

**Table 2 Total Labor Content of Covered Prime and Subcontracts**

	% OF TOTAL COST IN EACH COST ELEMENT	FY 2007 EST AMOUNTS FOR COVERED CONTRACTS (Billions \$)	COST IN EACH COST ELEMENT (Billions \$)	LABOR CONTENT FACTOR	LABOR CONTENT BASE (Billions \$)	CONVERSION OF LABOR CONTENT TO FTE's (assume \$66,705 per FTE)	TURNOVER FACTOR - 40.7%	FTE's Covered by this Proposed Rule
<b>Prime Contractors</b>								
LABOR	26%	\$395.1	\$102.7	1	\$102.7	1,540,004	140.70%	2,166,786
OH 100%	26%	395.1	102.7	0.4	41.1	616,002	40.70%	250,713
MAT'L (covered Subs)	26%	395.1		(see below)				
<b>SUBTTL</b>	<b>78%</b>	<b>395.1</b>	<b>308.2</b>					
G&A 15% of Labor, OH & Mat'l	12%	395.1	46.2	0.8	37.0	554,402	40.70%	225,641
<b>SUBTTL</b>	<b>90%</b>	<b>395.1</b>	<b>355.6</b>					
PROFIT 11%	10%	395.1	39.5					
PRICE	100%	395.1	395.1					
<b>Subcontractors (20% of Material Costs Only - \$20.55)</b>								
LABOR	26%	\$20.5	\$5.3	1	\$5.3	80,080	140.70%	112,673
OH 100%	26%	20.5	5.3	0.4	2.1	32,032	40.70%	13,037
MAT'L	26%	20.5	2.4					
<b>SUBTTL</b>	<b>78%</b>	<b>20.5</b>	<b>16.0</b>					
G&A 15% of Labor, OH & Mat'l	12%	20.5	2.4	0.8	1.9	28,829	40.70%	11,733
<b>SUBTTL</b>	<b>90%</b>	<b>20.5</b>	<b>18.5</b>					
PROFIT 11%	10%	20.5	2.1					
PRICE	100%	20.5	20.5					
TOTAL LABOR CONTENT - Primes								2,643,141
TOTAL LABOR CONTENT - Subs								137,443
TOTAL CALCUALATED LABOR CONTENT								2,780,584
<b>TOTAL CALCUALATED 2007 LABOR CONTENT * 1.25</b>								<b>3,475,730</b>
<b>TOTAL CALCUALATED 2008 LABOR CONTENT * 1.05</b>								<b>3,649,516</b>
<b>TOTAL CALCUALATED 2009 LABOR CONTENT * 1.05</b>								<b>3,831,992</b>