SUPPORTING STATEMENT

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

1. <u>Respondent Universe</u>

The universe for the CPS is about 111 million households. From this universe, the Census Bureau selects a sample of approximately 72,000 households each month, of which approximately 60,000 households are eligible for interviews. The Census Bureau actually interviews about 55,000 households each month. See Technical Paper 66 at http://www.census.gov/prod/2006pubs/tp-66.pdf for more information.

2. Procedures for Collecting Information

Technical Paper 66, available at http://www.census.gov/prod/2006pubs/tp-66.pdf, gives an overview of the CPS sample design and weighting methodology. The CPS produces demographic data, labor force data, and data from various periodic supplemental inquires. The CPS sample was designed to produce estimates of employment and unemployment characteristics with sufficient reliability to meet the BLS' requirements for monthly data and estimates of month-to-month, quarter-to-quarter, and year-to-year changes. The coefficient of variation on estimates of the unemployment rate is 1.9 percent monthly at the national level. It is 8.0 percent annually at the state level. This degree of accuracy is sufficient to meet the needs mandated.

In accordance with our standard practice, the CPS sample will be redesigned based on information collected in Census 2010. The redesigned sample is expected to be introduced in January 2013.

One of the primary goals of the CPS is to provide change estimates (both month-to-month as well as over-the-year) in the employment and unemployment statistics. The current rotation pattern of CPS (4-8-4) was chosen because it provides such estimates reliably, and performs better overall than other rotation patterns in which respondents are in for a total of 8 months.

3. <u>Methods to Maximize Response</u>

Response rates and data accuracy for the CPS are maintained at high levels through internal consistency edits in the computerized instrument, interviewer instructions, training, and close monitoring of these data.

Chapter 16 of Technical Paper 66 http://www.census.gov/prod/2006pubs/tp-66.pdf addresses overall CPS and item nonresponse. In recent years, the CPS response rate has been about 92 percent.

4. <u>Contact Persons</u>

The following individuals may be consulted concerning the statistical data collection and analysis operation:

Statistical design:

Samson Adeshiyan Demographic Statistical Methods Division Bureau of the Census (301) 763-5874

Statistical Analysis:

Dorinda Allard Office of Employment and Unemployment Statistics Bureau of Labor Statistics Washington, D.C. 20212 (202) 691-6470

Data Collection/Survey Design:

Lisa Clement Demographic Surveys Division Bureau of the Census (301) 763-3814

Attachments:

- A. Basic CPS Items Booklet
- B. Title 29, United States Code, Sections 1 through 9
- C. CPS Advance Letter
- D. Confidentiality Brochure
- E. Title 13, United States Code
- F. Technical Note from August 2010 Employment and Earnings