

**SECRETARY OF LABOR**  
**WASHINGTON, D.C. 20210**

August 3, 2023

Dear Workforce Information Advisory Council Members:

Thank you for your report titled “Recommendations to Improve the Workforce and Labor Market Information System.” I also thank you for your service on the Workforce Information Advisory Council (WIAC) and congratulate you for providing a comprehensive set of recommendations to consider. The Department of Labor (Department or DOL) appreciates your efforts and thoughtful recommendations as input for strengthening our current labor economy. I understand the importance of these recommendations to the workforce system and to American workers seeking to find apprenticeships, a good job, reliable training, and a career of their choosing. We will consider these recommendations as we look to develop the next two-year plan to improve the workforce and labor market information (WLMI) systems.

The Department provides the following responses to the recommendations in your report.

**Recommendation 1. Invest in in-depth qualitative research to identify, update, and refine understanding of the reasons why individuals leave the labor force and why they remain out of the labor force. This could take the form of a competitive bidding process for focus groups organized by need, region, and/or population group. Such research should embrace principles of qualitative research that facilitate self-identification of issues and problems from among the respondents.**

The Department recognizes the need for better understanding of why individuals do not participate in the labor force, an important feature in a healthy inclusive economy and the subject of study by the Council of Economic Advisors. BLS will release articles examining recent trends in labor force participation and non-participation, the first of which is scheduled to be published by Fall 2023. Based upon the research, analysis, and any conclusions in these articles, the Department will determine the next steps in developing a stronger understanding of the reasons why individuals remain out of the labor force.

**Recommendation 2. Engage in stakeholder discussions to identify gaps in existing labor market information that impede our understanding of labor force participation. This may include state and federal health and human services agencies, the Federal Reserve system, think tanks and advocacy organizations focused on the dynamics of labor force participation, and a cross-section of state, tribal, and local governments.**

The Department will ask the WIAC to conduct these stakeholder discussions through a specific WIAC subcommittee. The subcommittee should focus on the stakeholders listed in the recommendation, as well as local stakeholders and grantees who work closely with people in their community. Once the discussions with the stakeholders have been completed, the Department will request that the WIAC subcommittee submit a report to the full committee on the findings that includes actionable recommendations.

**Recommendation 3. Direct the Bureau of Labor Statistics (BLS) to publish additional demographic data from the existing Current Population Survey about individuals who are nonparticipants but indicate that they want to work.**

The Department, specifically the Current Population Survey (CPS) program, publishes data on people not in the labor force who want a job by several demographic characteristics at different periodicities (*i.e.*, monthly, quarterly, and annually).<sup>1</sup> DOL understands the desire for and importance of more demographic information on the nation’s labor force nonparticipants to study why labor force participation remains persistently below the rate prior to the COVID-19 pandemic. BLS will review data from the CPS to determine if additional demographic breakouts, or more timely data, are possible. Publishing additional disaggregated demographic detail for these series is not always advisable given the existing sample size and CPS publication requirements.

**Recommendation 4. Direct BLS to investigate opportunities to expand the data that can be published about reasons for nonparticipation that are collected and categorized under “Other.” One opportunity may be improving the clarity of the question or explaining the answer options.**

The monthly CPS provides comprehensive and timely information on the U.S. labor force. While important aspects of nonparticipation in the labor force are measured by this survey and published, the current survey design does not allow for precise and detailed breakouts for all nonparticipants. However, BLS will examine other unpublished CPS data collected on nonparticipation to determine if the information accurately contributes to the knowledge of this labor force status.

**Recommendation 5. Explore opportunities to expand the questions in the Current Population Survey or supplemental surveys to capture additional details about labor force nonparticipation, particularly for individuals who report that they want a job.**

The interest in data on labor force participation is expected only to increase going forward given the demographic changes occurring in the population. BLS intends to explore opportunities to expand the collection of data for people not in the labor force during an upcoming effort to modernize the CPS.<sup>2</sup>

It is worth noting that information from BLS’ National Longitudinal Surveys (NLS) may provide additional insight into the factors that lead to nonparticipation in the labor force. NLS gathers information at multiple points in time on the labor market activities and other significant life events of its respondents. The NLSY79 cohort, which includes individuals born in the latter half of the baby boom, are at or near traditional retirement age. The NLSY97 cohort may also provide some insight concerning why a segment of the prime-working-age population do not participate in the workforce. NLS is designed to be nationally representative; data at more granular geographic areas may not be supported by the sample size.

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<sup>1</sup> See <https://www.bls.gov/cps/lfcharacteristics.htm#nlf>.

<sup>2</sup> See the Fiscal Year 2024 Congressional Budget Justification Document on page BLS-11 for more information about the CPS modernization plans. <https://www.dol.gov/sites/dolgov/files/general/budget/2024/CBJ-2024-V3-01.pdf>.

**Recommendation 6. Fund efforts to assemble a data system focused on answering questions about labor force nonparticipation. Such a system should consider the feasibility of combining existing and alternate data sources to assemble longitudinal data systems that reflect the workforce system’s need to understand people’s journeys into and out of the labor market and the underlying reasons, barriers, and opportunities for workforce system intervention to promote success for all workers.**

Before the Department can consider funding efforts to assemble a data system focused on answering questions about labor force nonparticipation, significant research needs to be conducted. The Department will consider information and recommendations developed through the planned work described above in response to the first two WIAC recommendations, and will conduct analysis to understand the scope of the problem and the populations most affected. Depending on the results of that analysis, the Department will consider taking subsequent steps such as identifying existing data sources to reliably harvest data, identifying the best data collection methods to gather information that the existing data sources do not contain, and studying the feasibility of integrating systems at the national and state levels to provide more actionable information about labor force nonparticipation. Once these steps are completed, the Department will consider the possibility of dedicating funding to these activities, balanced against other departmental priorities.

**Recommendation 7. Direct BLS to consider increasing the Current Population Survey sample to provide greater coverage at the state level so that states may leverage the benefits of the survey as it currently stands as well as the new questions to address labor force nonparticipation. The Secretary should also direct the Bureau of Labor Statistics to estimate the cost of expanding the sample on a state-by-state basis so that states may provide funds to increase the sample size for their state.**

DOL recognizes that timely, accurate, and relevant information is critical for policymakers and others to understand labor market dynamics. At current resource levels, BLS is unable to expand the CPS. BLS will work with the Census Bureau to provide estimates on the cost to increase sample size, which could be used to assess either national or state sample size increases.

**Recommendation 8. Providing Unemployment Insurance (UI) filers (not just recipients) with information on job postings, training, and the location of or even contact names within American Job Centers (AJCs). This information should be provided multiple times either through email or text messages to act as a catalyst to promote employment.**

The Department is aware that some states utilize routine mailings, texts, emails, or other online platforms, such as websites used to document weekly work search activities, to provide information about job postings, training opportunities, and recruitment events as part of their communications with UI filers. The Department will continue to identify and share these promising practices with all states through technical assistance activities.

**Recommendation 9. Utilize existing WLMI to implement focused marketing strategies to reach those individuals who may be unemployed but have not filed for UI and provide them with information on jobs, training, and the availability of the AJCs and the services**

**they offer. Similar marketing efforts should also be developed to target individuals with disabilities, with a special emphasis to connect them with AJCs so they can have access to the wide range of services an AJC can provide.**

The Department promotes awareness of many of its services and initiatives through targeted marketing, including workplace safety, wage compliance, apprenticeship, or union representation. These efforts include promoting awareness of and access to AJC services through the CareerOneStop website, which also provides easy access to WLMI to provide job seekers with credible information on job growth, wages, and skills and education required for particular occupations. Pursuant to Executive Order 14058, “Transforming Federal Customer Experience and Service Delivery to Rebuild Trust in Government,” the Department, in coordination with the Office of Management and Budget, has designated CareerOneStop as a High-Impact Service Provider, particularly its use in searching for careers, training, and workforce services. As such, the Department is currently analyzing and assessing customer experiences in using CareerOneStop and is developing plans to make improvements to the site and its functionality. In developing such improvement plans, the Department will also consider WIAC’s recommendation in those efforts.

Additionally, the Department is working to launch a project that will provide technical assistance and training for both WLMI producers and users, with the dual goals of 1) building the capacity of state WLMI offices to provide high-quality and easy-to-use labor market information data; and 2) improving the ability of jobseekers and workforce policymakers to access and use these data. The Department expects that the project will help to equip participants with the capacity to better utilize and analyze labor market information for informed decision-making, and the principles covered in the training will support the kind of WLMI-driven marketing activities recommended by WIAC.

The Department, through the Employment and Training Administration (ETA), the Office of Public Affairs, and the Office of Disability Employment Policy, regularly share information about the availability of services within AJCs and work with other federal programs such as the Employment Networks program administered by the Social Security Administration, to ensure that AJC services are shared with individuals seeking employment assistance. The Department and its agencies will consider additional ways to market and conduct outreach to make all Americans aware of the local employment and training assistance that can be found in AJCs.

**Recommendation 10. Encourage apprenticeship and training agencies within the states to work with unions and trade schools to promote apprenticeship opportunities and trade school curriculum that can lead to lucrative careers. Contacting high schools and conducting outreach activities to students in their early high school years is important so students are aware of career options other than those that require a college education.**

The Department agrees with the recommendation to encourage greater use of pre-apprenticeship and Registered Apprenticeship for high school students and, more broadly, youth ages 16-24. In partnership with State Apprenticeship Agencies (SAAs), the Department has been and will continue to support expanding youth apprenticeship programs, including those for high school students, through promotion and outreach, technical assistance, investments, evidence-based strategies, and policy guidance. This includes resources and technical assistance available on the

apprenticeship.gov youth apprenticeship page, continued investment in expanding pre-apprenticeship and Registered Apprenticeship opportunities for youth through Federal grants, investing in and disseminating evidence-based strategies from the Department's Youth Apprenticeship Readiness grants, and issuing policy guidance for a framework on Registered Apprenticeship for high school students. Additionally, the Department's Advisory Committee on Apprenticeship (ACA) includes a focus on apprenticeship pathways, including youth apprenticeship. The ACA made initial recommendations to the Secretary on pre-apprenticeship and youth apprenticeship in an Interim Report and is expected to make additional recommendations on youth apprenticeship to the Secretary later this year.

**Recommendation 11. Encourage AJCs to utilize social media or other non-traditional means to conduct marketing and outreach of WLMi to reach populations that may not be responsive to traditional outreach efforts. This would include the Department of Labor providing the AJCs with tools and technical assistance toward that end. As an example, during the COVID-19 pandemic, CareerOneStop conducted a successful social media marketing campaign through YouTube, Spotify, and Pandora to reach populations that were unaware of the resources that CareerOneStop provides.**

The Department recently launched an initiative called *Yes, WIOA Can!* to encourage Workforce Innovation and Opportunity Act (WIOA) grantees to pursue bold and innovative actions to strengthen the nation's workforce infrastructure while focusing on equity. Through this initiative, the Department is highlighting the flexibility of WIOA, dispelling myths around its perceived barriers, and elevating innovative uses of WIOA funds at the federal, state, and local levels. Additionally, ETA has conducted technical assistance for grantees to clarify opportunities for conducting outreach and recruitment of participants, and will continue to provide guidance and technical assistance. ETA will also continue to provide technical assistance on using WLMi and online career tools to disseminate employment information.

**Recommendation 12. Both the U.S. Department of Labor and the state workforce agencies should conduct marketing and outreach activities specifically targeted to promote how workforce agencies can use WLMi with employers to enhance their recruitment, hiring, and retention. By making employers more aware of the types of business concerns that can be addressed by workforce agencies and the AJCs, workforce agencies can provide a value-added service to enhance the human resource component of business—emphasizing enhancement rather than enforcement.**

The Department agrees that it is important for businesses to use the publicly funded workforce system and WMLi to enhance recruitment and hiring. ETA published Training and Employment Guidance Letter 8-22, *Building Pathways to Infrastructure Careers: Framework for Preparing an Infrastructure Workforce*, to the workforce system on the role the workforce system can play in connecting workers and businesses to the opportunities available within the Bipartisan Infrastructure Law, guidance that continues to be applicable to the investments associated with the CHIPS and Science Act and the Inflation Reduction Act. In addition to this guidance on workforce board actions, ETA has made activities to support business services and data-driven sector strategies key features of its competitive grant programs, such as the Building Pathways to Infrastructure Jobs Grant Program.

**Recommendations 13. Create and regularly update a comprehensive list, by federal department and agency, of industrial policy efforts that depend on WLMI provided by the Department of Labor.**

All of the investments associated with the Bipartisan Infrastructure Law, CHIPS and Science Act, and the Inflation Reduction Act of 2022 depend on WLMI. Listings of those investments, and the grant awards that result, are available on the Whitehouse web site.

**Recommendations 14. Take steps to ensure that the agencies responsible for these efforts are fully aware of [DOL's] WLMI resources and how to access and use them.**

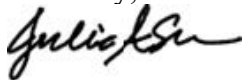
DOL regularly participates in multiple interagency policy committees on critical industry sectors. Such partnership is demonstrated through the joint issuance by the Departments of Labor and Commerce of the Good Jobs Principles.<sup>3</sup> In DOL's regular work with other agencies planning investments and supporting potential applicants, the Department both shares and consumes available information relevant to the labor market and will consider additional ways to highlight its WLMI resources to other federal agencies.

**Recommendations 15. On a regular basis, gather requests from these agencies for improvements in WLMI that would enhance the effectiveness and efficiency of their efforts to promote the ability of U.S.-based industries to compete in global markets.**

The Department appreciates this recommendation, and works regularly with fellow federal agencies to exchange information and data. While DOL labor market data covers the entire economy, including every industry and occupation, agencies outside DOL focus sometimes on subsets of industry sectors, such as transportation or broadband. The Department is working with many of our sister agencies to ensure WLMI information is available to those who require it to support the sector-specific workforce development required to meet the needs of the overall package of Investing in America legislation to rebuild U.S. infrastructure and climate resilience as well as strengthen and secure the supply chain for many key American industries. The Department is also involved in interagency consultations around multiple industry sectors where data and analysis are shared and stakeholder views from industry, education, and non-profit organizations are solicited for consideration.

The actions the Department will undertake based upon your recommendations will provide needed improvement to the workforce and labor market information systems at the local, state, and national levels. Should you have any questions, please contact Steve Rietzke, the WIAC's Designated Federal Officer and Division Chief for ETA's Division of National Programs, Tools, and Technical Assistance at (202) 693-3912 or rietzke.steven@dol.gov.

Sincerely,



JULIE A. SU

Acting Secretary of Labor

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<sup>3</sup> <https://www.dol.gov/general/good-jobs/principles>