

# UNITED STATES BUSINESS FACTS

## Introduction

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*United States Business Facts* is a compilation of statistics on employment and business in the United States. Compiled from a variety of governmental and non-governmental sources, *United States Business Facts* presents an objective source of information for anyone interested in the state of free enterprise in America.

*United States Business Facts* is a public service of the Statistics and Research Center of the U.S. Chamber of Commerce. In addition to maintaining *United States Business Facts*, the Statistics and Research Center conducts studies on issues relevant to the U.S. business community such as the cost of employee benefits and worker's compensation laws. The Statistics and Research Center also conducts research, administers surveys, and provides consultation services at competitive rates. As a benefit of membership, U.S. Chamber of Commerce members receive significant discounts on these services. For rate information, please call (202) 463-5381.

The Statistics and Research Center routinely updates and expands *United States Business Facts*. Current topics covered include:

- ◆ Employment in the U.S.
- ◆ Composition of the U.S. Workforce
- ◆ Composition of the U.S. Business Community, including a special focus on small businesses
- ◆ The National Payroll
- ◆ Corporate and Employment Taxes
- ◆ The Role of Business in the U.S. Economy
- ◆ U.S. Business and Trade
- ◆ The Future of Business in the U.S.
- ◆ Facts on Women Business Owners and their Enterprises
- ◆ Research and Development by the Business Community

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## Employment in the United States (as of September 2006)

### Employment

United States businesses employ 145 million people, about 95.6% of the U.S. civilian labor force.<sup>1</sup>

The large majority of the workforce is employed full-time (83.3%). Most people who work part-time do so for non-economic reasons (19.8 million people; 81.8% of part-time workforce; 13.7% of those employed). Only 5.4% of workers hold more than one job.<sup>1</sup>

Multiple Jobholders in the United States	Percent of Total Employed <sup>1</sup>
Full time and part time	2.86%
Two part time	1.15%
Two full time	0.20%
Hours vary on both jobs	1.13%

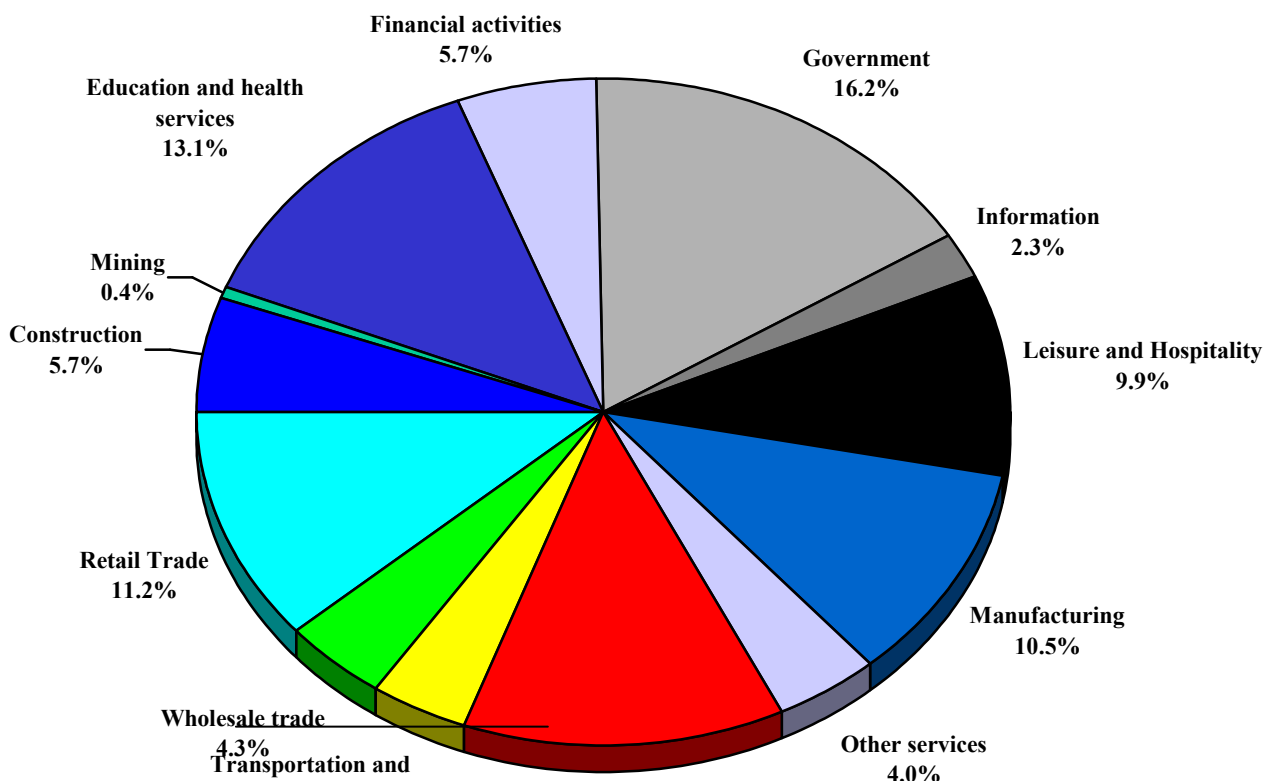
### Unemployment

In September 2006, 6.9 million people were unemployed, yielding a 4.6% unemployment rate.<sup>1</sup>

Education	Unemployment Rate by Group <sup>1</sup>
No High School Diploma	5.9%
High School Diploma	3.8%
Some College	3.4%
College Graduate	2.1%

Top Reasons for Unemployment	Percent of Total Unemployed <sup>1</sup>
Lost or Completed Job	43.4%
Reentrant to Labor Force	34.8%
Left Job	12.8%
New Entrant to Labor Force	8.9%

## U.S. Employment by Industry (September 2006)<sup>1</sup>



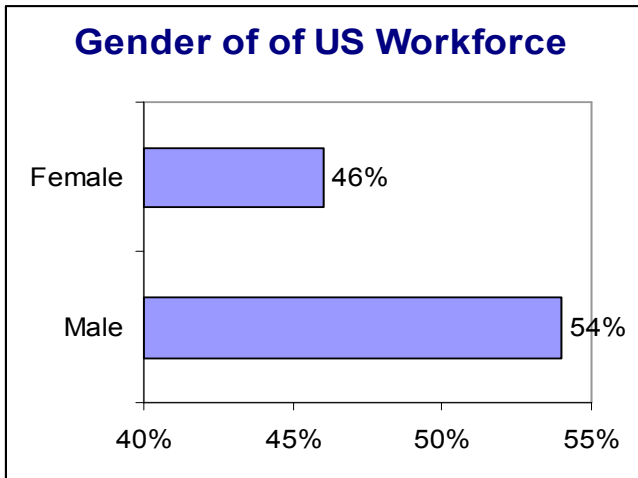
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## Composition of the U.S. Workforce

### Level of Education among U.S. Workforce<sup>1</sup>

Level of Education	Percent of U.S. Workforce 25 Years and Older <sup>1</sup>
Less than a high school diploma	8.70%
High school graduates, no college	26.7%
Less than a bachelor's degree	24.6%
College graduates and higher	30.2%

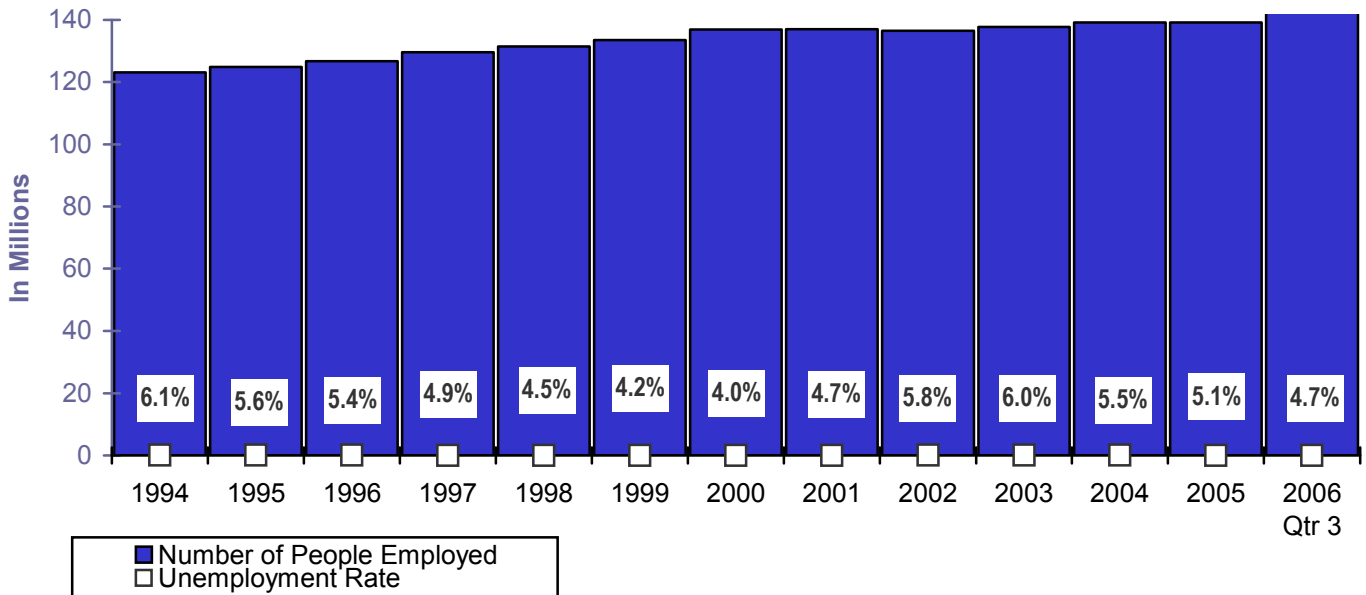
Occupation	Percent of Total Employed <sup>1</sup>
Managerial/professional specialty	34.9%
Service occupations	16.5%
Sales and Office occupations	24.7%
Construction and Maintenance	10.6%
Production, transportation, and material moving	12.7%
Farming, forestry, and fishing	0.6%



### Marital Status of U.S. Workers<sup>1</sup>

Marital Status	Percent of Total Employed <sup>1</sup>
Married men, spouse present	31.4%
Married women, spouse present	24%
Women who maintain families	6.4%

### Occupational Status of U.S. Workforce<sup>1</sup>



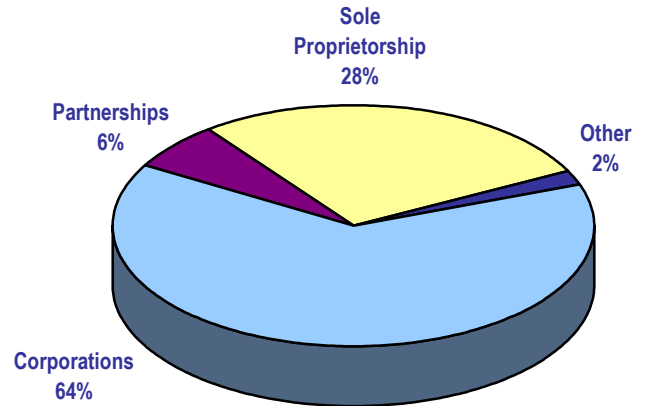
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## Composition of the U.S. Business Community

In 2004, there were 5.9 million employer firms in the United States. These firms operated 7.1 million establishments.<sup>2</sup>

Industry	Number of Employer Firms <sup>2</sup>
Agriculture, Forestry, Fishing & Hunting	24,873
Mining	18,605
Construction	751,098
Manufacturing	293,461
Transportation, Warehousing & Utilities	171,498
Wholesale Trade	337,642
Retail Trade	734,984
Information	75,271
Finance, Insurance, & Real Estate	534,730
Professional and Business Services	734,912
Education & Health Services	659,419
Leisure & Hospitality	564,742
Other Services (except public administration)	671,348
Unclassified	41,157

Percentage of Firms by Legal Organization in 1997<sup>2</sup>



## Small Businesses

In June 2006, there were approximately 25.8 million small businesses. Small businesses (firms with less than 500 employees) represent 99.7% of all employer firms and employ over half of all private workers. Small businesses account for 50% of the private sector output. They generate 60 to 80 percent of net new jobs annually.<sup>3</sup>

Industry	Distribution of Small Firms, 2001 <sup>3</sup>
Services	49%
Retail Trade	13%
Construction	12%
Wholesale Trade	6%
Manufacturing	5%
Other*	15%

\* Includes agriculture, mining, transportation, utilities, information, finance, insurance, real estate, and unclassified.

How are Small Businesses Financed?, 1998<sup>3</sup>

Credit Type	Total Small Business	Women-Owned	Minority-Owned
Any Credit	83%	78%	77%
Traditional Credit Types	55%	46%	49%
Business Credit Cards	34%	29%	29%
Personal Credit Cards	46%	48%	46%

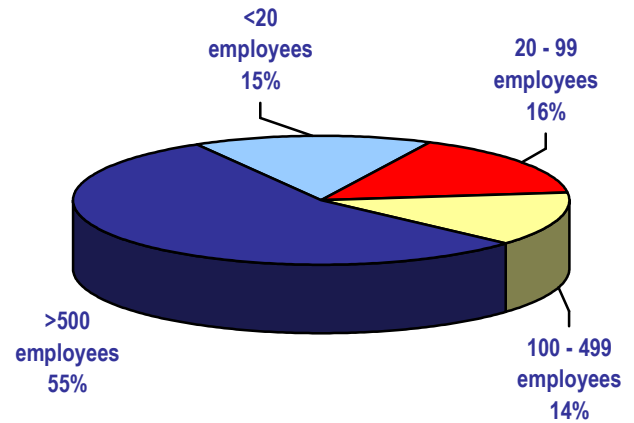
Small businesses are more reliant on owner capital as a source of financial investment. In general, the cost of borrowing money is higher for small businesses and small businesses are more dependent on short-term debt than other businesses.<sup>3</sup>

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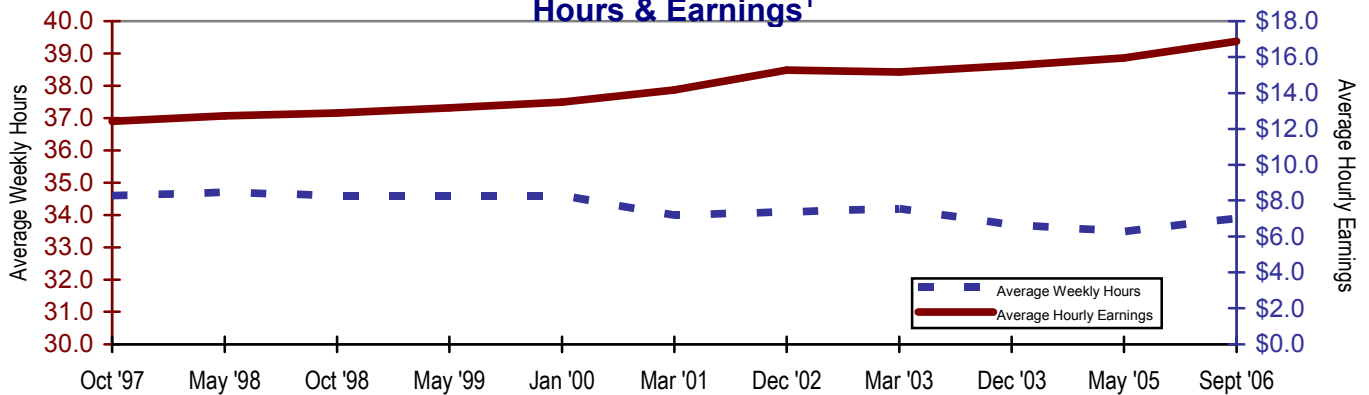
## The National Payroll

Industry	Average Weekly Hours Sept. 2006 <sup>1</sup>	Average Hourly Earnings Sept. 2006 <sup>1</sup>
Construction	39.2	20.36
Manufacturing	41.4	16.88
Transportation, Warehousing & Utilities	39.4	22.48
Wholesale Trade	38.0	19.03
Retail Trade	30.6	12.70
Information	36.9	23.52
Finance, Insurance, & Real Estate	35.4	19.00
Professional and Business Services	34.3	19.12
Education & Health	32.5	17.50
Leisure & Hospitality	25.4	9.71
Other Services (except public administration)	30.7	14.72

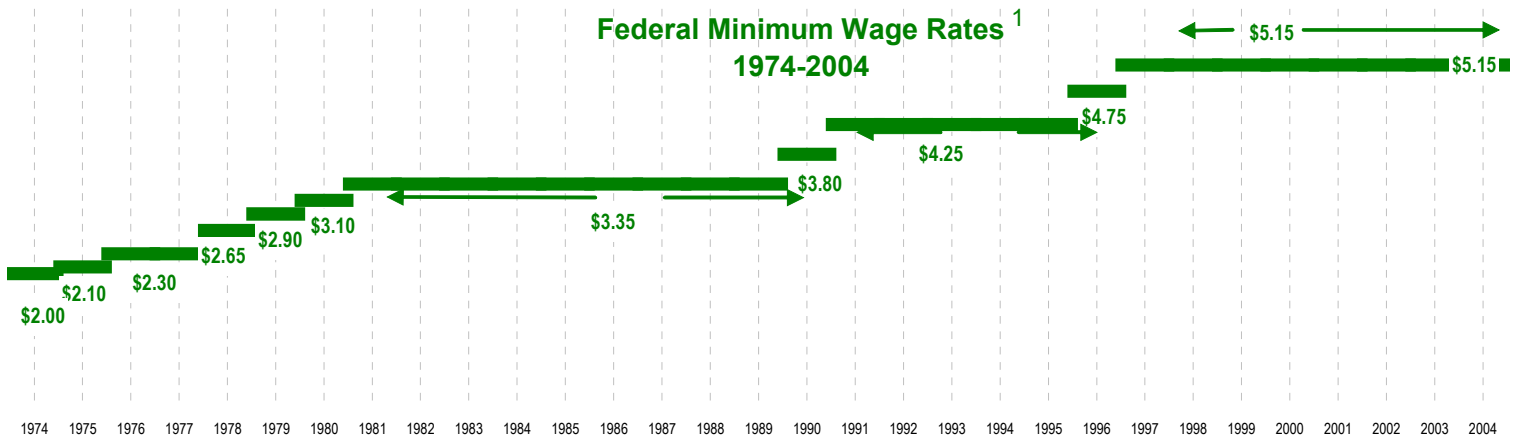
National Payroll by Firm Size for 2004<sup>2</sup>



Production & Non-supervisory Workers on Nonfarm Payrolls  
Hours & Earnings<sup>1</sup>

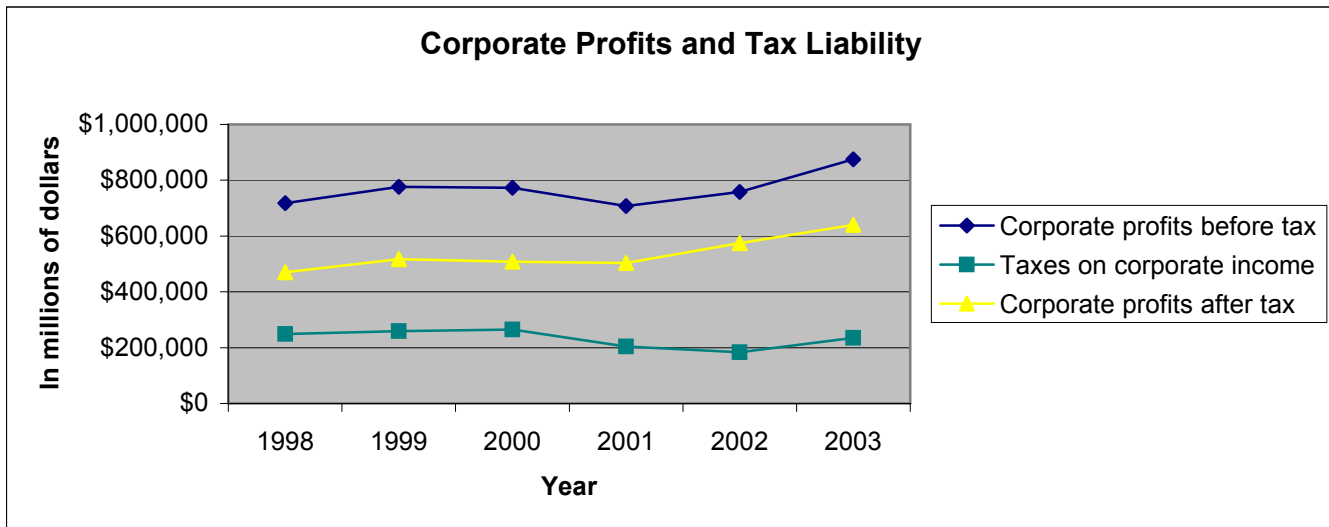
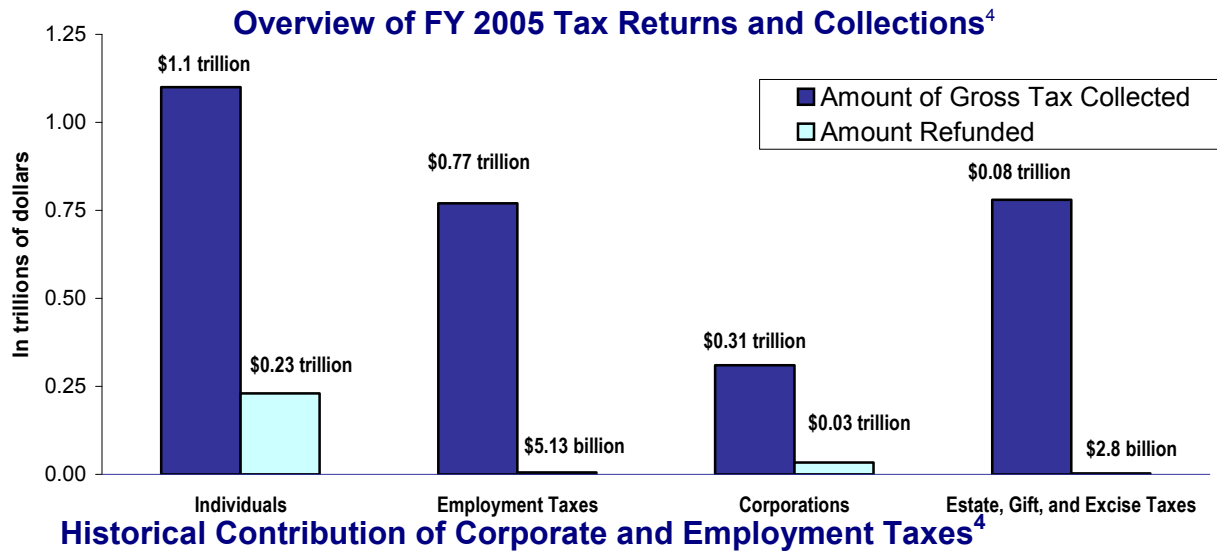


Federal Minimum Wage Rates  
1974-2004



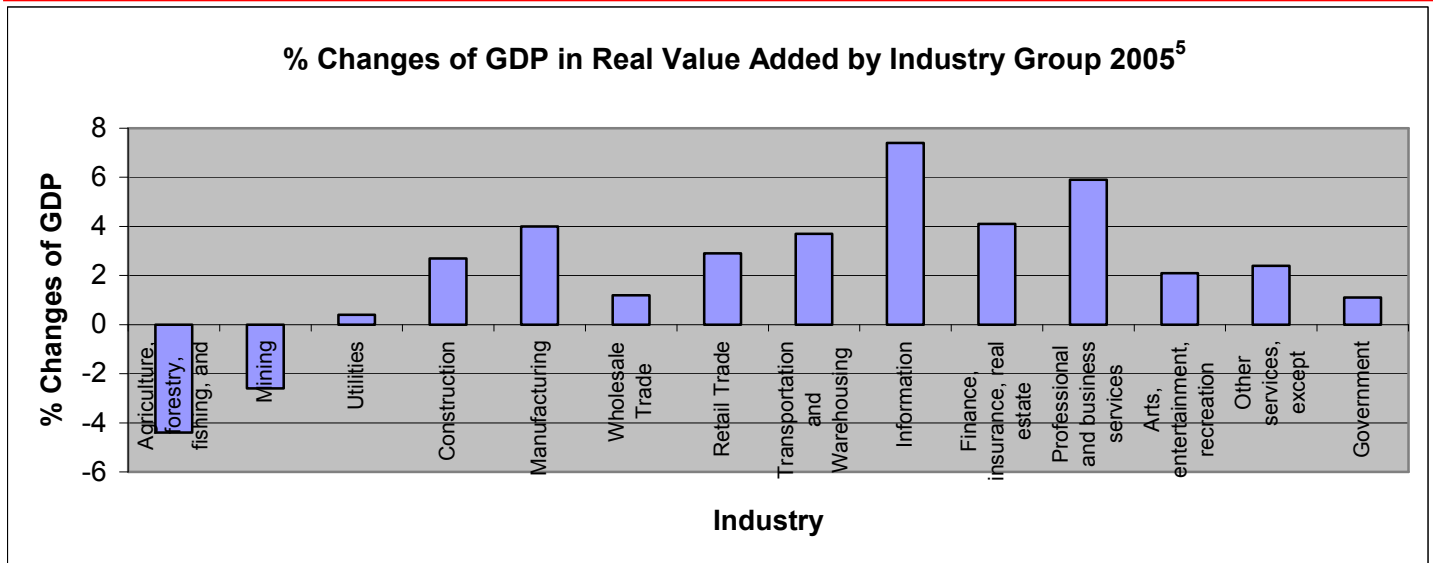
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## Corporate and Employment Taxes

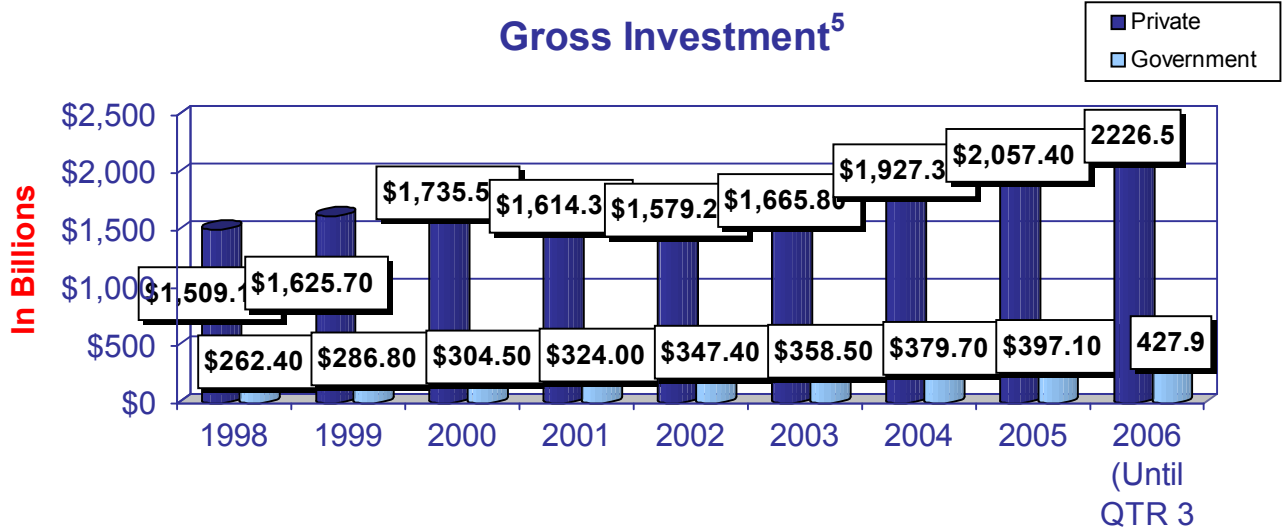


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## The Role of Business in the U.S. Economy



Gross domestic investment for private companies was over \$1.6 trillion in 2003.<sup>5</sup>

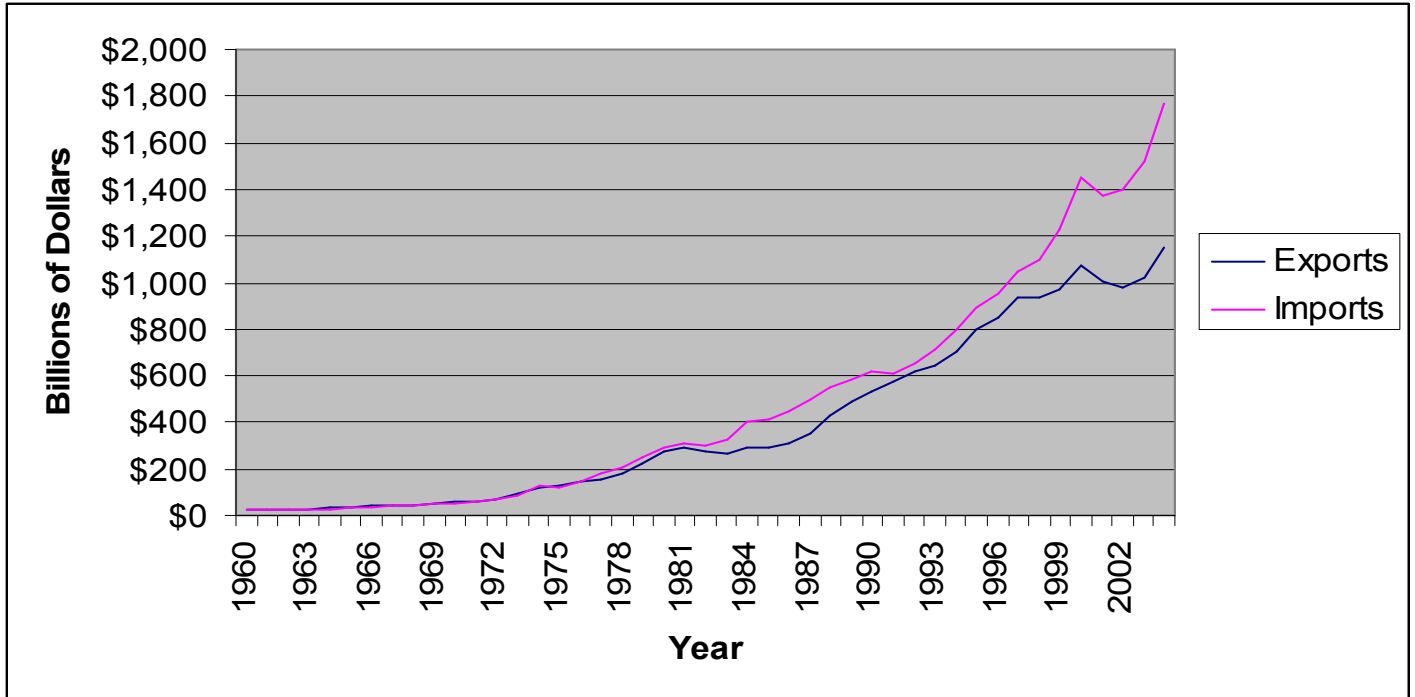


# UNITED STATES BUSINESS FACTS

## U.S. Business and Trade

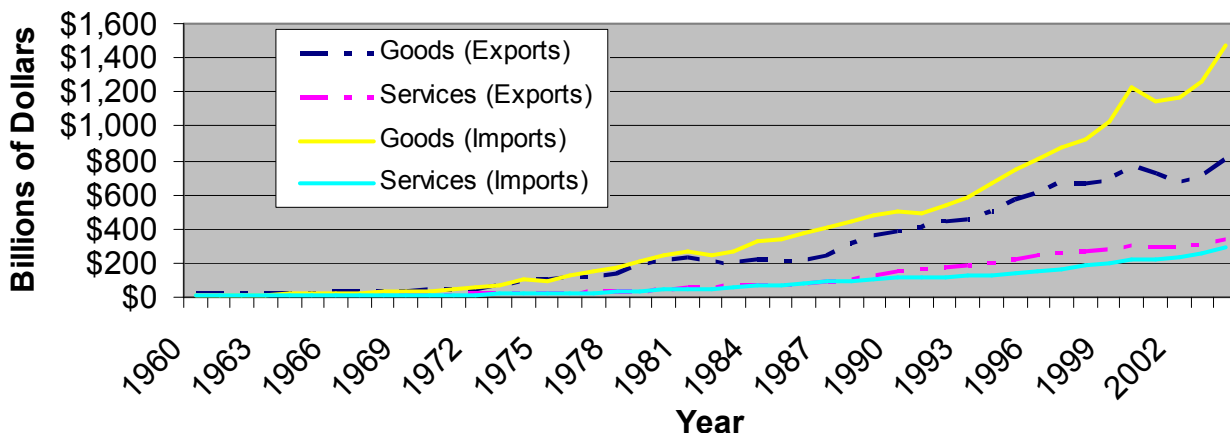
In 2005, the United States exported a total of \$1,275.2 billion of goods and services (balance of payments basis). During the same year, the U.S. economy supported the import of \$1,992.0 billion dollars worth of goods and services, creating a \$716.8 billion trade deficit. The last year the United States had a positive trade balance was 1973.<sup>2</sup>

Historical U.S. International Trade of Goods and Services<sup>2</sup>



Although goods comprise the majority of U.S. exports and imports, services are also a significant portion of international trade. In 2005, services accounted for 15.8% of imports and 29.8% of exports.<sup>2</sup>

Historical U.S. International Trade by Goods and Services

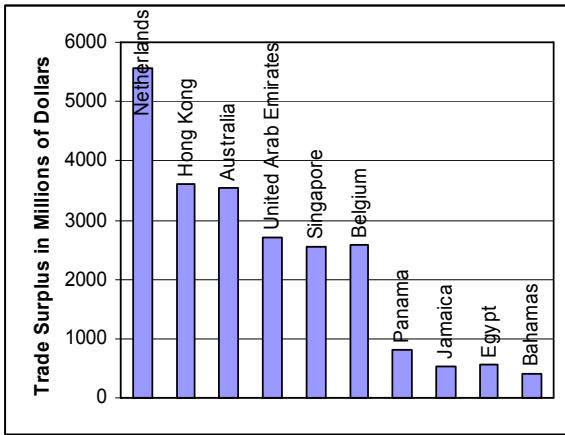




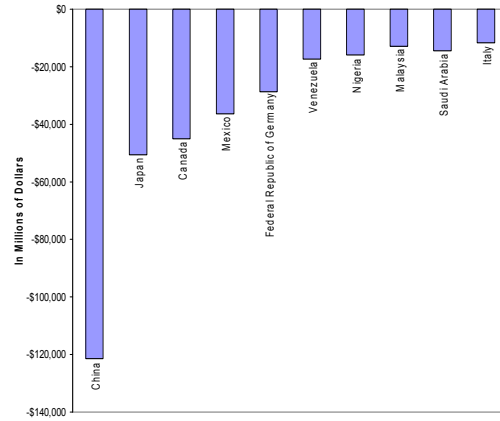
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## U.S. Business and Trade, continued

**Top Ten Countries with which the U.S. had a Trade Surplus (Year to date, as of July 2006)<sup>2</sup>**

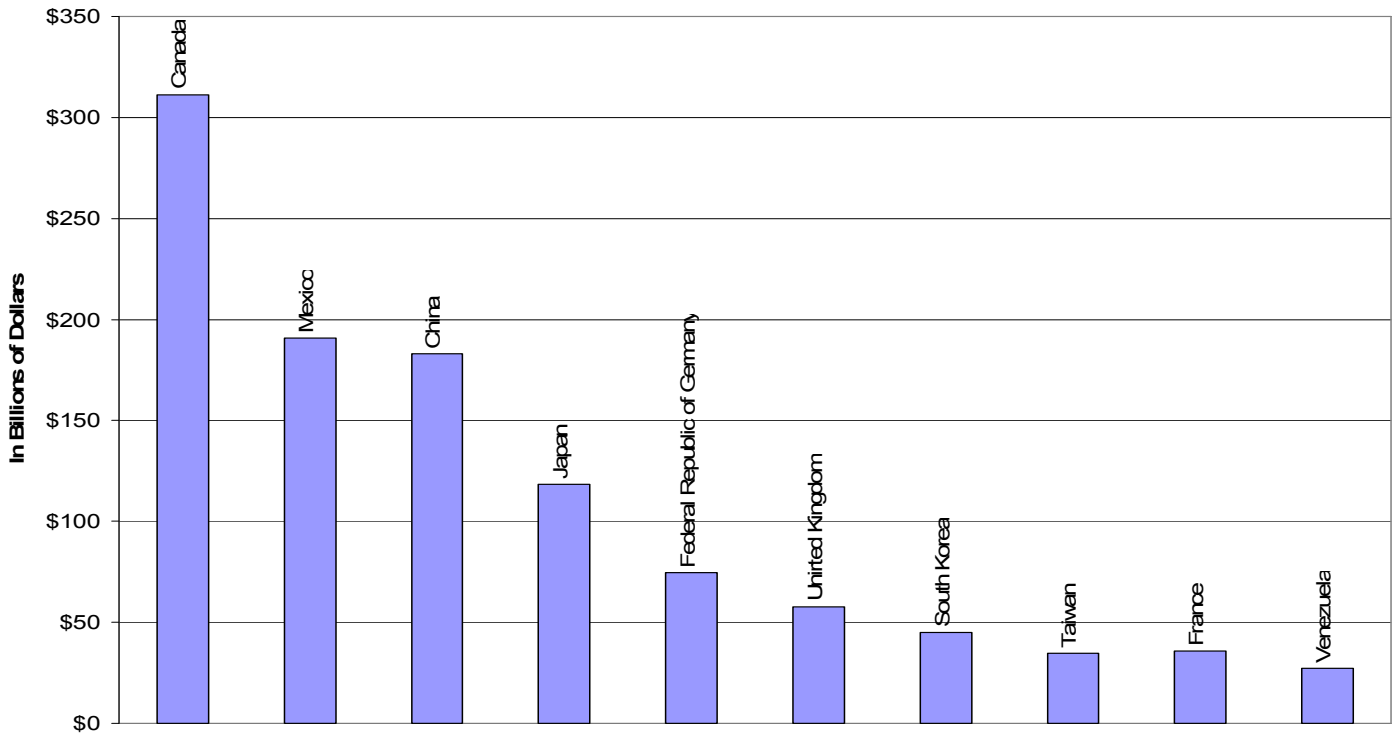


**Top Ten Countries with which the U.S. had a Trade Deficit (Year to date, as of July 2006)<sup>2</sup>**



**Top Ten U.S. Trade Partners (Year to date, as of May 2005)<sup>2</sup>**

These Countries represent 64.29% of U.S. Imports, and 63.46% of U.S. Exports in goods. The values given are for Imports and Exports added together.



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## The Future of Business in the U.S.

The Bureau of Labor Statistics estimates that in the decade from 2004 to 2014, total employment will increase by nearly 13 percent while the labor force is only projected to grow by 10 percent. There will be an estimated 56.3 million total job openings due to both this increase in jobs and the 34 million baby-boomers who are leaving growing occupations.<sup>1</sup>

Labor Force Participation Rates			
Age	2004 Participation Rate	Expected 2014 Participation Rate	Expected % Change
16-19 years	43.9%	39.3%	-4.6%
20-24 years	75.0%	73.8%	-1.2%
25-34 years	82.7%	85.4%	2.7%
35-44 years	83.6%	83.0%	-0.6%

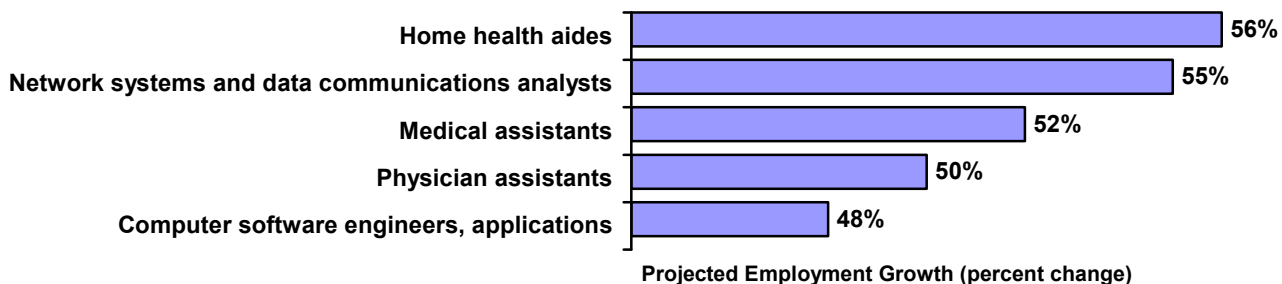
### Most New Jobs 2004-2014

### Projected Employment Growth (number in thousands of jobs)

1. Retail salespersons	736
2. Registered nurses	703
3. Postsecondary teachers	524
4. Customer service representatives	471
5. Janitors and cleaners, except maids and housekeeping cleaners	440

45-54 years	81.8%	82.3 %	0.5%
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### Fastest Growing Occupations 2004-2014

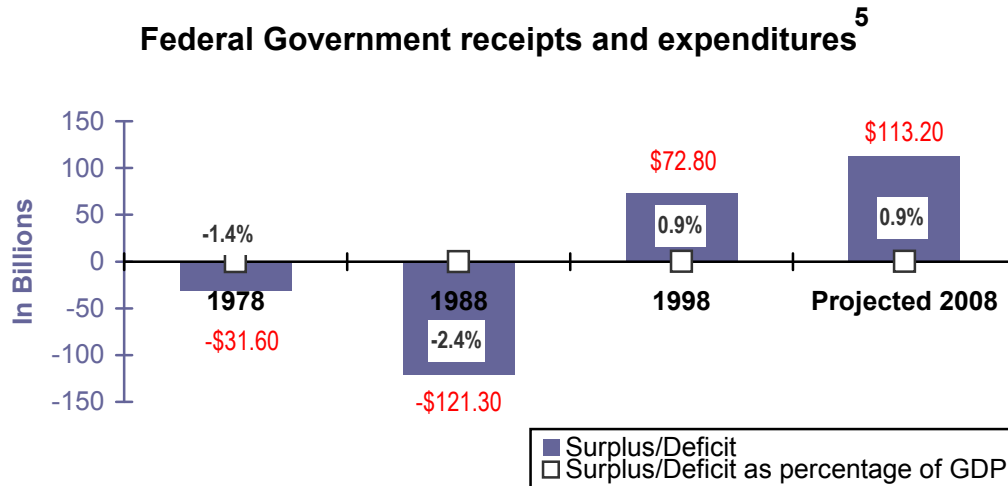


**Gross private domestic investment** is expected to reach \$2,863.2 billion (chained 2000 dollars) in 2014, rising at an average annual rate of change of 4.7% from its 2004 level of \$1,809.8 billion. Business investment is expected to continue to be a great contributor to U.S. economic growth during the projection period, with increases in nonresidential investment in buildings, equipment and software.<sup>1</sup>

Exports and Imports	2004	2014	Average Annual Rate of Change
Exports of Goods	\$783.6	\$1,445.7	6.3%
Exports of Services	\$334.1	\$700.0	7.7%
Imports of Goods	\$1,452.7	\$2,115.0	3.8%
Imports of Services	\$267.1	\$403.0	4.2%

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## The Federal Deficit



## Women Business Owners and their Enterprises

In the United States, 30 percent of businesses are majority-owned, privately-held women-owned firms. Approximately 15.6 million women in the U.S. are sole or shared owners of businesses. These businesses number 6.7 million, generate \$1.19 trillion in sales, and employ 9.8 million workers. Between 1997 and 2004, majority women-owned firms grew 23 percent while all U.S. businesses grew 9 percent. Between 1997 and 2000, the number of women-owned firms with 100 or more employees and of women-owned firms with \$1 million or more in revenues both grew at nearly twice the rate of comparable firms. The SBA made \$2.4 billion in loans and equity investments in women-owned businesses in 2003, representing a 20.5% share in the number of loans and investments, and a 14.3% share in dollars lent or invested.<sup>8</sup>

### Industries with Fastest Growing Number of Women-Owned Firms<sup>8</sup>

Industry	Percent Growth
Construction	57%
Agricultural Services	44%
Transportation, Communication, & Public Utilities	38%

### Growth of Majority-Owned, Privately-Held Women-Owned Businesses<sup>8</sup>

	Majority-Owned, Privately-Held Women-Owned Businesses*	All Privately-Held U.S. Businesses*
Growth in Number of Firms	23%	9%
Increase in Employment	39%	12%
Increase in Revenues	46%	34%

\*All percentages are growth between 1997 and 2004.

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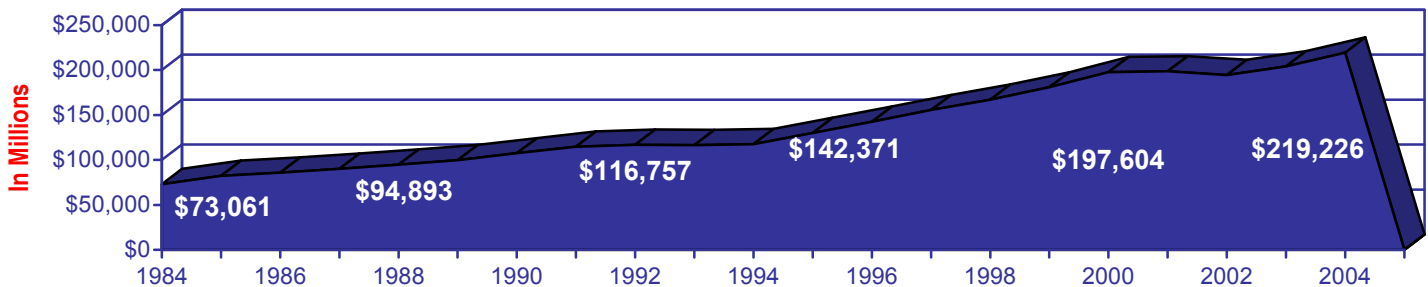
## Research and Development by the Business Community

The United States has long been the world leader in industrial research and development.

In 2003, the nominal total R&D performance in the United States is projected at \$283.8 billion, up from an estimated \$276.4 billion in 2002 and \$274.2 billion in 2001. This represents a 1 percent increase between 2002 and 2003 after controlling for inflation, which compensates for the marginal decline in 2001 and 2002. Further rising in total R&D is projected.

Projected industrial R&D for 2003 fell at a 2.2 percent annual average from its 2000 value (\$193.7 billion). Meanwhile, the universities and colleges have increased at an average annual rate of 7.8 percent in real terms since 2000, putting them at a 14.2 percent (\$40.3 billion) of national R&D in 2003.<sup>6</sup>

**Industrial Research and Development Funds  
United States<sup>6</sup>**



Industry	Total Research & Development Funds: 2001 (In Millions)
All Industries*	\$198,505
Computer and Electronic Products	\$47,079
Transportation Equipment	\$25,965
Chemicals	\$17,892
Trade	\$24,372
Health Care Services	\$1,149
Professional, Scientific, and Technical Services	\$27,704

\* Breakdown will not sum to total. Not all industries are included in breakdown, only samples presented

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## Sources

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1. U.S. Bureau of Labor Statistics (Non-seasonally adjusted figures unless indicated so)
2. U.S. Bureau of the Census
3. U.S. Small Business Administration
4. U.S. Internal Revenue Service
5. U.S. Department of Commerce, Bureau of Economic Analysis
6. National Science Foundation
7. National Women's Business Council
8. Center for Women's Business Research