Overview of the Economic Census

Through gathering information on nearly every business in the nation once every five years, the Census Bureau’s Economic Census provides the foundation for informed government and business decision-making. This handout provides a brief overview of the Economic Census, with a particular focus on the 2012 effort.

The Census Bureau and its predecessors have regularly conducted business censuses since 1810.

- From the early days of the Republic, Congress has understood the importance of gathering data from all businesses in key industries to build a comprehensive picture of the national economy to guide public policy.
- The 19th century versions of these business censuses focused largely on manufacturing and agriculture. Throughout the 20th century, additional industries were added.
- In the late 1940s, Congress directed the Census Bureau to conduct the Economic Census every five years. Current law mandates that the Economic Census be carried out for years ending in 2 and 7.
- The 2012 Economic Census will include the 38th census of manufacturing.

The 2012 Economic Census will gather data on over 28 million business establishments.

- These establishments include 7.4 million employers and 21.1 million non-employers.
- For the primary Economic Census collection, about 4.6 million employers will receive an industry-specific survey aimed at gathering data on business operations. In addition, 2.0 million employers and non-employers will get the Survey of Business Owners, which seeks information on characteristics of businesses and their owners. Respondents can fill out these forms using the web or paper. The Census Bureau will obtain basic data on the remaining businesses from existing government records.
- The primary Economic Census collection will request data on output (such as sales or shipments) by product; materials, parts, supplies, and other expenses; employment, occupation, hours, payroll and benefits; capital assets and expenditures; R&D; and ownership, control, and external relations. To improve survey value and ease of completion, the Census Bureau has given over 3,000 industry associations the opportunity to provide input on survey design.
- The Survey of Business Owners will ask about owner characteristics (including gender, Hispanic origin, race, age, education level, and veteran status) and business characteristics (including sources of capital, outsourcing, exports, and use of Internet and e-commerce).
The Economic Census is crucial to intelligent government and business decision-making.

- The Economic Census provides three types of contributions to decision-making. The first is foundational. Data producers use the Economic Census’ comprehensive enumeration of U.S. businesses to improve the reliability of a wide array of monthly, quarterly, and annual estimates of the scope and nature of economic activity, such as gross domestic product, labor productivity, and industrial production. In addition, the model of the economy built on the Economic Census enables economic forecasts, reliable near-term estimates of state government revenues, and projected impacts of proposed local development projects.
- The second set of contributions stems from direct use of Economic Census data for decision-making by firms, industry associations, state governments, regional economic and workforce development agencies, and federal program agencies.
- Third, Economic Census records (microdata) are analyzed by government and academic researchers working on approved projects through the Census Bureau’s Center for Economic Studies (under strict confidentiality protections) to identify key trends in industrial and business development and the implications for business strategy and public policy.

Detailed data tables from 2012 Economic Census will be available on the web.

- Historically, Economic Census data were made available in large hardcopy volumes. As of the 2007 Economic Census, data are accessible only through the Census Bureau’s American FactFinder website (factfinder.census.gov).
- Data tables will be available by industry, product/service, geography (down to the ZIP Code level); for franchises; and by business and owner characteristics. Data at business.census.gov provide useful metrics for benchmarking business performance against industry averages.

The lifecycle for the 2012 Economic Census is six years.

- The lifecycle includes three years of preparation (FY2010-2012), one year of collection and processing (FY2013), and two years for analysis and dissemination (FY2014-2015)
- Surveys will be mailed in fall 2012 and are due in February 2013.

If the 2012 Economic Census has the same scope at the 2007 version, total lifecycle costs would be somewhat above $500 million (the cost of the 2007 Economic Census), roughly $2 per U.S. resident.

- The proposed budget for the Economic Census in FY2012 is $124 million.

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