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A ROLE FOR AGRICULTURAL ECONOMISTS IN SUGGESTING IMPROVEMENTS IN PUBLIC DATA SYSTEMS

AAEA Organized Symposium 1984 Meetings

Data User Input to Statistical Reporting Service Programs

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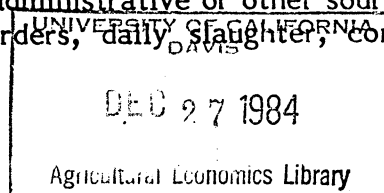
Background

The long tradition of the Statistical Reporting Service (SRS), like that of other Federal statistical agencies, has been to provide the maximum statistical service possible to the sector served--agriculture for SRS--within the resources available. This objective can only be accomplished by maintaining close working relationships with data users in both the public and private sectors and establishing program priorities using some consistent system of criteria that can be articulated to data users. The benefits of a particular data series, to the decisionmaking process of data users, must be fully recognized. Unfortunately, these benefits (or the value(s) of information) are very difficult to quantify.^{1/2/3/} Thus, criteria for evaluating and prioritizing are generally subjective.

Criteria for Establishing Priorities

The following are criteria that are given major emphasis by SRS in setting Federal program priorities and that seem to be accepted by data users:

- (1) Data needed for effective administration of agricultural programs such as deficiency payments, marketing orders, and support prices.
- (2) Statistical series used in agricultural policy and legislative decisionmaking such as potential or actual supply, stocks on hand, prices, farm income, etc.
- (3) Data and information required for farmers and ranchers to make effective production, marketing and investment decisions for major commodities such as intentions to plant, production forecasts, outlook and situation reports.
- (4) Statistical series that reduce market uncertainty and risks for both producers and buyers and bring improved price stability such as breeding intentions, potential production, stocks, early or late season forecasts and final production estimates.
- (5) Importance of the commodity, in terms of its contribution to the agricultural sector, like extent of geographic distribution, value of cash receipts and portion of farms producing commodity.
- (6) Quality of the data series in terms of accuracy and reliability that are influenced by statistical methodology used to acquire basic data and the respondents' ability to provide the data.
- (7) Data available for the commodity from administrative or other sources such as market news prices, Federal milk orders, daily slaughter, commodity program data, etc.



Methods for Obtaining Data User Input

Continuous contact is maintained with USDA agencies, other Federal departments and State Departments of Agriculture in identifying and evaluating data needs for program administration and policy or legislative decision making. Federal agencies involved include AMS, ASCS, ERS, FAS, FCIC, FSIS, OBPA, WAOB, DOC, DOL and BEA. They provide valuable input on the types of data needed, kinds of decisions made, geographic coverage, and detail and timing requirements.

Two methods are used for getting current user input from farmers or ranchers and agribusinesses. These are (1) general data user meetings held annually in different geographic areas that are attended by farmers or ranchers, university economists, commodity organization representatives, farm organization officials, agribusiness managers and members of the farm (agricultural) press; and (2) appointed agricultural statistics committees from farm or commodity organizations that SRS meets with annually or semiannually to discuss data series priorities and data quality.

For the general data user meetings, invitations are sent to key data users, representing a broad cross-section of agricultural interests, requesting their attendance at a one-day meeting. Attendants are asked to express views on how well SRS is meeting their data needs and to identify data series that could be modified, eliminated or reduced in scope to support new data series needed. Written comments, from data users who cannot attend, are solicited and become a part of the meeting summary.^{4/} Some advantages of this type forum are: (1) it's a listening session where data users are the featured program, (2) a variety of data users are exposed to unique needs and requests of other users and recognize that all compete for the same funding and sometimes conflict, (3) annual geographic rotation allows meetings in all regions of the U.S. close to data users every two to three years, (4) different data users find they oftentimes have similar problems with data coverage, timing, and gaps, (5) these meetings can be scheduled so input from them is immediately fed into the annual budget process, and (6) valuable background is obtained on how analysts use the data in decisionmaking.

The appointed agricultural statistics committees from farm organizations, commodity groups, agribusiness groups and professional organizations (from groups such as the National Cattlemen's Association, National Potato Council, American Farm Bureau, AAEA Economic Statistics Group, American Feed Manufacturing Economic and Market Research Committee, Committee of Professional Associations on Federal Statistics (COPAFS)) sometimes represent unique commodity groups with narrow data interest like one of our catalog groupings.^{5/} We encourage the appointment of these committees by any organization that desires to establish such a group. They serve as a valuable communication and coordinating link back to parent organizations. Some advantages of this type forum are: (1) good continuity over time is maintained in committee membership, (2) it's possible to look at the data series for a commodity group in more depth, (3) Agency commodity analysts can participate in meetings, and (4) it's possible to look at the total resources devoted to statistics for the commodity and how they are allocated to each data series in establishing priorities, funding improvements or adding new data series, and (5) more effort can be devoted to addressing sampling, data collection, analysis, timing and reliability problems.

Identifying An Input Role For Members of AAEA

To the extent that AAEA members are actual participants on any of the organized committees, they have a direct opportunity to make inputs. The chairperson of the AAEA

Economic Statistics Committee is always invited to our annual Data User Meeting and we appreciate the active role that person plays in these discussions. Valuable inputs come from AAEA in its participation in COPAFS. The AAEA Economic Statistics Committee was an active participant in the recent "Agency Review by Outside Experts" and SRS will be supporting the special project this committee is undertaking for agricultural economic data users during 1984-85. We plan to hold special meetings with this Committee every 18 months in the future and urge all AAEA members, who have special inputs or interests, to work with them in getting these articulated.

Effectiveness of User Input

The input participants have provided from both these forums has been very helpful to SRS in being responsive to changing data needs during a period when resources have been very limited. The Agency had a unique opportunity to test how successful its system for establishing priorities worked in 1982 when, well into the fiscal year, staff and dollar resources were reduced about 10 percent. This necessitated an immediate program curtailment (elimination of 26 complete reports and 40 data series, reduced frequency for 10 other reports, curtailed geographic coverage for 3 complete reports) without the usual public announcement and comment period.^{6/} In some two dozen meetings, held with data users to review program priorities during the succeeding six months, only two groups suggested curtailment of data series that had been continued in favor of reinstatement of data series eliminated.

At the time of this curtailment the Agency offered to work with farm organizations or commodity groups, local organizations and State agencies to reestablish programs being eliminated if funds for data collection, summarization and publication could be provided by the groups. Four groups provided private funding for reinstatement or partial reinstatement of particular data series. Several of these groups used this as evidence of the value they placed on the data series and have recently been successful in getting the Congress to appropriate public funds to cover the cost of continuing the data series.

Clarification of Data User Misunderstandings

Meetings with data users in small groups clear up misconceptions about data series, survey procedures, confidentiality of data and measures taken to protect the security of market sensitive data. Booklets or publications such as the SRS "Scope and Methods"^{7/} or "Preparing Crop and Livestock Estimates"^{8/} are particularly valuable to data users. They require some effort and resources to develop, but serve as good references to describe survey design, data collection and report preparation procedures and documents program data series for field crops, vegetables, fruits, nuts, livestock, dairy, poultry, agricultural prices and farm wages.

Another issue that is often clarified in sessions with data users is the cost of beginning and maintaining a data series. Data users tend to think of cost only in terms of data collection as a function of interview time. Costs associated with survey preparation, enumerator training and travel, writing and documenting computer programs, data conversion and analysis, etc., are often not given full consideration by data users in cost discussions.

Interactions with data users also broaden understanding on Agency program policies. Policies regarding geographic coverage of a commodity, specialized commodities grown in only one or two States, provision of local or sub-State level data and cooperative Federal-State arrangements for helping satisfy unique local data needs always get discussed and become better understood in meetings with users.

Conclusions

Data users' input, if sought and used, is invaluable to those who manage general statistical programs. My experience has been so successful in the small efforts we have sponsored that I'm convinced we as managers have not invested adequate resources in this activity. In developing our recently completed SRS long-range plan, we made extensive use of input from data users on such topics as future changes expected in agriculture, implications of these changes on present and future general data needs, and specific needs and uses of data by their organizations.^{2/}

About 50 percent of the data users invited to participate in meetings will attend the sessions or submit written statements for the Summary. This implies a definite interest on their part. The substance of their contributions clearly indicates they do their homework before coming to the meetings. Economists and analysts from farm and commodity organizations are generally very active participants in the data user meetings we have held.

Data users will, based on a subjective appraisal, establish priorities for the data series they use. Although most have specific and unique data needs, they can balance their parochial needs versus total needs of all data users. Their comments and recommendations clearly illustrate an understanding of the importance of general data series to support the entire agricultural sector. Reliability or accuracy standards for data series are more difficult for data users to articulate or specify. They will very often indicate that they will be satisfied with the standards we specify as statisticians.

- 1/ Miller, Thomas A., "Value of Information--A Project Prospectus" Planning Guide. Economic Research Service, USDA, Washington, D.C., September 1977.
- 2/ Bullock, J. Bruce, "Social Costs Caused by Errors in Agricultural Production Forecasts." American Journal of Agricultural Economics, Vol. 58, No. 1, February 1976.
- 3/ Hayami, Yujiro and Peterson, Willis, "Social Return to Public Information Services: Statistical Reporting of U.S. Farm Commodities." American Economic Review, Vol. 62, No. 1, March 1972.
- 4/ _____ "Summary of SRS Data Users Meetings, Portland, Oregon, February 27, 1984 and Washington, D.C., March 6, 1984," Statistical Reporting Service, USDA, Washington, D.C., April 1984.
- 5/ _____ "Crop Reporting Board Catalog, 1984 Releases," Statistical Reporting Service, USDA, Washington, D.C., December 1983.
- 6/ _____ "USDA's Statistical Reporting Service Changes Crop Estimating Program." News release, Office of Governmental and Public Affairs, USDA, Washington, D.C., March 10, 1982.
- 7/ _____ "Scope and Methods of the Statistical Reporting Service," Miscellaneous Publication 1308, Statistical Reporting Service, USDA, Washington, D.C., September 1983.
- 8/ _____ "Preparing Crop and Livestock Estimates." Crop Reporting Board, Statistical Reporting Service, USDA, Washington, D.C., September 1981.
- 9/ _____ "Framework for the Future." Report of the Long-Range Planning Group, Statistical Reporting Service, USDA, Washington, D.C., March 1983.