The Business Establishment List - Standard Statistical Establishment List

Comparison Project

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I. Introduction

The Bureau of Labor Statistics (BLS) and the Bureau of the Census (BOC) each maintain large files of statistical information about businesses in the United States. These business lists are similar in content and program use, are costly for both agencies to develop and maintain, and are burdensome for businesses with multiple establishments. Comparing the two lists at both the macro and micro perspective provides the information necessary for assessing opportunities for list improvements and potential data sharing between the BLS and the BOC.

The comparison of the BLS' Business Establishment List (BEL) and the BOC's Standard Statistical Establishment List (SSEL) is part of a broader scope of activities formally initiated by these agencies to improve the quality of both lists. A Memorandum of Understanding between the BLS and the BOC, signed in December 1998, authorized the participating agencies to conduct research to:

- evaluate the primary BLS and BOC business lists and their statistical program uses,
- evaluate major opportunities to improve each list and its uses, and
- help define the benefits and risks of sharing list information.

The MOU more specifically indicates that research work should result in the evaluation of the following: the statistical concepts, coverage, content, and quality of both lists; the direct BOC and BLS program uses of respective list information, including data collection and product uses; and actions that could improve business list information, operations, or uses with or without new statutory authority. Much of the initial research activities have focused on comparing and evaluating the BEL and SSEL at the microdata level.

The next section of this paper provides an overview of the two lists; section III describes how differences in the two business lists affects the Bureau of Economic Analysis (BEA); section IV presents a summary of initial results from the microdata analysis; section V discusses the benefits of list sharing; section VI discusses the current status and future of the project; and the final section lists questions for the Advisory Committee.

II. Overview of the BEL and the SSEL

IIa. The BEL

The BLS' BEL is a list of active employer business establishments in the United States, Puerto Rico, and the Virgin Islands. Its principal sources of information are the State Employment Security Agencies (SESAs) of the fifty States and the District of Columbia (and Puerto Rico and the Virgin Islands). Employers report to the SESAs in compliance with State Unemployment Insurance (UI) laws, and for Federal civilian workers, in compliance with the Unemployment

Compensation for Federal Employee (UCFE) program. Each quarter, business employers report monthly employment and quarterly wages.

New businesses are required to submit an initial Status Determination Form for UI purposes. The report includes basic identification information, including business name, mailing and physical location address, type of organization, Federal Employer Identification Number (EIN), and more. Most new employers are aware of their UI liability and request the SESA to supply a Status Determination Form when operations begin. Other new employers are identified using IRS information. The IRS supplies the SESAs with quarterly extracts of new firms applying for EINs. Other means of discovering newly liable employers are through the UI claims process and UI field auditor investigations. The SESAs also advise the IRS of EINs that reported UI taxes for the prior year as part of the Federal Unemployment Tax Act reconciliation process.

Business enterprises with more than one establishment in a State are requested to file a Multiple Worksite Report (MWR) on which data for each of its establishments are reported separately. The EIN provides linkages among establishments of the same business enterprise across States. The EIN for establishments on the BEL is obtained from the initial Status Determination Form and updated, if necessary, based on the quarterly UI tax form.

Industry codes in the BEL are assigned by State agencies to each reporting unit based on responses to questionnaires in which employers indicate their principal product or activity. The industry code for establishment births is determined from information on the initial Status Determination Form. In order to insure the highest possible quality of data, the BLS and the States verify and update, if necessary, the Standard Industrial Code (SIC), location, and ownership classifications of all units on a 3-year cycle.

Using data from the BEL, BLS produces and releases quarterly and annual tabulations on establishments, employment, and wages. The annual publication *Employment and Wages* presents State and national totals for covered employment and wages by various levels of industry and geography. The data in the BEL serve as the basic source of benchmark information for employment by industry and by size of establishment in the Current Employment Statistics (CES) program. The data also serve as a national sampling frame for BLS establishment surveys.

IIb. The SSEL

The Census Bureau's SSEL is a register of active employer business establishments in the United States and its territories. In general, active employer business establishments are those with payroll at anytime during the past three years, or with an indication that the business expects to hire employees in the future. The initial source of information on businesses--their existence, location and operating status--is the Internal Revenue Service (IRS).

The Census Bureau receives three main files from IRS. The first is the Business Master File (BMF), which provides the name, address, legal form of organization, and tax filing requirements for each business. The BMF uses the IRS-assigned EIN as its primary identifier. The second is the Payroll Tax Return File. Business and organizational employers file Treasury

Form 941, Employer's Quarterly Federal Tax Return, to report quarterly payroll and first quarter employment (for the pay period that includes March 12). The quarterly Form 941 file essentially defines the universe of business employers on the SSEL. The Form 941 file also uses the EIN as its primary identifier. The third is the Annual Business Income Tax Return File. Business income tax returns provide business receipts, revenues, assets, inventories, industry classifications, and other critical data items. These returns are filed on an EIN basis for corporation and partnership businesses and for nonprofit organizations, and on a Social Security Number (SSN) basis for sole proprietorship businesses.

The ability to link together and identify the affiliation of parent companies, their EIN entities, and their establishments is built into the SSEL's numbering system. It includes the use of the EIN to store these essential administrative data. If a business enterprise has only one establishment (or one location), the business is referred to as a single unit establishment. If, however, the business enterprise has more than one establishment (referred to as a multiunit [MU] company), the Census Bureau assigns a unique 6-digit "company" or "alpha" number to the business enterprise and assigns a 4-digit "plant" number to each unique establishment. Each plant carries, as a secondary identifier, an EIN number used by the business for IRS tax-reporting purposes. In this way, the SSEL links all establishments of a MU business enterprise.

In addition to the IRS data, the Census Bureau receives other administrative records data. These include industry classification files from the Social Security Administration and from BLS (for unclassified or partially classified cases only). The SSEL uses administrative record data together with census-collected data from the quinquennial Economic Censuses, the annual Company Organization Survey (COS), and numerous monthly, quarterly, and annual sample surveys to form a comprehensive, up-to-date business register.

The SSEL is used for many statistical purposes. It is the basic source from which economic census and sampling frames are drawn. In addition, it provides a source for universe tabulations, such as the annual *County Business Patterns* (CBP) report. The SSEL serves as the central repository of statistical and administrative record data for employment, payroll, sales or receipts, assets, and other key data items essential to Census Bureau programs. Although significant efforts are made to keep errors on the SSEL to a minimum, all major uses require data editing and correction to improve the quality of the resulting outputs.

III. A BEA Perspective on the Benefits of Improved Comparability of BLS and BOC Business Registers

The Bureau of Economic Analysis (BEA) strongly supports the efforts by BLS and BOC to improve the comparability in their business registers, and the efforts to enact data sharing legislation that would facilitate this improvement. This section of the paper focuses on how differences between the BEL and the SSEL impact the methodologies used by BEA to prepare its regional, industry, and national accounts, and on improvements that might result from significant improved business register comparability.

The need for improvement in the comparability in these registers can be seen in comparisons of the common data items that are produced by programs based on them. The table included at the end of this paper shows the comparison of establishment, employment, and payroll coverage for the BLS' BEL and the BOC's SSEL for 1994.[1] This table shows that comparisons for various SIC Divisions sometime differ sharply. Further analysis (not reported in the table) shows that comparisons for various States also sometime differ sharply.

IIIa. Why does BEA have a strong interest in improved comparability?

BEL industry and geographic classifications are used to prepare the unemployment insurance (UI) tabulations of employment and wages and salaries, and the industry classifications are used to prepare the outputs of the Producer Price Index (PPI) program. The UI tabulations are the major source of data for the national, State, and county personal income accounts and value-added for the Gross Domestic Product (GDP) by industry and Gross State Product (GSP) accounts. The PPI program is the major source of data for the deflation of the industry output that enters into GDP and GDP by industry.

SSEL industry and geographic classifications are used to prepare the quinquennial economic censuses, the major source of data for the BEA's benchmark input-output accounts, which also provide benchmark estimates for the private consumption and investment components of GDP, industry output for the GDP by industry and GSP accounts, and the industry distribution of consumption of fixed capital and fixed assets. They also provide BOC with the sampling frame for their current surveys of manufacturing, trade, and services industries.

IIIb. How are BEA's methodologies adversely affected by the present lack of comparability?

Adjustments are made in BEA's regional and industry accounts to more closely align the UI data, which are used to measure industry labor costs, and the Census data, which are used to measure output. Because of the difficulties in making these adjustments, complete integration of annual industry GDP and GSP series with the benchmark input-output accounts and the income components of GDP is not feasible. Furthermore, real industry output reflects inconsistencies in the prices from BLS and the current-dollar estimates from BOC.

IIIc. Why is now the time to make major improvements in BEL - SSEL comparability?

The need for more complete integration of BEA's industry and regional estimates has reduced ability to produce up-to-date industry distributions of key aggregates to meet current needs for information on the rapidly changing structure of the U.S. economy. Improved comparability is also needed to reduce the cost of implementing the new North American Industry Classification System (NAICS), a planned NAICS update in 2007, and the 2007 introduction of a companion product classification system.

BEA staff have worked with BLS and BOC staff during all of the planning of the BEL - SSEL comparison project, and are fully aware of the difficulties of eliminating noncomparability (BEA

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[1] This table is from Ed Walker's paper "The Census Bureau's Business Register: Basic Features and Quality Issues" presented at the 1997 meetings of the American Statistical Association.

staff were not involved in the analysis of the microdata). Nevertheless, there has been significant progress in identifying the differences, and the potential benefit to BEA's programs described above indicate that the reconciliation work should continue. Congressional approval of limited data sharing legislation will greatly facilitate and accelerate the process of making the BEL and the SSEL more comparable.

IV. Summary of Initial Results

This section of the paper summarizes the initial results from matching the microdata from the BEL and the SSEL.[2] Given the enormity of the data sets, it was decided that we would concentrate on one year for the analysis as a first step. Given data availability, concerns about consistency, issues related to the timing of the Economic Censuses, and the transition of the ES-202 data from a reporting units concept to an establishment based program, the year 1994 was chosen. Since the ES-202 is a Federal-State cooperative program, BLS requested each State's approval to use its data. Wyoming did not give its approval and Massachusetts gave limited approval. Therefore, all of the analysis of BLS data excludes Wyoming entirely and excludes Massachusetts from everything except establishment and EIN counts. In 1994, there were 8.1 million establishments on the BEL (excluding Wyoming) and 12.3 million establishments on the SSEL. The main reason that the SSEL count is so much higher will be discussed below.

The business identifier common to both lists is the EIN. Aggregating the establishments on each list to the EIN, there are 6.1 million EINs on the BEL (excluding Wyoming) and 10.8 million EINs on the SSEL. Of these, 5.8 million EINs matched across the two data sets. This represents 95% of the BEL EINs and 54% of the SSEL EINs.

Because of differences in how the data are collected and processed, it was decided to analyze single-establishment firms and multi-establishment firms separately. As such, four unique data sets were created for analysis: EINs that represent single establishments on each business list (matched singles); EINs that represent multi-establishment companies on each business list (matched multis); EINs that represent a single establishment on one list and a multi-establishment company on the other list (single-multi match); and EINs that do not have a match on the other business list (non-matches). The following table documents the size of these four analytic data sets:[3]

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[2] Much of this section is from the October 1999 document "Status of the Standard Statistical Establishment List and Business Establishment List Comparison" written by Carl A. Konschnik of the Bureau of the Census. This document summarizes the work of the BEL - SSEL data analysts: Randy Becker, Lucia Foster, C.J. Krizan, and Sang Nguyen of the BOC, and David Kaplan, Tim Pivetz, George Stamas, and James Spletzer of the BLS.

[3] One of the EINs representing multi-establishment companies that appears on each business list is EIN=0. In 1994, many government establishments in the BEL had EIN=0. This EIN=0 should probably not be considered a true match. Treating this EIN=0 as a nonmatch would shift a sizable percentage of the BEL employment from the "Matched Multis" category to the "Non-Matches" category in the table.

	BEL Establishments	SSEL Establishments	BEL Employment	SSEL Employment
Matched Singles	64.47%	42.60%	33.69%	34.86%
Matched Multis	18.80%	11.75%	46.18%	39.60%
Single-Multi Match	12.36%	4.67%	17.54%	18.39%
Non-Matches	4.36%	40.98%	2.59%	7.16%

The single unit establishments that match on EIN are a very large group comprising 5.1 million establishments with over 35 million employees (as measured by either business list, excluding Massachusetts and Wyoming from both). The initial analysis of this group of establishments found that 87% of these matched single establishments match exactly on either employment or payroll, and 60% match exactly on both. With regard to geography, 99% of the matched single establishments agree on the State and 92% agree on the State and county. Although further work on local area statistics is still warranted, preliminary analysis suggests that discrepancies in location appear to be related to the use of physical versus mailing addresses. The fact that there are so many matched single establishments, with their conceptually simple company organization structures, provides the opportunity for quick analysis regarding the similarities and differences in the two business lists. For example, if an analyst wanted to look at differences in imputed versus reported data at the level of the establishment, the matched singles would be a natural starting point, although one must always worry about how the results from this sample of establishments generalize to the business lists as a whole.

The multi-establishment companies that match on EIN are relatively few in number, but these establishments account for a sizable amount of employment on each business list. Perhaps the most interesting finding to date from this group of establishments is that, on average, although the SSEL has more establishments per EIN than does the BEL, the BEL has a greater number of States per EIN and a greater number of 4-digit industries per EIN. In other words, although the average matched multi-establishment company has more establishments in the SSEL, these establishments exhibit more geographical diversity and more industrial diversity in the BEL. Aggregating the matched multi-establishments up to their EIN, only 29% match exactly on employment. One goal of future research is to analyze the matched multi-establishment companies at various levels of aggregation: at the establishment level; at the EIN level (where multiple establishments can be grouped together under the same EIN); and at the company level (where multiple EINs can be grouped together under the same corporate identifier). Matching the two datasets at the company level can be done using firm level linkage information from the SSEL, whereas matching establishments from the two datasets will require a sophisticated name and address based algorithm.

The businesses that match on EIN but differ on the single versus multi-establishment organizational structure are intriguing. Establishments that the BEL classifies as belonging to a multi-establishment business and the SSEL classifies as single-unit firms account for 12 to 14 million employees. Establishments that the BEL classifies as single-unit firms and the SSEL classifies as belonging to a multi-establishment business account for more than 7 million employees. Aggregating the establishments up to their EIN, 53% of the BEL multis - SSEL

singles match exactly on employment, and 44% of the BEL singles - SSEL multis match exactly on employment.

The SSEL has many more unmatched establishments than does the BEL (5.0 million versus 0.3 million). Many of the SSEL unmatched establishments, however, are single units without 1994 payroll, and thus should not be considered active establishments in 1994. The most likely explanations for the other unmatched establishments are differences in coverage and the timing of births and deaths on one file relative to the other. Differences in coverage of the lists is discussed in the appendix.

The research to date has focused on documenting the similarities and differences in the two lists. Future research will seek to understand the sources and implications of the differences, and hopefully will offer recommendations to improve the collection and processing of each agency's business list. Three possible explanations for the differences have been put forward: differences in definitions (especially across States in the BEL); differences in coverage (especially with regard to agriculture, non-profits, and government); and differences in processing (such as imputations). Future work also is being planned to match the files longitudinally in order to examine the timing of establishment births and deaths. Linking forward to 1995 and linking backward to 1993 will illustrate differences in when births are first recorded on the file and how long deaths are carried on the file. In addition, future research will analyze microdata from 1998, building upon the research using the 1994 microdata. Using data from this recent year has two immediate benefits: many of the original paper forms completed by the business can be used as a research tool for understanding differences and recent internal improvements in each agency's business list can be evaluated.

V. Expected Benefits of Improved Comparability

The analysis that emerges from the microdata comparison will be a vital input into decisions about creating a single business register for the United States. This objective has been the subject of discussion among the United States Federal statistical agencies for many years and has been recommended by several commissions. The analysis also will be useful in considering the alternative idea of maintaining the separate business lists but enhancing both lists via Federal data sharing. In addition, even without Federal data sharing, the analysis will provide information on how to improve the comparability between the existing BEL and SSEL programs.

This section lists the major potential benefits of data sharing to the BLS, the BOC, and other users of this project. The following discussion assumes that the BLS continues to maintain the BEL, the BOC continues to maintain the SSEL, and that there will be data sharing across the two lists.

Potential Benefits to both the BEL and the SSEL

● Allow for more accurate editing and imputation of employment and payroll. For linked EIN records, missing data from one list could be edited and imputed using data from the other list. This may significantly reduce analytical review, with concomitant cost savings.

• Allow for identification, analysis, and possible reconciliation of different industry and geographical classifications for establishments matched across the two business lists.

• Allow for identification of additional multi-location companies that might be coded as single establishment companies (recall the large size of the single-multi EIN match category in the empirical work described in the previous section).

• Allow for reductions in Multiple Worksite Report (MWR) and Company Organization Survey (COS) mailing costs and respondent burden for multi-establishment companies. Both of these data collection instruments are designed to identify the industrial and geographical breakouts of employees in multi-establishment companies.

Potential Benefits to the BEL

• Provide firm level linkages of multi-EIN companies. This information might be useful for sampling (to ensure that only one establishment per company is chosen for a survey) or for disclosure analysis (to ensure that the number of companies in a given table cell exceeds the allowable minimum).

• Provide data for small employer businesses (less than $1,500 payroll in all quarters) and for the millions of businesses without paid employees.

• Provide product-based classifications collected in the Census Bureau's quinquennial economic census and current surveys. Other information from various administrative and survey sources, such as receipts and e-commerce sales, also could be provided.

Potential Benefits to the SSEL

• Provide more timely identification (quarterly instead of every five years) of multi-establishment firms opening and closing within a State.

• Provide data on employment for the second, third, and fourth quarters for all establishments.

• Provide better employment and payroll breakouts for establishments with leased employees.

Potential Benefits to BEA , other Federal Statistical Agencies, and the Business Community

A data-sharing system that assures consistent industry classifications, geographic locations, and employment and payroll would promote greater comparability among economic data series. This improved comparability would be a major benefit to BEA's industry, national, and regional accounts programs, as discussed earlier in this paper. Other Federal statistical agencies would benefit from the improved comparability, and with data sharing, from access to more reliable business registers. In addition, with data sharing, the business community would benefit from reduced burden attributable to duplicative multi-establishment company reporting.

VI. Current Status and Future of the Comparison Project

Unfortunately, work on the BEL-SSEL comparison project has been suspended since March 2000. As a result of a recent IRS Safeguard Review of the Census Bureau, the IRS instructed the Census Bureau to retrieve all files containing tax related data that the Census Bureau had transferred to BLS on the grounds that (1) the IRS had not approved any of the BLS - BOC collaborative projects prior to work commencing and (2) the work was not restricted to Census Bureau facilities already approved by the IRS as meeting IRS security requirements. Both the BLS and the BOC have expressed hope that they, in cooperation with the IRS, can find a mutually agreeable way to reestablish the BEL - SSEL comparison project in the not too distant future. As of the date of this report, however, all work on the project remains suspended.

Despite the suspension, much has already been learned from the research described in this paper, including information that can improve the existing BEL and SSEL programs. Much of the analytical work has been documented in written form and has been discussed at interagency meetings between the BLS and the BOC. For users such as BEA, the implementation of any improvements will facilitate the integration of data based on the lists as described earlier. Nevertheless, it is also clear that "complete" comparability in these data will be difficult to achieve without data sharing legislation. The current status of data sharing legislation is unclear. A bill to permit data sharing for statistical purposes was passed by the U.S. House of Representatives in the current session of Congress, but its future in the Senate has not been determined. In addition, companion legislation that allows for the sharing of IRS data with the Federal statistical agencies also is needed.

The BEL - SSEL comparison project has looked for the first time at how such data sharing might be implemented. In this context, it will be necessary to carefully examine both the costs and benefits to each agency. Thus, in January 2000, the BLS and the BOC started a "data implementation" team which would identify the most beneficial data sharing opportunities from each agency's perspective. Because the BEL-SSEL comparison project is currently suspended, this team has not yet issued an interim report.

One more relevant point needs to be made regarding the issue of data sharing. The source of the establishment microdata used in the BEL is the quarterly reports that all employers subject to State Unemployment Insurance laws are required to submit to the States. The States then submit these data to the BLS as part of the Covered Employment and Wages program (ES-202), which is a cooperative endeavor of the BLS and the States. It is likely that SSEL data used by the national ES-202 program could not be shared with the States, because data collected for statistical purposes only cannot be used for non-statistical purposes (such as unemployment insurance tax collection by the States).

VII. Questions for the Federal Economic Statistics Advisory Committee

While issues relating to the continuation of the comparison project are being resolved, BLS and BOC would benefit from reactions of the Advisory Committee to the following questions:

A] The initial microdata research focused on documenting the similarities and differences in employment, payroll, industry, and geography, and the number of establishments in multi-unit companies. Additional research was started on analyzing imputations, definitional differences across States, industrial coverage differences, and reporting for large companies with complex organizational structures. From your perspective, are there other specific business-list data elements that should be analyzed in more detail?

B] The goals of improving the BEL and the SSEL programs have the users of these data in mind -- not only BEA and other customers of the published statistics, but also the various economic programs at the BLS and the BOC which use these data as sampling frames. In this vein, can you think of any specific research tasks that should be implemented?

C] Whether the Federal statistical system ends up with one master list, data sharing with two distinct business lists, or the present system of two lists with no data-sharing, much of our analytical and administrative research has been concerned with identifying the strengths and weaknesses of each business list. Do you believe that the highest priority analytic and administrative research is being pursued?

Appendix: Coverage Differences

This appendix highlights coverage differences between the BLS' ES-202 program, which is based on the BEL, and two Census Bureau programs--the County Business Patterns (CBP) and the economic censuses (EC), which are based on the SSEL.

Industry - Differences between ES-202 and CBP and EC:

Major Group or SIC		ES-202	CBP	EC
01-02	Agricultural Production	Yes[4]	No	No
07-09	Agricultural Services, Forestry, Fishing	Yes	Yes[5]	No
40	Railroad Transportation	Yes[6]	No	No
43	United States Postal Service	Yes	No	No
821	Elementary and Secondary Schools	Yes[7]	Yes[3]	No
822	Colleges, Universities, Prof. Schools	Yes[8]	Yes[3]	No
863 & 865	Labor Unions, Political Organizations	Yes	Yes[3]	No
866	Religious Organizations	Yes[9]	Yes[3]	No
88	Private Households	Yes	No	No
91-97	Public Administration	Yes[10]	No	No
99	Unclassified Establishments	Yes	Yes	No[11]

Non-profits - Federal minimum coverage under the Federal Unemployment Tax Act (FUTA) requires the SESAs to cover non-profit organizations with four or more employees. The coverage varies by State for non-profits with fewer than four employees. The CBP and EC target non-profit establishments for coverage.

Payroll Activity - To be covered initially for UI purposes (and in the ES-202 program), an employer must have payroll of at least $1,500 in any one quarter or at least one employee for 20 or more weeks. Coverage is not eliminated if these thresholds are not met each quarter. The SSEL targets all employers with positive payroll.

Auxiliary Establishments - The ES-202 program classifies auxiliaries such as central administrative offices and warehouses according to its operating establishments. The ES-202 includes a variable that defines this establishment as an auxiliary. The SSEL assigns a broad industry category (generally only the 2-digit SIC) of the associated operating establishments to

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[4] Employers of agricultural labor with quarterly payroll of less than $20,000 or fewer than 10 employees may be exempt from State Unemployment Insurance (UI) coverage.

[5] Because these businesses are not typically covered in the Economic Census and surveys, CBP may not contain separate multi-establishment location data for some companies.

[6] Partial coverage. Railroad workers are covered by a similar program administered by the Railroad Retirement Board, and thus are not included in the ES-202 program.

[7] Some small, non-profit schools may not be included in the ES-202 data.

[8] Students working at the college or university are excluded from UI coverage.

[9] Small non-profit religious organizations may be excluded from UI coverage.

[10] Some government officials and national guard units are excluded from UI coverage.

[11] Extensive efforts are made to classify all active employer establishments in the EC.

the auxiliary establishments. The SSEL further assigns a type-of-operation code to signify the type of auxiliary.

Insurance and Real Estate Agents - Full-commission insurance agents (SIC 6411) and full-commission real estate agents (SIC 6531) are generally excluded from UI coverage and not included in the ES-202 data. The SSEL targets all insurance and real estate agents.

Hospital Workers - Student nurses and interns employed by hospitals (SIC 806) are typically excluded from UI coverage and not included in the ES-202 data. The SSEL targets all hospital workers.

In addition to coverage differences, there is a slight difference in the definition of payroll on the two lists:

Payroll - The SSEL treats payroll as the total of wages paid, tips reported, and other compensation paid to employees, whether or not subject to income or social security taxes. Payroll includes wages, salaries, commissions, fees, bonuses, vacation allowances, sick leave pay, severance pay, the amount of reported tips, and the value of taxable fringe benefits. It also includes employee contributions to a qualified pension plan. Under most State laws or regulations, wages in the BEL include bonuses, stock options, the cash value of meals and lodging, tips and other gratuities, and, in some States, employer contributions to certain deferred contribution plans such as 401(k) plans.

Table: Comparison of establishment, employment, and payroll coverage for the BLS' BEL and the BOC's SSEL for 1994

	Number of Establishments E&W: Average of 12 Months CBP: Active any time during the year			Number of Employees E&W: Average of 12 Months CBP: Pay Period Including March 12			Annual Wages (Payroll), $1,000,000		
	E&W	CBP	%Δ	E&W	CBP	%Δ	E&W	CBP	%Δ
Private Sector [a]	6,530,313	6,509,276	0.3%	93,415,940	96,733,300	-3.4%	2,483,178	2,488,228	-0.2%
Agricultural Services, Forestry & Fishing	112,927	104,390	8.2%	873,472	586,069	49.0%	13,862	11,204	23.7%
Mining	29,891	28,313	5.6%	601,188	607,721	-1.1%	26,243	25,120	4.5%
Construction	655,433	620,852	5.6%	4,914,200	4,709,379	4.3%	139,108	136,532	1.9%
Manufacturing	397,660	386,868	2.8%	18,318,145	18,098,123	1.2%	614,139	597,896	2.7%
TCU [b]	273,392	276,188	-1.0%	5,739,958	5,713,515	0.5%	196,299	190,877	2.8%
Wholesale Trade	615,715	512,489	20.1%	6,151,466	6,365,973	-3.4%	213,124	210,157	1.4%
Retail Trade	1,413,915	1,564,175	-9.6%	20,493,782	20,320,266	0.9%	294,803	282,293	4.4%
FIRE [c]	580,309	617,374	-6.0%	6,707,053	7,002,431	-4.2%	241,866	239,030	1.2%
Service Industries [d]	2,404,788	2,342,302	2.7%	29,484,730	33,253,032	-11.3%	740,418	793,953	-6.7%
Unclassified	46,283	56,325	-17.8%	131,945	76,791	71.8%	3,315	1,165	184.5%

Table credit: Ed Walker's paper "The Census Bureau's Business Register: Basic Features and Quality Issues" presented at the 1997 meetings of the American Statistical Association.

E&W = *Employment and Wages*. CPB = *County Business Patterns*.

All percent differences (%Δ) are computed as ((E&W - CBP)/ CBP).

[a] Excluding Agricultural Production and Private Households.

[b] Transportation, Communications, and Utilities.

[c] Finance, Insurance, and Real Estate.

[d] Excluding Private Households.