

**The Long and Short of Asking Questions About
Income, Wealth and Labor Supply**

Greg J. Duncan
Eric Petersen

Northwestern University

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*Corresponding author: Greg J. Duncan, Institute for Policy Research, Northwestern University, 2040 Sheridan Road, Evanston, IL 60208, e-mail: greg-duncan@northwestern.edu. We are grateful to the Family and Child Well-being Research Network of the National Institute of Child Health and Human Development (2 U01 HD30947-07) for supporting this research and to Nancy Adler, Charles Brown, Bruce Meyer and an anonymous referee for helpful suggestions.

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Abstract

Economic characteristics of households are an important component of their socioeconomic environment. However, they are often given short shrift in surveys because survey designers believe that other measures of socioeconomic status (e.g., education) render them redundant, respondents will not answer such questions truthfully, and they may lead some potential respondents to drop out of the survey altogether. We argue that the conventional wisdom regarding survey questions on economic characteristics is wrong. We explain the conceptual distinctions among various economic measures, summarize survey methods that maximize data quality and present recommendations of specific sets of questions that gather the needed data.

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I. Introduction

Economic characteristics of households -- in particular income, employment and wealth - are often crucial for understanding child and adult health, well-being and behavior. However, most survey studies devote little time to questions on these topics, either because their designers believe that other measures of socioeconomic status (e.g., education) render them redundant or because they fear that respondents will not answer such questions truthfully. Moreover, economic questions are thought to compromise data quality by prompting some potential respondents to drop out of the survey altogether.

We contend that the conventional wisdom regarding survey questions on economic characteristics is wrong. There are many examples of successful surveys that gather high-quality income and employment data without suffering unduly from high rates of either item or case nonresponse. As with most topics, there are principles for doing it right, which in the case of economic data involve: i) motivating both respondents and interviewers; ii) probing reluctant respondents with easier-to-answer follow-on questions; iii) asking questions that do not overburden respondents' memories; and, of course, iv) asking about conceptually appropriate economic components.

In this article, we first explain the conceptual distinctions among various economic measures. We then summarize methodological evidence regarding the quality of these data and survey methods that maximize data quality. We conclude with recommendations of specific sets of questions to be added to existing surveys, depending upon the amount of time available to devote to questions about the economic characteristics of households.

II. Conceptual considerations

Research on socioeconomic status (SES) reveals crucial conceptual and empirical distinctions among such components as occupational categories, characteristics, class and prestige; years of formal education; individuals' labor-market earnings; household income and wealth; and areal measures such as the poverty rate in an individual's neighborhood. Krieger, Williams and Moss (1996) provide a comprehensive review of SES concepts in the context of health research. Entwisle and Astone (1994) and Hauser (1994) provide recommendations for question wording for developmental studies interested in gathering traditional measures of socioeconomic status. Neither of these reviews focuses on the economic component of SES.

Distinctive among the economic components covered in this article are the following:

Household income -- the sum of income from all sources received by all members of the household over some time period, typically the calendar year or month prior to the

interview. When combined with a measure of household wealth (see below), a household's income measures its command over material resources. Division of household income by household size or, better yet, a poverty threshold based on household size¹ produces a more refined measure of its per capita command over resources. Income is surprisingly volatile from one month or year to the next (Duncan, 1988), so questions about "usual" income are ill-advised (Rogers et al., 1993) and an annual (or multiyear) income measure often has much greater explanatory power than a monthly (or single-year) measure (e.g., as with the Starfield et al. 1991 study of low birth weight and the Miller and Korenman 1994 study of physical development).

Wealth -- the point-in-time "stock" of a household's financial assets, including both "liquid" forms such as money in a savings account as well as "illiquid" forms such the net equity tied up in an owned home. Wealth is the net amount held in accounts and assets -- the difference between the market value of that asset and whatever remaining debt the household owes on that asset. In contrast to income, which consists of a flow of resources over some time period, wealth is a "stock" concept and makes sense only at a distinct point in time. Income and wealth are positively correlated but distinct, as can be seen most readily in the case of an elderly individual with a low cash income but substantial wealth, in the form of net equity tied up in an owned home.

Labor-market earnings -- the sum of income an individual receives from an employer or from all employers over some time period, typically the calendar year or month prior to the interview. Earnings of self-employed individuals are somewhat problematic, since business revenues are a mixture of returns to the individual's labor as well as capital investments.

Labor supply (work hours) -- the sum of the hours an individual works for an employer or for all employers over some time period, typically the calendar year, month or week prior to the interview. It is often valuable to divide time spent not working into unemployment (not working but actively seeking employment) and time spent out of the labor force altogether.

Hourly wage rate -- earnings per hour worked, often obtained by dividing labor-market earnings received over some time period by the total number of hours worked during that time. Workers paid by the hour have an hourly wage rate that may differ between regular and overtime hours. Conceptually, the wage rate is quite distinct from labor-market earnings, since the former is the ratio of earnings to hours worked. The wage rate is often conceived as a measure of the stock of economically valuable skills acquired before (e.g., through formal schooling) and during (e.g., through on-the-job training) adulthood. As such, it reflects the value of human "wealth" (human capital) and complements the

concept of financial wealth. Although individuals not currently working have zero labor-market earnings, they still have a positive wage rate – the amount per hour they could earn if they did work. Observed or imputed wage rates are often conceived as general measures of the productivity of an individual's time, both in and out of the labor market.

III. Methodological insights

A great deal of methodological work has been conducted on the quality of economic data gathered in surveys, the most important conclusions of which are the following:

Interviewer and respondent motivation. No survey collects complete data from all of its respondents, but some have been remarkably successful at gathering economic information. Since it is clearly preferable to gather data directly from respondents rather than concocting it through some imputation scheme, the first priority is to minimize missing data in the first place (Groves and Couper, 1998). Rates of missing data on income questions range from 2 or 3% in surveys such as the Panel Study of Income Dynamics (PSID) and Health and Retirement Survey to 40-50% in other surveys. Rates of missing data on wealth questions can range from less than 10% for housing wealth to more than 40% for stocks and bonds (Juster and Smith, 1997). Steps to minimize item nonresponse include:

Motivation. Motivate respondents through an introductory letter and information provided by knowledgeable interviewers to appreciate the importance of economic data for the study and to understand the steps that will be taken to preserve respondent anonymity. Motivation can also be increased through commitment and feedback techniques (Cannell et al., 1981).

Respondent selection. To the extent possible, select the most knowledgeable respondent in the household to provide information about the economic status of the household. Parents are obviously much more knowledgeable about many of these matters than are their children. On the other hand, for information about the earnings and work hours of adolescent and young-adult children in the household, the children themselves are the best reporters (Moore, 1988). To minimize proxy reports, some surveys (such as the Survey of Income and Program Participation) interview all adults age 16 and older in the household.

Interviewer training. Train interviewers to expect that they will be able to obtain valid responses to questions and that it is crucial that they do so. Interviewers expecting respondents to refuse to answer economic questions will often get refusals, while interviewers who believe that respondents can be persuaded to provide the information and who realize how important valid information is to the survey will usually get the

needed information. More generally, techniques such as rapport building and use of nondirective probes to obtain more complete answers ought to be standard features of interview training (Fowler, 1990; Fowler and Mangione, 1990).

The utility of “unfolding scales” for “Don’t Know” or refusal responses. Some surveys attempt to minimize respondent reluctance to answer economic questions by presenting them with a list of dollar categories from which respondents make a selection. It is probably better to ask first for an exact dollar amount response to an income or wealth question, since most respondents are willing to provide such a response and such responses are much more valuable analytically than are responses to a small set of income or wealth categories.

However, a categorical approach does have its uses. An important technique for minimizing item nonresponse to income and wealth questions is to follow up “Don’t Know” and even refusal responses with what is called an “unfolding scale” in which respondents are asked a short series of yes-no questions regarding amounts. For example, “Don’t Know” responses or refusals to questions about household income can be followed up with the following set of questions: “Is your annual income from work more than \$20,000?” (IF YES) “Is it more than \$40,000?” (IF NO) “Is it less than \$10,000”, etc.

The analytic value of responses to these categories is high (Juster and Smith, 1997). Experience shows that respondents who say “Don’t Know” often have a general idea of the amount requested, but respond “Don’t Know” because they do not know the exact dollar amount. (On the other hand, individuals who repeatedly respond “Don’t Know” to a series of economic questions are likely to be genuinely ignorant of their precise situation). An unfolding scale shows respondents that an approximation constitutes a legitimate response; they are often quite willing to respond to a few unfolding questions (Juster and Smith, 1997). In the case of refusals as well, experience shows that a surprising number of respondents who refuse to answer the initial exact-dollar-amount questions are quite willing to respond to a short set of unfolding questions.

The utility of asking about components. Insights from cognitive science have improved the quality of data coming out of surveys (Sudman et al., 1996). Income and wealth are composite measures for which components (e.g., earnings or transfers in the case of income and savings or debt in the case of wealth) must be summed across family members. It is easy for respondents asked only for total income or wealth to forget some of the components or to misunderstand that a given component (e.g., financial help from friends or relatives in the case of income) is to be included in the total.

Naming individual components or asking for person-specific amounts is likely to improve the quality of the data collected, but will take up more interviewing time. Questionnaire designers need to judge when the likely quality increment of additional details is eclipsed by the value of the information that would have been provided by forgone questions on other topics.

Time frame of reference. The temporal frame of reference for questions about “stocks” of wealth is almost always the point of the interview. In the case of “flow” concepts such as income or work hours, the frame of reference varies and could encompass: i) the previous calendar year; ii) twelve months prior to the interview; iii) the week or month prior to the interview; or iv) the

“usual” amount. (Calendar years prior to the immediate past one are also candidates, but methodological work suggests that the quality of such data is unacceptably low.) Everything else being equal, it is best to use a common frame of reference for all of the flow concepts.

From a conceptual point of view, there is no single “best” time frame. An assessment of the effects of a recent welfare reform on family income or labor supply may need a very short-run time frame (e.g., last month), since longer frames such as the previous calendar year may include too much time before the reform was initiated or fully implemented. On the other hand, month-to-month fluctuations in income or labor supply argue for the higher quality of a longer-run frame, such as the previous calendar year, for longer-run outcomes like achievement, health and behavior. The Survey of Income and Program Participation opts to collect monthly economic data but reduces recall error by conducting surveys every four months.

Evidence from validation studies show that the previous calendar year is by far the most reliable frame of reference for gathering data on labor-market earnings and work hours from a cross-sectional survey. Rodgers et al. (1993) conducted telephone interviews with a sample of workers from a cooperating firm and then correlated interview responses with corresponding amounts from company records. Correlations between interview and record sources for earnings in the previous calendar year and most recent pay period were .79 and only .60, respectively. Correlations between interviews and records for reports of “usual” earnings were the lowest of all (.46).² Thus, in the case of earnings (at least for the fairly steadily employed workers in the validation study sample), the prior calendar year appears to be the reference period of choice.

In the case of work hours, Rodgers et al. (1993) found fewer differences (.72, .61 and .61, respectively) in interview-record correlations across the “last calendar year,” “last pay period” and “usual” question wording, but “last calendar year” remained the time frame of choice. In the case of earnings per hour, the respective correlations -- .61, .38, and .23 -- were disturbingly small but still favored the last-calendar-year reference period.

What might be causing these patterns? A prominent possible explanation is that the US tax system delivers an annual (W-2 form) accounting of earnings to workers every year, which is reviewed by many of them as they prepare their income taxes.³ Providing data on “last month’s” earnings is difficult for someone who is paid weekly or biweekly, since a typical month has 4 1/3 weeks. Seasonal or otherwise irregular patterns of work make it especially difficult for respondents to provide accurate answers to questions about the particular 12-month period prior to the interview. Since many respondents will have access to employment records, such as a W-2 form, interviewers should encourage respondents to use records whenever possible to obtain the highest quality data. In fact, the standard interviewing procedure of the U.S. Bureau of the Census encourages the use of pay stubs, bank statements and tax returns (Jabine, 1990).

The utility and quality of event-history information. There are formidable analytic advantages to measuring economic and demographic information on a more or less continuous basis (Allison, 1984). In the case of demographic events involving births, marriage or other household composition changes, information needs to be gathered on the dates of births, marriages, divorces and other departures of household members. In the case of labor market events, this means gathering information on the timing of job changes and periods of

unemployment. For household income, this means gathering information on the timing of the receipt of various sources of household income.

Fortunately, gathering some kinds of monthly information often adds relatively little to the length of the questionnaire. For example, suppose one wants a monthly event history of Supplemental Security Income receipt (but not the monthly amounts received) over the calendar year 1999. Asking “Did you receive any income from SSI in 1999?” will produce many quick “no” responses, eliminating the need to ask most respondents the follow up event-history question “In which months of 1999 did you receive that income?”

The difficulty in gathering this kind of information lies in the fact that people’s memories are quite unreliable in recalling the timing of past events. Data from record-based validation studies show severe bias in episodic recall of seemingly salient events such as unemployment or doctor visits (Mathiowetz, 1994). For example, Mathiowetz (1986) compared survey reports of unemployment of workers from a single company against the company’s employment records. She found that about two-thirds of the unemployment spells reported in the company records in the 30 months prior to the interview were not reported in the interview, although reporting was considerably more accurate if the interval between the unemployment spells and the interview was shorter. Loftus et al. (1991) found that fewer than 40% of specific visits to doctors in the past 12 months were recalled accurately. Waksberg and Valliant (1978) found that over 50% of minor product-related injuries were not reported after six months, while the passage of time had almost no impact on the reporting of serious injuries in their study. The quality of event-history data can sometimes be improved by asking the relevant questions in a calendar format in which various events can be cross-referenced (Freedman et al., 1988).

Data processing. The quality of economic data gathered in surveys can also be enhanced in a number of other ways. For pencil-and-paper studies, encouraging interviewers to take notes in the margins of the questionnaire helps data editors determine answers or produce better imputations. This is especially important if the time frame of the question does not fit the mindset of the respondent. For example, if the questionnaire asks about earnings per week or month and the respondent is paid every two weeks, then the respondent should be encouraged to provide the every-two-week response, written in the margin by the interviewer, with some kind of data-editing step performed during processing in which this marginal-note information is reviewed.

Surveys conducted with computer-assisted methods can improve the quality of their economic data with range checks to flag possibly erroneous extreme data and consistency checks across logically-connected questions (e.g., positive labor income and positive work hours; Nicholls et al., 1997).

If the questionnaires of otherwise cooperative respondents are missing key data because of interviewer error, then such respondents can often be recontacted (by phone if possible or in person if necessary and feasible) to see if the missing data can be obtained. If not, an array of schemes can be employed to impute missing values (Little and Rubin, 1987), although here again we note the utility of imputations that take advantage of response to “unfolding” scales (Juster and Smith, 1997).

IV. The long and short of it

We provide below explicit recommendations about wording for survey questions on income, earnings, work hours and wealth. To the extent possible, we have adapted our questions from those asked in national surveys, in particular the Current Population Survey (CPS). Each month, the US Census Bureau surveys nearly 60,000 CPS households for monthly labor-force information. In addition, every March, they collect annual income and poverty statistics from these households. Data from this survey are published frequently and the data themselves are available for downloading from the Bureau of Labor Statistic's web site. Thus, surveys that include CPS questions can compare their responses to those of a nationally representative sample.

We begin in Table 1 with a very short list of questions about household income and wealth and individual earnings and work hours. In the case of wealth (question B), we have opted to include questions only on housing wealth -- the amount of money tied up in an owned home -- since, apart from difficult-to-report pension wealth, it is the dominant form of wealth for most households. It would also be possible to ask a single global wealth question, but it is unlikely that the data would be as reliable as that gathered from this question on housing wealth.⁴ More detailed wealth questions are presented in Table 4.

In the case of work hours and earnings we have included in Table 1 questions with two frames of reference. Question C asks about labor supply over the previous calendar year, while Question F uses the week prior to the interview as the reference period. Information from questions C, D and E can be combined to produce a measure of average hourly earnings (i.e., E divided by [C times D]) over the previous calendar year. Question(s) G provide a current measure of hourly earnings.

The single family income question in Table 1 is likely to provide low-quality data since the typical household has several people receiving income from several sources. Tables 2 and 3 present more detailed versions of questions about household income. In Table 2, four questions are asked about each adult member of the household. In Table 3, 18 questions are asked about each adult household member. In both cases, the questions use a previous-calendar-year reference. "Last month" could be substituted for calendar year if desired.

The detailed wealth questions listed in Table 4 take about eight minutes of interviewing time to administer to a national sample. A low-income sample would take less time with these questions since they have fewer wealth components.

Detailed questions on labor supply are listed in Table 5. They should take about five minutes of interviewing time to administer to working respondents and provide both calendar-year and event-history information on crucial aspects of work behavior.

V. Closing remarks

Economic data can enhance the analytic value of surveys focused on other topics. In contrast to the conventional wisdom, experience shows that asking questions about economic topics need not threaten response rates nor be met with hostility. We have included sample questions on key economic components -- household income, wealth, labor-market earnings, labor supply and hourly earnings -- in both short and long form. It is worth noting that the exact form matters less than simply including questions on economic phenomena in the first place.

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TABLE 1: RECOMMENDED SHORT SET OF QUESTIONS ON HOUSEHOLD INCOME, LABOR SUPPLY, WEALTH AND EARNINGS

A. FAMILY INCOME IN LAST CALENDAR YEAR

What was the total combined income of all members of this family in 1999? Please include money from jobs, net income from business, farm or rent, pensions, dividends, welfare, social security payments and any other money income received by you or any other family member.
\$ _____ IN 1999

IF DON'T KNOW OR REFUSED: Would it amount to \$30,000 or more?

IF YES: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$75,000 or more?

IF NO: Would it amount to \$40,000 or more?

IF NO: Would it amount to \$15,000 or more?

IF YES: Would it amount to \$20,000 or more?

IF NO: Would it amount to \$10,000 or more?

B. WEALTH (HOUSING ONLY)

Do you (or anyone else in your family living there) own the (home/apartment), pay rent, or what?

IF HOME/APT. IS OWNED, Could you tell me what the present value of your (house/apartment) is--I mean about how much would it bring if you sold it today?
\$ _____

IF DON'T KNOW OR REFUSED: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$150,000 or more?

IF NO: Would it amount to \$5,000 or more?

Do you have a mortgage on this property?

IF YES: About how much is the remaining principal on this mortgage?

\$_____

REMAINING PRINCIPLE IS THE AMOUNT STILL OWED ON THE MORTGAGE

IF DON'T KNOW OR REFUSED: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$150,000 or more?

IF NO: Would it amount to \$5,000 or more?

C. WEEKS WORKED IN LAST CALENDAR YEAR

During 1999, in how many weeks did (name/you) work even for a few hours? Include paid vacation and sick leave as work. _____ WEEKS WORKED IN 1999

D. AVERAGE WORK HOURS PER WEEK

In the weeks that (name/you) worked, how many hours, on average, did (you/he/she) work per week? _____ AVERAGE WORK HOURS PER WEEK IN 1999

E. EARNINGS IN LAST CALENDAR YEAR

How much did (name/you) earn from all employers, before taxes and other deductions during 1999? \$_____ IN 1999

IF DON'T KNOW OR REFUSED: Would it amount to \$25,000 or more?

IF YES: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$75,000 or more?

IF NO: Would it amount to \$40,000 or more?

IF NO: Would it amount to \$10,000 or more?

IF YES: Would it amount to \$20,000 or more?

IF NO: Would it amount to \$5,000 or more?

F. HOURS WORKED LAST WEEK (ALTERNATE TO QUESTION C AS A MEASURE OF LABOR SUPPLY)

Last week, did you do any work for pay?

IF YES: Counting overtime, how many hours did (you/name) actually work at your job last week? _____ HOURS WORKED LAST WEEK

G. HOURLY EARNINGS (SUPPLEMENT OR ALTERNATE TO QUESTIONS C-E)

Are you salaried on your job, paid by the hour, or what?

IF SALARIED, How much is your salary, before taxes and other deductions?

\$ _____ PER _____

How many hours do you usually work for that salary?

_____ HOURS PER _____

IF HOURLY, What is your hourly work rate for regular work time?

\$ _____ PER HOUR

What is your hourly wage rate for overtime? \$ _____ PER HOUR

IF OTHER, About how much do you earn before taxes and other deductions?

\$ _____ PER _____

How many hours do you usually work for that?

_____ HOURS PER _____

NOTES:

Question A was adapted from the 1997 Current Population Survey, March Supplement. The cutoff points to the unfolding questions can be adapted to the likely income levels of the sample to be interviewed.

Question B was adapted from the 1994 Panel Study of Income Dynamics. We have chosen only the housing component of wealth since it is the most important for most households.

Question C was adapted from the 1997 Current Population Survey, March Supplement.

Question D was adapted from the 1997 Panel Study of Income Dynamics.

Question E was adapted from the 1997 Current Population Survey, March Supplement.

Question F was adapted from the 1997 Current Population Survey.

Question G was adapted from the 1997 Panel Study of Income Dynamics.

TABLE 2: RECOMMENDED MEDIUM-LENGTH QUESTIONS ON HOUSEHOLD INCOME IN THE PREVIOUS CALENDAR YEAR

We want to get an idea of the total combined income of all members of this family in 1999.

REPEAT THE FOLLOWING FOR EVERY FAMILY MEMBER AGE 16 OR OLDER:

A. EARNINGS

Let's start with your income. How much did (you/name) earn from all your employers before taxes and other deductions during 1999? \$_____ IN 1999

IF DON'T KNOW OR REFUSED: Would it amount to \$25,000 or more?

IF YES: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$75,000 or more?

IF NO: Would it amount to \$40,000 or more?

IF NO: Would it amount to \$10,000 or more?

IF YES: Would it amount to \$20,000 or more?

IF NO: Would it amount to \$5,000 or more?

B. ASSET INCOME

How much income did you receive from your businesses, or from rent, dividends, interest during 1999? \$_____ IN 1999

C. PUBLIC TRANSFER PAYMENTS

How much did you receive altogether from the government -- TANF, unemployment benefits, Social Security, Supplemental Security Income and things like that? \$_____ IN 1999

D. OTHER INCOME

How much did you receive from all other sources, such as child support or alimony, help from friends or relatives or anything else? \$_____ IN 1999.

NOTES:

Question A was adapted from the 1997 Current Population Survey, March supplement

Other questions were not taken from any single source.

TABLE 3: RECOMMENDED DETAILED SET OF QUESTIONS ON HOUSEHOLD INCOME IN PREVIOUS CALENDAR YEAR

ASK THE FOLLOWING OF EVERY FAMILY MEMBER AGE 16 OR OLDER

A. EARNINGS

How much did (name/you) earn from all your employers before taxes and other deductions during 1999? \$_____ IN 1999

IF DON'T KNOW OR REFUSED: Would it amount to \$25,000 or more?

IF YES: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$75,000 or more?

IF NO: Would it amount to \$40,000 or more?

IF NO: Would it amount to \$10,000 or more?

IF YES: Would it amount to \$20,000 or more?

IF NO: Would it amount to \$5,000 or more?

Does this amount include all tips, bonuses, overtime pay or commissions (name/you) may have received in 1999?

IF NO: How much did (name/you) earn in tips, bonuses, overtime pay or commissions in 1999? \$_____ IN 1999

B. BUSINESS/FARM

Did (name/you), earn money from a business or a farm?

IF YES: What were (name's/your) net earnings from this (business/farm) after expenses during 1999? \$_____ IN 1999

IF DON'T KNOW OR REFUSED, USE UNFOLDING QUESTION SEQUENCE ABOVE

C. ASSET INCOME

How much did (name\you) receive in interest, dividends or rent during 1999? \$_____ IN 1999

D. UNEMPLOYMENT COMPENSATION

How much did (name\you) receive in state or federal unemployment compensation during 1999?
\$_____ IN 1999

E. WORKER'S COMPENSATION

How much did (name\you) receive in worker's compensation during 1999? \$_____ IN 1999

F. DISABILITY

How much did (name\you) receive in disability benefits during 1999?
\$_____ IN 1999

DO NOT INCLUDE SOCIAL SECURITY OR VA BENEFITS.

G. SOCIAL SECURITY

How much did (name\you) receive from Social Security during 1999?
\$_____ IN 1999

H. SUPPLEMENTAL SECURITY INCOME

How much did (name\you) receive in SSI payments, that is, Supplemental Security Income during 1999? \$_____ IN 1999

NOTE: SSI ARE ASSISTANCE PAYMENTS TO LOW-INCOME AGED, BLIND AND DISABLED PERSONS AND COME FROM STATE OR LOCAL WELFARE OFFICES, THE FEDERAL GOVERNMENT, OR BOTH.

During which months of 1999 did you get this income?

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I. PUBLIC ASSISTANCE

How much did (name\you) receive in public assistance or welfare payments during 1999? \$_____ IN 1999

INCLUDE SUCH PAYMENTS AS AID TO FAMILIES WITH DEPENDENT CHILDREN, AID TO DEPENDENT CHILDREN/TANF REPLACEMENT, GENERAL ASSISTANCE PROGRAM, EMERGENCY ASSISTANCE, CUBAN/HAITIAN REFUGEE, OR INDIAN ASSISTANCE. DO NOT INCLUDE FOOD STAMPS OR SSI PAYMENTS.

During which months of 1999 did you get this income?

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J. VETERANS' PAYMENTS

How much did (name\you) receive in Veterans' (VA) payments during 1999? \$_____ IN 1999

K. SURVIVOR BENEFITS

How much did (name\you) receive in survivor benefits during 1999?

\$_____ IN 1999

INCLUDE WIDOW'S PENSIONS, ESTATES, TRUSTS, ANNUITIES, OR ANY OTHER SURVIVOR BENEFITS. DO NOT INCLUDE SOCIAL SECURITY OR VA BENEFITS.

L. PENSIONS AND RETIREMENT INCOME

How much did (name\you) receive in pension or retirement income during 1999? \$_____ IN 1999

DO NOT INCLUDE SOCIAL SECURITY OR VA BENEFITS.

M. EDUCATIONAL ASSISTANCE

How much did (name\you) receive in educational assistance during 1999? \$_____ IN 1999

DO NOT INCLUDE LOANS

N. CHILD SUPPORT

How much did (name\you) receive in child support payments during 1999? \$_____ IN 1999

O. ALIMONY

How much did (name\you) receive in alimony payments during 1999?
\$_____ IN 1999

P. OTHER ASSISTANCE

How much did (name\you) receive in regular financial assistance from friends or relatives not living in this household during 1999? \$_____ IN 1999

DO NOT INCLUDE LOANS

Q. OTHER INCOME

Did you receive income in 1999 from any other source?

IF YES: What was this source of income? _____

How much did (name\you) receive from this income source during 1999? \$_____ IN 1999

R. FOOD STAMPS

Did (you/anyone in this household) get food stamps at any time during 1999?

IF YES: What was the value of food stamps received in 1999?

\$_____ IN 1999

NOTES:

These questions were adapted from the 1998 Current Population Survey, March supplement.

If the research is focused upon recent economic activity, “last month” can be substituted for 1999 as the reference period in all questions.

If high-quality reports of one type of income are of particular relevance for your study, then additional detail and quality can be gained by adding the following questions, structured here for Worker’s Compensation and taken from the 1998 Current Population Survey, March supplement.

“What is the easiest way for you to report (name's/your) Worker's Compensation; weekly, every other week, twice a month, monthly, or yearly?”

“How much did (name/you) receive (weekly/every other week/twice a month/monthly/) in Worker's Compensation during 1999?” \$ _____

“How many (weekly/every other week/twice a month/monthly) payments did (name/you) receive from Worker's Compensation during 1999?”

“During which months of 1999 did you get this income?”

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For an even more detailed set of questions on income, we suggest turning to the PSID or the Census' Survey of Income and Program Participation:

PSID -- <http://www.umich.edu/~psid>

SIPP -- <http://www.census.gov/hhes/www/sippdesc.html>

TABLE 4: RECOMMENDED DETAILED SET OF QUESTIONS ON WEALTH

A. HOUSING WEALTH

Do you (or anyone else in your family living there) own the (home/apartment), pay rent, or what?

IF HOME/APT. IS OWNED, Could you tell me what the present value of your (house/apartment) is--I mean about how much would it bring if you sold it today?
\$ _____

IF DON'T KNOW OR REFUSED: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$150,000 or more?

IF NO: Would it amount to \$5,000 or more?

Do you have a mortgage on this property?

IF YES: About how much is the remaining principal on this mortgage?
\$ _____

IF DON'T KNOW OR REFUSED: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$150,000 or more?

IF NO: Would it amount to \$5,000 or more?

B. OTHER REAL ESTATE

Do you (or your family living there) have any real estate other than your main home, such as a second home, land, rental real estate, or money owed to you on a land contract?

IF YES: If you sold all that and paid off any debts on it, how much would you realize on it? \$_____

IF DON'T KNOW OR REFUSED: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$150,000 or more?

IF NO: Would it amount to \$5,000 or more?

C. VEHICLE WEALTH

What about the value of what you (or anyone in your family living there) own on wheels, like cars, trucks, a motor home, a trailer, or a boat--what are they worth all together, minus anything you still owe on them? \$_____

IF DON'T KNOW OR REFUSED: Would it amount to \$10,000 or more?

IF YES: Would it amount to \$25,000 or more?

IF NO: Would it amount to \$2,000 or more?

D. BUSINESS

Do you (or anyone in your family living there) own part or all of a farm or business?

IF YES: If you sold all that and paid off any debts on it, how much would you realize on it? \$_____

IF DON'T KNOW OR REFUSED: Would it amount to \$50,000 or more?

IF YES: Would it amount to \$200,000 or more?

IF NO: Would it amount to \$10,000 or more?

E. STOCKS AND BONDS

Do you (or anyone in your family living there) have any shares of stock in publicly held corporations, mutual funds, or investment trusts, including stocks in IRA's?

IF YES: If you sold all that and paid off anything you owed on it, how much would you have? \$ _____

IF DON'T KNOW OR REFUSED: Would it amount to \$25,000 or more?

IF YES: Would it amount to \$50,000 or more?

IF NO: Would it amount to \$5,000 or more?

F. SAVINGS AND CHECKING ACCOUNTS

Do you (or anyone in your family living there) have any money in checking or savings accounts, money market funds, certificates of deposit, government savings bonds, or Treasury bills, including IRA's?

IF YES: If you added up all such accounts (for all of your family living there), about how much would they amount to right now? \$ _____

IF DON'T KNOW OR REFUSED: Would it amount to \$5,000 or more?

IF YES: Would it amount to \$10,000 or more?

IF YES: Would it amount to \$50,000 or more?

IF NO: Would it amount to \$1,000 or more?

G. OTHER WEALTH

Do you (or anyone in your family living there) have any other savings or assets, such as bond funds, cash value in a life insurance policy, a valuable collection for investment purposes, or rights in a trust or estate that you haven't already told us about?

If YES: If you sold that and paid off any debts on it, how much would you have?
\$ _____

IF DON'T KNOW OR REFUSED: Would it amount to \$10,000 or more?

IF YES: Would it amount to \$25,000 or more?

IF NO: Would it amount to \$2,000 or more?

H. DEBTS

Aside from the debts that we have already talked about, do you (or anyone in your family living there) currently have any other debts besides any mortgage on your main home--such as for credit card charges, student loans, medical or legal bills, or on loans from relatives?

IF YES: If you added up all of these debts (for all of your family living there), about how much would they amount to right now?

\$ _____

IF DON'T KNOW OR REFUSED: Would it amount to \$2,000 or more?

IF YES: Would it amount to \$5,000 or more?

IF NO: Would it amount to \$1,000 or more?

NOTES:

These questions are taken from the 1994 Panel Study of Income Dynamics wealth supplement

More details on household wealth can be obtained from questions from the Surveys of Consumer Finances: http://www.cob.ohio-state.edu/dept/fin/resources_data/provider/nber.htm

TABLE 5: RECOMMENDED DETAILED SET OF QUESTIONS ON LABOR SUPPLY

A. TIME LOST TO ILLNESS

We're interested in how you spent your time from January through December 1999. Did you miss any work in 1999 because you or someone else was sick?

IF YES: How much work did you miss?

_____ DAYS _____ WEEKS _____ MONTHS

B. VACATION TIME

Did you take any vacation or time off in 1999?

IF YES: How much vacation or time off did you take?

_____ DAYS _____ WEEKS _____ MONTHS

C. UNEMPLOYMENT

Did you miss any work in 1999 because you were unemployed and looking for work or temporarily laid off?

IF YES: How much work did you miss?

_____ DAYS _____ WEEKS _____ MONTHS

In which months were you unemployed for at least one week?

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D. OUT OF LABOR FORCE

Were there any weeks in 1999 when you didn't have a job and were not looking for one?

IF YES: How much time was that?

_____ Days _____ Weeks _____ Months

Which months had at least one week when you didn't have a job and were not looking for one?

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E. TOTAL WEEKS WORKED

Then, how many weeks did you actually work on your main job(s) in 1999?

_____ weeks in 1999

F. AVERAGE HOURS PER WEEK

And, on the average, how many hours a week did you work on your main job(s) in 1999?

_____ HOURS PER WEEK IN 1999

G. OVERTIME

Did you work any overtime which isn't included in that?

IF YES: How many hours did that overtime amount to in 1999?

_____ TOTAL OVERTIME HOURS IN 1999

.....

NOTES:

These questions were adapted from the 1997 Panel Study of Income Dynamics

Monthly event-history questions are included for time spent unemployment and out of the labor force but could be included as part of other components of labor supply as well.

For more detailed questions on labor supply, see the questionnaire of the National Longitudinal Survey of Youth (NLSY) and Current Population Survey:

NLSY -- <http://stats.bls.gov/nlshome.htm>

CPS – <http://www.bls.census.gov/cps/cpsmain.htm>

Endnotes

¹ Official U.S. poverty thresholds can be found at:

<http://www.census.gov/hhes/poverty/threshld.html>.

² Rodgers et al. (1993) validated reports of “usual” earnings with a thorough examination of various combinations of company reports of earnings in the six months prior to the interview. The highest correlation was observed for a simple average of earnings over the three months prior to the interview. Since the true variation in earnings for workers in this single company was considerably smaller than earnings variance for a more representative sample of workers, these and all other correlations from the validation study are probably biased downward, although their relative sizes are still useful indicators of relative validity.

³ The timing of when during the subsequent year the previous-calendar-year questions are asked may affect data quality. April is probably the optimal month for asking about income in the previous calendar year. However, the fact that Rodgers et al. (1993) interviewed their subjects in July and August and still obtained reasonably valid data indicates that the timing dimension is not crucial.

⁴ An example of a global question, taken from the 1988 wave of the PSID, is: “Suppose you (and your family living there) were to sell off all your major possessions (including your home), turn

all of your investments into cash, and pay all your debts – would you have something left over, break even, or be in debt? (IF SOMETHING LEFT OVER) How much would you have left over? (IF IN DEBT) How much would your debts amount to?