

Future Direction of the Regional Accounts: Comments

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May13, 2022

Innovations of the Regional Directorate

- New Statistical Products
- Research
 - Products
 - Priorities
- Infrastructure

New and Improved Statistical Products

- Goal: Subnational measures of existing national-level statistics with improved frequency
- Integrated release of quarterly statistics of GDP and Personal Income by state, September 2022
 - Greater industry detail (NAICS 3-digit detail)
- GDP statistics for U.S. territories, improved timeliness

Improve timeliness of GDP statistics for U.S. territories, TBD (Establish data access agreements)

State Statistics

- **Gross Domestic Product (GDP)**
- Personal Income (PI)
- Employment
- **Personal Consumption Expenditures (PCE)**
- **Regional Price Parities (RPPs)**
- **Outdoor Recreation Satellite Account (ORSA)**
- **Arts and Cultural Production Satellite Account**

5/6/2022

County & Metro Area

- **Gross Domestic Product**
- Personal Income (PI)
- Employment
- **Regional Price Parities (RPPs) – metro area only**

U.S. Territories

- **Gross Domestic Product**

Overview – Regional Directorate

State Statistics: Quarterly

-
- **Gross Domestic Product (GDP)**
 - Personal Income (PI)
 - Employment
 - **Personal Consumption Expenditures (PCE)***
 - **Regional Price Parities* (RPPs)**

County & Metro Area

-
- **Gross Domestic Product**
 - Personal Income (PI)
 - Employment
 - **Regional Price Parities* (RPPs) – metro area only**

Regional price parities (RPPs): annual only

Regional price parities (RPPs) measure the differences in price levels across states and metropolitan areas for a given year and are expressed as a percentage of the overall national price level. States with the highest RPPs in 2020 were Hawaii (112.0), New Jersey (111.2), and California (110.4); the RPP in the District of Columbia was 111.5. States with the lowest RPPs were Mississippi (87.8), West Virginia (88.0), and Arkansas (89.2). The release also includes new estimates of 2020 regional price parities for the metropolitan areas and revised data for the states and metropolitan areas for 2008 to 2019.

[Current Release](#)

- **Current Release: December 14, 2021**
- **Next release: December 15, 2022**



Innovations of the Regional Directorate

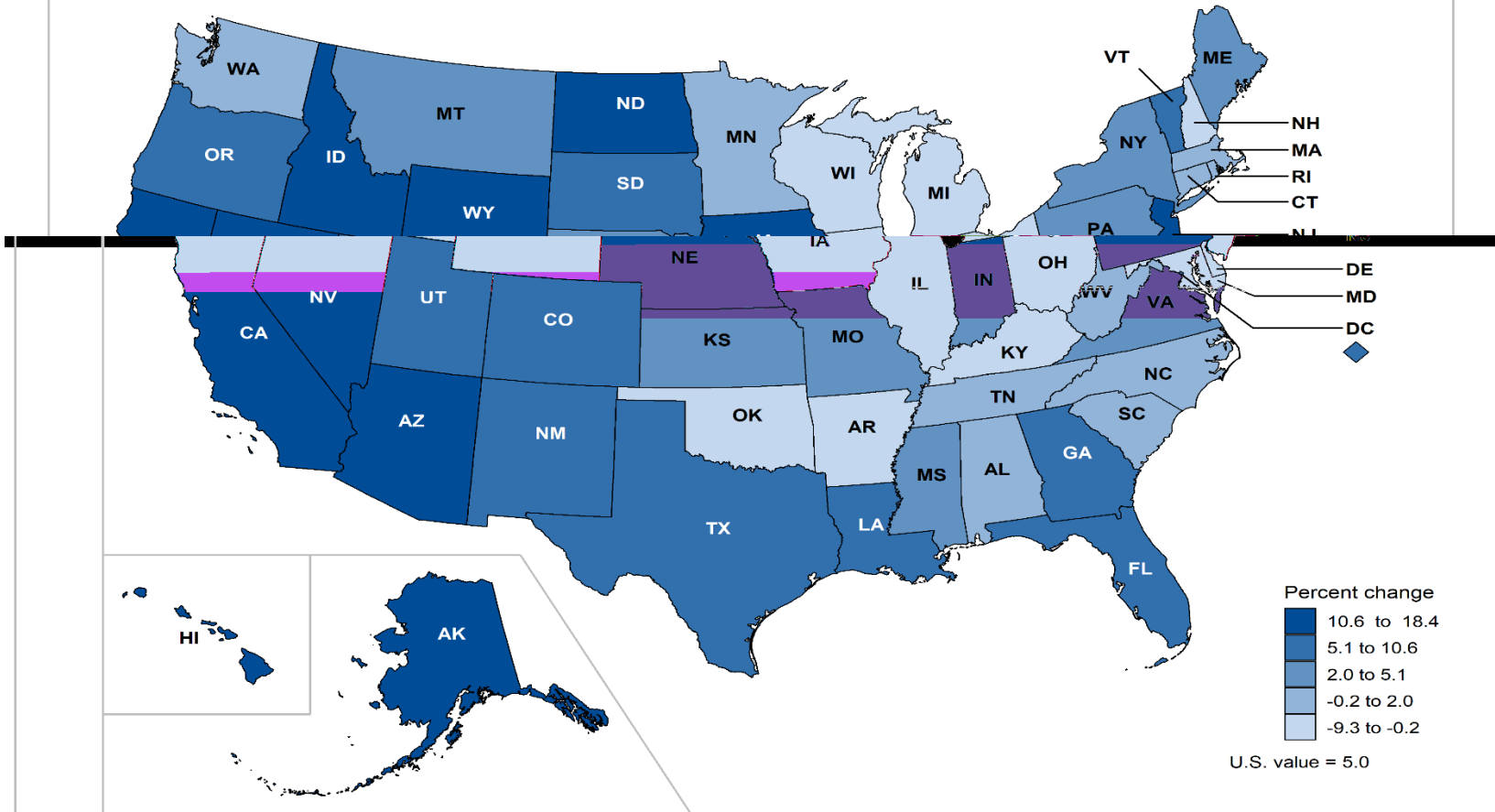
- Improved and New Statistical Products
- Research
 - Products
 - Priorities
- Infrastructure

Research: New Statistical Products

- Quarterly Consumption Expenditures by state
- R&D state statistics
- Government consumption and gross investment by state
- State private fixed investment (residential and nonresidential buildings, equipment, and software), (FY2023 budget)

NOW: Quarterly PCE by State

State Quarterly PCE
Percent Change: 2020Q3 to 2020Q4



U.S. Bureau of Economic Analysis

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FOR ILLUSTRATION
ONLY

Research & Development by State

Proposed R&D Satellite Account by State Statistics, 2012-2020

Industry	
Research and development	
Business	
Manufacturing	
	Pharmaceutical and medicine mfg.
	Chemical mfg., excluding pharmaceutical and medicine
	Semiconductor and other electronic component mfg.
	Other computer and electronic product mfg.
	Motor vehicles, bodies and trailers, and parts mfg.
	Aerospace products and parts mfg.
	Other mfg.
Nonmanufacturing	
	Scientific research and development services
All other nonmanufacturing	
	Software publishers
	Financial and real estate services
	Computer systems design and related services
	Other nonmanufacturing
Nonprofit institutions serving households (NPISH)	
	Universities and colleges
	Other nonprofit institutions
Government	
Federal	
	General government
	National defense
5	Nondefense
	State and local

- ✓ Value Added
- ✓ Employment
- ✓ Compensation

Regional Research Priorities

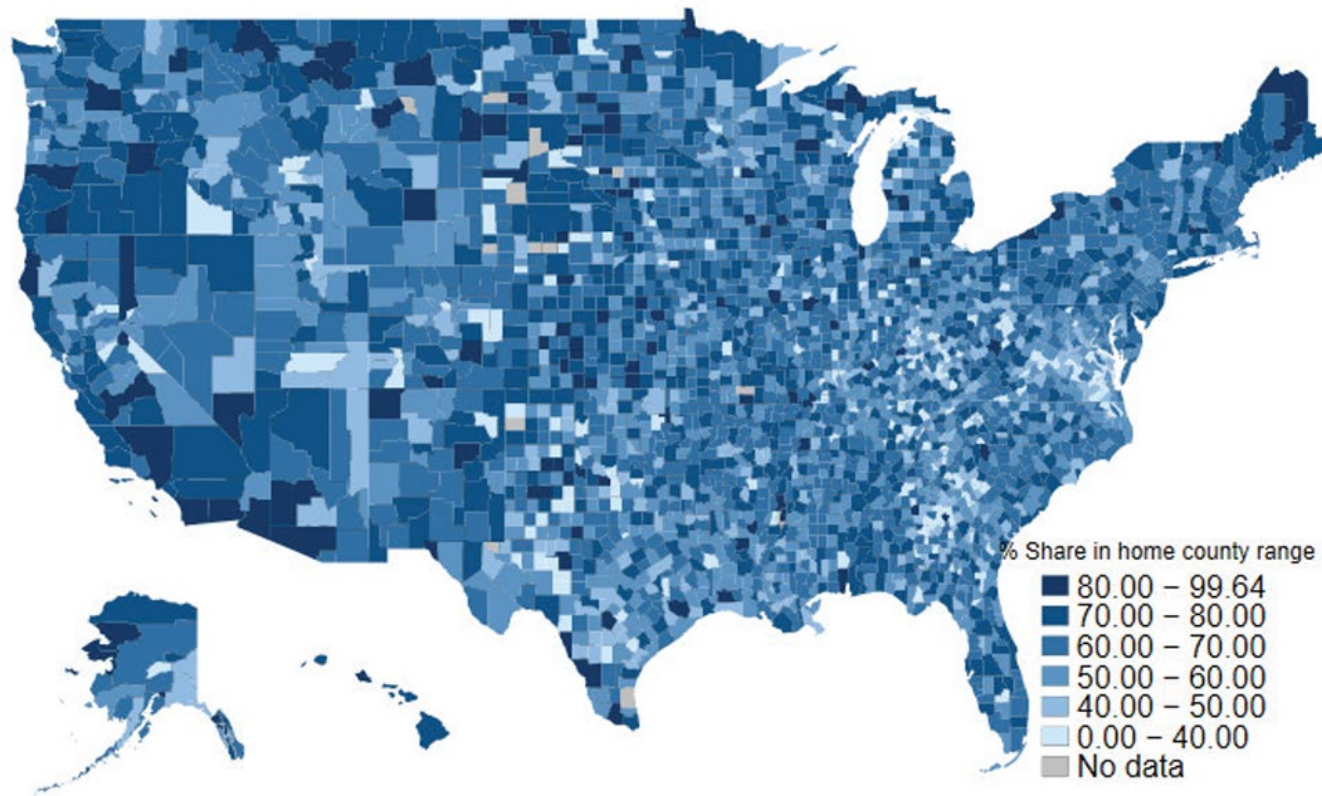
- Consumption Zones
- Income Distribution: Distribution of Personal Income by State (using personal income) Based on the “personal income” concept
 - Gini coefficients and income quintiles, median income and income percentiles for states
 - Data sources: Current Population Survey, adjusted/augmented with data from the Internal Revenue Service, the American Community Survey, and other sources
- State Supply Use Tables

Consumption Zones

- Provides new data source on spending flows between consumer and firm locations for all counties
- Based on credit card transaction data which identify all credit card transactions by firm.
- Data include information about both the location of consumers' residence and firm location, allowing the measurement of cross-county spending flows.

Dunn and Gholizadeh (2020), The Geography of Consumption and Local Economic Shocks: The Case of the Great Recession

Figure 2. Share of Consumer Consumption in Home County



Notes: For each county we use all 15 NAICS categories and spending flow estimates for all counties to calculate the total spending by consumers in their home county and the total spending by consumers across all counties. We then take the ratio of home county consumption to total consumption.

Innovations

- Synchronized Release of National and Local Data including New Quarterly Local Data
- Research
- **Infrastructure**

Infrastructure

- Python
 - Migration of all production procedures to Python programming language, 2024-2025
 - Application Programming Interface (API) to facilitate use by researchers
- Alternative data, big data and nowcasting
- Synthetic data and privacy protection (IRS)
- Data science: machine learning, hierarchical methods

Yes! And Congratulations!

- Regional Directorate's goals

Improve
existing
statistics

New statistical
products

Research
activities

Other
activities

- Potential improvements or new regional statistics
 - Quarterly PCE by State Statistics
 - R&D by state Statistics
- Regional research priorities
 - Income Distribution
 - Consumption Zones
 - State Supply Use Tables