

SUPPORTING STATEMENT

A. JUSTIFICATION

1. Necessity of the Information Collected

The purpose of this request for review is for the Bureau of Labor Statistics (BLS) to obtain clearance for the Veterans Supplement to the Current Population Survey (CPS), scheduled to be conducted in August 2009. The proposed supplement questions concerning veterans are shown in Attachment A. As part of the CPS, the supplement will survey individuals ages 17 and over from a nationally representative sample of approximately 60,000 U.S. households. The Veterans Supplement is co-sponsored by the U.S. Department of Veterans Affairs (VA) and the U.S. Department of Labor's Veterans Employment and Training Service (VETS).

No questions have been added or deleted since the previous survey in August 2007.

This collection of the Veterans Supplement is the thirteenth in a series of efforts to gather detailed data regarding period of military service, service-connected disability rating, and participation in certain programs for veterans. Earlier surveys were conducted in April 1985, November 1987, September 1989, September 1991, September 1993, August 1995, September 1997, September 1999, August 2001, August 2003, August 2005, and August 2007.

The CPS has been the principal source of the official Government statistics on employment and unemployment since 1940 (69 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

The August 2009 Veterans Supplement will provide information on the labor force status of veterans with service-connected disabilities, combat veterans, past or present National Guard and Reserve members, and recently discharged veterans. The supplement will also

provide data on veterans' participation in various employment and training programs.

These data also will be used by the Veterans Employment and Training Service (VETS) and the Department of Veterans Affairs (VA) to determine policies that better meet the needs of our Nation's veteran population. Of current concern is the scope of the problems of veterans as well as the effectiveness of veterans' benefit programs in meeting their needs. The CPS demographic and labor force data provide a comprehensive picture that is invaluable in planning Federal programs and formulating policy. Legislation is regularly proposed in Congress concerning veterans; these proposals often use BLS data. Veterans service organizations, as well as academic researchers, use the data to analyze the employment status of various groups of veterans. It is expected that approximately 12,000 veterans will participate in the survey.

BLS published a summary of the findings from the August 2007 collection in a press release issued in April 2008. (See attachment C.)

3. Use of Information Technology

The Census Bureau collects the CPS data, including designing the sample, conducting the interviews, training and monitoring the interviewers, and maintaining a quality control program. These efforts by the Census Bureau keep respondent burden as low as possible.

The 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, including the Veterans Supplement, are collected 100% 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. The questions in the Veterans Supplement were designed to obtain the required information with minimal respondent burden.

4. Efforts to Identify Duplication

Several independent surveys have contained selected veteran items. No current data source is available, however, that provides the depth and scope of information on the number, demographic characteristics, and labor force status of veterans who have a service-connected disability, combat veterans, National Guard and Reserve members, and recently discharged veterans that this supplement provides.

The Survey of Income and Program Participation (SIPP) panel obtains data on service-connected disabilities of all persons 15 years of age and older who were identified as veterans. The SIPP has a small sample size relative to the CPS. Also, the data from the CPS Veterans Supplement are available much earlier than the data from SIPP.

The Annual Social and Economic Supplement (ASEC) to the CPS includes a question that is used to determine the number of persons who received veterans' disability income for a service-connected disability during the previous calendar year. However, the service-connected disability rating is not collected. Thus, labor force estimates tabulated by disability rating cannot be provided from ASEC data. Neither does the ASEC provide data on recently discharged veterans, combat-zone veterans, or the number of veterans who have used the various VETS programs. Finally, a critical advantage of the Veterans Supplement over the ASEC is that responses to the Supplement items are more often self-response, rather than proxy-response, which reduces misreporting.

The National Survey of Veterans (NSV), sponsored by the VA, was conducted last in 2001. The results of this survey were published in 2003. Data from this survey

are limited, however, with respect to the purposes of collection of the CPS supplement as described in Item 2 above. The NSV does not produce detailed labor force statistics for veterans as does the CPS. Further, data on class of worker (i.e., whether the veteran was employed in a private sector or government job, or was self-employed) of employed veterans were not collected in the NSV. According to estimates from the August 2007 CPS Veterans Supplement, about one in three veterans with a service-connected disability was employed in a Federal, state, or local government job.

The American Community Survey (ACS) conducted each month by the Census Bureau includes three questions about veterans. The first determines if the respondent is a veteran, the second notes period of service, the third asks if the person has a service-connected disability, and if so, asks for the disability rating. Unlike the CPS Veterans Supplement, the ACS does not ask additional questions to determine if the veteran was called to active duty as a result of a call-up from the Reserve or National Guard, served in a combat or war zone, or if a service-connected disability currently keeps the veteran from getting or holding a job. Another difference between the ACS and the CPS Veterans Supplement is that the CPS Veterans Supplement is conducted together with the basic CPS questions about labor force status. As a result, the BLS can tabulate employment and unemployment data about veterans and nonveterans in a method consistent with that used to calculate the national unemployment rate of persons 16 and over as published in the Employment Situation news release. Also, CPS data are available earlier than data from the ACS.

5. Minimizing Burden to Small Entities

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

6. Consequences of Less Frequent Collection

These data will provide insight into veterans with service-related disabilities, combat veterans, past or present Reserve or National Guard members, and recently discharged veterans. Without the collection, there

would not be sufficient information for the VETS and VA to plan and develop effective programs and policies for our Nation's veteran population.

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. Federal Register Notice/Consultation Outside the Agency

- a. One comment was received as a result of the Federal Register notice published in 74 FR 9830 on March 6, 2009. The comment, which was emailed to BLS on April 29, 2009, was in support of the program.
- b. The following people have been in continuous consultation concerning the development of the survey:

Veterans Employment and Training Service (VETS)

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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 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.

11. Justification for Sensitive Questions

No sensitive questions are asked in this supplement.

12. Estimate of Respondent Burden

The estimated respondent burden for the August 2009 Veterans Supplement is 400 hours. This is based on an average respondent burden of approximately 2 minutes

for the 12,000 veterans interviewed for the supplement. In the supplement, Gulf War veterans have a longer interview than veterans of other service periods. Thus, the average burden estimate was derived by multiplying the measured length of mock interviews for Gulf War and other veterans with estimates of the number of veterans that fall in each group (the latter determined using basic CPS data for 2008). The actual respondent burden is dependent upon the characteristics of each veteran. The overall annualized dollar cost to the respondents for collection of the supplement data is \$4,892. This estimate assumes a wage rate for all respondents of \$12.23 an hour, the median hourly earnings for workers paid by the hour in 2008.

13. Estimate of Cost Burden

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

14. Cost to the Federal Government

The total estimated cost of the August 2009 supplement is \$392,000. This cost is to be borne by VETS and VA and largely represents the charge by the Census Bureau for conducting the Veterans Supplement. Census activities for this supplement include programming the questionnaire, developing interviewer training materials, collecting data, processing survey microdata, and developing public use files. The \$392,000 also includes a charge by BLS for administering the interagency agreement.

15. Changes in Respondent Burden

Response burden is estimated to be unchanged from the August 2007 supplement because the same number of questions will be asked in August 2009.

16. Time Schedule for Information Collection and Publication

The August 2009 CPS, of which this supplement is a part, will be conducted during the week of August 16, 2009. Processing of this supplement will begin in

September 2009. The results of the survey will appear first as a news release in the spring of 2010.

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' OMB clearance number for the CPS and Census' 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.