

SUPPORTING STATEMENT

A. Justification

1. Necessity of the Information Collected

The purpose of this request for review is to obtain clearance for the Unemployment Insurance (UI) Non-Filer Supplement to the Current Population Survey (CPS), scheduled to be conducted in May 2018 and September 2018. A modified version of this supplement was last given in May 2005, under an interagency agreement between the Department of Labor and the United States Census Bureau. The proposed supplement questions are shown in Attachment A. The UI Non-Filer Supplement will be asked about all household members age 16 or older who are unemployed and about a subset of those who are not in the labor force.

UI benefits are intended to provide temporary financial assistance to people who are unemployed through no fault of their own and meet certain eligibility requirements. These UI payments can have other benefits as well, such as helping to stabilize the economy during recessionary periods. Little, however, is known about the reasons and characteristics of people who do not file for UI benefits. Results from this supplement will be used to determine the number and characteristics of those who do and do not file for UI benefits, as well as non-filers' reasons for not filing. The data are necessary for the Department of Labor and other policymakers to measure the effectiveness of current UI programs and to plan for future changes.

The CPS has been the principal source of the official Government statistics on employment and unemployment for over 75 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 UI Non-Filer Supplement will gather information on people who are unemployed but also on a subset of those not in the labor force. Information will be collected about UI participation and reasons for not participating. The supplement also contains questions about people's job search experience, such as information about jobs for which they have applied and whether they would accept a job similar to their last job at lower pay. UI benefits provide temporary financial assistance to the unemployed who meet certain eligibility criteria and can also help protect the economy during economic downturns. Work patterns have changed since the supplement was last collected in 2005, making updated information of paramount importance. Data gathered in this supplement will help measure the effectiveness of existing UI programs and assist policy makers in developing future policies. Additionally, there is a notable dearth of available data describing the job search process of unemployed individuals and the difficulties these seekers have in

finding new employment. This supplement offers data that can help understand the hurdles the unemployed face while searching for work.

Because this supplement is part of the CPS, in which detailed demographic data are collected, estimates can be produced for a variety of subpopulations. Given sufficient sample size, comparisons between UI filers and non-filers will be possible across characteristics such as sex, race and ethnicity, age, and educational attainment.

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). 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. The questions in the UI Non-Filer Supplement were designed to obtain the required information with minimal respondent burden.

4. Efforts to Identify Duplication

There are few data sources about the characteristics of unemployed people who do not file for UI benefits and their reasons for not doing so. Some other CPS supplements contain basic information about people who receive UI benefits. The Annual Social and Economic Survey contains information about income received through UI benefits; this information, however, is limited to income received through UI programs in the past year and does not include any information on people who did not file or who filed but did not receive benefits. Another CPS supplement, the biennial Displaced Worker Supplement, collects information about UI participation and whether benefits were exhausted; these data are collected only for those age 20 or older who have been displaced from a job in the past three years.

Some smaller scale studies of UI participants have been conducted using administrative data or samples from UI Claims data. For example, a Department of Labor (DOL)-sponsored, two-wave longitudinal study in two areas of California examined the experience of UI recipients, and 2008-2009 claims data were used to examine the

experiences of UI participants who did and did not exhaust their benefits. Since these studies relied on administrative data from UI Claims, UI non-filers were not included.

Lastly, there is a lack of available data about the difficulties unemployed individuals have in seeking new employment. The questions about applications and job offers will help fill that lack by supplying data not previously collected in the CPS.

5. Minimizing Burden

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

6. Consequences of Less Frequent Collection

Because the UI Non-Filer Supplement has not been conducted since 2005, there has been a dearth of high quality data in recent years about people who do not file for UI benefits and their reasons for not doing so. More information is needed to assess the efficacy of UI programs. This information—in combination with information collected in the monthly CPS, such as demographic characteristics and information about last job held—will help guide law makers to determine if new policies or regulations are needed to protect these and other types of workers.

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

Federal Register Notice

No public comments were received as a result of a Federal Register notice published on January 2, 2018 (83 FR 157).

Outside Consultation

The following people have been in continuous consultation concerning the development of the survey:

U.S. Department of Labor

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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 CPS advance letters (Attachments D and E) provide 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 supplement 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 and a follow-up letter approximately one week before the start of the fifth CPS interview (Attachment E). The letters include the information required by the Privacy Act of 1974, explains the voluntary nature of the survey, and state 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 describes the Census Bureau's commitment to data confidentiality (Attachment F). If they feel it will be helpful, interviewers also provide households with the "Factsheet for the Current Population Survey," which contains information about and data from the CPS (Attachment C). All information given by respondents to Census Bureau employees is held in strict confidence under Title 13, United States Code, Section 9 (Attachment G). 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.

As is the case with data collection, data released to the public by BLS in tabular form or as microdata files are released in compliance with Title 13. Tabular data released to the public are always in aggregated form. No individual survey records are made available to the public. Any microdata files that are released are public use files with all identifying information removed from the records.

11. Justification for Sensitive Questions

No sensitive questions are asked in this supplement.

12. Estimate of Respondent Burden

The estimated respondent burden for the May and September 2018 UI Non-Filer Supplements is 2,000 hours. This is based on an average burden of approximately 2 minutes for each of the 60,000 people asked about in the supplement (30,000 each for May and September). Generally, one respondent answers for the household. The actual respondent burden is dependent upon the size of the household and the characteristics of its occupants. The overall annualized dollar cost to the respondents for collection of the supplement data is \$28,000. This estimate assumes a wage rate for all respondents of \$14.00 an hour, the median hourly earnings for workers paid by the hour in 2016.

Table 1. Estimated Annualized Respondent Hour and Cost Burden

Form	Total Respondents	No. of Responses per Respondent	Total Number of Responses	Average Time per Response (In Hours)	Total Burden Hours	Average Hourly Wage Rate	Total Burden Cost
CPS UI Non-Filer Supplement	60,000	Once	60,000	2/60	2,000	\$14.00	\$28,000

**Costs are rounded to the nearest dollar and calculated using the 2016 median hourly wage rate of \$14.00 per hour from the Current Population Survey.

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 the May and September 2018 supplements is approximately \$800,000. This cost is borne by the DOL's Chief Evaluation Office (CEO) and largely represents the charge by the Census Bureau for conducting the supplement. Census activities for this supplement include programming the collection instrument, developing interviewer training materials, collecting and processing data, and creating a public use

microdata file. Also included are costs for BLS staff to evaluate data quality, analyze results, prepare a news release, and publish estimates.

15. Changes in Respondent Burden

This is a new data collection.

16. Time Schedule for Information Collection and Publication

The May 2018 CPS, of which this supplement is a part, will be conducted largely during the week of May 13-19, 2018. The September 2018 CPS will be conducted largely during the week of September 16-22, 2018. Processing of these supplements will commence in June 2018 and October 2018, respectively. Survey results will appear as a news release in 2019.

The news release will be published in electronic and paper formats. The electronic news release will be posted on the BLS webpage at 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 letters 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 attachments D and E.) Copies of these advance letters 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.