Improving Business Lists Through Data Sharing

BEA Perspective

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Suitland, MD
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# Sources of GDP Estimates

(Billions of dollars)

<table>
<thead>
<tr>
<th>Income Side</th>
<th>Expenditure Side</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Primary Data Source</strong></td>
<td><strong>2013</strong></td>
</tr>
<tr>
<td>Compensation of employees</td>
<td>BLS</td>
</tr>
<tr>
<td>Corporate profits &amp; gov't enterprises</td>
<td>Census, IRS-SOI</td>
</tr>
<tr>
<td>Proprietors’ income and rental income</td>
<td>Census, IRS-SOI</td>
</tr>
<tr>
<td>Interest on assets, taxes, &amp; misc. payments</td>
<td>IRS-SOI, FRB</td>
</tr>
<tr>
<td>Depreciation</td>
<td>Census</td>
</tr>
</tbody>
</table>

**GROSS DOMESTIC INCOME** | 16,980.0

**Statistical discrepancy** | -211.9

**GROSS DOMESTIC PRODUCT** | 16,768.1

**GROSS DOMESTIC PRODUCT** | 16,768.1
Importance of Consistent Data by Industry

Differences in Growth Rates of Real Value Added, 2007

[Percent]

NOTE: Measures of value added were allowed to increase (decrease) by the difference in wage data between BLS and the Census Bureau.
Benefits System-wide

- Consistent and improved sample frames
- Consistent classification by industry and region
- More accurate reporting by respondents
- Improvements with no increase in respondent burden
Specific Benefits to BEA

- Assist with identifying differences across industry and regions
- Improve BEA estimates during periods of economic change
- Validate or improve BEA sample frame for international services, R&D, etc.
BEA’s Role in Data Sharing

- Joint research
- Recent collaboration with BLS
  - QCEW
    - Funds, Trusts, and Other Financial Vehicles
    - Portfolio Management
    - Corporate, Subsidiary, and Regional Managing offices
    - Non-profits
R&D link project

- Link data for R&D conducted by U.S. affiliates of foreign multinational enterprises and U.S. multinational enterprise with similar data collected by the Census (BRDIS)
- Goal: identify discrepancies that could lead to survey improvements
  - BEA identified some incomplete/unclear instructions
  - Census identified expenditures by business units that should not be reporting
IRS link project
- Link firm-level BEA and IRS data
- Goal: To identify direct investment enterprises that could be missing from BEA direct investment survey mailing lists
  - Little evidence suggesting that BEA mailing lists are missing important companies
  - Some companies that may be missing from BEA mailing lists will be receiving BEA survey forms this year