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# Industry Wage Survey: Cigarette Manufacturing, July 1986

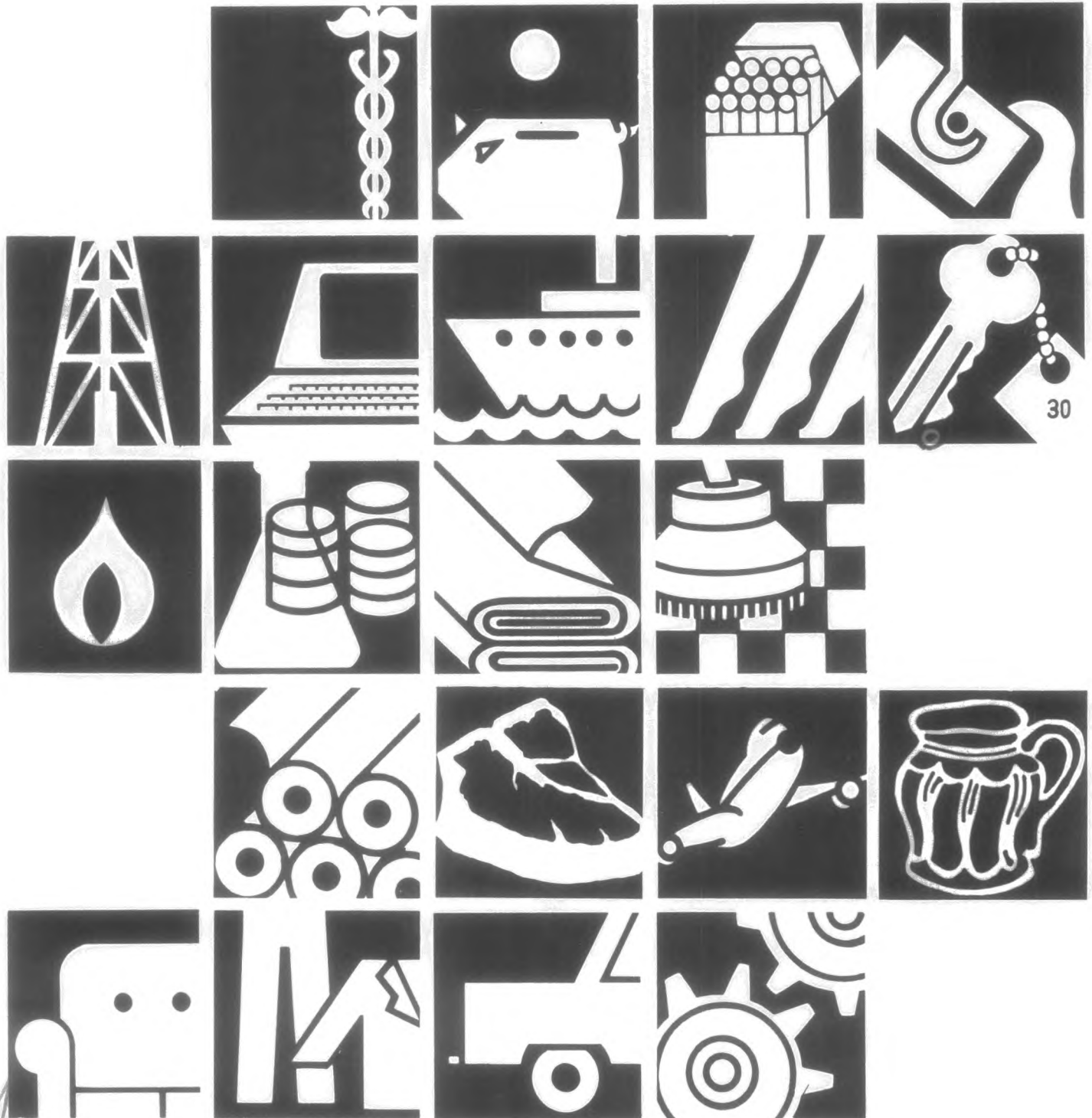


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# Industry Wage Survey: Cigarette Manufacturing, July 1986

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U.S. Department of Labor  
William E. Brock, Secretary

Bureau of Labor Statistics  
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July 1987

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# Preface

This bulletin summarizes the results of a Bureau of Labor Statistics survey of wages and employee benefits in the cigarette manufacturing industry in July 1986. A similar survey was conducted in June 1981.

The study was conducted in the Bureau's Office of Wages and Industrial Relations. David G. Larson of the Division of Occupational Pay and Employee Benefit Levels analyzed the survey data and prepared this bulletin. The Bureau's field representatives obtained the data through personal visits to

establishments within the scope of the survey. Fieldwork for the survey was directed by the Bureau's Assistant Regional Commissioners for Operations.

Other reports currently available from the Bureau's industry wage survey program and the addresses of its regional offices are listed at the end of this bulletin.

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# Cigarette Manufacturing, July 1986

## Earnings and benefits

Straight-time earnings of production and related workers in the cigarette manufacturing industry averaged \$14.81 an hour in July 1986.<sup>1</sup> The middle 50 percent of the 23,813 production workers earned between \$13.61 and \$15.74.

The \$14.81 average for all production workers in July 1986 was 41 percent higher than the \$10.47 recorded by a previous survey in June 1981.<sup>2</sup> This increase, accompanied by a 27-percent decline in employment, averaged 7.1 percent annually. The Bureau's Employment Cost Index reported an average annual increase of 5.0 percent for nondurable goods manufacturing industries over roughly the same period.

Average hourly earnings for the 12 occupations selected to represent the industry's wage structure, workers' skills, and manufacturing operations are presented in table 1. Pay levels among these 12 jobs, which accounted for almost one-half of the production workers, ranged from \$11.40 an hour for material handling laborers to \$17.90 for maintenance electricians. Cigarette making-machine operators, numerically the most important group studied separately, averaged \$14.96 an hour—\$15.01 for filter cigarettes and \$13.74 for nonfilter cigarettes. Machine adjusters and packers, the only other occupations with at least 2,000 incumbents, averaged \$17.73 and \$15.02 an hour, respectively.

Earnings of individual workers reflect the similarity of rates among the establishments in the survey. In 4 of the 12 occupations, one-half or more of the workers had earnings that varied by no more than 50 cents an hour; in an additional 5 jobs, a similar proportion had earnings within \$1. For example, nearly two-thirds of the making-machine operators earned between \$15 and \$15.50 an hour, and three-fifths of the carpenters earned between \$17.50 and \$18 an

<sup>1</sup> Earnings data in this bulletin exclude premium pay for overtime and for work on weekends, holidays, and late shifts. Incentive payments, such as those resulting from piecework or production bonus systems, and cost-of-living pay increases (but not bonuses) were included as part of the workers' regular pay. Excluded are performance bonuses and lump-sum payments of the type negotiated in the auto and aerospace industries, as well as profit-sharing payments, attendance bonuses, Christmas or yearend bonuses, and other nonproduction bonuses. See appendix A for the scope and method of the survey and for definitions of terms used in this report. Appendix B contains the descriptions used in classifying workers in survey jobs.

<sup>2</sup> For a report on the previous survey, see *Industry Wage Survey: Cigarette Manufacturing, June 1981*, BLS Bulletin 2132 (Bureau of Labor Statistics, June 1982).

hour. Differences in earnings of workers within the same occupation and establishment seldom exceeded 15 percent. Such concentrations of earnings largely reflect the principal method of pay in the industry. All of the workers were paid on a time basis, nearly two-thirds under systems providing a single rate for a specific job (table 2). Range-of-rate plans covered the remainder.

All of the production workers were in establishments providing paid holidays and paid vacations (tables 6-7). Nearly two-thirds of the workers received the industry maximum of 13 holidays annually; three-tenths received 10 days; and the remainder, 11 days. Typical vacation provisions, after qualifying periods of service, included 2 weeks of vacation pay after 1 year of service, 3 weeks after 5 years, 4 weeks after 10 years, 5 weeks after 20 years, and 6 weeks after 25 years. One-half of the production workers could receive a seventh week of vacation pay after 30 years of service.

All production workers received life, sickness and accident, hospitalization, surgical, medical, and major medical insurance (table 8). Dental insurance was provided for nearly all workers; accidental death and dismemberment insurance and long-term disability insurance, for seven-eighths; vision care insurance, for seven-tenths; and sick leave (full pay, no waiting period), for three-tenths of the work force. Employers typically paid the total cost of these plans, as well as the cost of coverage for the employees' dependents, where applicable.

Employers paid the entire cost of retirement pension plans (in addition to Social Security) for all of the industry's production workers. Retirement severance plans applied to slightly over two-fifths of the work force. Provisions for paid funeral leave, jury-duty pay, and profit-sharing plans independent of retirement plans covered all of the industry's production workers. Provisions for automatic cost-of-living adjustments applied to nearly three-fifths of the workers, while technological severance pay plans applied to just under one-fifth (table 9).

## Industry characteristics

The nine cigarette manufacturing establishments within the scope of the survey (those having 50 workers or more) employed 23,813 production workers in July 1986 (table A-1). Two-thirds of the industry's work force were employed in establishments located in metropolitan areas, and nearly four-



fifths were employed in establishments employing 2,500 workers or more.<sup>3</sup> Just over one-half of the workers were located in North Carolina; the remainder were in Georgia, Kentucky, and Virginia.

Employment fell 27 percent since the 1981 survey—down 58 percent in Kentucky, 41 percent in Virginia, and 7 percent in North Carolina, but up 67 percent in Georgia.

Changes in the occupational composition of the work force have also occurred since the 1981 survey. Catchers, who inspect and stack cigarettes as they come off the making machine, were 15 percent of the production workers in 1965 but just 1 percent in June 1981. They have been dropped as a job studied separately in the current survey. In addition, substantial declines were recorded for inspectors (down by one-half) and making-machine operators (down by one-third), due in part to new manufacturing equipment which combines the multiple functions of cigarette production.

Filter cigarettes were the primary product manufactured in establishments employing 96 percent of the production workers. The remaining workers were in establishments primarily producing nonfilter cigarettes. Seventy percent of the workers were in establishments producing only cigarettes. When a secondary tobacco product was produced, it was always smoking tobacco.

Tobacco leaf processing was performed at establishments employing 50 percent of the cigarette manufacturing workers. Elsewhere, other establishments of the same company performed the necessary leaf processing for plants employing 46 percent of the cigarette workers. The remaining

cigarette workers were in plants where tobacco leaf processing was contracted out.

The prevalence of the contracting out of various services was studied to assess its impact on the industry's occupational wage structure. Some of the services with a potential for contracting out were: Trucking, machine maintenance, janitorial, accounting, computer, secretarial, and engineering and drafting. In cigarette manufacturing, contracting out of trucking and janitorial services were most commonly reported. Five of the establishments in the survey, representing 54 percent of the production workers, reported at least some contracting of trucking services, while three establishments, employing 41 percent of the industry's production workers, recorded at least some contracting of janitorial services. Data were not available on these contracting-out items for establishments employing 43 percent of the workers.

Cigarette plants reporting a majority of their production workers under collective bargaining agreements employed seven-tenths of the industry's work force. The major union in the industry is the Bakery, Confectionery and Tobacco Workers International Union (AFL-CIO). Most contracts call for a cost-of-living adjustment (COLA) of 1 cent for each 0.3 percentage point increase in the BLS Consumer Price Index (CPI-W).

Work schedules of 37.5 hours per week applied to 95 percent of the production workers at the time of the survey (table 3). All of the remaining workers were on 40-hour schedules.

All establishments had provisions for late shifts (table 4). In July 1986, nearly one-third of the production workers were actually employed on second shifts and one-fourth, on third shifts (table 5). Shift differentials for most of these workers were typically 27 cents or 30 cents an hour for second shifts and 35 cents or 38 cents an hour for third shifts.

<sup>3</sup> Metropolitan Statistical Areas, as defined by the U.S. Office of Management and Budget through June 1983.

**Table 1. Occupational earnings**

(Percent distribution of workers in selected occupations in cigarette manufacturing establishments by straight-time hourly earnings,<sup>1</sup> July 1986)

Department and occupation	Number of workers	Average hourly earnings	Percent of workers receiving straight-time hourly earning (in dollars) of —																			19.00 and over			
			Under 11.75	11.75 and under 12.00	12.00 and under 12.25	12.25 and under 12.50	12.50 and under 12.75	12.75 and under 13.00	13.00 and under 13.25	13.25 and under 13.50	13.50 and under 13.75	13.75 and under 14.00	14.00 and under 14.25	14.25 and under 14.50	14.50 and under 14.75	14.75 and under 15.00	15.00 and under 15.50	15.50 and under 16.00	16.00 and under 16.50	16.50 and under 17.00	17.00 and under 17.50		17.50 and under 18.00	18.00 and under 18.50	18.50 and under 19.00
All production workers .....	23,813	\$14.81	2	6	( <sup>2</sup> )	1	( <sup>2</sup> )	( <sup>2</sup> )	5	( <sup>2</sup> )	18	9	4	4	3	4	17	3	3	( <sup>2</sup> )	5	4	4	6	( <sup>2</sup> )
<b>Maintenance</b>																									
Carpenters, maintenance .....	34	17.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15	-	-	-	15	15	44	12	-
Electricians, maintenance .....	350	17.90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	-	-	-	1	21	52	19	-
Machinists, maintenance .....	398	17.65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11	-	-	1	1	47	29	11	-
<b>Fabrication</b>																									
Adusters, machine .....	2,607	17.73	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7	( <sup>2</sup> )	1	1	25	18	14	34	-
Making-machine operators .....	2,885	14.96	-	6	-	-	-	-	-	1	1	1	( <sup>2</sup> )	3	2	17	64	5	1	-	-	-	-	-	-
Filter cigarettes .....	2,773	15.01	-	5	-	-	-	-	-	1	1	1	( <sup>2</sup> )	4	2	18	64	5	1	-	-	-	-	-	-
Nonfilter cigarettes .....	112	13.74	-	41	-	-	-	-	-	-	-	-	7	-	2	50	-	-	-	-	-	-	-	-	-
Packers, cigarette machine .....	2,869	15.02	-	5	-	-	-	( <sup>2</sup> )	-	1	1	1	( <sup>2</sup> )	9	7	11	47	6	13	-	-	-	-	-	-
<b>Inspection</b>																									
Inspectors, cigarette making .....	200	13.57	20	-	-	-	-	-	-	-	-	-	66	14	-	-	-	-	-	-	-	-	-	-	-
Inspectors, cigarette packing .....	458	13.30	5	-	-	7	-	1	48	-	8	-	27	4	-	-	-	-	-	-	-	-	-	-	-
<b>Material movement</b>																									
Laborers, material handling .....	213	11.40	35	-	-	31	( <sup>2</sup> )	-	5	-	6	22	1	-	-	-	-	-	-	-	-	-	-	-	-
Power-truck operators .....	842	13.40	3	1	-	5	-	3	38	-	1	40	8	1	-	-	-	-	-	-	-	-	-	-	-
Forklift .....	835	13.40	3	1	-	5	-	3	38	-	1	40	8	1	-	-	-	-	-	-	-	-	-	-	-
Truckdrivers .....	46	13.48	20	11	-	-	-	-	-	-	-	-	17	50	2	-	-	-	-	-	-	-	-	-	-
<b>Custodial</b>																									
Guards .....	100	12.57	34	3	2	19	1	2	1	2	1	2	33	-	-	-	-	-	-	-	-	-	-	-	-
Guards I .....	83	12.86	20	4	2	23	1	2	1	2	1	2	40	-	-	-	-	-	-	-	-	-	-	-	-

<sup>1</sup> Excludes premium pay for overtime and for work on weekends, holidays, and late shifts. Incentive payments, such as those resulting from piecework or production bonus systems, and cost-of-living pay increases (but not bonuses) were included as part of the workers' regular pay. Excluded are performance bonuses and lump-sum payments of the type negotiated in the auto and aerospace industries, as well as profit-sharing payments, attendance bonuses, Christmas or yearend bonuses, and other nonproduction bonuses.

<sup>2</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal 100. Dashes indicate that no data were reported. Overall occupation may include data for workers in classifications in addition to those shown separately.

**Table 2. Method of wage payment**

(Percent of production workers in cigarette manufacturing establishments by method of wage payment,<sup>1</sup> July 1986)

Method	All establishments
All workers .....	100
Time-rated workers .....	100
Formal plans .....	100
Single rate .....	63
Range of rates .....	37
Individual rates .....	-

<sup>1</sup> For definition of method of wage payment, see appendix A.

NOTE: Dash indicates that no data were reported.

**Table 5. Shift differential practices**

(Percent of production workers in cigarette manufacturing establishments employed on late shifts by amount of pay differential, July 1986)

Shift differential	All establishments
<b>Second shift</b>	100.0
Workers employed on second shift .....	32.6
Receiving differential .....	32.6
Uniform cents per hour .....	32.6
27 cents .....	9.6
28 cents .....	3.9
29 cents .....	1.8
30 cents .....	15.8
50 cents .....	1.5
<b>Third shift</b>	
Workers employed on third shift .....	24.6
Receiving differential .....	24.6
Uniform cents per hour .....	24.6
35 cents .....	9.7
38 cents .....	14.7
63 cents .....	.3

NOTE: Because of rounding, sums of individual items may not equal 100.

**Table 3. Scheduled weekly hours**

(Percent of production workers in cigarette manufacturing establishments by scheduled weekly hours,<sup>1</sup> July 1986)

Weekly hours	All establishments
All workers .....	100
37.5 hours .....	95
40 hours .....	5

<sup>1</sup> Data relate to the predominant schedule for full-time day-shift workers in each establishment.

**Table 4. Shift differential provisions**

(Percent of production workers in cigarette manufacturing establishments by shift differential provisions,<sup>1</sup> July 1986)

Shift differential	All establishments
<b>Second shift</b>	100.0
Workers in establishments with second-shift provisions .....	100.0
With shift differential .....	100.0
Uniform cents per hour .....	100.0
27 cents .....	30.1
28 cents .....	9.0
29 cents .....	6.9
30 cents .....	49.4
50 cents .....	4.6
<b>Third shift</b>	
Workers in establishments with third-shift provisions .....	100.0
With shift differential .....	100.0
Uniform cents per hour .....	100.0
35 cents .....	46.0
38 cents .....	49.4
63 cents .....	4.6

<sup>1</sup> Refers to policies of establishments currently operating late shifts or having provisions covering late shifts.

**Table 6. Paid holidays**

(Percent of production workers in cigarette manufacturing establishments with formal provisions for paid holidays, July 1986)

Number of paid holidays	All establishments
All workers .....	100
Workers in establishments providing paid holidays .....	100
10 days .....	30
11 days .....	5
13 days .....	65

**Table 7. Paid vacations**

(Percent of production workers in cigarette manufacturing establishments with formal provisions for paid vacations after selected periods of service, July 1986)

Vacation policy	All establishments	Vacation policy	All establishments
All workers .....	100	<b>Amount of vacation pay<sup>1</sup>—Continued</b>	
<b>Method of payment</b>		After 10 years of service:	
Workers in establishments providing paid vacations .....	100	3 weeks .....	35
Length-of-time payment .....	70	4 weeks .....	65
Percentage payment .....	30	After 12 years of service:	
<b>Amount of vacation pay<sup>1</sup></b>		3 weeks .....	30
After 1 year of service:		4 weeks .....	70
1 week .....	7	After 15 years of service:	
2 weeks .....	93	4 weeks .....	100
After 2 years of service:		After 20 years of service:	
2 weeks .....	100	4 weeks .....	35
		5 weeks .....	65
After 3 years of service:		After 25 years of service:	
2 weeks .....	100	5 weeks .....	35
After 5 years of service:		6 weeks .....	65
2 weeks .....	30	After 30 years of service:	
3 weeks .....	70	5 weeks .....	30
After 8 years of service:		6 weeks .....	20
3 weeks .....	100	7 weeks .....	50

<sup>1</sup> Vacation payments, such as percent of annual earnings, were converted to an equivalent time basis. Periods of service were chosen arbitrarily and do not necessarily reflect individual

establishment provisions for progression. For example, changes indicated at 8 years may include changes that occurred between 5 and 8 years.

**Table 9. Other selected benefits**

(Percent of production workers in cigarette manufacturing establishments with formal provisions for selected benefits,<sup>1</sup> July 1986)

Item	All establishments
Workers in establishments with provisions for:	
Funeral leave .....	100
Jury-duty leave .....	100
Technological severance pay .....	17
Cost-of-living adjustments <sup>2</sup> .....	59
Profit-sharing plans .....	100

<sup>1</sup> For definition of items, see appendix A.

<sup>2</sup> All plans were based on the Bureau of Labor Statistics' Consumer Price Index.

NOTE: Because of rounding, sums of individual items may not equal 100.

**Table 8. Health, insurance, and retirement plans**

(Percent of production workers in cigarette manufacturing establishments with specified health, insurance, and retirement plans,<sup>1</sup> July 1986)

Benefit	All establishments
All workers .....	100
Workers in establishments providing:	
Life insurance .....	100
Noncontributory plans .....	100
Accidental death and dismemberment insurance .....	89
Noncontributory plans .....	89
Sickness and accident insurance or sick leave or both <sup>2</sup> .....	100
Sickness and accident insurance .....	100
Noncontributory plans .....	100
Sick leave (full pay, no waiting period) .....	30
Long-term disability insurance .....	86
Noncontributory plans .....	86
Hospitalization insurance .....	100
Noncontributory plans .....	100
Surgical insurance .....	100
Noncontributory plans .....	100
Medical insurance .....	100
Noncontributory plans .....	100
Major medical insurance .....	100
Noncontributory plans .....	100
Dental insurance .....	95
Noncontributory plans .....	95
Vision care plans .....	70
Noncontributory plans .....	59
Retirement plans <sup>3</sup> .....	100
Pensions .....	100
Noncontributory plans .....	100
Severance pay .....	43

<sup>1</sup> Includes those plans for which the employer pays at least part of the cost and excludes legally required plans such as workers' compensation and Social Security; however, plans required by State temporary disability insurance laws are included if the employer contributes more than is legally required or employees receive benefits exceeding legal requirements. "Noncontributory plans" include only those plans financed entirely by the employer.

<sup>2</sup> Unduplicated total of workers receiving sickness and accident insurance and sick leave shown separately.

<sup>3</sup> Unduplicated total of workers covered by pension plans and severance pay shown separately.

NOTE: Because of rounding, sums of individual items may not equal 100.

# Appendix A. Scope and Method of Survey

## Scope of survey

The survey included establishments engaged primarily in manufacturing cigarettes (Industry 2111 as defined in the 1972 edition of the *Standard Industrial Classification Manual*, prepared by the U.S. Office of Management and Budget). Separate auxiliary units such as central offices were excluded.

Establishments studied were selected from those employing 50 workers or more at the time of reference of the data used in compiling the universe lists. Table A-1 shows the number of establishments and workers estimated to be within the scope of the survey, as well as the number of workers actually studied by the Bureau.

## Method of study

Data were obtained by personal visits of the Bureau's field representatives under the direction of the Bureau's Assistant Regional Commissioners for Operations.

All estimates relate to all establishments in the industry, excluding only those below the minimum size at the time of reference of the universe data.

## Establishment definition

An establishment is defined for this study as a single physical location where industrial operations are performed. An establishment is not necessarily identical with a company, which may consist of one establishment or more.

## Employment

Estimates of the number of workers within the scope of

the study are intended as a general guide to the size and composition of the industry's labor force, rather than as precise measures of employment.

## Production workers

The terms "production workers" and "production and related workers," used interchangeably in this bulletin, include working supervisors and all nonsupervisory workers engaged in nonoffice activities. Administrative, executive, professional, and technical personnel, and force-account construction employees, who are used as a separate work force on the firm's own properties, are excluded.

## Occupational classification

Occupational classification was based on a uniform set of job descriptions designed to take account of interestablishment and interarea variations in duties within the same job. (See appendix B for these descriptions.) The criteria for selection of the occupations were: The number of workers in the occupation; the usefulness of the data in wage and salary administration and in collective bargaining; and appropriate representation of the entire pay scale in the industry. Working supervisors, apprentices, learners, beginners, trainees, and handicapped, part-time, temporary, and probationary workers were not reported in the data for selected occupations but were included in the data for all production workers.

## Wage data

Information on wages relates to straight-time hourly earnings, excluding premium pay for overtime and for work on weekends, holidays, and late shifts. Incentive payments, such

**Table A-1. Estimated number of establishments and employees within the scope of the survey and number of workers studied, cigarette manufacturing, July 1986**

State	Number of establishments within scope of study <sup>1</sup>	Workers in establishments		Actually studied <sup>2</sup>
		Within scope of study		
		Total <sup>3</sup>	Production workers	
United States <sup>4</sup> .....	9	32,361	23,813	32,361
North Carolina .....	6	16,166	12,851	16,166

<sup>1</sup> Includes only those establishments with 50 workers or more at the time of reference of the universe data.

<sup>2</sup> Data relate to total employment in establishments actually visited.

<sup>3</sup> Includes executive, professional, office, and other workers in addition to the production worker category shown separately.

<sup>4</sup> Includes data for States in addition to North Carolina.



as those resulting from piecework or production bonus systems, and cost-of-living pay increases (but not bonuses) were included as part of the workers' regular pay. Excluded are performance bonuses and lump-sum payments of the type negotiated in the auto and aerospace industries, as well as profit-sharing payments, attendance bonuses, Christmas, or yearend bonuses, and other nonproduction bonuses.

*Average (mean) hourly rates or earnings* for each occupation or category of workers, such as production workers, were calculated by weighting each rate (or hourly earnings) by the number of workers receiving the rate, totaling, and dividing by the number of individuals. The hourly earnings of salaried workers were obtained by dividing straight-time salary by normal (or standard) hours to which the salary corresponds.

### **Type of area**

The term "metropolitan areas," as used in this bulletin, refers to the Metropolitan Statistical Areas (MSA's) as defined by the U.S. Office of Management and Budget as of June 1983. In general, an MSA is defined as a county or group of contiguous counties which contains at least one central city of at least 50,000 inhabitants or a central urbanized area of at least 100,000. Counties contiguous to the one containing such a city or area are included in an MSA if, according to certain criteria, they are essentially metropolitan in character and are socially and economically integrated with the central city. In New England, where the city and town are administratively more important than the county, they are the units used in defining MSA's.

### **Labor-management agreement status**

Labor-management agreement status is based on whether (1) a majority of the production workers are covered by labor-management contracts, or (2) none or a minority of the production workers are covered by labor-management contracts.

### **Method of wage payment**

Tabulations by method of wage payment relate to the number of workers paid under the various time and incentive wage systems. Formal rate structures for time-rated workers provide single rates or a range of rates for individual job categories. In the absence of a formal rate structure, pay rates are determined primarily by the qualifications of the individual worker. A single rate structure is one in which the same rate is paid to all experienced workers in the same job classification. Learners, apprentices, or probationary workers may be paid according to rate schedules which start below the single rate and permit the workers to achieve the full job rate over a period of time. An experienced worker occasionally may be paid above or below the single rate for special

reasons, but such payments are exceptions. Range-of-rate plans are those in which the minimum, maximum, or both of these rates paid experienced workers for the same job are specified. Specific rates of individual workers within the range may be determined by merit, length of service, or a combination of these. Incentive workers, if any, are classified under piecework or bonus plans. Piecework is work for which a predetermined rate is paid for each unit of output. Production bonuses are for production in excess of a quota or for completion of a task in less than standard time.

### **Scheduled weekly hours**

Data on weekly hours refer to the predominant work schedule for full-time production workers employed on the fixed day shift.

### **Shift provisions and practices**

Shift provisions relate to the policies of establishments either currently operating late shifts or having formal provisions covering late-shift work. Practices relate to workers employed on late shifts at the time of the survey.

### **Establishment practices and employee benefits**

Supplementary benefits in an establishment were considered applicable to all production workers if they applied to half or more of such workers in the establishment. Similarly, if fewer than half of the workers were covered, the benefit was considered nonexistent in the establishment. Because of length-of-service and other eligibility requirements, the proportion of workers receiving the benefits may be smaller than estimated.

*Paid holidays.* Paid holiday provisions relate to full-day and half-day holidays provided annually.

*Paid vacations.* The summary of vacation plans is limited to formal arrangements and excludes informal plans whereby time off with pay is granted at the discretion of the employer or supervisor. Payments not on a time basis were converted; for example, a payment of 2 percent of annual earnings was considered the equivalent of 1 week's pay. The periods of service for which data are presented represent the most common practices, but they do not necessarily reflect individual establishment provisions for progression. For example, changes in proportions indicated at 8 years of service may include changes which occurred between 5 and 8 years.

*Health, insurance, and retirement plans.* Data are presented for health, insurance, pension, and retirement severance plans for which the employer pays all or a part of the cost, excluding programs required by law, such as workers' compensation and Social Security. Among plans included are

those underwritten by a commercial insurance company and those paid directly by the employer from current operating funds or from a fund set aside for this purpose.

Death benefits are included as a form of life insurance. Sickness and accident insurance is limited to that type of insurance under which predetermined cash payments are made directly to the insured on a weekly or monthly basis during illness or accident disability. Information is presented for all such plans to which the employer contributes at least a part of the cost. However, in New York and New Jersey, where temporary disability insurance laws require employer contributions,<sup>1</sup> plans are included only if the employer (1) contributes more than is legally required, or (2) provides the employees with benefits which exceed the requirements of the law.

Tabulations of paid sick leave plans are limited to formal plans which provide full pay or a proportion of the worker's pay during absence from work because of illness; informal arrangements have been omitted. Separate tabulations are provided for (1) plans which provide full pay and no waiting period, and (2) plans providing either partial pay or a waiting period.

Long-term disability insurance plans provide payments to totally disabled employees upon the expiration of sick leave, sickness and accident insurance, or both, or after a specified period of disability (typically 6 months). Payments are made until the end of disability, a maximum age, or eligibility for retirement benefits. Payments may be full or partial, but are almost always reduced by Social Security, workers' compensation, and private pension benefits payable to the disabled employee.

Medical insurance refers to plans providing for complete or partial payment of doctors' fees. Such plans may be underwritten by a commercial insurance company or a non-profit organization, or they may be a form of self-insurance.

Major medical insurance, sometimes referred to as extended medical or catastrophe insurance, includes plans designed to cover employees for sickness or injury involving an ex-

pense which exceeds the normal coverage of hospitalization, medical, and surgical plans.

Dental insurance, for purposes of this survey, covers routine dental work such as fillings, extractions, and X-rays. Excluded are plans which cover only oral surgery or accidental injury. Tabulations of retirement pensions are limited to plans which provide regular payments for the remainder of the retiree's life. Data are presented separately for retirement severance pay (one payment or several over a specified period of time) made to employees on retirement. Establishments providing both retirement severance payments and retirement pensions to employees were considered as having both retirement pensions and retirement severance plans; however, establishments having optional plans providing employees a choice of either retirement severance payments or pensions were considered as having only retirement pension benefits.

*Paid funeral and jury-duty leave.* Data for paid funeral and jury-duty leave relate to formal plans which provide at least partial payment for time lost as a result of attending funerals of specified family members or serving as a juror.

*Technological severance pay.* Data relate to formal plans providing for payments to employees permanently separated from the company because of a technological change or plant closing.

*Profit-sharing plans.* To be considered a formal profit-sharing plan for purposes of this study, there must be a definite formula for computing employee shares which is announced in advance, and there must be a fixed commitment to make payments, either current or deferred, which bears a direct relationship to company profits or declared dividends. Payments need not be shared equally by employees; they may be shared according to an employee's length of service, pay level, or annual income.

*Cost-of-living adjustments.* Data relate to formal plans for adjustments to wages in keeping with changes in the BLS Consumer Price Index or some other measure.

<sup>1</sup> The temporary disability insurance laws in California and Rhode Island do not require employer contributions.

# Appendix B. Occupational Descriptions

The primary purpose of preparing job descriptions for the Bureau's wage surveys is to assist its field representatives in classifying into appropriate occupations workers who are employed under a variety of payroll titles and different work arrangements from establishment to establishment and from area to area. This permits the grouping of occupational wage rates representing comparable job content. Because of this emphasis on interestablishment and interarea comparability of occupational content, the Bureau's job descriptions may differ significantly from those in use in individual establishments or those prepared for other purposes. In applying these job descriptions, the Bureau's field representatives are instructed to exclude working supervisors, apprentices, learners, beginners, trainees, and part-time, temporary, and probationary workers.

The titles and 3- or 4-digit codes below the survey job titles in this appendix are taken from the 1980 edition of the *Standard Occupational Classification Manual (SOC)*, issued by the U.S. Department of Commerce, Office of Federal Statistical Policy and Standards.

In general, the Bureau of Labor Statistics' occupational descriptions are much more specific than those found in the SOC manual. For example, one SOC code (782: Production inspector, checker, and examiner) includes three of the jobs used in this survey of cigarette manufacturing. Therefore, in comparing the results of this survey with other sources, differences in occupational definitions should be taken into consideration.

## MAINTENANCE

### **Carpenter, maintenance**

(6422: Carpenter)

Performs the carpentry duties necessary to construct and maintain in good repair building woodwork and equipment such as bins, cribs, counters, benches, partitions, doors, floors, stairs, casings, and trim made of wood in an establishment. Work involves most of the following: Planning and laying out of work from blueprints, drawings, models, or verbal instructions; using a variety of carpenter's handtools, portable power tools, and standard measuring instruments; making standard shop computations relating to dimensions of work; and selecting materials necessary for the work. In general, the work of the maintenance carpenter requires rounded training and experience usually acquired through a formal apprenticeship or equivalent training and experience.

### **Electrician, maintenance**

(6152: Electric motor, transformer, and related repairer)

Performs a variety of electrical trade functions such as the installation, maintenance, or repair of equipment for the generation, distribution, or utilization of electric energy in an establishment. Work involves most of the following: Installing or repairing any of a variety of electrical equipment such as generators, transformers, switchboards, controllers, circuit breakers, motors, heating units, conduit systems, or other transmission equipment; working from blueprints, drawings, layouts, or other specifications; locating and diagnosing trouble in the electrical system or equipment; working standard computations relating to load requirements of wiring or electrical equipment; and using a variety of electrician's handtools and measuring and testing instruments. In general, the work of the maintenance electrician requires rounded training and experience usually acquired through a formal apprenticeship or equivalent training and experience.

### **Machinist, maintenance**

(6813: Machinist)

Produces replacement parts and new parts in making repairs of metal parts of mechanical equipment operated in an establishment. Work involves most of the following: Interpreting written instructions and specifications; planning and laying out of work; using a variety of machinist's handtools and precision measuring instruments; setting up and operating standard machine tools; shaping of metal parts to close tolerances; making standard shop computations relating to dimensions of work, tooling, feeds, and speeds of machining; knowledge of the working properties of the common metals; selecting standard materials, parts, and equipment required for this work; and fitting and assembling parts into mechanical equipment. In general, the machinist's work normally requires a rounded training in machine-shop practice usually acquired through a formal apprenticeship or equivalent training and experience.

## FABRICATION

### **Adjuster, machine**

(Fixer)

(613: Industrial machinery repairer)

Sets up, regulates, and/or repairs tobacco processing



machines such as cigarette-making, cigarette-packing, and cellophaning machines. Work involves most of the following: Setting up machines to produce the desired product; regulating and adjusting the machines for efficient operation; attaching fixtures or special devices to the machines; examining machines faulty in operation to determine whether adjustments or repairs are necessary; dismantling or partly dismantling the machines, replacing broken, damaged, or worn parts, or performing other repairs and reassembling the machines. Uses a variety of handtools in adjusting, fitting, or replacing parts, fixtures, or attachments.

#### **Making-machine operator, cigarette**

(7679: Miscellaneous machine operator and tender, not elsewhere classified.)

Operates one automatic cigarette-making machine or more. Work involves: Loading or regulating the loading of tobacco into the feed hopper of machine (also filter plugs or rods into hopper for filter cigarettes); possibly adjusting flow of tobacco; placing rolls of cigarette paper and tipping material (for the making of cork, straw, or ivory tipped cigarettes) on holding spindles; threading paper and tipping material between guide rolls and adjusting for friction tension; setting the monogram printing device; observing operation of machine to see that it is functioning properly; and making any necessary adjustment or reporting mechanical faults to cigarette-making-machine adjuster.

For wage study purposes, workers are classified as follows:

*Making-machine operator, filter cigarettes.*

*Making-machine operator, nonfilter cigarette.*

#### **Packer, cigarette machine**

(7662: Packaging and filling machine operator and tender)

Tends machine that automatically groups and wraps cigarettes into packages and affixes labels to each package. Work involves: Filling appropriate hoppers with labels and paste; placing spools of paper on spindles and threading through rollers; inspecting packages coming from machine for proper centering, folding, and gluing of labels; cleaning machine; and making minor adjustments to machine, such as setting guides and adjusting tension on rollers. When cigarettes are not automatically fed into the machine, worker may also fill cigarette hopper by sliding tray of cigarettes over hopper and allowing cigarettes to fall into hopper.

## **INSPECTION**

#### **Inspector, cigarette making**

(782: Production inspector, checker, and examiner)

Inspects the output of cigarette-making machine to see that quality of cigarettes is up to standard; and may supervise the cigarette-machine catchers. Work involves: Examining handfuls of cigarettes for proper filling, printing, and gluing; checking weight of a prescribed sample on small scales and length in a small gage; and notifying cigarette-making-machine operator of irregularities so that machine can be properly adjusted.

#### **Inspector, cigarette packing**

(782: Production inspector, checker, and examiner)

Inspects a random sample of packages of cigarettes coming from the packing machine to check that the printed and/or cellophane or glassine wrapper is sealed, that the printed wrapper is centered, and that the labels are affixed in the correct position in accordance with specifications; and notifies packing-machine operator of any defects in packaging so that the machine can be properly adjusted.

## **MATERIAL MOVEMENT**

#### **Laborer, material handling**

(Loader and unloader; handler and stacker; shelver; trucker; stockman or stock helper; warehouseman or warehouse helper)

(8726: Freight, stock, and material mover, not elsewhere classified)

Performs physical tasks to transport or store materials or merchandise. Duties involve one or more of the following: Manually loading or unloading freight cars, trucks, or other transporting devices; unpacking, shelving, or placing items in proper storage locations; or transporting goods by hand-truck, cart, or wheelbarrow.

Excluded from this definition are workers whose primary function involves:

- a. Participating directly in the production of goods (e.g., moving items from one production station to another or placing them on or removing them from the production process);
- b. Stocking merchandise for sale;
- c. Counting or routing merchandise;
- d. Operating a crane or heavy-duty motorized vehicle such as a forklift or truck;
- e. Loading and unloading ships (longshore workers); or
- f. Traveling on trucks beyond the establishment's physical location to load or unload merchandise.

#### **Power-truck operator**

(8318: Industrial truck and tractor equipment operator)

Operates a manually controlled gasoline- or electric-powered truck or tractor to transport goods and materials of all kinds about a warehouse, manufacturing plant, or other establishment. For wage study purposes, workers are classified by type of power truck, as follows:

*Forklift operator*

*Power-truck operator (other than forklift)*

#### **Truckdriver**

(8213: Truckdriver, heavy)

Drives a truck within a city or industrial area to transport materials, merchandise, equipment, or workers between various types of establishments such as: Manufacturing plants, freight depots, warehouses, wholesale and retail establish

ments, or between retail establishments and customers' houses or places of business. May also load or unload truck with or without helpers, make minor mechanical repairs, and keep truck in good working order. Sales-route and over-the-road drivers are excluded.

For wage study purposes, truckdrivers are classified by type and rated capacity of truck, as follows:

*Truckdriver, light truck (straight truck, under 1½ tons, usually 4 wheels)*

*Truckdriver, medium truck (straight truck, 1½ to 4 tons inclusive, usually 6 wheels)*

*Truckdriver, heavy truck (straight truck, over 4 tons, usually 10 wheels)*

*Truckdriver, tractor-trailer*

*Truckdriver, not classifiable by category*

Truckdrivers in positions with work characteristics as described are reported under this category when the information needed to classify them according to category is not available or they are not assigned to a particular category of truck.

## CUSTODIAL

### Guard

(5144: Guard and police, except public service)

Protects property from theft or damage, or persons from hazards or interference. Duties involve serving at a fixed post, making rounds on foot or by motor vehicle, or escorting persons or property. May be deputized to make arrests. May also help visitors and customers by answering questions and giving directions. Guards employed by establishments which provide protective services on a contract basis are included in this occupation.

For wage study purposes, guards are classified as follows:

### Guard I

Carries out instructions primarily oriented toward insuring that emergencies and security violations are readily discovered and reported to appropriate authority. Intervenes directly only in situations which require minimal action to safeguard property or persons. Duties require minimal training. Commonly, the guard is not required to demonstrate physical fitness. May be armed, but generally is not required to demonstrate proficiency in the use of firearms or special weapons.

### Guard II

Enforces regulations designed to prevent breaches of security. Exercises judgment and uses discretion in dealing with emergencies and security violations encountered. Determines whether first response should be to intervene directly (asking for assistance when deemed necessary and time allows), to keep situation under surveillance, or to report situation so that it can be handled by appropriate authority. Duties require specialized training in methods and techniques of protecting security areas. Commonly, the guard is required to demonstrate continuing physical fitness and proficiency with firearms or other special weapons.

### Guard, not classifiable by level

Workers in positions with work characteristics as described, and within the range of defined levels, are reported under this classification when the information needed to classify them according to the level definitions is not available.

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The most recent reports providing occupational wage data for industries currently included in the Bureau's program of industry wage surveys are listed below. Bulletins still in print are for sale from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or from the Bureau of Labor Statistics, Publications Sales Center, P.O. Box 2145, Chicago, Ill. 60690. Order by title and GPO Stock Number. Bulletins that are out of print, marked with an asterisk (\*), are available for reference at leading public, college, or university libraries or at the Bureau's Washington or regional offices.

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