



JUL 24 2012

Mr. Reggie Newson
Secretary
Department of Workforce Development
201 East Washington Avenue
Post Office Box 7946
Madison, Wisconsin 53707-7946

Dear Mr. Newson:

I am responding to your letter of July 19 in which you asked about benchmarking of the state employment estimates from our Current Employment Statistics (CES) program. The Bureau of Labor Statistics (BLS) and our State Workforce Agency partners continually look for ways to improve the measurement of employment, hours and earnings on the national, state, and local levels. BLS works closely with the states through the federal/state CES Policy Council to set the research agenda for the program. This council has identified benchmarking through the third quarter as a top priority.

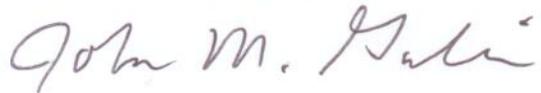
As you know, CES estimates are benchmarked annually to population counts derived primarily from the Quarterly Census of Employment and Wages (QCEW). The QCEW employment data are collected by State Workforce Agencies from employers covered by State Unemployment Insurance (UI) laws. The biggest obstacle to benchmarking through the third quarter is the timing and availability of the third quarter UI employment data to BLS. The States collect the UI employment information on a quarterly basis and therefore have access to the data before BLS, so the timing and availability was less of an issue when the annual benchmark processing was done by the states. BLS is currently researching the feasibility of benchmarking through the third quarter. While the research is not yet complete, preliminary results suggest that we probably will be able to update CES estimates with QCEW data through the third quarter with the next annual benchmark scheduled for publication in March 2013. BLS will work with the CES Policy Council to make a final determination in the coming weeks.

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Thank you for your interest in our programs and for your state's assistance in making the estimates from them timely, relevant, statistically sound, and cost effective.

Sincerely yours,

A handwritten signature in cursive script that reads "John M. Galvin". The signature is written in dark ink and is positioned above the typed name.

JOHN M. GALVIN
Acting Commissioner