

2017 National UI Issues Conference
Issues with Confidential UI Wage Information
“BLS Wage Records Pilot”

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What is the Wage Record Pilot?

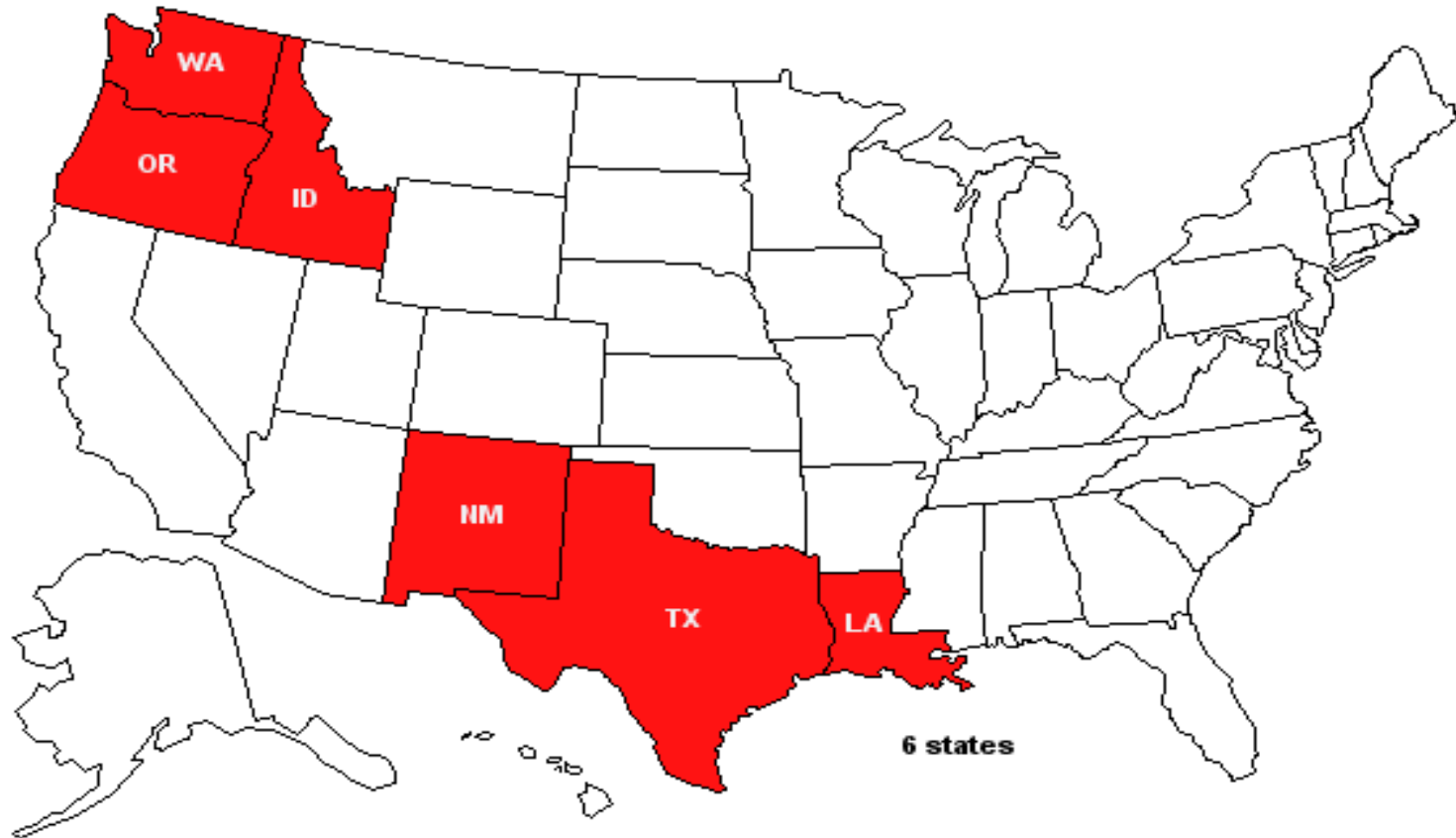
The goal of the project is to understand and document the value of a longitudinal wage record database

- ▶ State wage record data will be obtained from several states to develop a longitudinally linked multi-state UI wage record database
- ▶ The database will allow:
 - LMI shops to conduct cross-state research and develop new data products
 - BLS to develop new data products, and improve existing data
 - Assessment of the use of these data to meet the requirements of WIOA reporting



Who is on the Team?

States Participating in Wage Record Pilot



What is a Wage Record?

In order for State Unemployment Insurance (UI) Agencies to establish a work history, quarterly information is gathered on covered employees within that state

- Each state collects the basic information of Employer UI account number, Employee name, Social Security Number and Total Quarterly Wages
- Some states collect additional data categories in their wage records such as hours worked (Washington) or occupational codes or job titles (Louisiana)



How will the program work?

- Currently, the Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) program uses these state data as a primary program input
- In the pilot, these same exact files will be transmitted to BLS using a BLS developed application

Once received:

- Social security numbers are replaced with unique identifiers and linked
- State partners will have the opportunity to query the system for both cross-state research projects as well as developing input to Workforce Innovation and Opportunity Act (WIOA) reports



Current State Uses of Wage Record Data

- Program Administration and Evaluation
- Investigation, Verification, and Enforcement
- Statistical Purposes



What Questions Can These Data Answer?

- Are Workforce Development training programs effective?
- Are our training programs meeting the current demands of the job market?
- Where are state college graduates finding employment? Do they find employment in-state or elsewhere?
- How can we help businesses attract and retain staff?



What BLS Data Can We Improve?

- Improved benchmarking of state and national survey-based statistics.
- Wage records will help to develop Job Openings and Labor Turnover Survey (JOLTS) estimates at the state level
- Improved birth/death factors
- With some research wage records can be used to develop a new Mass Separations Series



What is the potential of enhanced wage records in the long run for BLS and the labor market information system?

- Adding job titles to wage records would allow BLS to significantly reduce the overall response burden to establishments
 - ▶ Potential to replace the Occupational Employment Statistics survey with administrative data
- Research the potential impact of hours information from Washington on the measurement of state level labor productivity

What is the potential of enhanced wage records in the long run for BLS and the labor market information system?

- The overall utility of enhanced wage records would be greatly improved with two other fields:
 - ▶ Establishment location that would provide information on local labor market conditions
 - ▶ Educational attainment of workers that would provide much needed information on the demand for skills by employers at the local level

The Role of Payroll Providers

In 2014, the Workforce Information Council surveyed Payroll Providers on Wage Records and found that all providers submit wage records on behalf of their clients.

Some barriers noted by survey participants:

- Any changes or enhancements to wage records would incur a cost to make software changes and retrain staff.
- Not all clients provide their data in electronic form. Some clients still use paper or call-in information.

** Enhancing Unemployment Insurance Wage Records, Potential Benefits, Barriers, and Opportunities. September 2014*

<http://www.workforcedqc.org/sites/default/files/images/Wage%20Record%20Study%20Year%201%20Report-Finalpdf.pdf>



Strategic Partnerships

- US Department of Labor to meet WIOA reporting requirements.
- US Department of Education to learn salary information from University/College graduates.



Questions, Thoughts?



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