

It does not appear that interrelated use of information can be provided for by more detailed publication of data by the individual collecting agency or in other ways when the information identified with individual reporting units is not disclosed. The only other possibility is to collect the associated information *de novo* for each inquiry with increasing costs and burden on respondents.

The Director of the Bureau of the Budget is specifically responsible for holding this burden to a minimum. Both the President and the Congress repeatedly remind him that they expect him to perform well in this area. Thus, we continually try to find ways of using existing records for statistical purposes. We have made some progress in this effort but believe more can be done. For example, by using the Federal income tax records as a source of statistical information, it has been possible to relieve about 1 million small businessmen of the burden of filling out census forms every 5 years. And this was done without compromising the confidentiality of a single return. So successful has this been that the Census Bureau plans to substitute tax return information for census questionnaires for yet another 1 million small businesses.

While we want to do all that we can to bring all available statistical information to bear on any problem under study and while we are continually concerned with the need to reduce duplication by making the fullest possible use of existing statistical materials, we are also vitally concerned with preserving the confidentiality of information reported to the Government.

Our Federal statistical gathering activities are expedited by the prompt cooperation of respondents. While most statistical information is based upon nonmandatory replies to Government inquiries, even mandatory replies are more prompt and accurate because of the Government's proven practice of not revealing information supplied by individual persons or business units. This is a most precious asset. We could not effectively operate our statistical system without it. A statistical data center, therefore, if organized, must maintain confidentiality as to individual suppliers of data while at the same time improving access to statistical information for statistical purposes.

Under law and regulation, information reported to the Federal Government for statistical purposes is not released in any form whereby data furnished by any particular individual or business establishment can be identified. There is general recognition that this practice of confidentiality is sound public policy. Thus, when the Supreme Court in *St. Regis Paper Co. v. U.S.* so construed the confidentiality provisions of the census law as to make it possible to subpoena a copy of a census return held in the files of a respondent, the administration supported and Congress quickly passed remedial legislation to give to the copy the same confidentiality and immunity from legal process possessed by the original.

Maintenance of this principle would be a major tenet of any statistical data center and is clearly required under present law. The Federal Reports Act of 1942, section 4(a), provides that in the event information obtained in confidence by a Federal agency is released to another agency, all the provisions of law, including penalties, relating to protection of the information from unlawful disclosure by the collecting agency are also applicable to the agency to which the infor-