

**Statement of the American Economic Association's (AEA)
Committee on Economic Statistics and Committee on Government Relations
on the proposal to shift the Bureau of Labor Statistics to the Commerce Department**

Background: The Executive Office of the President in June 2018 issued a government reform plan with a series of recommendations for reorganization of Executive Branch functions (<https://www.whitehouse.gov/wp-content/uploads/2018/06/Government-Reform-and-Reorg-Plan.pdf>).

One of the 32 recommendations is to “Reorganize the U.S. Census Bureau, the Bureau of Economic Analysis, and the Bureau of Labor Statistics under [the Department of] Commerce to increase cost-effectiveness and improve data quality while simultaneously reducing respondent burden on businesses and the public.” This would involve moving the Bureau of Labor Statistics (BLS) from the Department of Labor to the Department of Commerce, and placing it, along with the Bureau of the Census and the Bureau of Economic Analysis (BEA) under the Commerce Department’s Under Secretary for Economic Affairs.

We support the proposal to move the BLS to the Commerce Department because of the benefits to data users of closer integration between BLS and the other major economic statistics agencies.

1. Coordination of statistical collections and data sharing among BLS, Census, and BEA should increase the quality of resultant statistics while reducing respondent burden on businesses and the public;
2. Closer operational coordination among BLS, the Census Bureau and BEA could facilitate the synchronization of business sampling frames among the agencies, assuring that resultant survey findings on private sector employment and wages, business revenues, trade, and other economic measures come from the same base and are thus more comparable;
3. A common infrastructure for access to restricted data and its accompanying privacy protection would enhance the opportunity for research on important economic phenomena. The common infrastructure would also facilitate implementing the recommendations of the Commission on Evidence Based Policymaking (see <https://www.cep.gov/cep-final-report.html>);
4. A common infrastructure for modernizing disclosure avoidance protocols at the U.S. statistical agencies would yield greater privacy protection for households and businesses;
5. Cabinet-level budget coordination would better balance interagency data collection priorities.
6. We support this greater integration of the activities of BLS, Census, and BEA, with the expectation that this would permit maintaining and improving upon the currently high standards of data production.

(This statement was endorsed by the AEA Committees on Economic Statistics and Government Relations. Members of these Committees who are government employees are recused from endorsement of the statement.)