

## Supporting Statement

### Report on Occupational Employment and Wages

#### A. Justification

##### 1. Circumstances that Make the Collection of Information Necessary

The Occupational Employment Statistics (OES) survey is a Federal/State establishment survey of wage and salary workers designed to produce data on current detailed occupational employment and wages for each Metropolitan Statistical Area and Metropolitan Division as well as by detailed industry classification. OES survey data assists in the development of employment and training programs established by the Perkins Vocational Education Act of 1998 and the Wagner-Peyser Act (See attachments I and II for pertinent sections of each Act).

The Wagner-Peyser Act mandates that the Secretary of Labor shall oversee the development, maintenance, and continuous improvement of a nationwide system of employment statistics that includes—“(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data are available), and skill trends by occupation and industry, with particular attention paid to State and local conditions[.]”

In 1996, the OES program modified its collection method to produce prevailing wage data required by Foreign Labor Certification under the Immigration Act of 1990 (See attachment III for pertinent sections of this Act). The current process for obtaining foreign labor certification requires employers to actively recruit U.S. workers for a period of at least thirty days for all job openings for which foreign labor is sought. The employers’ job requirements must be reasonable and realistic, and employers must offer prevailing wages and working conditions for the occupation. Federal regulations provide more information on the determination of a prevailing wage for use in Foreign Labor Certification (See Attachment IV “Subpart D – Determination of Prevailing Wage” for an elaboration).

On October 24, 2016, the Office of Management and Budget approved the continuance of the OES collection with minor changes, and on March 27, 2017, OMB approved a revision to reinstate a previously discontinued form. The OES program now seeks to renew its OMB clearance.

##### 2. Uses of Information

Occupational employment data obtained by the OES survey are used to develop information regarding current and projected employment needs and job opportunities. These data assist in the development of state and local vocational education plans. Nationwide collection of OES wage data can further develop labor market and occupational information at the Federal, State, and sub-State levels. The survey meets the needs of organizations involved in planning and delivering services provided by the Wagner-Peyser Act and the Perkins Vocational Education Act (1998).

National OES wage data collection can provide a significant source of information to support a number of different federal, state, and local efforts. For instance, occupational wage data can be extremely useful in the administration of the Unemployment Insurance (UI) system. Generally, UI clients must meet work-search requirements and take jobs that pay equivalent to their previous employment. Wage data by occupation can help employment services identify occupations that meet the requirements of these individuals. Similarly, the dislocated workers program uses previous wages as a guide in preparing dislocated workers for employment. The OES survey can provide a standard source of occupational wage data to assist these workers.

Wage data at the occupational level can assist States and local authorities in carrying out vocational rehabilitation programs. The data can support U.S. military interests by providing State and local career information for Department of Defense workers. Minimum wage deliberations can use OES employment and wage data as a source of information.

OES wage data provides vocational trainers and enrollees with information on what occupations are present in the economy as well as their corresponding wage rates. These data will assist the national, State, and local coordinating committees to develop occupational information systems designed to aid job searchers and career counselors. As an example of use of the OES program, Career One Stop provides to individuals and career counselors the OES employment and wage data at its Web site at <http://www.careerinfonet.org/>

Reliable wage data has many practical uses. OES wage data can be an important analytical tool with enormous explanatory power. Wage data can be used to understand the direction and quality of the jobs being created in our economy and can play a part in important legal and administrative decisions. More importantly, wage information is a valuable commodity to the general public, whether the data are assembled in the BLS Occupational Outlook Handbook, or released across the country in occupational information systems. The detail, reliability, and applicability of the OES wage survey argues strongly for its expanded support.

The Immigration Act of 1990 mandates that the U.S. Department of Labor (DOL) base Foreign Labor Certification (FLC) on current prevailing wage rates. Under this Act, if employers prove there is an insufficient supply of local workers with occupation-specific skills, State agencies can grant temporary work permits to foreign workers.

FLC requires employers to actively recruit U.S. workers for a period of at least 30 days for all job openings for which foreign workers are sought. The employers' job requirements must be reasonable and realistic, and employers must offer prevailing wages and working conditions for the occupation.

The Employment and Training Administration (ETA) provides occupational employment and wage data from the OES-FLC wage database on the Internet at <http://www.foreignlaborcert.doleta.gov/>.

The OES employment data are used as inputs to the Employment Cost Index, the Occupational Requirements Survey, and estimates of Occupational Injury and Illness rates. Data are used by the Centers for Medicare and Medicaid Services in the calculation of reimbursement rates for Medicaid and Medicare providers. Special tabulations of workers in Science, Technology, Engineering, and Math (STEM) are provided annually to the National Science Foundation. Additionally, special tabulations of employment by State, industry, and wage range are supplied to the Bureau of Economic Analysis for estimating Social Security payments from employers.

### **3. Uses of Improved Information Technology**

OES utilizes an online data submission tool. This online collection tool, referred to as Weblite, allows respondents to provide data electronically. If respondents choose to use Weblite, they have the option to upload an existing data file that contains the necessary employment and wage information, complete an online version of the form, enter data in a downloadable Excel template, or update contact information. Once the online form is completed, it is submitted to the appropriate State office, and the respondent receives no further follow-up mailings.

In 2004 OES started accepting data by email. OES recently obtained OMB clearance to use email to send notifications to respondents at the beginning of a panel, as a follow up to a hard copy pre-notification letter, and as a non-response prompting method. Respondents who provided email addresses during address refinement are sent an automated email with a request for data, and instructions on how to report electronically.

### **4. Efforts to Identify Duplication**

The American Community Survey is the only other source of occupational data available at a similar level of geographic detail, however it does not produce as much occupational detail as OES. In addition, the surveys capture different workers and detail as the ACS is a household based survey and OES is an employer based survey. The collection of employment and wage data at the detailed levels produced by OES eliminates the need for fragmented local collection efforts carried out within the States. These efforts are not only costly, but place a burden on employers, since several different groups may request wage data from the same employers. The OES wage survey produces current and accurate data on occupational employment information at the National, State, and sub-state levels.

### **5. Minimizing the Burden to Small Establishments**

The OES sample design as described in Part B calls for using a variation of the Neymann allocation procedure to allocate sample to each ST/MSA/3-4-5-6 digit NAICS cell. Additionally, the establishments within each of these cells are selected using probability proportional to employment size. Both of these procedures result in smaller establishments having a smaller chance or probability of inclusion in the sample than the larger establishments. In other words, within a sampling cell, the larger the establishment the greater the likelihood of being included in the sample.

The mode of collection depends on employers' mode preference. Establishments with fewer than 20 employees may receive a short unstructured form (that does not list specific occupations), a letter asking that they report online, or an email asking them to report online. The electronic files are often produced from existing Human Resources records or personnel files. In a previous clearance package, OMB approved the use of a simplified, one page fax form which OES is currently utilizing. This form further reduces burden to small establishments. Upon receipt of the survey mail packet or email, small establishments may request this fax form from their State office. Additionally, OES has tested a new short write-in form which has variable information targeted to each specific establishment. The purpose of the variable information is to show the

value and utilization of the OES data. The final version of this form is still being produced based on results from our tests.

Finally, many smaller establishments find it easy to report the data by phone. Phone numbers are included in survey solicitation materials, and many employers report over the phone when states are conducting non-response follow-up.

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

The purpose of the Labor Market Information (LMI) program, to which the OES program is vital, is to meet the information needs of the organizations involved in planning and delivering employment and training services at the State and sub-State levels. Therefore, there is a need for a comprehensive LMI system that provides continuous, timely, accurate, and detailed labor information. Since the inception of the OES program in 1971, the capability to develop timely, accurate, and detailed occupational estimates and projections has increased substantially. Due to changing staffing patterns, wage rates, and seasonal fluctuations, the OES survey needs to be conducted on a semi-annual basis at a minimum. Currently, an individual business establishments is contacted once every three years at most. Any change to a longer frequency of data collection may adversely affect the existing reliability of OES data.

## **7. Special Circumstances**

There are no special circumstances for this collection of information.

## **8 Outside Consultations**

No public comments were received as a result of the Federal Register notice published in the Federal Register, 84 FR 56843, on October 23, 2019.

The name and phone number of the occupational expert consulted is:

Ms. Nikki Bryant Whitener  
OES Manager, Florida

## **9. Respondent Payments**

The OES program does not pay employers to complete the questionnaire.

## **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.

Based on this law, the BLS provides respondents with the following confidentiality pledge/informed consent statement:

“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 Section 3572) and other applicable Federal laws, your responses will not be disclosed in identifiable form without your informed consent except in the case of state and local governments. The BLS publishes statistical tabulations from this report that may reveal the information reported by state and local governments. Upon request, however, the BLS will hold the information provided by state and local governments on this report in confidence. 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.”

### 11. Sensitive Questions

No questions of a sensitive nature are requested by the OES program.

### 12. Estimated Reporting Burden

Based upon the results from a 2012 Response Analysis Survey, OES respondents take an average of 0.5 employee-hours (from 10 minutes to 3 hours) to furnish the desired occupational employment and wage information. In order to calculate annual burden hours, the BLS used 0.5 hours as the basis for the calculation. Each employer is asked to report data only once during the year. BLS may, on occasion, re-contact respondents for quality assurance of the information. The re-contact burden is minimal and is incorporated into the below averages.

Current BLS plans for form BLS 2877 by Fiscal Year are summarized below:

Survey year	Mandatory / voluntary	Ownership	NAICS Coverage	Estimated Responding Units	Estimated burden hours
FY 2020	Voluntary	private	1133, 1151, 1152, 21-81 (exc. 814)	186,586	93,293
	Voluntary	government	State and local government	8,356	4,178
	Mandatory	private	1133, 1151, 1152, 21-81 (exc. 814)	59,009	29,505
	Mandatory	government	State and local government	2,817	1,408
	Total			256,768	128,384

Survey year	Mandatory / voluntary	Ownership	NAICS Coverage	Estimated Responding Units	Estimated burden hours
FY 2021	Voluntary	private	1133, 1151, 1152, 21-81 (exc. 814)	193,683	96,842
	Voluntary	government	State and local government	8,648	4,324
	Mandatory	private	1133, 1151, 1152, 21-81 (exc. 814)	61,244	30,622
	Mandatory	government	State and local government	2,914	1,457
	Total			266,489	133,245

Survey year	Mandatory / voluntary	Ownership	NAICS Coverage	Estimated Responding Units	Estimated burden hours
FY 2022	Voluntary	private	1133, 1151, 1152, 21-81 (exc. 814)	193,683	96,842
	Voluntary	government	State and local government	8,648	4,324
	Mandatory	private	1133, 1151, 1152, 21-81 (exc. 814)	61,244	30,622
	Mandatory	government	State and local government	2,914	1,457
	Total			266,489	133,245

The BLS estimates the annual cost to respondents at \$4,129,262. To arrive at this figure, the average annual burden hours of 133,245 were multiplied by \$30.99 per hour. The BLS derives this wage figure from Employer costs for employee compensation, total compensation of office and administrative support

occupations for the most recent data available (2019 2<sup>nd</sup> quarter). (Source: <https://www.bls.gov/ncs/ect/#tables>)

### **13. Annual Cost Burden to Respondents**

The OES program does not require respondents to keep special records, or to purchase and install any equipment such as special hardware or software. Employers use traditional payroll and personnel records as a source to complete the questionnaire.

### **14 Estimated Cost of the Survey**

The approximate cost to the Federal Government for Fiscal Year 2020 is estimated to be approximately \$34 million. This amount includes grants to the cooperating State agencies to collect the data. The Bureau of Labor Statistics will expend a portion for survey materials, planning, development, and training of State staff, technical assistance, and customer service.

### **15. Change in Burden and Respondent Costs**

Annual respondent burden for the OES survey has decreased, falling from 148,760 hours to 133,245 hours. In FY 2018 through FY 2020, the OES temporarily surveyed a smaller sample size, resulting in an annual respondent burden of 128,384. Annual respondent burden for FY 2021 and 2022 reflect the end of the temporary sampling cut and a slight increase in respondent burden from FY 2020 to 133,345 hours. All three years approved for this package display a decrease in annual respondent burden from our last approval in 2016.

### **16. Plans for Tabulation and Publication**

The reference dates for the OES survey will be the payroll periods that include the 12th day of either November or May. Data collection will begin during the third week of the reference month and will end approximately eight months later. Four mailings per panel (an initial and up to three follow-ups) and multiple email blasts are planned. Telephone, email, and field follow-ups of non-respondents are conducted throughout the collection period. States are requested to transmit a clean “master file” to the BLS about 7 months after the payroll reference period. Exact deadlines for States to complete specified tasks are negotiated each year as part of the LMI Cooperative Agreement process.

National, State, and sub-State estimates from the survey will be available to customers in March or April of the year following the survey reference date.

These news releases will be published in electronic and paper formats. The electronic news release will be posted on the BLS webpage at [www.bls.gov/oes](http://www.bls.gov/oes). Paper copies will be mailed upon request.

### **17. Display of Expiration Date**

The OES program is requesting OMB permission to continue to omit the expiration date on the OES collection instruments. The OMB expiration date often falls in the middle of the data collection-period and displaying the expiration date could cause some respondents to not cooperate. In order to ensure the high quality of OES data, State Workforce Agencies will need to continue to collect data past the expiration date

on the form. Additionally, in order to maintain and improve on the current 71-percent response rate, State Workforce Agencies (SWAs) will need to obtain data from late reporters. These delayed responders are crucial to achieving response rates allowing for production of estimates for detailed occupations in every U.S. metropolitan area.

**18. Certification for Paperwork Reduction Act Submissions**

There are no exceptions to the certification.