



For release 10:00 a.m. (ET) Wednesday, February 9, 2022

USDL-22-0190

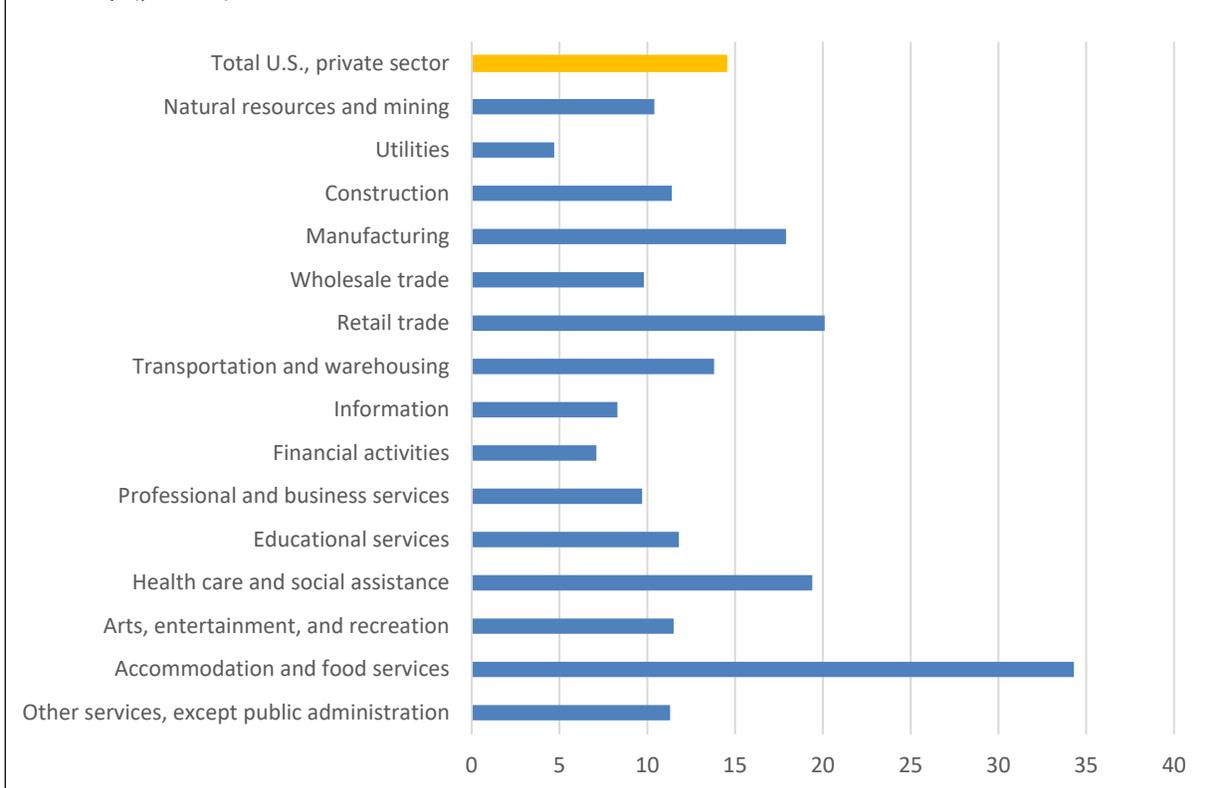
Technical information: (202) 691-6567 • BRS_Inquiry@bls.gov • www.bls.gov/brs
 Media contact: (202) 691-5902 • PressOffice@bls.gov

U.S. BUSINESS RESPONSE TO THE COVID-19 PANDEMIC — 2021

As a result of the COVID-19 pandemic, 14.5 percent of private-sector establishments (1.2 million, with 20.5 percent of all private-sector employment) increased base wages, the U.S. Bureau of Labor Statistics reported today. Establishments in Accommodation and Food Services, Retail Trade, Health Care and Social Assistance, and Manufacturing increased base wages at a higher rate than average.

Data in this release are from the 2021 Business Response Survey (BRS) to the Coronavirus Pandemic. BRS data were collected from private-sector establishments from July 27, 2021 through September 30, 2021. Topics covered include telework, workplace flexibilities, changes in pay, COVID-19 workplace requirements, establishment space size, relocation, supplementing workforce, automation, drug and alcohol testing, and COVID-19 loans or grants. Detailed tables by industry, state, and employment size are available at www.bls.gov/brs.

Chart 1: Establishments that increased base wages (straight-time wages or salary) by industry (percent)

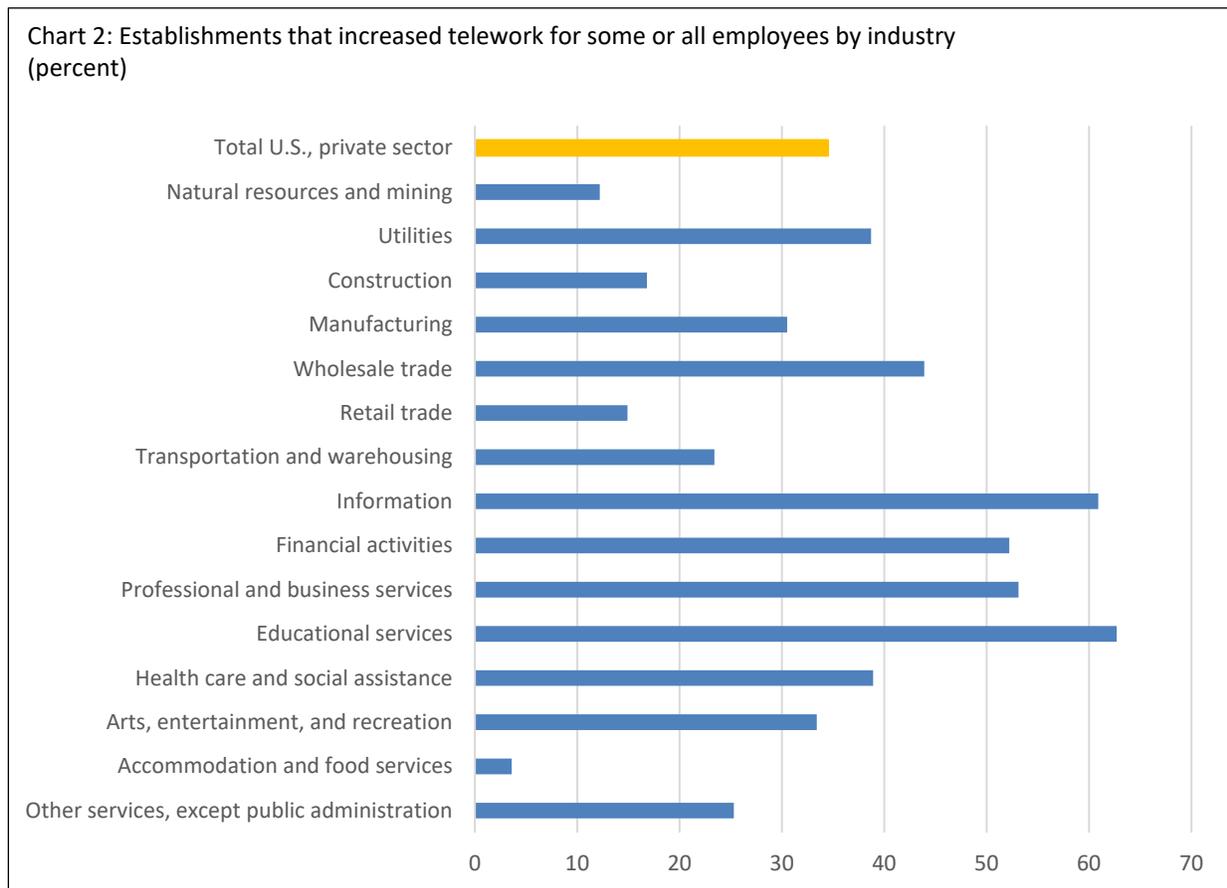


Changes in Pay

- Hazard pay or an hourly bonus were temporarily offered by 5.5 percent of establishments (471,000, with 15.7 percent of all private-sector employment).
- One-time, special monetary bonuses for working during the pandemic were paid by 9.4 percent of establishments (809,000, with 23.7 percent of all private-sector employment).

Changes in Telework

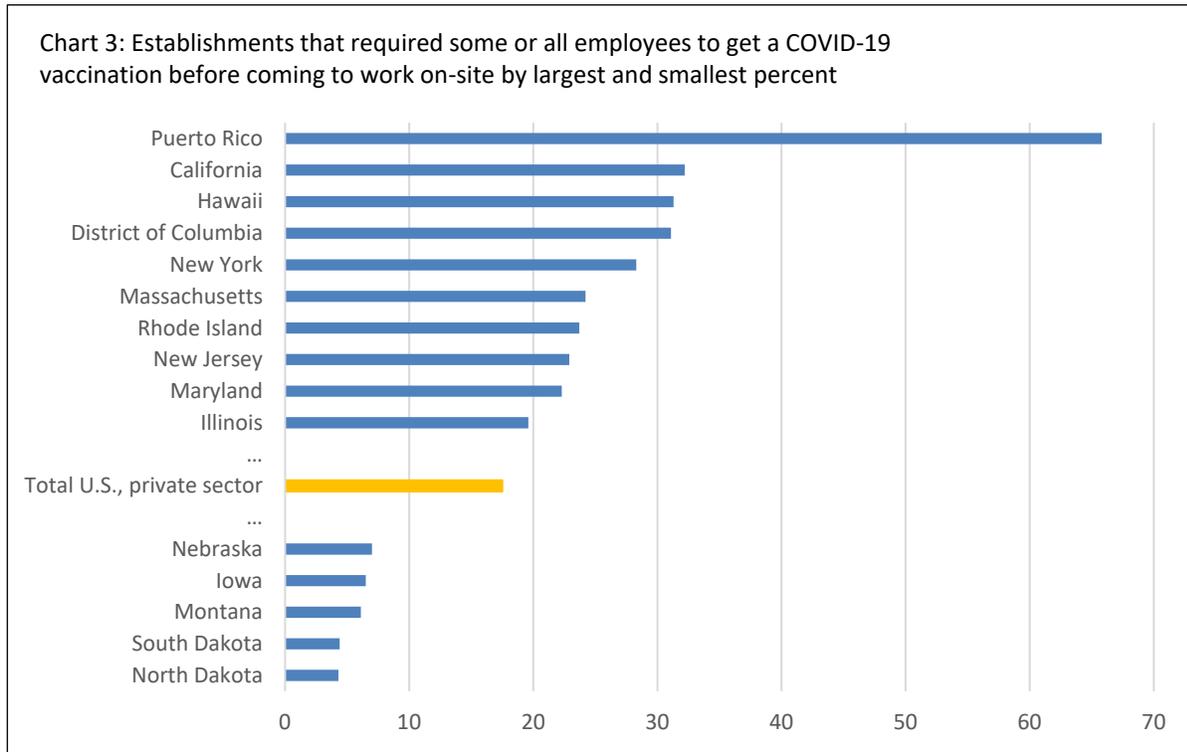
- As a result of the pandemic, 34.5 percent of establishments increased telework for some or all of their employees.



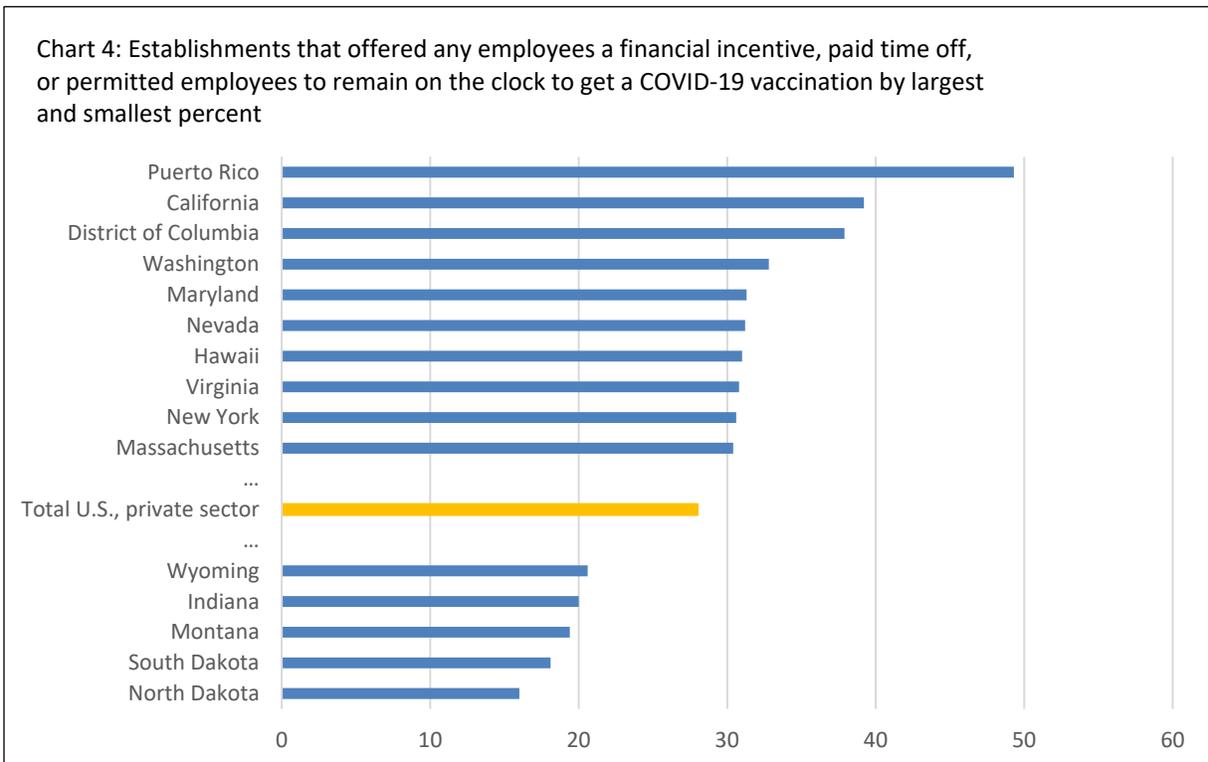
- Among establishments that increased telework during the pandemic, 60.2 percent expect to keep the increases permanent when the pandemic is over.

COVID-19 Vaccinations at Establishments

- COVID-19 vaccinations were required for some or all employees before coming to work on-site at 17.5 percent of establishments.

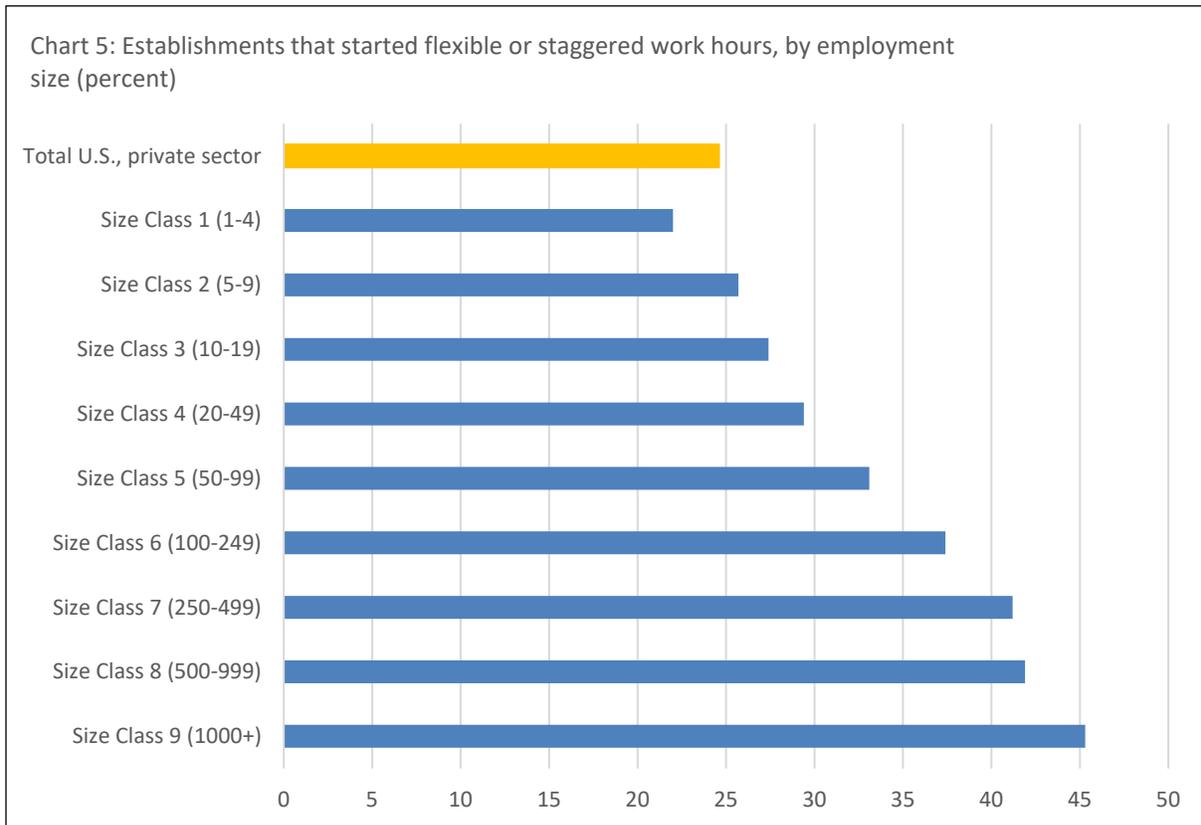


- A larger share of establishments, 28 percent, offered some or all employees a financial incentive or paid time off, or permitted employees to remain on the clock to get a COVID-19 vaccination.



Flexible or Staggered Work Hours

- As a result of the pandemic, 24.6 percent of establishments (2.1 million, with 33.9 percent of all private-sector employment) started to offer flexible or staggered work hours to employees.



Additional Industry, State, and Employment Size Data for the 2021 Business Response Survey to the Coronavirus Pandemic

Tables with detailed, industry, state, and establishment size class data along with highlighted results, charts, and state maps can be found at www.bls.gov/brs.

- Industry, state, and establishment size class data tables are available at www.bls.gov/brs/data/tables/2021.
- Industry and establishment size class charts and state maps are available at www.bls.gov/brs/data/charts/2021.

More Information

- Data were collected from private-sector establishments only; government establishments were not surveyed. As a result, the estimates of establishments and employment refer to private-sector establishments and employment. Total U.S. estimates include the 50 states, District of Columbia, and Puerto Rico.
- The full 2021 BRS Technical Note is available at www.bls.gov/brs/methods/2021-technical-notes.htm.
- An earlier survey, the 2020 BRS, asked seven questions about changes businesses made to their operations during the pandemic through September 2020. These data are available at www.bls.gov/brs/2020-results.htm.
- Definitions for terms used in this news release are available in the BLS Glossary at www.bls.gov/bls/glossary.htm.

Technical Note

Methodology

Data for the 2021 BRS were collected from July 27 through September 30, 2021. The BRS relied on the existing data collection instrument of the BLS QCEW program's Annual Refiling Survey (ARS). BRS survey responses were solicited via email and printed letters. Responses were collected online using the platform that is consistently relied on by the ARS. This allows for a large, nationally representative sample to be surveyed with minimal financial costs to BLS.

Definitions

Establishments. An individual establishment is generally defined as a single physical location at which one, or predominantly one, type of economic activity is conducted. Most employers covered under the state UI laws operate only one place of business.

North American Industry Classification System (NAICS) codes. NAICS codes are the standard used by federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data. The BRS is based on 2017 NAICS.

Large/small. For these data, establishments with 2020 annual average employment greater than 499 are considered large.

Sample Design and Selection Procedures

For the 2021 BRS, BLS selected a stratified sample of 322,560 establishments from a universe of just over 8.6 million establishments. The universe source was the set of establishments from the 2020 fourth quarter BLS Business Register that were identified as in-scope for this survey.

The BLS Business Register is a comprehensive quarterly business name and address file of employers subject to state Unemployment Insurance (UI) laws. It is sourced from data gathered by the QCEW program. Each quarter, QCEW employment and wage information is collected and summarized at various levels of geography and industry. Geographic breakouts include county, Metropolitan Statistical Area (MSA), state, and national. Industry breakouts are based on the six-digit NAICS.

The QCEW covers all fifty states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The primary sources of data for these 53 entities are the Quarterly Contributions Reports (QCRs) submitted to State Workforce Agencies (SWAs) by employers subject to state UI laws. The QCEW program also gathers separately sourced data for Federal Government employees covered by the Unemployment Compensation for Federal Employees (UCFE) program.

There were a little over 10.5 million establishments on the 2020 fourth quarter BLS Business Register that served as the source of the BRS's sampling universe. However, about 1.9 million of these establishments were determined to be out-of-scope for the survey. Establishments that were excluded from the universe:

- Public Administration & Government (NAICS 92)
- Private Households (NAICS 814110)
- U.S. Postal Service (NAICS 491110)

- Services for the Elderly and Disabled Persons (NAICS 624120) with Establishment Size = 1
- Unclassified Accounts (NAICS 999999)
- U.S. Virgin Islands (State FIPS 78)

The 2021 BRS leveraged the technical and collection infrastructure of the ARS. While the synchronization of the two surveys was efficient, it created a need to adapt the BRS sample in accordance with some of the constraints imposed on the ARS sample. Regarding ARS sampling constraints, establishments with one to three employees are never administered the ARS and, of the establishments that are eligible for the ARS, roughly one-third are administered the ARS in any given year. The determination as to which ARS eligible establishments are active for any year's ARS is based on a random mechanism. During BRS sample selection, active ARS eligible establishments and ARS ineligible establishments were "selectable," whereas inactive ARS eligible establishments were disallowed from selection, in part as a means of managing respondent burden over time.

To integrate the BRS sample into the ARS framework, each establishment in the BRS sampling universe was categorized into one of the following groups:

- ARS Eligible Establishments – Active for this Year's ARS (BRS Selectable)
- ARS Eligible Establishments – Inactive for this Year's ARS (BRS Not Selectable)
- ARS Ineligible Establishments (BRS Selectable)

Each BRS sampling stratum consisted of establishments from one or more of the groups above. Within strata containing only active ARS eligible establishments or only ARS ineligible establishments, sample selection proceeded with no restrictions using simple random sampling. Strata containing only inactive ARS eligible establishments ended up being imputed because there were no selectable establishments and, therefore, no survey results. For any stratum containing a mix of ARS eligible and ARS ineligible establishments, stratum sample sizes were allocated proportionately to each sub-population. Within the stratum's ARS ineligible sub-population, sample selection then proceeded with no restrictions using simple random sampling. Within the stratum's ARS eligible sub-population, sample selection proceeded by taking a simple random sample from amongst only the active/selectable establishments.

Note that for any stratum containing both active ARS eligible and inactive ARS eligible establishments, the sample was selected from amongst only the active portion of the stratum. This selection was still considered to be representative of all ARS eligible establishments in the stratum, regardless of active/inactive status, since the determination of ARS active/inactive status was random. Because of this, and because stratum sample sizes were proportionately allocated to eligible/ineligible sup-populations, sample units were equally weighted within (but not across) strata and survey question combinations.

When designing the survey and determining sample sizes, BLS researchers, analysts, and methodologists collaborated to

identify the key research goals. As part of this process, a balance had to be struck between producing precise estimates for various establishment aggregations and the costs associated with fielding a sample that could deliver on those goals. Based on the types of administrative data available for establishments on the BLS Business Register and based on the team’s experience analyzing similar establishment-based surveys, research goals centered on creating survey estimates for different combinations of establishment geography, industry type, and/or establishment size. This motivated the decision to choose a design that stratified on all three factors. A decision was then made to define granular strata to keep the strata homogeneous and to facilitate the construction of a wide array of broader composite estimates as functions of the more narrowly defined strata estimates. In the end, for the 2021 BRS, strata were defined jointly on the following factors:

- State *{All states plus the District of Columbia and Puerto Rico}*
- Industry Type, Based Primarily on Two-Digit NAICS *{11-21, 22, 23, 31-33, 42, 44-45, 48-49Mod, 4811, 484, 51, 52-53, 54-56, 61, 62Mod, 71, 72, 81}*
- Establishment Size, Based on Employment *{1-4, 5-9, 10-19, 20-49, 50-99, 100-249, 250-499, 500-999, 1,000+}*

In the industry type list above, industry grouping 48-49Mod excludes industries with NAICS classifications of 484 and 4811. Industry 62Mod excludes industries with a NAICS classification of 624120 that also have an establishment size of one.

In the establishment size list above, all nine “narrow” size groupings are given. Some BRS analyses were conducted using two other broader establishment size groupings – a “medium-width” grouping and a “broad,” or large/small, grouping. The medium-width size classes were 1-19, 20-99, 100-499, and 500+. The large/small groupings were 0-499 and 500+.

At the time the survey was designed, it was clear to researchers and analysts that different industries and establishment size classes would have different pandemic-related programs and policies targeted towards them. Because of this, specific state – industry, state – size class, and industry – size class establishment aggregations were identified as the key levels at which to produce estimates to a certain degree of precision while still being realistic about survey costs and burden. These aggregations were used to drive sample size determination. Specifically, they were:

- State by Goods-Producing/Services-Producing Industry Type Categorization *{52*2 = 104 estimation cells}*
- State by Medium-Width Establishment Size *{52*4 = 208 estimation cells}*
- Modified NAICS Sector by Medium-Width Establishment Size *{15*4 = 60 estimation cells}*
- Narrow Establishment Size *{9 estimation cells}*

Researcher interest was not, and is not, limited to these aggregations. However, because these were the aggregates initially identified as the most important ones, the sample was designed to achieve a desired precision when estimating specifically for these groupings. Alternatively, the sample was *not* designed to achieve a desired precision when estimating

for other groupings, although in some cases the desired precision was achieved anyway. Note that researchers were certainly interested in estimating with precision at broader levels such as national, state, modified NAICS sector, and narrow size class. But it was easy to see that a sample that allowed for the generation of precise estimates for the four aggregates listed above would certainly allow for the generation of precise estimates for these broader level aggregates.

For each estimation cell within each of the four key aggregates listed above, sample sufficiency counts were determined based on estimating proportions to an agreed upon degree of precision. The formula for the sample sufficiency of an estimation cell was based on the deconstruction of the formula for the variance of a proportion (using simple random sampling within the cell). Estimation cell sample sufficiency counts were then allocated proportionately to all strata within each cell. The result was a set of four “allocated sufficiency counts” per stratum. For each stratum, the maximum of the four sufficiency counts was chosen. Each stratum’s chosen sufficiency count was then divided by an estimated survey response rate to derive a stratum sample size. If the chosen value exceeded the number of selectable establishments in a stratum, the stratum’s final sample size was set equal to its number of selectable establishments. In that case, the truncated sample size was reallocated to other strata mapping to the same estimation cell. Once sample sizes were finalized, samples were selected within each stratum as described earlier when discussing the composition of strata in terms of active ARS eligible, inactive ARS eligible, and ARS ineligible establishments.

Response Rate

The 2021 BRS consisted of 25 questions to which establishments could respond. A survey was considered usable if the respondent answered at least 5 of the 25 questions. Estimates were generated from usable surveys only.

Of the 322,560 sampled establishments, about 5,300 were deemed uncollectible prior to fielding the sample. These uncollectible establishments were treated as non-responders. Typically, these were establishments that changed status between the time when the universe was drawn and a point in time closer to fielding the sample, such that the establishment’s new status indicated it could not be contacted and/or could not respond to the survey. Thus, the 2021 BRS was administered to about 317,000 establishments.

Of the establishments that were given the opportunity to take the survey, 85,254 participated to some degree, and 82,487 were usable (answered 5 or more questions). Thus:

- Survey Participation Rate *(relative to the full sample) = 26.4%*
- Survey Participation Rate *(relative to the collectible sample) = 26.9%*
- Usable Response Rate *(relative to the full sample) = 25.6%*
- Usable Response Rate *(relative to the collectible sample) = 26.0%*
- Usability Rate Amongst Survey Participants = 96.8%

For full technical documentation visit:

<https://www.bls.gov/brs/methods/2021-technical-notes.htm>

Table 1: U.S. Business Response to the COVID-19 Pandemic, private sector, 2021 ^{1 2}

Result	Percent of establishments	Number of establishments	Percent of employment in establishments	Employment in establishments
TELEWORK				
Establishments that increased telework for some or all employees ³	34.5	2,975,380	50.8	59,877,706
Establishments with increased telework that expect the increase to continue when the coronavirus pandemic is over ⁴	60.2	1,942,880	56.2	38,203,485
Establishments with all of their employees teleworking all of the time ⁵	10.3	883,713	3.0	3,499,020
Establishments with some of their employees teleworking ⁵	29.8	2,567,890	47.4	55,914,722
Establishments with all of their employees teleworking rarely or never ⁵	60.1	5,175,578	49.8	58,713,028
WORKPLACE FLEXIBILITIES				
Establishments that started flexible or staggered work hours ³	24.6	2,118,194	33.9	39,964,827
Establishments that started compressed or alternative work schedules ³	12.2	1,054,815	18.2	21,451,103
Establishments that started voluntary reductions in hours worked (change to part-time or reduced hours) ³	11.0	944,423	14.4	16,983,489
Establishments that started job-sharing (two employees split hours/tasks of a full-time job) ³	2.3	198,168	2.7	3,209,639
Establishments that started paid leave for dependent care (additional paid leave of any kind for employees with dependent care responsibilities due to the coronavirus pandemic) ³	6.5	562,609	14.4	16,975,348
Establishments that started at least one of the employee flexibilities specified in results 4.1-4.5 ³	34.5	2,973,307	47.2	55,704,908
CHANGES IN PAY				
Establishments that increased base wages (straight-time wages or salary) ⁶	14.5	1,246,153	20.5	24,175,563
Establishments that temporarily paid a wage premium/extra hourly amount for working during the pandemic (hazard pay, hero pay, or hourly bonus) ⁶	5.5	470,543	15.7	18,544,496
Establishments that paid one-time special monetary awards/appreciation bonuses for working during the pandemic ⁶	9.4	808,930	23.7	27,942,615
Establishments that paid one-time bonuses to newly hired workers (signing bonuses for new employees) ⁶	2.4	206,727	9.5	11,149,571
Establishments that paid workers who referred others to apply for jobs (recruitment bonuses to current employees) ⁶	4.5	385,525	16.6	19,633,047
Establishments that made at least one of the changes in pay specified in results 5.1-5.5 ⁶	24.2	2,081,990	45.8	54,016,218
COVID-19 WORKPLACE REQUIREMENTS				
Establishments that required some or all employees to routinely wear a face covering or any protective gear while they were on-site ⁵	58.3	5,025,102	74.0	87,338,551
Establishments that required employees working on-site to have a temperature screening prior to entering their place of work ⁵	24.1	2,073,839	36.0	42,427,240
Establishments that required some or all employees to get a COVID-19 vaccination before coming to work on-site ³	17.5	1,508,911	14.5	17,067,801
Establishments that offered any employees a financial incentive, paid time off, or permitted employees to remain on the clock to get a COVID-19 vaccination ³	28.0	2,408,582	44.9	52,961,500
Establishments offering a vaccine incentive that required some or all employees to get a COVID-19 vaccination before coming to work on-site ³	28.4	745,090	20.0	11,834,475
Establishments NOT offering a vaccine incentive that required some or all employees to get a COVID-19 vaccination before coming to work on-site ³	13.6	823,412	10.3	7,239,137

Table 1: U.S. Business Response to the COVID-19 Pandemic, private sector, 2021₁₂ -- Continued

Result	Percent of establishments	Number of establishments	Percent of employment in establishments	Employment in establishments
COVID-19 WORKPLACE REQUIREMENTS -- Continued				
Establishments requiring some or all employees to get a COVID-19 vaccination that offered employees a financial incentive, paid time off, or permitted employees to remain on the clock to get a COVID-19 vaccination ₃	45.9	817,531	58.0	19,256,536
Establishments NOT requiring employees to get a COVID-19 vaccination that offered employees a financial incentive, paid time off, or permitted employees to remain on the clock to get a COVID-19 vaccination ₃	24.3	1,719,312	42.4	43,752,495
ESTABLISHMENT SPACE SIZE				
Establishments that decreased their square footage of space ₃	5.5	472,845	4.2	4,924,984
Establishments that increased their square footage of space ₃	3.6	306,213	5.1	6,013,495
Establishments that have about the same square footage of space ₃	91.0	7,836,981	90.7	107,023,286
Establishments that expect to decrease their square footage of space in the next 12 months ₇	4.0	344,873	3.3	3,917,156
Establishments that expect to increase their square footage of space in the next 12 months ₇	3.6	307,447	5.6	6,559,086
Establishments that expect to have about the same square footage of space in the next 12 months ₇	92.4	7,963,719	91.1	107,485,523
RELOCATION				
Establishments that relocated within the same city or county ₃	3.9	334,350	2.4	2,833,729
Establishments that relocated to a different city or county, but within the same state ₃	1.3	116,056	0.7	875,463
Establishments that relocated to a different state ₃	0.6	52,018	0.2	240,836
Establishments that did not relocate since the start of the pandemic ₃	94.2	8,113,614	96.7	114,011,737
Establishments that expect to relocate within the same city or county in the next 12 months ₇	2.7	229,549	2.3	2,690,578
Establishments that expect to relocate to a different city or county, but within the same state in the next 12 months ₇	0.7	59,916	0.4	510,724
Establishments that expect to relocate to a different state in the next 12 months ₇	0.6	47,789	0.2	264,085
Establishments that do not expect to relocate within the next 12 months ₇	96.1	8,278,785	97.1	114,496,378
SUPPLEMENTING WORKFORCE WITH WORKERS NOT ON THE PAYROLL				
Establishments that started or increased their use of independent contractors, freelancers, or consultants ₈	5.9	508,619	5.8	6,897,111
Establishments that started or increased their use of temporary help agency workers ₈	3.0	261,306	11.5	13,617,962
Establishments that started or increased their use of companies that provide contractors or subcontractors ₈	1.4	122,686	4.4	5,176,998
Establishments that started or increased their use of online platform companies that arrange assignments for workers through an app and collect a commission from establishments for each task/job workers do ₈	0.8	66,120	0.9	1,048,998
Establishments that did not start or increase their use of any of the types of workers specified in results 14.1-14.4 ₈	91.0	7,844,398	83.7	98,786,206

Table 1: U.S. Business Response to the COVID-19 Pandemic, private sector, 2021 1,2 -- Continued

Result	Percent of establishments	Number of establishments	Percent of employment in establishments	Employment in establishments
SUPPLEMENTING WORKFORCE WITH WORKERS NOT ON THE PAYROLL - Continued				
Establishments that started or increased their use of at least one of the types of workers specified in results 14.1-14.4 8	9.0	771,641	16.3	19,175,559
Establishments that expect to use independent contractors, freelancers, or consultants when the coronavirus pandemic is over 4	11.4	978,072	11.8	13,882,362
Establishments that expect to use temporary help agency workers when the coronavirus pandemic is over 4	4.0	342,048	14.3	16,922,799
Establishments that expect to use companies that provide contractors or subcontractors when the coronavirus pandemic is over 4	3.1	268,857	7.8	9,216,330
Establishments that expect to use online platform companies that arrange assignments for workers through an app and collect a commission from establishments for each task/job workers do when the coronavirus pandemic is over 4	1.2	105,817	1.2	1,402,227
Establishments that expect to use at least one of the types of workers specified in results 15.1-15.4 when the coronavirus pandemic is over 4	14.8	1,274,614	22.9	27,023,505
Establishments that do not expect to use any of the types of workers specified in results 15.1-15.4 when the coronavirus pandemic is over 4	85.2	7,341,425	77.1	90,938,260
AUTOMATION				
Establishments that use self-service kiosks (including kiosks to order and pay for food) 5	2.2	188,105	8.3	9,825,544
Establishments that use voice-recognition-based customer service/automated online chats with customers 5	0.7	61,161	1.9	2,208,174
Establishments that use automated document analysis and review 5	1.5	129,020	3.7	4,412,745
Establishments that use industrial robots for building maintenance (including daily cleaning or disinfecting) 5	0.1	10,164	1.0	1,178,247
Establishments that use industrial robots for assembling goods (including robots that weld, and pick-and-place robots to assemble, select parts, or inspect products) 5	0.3	29,827	2.2	2,586,667
Establishments that use industrial robots or management systems for packing goods for shipment 5	0.2	19,583	1.5	1,816,545
Establishments that use automated provisions of physical medical care (such as drawing blood) and physical rehabilitation 5	0.1	5,833	0.2	251,764
Establishments that use at least one of the types of automation specified in results 16.1-16.7 5	4.2	365,701	13.8	16,284,473
Establishments that do not use any of the types of automation specified in results 16.1-16.7 5	95.8	8,250,338	86.2	101,677,291
Establishments that started or increased the use of any types of automation specified in results 16.1-16.7 3	1.8	153,844	4.2	4,969,637
Establishments using at least one of the types of automation specified in results 16.1-16.7 that started or increased their use since the start of the coronavirus pandemic 3	31.2	246,226	32.3	8,664,832
DRUG AND ALCOHOL TESTING				
Establishments that are drug testing or alcohol testing new applicants or current employees 5	16.1	1,391,362	41.1	48,532,373
Establishments that reduced or delayed drug or alcohol testing for new applicants or current employees 3	2.0	171,505	5.6	6,596,022
Establishments drug or alcohol testing new applicants or current employees that also reduced or delayed drug or alcohol testing 3	7.9	128,246	10.0	5,922,779

Table 1: U.S. Business Response to the COVID-19 Pandemic, private sector, 2021^{1 2} -- Continued

Result	Percent of establishments	Number of establishments	Percent of employment in establishments	Employment in establishments
COVID-19 LOANS OR GRANTS				
Establishments that received a federal or state government coronavirus-related loan or grant tied to re-hiring or maintaining employees on the payroll AFTER January 1, 2021 ⁹	35.8	3,080,927	29.6	34,903,109
Establishments that received any type of coronavirus-related loan since the onset of the pandemic and the loan has been converted to a grant ³	54.0	3,764,550	47.9	47,605,911

¹Total U.S., private sector includes the 50 states, District of Columbia, and Puerto Rico

²Data collection took place from July 27, 2021 - September 30, 2021

³Reference: Since the start of the coronavirus pandemic

⁴Reference: When the coronavirus pandemic is over

⁵Reference: At the time of data collection (July 27, 2021 - September 30, 2021)

⁶Reference: Because of the coronavirus pandemic

⁷Reference: In the next 12 months

⁸Reference: At any time during the coronavirus pandemic

⁹Reference: After January 1, 2021