
Discussion

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As a panel discussant, I am going to try and pull together the discussion about the two partnership arrangements that have been described: the partnership between the Social Security Administration (SSA) and the Census Bureau and the partnership between the Bureau of Economic Analysis (BEA) and the Internal Revenue Service (IRS) in two respects. First, I will identify what I see as common themes in the two case studies, and, secondly, in keeping with the theme of the JSM meetings, "Shaping Statistics for Success in the 21st Century," I will discuss what these partnerships suggest about the future, where we are headed with statistical uses of administrative data, and the direction of data-sharing partnerships between agencies.

■ Common Themes

First of all, the panel topic "HOW ADMINISTRATIVE AGENCIES AND STATISTICAL AGENCIES COOPERATE IN THE USE OF ADMINISTRATIVE RECORDS FOR STATISTICAL PURPOSES" makes a clear distinction between two types of agencies based on the primary purpose of the agency. In the case of IRS and SSA, the first and foremost mission is the administration of their programs, whereas in the case of Census and BEA, the primary mission is to provide statistics. One of the things I found in common about these partnerships, and perhaps a reason why they may be successful, is that the partnership arrangements have been made and are supported by areas within the administrative agency that have functions similar to the statistical agency. That is, the Office of Research, Evaluation, and Statistics at SSA and the Statistics of Income Division at IRS are more like the partnering statistical agencies in terms of functional mission than the administrative agency itself. Now, maybe this is just an obvious fit, or maybe it is actually one of the reasons that the partnership has worked so well. There is a common interest and, therefore, support for deriving statistics from administrative records that might not be present in an administrative agency otherwise. The continuing success of the partnerships described in the two case stud-

ies says something, I think, about the strength and influence of the statistical organization within the administrative agency.

The second observation I made about these two partnerships is that, for an initial arrangement, both agencies had to identify some benefit to the agency. Obviously, the source of the data is the administrative agency, so the key seems to be what the statistical agency can provide in return that the administrative agency needs or could benefit from. Reimbursement for the data is one way to approach the partnership, but funding alone does not seem to account for the strength and longevity of the two partnerships. In both cases, the arrangements have been longstanding, so that the partnerships depend on continued benefits accruing to both agencies. Tom Petska mentioned the feedback on the data that BEA provides, which is a benefit to the IRS in terms of understanding their own data and also in planning for work that is important to the agency mission. Faye Aziz mentioned the rich survey data that Census can provide that is important to their policy research and not available in their administrative data.

Thirdly, formal documentation is important to all of the agencies because of the sensitivity of the data involved. The documentation or written agreements provide clear statements of what is being exchanged so as to hold partnering agencies accountable, but they also serve as a mechanism for internal signoff on the agreements.

The major focus of the presentations was the success of these partnerships. There were, however, some hints from the panelists as to what would work against the success of partnerships. They include: (1) concerns about negative public perception directed at the agency (on both sides of the partnership), (2) an imbalance in the perceived benefits to the agency, (3) lack of resources to support the partnership, and (4) concerns by administrative agencies about being excluded from data-sharing arrangements provided for by the proposed

Statistical Confidentiality Act. Here, I would like to note that, although it is not the intent of legislation to limit sharing between statistical and nonstatistical agencies, it is understandable that some administrative agencies might feel excluded if the legislation is passed. Therefore, it is important to the continued success of these partnerships that the partners are diligent about ensuring that the balance of benefits is not disturbed if the partnerships are to continue.

■ Where We Are Going

It would be nice, but very difficult, to be able to produce a crystal ball that could tell us where we are going. It is a little easier to pick out some of the continuing trends that are relevant to the issue of data sharing between government agencies.

The first trend is the shrinking of Federal budgets. For many public agencies, this is forcing them to look for ways to "reinvent" the way they do business. This is an overworked word in the Federal sector, but it is a very accurate reflection of the drastic changes taking place. Agencies often look for automation to make up for the reduced dollars, as well as other creative solutions to accomplish missions. This trend can be viewed as creating an environment of tremendous opportunity and change.

The second trend is the declining participation in government surveys and censuses, which is a reflection of growing public apathy and distrust of government. It is also largely a result of our increasingly busy lifestyles. Many people just cannot deal with anything beyond what it takes to get through each day.

The third trend is the increasing need and desire for information. Information is clearly a valuable commodity. Those who create statistics for a living have always known this, but the broader culture now acknowledges this. We are, after all, living in the information age. This increase in demand for more information occurs in several dimensions: in kind, quantity, timeliness, and detail. Because the society we live in requires so many decisions and there are many options to consider, the cultural mind set seems to be moving in the direction that

decision-making should be based on information. The more decisions required and the more options available drive the increased demand for information. There was a time when buying a car amounted to deciding whether to buy a Ford or a Chevy, and the big decision was which of four colors you wanted. Now, you must decide between many makes, many models, many options, many dealers, and numerous financing options. The possibilities are almost painfully limitless. This is a very simplistic example, but it demonstrates the point. This same phenomenon is happening in all aspects and levels of our society, and, so, the pressure mounts for more information on which to base policy and program decisions.

The fourth trend is the increasing improvements and capabilities in technology. This is so obvious that it is almost not worth mentioning as a "trend," except to reinforce the point I made earlier that we are looking for technological solutions to our problems. Even 15 years ago, the prospect of matching large numbers of records or even different kinds of records was not as easily accomplished as it is today.

All of these things, together, are providing momentum for increasing uses of administrative records for statistics. Except for two counterbalancing forces, I would say that the future holds increased statistical uses of administrative records and the expansion of partnerships similar to the two case studies described. With the devolution of some Federal programs to the States, the expansion will occur in that direction also. Welfare reform has already triggered new demands for data, so that Federal and State agencies are looking at ways that State administrative data can provide the statistics needed to monitor and evaluate welfare programs.

The first counterbalancing force is that, even with the increased technological capabilities, administrative data pose some very difficult technical and methodological issues in transforming them into statistical data. There is a whole array of issues, including data consistency, completeness, accuracy, and reliability. My perception, speaking as a non-statistician, is that some statisticians are not comfortable with creating statistics from administrative records because the data can be very "messy" and are not collected in the same controlled way that

survey or census data are. Administrative data are, after all, collected for a different (nonstatistical) purpose and, therefore, not subject to the same requirements. My sense is that these kinds of issues will be eventually overcome as methods become more sophisticated.

Of course, finally, there are significant concerns about privacy. This, I believe, is the most significant force countering the pressure to make use of existing records to create statistics. Certainly, there are increased public concerns about information privacy, particularly as technology increases, and the public is increasingly aware of and, therefore, alarmed about how information about them might be used. This issue cannot be taken lightly, and those involved in using administrative records for statistics must be diligent in considering and addressing privacy concerns. The Census Bureau has been doing some interesting research in the area of public attitudes about information privacy, led by a Privacy Research Team at the Bureau.

■ Summary

In summary, I would say that these kinds of partnerships will likely increase as the pressures mount to do more with less. The Census Bureau, for example, is looking at ways to increase uses of administrative records. We are investing in technical research now that we expect to yield benefits in the long term. The Census Bureau is still examining uses of administrative data for the 2000 census. We are planning to conduct an experiment using administrative records to simulate the census results. Such an experiment will establish a benchmark for planning expanded uses of administrative records in the 2010 census. To support such experimentation, the Census Bureau must rely on continued cooperation from the two administrative agencies represented on the panel, and we look for these partnerships to serve as successful models on which to base partnerships with other agencies.