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DEPARTMENT OF LABOR

Bureau of Labor Statistics

Comment Request

AGENCY: Bureau of Labor Statistics

ACTION: Notice for Solicitation of comments

SUMMARY: The Bureau of Labor Statistics is seeking comments on the proposed new method for projecting occupational separations. An experimental dataset comparing results from the current and alternate method, along with a description of the new method, is ready for users to review and provide feedback.

DATES: Written comments must be submitted to the office listed in the **ADDRESSES** section of this notice on or before [INSERT 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Send comments to Michael Wolf, Division of Occupational Employment Projections, Office of Employment and Unemployment Statistics, Bureau of Labor Statistics, Room 2135, 2 Massachusetts Avenue, NE, Washington, DC 20212 or by email to: wolf.michael@bls.gov.

FOR FURTHER INFORMATION CONTACT: Michael Wolf, Office of

Employment and Unemployment Statistics, Bureau of Labor
Statistics, telephone number 202-691-5714 (this is not a toll-
free number), or by email to: wolf.michael@bls.gov.

SUPPLEMENTARY INFORMATION:

I. Background

The Department of Labor through the Bureau of Labor Statistics (BLS) is responsible for the development and publication of occupational employment projections and related career information. One element of the projections is estimates of job openings due to growth and replacement needs. Replacement needs measure openings that result from workers leaving an occupation for reasons such as retirement or career changes. BLS has developed a new method for measuring openings that estimates occupational separations. An experimental dataset comparing results from the current and alternate method, along with a description of the new method, is ready for users to provide feedback.

II. New Method

The new method uses historical data to measure two types of workers who separate from their current occupation. Workers who leave their current occupation and find employment in a different occupation (occupational transfers) are measured using

the Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC), while workers who leave the labor force entirely (labor force exits) are measured using matched monthly data from the CPS. This historical data is used in a probit model to estimate the effects of various demographic characteristics, then the results of the model are applied to the current demographics of an occupation to estimate future occupational separations. A more detailed description of the methodology is available here:

http://www.bls.gov/emp/ep_separations_methods.htm

The new method is conceptually similar to the current method, with the following key distinctions:

- The new method measures separations, while the current method measures replacements. Replacements are equal to separations for growing occupations, but not for declining occupations. The current method adjusts for declining occupations within the calculation, while the new method adjusts after calculation using the BLS occupational employment projections.
- The new method measures two distinct sources of separations, separations that result from workers transferring to a different occupation, and separations that result from workers exiting the labor force

altogether, and reports them both separately and as a combined measure. The current method provides just one measure for all replacements.

- Both the current method and the new method estimate replacements or separations due to workers permanently leaving an occupation. The current method does this by excluding separations from workers in the same age cohort as workers who enter the occupation. The new method does this by only measuring separations from workers who transfer to a different major occupational group, or who exit the labor force for at least 4 months.

Additional information on why BLS is proposing this alternate methodology is available here:

http://www.bls.gov/emp/ep_separations_change.htm

III. Terminology

BLS also proposes using new terminology for this data. As noted above, the new methodology measures separations, while the current methodology measures replacements, so BLS would replace the data series descriptor 'Replacement Needs' with 'Occupational Separations' and the data series descriptor 'Replacement Rates' with 'Occupational Separation Rates'. In addition, the current data series descriptor 'Job Openings due to Growth and Replacement Needs' is similar in form, but

conceptually different from another BLS data source, the Job Openings and Labor Turnover Survey. BLS proposes to rename this data series 'Openings due to Employment Change and Occupational Separations'.

Current Terminology	Proposed New Terminology
Replacement Needs	Occupational Separations
Replacement Rates	Occupational Separation Rate
Job Openings due to Growth and Replacement Needs	Openings due to Employment Change and Occupational Separations

IV. Experimental Data

BLS calculated 2012-22 replacement and separation rates using both methodologies to allow comparison of results. The experimental dataset includes the published 2012-22 replacement rates for 818 occupations as released by the BLS on December 19, 2013, along with the equivalent 2012-22 rates using the new method. Because of the differences between separations and replacements, rates for declining occupations are not directly comparable; titles for these occupations have been highlighted in red. For many occupations, particularly lower-skilled occupations that tend to have high turnover, the new method yields a higher rate than the current method, although for some

occupations, the rates are comparable. The experimental dataset can be accessed from

http://www.bls.gov/emp/ep_separations_data.xlsx

V. Desired Focus of Comments

Comments and recommendations are requested from the public on the following aspects of the proposed methodology:

- The ability of results using the new method to meet the needs of customers
- The clarity of what is being measured with the new methodology
- The clarity of the terminology used with the new methodology

Signed at Washington, DC, this 12th day of May 2014.

Eric P. Molina

Acting Chief, Division of Management Systems, Bureau of Labor Statistics.

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