

DUNCAN HUNTER
52D DISTRICT, CALIFORNIA

COMMITTEE ON ARMED SERVICES

COMMITTEE ON
EDUCATION AND THE WORKFORCE

CHAIRMAN, SUBCOMMITTEE ON
EARLY CHILDHOOD, ELEMENTARY AND
SECONDARY EDUCATION

COMMITTEE ON
TRANSPORTATION AND INFRASTRUCTURE



U.S. House of Representatives
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October 9, 2012

Honorable John Kline
Chairman
House Education and the Workforce Committee
2181 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Kline:

In March, I introduced H.R. 4128, the Real Unemployment Calculation Act, legislation requiring that the “official” monthly unemployment rate calculated by the Bureau of Labor Statistics and cited by the federal government also account for the broader group of individuals who are out of work, but not represented by the official U3 unemployment rate. My legislation requires that the federal government cite, as its official measurement, a rate that also accounts for Americans who have simply given up looking for work. Under the existing methods for calculating unemployment, these individuals, who are identified as discouraged, are represented by the U5 rate.

The intent of H.R. 4128 is to acquire a more accurate and reliable reading of the national unemployment situation, which provides valuable insight to lawmakers and public officials on the condition of the economy and the effect recovery efforts are having on job creation. It is critical that leaders in government and the American people have the most accurate and reliable information to make informed judgments about the future. My concern is that the official U3 rate, now at 7.8 percent, carelessly disregards a core group of jobless Americans who are ready and willing to work, but simply gave up their searches because they are too discouraged for different reasons.

Taking into consideration the intent of H.R. 4128—which has the support of a growing group of bipartisan cosponsors—the latest unemployment report raises interest in both the method for calculation, the accuracy of the process for determining unemployment and the correlation to coinciding data. As a member of the House Committee on Education and the Workforce, it is my recommendation that the Committee begin evaluating the methods and factors that are currently used to calculate monthly unemployment in order to determine whether

existing practices produce the most accurate and reliable information or if there are ways to improve the process for calculation and reporting.

Thank you for your leadership on efforts to promote job creation and economic recovery, and I look forward to continuing our work together on these issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Duncan Hunter". The signature is fluid and cursive, with a large initial "D" and "H".

Duncan Hunter
Member of Congress