

Bureau of Labor Statistics

United States Business Response Survey and JOLTS Supplemental Survey

Part A. Justification

1. Necessity of the Information Collection

The Bureau of Labor Statistics (BLS) requests an emergency 180-day approval from the Office of Management and Budget (OMB) to conduct a new information collection using two different samples to capture information about changes to businesses since the onset of the coronavirus pandemic.

The collection is authorized under 29 U.S. Code, Section 2. Due to the need to begin collecting this information right away, we are unable to allow for the time period normally required for clearance under the Paperwork Reduction Act (PRA). Therefore, we are seeking approval under the emergency clearance provisions of the PRA. We seek approval for this collection by July 10, 2020.

The U.S. Business Response Survey (BRS) questionnaire will be used to conduct a large, one-time survey, as well as a one-time supplemental survey to March 2020 Job Openings and Labor Turnover Survey (JOLTS) sample members. The large sample will allow the BLS to quickly collect and disseminate information related to how businesses have changed since the onset of the novel coronavirus pandemic. The supplemental survey to March 2020 JOLTS sample members will allow for specific business changes related to the coronavirus pandemic to be directly linked to JOLTS data.

The BRS will seek to identify changes to business operations, employment and workforce flexibilities and benefits that occurred from the onset of the coronavirus pandemic to when the survey is fielded. This survey will provide critical information that will complement the standard economic data BLS and the federal statistical system will publish for the same time period, and provide policy makers and data users additional information that could help to inform decisions.

This survey will use the BLS business register, based on the 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 main survey will go to a nationally representative sample of the U.S. economy and be large enough to allow for state and industry estimates.

The supplemental JOLTS collection will offer valuable context to the responses about employment and hiring decisions made at the industry and state-level. The sample will allow an analysis of the BRS collected information with the longitudinal JOLTS establishment staffing patterns prior to and after completing the BRS. This is a unique analysis from the primary sample, and adds a valuable dimension to understanding business responses to the coronavirus pandemic. These data will be used separately from the BRS sample.

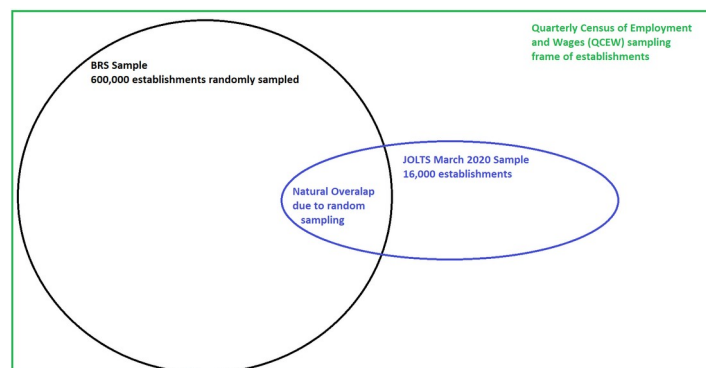
2. Uses of Information

The purpose of conducting the BRS is to facilitate a collection of information on how the coronavirus pandemic has changed American businesses and the U.S. economy. We expect to publish survey results nationally, by state, by sector, and where possible by state and sector, but this is contingent on response and the ability to meet disclosure avoidance thresholds.

The primary necessity of the BRS is to collect information about how businesses changed their operations and how they work from the onset of the coronavirus pandemic to the collection of the survey in a timely manner. Data collected could be used by government program officials, industry, academia, etc. to understand changes in business operations and employment during the coronavirus pandemic. This information, in combination with data collected by current BLS surveys, could help in understanding how businesses responded during the pandemic. Specifically, other BLS statistics could provide indications of changes in employment, wages, job openings and terminations, employer-provided benefits, and safety and health, but will not be able to determine if any changes in levels were related to the coronavirus pandemic. Only by asking employers directly what they experienced, and how they responded to the pandemic, can data users be able to draw meaningful conclusions.

With the intended large BRS sample size, BLS plans to calculate estimates at the national and state-level, at the industry sector level, and at size class level; see table shells attached to Part B for further details. This will help assess state and industry differences in business situations and changes. The goal will be to publish the data in a public news release and academic journal.

In addition to the BRS sample, an additional small sample of units will be surveyed. BLS intends to collect BRS data for the entire March 2020 JOLTS sample. The BRS sampling frame does not exclude any establishments that are in any other BLS surveys. There will be overlap in sample between the BRS and the Current Employment Statistics survey/Occupational Employment Statistics survey/National Compensation Statistics survey/Annual Refiling Survey/Survey of Occupational Injuries and Illnesses/Job Openings and Labor Turnover Survey. Due to random selection, the natural overlap with the JOLTS sample will be small (likely a few hundred establishments) relative to the overall BRS sample size (600,000 establishments). Any remaining units in the JOLTS March 2020 sample that are not randomly selected for the BRS will be included in a supplemental sample. Data from all of the JOLTS sample units, with the addition of the units in the large BRS sample that happened to be in the JOLTS sample, will be analyzed as a separate dataset used specifically for understanding the JOLTS survey responses for all months that a JOLTS response is available by using the longitudinal aspect of the JOLTS, offering a complementary analysis to the BRS sample.



For both the large sample and the JOLTS sample, this survey asks a series of questions to understand changes businesses have made during the coronavirus pandemic:

- The survey starts by asking a key question that gives context to understanding the economic circumstances the business currently faces. The answer to this question will help in framing their answers to the remaining questions about the actions the establishment is taking in responding to the pandemic environment. This question is not asked in other BLS surveys, giving the question critical value, particularly when viewed in conjunction with other BLS data products.
- The answers to the next question give information about the payroll decisions that the establishment is making, which directly informs many of the key insights we need to know to understand the labor market. Again, without this type of information, data users and policy makers would have to make assumptions that changes in payroll were a result of the coronavirus pandemic. By asking respondents directly what changes they made due to the coronavirus pandemic, we are relying on information provided directly from establishment respondents who know better than anyone about their situations and decisions.
- The remaining questions are all relevant to key issues about the pandemic: are employees continuing to be paid despite not working, is the employer maintaining payments for health insurance coverage (important to know in the context of any pandemic when employees have tenuous job security), are the employees at the establishment teleworking more (given many stay-at-home orders, knowing who can and cannot work from home is key to understanding the short-, medium-, and long-term effects of the coronavirus pandemic), and whether the establishment was able to secure government funding (helps inform take-up rate and what economic conditions make an establishment more likely to seek out a loan).

JOLTS Sample Benefits

This additional collection will benefit the Job Openings and Labor Turnover Survey (JOLTS) by offering valuable context to the responses about employment and hiring decisions made at the industry and state-level. These data will be used separately from the BRS sample in analyzing and understanding the job openings and closings data reported in the JOLTS survey and will make it unnecessary for the JOLTS program to request emergency clearance to add questions to the existing survey. These data will not be combined with the BRS sample when calculating and publishing data for the BRS.

Large Sample Benefits

The large sample will benefit a number of different programs across BLS and the Federal government:

- This collection will directly benefit the National Compensation Survey (NCS). As part of their routine collection, they measure the prevalence of paid sick leave by occupation, and are planning a one-time supplemental survey to measure any changes their respondents have made to paid sick leave since the coronavirus pandemic began. Including the question in the BRS provides valuable information on changes to paid sick leave at the state or industry level. NCS will be able to use this information as they gather information about the benefits offered to U.S. workers and to evaluate their survey design.
- This collection will also benefit the Current Population Survey (CPS) and American Time Use Survey (ATUS) by asking questions about telework that will both add value to previous information collected in the ATUS, inform future iterations of questions in the ATUS about

telework as well as providing establishment-based data to compliment the household-based telework data CPS will collect.

- The Census Bureau is planning to add questions about telework to their Annual Business Survey (ABS). BLS and Census consulted on the related questions and both agencies agree that they are complementary. The ABS questions will collect information about the proportion of employees who telework and factors that limit telework while the BRS questions ask directly about telework changes in response to the coronavirus pandemic. In conjunction with other existing information on telework (e.g., NCS and Occupational Requirement Survey data on telework), these data sources will provide users with rich information on both levels and changes to telework.
- To provide added value for SBA, BLS will use the QCEW sample frame to explore the possibility of measuring how businesses have changed since the onset of the coronavirus pandemic by various firm demographics, including firm size, firm age, and by wage level. This will allow the data users to explore the impact of the coronavirus on small firms compared to large firms, young firms or startups compared to older, established, firms, and high-paying firms and low-paying firms.
- This collection will also benefit the Current Employment Statistics program (CES) by asking questions about how businesses have changed since the onset of the coronavirus pandemic that could be relevant to the payroll decisions of establishments. Also information collected in the BRS about employment and payroll can be relevant to information collected in the CES. Due to the varying reference period between the BRS and CES, no linking of individual establishments is planned, instead the overall trends and findings will be used by the CES program to understand their monthly data.

3. Electronic Collection Methods

The BRS will rely on the existing data collection instrument of the BLS QCEW program's Annual Refiling Survey (ARS). See more information about this instrument in the current approval for this collection: O.M.B. No. 1220-0032. For BRS collection, BLS will be utilizing available information technology to minimize government costs and respondent burden. The survey responses will be collected entirely online and rely on a technology that is consistently relied on by the ARS. This allows for a large, nationally representative sample to be surveyed with minimal financial costs to BLS.

4. Efforts to Identify Duplication

BLS consulted with the U.S. Census Bureau multiple times as agencies developed questions on changes to businesses during the coronavirus pandemic on U.S. businesses. The goal of these conversations was to minimize potential redundancy. BLS and Census jointly reviewed data collection initiatives related to the coronavirus pandemic, including the questions added to the end of several Census surveys (e.g., Monthly Wholesale Trade, Monthly Retail Report, Building Permits Survey), the Household Pulse Survey, and in particular the Small Business Pulse Survey. Both agencies agreed that there is minimal overlap in the collection efforts that each collection is in line with relevant agency's mission, that as a whole the efforts are complimentary and will provide invaluable data for users that would not otherwise be available.

BLS has also coordinated collection related to the coronavirus pandemic across BLS programs to both minimize duplication and to ensure the data collected on the BRS would be of value to their programs. Specifically with the NCS, staff working on the BRS were given the opportunity to review the supplemental paid sick leave questions as they were being developed, and NCS staff were shown the BRS question as it was developed. This allowed for both parties ensure that the questions, given the survey designs, were complementary but not completely overlapping.

Continued efforts to identify duplication includes the BLS contacting other federal agencies or other offices within the Department of Labor, as well as seeking input from various stakeholders including the Small Business Administration, Bureau of Economic Analysis and others.

5. Impact on Small Businesses

Small firms will be included in the data collection. Respondent burden will be minimized through the use of online reporting and by keeping the questionnaire short, restricting questions to generally available information, and utilizing questions specifically developed for simplicity of understanding and ease of completion.

6. Consequences of Not Collecting the Data or Less Frequent Data Collection

This will be a one-time survey to capture data for a specific point-in-time. The goal of the BRS is to quickly gather information on how business operations and work changed during and as a result of the coronavirus pandemic in the U.S. The implementation of the BRS will allow the BLS to be more responsive to the changing needs of its stakeholders and the public. Results of the BRS will be of interest to a wide variety of data users to assess changes made during the coronavirus pandemic, helping to understand changes in the economy. These results could help inform policy or legislative, budgetary, and planning decisions for existing programs. This information could also help develop new programs to support U.S. businesses.

A key component of the BRS is its inclusion of all business sizes, not just small businesses. Data collection efforts to capture how small businesses changed in response to the coronavirus pandemic are not a substitute for this information, and not a duplication of effort.

7. Special Circumstances

These data will be collected in a manner consistent with the guidelines in 5 CFR 1320.5 with one exception. The BRS is designed to address urgent needs for information and, as a result, will encourage fast response times. Therefore, responses are requested in fewer than 30 days. Due to the nature of the BRS, data are intended to be collected quickly so as to disseminate in a timely manner.

8. Federal Register Notice/Outside Consultation

Because this is a request for an emergency clearance, BLS asks that the 60-day comment period be waived at this time. However, BLS commits to publishing a 60-day Federal Register Notice (FRN) within 30 days of approval of this package announcing the emergency request and seeking comments on the survey. That 60-day FRN will provide notice to the public of this emergency request and afford comment on the collection.

Outside Consultation

The BLS has reviewed the coronavirus pandemic surveys conducted by Australia, Canada, and the United Kingdom. Additionally, BLS has communicated with the U.S. Census Bureau, Bureau of Economic Analysis, Economic Development Administration, and the Small Business Administration with the goal of minimizing potential redundancy across agencies as agencies were developing questions on similar topics related to business changes during the coronavirus pandemic.

9. Gifts or Payments to Respondents

There will be no gifts or payments to respondents.

10. BLS Confidentiality Policy

The Confidential Information Protection and Statistical Efficiency Act (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 majority of BLS surveys protect the confidentiality of respondent provided data based on CIPSEA and in those surveys BLS provides respondents with a confidentiality (or CIPSEA) pledge which states that the data will be protected from unauthorized disclosure and used for statistical purposes only. The standard BLS confidentiality pledge/informed consent statement will appear on the first page of the BRS:

The Bureau of Labor Statistics, its employees, agents, and partner statistical agencies, will use the information you provide for statistical purposes only and will hold the information in confidence to the full extent permitted by law. In accordance with the Confidential Information Protection and Statistical Efficiency Act (44 USC 3572) and other applicable Federal laws, your responses will not be disclosed in identifiable form without your informed consent. Per the Federal Cybersecurity Enhancement Act of 2015, Federal information systems are protected from malicious activities through cybersecurity screening of transmitted data.

BLS policy on confidentiality states: “Respondent Identifiable Information acquired or maintained by the BLS for exclusively statistical purposes and under a pledge of confidentiality shall be treated in a manner that ensures the information will be used only for statistical purposes and will be accessible only to authorized individuals with a need-to-know.”

11. Sensitive Questions

No sensitive questions will be asked during the survey.

12. Estimated Reporting Burden

Number of expected respondents:	152,698
Frequency of response:	One Time
Estimated time per response	10 minutes
Annual burden hours:	$152,698 \times (10/60) = 25,450$
Estimated cost to respondents	$\$27.02 \times 25,450 = \$687,659$

In general, questionnaire completion time is estimated to average 10 minutes. The estimated burden of 10 minutes per respondent was calculated based on a combination of the current ARS collection burden and cognitive interviews and similar experience with prior QBS burden estimates. We expect that of the 611,121 total establishments sampled in both the large sample and the JOLTS supplemental sample, that 152,698 will respond, a response rate of 25%. This burden and response expectation is the same for both sets of establishments sampled, the large sample and the JOLTS supplemental sample. Therefore, total estimated burden for the questionnaire is expected to be 25,450 hours.

The cost to respondents is based on employer costs for wages, salaries, and benefits for Office and Administrative Support occupations and was obtained from the BLS National Compensation Survey, Employer Costs for Employee Compensation program. This rate was \$27.02/hour based on June 2019 data. (<https://www.bls.gov/news.release/ecec.t04.htm>). Total cost to respondents for the BRS of United States Businesses is \$687,659.

13. Capital/Start-up costs

There are no capital/start-up costs or operation and maintenance and purchase of service costs resulting from the collection of this information.

14. Cost to the Federal Government

The estimated cost to the Federal government for the BRS of United States Businesses will be funded within existing QCEW and JOLTS program resources. See OMB Control No. 1220-0134/ICR Reference No. 201903-1220-003 for information on the cost of the QCEW to the federal government and OMB Control No. 1220-0170/ICR Reference No. 201907-1220-001 for information on the cost of the JOLTS to the federal government.

15. Program Changes or Adjustments

This is a new collection.

16. Plans for Publication

BLS will follow standard practices and procedures for publication and dissemination of the results of this survey, as it is a one-time standard survey. BLS will follow a process similar to other one-time projects at BLS¹, which would include creating a page on the BLS public website: www.bls.gov as a home for all of the information related to this survey. This public page will include tabs for published data tables, technical notes, methodology and other relevant information. There would be a standard BLS press release to accompany the data release and BLS will promote the release on the BLS website and in social media in accordance with standard practices.

The timetable for publication will be dependent on when the survey is approved and in the field. Once the survey is in the field, data collection is estimated to take approximately 2-3 months and data review and publication activities would take approximately 2-3 months. Publication can be expected roughly 4-6 months after data collection begins. The current goal for publication is early fall 2020, though this timeline is dependent on many other factors that could change due to the current environment.

17. Approval to not Display the OMB Expiration Date

Approval to not display the expiration date for OMB approval is not being sought.

18. Exceptions to the Certification Statement

There are no exceptions to the certification statement.

¹ For example <https://www.bls.gov/ggs/ggsoverview.htm>, <https://www.bls.gov/gtp/overview.htm>, <https://www.bls.gov/ept/overview.htm>