



DEPARTMENT OF COMMERCE

Census Bureau

Agency Information Collection Activities; Submission to the Office of Management and Budget (OMB) for Review and Approval; Comment Request; Quarterly Survey of Plant Capacity Utilization

The Department of Commerce will submit the following information collection request to the Office of Management and Budget (OMB) for review and clearance in accordance with the Paperwork Reduction Act of 1995, on or after the date of publication of this notice. We invite the general public and other Federal agencies to comment on proposed, and continuing information collections, which helps us assess the impact of our information collection requirements and minimize the public's reporting burden. Public comments were previously requested via the Federal Register on January 16, 2024 during a 60-day comment period. This notice allows for an additional 30 days for public comments.

Agency: U.S. Census Bureau, Department of Commerce.

Title: Quarterly Survey of Plant Capacity Utilization.

OMB Control Number: 0607-0175.

Form Number(s): MQ-C2.

Type of Request: Regular submission, Request for an Extension, without Change, of a Currently Approved Collection.

Number of Respondents: 7,500.

Average Hours Per Response: 30 minutes.

Burden Hours: 15,000.

Needs and Uses: The U. S. Census Bureau, on behalf of the Federal Reserve Board (FRB) and the Defense Logistics Agency (DLA), within the Department of Defense (DOD), requests an extension of approval for the Quarterly Survey of Plant Capacity Utilization (QPC).

The survey provides information on use of industrial capacity in manufacturing and publishing plants as defined by the North American Industry Classification System (NAICS). The Survey of Plant Capacity Utilization began in the 1970's as an annual survey that collected fourth quarter data only. The annual survey continued through 2006. In 2007, the FRB requested that the survey be converted to a quarterly survey due to the necessity for quarterly data rather than annual. The survey is the only governmental source of capacity utilization rates at industry levels. Changes in capacity utilization are considered important indicators of investment demand and inflationary pressure. For these reasons, the estimates of capacity utilization are closely monitored by government policy makers and private sector decision makers.

This survey utilizes a multi-mode data collection process that includes internet reporting and telephone. The survey collects the value of quarterly production, the value of production that could be achieved if operating under "full production" capability, and the value of production that could be achieved if operating under "emergency production" capability. The ratio of the actual to the full is the basis of the estimates for full capacity utilization rates and similarly, the actual to the emergency for the emergency capacity utilization rates. The survey also collects information by shift, on work patterns at the actual production level.

The FRB is the primary user of the current QPC data and expressed the need for these quarterly data. FRB publishes measures of industrial production (IP), capacity, and capacity utilization in its G.17 statistical release, which has been designated by the federal government as a Principal Federal Economic Indicator. Utilization rates from the QPC survey are a principal source for the measures of capacity and capacity utilization. The indexes of IP are either estimated from physical product data or estimated from monthly data on inputs to the production process, specifically production worker hours. To maintain the quality of the IP index, the collection of these quarterly data, including the utilization rate data and the workweek of capital, is critical to the indicators of capital input use and industry output.

The FRB uses these data in several ways. First, the QPC data are the primary source of

information for the capacity indexes and utilization rates published by the FRB. Second, the QPC utilization rate data are used as indicators of output for some industries in the estimation of monthly IP. Third, the survey responses for reasons operating below capacity are valuable indicators for distinguishing between supply chain bottlenecks versus demand constraints affecting manufacturing. Fourth, the QPC utilization rate data and the workweek data are used to improve the projections of labor productivity that are used to align IP with comprehensive benchmark information from the Economic Census covering the Manufacturing sector and the Annual Survey of Manufactures (ASM). The Census Bureau is launching a new annual survey in 2024, the Annual Integrated Economic Survey (AIES), which will replace the ASM as a source for this benchmark information going forward. Finally, utilization rate data will assist in the assessment of recent changes in IP, as most of the high-frequency movement in utilization rates reflects production changes rather than capacity changes.

The DLA uses the data to assess industrial base readiness and ramp-up time to meet demand for goods under selected national emergency scenarios.

In addition to the FRB and DLA uses, these data are published on the Census Bureau's website, <https://www.census.gov/programs-surveys/qpc.html>.

Frequency: Quarterly.

Respondent's Obligation: Voluntary.

Legal Authority: Title 13, United States Code, Sections 8(b); 50 U.S.C., Section 98, *et seq.*; and 12 U.S.C., Section 244.

This information collection request may be viewed at www.reginfo.gov. Follow the instructions to view the Department of Commerce collections currently under review by OMB.

Written comments and recommendations for the proposed information collection should be submitted within 30 days of the publication of this notice on the following website www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting

"Currently under 30-day Review - Open for Public Comments" or by using the search function and entering either the title of the collection or the OMB Control Number 0607-0175.

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