

**SUPPORTING STATEMENT FOR
QUARTERLY CENSUS OF EMPLOYMENT AND WAGES
BUSINESS SUPPLEMENT**

OMB CONTROL NO. 1220-0198

On July 12, 2021, the Office of Management and Budget (OMB) approved a new collection of information, the Bureau of Labor Statistics (BLS) Quarterly Census of Employment and Wages Business Supplement (QBS), OMB Control Number 1220-0198, and the first survey collected under the QBS. This Information Collection Request (ICR) seeks OMB approval for a revision to the QBS for a new, short survey. This will be the second survey under the QBS collection. This survey, the 2022 Business Response Survey, will collect information on the availability of telework, and hiring and vacancies at establishments to better understand labor market conditions at the current stage of the coronavirus pandemic.

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 QBS allows BLS to capture information about the US economy in a more efficient manner than was previously possible. It allows the BLS and data users to be able to understand the impact of specific events (e.g., policy changes, strikes, resource shortages, health epidemics, terrorist attacks, and severe weather) on the economy in a timely manner, allowing policy makers to be able to make informed decisions.

This request is for the approval of the second survey for the QBS following two successful pilot tests conducted in 2018 and 2019 under OMB Control Number 1220-0192, the stand-alone 2020 Business Response Survey (BRS) to the coronavirus pandemic under OMB Control Number 1220-0197, and the 2021 BRS, the first survey under the QBS collection.

The Quarterly Census of Employment and Wages (QCEW) program produces a comprehensive tabulation of employment and wages for workers covered by state Unemployment Insurance (UI) laws and Federal workers covered by the Unemployment Compensation for Federal Employees (UCFE) program. The UI administrative records underlie the QCEW. While based on the UI administrative data, it is the detailed review and editing that yield the QCEW and the additional detail and information collected and updated via the Multiple Worksite Report (MWR) and Annual Refiling Survey (ARS) that allows the QCEW to serve as the sampling frame for BLS establishment surveys. The information collected, edited, and maintained by the QCEW program allows BLS to publish information reflective of the entire U.S. economy. QCEW currently is the most frequent, comprehensive, accurate, and timely

publication of information available at the maximum industry and geographical detail on the US economy. Additionally, the QCEW is the only source of monthly employment for the entire US economy.

Each year, the QCEW program conducts the ARS by reaching out to approximately 1.2 million establishments requesting verification of their main business activity and their mailing and physical location addresses. BLS has successfully transitioned the ARS to a fully on-line survey and accelerated the timeframe for collection. This fully web-based ARS introduces a low-cost platform for conducting the QBSs. The QBSs accompanying the ARS have little data collection overhead, leveraging the address refinement, printing, and mailing efforts that are undertaken as part of the production ARS.

The QBS is intended to be versatile collection instrument, allowing the BLS to capture information on events affecting the US economy, such as the coronavirus pandemic, relatively quickly. The QBS will undergo the OMB clearance process every three years with a 60-day and 30-day notice. When the need to capture new information on the economy arises, the BLS will develop successive questionnaires that are specific to those data needs. The BLS will submit separate requests to OMB to conduct each new questionnaire under the QBS clearance. Each OMB request will include additional details on each of these collections, including the estimated burden hours. The BLS will provide the public with an opportunity to comment on these questionnaires via a 30-day Federal Register notice where additional details will be provided.

The first ICR, approved by OMB in July 2021, described the general nature of the QBS collection and provided detailed information on the initial QBS survey covering the coronavirus pandemic. This ICR describes the second survey under the QBS clearance.

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 purpose of conducting the QBS is to facilitate collections of information about the US economy in a timely manner. Data collected under the QBS will be used by government program officials, industry, academia, etc. to evaluate the impact of specific events on the economy.

The primary necessity of the initial QBS survey, the 2021 BRS, was to collect information about how businesses have continued to change their operations as they transition through mid and late stages of the coronavirus pandemic. The 2022 BRS will ask a series of questions to better understand changes businesses have made to telework as well as questions on hiring and vacancies. This information, in combination with data collected by current BLS surveys, could help create a more robust understanding of how businesses responded to the impacts created by the pandemic.

With the intended large QBS sample size, BLS plans to calculate estimates at the national and state-level, and 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 for the data will be to be published in a public news release and academic journal. BLS expects to publish survey results nationally, by state, by sector, and where possible by state and sector, contingent on response and the ability to meet disclosure avoidance thresholds.

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.

For the QBS 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 existing data collection instrument of the BLS QCEW program's ARS. See more information about this instrument in the current approval for this collection (OMB No. 1220-0032). This allows for a large, nationally representative sample to be surveyed with minimal financial costs to BLS.

For establishments that are in-scope for the 2022 BRS but out-of-scope for the ARS (establishments with one to three employees; establishments that are in low-change NAICS industries), respondents will receive a supplemental one-page letter or email blasts, directing them to the ARS website to complete the survey. For this group, BLS is also researching the possibility of relying predominantly on UI accounts that have an email address available for email blasts. This would reduce the cost of printing and mailing. This research is ongoing.

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.

For the 2022 BRS, BLS has coordinated collection related to the coronavirus pandemic across BLS programs to both minimize duplication and to ensure the data collected would be of value to their programs. BLS has coordinated with offices through the Bureau to better understand the needs to each office and stakeholders.

Continued efforts to identify duplication include 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, DOL Women's Bureau, and others.

Additionally, for the first time on the BRS survey, BLS engaged the BLS Data User Advisory Committee (DUAC) to solicit topic, feedback, and recommendations for the 2022 BRS in order to better understand the needs of a wide array of stakeholders.

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

The QBS is designed to provide information that is representative of establishments nationwide and surveying smaller firms will be necessary to fulfill information needs. Respondent burden will be minimized through the use of email blasts, 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. 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 implementation of the QBS allows the BLS to be more responsive to the changing needs of its stakeholders and the public. Each collection under the QBS will be a one-time survey to capture data for a specific point-in-time. The 2022 BRS will capture data on telework, hiring and vacancies to better understand current labor market conditions at this stage of the coronavirus pandemic. Results of this survey 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. This information could help inform policy or legislative, budgetary, and planning decisions for existing programs and could also help develop new programs to support U.S. businesses.

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.

QBS data will be collected in a manner consistent with the guidelines in 5 CFR 1320.5 with one exception. Responses are requested in fewer than 30 days. Upon completion of the ARS, respondents will be requested to immediately complete the QBS. Due to the nature of the QBS, data are intended to be collected quickly in order to inform the public in as timely a manner as possible.

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.

Federal Register Notice

Three comments were received as a result of a notice published in the Federal Register, 86 FR 8037, on February 3, 2021. One comment was out of scope. The other two supported the collection. One highlighting the importance of the QBS as a way to provide new information, link to existing data to provide new insights, and as a way to minimize burden and reduce costs for data collection and noted that the QBS is an essential part of the BLS mandate. The other focused on the benefits of this platform for data users and the public and expressed a desire to be able provide input as special needs for economic or business data arise over the life of the collection.

Outside Consultation

The BLS has reviewed the coronavirus pandemic surveys conducted by Australia, Canada, and the United Kingdom. BLS has also reviewed the Small Business Pulse survey conducted by the Census Bureau. BLS has also collaborated with the BLS Data User Advisory Committee (DUAC), offices across BLS, Department of Labor Women's Bureau, the Small Business Administration, and the Bureau of Economic Analysis with the goal of including topics of broad interest and minimizing potential redundancy across agencies as agencies.

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

There will be no gifts or payments 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.

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. ARS respondents are not provided with a confidentiality pledge. This is because the ARS data are used by the States for Unemployment Insurance purposes. However, when respondents are directed to the QBS upon

completion of the ARS, they will be provided with a confidentiality pledge. The standard BLS confidentiality pledge/informed consent statement will appear on the first page of the QBS survey, following submission of their ARS data:

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.

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. 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.

No sensitive questions will be asked during the 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

Activity	No. of Respondents	No. of Responses per Respondent	Total Responses	Average Burden (Hours)	Total Burden (Hours)	Hourly Wage Rate	Total Burden Cost
QBS-2022-1	80,000	1	80,000	5/60	6,666.67	\$27.74	\$184,933.33

In general, questionnaire completion time is estimated to average 5 minutes. The estimated burden of 5 minutes per respondent was calculated based on experience with prior QBS and BRS burden estimates.

- The total estimated burden for the 2022 BRS is expected to be 6,666.67 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 \$27.74/hour based on December 2020 data. (<https://www.bls.gov/news.release/ecec.t04.htm>).

- The total cost to respondents for the 2022 BRS is expected to be \$184,933.33.

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).

- **The cost estimate should be split into two components: (a) a total capital and start up cost component (annualized over its expected useful life); and (b) a total operation and maintenance and purchase of service component. The estimates should take into account costs associated with generating, maintaining, and disclosing or providing the information. Include descriptions of methods used to estimate major cost factors including system and technology acquisition, expected useful life of capital equipment, the discount rate(s), and the time period over which costs will be incurred. Capital and start-up costs include, among other items, preparations for collecting information such as purchasing computers and software; monitoring, sampling, drilling and testing equipment; and record storage facilities.**
- **If cost estimates are expected to vary widely, agencies should present ranges of cost burdens and explain the reasons for the variance. The cost of purchasing or contracting out information collection services should be a part of this cost burden estimate. In developing cost burden estimates, agencies may consult with a sample of respondents (fewer than 10), utilize the 60-day pre-OMB submission public comment process and use existing economic or regulatory impact analysis associated with the rulemaking containing the information collection, as appropriate.**
- **Generally, estimates should not include purchases of equipment or services, or portions thereof, made: (1) prior to October 1, 1995, (2) to achieve regulatory compliance with requirements not associated with the information collection, (3) for reasons other than**

to provide information or keep records for the government, or (4) as part of customary and usual business or private practices.

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

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.

The estimated cost to the Federal government for the QBS is \$0.3 million.

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

Each QBS will be unique and sample and scope will be determined based on topic. For this reason, the QBS and will require a unique burden assessment each time it is fielded.

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.

BLS will follow standard practices and procedures for publication and dissemination of the results of this 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 web 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.

- Results from the initial survey, the 2021 BRS, were published on February 9, 2022, and are available at <https://www.bls.gov/brs/>.

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

- The goal for publication for the 2022 BRS, is December 2022, though this timeline is subject to change.

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.

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

18. Explain each exception to the certification statement.

There are no exceptions to the certification statement.