

# News

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## EMPLOYER COSTS FOR EMPLOYEE COMPENSATION - MARCH 1988

Employer costs for employee compensation in private industry averaged \$13.79 per hour worked in March 1988, the U.S. Department of Labor's Bureau of Labor Statistics reported today. Straight-time wages and salaries--72.7 percent of the costs--averaged \$10.02, while benefit costs--the remaining 27.3 percent--averaged \$3.77.

Legally required benefits (e.g., social security, workers' compensation, unemployment insurance) averaged \$1.22 per hour worked--the largest cost to employers among the benefit categories. Legally required benefits accounted for 8.8 percent of total compensation costs and about a third of all benefit costs. Social security, the largest legally required benefit, cost employers, on average, 81 cents per hour worked--5.9 percent of all compensation costs and about a fifth of all benefit costs. (See table 1.)

Other important benefit categories and their average costs were: Paid leave (97 cents), insurance (78 cents), pensions and savings (45 cents), and supplemental pay (33 cents), which includes premium pay for overtime, shift pay, nonproduction bonuses, and lump-sum payments provided in lieu of wage increases. (See chart on page 3.)

Compensation costs varied widely by industry and occupational group, union status, and geographic region.

Compensation costs averaged more for workers in goods-producing industries (\$16.42 per hour worked) than for those in service-producing industries (\$12.72). Among service-producing industries, compensation costs ranged from \$8.00 in retail trade to \$20.50 in transportation and public utilities. Among the goods-producing industries for which data are available, compensation costs ranged from \$14.55 in nondurables manufacturing to \$17.44 in durables manufacturing. (See table 4.)

Among occupational categories, average compensation costs were higher for white-collar workers (\$15.97) than for blue-collar workers (\$13.87) and service workers (\$6.76). However, the level of compensation varied considerably by occupational group within the blue-collar and white-collar categories. (See table 5.) No breakdown in compensation costs for various service occupations (e.g., janitors, waiters and waitresses, and nursing aides) is available.

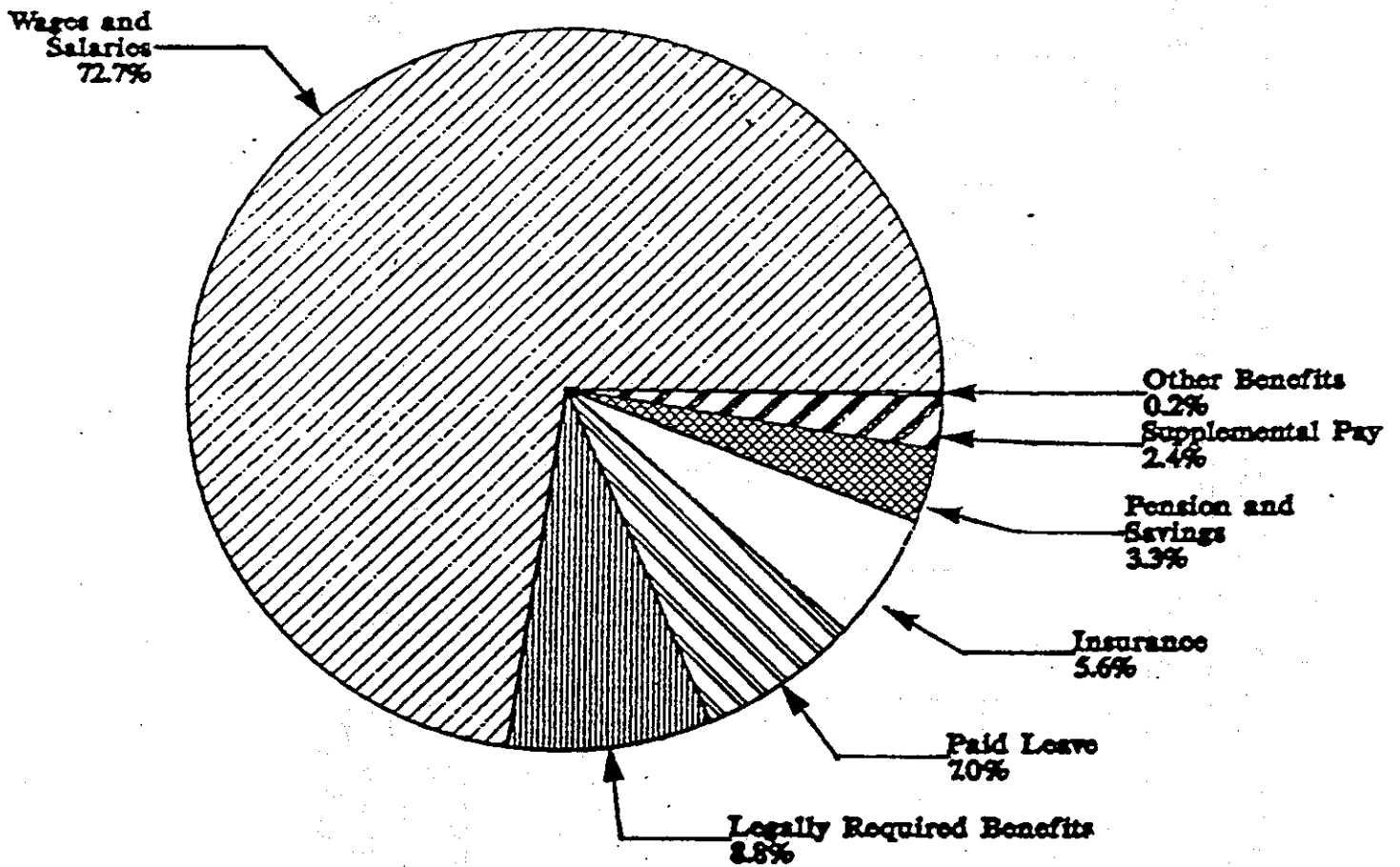
In all private industry, benefits made up a larger proportion of compensation costs for blue-collar workers as a whole (30.8 percent) than for white-collar workers (25.9 percent) and service workers (23.1 percent). This relationship held when occupational groups within the blue-collar and white-collar categories were compared. (See table 5.)

Benefits also accounted for a larger proportion of total compensation costs for blue-collar workers than for white-collar workers within both goods- and service-producing industries. In goods-producing industries, benefits made up 31.8 percent of compensation costs for blue-collar workers, compared with 28.0 percent for white-collar workers. (See table 6.) The corresponding proportions in service-producing industries were 29.1 percent and 25.3 percent. (See table 7.)

Compensation costs averaged more for union workers (\$18.16) in private industry than for nonunion workers (\$12.90). In addition, benefits made up a larger proportion of compensation costs for union workers (33.7 percent) than for nonunion workers (25.5 percent). (See table 3.) This pattern also was found when the comparison was limited to blue-collar workers in manufacturing. (See table 10.) Union and nonunion cost levels reflect a variety of influences, including coverage by a collective bargaining agreement and variation in distribution of union and nonunion workers among occupations and industries.

Compensation costs varied by region, ranging from \$15.50 in the Northeast to \$12.23 in the South. The proportion of compensation costs made up of benefits, however, was similar among the four regions: 28.9 percent in the Midwest, 27.8 percent in the Northeast, 26.8 percent in the West, and 25.9 percent in the South. (See table 3.)

### Relative Importance of Components of Employer Costs for Employee Compensation, Private Industry, March 1988



DETAILED DATA BY BROAD INDUSTRY CATEGORIES

Table 1. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, private industry, by major industry categories, March 1988

| Compensation component              | All workers in private industry |         | Goods-producing industries 1/ |         | Service-producing industries 2/ |         | Manufacturing industries |         | Nonmanufacturing industries |         |
|-------------------------------------|---------------------------------|---------|-------------------------------|---------|---------------------------------|---------|--------------------------|---------|-----------------------------|---------|
|                                     | Cost                            | Percent | Cost                          | Percent | Cost                            | Percent | Cost                     | Percent | Cost                        | Percent |
| Total compensation.....             | \$13.79                         | 100.0%  | \$16.42                       | 100.0%  | \$12.72                         | 100.0%  | \$16.26                  | 100.0%  | \$13.08                     | 100.0%  |
| Wages and salaries.....             | 10.02                           | 72.7    | 11.42                         | 69.6    | 9.45                            | 74.3    | 11.18                    | 68.8    | 9.69                        | 74.1    |
| Total benefits.....                 | 3.77                            | 27.3    | 5.00                          | 30.4    | 3.27                            | 25.7    | 5.07                     | 31.2    | 3.39                        | 25.9    |
| Paid leave.....                     | .97                             | 7.0     | 1.13                          | 6.9     | .91                             | 7.1     | 1.25                     | 7.7     | .89                         | 6.8     |
| Vacation pay.....                   | .48                             | 3.5     | .58                           | 3.5     | .44                             | 3.5     | .63                      | 3.9     | .44                         | 3.4     |
| Holiday pay.....                    | .33                             | 2.4     | .42                           | 2.5     | .29                             | 2.3     | .47                      | 2.9     | .29                         | 2.2     |
| Sick leave pay.....                 | .12                             | .9      | .10                           | .6      | .13                             | 1.0     | .11                      | .7      | .12                         | .9      |
| Other leave pay.....                | .04                             | .3      | .04                           | .2      | .04                             | .3      | .04                      | .2      | .04                         | .3      |
| Supplemental pay.....               | .33                             | 2.4     | .55                           | 3.3     | .24                             | 1.9     | .58                      | 3.5     | .25                         | 2.0     |
| Premium pay.....                    | .17                             | 1.2     | .35                           | 2.1     | .10                             | .8      | .36                      | 2.2     | .11                         | .9      |
| Nonproduction bonuses.....          | .12                             | .8      | .13                           | .8      | .11                             | .9      | .13                      | .8      | .11                         | .9      |
| Shift pay.....                      | .04                             | .3      | .07                           | .4      | .03                             | .2      | .09                      | .5      | .03                         | .2      |
| Insurance.....                      | .78                             | 5.6     | 1.11                          | 6.8     | .64                             | 5.0     | 1.20                     | 7.4     | .66                         | 5.0     |
| Pensions and savings.....           | .45                             | 3.3     | .61                           | 3.7     | .39                             | 3.0     | .57                      | 3.5     | .41                         | 3.2     |
| Pensions.....                       | .38                             | 2.8     | .51                           | 3.1     | .33                             | 2.6     | .46                      | 2.8     | .36                         | 2.7     |
| Savings & thrift.....               | .07                             | .5      | .10                           | .6      | .06                             | .4      | .11                      | .7      | .06                         | .4      |
| Legally required 3/.....            | 1.22                            | 8.8     | 1.55                          | 9.5     | 1.08                            | 8.5     | 1.43                     | 8.8     | 1.16                        | 8.9     |
| Social security.....                | .81                             | 5.9     | .96                           | 5.8     | .75                             | 5.9     | .95                      | 5.9     | .76                         | 5.8     |
| Federal unemployment insurance..... | .03                             | .2      | .03                           | .2      | .03                             | .3      | .03                      | .2      | .03                         | .3      |
| State unemployment insurance.....   | .12                             | .8      | .18                           | 1.1     | .09                             | .7      | .18                      | 1.1     | .10                         | .8      |
| Workers' compensation.....          | .24                             | 1.7     | .37                           | 2.3     | .18                             | 1.5     | .26                      | 1.6     | .23                         | 1.8     |
| Other benefits 4/.....              | .02                             | .2      | .04                           | .3      | X                               | X       | .05                      | .3      | X                           | X       |

1/ Includes mining, construction, and manufacturing.

2/ Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.

3/ Includes railroad retirement, railroad unemployment, railroad supplemental unemployment, and other legally required in addition to benefits shown.

4/ Includes severance pay, supplemental unemployment benefits, and merchandise discounts in department stores.

X Cost per hour worked is \$0.01 or less.

NOTE: See the explanatory note for a definition of the compensation components.

DETAILED DATA BY BROAD OCCUPATIONAL CATEGORIES

Table 2. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, private industry, by major occupational categories, March 1988

| Compensation component              | All workers in private industry |         | White-collar workers |         | Blue-collar workers |         | Service workers |         |
|-------------------------------------|---------------------------------|---------|----------------------|---------|---------------------|---------|-----------------|---------|
|                                     | Cost                            | Percent | Cost                 | Percent | Cost                | Percent | Cost            | Percent |
| Total compensation.....             | \$13.79                         | 100.0%  | \$15.97              | 100.0%  | \$13.87             | 100.0%  | \$6.76          | 100.0%  |
| Wages and salaries.....             | 10.02                           | 72.7    | 11.84                | 74.1    | 9.59                | 69.2    | 5.19            | 76.9    |
| Total benefits.....                 | 3.77                            | 27.3    | 4.13                 | 25.9    | 4.27                | 30.8    | 1.56            | 23.1    |
| Paid leave.....                     | .97                             | 7.0     | 1.26                 | 7.9     | .85                 | 6.1     | .32             | 4.8     |
| Vacation pay.....                   | .48                             | 3.5     | .61                  | 3.8     | .44                 | 3.2     | .17             | 2.5     |
| Holiday pay.....                    | .33                             | 2.4     | .41                  | 2.6     | .31                 | 2.2     | .10             | 1.4     |
| Sick leave pay.....                 | .12                             | .9      | .18                  | 1.1     | .07                 | .5      | .04             | .7      |
| Other leave pay.....                | .04                             | .3      | .05                  | .3      | .03                 | .2      | .02             | .2      |
| Supplemental pay.....               | .33                             | 2.4     | .29                  | 1.8     | .50                 | 3.6     | .09             | 1.3     |
| Premium pay.....                    | .17                             | 1.2     | .08                  | .5      | .36                 | 2.6     | .04             | .6      |
| Nonproduction bonuses.....          | .12                             | .8      | .17                  | 1.1     | .08                 | .6      | .02             | .4      |
| Shift pay.....                      | .04                             | .3      | .03                  | .2      | .06                 | .5      | .02             | .3      |
| Insurance.....                      | .78                             | 5.6     | .83                  | 5.2     | .93                 | 6.7     | .30             | 4.4     |
| Pensions and savings.....           | .45                             | 3.3     | .54                  | 3.4     | .48                 | 3.4     | .11             | 1.6     |
| Pensions.....                       | .38                             | 2.8     | .43                  | 2.7     | .44                 | 3.1     | .09             | 1.4     |
| Savings & thrift.....               | .07                             | .5      | .10                  | .7      | .04                 | .3      | .02             | .2      |
| Legally required 3/.....            | 1.22                            | 8.8     | 1.20                 | 7.5     | 1.48                | 10.7    | .74             | 11.0    |
| Social security.....                | .81                             | 5.9     | .92                  | 5.8     | .82                 | 5.9     | .43             | 6.4     |
| Federal unemployment insurance..... | .03                             | .2      | .03                  | .2      | .03                 | 1.2     | .03             | .5      |
| State unemployment insurance.....   | .12                             | .8      | .10                  | .6      | .15                 | 1.1     | .09             | 1.3     |
| Workers' compensation.....          | .24                             | 1.7     | .13                  | .8      | .44                 | 3.2     | .16             | 2.7     |
| Other benefits 4/.....              | .02                             | .2      | .02                  | .1      | .03                 | .2      | *               | *       |

\* Cost per hour worked is \$0.01 or less.  
NOTE: See footnotes at end of table 1.

DETAILED DATA BY REGION AND UNION STATUS

Table 3. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, private industry, by region and union status, March 1988

| Compensation Component         | Geographic region |         |         |         |         |         | Union status |         |         |         |          |         |
|--------------------------------|-------------------|---------|---------|---------|---------|---------|--------------|---------|---------|---------|----------|---------|
|                                | Northeast         |         | South   |         | Midwest |         | West         |         | Union   |         | Nonunion |         |
|                                | Cost              | Percent | Cost    | Percent | Cost    | Percent | Cost         | Percent | Cost    | Percent | Cost     | Percent |
| Total compensation             | \$15.50           | 100.0%  | \$12.23 | 100.0%  | \$13.71 | 100.0%  | \$14.59      | 100.0%  | \$18.16 | 100.0%  | \$12.90  | 100.0%  |
| Wages and salaries             | 11.19             | 72.2    | 9.05    | 74.1    | 9.75    | 71.1    | 10.69        | 73.2    | 12.04   | 66.3    | 9.61     | 74.5    |
| Total benefits                 | 4.31              | 27.8    | 3.17    | 25.9    | 3.96    | 28.9    | 3.91         | 26.8    | 6.12    | 33.7    | 3.29     | 25.5    |
| Paid leave                     | 1.18              | 7.6     | .80     | 6.6     | .98     | 7.1     | 1.00         | 6.9     | 1.35    | 7.4     | .89      | 6.9     |
| Vacation pay                   | .57               | 3.6     | .40     | 3.3     | .51     | 3.7     | .49          | 3.4     | .72     | 4.0     | .43      | 3.4     |
| Holiday pay                    | .40               | 2.6     | .27     | 2.2     | .33     | 2.4     | .34          | 2.3     | .44     | 2.4     | .30      | 2.4     |
| Sick leave pay                 | .16               | 1.0     | .10     | .8      | .10     | .7      | .14          | .9      | .12     | .7      | .12      | .9      |
| Other leave pay                | .06               | .4      | .03     | .2      | .03     | .2      | .03          | .2      | .06     | .3      | .03      | .3      |
| Supplemental pay               | .38               | 2.4     | .27     | 2.2     | .39     | 2.8     | .28          | 2.0     | .64     | 3.5     | .26      | 2.0     |
| Premium pay                    | .17               | 1.1     | .15     | 1.2     | .22     | 1.6     | .15          | 1.0     | .45     | 2.5     | .11      | .9      |
| Nonproduction bonuses          | .16               | 1.0     | .09     | .7      | .13     | .9      | .10          | .7      | .08     | .4      | .12      | 1.0     |
| Shift pay                      | .05               | .3      | .03     | .3      | .05     | .3      | .03          | .2      | .10     | .6      | .03      | .2      |
| Insurance                      | .86               | 5.5     | .64     | 5.2     | .87     | 6.4     | .81          | 5.5     | 1.45    | 8.0     | .64      | 5.0     |
| Pensions and savings           | .55               | 3.5     | .37     | 3.0     | .46     | 3.3     | .45          | 3.1     | .87     | 4.8     | .36      | 2.8     |
| Pensions                       | .46               | 3.0     | .30     | 2.5     | .40     | 2.9     | .38          | 2.6     | .81     | 4.5     | .29      | 2.3     |
| Savings & thrift               | .08               | .5      | .07     | .5      | .06     | .4      | .07          | .5      | .06     | .3      | .07      | .6      |
| Legally required 3/            | 1.33              | 8.5     | 1.08    | 8.8     | 1.22    | 8.9     | 1.35         | 9.3     | 1.76    | 9.7     | 1.11     | 8.6     |
| Social security                | .88               | 5.7     | .73     | 6.0     | .81     | 5.9     | .85          | 5.8     | 1.02    | 5.6     | .76      | 5.9     |
| Federal unemployment insurance | .04               | .3      | .03     | .2      | .03     | .2      | .03          | .2      | .04     | .2      | .03      | .3      |
| State unemployment insurance   | .13               | .8      | .09     | .7      | .14     | 1.0     | .12          | .8      | .17     | .9      | .10      | .8      |
| Workers' compensation          | .24               | 1.5     | .22     | 1.8     | .20     | 1.5     | .34          | 2.3     | .43     | 2.4     | .20      | 1.6     |
| Other benefits 4/              | .02               | .1      | .02     | .1      | .04     | .3      | .04          | .3      | .06     | .3      | .04      | .3      |

\* Cost per hour worked is \$0.01 or less.  
NOTE: See footnotes at end of table 1.

SUMMARY DATA BY INDUSTRY

Table 4. Employer costs per hour worked for compensation and costs as a percent of total compensation, by major private industry categories, March 1988

| Industry category                      | Total compensation | Wages and salaries | Total  | Benefit costs        |                      |                      |                      | Other bene- fits <sup>x</sup> |                  |
|--|--------------------|--------------------|--------|----------------------|----------------------|----------------------|----------------------|-------------------------------|------------------|
|  |                    |                    |        | Paid leave           | Supple- mental pay   | Insurance            | Pensions and savings |                               | Legally required |
|  |                    |                    |        | Cost per hour worked | Cost per hour worked | Cost per hour worked | Cost per hour worked | Cost per hour worked          |                  |
| All workers, private industry.....     | \$13.79            | \$10.02            | \$3.77 | \$0.97               | \$0.33               | \$0.78               | \$0.45               | \$1.22                        | \$0.02           |
| Goods-producing industries 1/.....     | 16.42              | 11.42              | 5.00   | 1.13                 | .55                  | 1.11                 | .61                  | 1.55                          | .04              |
| Construction.....                      | 16.23              | 11.90              | 4.33   | .57                  | .41                  | .70                  | .65                  | 1.98                          | .02              |
| Manufacturing.....                     | 16.26              | 11.18              | 5.07   | 1.25                 | .58                  | 1.20                 | .57                  | 1.43                          | .05              |
| Durables.....                          | 17.44              | 11.85              | 5.60   | 1.36                 | .64                  | 1.38                 | .61                  | 1.54                          | .07              |
| Nondurables.....                       | 14.55              | 10.23              | 4.32   | 1.10                 | .49                  | .94                  | .51                  | 1.26                          | .02              |
| Service-producing industries 2/.....   | 12.72              | 9.45               | 3.27   | .91                  | .24                  | .64                  | .39                  | 1.08                          | x                |
| Transportation and public utilities... | 20.50              | 13.90              | 6.60   | 1.81                 | .46                  | 1.44                 | 1.03                 | 1.83                          | .03              |
| Wholesale trade.....                   | 15.72              | 11.59              | 4.13   | 1.10                 | .37                  | .86                  | .47                  | 1.32                          | x                |
| Retail trade.....                      | 8.00               | 6.18               | 1.82   | .38                  | .14                  | .36                  | .14                  | .79                           | .02              |
| Finance, insurance, and real estate... | 16.00              | 11.91              | 4.09   | 1.31                 | .29                  | .84                  | .52                  | 1.12                          | x                |
| Service industries.....                | 12.98              | 9.78               | 3.20   | .96                  | .22                  | .57                  | .37                  | 1.08                          | x                |
| All workers, private industry.....     | 100.0%             | 72.7%              | 27.3%  | 7.0%                 | 2.4%                 | 5.6%                 | 3.3%                 | 8.8%                          | 0.2%             |
| Goods-producing industries 1/.....     | 100.0              | 69.6               | 30.4   | 6.9                  | 3.3                  | 6.8                  | 3.7                  | 9.5                           | .3               |
| Construction.....                      | 100.0              | 73.3               | 26.7   | 3.5                  | 2.5                  | 4.3                  | 4.0                  | 12.2                          | .1               |
| Manufacturing.....                     | 100.0              | 68.8               | 31.2   | 7.7                  | 3.5                  | 7.4                  | 3.5                  | 8.8                           | .3               |
| Durables.....                          | 100.0              | 67.9               | 32.1   | 7.8                  | 3.6                  | 7.9                  | 3.5                  | 8.8                           | .4               |
| Nondurables.....                       | 100.0              | 70.3               | 29.7   | 7.5                  | 3.4                  | 6.5                  | 3.5                  | 8.7                           | .1               |
| Service-producing industries 2/.....   | 100.0              | 74.3               | 25.7   | 7.1                  | 1.9                  | 5.0                  | 3.0                  | 8.5                           | x                |
| Transportation and public utilities... | 100.0              | 67.8               | 32.2   | 8.8                  | 2.3                  | 7.0                  | 5.0                  | 8.9                           | .2               |
| Wholesale trade.....                   | 100.0              | 73.7               | 26.3   | 7.0                  | 2.4                  | 5.5                  | 3.0                  | 8.4                           | x                |
| Retail trade.....                      | 100.0              | 77.2               | 22.8   | 4.7                  | 1.7                  | 4.5                  | 1.8                  | 9.8                           | .2               |
| Finance, insurance, and real estate... | 100.0              | 74.5               | 25.5   | 8.2                  | 1.8                  | 5.2                  | 3.3                  | 7.0                           | x                |
| Service industries.....                | 100.0              | 75.4               | 24.6   | 7.4                  | 1.7                  | 4.4                  | 2.9                  | 8.3                           | x                |

<sup>x</sup> Cost per hour worked is \$0.01 or less.  
NOTE: See footnotes at end of table 1.

SUMMARY DATA BY OCCUPATION, ALL WORKERS IN PRIVATE INDUSTRY

Table 5. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, by occupation for private industry workers, March 1988

| Occupation category                    | Total compensation | Wages and salaries | Total  | Paid leave Cost per hour worked | Supplemental pay | Benefit costs |                      |                  |        | Other bene-fits* |
|--|--------------------|--------------------|--------|---------------------------------|------------------|---------------|----------------------|------------------|--------|------------------|
|  |                    |                    |        |                                 |                  | Insurance     | Pensions and savings | Legally required |        |                  |
| All workers, private industry.....     | \$13.79            | \$10.02            | \$3.77 | \$0.97                          | \$0.33           | \$0.78        | \$0.45               | \$1.22           | \$0.02 |                  |
| White-collar workers.....              | 15.97              | 11.84              | 4.13   | 1.26                            | .29              | .83           | .54                  | 1.20             | .02    |                  |
| Professional specialty, technical..... | 20.65              | 15.36              | 5.49   | 1.77                            | .38              | .98           | .81                  | 1.52             | .02    |                  |
| Executive, administrative, managerial. | 23.74              | 17.68              | 6.05   | 2.07                            | .46              | 1.05          | .81                  | 1.64             | .02    |                  |
| Sales workers.....                     | 10.86              | 8.42               | 2.44   | .59                             | .16              | .52           | .24                  | .90              | .02    |                  |
| Administrative support, clerical.....  | 11.52              | 8.32               | 3.21   | .89                             | .21              | .79           | .38                  | .92              | .02    |                  |
| Blue-collar workers.....               | 13.87              | 9.59               | 4.27   | .85                             | .50              | .93           | .48                  | 1.48             | .03    |                  |
| Precision production, craft, repair... | 17.32              | 12.14              | 5.18   | 1.05                            | .61              | 1.05          | .63                  | 1.81             | .04    |                  |
| Machine ops./assemblers/inspectors..   | 12.95              | 8.69               | 4.26   | .90                             | .59              | 1.06          | .41                  | 1.26             | .05    |                  |
| Transportation, material moving.....   | 14.60              | 9.96               | 4.44   | .87                             | .41              | .91           | .53                  | 1.71             | .02    |                  |
| Handlers, cleaners, helpers, laborers. | 10.14              | 7.11               | 3.03   | .52                             | .31              | .66           | .34                  | 1.19             | x      |                  |
| Service workers.....                   | 6.76               | 5.19               | 1.56   | .32                             | .09              | .30           | .11                  | .74              | x      |                  |
| All workers, private industry.....     | 100.0%             | 72.7%              | 27.3%  | 7.0%                            | 2.4%             | 5.6%          | 3.3%                 | 8.8%             | 0.2%   |                  |
| White-collar workers.....              | 100.0              | 74.1               | 25.9   | 7.9                             | 1.8              | 5.2           | 3.4                  | 7.5              | .1     |                  |
| Professional specialty, technical..... | 100.0              | 73.7               | 26.3   | 8.5                             | 1.8              | 4.7           | 3.9                  | 7.3              | .1     |                  |
| Executive, administrative, managerial. | 100.0              | 74.5               | 25.5   | 8.7                             | 2.0              | 4.4           | 3.4                  | 6.9              | .1     |                  |
| Sales workers.....                     | 100.0              | 77.5               | 22.5   | 5.4                             | 1.5              | 4.8           | 2.2                  | 8.3              | .2     |                  |
| Administrative support, clerical.....  | 100.0              | 72.2               | 27.8   | 7.7                             | 1.8              | 6.9           | 3.3                  | 8.0              | .1     |                  |
| Blue-collar workers.....               | 100.0              | 69.2               | 30.8   | 6.1                             | 3.6              | 6.7           | 3.4                  | 10.7             | .2     |                  |
| Precision production, craft, repair... | 100.0              | 70.1               | 29.9   | 6.0                             | 3.5              | 6.1           | 3.6                  | 10.4             | .3     |                  |
| Machine ops./assemblers/inspectors..   | 100.0              | 67.1               | 32.9   | 6.9                             | 4.6              | 8.2           | 3.1                  | 9.7              | .4     |                  |
| Transportation, material moving.....   | 100.0              | 69.2               | 30.8   | 6.0                             | 2.8              | 6.3           | 3.7                  | 11.9             | .1     |                  |
| Handlers, cleaners, helpers, laborers. | 100.0              | 70.1               | 29.9   | 5.1                             | 3.1              | 6.5           | 3.3                  | 11.7             | x      |                  |
| Service workers.....                   | 100.0              | 76.9               | 23.1   | 4.8                             | 1.3              | 4.4           | 1.6                  | 11.0             | x      |                  |

\* Cost per hour worked is \$0.01 or less.  
NOTE: See footnotes at end of table 1.



SUMMARY DATA BY OCCUPATION, GOODS-PRODUCING INDUSTRIES

Table 6. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, by occupation within private goods-producing industries, March 1988

| Occupation category                      | Total compensation | Wages and salaries | Total                | Benefit costs        |                      |                      |                      | Legally required | Other bene-fits <sup>x</sup> |
|--|--------------------|--------------------|----------------------|----------------------|----------------------|----------------------|----------------------|------------------|------------------------------|
|  |                    |                    |                      | Paid leave           | Supple-mental pay    | Insurance            | Pensions and savings |                  |                              |
|  |                    |                    | Cost per hour worked | Cost per hour worked | Cost per hour worked | Cost per hour worked |                      |                  |                              |
| All workers, goods-producing industries/ | \$16.42            | \$11.42            | \$5.00               | \$1.13               | \$0.55               | \$1.11               | \$0.61               | \$1.55           | \$0.04                       |
| White-collar workers.....                | 20.41              | 14.70              | 5.71                 | 1.75                 | .39                  | 1.23                 | .79                  | 1.52             | .04                          |
| Professional specialty, technical.....   | 22.76              | 16.28              | 6.48                 | 2.03                 | .39                  | 1.40                 | .93                  | 1.67             | .06                          |
| Executive, administrative, managerial.   | 27.24              | 19.91              | 7.32                 | 2.43                 | .59                  | 1.33                 | 1.01                 | 1.92             | .04                          |
| Administrative support, clerical.....    | 12.91              | 9.01               | 3.90                 | 1.00                 | .27                  | 1.05                 | .51                  | 1.06             | .03                          |
| Blue-collar workers.....                 | 14.76              | 10.06              | 4.70                 | .87                  | .62                  | 1.06                 | .53                  | 1.58             | .05                          |
| Precision production, craft, repair...   | 17.83              | 12.36              | 5.48                 | .95                  | .71                  | 1.11                 | .71                  | 1.95             | .05                          |
| Machine ops./assemblers/inspectors..     | 13.25              | 8.84               | 4.41                 | .92                  | .62                  | 1.12                 | .42                  | 1.28             | .05                          |
| Transportation, material moving.....     | 15.93              | 10.69              | 5.24                 | .88                  | .64                  | 1.13                 | .69                  | 1.86             | .04                          |
| Handlers, cleaners, helpers, laborers.   | 11.80              | 8.17               | 3.63                 | .56                  | .41                  | .79                  | .40                  | 1.46             | *                            |
| Service workers.....                     | 12.33              | 8.14               | 4.19                 | .85                  | .51                  | 1.17                 | .44                  | 1.15             | .07                          |
| All workers, goods-producing industries/ | 100.0%             | 69.6%              | 30.4%                | 6.9%                 | 3.3%                 | 6.8%                 | 3.7%                 | 9.5%             | 0.3%                         |
| White-collar workers.....                | 100.0              | 72.0               | 28.0                 | 8.6                  | 1.9                  | 6.0                  | 3.9                  | 7.4              | .2                           |
| Professional specialty, technical.....   | 100.0              | 71.5               | 28.5                 | 8.9                  | 1.7                  | 6.1                  | 4.1                  | 7.3              | .3                           |
| Executive, administrative, managerial.   | 100.0              | 73.1               | 26.9                 | 8.9                  | 2.2                  | 4.9                  | 3.7                  | 7.1              | .2                           |
| Administrative support, clerical.....    | 100.0              | 69.8               | 30.2                 | 7.7                  | 2.1                  | 8.1                  | 3.9                  | 8.2              | .2                           |
| Blue-collar workers.....                 | 100.0              | 68.2               | 31.8                 | 5.9                  | 4.2                  | 7.2                  | 3.6                  | 10.7             | .3                           |
| Precision production, craft, repair...   | 100.0              | 69.3               | 30.7                 | 5.3                  | 4.0                  | 6.2                  | 4.0                  | 10.9             | .3                           |
| Machine ops./assemblers/inspectors..     | 100.0              | 66.7               | 33.3                 | 6.9                  | 4.7                  | 8.4                  | 3.1                  | 9.7              | .4                           |
| Transportation, material moving.....     | 100.0              | 67.1               | 32.9                 | 5.5                  | 4.0                  | 7.1                  | 4.4                  | 11.7             | .2                           |
| Handlers, cleaners, helpers, laborers.   | 100.0              | 69.2               | 30.8                 | 4.7                  | 3.5                  | 6.7                  | 3.4                  | 12.4             | *                            |
| Service workers.....                     | 100.0              | 66.0               | 34.0                 | 6.9                  | 4.2                  | 9.5                  | 3.5                  | 9.4              | .5                           |

<sup>x</sup> Cost per hour worked is \$0.01 or less.  
NOTE: See footnotes at end of table 1.

SUMMARY DATA BY OCCUPATION, SERVICE-PRODUCING INDUSTRIES

Table 7. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, by occupation within private service-producing industries, March 1988

| Occupation category                        | Total compensation | Wages and salaries | Total  | Paid leave Cost per hour worked | Benefit costs     |          |                      | Legally required | Other bene-fits* |
|--|--------------------|--------------------|--------|---------------------------------|-------------------|----------|----------------------|------------------|------------------|
|  |                    |                    |        |                                 | Supple-mental pay | Insuranc | Pensions and savings |                  |                  |
| All workers, service-producing Indus.2/... | \$12.72            | \$9.65             | \$3.27 | \$0.91                          | \$0.24            | \$0.64   | \$0.39               | \$1.08           | x                |
| White-collar workers.....                  | 15.04              | 11.24              | 3.80   | 1.16                            | .27               | .74      | .49                  | 1.13             | \$0.02           |
| Professional specialty, technical.....     | 20.28              | 15.09              | 5.19   | 1.70                            | .37               | .86      | .77                  | 1.48             | x                |
| Executive, administrative, managerial.     | 22.57              | 16.94              | 5.63   | 1.95                            | .42               | .96      | .74                  | 1.54             | .02              |
| Sales workers.....                         | 10.47              | 8.12               | 2.35   | .55                             | .17               | .50      | .23                  | .88              | .02              |
| Administrative support, clerical.....      | 11.23              | 8.17               | 3.06   | .86                             | .19               | .74      | .36                  | .89              | x                |
| Blue-collar workers.....                   | 12.57              | 8.91               | 3.65   | .81                             | .33               | .75      | .40                  | 1.34             | x                |
| Precision production, craft, repair...     | 16.49              | 11.80              | 4.69   | 1.21                            | .43               | .95      | .50                  | 1.58             | .03              |
| Transportation, material moving.....       | 13.81              | 9.68               | 4.13   | .86                             | .32               | .83      | .47                  | 1.65             | x                |
| Handlers, cleaners, helpers, laborers.     | 9.10               | 6.45               | 2.65   | .49                             | .25               | .58      | .30                  | 1.02             | x                |
| Service workers.....                       | 6.61               | 5.12               | 1.50   | .31                             | .08               | .27      | .10                  | .73              | x                |
| All workers, service-producing Indus.2/... | 100.0x             | 74.3x              | 25.7x  | 7.1x                            | 1.9x              | 5.0x     | 3.0x                 | 8.5x             | x                |
| White-collar workers.....                  | 100.0              | 74.7               | 25.3   | 7.7                             | 1.8               | 4.9      | 3.2                  | 7.5              | 0.1x             |
| Professional specialty, technical.....     | 100.0              | 74.4               | 25.6   | 8.4                             | 1.8               | 4.3      | 3.8                  | 7.3              | x                |
| Executive, administrative, managerial.     | 100.0              | 75.1               | 24.9   | 8.6                             | 1.9               | 4.2      | 3.3                  | 6.8              | .1               |
| Sales workers.....                         | 100.0              | 77.6               | 22.4   | 5.3                             | 1.6               | 4.8      | 2.2                  | 8.4              | .2               |
| Administrative support, clerical.....      | 100.0              | 72.7               | 27.3   | 7.7                             | 1.7               | 6.6      | 3.2                  | 8.0              | x                |
| Blue-collar workers.....                   | 100.0              | 70.9               | 29.1   | 6.5                             | 2.7               | 6.0      | 3.2                  | 10.6             | x                |
| Precision production, craft, repair...     | 100.0              | 71.5               | 28.5   | 7.3                             | 2.6               | 5.7      | 3.1                  | 9.6              | .2               |
| Transportation, material moving.....       | 100.0              | 70.1               | 29.9   | 6.2                             | 2.3               | 6.0      | 3.4                  | 11.9             | x                |
| Handlers, cleaners, helpers, laborers.     | 100.0              | 70.9               | 29.1   | 5.4                             | 2.7               | 6.4      | 3.3                  | 11.2             | x                |
| Service workers.....                       | 100.0              | 77.4               | 22.6   | 4.7                             | 1.2               | 4.1      | 1.6                  | 11.0             | x                |

\* Cost per hour worked is \$0.01 or less.  
NOTE: See footnotes at end of table 1.

SUMMARY DATA BY OCCUPATION, MANUFACTURING INDUSTRIES

Table 8. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, by occupation within private manufacturing industries, March 1988

| Occupation category                        | Total compensation | Wages and salaries | Total  | Paid leave Cost per hour worked | Supplemental pay | Benefit costs |                      |                  |        | Other bone-fits/ |
|--|--------------------|--------------------|--------|---------------------------------|------------------|---------------|----------------------|------------------|--------|------------------|
|  |                    |                    |        |                                 |                  | Insurance     | Pensions and savings | Legally required |        |                  |
| All workers, manufacturing industries..... | \$16.26            | \$11.18            | \$5.07 | \$1.25                          | \$0.58           | \$1.20        | \$0.57               | \$1.43           | \$0.05 |                  |
| White-collar workers.....                  | 20.53              | 14.67              | 5.86   | 1.80                            | .39              | 1.28          | .83                  | 1.51             | .04    |                  |
| Professional specialty, technical.....     | 22.44              | 15.99              | 6.45   | 2.02                            | .39              | 1.40          | .92                  | 1.65             | .06    |                  |
| Executive, administrative, managerial.     | 27.66              | 20.11              | 7.55   | 2.56                            | .58              | 1.38          | 1.11                 | 1.87             | .04    |                  |
| Administrative support, clerical.....      | 13.08              | 8.96               | 4.12   | 1.04                            | .29              | 1.14          | .55                  | 1.07             | .03    |                  |
| Blue-collar workers.....                   | 14.30              | 9.58               | 4.72   | 1.00                            | .67              | 1.16          | .44                  | 1.39             | .05    |                  |
| Precision production, craft, repair....    | 17.81              | 12.04              | 5.78   | 1.30                            | .89              | 1.35          | .53                  | 1.64             | .07    |                  |
| Machine opers./assemblers/inspectors...    | 13.25              | 8.83               | 4.42   | .92                             | .62              | 1.12          | .42                  | 1.28             | .05    |                  |
| Transportation, material moving.....       | 15.55              | 10.36              | 5.18   | 1.08                            | .61              | 1.27          | .53                  | 1.65             | .05    |                  |
| Handlers, cleaners, helpers, laborers.     | 11.78              | 7.94               | 3.84   | .72                             | .46              | .97           | .35                  | 1.31             | .02    |                  |
| Service workers.....                       | 12.48              | 8.19               | 4.30   | .88                             | .53              | 1.22          | .45                  | 1.15             | .07    |                  |
| All workers, manufacturing industries..... | 100.0%             | 68.8%              | 31.2%  | 7.7%                            | 3.5%             | 7.4%          | 3.5%                 | 8.8%             | 0.3%   |                  |
| White-collar workers.....                  | 100.0              | 71.5               | 28.5   | 8.8                             | 1.9              | 6.2           | 4.1                  | 7.3              | .2     |                  |
| Professional specialty, technical.....     | 100.0              | 71.3               | 28.7   | 9.0                             | 1.7              | 6.2           | 4.1                  | 7.4              | .3     |                  |
| Executive, administrative, managerial.     | 100.0              | 72.7               | 27.3   | 9.3                             | 2.1              | 5.0           | 4.0                  | 6.8              | .2     |                  |
| Administrative support, clerical.....      | 100.0              | 68.5               | 31.5   | 7.9                             | 2.2              | 8.7           | 4.2                  | 8.2              | .3     |                  |
| Blue-collar workers.....                   | 100.0              | 67.0               | 33.0   | 7.0                             | 4.7              | 8.1           | 3.1                  | 9.7              | .4     |                  |
| Precision production, craft, repair....    | 100.0              | 67.6               | 32.4   | 7.3                             | 5.0              | 7.6           | 3.0                  | 9.2              | .4     |                  |
| Machine opers./assemblers/inspectors...    | 100.0              | 66.6               | 33.4   | 7.0                             | 4.7              | 8.5           | 3.1                  | 9.7              | .4     |                  |
| Transportation, material moving.....       | 100.0              | 66.7               | 33.3   | 6.9                             | 3.9              | 8.2           | 3.4                  | 10.6             | .3     |                  |
| Handlers, cleaners, helpers, laborers.     | 100.0              | 67.4               | 32.6   | 6.1                             | 3.9              | 8.2           | 3.0                  | 11.2             | .2     |                  |
| Service workers.....                       | 100.0              | 65.6               | 34.4   | 7.0                             | 4.3              | 9.7           | 3.6                  | 9.2              | .6     |                  |

NOTE: See footnotes at end of table 1.

SUMMARY DATA BY OCCUPATION, NONMANUFACTURING INDUSTRIES

Table 9. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, by occupation within private nonmanufacturing industries, March 1988

| Occupation category                         | Total compensation | Wages and salaries | Total  | Paid leave Cost per hour worked | Supplemental pay | Benefit costs |                      |                  | Other benefits |
|---|--------------------|--------------------|--------|---------------------------------|------------------|---------------|----------------------|------------------|----------------|
|   |                    |                    |        |                                 |                  | Insurance     | Pensions and savings | Legally required |                |
| All workers, nonmanufacturing industries... | \$13.08            | \$9.69             | \$3.39 | \$0.89                          | \$0.25           | \$0.66        | \$0.41               | \$1.16           | ×              |
| White-collar workers.....                   | 15.21              | 11.37              | 3.84   | 1.17                            | .27              | .75           | .49                  | 1.15             | \$0.02         |
| Professional specialty, technical.....      | 20.44              | 15.20              | 5.24   | 1.71                            | .37              | .88           | .78                  | 1.49             | ×              |
| Executive, administrative, managerial.      | 22.79              | 17.10              | 5.69   | 1.95                            | .44              | .97           | .73                  | 1.58             | .02            |
| Sales workers.....                          | 10.54              | 8.18               | 2.36   | .55                             | .17              | .50           | .23                  | .88              | .02            |
| Administrative support, clerical.....       | 11.28              | 8.21               | 3.06   | .86                             | .19              | .74           | .36                  | .90              | ×              |
| Blue-collar workers.....                    | 13.52              | 9.60               | 3.92   | .72                             | .37              | .75           | .51                  | 1.55             | .02            |
| Precision production, craft, repair...      | 17.08              | 12.20              | 4.88   | .92                             | .46              | .90           | .68                  | 1.89             | .03            |
| Transportation, material moving.....        | 14.14              | 9.87               | 4.27   | .82                             | .36              | .83           | .53                  | 1.72             | ×              |
| Handlers, cleaners, helpers, laborers.      | 9.63               | 6.86               | 2.78   | .45                             | .26              | .57           | .33                  | 1.15             | ×              |
| Service workers.....                        | 6.62               | 5.12               | 1.50   | .31                             | .08              | .27           | .10                  | .73              | ×              |
| All workers, nonmanufacturing industries... | 100.0%             | 74.1%              | 25.9%  | 6.8%                            | 2.0%             | 5.0%          | 3.2%                 | 8.9%             | ×              |
| White-collar workers.....                   | 100.0              | 74.7               | 25.3   | 7.7                             | 1.8              | 4.9           | 3.2                  | 7.6              | 0.1%           |
| Professional specialty, technical.....      | 100.0              | 74.4               | 25.6   | 8.4                             | 1.8              | 4.3           | 3.8                  | 7.3              | ×              |
| Executive, administrative, managerial.      | 100.0              | 75.0               | 25.0   | 8.6                             | 1.9              | 4.3           | 3.2                  | 6.9              | .1             |
| Sales workers.....                          | 100.0              | 77.6               | 22.4   | 5.3                             | 1.6              | 4.8           | 2.2                  | 8.4              | .2             |
| Administrative support, clerical.....       | 100.0              | 72.8               | 27.2   | 7.7                             | 1.7              | 6.6           | 3.2                  | 8.0              | ×              |
| Blue-collar workers.....                    | 100.0              | 71.0               | 29.0   | 5.4                             | 2.7              | 5.5           | 3.8                  | 11.5             | .1             |
| Precision production, craft, repair...      | 100.0              | 71.4               | 28.6   | 5.4                             | 2.7              | 5.3           | 4.0                  | 11.1             | .2             |
| Transportation, material moving.....        | 100.0              | 69.8               | 30.2   | 5.8                             | 2.6              | 5.9           | 3.7                  | 12.2             | ×              |
| Handlers, cleaners, helpers, laborers.      | 100.0              | 71.2               | 28.8   | 4.7                             | 2.7              | 5.9           | 3.5                  | 11.9             | ×              |
| Service workers.....                        | 100.0              | 77.4               | 22.6   | 4.7                             | 1.2              | 4.1           | 1.6                  | 11.0             | ×              |

Service workers.....  
 × Cost per hour worked is \$0.01 or less.  
 NOTE: See footnotes at end of table 1.

SUMMARY DATA BY UNION STATUS, INDUSTRY, AND OCCUPATION

Table 10. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, by union status by industry and occupation, private industry, March 1988

| Union status, industry, and occupation      | Total compensation | Wages and salaries | Total  | Paid leave | Supplemental pay | Benefit costs        |           |                      | Legally required | Other bene-fits <sup>1</sup> |
|---|--------------------|--------------------|--------|------------|------------------|----------------------|-----------|----------------------|------------------|------------------------------|
|   |                    |                    |        |            |                  | Cost per hour worked | Insurance | Pensions and savings |                  |                              |
| All union workers, private industry.....    | \$18.16            | \$12.04            | \$6.12 | \$1.35     | \$0.64           | \$1.45               | \$0.87    | \$1.76               | \$0.06           |                              |
| Blue-collar workers.....                    | 18.91              | 12.24              | 6.68   | 1.34       | .79              | 1.59                 | .94       | 1.93                 | .08              |                              |
| Goods-producing industries 1/.....          | 19.31              | 12.42              | 6.89   | 1.29       | .89              | 1.69                 | .96       | 1.95                 | .10              |                              |
| Service-producing industries 2/.....        | 17.03              | 11.66              | 5.37   | 1.40       | .39              | 1.22                 | .77       | 1.57                 | .02              |                              |
| Manufacturing industries.....               | 17.91              | 11.46              | 6.45   | 1.38       | .91              | 1.67                 | .66       | 1.71                 | .11              |                              |
| Blue-collar workers.....                    | 17.87              | 11.42              | 6.45   | 1.36       | .93              | 1.67                 | .64       | 1.72                 | .11              |                              |
| Nonmanufacturing industries.....            | 18.34              | 12.44              | 5.90   | 1.33       | .44              | 1.30                 | 1.01      | 1.79                 | .03              |                              |
| All nonunion workers, private industry..... | 12.90              | 9.61               | 3.29   | .89        | .26              | .64                  | .36       | 1.11                 | x                |                              |
| Blue-collar workers.....                    | 11.13              | 8.16               | 2.97   | .58        | .35              | .58                  | .23       | 1.24                 | x                |                              |
| Goods-producing industries 1/.....          | 15.23              | 11.01              | 4.22   | 1.06       | .41              | .88                  | .46       | 1.39                 | .02              |                              |
| Service-producing industries 2/.....        | 12.13              | 9.15               | 2.98   | .84        | .22              | .56                  | .33       | 1.02                 | x                |                              |
| Manufacturing industries.....               | 16.60              | 11.67              | 4.92   | 1.30       | .48              | 1.10                 | .60       | 1.40                 | .04              |                              |
| Blue-collar workers.....                    | 12.13              | 8.47               | 3.65   | .74        | .53              | .84                  | .30       | 1.23                 | x                |                              |
| Nonmanufacturing industries.....            | 12.29              | 9.28               | 3.02   | .82        | .23              | .56                  | .33       | 1.07                 | x                |                              |

x Cost per hour worked is \$0.01 or less.  
NOTE: See footnotes at end of table 1.

SUMMARY DATA BY UNION STATUS, INDUSTRY, AND OCCUPATION--CONTINUED

Table 10. Employer costs per hour worked for employee compensation and costs as a percent of total compensation, by union status by industry and occupation, private industry, March 1988

| Union status,<br>industry, and<br>occupation | Total com-<br>pen-<br>sation | Wages and<br>salaries | Total | Benefit costs                                     |  |           |                            |                     |      | Other<br>bene-<br>fits <sup>4/</sup> |
|--|------------------------------|-----------------------|-------|---|--|-----------|----------------------------|---------------------|------|--------------------------------------|
|  |                              |                       |       | Paid<br>leave<br>Percent of<br>total compensation | Supple-<br>mental<br>pay<br>Percent of<br>total compensation | Insurance | Pensions<br>and<br>savings | Legally<br>required |      |                                      |
| All union workers, private industry.....     | 100.0%                       | 66.3%                 | 33.7% | 7.4%  | 3.5%   | 8.0%      | 4.8%                       | 9.7%                | 0.3% |                                      |
| Blue-collar workers.....                     | 100.0                        | 64.7                  | 35.3  | 7.1   | 4.2  | 8.4       | 5.0                        | 10.2                | .4   |                                      |
| Goods-producing industries 1/.....           | 100.0                        | 64.3                  | 35.7  | 6.7   | 4.6  | 8.8       | 5.0                        | 10.1                | .5   |                                      |
| Service-producing industries 2/.....         | 100.0                        | 68.5                  | 31.5  | 8.2   | 2.3  | 7.1       | 4.5                        | 9.2                 | .1   |                                      |
| Manufacturing.....                           | 100.0                        | 64.0                  | 36.0  | 7.7   | 5.1  | 9.3       | 3.7                        | 9.6                 | .6   |                                      |
| Blue-collar workers.....                     | 100.0                        | 63.9                  | 36.1  | 7.6   | 5.2  | 9.4       | 3.6                        | 9.6                 | .6   |                                      |
| Nonmanufacturing industries.....             | 100.0                        | 67.8                  | 32.2  | 7.2   | 2.4  | 7.1       | 5.5                        | 9.8                 | .2   |                                      |
| All nonunion workers, private industry....   | 100.0                        | 74.5                  | 25.5  | 6.9   | 2.0  | 5.0       | 2.8                        | 8.6                 | x    |                                      |
| Blue-collar workers.....                     | 100.0                        | 73.3                  | 26.7  | 5.2   | 3.1  | 5.2       | 2.0                        | 11.1                | x    |                                      |
| Goods-producing industries 1/.....           | 100.0                        | 72.3                  | 27.7  | 7.0   | 2.7  | 5.8       | 3.0                        | 9.1                 | .1   |                                      |
| Service-producing industries 2/.....         | 100.0                        | 75.4                  | 24.6  | 6.9   | 1.8  | 4.6       | 2.7                        | 8.4                 | x    |                                      |
| Manufacturing.....                           | 100.0                        | 70.3                  | 29.7  | 7.8   | 2.9  | 6.7       | 3.6                        | 8.5                 | .2   |                                      |
| Blue-collar workers.....                     | 100.0                        | 69.9                  | 30.1  | 6.1   | 4.4  | 6.9       | 2.5                        | 10.1                | x    |                                      |
| Nonmanufacturing industries.....             | 100.0                        | 75.5                  | 24.5  | 6.7   | 1.8  | 4.5       | 2.7                        | 8.7                 | x    |                                      |

x Cost per hour worked is \$0.01 or less.  
NOTE: See footnotes at end of table 1.

EXPLANATORY NOTES

Employer costs for employee compensation is a measure of the average cost per hour worked to employers for wages and salaries and benefits.

Wages and salaries are defined as the hourly straight-time wage rate, or for workers not paid on an hourly basis, straight-time earnings divided by the corresponding hours. Straight-time wage and salary rates are total earnings before payroll deductions, excluding premium pay for overtime and for work on weekends and holidays, shift differentials, nonproduction bonuses, and lump-sum payments provided in lieu of wage increases. Production bonuses, incentive earnings, commission payments, and cost-of-living adjustments are included in straight-time wage and salary rates.

Benefits covered are:

Paid leave--paid vacations, holidays, sick leave, and other leave.

Supplemental pay--premium pay for overtime and work on weekends and holidays, shift differentials, nonproduction bonuses, and lump-sum payments provided in lieu of wage increases.

Insurance benefits--life, health, and sickness and accident insurance.

Retirement and savings benefits--pension and other retirement plans and savings and thrift plans.

Legally required benefits--social security, railroad retirement and supplemental retirement, railroad unemployment insurance, Federal and state unemployment insurance, workers' compensation, and other benefits required by law, such as state temporary disability insurance.

Other benefits--severance pay, supplemental unemployment plans, and merchandise discounts in department stores.

The Survey

Employer costs for employee compensation cover all occupations in the private economy, excluding farms and households. These cost levels are published once a year with the payroll period including March 12th as the reference period.

The cost levels are based on compensation cost data collected for the Bureau of Labor Statistics Employment Cost Index (ECI), released quarterly. Cost data were collected from the ECI's March 1988 private industry sample which consisted of about 18,000 occupations within 3,400 sample establishments. The sample establishments are classified in industry categories based on the 1972 Standard Industrial Classification (SIC) system, as defined by the U.S. Office of Management and Budget. Within an establishment, specific job categories are selected to represent broader major occupational groups such as professional specialty and technical occupations.

The cost levels are calculated with current employment weights each year. In contrast, the ECI, which measures the change in employer costs for employee compensation, is calculated with fixed employment counts from the 1980 Census to prevent employment shifts among occupations and industries from influencing the changes. Therefore, year-to-year changes in the cost levels will differ from those in the ECI.

The March 1988 compensation cost levels were calculated with the March 1988 private industry employment counts from the Bureau of Labor Statistics Current Employment Statistics program benchmarked to the 1987 universe of all private nonfarm establishments. The employment counts used were total private industry employment estimates for 2-digit major industry groups (such as primary metal manufacturing or food stores) as defined by the SIC system. The employment data from these 2-digit groups were distributed to major occupational groups (such as executives, administrators, and managers or machine operators, assemblers, and inspectors), using the relative importance of the groups as estimated by the ECI sample.

More information on the cost levels, including how the costs are calculated, appears in the article "Analyzing employers' costs for wages, salaries, and benefits" in the October 1987 issue of the Monthly Labor Review. The published cost levels for March 1987 also appear in that article.

A bulletin from the ECI program will be issued later this year. The bulletin will provide the March 1988 cost levels as well as complete historical ECI data and measures of the precision of the two series. It also will include an explanation of survey methods and a detailed discussion of the published information.

### The Relative Standard Errors

Because the data are based on a sample survey, the compensation cost estimates probably differ from the figures that would be obtained from all units covered by the survey. To determine the precision of each cost level estimate, a standard error was calculated.

The standard error defines a range (confidence interval) around the cost estimate. The approximate 95-percent confidence interval is the estimate plus or minus twice the standard error. The standard error can also be expressed as a percent of the cost estimate, or the relative standard error. For example, the 95-percent confidence interval for a cost estimate of \$10 with a relative standard error of 1.0 percent would be \$10.00 plus or minus 2.0 percent (2 times 1.0 percent) or \$9.80 to \$10.20. We can be 95 percent confident that the "true" cost falls within the confidence interval.

The relative standard error is shown with the cost estimates for some series in the appendix. Relative standard errors for all published estimates are available upon request. They also will appear in the ECI annual bulletin to be published later this year. A fuller explanation of the relative standard errors is provided in the article "Analyzing employers' costs for wages, salaries, and benefits" in the October 1987 issue of the Monthly Labor Review.



Appendix. Employer costs per hour worked for components of compensation and relative standard errors, 1/ by major industry and occupation categories, March 1988

| Industry or occupation category | Total compensation | Wages and salaries | Benefit costs |            |                  |           |                      |                  |                |
|---------------------------------|--------------------|--------------------|---------------|------------|------------------|-----------|----------------------|------------------|----------------|
|                                 |                    |                    | Total         | Paid leave | Supplemental pay | Insurance | Pensions and savings | Legally required | Other benefits |
| All workers in private industry | \$13.79            | \$10.02            | \$3.77        | \$0.97     | \$0.33           | \$0.78    | \$0.45               | \$1.22           | \$0.02         |
| Cost per hour worked.....       | .7%                | .7%                | .9%           | 1.4%       | 2.4%             | 1.3%      | 2.8%                 | .8%              | 6.6%           |
| Relative error.....             | 1.3%               | 1.3%               | 1.8%          | 2.2%       | 3.3%             | 2.4%      | 4.3%                 | 2.0%             | 8.7%           |
| Goods-producing industries      | \$16.42            | \$11.42            | \$5.00        | \$1.13     | \$0.55           | \$1.11    | \$0.61               | \$1.55           | \$0.04         |
| Cost per hour worked.....       | 1.3%               | 1.3%               | 1.8%          | 2.2%       | 3.3%             | 2.4%      | 4.3%                 | 2.0%             | 8.7%           |
| Relative error.....             | 1.3%               | 1.3%               | 1.8%          | 2.2%       | 3.3%             | 2.4%      | 4.3%                 | 2.0%             | 8.7%           |
| Service-producing industries    | \$12.72            | \$9.45             | \$3.27        | \$0.91     | \$0.24           | \$0.64    | \$0.39               | \$1.08           | X              |
| Cost per hour worked.....       | .9%                | .8%                | 1.2%          | 1.9%       | 3.6%             | 1.8%      | 3.5%                 | .7%              | X              |
| Relative error.....             | .9%                | .8%                | 1.2%          | 1.9%       | 3.6%             | 1.8%      | 3.5%                 | .7%              | X              |
| Manufacturing industries        | \$16.26            | \$11.18            | \$5.07        | \$1.25     | \$0.58           | \$1.20    | \$0.57               | \$1.43           | \$0.05         |
| Cost per hour worked.....       | 1.4%               | 1.4%               | 1.8%          | 2.2%       | 4.1%             | 2.4%      | 3.8%                 | 1.8%             | 9.0%           |
| Relative error.....             | 1.4%               | 1.4%               | 1.8%          | 2.2%       | 4.1%             | 2.4%      | 3.8%                 | 1.8%             | 9.0%           |
| Nonmanufacturing industries     | \$13.08            | \$9.69             | \$3.39        | \$0.89     | \$0.25           | \$0.66    | \$0.41               | \$1.16           | X              |
| Cost per hour worked.....       | .9%                | .8%                | 1.2%          | 1.8%       | 3.2%             | 1.8%      | 3.4%                 | .9%              | X              |
| Relative error.....             | .9%                | .8%                | 1.2%          | 1.8%       | 3.2%             | 1.8%      | 3.4%                 | .9%              | X              |
| White-collar workers            | \$15.97            | \$11.84            | \$4.13        | \$1.26     | \$0.29           | \$0.83    | \$0.54               | \$1.20           | \$0.02         |
| Cost per hour worked.....       | 1.1%               | 1.1%               | 1.4%          | 2.0%       | 4.3%             | 1.7%      | 3.1%                 | .8%              | 8.4%           |
| Relative error.....             | 1.1%               | 1.1%               | 1.4%          | 2.0%       | 4.3%             | 1.7%      | 3.1%                 | .8%              | 8.4%           |
| Blue-collar workers             | \$13.87            | \$9.59             | \$4.27        | \$0.85     | \$0.50           | \$0.93    | \$0.48               | \$1.48           | \$0.05         |
| Cost per hour worked.....       | 1.1%               | 1.0%               | 1.6%          | 1.8%       | 3.1%             | 2.2%      | 4.5%                 | 1.6%             | 7.9%           |
| Relative error.....             | 1.1%               | 1.0%               | 1.6%          | 1.8%       | 3.1%             | 2.2%      | 4.5%                 | 1.6%             | 7.9%           |
| Service workers                 | \$6.76             | \$5.19             | \$1.56        | \$0.32     | \$0.09           | \$0.50    | \$0.11               | \$0.74           | X              |
| Cost per hour worked.....       | 1.9%               | 1.8%               | 2.9%          | 4.8%       | 6.0%             | 7.0%      | 12.2%                | 2.1%             | X              |
| Relative error.....             | 1.9%               | 1.8%               | 2.9%          | 4.8%       | 6.0%             | 7.0%      | 12.2%                | 2.1%             | X              |

1/ The relative standard error is the standard error expressed as a percent of the cost. We can be 95 percent confident the interval around the cost estimate bounded by two times plus and two times minus the relative error contains the "true" cost.

X Cost per hour worked is \$0.01 or less.  
NOTE: Relative standard errors for all published compensation costs are available upon request.