

With the consolidation of the program in the Census Bureau, efforts were made to improve the measurement of housing starts by reports on actual starts, to improve the measurement of value put in place by progress reports on value put in place, particularly in the nonresidential construction area. It is still true, however, that this is not the strongest element of our statistics program. It is a difficult area. It is diverse. It is costly to develop information which is both prompt and accurate. Recently we have had to revise the publication schedule in the interest of not publishing inaccurate data. We hope that as time goes on, we will be able to develop methods that will improve the accuracy of the data so that various elements in the program of construction statistics can be brought forward to more prompt publication.

It had also been recognized for some time that the current report on manufacturers sales inventories, and orders required special attention. This important series was on a very minimum budget in the Office of Business Economics. It involved the collection of data from enterprises rather than from the establishments of enterprises, so that it was not possible to get estimates that were consistent with other estimates for individual industries. Here again, we used the device of transferring a series, so far as the collection of the data was concerned, from the Office of Business Economics to the Bureau of the Census.

Work was then undertaken to expand the sample, to collect the data along divisional lines so that more attention could be paid to the industry characteristics of the information, and to tie it into and make it consistent with the annual survey of manufacturers. In this way a body of information collected monthly was made consistent with information available annually by our annual survey of manufacturers and also the quinquennial censuses.

I would not like to leave the impression that all problems have been solved in this area. This is not an easy area. It is a difficult one and I will mention one or two special difficulties which arose.

It was recognized that when we began to do more work in the national accounting area one thing that should be done was to develop ways of estimating real product by industry consistent with the overall GNP real product. We knew when this was done that the index of industrial production computed using somewhat different data and in a different agency might not agree exactly with real product by industry measurements within a GNP framework. We now are working diligently—Mr. Moss, who is with me now, is working with an interagency group and is also privately working as a scholar at the Brookings Institution in this area—to see what can be done to bring these two bodies of data closer together and give us more consistent measures of manufacturing real product by industry. This is an illustration of the type of problem with which my Office wrestles.

The retail trade area provides another illustration of statistical coordination. Retail trade statistics—except for department store statistics which had a long history of association with the Board of Governors of the Federal Reserve System were the responsibility of the Bureau of the Census. After several years of effort arrangements have now been worked out so that the full body of retail trade statistics is in charge of the Census Bureau. And in doing this, we have not lost the advantages of local data on retail trade. In fact, we have improved the local data because in many instances the only local data available under the earlier arrangements were for department store