



Who has benefits in private industry in 2012?

Health, retirement, and paid leave benefits made up more than three-fifths of private industry employer-provided benefit costs in March 2012.¹ Although employers in most states are not required to offer these benefits, they often make some form of each major benefit type available to their employees, especially to full-time and high-wage workers. For example, paid holidays are offered to 77 percent of private industry workers overall and about 90 percent of full-time and high-wage workers. Medical care and retirement benefit availability show similar patterns.

This issue of **BEYOND THE NUMBERS** provides an overview of benefits for private industry workers, focusing on access to and participation in retirement, medical care, and paid leave benefits by various worker and establishment characteristics. The estimates of private industry benefit access, participation, and share of medical care premiums in this issue are from the "National Compensation Survey: Employee Benefits in the United States—March 2012," available online at <http://www.bls.gov/ncs/ebs/sp/ebnr0018.pdf>.

Related articles

More BLS articles and information related to leave, health, and retirement benefits are available online at the following links:

- "Paid Sick Leave: Prevalence, Provision, and Usage among Full-time Workers in Private Industry," *Compensation and Working Conditions*, February 2012, <http://www.bls.gov/opub/cwc/cm20120228ar01p1.htm>.
- "Costs and Participation Increase for Higher Paid Workers," *Program Perspectives*, December 2011, http://www.bls.gov/opub/perspectives/program_perspectives_vol3_issue7.pdf.

Table 1**Retirement and medical care benefits, access, participation, and take-up rates, private industry, in percent, March 2012**

Characteristic	Retirement			Medical care		
	Access	Participation	Take-up rate	Access	Participation	Take-up rate
All workers¹	65	48	75	70	51	72
Worker characteristic						
Management, professional, and related	79	68	86	87	67	76
Service	40	21	51	41	25	62
Sales and office	69	51	74	72	50	70
Natural resources, construction, and maintenance	65	51	78	77	57	75
Production, transportation, and material moving	66	50	76	75	57	76
Full time	74	59	80	86	64	74
Part time	38	19	50	24	13	54
Union	92	85	92	94	78	83
Nonunion	62	45	72	67	48	71
Low-wage workers (lowest 25 percent)	38	17	45	34	19	57
High-wage workers (highest 25 percent)	85	75	89	92	73	79
Establishment characteristic						
1 to 99 workers	50	34	68	57	41	71
100 to 499 workers	79	58	74	82	59	72
500 workers or more	86	76	88	89	68	76

1. All private industry workers = 100 percent.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey.

A glossary of terms used in this issue is at the end of the article.

Retirement plans

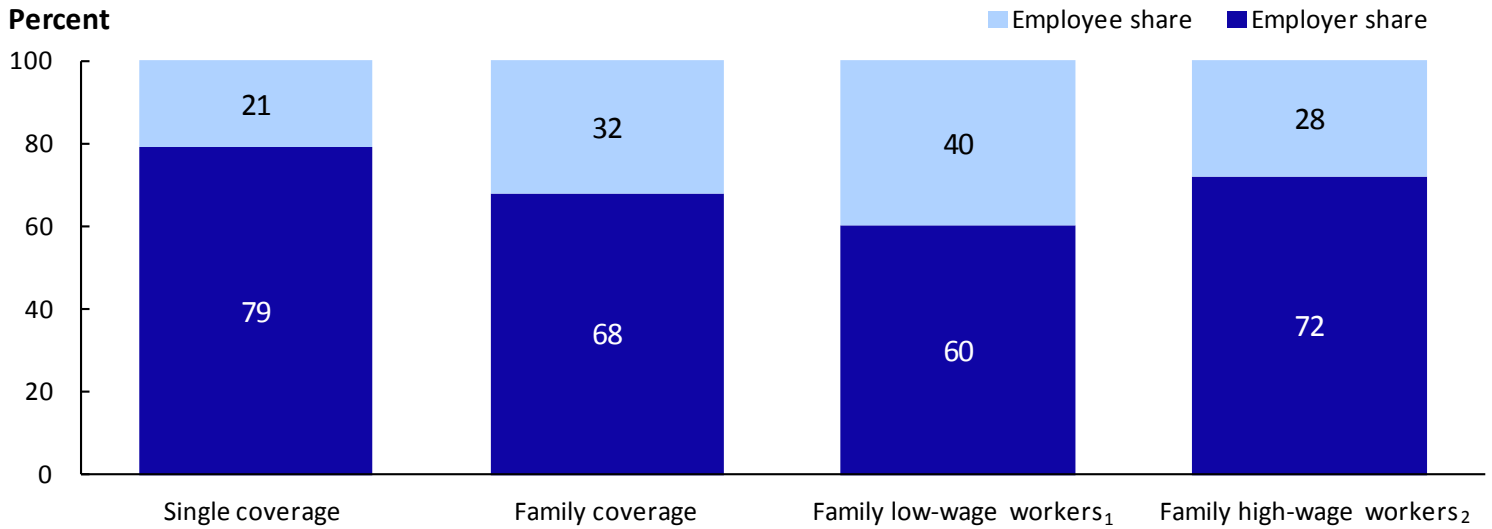
Nearly two-thirds of private industry workers had access to some form of retirement plan, typically either a defined-benefit plan (such as a pension) or defined-contribution plan (such as a 401(k)), and 48 percent chose to participate in a retirement benefit plan. (See table 1.) Access to retirement plans varied significantly by major occupational group, full- or part-time status, bargaining status, and wage category. Management, professional, and related occupations had nearly twice the access rate and more than 3 times the participation rate of service occupations. (Some examples of service occupations are healthcare support, protective service, food preparation,

maintenance, and personal care workers.) Similarly, full-time workers had nearly twice the access rate and 3 times the participation rate of part-time workers. Union workers showed very high access (92 percent) and participation (85 percent) rates for retirement plans.

High-wage workers (those in the top 25 percent of all wage earners, with earnings at or above \$24.81 per hour) had significantly higher rates of access and participation in retirement plans than those of low-wage workers (those in the lowest 25 percent of all wage earners, with earnings at or below \$10.69 per hour).² High-wage workers had access rates of 85 percent and participation rates of 75 percent. In other words, 89 percent of the high-wage workers who were eligible for retirement benefits participated in the plan (known as the take-up

Chart 1

Medical plans, share of premiums paid by employer and employee for single and family coverage, private industry, in percent, March 2012



1. Low-wage workers are in the lowest 25 percent of private industry wage earners, with an average wage at or below \$10.69 per hour.
 2. High-wage workers are in the highest 25 percent of private industry wage earners, with an average wage at or above \$24.81 per hour.

SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey.

rate), a significantly higher share than the take-up rate of 45 percent for low-wage workers. Low-wage workers seem to be at a disadvantage because they may have more difficulty providing employee contributions, which are often required to participate in a retirement plan such as a 401(k).

Workers in large establishments (500 workers or more) had a retirement participation rate that was more than twice that of workers in small establishments (less than 100 workers). In addition, the take-up rate for workers in large establishments was 20 percentage points higher than the rate for workers in small establishments.

Medical care plans

Medical care insurance plans were available to 70 percent of private industry workers in March 2012. Of those workers with access to employer-provided medical care benefits, 72 percent participated in such plans. (See table 1.) Some workers may not have participated in medical care coverage because they already had health coverage through a spouse or another family member, or they simply decided they did not want to pay the employee share of premiums for employer-provided medical care coverage.

Medical care access rates were more than 80 percent for certain private industry worker characteristics, including for full-time workers (86 percent), management, professional, and related workers (87 percent), workers with wages in the highest 25 percent of all workers (92 percent), and union workers (94 percent). Medical care participation rates for all these groups were above 60 percent. Large establishments also showed significantly higher medical care access and participation rates when compared with small establishments.

Private industry employers paid, on average, 79 percent of premiums for single coverage and 68 percent of premiums for family coverage. For low-wage employees with family coverage, the employee premium share required for employer provided medical plans was approximately 40 percent higher than for high-wage workers. (See chart 1.)

Paid leave

Major categories of paid leave benefits, such as sick leave, vacation, and holidays, were all available to the majority of private industry employees. However, benefits varied widely by type and among different worker and establishment characteristics. (See table 2.)

Table 2**Selected paid leave benefits, access, private industry, in percent, March 2012**

Characteristic	Paid sick leave	Paid vacation	Paid holidays
All workers¹	61	77	77
Worker characteristic			
Management, professional, and related	84	87	89
Service	40	56	53
Sales and office	65	–	81
Natural resources, construction, and maintenance	53	82	82
Production, transportation, and material moving	52	83	84
Full time	75	91	90
Part time	23	35	40
Union	73	91	91
Nonunion	60	75	76
Low-wage workers (lowest 25 percent)	29	49	50
High-wage workers (highest 25 percent)	84	90	91
Establishment characteristic			
1 to 99 workers	52	69	69
100 to 499 workers	66	83	84
500 workers or more	82	90	91
1. All private industry workers = 100 percent.			
NOTE: Dash indicates no workers in this category or data did not meet publication criteria.			
SOURCE: U.S. Bureau of Labor Statistics, National Compensation Survey.			

Paid vacation was available to 77 percent of all private industry workers. Access to paid vacation varied by major occupational group, from 87 percent for management, professional, and related workers to 56 percent for service workers. The majority of full-time workers (91 percent) received paid vacation benefits, compared with 35 percent of part-time workers. For high-wage workers, 90 percent had access to paid vacation, compared with approximately one-half of low-wage workers.

Private industry employees' levels of access to paid holidays were similar to their levels of access to paid vacations. For paid holidays, 77 percent of private industry workers received benefits. Full-time workers received paid holidays at more than twice the rate of part-time workers. Significantly higher numbers of high-wage workers received paid holidays (91 percent); just half of low-wage workers received them. More than 90 percent of workers

in large establishments received paid holidays, compared with 69 percent of workers in small establishments.

Paid sick leave benefits were not as common among private industry workers. Data indicate that 61 percent of all private industry workers received paid sick leave, while 77 percent of private industry workers received paid holidays and paid vacation. There were great differences in access to paid sick leave, depending on full-time and part-time status, wage category, and establishment size. Full-time workers received paid sick leave benefits at more than 3 times the rate of part-time workers, and high-wage workers received paid sick leave benefits at nearly 3 times the rate of low-wage workers. The rate of paid sick leave benefits was far more common in middle and large establishments than in small establishments.

Detailed incidence and provision data for both private industry and state and local government will be

available in early fall. For all benefit publications, see <http://www.bls.gov/ebs>. ■

This **BEYOND THE NUMBERS** report was prepared by National Compensation Survey staff, Office of Compensation Levels and Trends, Washington, DC. Email: NCSInfo@bls.gov. For more benefits information, please see <http://www.bls.gov/ebs>. For additional assistance, contact one of our information offices: National—Washington, DC: (202) 691-6199, TDD (800) 877-8339; Atlanta (404) 893-4222; Boston: (617) 565-2327; Chicago: (312) 353-1880; Dallas: (972) 850-4800; Kansas City: (816) 285-7000; New York: (646) 264-3600; Philadelphia: (215) 597-3282; San Francisco: (415) 625-2270.

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Glossary

Access. An employee has access to a benefit plan if the employee is in an occupation that is offered the plan. By definition, either all employees in an occupation have access to a benefit, or none has access. Access is the only measure of incidence used for leave benefits (e.g., vacation, holidays, and sick leave).

Defined-benefit plan. A defined benefit retirement plan provides employees with guaranteed retirement benefits that are based on a benefit formula. A participant’s retirement age, length of service, and preretirement earnings may affect the benefit received.

Defined-contribution plan. A defined contribution retirement plan specifies the level of employer contributions and places those contributions into individual employee accounts. Retirement benefits are based on the level of funds in the account at the time of retirement.

Medical care. Plans that provide payments or services rendered in the hospital or by a qualified medical care provider.

Participation. Participation is the percent of employees who actually enroll in a benefit plan. A plan may be a contributory plan that requires employees to contribute to the plan’s cost in order to participate, or it may be a noncontributory plan in which the employer pays 100 percent of the cost of the benefit.

Take-up rate. The take-up rate is the percentage of workers with access to a plan and who participate in the plan.

Notes

1. National Compensation Survey produces quarterly data on employer costs per employee hour worked for wages and salaries and benefits in *Employer Costs for Employee Compensation*, available online at http://www.bls.gov/news.release/archives/ecec_06072012.pdf.
2. The percentile values are based on wages published in the bulletin *National Compensation Survey: Occupational Earnings in the United States, 2010* (Bulletin 2753), available online at <http://www.bls.gov/ncs/ncswage2010.htm>.

