

industries most likely to receive the benefits. Most of the benefits come from the reduction in the potential legal liability from unintentionally misclassifying fairly high paid salaried workers working more than 40 hours per week in occupations with exempt and nonexempt duties, while most of the costs come from increasing the salary level tests for relatively low paid salaried workers. The PRIA data suggest that the number of workers in these two groups is often not equal at a detailed industry level. For example, because of the historical pattern of compensation

levels in the Personal Services and Automotive Repair, Services, and Parking industries one would expect to find far more relatively low paid salaried workers affected by the proposed salary level tests than relatively high paid salaried workers unintentionally misclassified.

The largest total costs as a percentage of payroll are incurred by the Educational Services industry (0.37 percent to 0.98 percent), Agricultural Services (0.22 percent to 0.53 percent), Personal Services (0.21 percent to 0.46 percent), Automotive Repair, Services,

and Parking (0.13 percent to 0.29 percent), and Transportation by Air (0.11 percent to 0.22 percent).

The largest recurring payroll costs as a percentage of pre-tax profits are incurred by the Educational Services industry (1.95 percent to 5.22 percent), Personal Services (1.38 percent to 3.03 percent), Automotive Repair, Services, and Parking (0.84 percent to 1.81 percent), Agricultural Services (0.54 percent to 1.26 percent), and Transportation by Air (0.54 percent to 1.07 percent).

TABLE 8.—SUMMARY OF COSTS AND BENEFITS FOR INDUSTRY SECTORS AFFECTED BY THE PROPOSED RULE

SIC	Industry description	Low implementation costs	High implementation costs	Low payroll costs	High payroll costs	Low total costs	High total costs	Low benefits	High benefits	Low difference	High difference
07 .....	Agricultural Services <sup>4</sup> .....	\$2,895	\$4,020	\$14,833	\$37,529	\$17,729	\$41,549	\$2,032	\$3,612	–\$15,697	–\$37,937
08 .....	Forestry <sup>4</sup> .....	83	113	27	58	110	171	346	614	235	444
09 .....	Fishing, Hunting, & Trapping <sup>4</sup> ...	63	88	121	381	184	469	195	346	11	–123
.....	Agriculture Subtotal .....	3,042	4,221	14,981	37,968	18,023	42,188	2,572	4,573	–15,451	–37,616
10 .....	Metal mining .....	121	146	0	0	121	146	185	328	64	182
12 .....	Coal mining .....	239	293	119	346	358	639	647	1,150	289	511
13 .....	Oil & gas extraction .....	1,431	1,820	856	1,882	2,287	3,701	4,525	8,044	2,238	4,342
14 .....	Nonmetallic minerals, except fuels.	475	602	8	13	483	615	520	924	37	309
.....	Mining Subtotal .....	2,266	2,860	984	2,242	3,250	5,102	5,877	10,447	2,627	5,345
15–17 ....	Construction .....	48,090	64,024	23,096	55,046	71,186	119,070	33,486	59,524	–37,700	–59,545
20 .....	Food & kindred products .....	5,587	6,577	1,767	3,793	7,354	10,370	3,654	6,495	–3,700	–3,875
21 .....	Tobacco products .....	87	100	83	197	169	297	110	195	–60	–102
22 .....	Textile mill products .....	1,855	2,176	488	1,192	2,343	3,368	538	956	–1,806	–2,412
23 .....	Apparel & other textile products	4,367	5,212	960	1,896	5,327	7,108	790	1,405	–4,537	–5,703
24 .....	Lumber & wood products .....	5,746	6,917	804	2,103	6,550	9,021	922	1,639	–5,628	–7,382
25 .....	Furniture & fixtures .....	2,454	2,918	371	1,068	2,824	3,986	727	1,292	–2,098	–2,694
26 .....	Paper & allied products .....	2,034	2,383	826	1,754	2,860	4,137	1,484	2,638	–1,376	–1,500
27 .....	Printing & publishing .....	10,260	12,319	3,607	16,921	13,867	29,240	3,554	6,318	–10,313	–22,922
28 .....	Chemicals & allied products .....	3,118	3,678	2,969	11,299	6,087	14,977	5,892	10,473	–196	–4,504
29 .....	Petroleum & coal products .....	481	569	910	1,637	1,390	2,206	776	1,380	–614	–826
30 .....	Rubber & miscellaneous plastics products.	4,040	4,775	819	2,313	4,860	7,088	1,586	2,820	–3,274	–4,268
31 .....	Leather & leather products .....	373	443	179	459	552	902	261	465	–291	–437
32 .....	Stone, clay, & glass products ....	2,915	3,487	642	1,616	3,558	5,104	998	1,774	–2,560	–3,329
33 .....	Primary metal industries .....	2,125	2,485	1,078	3,017	3,203	5,501	1,596	2,837	–1,607	–2,664
34 .....	Fabricated metal products .....	7,498	8,927	1,993	4,837	9,491	13,764	1,942	3,452	–7,549	–10,311
35 .....	Industrial machinery & equipment.	10,509	12,543	2,778	6,887	13,287	19,430	7,515	13,359	–5,772	–6,071
36 .....	Electronic & other electric equipment.	5,180	6,076	3,768	8,860	8,948	14,936	6,759	12,014	–2,189	–2,922
37 .....	Transportation equipment .....	4,689	5,469	5,207	11,883	9,896	17,352	5,352	9,513	–4,545	–7,839
38 .....	Instruments & related products ..	3,032	3,573	1,911	4,940	4,943	8,512	3,057	5,435	–1,885	–3,078
39 .....	Misc. manufacturing industries ...	2,886	3,470	1,281	3,727	4,167	7,196	1,220	2,169	–2,947	–5,027
.....	Manufacturing Subtotal .....	79,235	94,095	32,442	90,399	111,678	184,494	48,733	86,628	–62,944	–97,866
40 .....	Railroad Transportation <sup>(5)</sup> .....	nc	nc	528	1,890	528	1,890	1,510	2,684	982	793
41 .....	Local & interurban passenger transportation.	1,500	1,881	1,216	2,652	2,716	4,533	861	1,531	–1,854	–3,003
42 .....	Motor freight transportation & warehousing.	8,873	11,271	3,415	7,879	12,288	19,150	7,722	13,727	–4,566	–5,423
43 .....	U.S. Postal Service <sup>(6)</sup> .....	2,875	3,610	1,359	5,147	4,234	8,757	643	1,143	–3,591	–7,614
44 .....	Water transportation .....	655	827	380	1,255	1,036	2,082	1,694	3,010	658	928
45 .....	Transportation by air <sup>(7)</sup> .....	986	1,225	11,213	22,633	12,200	23,858	4,588	8,155	–7,612	–15,703
46 .....	Pipelines, except natural gas ....	59	74	6	14	65	89	31	54	–35	–34
47 .....	Transportation services .....	3,125	4,014	822	2,407	3,947	6,421	963	1,712	–2,984	–4,710
48 .....	Communications .....	3,815	4,740	5,424	13,690	9,239	18,430	14,516	25,804	5,277	7,374
49 .....	Electric, gas, & sanitary services	2,052	2,537	2,623	7,136	4,675	9,673	5,977	10,625	1,302	952
.....	Trans., Comm., & Pub. Util. Subtotal.	23,940	30,180	26,460	62,813	50,400	92,993	36,994	65,761	–13,406	–27,233
50 .....	Wholesale trade—durable goods	25,544	32,579	4,334	10,296	29,877	42,875	38,356	68,182	8,479	25,307
51 .....	Wholesale trade—nondurable goods.	14,764	18,738	4,538	10,934	19,302	29,672	31,512	56,016	12,210	26,344
.....	Wholesale Subtotal .....	40,308	51,318	8,871	21,229	49,179	72,547	69,868	124,198	20,689	51,650
52 .....	Building materials, hardware, garden supply, & mobile home dealers.	4,608	5,874	949	2,380	5,557	8,254	10,553	18,758	4,995	10,504