

and that it can be resolved without compromising the fundamental right of privacy.

Improved efficiency in the storage and retrieval of data is important to consumers of statistics within the Government as well as to academic users. When the Council needs special tabulations or disaggregations or statistical analyses, the data agencies are happy to cooperate. But we know the requests of the Council can impose a burden, diverting time and effort from other tasks. In particular, the statistical agencies are often not geared up to meet particular needs without significant costs and disruption. If there was a center whose specific function was to meet such needs, I think we at the Council would request additional information more often, and I believe that our national arsenal of economic knowledge would be the better as a result.

I also believe that the comprehensive effort to arrange and codify available Federal statistics for the purpose of efficient storage and retrieval would uncover some duplication and some gaps of which we are not now fully aware. It might bring some data problems to the forefront where they would attract more attention and encourage more coordinated joint effort. For example, our key figures on employment, sales, profits, and investment in manufacturing come from four different sources relying on different samples. This is not a basic defect, but neither is it ideal.

In assembling all our information on the manufacturing sector, we might well strike upon promising opportunities for consolidating data collection in this area.

The possibilities for strengthening the partnership between our existing data and economic research represents one important way in which Federal statistics programs can continue to contribute to the development of more effective public policy. Both our statistics programs and our policymaking machinery are dynamic systems which can continue to improve together and to reinforce each other in the years ahead.

Thank you.

Chairman TALMADGE. Thank you very much for a very fine statement, Mr. Okun.

Would you favor the initiation of a pilot servicing data center?

Mr. OKUN. I believe, in principle, that the Federal Statistical Center has much to offer, and the initiation of it on a pilot basis could be a good way to get started. It could give us more information about how the center could be operated, what the demands for its services were, what we learn when we put together our data in a comprehensive fashion for improved storage and retrieval. I think it is important, at the same time, to recognize that doing this on a piecemeal basis—such as a pilot study suggests—would not yield the same benefits that we would get by adopting it on a comprehensive basis right at the outset. To some extent, the notion of comprehensiveness—of trying to put all the data together and assembling it in systematic fashion—is an essential feature of the Kaysen Committee's suggestion. If we do launch the center on a pilot basis, we really should bear in mind that we are working toward comprehensiveness, unification, a single system.

Chairman TALMADGE. Would a national data center, as in the Kaysen report, be of material help to the Council?

Mr. OKUN. In the short run, it would establish someone whose job was to offer statistical services. This is a limitation that we find today