

Mr. DUNN. Well, our discussion just completed really is an illustration of that—the fact that something called electrical appliance in BLS may carry the same tag as the electrical appliance industry in Census. But because of certain anomalies and the way in which, as a matter of fact information of respondent units are sorted out in these boxes you may wind up with a collection of respondents in the BLS box, even though it has the same tag on it, it is different in the collection of respondents in the census box with the same tag on it.

Chairman TALMADGE. To what extent do State and local data systems mesh into the Federal systems?

Mr. DUNN. They don't.

Chairman TALMADGE. Are they completely different?

Mr. DUNN. There are times when you can get data that is in a condition which has sufficient quality that it will allow merging in ways that are useful, but these are rather rare instances. Usually, the data that is useful come out of programs that are associated with Federal programs.

The Division of Regional Economic Analysis in the Office of Business Economics makes some economic estimates for individual counties for intercensal years. They make use of tabulations which they gain from the States which are administered in the unemployment insurance programs in the States. These are State agencies, and the data comes from the State agencies, but their programs are cooperative programs under Federal supervision.

There are many problems associated with using these data in the estimating process because of their source and the way in which they are generated, but they have been on occasion used successfully. This was under the most favorable circumstances where what was generated was under a program tied in with a federally-sponsored program, so a cross-State consistency could be established. More commonly, State generated data cannot be effectively compared for interstate analysis. My understanding is that State Governors, controllers, and policymakers have had great difficulty in analyzing such things as the State expenditures for State services and make justifiable comparisons between what they were doing in their States and what people were doing in other States because of the great difficulty in developing statistics that have any comparability.

Chairman TALMADGE. We have a rule in the committee where each member is allowed 10 minutes. My 10 minutes has expired. I have some further questions, but I will ask Mr. Knowles to give them to you and you can supply the answers for the record.

(Additional responses supplied for the record of testimony of Edgar S. Dunn, Jr., appear below:)

I.1 What would be the cost of a Federal statistical servicing center which would significantly improve our system?

Answer: This is an extremely difficult question to answer satisfactorily at this stage simply because the staff work essential to the specification and costing of program options has not been done. When asked a similar question by the Bureau of the Budget I provided the judgment that the range of services and program adjustments required would call for an expenditure of between 1 and 2 million dollars annually during the initial years and rising to the neighborhood of 10 million annually over a period of 5 to 10 years. I think that this is as good a judgment as one can give until more staff resources are brought to the planning task.