

# ***Overview of Census Bureau Initiatives To Improve BEA Source Data***



Bureau of Economic Analysis Advisory Committee

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**U S C E N S U S B U R E A U**

*Helping You Make Informed Decisions*

# Agenda

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- 2002 Economic Census Improvements
- FY 2003 Economic Statistics Enhancements
- FY 2004 Economic Statistics Improvements – Request Pending



# 2002 Economic Census Improvements

- Expanded purchased services data
  - Business Expenses Survey (wholesale, retail, and services) coverage and detail expanded – finance, insurance, real estate
  - Manufacturing, mining and construction additional detail
- New information
  - E-commerce -- by industry and state
  - Leased employees by industry
  - Changing supply chain functions
  - Product data for 65 service industries
- Accelerated data product release schedule
  - Advance report available March 2004
  - Industry series including product data available by 12/04
  - Business Expenses Survey data by June 2005



# FY 2003 New Initiatives Request

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- Service Statistics \$5.5 million  
Fully funded
- E-Business \$5.2 million  
\$4.6 million provided
- Foreign Trade Statistics \$12.9 million  
No funds provided



# FY 2003 Improved Measurement of Services

- ***FY03 Budget request: \$5.5 million***
  - ***This request will:***
    - Provide annual information on the cost of purchased services and materials
    - Provide product data annually on the outputs of service industries
    - Establish a new quarterly principal economic indicator of service industry activity



# FY 2003 Improved Measurement of Services

- *FY03 Budget request: \$5.5 million*
  - *This request will:*
    - **Provide annual information on the cost of purchased services and materials**

Purchased materials and supplies	Cost of contract labor
Telecom services	Software and data processing services
Management and consulting services	Purchased fuels
Purchased electricity	Lease and rental payments

      - Added incrementally over two years beginning with 2003 SAS
    - **Provide product data annually on the outputs of service industries** -- add incrementally over 3 years starting with 2003 SAS
    - **Establish new quarterly services indicator**
      - Data collection begins April 2004, first release October 2004



**Quarterly Services Indicator  
Proposed Coverage for Year One**

Scheduled proposed collection (receipts and value of contracts awarded and cancelled for 4Q 2003) begins first quarter 2004. First release is scheduled for September 2004. Coverage will be expanded in 2005 to include hospitals, nursing and residential care facilities effective with the collection of data for the first quarter of 2005.

<u>NAICS Kind of Business</u>	<b>2000 SAS Revenue Employer Firms (millions \$)</b>	<b>Receipts As Percent of Sector Total</b>	<b>Number of Reporting Units</b>
<b>51 Information .....</b>	<b>849,506</b>	<b>100.0</b>	<b>1,537</b>
511 Publishing Industries .....	233,327	27.5	534
51111 Newspaper publishers .....	51,507	6.1	180
5112 Software publishers .....	88,042	10.4	159
Other 51 Other publishing .....	93,778	11.0	195
512 Motion picture and sound recording industries .....	66,107	7.8	236
513 Broadcasting and telecommunications .....	473,548	55.7	179
Broadcasting (5131 & 5132) .....	120,598	14.2	179
Telecommunications (51331-51339) .....	352,950	41.5	86
51331 Wired telecommunications carriers .....	269,545	31.7	86
51332 Wireless telecommunications carriers (except satellite) .....	64,309	7.6	82
Other 5133 Other telecommunications .....	76,642	9.0	120
514 Information services and data processing services .....	76,524	9.0	164
5141 Information services .....	34,575	4.1	164
5142 Data Processing Services .....	41,950	4.9	136
<b>54 Professional, scientific, and technical services (except notaries and landscape architectural services) .....</b>	<b>789,077</b>	<b>100.0</b>	<b>1,534</b>
5412 Accounting, tax preparation, bookkeeping, and payroll services .....	74,229	9.4	147
5413 Architectural, engineering, and related services (except landscape architectural services) .....	160,776	20.4	166
5415 Computer systems design and related services .....	175,495	22.2	249
5416 Management, scientific, and technical consulting services .....	88,540	11.2	336
Other 54 Other professional, scientific, and technical services (5411 legal, 5414 specialized design, 5417 scientific research and development, and 5418 advertising and related services).....	290,037	36.8	636
<b>56 Administrative and support and waste management and remediation services.....</b>	<b>410,638</b>	<b>100.0</b>	<b>2,257</b>
5613 Employment Services .....	125,618	30.6	218
Other 561 Other administrative and support services .....	236,241	57.5	1,909
562 Waste management and remediation services.....	48,779	11.9	130
<b>GRAND TOTAL (Sectors 51,54, and 56) ..</b>	<b>2,049,221</b>	<b>49.7 of SAS</b>	<b>5,328</b>

# FY 2003 E-business Budget Initiative

## ***FY03 Budget Request: \$5.2 million***

- Provides detailed annual information on business expenditures on hardware and software
  - 2003 Annual Capital Expenditures Survey revamped
  - computer, communication, hi-tech medical hardware by industry
  - software -- capitalized and expensed by industry
  - total software by category (prepackaged, custom, in-house) -- no industry detail
  - total expenditures on physical security and computer security





# FY 2003 E-business Budget Initiative

- Provide annual coverage of the entire wholesale trade sector
  - manufacturers' sales offices by 4-digit NAICS included in 2003 ATS
  - e-markets, agents and brokers will be added in 2005 ATS
- Implements a first-ever supply chain study
  - focus on changing inventory practices, expanded service fees and globalization effects
  - document effects on economic statistics
  - study plan developed by October 2003



# FY 2004 Economic Statistics Requested Initiatives

- Service Statistics \$4.0 million requested
- E-Government \$3.3 million requested
- Accelerate and Improve Measures of International Trade \$12.9 million requested



# Service Statistics

## \$4.0 million

- Expand 2004 Service Annual Survey Coverage
  - 95 industries added, 20% of GDP
  - Finance, insurance, real estate, rental and leasing, utilities and transportation industries
  - Products and purchased services will be added in 2005 and 2006
- Expand QSS Coverage
  - Transportation; rental and leasing; additional health care industries; arts, entertainment and recreation
  - Data collection begins first quarter 2005, first release September 2005
- Expand retail and wholesale product data
  - Focus on 40-50 industries selling diverse products
  - Data collection begins survey year 2004



# E-Government

## Request \$3.3 million

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- Electronic reporting for current economic surveys
- Company-centric rather than survey-centric approach for data collection
- Extend Economic Census Account Manager program to current surveys



# Accelerate and Improve Measures of International Trade

- Accelerate monthly release of trade statistics
  - Currently released 44 days after reference month
  - Release 30 days after reference month
- Improve coverage and quality of export statistics
  - Undercoverage now ranges from 3-10%
- Expand Automated Export System
  - Electronic reporting facilities and expedites filing
  - Strengthens nation's export control system



# Questions and Answers



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