



LABOR NEWS

A Publication of the
ARKANSAS DEPARTMENT OF LABOR

Mike Beebe, Governor

Vol. 31, No. 4 Winter, 2008

James L. Salkeld, Director



Cintas Corporation Award Ceremony



Saint-Gobain Award Ceremony

**TWO ARKANSAS
COMPANIES
RECEIVE
FIVE YEAR
SAFETY
AWARDS**

The employees at two Arkansas companies were recently recognized for working five years without a lost day away from work due to a work related injury or illness.

The 20 employees of Saint-Gobain Proppants Plant 3 in Bryant accumulated the hours needed to earn the award between September 22, 2003 and September 22, 2008.

Eighty-five employees at Cintas Corporation in Searcy earned the award between June 10, 2003 and June 10, 2008. Both companies have had a safety program in effect made up of both employees and management.

The Arkansas Department of Labor, the Arkansas Insurance Department
(contd. on page 3 – See Awards)

ECONOMIC RESOURCES FOR WORKERS AVAILABLE ON-LINE

The U.S. Department of Labor recently announced its participation in a one-stop Web tool offering a number of resources to assist those negatively impacted by the recent turmoil in the worldwide economy.

Affected workers and employers are encouraged to visit the federal government's Economic Recovery Web site at

www.EconomicRecovery.gov.

Useful information and links will assist Americans with questions about benefits, eligibility, locations of operating One-Stop Career Centers and career service centers, unemployment insurance information by state, and available assistance from other government departments and agencies.

Workers can call the department's toll-free number at 866-4-USA-DOL (487-2365) to obtain the latest information on where to file a claim and access temporary job information. Impacted workers can place their calls from anywhere and will be directed to sites near them that can take their claims.

Arkansans may also access the Arkansas Department of Workforce Services website at www.dws.arkansas.gov for additional help.



WHO'S PAYING WHAT FOR HEALTH CARE COSTS

Probably close on the heels of the economy, health care is one of the major concerns of many Americans. Employers worry about the rising cost of the health insurance plans they offer their workers. Consumers worry that increasing out-of-pocket expenses make their budgets ever more vulnerable.

The U.S. Bureau of Labor Statistics' National Compensation Survey has released the following findings from their recent health care study:

- The costs of employer-provided health benefits have increased dramatically since 1981 – by approximately eight-fold
- State and local government workers have substantially higher access to health plans than private industry workers
- Employers pay a lower percentage of health care premiums for employees with family coverage than for employees with single coverage.

Employer costs for health benefits for private industry workers increased 4.2 percent for the 12-month period ending June 2008. These estimates do not reflect changes in costs to employees or adjust for changes in the plans available to employees; costs to employees have increased because of higher premiums, deductibles, and copayments.

Over the last 25 years, the growth in health benefit costs for employers has been erratic. In March 1983 health benefit costs recorded a 23.5 percent increase from a year earlier. After that, growth in costs decelerated for three years, followed by 2 ½ years of acceleration. In December 1988, another period of deceleration began, a period that was slower and longer than the first – lasting over seven years until employer costs for health benefits declined by 0.3 percent in March 1996.

Costs remained relatively flat for about the next year and then grew more and more rapidly for five years. Then, in June 2002, growth in health benefit

costs began to decelerate; this slowing has continued into the current period.

Seventy-one percent of private industry workers had access to employer-provided medical care benefits in 2008, while 87 percent of State and local government workers had access. The take-up rate – the percentage of workers with access who participate in the plans – for private industry was 75 percent and for government workers was 83 percent. Health savings accounts are available to eight percent of private industry workers and 20 percent of State and local government workers. Health care reimbursement accounts are more prevalent in both sectors – 33 percent for private industry and 59 percent for government. Wellness programs, fitness centers, and employee assistance programs are also more prevalent in government than in private industry.

Another way of analyzing health care costs to employers is to examine the cost per hour worked. In March 2008, State and local government employers paid \$4.15 towards health care benefits. Private industry employers paid \$1.92.

Employers pay a higher percentage of the total premium for employees with single coverage than for employees with family coverage. In private industry, employers paid an average of 81 percent of the total premium for single coverage and 71 percent for family coverage. State and local government employers paid 90 percent of the premium for single coverage and 73 percent for family coverage.

When comparing benefit costs in private industry with those in State and local government, it is important to note that some of the differences between them are due to variations in work activities and occupational structures. For more information on health care costs see: “Compensation Cost Trends in Private Industry and State and Local Governments” at www.bls.gov/opub/cwc/archive/fall1999art2.pdf

HEALTH BENEFITS, MARCH 2008 (in percent)

	Access	Participation	Take-up Rate
Private industry			
Medical Care	71	53	75
Dental Care	47	37	79
Vision Care	28	22	78
Outpatient prescription drug coverage	68	51	75
State & local government			
Medical care	87	73	83
Dental care	55	47	85
Vision care	38	31	81
Outpatient prescription drug coverage	86	72	83



IN THE WORKS

According to the Bureau of Labor Statistics, among the five major occupational groups, average hourly earnings in private industry ranged from \$10.06 for service workers to \$32.96 for management, professional, and related employees in July 2007. Overall, earnings averaged \$19.21 per hour in private industry in July 2007.

The job bank locator available online at www.jobbankinfo.org, brings together private, State, and Federal websites that help connect job seekers and employers. State sites are prominently featured, with a large interactive map that brings users directly to their State's job bank. Below the map, links are provided by type of job search site, such as those catering to veterans or to jobseekers interested in private sector employment. Users can click on the type of job bank they're looking for and get to a page that links to even more sites.

The nonprofit sector has expanded in terms of number of organizations and number of paid employees. As of 2007, nonprofits employed 8.7 million workers, or 5.9 percent of all workers. Overall, full-time workers had higher hourly wages in nonprofits than in private industry as a whole. Managers in nonprofits earned lower wages than managers in the private industry.

AWARDS *(contd. from page 1)*

and the Arkansas Workers' Compensation Commission are happy to present this and other awards to companies who excel in on-the-job safety. For information on how your company can qualify, call Nita Matlock at 501-682-9090.

2007 EARNINGS OF WOMEN AND MEN BY RACE AND ETHNICITY

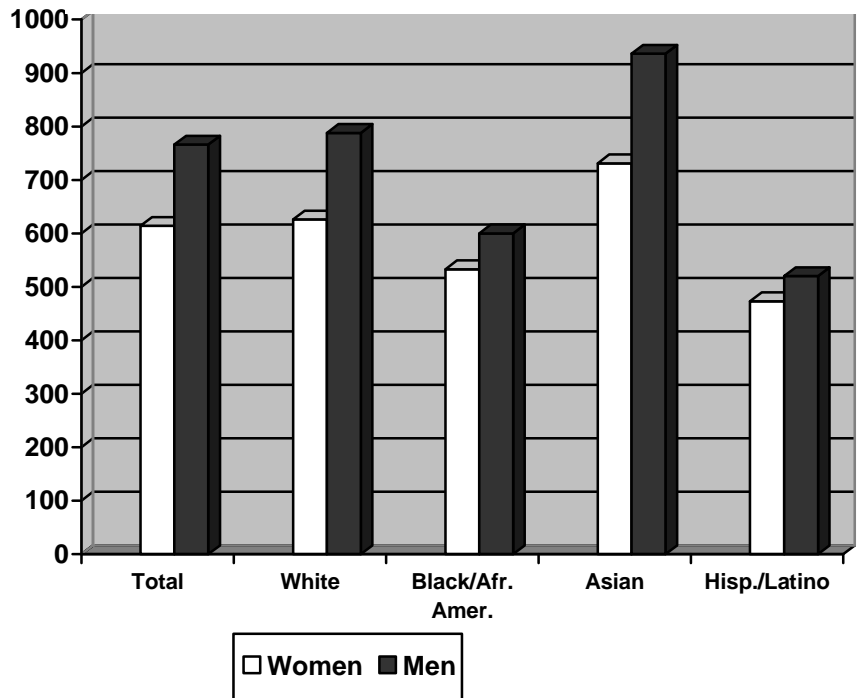
According to the U.S. Bureau of Labor Statistics, Asian workers of both sexes earned more than their white, black, and Hispanic counterparts in 2007. Asian women had median weekly earnings of \$731, while Asian men earned \$936.

Among women, whites earned 86 percent as much as Asians, while blacks and Hispanics earned 73 percent and 65 percent as much, respectively.

In comparison, white men earned 84 percent as much as Asian men, black men earned 64 percent as much, and Hispanic men, 56 percent.

Overall, in 2007, women who were full-time wage and salary workers had median weekly earnings of \$614, or about 80 percent of the \$766 median for their male counterparts.

Median usual weekly earnings of full-time wage and salary workers, by sex, race, and ethnicity, 2007



LABOR NEWS

A quarterly publication of the Arkansas Department of Labor, 10421 West Markham, Little Rock, Arkansas 72205-2190, ph. 501-682-4500, e-mail jeanette.donahue@arkansas.gov. Alternate formats are available upon request. No information published herein should be construed as substituting for policy directives sent through regular channels to personnel.

James L. Salkeld, Director

Jeanette Donahue, Editor

If you would like your name off the mailing list or know someone who would like to be added, if your name/address/company has changed, or you would like to receive the newsletter by e-mail instead of U.S. Mail, please let us know.

_____ Add my name

_____ Remove my name

_____ Change my information (please include old label)

_____ E-mail Labor News

Name and title _____

Organization _____

Mailing Address _____

City, State, Zip _____

E-mail Address _____

CHILD CARE LAWS COVERED

*By Brian Delavan
U.S. Department of Labor
Wage and Hour Division*

The U.S. Department of Labor's Wage and Hour Division administers the Fair Labor Standards Act (FLSA), which applies to all day care and preschool establishments regardless of whether they are operated for profit or not-for-profit. Covered, nonexempt workers are entitled to a minimum wage of not less than \$6.55 per hour effective July 24, 2008 and \$7.25 per hour effective July 24, 2009. Nonexempt workers must be paid overtime at a rate of not less than one and one-half times their regular rates of pay after 40 hours of work in a workweek. The FLSA also prohibits hazardous work for minors under age 18 and restricts minors under age 16 to certain occupations and hours of employment.

Recent investigations of preschools found employers failed to properly compensate their employees by:

- Failing to pay for training time or failing to add time spent in training for overtime purposes
- Failing to use the single workweek standard when computing overtime
- Misclassifying salaried employees as exempt without regard to duties
- Paying straight time for overtime hours, or failing to pay overtime premium pay for overtime hours worked
- Failing to pay for time spent in after-hours events and meetings or work at home, or failing to add this time with regular hours for overtime purposes
- Requiring employees to wear uniforms, the cost of which reduced employee pay below the minimum wage
- Failing to add hours together to determine proper overtime for an employee who worked two different jobs for the employer
- Failing to pay for work performed

prior to or after regular working hours

- Misclassifying a worker as a "volunteer" who was found to be an employee
- Failing to maintain complete and accurate records of each employee's daily and weekly hours worked each week.

The Wage and Hour Division remains committed to providing the tools necessary to assist day care owners and managers in maintaining or achieving full compliance with statutes administered by the agency. Personnel remain available to answer questions and provide reference materials to assist you in meeting the requirements laid out under the law. In addition, arrangements for educational seminars can be coordinated upon request. For more information, please visit their Web site at www.wagehour.dol.gov or call the Department's toll-free helpline at 1-866-4US-WAGE (1-866-487-9243).