

Supporting Statement - Part B
U.S. Department Of Commerce
U.S. Census Bureau
2012 Economic Census Covering the Mining Sector
OMB Control No. 0607-0939

B. Collections of Information Employing Statistical Methods

1. Universe and Respondent Selection

We are not employing sampling techniques for the mining sector of the 2012 Economic Census. This information collection is a complete enumeration of mining establishments that have one or more paid employees and are on the Census Bureau's Business Register. Data are either collected from the establishment or estimated based on administrative information.

The 2007 Economic Census for the mining sector received responses from 84.2 percent of the establishments that were mailed a long report form and 83 percent of the establishments that were mailed a short report form. Since most of the large establishments reported, the coverage rate based on value of shipments was 78 percent. We expect to meet or exceed this response rate for the 2012 census (see Part B.3).

2. Procedures for Collecting Information

A. Mail Selection Procedures

The mining sector of the 2012 Economic Census will select establishments for its canvass from a frame obtained from the U.S. Census Bureau's Business Register. To be eligible for selection, an establishment will be required to satisfy the following conditions: (i) it must be classified in the mining industry sector, (ii) it must be an active operating establishment of a multi-establishment firm (including operations under exploration or development), or it must be a single-establishment mining firm with payroll; and (iii) it must be located in one of the 50 states, offshore areas, or the District of Columbia. The following subsets of the minerals universe will be distinguished:

(1) Establishments That Will Not Receive a Mineral Report Form

(a) Small Single-Establishment Firms (Administrative Records)

For the mining sector of the 2012 Economic Census, we estimate that approximately 9,600 small single-establishment mining companies will be excused from filing census report forms. Selection of these small establishments is

done on an industry-by-industry basis and is based on annual payroll contained in the administrative files of the Internal Revenue Service (IRS) and the Social Security Administration (SSA). The cutoffs are selected so that these administrative record cases account for no more than three percent of the value of shipments at the industry level.

Information on the physical location of the establishment, as well as information on payroll, receipts (shipments), and industry classification, will be obtained from the administrative records of the IRS and the SSA under special arrangements which safeguard the confidentiality of both tax and census records. Information from the Bureau of Labor Statistics (BLS) on industry classifications will be used to supplement the classification information from IRS and SSA. Estimates for data other than payroll and value of shipments for these small establishments will be developed from industry averages.

(b) Establishments of Multi-Establishment Firms That File a Consolidated Report

Approximately 500 establishments of multi-establishment firms in subsector 213, Support Activities for Mining, are allowed to file a consolidated nationwide report for their establishments that are classified in this subsector and have the same Employer Identification Number (EIN). On the consolidated report, the respondent includes separate information for employment, wages, and receipts. Based on these data, the information is allocated to individual state reports by the U.S. Census Bureau.

(2) Establishments That will Receive a Mineral Report Form

Approximately 16,400 establishments will receive a report form. These establishments are divided into two groups, each group receiving a different report form, as described below:

(a) Large- and Medium-Sized Establishments That Receive the Long Form

Approximately 15,200 establishments are included in this group. A variable cutoff, based on administrative record payroll data and determined on an industry-by-industry basis, is used to select those

establishments that are to receive 1 of the 17 mineral long forms.

(b) Small Single- Establishment Mining Firms That Receive Short Forms

This group consists of approximately 1,200 establishments in the crushed stone, sand and gravel, and crude petroleum and natural gas industries. For these industries where application of the cutoff for administrative record cases results in a large number of small establishments being included in the mail canvass, an abbreviated or "short" form is used. This report form will be mailed to single-establishment companies that are larger than the administrative record cutoff for their industry but which have an annual payroll under a certain criteria. Use of the short form has no adverse effect on published totals for the industry statistics, since the remaining data items not requested on the short form will be developed from industry averages. (See Attachment A for list of industries receiving short report forms).

B. Estimation Procedure

Census tabulations for the mining sector of the 2012 Economic Census are simple summations of data from a complete enumeration. Data for non-response and administrative-record establishments are estimated using industry averages.

C. Required Accuracy

(1) Sampling Error

The accuracy of basic statistics from the mining sector of the 2012 Economic Census is not affected by sampling errors, since these measures are based on a complete enumeration of the mining establishment universe. A high degree of accuracy and statistical reliability is required, because the census' basic statistics provide benchmarks for the national accounts and other surveys conducted by trade groups, businesses, and researchers.

(2) Nonsampling Error

The accuracy of all census data is influenced by nonsampling errors, such as those affecting coverage, use of administrative records, questionnaire design, reporting, processing, and tabulation. Although we make no direct measurement of nonsampling errors, we take precautionary steps in all phases of planning, report form development, data collection, processing, and tabulation to minimize their influence.

D. Problems Requiring Specialized Sampling Procedures

There are no known problems that will require specialized sampling procedures for the 2012 Economic Census.

E. Use of Periodic Data Collection to Reduce Burden

The census uses periodic (five-year) data collection, as required by Title 13, USC, Section 131.

3. Efforts to Maximize Response

This information collection will maximize response through the following means: (i) mailing materials that emphasize the mandatory and confidential nature of census reports, as provided by Title 13, USC; (ii) effective census questionnaires and instructions that try to simplify reporting and minimize response burden; (iii) toll-free assistance for any business that has questions about completing its census report; (iv) U.S. Census Bureau Internet web site containing frequently asked questions; and (v) systematic mail follow-up for non-response, supplemented by telephone follow-up for selected firms. We expect to maintain or improve the response rate obtained by the 2007 Economic Census. The level of response will yield accuracy and reliability that are adequate for intended uses of economic census data.

4. Testing of Procedures or Methods

This information collection will use procedures that are based on a considerable body of experience with the economic census and surveys. Previous economic censuses also have been the subject of evaluation studies that have examined methodology, conceptual issues, and related statistical questions. As a result, the procedures used by 2012 Economic Census are very well tested.

5. Contacts for Statistical Aspects and Data Collection

Statistical methodology is developed under the direction of Paul L. Hsen; Assistant Division Chief for Research and Methodology; Manufacturing and Construction Division; U.S. Census Bureau; Washington, DC 20233, (301-763-4586).

The 2012 Economic Census covering the mining sector is conducted under the direction of Julius Smith Jr.; Assistant Division Chief for Census and Related Programs; Manufacturing and Construction Division; U.S. Census Bureau; Washington, DC 20233, (301-763-7662).

Attachments

- A. List of Industries Using Short Report Forms
- B. Copies of all Mining forms (question 1-16) with spreadsheet for products, fuels, materials and miscellaneous receipts, and spreadsheet for SI's and TO's with images for the 2012 Economic Census