

Questions for the Record

SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

“Nominations of Gigi Sohn, to be a Commissioner of the Federal Communications Commission; Alan Davidson, to be Assistant Secretary of Commerce for Communications and Information, DOC; Viquar Ahmad, to be Assistant Secretary for Administration and Chief Financial Officer, DOC; and Jed Kolko, to be Under Secretary of Commerce for Economic Affairs, DOC”

10:00 AM, December 1, 2021

Questions for the Record from Senator Klobuchar to Jed Kolko

Census Bureau. If confirmed as Under Secretary of Commerce for Economic Affairs, you would also be responsible for helping to oversee the Census Bureau. Data gathered by the Census Bureau through the U.S. Census plays a vital role in allocating funding for health care, housing, education, and infrastructure.

Question: If confirmed, what steps will you take to ensure the data and estimates released by the Census Bureau are accurate, reliable, and accessible?

Answer: Accurate, reliable, and accessible Census Bureau data are essential for allocating funding across many areas, for developing and administering a wide range of policies, and for research in many fields. At the same time, the Department and the Census Bureau are legally and ethically obligated to protect the privacy and confidentiality of the people and businesses that respond to its surveys and data collections.

If confirmed, I will take several steps to ensure accuracy, reliability, accessibility, and confidentiality. First, I will rely on the expertise of Census career staff. Second, I will work with stakeholders to understand how they use Census data and what challenges they face in accessing data. Third, I will work with staff to explore ways of making data usable for the whole range of stakeholders, whether they want just the highlights of a press release or want to download detailed data. Fourth, I will support and amplify research by Census staff and outside users that demonstrates best practice in using Census data. Finally, I will support the Census Bureau in ensuring that all of this work is done with the privacy and confidentiality of people and businesses in mind.

Questions for the Record from Senator Warnock to Jed Kolko

Labor Markets and Localized Data. Earlier this month, Georgia's Department of Labor reported that the state's unemployment rate is now at 3.1 percent. This is the lowest rate in the state's recorded history. We've had historic job growth nationwide, with an employment recovery that is still going strong. But small businesses in Georgia continue to tell me they're having difficulty hiring, while the labor force overall is still not what it was prior to the pandemic. Moreover, we may need more localized data because the labor market may look very different in Valdosta or Rome, Georgia than it does in Atlanta or Savannah, Georgia.

Question 1: Based on your years studying labor markets, what are the remaining sticking points regarding labor market recovery?

Answer: The labor market has made great strides since the worst of the pandemic, but the recovery is far from complete. In many service sectors like arts & entertainment and travel & tourism, labor demand still lags. At the same time, labor demand is strong in sectors that produce and transport goods because consumer spending shifted from services to goods during the pandemic.

On the labor supply side, many factors are holding back people from working, including concerns about getting COVID-19 at work and financial cushions that were built by some people during the pandemic. Together, these labor supply and labor demand issues have created the unusual situation where employment is far below pre-pandemic levels yet the number of unemployed people per job opening is very low.

Question 2: What areas of economic analysis do you think should be given more emphasis as we continue to recover from COVID-19?

Answer: Several areas of economic analysis are particularly important as we recover from COVID-19.

First, consumer spending shifted from services to goods during the pandemic, as people cut back on in-person activities that put them at risk for the virus. This reduced service-sector employment while contributing to supply-chain challenges in producing and transporting goods.

A shift in spending back from goods to services would be an important indicator that pandemic stresses on the economy will ease.

Second, inflation and wage growth are high, reflecting strong demand and limited supply for many goods and services, as well as challenges many firms face in finding workers. Wage gains have been especially strong in some traditionally low-wage sectors, but inflation is raising costs for consumers and businesses. Understanding the impact and likely path of wage growth and inflation is particularly important right now.

Third, the effects of the pandemic were and remain uneven. Some people and places were hurt much more than others. Economic analysis that focuses on especially hard-hit groups – like

mothers of younger children, and lower-wage service workers in places where leisure & hospitality spending fell most – will reveal whether the recovery is broad-based and widely shared.

Question 3: Will you commit to providing as much analysis as possible at the state and regional level, so that I can ensure that economic policies are effective in helping Georgia businesses and jobs grow?

Answer: Yes. If confirmed, I will commit to providing as much as analysis as possible at the state and regional levels. Current economic conditions and underlying economic fundamentals vary widely, both across states and across regions within states. It's critical to supplement national analyses with state and regional analysis whenever possible.