

# CENTENNIAL



A century ago, in 1884, the Congress of the United States voted to establish a Bureau of Labor—later named the Bureau of Labor Statistics. This innovative act marked government's attempt to establish a permanent and independent agency to "collect information" on the earnings and working conditions of "laboring men and women." However, data-gathering was not a new Federal activity. The government had conducted studies and hearings on economic and social problems earlier, and had taken a decennial census since 1790. But these activities lacked continuity—even the census. After each census was completed, the staff was disbanded until the next decade. The 1890 census was actually completed under the direction of the first BLS commissioner, Carroll Wright. Founded almost 20 years before the Bureau of the Census was established in 1902 as a separate and continuing agency, the Bureau of Labor Statistics was thus a forerunner of a Federal statistical establishment that now includes a number of agencies in departments and commissions throughout government.

The act establishing the BLS was noteworthy in another way. It provided that the commissioner be appointed to a fixed 4-year term, unlike cabinet officers and other political appointees who served at the pleasure of the President. Thus, the BLS was assured of a measure of stability and independence that served its impartial and nonpolitical role during later periods of uncertainty and controversy. The appointment of Wright, who had headed the Massachusetts Bureau of Labor, as the first commissioner established the tradition that the commissioner should be a social scientist, and Wright's leadership made for the early professionalization of the Bureau's work.

A history of the BLS, written by Joseph P. Goldberg and William T. Moye, will be published later this year as part of the Bureau's centennial observance. Other special publications, conferences, and opportunities for Bureau staff and friends to mark the occasion appropriately are also being planned for the centennial year.

This history shows how the Bureau has grown and evolved in response to changing conditions and changes in BLS leadership. It is a social and economic history as well as the history of an institution. The major statistical programs conducted today by the BLS arose from clearly recognizable social needs. For example, during World War I the need to adjust wages in shipyards to rapidly rising prices led to the development of a cost-of-living measure that later became the Consumer Price Index (CPI). Today, the CPI is used not only to adjust wages under collective bargaining agreements, but also to adjust social security payments as well as private agreements ranging from divorce settlements to a variety of commercial transactions. It is hard to think of the economic life of the country being carried out today without a Consumer Price Index.

Similarly, during the depression of the 1930's, perhaps a fourth of the labor force was unemployed—but no one knows precisely what proportion because there were no adequate statistical surveys to gather data on unemployment. The need for better information to inform policymakers and the electorate and to assist in planning government programs led Congress in 1932 to increase the appropriation for BLS so that monthly data on hourly earnings and weekly hours could be collected from business establishments. Studies of industrial employment had been started by BLS in 1915 and had been gradually expanded. Today, payroll data on employment, hours, and earnings are gathered economy-wide under a cooperative Federal-State program covering 200,000 establishments and government. It was the depression, too, that led to the development of a

sophisticated household survey—conducted for BLS by the Census Bureau—that yields monthly data on employment and unemployment.

The spread of collective bargaining during the 1930's and 1940's increased demand for data on wage rates in different areas for different occupations, data on strikes, and data on characteristics of collective bargaining agreements. Programs dealing with productivity measurement, economic growth, and occupational projections, and with occupational safety and health were also responses to expressed needs.

**A** centennial should serve as a period of stock-taking—an opportunity to reflect on what we can learn from history and a time to think about emerging problems and their implications for the next hundred years. I have tried to identify some of the ideas and principles that have guided the BLS over its first century. They have not been codified or collected in any one place, but explicitly or implicitly they are repeatedly confirmed in the history of the BLS. They suggest what the BLS stands for:

- \* **A commitment to objectivity and fairness** in all of its data-gathering and interpretive and analytical work. Without this commitment—and public recognition of it—data will lack credibility and will lose its usefulness.

- \* **An insistence on candor at all times**—full disclosure of the methods employed in obtaining and analyzing the data, clear explanations of the limitations of the data, and a willingness to admit and correct errors should they occur.

- \* **Protection of confidentiality.** BLS assures its respondents that the information they provide will be kept confidential and used only for the purpose of statistical compilations. The willingness of employers to cooperate in BLS surveys is attributable in no small measure to the view that BLS can be trusted to protect its sources and handle the data professionally.

- \* **The pursuit of improvement.** Research at the Bureau means not only gathering information that will contribute to an understanding of economic and social trends, but it also means studying how to gather better information more efficiently and present it more effectively. Along with other agencies in and out of government, the Bureau has assiduously worked on problems of statistical methodology in order to improve the quality of information obtained for public purposes.

- \* **Willingness to change** Bureau programs to keep them relevant to changing economic and social conditions.

- \* Finally, **consistency.** The BLS cannot afford to have good days and bad days. It must maintain the highest standards of performance at all times.

**I**n trying to live up to these ideals, the Bureau has been aided not only by the commitment of its staff but by the support of the Congress and successive secretaries of labor. Business and labor advisory committees have offered valuable counsel. The press, too, has been indispensable in disseminating the results of BLS surveys and special studies, and it has spoken up for the importance and independence of statistical research in government agencies.

President Chester Arthur signed the bill creating the Bureau on June 27, 1884. The first commissioner, Carroll Wright, took office in January 1885. As we enter our centennial year, we are heartened by the record of the Bureau's first 100 years and determined to sustain the Bureau's commitment for a second century.