

February 5, 2021

Memorandum for: Reviewer of 1220-0175

cc: Amy Hobby  
Diane Herz

From: Dori Allard  
Jill Lacey

Subject: Expanding incentive-eligibility in the American Time Use Survey

This memorandum describes the American Time Use Survey's (ATUS) proposal to expand the number of cases that are eligible to receive incentives. Currently, incentives are sent to households that did not provide a telephone number in their final CPS interview; incentives are deemed useful because these households are more likely to be black, have lower education, and lower household income. The ATUS would like to expand incentive-eligible cases to include households with telephone numbers that do not work, such as those with telephone numbers that "could not be completed as dialed." These households are similar to the existing incentive cases in their demographic characteristics, and expanding the incentive eligibility would help increase response rates, especially among groups of respondents that are traditionally underrepresented in the survey.

## **I. Current use of incentives in the ATUS**

Since the ATUS began in 2003, BLS has provided incentives to households without telephones or telephone numbers. Because ATUS is a telephone-only survey, these cases would not be able to participate if they did not call in to the Jeffersonville Telephone Center. These households receive a pre-paid \$40 debit card with their advance letter, and later receive their PIN once they complete the survey.

No-telephone-number households account for approximately 5% of the CPS sample and are more likely to be black, have less education, and to have lower household incomes. There are approximately 1,320 potential cases each year. Because these households may differ from telephone households on unobservable characteristics, including their time-use patterns, and because providing incentives to this small group was not cost prohibitive, OMB approved BLS request to expend additional effort and expense to secure their responses. Incentive cases had a response rate of 31.1 percent in 2006 (total 2006 response rate was 55.1 percent).

## **II. Proposed expansion of incentive eligibility in the ATUS**

The Census Bureau provides BLS with a call history file that contains information about every call attempt to every respondent. Each call attempt receives a call outcome code that indicates if the interviewer was able to reach the respondent's household. By looking

at call outcome codes, ATUS identified the codes and estimated the number of households in 2006-07 that did not have viable telephone numbers. These consist of the following call outcome codes:

- 108 Number not in service
- 109 Number changed, no new number given
- 124 Number could not be completed as dialed

In regular survey production, cases with these call outcome codes are investigated, but Directory Assistance often cannot confirm the number and additional research by Census call center staff does not result in a new number.

The response rate for cases with these call outcome codes for every call attempt is very low. Table 1 contains counts of cases in 2006 and the first two quarters of 2007 with only these call outcome codes in their first attempt week. Each case remains in the sample for up to eight weeks. Table 1 also contains the percent of all cases with each outcome code, and the percent of cases that are eventually completed interviews.

**Table 1. Cases with only certain call outcome codes in their first week in sample\***

Codes included	2006 (all quarters)			2007 (1 <sup>st</sup> and 2 <sup>nd</sup> quarter)		
	Number of cases	Percent of all cases	Percent of these cases resulting in completes	Number of cases	Percent of all cases	Percent of these cases resulting in completes
108 - number not in service	709	2.8	4.4	371	2.9	5.6
109 - number changed, no new number given	11	0.04	0.0	4	0.03	0.0
124 - number could not be completed as dialed	48	0.2	8.3	32	0.3	0.0

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\* In addition to the call outcomes listed, some cases also have call outcome 103 “Directory Assistance could not confirm number”

Table 2 provides a count and percent of cases with these codes per month. With the exception of June, a greater percent of cases with these codes occurred in 2007 than 2006.

**Table 2. Cases with only codes 108, 109, and 124 in their first week in sample\***

Month	2006 (all quarters)		2007 (1 <sup>st</sup> and 2 <sup>nd</sup> quarter)	
	Number of cases	Percent of all cases	Number of cases	Percent of all cases
January	59	2.3	81	3.3
February	39	2.1	67	3.5
March	49	2.4	65	3.1
April	51	2.4	87	4.1
May	39	1.8	54	2.8
June	70	3.4	66	3.1
July	70	3.2		
August	71	3.7		
September	82	3.9		
October	85	3.7		
November	105	5.3		
December	69	3.5		

In this proposal, cases that only have these three call outcome codes of 108, 109, or 124 would be identified and treated as incentive cases.\* An incentive letter and debit card would then be sent to the household. The goal of the incentive letter would be to increase the likelihood that these cases participate in later weeks in the sample.

### **III. Demographic profiles of cases**

According to the 2005 ATUS OMB Clearance Package, ATUS non-telephone number households are “more likely to be black, to have less education, and to have lower household incomes than members of households that provide phone numbers,” and the incentives are intended to increase the response rates among these groups of respondents. As can be seen in Table 3 (below), the group with call outcome codes of 108, 109, and 124\* are also more likely to have these characteristics.

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\* In addition to the call outcomes listed, some cases also have call outcome 103 “Directory Assistance could not confirm number”

**Table 3. Demographic profiles of cases, 2007 (Q1 and Q2)**

<b>Characteristic</b>	<b>Percent of cases with only codes 108, 109, 124*</b>	<b>Percent of current incentive cases</b>	<b>Percent of all cases</b>
<b>Race</b>			
Black	30.5	26.9	16.4
American Indian, or American Indian/white, or American Indian/black	3.1	2.9	1.8
<b>Hispanic origin</b>			
Hispanic	24.5	19.6	16.2
<b>Education</b>			
Less than associate's degree (includes some college coursework)	84.0	78.6	67.0
Associate's degree or higher	16.0	20.5	32.0
<b>Yearly family income</b>			
Less than \$35,000	55.0	44.0	34.6
\$35,000 or higher	24.8	17.0	47.1
<b>Age</b>			
Under age 25	23.3	16.2	14.4
25-34	30.7	20.6	20.8
Age 35 and over	46.0	57.8	59.3
<b>School enrollment</b>			
College, full-time	3.6	1.5	2.3
College, part-time	1.2	0.9	0.5

In addition to increasing the overall survey response rate, the new incentive cases would also increase response among groups that are traditionally underrepresented, thus generating a more nationally representative response group.

#### **IV. Financial impact**

Currently there are about 1,320 cases per year that receive incentives. Expanding the incentive program to include households with the 3 codes mention would add approximately 840 new cases to this group per year (this number is based on an average of 70 new cases per month, which is the average number of monthly cases that would have been added in the first two quarters of 2007). This would yield a total number of incentive cases of about 2,160 per year. In the first two quarters of 2007, the response rate for incentive cases was 30 percent.

Costs for each completed incentive case are estimated as follows:

Debit card:	\$40
ATM transaction fee:	\$4
Card production:	\$1
Census debit card management:	\$31.60

Therefore, assuming a 30 percent response rate, offering incentives to the additional cases would cost approximately \$19,303.20 [(\$40 card + \$36.60) X 252].

## V. Increase in respondent burden

The increase in total respondent burden from adding incentive cases is also likely to be small—only \$924 per year. Table 4 gives the estimated respondent burden provided in the 2005 ATUS OMB Clearance Package. The respondent burden for the added incentive cases assume a 30 percent response rate and a wage rate of \$11.00 per hour, which was the wage rate used to calculate the total respondent burden in the OMB Clearance.

Table 4. Estimated Respondent Burden for FY 2006 – 2007 (Hours and Dollars)

<b>Form</b>	<b>Total Respondents</b>	<b>Frequency</b>	<b>Average Time per Response</b>	<b>Estimated Total Burden (Hours)</b>	<b>Estimated Total Burden (Dollars)</b>
Full production	13,800	One Time	20 minutes	4,600	\$50,600
Added incentive cases	252	One Time	20 minutes	84	\$924