\$92020 funding\$	2			\$ 13
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all initiatives\$ 142020 funding\$ 65	8			\$ 1
2020 funding \$ 65	9	Continue support for American Time Use Survey		\$ -
		all initiatives		\$ 145
total \$ \$6		2020 funding		\$ 655
		total		\$ <u>8</u> 80

# Incentives for using nonstandard data in official statistics

- Improve statistical quality via detail, coverage, timeliness, precision, or accuracy
- Reduce respondent burden and counteract falling household response rates
- Raise efficiency and resilience



#### Goals and caveats for successful agency reorganization

- Maintain statistical independence and missions of agencies
- Comprehensive data synchronization among agencies
- Coordinated interagency strategic planning for data collection and dissemination, negotiation with the private sector, joint projects, and common mechanisms for data governance
- Common measurement and statistical methods
- Common administrative infrastructure for information technology, training, and data access protocols
- Adequate investment for quality improvements and efficiency gains

