

# News

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## **EMPLOYEE BENEFITS IN PRIVATE INDUSTRY, 2003**

The proportion of employees covered by employer-sponsored medical care plans has fallen gradually over the last decade. In March 2003, 45 percent of employees had elected coverage, down from 63 percent in 1992-3, according to data released today by the Bureau of Labor Statistics, U.S. Department of Labor. The large majority of employees covered by medical care plans were in plans requiring employee contributions for both single coverage and family coverage. Employee contributions to medical care premiums averaged \$228.98 per month for family coverage; for single coverage, employee contributions averaged \$60.24 per month. Since 1992-3, the average monthly contribution required of employees has risen about 75 percent for both family and single coverage.

Just under half of private industry employees participated in an employer provided retirement plan. Twenty percent of employees were in defined benefit plans and 40 percent were covered by defined contribution plans. (Some employees participate in both types.) The overall coverage of retirement plans has held relatively steady for the last few years. The mix of plans, however, has changed. Defined benefit plans cover a smaller portion of workers than they did 10 years ago, while defined contribution plans cover a larger portion.

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

Beginning with this news release, BLS is presenting benefit incidence and provisions data in new ways. This is a result of the consolidation of several compensation surveys into a single program of compensation statistics, the National Compensation Survey (NCS). Among the goals of the NCS are more timely publication, a greater variety of data, and new series that link benefit costs to benefit incidence and provisions. (For more information on current and upcoming changes, please see the Technical Note.) In addition to health and retirement plans, the survey also covered paid leave, life and disability insurance, and other selected benefits. (See tables 2-4.)

## **Worker characteristics**

Access to and participation in benefit plans varied by occupational group, full- and part-time work schedule, union status, and earnings. For example, workers in white-collar occupations were more likely to participate in defined contribution plans than service workers. Union workers had higher rates of coverage for most benefits. Paid leave benefits (vacations, holidays, etc.) were commonly available to most workers regardless of occupation or union status but were reported less frequently for part-time workers.

For the first time in 2003, data on availability of benefits were tabulated separately for workers in jobs averaging under and over \$15 an hour. (Please see the Technical Note for further details.) Those in jobs averaging \$15 an hour or more were far more likely to be covered by all benefits. For example, workers in higher paid occupations were twice as likely as workers in lower paid jobs to participate in health and retirement plans.

## **Establishment characteristics**

The incidence of benefits varied by industry, establishment size, and location. Benefits were more commonly offered to workers in goods-producing than to those in service-providing industries. Workers in medium and large private sector establishments (those employing 100 employees and more) were more likely to have access to a variety of benefits. The differences were more pronounced in coverage for retirement and insurance benefits than for paid leave benefits. For the first time in 2003, NCS data on benefit incidence were produced by census division. Coverage for most benefits was more common in the Middle Atlantic, East North Central and East South Central divisions.

For the first time, data are available on the proportion of establishments offering employee benefits. A majority of private establishments offered health insurance to employees in March 2003, and about half of establishments offered retirement plans. There were sharp differences in the availability of both benefits among larger and smaller establishments. Nearly all larger establishments (those employing 100 workers or more) offered health insurance, compared with just over half of smaller establishments. Larger establishments were nearly twice as likely as smaller establishments to offer retirement plans. The data show the provision of health care benefits to retirees is fairly rare except for establishments of 100 workers or more. (See table 8).

**Table 1: Percent of workers participating in health care and retirement benefits, by selected characteristics, private industry, National Compensation Survey,<sup>1</sup> March 2003**

Characteristics	Retirement benefits			Health care benefits			
	All plans <sup>2</sup>	Defined benefit	Defined contribution	Medical care	Dental care	Vision care	Plan type not available
All employees .....	49	20	40	45	32	19	8
<b>Worker characteristics:<sup>3</sup></b>							
White-collar occupations <sup>4</sup> .....	59	22	51	50	37	21	8
Blue-collar occupations <sup>4</sup> .....	50	24	38	51	33	20	10
Service occupations <sup>4</sup> .....	21	7	16	22	15	9	3
Full time .....	58	24	48	56	40	23	9
Part time .....	18	8	14	9	6	5	3
Union .....	83	72	39	60	51	37	23
Nonunion .....	45	15	40	44	30	17	7
Average wage less than \$15 per hour ..	35	11	29	35	22	12	6
Average wage \$15 per hour or higher ..	70	33	57	61	47	28	12
<b>Establishment characteristics:</b>							
Goods-producing .....	63	31	49	57	42	25	12
Service-producing .....	45	16	37	42	29	17	7
1-99 workers .....	35	8	31	36	21	11	6
100 workers or more .....	65	33	51	55	44	27	10
<b>Geographic areas:<sup>5</sup></b>							
Metropolitan areas .....	50	21	41	45	33	19	9
Nonmetropolitan areas .....	42	14	36	44	27	17	4
New England .....	44	15	37	43	31	14	9
Middle Atlantic .....	56	30	43	47	32	24	9
East North Central .....	56	23	46	47	34	17	10
West North Central .....	48	21	37	43	31	17	5
South Atlantic .....	46	16	40	44	30	14	7
East South Central .....	51	14	46	53	37	28	6
West South Central .....	42	18	35	47	30	17	4
Mountain .....	38	10	34	34	28	17	6
Pacific .....	46	20	37	45	33	24	10

<sup>1</sup> The survey covers all 50 States and the District of Columbia.

<sup>2</sup> Includes defined benefit pension plans and defined contribution retirement plans. The total is less than the sum of the individual items because many employees participated in both types of plans.

<sup>3</sup> Employees are classified as working either a full-time or part-time schedule based on the definition used by each establishment. Union workers are those whose wages are determined through collective bargaining.

<sup>4</sup> A classification system including about 480 individual

occupations is used to cover all workers in the civilian economy. See the Technical Note for more information.

<sup>5</sup> Data are presented for metropolitan and nonmetropolitan area divisions as well as nine census divisions. 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 participating in life and disability insurance benefits, by selected characteristics, private industry, National Compensation Survey,<sup>1</sup> March 2003**

Characteristics	Life	Disability benefits	
		Short-term disability	Long-term disability
All employees .....	47	37	28
<b>Worker characteristics:<sup>2</sup></b>			
White-collar occupations <sup>3</sup> .....	54	40	40
Blue-collar occupations <sup>3</sup> .....	50	44	20
Service occupations <sup>3</sup> .....	25	20	10
Full time .....	59	45	36
Part time .....	9	12	4
Union .....	61	68	27
Nonunion .....	46	34	29
Average wage less than \$15 per hour ..	37	27	16
Average wage \$15 per hour or higher ..	64	52	49
<b>Establishment characteristics:</b>			
Goods-producing .....	58	54	29
Service-producing .....	44	32	28
1-99 workers .....	33	26	18
100 workers or more .....	64	50	40
<b>Geographic areas:<sup>4</sup></b>			
Metropolitan areas .....	48	38	30
Nonmetropolitan areas .....	45	31	17
New England .....	42	33	29
Middle Atlantic .....	46	76	27
East North Central .....	53	37	30
West North Central .....	46	36	29
South Atlantic .....	49	29	31
East South Central .....	59	38	26
West South Central .....	48	28	28
Mountain .....	40	19	23
Pacific .....	41	27	28

<sup>1</sup> The survey covers all 50 States and the District of Columbia.

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

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

<sup>4</sup> Data are presented for metropolitan and nonmetropolitan area divisions as well as nine census divisions. 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 workers with access to selected leave benefits, by selected characteristics, private industry, National Compensation Survey,<sup>1</sup> March 2003**

Characteristics	Paid holidays	Paid vacations	Paid jury duty leave	Paid military leave
All employees .....	79	79	70	50
<b>Worker characteristics:<sup>2</sup></b>				
White-collar occupations <sup>3</sup> .....	86	84	79	59
Blue-collar occupations <sup>3</sup> .....	85	84	69	46
Service occupations <sup>3</sup> .....	54	61	46	34
Full time .....	91	91	77	56
Part time .....	43	40	45	33
Union .....	91	90	85	56
Nonunion .....	78	78	68	50
Average wage less than \$15 per hour .....	72	73	60	42
Average wage \$15 per hour or higher .....	91	90	84	64
<b>Establishment characteristics:</b>				
Goods-producing .....	90	87	76	56
Service-producing .....	76	77	68	48
1-99 workers .....	74	73	57	38
100 workers or more .....	86	87	84	64
<b>Geographic areas:<sup>4</sup></b>				
Metropolitan areas .....	79	79	71	51
Nonmetropolitan areas .....	80	79	61	44
New England .....	77	79	69	54
Middle Atlantic .....	83	85	72	54
East North Central .....	83	81	73	53
West North Central .....	74	71	70	50
South Atlantic .....	79	80	71	50
East South Central .....	81	79	72	45
West South Central .....	77	79	68	53
Mountain .....	75	73	71	51
Pacific .....	80	79	62	41

<sup>1</sup> The survey covers all 50 States and the District of Columbia.

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

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

information.

<sup>4</sup> Data are presented for metropolitan and nonmetropolitan area divisions as well as nine census divisions. 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. Percent of workers with access to selected benefits, by selected characteristics, private industry, National Compensation Survey,<sup>1</sup> March 2003**

Characteristics	Employer assistance for child care				Adoption assistance	Long-term care insurance	Flexible work place	Employer-provided home PC	Subsidized commuting
	Total <sup>2</sup>	Employer provided funds	On-site and off-site child care	Child care resource and referral services					
All employees .....	18	3	5	10	9	11	4	2	5
<b>Worker characteristics:<sup>3</sup></b>									
White-collar occupations <sup>4</sup> .....	26	5	7	15	13	16	6	3	7
Blue-collar occupations <sup>4</sup> .....	10	1	2	6	6	7	1	1	4
Service occupations <sup>4</sup> .....	10	2	4	5	2	4	1	1	2
Full time .....	21	4	5	12	10	13	4	3	6
Part time .....	11	2	4	5	5	4	3	1	2
Union .....	25	3	7	15	13	16	3	2	8
Nonunion .....	18	3	5	10	9	11	4	2	5
Average wage less than \$15 per hour ..	11	2	3	5	5	6	2	1	3
Average wage \$15 per hour or higher ..	31	5	8	18	16	19	7	4	9
<b>Establishment characteristics:</b>									
Goods-producing .....	16	3	2	11	9	11	3	3	5
Service-producing .....	19	3	6	10	9	11	4	2	5
1-99 workers .....	7	2	2	3	3	3	2	1	2
100 workers or more .....	32	5	8	19	16	20	5	3	9
<b>Geographic areas:<sup>5</sup></b>									
Metropolitan areas .....	21	4	5	12	10	12	4	2	6
Nonmetropolitan areas .....	5	2	2	2	2	4	1	1	1
New England .....	22	2	8	12	11	11	4	2	8
Middle Atlantic .....	24	4	6	14	12	12	4	3	8
East North Central .....	21	3	6	11	10	10	5	2	2
West North Central .....	17	3	6	8	7	7	2	2	3
South Atlantic .....	15	4	3	9	9	14	2	1	2
East South Central .....	16	4	4	7	4	7	4	1	5
West South Central .....	14	2	3	8	8	10	2	2	6
Mountain .....	19	2	5	12	7	7	5	1	6
Pacific .....	17	4	3	10	8	14	5	3	10

<sup>1</sup> The survey covers all 50 States and the District of Columbia.

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

<sup>3</sup> Employees are classified as working either a full-time or part-time schedule based on the definition used by each establishment. Union workers are those whose wages are determined through collective bargaining.

<sup>4</sup> A classification system including about 480 individual occupations

is used to cover all workers in the civilian economy. See the Technical Note for more information.

<sup>5</sup> Data are presented for metropolitan and nonmetropolitan area divisions as well as nine census divisions. 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 5. Percent of medical insurance participants required to contribute and average employee contribution for single and family coverage, by selected characteristics, private industry, National Compensation Survey, March 2003**

Characteristics	Single coverage			Family coverage		
	Employee contributions not required	Employee contributions required	Average flat monthly contribution in dollars	Employee contributions not required	Employee contributions required	Average flat monthly contribution in dollars
Total .....	22	78	\$60.24	10	90	\$228.98
<b>Worker characteristics:<sup>1</sup></b>						
White-collar occupations <sup>2</sup> .....	20	80	61.95	8	92	236.17
Blue-collar occupations <sup>2</sup> .....	27	73	55.22	13	87	208.18
Service occupations <sup>2</sup> .....	—	—	—	—	—	—
Full time .....	22	78	\$59.63	10	90	\$227.52
Part time .....	—	—	—	—	—	—
Union .....	41	59	\$49.40	31	69	\$174.60
Nonunion .....	—	—	—	—	—	—
Average wage less than \$15 per hour ..	21	79	\$62.92	8	92	\$238.41
Average wage \$15 per hour or higher ..	24	76	57.75	12	88	220.04
<b>Establishment characteristics:</b>						
Goods-producing .....	22	78	50.87	13	87	190.81
Service-producing .....	23	77	64.15	9	91	244.08
1-99 workers .....	28	72	66.63	13	87	263.24
100 workers or more .....	18	82	56.03	8	92	204.52
<b>Geographic areas:<sup>3</sup></b>						
Metropolitan areas .....	23	77	59.76	10	90	228.28
Nonmetropolitan areas .....	21	79	63.19	9	91	233.31
New England .....	19	81	65.79	8	92	220.59
Middle Atlantic .....	26	74	59.78	15	85	228.58
East North Central .....	22	78	60.88	15	85	217.30
West North Central .....	20	80	59.97	12	88	238.68
South Atlantic .....	16	84	63.61	4	96	246.54
East South Central .....	23	77	56.68	6	94	234.44
West South Central .....	21	79	60.89	5	95	243.63
Mountain .....	21	79	61.24	8	92	234.83
Pacific .....	32	68	52.75	11	89	202.79

<sup>1</sup> Employees are classified as working either a full-time or part-time schedule based on the definition used by each establishment. Union workers are those whose wages are determined through collective bargaining.

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

<sup>3</sup> Data are presented for metropolitan and nonmetropolitan area divisions as well as nine census divisions. 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 6. Participation of medical participants by amount and type of employee contribution for single coverage, private industry, National Compensation Survey, March 2003**

Characteristics	All employees	White-collar occupations	Blue-collar occupations	Service occupations
Number (in thousands) with contributory coverage .....	35,888	21,174	11,207	3,507
	Percent			
Total with contributory coverage .....	100	100	100	100
<b>Percent</b>				
Flat monthly amount .....	72	73	72	67
Less than \$5.00 .....	1	1	1	( <sup>1</sup> )
\$5.00 - 9.99 .....	2	1	2	2
\$10.00 - 14.99 .....	2	2	3	1
\$15.00 - 19.99 .....	2	1	3	1
\$20.00 - 29.99 .....	8	8	8	9
\$30.00 - 39.99 .....	10	9	11	7
\$40.00 - 49.99 .....	10	9	11	9
\$50.00 - 59.99 .....	9	10	8	9
\$60.00 - 69.99 .....	8	8	6	9
\$70.00 - 79.99 .....	6	6	7	4
\$80.00 - 89.99 .....	2	3	3	2
\$90.00 - 99.99 .....	3	3	3	4
\$100.00 - 124.99 .....	6	8	3	3
\$125.00 or greater .....	4	5	3	6
Composite rate <sup>2</sup> .....	1	2	( <sup>1</sup> )	( <sup>1</sup> )
Varies <sup>3</sup> .....	4	4	4	5
Flexible benefits <sup>4</sup> .....	2	3	1	1
Percent of earnings .....	( <sup>1</sup> )	1	( <sup>1</sup> )	1
Exists, but unknown .....	18	16	19	24
Other .....	3	2	4	2

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> A composite rate is a set contribution covering more than one benefit area, for example, health care and life insurance. Cost data for individual plans cannot be determined.

<sup>3</sup> Based on worker attributes. For example, employee contributions may vary based on earnings, length of service, or age.

<sup>4</sup> Amount varies by options selected under a "cafeteria plan" or employer-sponsored reimbursement account.

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



**Table 7. Participation of medical participants by amount and type of employee contribution for family coverage, private industry, National Compensation Survey, March 2003**

Characteristics	All employees	White-collar occupations	Blue-collar occupations	Service occupations
Number (in thousands) with contributory coverage .....	41,377	24,248	13,279	3,850
	Percent			
Total with contributory coverage .....	100	100	100	100
<b>Percent</b>				
Flat monthly amount .....	72	71	74	70
Less than \$25.00 .....	1	1	2	2
\$25.00 - 49.99 .....	3	2	5	2
\$50.00 - 74.99 .....	4	3	6	7
\$75.00 - 99.99 .....	5	5	4	3
\$100.00 - 124.99 .....	6	6	7	4
\$125.00 - 149.99 .....	5	5	7	1
\$150.00 - 174.99 .....	7	7	7	7
\$175.00 - 199.99 .....	6	6	6	4
\$200.00 - 224.99 .....	5	5	4	7
\$225.00 - 249.99 .....	4	4	5	2
\$250.00 - 274.99 .....	4	5	3	4
\$275.00 - 299.99 .....	2	3	2	2
\$300.00 - 324.99 .....	4	4	4	3
\$325.00 - 349.99 .....	2	2	3	3
\$350.00 - 374.99 .....	2	2	1	3
\$375.00 - 399.99 .....	2	2	2	5
\$400.00 - 424.99 .....	2	2	2	3
\$425.00 - 449.99 .....	1	2	1	1
\$450.00 - 474.99 .....	1	1	1	2
\$475.00 - 499.99 .....	1	1	1	1
\$500.00 or greater .....	4	5	3	6
Composite rate <sup>2</sup> .....	1	1	( <sup>1</sup> )	( <sup>1</sup> )
Varies <sup>3</sup> .....	3	3	3	3
Flexible benefits <sup>4</sup> .....	2	2	1	1
Percent of earnings .....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Exists, but unknown .....	19	19	18	22
Other .....	3	3	3	4

<sup>1</sup> Less than 0.5 percent.

<sup>2</sup> A composite rate is a set contribution covering more than one benefit area, for example, health care and life insurance. Cost data for individual plans cannot be determined.

<sup>3</sup> Based on worker attributes. For example, employee contributions may vary based on earnings, length of service, or age.

<sup>4</sup> Amount varies by options selected under a "cafeteria plan" or employer-sponsored reimbursement account.

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

**Table 8: Percent of establishments offering health and retirement benefits, and retiree health benefits, by establishment characteristics, private industry, National Compensation Survey,<sup>1</sup> March 2003**

Characteristics	Retirement benefits	Defined benefits	Defined contribution	Health care benefits <sup>2</sup>	Retiree health under age 65	Retiree health age 65 and over
All establishments .....	47	10	45	58	4	4
<b>Establishment characteristics:</b>						
Goods-producing .....	45	11	42	60	4	4
Service-producing .....	47	10	46	57	5	4
1-99 workers .....	45	9	44	56	4	3
100 workers or more .....	88	38	82	95	19	15
<b>Geographic areas:<sup>3</sup></b>						
Metropolitan areas .....	51	10	49	60	5	4
Nonmetropolitan areas .....	32	9	31	51	3	3
New England .....	48	11	48	54	1	1
Middle Atlantic .....	49	17	44	63	6	5
East North Central .....	62	13	61	84	6	5
West North Central .....	38	5	36	36	2	2
South Atlantic .....	54	5	53	55	5	3
East South Central .....	52	5	51	58	11	11
West South Central .....	39	13	39	58	7	7
Mountain .....	25	7	23	42	2	2
Pacific .....	45	12	43	58	3	3

<sup>1</sup> The survey covers all 50 States and the District of Columbia.

<sup>2</sup> Health may include a medical plan, or a separate dental, vision, or prescription drug plan.

<sup>3</sup> Data are presented for metropolitan and nonmetropolitan area divisions as well as nine census divisions. See the Technical Note for a list of States comprising the nine census divisions.

## TECHNICAL NOTE

The data in this release are from the National Compensation Survey (NCS), conducted by the Bureau of Labor Statistics, U.S. Department of Labor. The statistics in this release represent a transitional step in 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 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 and large private establishments during odd years and small private establishments and state and local governments during even years. Separate publications were produced for each sample. In the future, all types of establishments will be surveyed each year, and the data will be produced by numerous characteristics, including establishment employment size and sector of the economy.

Under NCS, benefit incidence and provision information is published in two steps. The first, incidence and key provisions, will be published approximately six months after the data are collected. This news release has data relating to March 2003, the most prompt publication in the history of the benefits incidence series since it was launched in 1979.

The second part will provide 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 early next year.

In addition, BLS is planning to introduce a new set of estimates that link benefit cost information to incidence and provisions data. For example, estimates of the cost of health insurance per participant are expected to be produced for the first time. Currently, the only estimates available are those of the average cost for all employees, regardless of their participation in health insurance plans. The new "linked" estimates are expected to begin appearing in 2004.

The last detailed publication of data on incidence and provision was for calendar year 2000. Because of the start up time associated with incorporating a new benefit sample in the NCS program, there will be no incidence or provision estimates for 2001 or 2002. 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 have also 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 that 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 3 and 4 refer to employee access. *Participation* refers to the proportion of employees who opt for a benefit. There will be cases where employees with access to a plan will not participate. For example, some employees may decline to participate in a health insurance plan if there is an employee cost involved. The benefits published in tables 1 and 2 refer to employee participation. Due to a change in methodology from previous surveys, the percentage of workers participating in medical

plans may be slightly lower than previously reported. Averages for occupations within an establishment were used to produce estimates for below and above \$15.

The data in table 8 present estimates -- for the first time in the survey -- of the proportion of establishments that offer retirement and health insurance to their employees. In this instance, the focus shifts from the employee to the establishment. If the benefit is available to anyone in the establishment, even those occupations not selected for the survey, it meets the definition of "offered" in table 8. *Establishments* are generally defined as single physical locations; the term is not synonymous with "firm" or "company," because a firm could have multiple locations (establishments). The section on survey scope, below, contains more information on establishments.

For a listing of selected benefit definitions, see Glossary of Compensation Terms, U.S Department of Labor, Bureau of Labor Statistics, August 1998, Report 923, or on the Internet at <http://www.bls.gov/ncs/ebs/ebsgloss.htm>.

### Survey scope

The 2003 NCS benefits survey obtained data from 2,924 private industry establishments, representing nearly 103 million workers; of this number, nearly 79 million were full-time workers and the remainder--slightly over 24 million--were part-time workers. The NCS uses the establishment's definition of full- and part-time status. For purposes of this survey, an establishment is an economic unit that produces goods or services, a central administrative office, or an auxiliary unit providing support services to a company. For private industries, the establishment is usually at a single physical location.

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 (as defined by the Office of Management and Budget) and the remaining portions of the 50 states. Metropolitan areas are either Metropolitan Statistical Areas (MSAs) or Consolidated Metropolitan Statistical Areas (CMSAs), as defined by the Office of Management and Budget in 1994. Nonmetropolitan areas are counties that do not fit the metropolitan area definition.

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

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

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

For more detailed information on occupational selection and classification under the National Compensation Survey, see National Compensation Survey, Occupational Wages in the United States, July 2002, U.S. Department of Labor, Bureau of Labor Statistics, September 2003, Bulletin 2561. For an online version, see: <http://www.bls.gov/ncs/ocs/sp/ncbl0552.pdf>.

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

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

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