

**Paper Title: “Questionnaire Design and Response Propensities for Employee Income Micro Data”**

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The design of the income question in household surveys usually includes response options for actual income, bounded values, "Don't Know" and "Refuse" responses. This paper conducts an analysis of these response types using sequential response models. We analyse the employee income question in Statistics South Africa's October Household Surveys (1997-1999) and Labour Force Surveys (2000-2003). The choice of survey years coincides with a period of development of the income question during which additional response options were steadily introduced to the questionnaire. An analysis of this sort sheds light on the underlying response process, which is useful for survey planning purposes and to researchers concerned with diagnosing the item missing and partial response mechanisms for variables of interest. It was found that the presentation of follow-up brackets overturned initial refusals to the income question, and that these respondents were higher income earners. In the sequential response models, initial nonresponse was therefore clearly correlated with predictors of income, but after the presentation of the bracket showcards, this correlate of income effect was removed. This suggested that final nonresponse was no longer a function of income. This has important implications for ignorability determination and (single or multiple) imputation strategies for it implies that the missingness mechanism is missing at random.

Key words: Sequential response models; ignorability determination.