

aggregate items of information will contribute substantially to analysis for marketing purposes, welfare programs and income studies.

CONCLUSION

As the filing date for 1966 tax returns approaches, I would like to point out that millions of Americans have been preparing a document full of extremely valuable economic data. Information of this type can be obtained only by means of expensive surveys or interviews. Even then the cooperation on the part of respondents would be somewhat less than perfect and the quality of the data open to question.

Since 1916 the Service has not only been economically collecting taxes but has also been economically producing statistics based on tax return data. As the scope of the income tax has increased, so has the value of the statistical output. As the methods and organization of the revenue collecting process have improved, the statistical program has changed accordingly.

The adoption of automatic data processing and the master file system have opened the way to great improvements in the statistical operation. Studies now going on point to faster, more economical production as well as more detailed data both as to geographical areas and subject matter. With the newly developed methods we can be even more responsive to the needs of users, both government and private.

APPENDIX II

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., October 1966.

REPORT OF THE TASK FORCE ON THE STORAGE OF AND ACCESS TO
GOVERNMENT STATISTICS

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The Committee was originally charged with the task of considering "measures which should be taken to improve the storage of and access to U.S. Government Statistics." It is the best judgment of the Committee that it can answer this question only in a much broader context, namely, by looking at the question of how the Federal Statistical System can be organized and operated so as:

1. To be capable of development to meet the accelerating needs for *statistical* information, needs that are increasing in quantity, in variety, and in degree of detail with the developing character of American society, and the changing responsibilities in it of the Federal Government;
2. To develop safeguards which will preserve the right of the individual to privacy in relation to information he discloses to the government either voluntarily or under legal compulsion;
3. To make the best use of existing information and information generating methods and institutions at its disposal; and
4. To meet these needs for statistical information with a minimum burden of reporting on individuals, businesses, and other reporting units.

The focus of the committee's concern is the Federal *statistical* system. Although different government agencies may require information about specific individuals or businesses as part of their legal operating responsibilities, the committee was unanimous in its belief that Federal agencies or other users should not be able to draw on data which is available within the Federal statistical system in any way that would violate the right of the individual to privacy. Organizational and legal safeguards should be developed to prevent the use of data which is brought together for statistical purposes as a source of information concerning individual reporting units.

A body of data can provide useful *statistical* information only to the extent that it is live, in the sense of corresponding to a clearly defined and currently comprehensible system of identifying the sources of information, definitions of