

Revised, November 2004

National Compensation Survey: Employee Benefits in Private Industry in the United States, March 2003



Corrected nonproduction bonus data are available at www.bls.gov/ncs/ebs/nonproductionbonus.htm

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Summary 04-02

About 6 out of 10 workers in private industry had access to medical care and retirement benefits in the United States in 2003. This summary presents benefits data from the National Compensation Survey (NCS) for:

- Worker characteristics
- Establishment characteristics
- Geographic areas

The data in this summary are a subset of benefits incidence and provisions data from the NCS. This release provides data on access to employee benefits (tables 1 and 2) and details of some key provisions. The preceding, September 2003, release focused on participation in employee benefit plans. The difference between access to and participation in employee benefit programs, as these concepts are used in the survey, are as follows:

- **Access** to a benefit plan: Employees are considered as having access to a benefit if it is available for their use. For example, if an employee may participate in a medical care plan offered by the employer but declines, he or she is placed in a category with those having access to medical care.
- **Participation** in a benefit plan: Employees in contributory plans are considered as participating in an insurance or a retirement plan if they have paid required contributions and fulfilled any applicable service requirements. Employees in noncontributory plans are counted as participating regardless of whether they have fulfilled their service requirements.

In addition to data on access to benefit plans, the tables in this release include data on days of paid vacations and holidays, provisions of life insurance plans, and, for the first time ever, the sharing of costs of medical care premiums between employees and employers.

Access to benefits

Fifty-seven percent of employees in private establishments had access to retirement benefits and 60 percent had access to medical care benefits. Because some workers fell into the category, "Plan type not available," the percentage of workers having access to some type of health plan is lower than what

otherwise might have been reported. (See table 1.) Half of all employees had access to life insurance. Thirty-nine percent of all workers had access to short-term disability benefits, other than paid sick leave, while 30 percent had access to long-term disability benefits. (See table 2.) These overall percentages conceal significant variations by all types of characteristics. The greatest factor influencing rates of access to these major benefits was full- and part-time status of employees. The incidence of access to dental care and life insurance, in particular, was about 5 times greater for full-time workers. Access to other major benefits was several times greater for full- than for part-time workers.

Union workers generally enjoyed greater access to these benefits. The incidence of access to defined benefit plans was almost 5 times higher among union than among nonunion workers. Access to defined contribution pension plans and long-term disability did not follow this pattern, however.

Workers in occupations averaging \$15 or more an hour were in a much better position with respect to access to benefits than were those in occupations averaging under \$15. The difference was particularly striking in rates of access to long-term disability insurance: only 17 percent of those earning under \$15 had access to such coverage, compared with half of those in the higher earnings category.

Workers in goods-producing industries enjoyed higher rates of access to retirement, health care, life insurance and short-term disability benefits than did workers in service-producing industries. Workers in medium-sized and large private establishments (those with 100 employees or more) enjoyed higher rates of access to retirement and health benefits than did their counterparts in small establishments.

Life insurance and medical care were the only benefits to which access was virtually the same in metropolitan as in nonmetropolitan areas. Access to all other benefits was higher for workers in metropolitan areas. Of the nine census divisions, the East South Central region showed higher rates of access to many benefits.

Contributions for medical care

On average, employees paid 18 percent of the medical care premium for single coverage and 30 percent of the premium for family coverage. (See the Technical Note for further details.) Union workers paid 12 percent, while their non-union counterparts paid 19 percent of medical premiums.

The share of premiums for family coverage also was higher for nonunion workers: 31 versus 19 percent. (See table 3.) The employee share of family coverage premiums was higher for workers in service-producing industries than for those in goods-producing industries. This share also was higher for workers in small establishments (those with fewer than 100 employees).

Available days of paid holidays and vacations

The number of days of paid vacations typically increases the longer workers remain on the job. After 1 year of service, workers were eligible for 8.8 days of paid vacations, on average; after 25 years, this number increased to 19.1. (See table 4.) Days of paid vacations available to workers also varied by worker, establishment, and geographic characteristics. For example, at 1 year of service, union and nonunion workers were eligible for almost the same number of days, whereas, after 25 years of service, union workers enjoyed 6 more paid vacation days than did nonunion workers. Those in occupations with hourly pay averaging under \$15 were granted less generous vacation benefits at all levels of service.

Workers in service-producing industries, workers in metropolitan areas, and those in medium and large establishments earned more vacation days at all levels of service.

Variation also was observed among occupational groups: after 1 year, a 5-day yearly paid vacation was the most common among blue-collar workers. Among white-collar workers, it was a 10-day vacation. Among service occupations, a 10-day paid vacation was not common until a 3-year service mark was reached. Longer vacations, such as those consisting of more than 20 days, were offered to 41 percent of white-collar workers after 25 years of service, while only 29 percent of blue-collar and service workers were eligible for so many days after the same number of years on the job. (See table 5.)

Workers in private industry were eligible for 8 paid holidays per year, on average. Service, part-time, and nonunion workers, as well as those in occupations with hourly pay averaging under \$15, tended to be eligible for fewer days than were workers in other categories. (See table 6.)

Details of provisions of life insurance plans

Employee contributions towards life insurance benefits typically were not required. Eighty-eight percent of workers with life insurance did not have to contribute for this benefit. (See table 8.)

The "fixed multiple of earnings" formula was the most common used in calculating life insurance benefits: 53 percent of workers were in plans using this formula. The other common formula was the "flat dollar amount" formula (covering 33 percent of workers). However, variations among worker groups were significant. White-collar workers were more numerous in fixed multiple of earnings plans than in the other plan types, while blue-collar workers were more often covered by plans using flat dollar amount formulas. Part-time workers participating in life insurance plans were

more commonly offered flat dollar amount formulas than were their full-time counterparts. Flat dollar amount plans also were more commonly offered to union than to nonunion workers. (See table 9.)

When multiple of earnings formulas were applied, white-collar workers were more than twice as likely as service workers to have a benefit amount calculated by multiplying earnings by the factor of 2. (See table 10.) The majority of workers in service occupations (70 percent) were in plans that paid a benefit amount equal to 1 year's worth of salary (that is, salary multiplied by 1). Three-quarters of union workers also had their benefit calculated based on the factor of 1.

When the life insurance benefit was a flat dollar amount, employee characteristics and geographic regions tended to play the biggest role in determining the payment amounts. (See table 11.) Workers in occupations averaging hourly pay under \$15 were more than twice as likely to be in plans with payments under \$15,000 and less than half as likely to be in plans offering payments over \$30,000 than were workers in occupations with average pay of \$15 or more per hour. Service workers also were more likely to participate in plans with lower payments than were the other two occupational groups. Workers in small establishments tended to be in plans with smaller payouts, and those in goods-producing establishments tended to have slightly higher payouts than did those in service-producing industries.

Other findings

Data also were produced on methods of funding of short-term disability plans. (See table 7.) Most of the workers with short-term disability coverage were in self-insured and insured plans. The incidence of legally required plans was highest in the Middle Atlantic division, where the benefit is required by the States of New Jersey and New York.

Data on access to nonproduction bonuses and stock options were available only by selected employee characteristics. (See table 12.) Workers in white-collar occupations had greater access to stock options than did workers in the other two occupational groups. Twelve percent of white-collar workers had access to this benefit, compared with 6 percent of blue-collar workers and only 2 percent of workers in service occupations. Full-time workers were more than twice as likely as part-time workers to have access to stock options. The incidence of access to nonproduction bonuses was slightly higher for white- and blue-collar than for service occupations. Full-time workers and union workers had greater access to bonuses of all types than did part-time workers and nonunion workers.

Revised, November 2004. This summary was revised on the BLS website in November 2004. Data on stock options in table 12 and in the last paragraph of the summary have been corrected. In addition, table 12 includes data by establishment characteristics and geographic area that did not appear in the summary issued in April 2004. Also see www.bls.gov/ncs/ebs/notice112004.htm for important information about the estimates of access to health care plans in table 1 of this summary.

Table 1. Percent of workers with access to retirement and health care benefits, by selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Retirement benefits			Health care benefits			
	All plans ²	Defined benefit	Defined contribution	Medical care	Dental care	Vision care	Plan type not available ³
All workers	57	20	51	60	40	25	10
Worker characteristics:⁴							
White-collar occupations	67	23	62	65	47	28	11
Blue-collar occupations	59	24	49	64	40	25	12
Service occupations	28	8	23	38	22	15	4
Full time	67	24	60	73	49	30	12
Part time	24	8	21	17	9	7	5
Union	86	74	45	67	57	43	24
Nonunion	54	15	51	59	38	23	9
Average wage less than \$15 per hour ..	45	12	40	51	30	18	8
Average wage \$15 per hour or higher ..	76	34	67	74	55	35	14
Establishment characteristics:							
Goods-producing	70	31	60	68	48	30	14
Service-producing	53	17	48	57	37	23	9
1-99 workers	42	9	38	49	27	15	9
100 workers or more	75	34	65	72	55	35	12
Geographic areas:⁵							
Metropolitan areas	58	21	51	60	41	25	11
Nonmetropolitan areas	52	15	47	60	34	23	5
New England	51	16	44	56	38	18	12
Middle Atlantic	61	30	49	63	39	32	11
East North Central	64	24	56	62	42	22	13
West North Central	56	22	47	54	38	21	6
South Atlantic	57	17	53	57	39	19	12
East South Central	60	14	59	72	47	39	6
West South Central	53	18	49	61	37	22	5
Mountain	51	12	47	49	36	25	8
Pacific	53	20	46	60	42	29	12

¹ The survey covers all 50 States and the District of Columbia.

² Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees have access to both types of plans.

³ Represents those workers that have access to some type of health plan--medical, dental, vision, prescription drugs, or some combination--but the establishment is unable to identify the type. Because of workers falling in the category "Plan type not available," the percentage of workers having access to some type of health plan is lower than what may have otherwise been reported.

⁴ A classification system involving about 480 individual occupations is used to cover all workers in

the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to produce estimates for wages below \$15 and \$15 per hour or more. See the Technical Note for more information.

⁵ See the Technical Note for a list of States comprising the nine census divisions.

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 life and disability insurance benefits, by selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Life insurance	Disability benefits	
		Short-term disability	Long-term disability
All workers	50	39	30
Worker characteristics:²			
White-collar occupations	56	41	42
Blue-collar occupations	53	45	21
Service occupations	29	21	11
Full time	62	46	38
Part time	11	13	5
Union	63	69	28
Nonunion	49	36	30
Average wage less than \$15 per hour ..	40	29	17
Average wage \$15 per hour or higher ..	65	53	50
Establishment characteristics:			
Goods-producing	61	56	30
Service-providing	47	33	30
1-99 workers	36	28	20
100 workers or more	66	52	42
Geographic areas:³			
Metropolitan areas	50	40	32
Nonmetropolitan areas	49	32	18
New England	44	36	31
Middle Atlantic	47	78	28
East North Central	56	39	32
West North Central	49	37	30
South Atlantic	51	30	33
East South Central	62	40	26
West South Central	51	30	30
Mountain	45	20	23
Pacific	43	27	29

¹ The survey covers all 50 States and the District of Columbia.

² A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to produce

estimates for wages below \$15 and \$15 per hour or more. See the Technical Note for more information.

³ See the Technical Note for a list of States comprising the nine census divisions.

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. Percent of medical insurance premiums paid by employer and employee, by selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Single coverage		Family coverage	
	Employer share	Employee share	Employer share	Employee share
All workers participating in medical plans ...	82	18	70	30
Worker characteristics:²				
White-collar occupations	81	19	70	30
Blue-collar occupations	83	17	72	28
Full time	82	18	70	30
Union	88	12	81	19
Nonunion	81	19	69	31
Average wage less than \$15 per hour	80	20	68	32
Average wage \$15 per hour or higher	83	17	73	27
Establishment characteristics:				
Goods-producing	84	16	75	25
Service-producing	81	19	68	32
1-99 workers	81	19	66	34
100 workers or more	82	18	73	27
Geographic areas:³				
Metropolitan areas	82	18	70	30
Nonmetropolitan areas	81	19	70	30
New England	80	20	72	28
Middle Atlantic	83	17	72	28
East North Central	82	18	74	26
West North Central	82	18	71	29
South Atlantic	78	22	66	34
East South Central	82	18	68	32
West South Central	81	19	66	34
Mountain	80	20	68	32
Pacific	86	14	73	27

¹ The survey covers all 50 States and the District of Columbia.

² A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to produce

estimates for wages below \$15 and \$15 per hour or more. See the Technical Note for more information.

³ See the Technical Note for a list of States comprising the nine census divisions.

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. Average number of paid vacation days, by minimum length of service requirement for selected characteristics, private industry, National Compensation Survey, ¹ March 2003

Characteristics	Length of service ²						
	After 1 year	After 3 years	After 5 years	After 10 years	After 15 years	After 20 years	After 25 years
All workers with paid vacations ³	8.8	10.7	13.4	16.0	17.5	18.3	19.1
Worker characteristics:⁴							
White-collar occupations	9.8	11.5	14.3	17.0	18.8	19.6	20.4
Blue-collar occupations	7.2	9.4	11.7	14.3	15.8	16.8	17.6
Service occupations	8.3	10.7	13.4	15.5	16.3	16.7	17.1
Full time	8.9	10.9	13.6	16.3	17.9	18.7	19.5
Part time	7.4	9.2	11.4	13.1	14.4	15.0	15.7
Union	8.6	11.4	13.8	17.2	20.1	22.3	24.6
Nonunion	8.8	10.7	13.3	15.8	17.3	17.9	18.5
Average wage less than \$15 per hour	7.6	9.9	12.4	14.8	16.1	16.7	17.2
Average wage \$15 per hour or higher	10.3	11.8	14.7	17.5	19.4	20.5	21.5
Establishment characteristics:							
Goods-producing	7.7	9.7	12.0	14.8	16.5	17.7	18.6
Service-producing	9.2	11.1	13.9	16.4	17.9	18.5	19.2
1-99 workers	7.9	9.9	12.0	14.2	15.2	15.6	16.1
100 workers or more	9.6	11.6	14.7	17.7	19.9	21.0	22.1
Geographic areas:⁵							
Metropolitan areas	9.0	10.9	13.5	16.1	17.7	18.4	19.2
Nonmetropolitan areas	7.3	10.0	12.3	15.0	16.4	17.5	18.2
New England	10.3	12.0	14.0	15.6	17.0	17.4	17.9
Middle Atlantic	9.1	10.6	12.8	14.9	16.3	17.0	17.8
East North Central	8.6	10.9	13.4	16.6	18.8	19.8	21.0
West North Central	9.0	11.0	13.1	16.0	18.0	18.9	20.1
South Atlantic	8.3	10.2	13.0	15.5	17.1	17.9	18.5
East South Central	7.8	10.4	13.6	16.7	18.2	19.4	19.7
West South Central	8.5	10.3	12.5	15.0	16.2	17.1	17.7
Mountain	9.6	11.6	14.2	16.7	18.1	18.7	19.4
Pacific	8.9	11.1	14.9	17.3	18.3	19.0	19.6

¹ The survey covers all 50 States and the District of Columbia.

² Employees receiving no vacation days are included as receiving 0 days.

³ Employees are either granted a specific number of days after completion of the indicated length of service, or accrue days during the next 12-month period. The total number of days are assumed available for use immediately upon completion of service interval.

⁴ A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as

working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to produce estimates for wages below \$15 and \$15 per hour or more. See the Technical Note for more information.

⁵ See the Technical Note for a list of States comprising the nine census divisions.

NOTE: Where applicable, dash indicates no employees in this category or data do not meet publication criteria.

Table 5. Percent of workers with paid vacations by number of paid vacation days provided for selected periods of service,¹ private industry by occupational group, National Compensation Survey,² March 2003

Vacation policy	Percent with paid vacation days by length of service ³								
	Under 5 days	5 days	Over 5 but under 10 days	10 days	Over 10 but under 15 days	15 days	Over 15 but under 20 days	20 days	Over 20 days
All workers									
After 1 year	5	39	2	37	3	7	3	2	2
After 3 years	2	12	3	59	4	8	5	3	3
After 5 years	1	8	2	33	4	36	3	5	8
After 10 years	1	7	1	13	1	44	4	16	13
After 15 years	1	7	1	11	1	23	2	37	17
After 20 years	1	7	1	11	1	19	1	35	25
After 25 years	(⁴)	8	1	11	(⁴)	18	1	25	36
White-collar occupations⁵									
After 1 year	6	27	1	43	3	9	4	4	4
After 3 years	2	7	2	59	4	12	5	4	4
After 5 years	1	5	1	28	5	41	3	7	10
After 10 years	1	4	1	9	1	45	4	20	16
After 15 years	(⁴)	4	(⁴)	8	1	20	2	44	21
After 20 years	(⁴)	4	(⁴)	8	1	17	1	40	29
After 25 years	(⁴)	4	(⁴)	8	(⁴)	16	1	29	41
Blue-collar occupations⁵									
After 1 year	3	57	2	30	3	3	1	(⁴)	(⁴)
After 3 years	2	19	2	65	4	4	2	1	(⁴)
After 5 years	1	12	2	46	3	29	2	3	3
After 10 years	1	10	(⁴)	19	1	47	4	12	6
After 15 years	1	10	(⁴)	16	1	28	3	33	8
After 20 years	1	10	(⁴)	16	(⁴)	20	1	33	18
After 25 years	1	10	(⁴)	16	(⁴)	19	1	23	29
Service occupations⁵									
After 1 year	6	47	3	25	3	4	7	1	3
After 3 years	2	16	7	50	4	6	9	3	3
After 5 years	(⁴)	14	5	26	3	31	5	3	13
After 10 years	(⁴)	14	3	15	2	32	3	14	18
After 15 years	(⁴)	14	3	13	1	24	3	21	20
After 20 years	(⁴)	14	3	13	1	23	2	19	25
After 25 years	(⁴)	14	3	13	(⁴)	22	3	15	29

¹ Employees are either granted a specific number of days after completion of the indicated length of service, or accrue days during the next 12-month period. The total number of days are assumed available for use immediately upon completion of service interval.

² The survey covers all 50 States and the District of Columbia.

³ Employees receiving no vacation days are included as receiving under 5 days.

⁴ Less than 0.5 percent.

⁵ A classification system including about 480 individual occupations is used to cover all workers in the civilian economy.

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 6. Percent of workers by number of paid holidays provided and average number of paid days per year, by selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Average number of paid holidays	Paid holidays ²									
		Fewer than 5 days	5 days	6 days	7 days	8 days	9 days	10 days	11 days	12 days	More than 12 days
All workers with paid holidays	8	5	4	23	13	12	10	13	10	4	6
Worker characteristics:³											
White-collar occupations	8	3	3	23	12	12	10	15	11	5	6
Blue-collar occupations	8	7	5	22	14	12	10	12	9	3	6
Service occupations	7	13	5	24	14	13	9	5	12	2	3
Full time	8	4	3	21	13	13	10	14	11	4	6
Part time	7	16	6	37	11	8	6	5	4	2	4
Union	10	4	2	7	8	9	13	13	14	9	20
Nonunion	8	6	4	25	13	13	9	13	10	3	4
Average wage less than \$15 per hour ..	7	8	5	30	15	12	9	9	7	2	3
Average wage \$15 per hour or higher ..	9	2	2	14	11	13	11	17	14	6	9
Establishment characteristics:											
Goods-producing	9	5	4	11	12	12	9	17	15	4	10
Service-producing	8	6	4	28	13	13	10	11	8	4	4
1-99 workers	7	8	5	27	17	14	10	9	6	2	3
100 workers or more	9	3	3	19	9	11	10	16	14	6	9
Geographic areas:⁴											
Metropolitan areas	8	5	4	22	14	13	10	13	10	4	6
Nonmetropolitan areas	7	12	5	32	8	10	7	12	10	2	3
New England	9	10	2	14	4	13	4	13	22	9	9
Middle Atlantic	9	3	3	15	13	10	8	12	18	9	9
East North Central	8	3	1	30	16	11	10	12	9	2	7
West North Central	8	7	3	26	7	17	11	15	7	2	6
South Atlantic	8	6	8	24	11	12	9	16	8	3	2
East South Central	7	10	8	22	17	14	8	9	3	5	5
West South Central	8	7	5	25	16	13	12	13	3	2	6
Mountain	8	7	—	24	12	20	6	13	12	4	2
Pacific	8	6	3	21	15	11	15	11	9	4	5

¹ The survey covers all 50 States and the District of Columbia.

² Fractional holiday amounts were rounded to the nearest full number of days.

³ A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to produce estimates for wages below

\$15 and \$15 per hour or more. See the Technical Note for more information.

⁴ See the Technical Note for a list of States comprising the nine census divisions.

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 7. Percent of workers participating in short-term disability plans, by method of funding and selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Unfunded ²	Insured	Self-insured	Legally required	Other
All workers with short-term disability coverage	10	38	34	15	2
Worker characteristics:³					
White-collar occupations	13	36	39	11	1
Blue-collar occupations	7	43	33	13	4
Service occupations	4	33	17	44	2
Full time	11	39	35	13	2
Part time	2	26	22	47	3
Union	3	35	39	15	8
Nonunion	11	38	34	15	1
Average wage less than \$15 per hour	8	39	30	22	2
Average wage \$15 per hour or higher	12	37	39	10	2
Establishment characteristics:					
Goods-producing	9	40	37	11	4
Service-producing	11	37	33	18	1
1-99 workers	8	43	24	23	1
100 workers or more	12	34	41	10	3
Geographic areas:⁴					
Metropolitan areas	10	38	35	15	2
Nonmetropolitan areas	12	35	34	16	3
New England	15	54	31	(⁵)	1
Middle Atlantic	4	29	18	48	1
East North Central	8	43	45	-	3
West North Central	9	35	55	-	1
South Atlantic	13	42	44	(⁵)	1
East South Central	14	43	38	-	5
West South Central	16	34	47	(⁵)	3
Mountain	16	38	27	4	15
Pacific	17	44	29	9	1

¹ The survey covers all 50 States and the District of Columbia.

² A plan in which the establishment pays the benefit from operating revenue.

³ A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were

used to produce estimates for wages below \$15 and \$15 per hour or more. See the Technical Note for more information.

⁴ See the Technical Note for a list of States comprising the nine census divisions.

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 8. Percent of workers participating in life insurance plans by employee contribution requirement, by selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Life insurance		
	Employee contributions not required	Employee contributions required	Not determinable
All workers with basic life insurance coverage	88	7	5
Worker characteristics:²			
White-collar occupations	90	6	4
Blue-collar occupations	88	6	6
Service occupations	80	12	7
Full time	88	7	5
Part time	89	6	5
Union	89	2	9
Nonunion	88	7	5
Average wage less than \$15 per hour	87	8	5
Average wage \$15 per hour or higher	89	6	5
Establishment characteristics:			
Goods-producing	90	4	7
Service-providing	88	8	5
1-99 workers	88	8	4
100 workers or more	88	6	6
Geographic areas:³			
Metropolitan areas	88	6	5
Nonmetropolitan areas	87	9	4
New England	90	3	8
Middle Atlantic	86	3	11
East North Central	90	7	3
West North Central	88	5	7
South Atlantic	89	8	3
East South Central	78	16	7
West South Central	86	10	4
Mountain	85	10	5
Pacific	95	2	3

¹ The survey covers all 50 States and the District of Columbia.

² A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to produce

estimates for wages below \$15 and \$15 per hour or more. See the Technical Note for more information.

³ See the Technical Note for a list of States comprising the nine census divisions.

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 9. Percent of workers participating in life insurance benefits, by method of payment and selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Basic life insurance method of payment					
	Fixed multiple of earnings	Variable multiple of earnings	Flat dollar amount	Variable dollar amount	Other	Not determinable
All workers with basic life insurance coverage	53	4	33	5	2	4
Worker characteristics:²						
White-collar occupations	63	4	25	3	2	3
Blue-collar occupations	37	3	45	8	2	5
Service occupations	48	2	41	7	(³)	2
Full time	54	4	32	5	2	4
Part time	39	2	47	4	3	4
Union	31	2	46	14	1	6
Nonunion	56	4	31	4	2	3
Average wage less than \$15 per hour	48	3	40	5	1	4
Average wage \$15 per hour or higher	58	4	27	5	2	4
Establishment characteristics:						
Goods-producing	44	4	40	7	2	3
Service-producing	57	4	30	4	1	4
1-99 workers	44	3	46	3	1	4
100 workers or more	59	4	25	6	2	4
Geographic areas:⁴						
Metropolitan areas	55	4	31	5	2	4
Nonmetropolitan areas	40	3	49	5	2	2
New England	76	3	15	(³)	2	4
Middle Atlantic	57	4	25	9	1	5
East North Central	48	3	41	4	2	3
West North Central	52	3	38	4	1	2
South Atlantic	53	6	32	5	1	3
East South Central	37	4	43	8	2	6
West South Central	56	5	29	2	2	6
Mountain	49	2	41	2	2	4
Pacific	56	1	30	6	3	3

¹ The survey covers all 50 States and the District of Columbia.

² A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to produce estimates for wages below \$15 and \$15 per hour or more.

See the Technical Note for more information.

³ Less than 0.5 percent.

⁴ See the Technical Note for a list of States comprising the nine census divisions.

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 10. Percent of workers participating in life insurance plans with multiple of earnings benefit formulas, by selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Multiple of earnings amounts ²				
	Less than 1.0 times earnings	1.0 times earnings	Over 1.0 and under 2.0 times earnings	2.0 times earnings	Over 2.0 times earnings
All workers with a multiple of earnings formula	1	56	13	24	6
Worker characteristics:³					
White-collar occupations	1	53	12	27	7
Blue-collar occupations	2	57	15	21	6
Service occupations	(⁴)	70	18	11	(⁴)
Full time	1	55	14	25	6
Part time	1	65	5	18	10
Union	3	72	6	15	4
Nonunion	1	54	14	25	6
Average wage less than \$15 per hour	1	61	15	18	5
Average wage \$15 per hour or higher	1	51	12	29	7
Establishment characteristics:					
Goods-producing	2	46	18	27	6
Service-producing	(⁴)	58	12	24	6
1-99 workers	1	56	13	23	7
100 workers or more	1	55	13	25	6
Geographic areas:⁵					
Metropolitan areas	1	56	12	25	6
Nonmetropolitan areas	1	50	22	23	4
New England	1	66	15	18	(⁴)
Middle Atlantic	1	54	10	29	6
East North Central	3	50	18	24	5
West North Central	(⁴)	52	15	30	2
South Atlantic	(⁴)	59	11	26	3
East South Central	-	47	27	14	12
West South Central	-	61	9	25	5
Mountain	-	58	12	22	8
Pacific	1	52	10	23	15

¹ The survey covers all 50 States and the District of Columbia.

² Includes participants in plans in which insurance equaled a multiple of earnings, plus or minus a specified amount.

³ A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an

establishment were used to produce estimates for wages below \$15 and \$15 per hour or more. See the Technical Note for more information.

⁴ Less than 0.5 percent.

⁵ See the Technical Note for a list of States comprising the nine census divisions.

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 11. Percent of workers participating in life insurance plans with flat dollar benefit formulas, by selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Flat dollar amounts					
	Less than \$10,000	\$10,000 and under \$15,000	\$15,000 and under \$20,000	\$20,000 and under \$25,000	\$25,000 and under \$30,000	\$30,000 or more
All workers with a flat dollar benefit formula ...	8	29	20	14	12	17
Worker characteristics:²						
White-collar occupations	6	22	20	17	15	20
Blue-collar occupations	8	32	20	12	12	17
Service occupations	18	44	16	10	4	9
Full time	7	29	20	13	13	18
Part time	27	30	10	23	6	4
Union	11	30	17	10	13	19
Nonunion	8	28	20	14	12	17
Average wage less than \$15 per hour	11	36	18	15	9	11
Average wage \$15 per hour or higher	5	18	22	13	16	26
Establishment characteristics:						
Goods-producing	7	30	20	9	15	19
Service-producing	9	28	19	16	11	16
1-99 workers	9	30	23	9	11	18
100 workers or more	7	27	16	19	13	17
Geographic areas:³						
Metropolitan areas	8	28	18	15	14	17
Nonmetropolitan areas	9	32	24	9	5	20
New England	28	22	8	18	5	19
Middle Atlantic	8	43	7	5	15	22
East North Central	4	15	31	11	17	23
West North Central	3	37	23	6	10	22
South Atlantic	21	26	13	19	7	14
East South Central	3	57	25	5	1	9
West South Central	1	36	16	22	16	9
Mountain	10	25	9	26	20	9
Pacific	10	25	20	17	9	19

¹ The survey covers all 50 States and the District of Columbia.

² A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to

produce estimates for wages below \$15 and \$15 per hour or more. See the Technical Note for more information.

³ See the Technical Note for a list of States comprising the nine census divisions.

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 12. Percent of workers with access to nonproduction bonus by type of bonus and stock options, by selected characteristics, private industry, National Compensation Survey,¹ March 2003

Characteristics	Nonproduction bonus ²								
	All non-production bonuses	Attendance bonus	Cash profit sharing bonus	Employee recognition bonus	End of year bonus	Holiday bonus	Payment in lieu of benefits bonus	Safety bonus	Suggestion bonus
All workers	49	3	5	5	12	10	4	2	1
Worker characteristics:⁴									
White-collar occupations	51	2	5	4	13	9	5	(³)	1
Blue-collar occupations	53	6	8	3	13	12	5	4	3
Service occupations	36	2	1	8	8	8	3	(³)	1
Full time	54	3	6	5	13	10	5	2	2
Part time	30	1	1	2	6	9	1	(³)	1
Union	45	6	7	6	7	4	5	4	5
Nonunion	49	3	5	4	12	10	4	1	1
Average wage less than \$15 per hour ..	44	3	4	4	11	12	3	1	1
Average wage \$15 per hour or higher ..	56	2	7	5	13	6	6	2	2
Establishment characteristics:⁵									
Goods-producing	56	6	11	4	12	10	7	4	3
Service-producing	47	2	3	5	12	9	4	1	1
1-99 workers	48	1	4	4	15	12	4	1	(³)
100 workers or more	50	5	6	5	8	7	5	2	2
Geographic areas:⁵									
Metropolitan areas	49	3	5	5	12	9	5	1	1
Nonmetropolitan areas	47	4	7	3	13	13	3	3	1
New England	51	2	4	11	5	9	6	5	1
Middle Atlantic	48	2	4	6	11	5	8	1	2
East North Central	56	5	9	3	12	16	7	1	2
West North Central	47	5	3	5	16	6	2	1	1
South Atlantic	49	3	3	5	12	10	4	1	1
East South Central	52	4	4	9	17	8	4	(³)	4
West South Central	43	1	3	1	10	11	(³)	3	(³)
Mountain	40	2	5	3	16	8	2	1	1
Pacific	46	1	8	3	10	7	3	1	1

See footnotes at end of table.

Table 12. Percent of workers with access to nonproduction bonus by type of bonus and stock options, by selected characteristics, private industry, National Compensation Survey,¹ March 2003 — Continued

Characteristic	Nonproduction bonuses ²							Stock options ³
	Hiring bonus	Longevity bonus	Referral bonus	Retention bonus	Union-related bonus	Management incentive bonus	Other bonus	
All workers	2	2	8	1	(⁴)	2	5	8
Worker characteristics:⁵								
White-collar occupations	3	1	9	1	(⁴)	2	6	12
Blue-collar occupations	1	2	5	(⁴)	(⁴)	1	5	6
Service occupations	1	1	9	(⁴)	-	(⁴)	3	2
Full time	2	2	9	1	(⁴)	2	6	10
Part time	1	1	7	1	-	(⁴)	2	4
Union	(⁴)	1	3	(⁴)	1	3	6	8
Nonunion	2	2	9	1	-	2	5	8
Average wage less than \$15 per hour ..	1	2	8	(⁴)	(⁴)	1	4	6
Average wage \$15 per hour or higher ..	3	1	9	1	(⁴)	3	7	13
Establishment characteristics:								
Goods-producing	1	2	7	(⁴)	(⁴)	3	7	9
Service-producing	2	1	9	1	(⁴)	2	5	8
1-99 workers	1	1	5	1	(⁴)	2	4	4
100 workers or more	3	2	11	1	(⁴)	2	6	14
Geographic areas:								
Metropolitan areas	2	2	8	1	(⁴)	2	5	9
Nonmetropolitan areas	1	2	6	(⁴)	(⁴)	1	4	3
New England	2	4	8	3	(⁴)	2	5	8
Middle Atlantic	2	2	9	1	(⁴)	2	6	7
East North Central	1	2	8	(⁴)	(⁴)	1	10	7
West North Central	2	(⁴)	6	1	(⁴)	3	2	3
South Atlantic	2	2	11	1	(⁴)	2	3	10
East South Central	4	1	11	-	-	2	6	7
West South Central	4	(⁴)	7	(⁴)	(⁴)	1	4	10
Mountain	2	1	8	1	-	3	2	7
Pacific	1	1	4	(⁴)	(⁴)	2	5	13

¹ The survey covers all 50 States and the District of Columbia.

² See the Technical Note for definitions.

³ The BLS summary originally issued April 2004 had incorrect estimates for stock options. See the Technical Note for a definition of stock options.

⁴ Less than 0.5 percent.

⁵ A classification system involving about 480 individual occupations is used to cover all workers in the civilian economy. Employees are classified as working full-time or part-time based on the definitions used

by each establishment. Union workers are those whose wages are determined through collective bargaining. Averages for occupations within an establishment were used to produce estimates for wages below \$15 and \$15 per hour or more. 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.

Technical Note

The data in this release are from the National Compensation Survey (NCS), conducted by the Bureau of Labor Statistics (BLS), U.S. Department of Labor. The statistics in this release represent a transitional step in combining two formerly separate benefits surveys into a single NCS program. This release contains 2003 data on all workers in private industry. Expanded data covering additional detailed provisions of selected benefit plans are forthcoming.

Prior to 1996, when the survey consolidation began, BLS conducted surveys of the incidence of employee benefits in different sectors of the economy in alternating years; the surveys studied medium-sized and large private establishments during odd-numbered years and small private establishments and State and local governments during even-numbered 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 employment size and sector of the economy.

Under NCS, benefit incidence and provision information is being published in three separate publications. The first, a news release on incidence and key provisions, was published in September 2003. The second publication, this summary, provides tables on access to selected benefits and detailed provisions of paid holidays and vacations, life insurance plans, and other selected benefit programs. For the first time, data on employer and employee share of contributions to medical care premiums are presented.

The third publication, a bulletin, will contain detailed information on the characteristics of health and retirement plans. The data collection period for compiling these detailed characteristics data was December 2001 through January 2003; publication is anticipated later this year. The provisions data contained in the bulletin will have a 2002 reference date.

In addition, BLS is planning to introduce a new set of estimates that link benefit cost information to incidence and provisions data. For example, in the upcoming detailed provisions bulletin, estimates of the cost of health insurance per participant are expected to be produced for the first time.

The most recent published bulletin of detailed data on benefit incidence and provisions is for data collected from February to December 2000. Because of the start-up time associated with incorporating a new benefit sample in the NCS program, there were no incidence or provision estimates for 2001. Beginning with the release of 2003 data, however, data on incidence and detailed provisions are expected to be produced every year.

Estimates provided here are for private nonagricultural industries. In the past, State and local governments also have been surveyed. For the next several years, however, incidence and provision estimates will exclude governments because of other commitments in the NCS program.

Definitions of survey terms

Incidence, which refers to the number or percentage of employees who receive a benefit plan or specific benefit feature, is measured in two ways. 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 tables 1 and 2 refer to employee access. Because some workers fall into the category, "Plan type not available," the percentage of workers having access to some type of health plan is lower than what otherwise might have been reported. Participation refers to the proportion of employees who opt for a benefit. There will be cases in which 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. Averages for occupations within an establishment were used to produce estimates for worker groups averaging hourly pay below \$15 and for those averaging \$15 and above. Individual workers can fall into an earnings category different from the average for an occupation and establishment into which they are classified.

The table on employer and employee medical premiums (table 3) includes all medical plan participants in calculations for both single and family coverage. It is not based on the actual selection made by employees toward their medical coverage within the occupation. For example, in an occupation where there are 5 single employees and 5 married employees participating in a medical plan, the calculations for this table use all 10 employees in both single and family coverage computations; the calculations do not attribute the 5 single employees to single coverage or the 5 married employees to family coverage. Thus, the premium calculations will be based on the assumption that all 10 employees have identical coverage.

Definitions of various types of nonproduction bonuses and stock options are as follows:

Cash profit sharing. Payment to employees in recognition of the employees' contribution to company profitability. Payments may vary by length of service.

Employee recognition bonus. A payment to employees that rewards performance or significant accomplishments, such as employee-of-the-month awards.

Payment in lieu of benefits. Payment to employees in lieu of the employer providing a benefit, such as health care. In some cases, the employer offers cash to employees who waive employer-sponsored benefits such as cashed in sick leave. When this occurs, the employer passes the savings of the waived benefit to the employee.

Hiring bonus. Payment made by an employer to induce an individual to accept employment with the company.

Longevity bonus. A bonus or a lump-sum payment of some kind (for example, government savings bond or an add-on to severance pay) paid to employees based upon their length of service.

Referral bonus. Payment given to employees for recommending a qualified applicant who is hired by the establishment.

Retention bonus. Payment made by an employer to an incumbent employee to retain that individual with the establishment.

Management incentive bonus. Payment to managers or supervisors in reward for their ability to direct the performance of a group of subordinate employees in the attainment of a specified goal. For example, a manager receives a bonus for having the highest sales.

Stock options. Plans allowing establishment employees or officers the right to buy company stock at a fixed price by a fixed time.

For a listing of additional benefit definitions, see "Glossary of Compensation Terms," Report 923 (Bureau of Labor Statistics, August 1998), available on the Internet at <http://www.bls.gov/ncs/ebs/ebsgloss.htm>.

Survey scope

The 2003 NCS benefits survey obtained data from 2,924 private industry establishments, representing nearly 102.2 million workers; of this number, nearly 79 million were full-time workers and the remainder--slightly more than 24 million--were part-time workers. The NCS uses the establishment's definition of full- and part-time status to classify workers. 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.

The nine Census divisions are defined as follows: **New England**—Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; **Middle Atlantic**—New Jersey, New York, and Pennsylvania; **East North Central**—Illinois, Indiana, Michigan, Ohio, and Wisconsin; **West North Central**—Iowa, Kansas, Minnesota, Nebraska, North Dakota, South Dakota, and Missouri; **South Atlantic**—Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, and West Virginia; **East South Central**—Alabama, Kentucky, Mississippi, and Tennessee; **West South Central**—Arkansas, Louisiana, Oklahoma, and Texas; **Mountain**—Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming; and **Pacific**—Alaska, California, Hawaii, Oregon, and Washington.

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 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 U.S. 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 the drawing of 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 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 NCS, see National Compensation Survey, Occupational Wages in the United States, July 2002, Bulletin 2561 (Bureau of Labor Statistics, September 2003). For an online version, see <http://www.bls.gov/ncs/ocs/sp/ncbl0552.pdf>.

Additional information about the NCS 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 BLS 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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