## United States Senate

ARMED SERVICES

HOMELAND SECURITY

COMMERCE, SCIENCE, AND TRANSPORTATION

BUDGET

SPECIAL COMMITTEE ON AGING

December 20, 2022

The Honorable William W. Beach Commissioner U.S. Bureau of Labor Statistics Postal Square Building 2 Massachusetts Avenue NE Washington, DC 20212-0001

## Dear Commissioner Beach:

For the better part of his presidency, while the American economy has struggled and record inflation has brought historic pain to families and small businesses across the country, President Joe Biden has consistently bragged about job growth. While ignoring the fact that the vast and overwhelming majority of jobs he now takes credit for are not new, but simply have returned following mandatory shutdowns in Democrat-controlled states and cities, President Biden has used data and reports from your agency, the Bureau of Labor and Statistics (BLS), to support advancing his radical, agenda and big government policies. Now, thanks to the good work of analysts at the Federal Reserve Bank of Philadelphia, we know that the BLS inaccurately reported the creation more than one million jobs, and that much of what President Biden has claimed credit for as the economic achievements for his administration is a lie.

Last week, on December 13<sup>th</sup>, the Philadelphia Fed released its report on <u>Early Benchmark Revisions of State Payroll Employment</u>. This specific report provided revised estimates to BLS jobs reports which it states provide "more comprehensive and accurate job estimates" for the months of March through June of this year.

I realize that the BLS relies on projections, based on the collection of real data, to report nationwide figures. Making small revisions to work of this nature is understandable, but what the Philadelphia Fed uncovered is not an insignificant projection error. This appears to be a massive and incredibly consequential failure that has misled the American people and covered up the damage done to the American economy by President Biden's radical anti-business, progovernment agenda.

Specifically, the Philadelphia Fed has concluded that BLS was off on its estimates by 1,111,000 jobs and that only 10,500 new jobs were added between March and June of 2022, not the 1,121,500 jobs indicated in the BLS reports.

The consequences of the gross failure I have just described, and the horrifically misleading message it has allowed the Biden administration to send the American people,

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cannot be overstated. The data reported by your agency is used by the executive branch to create policy and drives critical pieces of our economic picture, including consumer confidence and investment strategy at all levels.

I have long been skeptical of your agency's reports, and have continued to call out the discrepancies within your reports that show a significant loss in full time jobs. In April of this year the <a href="White House">White House</a> used your BLS employment numbers to signal that their "plans and policies have produced the strongest job creation economy in modern times." But this new report shows that to be untrue. While those issues alone were cause for concern, it pales in comparison to the scandal of falsely reporting of the creation of more than one million jobs, and I am demanding answers on this immediately.

We are scheduled to speak later this week and, in preparation for that meeting, I ask that you provide thorough responses, including any relevant supporting materials, to address the following questions:

- 1. Why was BLS labor report data so inaccurate?
- 2. Has anyone in the White House, or in any senior position in the Biden administration, spoken with you about this report?
- 3. Since President Biden took office, have there been any changes made to the way which this data is collected, analyzed and/or reported? If so, who ordered and/or approved these changes?
- 4. What are you doing to fix the problem and ensure that labor statistics better match the actual labor environment in real time?

It is vital that the greatest economy be driven on data that is reliable and trustworthy. I will not rest until the American people can be assured that the economic data being reported by the Biden administration is accurate, this issue has been resolved and any person responsible for this egregiously false reporting has been held fully accountable.

I look forward to speaking with you in the coming days and expect your full cooperation with my efforts to resolve this very serious issue.

Sincerely,

Rick Scott

**United States Senator**