

1 Supporting Statement

CURRENT AGRICULTURAL INDUSTRIAL REPORTS (CAIR)

OMB No. 0535 - 0254

A. JUSTIFICATION

In this renewal docket, NASS is requesting approval to continue the Current Agricultural Industrial Reports (CAIR) for a period of three years.

The data from the CAIR surveys will supply data users with important information on the utilization of many of the crops, livestock, and poultry produced in the United States. NASS currently collects crop data on acres planted and harvested, production, price, and stocks for these crops (grains, oilseeds, cotton, nuts, etc.), along with livestock data on the number of animals and poultry produced, slaughtered, prices, and the amount of meat kept in cold storage. The CAIR data series provides data users with vital information on how much of these commodities were processed into fuels, cooking oils, flour, fabric, etc. These data are needed to provide a more complete picture of the importance of agriculture to the American population.

1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

Data collected by this group of surveys are vital to numerous agricultural industries, which includes, but is not limited to, farmers, ranchers, millers, weavers, processors, elevators, brokers, analysts, importers, exporters, refiners, chemists, wholesalers, retailers, and consumers. In order to maintain the transparency needed to provide stability to the production, marketing and storing of food, fiber, fuel, and numerous consumer goods these surveys must be continued. Some of these surveys have been conducted for over 100 years by the Department of Commerce's Census Bureau. On April 30, 2012 these surveys were discontinued by the Census Bureau. On July 1, 2014 NASS was approved to resume these surveys.

The CAIR surveys have become an integral part of the Census of Agriculture and numerous other surveys conducted by NASS. Under the authority of the Census of Agriculture Act of 1997 (Public Law 105-113) participation in these surveys will be mandatory. This law requires the Secretary of Agriculture to conduct a census of agriculture in 2002 and every fifth year thereafter (prior to 1997 the

Census of Agriculture was conducted by the Department of Commerce). The CAIR surveys will be conducted as follow-on surveys and will be conducted with approximately the same frequency and schedule as used by the Department of Commerce. The frequency of each survey is listed in Item 12 below.

2. **Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.**

Data from these surveys are essential to measuring the consumption of agricultural products in the production of numerous consumer goods. Agricultural products such as grain, oilseeds, fibers, and animal co-products are used in the creation of cooking oils, flour, lubricants, fuel, fabrics, soap, paint, methyl esters, resins, and numerous other products.

The World Agricultural Outlook Board and the USDA Economic Resource Service (ERS) need this data for many of their economic models. These data are also essential to the manufacturers of the products mentioned above, as well as warehouse operations, shippers, marketers, and consumers who handle or use these products, as well as the producers of the raw products.

Federal programs, legislation, and impact studies would be subject to greater uncertainty and error without reliable data to base their decisions on. These data are also very useful to financial institutions and commodity traders in their decision making processes.

3. **Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.**

The operation profiles are conducted primarily by mail with some face to face interviews. All of the monthly, quarterly, and annual surveys are available on the internet through our Electronic Data Reporting (EDR) system. NASS will also collect data by fax, mail, telephone, and personal interview. NASS will strongly encourage the respondents to use our password protected EDR system, but will accommodate the respondent's preferred method of reporting. In 2016 approximately 71% of the respondents reported their data using the NASS EDR system.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

The questionnaires that are contained in this docket were part of the Current Industrial Reports (0607-0476) data collection package conducted by the US Census Bureau. The entire package of questionnaires was discontinued in April 2012, along with all related data publications. This was done in response to budget cuts. NASS was approved to resume some of the agricultural related surveys on July 1, 2014.

As a part of NASS's standardization process we have had numerous meetings with data users to see if comparable data are available. The surveys that are included in this docket will gather data on a regular basis that are not currently available to the general public. The questionnaires that NASS uses have been modified to remove any questions previously used by the Census Bureau that data users have deemed no longer necessary or available from other sources.

After NASS conducted the first few profile questionnaires for the Cotton in Public Storage survey we discovered that these particular data were already available through the USDA FSA, so this survey was discontinued. (See Item 15 below for more details.)

5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

NASS has designed the CAIR questionnaires with the goal of minimizing overall respondent burden. CAIR utilizes an Operation Profile/screener questionnaire to identify which businesses should be included in each of the surveys attached to this docket and which operations do not qualify for any of these surveys. A complete census will be conducted of the entire population that qualifies for these surveys.

NASS has met with numerous data users to determine exactly which questions need to be asked, in order to collect the data needed by them. Great care has been taken to ensure that the wording and layout of the questionnaires is as user friendly as possible. All of the questionnaires are available on the internet, except for the profiles. Respondents are able to call a toll-free telephone number if they have any questions or problems with filling out the questionnaire. If the respondent prefers to complete the questionnaire by fax, phone, or in a face to face interview we will accommodate their needs to minimize burden as much as possible.

- 6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.**

Due to the rapidly changing nature of these industries the surveys will be conducted on a monthly, quarterly, or annual basis (depending upon the survey), with published data being provided to all data users on a regularly scheduled basis. These data are essential for day to day operations of these businesses. The data are also needed by economists, commodity traders, importers and exporters, business analysts, and numerous other data users.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner inconsistent with the general information guidelines in 5 CFR 1320.5.**

There are no special circumstances associated with this information collection.

- 8. Provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments.**

The Notice soliciting comments was published in the Federal Register on March 13, 2017 on pages 13429 - 13430. NASS received 1 public comment. The comment from B Ker and is attached to this submission.

- 9. Explain any decision to provide any payment or gift to respondents.**

There are no payments or gifts to respondents.

- 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

All questionnaires include a statement that individual reports are kept confidential. The specific Census of Agriculture citation, Title 7 U.S. Code Section 2204(g), plus Title 18 Section 1905 and Title 7 Section 2276 provide for the confidentiality of reported information. All employees of NASS and all enumerators hired and supervised under a cooperative agreement with the National Association of State Departments of Agriculture (NASDA) must read the regulations and sign a statement of compliance.

Additionally, NASS and NASS contractors comply with OMB Implementation Guidance, "Implementation Guidance for Title V of the E-Government Act,

Confidential Information Protection and Statistical Efficiency Act of 2002 (CIPSEA), (Public Law 107-347). CIPSEA supports NASS' pledge of confidentiality to all respondents and facilitates the agency's efforts to reduce burden by supporting statistical activities of collaborative agencies through designation of NASS agents; subject to the limitations and penalties described in CIPSEA.

The following confidentiality pledge statement will appear on all NASS questionnaires.

The information you provide will be used for statistical purposes only. Your responses will be kept confidential and any person who willfully discloses ANY identifiable information about you or your operation is subject to a jail term, a fine, or both. This survey is conducted in accordance with the Confidential Information Protection provisions of Title V, Subtitle A, Public Law 107-347 and other applicable Federal laws. For more information on how we protect your information please visit: <https://www.nass.usda.gov/confidentiality>.

11. Provide additional justification for any questions of a sensitive nature.

There are no questions of a sensitive nature.

12. Provide estimates of the hour burden of the collection of information. The statement should indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I. Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.

Burden hours based on the average completion time per questionnaire are summarized below.

NASS uses the Bureau of Labor Statistics' Occupational Employment Statistics (most recently published on March 31, 2017 for the previous May) to estimate an hourly wage for the burden cost. The May 2016 mean wage for bookkeepers was \$19.34. The mean wage for farm managers was \$36.44. The mean wage for farm supervisors was \$23.47. The average of the three is \$26.42. The annual estimated reporting time of 2,490 hours is multiplied by \$26 per hour for a total cost to the public of \$64,740.

Projected Annual Burden for Current Agricultural Industrial Reports 2017 - 2019

Survey	Sample Size ^{2/}	Freq.	Responses				Non-response and Screen Outs				Total Burden Hours
			Resp. Count ^{1/}	Freq x Count	Min./ Resp.	Burden Hours	Nonresp. & Screen out Count	Freq. x Count	Min./ Quest.	Burden Hours	
Screening or List Building											
Animal and Vegetable Fats and Oils - Operation Profile	200	1	180	180	8	24	20	20	2	1	25
Cotton and Manmade Fiber Staple - Operation Profile	100	1	90	90	8	12	10	10	2	0	12
Cotton in Private Storage - Operation Profile	50	1	45	45	8	6	5	5	2	0	6
Flour Milling Products - Operation Profile	225	1	203	203	8	27	22	22	2	1	28
Wet and Dry Mill Producers - Operation Profile	175	1	158	158	8	21	17	17	2	1	22
Sub Total	750		676	676		90	74	74		3	93
Questionnaires											
M311C Wet Mill Producers	20	12	20	240	10	40	0	0	2	0	40
M311C Dry Mill Producers	150	12	135	1,620	10	270	15	180	2	6	276
M311N Animal and Vegetable Fats and Oils (Production, Consumption and Stocks)	200	12	170	2,040	35	1,190	30	360	2	12	1,202
M311H Cotton in Private Storage	20	1	20	20	10	3	0	0	2	0	3
M313P Cotton and Manmade Fiber Staple (Consumption and Stocks, and Spindle Activity)	80	12	64	768	20	256	16	192	2	6	262
MQ311A Flour Milling Products (Production, Stocks and Capacity)	200	4	170	680	40	453	30	120	2	4	457
Sub Total	670		579	5,368		2,212	91	852		28	2,240
Publicity Materials for ALL Surveys											
Letter of Introduction	670	1	603	603	15	151	67	67	2	2	153
Instruction Sheet											
EDR mail Access Instruction Sheet											
Quality Control Survey (Telephone Only) - Recontact operators to verify quality of NASDA enumerators.											
Quality Control Worksheet (phone only)	50	1	45	45	5	4	5	5	2	0	4
Totals	1,420		1,255	6,692		2,457	165	998		33	2,490

^{1/} Response count is based on annual average rates from 2016.

^{2/} These samples represent a complete census of known operations. Sample sizes were rounded up to allow for the addition of any new operations that may be identified by the screening forms.

13. Provide an estimate of the total annual cost burden to respondents or record-keepers resulting from the collection of information.

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

14. Provide estimates of annualized cost to the Federal government; provide a description of the method used to estimate cost which should include quantification of hours, operational expenses, and any other expense that would not have been incurred without this collection of information.

The cost to the Federal Government for the Current Agricultural Industrial Reports (CAIR) is included in the 2017 Department of Agriculture Budget. The annual cost of the CAIR surveys will remain the same as in the previous submission at \$1,277,000. The approximate cost breakdown is as follows: federal personnel \$915,000; NASDA field and phone enumerators \$128,000; data processing \$213,000; and printing, training, and other miscellaneous costs \$21,000.

15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I (reasons for changes in burden).

When NASS took over the CAIR surveys from the Census Bureau, the initial planning was to keep the data collections as close to what the Bureau did as possible so the data series would be consistent. While NASS was conducting the initial profile surveys it was discovered that data related to the cotton that was being stored in public facilities could be obtained through the USDA Farm Service Agency (FSA). The FSA's Bales Made Available for Shipment (BMAS) report covered all cotton in public storage facilities. However, cotton that was stored in private storage facilities was not included. NASS implemented a program change that changed the population from publicly owned facilities to privately owned facilities, changed the survey from monthly to annual, and reduced the questions asked and burden minutes.

The remainder of the changes were just adjustments to the sample sizes to reflect the changes to the target population. The changes are shown in the table below.

Overall numbers minus cotton in storage	Jan - Dec	1,400	5.3322709	1,235	6,672	22.07
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Totals NEW		1,420		1,255	6,692	
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16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

Approximate time schedule for the 2017 - 2019 CAIR surveys:

Current Agricultural Industrial Reports 2017 - 2019 - Data Collection Calendar			
Surveys *	Data Collection Begins (1st of Month)	Data Collection Ends (Two Business Days Before Publication)	Publication of Results (First Business Day of Each Month) *
Monthly Surveys			
M311C Wet Mill Producers	Jan - Dec	Jan - Dec	Jan - Dec
M311C Dry Mill Producers			
M311N Animal and Vegetable Fats and Oils (Production, Consumption and Stocks)			
M313P Cotton and Manmade Fiber Staple (Consumption and Stocks, and Spindle Activity)			
Quarterly Survey			
MQ311A Flour Milling Products (Production, Stocks and Capacity)	Jan, Apr, July, & Oct	Jan, Apr, July, & Oct	Jan, Apr, July, & Oct
Annual Survey			
M311H Cotton in Private Storage	Aug.	Aug.	Aug.

* All surveys are for data for the previous month, quarter, or year (respectively).

NASS Survey Administrators initially traveled to St. Louis, MO to train our phone enumerators on how to collect this data by phone. If any subsequent training is needed, it can be conducted through video conferencing. All editing and analysis of data are conducted by NASS HQ staff, which ensures the consistency of procedures for all respondents.

All survey data collected by NASS will be edited for reasonableness, summarized, run through disclosure programs, and then published. The publications are available to everyone at the same time on the NASS website.

<https://www.nass.usda.gov/Publications/>

- 17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

There are no requests for approval of non-display of the expiration date.

- 18. Explain each exception to the certification statement identified in Item 19, “Certification for Paperwork Reduction Act Submissions” of OMB Form 83-I.**

There are no exceptions to the certification statement.

May 2017