The 2017 Economic Census: Toolkit for State and Local Government





Introduction

The three pillars of the U.S. Census Bureau's economic statistics programs are the Census of Governments, the Economic Census, and the Economic Indicators. Together these programs provide an economic and financial snapshot of U.S. business and industry, and of state and local governments that are essential for economic planning and decision-making.

This toolkit is a resource for state and local government staff. It contains information to help you answer questions and encourage their participation in the Economic Census.

The Census Bureau measures the nation's people, places, and economy.

People: The Census Bureau is the leading source of statistical information about the nation's people. We provide not only snapshots of our growing and increasingly diverse population, but also detailed portraits of our communities' characteristics. Key socioeconomic and housing statistics are available through the American Community Survey (ACS) and other annual household surveys.

Places: The Census Bureau provides a wealth of statistics at the local level, giving even the smallest communities accurate, timely information that are essential for decision-making for the public and private sectors.

Economy: The Census Bureau provides critical, timely information on the health of the U.S. economy through key measures, such as:

- Employment, output, and location of activity.
- Public pensions.
- Retail sales.
- Foreign trade.
- New home construction.

Overview of the 2017 Economic Census

Every 5 years, for years ending in "2" and "7," the Economic Census provides reliable business statistics that serve as the cornerstone for measuring U.S. businesses and their economic impact. These data help federal, state, and local agencies gauge the effectiveness of their programs and provide the information needed to create jobs, foster sustainable growth, and promote a strong economy.

The Economic Census is the only comprehensive source for data on products associated with business activity that are essential for policymaking, economic development, and business planning.

As part of the U.S. Census Bureau's mission to measure America's economy, data is collected for approximately 4 million business locations. Letters will go out to all multi-location businesses and a sample of single-location businesses. The Census Bureau will begin to disseminate data in September 2019 through late 2021 with reports covering most industries and all geographic areas of the United States.

Starting with this Economic Census, businesses will use an online, secure portal to respond, making filing easier while at the same time improving data quality and reducing costs. Small companies located in U.S. territories will have a paper option available, including a Spanish version for Puerto Rico.

Assistance is also available through the online Respondent Portal

once respondents create an account.

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Business response is important to ensure accurate statistics for the nation, industries, communities, and businesses. Response is required by law (Title 13, U.S. Code, Section 224), and the Census Bureau has provided a toll-free number (1-800-233-6136) and online assistance through the 2017 Information for Respondents website.

business
locations with
paid employees
will receive
economic
census forms.

Nearly 4 million

2017 Key Dates

Feb 1, 2018

Economic Census Classification Initial Mail (sent to selected single-location businesses requesting industry classification information)

Mar 15, 2018

Economic Census Classification due date

May 1, 2018

Economic Census Main Mail

June 12, 2018

Economic Census Main Mail due date

September 2019

Data releases begin

December 2021

All data releases complete

Why Have an Economic Census

- Statistics from the Economic Census provide policymakers with the information they need for programmatic decisions.
- Federal agencies rely on Economic Census data as the basis for key measures of economic activity, such as the gross domestic product (GDP), national income and products accounts (NIPAs), and the producer price index (PPI).
- Federal, state, and local governments use data for economic development and regional planning. State and local governments set small business procurement guidelines based on the Economic Census data.
- Analysts at the state and local level use Economic Census data to conduct in depth analyses of industry structure, competitiveness, demand for skilled labor, and entrepreneurship; and to determine where they have a comparative advantage to attract new business.
- Trade and business associations, along with chambers of commerce, rely on Economic Census data to measure key business facts they can use to gauge organizational structure and product trends. The data also help guide their government relations strategy.
- Individual businesses use Economic Census data to make decisions about operating sites, capital investment, and product development.
- Private and public data users rely on the detailed sales, employment, payroll, and other data that cover all types of businesses across all industries and geographic levels.

Let the businesses in your state or community know that their response is important to the national economy, their local community, and their business!

6 Things You Can Do to Help Promote the Economic Census

Visit www.census.gov/EconomicCensus.

This comprehensive site provides the information you need to understand and promote the Economic Census with examples of how the data are used. You can get profiles of industries and local areas important to you and the business community, messaging and graphics for your website and newsletters...and more!

Talk it up!

In your meetings with businesses, let them know the 2017 Economic Census is coming. Use the 2017 talking points to tell them how the Economic Census benefits economic development in your state and local community.

Utilize your communication tools. Adapt drop-in text, or use these story ideas to develop your own articles for newsletters, and link to our website at www.census.gov/EconomicCensus.

Assure them!

Because we conduct the Economic Census only once every 5 years, businesses may not recall the last Economic Census taken. Please reassure them that it is an important survey and it provides the foundation for most of our nation's economic statistics.

Make a statement!

Your public statement endorsing the benefits of the Economic Census will have impact in your community. Issue a press release, blog, or write a letter to the editor of your local newspaper.

Prepare your staff!

Your staff can better assist your constituents with information on our <u>State and Local Government Resources</u> page about the Economic Census.

Stav in touch!

Follow us on <u>Twitter</u> and <u>Facebook</u>.

Your Guide to census.gov/EconomicCensus



TOPICS Population, Economy GEOGRAPHY Maps, Products LIBRARY Infographics, Publications

Welcome to the 2017 Economic Census resource page. Here you will find tools and information to hi

businesses respond to the Economic Census and learn more about using Census Bureau data.

DATA Tools, Developers SURVEYS/PRO

Census.gov > Our Surveys & Programs > Economic Census

Economic Census

State and Local Government Resources

For the Economic Census of Island Areas please click here.

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Responding to the Econ Census

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Promotional Materials

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2017 Key Dates

This page provides dates for recent and upcoming releases.

Key Dates



Webinars and Conferences

Webinars provided by the Economic Program staff highlight the data for key sect topics, including the Economic Census.

1. What is the Economic Census?

Every 5 years, for years ending in '2' and '7,' the U.S. Census Bureau conducts the Economic Census, the official measure of the nation's businesses and economy. Businesses, policymakers, governments, and communities use Economic Census data for economic development, business decisions, and strategic planning. The Economic Census serves as the statistical benchmark for current economic activity, such as the gross domestic product (GDP), national income and product accounts (NIPAs), and producer price index (PPI). It provides information on business locations, the workforce, and trillions of dollars of sales by product and service type. Comprehensive information is generated for almost 1,000 different industries and thousands of geographic areas.

The next Economic Census will gather 2017 year-end figures for approximately 4 million business locations. The data collection for the 2017 Economic Census will occur in 2018. Businesses included in the 2017 Economic Census, which includes U.S. territories, are required by law under Title 13, U.S. Code, Section 224 to respond. Starting with this Economic Census, respondents will use an online, secure portal to respond, making filing easier while at the same time improving data quality and reducing costs. The business community's participation is essential to obtain reliable, comprehensive results that accurately represent our rapidly changing economy.

2. Why does the government take an economic census?

Title 13, U.S. Code, Section 131 mandates the Secretary of Commerce to take, compile, and publish censuses of manufacturers, mineral industries, and other businesses every fifth year.

Good public policy depends on accurate information. The Economic Census provides official measures of output for industries and geographic areas, and serves as the cornerstone of the nation's economic statistics, providing key source data for the gross domestic product (GDP), national income and product accounts (NIPAs), producer price index (PPI), and other indicators of economic performance.

The Economic Census is also used to update the Census Bureau's master list of businesses. Without the Economic Census, the Census Bureau would miss vital information about changes in the ownership and organizational structure of American businesses and industries.

3. Is the Economic Census legitimate?

The Economic Census is a legitimate survey of the Census Bureau. It is conducted every 5 years, collecting data for years ending in "2" and "7." Information about the 2017 Economic Census can be found at www.census.gov/EconomicCensus.

Below are a few common items you can use to verify the legitimacy of this survey:

- > 1. Ensure the Web address provided in the letter is a "census.gov" domain.
- > 2. Correspondence will contain reporting instructions and a toll-free number for survey assistance.
- 3. On the log-in screen, a warning message should be present stating the respondent is accessing a U.S. government computer.
- A. After clicking on the Report Now button in the Respondent Portal, the OMB Number and OMB Approval Expiration information will appear in the upper right of the first screen of the electronic reporting instrument. The bottom of the screen should have a link for the Burden Statement, which also contains the OMB eight-digit number.

depends on accurate

information.

4. Why do we need an Economic Census when surveys provide more timely figures?

The Economic Census provides comprehensive details about the U.S. economy, from the national to local level. Surveys, like Monthly Retail Sales, provide timely information but only for particular industries or sectors. Since surveys are based on samples that include only a small fraction of all businesses, they cannot supply the geographic and industry details that are unique to the census. Economic Census statistics about industries, their inputs and outputs, and how they relate to each other are available nowhere else. Economic Census totals also serve as benchmarks to keep our surveys accurate.

The Economic Census is also used to update the Census Bureau's master list of businesses. Without the Economic Census, the Census Bureau would miss vital information about changes in the ownership and organizational structure of American businesses and industries.

5. How can the Economic Census help businesses and local communities?

The Economic Census helps every American. Businesses use Census Bureau data to make decisions about where to locate, how much to produce, and to compare their performance to other businesses in their industry or community. Local communities use Economic Census results to attract new businesses, assess the economic health of their localities, understand the characteristics of their business base, and compare their community to other geographical areas. Individuals can use Economic Census results to identify emerging job markets and growing industries. Click on Census Business Builder: Small Business Edition to see how Census Bureau economic data can profile businesses and their customers for various localities.

See Uses of Data.

6. What's new about the 2017 Economic Census?

- Electronic reporting. New electronic instrument allows for online reporting for both small and large companies, with spreadsheet reporting capabilities for large companies. Respondent Portal provides new capabilities to make filing easier and less burdensome.
- New statistics. Introduction of the North American Product Classification System (NAPCS) allows the 2017 Economic Census to collect more detailed and useful information on products and services than ever before.
- Content updated. Other changes, such as modifications to industry categories and industry-specific content have been updated to better reflect the changing economy.

7. What is the reference period for the 2017 Economic Census?

The 2017 Economic Census online survey requests data for calendar year 2017. If your fiscal year covers at least 10 months of calendar year 2017, a business location can report all data items except payroll on a fiscal year basis, but include the exact dates covered in the submission in the submission certification. Payroll must be reported on a calendar-year basis and should be available from the businesses' IRS Form 941, Employer's Quarterly Federal Tax Return, or on IRS Form 944, Employer's Annual Federal Tax Return.

8. What kind of data does the Economic Census collect?

The Economic Census collects information for individual business establishments, including physical location, type of business activity (industry), employment, payroll, revenue by type of service or product, and industry-specific questions, such as materials consumed and franchising.

9. Who will receive an Economic Census survey?

The Economic Census will cover over 4 million business locations with paid employees. Letters will be sent out in February or May 2018 to all multi-location businesses and selected single-location businesses in nearly every industry in the private, non-farm economy, and every geographic area of the United States.

10. Why do small businesses have to complete the Economic Census?

Relatively few small businesses are sampled for inclusion in the 2017 Economic Census. But those small businesses represent other similar size businesses. Obtaining timely, complete responses from sampled small businesses ensures results are representative and reflect the diversity and dynamic nature of small businesses.

11. Why would a business not receive a survey?

To reduce the burden on American businesses, the Census Bureau does not send Economic Census surveys to most very small firms. At companies with more than one location, surveys are sent to the company headquarters or other company appointed contact(s) so most staff never receives a census survey.

A few industries are not covered by the Economic Census—see Codes Not Covered.

12. Can a business be excused from participating in the 2017 Economic Census?

No. The U.S. Congress has deemed the Economic Census so important that any business included in the Economic Census is required by law (Title 13, U.S. Code, Section 224) to complete and file appropriate online report survey or surveys.

13. Must businesses report electronically?

Yes! Businesses will report directly through an online survey. Businesses with more than one location have the option to download spreadsheet files, upload the spreadsheet files, and submit data to the Census Bureau.

14. What is the penalty for not responding?

The census law (Title 13, U.S. Code, Section 224), coupled with the Sentencing Reform Act of 1984 (Title 18, U.S. Code, Sections 3551, 3559, and 3571), provides for penalties of up to \$5,000 for failure to report, and \$10,000 for intentionally providing false information.

15. Are business responses to the Economic Census kept confidential?

Yes! Title 13, United States Code, Section 9, requires the Census Bureau 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.

16. What happens to the data?

The Economic Census serves as the cornerstone of the nation's economic statistics, providing key source data for the Gross Domestic Product (GDP) and other indicators of economic performance. Statistics from the Economic Census are also used by trade associations, business organizations, economic development agencies, and individual businesses to assess and improve business performance. See Uses of Data and State Spanshots for experiors.

The first Economic Census results will be available **starting in September 2019.**

performance. See <u>Uses of Data</u> and <u>State Snapshots</u> for examples of the kinds of statistics available.

Economic Census Promotional & Resource Materials

Visit www.census.gov/EconomicCensus, your one-stop shop for information about the 2017 Economic Census.

Information for respondents:

www.census.gov/programs-surveys/economic-census/information.html

Examples of 2017 Economic Census surveys:

https://bhs.econ.census.gov/ombpdfs/

Talking points:

https://census.gov/content/dam/Census/programs-surveys/economic-census/respondents/external-talking-points.pdf

State and Local Government resources:

www.census.gov/EconomicCensus-stlgov-resources

Economic State Snapshots:

https://www.census.gov/library/visualizations/2018/econ/ec-snapshot-us.html

Census Business Builder:

https://census.gov/data/data-tools/cbb.html

Economic Census video library:

https://census.gov/programs-surveys/economic-census/library/videos.html

2017 Economic Census promotional materials:

www.census.gov/programs-surveys/economic-census/information/promotional-materials.html