

PERSONALLY SPEAKING

Number 69

April 2, 2010

DID THE BLS DROP THE BALL OR IS IT SPINNING THE NUMBERS?

Edward J. O'Boyle, Ph.D.

Mayo Research Institute

Permission to quote is granted when the source is acknowledged

In its March employment and unemployment report, the normally accurate BLS stated that the jobless rate for teenagers and blacks “showed little or no change in March.” The Bureau’s own data, however, clearly show that for teens the rate climbed from 25.0 percent in February to 26.1 percent in March. For blacks over the same period, unemployment increased from 15.8 percent to 16.5 percent. Furthermore, for adult black men joblessness rose from 17.8 percent to 19.0 percent.

Is the BLS spinning the numbers or did it drop the ball?

The BLS correctly points to a one-year *increase* of 309,000 in the number of discouraged workers but makes no mention of the one-month *decrease* of 210,000.

The BLS is silent on the one-month increase of 264,000 in the number of persons employed based on the household survey, choosing instead to underscore the increase of 162,000 in nonfarm payroll employment based on the establishment report. What is particularly puzzling about its silence is that the very same household survey indicates that employment among persons with *less than a high school diploma* increased by 345,000 from February to March. Why is the BLS silent on this important development?

Why is it speechless about the February-to-March *decrease* of 446,000 in the number of employed persons who are married spouse present?

Why does the BLS not call attention to the one-year *drop* of 650,000 in the number of multiple jobholders?

Why no mention of the 134,000 increase in joblessness from February to March?

Why does the sum of the number of persons unemployed by the duration of their unemployment fall short of the total number unemployed by 130,000 (14,857,000 versus 15,005,000)? Rounding error?

Why doesn't the Bureau make greater use of its own gross-flow data which it posts on its website but never uses to demonstrate significant labor force dynamics? Especially the flows

into and out of the labor force, and how those flows account for such apparently anomalous results such as the increases in both employment and unemployment that occurred between February and March?

The Bureau necessarily is selective as to the data included in the text of its short monthly press release since it has at its command an enormous database. Even so, what explains leaving one-half page of that three-page text blank?

For decades the BLS has been the official source of information on employment and unemployment in the United States and has carried on its work with meticulous care to detail, objectivity, and accuracy. Much like an umpire working the World Series. However, it is a human organization and hasn't always maintained those high standards in its reporting. For example, the secretary of labor in the early years of the Clinton administration shamelessly took charge of releasing this information to the public in order to call attention to those numbers that showed the president's economic policies and performance in their most favorable light.

Is the Bureau being used once again by political operatives or is it just getting sloppy in its work?

*Edward J. O'Boyle is Senior Research Associate with Mayo Research Institute.
Offices in New Orleans, Lake Charles, and West Monroe
www.mayoresearch.org 318-381-4002 edoboyle@earthlink.net*
