

FEDERAL RESERVE statistical release



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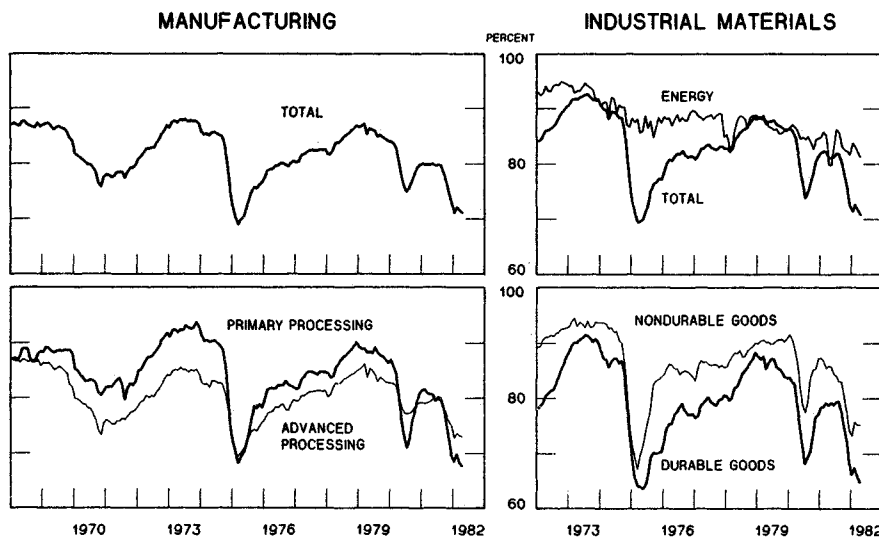
For immediate release
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CAPACITY UTILIZATION: MANUFACTURING AND MATERIALS April 1982

Capacity utilization in manufacturing declined 0.4 percentage point in April to 71.1 percent, following a decrease of 0.6 percentage point in March. The operating rate for producers of industrial materials fell 0.8 percentage point in April to 70.8 percent, after dropping 1.0 percentage point in March. During March and April the manufacturing and materials operating rates declined less rapidly than they did from September 1981 through January 1982. In that period, the manufacturing operating rate dropped at an average of about 1.7 percentage points per month and the materials operating rate fell at an average of about 2.0 percentage points per month.

Within manufacturing, the utilization rate for the primary processing industries decreased 0.6 percentage point in April to 67.7 percent, while the rate for the advanced processing industries declined 0.2 percentage point to 73.0 percent. The operating rate for producers of primary metals dropped sharply in April, and a large decline occurred in the rate for producers of nonelectrical machinery. The capacity utilization rate for the motor vehicles and parts industry increased in April for the third consecutive month but the industry still operated at less than 55 percent of capacity.

The operating rate for producers of durable goods materials fell 1.3 percentage points in April to 64.8 percent, mainly because of large reductions in the production of basic metals and equipment parts. Utilization rates for the production of raw steel and nonferrous metals declined again in April, to levels about 33 and 20 percentage points, respectively, below their rates a year earlier. Capacity utilization by producers of nondurable goods materials was unchanged at 75.2 percent in April, and the utilization rate for energy materials production declined 0.9 percentage point to 81.2 percent, mainly reflecting a sizable reduction in coal mining.



OUTPUT, CAPACITY AND CAPACITY UTILIZATION

Output and Capacity are Percentages of 1967 Output; Capacity Utilization is a Per Cent of Capacity.
Seasonally Adjusted

Manufacturing

SERIES	MONTHLY CAPACITY UTILIZATION												1982			
	1973 HIGH	1975 LOW	1981 APR.	MAY	JUNE	JULY	AUG.	SEP.	OCT.	NOV.	DEC.	1981 DEC.	JAN.	FEB.	MAR.	APR.
MANUFACTURING, TOTAL	88.0	69.0	79.8	80.0	79.6	79.8	79.6	78.3	76.6	74.8	73.1	71.1	72.1	71.5	71.1	
PRIMARY PROCESSING	93.8	68.2	80.7	80.6	79.5	80.1	79.9	78.2	75.7	72.7	69.6	68.5	69.8	68.3	67.7	
ADVANCED PROCESSING	85.5	69.4	79.4	79.8	79.7	79.8	79.4	78.3	77.0	75.8	75.0	72.8	73.6	73.2	73.0	
SERIES	OUTPUT				CAPACITY				UTILIZATION				1982			
	1981 I	II	III	IV	1982 I	1981 I	II	III	IV	1982 I	1981 I	II	III	IV	1982 I	
MANUFACTURING, TOTAL	151.3	152.4	152.5	145.0	139.7	189.4	190.9	192.4	193.9	195.2	79.9	79.8	79.3	74.8	71.6	
PRIMARY PROCESSING	157.5	156.5	155.8	143.5	136.8	193.8	195.0	196.3	197.5	198.6	81.3	80.3	79.4	72.7	68.9	
ADVANCED PROCESSING	148.1	150.2	150.7	145.8	141.6	187.1	188.7	190.4	192.0	193.5	79.1	79.6	79.2	75.9	73.2	

Industrial Materials

SERIES	MONTHLY CAPACITY UTILIZATION												1982			
	1973 HIGH	1975 LOW	1981 APR.	MAY	JUNE	JULY	AUG.	SEP.	OCT.	NOV.	DEC.	1981 DEC.	JAN.	FEB.	MAR.	APR.
MATERIALS, TOTAL	92.6	69.4	81.1	81.1	81.3	81.9	81.6	80.0	77.7	75.5	72.4	71.4	72.6	71.6	70.8	
DURABLE GOODS MATERIALS	91.5	63.6	78.8	79.2	78.8	79.3	79.4	77.3	74.7	72.2	68.5	66.2	67.4	66.1	64.8	
METAL MATERIALS	98.3	68.6	79.9	80.3	78.7	79.5	83.0	79.1	73.9	70.8	65.5	65.8	64.4	60.7		
NONDURABLE GOODS MATERIALS	94.5	67.2	85.9	85.6	84.3	83.9	83.0	82.9	80.3	77.3	74.1	73.2	75.7	75.2	75.2	
TEX., PAPER, & CHEM. MAT.	95.1	65.3	85.5	85.4	83.5	83.2	82.3	82.1	79.1	75.9	72.2	70.7	73.5	73.3	73.0	
TEXTILE MATERIALS	92.6	57.9	81.9	81.7	80.5	82.0	82.3	81.3	78.8	75.5	72.0	68.6	71.9	72.9		
PAPER MATERIALS	99.4	72.4	94.9	93.9	93.0	92.9	93.6	95.7	92.1	92.3	86.5	87.6	89.9	89.0		
CHEMICAL MATERIALS	95.5	64.2	84.1	84.3	82.0	81.2	79.7	79.2	76.2	72.4	69.0	67.4	70.1	69.9		
ENERGY MATERIALS	94.6	84.8	79.9	79.7	83.7	86.2	85.6	83.0	82.5	82.2	81.6	83.7	83.0	82.1	81.2	
SERIES	OUTPUT				CAPACITY				UTILIZATION				1982			
	1981 I	II	III	IV	1982 I	1981 I	II	III	IV	1982 I	1981 I	II	III	IV	1982 I	
MATERIALS, TOTAL	154.2	153.4	154.3	144.0	138.4	187.6	189.0	190.3	191.5	192.6	82.2	81.2	81.1	75.2	71.9	
DURABLE GOODS MATERIALS	150.9	152.3	152.8	140.2	130.7	191.8	192.9	194.2	195.3	196.4	78.7	78.9	78.7	71.8	66.6	
METAL MATERIALS	117.5	112.8	114.2	99.5	90.5	141.5	141.7	141.9	142.1	142.3	83.0	79.6	80.5	70.1	63.6	
NONDURABLE GOODS MATERIALS	179.2	178.4	175.8	164.5	160.3	207.3	209.2	211.2	213.1	214.6	86.5	85.3	83.3	77.2	74.7	
TEX., PAPER, & CHEM. MAT.	186.7	185.9	182.8	169.4	163.5	217.1	219.4	221.7	223.9	225.6	86.0	84.8	82.5	75.7	72.5	
TEXTILE MATERIALS	114.8	114.5	115.5	106.8	101.0	140.1	140.6	141.0	141.6	142.1	81.9	81.4	81.8	75.4	71.1	
PAPER MATERIALS	151.4	151.0	152.2	147.0	145.5	159.7	160.7	161.9	162.8	163.8	94.8	93.9	94.1	90.3	88.8	
CHEMICAL MATERIALS	232.7	231.6	224.9	206.2	198.5	274.1	277.5	281.0	284.4	287.3	84.9	83.5	80.0	72.5	69.1	
ENERGY MATERIALS	130.9	125.1	131.6	127.9	129.8	153.5	154.3	155.0	155.8	156.5	85.3	81.1	84.9	82.1	83.0	

NOTE: ESTIMATES OF ACTUAL OUTPUT AND CAPACITY OUTPUT ARE BOTH EXPRESSED AS PERCENTAGES OF 1967 ACTUAL OUTPUT. ESTIMATES OF CAPACITY UTILIZATION IN PERCENT ARE CALCULATED AS RATIOS OF (1) THE FEDERAL RESERVE'S SEASONALLY ADJUSTED INDEXES OF INDUSTRIAL PRODUCTION TO (2) THE CORRESPONDING INDEXES OF CAPACITY. INDUSTRIAL MATERIALS ARE ITEMS BOTH PRODUCED AND USED AS INPUTS BY MANUFACTURING PLANTS, MINES AND UTILITIES; INDUSTRIAL MATERIALS COVER MANY OF THE ITEMS REPRESENTED IN THE PRIMARY PROCESSING GROUPING OF MANUFACTURING AS WELL AS SOME OF THE OUTPUT OF MINES AND UTILITIES -- SUCH AS IRON ORE, CRUDE OIL, AND ELECTRICITY SOLD TO INDUSTRY.

THE 1973 HIGHS AND 1975 LOWS IN CAPACITY UTILIZATION, SHOWN IN THE TABLES ABOVE, ARE SPECIFIC TO EACH SERIES AND MAY OCCUR IN DIFFERENT MONTHS. INDUSTRIAL PLANTS USUALLY OPERATE AT CAPACITY UTILIZATION RATES THAT ARE WELL BELOW 100 PERCENT; NONE OF THE BROAD AGGREGATE SERIES HAS EVER INDICATED A 100 PERCENT USE OF CAPACITY. CAPACITY UTILIZATION RATES AVERAGED ABOUT 83 PERCENT FOR MANUFACTURING FROM 1955 THROUGH 1979, AND ABOUT 85 PERCENT FOR INDUSTRIAL MATERIALS FOR 1967 THROUGH 1979. IN MANUFACTURING AS A WHOLE, UTILIZATION RATES AS HIGH AS 90 PERCENT HAVE BEEN EXCEEDED ONLY IN WARTIME. THE PEAK RATES OF UTILIZATION IN 1973 WERE ASSOCIATED WITH SIGNIFICANT UPWARD PRESSURE ON PRICES.

THE METHODOLOGY AND THE SERIES ARE DESCRIBED IN FEDERAL RESERVE MEASURES OF CAPACITY AND CAPACITY UTILIZATION. REVISED DATA ARE FOUND IN "CAPACITY UTILIZATION: MANUFACTURING AND MATERIALS, JANUARY 1967--DECEMBER 1978." BOTH PUBLICATIONS MAY BE OBTAINED FROM PUBLICATIONS SERVICES, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, WASHINGTON, D.C. 20551