

TABLE 5: Business Regulatory Burdens by Sector. 1992. The Advocacy 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	4,095	4,617	2,730	1.8
Other Social	19	57,891	1,046	1,255	1,415	837	0.6
Economic (Efficiency Costs)	7	21,328	385	462	521	308	0.2
Economic (Transfer Costs)	13	39,610	716	859	968	572	0.4
Process	25	76,173	1,376	1,651	1,862	1,101	0.7
Total Regulatory Costs	126	389,911	6,936	8,323	9,382	5,549	3.7

Trade							
Type Regulation	A	B	C	Da	Db	Dc	E
Environment	9	6,125	349	419	390	279	0.2
Other Social	9	6,125	349	419	390	279	0.2
Economic (Efficiency Costs)	10	6,806	388	466	433	310	0.2
Economic (Transfer Costs)	18	12,250	698	838	780	559	0.3
Process	35	23,819	1,358	1,629	1,517	1,086	0.6
Total Regulatory Costs	82	55,805	3,181	3,817	3,554	2,545	1.4

Services							
Type Regulation	A	B	C	Da	Db	Dc	E
Environment	9	4,584	293	352	325	235	0.5
Other Social	9	4,584	293	352	325	235	0.5
Economic (Efficiency Costs)	12	6,111	391	470	433	313	0.6
Economic (Transfer Costs)	22	11,204	717	861	794	574	1.1
Process	42	21,390	1,370	1,644	1,516	1,096	2.1
Total Regulatory Costs	94	47,872	3,065	3,678	3,394	2,452	4.8

Other							
Type Regulation	A	B	C	Da	Db	Dc	E

Environment	9	6,563	494	593	570	395	0.2
Other Social	9	6,563	494	593	570	395	0.2
Economic (Efficiency Costs)	12	8,751	659	790	760	527	0.3
Economic (Transfer Costs)	22	16,043	1,208	1,449	1,393	966	0.6
Process	42	30,627	2,306	2,767	2,659	1,844	1.1
Total Regulatory Costs	93	67,817	5,105	6,126	5,889	4,084	2.4

U.S. Totals

Type Regulation	A	B	C	Da	Db	Dc	E
Environment	89	17,467	959	1,151	1,115	767	0.6
Other Social	47	9,224	506	608	589	405	0.3
Economic (Efficiency Costs)	41	8,047	442	530	514	353	0.3
Economic (Transfer Costs)	75	14,719	808	970	940	646	0.5
Process	144	28,261	1,551	1,862	1,805	1,241	1.0
Total Regulatory Costs	395	77,522	4,255	5,106	4,950	3,404	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).

Total regulatory costs per employee (in dollars) for all sectors are shown below:

	<20	20-499	>500	Sm/Lg
Hopkins' estimate	5,532	5,298	2,979	1.86
Advocacy's estimate	5,106	4,950	3,404	1.50

If total regulatory costs are divided by total sales (or receipts), the differentials become even larger:

	<20	20-499	>500	Sm/Lg
Hopkins' estimate	.044	.040	.018	2.44
Advocacy's estimate	.040	.038	.021	1.90