OMB Control Number: 1220-0153

OMB Expiration Date: Reinstatement with change

### SUPPORTING STATEMENT FOR CONTINGENT WORK SUPPLEMENT TO THE CURRENT POPULATION SURVEY

#### **OMB CONTROL NO. 1220-0153**

This ICR seeks to reinstate with change the Contingent Work Supplement (CWS) to the Current Population Survey (CPS).

#### 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 purpose of this request for review is for the Bureau of Labor Statistics (BLS) to obtain clearance for a reinstatement with change for the Contingent Work Supplement (CWS) to the Current Population Survey (CPS), which was last conducted in July 2023. The proposed CWS questions focus on people with contingent jobs--those that people do not expect to last or that are temporary--and workers in alternative employment arrangements, such as independent contractors, on-call workers, temporary help agency workers, and workers provided by contract firms. There are also questions to identify digital labor platform workers, those who obtain work or pick tasks by using a digital labor platform mobile application (app) or website to directly connect them with customers or clients and arrange payment for the tasks (see proposed questionnaire in Attachment A). As part of the CPS, the CWS will collect information about individuals ages 15 and over from a nationally representative sample of approximately 60,000 eligible U.S. households, of which about 48,000 households are expected to be interviewed.

The CWS was fielded periodically 5 times from 1995 to 2005 and then in May 2017 and July 2023. In order to maintain data comparability over time, the 2025 questionnaire will contain the same questions used in 2023. This will ensure that estimates from today's economy can be compared with estimates from past collections. However, because app-based work is evolving, BLS proposed the addition of three new questions about digital labor platform work in 2025. The three new questions will be repeated for the 5 percent of employed respondents that have multiple jobs, since the questions apply to main and second jobs. These questions will provide more information about the platforms, including whether the app controls the price or pay and how the app is used to get work.

The CPS has been the principal source of official Government statistics on employment and unemployment since 1940 (over 75 years). Collection of labor force data through the CPS helps BLS meet its mandate as set forth in Title 29, United States Code, Sections 1 through 9 (Attachment B).

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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 CWS will provide information on the number and characteristics of workers in contingent jobs--that is, jobs that are structured to last only a limited period of time. The CWS also provides information about workers in several alternative employment arrangements: independent contractors, on-call workers, temporary help agency workers, and workers provided by contract companies. The 2025 CWS will allow researchers and policy makers to evaluate how the number and characteristics of these workers has evolved. Policy makers also can use these data to inform the design of regulations for different types of workers.

The 2023 CWS included information about task-based and app-based work to provide information on emerging types of employment such as digital labor platform workers, those who obtain work or pick tasks by using a digital labor platform mobile application (app) or website to directly connect them with customers or clients and arrange payment for the tasks. BLS is proposing to add three new questions about digital labor platform work to the 2025 CWS. These questions will provide more information about the platforms, including whether the app controls the price or pay and how the app is used to get work.

These updated questions will provide researchers and policy makers with data about an emerging group of workers, while balancing the desire to maintain historical comparability (see Attachment A for all CWS questions).

The U.S. Department of Labor can use these data to determine whether existing policies and regulations sufficiently protect workers in contingent and alternative work arrangements, including the evolution of workers using digital labor platforms. The detailed demographic and other information from the CWS will be valuable in planning Federal programs and formulating policy.

BLS published a summary of the findings from the July 2023 collection in a <u>news release</u> issued in 2024 (see Attachment C).

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 Census Bureau collects the CPS data, including designing the sample, conducting the interviews, training and monitoring the interviewers, and maintaining a quality control program. These efforts by the Census Bureau keep respondent burden as low as possible.

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The CPS and all of its supplements, including the CWS, are collected 100% electronically by using Computer Assisted Telephone Interviews and Computer Assisted Personal Interviews (CATI/CAPI). The data collection instrument is programmed in Blaise, a Windows-based survey processing system developed by Statistics Netherlands and licensed by Westat in the United States. The questions in the CWS were designed to obtain the required information with minimal respondent burden.

## 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 Federal surveys that obtain comparable information on the number and characteristics of people with contingent jobs, workers in alternative employment arrangements, and digital labor platform workers. The CWS is a rich source of information about these workers, providing detailed demographic information about each type, whether they prefer a traditional arrangement, whether they are covered by health insurance, and whether the health insurance can be obtained through their employer.

While no Federal surveys contain comparable information on the full range of information collected in the CWS, some data sources contain information on selected CWS items.

For example, a variety of data sources contain information on workers in the temporary help services industry, including the Current Employment Statistics survey, the Occupational Employment and Wage Statistics survey, the Quarterly Census of Employment and Wages, and the County Business Patterns; however, none of these provide information about the industry to which temporary-agency employees are assigned, nor do they provide detailed demographic information about these workers. The monthly CPS collects information on temporary help services, but research has shown that approximately half of those paid by temporary help agencies report their place of assignment when asked industry questions about their employment, which would lead to underreporting of temporary-help agency workers. This underreporting problem likely also affects data on workers in temporary help services collected in other Federal household surveys, notably the American Community Survey and the Survey of Income and Program Participation. The National Longitudinal Surveys include some questions to identify temporary-agency workers, as well as limited information about some other employment arrangements; however, these data are based on small sample sizes and are restricted to specific age cohorts.

Some non-Federal surveys have also collected limited information about people with contingent jobs and alternative employment arrangements. The Panel Study of Income Dynamics collects information about workers in temporary help services, but like the CPS, many respondents probably report about their place of assignment when asked questions about the industry of their employer. The RAND-Princeton Contingent Worker Survey, collected in 2015 as part of the American Life Panel, contained an abbreviated set of questions from the CWS as well as questions about gigs, HITs (Human Intelligence Tasks), and other small paid jobs. However, this

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survey had a much smaller sample size than the CWS and also did not include some of the questions necessary to identify alternative arrangements to generate estimates comparable to the 1995 CWS.

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

The data are collected from households; their collection does not involve any small businesses or other small entities.

# 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.

There has been a dearth of high-quality data on workers in contingent and alternative work arrangements. With the advent of new business models, there is great interest by researchers and policy makers in knowing how many of these types of workers there are and whether the labor market has undergone structural change. Law makers need accurate data to design regulations and policies to adequately protect these types of workers. If the CWS is not conducted, there will continue to be a lack of information about how the labor market has evolved and how the number of these types of workers has changed.

In addition, more information is needed about emerging types of work arrangements: specifically, those in which workers are using digital labor platforms. The CWS will provide much-needed information on these types of work arrangements. This information—in combination with other information collected in the CWS and the monthly CPS, such as earnings and health insurance coverage—will help guide law makers to determine if new policies or regulations are needed to protect these and other types of workers.

### 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;

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• 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 confidentially 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 confidentially to the extent permitted by law.

There are no special circumstances. The CPS data are collected in a manner that is consistent with the guidelines in 5 CFR 1320.5.

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.

Two comments were received as a result of the Federal Register notice published in 89 FR 104567 on December 23, 2024.

The first comment, which was emailed to BLS on December 24, 2024, expressed the opinion that there is no need for this survey. The mission of the BLS is to provide relevant information on economic and social issues. This particular information collection aims to provide researchers and policy makers with much-needed data about an emerging group of workers, while balancing the desire to maintain historical comparability. The remainder of the comment was out of scope.

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The second comment, which was emailed to BLS on February 21, 2025, expressed support for the collection of these data and the value of the information (benefitting other federal agencies and enabling independent research). The comment also suggested edits to questions about reason and preference for working in current arrangement, edits to the questions on platform work, and the addition of questions on worker expenses, deductions, and job tenure.

BLS appreciates the thoroughness of the comments provided and the support for the collection of these data and the value of the information in the CWS.

BLS understands the desire to capture additional information related to working in these arrangements but must balance the limited resources available for a CPS supplement like the CWS. Adding additional questions on new topic areas would require removing questions (or eliminating some of the new additions). Supplemental surveys face a time limit (under 10 minutes per household) and questions must be able to be answered by a proxy respondent. (About half of the responses in the CPS are provided by proxy—one household member responding on behalf of other people in the household.) For example, it is unclear that a proxy respondent would be knowledgeable enough to answer questions about worker expenses or payroll deductions for other people in the household.

BLS considered the suggestion about allowing additional responses to the reason questions, such as reason for having a temporary job, reason for working for a temporary help agency, reason for being an independent contractor or self-employed, and reason for working in an arrangement using an app or website to get work. The reason items are not multiple-choice questions; the response options available to the interviewer are not read or visible to respondents. The questions ask about "main" reason, which is typical in the CPS and other CPS supplements, and the first, unprompted answer from the respondent is recorded by the interviewer. Probing to gather additional responses or reading and recording additional responses would take more time and require the elimination of other questions. The added value of additional responses is unclear, particularly relative to removing other questions. These reason questions are also challenging for proxy respondents to answer. The list of reasons available for interviewers to choose was streamlined in 2023 to make it easier to code a correct response and to have consistent response categories across questions.

The suggestion of using different examples in the wording of the question about work using apps and websites will be considered for the platform work section.

BLS will consider expanding information about platform workers in future rounds of the CWS. There is not sufficient time to craft and test questions to capture this for collection in 2025. The addition of new questions may require removing other items.

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

#### **Outside Consultation**

Bureau of the Census
Kyra Linse
Survey Director, Current Population Survey
Bureau of the Census
Department of Commerce
Washington, D.C. 20233
(301) 763- 9280

In addition to the above, a statement soliciting comments for improving CPS data is prominently placed in all Census Bureau publications that cite CPS data. A similar statement is included in the technical documentation that accompanies the microdata files. Finally, the CPS advance letter (Attachments D and E) 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. Explain any decision to provide any payments or gifts to respondents, other than remuneration of contractors or grantees.

The Census Bureau does not make any payments or provide any gifts to individuals participating in the CPS.

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

The Census Bureau will collect the CWS in compliance with the Privacy Act of 1974 and OMB Circular A-130. Each sample household will receive an advance letter (Attachments D and E) approximately one week before the start of the initial CPS interview. The letter includes the information required by the Privacy Act of 1974, explains the voluntary nature of the survey, and states the estimated time required for participating in the survey. Field representatives must ask each respondent if he/she received the advance letter and, if not, must provide a copy of the letter to each respondent and allow sufficient time for him/her to read the contents.

Also, interviewers provide households with the pamphlet "The U.S. Census Bureau Respects Your Privacy and Protects Your Personal Information," which further states the confidentiality assurances associated with this data collection effort (Attachment F).

All information given by respondents to Census Bureau employees is held in strict confidence under Title 13, United States Code, Section 9 (Attachment G). Each Census Bureau employee

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has taken an oath to that effect and is subject to a jail penalty and/or substantial fine if he/she discloses any information given to him/her.

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 are asked in this supplement.

- 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.

The estimated respondent burden for the CWS is 2,400 hours. This is based on an average respondent burden of approximately 3 minutes for an estimated 48,000 respondents. The actual respondent burden is dependent upon the characteristics of each respondent.

The overall annualized dollar cost to respondents for collection of the CWS is \$46,176. This estimate assumes a wage rate for all respondents of \$19.24 an hour, the median hourly earnings for workers paid by the hour in 2023.

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**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
Contingent Work Supplement	48,000	1	48,000	0.05	2,400	\$19.24	\$46,176

<sup>\*</sup> Median hourly earnings, annual average 2023.

- 13. Provide an estimate of the total annual cost burden to respondents or record-keepers 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.
  - a. Capital start-up costs: \$0
  - b. Total operation and maintenance and purchase of services: \$0

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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 total cost of the May 2025 supplement is approximately \$1 million. This cost is to be borne by the BLS and largely represents the charge by the Census Bureau for conducting the CWS. The Census Bureau's activities for the CWS include programming the questionnaire, developing interviewer training materials, collecting data, processing survey microdata, and developing public use files. The remaining costs are for the BLS staff to prepare a news release and publish estimates, as well as develop specifications, test the collection instrument, and evaluate data quality.

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

The supplement is administered primarily to households in which there is an employed person. Total respondent burden for the collection of the 2025 CWS is estimated to be 2,400 hours, less than the initial estimate for the last collection in 2023. The initial 2023 estimation of response burden was 6 minutes, which tried to account for proposed changes in the questionnaire, but the actual burden turned out to be less. Taking into account the three new questions being added in 2025, the estimated average response time for each household is 3 minutes.

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 supplement is expected to be collected in May 2025 during the week containing the 19<sup>th</sup> of the month. Processing of this supplement will begin the month following the collection. Survey results will appear first as a news release in 2026. This news release will be published on the BLS webpage at <a href="https://www.bls.gov/cps">www.bls.gov/cps</a>.

Additionally, the Census Bureau will release a public use version of the microdata after the publication of the news release.

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 Census Bureau does not wish to display the assigned expiration date of the information collection because the instrument is automated and the respondent, therefore, would never see the date. The advance letter sent to households by the Census Bureau contains the Census Bureau's OMB clearance number for the CPS and the Census Bureau's version of the failure to

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comply notice (see Attachments D and E). Copies of this advance letter are stockpiled by the Census Bureau for use as needed; changes to the letter would make the current inventory of letters unusable.

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

There are no exceptions to the certification.