

SUPPORTING STATEMENT

A. Justification

1. Necessity of the Information Collected

The purpose of this request for review is to obtain clearance for the Displaced Worker, Job Tenure, and Occupational Mobility supplement to the Current Population Survey (CPS), scheduled to be conducted in January 2014 and January 2016. The supplement was last conducted in conjunction with the January 2012 CPS. The proposed supplement questions are shown in Attachment A. The displaced worker portion of the supplement will be asked of all persons age 20 or older who have been displaced from a job in the past three years. The tenure and occupational mobility questions will be asked of all employed persons age 15 years or older.

The results of this supplement will be used to determine the size and characteristics of the population affected by job displacements, assess employment stability, and evaluate occupational change. The data are necessary for planning, funding, and evaluating job training and reemployment programs. The Council of Economic Advisors, Congress, and private organizations have shown significant interest in data from this supplement, especially that regarding the extent to which displaced workers received advance notice of job cutbacks or the closing of their plant or business.

The CPS has been the principal source of the official Government statistics on employment and unemployment for over 70 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).

2. Needs and Uses

This supplement will gather information on workers who have lost or left their jobs because their plant or company closed or moved, there was insufficient work for them to do, or their position or shift was abolished. Information about the lost job—such as earnings, occupation, and industry—will be collected. For those workers who have been reemployed, the survey will gather data on the types of jobs they found and will compare current earnings with those from the lost job. This will assist in developing training programs that will provide other displaced workers with the skills necessary to adjust to the changing economic environment.

The incidence and nature of occupational changes in the preceding year will be queried. The survey also will obtain information on the length of time workers (including those who have not been displaced) have been with their current employer. Tenure data are used to calculate displacement rates for long-tenured workers so that comparisons can be made over time and among different worker groups. Additional data to be collected include information on the receipt of unemployment compensation, the loss of health insurance coverage, and the length of time spent without a job. In combination, these

supplemental data will provide the information needed to assess the economic hardship experienced by displaced workers.

The information collected by this survey will be used to determine the size and nature of the population affected by job displacements and the need for and necessary scope of programs serving adult displaced workers. It will also be used to assess employment stability by determining the length of time workers have been with their current employer and estimating the incidence of occupational change over the course of a year. Combining the questions on displacement, job tenure, and occupational mobility will enable analysts to obtain a more complete picture of employment stability.

Because this supplement is part of the CPS, the same detailed demographic information collected in the CPS will be available about respondents to the supplement. Comparisons will be possible across characteristics of the respondent, such as sex, race and ethnicity, age, and educational attainment.

Recent BLS publications using data from this supplement include a *Monthly Labor Review* article published in July 2004 and press releases in August and September 2012. (See attachment C.)

3. Use of Information Technology

The Census Bureau, which conducts the actual collection of the CPS data—designing the sample, training and monitoring the interviewers, and conducting a continuing quality control program—uses methods designed to keep respondent burden as low as possible. These interviewing methods, which include the use of computer-assisted interviewing, were improved as part of a complete redesign of the CPS implemented in January 1994. The redesign was preceded by years of wide-ranging discussions, research, and large-scale field tests aimed at long-range improvements in the survey.

The CPS and all of its supplements are collected 100 percent electronically by using Computer Assisted Telephone Interviews and Computer Assisted Personal Interviews (CATI/CAPI). With the collection of Basic CPS data for January 2007, an updated computer-assisted interviewing software, called Blaise, was introduced for running the data collection instrument. Blaise is a Windows-based survey processing system developed by Statistics Netherlands and licensed by Westat in the United States. The questions in the displaced worker supplement were designed to obtain the required information with minimal respondent burden.

4. Efforts to Identify Duplication

There are fewer data sources about worker displacement than in the past since the discontinuation of the Mass Layoff Statistics program. This program had reported statistics about mass layoff actions resulting in the separation of workers from their jobs for at least 31 days involving 50 or more individuals from a single establishment filing initial claims for unemployment insurance during a consecutive 5-week period. Data on the demographic characteristics of unemployment insurance claimants had been available

from this program. However, unlike the displaced worker survey, data were not available on the eventual employment outcomes of job losers.

5. Minimizing Burden

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

6. Consequences of Less Frequent Collection

The displaced worker, job tenure, and occupational mobility information must be collected biennially in order to assure timely information for the planning, evaluation, and funding of job training programs.

7. Special Circumstances

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. Consultation Outside the Agency/Federal Register Notice

Federal Register Notice

No comments were received as a result of the Federal Register notice published in 78 FR 50450 on August 19, 2013.

Outside Consultation

The following person has been in continuous consultation concerning the development of the survey:

Census Bureau
Lisa Clement
Survey Director, Current Population Survey
Bureau of the Census
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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 (Attachment D) 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. Paying Respondents

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

10. Assurance of Confidentiality

The Census Bureau will collect the supplement data in compliance with the Privacy Act of 1974 and OMB Circular A-130. Each sample household will receive an advance letter (Attachment D) 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 "How the Census Bureau Keeps Your Information Confidential," which further states the confidentiality assurances associated with this data collection effort and the Census Bureau's past performance in assuring confidentiality (Attachment E). All information given by respondents to Census Bureau employees is held in strict confidence under Title 13, United States Code, Section 9 (Attachment F). Each Census Bureau employee 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.

As is the case with data collection, data released to the public by BLS in tabular form or as microdata files are released in compliance with Title 13. Tabular data released to the public are always in aggregated form. No tabulations of individual survey records are made available to the public. Any microdata files that are released are public use files with all identifying information removed from the records.

11. Justification for Sensitive Questions

No sensitive questions are asked in this supplement.

12. Estimate of Respondent Burden

The estimated respondent burden for the January 2014 and January 2016 Displaced Worker, Job Tenure, and Occupational Mobility Supplement is 7,333 hours. This is based on an average respondent burden of approximately 8 minutes for each of the 55,000 households interviewed for the supplement. This estimate was based on the time required to answer these supplement questions in the January 2012 supplement. The actual respondent burden is dependent upon the size of the household and the characteristics of its occupants. Generally, one respondent answers for the household. The overall annualized dollar cost to the respondents for collection of the supplement data is \$93,862. This estimate assumes a wage rate for all respondents of \$12.80 an hour, the median hourly earnings for workers paid by the hour in 2012.

13. Estimate of Cost Burden

a. Capital start-up costs: \$0

b. Total operation and maintenance and purchase of services: \$0

There are no costs to survey respondents other than the time it takes to respond to the questionnaire. Respondents answer questions based on personal experience, which requires no record-keeping or other expenses.

14. Cost to the Federal Government

The total estimated cost of each supplement is \$607,000. This cost is borne by the Employment and Training Administration of the Department of Labor and largely represents the charge by the Census Bureau for conducting the supplement. Census activities for this supplement include programming the collection instrument, developing interviewer training materials, collecting and processing data, and creating a public use microdata file. Also included are costs for BLS staff to prepare a news release and publish estimates.

15. Changes in Respondent Burden

This is a reinstatement of a previously approved collection. Response burden is estimated to be unchanged from the January 2012 supplement.

16. Time Schedule for Information Collection and Publication

The January 2014 CPS, of which this supplement is a part, will be conducted during the week of January 12-18, 2014. Processing of this supplement will commence in February 2014. Survey results will appear first as a news release in August 2014.

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/cps. Paper copies will be mailed upon request. Additionally, the Census Bureau will release a public use version of the microdata after the publication of the news release.

17. Request to Not Display Expiration Date

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 Census's OMB clearance number for the CPS and Census's version of the failure to comply notice. (See attachment D.) 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. Exceptions to the Certification

There are no exceptions to the certification.