

**Supporting Statement for Request for OMB Approval  
Quarterly Census of Employment and Wages Green Goods and Services  
Data Collection Clearance**

**A. JUSTIFICATION**

**1. Necessity of Collection**

The Bureau of Labor Statistics (BLS) is seeking clearance for collection of data on employment related to production of green goods and services. The new Green Goods and Services (GGS) survey will collect data on employment, fiscal year, and the share of revenue or employment associated with production of green goods or services at the establishment. Additionally, BLS will expand the existing Occupational Employment Statistics (OES) survey to collect data on occupational employment and wages in establishments included in the GGS survey. The expansion of the existing OES survey will be handled through a separate nonsubstantive request.

As the chief source of government data on employment, BLS will produce data on green goods and services businesses' employment as approved by the 2010 Congressional Appropriation. This initiative will produce regular tabulations of aggregate employment for businesses whose primary activities fall into green goods and services as defined by BLS. This series will be key to analyzing workforce trends in this area. In addition, data will be published on occupational employment and wages related to these establishments through the OES expansion.

From the GGS survey, BLS intends to publish a quarterly count of employment associated with the output of green goods and services at U.S. business establishments to meet the requirement approved in the 2010 Congressional Appropriation. BLS plans to publish detailed industry data for the U.S. and limited data for the States.

This survey will use the business register, Quarterly Census of Employment and Wages, (QCEW) maintained by BLS as its sampling frame. The register contains employment information on establishments in the U.S. subject to unemployment insurance taxes. This register covers 98 percent of U.S. jobs, available at the county, Metropolitan Statistical Area (MSA), State, and national levels by industry. The sampling frame for the GGS survey will be restricted to those establishments classified in NAICS codes that are determined to be in scope in the BLS definition of green goods and services.

BLS undertook extensive research to develop data collection forms and methodology and to understand the collection environment related to green goods and services. This research was outlined in a prior Federal Register Notice (75 FR 3926). The research was completed in September 2010; the forms put forth for clearance in this package were field-tested and incorporate the research and lessons learned from field testing of earlier versions of the survey form. The survey will collect data on employment, fiscal year, and revenue or employment share related to green goods and services at each establishment surveyed. The share of revenue will be used to estimate employment when employment share is not reported. BLS determined from prior research and from the recent forms development research that businesses have difficulty providing employment associated with the production of green goods and services since employees often work on multiple products or services, not all of the products and services meeting the definition of green, while revenue is readily available and less burdensome to the respondent to report.

In a separate Federal Register Notice (75 FR 12571), BLS outlined its proposed definition of green goods and services. This definition is available at [www.bls.gov/green](http://www.bls.gov/green) along with the list of North American Industrial Classification codes (NAICS) that are in scope for the BLS survey of green goods and services.

## **2. Description of the Information Collected**

The survey will collect information on an establishment's reference month employment, fiscal year, and the percent of the establishment's revenue related to green goods and services. There are 14 versions of the GGS form. The layout and questions on each form type are identical, but the forms vary by industry sector to give each respondent examples of green goods and services relevant to their business. The monthly employment figure will be compared to employment data BLS has on file as part of the QCEW in order to verify data are being collected for the correct establishment. BLS will use the provided fiscal information to ensure the collected revenue is for the correct reference period. Finally, the percentage of revenue related to green goods and services will be used to estimate employment related to green goods and services at that establishment. Sampled establishments that do not receive revenue from the sale of goods and services will be asked to report the share of their employment involved with green goods and services (e.g., employment related to development of future green goods or services that do not currently produce revenue for the establishment or employment at non-profit or government establishments that do not receive revenues).

During year 1 of the collection, BLS will conduct a Response Analysis Survey (RAS) on up to 3,000 GGS respondents and non-respondents to ensure accurate data collection. The RAS will begin during the general data collection for the GGS survey. Using a Computer Assisted Telephone Interview instrument, BLS will examine general data quality issues in the RAS. Specific questions will be developed as BLS begins analyzing the response and non-response early in the GGS collection. The questions will be submitted as a non-substantive change closer to the start of the RAS.

To obtain information on employment and wages by occupation, the Occupational Employment Statistics survey will be expanded to collect a regular OES schedule from establishments in the GGS sample that are not already in the relevant OES samples. BLS plans to produce national estimates of occupational employment and wages for establishments producing green goods and services and for those who are producing other goods and services, as well as staffing patterns for industries. We are examining options for how to draw the distinction using the share of revenue data collected in the GGS survey, such as a cut-off share of revenue, or ranges of shares of revenue.

## **3. Use of Technology to Reduce Burden**

The data collection will use available technology to reduce burden on the respondents during each phase of the research. This will be a mail survey but Computer Assisted Telephone Interviews will be used in some cases. This will be an annual survey supplemented with a quarterly sample of new businesses (births). As BLS moves into later years, the use of other technologies, such as web collection, will be explored as ways to reduce respondent burden. In the first year, the constricted timetable for the first data collection effort did not allow for the development of internet data collection.

#### **4. Identification of Duplication and Availability of Similar Information**

Several individual States have conducted surveys on green employment in their State. However, these studies only covered the individual State and many were focused on occupational data collection<sup>1</sup>. In addition to these State studies, there are several academic and research organizations that have published data using existing data sources on the green economy in the U.S.<sup>2</sup> Outside of the U.S., Statistics Canada has conducted surveys on the Canadian environmental sector<sup>3</sup> and Eurostat has offered detailed guidance to its member countries on measuring the environmental sector<sup>4</sup>. BLS has reviewed the existing research and studies conducted by the individual States, Statistics Canada, and Eurostat extensively and used the findings to enhance its collection. However, there is no existing research or data that duplicate the data BLS intends to collect and publish.

#### **5. Small Businesses**

Small firms will be included in the data collection. There is evidence suggesting many of these green establishments are small and they should be included to ensure reliable estimates. The information requested is readily available in both small and large firms, so the impact to small businesses will be similar to that of larger businesses. Special attention will be paid to selecting reference periods for data elements that are easily understandable and identifiable to all sized businesses.

#### **6. Less Frequent Conduct of Study**

This data collection effort will collect data annually on green goods and services sector employment in the United States. BLS intends to produce data quarterly on employment in green goods and services industries. The employment in this sector is changing rapidly and demand for current data requires annual collection to study the changes. If data are not collected annually, this publication goal will not be met.

#### **7. Special Circumstances**

There are no special circumstances.

#### **8. Consultation with Persons outside BLS**

In response to the Federal Register Notice published on March 16, 2010, BLS received 19 comments concerning the collection of data on employment related to producing green goods and services. Responses to these comments were included in the Federal Register Notice (75 FR 57506) which also published the final definition of green jobs.

BLS has met and/or spoken with numerous other Federal agencies, Statistics Canada, Eurostat, State labor market information offices, and industry groups to gather information about collection issues regarding environmental data and related products. This information was used during the development and testing of these forms.

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<sup>1</sup> Hardcastle, A. (2009). *2008 Green Economy Jobs in Washington State*. WA.

[http://www.workforceexplorer.com/admin/uploadedPublications/9463\\_Green\\_Jobs\\_Report\\_2008\\_WEXVersion.pdf](http://www.workforceexplorer.com/admin/uploadedPublications/9463_Green_Jobs_Report_2008_WEXVersion.pdf)

<sup>2</sup> The PEW Charitable Trusts. (2009). *The Clean Energy Economy: Repowering Jobs, Businesses and Investments Across America*. [http://www.pewcenteronthestates.org/uploadedFiles/Clean\\_Economy\\_Report\\_Web.pdf](http://www.pewcenteronthestates.org/uploadedFiles/Clean_Economy_Report_Web.pdf)

<sup>3</sup> Statistics Canada. *Environment and Industry Sector: 2002 revised and 2004*. <http://www.statcan.gc.ca/pub/16f0008x/16f0008x2007001-eng.pdf>

<sup>4</sup> Eurostat. (2009). *The Environmental Goods and Services Sector: A data collection handbook*. [http://epp.eurostat.ec.europa.eu/cache/ITY\\_OFFPUB/KS-RA-09-012/EN/KS-RA-09-012-EN.PDF](http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-RA-09-012/EN/KS-RA-09-012-EN.PDF)

BLS published an additional Federal Register Notice on November 10, 2010 (75 FR 69128), for this information collection request to announce the 60-day public comment period under the Paperwork Reduction Act. BLS received no comments.

**9. Gifts or Payments to Respondents**

There will be no gifts or payments to respondents.

**10. Confidential Responses**

The Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA) safeguards the confidentiality of individually identifiable information acquired under a pledge of confidentiality for exclusively statistical purposes by controlling access to, and uses made of, such information. CIPSEA includes fines and penalties for any knowing and willful disclosure of individually identifiable information by an officer, employee, or agent of the BLS.

The Bureau of Labor Statistics Commissioner's Order 1-06 "Confidential Nature of BLS Statistical Data," explains the Bureau's policy on confidentiality:

In conformance with existing law and Departmental regulations, it is the policy of the BLS that:

Respondent identifiable information collected or maintained by, or under the auspices of, the BLS for exclusively statistical purposes and under pledge of confidentiality shall be treated in a manner that will ensure that the data will be used only for statistical purposes and will be accessible only to authorized persons.

This policy remains in effect.

**11. Sensitive Questions**

No sensitive questions will be asked.

**12. Burden of Collection**

Explanation of how the total burden hours for the GGS collection were derived for fiscal years 2011, 2012, and 2013 is illustrated below.

QCEW GGS: Fiscal Year 2011		
	Respondents	Avg. Response Time
GGs Form: private sector establishments	105,000	15 minutes
GGs Form: local government establishments	8,000	15 minutes
GGs Form: State government establishments	4,000	15 minutes
GGs Form: Federal government establishments	3,000	15 minutes
GGs: Response Analysis Survey	3,000	20 minutes
<b>Total</b>	<b>120,000</b>	<b>1,860,000 minutes or 31,000 hours</b>

There are a total of 120,000. The respondents contacted for the follow-up Response Analysis Survey are a subset of the total respondents. About 3,000 of the respondents will be contacted twice, once during the collection of the GGS survey and a second time for the Response Analysis Survey.

Estimated total Burden Hours for FY 2011 are 31,000.

The total estimated Burden Cost to the respondents for FY 2011 is \$498,480.

QCEW GGS: Fiscal Years 2012 and 2013		
	Respondents	Avg. Response Time
GGS Form: private sector establishments	105,000	15 minutes
GGS Form: local government establishments	8,000	15 minutes
GGS Form: State government establishments	4,000	15 minutes
GGS Form: Federal government establishments	3,000	15 minutes
Total	120,000	1,800,000 minutes or 30,000 hours

Estimated total Burden Hours for FY 2012 and FY 2013 are 30,000.

The total estimated Burden Cost to the respondents for FY 2012 is \$496,800.

The total estimated Burden Cost to the respondents for FY 2013 is \$511,800.

GGS burden cost was calculated by obtaining the median hourly wage rate for Bookkeeping, Accounting, and Auditing Clerks, as determined by Occupational Employment Statistics (OES) National Occupational Employment and Wage Estimates. The wage rate for 2009, the most current year available, was \$16.08. The hourly rate was then multiplied by the number of hours required for responding (burden hours) for the FY 2011 calculation. For the FY 2012, a 3% increase is applied to the wage rate, making it \$16.56, and then another 3% increase for FY 2013, making the wage rate \$17.06.

### **13. Capital/Start-up costs**

There are no capital/start-up costs.

There are no costs for operation and maintenance or the purchase of services.

### **14. Cost to the Federal Government**

The allocated budget for this data collection effort for FY2011 is \$4.1 million. The budget includes research, planning, survey development, training, materials, data collection, and data processing.

### **15. Changes in Burden**

This represents a new collection.

### **16. Publication Plans/Schedule**

The estimates derived from the information collected will be released for publication in 2012. The publication will provide an estimate of the number of establishments and employment related to the green goods and services sector as defined by BLS. The estimates will be disseminated through a press release and the internet.

### **17. OMB Approval Expiration Date**

Permission for suppressing the expiration date is not being requested.

### **18. Exception to Certification Statement**

There are no exceptions to the certification.

### **Attachments for Section A**

1. Advance letter

2. Survey booklets, including cover letter, instructions, and survey form
3. Survey booklets for follow-up mailings, including cover letter, instructions, and survey form
4. Non-response prompting script
5. Script for edit reconciliation (This script will evolve as data is collected and more is understood about possible edits. Script revisions will be submitted to OMB as non-substantive changes.)