

statistical samples and only in rare cases would the center contain a 100-percent sample.

In regard to the second consideration, it should be pointed out that, although the purpose of the center necessitates that the identity of the statistical observations be maintained for matching operations, the identities of individuals and firms could be carefully safeguarded by strict legal and technical measures. For example, internal codes could be utilized to protect the identity of particular individuals or firms. It should be noted that some of our statistical agencies have already had long and successful experience with programs which have safeguarded personal privacy and prevented the disclosure of information about specific businesses. The chief drawback of the present operation of safeguards is that they are unevenly applied and where they are strictly applied, the use of the data may be more restricted than necessary.

The problem of safeguarding privacy should be treated seriously. The problems of legal and technical design and of day-to-day operation are formidable. Work on a national data center, if instituted, should go forward at a pace that is slow enough to allow reasonable assurance that the disclosure problems can be and are being controlled. Indeed, the national data center might improve on the present system safeguarding the rights of individuals to personal privacy and of confidentiality of business information. The data center would force a more explicit consideration of these pressing issues of our electronic age. Moreover, the center might cause us to move from the present ad hoc system to one of uniform and far-reaching principles.

IS THE PRESENT ADMINISTRATIVE MACHINERY ADEQUATE FOR THE TASK AT HAND?

Although the subcommittee did not deal with legal or administrative aspects of our Federal statistical system in detail, it believes that the present legal and administrative machinery is generally adequate for the problems of coordination and integration.

The major responsibility for the coordinating function is with the Bureau of the Budget, through its Office of Statistical Standards. Legislation provides the Bureau with strong backing for its task of coordination. The Budget and Accounting Procedures Act of 1950 in Title I, Part I, Section 103, states that "The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering, compiling, analyzing, publishing, and disseminating of statistical information. * * *". This provision of law is carried out under Executive Order 10253.

Specific authority is also provided by the Federal Reports Act of 1942 for the Director of the Bureau of the Budget (a) to transfer the responsibilities for the collection of statistical information from one agency to another and, with certain safeguards, to transfer information among agencies to avoid duplication and promote efficiency; and (b) to review, and approve or disapprove, reporting proposals by Federal executive agencies for obtaining information from the public.