

**SUPPORTING STATEMENT FOR  
BLS CURRENT EMPLOYMENT STATISTICS PROGRAM**

**OMB CONTROL NO. 1220-0011**

This ICR seeks OMB approval for a revision to the Bureau of Labor Statistics Current Employment Statistics program. The revision incorporates updated information the number of reports collected and a re-calculation of the estimated respondent burden.

**BACKGROUND**

The Bureau of Labor Statistics (BLS) Current Employment Statistics (CES) program provides current monthly statistics on employment, hours, and earnings, by industry and geography. CES estimates are among the most visible and widely-used Principal Federal Economic Indicators (PFEIs). CES data are also among the timeliest of the PFEIs, with their release each month by the BLS in the *Employment Situation*, typically on the first Friday of each month. The statistics are fundamental inputs in economic decision processes at all levels of government, private enterprise, and organized labor.

The CES monthly estimates of employment, hours, and earnings are based on a sample of U.S. nonagricultural establishments. Information is derived from approximately 295,000 reports (from a sample of 150,000 businesses and government agencies with State Unemployment Insurance (UI) accounts representing approximately 697,000 individual worksites). Each month, firms report their employment, payroll, and hours on forms identified as the BLS-790. The sample is collected under a probability based design. Puerto Rico and the Virgin Islands collect an additional 8,500 reports.

Respondents receive variations of the basic collection forms, depending on their industry. Letters and other materials sent to establishments are also included.

The CES program is a voluntary program under Federal statute. Reporting to the State agencies is voluntary in all but three States (New Mexico, Oregon, and South Carolina), Puerto Rico, and the Virgin Islands. To our knowledge, the States that do have mandatory reporting rarely exercise their authority. The collection form's confidentiality statement cites the Confidential Information Protection and Statistical Efficiency Act and mentions the State mandatory reporting authority.

Automated data collection methods are now used for most of the CES sample.

Collection Method	Number of Reports (approximate)	% (may not sum to 100 due to rounding)
Electronic Data Interchange (EDI)	150,000	47%
Computer Assisted Telephone Interviewing (CATI)	65,000	20%

Web	65,000	20%
Fax	3,000	1%
Touchtone Data Entry (TDE)	6,000	2%
Other (mostly nonstandard electronic files)	30,000	9%

## A. JUSTIFICATION

**1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The BLS has been charged by Congress (29 USC 2) with the responsibility of collecting and publishing monthly information on employment, the average wage received, and the hours worked, by area and by industry. The data necessary to produce these estimates are voluntarily reported. The BLS receives approximately 295,000 reports each month from nonagricultural establishment worksites (including government) in the 50 States and the District of Columbia. An additional 8,500 reports are collected by Puerto Rico and the Virgin Islands. Puerto Rico and the Virgin Islands reports are not included in the probability sample design. Spanish-language versions of the collection forms are included in this OMB package revision.

**2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

The estimates produced from the data collected on the BLS-790 forms are fundamental inputs in economic decision processes at all levels of private enterprise, government, and organized labor. The estimates are vital to the calculation of the National Income Accounts, the Federal Reserve Board's Index of Industrial Production, and the Composite Index of Leading and Coincident Economic Indicators among others. The earnings data provide a proxy measure of the cost of labor at a level of industry detail not available from the BLS's Employment Cost Index program. The early availability of employment and hours data provides one of the primary indicators for the current status of the U.S. economy.

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.**

The CES program relies extensively on information technology for data collection. Ninety percent of the sample is collected by Electronic Data Interchange (EDI), Web, Computer Assisted Telephone Interviewing (CATI), FAX, and Touchtone Data Entry (TDE). Electronic reporting via EDI is used for many very large multi-unit reporters. EDI allows firms to transmit a sample file containing all of their reports to a central location, significantly reducing respondent burden for these firms. As of April 2020, 80 large firms, representing 150,000 reports, report via EDI.

The BLS has developed special forms to facilitate reporting of data by facsimile transmission ("fax"). These forms somewhat lessen reporting burden on large multi-unit reporters by allowing them to report information for several of their establishments on one form each month. These forms allow firms that report for establishments in different industries to consolidate all reporting on a single form. One version has been developed for each of the six form schedule types.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item A.2 above.**

There are no comparable Federal surveys. The cooperative Federal-State collection program eliminates duplication of requests made of the respondent at the Federal, State, and local levels. The CES program is the only program that provides current monthly data on payroll employment, hours, and earnings, by industry and area. Preliminary national data are released within 3 weeks of the end of the survey week.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

The probability-based design calls for inclusion of all UI accounts with more than 1,000 employees with certainty. For other size classes, stratification of the sample by size decreases the probability of selection for smaller size firms. The BLS has also implemented sample rotation of non-certainty units to further reduce burden. Most non-certainty firms will report for 2 to 4 years, then will be rotated out of the sample for at least 3 years.

**6. Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

The Congress (29 USC 2) mandated that the data be collected monthly for the purpose of deriving fundamental inputs into economic decision processes at all levels of government, private enterprise, and organized labor.

**7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

- **requiring respondents to report information to the agency more often than quarterly;**
- **requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;**
- **requiring respondents to submit more than an original and two copies of any document;**
- **requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;**
- **in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study;**
- **requiring the use of statistical data classification that has not been reviewed and approved by OMB;**
- **that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or**
- **requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.**

This request does not have any special circumstances that would cause information collection to be conducted in a manner:

- requiring respondents to submit more than an original and two copies of any document;
- requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study;
- requiring the use of a statistical data classification that has not been reviewed and approved by OMB;
- that includes a pledge of confidentiality that is not supported by authority established in statute or regulation, that is not supported by disclosure and data

- security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- requiring respondents to submit proprietary trade secret or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

There are special circumstances that require respondents to report information to the agency more often than quarterly; and require respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it. Congress has mandated monthly collection (29 USC 2). Survey respondents are requested to provide payroll information for the pay period including the 12th of the month as soon as the data are available. This allows for timely publication of preliminary estimates within 3 weeks of the reference period. Research has shown that the vast majority of sample units have the requisite data available in their regular payroll summaries at the time BLS is requesting this information.

**8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.**

**Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.**

**Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection-of-information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained.**

One comment was received in support of the CES program as a result of the Federal Register notice published at 85 FR 43878 on July 20, 2020.

**9. Explain any decision to provide any payments or gifts to respondents, other than remuneration of contractors or grantees.**

There are no payments or gifts to respondents.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency 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.

Based on this law, the BLS provides respondents with the following confidentiality pledge:

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 the confidential nature of respondent identifiable information (RII) states that "RII 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."

Authorized persons are:

1. Sworn BLS employees.
2. State Employment Security Agency employees.
3. Contractors who have signed the appropriate confidentiality agreement with the Bureau.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

There are no sensitive questions asked on this survey.

**12. Provide estimates of the hour burden of the collection of information. The statement should:**

- **Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. General, estimates should not include burden hours for customary and usual business practices.**
- **If this request for approval covers more than one form, provide separate hour burden estimates for each form.**
- **Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

**Estimated Annualized Respondent Cost and Hour Burden**

<b>Industry</b>	<b>No. of Reports</b>	<b>No. of Responses per Respondent</b>	<b>Total Responses</b>	<b>Average Burden (Hours)</b>	<b>Total Burden (Hours)</b>
Natural Resources & Mining	965	12	11,580	0.167	1,930
Construction	10,666	12	127,992	0.167	21,332
Manufacturing	8,272	12	99,264	0.167	16,544
Services	91,715	12	1,100,580	0.167	183,430
Public Administration	35,323	12	423,876	0.100	42,388
Education	9,276	12	111,312	0.100	11,131
EDI Firms	139,331	12	1,008*	1.000	1,008
<b>All Industries</b>	<b>295,548</b>		<b>1,875,612</b>		<b>277,763</b>

Table Source: CMI Industry Report 1\_6A: Number Received by Industry for Apr 3rd Closing, 2020

\* For EDI firms, burden is calculated on per firm basis rather than report. The number of firms reporting is 84 (84 x 12 = 1,008).

**Estimated Annualized Respondent Cost**

Annual Burden hours	277,763
Total Compensation, Office and administrative support occupations*	\$28.68
Estimated total cost to respondents	\$7,966,243
Number of establishments	295,548
Average annual cost per respondent	\$26.95

\*The BLS derives this wage figure from the National Compensation Survey, Employer Costs for Employee Compensation program, Office and Administrative Support occupations for the most recent data available (2020 1st quarter).

**13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

There is no operational or maintenance cost burden to the respondent because the information collection seeks information that is part of customary and usual business practices and does not require purchase of equipment or services to meet the information collection request.

**14. Provide estimates of the annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 into a single table.**

State Contracts	\$8,000,000
All Other	\$50,000,000
<hr/> TOTAL	<hr/> \$58,000,000

The estimated cost to the federal government for this initiative is \$562 million. This amount includes contract amounts with the cooperating State agencies to collect the data.

**15. Explain the reasons for any program changes or adjustments.**



The burden currently requested is 277,763 hours. This request is a large decrease from the previous burden request of 538,240 hours, mainly due to re-calculating burden for EDI reports by firm rather than by report. The re-calculation makes sense since most EDI firms have automated their reporting protocol to transmit their data to us with no or minimal human intervention. Had the burden been calculated as was done previously, the total burden request would have been 530,745 hours, a slight decrease due to a lower sample size.

**16. For collections of information whose results will be published, outline plans for tabulations, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

The data are initially released in the “Employment Situation” news release (<http://www.bls.gov/news.release/empsit.toc.htm>) on the first Friday following the reference period. The release contains employment, hours, and earnings data by major industry division.

Detailed tabulation and presentation of national estimates of employment, hours, and earnings are found in the B tables of Employment and Earnings (<http://www.bls.gov/opub/ee/home.htm>), the BLS's monthly on-line publication.

The CES program will produce 26,000 series at the national level and 23,000 series at the State and area levels in FY 2021. Data are published monthly by the BLS in Employment and Earnings, press releases, and on the BLS web site.

**17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

The BLS is requesting continuation of the approval to not display the expiration date on the BLS-790 forms. The BLS and States are continually soliciting new respondents for the CES and their ability to use the approved form would be constrained as the expiration date approaches.

**18. Explain each exception to the certification statement.**

There are no exceptions to item 19 of the “Certification for Paperwork Reduction Act Submissions”.