

SUPPORTING STATEMENT

A. Justification

1. Necessity of the Information Collected

The purpose of this request for review is to obtain clearance for the Displaced Worker, Job Tenure, and Occupational Mobility supplement to the Current Population Survey (CPS), scheduled to be conducted in January 2008. The supplement was last conducted in conjunction with the January 2006 CPS. The proposed supplement questions are shown in Attachment A. The displaced worker portion of the supplement will be asked of all persons age 20 or older who have been displaced from a job in the past three years. The tenure and occupational mobility questions will be asked of all employed persons age 15 years or older.

The results of this supplement will be used to determine the size and characteristics of the population affected by job displacements, assess employment stability, and evaluate occupational change. The data are necessary for planning, funding, and evaluating job training and reemployment programs. The Counsel of Economic Advisors, Congress, and private organizations have shown significant interest in data from this supplement, especially that regarding the extent to which displaced workers received advance notice of job cutbacks or the closing of their plant or business.

The CPS has been the principal source of the official Government statistics on employment and unemployment for over 60 years. Collection of labor force data through the CPS helps BLS meet its mandate as set forth in Title 29, United States Code, Sections 1 through 9 (Attachment B).

2. Needs and Uses

This supplement will gather information on workers who have lost or left their jobs because their plant or company closed or moved, there was insufficient work for them to do, or their position or shift was abolished. For those workers who have been reemployed, the survey will gather data on the types of jobs they found and will compare current earnings with those from the lost job. This will assist in developing training programs that will provide other displaced workers with the skills necessary to adjust to the changing economic environment.

The incidence and nature of occupational changes in the preceding year will be queried. The survey also will obtain information on the length of time workers (including those who have not been displaced) have been with their current employer. Tenure data are used to calculate displacement rates for long-tenured workers so that comparisons can be made over time and among different worker

groups. Additional data to be collected include information on the receipt of unemployment compensation, the loss of health insurance coverage, and the length of time spent without a job. In combination, these supplemental data will provide the information needed to assess the economic hardship experienced by displaced workers.

The information collected by this survey will be used to determine the size and nature of the population affected by job displacements and the need for and necessary scope of programs serving adult displaced workers. It will also be used to assess employment stability by determining the length of time workers have been with their current employer and estimating the incidence of occupational change over the course of a year. Combining the questions on displacement, job tenure, and occupational mobility will enable analysts to obtain a more complete picture of employment stability.

Because this supplement is part of the CPS, the same detailed demographic information collected in the CPS will be available about respondents to the supplement. Comparisons will be possible across characteristics such as sex, race, age, and educational attainment of the respondent.

Recent BLS publications using data from this supplement include a *Monthly Labor Review* article published in July 2004 and press releases in August and September 2006. (See attachment C.)

3. Use of Information Technology

The Census Bureau, which conducts the actual collection of the CPS data—designing the sample, training and monitoring the interviewers, and conducting a continuing quality control program—uses methods designed to keep respondent burden as low as possible. These interviewing methods, which include the use of computer-assisted interviewing, were improved as part of a complete redesign of the CPS implemented in January 1994. The redesign was preceded by years of wide-ranging discussions, research, and large-scale field tests aimed at long-range improvements in the survey.

The CPS and all of its supplements are collected 100 percent electronically by using Computer Assisted Telephone Interviews and Computer Assisted Personal Interviews (CATI/CAPI). With the collection of Basic CPS data for January 2007, an updated computer-assisted interviewing software, called Blaise, was introduced for running the data collection instrument. Blaise is a Windows-based survey processing system developed by Statistics Netherlands and licensed by Westat in the United States. This software replaced the CASES software used in the survey since January 1999. We designed the questions in the displaced worker supplement to obtain the required information with minimal respondent burden.

4. Efforts to Identify Duplication

BLS also administers the Mass Layoff Statistics program that reports on mass layoff actions that result in the separation of workers from their jobs. The quarterly series covers layoffs of at least 31 days duration that involve 50 or more individuals from a single establishment filing initial claims for unemployment insurance during a consecutive 5-week period. Data on the demographic characteristics of unemployment insurance claimants are available from this program. However, unlike the displaced worker survey, data are not available on the eventual employment outcomes of job losers.

5. Minimizing Burden

The data are collected from households; their collection does not involve any small businesses or other small entities.

6. Consequences of Less Frequent Collection

The displaced worker, job tenure, and occupational mobility information must be collected biennially in order to assure timely information for the planning, evaluation, and funding of job training programs.

7. Special Circumstances

There are no special circumstances. The CPS data are collected in a manner that is consistent with the guidelines in 5 CFR 1320.5.

8. Consultation Outside the Agency/Federal Register Notice

No comments were received as a result of the Federal Register notice published in Volume 72, No. 108 on June 6, 2007.

The following person has been in continuous consultation concerning the development of the survey:

Census Bureau

Kathleen Creighton
Demographic Surveys Division
Bureau of the Census
(301) 763-3814

In addition to the above, a statement soliciting comments for improving CPS data is prominently placed in all Census Bureau publications that cite CPS data. A similar statement is included in the technical documentation that accompanies the

microdata files. Finally, the CPS advance letter (Attachment D) provides respondents with an address at the Census Bureau to which they can submit general comments on the survey, specifically those regarding respondent burden.

9. Paying Respondents

The Census Bureau does not make any payments or provide any gifts to individuals participating in the CPS.

10. Assurance of Confidentiality

The Census Bureau will collect the supplemental data in compliance with the Privacy Act of 1974 and OMB Circular A-130. Each sample household will receive an advance letter (Attachment D) approximately one week before the start of the initial CPS interview. The letter includes the information required by the Privacy Act of 1974, explains the voluntary nature of the survey, and states the estimated time required for participating in the survey. Field representatives must ask each respondent if he/she received the advance letter and, if not, must provide a copy of the letter to each respondent and allow sufficient time for him/her to read the contents. Also, interviewers provide households with the pamphlet "How the Census Bureau Keeps Your Information Confidential," which further states the confidentiality assurances associated with this data collection effort and the Census Bureau's past performance in assuring confidentiality (Attachment E). All information given by respondents to Census Bureau employees is held in strict confidence under Title 13, United States Code, Section 9 (Attachment F). Each Census Bureau employee has taken an oath to that effect and is subject to a jail penalty and/or substantial fine if he/she discloses any information given to him/her.

As is the case with data collection, data released to the public by BLS in tabular form or as microdata files are released in compliance with Title 13. Tabular data released to the public are always in aggregated form. No tabulations of individual survey records are made available to the public. Any microdata files that are released are public use files with all identifying information removed from the records.

11. Justification for Sensitive Questions

No sensitive questions are asked in this supplement.

12. Estimate of Respondent Burden

The estimated respondent burden for the January 2008 Displaced Worker, Job Tenure, and Occupational Mobility Supplement is 7,333 hours. This is based on an average respondent burden of approximately 8 minutes for each of the 55,000 households interviewed for the supplement. This estimate was based on the time

required to answer these supplement questions in the January 2004 supplement. The actual respondent burden is dependent upon the size of the household and the characteristics of its occupants. Generally, one respondent answers for the household. The overall annualized dollar cost to the respondents for collection of the supplement data is \$86,236. This estimate assumes a wage rate for all respondents of \$11.76 an hour, the median hourly earnings for workers paid by the hour in 2006.

13. Estimate of Cost Burden

- a. Capital start-up costs: \$0
- b. Total operation and maintenance and purchase of services: \$0

There are no costs to survey respondents other than the time it takes to respond to the questionnaire. Respondents answer questions based on personal experience, which requires no record-keeping or other expenses.

14. Cost to the Federal Government

The total estimated cost of the January 2008 supplement is \$548,000. This cost is borne by the Department of Labor.

15. Changes in Respondent Burden

This collection is a reinstatement without change of a previously approved collection.

16. Time Schedule for Information Collection and Publication

The January 2008 CPS, of which this supplement is a part, will be conducted during the week of January 13-19, 2008. Processing of this supplement will commence in February 2008. The results of the survey will appear first as a press release in the Fall of 2008.

17. Request to Not Display Expiration Date

The Census Bureau does not wish to display the assigned expiration date of the information collection because the instrument is automated and the respondent, therefore, would never see the date. The advance letter sent to households by the Census Bureau contains Census's OMB clearance number for the CPS and Census's version of the failure to comply notice. (See attachment D.) Copies of this advance letter are stockpiled by the Census Bureau for use as needed; changes to the letter would make the current inventory of letters unusable.

18. Exceptions to the Certification

There are no exceptions to the certification.

Attachments

- A. Proposed Supplement Questions
- B. Title 29, United States Code, Sections 1 through 9
- C. News releases from January 2006 survey
- D. CPS Advance Letter
- E. Confidentiality Brochure
- F. Title 13, United States Code
- G. Overview of CPS Sample Design and Methodology
- H. Source and Accuracy Statement from Microdata File for January 2006
Displaced Worker, Job Tenure, and Occupational Mobility Supplement