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U.S. Department of Labor

Chief of Staff to the
Secretary of Labor
Washington, D.C. 20210



April 24, 1993

MEMORANDUM FOR: MARK GEARAN

FROM: KITTY HIGGINS

SUBJECT: BLS Procedures

For your information, here are the traditional ground rules for releasing unemployment and other important national data. Note the genesis of this procedure.

U.S. Department of Labor

Bureau of Labor Statistics
2 Massachusetts Ave. N.E.
Washington, D.C. 20212

APR 19 1993

MEMORANDUM FOR KATHRYN O'LEARY HIGGINS
Chief of Staff

FROM : WILLIAM G. BARRON, JR. *WMB*
Deputy Commissioner

SUBJECT : News Release Procedures

The Bureau of Labor Statistics (BLS) issues a wide range of important economic indicators, the most sensitive of which are the monthly reports on employment and unemployment, the Consumer Price Index, the Producer Price Indexes, and the Quarterly Employment Cost Index.

In issuing its releases, BLS follows Office of Management and Budget (OMB) Statistical Policy Directive Number 3. This Directive (1) requires that statistical data be released promptly after compilation, (2) precludes pre-release distribution of information except under certain specified conditions which are severely restricted and regulated, and (3) requires a 1-hour separation between the issuance of releases and policy comment on them.

The processing and analysis of data for BLS news releases takes place entirely within BLS. Procedures to provide physical and computer security of the data are scrupulously followed. Release dates and times are announced in December for the following calendar year. Major economic indicators are issued at 8:30 a.m.; this means that the President, the Secretary of Labor, and other members of the Executive Branch are permitted to discuss the data and their implications for policy beginning at 9:30.

On the afternoon prior to release, the data are provided to the Chair of the Council of Economic Advisers on behalf of the President. This takes place after tables and text are sent to the printer which is usually about 3:30 p.m. The earliest that the Secretary of Labor can be briefed on the data is 8 a.m. on the morning of release; other Administration officials, such as the Chairman of the Board of Governors of the Federal Reserve System, the Secretary of Commerce, and the Secretary of the Treasury also are authorized to receive the release from BLS at 8 a.m., but again cannot comment publicly until 9:30.

The Congressional practice of holding monthly hearings before the Joint Economic Committee, which has continued virtually uninterrupted since 1971, stems directly from the Nixon Administration 1971 decision to abolish monthly BLS press briefings on the employment situation and other sensitive BLS data.



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Prior to discontinuance of the BLS press briefings in 1971, there had been some executive branch deliberation on changing the Federal Government's process for issuing sensitive data, including the institution of a rule to allow data to be issued at least one hour before comment by any policy official. The one-hour rule was (and still is) viewed as a means of shielding career officials from political pressure as well as a way to ensure that statistical information would be initially available to the media and the public separate and distinct from political commentary. Indeed, these deliberations were cited by the Nixon Administration in the decision to abolish the BLS briefings, with the Department of Labor announcing the need "to avoid the awkwardness of subjecting staff of the BLS to questions with policy implications."

Absence of a "one-hour rule," or any clearly established government-wide policy and process for release of sensitive data, was a major, but not the sole, contributing factor to the series of incidents which began in late 1970 and culminated in two senior career BLS officials being removed from their positions by the fall of 1971. In essence, this series of incidents revolved around the distinct differences between the interpretations of monthly data by BLS officials and Nixon Administration political officials over a series of months. Numerous press accounts, for example, Angered by Jobless Reports - Nixon Ousting Labor Analysts (Washington Post, September 29, 1971)--documented the Nixon Administration's frustration with the BLS monthly reports. Some press accounts explicitly reported that "President Nixon is angry at a Government Statistical Agency...", and indicated that "Administration sources say Nixon was furious," with the BLS. The decisions to cancel BLS press briefings and remove BLS officials were followed by a series of withering press accounts, Congressional hearings by several Committees, and investigations by outside groups. From this turmoil the current process for release of economic data emerged, basically as it exists today.

In sum, I would say today that the "one-hour rule" is a partial, but still important, response to a very sensitive and complex issue. As one part of the OMB dictated process for data release, it does help avoid the "surprise factor," whereby enterprising members of the media could, as they did in 1971, present BLS career officials with previously issued Administration statements. Thus, the current "one-hour rule" affords career officials some degree of insulation, by allowing their factual statements to be issued and be in place for one hour, prior to the interpretation and comments of policy officials.

BUREAU OF LABOR STATISTICS NEWS RELEASE PROCEDURES

The Bureau of Labor Statistics issues a wide range of important economic indicators, the most sensitive of which are the monthly reports on employment and unemployment, the Consumer Price Index, the Producer Price indexes, and the quarterly Employment Cost Index.

In issuing its releases, BLS follows Office of Management and Budget Statistical Policy Directive Number 3. This directive (1) requires that statistical data be released promptly after compilation, (2) precludes pre-release distribution of information except under certain specified conditions which are severely restricted and regulated, and (3) requires a 1-hour separation between the issuance of releases and policy comment on them.

The processing and analysis of data for BLS news releases takes place entirely within BLS. Procedures to provide physical and computer security of the data are scrupulously followed. Release dates and times are announced in December for the following calendar year; major economic indicators are issued at 8:30 a.m., other releases are issued at 10 a.m.

Release Cycle for Major Economic Indicators:

1. Data are collected, processed, tabulated, and analyzed. Text of news release is prepared. Final text is reviewed by Commissioner of Labor Statistics.
2. Tables and text are sent to print at the Department of Labor.
3. The data are provided to the Chairman of the Council of Economic Advisers on behalf of the President. (This takes place late in the afternoon on the day before the data are to be released.) No one else outside of BLS sees the data until the morning of release.
4. At 8 a.m. on the morning of release, the Secretary of Labor is briefed on the data by the Commissioner of Labor Statistics. The Chairman of the Board of Governors of the Federal Reserve System, the Secretary of Commerce, and the Secretary of the Treasury also are authorized to receive the release at 8 a.m.
5. Also at 8 a.m., representatives of the media may have access to the releases under lock-up conditions. This means that reporters read the release and prepare their reports in a secure room monitored by Labor Department employees; voice and computer transmission to their organizations are not permitted until the official release time of 8:30 a.m.

BUREAU OF LABOR STATISTICS NEWS RELEASE PROCEDURES (continued)

6. Data are released to the public at 8:30 a.m.; technical explanations are provided by BLS staff beginning at release time.
7. On the day of the employment situation release, the Commissioner of Labor Statistics testifies before the Joint Economic Committee of the Congress at 9:30 a.m. If Congress is not in session, a press conference is scheduled. At that time, the Secretary of Labor and other members of the Executive Branch are permitted to discuss the data and their implications for policy.