

TABLE 4: Business Regulatory Burdens by Sector. 1992. The Hopkins Case (1995 Dollars)

A= Total Cost (billions)
 B= Cost per Firm
 C= Average Cost Per Employee
 D= Cost per Employee by Firm Size
 Da= <20
 Db= 20-499
 Dc= 500+
 E= Cost as a Percent of Receipts

Manufacturing							
Type Regulation	A	B	C	Da	Db	Dc	E
Environment	62	188,909	3,413	4,437	5,218	2,389	1.8
Other Social	19	57,891	1,046	1,360	1,599	732	0.6
Economic (Efficiency Costs)	7	21,328	385	501	589	270	0.2
Economic (Transfer Costs)	13	39,610	716	930	1,094	501	0.4
Process	25	76,173	1,376	1,789	2,104	963	0.7
Total Regulatory Costs	126	389,911	6,936	9,016	10,605	4,855	3.7

Trade							
Type Regulation	A	B	C	Da	Db	Dc	E
Environment	9	6,125	349	454	411	244	0.2
Other Social	9	6,125	349	454	511	244	0.2
Economic (Efficiency Costs)	10	6,806	388	504	456	272	0.2
Economic (Transfer Costs)	18	12,250	698	908	821	489	0.3
Process	35	23,819	1,358	1,765	1,596	950	0.6
Total Regulatory Costs	82	55,805	3,181	4,135	3,740	2,227	1.4

Services							
Type Regulation	A	B	C	Da	Db	Dc	E
Environment	9	4,584	293	382	341	205	0.5
Other Social	9	4,584	293	382	341	205	0.5
Economic (Efficiency Costs)	12	6,111	391	509	454	274	0.6
Economic (Transfer Costs)	22	11,204	717	933	833	502	1.1
Process	42	21,390	1,370	1,780	1,590	959	2.1
Total Regulatory Costs	94	47,872	3,065	3,985	3,558	2,146	4.8

Other							
Type Regulation	A	B	C	Da	Db	Dc	E

Environment	9	6,563	494	642	608	346	0.2
Other Social	9	6,563	494	642	608	346	0.2
Economic (Efficiency Costs)	12	8,751	659	856	810	461	0.3
Economic (Transfer Costs)	22	16,043	1,208	1,570	1,486	845	0.6
Process	42	30,627	2,306	2,997	2,836	1,614	1.1
Total Regulatory Costs	93	67,817	5,105	6,637	6,280	3,574	2.4

U.S. Totals

Type Regulation	A	B	C	Da	Db	Dc	E
Environment	89	17,467	959	1,246	1,194	671	0.6
Other Social	47	9,224	506	658	630	354	0.3
Economic (Efficiency Costs)	41	8,047	442	574	550	309	0.3
Economic (Transfer Costs)	75	14,719	808	1,050	1,006	566	0.5
Process	144	28,261	1,551	2,017	1,931	1,086	1.0
Total Regulatory Costs	395	77,522	4,255	5,532	5,298	2,979	2.7

Numbers may not add due to rounding

Source: Thomas D. Hopkins. Profiles of Regulatory Costs, SBA Contract No. SBAHQ-95-M-0298 (Draft Final Report, 1995).

For the entire United States, the average cost of regulation per employee in 1992 (1995 dollars) is:

<20 employees	\$ 5,532
20-499 employees	\$ 5,298
>500 employees	\$ 2,979

The smallest firms' regulatory costs per employee are 1.86 times those of the largest firms.

For manufacturing, where the regulatory costs are the highest, the cost per employee in 1992 is about double the average cost per employee across the entire economy:

<20 employees	\$ 9,016
20-499 employees	\$10,605
>500 employees	\$ 4,855

In the service industry, where the costs are the lowest, the costs per employee in 1992 are:

<20 employees	\$ 3,985
20-499 employees	\$ 3,558
>500 employees	\$ 2,146
