

Federal Statistics in the FY 2003 Budget

*Edward J. Spar,
Council of Professional Associations
on Federal Statistics*

OVERVIEW

Statistics produced by the federal government serve as a base for research in a broad spectrum of scientific disciplines. Population and vital statistics are central to the work of political scientists and demographers; employment, financial, and production data are essential for economists; and information on education and crime is used by sociologists and psychologists. Responsibility for the collection, analysis, and dissemination of federal statistics is spread throughout the departments and independent agencies of the executive branch; each of some 70 agencies and departmental units annually spends \$500,000 or more on statistical activities. Within this decentralized system that generates statistical information, a more limited number of agencies have the creation of statistics as their principal mission. It is these agencies that are responsible for producing statistics on major economic, demographic, and social developments and trends that are the focus of discussion in this chapter. In general, the funding levels for FY 2003 that have been proposed for the principal statistical agencies provide increases over the resources appropriated in FY 2002. The one major exception is for the National Center for Health Statistics, which would decline. For details of the funding history in fiscal years 2001 through 2003, please see Table 1. The balance of this chapter provides further details on FY 2003 programs.

BUREAU OF THE CENSUS

The Bureau of the Census collects, compiles, and publishes a broad range of statistics on the population and the economy. Budget authority for the Census Bureau is provided in two appropriations: one covers current programs, including demographic surveys, international programs and data on construction, manufacturing, retail and wholesale

trade, services, foreign trade, and state and local government finances and employment; the other covers periodic programs, including the decennial census of population; and the quinquennial economic censuses and the census of governments.

Table 1: Principal Federal Statistical Agencies
(total direct funding in millions - includes R&D and non-R&D components)

	FY 2001 Actual	FY 2002 Estimate	FY 2003 Request
Bureau of the Census: Current Programs	\$165.7	\$179.6	\$215.2
Periodic Programs	551.8	389.9	522.4
Survey of Program Dynamics	10.0	10.0	10.0
Children's Health Insurance Program	10.0	10.0	10.0
Bureau of Labor Statistics	450.9	475.6	511.1
Bureau of Economic Analysis	48.1	56.6	69.8
Statistics of Income, IRS	32.9	37.6	40.1
National Agricultural Statistics Service	85.6	88.4	106.8
Census of Agriculture	15.0	25.4	42.3
Economic Research Service, USDA	66.9	67.2	82.0
Energy Information Administration	75.5	78.5	82.8
National Center for Health Statistics 1/	125.5	130.7	130.1
National Center for Education Statistics 2/	80.0	85.0	95.0
Bureau of Justice Statistics 2/	29.0	32.3	33.8
Bureau of Transportation Statistics	30.9	30.8	35.8
Science Resources Statistics, NSF 2/	15.8	16.2	25.7

Notes: 1/ Funding levels include \$71.7 million in FY 2001, \$23.3 million in FY 2002 and \$47.0 for FY 2003 from Public Health Service Evaluation Funds.

2/ These funding levels do not include Salaries and Expenses (S&E) funding from other departmental sources.

For FY 2003, funding is requested for Census 2000, 2010 Census Planning, and the Census Bureau's economic and demographic programs. For Census 2000, funding is requested to (1) complete dissemination of data products; (2) respond to concerns from local and tribal governments about the accuracy of the census counts; and (3) complete evaluations of census operations. For 2010 Census Planning, funding is requested to continue work to re-engineer the 2010 Census to reduce operational risks, improve accuracy, provide more relevant data, and contain costs by: (1) establishing an early design and testing infrastructure to allow complete testing of all major elements of the 2010

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Census design; (2) fully implementing the American Community Survey to collect data historically collected on the decennial census ‘‘long form’’; and (3) continuing to replace the MAF/TIGER system with one that uses Global Positioning System technology and satellite mapping imagery to update and improve address information. For the Census Bureau’s economic and demographic programs, funding is requested to: (1) support the data collection phases of the 2002 Economic Censuses and Census of Governments; (2) improve measurement of services in the new economy, mainly by the introduction of a quarterly service industry survey; (3) gather new information on business investment in information technology and on changes occurring in supply chain relationships; (4) improve and accelerate the release of trade statistics; and (5) redesign samples based on Census 2000 data for ongoing federal household surveys on topics such as crime, employment, and health.

BUREAU OF LABOR STATISTICS (BLS)

BLS, the principal fact-finding agency in the federal government in the field of labor economics, has a dual mission: to provide general purpose statistics that support the formulation of economic and social policy decisions in the business and labor communities, in legislation, and other programs affecting labor; and to serve the program needs of the Department of Labor and other federal agencies that use the BLS data and research findings to administer and evaluate on-going programs, develop legislative proposals, and analyze economic and social problems. To meet these objectives, BLS collects, processes, analyzes, and disseminates data on employment and unemployment, projections of economic growth, the labor force, and employment by industry and occupation.

For FY 2003, funding is requested to modernize the computing systems for monthly processing of the Producer Price Index (PPI) and U.S. Import and Export Price Indexes, and to improve both programs’ indexes. BLS will replace its older PPI subsystems with ones based on a more secure, stable, and expandable computing platform. The request also includes resources for improvements to both programs, such as annual weight updates to the U.S. Import and Export Price Indexes and experimental PPIs for goods and services that will provide the first economy-wide measures of changes in producer prices in FY 2002. BLS will proceed with a significant change in the way the Consumer Price Index (CPI) is revised and updated by instituting a process for

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continuous updates in place of the periodic major revisions that were undertaken about every ten years. In addition work will continue on a new survey that will measure how Americans spend their time. Data from the American Time-Use Survey will improve assessments of national well-being, as well as produce diary estimates of time spent that will be used to evaluate existing estimates of work hours.

BUREAU OF ECONOMIC ANALYSIS

BEA provides a picture of the United States economy through the preparation, development, and interpretation of the economic accounts. These accounts consist of the national income and product accounts, summarized by the gross domestic product (GDP); the wealth accounts that show the business and other components of national wealth; the input-output accounts that trace interrelationships among industrial markets; State and regional income and product accounts; and the United States balance of payments and associated international investment accounts. These economic accounts provide key information on economic growth, regional development, and the Nation's position in the world economy. These data are vital ingredients in major decisions affecting such areas as monetary and fiscal policy, social security projections, and business planning and investment.

For FY 2003 funding is requested to (1) generate more timely economic data, (2) upgrade BEA's statistical processing systems, and (3) meet United States international obligations. Funding will enable BEA to speed up the release of (1) the monthly international trade in goods and services estimates to 30 days after the end of the reference month rather than 50 days, (2) the annual GDP-by-industry data that would be cut from 11 months to 4 months, and (3) the annual metropolitan area personal income estimates would be available 9 months after the end of the reference period rather than 17 months. Funding would be used to upgrade BEA's statistical processing systems that have not kept pace with the increased volume and complexity of the computations involved. Work would be expanded to increase the availability of electronic reporting by businesses to BEA's surveys of multinational corporations and to improve data availability for all users via BEA's web site. Funding would enable BEA to begin incorporating the new North America Industry Classification System and North American Product Classification System, that are being developed jointly by the United States, Canada, and Mexico, into its economic accounts.

STATISTICS OF INCOME, INTERNAL REVENUE SERVICE (SOI)

The proposed FY 2003 funding for SOI provides for compilation of annual income, financial, and tax data from samples of tax returns filed by individuals, corporations, partnerships, sole proprietorships and tax-exempt organizations. SOI also provides periodic data based on other returns, such as those filed by estates, for estimating wealth of the living top wealth holders, as well as on various other tax and information returns and schedules, for producing such estimates as U.S. investments abroad, foreign investments in the United States, and gains or losses from sales of capital assets.

Major program changes and new activities planned for FY 2003 include (1) continued acquisition and installation of hardware that will provide the capability to load the SOI population files online to provide for longitudinal analysis for the individual income tax return SOI panel files; (2) continued expansion of the amount of data available for electronic dissemination through the IRS Internet home page.

NATIONAL AGRICULTURAL STATISTICS SERVICE (NASS)

NASS has the responsibility for collecting and publishing current national, state, and county agricultural statistics. NASS collects and reports data on a wide range of production, inventories, prices paid and received by farmers, costs of production, farm labor usage and wage rates, agricultural chemical use, and other agricultural statistics. Beginning in FY 1997, NASS is responsible for the census of agriculture program, which provides comprehensive data every 5 years on all aspects of the agricultural economy down to the county level.

For FY 2003, funding is requested for cyclical activities associated with the Census of Agriculture program; continued improvements to computer security to assure the integrity of market sensitive data prior to official release; a joint project with the Economic Research Service to re-engineer the Agricultural Resources Management Survey and significantly strengthen the reliability of the data; improvement in the statistical integrity and standardization of the data collection and processing activities of the Locality Based Agricultural County Estimates/Small Area estimation program; and development of an infrastructure that integrates paper and e-Government data dissemination

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and electronic data reporting. The Census of Agriculture budget request includes a program and pay cost increase of \$16.9 million, which is necessary to fund data collection and processing activities associated with the 2002 Census of Agriculture. Fluctuations in the NASS budget result from the funding cycle for the quinquennial census of agriculture and follow-on censuses and special studies; this is the fourth and peak year in a five-year funding cycle for the 2002 Census.

ECONOMIC RESEARCH SERVICE (ERS)

ERS is a research-oriented statistical agency that provides economic and other social science information and analysis related to the supply, demand, and performance of domestic and international food and agricultural markets; indicators of food and consumer issues; economic and environmental indicators of agriculture production and resource use; and socio-economic indicators of the status and performance of the farm sector and the rural economy.

For FY 2003, funding is requested to support ERS's share of the cost of re-engineering the Agricultural Resource Management Survey (ARMS), the U.S. Department of Agriculture's annual national survey of U.S. farms conducted jointly by ERS and the NASS, to improve the quality of key economic indicators of the farm sector derived from the survey, improve the coverage of commodities surveyed, provide ARMS data for key farm states in addition to the nation as a whole, integrate ARMS with other U.S. Department of Agriculture data collections, and improve the dissemination of ARMS data over the Internet. ERS would also initiate a program of work to examine the economic issues of invasive crop pests and livestock diseases (invasive species) within the context of increasingly global agricultural markets.

ENERGY INFORMATION ADMINISTRATION (EIA)

EIA collects, analyzes, and disseminates information on energy resources, production, distribution, consumption, technology, and related international, economic, and financial matters. EIA produces reports with statistical time series, projections of future energy trends, analyses of topical energy issues, and supports the energy information requirements of the Department of Energy (DOE) and other federal agencies. The primary customers of EIA services are public policy makers in DOE and the Congress. Other customers include other federal

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agencies, state and local governments, the energy industry, educational institutions, the news media, and the public.

For FY 2003, EIA is requesting funding to maintain high quality core energy data programs and forecasting systems essential to providing timely data, analysis, and forecasts. EIA's mission will be accomplished through the use of energy data collection surveys, expert analyses, information processing technologies, and various information dissemination methods which includes the use of the Internet. EIA also will continue high priority multi-year investments necessary to assure the long-term accuracy of data as the energy industries continue through deregulation, restructuring, demographic changes, and new fuel standards. For the upcoming year, EIA intends to focus on (1) updating EIA's natural gas, petroleum, and electricity surveys and data systems to reflect continuing changes in these energy industries, (2) continuing to improve data quality so EIA's information products accurately reflect the state of the respective energy industry, its markets and supply, and (3) continuing the realignment of the energy consumption surveys with the 2000 Census information to maintain production of the most comprehensive information on this Nation's energy usage.

NATIONAL CENTER FOR HEALTH STATISTICS (NCHS)

NCHS monitors the nation's health and use of health services and explores the relationship between risk factors and disease. Data sources include the nation's vital statistics system and surveys involving personal interviews, physical examinations and laboratory testing, and information from health care providers. The mission of NCHS is to provide statistical information that will guide actions and policies to improve the health of the American people.

For FY 2003, NCHS will continue a multi-year process of redesign and re-engineering of core data systems, including a sample redesign of the National Health Interview Survey, updating the content of the National Health Care Survey, and re-engineering the underlying processing systems that are used to produce statistics. NCHS is mid-stream in these significant redesigns, technology upgrades, and revisions in the content of each of its major data systems. NCHS has also placed priority on maintaining ongoing, multi-purpose data systems to ensure that trend data are available to monitor changes in health and health care. NCHS is likely to face serious decisions on tradeoffs between programs,

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reductions in sample sizes or timeliness, and restructuring of data systems in the current environment of a decreased budget.

NATIONAL CENTER FOR EDUCATION STATISTICS (NCES)

NCES collects, analyzes and reports statistics on education in the United States, and conducts studies on comparisons of international education statistics. FY 2003 funding would support the International Education Assessments and new international data comparisons, and the Schools and Staffing Survey. Funding is also requested for other NCES priorities including (1) expanded data collections for special purpose Cross Section Surveys; (2) enhancements for the Longitudinal Studies of the Early Childhood Program; (3) continued support for the Longitudinal Surveys Program; (4) support the pursuit of annual data collections with Institutional Census Surveys for the Common Core of Data and Libraries Program; (5) improvements for both the Statistics Training and Statistics Research and Development Program; and (6) enhancements of the National Assessment of Educational Progress as it supports the President's No Child Left Behind Initiative.

BUREAU OF JUSTICE STATISTICS (BJS)

BJS is responsible for the collection, analysis, and publication of statistical information on crime, criminal offenders, victims of crime, and the operations of justice systems at all levels of government and internationally. The mission of the Bureau is to provide accurate and timely justice data and to support the emerging capacity of state and local governments in the use of these data for their justice programs.

FY 2003, funding would maintain BJS core statistical programs, including (1) the National Crime Victimization Survey, the Nation's primary source of information on criminal victimization; (2) the Cybercrime Statistical Program, initiated in 2001 to measure changes in the incidence, magnitude, and consequences of electronic or cybercrime; (3) law enforcement data from over 3,000 agencies on the organization and administration of police and sheriffs' departments; (4) nationally representative prosecution data on resources, policies, and practices of local prosecutors; (5) court and sentencing data including state court sentencing of convicted felons, criminal justice processing of persons charged with felonies, civil trial caseload data and annual data on workload, activities, and outcomes associated with Federal criminal

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cases; and (6) data on correctional populations and facilities from federal, state, and local governments.

BUREAU OF TRANSPORTATION STATISTICS (BTS)

The BTS legislative mandate covers four key areas: 1) compiling, analyzing, and publishing a comprehensive set of transportation statistics; 2) making statistics readily accessible; 3) implementing a long term data collection program; and 4) improving transportation data and advancing its effective use in public and private decision making. BTS was mandated by the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1992 and implemented in December 1992 as the newest operating administration within the Department of Transportation (DOT). In 1998, BTS was re-authorized in the Transportation Equity Act for the 21st Century (TEA-21).

For FY 2003, the requested funds would allow BTS to achieve several important outcomes: (1) the American Freight Survey would collect annual freight data, vastly improving the completeness and timeliness of freight flow information (currently, freight flow data is captured only every five years by BTS' Commodity Flow Survey (CFS)); (2) the Office of Airline Information (OAI) would develop new regulations to both reduce the airlines' reporting burden and at the same time improve the quality and usefulness of the data collected; (3) developing one stop-shopping on the Internet for transportation information using the Intermodal Transportation Data Base (TransStats) and the National Transportation Library; and (4) review DOT data programs to help improve the accuracy, reliability, and timeliness of data used to make transportation management and policy decisions.

NSF SCIENCE RESOURCES STATISTICS (SRS)

The legislative mandate for SRS, as stated in the National Science Foundation (NSF) Act of 1950, as amended, is, "to provide a central clearinghouse for the collection, interpretation, and analysis of data on scientific and engineering resources and to provide a source of information for policy formulation by other agencies of the federal Government." SRS provides policymakers, researchers and other decision makers with high quality data and analysis for making informed decisions about the nation's science, engineering, and technology enterprise. The work of SRS involves survey development, data

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collection, analysis, information compilation, dissemination, and customer service to meet the statistical demands of a diverse user community, as well as preparation of the biennial reports *Science and Engineering Indicators* and *Women and Minorities and Persons with Disabilities in Science and Engineering*.

Priorities for FY 2003 reflect efforts to implement prior-year efforts to improve the quality, relevance, and accessibility of SRS products, and to continue to redesign major components of SRS data collections. Every decade a redesign of the samples and surveys used to collect data on the scientific and engineering workforce is necessary to reflect the results of the Decennial Census. Extensive redesign activities were over the past three years. Implementation of the redesign began in FY 2002. During FY 2003, SRS will continue implementation of the redesign, culminating in the collection of data from the National Survey of College Graduates in 2003. This activity requires additional funding of \$8.5 million in both FY 2003 and FY 2004.

In FY 2002, SRS undertakes a redesign of the Science and Engineering Research Facilities Survey. In FY 2003, the redesign will be implemented in the 2003 data collection to provide high quality, customer-relevant data on a timely basis. During FY 2002, SRS is engaging in activities to redesign the Survey of Public Attitudes Toward and Understanding of Science and Technology. In FY 2003, SRS will gather information from alternative sources identified in FY 2002, and it will continue redesign activities. In FY 2003, SRS will also continue to conduct all of its other survey and analytical activities that produce information for carrying out NSF statutory mandates.