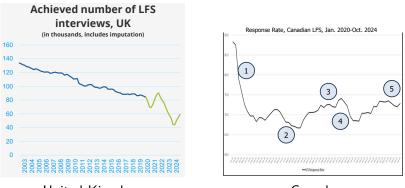
## Current Population Survey Challenges: FESAC Discussion

Mel Stephens

University of Michigan

December 13, 2024



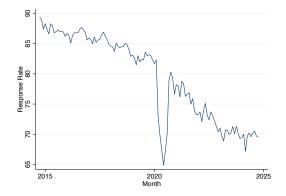
United Kingdom

Canada

Declining participation in labor force surveys outside of US

Efforts to boost response/sample have relatively small effects

#### U.S. Current Population Survey: Response Rate Trends



Rapid decline in US (even ignoring the COVID "shock")

 $\sim 56,000$  monthly households interviewed in 2001

 $\sim 53,000$  in 2015  $\rightarrow \sim 42,000$  in 2024

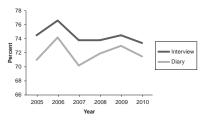
Implications?

Stephens	University of Michigan	FESAC Discussion	December 13, 2024	

# Flashback: U.S. Consumer Expenditure (CE) Survey

Response rate declined in Consumer Expenditure Survey

Precipitated a redesign panel via the Committee on National Statistics



Many complexities to CE

Long interview (average over an hour)  $\rightarrow$  survey fatigue

Need to recall long list of items  $\rightarrow$  high item nonresponse

Report for others (e.g., children)  $\rightarrow$  high item nonresponse

Multiple waves (interview)  $\rightarrow$  sample attrition

## Flashback: U.S. Consumer Expenditure (CE) Survey

Long road to CE redesign

Committee panel begins in 2010

Final report in 2013

Concurrent work at BLS throughout

CE redesign announced in 2013

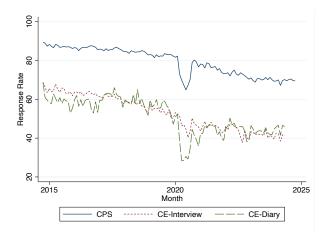
Extensive testing followed

Need budget to test!

Revised diary in field in 2022; revised interview in 2023

Objective: ease respondent burden

# Flashback: U.S. Consumer Expenditure (CE) Survey



Response rates continued to decline

Long lag between recognition and implementation

Far below review threshold when implemented

CPS is far less complex than the CE

Short core interview (average 10 minutes)  $\rightarrow$  little fatigue

Recent recall (e.g., work last week)  $\rightarrow$  low item nonresponse

Report for others (e.g., children)  $\rightarrow$  increase nonresponse

Multiple waves  $\rightarrow$  sample attrition

Supplements add complexity

e.g., Outgoing rotation supplement

e.g., Annual Social and Economic Supplement

Earnings item non-response nearly 40 percent

Boost the sample

Drop/reduce supplements

Similar info in the American Community Survey (ACS)?

Modules have constituents

Monetary incentives

Helpful in other surveys (e.g., SIPP)

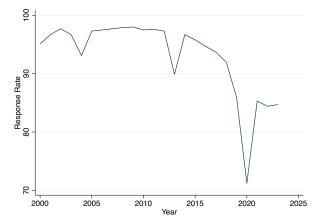
Large CPS samples are costly...

But... thoughtful changes not slowing nonresponse elsewhere

#### U.S. Current Population Survey (CPS): Possibilities?

Make the CPS a mandatory survey

e.g., American Community Survey is mandatory



High response rate fell post-COVID

#### U.S. Current Population Survey (CPS): Alternatives?

Incentivized panel?

Leverage banking/credit card panels

Have paycheck direct deposits

Have gig work payments

Unbanked?

Able to determine unemployment?

Alternative data sources

Payroll companies

Employment platforms

Resources for testing

Where will it come from? Will it take as long as the CE?