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November 14, 2024

The Honorable Erika McEntarfer
Commissioner, Bureau of Labor Statistics
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Ms. McEntarfer:

We write you with concerns about the Bureau of Labor Statistics' (BLS) processes for gathering and disseminating economic information to the American people, including its process for ensuring that the information it releases is not just timely, but accurate at the time it is released.

As you are aware, BLS releases statistical information showing increases or decreases in the non-farm payroll (monthly jobs numbers) on the first Friday of each month. Each monthly release, regardless of how soon after the previous month's end, purportedly shows the change in the gross number of employed individuals in non-farm industries, the change in the unemployment rate, and the industries in which the gains or losses predominantly occurred during the previous month.¹ Unfortunately, these monthly jobs numbers have long been subject to substantial revisions, painting an obscured picture of the overall economy.

For example, between February 2017 and December 2020 of the Trump administration, BLS's initial employment statistics had to be revised by an average of +/- 73,681 jobs per month, and were revised upward to show a more positive employment environment more often than they were revised downward.² This trend has continued with more volatility into the Biden-Harris administration. Between February 2021 and September 2024 (the last month with a reported revision to the monthly jobs numbers), BLS has revised its monthly jobs numbers by an average

¹ See, e.g., U.S. Bureau of Labor Statistics, *Employment Situation Summary* (Sept. 6, 2024), <https://www.bls.gov/news.release/empsit.nr0.htm>.

² See U.S. Bureau of Labor Statistics, *Nonfarm Payroll Employment: Revisions Between Over-The-Month Estimates, 1979-Present*, <https://www.bls.gov/web/empsit/cesnaicsrev.htm#2020>.

of +/- 101,114 jobs per month—revising downward more often than not.³ In fact, BLS revised its initially reported number by more than 100,000 jobs on 13 different occasions during this period.⁴

BLS's inability to produce initially reliable data—especially when that data has broad market-moving implications and often is used as indicia of the strength or weakness of the American economy—is unacceptable. Even more confounding is why BLS continues to conduct its business in the same manner month after month when its initial data release is so often flawed. Over the past eight years, during the entirety of the Trump and Biden-Harris administrations, BLS has revised its monthly jobs numbers by less than 10,000 jobs only five times.⁵ By contrast, it revised those numbers by over 100,000 on nineteen occasions.⁶ Clearly, BLS's procedures for releasing this data are not working.

BLS cannot continue to process and release data in the same manner it always has and expect a different outcome. Whether BLS needs to implement changes to how it collects data or to the timetable on which it releases the data it collects, it is clear that something must change so that those who make economic decisions based on the data BLS provides are able to do so with a reliable understanding of the actual facts on the ground. To better understand the breakdown in BLS's process and what efforts BLS will make to correct these errors, please answer the following questions, **on a question-by-question basis**, by close of business on **November 28, 2024**.

1. BLS consistently releases monthly job numbers on the first Friday of every month but makes numerous revisions to the monthly job numbers over the following weeks and months. Why does BLS believe there is virtue in releasing monthly job numbers so close to the prior month's end, especially when it knows those numbers almost always need multiple revisions?
 - a. Is BLS subject to any internal or legal obligation to release initial monthly job numbers on the first Friday of the following month? Please explain.
 - b. If not, has BLS considered waiting to release monthly job numbers until it has more reliable data?
 - c. To the extent BLS believes it would be inappropriate to wait until it has more reliable data, please state why it is more important for BLS to prioritize speed over accuracy.

2. Detail why BLS has been unable to produce more reliable data when it initially produces monthly jobs numbers?

³ See U.S. Bureau of Labor Statistics, *Nonfarm Payroll Employment: Revisions Between Over-The-Month Estimates, 1979-Present*, <https://www.bls.gov/web/empsit/cesnaicsrev.htm#2020>; U.S. Bureau of Labor Statistics, *Current Employment Statistics – CES (National)*, https://www.bls.gov/ces/data/employment-and-earnings/2021/summarytable_202103.htm.

⁴ *Id.*

⁵ Compare U.S. Bureau of Labor Statistics, *Employment Situation News Release* (April 3, 2020), https://www.bls.gov/news.release/archives/empsit_04032020.htm, with U.S. Bureau of Labor Statistics, *Current Employment Statistics – CES (National)*, https://www.bls.gov/ces/data/employment-and-earnings/2021/summarytable_202103.htm.

⁶ *Id.*

- a. Did those challenges also contribute to the historically large downward revision to BLS's benchmark estimates in August 2024?
3. What changes to BLS's data-collection process has BLS implemented or considered implementing to increase the reliability of its monthly jobs numbers?
 - a. To the extent BLS has tried to implement changes, what challenges, if any, has BLS encountered in trying to alter its data-collection or data-publishing processes?

Sincerely,

Bill Cassidy, M.D.

Bill Cassidy, M.D.
Ranking Member
U.S. Senate Committee on Health,
Education, Labor, and Pensions

Susan M. Collins

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