

December 17, 2014

Nora Kincaid
BLS Clearance Officer
Division of Management Systems
Bureau of Labor Statistics, Room 4080
2 Massachusetts Avenue, NE.
Washington, DC 20212

RE: *Federal Register* notice of November 5, 2014, for the Bureau of Labor Statistics' National Compensation Survey (OMB Number: 1220-0164)

Dear Ms. Kincaid:

The Bureau of Economic Analysis (BEA) strongly supports the continued collection of data by the Bureau of Labor Statistics on the National Compensation Survey (NCS). This survey is our main data source for key components of BEA's economic statistics.

The NCS is a BLS establishment survey of employee salaries, wages and benefits. This survey produces the Employment Cost Index (ECI), the Employment Cost for Employee Compensation (ECEC) and employee benefit incidence and provision data, which is collected on the Employee Benefits Survey.

BEA uses the ECI, the ECEC, and data from the Employee Benefits Survey to prepare our estimates. The ECI is used to prepare the estimate of gross domestic product, specifically the estimates of state and local wages and salaries, personal consumption expenditures (PCE) for hospital services, and in the calculation of input cost indexes for the railroads component of nonresidential investment and the major improvements component of residential investment and the maintenance and repair component of housing product. Also, data from the ECI are used to monitor wage rate growth for private industries for comparison with published BEA estimates and to deflate purchases by the federal government. BEA uses employer expenditures for employee compensation from the ECEC to prepare annual estimates of the health insurance, pensions, and life insurance components of compensation of employees and annual estimates of PCE medical and hospitalization insurance. BEA uses data from the Employee Benefits Survey to monitor detailed characteristics of employee benefits and changes in employee benefits.

Please keep BEA informed about any modifications to this program. We are particularly interested in any that would substantially affect our use of these data. For additional information, please contact Tiffany Burrell, Source Data Coordinator, on 202-606-9618 or by e-mail at Tiffany.Burrell@bea.gov. Should you need additional information, please do not hesitate to contact BEA.

Sincerely,



Dennis J. Fixler
Chief Statistician