

## **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 an extension without change for the Veterans Supplement to the Current Population Survey (CPS), which is conducted annually. 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).

The collection of the Veterans Supplement in August 2013 is the seventeenth 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, August 2007, and August 2009. The supplement has been conducted annually since July 2010; supplements were collected in August 2011 and August 2012.

The CPS has been the principal source of official Government statistics on employment and unemployment since 1940 (73 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 annual 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; recently discharged veterans; and Afghanistan, Iraq, and Vietnam

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 10,000 veterans will participate in the survey.

BLS published a summary of the findings from the August 2011 collection in a press release issued in March 2012. (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). 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 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; recently discharged veterans; and veterans who have served in Afghanistan, Iraq, or Vietnam 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. Approximately 85 percent of responses to the Veterans Supplement are self responses, compared with approximately 40 percent for the ASEC.

The National Survey of Veterans (NSV), sponsored by the VA, was conducted from October 2009 to March 2010. The results of this survey were published in October 2010.

Data from this survey were limited, however, with respect to the purposes of collection of the CPS supplement as described in Item 2 above. The NSV did not produce detailed labor force statistics for veterans, such as unemployment rates, that are comparable to the official CPS estimates. 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 2011 CPS Veterans Supplement, about one in three employed veterans with a service-connected disability held 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; has a service-connected disability that keeps the veteran from getting or holding a job; or if the veteran had served in Afghanistan, Iraq, or Vietnam. 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; recently discharged veterans; and Afghanistan, Iraq, and Vietnam 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. No comments were received as a result of the Federal Register notice published in 78 FR 2292 on January 10, 2013.
- b. The following people have been in continuous consultation concerning the development of the survey:

Veterans' Employment and Training Service (VETS)

Ruth Samardick  
Director of National Programs  
Veterans' Employment and Training Service  
U.S. Department of Labor  
200 Constitution Avenue N.W. Room S1325  
Washington, DC 20210  
(202) 693-4706

Department of Veterans Affairs (VA)

Dat Tran  
Deputy Assistant Secretary for Data Governance and Analysis  
Department of Veterans Affairs  
810 Vermont Avenue N.W.  
Washington, DC 20420  
(202) 273-5182

Bureau of the Census

Lisa A. Clement  
Survey Director, Current Population Survey  
Demographic Surveys Division  
Bureau of the Census  
4600 Silver Hill Rd, Rm. 7H105  
Washington, D.C. 20233-8400  
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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 annual Veterans Supplement is 333 hours. This is based on an average respondent burden of approximately 2 minutes for the 10,000 veterans interviewed for the supplement in 2011. In the annual 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 2011). The actual respondent burden is dependent upon the characteristics of each veteran. The overall annualized dollar cost to the respondents for collection of the August 2013, August 2014, and August 2015 supplement data is \$4,232 per year. This estimate assumes a wage rate for all respondents of \$12.71 an hour, the median hourly earnings for workers paid by the hour in 2011.

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 2013 supplement is \$390,000. 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 \$390,000 also includes costs for the BLS staff to prepare a news release and publish estimates, as well as administer the interagency agreement.

15. Changes in Respondent Burden

Average response time is estimated to be unchanged from the previous supplement. Overall respondent burden is lower by 34 hours from the previous supplement. This is due to a decrease in the number of veterans in the U.S. population.

16. Time Schedule for Information Collection and Publication

In 2013, 2014, and 2015, the supplement is expected to be collected in August during the week containing the 19<sup>th</sup> of the month. Processing of this supplement will begin the month following each supplement. Survey results will appear first as a news release the year following the supplement.

These news releases will be published in electronic and paper formats. The electronic news release will be posted on the BLS webpage at [www.bls.gov/cps](http://www.bls.gov/cps). Paper copies will be mailed upon request. Additionally, the Census Bureau will release a public use version of the microdata after the publication of the news release.

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.