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February 23, 2009

Metropolitan Policy Program

Office of Information and Regulatory Affairs
Attn: OMB Desk Officer for the Bureau of Labor Statistics
Office of Management and Budget, Room 10235
Washington, DC 20503
OIRA_submission@omb.eop.gov

RE: Comments in response to proposed extension of BLS Job Openings and Labor Turnover Survey (JOLTS) – OMB Control Number 1220-0170

Dear OMB Desk Officer for BLS,

We, the undersigned, are writing in response to the Federal Register notice (January 22, 2009) regarding the proposed extension of the Bureau of Labor Statistics' Job Openings and Labor Turnover Survey (JOLTS). We appreciate this opportunity to voice our strong support for JOLTS and to suggest ways in which we believe this important resource can be improved.

We find that JOLTS is a timely, unique, important source of information on labor market conditions. JOLTS data on job openings, hires, and separations serve as important demand-side indicators of labor shortage, skills needs and the tightness of job markets. As knowledge, skills and abilities required for job performance continue to change rapidly, a systematic examination of job vacancies and their persistence across industries and occupations becomes an integral part of labor market signaling systems, offering more pointed guidance for human capital investments and labor market policy. Further, with a rapidly growing segment of America's workforce heading for retirement, JOLTS facilitates workforce policy efforts to replace critical skills.

At the same time, we offer a series of observations and requests regarding JOLTS. First, we find that the JOLTS sample size, at 16,800 establishments, is too small to provide meaningful statistics at the state and substate level. The availability of JOLTS data for smaller geographies would have a positive catalytic effect on state and local economic and workforce development policies and programs. Such data would be particularly valuable in this forthcoming time of economic stress.

Consequently, we ask OMB to instruct BLS to assess the feasibility of developing JOLTS as a federal-state cooperative program on a voluntary basis and report to OMB on its findings. A flexible federal-state cooperative arrangement would permit states to fund expanded sample procurement permitting more detailed and comparative analysis at the state level where responsive policy decisions are made. The development of a JOLTS state-level data series would be a uniquely valuable complement to other dynamic data series coming out of BLS (Business Employment Dynamics) and the Census Bureau

(Business Dynamics Statistics, Local Employment Dynamics, Statistics of U.S. Businesses).

Longer term (and beyond the purview of OMB's review), we would like to see a 10-15 fold increase in the JOLTS sample size. As the current federal cost of JOLTS is \$4.2 million, of which \$1.3 million is for data collection, we think the return to taxpayers on a relatively modest increase in investment would be very substantial.

We also ask that OMB instruct BLS to examine options for providing JOLTS job vacancy data in a form that can be used by the Employment and Training Administration's O*NET Data Collection Program to identify persistent and structural skills gaps. Providing detailed characteristics on over 800 occupations, O*Net's incorporation of JOLTS job vacancy data would allow its users—students, educators, employers, researchers, and workforce development agencies—to come to more informed conclusions.

We thank you for your attention to our comments. Again, we strongly support OMB's approval of the extension of JOLTS and look forward to its notification of action.

Sincerely,

Andrew Reamer, Fellow

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