

Census Has Business Data? An Update on the Economic Census for the Health Care and Social Assistance Sector

May 07, 2020

(Earlene Dowell): Good afternoon thank you to Lisa Glover-West from the U.S. Census Bureau for hosting this webinar. This is the re-recording for May 7th.

The Q&A session will not be available. All webinars are recorded and will be accessible from the Census Academy's webinar tab once the recording and transcripts are available. Please go to www.census.gov/academy and thank you for your continued support for our outreach and education efforts.

On behalf of the U.S. Census Bureau welcome to the 2017 Census Webinar Series. There are 20 webinars in this series that are broken down in to two basic format. One set of webinars will be structured around the geographies or individual state. The second set of webinars, like this one, will be structured or according to the North American and Industry Classification System or also known as the NAICS sectors.

If you are regular to these webinars you may have noticed that we have been mixing things up and giving our colleagues Andy Hait a bit of a break. My name is Earlene Dowell and I am a program analyst at the U.S. Census Bureau. Today's webinar will cover 2017 Economic Census data released from the health care and social assistance.

Here's the latest agenda for the 2017 Economic Webinar Series and what's to come. U.S. stats are from the first look reports webinars are scheduled every other Tuesday and Thursday at 2:00 p.m. all through August 6th. We conduct more than 130 different monthly quarterly and annual Census surveys every single year. Beginning with the Decennial Census which is mandated by the Constitution and is conducted every 10 years to count every person living in the United States and the five U.S. territories.

By now many of you have probably received a letter from the Census Bureau directing you to fill out year 2020 Census online, by phone, or mail. If you have any questions go to 2020census.gov. The next survey listed is the American Community Survey or the ACS. The ACS took the place of the Decennial Census long form this is an ongoing annual survey that gives detailed demographic, socio-economic, and housing data. In addition to those demographic surveys we also conduct a number of business programs. Every five years Census conducts a Census of Government which identifies the scope and nature of the nation state and local government sectors.

This Census provides reliable benchmarks figures of public finance and public employment such as payroll, total employees, and finances of government. And finally the Economic Census is conducted every five years and collects extensive statistics about businesses that is essential to understanding the American economy. The U.S. Census Bureau's mission is to serve as the leading provider of the quality data on U.S. people and its economy.

There are 58 different businesses surveys. This pyramid gives you a visual of the hierarchy of the different economic programs. At the top are Monthly and Quarterly surveys. Every month we conduct 17 out of 22 economic indicator surveys. They include programs like Monthly Retail Trade Survey which provides monthly estimates on sales and inventories at retail or food services stores. These surveys are very timely but highly aggregated when it comes to the level of geography which is only shown at the National level.

Moving down the pyramid we come to the Annual Surveys which includes the popular survey like the Annual Survey of Manufacturers and the Annual Retail Trade Survey, to name a couple. These Annual Surveys are more detailed than what are available in the Monthly and Quarterly Surveys. They include information not only at the National level, but they even include data down to the state, metropolitan area, and even county level. Annual surveys tend to provide up-to-date trends to forecast future demands. At the base of the pyramid is the Economic Census that is conducted every five years on every employer businesses in the U.S.

There are 8 million employer businesses. The Economic Census is the most detailed and comprehensive economic program. It covers almost every two through six-digit NAICS code covered by the Census Bureau. A link of a full list of exclusions is provided. One exclusion is that we do not publish data for agriculture which is published by the Department of Agriculture since 1997. The Economic Census also provides detailed Geographic information at the national, state, metropolitan area, and even county levels.

We are publishing place levels for some sectors, but there have been some adjustments which we'll talk about later. The Economic Census also publishes other dimensions of data broken out by business size. There are four different dimensions that are available employment size, revenue size, total number of establishments, and by company size. We also publish data by franchise or non-franchise owners. What makes the Economic Census so detailed is that it includes over 200 data variables such as number of establishments, employment totals, or payroll.

However, one of the unique data published by the Economic Census is revenue broken down below the National level. The Economic Census also publishes the product lines data. Product lines are the detailed products and services provided by the businesses and tailored to the individual industry. Finally on this slide where can we find the data? By now hopefully, you all know that the American FactFinder has since retired.

Now the availability of Economic Census can be found on Censuses new platforms data.census.gov, Census Business Builder, and other census tools. In the 2017 Economic Census health care and social assistance ranked third in the number of establishments with more than 893,000 this was preceded by retail trade with over a million establishments and professional scientific and technical services with 912,404 establishments.

These U.S. stats come from the first look and will be superseded in later reports. Other factors to look at is this sector ranked number one in total employment while payroll ranks 15th in a trillion dollar industry. So how will the 2017 Economic Census data product be released? Data first started to be released back in September of 2019 with the first look estimates that

provided national level estimates at the two through six digit NAICS code and we will release the last data products as you can see on this screen around September 2021.

Now let's look at the Geographical Area Statistics or GAS release and its resources. This link at the top of the slide will take you to the page of what's been released and the upcoming releases in the next 30 days. We strongly encourage you to check it out when you go to the URL that is provided here you get three pieces of information.

At the very top you get a link to an excel file and tells you in a tabular format what has been released. Just below there you have upcoming releases that tells you what are the data products that are going to be released in the next 30 days. On the actual webpage in between the what has been released and upcoming releases is this great infographic which is also on the right side of this slide. This cool infographic shows you the states that have been released. Each state is represented by an octagon and when the data is released the inside of the octagon is shaded peach.

There are a couple ways to look at the Economic Census data through this infographic. The graphic is very intuitive and you can go to the top where it's numbered 1 and either type in the sector or click the arrow button to choose a sector. When we think about changes from the Economic Census, they can be grouped into four broad categories. The first are geographic area changes compared to the 2012 Economic Census the 2017 Census no longer has zip code data, but there is still zip code data in the zip code business patterns, also there is no place data for manufacturing due to privacy rules. There were also changes in the NAICS codes that we will go over in a bit. As I mentioned earlier regarding the product lines data tables are now being replaced by the new North American Product Classification or NAPCS System in the 2017 Economic Census. NAPCS are product codes that Census publishes as part of the Economic Census.

Under this new classification system products are now going to be published consistently across their different sectors. So what that will allow users to do is hopefully allow them to more easily combine product data across industries. So for example, let's say you were interested in shoes and you wanted to get information on shoe manufacturers, shoe wholesalers, shoe stores, and shoe repair those would be four completely different industries that would have historically had four very different ways of publishing the product data for those four different industries. Under NAPCS now that shoe data will be more consistently displayed. Be sure to check out the link on the bottom of the slide to learn more.

Other changes include new disclosure rules and of course the new data.census.gov dissemination platform. As mentioned before NAICS or the North American Industry Classification System is a system that we use to classify every single business in the United States. Since this assigns the NAICS code to the business based upon their primary activity the next two slides will highlight the changes in the 2017 Economic Census. NAICS was developed by OMB or the Office of Management and Budget, Statistics Canada, and Mexico's stat agency. This was done to ensure that there was comparability across the North American country.

NAICS was adopted in 1997 and is updated every five years types of changes include One-to-One recode which means there are no changes, but it has been recoded with a new number. Many-to-One Combos which is three or four codes combined into one. Many-to-Many and one to Splitters which has no changes in 2017, but there were a few in 2012. For example, in 2012 the electric power generation code was split into solar electric and solar farm. We'll cover these types of changes in the next slide and note the color codes will mirror the upcoming table. Let's go over a couple NAICS changes.

The first one on the list is mining the peach tables are codes where there's been some kind of partial shifts or Many-to-Many as stated on the previous slide. So if you notice we've changed the way crude petroleum and natural gas extraction is classified now to crude petroleum extraction and change the code. We also merged natural gas extraction and natural liquid gas extractions to just natural gas extraction. Manufacturing also had a few changes there are green highlighted tables are combinations or Many-to-One.

These are cases where we use the published data broken out into certain mixtures, but we've now consolidated those codes into one particular code. The biggest reasons why this happens is because of industry decline or because of industry consolidation, so let me give you a specific example. On the right hand side you see an area of household cooking appliance, household refrigeration or refrigerator, and home freezer manufacturers, household laundry equipment, and other household appliances and manufactures.

Those four industries have now been consolidated into a single NAICS code for the 2017 Economic Census primarily because of the number of companies in the United States that make these four types of appliances have declined to such an extent that there are now not enough businesses in each of those industries to allow us to publish the detailed information. Remember the Census Bureau is committed to the privacy of the businesses who respond to our surveys, so if you have a relatively small number of businesses making a particular product or selling a particular product in an area, yes we couldn't publish the data because doing so would disclose their identity. Next on the list is retail trade and the example of One-to-One recoding appears blue on the table.

Another general merchandise stores change from 452990 code to 452319 code. What's interesting to see is the green table of Many-to-One which includes electronic shopping, electronic auctions, and mail order houses are all combined under electronic shopping and mail order houses now. Other changes include information, real estate and rental leasing, and professional scientific and technical services. The blue tables are again are cases where it's simply a recode meaning the content of that industry has not changed at all, but the code that we classify it under have.

So when you're now looking for data for example for formal wear and costume rentals that NAICS code is now a different NAICS code. Again, this is important when you're using these data because you want to make sure that you're pulling the data from the correct industry. For professional scientific and technical service this is the only sector that has had a truly brand-new never published before kind of code and that is for research and development and

nanotechnology, which is a growing industry. So the primary place to access this data will be data.census.gov, but we also have the Economic Census in QuickFacts on the Census homepage and in the Census Business Builder.

Check out some of the training webinars on the Census Academy site. With the 2017 Economic Census we are also releasing some fun facts on social media and other platforms. These are the Fun Facts that we released on healthcare and social assistance. Each state is represented by that States quarter. We have two examples of the economic Fun Facts - for Connecticut and the number of establishments reported for 2017, and number of employees in the healthcare sector for the state of Vermont.

Also on this slide there are links to the Fun Facts along with an America Counts story above. Once again these U.S. stats are from the first look report and will be superseded in the later report. On this chart where the blue bar chart represents the 2012 and the orange represents 2017 it shows that the hospital saw the greatest increase in the revenue over the five year period followed by doctor's office.

The Economic Census is also unique because we publish data by tax status for eight sectors including this one. For hospitals we see taxable establishments' revenue of \$108.8 billion and tax-exempt establishments of \$879.6 billion. Here we see employment mirrors number of establishments. It's interesting to note that nursing care facilities employment declines, which could be an impact of non-employers such as the growth of self-employed workers.

While hospitals have the most employees in this sector it's intriguing to see that doctors' offices have the highest average annual payroll per employee. That's most likely due to the very different mix of staff who work in these two types of businesses. In a doctor's office you can see three to four physicians with a staff of eight to ten assistants, and a couple administrative workers. While at a hospital the payroll includes everyone that works in a hospital such as physicians, nurses, Tech's, cafeteria workers, and janitors to name a few. Of the published states California and New York lead this industry in revenue, which mirrors population. It will be interesting to see where New York falls when we publish data for Florida and Texas.

And this final chart highlights this sector in just New York with hospitals skyrocketing revenue over the other groups in this industry. I know we're all thinking it but it will be interesting to see the sector in 2022 Economic Census. What's coming next? As we discussed earlier the North American Product Classification System that will be taking place of the product lines will be available in November 2020. The way mining manufacturing construction used to be published has all changed in the 2017, and now is more consistent and hopefully easier to combine product data across the industry. Check out the following link for guidance.

A few other changes you should be aware of our establishments and firm sizes which will be released between November 2020 through September 2021. Data will be consolidated into seven tables such as revenue size of establishments, employment size of establishment, revenue size of firms, or employment size of firms to name a few. A full list is included in the screenshot to the right. Finally miscellaneous subject tables - there will be thirty eight tables dropped and seven tables added. Changes included items discussed earlier like the zip code level data and no place

level manufacturing data. In summary here's a list of helpful links regarding the Economic Census, Flow Basis, and what's to come up until August 2020, geography changes, new NAICS code, and of course data.census.gov. With that I thank you all for your attention and spending the afternoon with me.