

month. That still comes from the agency that collects the data. But, I am talking about people that are using historical series over long periods of time and who want to associate employment with output, with investment and with a great many other measures.

So that is another aim of a data center.

Now, this notion of a data center, when it was first presented in some reports which had been made to us by consultants, was seized upon by some people who had a fear that what we were trying to do was to set up in the Federal Government a dossier of information on every individual and firm in the country which could then be used to do all sorts of things about these individual units.

Since the letter from this committee asked me to deal in some detail with this problem of confidentiality, I shall try to do it in a way which will show what we are trying to do in the data center. The statistical programs basic inception recognizes that information collected for statistical purposes should be restricted to statistical purposes. It should not release any information concerning any individual. But, there was a legitimate need for our attention to be called to the possibility that a data center might so centralize information that it could be a threat to the privacy or the confidentiality of information about individuals.

We have, therefore, said to two committees of Congress that we will not propose a specific data center unless we can satisfy ourselves that it does not infringe upon the confidentiality or privacy of individuals, and with your permission I would like to sketch in some of the things we are thinking about, although we have no definite proposal to date.

I have tried to indicate, first of all, why we think the data center is necessary to carry on the job. The way we are thinking about it now is that a data center could be organized within one of the existing agencies of the Federal Government, that such a center should clearly not have in it information whose main use is with respect to individuals. So, we would clearly not think of putting into the data center personnel files, files which are basically associated with individuals.

Secondly, we think that no universe data need be put into the center as an actual storage of such data. This means, therefore, that if anybody tried to use the center for obtaining information about individuals, they would have a chance, say, one in a hundred, of finding that individual's record or that firm's record in the center.

Third, we would recognize that the Congress by law would have to make it positively clear, as it is now in the Census Act, that the center would never release any information to anybody about an individual or an individual business firm. We believe the restriction on the universe data and other restrictions that can be built in the center would also take care of surreptitious uses of the center contrary to the law. And we would pay particular attention to that.

We believe that another device that might prove useful would be an arrangement whereby such a center would have associated with it an advisory committee under the chairmanship of the Bureau of the Budget and made up of the principal statistical officers of the Federal Government that would pass upon all data to be put into the centers as well as the general procedures for using data from the center.

These are the elements that we have thought of as usable for protecting the confidentiality and privacy of individual records. We are working on this problem. I will be glad to discuss it further with the