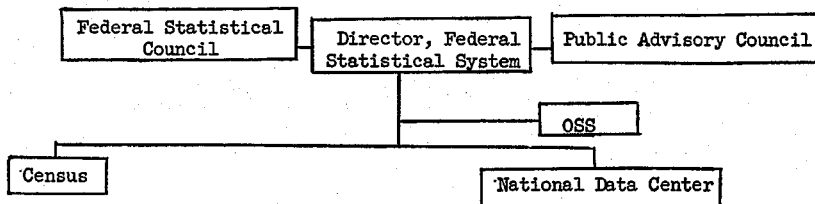


out these responsibilities. The Census Bureau and the National Data Center, each under its own director, would report to the Director of the Federal Statistical System.

In addition, we propose two councils advisory to the director. The first is a Federal Statistical Council, representing the major data producing and using agencies in the System and reporting directly to the Director. Thus the Commerce Department might be represented by the Assistant Secretary for Economic Affairs, the Council of Economic Advisers by one of its members, etc. The second would be a public advisory council, with members from outside the Federal government representing both the public in general and particular users of information such as business, labor, state and local governments, and the academic community. This council would advise the Director particularly on such matters as the burden on respondents, the protection of confidentiality, and the satisfaction of user needs. The uses and possible abuses of information collected by the government are so important in our society that continuous public scrutiny of these problems at a high level in the Federal System is desirable.

The proposed new office, with its two operating elements and its government-wide coordinating functions could not readily fit into any of the existing Cabinet departments. Rather, its natural home would be the Executive Office of the President, and the Committee recommends that it be placed there.

The organizational relations of these elements are shown in the chart below.



The National Data Center itself might be organized in two main branches: an operations division, and a research division which would consider sampling methods, analytical and computing techniques, methods of protecting confidentiality, and liaison with extra-governmental research enterprises and with users. The research division could also cooperate with the relocated Office of Statistical Standards for data collection and for integration of existing bodies of data. The operations division might be so organized as to provide for the inclusion of sections on assignment from both the major data producing agencies, such as the Census itself, the Bureau of Labor Statistics, the Internal Revenue Service, etc., as well as from the major users within the government, such as the Office of Business Economics, the Council of Economic Advisers, the Tax Research Division of the Treasury, etc. These transplanted sections would greatly facilitate the free flow of information to and from the Center, on which its entire function would depend. They could also take responsibility, as a transition measure, for seeing that the confidentiality requirements of their own agencies were properly applied to the data collected by them.

The provision of space, funds, technical personnel, and machine capacity in the Center must from the first be such as to allow a good deal of flexibility in meeting demands on it by both governmental and non-governmental users. Too close a calculation of capacity, especially in machine time and programmers could prove fatal to the Center's ability to establish itself. So could too early an expectation of visible results.

It would be the major responsibility of the Director of the Federal Statistical System to see that the proper division of labor, coordination of information, and utilization of the Data Center were made by the constituent agencies in the System. In the furtherance of this responsibility, he might be asked by the Budget Director to review for him the statistical budget of each agency, in much the way that the Director of the Office of Science and Technology assists the Budget Director in reviewing the science budgets of each agency. Yet the basic functions in the System would be determined more by what might be called "market forces" than by the fiat of the Director. To the extent that the statistical agencies under his direction provided quicker, cheaper, and better sources, to meet rapidly expanding demands, the rest of the government would increasingly rely on them, rather than on the expansion of their own in-house