

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 2010 and January 2012. The supplement was last conducted in conjunction with the January 2008 CPS. The supplement questionnaire is 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.

No questions have been added or deleted since the previous survey in January 2008.

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 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 (available at <http://www.bls.gov/opub/mlr/2004/06/art4full.pdf>) and a press release in August 2008. (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). The data collection instrument is programmed in Blaise, a Windows-based survey processing system developed by Statistics Netherlands and licensed by Westat in the United States. The questions in the displaced worker supplement were designed 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 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

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. Federal Register Notice/Consultation Outside the Agency

One comment was received as a result of the Federal Register notice published in 74 FR 38672 on August 4, 2009. The comment supported the supplement but offered three suggestions to the questionnaire to improve the supplement.

The first suggestion is to change the wording of a response category for the question dealing with why a respondent is no longer working at a job. We feel the response category should not be changed because it is not clear the suggested wording is better and a change without testing might cause a break in comparability of the data over time.

The second suggestion is to amend the question "Did (name/you) have health insurance at that job?" so that it's clear whether the respondent actually had health insurance through a job or was simply eligible for health insurance. While the question wording could be viewed as ambiguous, the interviewers are specifically instructed on how to record answers to this question. An answer of "yes" to this question is recorded only if the respondent actually obtained health care through a job.

The final suggestion is to add new questions and/or new response categories to existing questions to obtain more information about health insurance. The addition of questions or response categories requires cognitive testing before implementation to ensure the changes do not adversely affect the overall findings. Also, the supplement is already lengthy for those respondents who were displaced from a job, and efforts must be made to minimize respondent burden.

The BLS has been in continuous consultation with the individual below concerning the development of the survey:

Census Bureau

Lisa Clement
Current Population Survey Branch
Demographic Surveys Division
Bureau of the Census
(301) 763-5482

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.

11. Justification for Sensitive Questions

No sensitive questions are asked in this supplement.

12. Estimate of Respondent Burden

The estimated annual respondent burden for the January 2010 and January 2012 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 \$89,683. 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

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 each supplement is \$603,000. This cost is borne by the Department of Labor.

Costs associated with the Displaced Worker, Job Tenure, and Occupational Mobility supplement cover survey management, updating the survey instrument, interviewer training, data collection, data editing, preparation of the files for data users, and support for users of the data files.

15. Changes in Respondent Burden

The increase in burden hours results from the reinstatement of this previously approved collection. Response burden is estimated to be unchanged from the January 2008 supplement.

16. Time Schedule for Information Collection and Publication

The January 2010 CPS, of which this supplement is a part, will be conducted during the week of January 17-23, 2010. Processing of this supplement will commence in February 2010. The results of the survey will appear first as a press release in the summer 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'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

We do not have any exceptions to the "Certificate for Paperwork Reduction Act Submissions" statement.