



## **BRIEFLY...**

### **BLS COULD DO MORE TO IDENTIFY DATA LIMITATIONS AND INCREASE TRANSPARENCY**

**October 26, 2023**

#### **WHY OIG CONDUCTED THE AUDIT**

The Bureau of Labor Statistics (BLS) is one of the principal federal statistical agencies responsible for measuring labor market activity, working conditions, and price changes in the nation's economy. Federal policymakers, public institutions, and private citizens use this essential economic information to guide and support decision-making.

BLS collects data from both households and establishments using voluntary surveys; however, response rates for these surveys have steadily declined over the past 10 years.

#### **WHAT OIG DID**

We conducted this audit to answer the following question:

How has BLS addressed challenges posed by declining statistical survey response rates, and what was the impact of the declining response rates on the reliability and costs of economic information developed by BLS?

To answer this question, we examined three BLS surveys: the Current Population Survey, the Consumer Price Index, and the Import and Export Price Indexes. We interviewed BLS program officials and representatives from other federal statistical agencies; analyzed BLS survey data, guidance, methodologies, and publication criteria; and reviewed public laws and Office of Management and Budget policies.

We focused on improvements needed in ensuring the transparency of potential survey data limitations to users of BLS data. However, we do not make determinations or provide conclusions on the reliability of the three indexes that we reviewed.

#### **WHAT OIG FOUND**

BLS has taken actions to address challenges posed by declining survey response rates. However, BLS could do more to identify potential data limitations in its economic information and increase the transparency of those limitations. We were unable to identify a correlation between costs and declining survey response rates. To reduce the impact of missing data caused by declining survey response rates, BLS increased the use of imputations in its survey data, which are essentially replacement data inferred from relevant information available. Although imputations are a standard practice among federal statistical agencies, BLS could be more transparent regarding its increased use of imputations to facilitate accurate interpretation of its survey data.

During the COVID-19 pandemic, BLS bypassed controls in place to ensure the reliability of its economic information in 10 percent of published indexes for Import and Export Price Indexes. Further, BLS did not ensure transparency regarding exceptions to survey publication criteria.

Increased transparency with regard to potential data limitations is needed to ensure BLS survey users draw correct conclusions from the data when making critical decisions, such as policy changes that affect the American people.

#### **WHAT OIG RECOMMENDED**

We made four recommendations to BLS to improve the transparency and clarity surrounding the use of imputations and published survey data. BLS agreed to take corrective actions for all four recommendations.

#### **READ THE FULL REPORT**

<https://www.oig.dol.gov/public/reports/oa/2023/17-24-001-11-001.pdf>