

# NEWS



## U. S. DEPARTMENT OF LABOR BUREAU OF LABOR STATISTICS

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### PRODUCTIVITY AND COSTS IN THE PRIVATE ECONOMY, FOURTH QUARTER 1975 (and annual averages for 1975)

Productivity in the private economy increased at a seasonally adjusted annual rate of 1.0 percent in the fourth quarter of 1975, compared with a 9.9 percent increase in the third quarter, according to preliminary figures released today by the Bureau of Labor Statistics of the U.S. Department of Labor. The fourth quarter increase reflected a 6.1 percent increase in output and a 5.1 percent increase in aggregate hours of all persons.

In the nonfarm sector, labor productivity decreased 0.3 percent in the fourth quarter, compared with a 9.4 percent increase in the third quarter. The decline in productivity reflected a 6.2 percent increase in output and a 6.6 percent increase in hours of all persons.

In the manufacturing sector, productivity increased 5.6 percent in the fourth quarter, compared with an increase of 8.6 percent in the third quarter. The productivity increase reflected a 14.1 percent increase in output and an 8.0 percent increase in hours. This was the largest quarterly increase in hours since the fourth quarter of 1972.

#### NOTE

The productivity and cost series for the total private economy and the nonfarm sector contained in this release are based on revised National Income and Product Account (NIPA) measures published by the Bureau of Economic Analysis of the U.S. Department of Commerce. The revisions incorporate new source data in the NIPA as well as changes in definitions and classifications.

Table A. Percent Change at Annual Rate in Productivity and Costs  
(Seasonally Adjusted)

Sector and Item	3rd Quarter 1975 to 4th Quarter 1975	4th Quarter 1974 to 4th Quarter 1975
<u>Total Private Economy</u> (Preliminary)		
Output per hour of all persons	1.0	4.4
Compensation per hour	7.5	7.8
Unit labor cost	6.5	3.2
Real compensation per hour	0.7	0.5
Output	6.1	2.7
Hours	5.1	- 1.7
<u>Nonfarm Sector</u> (Preliminary)		
Output per hour of all persons	- 0.3	4.0
Compensation per hour	6.1	7.7
Unit labor cost	6.5	3.6
Real compensation per hour	- 0.6	0.4
Output	6.2	2.3
Hours	6.6	- 1.6
<u>Manufacturing</u> (Preliminary)		
Output per hour of all persons	5.6	1.6
Compensation per hour	6.3	8.7
Unit labor cost	0.7	7.0
Real compensation per hour	- 0.4	1.3
Output	14.1	- 3.4
Hours	8.0	- 4.9

From the fourth quarter of 1974 to the fourth quarter of 1975, productivity increased 4.4 percent in the total private economy, 4.0 percent in the nonfarm sector, and 1.6 percent in manufacturing. A summary of fourth quarter results appears in table A; details are given in tables 1-4.

#### Compensation and Labor Cost

Hourly compensation (which includes wages, employer contributions to employee benefit plans, and other fringe benefits) increased 7.5 percent in the fourth quarter in the total private economy, compared with a 6.7 percent increase in the preceding quarter. The increase in hourly compensation, in conjunction with the 1.0 percent increase in productivity, resulted in a 6.5 percent increase in unit labor cost. In the third quarter, this series declined 2.9 percent. Real compensation per hour (hourly compensation adjusted for changes in the Consumer Price Index) increased 0.7 percent in the private economy in the fourth quarter, after declining 1.6 percent in the previous quarter

In the nonfarm sector, hourly compensation increased 6.1 percent, and unit labor cost rose 6.5 percent. Real compensation per hour declined 0.6 percent, its only quarterly decline in 1975.

In manufacturing, hourly compensation increased 6.3 percent (the smallest quarterly rise since the first quarter of 1974), unit labor cost increased 0.7 percent, and real hourly compensation declined 0.4 percent (compared with a 0.9 percent decline in the third quarter.)

#### Annual Review of Productivity and Costs in the Private Economy: 1975\*

The recovery from the 1974-75 business recession was reflected in many of

\* Yearly comparisons in this section are based on changes in annual averages between 1974 and 1975. In the preceding sections, year-ago comparisons were based on changes between the fourth quarter of 1974 and the fourth quarter of 1975. Quarterly percent changes are expressed in annual rates by ~~raising~~ <sup>compounding</sup> the quarterly changes ~~to the fourth quarter~~. Thus, the annual average index of productivity in the private economy was 110.8 in 1974 and 112.3 in 1975 or an increase of 1.3 percent. For this same series, the index was 109.4 in the fourth quarter of 1974 and 114.3 a year later, for a 4.4 percent increase over the same quarter of the previous year.

the productivity and cost series of 1975. The modest productivity increase for the year of 1.3 percent in the private sector was a significant improvement over 1974, when productivity declined 2.5 percent. But the effects of the recession are still evident in the 1975 figures. The increase in productivity resulted from a larger decline in hours than in output; hours were off 3.7 percent from 1974 levels (the largest annual drop since 1958), and output declined 2.5 percent, (the largest decline since 1947) See table B.

Hourly compensation increased 9.1 percent in 1975, somewhat less than the 9.5 percent rise of 1974, but unit labor costs rose 7.7 percent, compared with a 12.3 percent rise a year ago. The smaller increase in this important cost measure reflects the effect of higher labor productivity in partially offsetting the rise in compensation.

Unit nonlabor payments increased faster this year than unit labor cost (12.2 percent and 7.7 percent, respectively) while the opposite condition obtained in 1974, when labor costs rose 12.3 percent while nonlabor payments increased 5. percent. This reversal partly reflects the increase in unit profits in 1975.

Although hourly compensation increased at a slower rate in 1975 than in 1974 real compensation decreased less, since the rate of increase in the Consumer Price Index in 1975 (9.1 percent) was smaller than the increase in 1974 (11.0 percent).

#### Revisions in Output and Compensation Series

The Bureau of Economic Analysis of the U.S. Department of Commerce recently released revised gross national product and compensation data. These new measures are incorporated in the productivity and cost measures for the total private economy and the nonfarm sector published today by the BLS. Table B compares the original and revised annual measures for productivity and related series; table C shows how the revisions affected quarterly movements in the past 3 years.

Table B. Annual Percent Change in Productivity and Costs  
Based on Original and Revised National Income and Product Account Data

Sector and Item	1973		1974		1975P
	ORIGINAL	REVISED	ORIGINAL	REVISED	REVISED
<b>Total Private</b>					
Output per hour	2.5	2.2	- 2.7	- 2.5	1.3
Compensation per hour	7.6	8.2	8.7	9.5	9.1
Unit labor cost	5.0	5.8	11.7	12.3	7.7
Real compensation per hour	1.3	1.8	- 2.0	- 1.3	- 0.1
Output	6.1	5.9	- 2.4	- 2.2	- 2.5
Aggregate hours	3.6	3.6	0.3	0.3	- 3.7
<b>Nonfarm</b>					
Output per hour	2.2	2.0	- 2.8	- 2.4	0.9
Compensation per hour	7.3	7.8	8.8	9.5	8.9
Unit labor cost	4.9	5.7	12.0	12.2	8.0
Real compensation per hour	1.0	1.5	- 2.0	- 1.3	- 0.2
Output	6.2	5.9	- 2.6	- 2.1	- 2.9
Aggregate hours	3.8	3.8	0.3	0.3	- 3.8

Table C.  
Comparisons of Quarterly Changes based on Original and Revised NIPA Data  
(Percent Change at Annual Rate)

Year & Quarter	TOTAL PRIVATE						PRIVATE NON-FARM					
	Productivity		Compensation per hour		Unit labor cost		Productivity		Compensation per hour		Unit labor cost	
	Orig.	Rev.	Orig.	Rev.	Orig.	Rev.	Orig.	Rev.	Orig.	Rev.	Orig.	Rev.
1973 I	4.6	4.8	12.3	13.6	7.4	8.4	2.8	2.8	10.1	11.4	7.1	8.4
II	- 1.9	- 4.1	4.8	5.2	6.9	9.7	- 1.5	- 3.6	5.6	5.9	7.2	9.9
III	- 1.1	0.3	6.3	6.9	7.4	6.6	- 0.1	1.1	6.7	7.3	6.8	6.2
IV	0.7	- 0.4	8.7	9.4	8.0	9.8	- 0.7	- 1.7	8.5	9.3	9.3	11.2
Annual	2.5	2.2	7.6	8.2	5.0	5.8	2.2	2.0	7.3	7.8	4.9	5.7
1974 I	- 8.4	- 5.1	6.6	7.7	16.4	13.6	- 7.0	- 3.1	7.9	8.8	16.1	12.3
II	0.3	- 2.3	12.9	13.1	12.6	15.8	- 1.8	- 3.6	11.6	11.8	13.6	15.9
III	- 1.5	- 2.0	11.1	12.4	12.8	14.7	- 2.1	- 2.4	10.3	11.6	12.7	14.3
IV	- 5.1	- 3.7	8.6	9.7	14.4	13.9	- 3.4	- 3.8	9.4	10.7	13.7	15.0
Annual	- 2.7	- 2.5	8.7	9.5	11.7	12.3	- 2.8	- 2.4	8.8	9.5	12.0	12.2
1975 I	- 0.6	1.2	10.0	10.7	10.7	9.4	- 2.6	- 0.9	8.4	9.1	11.3	10.1
II	4.2	6.0	7.6	6.4	3.2	0.4	5.7	8.0	7.7	6.8	1.9	- 1.1
III	11.0	9.9	6.4	6.7	- 4.1	- 2.9	11.1	9.4	8.2	8.7	- 2.6	- 0.7
IV	N.A.	1.0	N.A.	7.5	N.A.	6.5	N.A.	- 0.3	N.A.	6.1	N.A.	6.5
Annual	N.A.	1.3	N.A.	9.1	N.A.	7.7	N.A.	0.9	N.A.	8.9	N.A.	8.0

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The 1973 annual output increase in the private sector is smaller in the revised series and the 1974 decline is not as large. Thus, the productivity changes are also smaller. (See table B.) On the other hand, the revised increase in hourly compensation was larger in both years reflecting changes in farm compensation, so that there has been a considerable revision in the movements of unit labor cost as well.

In the quarterly data, the revised series indicates movement in the opposite direction from the original productivity series in 5 quarters out of 13 shown.

TABLE 1. TOTAL PRIVATE ECONOMY, ALL PERSONS: PRODUCTIVITY  
HOURLY COMPENSATION, UNIT COST, AND PRICES, SEASONALLY ADJUSTED

YEAR AND QUARTER	OUTPUT PER HOUR OF ALL PERSONS	OUTPUT	HOURS OF ALL PERSONS	COMPENSATION PER HOUR(1)	REAL COMPENSATION PER HOUR(2)	UNIT LABOR COSTS	UNIT NON-LABOR PAYMENTS(3)	IMPLICIT PRICE DEFATOR(4)
INDEXES 1967=100								
1974	I	111.7R	123.3R	110.4	158.4R	111.9R	141.8R	137.5R
	II	111.0R	122.5R	110.3	163.4R	112.3R	147.1R	141.0R
	III	110.5R	121.0R	110.1	168.2R	112.3R	152.2R	145.4R
	IV	109.4R	118.7R	108.5	172.1R	111.6R	157.3R	150.1R
	ANNUAL	110.8R	121.5R	109.0	165.8R	112.2R	149.6R	143.4R
1975	I	109.8R	115.6R	105.3	176.6R	112.3R	160.9R	153.5R
	II	111.4R	116.5R	104.0	179.3R	112.4R	161.0R	155.1R
	III	114.0R	120.1R	105.3	182.3R	112.0R	159.8R	157.8R
	IV	114.3P	121.9P	106.6P	185.6P	112.2P	162.4P	160.3P
	ANNUAL	112.3P	118.5P	105.5P	180.8P	112.1P	161.0P	156.7P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)								
1974	I	-5.1R	-5.0R	-0.5	7.7R	-4.0R	13.6R	8.9R
	II	-2.5R	-2.5R	-0.2	13.1R	1.5R	15.8R	10.6R
	III	-2.0R	-2.0R	-0.9	12.4R	0.0R	14.7R	13.1R
	IV	-3.7R	-9.1R	-5.6	9.7R	-2.5R	13.9R	13.8R
	ANNUAL	-2.5R	-2.2R	0.3	9.5R	-1.3R	12.3R	9.7R
1975	I	1.2R	-10.2R	-11.3R	10.7R	2.6R	9.4R	9.1R
	II	6.0R	3.2R	-2.7	6.4R	0.4R	11.7R	4.2R
	III	9.9R	13.1R	2.9R	6.7R	-1.6R	27.8R	7.4R
	IV	1.0P	6.1P	5.1P	7.5P	0.7P	6.5P	6.3P
	ANNUAL	1.3P	-2.5P	-3.7P	9.1P	-0.1P	7.7P	9.3P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)								
1974	I	-2.3R	-0.3R	2.1	7.3R	-2.3R	9.9R	8.1R
	II	-1.9R	-1.0R	0.9	9.2R	-1.2R	11.4R	8.9R
	III	-2.5R	-2.5R	0.0	10.6R	-0.7R	13.4R	10.3R
	IV	-3.3R	-5.1R	-1.8	10.7R	-1.3R	14.5R	11.6R
	ANNUAL	-2.5R	-2.2R	0.3	9.5R	-1.3R	12.3R	9.7R
1975	I	-1.7R	-6.3	-4.6	11.5R	0.4R	13.4R	11.6R
	II	0.3R	-4.9R	-5.2	9.8R	0.1R	9.5R	10.0R
	III	3.2R	-1.2R	-4.3	8.4R	-0.3R	5.0R	8.6R
	IV	4.4P	2.7P	-1.7P	7.8P	0.5P	3.2P	6.7P
	ANNUAL	1.3P	-2.5P	-3.7P	9.1P	-0.1P	7.7P	9.3P

SEE FOOTNOTES FOLLOWING TABLES 44  
R=REVISED  
P=PRELIMINARY

JANUARY 27, 1976  
SOURCE: BUREAU OF LABOR STATISTICS



TABLE 2. PRIVATE NONFARM ECONOMY, ALL PERSONS: PRODUCTIVITY  
HOURLY COMPENSATION, UNIT COST, AND PRICES, SEASONALLY ADJUSTED

YEAR AND QUARTER	OUTPUT PER HOUR OF ALL PERSONS	OUTPUT	HOURS OF ALL PERSONS	COMPENSATION PER HOUR(1)	REAL COMPENSATION PER HOUR(2)	UNIT LABOR COSTS	UNIT NON-LABOR PAYMENTS(3)	IMPLICIT PRICE DEFLATOR(4)
INDEXES 1967=100								
1974	110.7R	123.9R	111.9	157.0R	110.9R	141.9R	122.9R	154.7R
	109.7R	123.0R	112.2	161.5R	111.0R	147.2R	126.9R	159.6R
	109.0R	122.2R	112.1	165.9R	110.8R	152.2R	130.3R	144.0R
IV	108.0R	119.1R	110.3	170.2R	110.4R	157.6R	133.6R	148.6R
ANNUAL	109.5R	122.0R	111.5	163.9R	110.9R	149.7R	128.4R	141.6R
1975	107.7R	115.5R	107.2	173.9R	110.7R	161.5R	138.4R	152.8R
I	109.8R	116.7R	106.3	176.8R	110.9R	161.0R	142.7R	154.1R
II	112.3R	120.0R	106.8	180.6R	110.9R	160.8R	149.3R	156.4R
III	112.2P	121.8P	108.5P	183.3P	110.8P	163.3P	152.0P	159.0P
IV								
ANNUAL	110.5P	118.5P	107.2P	178.5P	110.7P	161.6P	145.8P	155.6P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)								
1974	-3.1R	-4.7R	-1.6	8.8R	-3.1R	12.3R	1.7R	8.5R
	-3.6R	-2.6R	1.0	11.8R	0.4R	15.9R	13.8R	15.2R
III	-2.4R	-2.7R	-0.3	11.6R	-0.7R	14.3R	11.1R	13.2R
IV	-3.8R	-9.7R	-6.1	10.7R	-1.7R	15.0R	10.4R	13.4R
ANNUAL	-2.4R	-2.1R	0.3	9.5R	-1.3R	12.2R	6.2R	10.1R
1975	-0.9R	-11.7R	-10.9R	9.1R	1.1R	10.1R	15.4R	11.9R
I	8.0R	4.4R	-3.4	6.8R	0.8R	-1.1R	12.9R	3.5R
II	9.4R	11.7R	2.1R	8.7R	0.2R	-0.7R	19.8R	6.2R
III	-0.3P	6.2P	6.6P	6.1P	-0.6P	6.5P	7.6P	6.9P
IV								
ANNUAL	0.9P	-2.9P	-3.8P	8.9P	-0.2P	8.0P	13.6P	9.9P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)								
1974	-1.9R	-0.1R	1.8	7.8R	-1.9R	9.9R	1.9R	7.0R
	-1.8R	-0.9R	0.9	9.3R	-3.1R	11.3R	6.0R	9.5R
III	-2.7R	-2.5R	0.2	10.4R	-1.0R	13.4R	8.0R	11.5R
IV	-3.2R	-5.0R	-1.8	10.7R	-1.3R	14.4R	9.1R	12.5R
ANNUAL	-2.4R	-2.1R	0.3	9.5R	-1.3R	12.2R	6.2R	10.1R
1975	-2.7R	-6.8R	-4.2	10.2R	-0.3R	13.8R	12.6R	13.4R
I	0.1R	-5.1R	-5.2	9.5R	-0.1R	9.4R	12.4R	10.4R
II	3.0R	-1.8R	-4.7	8.8R	0.1R	5.6R	14.5R	8.7R
III	4.0P	2.3P	-1.6P	7.7P	0.4P	3.6P	13.8P	7.1P
IV								
ANNUAL	0.9P	-2.9P	-3.8P	8.9P	-0.2P	8.0P	13.6P	9.9P

SEE FOOTNOTES FOLLOWING TABLE 4.  
R=REVISED  
P=PRELIMINARY

JANUARY 27, 1976  
SOURCE: BUREAU OF LABOR STATISTICS

TABLE 3 MANUFACTURING SECTOR: OUTPUT PER HOUR OF ALL PERSONS, HOURLY COMPENSATION, UNIT LABOR COSTS, SEASONALLY ADJUSTED

YEAR AND QUARTER	OUTPUT PER HOUR OF ALL PERSONS	OUTPUT 7)	HOURS	COMPENSATION PER HOUR OF ALL PERSONS(1)	REAL COMPENSATION PER HOUR OF ALL PERSONS(2)	UNIT LABOR COST
INDEXES 1967=100						
1974						
I	127.4	132.3	103.5	153.0	108.1	120.1
II	129.4	132.9	102.7	158.9	109.3	122.8
III	129.2	132.8	102.8	163.1	108.9	126.2
IV	128.9	127.8	99.2	168.4	109.2	130.7
ANNUAL	129.2	131.8	102.0	161.1	109.0	124.6
1975						
I	125.7	116.2	92.5	173.2	110.1	137.8
II	126.5	115.1	91.0	177.0	111.0	139.9
III	129.2R	119.5R	92.5	180.2R	110.7	139.5R
IV	131.0P	123.5P	94.3P	183.0P	110.6P	139.8P
ANNUAL	128.0P	118.5P	92.6P	176.4P	110.6P	139.3P
PERCENT CHANGE FROM PREVIOUS YEAR (5)						
1974						
I	- 3.2	- 5.8	- 2.7		- 7.1	7.9
II	6.5	1.8	- 4.4		4.5	9.1
III	- 0.6	- 0.3	0.3		- 1.3	11.5
IV	- 1.0	-14.2	-13.3		- 1.1	15.0
ANNUAL	0.7	- 0.6	- 1.3		- 1.4	8.6
1975						
I	- 9.6	-31.7	-24.4	11.8	3.5	23.6
II	2.8	- 3.7	- 6.3	9.2	3.0	6.2
III	8.6R	16.2R	7.0R	7.5R	- 0.9	- 1.0R
IV	5.6P	14.1P	8.0P	6.3P	- 0.4P	0.7P
ANNUAL	- 0.9P	- 10.0P	- 9.2P	10.8P	1.5P	11.8P
PERCENT CHANGE FROM PREVIOUS YEAR (5)						
1974						
I	0.5	1.8	1.3	7.1	- 2.6	6.5
II	1.1	0.5	- 0.7	9.2	- 1.3	7.9
III	- 0.1	- 0.6	- 0.6	10.0	- 1.2	10.1
IV	0.4	- 4.8	- 5.2	11.3	- 0.8	10.9
ANNUAL	0.7	- 0.6	- 1.3	9.4	- 1.4	8.6
1975						
I	- 1.4	-12.2	-11.0	13.1	1.9	14.7
II	- 2.2	-13.4	-11.4	11.4	1.5	13.9
III	0.0R	-10.0R	-10.0	10.5R	1.6R	10.6R
IV	1.6P	- 3.4P	- 4.9P	8.7P	1.3P	7.0P
ANNUAL	- 0.9P	-10.0P	- 9.2P	10.8P	1.5P	11.8P

SEE FOOTNOTES FOLLOWING TABLE 4.  
R = REVISED  
P = PRELIMINARY

SOURCE: BUREAU OF LABOR STATISTICS  
JANUARY 27, 1976

TABLE 4. NONFINANCIAL CORPORATIONS: PRODUCTIVITY, HOURLY COMPENSATION  
UNIT LABOR COSTS, UNIT PROFITS AND PRICES, SEASONALLY ADJUSTED

YEAR AND QUARTER	OUTPUT PER ALL- EMPLOYEE HOUR	OUTPUT	HOURS	HOURLY COMPENSA- TION (1)	REAL HOURLY COMPEN- SATION(2)	UNIT LABOR COSTS	UNIT NON- LABOR COSTS(8)	TOTAL UNIT COSTS (9)	UNIT PRO- FITS (10)	IMPLICIT PRICE DEFLATOR
INDEXES 1967=100										
1974										
I	118.1	130.6	110.7R	156.5	110.5	132.6	134.5R	133.0	86.8	126.0
II	118.2	130.2	110.2	161.1	110.8	136.4	137.9	136.7	90.9	129.8
III	117.6	129.5	110.1	165.1	110.3	140.4	142.3R	140.9	90.6	133.3
IV	117.0	126.0	107.8R	169.3	109.8	144.8	148.1R	145.6R	88.8	137.0
ANNUAL	117.7	129.1	109.7R	163.0	110.3R	138.4	140.6R	139.0	89.2	131.5
1975										
I	117.7	121.4	103.2	173.6	110.4R	147.5	157.3R	149.9R	87.3	140.5
II	121.2	125.3	101.8	177.3	111.2	146.3	159.4R	149.5R	97.9	141.7R
III	124.8	128.3R	102.6	180.4R	110.8R	144.6	158.0R	147.9R	116.1R	143.1
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE (5)										
1974										
I	- 7.0	- 8.1	- 1.2	6.8	- 5.0	14.9	14.8R	14.9R	-12.3	11.6R
II	0.5	- 1.4	- 1.7	12.3	- 1.0	11.9	10.7R	11.6R	20.2	12.5R
III	- 2.0	- 2.1	- 0.1	10.3	- 1.8	12.5	13.2R	12.7R	- 1.0	11.2R
IV	- 2.0	-10.2	- 8.4	10.6	- 1.7	12.9	17.4R	14.0R	- 7.7	11.6R
ANNUAL	- 2.3	- 2.5	- 0.1	8.7	- 2.0	11.3	10.1R	11.0	- 1.7	9.5R
1975										
I	2.4	-13.9	-15.9	10.5	2.3	7.9	27.3R	12.5R	- 6.8	10.5R
II	12.5	6.4	- 5.4	8.8	2.7	- 3.2	5.4R	- 1.1	58.3	3.7
	12.4	17.1R	4.2R	7.1R	- 1.3R	- 4.7R	- 3.5R	- 4.4R	98.0R	3.9
PERCENT CHANGE FROM PREVIOUS YEAR										
1974										
I	- 1.9	- 0.1	1.9	7.1	- 2.6	9.2	7.1R	8.7R	- 5.6	7.0R
II	- 2.1	- 1.6	0.5	8.5	- 1.9	10.8	8.6R	10.2	- 0.5	9.0
III	- 2.7	- 2.6	0.1	9.3	- 1.9	12.3	10.8R	11.9R	0.4	10.6R
IV	- 2.7	- 5.5	- 2.9	10.0	- 1.9	13.0	14.0R	13.3R	- 0.9	11.7
ANNUAL	- 2.5	- 2.5	- 0.1	8.7	- 2.0	11.3	10.1R	11.0	- 1.7	9.5R
1975										
I	- 0.3	- 7.0	- 6.7	10.9	- 0.1	11.3	17.0R	12.7R	0.6	11.4R
II	2.6	- 5.3	- 7.6	10.1	0.3	7.3	15.6R	9.4	7.7	9.2
III	6.1	- 0.9R	- 6.6R	9.3	0.5	3.0	11.0R	5.0	28.1R	7.3

SEE FOOTNOTES FOLLOWING TABLE 4.

P = PRELIMINARY

R = REVISED

SOURCE: BUREAU OF LABOR STATISTICS  
JANUARY 27, 1976

FOOTNOTES, TABLES 1 TO 4

SOURCE: Output data from the Bureau of Economic Analysis, U.S. Department of Commerce and the Federal Reserve Board. Compensation and Man-hours data from the Bureau of Labor Statistics, U. S. Department of Labor and the Bureau of Economic Analysis.

(1) Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Except for nonfinancial corporations, where there are no self-employed, data also includes an estimate of wages, salaries and supplemental payments for the self-employed.

(2) Compensation per man-hour adjusted for changes in the Consumer Price Index.

(3) Nonlabor payments include profits, depreciation, interest, rental income and indirect taxes.

(4) Current dollar gross product divided by constant dollar gross product.

(5) Percent change compounded at annual rate from original data rather than index numbers.

(6) Current quarter divided by comparable quarter a year ago.

(7) Quarterly measures adjusted to annual estimates of output (gross product originating) from the Bureau of Economic Analysis, U. S. Department of Commerce.

(8) Unit nonlabor costs include depreciation, interest and indirect taxes

(9) Total unit costs is the sum of labor and nonlabor cost.

(10) Unit profits include corporate profits and inventory valuation adjustment.

CHART 1. PRODUCTIVITY, HOURLY  
 COMPENSATION, UNIT COSTS AND PRICES  
 TOTAL PRIVATE ECONOMY  
 (PERCENT CHANGE FROM PRECEDING  
 QUARTER AT ANNUAL RATE)

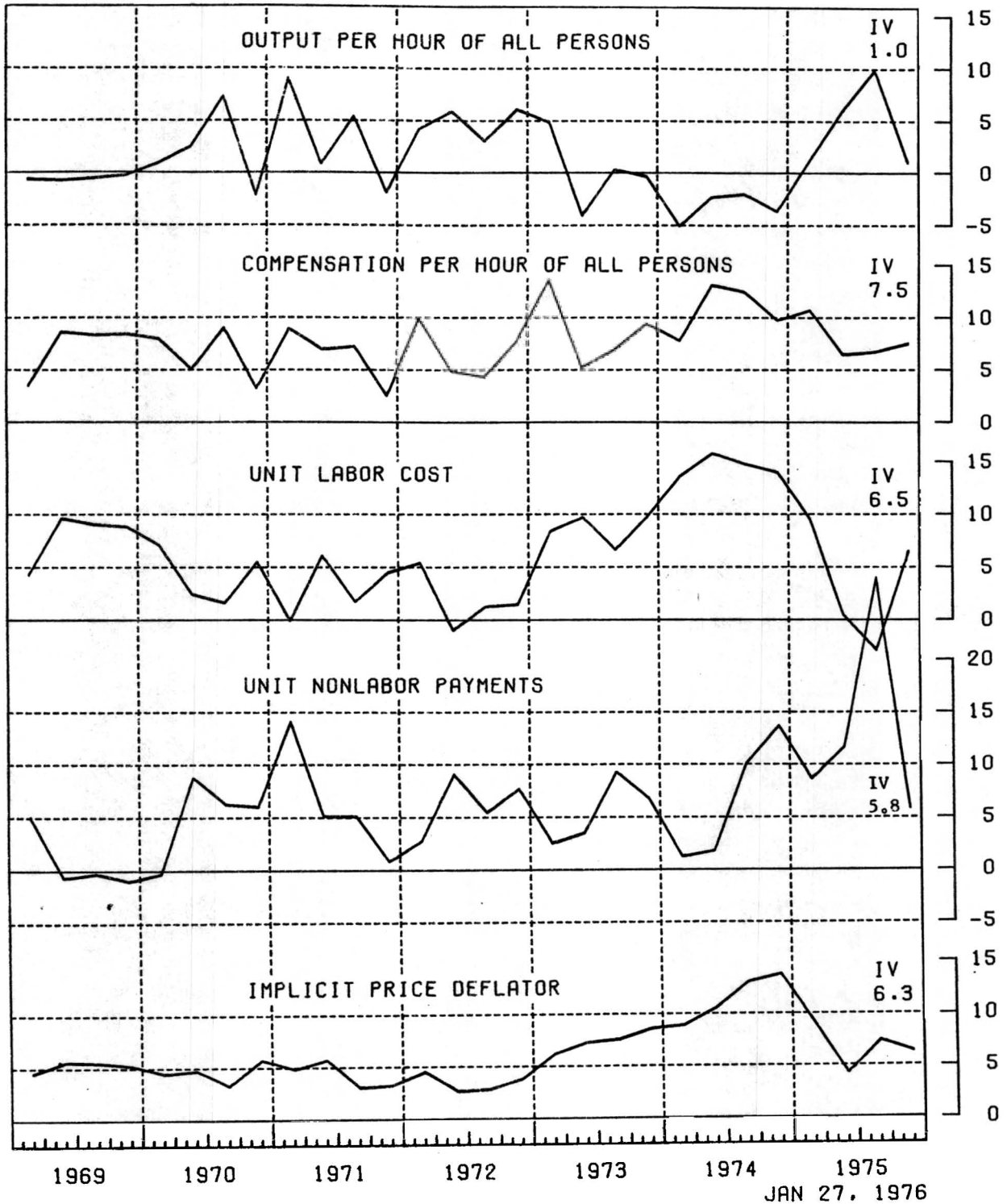


CHART 2. PRODUCTIVITY, HOURLY  
 COMPENSATION, UNIT COSTS AND PRICES  
 PRIVATE NONFARM SECTOR  
 (PERCENT CHANGE FROM PRECEDING  
 QUARTER AT ANNUAL RATE)

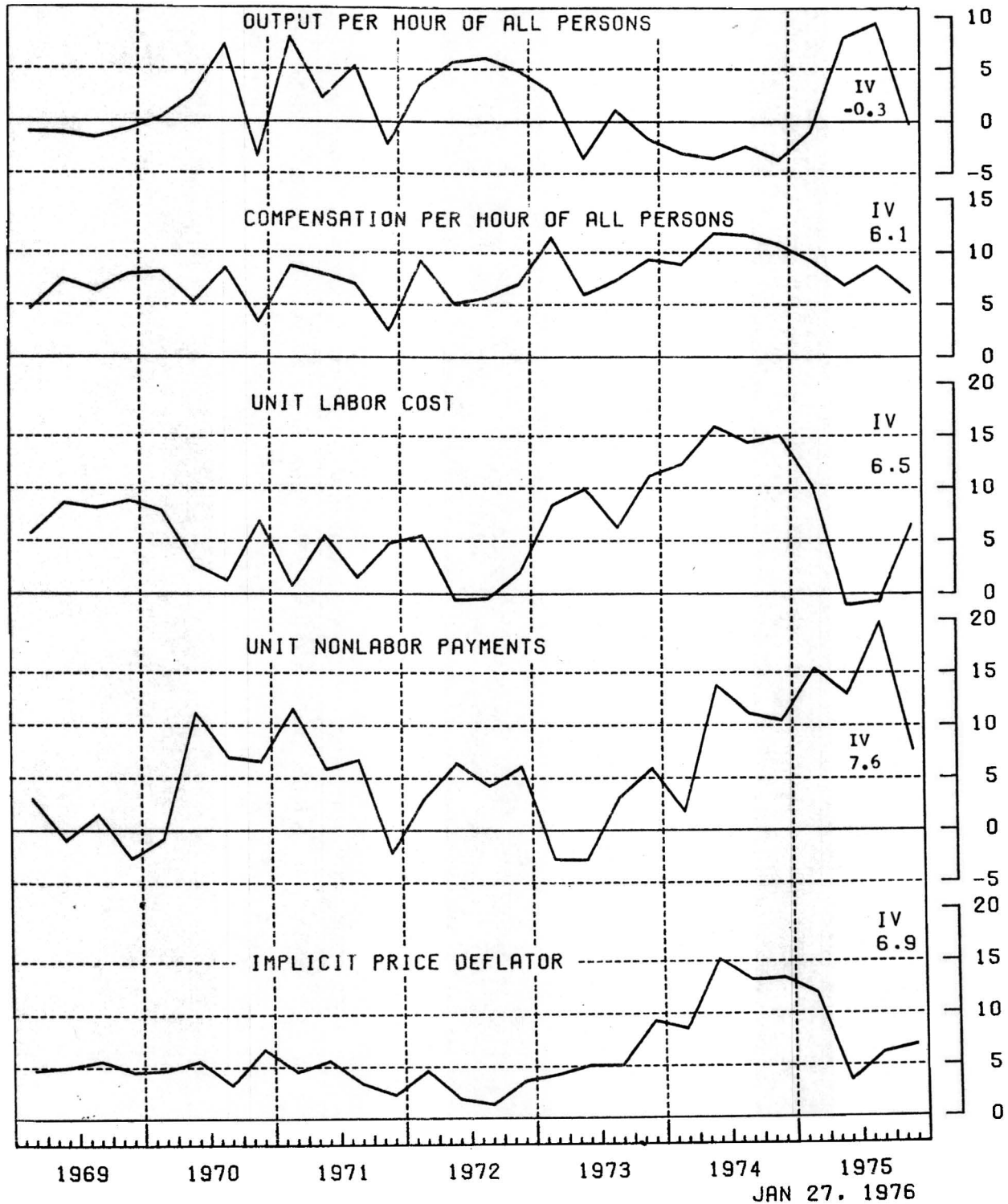


CHART 3. PRODUCTIVITY, HOURLY  
 COMPENSATION, UNIT COSTS AND PRICES  
 NONFINANCIAL CORPORATIONS  
 (PERCENT CHANGE FROM SAME  
 QUARTER A YEAR AGO)

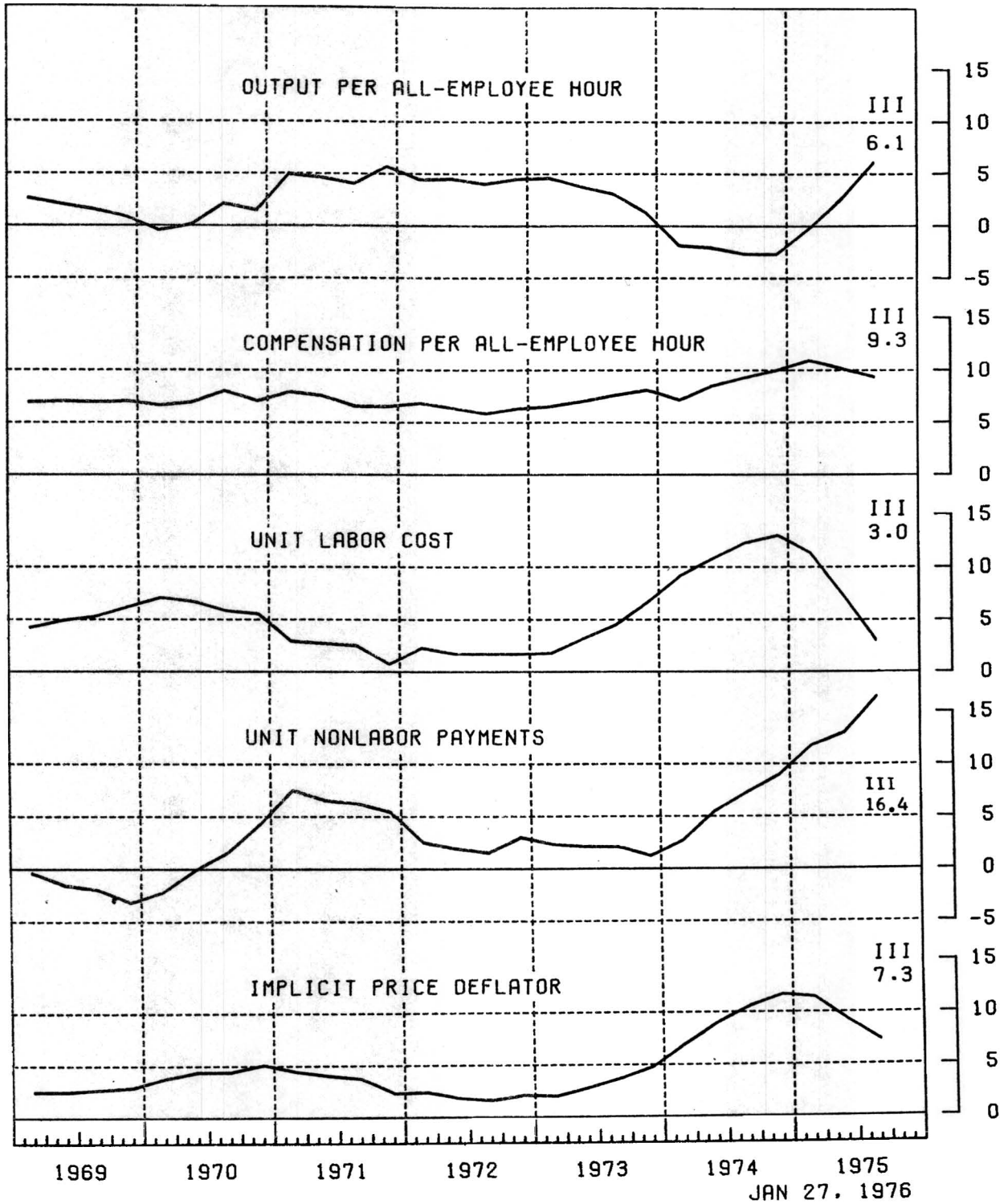




CHART 4.  
 UNIT COSTS, UNIT PROFITS, AND PRICES  
 NONFINANCIAL CORPORATIONS  
 (PERCENT CHANGE FROM SAME  
 QUARTER A YEAR AGO)

