

Department of Commerce
United States Census Bureau
OMB Information Collection Request
2017 Economic Census
OMB Control Number 0607-XXXX

Part A. Justification

1. Necessity of Information Collection

The 2017 Economic Census will compile statistics on an estimated 7,489,855 million employer business establishments in industries defined by the 2017 North American Industry Classification System (NAICS). Data on 4,523,290 of these establishments will be obtained by direct data collection from an estimated 4,345,075 respondents (of which 4,214,680 are covered under this submission). Data from administrative records or imputation will be used for the remaining 2,966,565 establishments - as well as for any contacted establishments that fail to respond. This request for approval covers the information collection instruments and procedures that will be used in the enumeration of U.S. domestic businesses. The enumeration in the Island Areas (Puerto Rico, Guam, the Commonwealth of the Northern Marianas Islands, the U.S. Virgin Islands, and American Samoa) will be submitted separately to the Office of Management and Budget (OMB) for approval. In addition to the general enumeration of businesses, the 2017 census program also includes surveys of business owners and commodity flows. Those surveys will also be submitted separately.

The public administration sector is out of scope to the economic census. The U.S. Census Bureau conducts, and will submit separately for approval, the quinquennial census of governments and other current programs that measure the activities of government establishments.

The economic census is required by law under Title 13, United States Code (U.S.C.), Section 131, which mandates the taking of a census at 5-year intervals. Section 224 makes reporting mandatory.

The 2017 Economic Census will cover the following NAICS sectors of the U.S. economy:

- Mining, Quarrying, and Oil and Gas Extraction
- Utilities
- Construction
- Manufacturing
- Wholesale Trade
- Retail Trade
- Transportation and Warehousing
- Information

- Finance and Insurance
- Real Estate and Rental and Leasing
- Professional, Scientific and Technical Services
- Management of Companies and Enterprises
- Administrative and Support and Waste Management and Remediation Services
- Educational Services
- Health Care and Social Assistance
- Arts, Entertainment, and Recreation
- Accommodation and Food Services
- Other Services (Except Public Administration)

For more details on the NAICS codes included in the 2017 Economic Census, see Question 19 below.

Table 1 describes economic activities covered by the Economic Census.

Table 1: Economic Activities by Sector

Sector	Activities
21	The Mining, Quarrying, and Oil and Gas Extraction sector of the economic census distinguishes two basic activities; mine operation and mining support activities.
22	The Utilities sector comprises establishments primarily engaged in the provision of utility services through a permanent infrastructure.
23	The Construction sector comprises establishments primarily engaged in the construction of buildings and other structures, additions, alterations, reconstruction, installation, and maintenance and repairs.
31-33	The Manufacturing sector comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. The assembling of component parts of manufactured products is considered manufacturing, except in cases where the activity is appropriately classified in Sector 23, Construction.
42	The Wholesale Trade sector comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. Wholesalers are organized to sell or arrange the purchase or sale of (a) goods for resale (i.e., goods sold to other wholesalers or retailers), (b) capital or durable nonconsumer goods, and (c) raw and intermediate materials and supplies used in production.
44-45	The Retail Trade sector comprises establishments primarily engaged in selling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.
48-49	The Transportation and Warehousing sector comprises establishments primarily engaged in transporting people and goods. The Transportation and Warehousing sector includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation. This sector distinguishes three basic types of activities; subsectors for each mode of transportation, a subsector of warehousing and storage, and a subsector for establishments providing support activities for transportation. In addition, there are subsectors for establishments that provide passenger transportation for scenic and sightseeing purposes, postal services, and courier services.
51	The Information sector comprises establishments engaged in the following processes; (a) producing and distributing information and cultural products, (b) providing the means to transmit or distribute these products as well as data or communications, and (c) processing data.
52	The Finance and Insurance sector comprises two types of establishments: those engaged in financial transactions, that is, transactions involving the creation, liquidation, or change in ownership of financial assets, or in facilitating financial transactions; and those engaged in the intermediating as the consequence of pooling risks and facilitating such intermediation.
53	The Real Estate and Rental and Leasing subsector comprises establishments primarily engaged in leasing real estate to others, as well as real estate managers, agents, and brokers. The Rental and Leasing subsector comprises establishments primarily engaged in acquiring, owning, and making available a wide variety of tangible goods such as machinery, equipment, computers, and consumer goods to businesses or individuals, in return for a periodic rental or lease payment.
54	The Professional, Scientific, and Technical Services sector comprises establishments engaged in processes where human capital is the major input. These establishments make available the knowledge and skills of their employees, often on an assignment basis, where an individual or team is responsible for the delivery of service to a client.
55	The Management of Companies and Enterprises sector comprises two main types of establishments: (a) those that hold the securities of (or other equity interest in) companies and enterprises; and (b) those (except government establishments) that administer, oversee, and manage other establishments of the company or enterprise.
56	The Administrative and Support and Waste Management and Remediation Services sector comprises establishments performing routine support activities for the day-to-day operations of other organizations. These essential activities are of the type often undertaken in-house by establishments in many sectors of the economy.
61	The Educational Services sector comprises establishments providing academic or technical instruction or educational support services such as student exchange programs and curriculum development. Public schools and universities are excluded.
62	The Health Care and Social Assistance sector comprises establishments that provide health care and social assistance to individuals.
71	The Arts, Entertainment, and Recreation sector comprises establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. This sector includes (a) establishments that are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing; (b) establishments that preserve and exhibit objects and sites of historical, cultural, or educational interest; and (c) establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, or leisure time interests.
72	The Accommodation and Food Services sector comprises establishments providing customers with lodging and /or preparing meals, snacks, and beverages for immediate consumption.
81	The Other Services, Except Public Administration sector comprises establishments in one of the following subsectors: repair and maintenance; personal and laundry services; and religious, grant making, civic, and professional and other similar organizations.

The economic census will produce basic statistics by industry for the number of establishments, value of shipments/receipts/revenue/sales, payroll, and employment. It also will yield a variety of industry-specific statistics, including materials consumed, detailed supplies and fuels consumed, electric energy consumed, depreciable assets, selected purchased services, inventories, and capital expenditures, value of shipments/receipts/revenue/sales by product line as defined by the North American Product Classification System (NAPCS), type of operation, size of establishments, and other industry-specific measures.

Attachment D provides drafts of selected examples of standard, consolidated, and classification questionnaires. All 2017 Economic Census draft questionnaire electronic instrument paths can be accessed at: <http://www.census.gov/programs-surveys/economic-census/information.html>.

2. Needs and Uses

The Economic Census is the primary source of information about the structure and functioning of the nation's economy and features unique industry, product and geographic detail. Economic census statistics serve as part of the framework for the national accounts and provide essential information for government, business, and the general public. The Federal Government, including agencies such as the Bureau of Economic Analysis (BEA) and the Bureau of Labor Statistics (BLS), use information from the economic census as an important part of the framework for the national income and product accounts, input-output tables, economic indices, and other composite measures that serve as the factual basis for economic policy-making, planning, and program administration. Further, the census provides sampling frames and benchmarks for current business surveys which track short-term economic trends, serve as economic indicators, and contribute critical source data for current estimates of gross domestic product. State and local governments rely on the economic census as a unique source of comprehensive economic statistics for small geographic areas for use in policy-making, planning, and program administration. Finally, industry, business, academia, and the general public use information from the economic census for evaluating markets, preparing business plans, making business decisions, developing economic models and forecasts, conducting economic research, and establishing benchmarks for their own sample surveys.

Information quality is an integral part of the pre-dissemination review of the information disseminated by the Census Bureau (fully described in the Census Bureau's Information Quality Guidelines). Information quality is also integral to the information collections conducted by the Census Bureau and is incorporated into the clearance process required by the Paperwork Reduction Act.

3. Use of Information Technology

Companies will satisfy their reporting requirement for this information collection by accessing the new Respondent Portal and reporting data electronically, using a web-based electronic reporting tool. Companies with more than one location no longer need to download software with a spreadsheet interface or provide data on CDs. Part B, Question 3 of this supporting statement describes the benefits of the portal and web-based reporting. For the 2012 Economic Census, approximately 53% of responses were provided electronically. In 2017, with the elimination of paper questionnaires, all respondents are expected to report electronically. See Part B, Question 3 of this supporting statement, for descriptions of the research projects conducted to ensure the electronic instrument minimizes response burden to the extent possible.

4. Efforts to Identify Duplication

The Census Bureau found no information collections by Federal agencies, trade groups, or businesses that duplicate the content, comprehensive coverage, industry detail, product detail, geographic detail, and statistical reliability provided by the economic census. These features are distinguishing characteristics of economic census data; they meet requirements of principal data users and make the census uniquely suited to the purposes it serves.

5. Minimizing Burden

This information collection minimizes the burden on small businesses by excluding most of them from the Census data collection operations. Only establishments with paid employees will be included in the Census data collection operations. The census will use data from Federal administrative records in lieu of census reports for most small establishments with paid employees. Small establishments are defined as those whose annual payroll is below an industry specific payroll cutoff. A probability sample of these establishments will be asked to report data to permit development of reliable estimates for data items that are not available from Federal administrative records (e.g., value of shipments/receipts/revenue/sales by product line and other special inquiries). Part B of this supporting statement gives a more complete description of this data collection methodology.

6. Consequences of Less Frequent Collection

The economic census is conducted at 5-year intervals, as required by Title 13 USC, Section 131. If this information collection were conducted less frequently, it would diminish the timelines and usefulness of the statistics produced. This would cause a corresponding deterioration in the national accounts, input-output tables, economic indices, business

surveys, and other measures that rely on source data and benchmarks from the economic census. Similarly, less frequent collection would diminish the usefulness of the economic census as a source of comprehensive information for economic policy-making, planning, and program administration.

7. Special Circumstances

This information collection will be conducted in a manner consistent with Office of Management and Budget (OMB) guidelines and there are no special circumstances.

8. Consultations Outside the Agency

Consultations with principal data users occurred in 2015. To initiate this process, on August 20, 2015 we mailed letters to 1,539 organizations, including Federal agencies, trade groups, and trade publications and referred them to the Business Help Site (https://bhs.econ.census.gov/ec12/pages/formarchive_default.html), which houses copies of questionnaires for the 2012 Economic Census. We asked these groups to review the questionnaire(s) relevant to their data needs and interests and to provide recommendations on content, terms and definitions, instructions, and other aspects of questionnaire design for the 2017 Economic Census. A follow-up mailing occurred on September 25, 2015. These consultations were provided individually and were not for the purpose of providing a group consensus opinion. We received responses by e-mail from 35 groups.

Attachment G identifies the organizations that we contacted in this effort. Attachment H gives a representative selection of the correspondence we received from participants in these consultations.

On August 4, 2015 we published a general notice in the Federal Register (Vol. 80, No. 149, page 46238-46239) soliciting public comment on the 2017 Economic Census. Attachment I contains the two comments we received.

We were unable to incorporate several recommendations in the 2017 Economic Census because they were out of scope to the Economic Census, required additional research, consulting, or testing that did not meet our schedule, or entailed excessive cost or response burden, firms we consulted said they could not report requested information, or there were conflicts with other requirements.

On July 5, 2016, we published a presubmission notice in the Federal Register (Vol. 81, No. 128, page 43571-43573) inviting public comment on our plans to submit this request. We received no comments.

9. Paying Respondents

The Census Bureau does not pay respondents and does not provide them with gifts in any form to report requested information in the economic census.

10. Assurance of Confidentiality

The online reporting system for this information collection will give respondents the following assurance of confidentiality:

YOUR RESPONSE IS REQUIRED BY LAW. Title 13 United States Code, Sections 131 and 191 authorizes this collection. Section 224 requires your response. The U.S. Census Bureau is required by Section 9 of the same law to keep your information **CONFIDENTIAL** and can use your responses only to produce statistics. The Census Bureau is not permitted to publicly release your responses in a way that could identify your business, organization, or institution. Per the Federal Cybersecurity Enhancement Act of 2015, your data are protected from cybersecurity risks through screening of the systems that transmit your data.

Similar assurances will be included in the initial contact letter that directs respondents to report online.

11. Justification for Sensitive Questions

This information collection asks no questions of a sensitive nature.

12. Estimate of Respondent Burden

Attachment A provides an estimate of respondent burden hours for each of the electronic questionnaire instrument paths covered by this request. The number of respondents for each electronic questionnaire instrument path is an estimate derived from the number of establishments currently active on the Census Bureau's Business Register and the number likely to be selected into the 2017 Economic Census samples. Burden estimates assume a 100 percent response rate.

Estimates for number of hours per response are based on our experience with conducting past economic censuses and our reasonable estimates of the time needed to preview the questions being asked, the accompanying instruction sheets, and other data collection materials; to gather, organize, and summarize information; and to record answers using the online reporting system. Overall respondent burden for the 2017 Economic Census is estimated at 5,691,972 hours. Overall, respondent cost, is estimated at \$198,140,443. This cost estimate was calculated by using mean annual wage data from the BLS Occupational

Employment Statistics (OES). Table 2 summarizes the estimated respondent burden and cost by sector and type of questionnaire.

Table 2: Estimated 2017 Respondent Burden and Cost Summary by Sector

Sector	Estimated Annual Burden (Hours)				Mean Annual Wage ⁽²⁾ (\$)	Estimated Total Cost of Responding (\$)
	Type of Questionnaire Path			Total		
	Regular & Auxiliary	Classification	ARU			
NA		(1)				
21	72,080.0	(1)	980.0	73,060.0	41.97	3,066,328
22	9,488.0	0.0	3,259.5	12,747.5	37.54	478,541
23	343,022.0	(1)		343,022.0	34.99	12,002,340
31-33	1,081,864.0	(1)		1,081,864.0	35.10	37,973,426
42	607,721.0	0.0		607,721.0	36.19	21,993,423
44-45	674,834.0	14,212.0		689,046.0	34.43	23,723,854
48-49	240,934.0	4,101.0		245,035.0	33.75	8,269,931
51	88,535.0	297.0	2,828.0	91,660.0	39.68	3,637,069
52	340,809.0	639.0	26,574.9	368,022.9	38.54	14,183,603
53	201,318.5	10,490.0		211,808.5	35.41	7,500,139
54	431,286.0	9,094.0		440,380.0	38.27	16,853,343
55	132,703.5	0.0		132,703.5	36.40	4,830,407
56	184,800.0	1,930.5		186,730.5	34.67	6,473,946
61	26,968.5	856.5		27,825.0	30.59	851,167
62	447,182.0	3,976.0		451,158.0	30.69	13,846,039
71	99,817.5	1,504.5		101,322.0	31.24	3,165,299
72	365,070.0	15,559.0		380,629.0	28.30	10,771,801
81	243,081.5	4,155.5		247,237.0	34.46	8,519,787
Totals	5,591,514.5	66,815.0	33,642.4	5,691,971.9		\$198,140,443

Notes: ⁽¹⁾ The classification paths used in these sectors – and the associated burden – is covered in clearance package 0607-0991, 2017 Economic Census Industry Classification Report

⁽²⁾ 2015 BLS Occupational Employment Statistics (OES) data <http://data/bls.gov/oes/>

13. Estimate of Cost Burden

We do not expect respondents to incur any costs other than that of their time to respond. The information requested is of the type and scope normally contained in company records and no special hardware or accounting software or system is necessary to provide answers to this information collection. Therefore, respondents are not expected to incur any capital and start-up costs or system maintenance costs in responding. Further, purchasing of outside accounting or information collection services, if performed by the respondent, is part of

usual and customary business practice and not specifically required for this information collection.

14. Cost to the Federal Government

The cost to the government for this work is included in the total cost of the 2017 Economic Census, estimated to be \$657,927,000. This includes all direct and indirect costs associated with the collection, processing, analyses, preparation and publication of statistics from the 2017 Economic Census and Related Programs.

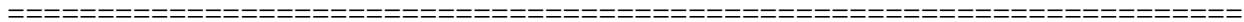
15. Reason for Change in Burden

This collection is being submitted as new. This burden estimate differs from that published in the 60-day Federal Register Notice due to updated and more detailed estimates of the likely number of respondents for each electronic questionnaire path as well as better estimates of the time required to complete the new electronic questionnaires. In addition, the original estimate included burden, which is now covered under a separate OMB clearance (0607-0991).

16. Project Schedule

The U.S. Census Bureau will mail initial contact letters for this information collection in January 2018, with a due date of March 15, 2018. Mail follow-ups to nonrespondents will begin in April 2018. These efforts, supplemented by telephone follow-ups to selected nonrespondents, will continue through September 2018. Receipt of administrative records, automated edits, and initial efforts to resolve reporting problems will continue through September 2018. We will then prepare tabulations and related analytical summaries, perform analyses, and submit the data to further review and correction. The first release of data is scheduled to occur in December 2018, and all data dissemination should be complete by December 2020.

Timetable for the 2017 Economic Census



Activity

Start¹

End¹

Receive, process administrative records	05/17	09/18
Identify establishments to be included in the Census	08/17	03/18 ²
Prepare mailing pieces		
		12/17
		01/18
Mail initial contact letters		
		01/18
		01/18 ²
Receive and check in responses		
		01/18
		10/18
Edit data, resolve problems		
		02/18
		09/18
Response due date		
		03/18
		03/18 ²
Follow-up for nonresponse		
		04/18
		09/18
Close out data collection		
		10/18

	10/18
Prepare and analyze tabulations	
	10/18
	11/20
Data release	
	12/18
	12/20

¹ All dates are approximate.

² New establishments selected in March 2018, will be mailed an initial contact letter in April 2018, with a May 21, 2018 deadline.

Our data dissemination plans summarizing the results of this information collection provide for data to be released earlier than those from the 2012 Economic Census. To improve the timeliness, relevance, and usefulness of all data products, the Census Bureau will continue to release economic census data electronically and on the Internet. Products from this data collection include the following:

- Economy-Wide Business Statistics--This series will include preliminary data for all 18 NAICS sectors covered by the Economic Census for establishments with payroll. It will provide detailed statistics for the United States (2 through 6 digit NAICS) and states (2 through 3 or 2 through 4 digit NAICS) on: the number of establishments, value of shipments/receipts/revenue/sales, annual payroll, first quarter payroll, employment for the pay period including March 12, 2017; United States level statistics on: product lines; statistics on manufacturing materials consumed; statistics on value of construction work by type and location, specialization in type of construction, value of business done, specialization in kind of business activity; and statistics on selected mining supplies, minerals received for preparations, purchased machinery, and fuels consumed.
- Geographic Area Series--This series will have releases for the United States, each state, and in some cases the District of Columbia, and offshore areas. These releases will summarize data by kind of business for the United States and states; most sectors also include metropolitan areas, counties and places. Tabulations will present basic statistics for establishments with payroll, including number of

establishments, revenue, annual payroll, first quarter payroll, and employment for the pay period including March 12, 2017.

- Subject Series--This series will present final tabulations for the United States and, in some cases, for states. All summaries will present data only for establishments with payroll. Included will be an *Establishment and Firm Size (Including Legal Form of Organization)* release that will summarize basic information by value of shipments/receipts/revenue/sales size category and by employment size category for both establishments and firms, value of shipments/receipts/revenue/sales concentration for the largest firms in each industry, and industry composition by legal form of organization; a *Product Lines* release that will give detailed industry statistics on value of shipments/receipts/revenue/sales by product line and product line value of shipments/receipts/revenue/sales totals by detailed industry; and a *Miscellaneous Subjects* release that will present a variety of tabulations for industry-specific special inquiries.

17. Request to Not Display Expiration Date

The assigned expiration date will be displayed on all electronic questionnaire instrument paths in the data collection instrument.

18. Exceptions to the Certification

There are no exceptions to the certification.

19. NAICS Codes Affected

For the 2017 Economic Census, the following NAICS subsectors will be covered:

Mining, Quarrying, and Oil and Gas Extraction

- 211 Oil and Gas Extraction
- 212 Mining (except Oil and Gas)
- 213 Support Activities for Mining

Utilities

- 221 Utilities

Construction

- 236 Construction of Buildings
- 237 Heavy and Civil Engineering Construction
- 238 Specialty Trade Contractors

Manufacturing

- 311 Food Manufacturing
- 312 Beverage and Tobacco Product Manufacturing
- 313 Textile Mills
- 314 Textile Product Mills
- 315 Apparel Manufacturing
- 316 Leather and Allied Product Manufacturing
- 321 Wood Product Manufacturing, Except Furniture
- 322 Paper Manufacturing
- 323 Printing and Related Support Activities
- 324 Petroleum and Coal Product Manufacturing
- 325 Chemical Manufacturing
- 326 Plastics and Rubber Product Manufacturing
- 327 Nonmetallic Mineral Product Manufacturing
- 331 Primary Metal Manufacturing
- 332 Fabricated Metal Product Manufacturing
- 333 Machinery Manufacturing
- 334 Computer and Electronic Product Manufacturing
- 335 Electrical Equipment, Appliance and Component Manufacturing
- 336 Transportation Equipment Manufacturing
- 337 Furniture Manufacturing
- 339 Miscellaneous Manufacturing

Wholesale Trade

- 423 Durable Goods Merchant Wholesalers
- 424 Nondurable Goods Merchant Wholesalers
- 425 Wholesale Electronic Markets and Agents and Brokers

Retail Trade

- 441 Motor Vehicle and Parts Dealers
- 442 Furniture and Home Furnishings Stores
- 443 Electronics and Appliance Stores

- 444 Building Material and Garden Equipment and Supplies Dealers
- 445 Food and Beverage Stores
- 446 Health and Personal Care Stores
- 447 Gasoline Stations
- 448 Clothing and Clothing Accessories Stores
- 451 Sporting goods, Hobby, Musical Instrument, and Book Stores
- 452 General Merchandise Stores
- 453 Miscellaneous Store Retailers
- 454 Nonstore Retailers

Transportation and Warehousing

- 481 Air Transportation
- 483 Water Transportation
- 484 Truck Transportation
- 485 Transit and Ground Passenger Transportation
- 486 Pipeline Transportation
- 487 Scenic and Sightseeing Transportation
- 488 Support Activities for Transportation
- 492 Couriers and Messengers
- 493 Warehousing and Storage

Information

- 511 Publishing Industries (except Internet)
- 512 Motion Picture and Sound Recording Industries
- 515 Broadcasting (except Internet)
- 516 Internet Publishing and Broadcasting
- 517 Telecommunications
- 518 Internet Service Providers, Web Search Portals, and Data Processing Services
- 519 Other Information Services

Finance and Insurance

- 521 Monetary Authorities-Central Bank
- 522 Credit Intermediation and Related Activities
- 523 Securities, Commodity Contracts, and Other Financial Investments and Related Activities
- 524 Insurance Carriers and Related Activities

Real Estate and Rental and Leasing

- 531 Real Estate
- 532 Rental and Leasing Services
- 533 Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)

Professional, Scientific, and Technical Services

- 541 Professional, Scientific, and Technical Services

Management of Companies and Enterprises

- 551 Management of Companies and Enterprises

Administrative and Support and Waste Management and Remediation Services

- 561 Administrative and Support Services
- 562 Waste Management and Remediation Services

Educational Services

- 611 Educational Services (6111, 6112, and 6113 are out of scope)

Health Care and Social Assistance

- 621 Ambulatory Health Care Services
- 622 Hospitals
- 623 Nursing and Residential Care Facilities
- 624 Social Assistance

Arts, Entertainment, and Recreation

- 711 Performing Arts, Spectator Sports, and Related Industries
- 712 Museums, Historical Sites, and Similar Institutions
- 713 Amusement, Gambling, and Recreation Industries

Accommodation and Food Services

- 721 Accommodation
- 722 Food Services and Drinking Places

Other Services (Except Public Administration)

- 811 Repair and Maintenance
- 812 Personal and Laundry Services
- 813 Religious, Grantmaking, Civic, and Professional and Similar Organizations
(8131, 81393, and 81394 are out of scope)