



NATIONAL CONGRESS OF AMERICAN INDIANS

Bureau of Indian Affairs, U.S. Department of Interior
Preparation of the 2013 American Indian Population and Labor Force Report
November 12, 2012

Comments Submitted by the National Congress of American Indians

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BACKGROUND OF NCAI

The National Congress of American Indians (NCAI) is the oldest and largest American Indian organization in the United States. In 1944, NCAI was created by tribal leaders as a response to termination and assimilation policies that threatened the existence of American Indian and Alaska Native (AIAN) tribes. Since then, NCAI has fought to preserve the treaty rights and sovereign status of tribal governments, while ensuring that Indian people may fully participate in the political system. As the most representative organization of American Indian tribes, NCAI serves the broad interests of tribal governments across the nation.

THE AMERICAN INDIAN LABOR MARKET REPORT

The Secretary of the Interior, in consultation with the Secretary of Labor, is statutorily required to publish, not less than biennially, a report that includes gender-specific information on the population eligible for services provided to Indian people by the Secretary of the Department of the Interior (DOI).

The report is required to include, at a minimum, information (i) at the national level by state; (ii) at the Bureau of Indian Affairs Service area; and (iii) at the tribal level for the:

1. Total service population;
2. Service population under age 16 and over 64;
3. Population available for work, including those not considered to be actively seeking work;
4. Employed population, including those employed with annual earnings below the poverty line; and
5. Numbers employed in private sector positions and in public sector positions

Enacted as Section 17 of Public Law 102-477 in October of 1992, as amended (codified at 25 U.S.C. 3416), the American Indian labor market report ("Report") was mandated by the Indian Employment, Training and Related Services Demonstration Act of 1992 ("Act"). The Act allows Indian tribes to integrate federally-funded employment, training and related services programs provided by the Departments of the Interior, Labor, Education, and Health and Human Services. The Labor Market Report is one of two reports mandated by the Act, and codified the historical practice of Interior of issuing "American Indian Population and Labor Force Report" *estimates* biennially since 1987 and historically since 1982. [The second report, the Indian Demographic Information Report, was a one-time report - generated in consultation with the Bureau of the Census ("Census") and the National Center for Native American Studies and Policy Development - that the Secretary of the Interior was to have provided within 12 months of the enactment of the Act.] The word "estimates" - previously included in the title and elsewhere in the Report - and the descriptions of multiple-year analyses where data was not available both appear to have been eliminated from the Report beginning in 1999.

The last Labor Market Report issued by DOI was provided to Congress in 2007 for the year 2005. Following a collection of survey data in 2010, it was determined and reported by the Department of the Interior that the planned 2012 Report could not be issued due to inconsistencies and inaccuracies in the survey dataⁱ. The Department of the Interior’s Bureau of Indian Affairs issued a *Notice of Informational Sessions and Tribal Consultation Sessions*ⁱⁱ on October 11, 2012, seeking comments on proposals designed to prepare the American Indian Population and Labor Force Report (AIPLF Report or Report) to meet DOI’s 2013 deadline.

NCAI COMMENTS FOR THE AIPLF REPORT

The National Congress of American Indians respectfully submits the following comments on behalf of its membership.

1. Responsibility of the Department of the Interior to Produce the AIPLF Report

As stated above, the Department of the Interior is statutorily required to produce this Report every two years as a part of its accountability and monitoring on the services it provides to American Indian and Alaska Native people. Data from this Report is used to develop economic policy approaches to address the unique demographic and labor force contexts in tribal contexts that other Department of Labor (DOL) and U.S. Census Bureau measures do not capture. Specifically, the Report’s measure of “joblessness” – or “the population available for work, including those not considered to be actively seeking work” – is not currently captured by other federal data collection efforts and is the most cited aspect of the Report.

**Comparison of Reservation Unemployment Rates
BIA 2005 Labor Force Report v. ACS 2006-2010 Data
Selected Rural Reservations**

Reservation	BIA 2005 Labor Force Report Unemployment Rate*	ACS 2006-2010 Unemployment Rate**
Navajo	52%	16%
Pine Ridge	89%	28%
San Carlos	68%	21%
White Mountain	51%	33%
Hopi	66%	15%
Blackfeet	72%	23%
Tohono O'odham	75%	30%
Rosebud	83%	28%
Turtle Mountain	70%	10%
Yakama	50%	15%
Wind River	78%	16%
Standing Rock	74%	32%
Cheyenne River	88%	31%
Fort Peck	57%	16%
Red Lake	66%	22%
Crow	50%	32%

Northern Cheyenne	62%	29%
Jicarilla	52%	13%
Fort Belknap	79%	17%
Uintah and Ouray	77%	14%

*The BIA Labor Force Report for 2005 shows an unemployment rate for all BIA service areas, including those in Alaska, of 49%.

**The American Community Survey (ACS) 2006-2010 data from the Census Bureau shows an unemployment rate for all federal reservation areas of 19%.

These data are used to inform the Congress’ policymaking, serving as the subject of a Senate Committee on Indian Affairs hearing during the 112th Congress and regularly used in hearings by the House and Senate. They are also used locally for planning and program purposes to identify appropriate economic development approaches and gauge particular community needs and resources. Another critical use of these data are to determine levels of federal funding for tribes under the Workforce Investment Act, the Indian Housing Block Grant program, and the BIA Tribal Transportation program. In this way, any significant changes to data collection and the continued non-reporting of data impacts the ability of tribal governments to adequately provide for their citizens, and affects the federal government from carrying out its trust responsibility in essential social and economic areas.

While DOI has traditionally relied on tribes to provide data for this report, tribes should not bear sole or primary responsibility for providing quality data with little to no resources, training, or other support from DOI to do so. As stated in statute, this Report is the responsibility of the Department of the Interior. It is also an essential mechanism for monitoring the quality of services that DOI is responsible to provide to American Indian and Alaska Native people.

2. *Obama Administration’s Emphasis on Workforce and Economic Planning*

President Barack Obama's Administration has established clear priorities and goals for American economic recovery through the American Recovery and Reinvestment Act of 2009 (ARRA) that hinges on workforce development and jobs, including the distribution of \$3 billion to tribes for economic development. Implementing effective economic policy relies on regular access to quality population demographic and labor force data. This is especially true in Indian Country where economies and labor markets are distinct and are often integral parts of regional and state economies. Failure to capture these data undermines the capacity of tribal governments, and their federal partners, to measure the impact of job creation policies. A recent news article captured the concern about the non-release of the AIPLF Report in relation to the ability of tribal governments to participate in America's economic recovery:

"The last such report available on Interior’s website is dated 2005 and was released in 2007, which means a new report from the Interior Department is five years overdue. In fact, the Obama administration has not issued a single Indian jobs report, despite spending billions of dollars in Indian country on projects that were supposed to create more jobs there. Previous presidential administrations going back to Reagan all issued multiple Indian labor reports...Joseph Valandra, a tribal economic consultant and former chief of staff of the National Indian Gaming Commission, says it is quite disappointing to not have the report at a time when population and labor statistics are playing a major role in U.S. legislative funding determinations. “Tribal leaders need as much information as possible to make the case and defend funding levels in this time of decreasing resources,” he saidⁱⁱⁱ.

Whereas tribes have appreciated the infusion of ARRA resources, effective governance also relies on access to quality data to monitor impact and progress toward economic recovery. Data reported in the AIPLF Report are essential for ensuring tribal contributions to America's economic recovery.

3. Need for Transparent Guidance, Training, and Support to Tribes in Data Collection

The BIA conducted a web-based survey of tribes in order to collect population and labor force data for 2010, but then determined that the report would not be prepared because of "methodology inconsistencies." In addition, DOI staff explained at a October 2012 Listening Session in Sacramento, California, that the 2010 report had not been released due to an inability to meet data quality standards set by the Office of Management and Budget (OMB). It is clear that a major challenge in producing this report is that related to the measurement of small populations, which can be costly and difficult to correctly assess. Consider the following sentiment about the importance of accurately compiling this data:

"The impact seems to be that problems in Indian country are misunderstood and, as a result, the task of dealing with them gets shelved," added Chris Stearns, a Navajo lawyer with Hobbs Straus Dean & Walker and chairman of the Seattle Human Rights Commission. "When the government compiles reports detailing unemployment and workforce statistics for urban, suburban, and rural areas, those areas tend to get federal and state resources. A misunderstanding of what and where the problems and successes are in Indian country almost always results in wildly inaccurate assessments along the lines of 'all Indians are poor' or 'all Indians are rich because of casinos. There is a truth out there, and the sooner we know what it is, the more quickly tribal, federal, and state leaders will be able to bring better tools, policies, and resources to bear on solving the problems in Indian country," Stearns added^{iv}.

The DOI must establish an appropriate and consistent methodology for the biannual collection of data that allows for comparisons over time. It must also provide information and training to tribes in the collection of data if DOI plans to rely on tribal data collection to produce this report. Part of developing a consistent methodology for data collection is establishing clear and consistent definitions of service population, population available for work, and employed population that align with the data that tribes have the ability to collect and report.

4. Importance of the Unique Measure of "Joblessness"

As suggested earlier, the DOI's AIPLF Report includes a measure of joblessness that is different from the Department of Labor's standard measure of unemployment used in national economic and labor force reports, as well as agencies like the US Census Bureau. The Department of Labor measures those who are not employed and have taken steps to find a job within the last four weeks. Whereas, the Department of the Interior counts anyone who is not employed - but is available for employment - as being "in the labor force" and without a job. The DOI Report actually provides a "jobless" rate as opposed to what the Labor Department terms an "unemployment rate." The DOI's approach takes into account the labor market of many reservation areas where American Indians do not "actively seek work" because jobs do not exist. The tribal jobless rate as presented in past DOI Reports is several times higher than the unemployment rate reported in the American Community Survey (ACS) administered by the US Census Bureau. For instance, one tribe would have the following contrasts using the DOI versus the Labor Department definitions.

- DOI Jobless Rate (2005 Report): 67.7 %
- American Community Survey (5-year estimate): Unemployment Rate 21.2%

Neither the current DOI nor the ACS system will yield perfect results. However, if tribes find themselves suddenly having to utilize a totally different set of labor force figures, this will impact their planning and advocacy efforts. In addition, several federal programs take into account employment and poverty data in the distribution of funds, notably the Indian programs under the Workforce Investment Act. Also affected is the

Indian Housing Block Grant program under the Native American Housing and Self-Determination Assistance Act which, in turn, affects the BIA Tribal Transportation Program.

5. Concerns about the Over-Reliance on Census Data Alone

The decennial census has been a major source of information on the labor force characteristics of the on-reservation Indian population. Through and including the 2000 census, the national headcount provided data on employment and unemployment, along with educational attainment, income and other socio-economic characteristics of the population, by race, down to the reservation level. This socio-economic characteristics data was gathered through the use of a "long form" census questionnaire distributed to a sample of households. In reservation areas, the sample size was one in every two households, an attempt to make the data as representative as possible of the total reservation population. In 2010, the Census Bureau discontinued the use of the "long form" questionnaire in the decennial census. Instead, all households received a "short form" questionnaire that asked only for basic information on age, sex, race, ethnicity (Hispanic origin) and relationship to other household members. No labor force information was collected. The Census Bureau currently collects data on the socio-economic characteristics of the population through the American Community Survey. The ACS, like the decennial census before it, uses the standard definitions of labor force status, including the requirement that a person must have actively sought work in the previous 4 weeks in order to be counted as unemployed.

The ACS is designed to collect the same detailed information that was collected on the "long form" questionnaire. However, the ACS is different in a number of key respects:

- The ACS is a smaller survey, collecting data from fewer households.
- Unlike the "long form," used once every ten years, the ACS is an ongoing survey. It mails questionnaires to a sample of households throughout the US every month. The responses from various geographic areas are aggregated over periods of one, three and five years, depending on population size, weighted and extrapolated to the estimated total population in that particular area.
- Data is published annually on the labor force status of the AI/AN population, but figures for all reservation areas are available only from the "5-year estimates" series. This series aggregates responses over a 5 year period, an approach designed to compensate for the potential for error that results from the small sample size. One result is to obscure year-to-year changes in the levels of employment and unemployment.
- There is no major outreach and promotion campaign to make people aware of the ACS and its importance, unlike the major outreach efforts that accompany the decennial census.

The small size of the sample and other aspects of the ACS raise questions about the reliability of the data for the Indian population, particularly in reservation areas.

A close look at the ACS data illustrates some of the potential problems. The ACS appears to produce a significant undercount of the American Indian/Alaska Native "alone" population at the national level, when compared to the count from the 2010 Census. The ACS estimate for the total AI/AN alone population in 2010 was about 2.6 million. The 2010 decennial census actually counted 2.9 million. No information is available on what the characteristics may be of the American Indians missing in the ACS count. Nationally, the unemployment rate for the Indian (AI/AN alone) population in the most recent and comprehensive ACS data set is roughly comparable to the rate recorded in the 2000 Census, when the "long form" was used to collect this data. However, the accuracy of the ACS data on Indian unemployment for some individual reservations is questionable. For example, the ACS recorded an unemployment rate over the 5-year period

from 2006 to 2010 for the Indian population on the Navajo reservation of 16.3%. For the Fort McDowell reservation, the reported rate was 17.5%. The Navajo reservation is large, with a geographically scattered population remote from any major metropolitan labor market. The Fort McDowell reservation is much more compact and entirely within the Phoenix metro area. When geography and other factors are taken into account, the ACS rate for the Navajo reservation is subject to question and clearly understates the extent of the challenges posed by joblessness in Indian Country.

The potential for sampling error in the ACS is greater with respect to small populations and small geographic areas than was the former decennial "long form" data. For instance, the amount of sampling error in the data for the number of on-reservation Indian persons ages 16 to 64 counted as unemployed on 54 of the 65 largest reservations in the country exceeds a level that might be considered as reliable.⁵ The sampling error is generally greater, sometimes much greater, for the remaining 259 reservations in the country. These aspects of ACS would appear to make reliance on the data problematic for at least some reservation areas.

In 2011, the Census Bureau initiated efforts to improve the coverage of the ACS. In June of that same year, it increased the sample size for the ACS by 18%. It is now mailing questionnaires to 295,000 households a month, up from the previous 250,000. Other changes were implemented to improve the accuracy of the ACS in smaller geographic areas, particularly AI/AN areas. In "bush" Alaska, the Bureau now conducts in-person follow-up interviews of every household that does not return its mail questionnaire. The non-response follow-up by personal visit will increase to 100% in most reservation areas. Sampling rates in the smallest communities have also been increased. If the Congress continues to support expanded coverage of the ACS – there is a possibility that it may not – the full effect of these improvements won't be known until late in the year 2017 when the 5-year estimates for the 2012 to 2016 period are released.

6. Importance of Federal Agency Coordination to Produce a Meaningful Report

DOI's recent request for comments on the AIPLF Report includes questions about the possibility of using Census data on unemployment rather than tribal data on joblessness in order to improve data quality and consistency, especially given the Office of Management and Budget's data quality standards. At times, it appears that tribes are being held responsible for a lack of federal agency coordination around the issue of data quality and the measurement of small populations. Specifically, there needs to be greater coordination between DOI, DOL, Census, and OMB to address the widespread problems that plague data collection for Indian Country.

METHODOLOGY

Many participants in the Sacramento Listening Session expressed concern about DOI using only Census data to issue this Report. Given the complexity of measurement in small populations, it is important for DOI to employ multiple sources of data to strengthen the quality of the analysis developed (Please see the attachment for a fuller discussion of sources of data on labor market information for American Indian and Alaska Native populations). For example, where it is essential to continue to include a measure of joblessness that may continue to come from tribal self-reports, DOI may also use DOL data and Census data to ensure the statistical validity of estimates. It may also be prudent to explore a sampling approach to data collection for this Report where the model the Bureau of Labor Statistics (BLS) uses to collect data for monthly estimates of labor market reports is considered in terms of its relevance for producing quality estimates for Indian Country. This may mean exploring the more targeted inclusion of tribal communities in these BLS reports, as well as consideration of expanding BLS measures to include joblessness. Lastly, DOI must develop more consistent measures that reflect the unique characteristics of tribal economies and take into account the availability of data. This requires ongoing engagement with tribal leaders about measurement, as well as increased training and support for tribal data collection.

CONCLUSION

NCAI applauds DOI for seeking tribal input for the preparation of the Report; however, NCAI strongly encourages the Department to consider:

1. The responsibility of the Department of the Interior to produce this Report that provides vital data and statistics that tribes, programs, states, federal agencies and others rely on to develop effective economic and social policy in American Indian and Alaska Native contexts;
2. The importance of this Report in providing essential data on American Indian and Alaska Native jobs and economic development given the Obama Administration's emphasis on workforce development and economic restructuring nationally;
3. The need for the Department of the Interior to provide transparent guidance, training, and support to tribes in collecting data for this Report to ensure consistent and valid data;
4. The importance of the unique measure of "joblessness" provided only by this Report;
5. Concerns about the over-reliance on Census data alone to produce the next Report; and
6. The importance of Federal agency coordination to provide multiple sources of data to supplement tribal data collection efforts and carry out its trust responsibility.

As policies and recommendations are being considered, NCAI encourages the Department to seek further comments as needed. For additional information, please contact Krystalyn Kinsel, Legislative Associate, at 202.466.7767 or kkinsel@ncai.org.

Attachments:

DeWeaver, N. (October 2012). "Sources of Labor Market Information for the On-Reservation Indian Population". Independent Consultant.

ⁱ See the 'Dear Tribal Leader Letter' sent from DOI on July 2, 2012, at <http://www.bia.gov/cs/groups/public/documents/text/idc-019173.pdf> and the Powerpoint Presentation made at the National Congress of American Indians Annual Convention on October 24, 2012, in Sacramento, CA, at <http://www.bia.gov/WhoWeAre/AS-IA/Consultation/IDC-024546.html>

ⁱⁱ 77 Fed. Reg. 61780

ⁱⁱⁱ <http://indiancountrytodaymedianetwork.com/2012/07/05/legal-and-political-questions-surround-interiors-decision-not-to-release-tribal-jobs-survey-122015>

^{iv} <http://indiancountrytodaymedianetwork.com/2012/07/05/legal-and-political-questions-surround-interiors-decision-not-to-release-tribal-jobs-survey-122015>