

OMB Information Collection Request
Supporting Statement A
U.S. Department of Commerce
U.S. Census Bureau
Current Population Survey (CPS) Basic Demographic Items
OMB Control Number 0607-0049

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

This request is for approval for extension of a currently approved collection of basic demographic information in the Current Population Survey (CPS). The CPS Basic Demographics are currently approved through October 31, 2021, with OMB Control Number 0607-0049.

Authority for the collection of this information for the Current Population Survey is provided under 13 U.S.C. Sections 8(b), 141, and 182, and 29 U. S. C. Section 2.

The Current Population Survey is the primary source of monthly labor force statistics. It is used to keep the Nation informed of the economic and social well-being of its people. This survey measures how the economy and labor force are doing across the country and in your community. The U.S. Census Bureau conducts this survey in partnership with the U.S. Bureau of Labor Statistics.

Personal information collected includes age, marital status, sex, Armed Forces status, education, race, origin, family income etc. It asks questions about employment, and in certain months includes questions about education, health, family income, housing, and other important subjects.

Furnishing this information is voluntary. There are no consequences for not providing the requested information. However, cooperation in obtaining this much needed information is extremely important to ensure complete and accurate results.

The Census Bureau provides the BLS with data files and tables. The BLS seasonally adjusts, analyzes, and publishes the results for the labor force data in conjunction with the demographic characteristics. In accordance with the OMB's request, the Census Bureau and the BLS divide the clearance request in order to reflect the joint sponsorship and funding of the CPS program. Title 13, United States Code, Sections 8(b), 141, and 182 authorize collection of the demographic items in the CPS. See Attachment F for the full text of these statutes. Title 29, United States Code, Section 2 authorizes the collection of labor force data in the CPS. The justification that follows is in support of the demographic data.

The demographic information collected in the CPS provides a unique set of data on selected characteristics for the civilian noninstitutional population. We use these data in conjunction with other data, particularly the monthly labor force data, as well as periodic supplement data. We also use these data independently for internal analytic research and for evaluation of other

surveys. In addition, we need these data to correctly control estimates of other characteristics to the proper proportions of age, sex, race, and origin.

In addition to the demographic questions, we have included the questions needed to make contact with the household. This include introductions, determining the correct respondent, and verifying the address. These questions are referred to as the “Front” questions. Also involved in maintaining contact with the household are the “Back” questions. These questions collect telephone numbers, best time to contact, and thank the respondent for their cooperation. These questions are needed to do the interview and maintain contact with the household throughout the survey.

In addition to the contact and basic demographic information, questions may be added to the CPS on an “as-needed” basis, in the aftermath of a severe weather event, to determine the number of household members displaced as a result of the event. This is a small battery of questions, consisting of only one question for the vast majority of households. For those where someone evacuated from their home, even temporarily, followup questions ask who evacuated, where they evacuated to, and when they returned home. These questions will not change over the period of this clearance request. They will appear in the CPS for several months, and once deemed no longer needed, they will be removed.

Attachment B-4 provides a listing of the proposed “as-needed” items. A nonsubstantive change request will be submitted to request permission to make this minor modification to the data collection instrument, if and when the need arises.

This request also asks for clearance for the forms that are used in conjunction with the CPS. These forms include:

<u>Form No.</u>	<u>Description</u>	<u>Attachment</u>
CPS-263, CPS-263(SP),	Advance letters sent to new households prior to the first-month interview	D-1
CPS-264, CPS-264(SP),	Advance letters sent to returning households prior to the fifth-month interview.	D-2
CPS-266	Thank you cards sent to households at the conclusion of the eighth interview.	D-3
BC-1433, BC-1433(SP)	Fact Sheet for the CPS.	E-1
CPS-692	Monthly Flow of the CPS	E-2
BC-1428, BC-1428(SP)	How the Census Bureau Keeps Your Information Strictly Confidential.	E-3

2. Purpose and Use of Information Collection

We use the CPS data on household size and composition, age, education, ethnicity, and marital status to compile monthly averages or other aggregates for national and sub-national estimates. We use these data in four principal ways: in association with other data, such as monthly labor force or periodic supplement publications; for internal analytic research; for evaluation of other surveys and survey results; and as a general purpose sample and survey.

The demographic data are central to the publication of all labor force data in the BLS' monthly report *Employment and Earnings*. The data set that results from combining the monthly labor force data with the demographic data provides analysts with the ability to understand labor force patterns of many subpopulation groups. This is particularly important since the federal government often directs initiatives at special groups that historically have not conformed to general labor force participation patterns.

Analysts also use the demographic data in association with CPS supplement visualizations and publications. (We describe supplements later in this section.) For example, the *Fertility Historical Time Series Visualizations* provide a visual presentation of data from the CPS Fertility Supplement. *School Enrollment in the United States* is a publication derived from the School Enrollment Supplement to the CPS. Comparably, researchers are able to characterize the population within the subject area of the many supplements conducted in conjunction with the CPS. For instance, the Annual Social and Economic Supplement (ASEC) identifies which subpopulation groups, as established by the demographic variables, experience the highest incidence of poverty. While we collect and support independently the demographic variables, the labor force data, and the supplement inquiries, their use as a combined data set enhances the utility of each.

The Census Bureau also uses the demographic data extensively for internal analytic work. For example, we use these data to develop estimates of family and household types and metropolitan and nonmetropolitan populations. We use these estimates to identify population trends between decennial censuses and to analyze the growth and distribution of various racial and ethnic groups. We may then use this information in preparing reports on these subjects or in determining the accuracy of population controls used throughout the Census Bureau. As is noted below, we use the demographic data to improve our postcensal population estimates (that is, the components of emigration and undocumented immigration).

Also, we use the CPS as a source for other survey samples. A household remains in the CPS sample for 16 months. Other surveys conducted by the Census Bureau may use a CPS sample when it is no longer part of the CPS. The ongoing American Time Use Survey, sponsored by the BLS uses expired CPS sample. By using the CPS demographics to select their samples, other surveys have been able to avoid screening samples and to obtain accurate estimates by demographics.

Another use of the demographic data is in evaluating other survey results. For example, analysts control the results of the National American Housing Survey to the CPS monthly averages of households. Similarly, in order to determine the plausibility of the results of the Survey of Income and Program Participation (SIPP), analysts continuously compare the data on household and family composition from the SIPP to the CPS monthly household and family composition data.

The Census Bureau often uses the CPS as a model and resource for improving the efficiency and quality of other surveys. For example, the Census Bureau designed some items for the SIPP from the CPS. Academics and researchers have historically used the CPS to better understand the many complexities associated with sample surveys and household interviews in general.

In addition to the collection of demographic and labor force data, the CPS is also a major vehicle for the collection of supplemental questions on various socio-economic topics. In most months of the year we ask supplemental questions after asking the basic labor force questions of all eligible people in a household, thereby maximizing the utility of the CPS sample. We also collect annual data on work experience, income, migration (ASEC), and school enrollment of the population (October supplement). In addition, we collect biennial, but separately funded, data on fertility and birth expectations of women of child-bearing age (June), voting and registration (November) and child support. The BLS, the Census Bureau, other government agencies, and private groups sponsor the supplements. Attachment C is a list of the CPS supplements scheduled for 2021 and 2022. All of these supplements use the demographic items covered here as classification variables.

Discontinuance of demographic data in the CPS would impair the determination of changes in the country's economy, as these changes differentially affect various subpopulation groups and would lessen the government's ability to react to the changes properly and quickly. Discontinuance also would mean the loss of the benchmark of demographic data for many other surveys.

The basic CPS front, demographic, and back items (including coverage items and other non-labor force items) are illustrated in Attachment B-1, B-2, and B-3.

Information quality is an integral part of the pre-dissemination review of the information disseminated by the Census bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality is also integral to the information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

3. Use of Improved Information Technology and Burden Reduction

Since January 1994, we have been collecting both the demographic and the labor force data using computer-assisted interviewing. We deem the use of personal visits and telephone interviews using computer-assisted telephone interviewing and computer-assisted personal interviewing the most appropriate collection methodology given existing available information technology. We are currently examining the use of the Internet as a response mode, to improve both the respondent experience during the survey and the response rate.

4. Efforts to Identify Duplication and Use of Similar Information

The demographic data collected in the CPS must be collected in conjunction with the labor force data in order for the labor force information to be most useful; therefore, although we collect demographic data in conjunction with almost all surveys, we need to continue its present collection in the CPS. There is no other current data source available that provides as comprehensive a set of statistics for analysis as described in question 2 above.

5. Impacts on Small Businesses or Other Small Entities

The collection of CPS demographic information does not involve small businesses or other small entities.

6. Consequences of Collecting the Information Less Frequently

Title 29, United States Code, Section 2 requires the BLS to publish, at least once a month, complete statistics on levels and month-to-month changes in employment and unemployment. The labor force data cannot be fully interpreted and put to practical use without the demographic data. In addition, less frequent collection would also mean a disruption in a primary source of national demographic data.

7. Special circumstances that would cause the information collection to be conducted in a manner inconsistent with OMB guidelines

This data collection will be consistent with the general information collection guidelines of 5 CFR 1320.5. No special circumstances apply.

8. Comments in Response to the Federal Register Notice/Outside Consultation

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

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In addition to the above, a statement soliciting comments for improving the CPS data is prominently placed in all Census Bureau publications that cite the CPS data. We include a similar statement in the technical documentation that accompanies the microdata files. We published a notice of our intent to ask the demographic questions during the CPS in the January 21, 2021, edition of the *Federal Register* (USBC-2020-0031). We received one comment in response to this notice, requesting the inclusion of sexual orientation and gender identity in the data collection for the CPS. In response to this request, the CPS program will consider including these characteristics in the data collection, but must consult with the sponsoring agency first, while also looking to other national household surveys for their input on the matter. Finally, the advance letter (Attachments D-1 and D-2) 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. Explanation of any Payment or Gift to Respondents

We do not make any payments or provide any gifts to individuals participating in the CPS.

10. Assurance of Confidentiality Given to Respondents

The Census Bureau will collect data in compliance with OMB Circular A-130. Each sample household receives an advance letter approximately one week before the start of CPS interviewing (see Attachments D-1 and D-2). The letter includes the information required by the Paperwork Reduction Act, explains the voluntary nature of the survey, and states the estimated time required for participating in the survey. Interviewers must ask if the respondent received the letter and, if not, provide a copy and allow the respondent sufficient time to read the contents. Also, interviewers provide households with the pamphlet, *The U.S. Census Bureau Respects Your Privacy and Protects Your Personal Information* and *Fact Sheet for the Current Population Survey* (see Attachments E-1 and E-3).

All information given by respondents to Census Bureau employees is held in strict confidence under Title 13, United States Code, Section 9. Every Census Bureau employee has taken an oath to that effect and is subject to a jail penalty and/or substantial fine if they disclose any

information given to them. The information collected in the CPS may be disclosed to Census Bureau staff for the work-related purposes identified in the Privacy Act System of Records Notice COMMERCE/Census- COMMERCE/Census-3, Demographic Survey Collection (Census Bureau Sampling Frame).

11. Justification for Sensitive Questions

1There are no sensitive questions in the demographic portion of the CPS.

12. Estimates of Annualized Hour and Cost Burden

The total estimated annual respondent burden for the interview will be 66,080 hours. We base this estimate on interviewing 59,000 households on a monthly basis. The sample size includes the extra households added to the monthly CPS as part of the expansion provided by the State Children's Health Insurance Program (SCHIP) funding. The estimated average interview length per month per household of this operation for the front, back and demographics is 5.6 minutes. We base these estimates on the average interview time in any month; however, the time spent on the collection of demographic information is highly dependent on the month-in-sample of the household. We calculated the burden estimates shown in this package based on the full demographic battery of questions.

The total estimated annual respondent burden indicated in the 60-day Federal Register Notice incorrectly states the burden as 17,700 hours. That total only represents the demographic items. The actual respondent burden reflects not only those items, but also the introductory items in the front of the survey, and the items in the back of the survey that serve to conclude the questions and thank the respondent for their time.

A household in the CPS is in sample for four consecutive months one year and for the corresponding time period one year later. (This is the 4-8-4 rotation pattern.) We complete all the demographic information in the first-month interview and update it during the remaining seven months. In the subsequent months, all we require is verification of the household roster and making changes and updates as necessary. The time estimate given here is the average respondent time that was required to complete the introductory items, the demographic questions, and closing contact questions, in an average household across all months-in-sample.

The estimated total annual respondent cost burden is based on the estimated respondent hour burden, which is 66,080 hours. Therefore, the estimated total annual respondent cost burden based on these hours is \$1,954,646. For individuals, the wage rate is \$29.58 per hour based on hourly earnings for employees as reported by the Bureau of Labor Statistics.

12A. Estimated Annualized Burden Hours

Type of Respondent	Expected Number of Respondents ¹	Number of Responses per Respondent	Average Burden per Response (in hours)	Total Burden Hours
CPS Household Respondent	708,000	1	.0933	66,080

12B. Estimated Annualized Burden Costs

Type of Respondent	Total Burden Hours	Hourly Wage Rate	Total Respondent Costs (rounded to nearest dollar)
Household Respondent	66,080	\$29.58	\$1,954,646
Total	66,080		\$1,954,646

13. Estimates of Other Total Annual Cost Burden to Respondents

There are no direct costs to the respondent other than that of their time to respond.

14. Annualized Cost to the Federal Government

The estimated cost to the government is expected to be \$93 million in fiscal year (FY) 2021 for the full CPS data collection program as administered by the Census Bureau. The BLS will contribute approximately \$54 million through an interagency transfer of funds to the Census Bureau that covers costs associated with the labor force and disability data collected in the survey. A direct appropriation of \$20 million from the SCHIP also contributes to the CPS program to fund the additional sample that is required for the precision requirements of health insurance data from the ASEC to the CPS. The Census Bureau will contribute about \$12 million for the collection of demographic data in FY 2021. The remaining funds are received from various agencies to fund supplements and other projects.

Additionally, BLS will spend approximately \$8 million for review and dissemination of the labor force data.

15. Explanation for Program Changes or Adjustments

There is no change in burden.

16. Plans for Tabulation, Publication, and Project Time Schedule

The information collected in the CPS is made available to the public through the Internet on the BLS/Census Bureau CPS Web site ([Current Population Survey \(CPS\) \(census.gov\)](http://www.census.gov)). We only release information that has been sanitized such that we do not identify any individuals' data. The publication date of the CPS demographic data varies depending on which data we analyze in conjunction with the demographics. For example, when we associate the demographic data with the basic labor force data, as we do each month, we release the data 19 days after the start of interviewing. When we associate the demographic data with the ASEC, we release the data approximately five months after we complete interviewing.

17. Reason(s) Display of OMB Expiration Date is Inappropriate

Respondents' length of participation in the CPS is not likely to coincide with the expiration date of this clearance. To avoid confusion that may arise from this fact and given that the CPS has been in place for over 60 years and the basic CPS interview has remained relatively unchanged over the past 10 years, we request a waiver of the requirement to display the expiration date.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

There are no exceptions to the certification.