

News

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Employee Benefits in Private Industry, 2000

Paid time off continued to be the most prevalent benefit available to workers in private establishments in 2000. Paid vacations were available to 80 percent of employees and paid holidays to 77 percent of employees in private industry, according to the Bureau of Labor Statistics, U.S. Department of Labor.

These data are from the National Compensation Survey (NCS), which provides comprehensive measures of occupational earnings, compensation cost trends, and details of benefit provisions. The focus of this news release is on the incidence of employee benefits, ranging from health and retirement benefits to subsidized commuting; it also includes data on employee contributions to medical care plans. A forthcoming bulletin will contain data on detailed provisions of health and retirement plans. (See the technical note for definitions.)

In 2000, 52 percent of employees in private industry participated in medical care plans. Forty-eight percent were covered by retirement benefits of at least one type, either a defined benefit plan (19 percent) or a defined contribution plan (36 percent), with approximately 7 percent of employees enrolled in both types of plans. Life insurance was available to over half of all employees in private industry. Short- and long-term disability benefits were less common; they were available to 34 and 26 percent of employees, respectively. Other benefits frequently offered in private industry include non-production bonuses (offered to 48 percent of employees) and work-related educational assistance (available to 38 percent). Among benefits less often available to employees were severance pay (available to 20 percent of employees), job-related travel accident insurance (15 percent), and long-term care insurance (7 percent).

Of the 52 percent of private sector workers with medical care coverage, premiums were fully paid by the employer for 32 percent of those with single coverage plans and 19 percent of those with family coverage. The majority of medical plan participants were required to contribute a flat monthly amount, averaging \$54.40 for single coverage and \$179.75 for family coverage.

Access to most benefits, as well as the availability of fully paid medical care and the amount of required contributions to the cost of medical care, varied by worker and establishment characteristics.

Tables 1-2 highlight the incidence of coverage for employee benefits by worker and establishment characteristics. Tables 3-5 show data on employee contributions to medical care.

Worker characteristics

Benefits coverage varied by occupational group, full- and part-time status, and union and nonunion status. Of the three occupational groups for which data are presented in this release, professional, technical, and related employees generally had the greatest incidence of coverage. Retirement benefits covered 66 percent of professional, technical, and related employees, compared with 50 percent of clerical and sales employees and 39 percent of blue-collar and service employees. Work-related educational assistance was available to 62 percent of professional, technical, and related workers, 37 percent of clerical and sales workers, and 28 percent of blue-collar and service workers. Non-work related educational assistance was much less prevalent, but was also more often provided to professional, technical, and related workers than to the other groups. (See table 2.)

Payment of premiums for medical care coverage also varied by employee characteristics. Thirty-eight percent of blue-collar and service workers covered by medical care benefits had their coverage fully paid for by their employers, compared with 25 percent of professional, technical, and related employees and 28 percent of clerical and sales employees.

Full-time employees were much more likely to have benefits coverage than were part-time employees. Fifty-five percent of full-time employees were covered by retirement benefits, compared with 18 percent of part-time employees. The difference in participation in health care benefits was even greater: 61 percent of full-time employees were covered by medical care plans, compared with 13 percent of part-time workers. (See table 1.)

Establishment characteristics

Benefit incidence varied by establishment employment size. For example, 65 percent of workers in establishments with 100 employees or more (medium and large establishments) were covered by retirement benefits compared with 33 percent of employees in small establishments (those with fewer than 100 workers). The difference in coverage for paid time off benefits was smaller: 86 percent of employees in medium and large establishments had paid holiday benefits, for example, compared with 70 percent in small establishments. (See table 2.) The incidence of fully paid coverage for medical care was similar in small establishments to that in medium and large establishments. Average monthly employee contributions for single coverage averaged \$60.12 in small establishments and \$49.56 in medium and large establishments.

Coverage for benefits also varied by industry. Retirement benefits covered 57 percent of workers in goods-producing industries, compared with 45 percent in service-producing industries. Long-term disability coverage also was more widespread in goods-producing industries, covering 31 percent of employees compared with 24 percent of employees in service-producing industries. Short-term disability benefits covered 45 percent of employees in goods-producing industries and 30 percent of those in service-producing industries. (See table 1.)

Table 1. Percent of workers participating in selected benefits, by worker and establishment characteristics, private industry, National Compensation Survey,¹ 2000

Characteristics	Retirement benefits			Health care benefits		
	All	Defined benefit	Defined contribution	Medical care	Dental care	Vision care
Total	48	19	36	52	29	17
Worker characteristics:²						
Professional, technical, and related employees ³	66	27	53	64	42	24
Clerical and sales employees ³	50	18	40	50	30	17
Blue-collar and service employees ³	39	17	27	47	24	15
Full time	55	22	42	61	35	21
Part time	18	6	12	13	6	4
Union	83	69	38	75	53	41
Nonunion	44	14	36	49	27	15
Establishment characteristics:						
Goods-producing	57	—	44	—	33	20
Service-producing	45	18	33	48	28	17
1-99 workers	33	8	27	43	19	10
100 workers or more	65	33	46	61	41	26

Characteristics	Survivor benefits			Disability benefits	
	Life insurance	Accidental death and dismemberment	Survivor income benefits	Short-term disability	Long-term disability
Total	54	41	2	34	26
Worker characteristics:²					
Professional, technical, and related employees ³	76	58	3	50	51
Clerical and sales employees ³	52	39	2	32	27
Blue-collar and service employees ³	47	36	2	28	14
Full time	65	50	2	39	31
Part time	11	8	1	12	4
Union	82	66	6	69	28
Nonunion	51	39	2	30	25
Establishment characteristics:					
Goods-producing	69	58	3	45	31
Service-producing	50	36	2	30	24
1-99 workers	37	24	2	22	13
100 workers or more	75	62	3	47	40

¹ The survey covers all 50 States and the District of Columbia. Collection was conducted between February and December 2000. The average reference period was July 2000.

² Employees are classified as working either a full-time or part-time schedule based on the definition used by each establishment. Union workers are those whose wages are determined through collective bargaining.

³ A classification system including about 480 individual occupations is used to cover all workers in the civilian economy. See the Technical Note for more information.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category or data do not meet publication criteria.

Table 2. Percent of workers with access to selected benefits, by worker and establishment characteristics, private industry, National Compensation Survey,¹ 2000

Characteristics	Paid vacations	Paid holidays	Employer assistance for child care				Adoption assistance	Long-term care insurance	Flexible work place
			Total ²	Employer provided funds	On-site child care	Off-site child care			
Total	80	77	4	2	2	1	5	7	5
Worker characteristics:³									
Professional, technical, and related employees ⁴	88	85	11	4	6	3	12	14	12
Clerical and sales employees ⁴	80	80	5	3	1	2	5	7	4
Blue-collar and service employees ⁴	77	73	2	1	1	(⁵)	2	4	1
Full time	91	87	5	2	2	1	6	8	5
Part time	39	39	3	1	1	1	2	2	2
Union	93	89	8	6	2	(⁵)	5	15	3
Nonunion	79	76	4	2	2	1	5	6	5
Establishment characteristics:									
Goods-producing	89	89	2	1	(⁵)	(⁵)	6	5	4
Service-producing	78	74	5	2	3	1	4	8	5
1-99 workers	73	70	1	(⁵)	(⁵)	1	1	5	2
100 workers or more	89	86	9	4	4	2	9	10	7

Characteristics	Non-wage cash payments			Subsidized commuting	Education assistance		Travel accident insurance	Health promotion benefits	
	Nonproduction bonuses	Supplemental unemployment benefits	Severance pay		Work related	Non-work related		Wellness programs	Fitness centers
Total	48	1	20	3	38	9	15	18	9
Worker characteristics:³									
Professional, technical, and related employees ⁴	52	1	35	6	62	19	30	35	19
Clerical and sales employees ⁴	48	1	24	3	37	8	15	17	10
Blue-collar and service employees ⁴	46	1	12	2	28	6	9	11	4
Full time	51	1	23	3	44	11	17	21	10
Part time	36	(⁵)	10	1	15	3	9	7	5
Union	38	8	31	2	57	18	23	38	11
Nonunion	49	(⁵)	19	3	36	8	14	16	9
Establishment characteristics:									
Goods-producing	51	4	21	1	45	14	19	19	10
Service-producing	47	(⁵)	20	4	36	8	14	17	9
1-99 workers	49	(⁵)	11	2	26	3	5	6	4
100 workers or more	46	2	32	5	52	17	28	31	16

¹ The survey covers all 50 States and the District of Columbia. Collection was conducted between February and December 2000. The average reference period was July 2000.

² The total may be less than the sum of individual items because some employees were receiving more than one type of employer assistance for child care.

³ Employees are classified as working either a full-time or part-time schedule based on the definition used by each establishment. Union workers are those

whose wages are determined through collective bargaining.

⁴ A classification system including about 480 individual occupations is used to cover all workers in the civilian economy. See the Technical Note for more information.

⁵ Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category or data do not meet publication criteria.

Table 3. Medical care benefits: Percent of participants required to contribute and average employee contribution, private industry, National Compensation Survey,¹ 2000

Characteristics	Single Coverage			Family Coverage		
	Employee contributions not required	Employee contributions required	Average ² flat monthly contribution in dollars	Employee contributions not required	Employee contributions required	Average ² flat monthly contribution in dollars
Total	32	68	\$54.40	19	81	\$179.75
Worker characteristics:³						
Professional, technical, and related employees ⁴	25	75	54.32	15	85	183.51
Clerical and sales employees ⁴	28	72	54.14	16	84	187.07
Blue-collar and service employees ⁴	38	62	54.63	23	77	172.69
Union	—	—	—	—	—	—
Nonunion	27	73	55.63	13	87	185.79
Full time	31	69	53.93	19	81	180.16
Part time	—	—	—	—	—	—
Establishment characteristics:						
Goods-producing	36	64	57.59	25	75	189.76
Service-producing	30	70	53.34	17	83	176.41
1-99 workers	34	66	60.12	19	81	182.32
100 workers or more	30	70	49.56	20	80	177.47

¹ The survey covers all 50 States and the District of Columbia. Collection was conducted between February and December 2000. The average reference period was July 2000.

² The average is presented for all covered workers and excludes workers without the plan provision. Averages are for plans stating a flat monthly cost.

³ Employees are classified as working either a full-time or part-time schedule based on the definition used by each

establishment. Union workers are those whose wages are determined through collective bargaining.

⁴ A classification system including about 480 individual occupations is used to cover all workers in the civilian economy. See the Technical Note for more information.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category or data do not meet publication criteria.

Table 4. Medical care benefits: Percent of participants, by amount and type of employee contribution for individual coverage, private industry, National Compensation Survey,¹ 2000

Type and amount of contribution	All employees	Professional, technical, and related employees ²	Clerical and sales employees ²	Blue-collar and service employees ²
Number with contributory coverage (in thousands)	37,961	10,913	11,306	15,742
	Percent			
Total with contributory coverage	100	100	100	100
Flat monthly amount	79	76	77	81
Less than \$5.00	(³)	(³)	1	(³)
\$5.00 - 9.99	2	3	1	1
\$10.00 - 14.99	3	3	4	3
\$15.00 - 19.99	6	7	5	7
\$20.00 - 29.99	11	10	9	12
\$30.00 - 39.99	13	12	13	15
\$40.00 - 49.99	12	15	11	12
\$50.00 - 59.99	6	6	9	4
\$60.00 - 69.99	5	3	5	6
\$70.00 - 79.99	5	3	5	6
\$80.00 - 89.99	4	3	4	4
\$90.00 - 99.99	1	(³)	1	1
\$100.00 - 124.99	3	2	3	4
\$125.00 or greater	7	10	5	7
Dollar amount unspecified	(³)	(³)	(³)	(³)
Composite rate ⁴	2	3	2	3
Varies ⁵	5	5	5	4
Flexible benefits ⁶	8	12	7	7
Percent of earnings	(³)	(³)	—	(³)
Exists, but unknown	6	4	9	5

¹ The survey covers all 50 States and the District of Columbia. Collection was conducted between February and December 2000. The average reference period was July 2000.

² A classification system including about 480 individual occupations is used to cover all workers in the civilian economy. See the Technical Note for more information.

³ Less than 0.5 percent.

⁴ A composite rate is a set contribution covering more than one benefit area, for example, health care and life insurance. Cost data for

individual plans cannot be determined.

⁵ Based on worker attributes. For example, employee contributions may vary based on earnings, length of service, or age.

⁶ Amount varies by options selected under a "cafeteria plan" or employer-sponsored reimbursement account.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

Table 5. Medical care benefits: Percent of participants, by amount and type of employee contribution for family coverage,¹ private industry, National Compensation Survey,² 2000

Type and amount of contribution	All employees	Professional, technical, and related employees ³	Clerical and sales employees ³	Blue-collar and service employees ³
Number (in thousands) with contributory coverage	44,822	12,276	13,207	19,338
	Percent			
Total with contributory coverage	100	100	100	100
Flat monthly amount	81	79	80	84
Less than \$20.00	1	1	1	1
\$20.00 - 29.99	2	2	2	2
\$30.00 - 39.99	2	2	1	3
\$40.00 - 49.99	2	3	1	2
\$50.00 - 59.99	4	3	3	5
\$60.00 - 69.99	3	3	2	3
\$70.00 - 79.99	4	4	3	4
\$80.00 - 89.99	5	5	4	4
\$90.00 - 99.99	3	3	3	3
\$100.00 - 124.99	9	10	10	8
\$125.00 - 149.99	5	6	7	4
\$150.00 - 174.99	10	8	10	12
\$175.00 - 199.99	5	3	4	6
\$200.00 - 224.99	4	5	3	4
\$225.00 - 249.99	3	2	4	3
\$250.00 - 274.99	5	3	6	5
\$275.00 - 299.99	3	1	4	3
\$300.00 or greater	13	15	13	11
Composite rate ⁴	2	2	1	2
Varies ⁵	4	5	5	4
Flexible benefits ⁶	7	11	6	6
Percent of earnings	(⁷)	(⁷)	—	(⁷)
Exists, but unknown	5	3	8	4

¹ If the amount of contribution varied by either size or composition of family, the rate for an employee with a spouse and one child was used. For a small percentage of employees, the employee contributes the same amount for single and family coverage.

² The survey covers all 50 States and the District of Columbia. Collection was conducted between February and December 2000. The average reference period was July 2000.

³ A classification system including about 480 individual occupations is used to cover all workers in the civilian economy. See the Technical Note for more information.

⁴ A composite rate is a set contribution

covering more than one benefit area, for example, health care and life insurance. Cost data for individual plans cannot be determined.

⁵ Based on worker attributes. For example, employee contributions may vary based on earnings, length of service, or age.

⁶ Amount varies by options selected under a "cafeteria plan" or employer-sponsored reimbursement account.

⁷ Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Where applicable, dash indicates no employees in this category.

TECHNICAL NOTE

The data in this release are from the National Compensation Survey (NCS), conducted by the Bureau of Labor Statistics, U.S. Department of Labor. The statistics in this release represent a transitional step in the integration of data on employee benefits into the NCS. Similar to data from the 1999 survey, this release contains 2000 data on all workers in private industry. Expanded data covering detailed provisions of health and retirement plans, also from the 2000 survey, are forthcoming.

Prior to 1999, surveys of different sectors of the economy were conducted in alternating years; medium and large private establishments were studied during odd years, and small private establishments and State and local governments during even years. Separate publications were produced for each sample. In the future, all types of establishments will be surveyed each year, and the data will be produced by numerous characteristics, including establishment size and sector of the economy.

Definitions of survey terms

Incidence refers to different methods of computing the number or percentage of employees that receive a benefit plan or specific benefit feature. Access to a benefit is determined on an occupational basis within an establishment; either all employees or no employees in an occupation in an establishment have the benefit available to them. The benefits published in table 2 refer to employee access. Participation refers to the proportion of employees covered by a benefit. There will be cases where employees with access to a plan will not participate. For example, some employees may decline to participate in a health insurance plan if there is an employee cost involved. The benefits published in table 1 refer to employee participation. For a listing of selected benefit definitions, see *Glossary of Compensation Terms*, U.S. Department of Labor, Bureau of Labor Statistics, August 1998, Report 923, or on the Internet at <http://www.bls.gov/ncs/ebs/ebsgloss.htm>.

Survey scope

The 2000 NCS benefits incidence survey obtained data from 1,436 private industry establishments, representing over 107 million workers; of this number, nearly 86 million were full-time workers and the remainder--nearly 22 million--were part-time workers. The NCS uses the establishment's definition of full- and part-time status. For purposes of this survey, an establishment is an economic unit that produces goods or services, a central administrative office, or an auxiliary unit providing support services to a company. For private industries, the establishment is usually at a single physical location.

Sample design and data collection

The sample for this survey was selected using a three-stage design. The first stage involved the selection of areas. The NCS sample consists of 154 metropolitan areas and nonmetropolitan areas that represent the Nation's 326 metropolitan statistical areas (as defined by the Office of Management and Budget) and the remaining portions of the 50 States. Metropolitan areas are either Metropolitan Statistical Areas (MSAs) or Consolidated Metropolitan Statistical Areas (CMSAs), as defined by the Office of Management and Budget, in 1994. Nonmetropolitan areas are counties that do not fit the metropolitan area definition.

In the second stage, the sample of establishments was drawn by first stratifying the sampling frame by industry and establishment size. The number of sample establishments allocated to each stratum is approximately proportional to the stratum employment. Each sampled establishment was selected within a stratum with a probability proportional to its employment. Use of this technique means that the larger an establishment's employment, the greater its chance of selection. Weights were applied to each establishment when the data were tabulated so that each establishment represents similar units (in terms of industry and employment size) in the economy that were not selected for collection.

The third stage of sample selection was a probability sample of occupations within a sampled establishment. Identification of the occupations for which data were to be collected was a four-step process:

1. Probability-proportional-to-size selection of establishment jobs.
2. Classification of jobs into occupations based on the Census of Population system.
3. Characterization of jobs as full-time versus part-time, union versus nonunion, and time versus incentive.
4. Determination of the level of work of each job.

For more detailed information on occupational selection and classification under the National Compensation Survey, see *National Compensation Survey, Occupational Wages in the United States, 2000*, U.S. Department of Labor, Bureau of Labor Statistics, November 2001, Bulletin 2548. For an online version, see: <http://www.bls.gov/ncs/ocs/sp/ncbl0392.pdf>.

Additional information about the National Compensation Survey may be obtained by calling (202) 691-6199. You may also write to the Bureau of Labor Statistics at: Division of Compensation Data Analysis and Planning, 2 Massachusetts Ave., NE, Room 4175, Washington, DC 20212-0001, or send e-mail to OCLTINFO@bls.gov.

The data contained in this summary are available on the Bureau's Internet site: <http://www.bls.gov/ncs>. Users may access benefits data from previous surveys using a variety of tools available on the same page.

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