

News

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of Labor



Bureau of Labor Statistics

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PRODUCTIVITY AND COSTS

Nonfinancial Corporate Sector Annual Data for 1977

Productivity in nonfinancial corporations increased 2.2 percent in 1977, according to preliminary data announced today by the Bureau of Labor Statistics of the U.S. Department of Labor. The rise reflected a 5.9 percent increase in output and a 3.5 percent rise in employee-hours. In 1976, productivity increased 3.7 percent. The nonfinancial corporate sector, which includes all corporations doing business in the U.S. with the exception of banks, stock and commodity brokers, and finance and insurance agencies, accounts for about 70 percent of private business hours. A summary of annual movements in this sector appears in table A; further information is contained in table 3. Revised fourth quarter productivity and cost measures for the private business, nonfarm business, and manufacturing sectors were also released today; a summary appears in table B and details in tables 1, 2, and 4-6.

Compensation and Labor Cost for Nonfinancial Corporations

Hourly compensation of all employees in the nonfinancial corporate sector increased 8.9 percent in 1977, compared with an 8.6 percent rise in 1976. Hourly compensation measures the hourly cost to employers of wages and salaries, social security contributions, and all other employee benefit plans. Unit labor cost, which reflects the interaction of changes in productivity and hourly compensation, increased 6.5 percent in 1977. In 1976, these costs rose 4.7 percent. The faster increase in 1977 reflected both the faster increase in hourly compensation and the slower rise in productivity.

Real hourly compensation--hourly compensation adjusted for changes in the Consumer Price Index (CPI)--increased 2.3 percent in 1977, compared with a 2.7 percent increase in 1976. The slower increase in real hourly compensation in 1977--in spite of the faster rise in hourly compensation--resulted partly from the faster increase in the CPI.

Unit nonlabor cost, which includes capital consumption allowances, net interest, and indirect business taxes, increased 3.6 percent in 1977, compared with a 0.7 percent increase in 1976. Unit nonlabor payments (unit nonlabor cost plus unit profit) increased 3.0 percent in 1977, compared with a 6.0 percent increase during 1976.

Table A. Productivity and costs in nonfinancial corporations
Percent change from previous year

Measure	1973	1974	1975	1976	1977p
Output per all-employee hour	2.4	-3.5	3.5	3.7	2.2
Hourly compensation	8.3	9.8	10.5	8.6	8.9
Unit labor cost	5.7	13.8	6.8	4.7	6.5
Real hourly compensation	2.0	-1.1	1.2	2.7	2.3
Output	7.4	-3.5	-2.3	7.7	5.9
Hours	4.8	0.0	-5.6	3.8	3.5
Unit nonlabor payments	1.8	6.8	19.5	6.0	3.0
Unit profit	-1.7	-18.8	34.8	20.9	1.4

p=preliminary

Table B. Productivity and costs: percent change at annual rate
(Seasonally Adjusted)

Sector	Productivity	Hourly compensation	Unit labor cost	Real hourly compensation	Output	Hours
Third Quarter 1977 to Fourth Quarter 1977 REVISED						
Private business	0.5	6.9	6.4	2.5	4.6	4.1
Nonfarm business	0.5	7.3	6.8	2.9	4.4	3.9
Manufacturing	-0.9	7.9	8.8	3.5	3.7	4.5
Durable	-1.6	8.2	10.0	3.8	4.1	5.8
Nondurable	0.4	7.0	6.6	2.6	3.0	2.6
Fourth Quarter 1976 to Fourth Quarter 1977 REVISED						
Private business	2.7	8.4	5.5	1.7	6.9	4.1
Nonfarm business	2.5	8.5	5.9	1.8	6.9	4.2
Manufacturing	2.0	8.9	6.7	2.1	6.8	4.6
Durable	1.6	9.2	7.5	2.4	7.8	6.1
Nondurable	2.7	8.0	5.1	1.3	5.3	2.5

Profit and Prices for Nonfinancial Corporations

Profit per unit of output increased 1.4 percent in 1977, reflecting a 7.4 percent rise in profit and a 5.9 percent rise in output. In 1976, unit profit rose 20.9 percent.

The implicit price deflator--which reflects changes in unit labor cost, unit non-labor cost, and unit profit--increased 5.3 percent in 1977, compared with a 5.2 percent rise in 1976. Table C shows the implicit price deflator and its components from 1968 forward.

Table C. Indexes of prices, costs, and profits, nonfinancial corporations
1967= 100

Measure	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977p
Implicit price deflator	103.3	107.5	112.5	117.2	120.5	125.8	140.2	155.3	163.4	172.0
Total unit cost	103.7	110.8	119.9	124.3	126.3	132.8	152.6	166.1	172.1	181.9
Unit labor cost	103.4	109.9	117.4	120.6	123.7	130.7	148.8	158.8	166.3	177.1
Unit non-labor cost	104.7	113.3	127.8	135.6	134.6	139.2	164.4	188.8	190.1	196.9
Unit profit	100.6	88.8	69.8	76.9	87.1	85.6	69.5	93.6	113.2	114.8

p=preliminary

Hours of all employees increased 3.5 percent in 1977, compared with a 3.8 percent increase in 1976. The 1977 increase carried the number of hours higher than the pre-recession peak set in 1973-1974 for the first time. Employment rose 3.6 percent (compared with a 3.4 percent rise in 1976), also exceeding the previous annual peak level (1974) for the first time.

Revised Fourth Quarter Measures for the Business Sector

The Bureau of Labor Statistics also released today revised figures for the fourth quarter of 1977 for the private business, nonfarm business, and manufacturing sectors. Reflecting the revised output and compensation measures published by the Bureau of Economic Analysis of the U.S. Department of Commerce and latest employment and average weekly hours measures prepared by BLS, the revised productivity and cost measures show productivity increased 0.5 percent in the private business sector and the nonfarm business sector and was unchanged in manufacturing. Previously, these changes had been reported as

1.4 percent, 1.2 percent, and -0.5 percent, respectively, based on preliminary data. Table D contains a comparison of the preliminary and revised fourth quarter 1977 measures of productivity and cost.

Table D. Preliminary and Revised Measures, Fourth Quarter, 1977
Percent change from previous quarter at annual rate
(Seasonally Adjusted)

<u>Private Business Sector</u>	<u>Preliminary</u>	<u>Revised</u>
Output per hour of all persons	1.4	0.5
Compensation per hour	7.0	6.9
Unit labor cost	5.6	6.4
Real compensation per hour	2.6	2.5
Output	4.8	4.6
Aggregate hours	3.4	4.1
<u>Nonfarm business sector</u>		
Output per hour of all persons	1.2	0.5
Compensation per hour	7.5	7.3
Unit labor cost	6.1	6.8
Real compensation per hour	3.1	2.9
Output	4.5	4.4
Aggregate hours	3.2	3.9
<u>Manufacturing</u>		
Output per hour of all persons	-0.5	-0.9
Compensation per hour	8.0	7.9
Unit labor cost	8.6	8.8
Real compensation per hour	3.6	3.5
Output	3.0	3.7
Aggregate hours	3.5	4.5
<u>Durable</u>		
Output per hour of all persons	-1.9	-1.6
Compensation per hour	8.3	8.2
Unit labor cost	10.4	10.0
Real compensation per hour	3.9	3.8
Output	3.0	4.1
Aggregate hours	5.0	5.8
<u>Nondurable</u>		
Output per hour of all persons	1.6	0.4
Compensation per hour	7.0	7.0
Unit labor cost	5.4	6.6
Real compensation per hour	2.6	2.6
Output	3.0	3.0
Aggregate hours	1.4	2.6

TABLE 1. PRIVATE BUSINESS SECTOR, ALL PERSONS: PRODUCTIVITY,
HOURLY COMPENSATION, UNIT LABOR COST, AND PRICES, SEASONALLY ADJUSTED

YEAR AND QUARTER		OUTPUT PER HOUR OF ALL PERSONS	OUTPUT	HOURS OF ALL PERSONS	COMPENSA- TION PER HOUR (1)	REAL COMPENSA- TION PER HOUR (2)	UNIT LABOR COST	UNIT NON- LABOR PAY- MENTS (3)	IMPLICIT PRICE DEFLATOR
INDEXES 1967=100									
1976	I	115.4	124.9	108.2	190.5	113.9	165.1	158.7	162.9
	II	116.4	126.7	108.9	194.5	114.9	167.1	160.5	164.8
	III	117.2	127.7	109.0	198.6	115.6	169.4	160.8	166.5
	IV	117.2	128.4	109.6	202.7	116.7	173.0	159.5	168.3
	ANNUAL	116.5	126.9	108.9	196.5	115.3	168.7	159.9	165.6
1977	I	118.9	131.3	110.4	208.4	117.7	175.2	160.4	170.1
	II	118.6	134.0	113.0	211.7	117.0	178.5	163.0	173.1
	III	120.2	135.7	112.9	216.0	117.9	179.7	167.0	175.4
	IV	120.3R	137.3	114.1R	219.7	118.7	182.5R	168.4R	177.7
	ANNUAL	119.4R	134.6	112.7R	213.9R	117.9R	179.1R	164.7R	174.2
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE (5)									
1976	I	7.8	10.8	2.8	13.3	8.5	5.1	-0.7	3.1
	II	3.5	5.9	2.3	8.6	3.8	4.9	4.4	4.8
	III	2.8	3.1	0.3	8.7	2.4	5.8	0.9	4.1
	IV	-0.1	2.1	2.2	8.5	3.7	8.6	-3.2	4.6
	ANNUAL	4.2	7.0	2.7	9.1	3.1	4.7	5.1	4.8
1977	I	6.1	9.6	3.3	11.8	3.4	5.4	2.3	4.4
	II	-1.0	8.5	9.5	6.5	-2.1	7.6	6.6	7.2
	III	5.4	5.2	-0.2	8.5	3.0	2.9	10.2	5.2
	IV	0.5R	4.6R	4.1R	6.9R	2.5R	6.4R	3.5R	5.4R
	ANNUAL	2.5R	6.0	3.5R	8.8R	2.2R	6.2R	3.0R	5.1
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (6)									
1976	I	5.9	8.5	2.4	8.1	1.6	2.1	13.6	5.6
	II	4.2	8.1	3.8	8.6	2.4	4.2	7.6	5.3
	III	3.0	5.9	2.8	9.7	4.0	6.5	0.6	4.5
	IV	3.5	5.4	1.9	9.8	4.6	6.1	0.3	4.1
	ANNUAL	4.2	7.0	2.7	9.1	3.1	4.7	5.1	4.8
1977	I	3.0	5.1	2.0	9.4	3.3	6.2	1.1	4.5
	II	1.9	5.8	3.8	8.9	1.8	6.8	1.6	5.1
	III	2.5	6.3	3.6	8.8	2.0	6.1	3.8	5.3
	IV	2.7R	6.9R	4.1R	8.4	1.7	5.5R	5.6R	5.6
	ANNUAL	2.5R	6.0	3.5R	8.8R	2.2R	6.2R	3.0R	5.1

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

FEBRUARY 28, 1978
SOURCE: BUREAU OF LABOR STATISTICS

TABLE 2. NONFARM BUSINESS SECTOR, ALL PERSONS: PRODUCTIVITY,
HOURLY COMPENSATION, UNIT LABOR COST, AND PRICES, SEASONALLY ADJUSTED

YEAR AND QUARTER		OUTPUT PER HOUR OF ALL PERSONS	OUTPUT	HOURS OF ALL PERSONS	COMPENSA- TION PER HOUR(1)	REAL COMPENSA- TION PER HOUR(2)	UNIT LABOR COST	UNIT NON- LABOR PAY- MENTS(3)	IMPLICIT PRICE DEFLATOR
INDEXES 1967=100									
1976	I	112.9	125.2	111.0	186.9	111.7	165.6	155.3	162.1
	II	114.5	127.2	111.2	191.3	113.1	167.1	156.8	163.6
	III	115.2	128.3	111.4	195.2	113.7	169.5	159.2	166.0
	IV	114.6	128.7	112.3	198.7	114.4	173.3	158.1	168.1
	ANNUAL	114.3	127.4	111.4	193.1	113.3	168.9	157.4	165.0
1977	I	116.1	131.6	113.4	204.3	115.3	176.0	157.2	169.6
	II	116.3	134.5	115.6	208.1	115.0	178.9	160.7	172.7
	III	117.4	136.0	115.9	211.9	115.6	180.5	166.3	175.6
	IV	117.5R	137.5	117.0R	215.6R	116.5	183.5R	166.3R	177.6R
	ANNUAL	116.8R	134.9	115.5R	210.0R	115.7R	179.8R	162.7P	174.0
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)									
1976	I	6.8	11.7	4.6	11.4	6.6	4.3	4.5	4.4
	II	5.7	6.6	0.8	9.7	4.8	3.8	3.9	3.8
	III	2.6	3.2	0.6	8.5	2.2	5.7	6.5	6.0
	IV	-1.9	1.3	3.3	7.3	2.6	9.4	-2.7	5.3
	ANNUAL	4.1	7.3	3.1	8.7	2.8	4.5	6.5	5.1
1977	I	5.1	9.5	4.2	11.7	3.3	6.3	-2.3	3.5
	II	0.8	8.8	7.9	7.7	-1.0	6.8	9.0	7.5
	III	3.8	4.8	0.9	7.5	2.1	3.5	14.8	7.0
	IV	0.5R	4.4R	3.9R	7.3R	2.9R	6.8R	0.0R	4.6R
	ANNUAL	2.1R	5.9	3.7R	8.7R	2.1R	6.4	3.4R	5.5
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)									
1976	I	5.6	8.6	2.9	7.9	1.4	2.2	13.4	5.6
	II	4.4	8.7	4.1	8.5	2.3	3.9	7.8	5.1
	III	2.9	6.4	3.4	9.0	3.3	5.9	3.1	5.0
	IV	3.2	5.6	2.3	9.2	4.0	5.8	3.0	4.9
	ANNUAL	4.1	7.3	3.1	8.7	2.8	4.5	6.5	5.1
1977	I	2.8	5.1	2.2	9.3	3.2	6.3	1.3	4.6
	II	1.6	5.7	4.0	8.8	1.8	7.1	2.5	5.6
	III	1.9	6.1	4.1	8.5	1.7	6.5	4.4	5.8
	IV	2.5R	6.9	4.2R	8.5R	1.8	5.9R	5.2P	5.6P
	ANNUAL	2.1R	5.9	3.7R	8.7R	2.1R	6.4	3.4R	5.5

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

FEBRUARY 28, 1978
SOURCE: BUREAU OF LABOR STATISTICS

TABLE 3. NONFINANCIAL CORPORATIONS: PRODUCTIVITY, HOURLY COMPENSATION
UNIT LABOR COST, UNIT PROFITS, AND PRICES, SEASONALLY ADJUSTED

YEAR AND QUARTER	OUTPUT PER ALL- EMPLOYEE HOUR	OUTPUT	EMPLOYEE HOURS	HOURLY COMPENSA- TION (1)	REAL HOURLY COMPEN- SATION(2)	UNIT LABOR COST	UNIT NON- LABOR COST(8)	TOTAL UNIT COST (9)	UNIT PRO- FITS (10)	IMPLICIT PRICE DEFLATOR	
INDEXES 1967=100											
1976	I	116.2	131.8	113.4	189.1	113.0	162.7	187.7	168.8	113.1	160.5
	II	117.5	134.0	114.1	193.2	114.2	164.5	188.3	170.3	115.0	162.1
	III	118.0	135.0	114.4	196.9	114.7	166.8	190.1	172.5	117.7	164.3
	IV	117.2	135.0	115.2	200.6	115.5	171.2	194.1	176.8	107.0	166.4
	ANNUAL	117.2	133.9	114.3	194.9	114.3	166.3	190.1	172.1	113.2	163.4
1977	I	118.9	138.0	116.1	206.7	116.7	173.9	195.0	179.0	103.7	167.8
	II	119.4	141.4	118.4	210.5	116.4	176.2	194.3	180.6	115.5	170.9
	III	120.7	143.1	118.6	214.2	116.9	177.4	197.5	182.3	123.1	173.5
	IV	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	ANNUAL	119.8P	141.8P	118.3P	212.3P	116.9P	177.1P	196.9P	181.9P	114.8P	172.0P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)											
1976	I	5.2	11.9	6.3	12.1	7.2	6.5	-5.9	3.0	21.3	4.7
	II	4.3	6.8	2.4	8.8	4.0	4.4	1.4	3.5	7.0	3.9
	III	2.0	2.9	1.0	7.9	1.7	5.9	3.8	5.3	9.5	5.7
	IV	-2.9	-0.1	2.9	7.7	2.9	10.9	8.9	10.3	-31.7	5.1
	ANNUAL	3.7	7.7	3.8	8.6	2.7	4.7	0.7	3.6	20.9	5.2
1977	I	6.0	9.4	3.3	12.8	4.4R	6.4	1.7	5.2	-11.6	3.5
	II	1.9	10.1	8.1	7.5	-1.2	5.5	-1.3	3.6	53.5	7.6
	III	4.4	5.0	0.6	7.2	1.9	2.7	6.7	3.7	29.1	6.1
	IV	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	ANNUAL	2.2P	5.9P	3.5P	8.9P	2.3P	6.5P	3.6P	5.7P	1.4P	5.3P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)											
1976	I	6.7	10.0	3.1	8.1	1.6	1.3	0.4	1.1	71.9	5.6
	II	4.1	9.2	5.0	8.4	2.3	4.2	-0.5	2.9	30.9	5.3
	III	2.3	6.3	4.0	8.9	3.3	6.5	0.8	4.9	5.8	5.0
	IV	2.1	5.3	3.1	9.1	4.0	6.9	1.9	5.5	-0.7	4.9
	ANNUAL	3.7	7.7	3.8	8.6	2.7	4.7	0.7	3.6	20.9	5.2
1977	I	2.3	4.7	2.4	9.3	3.3R	6.9	3.9	6.1	-8.3	4.6
	II	1.7	5.5	3.8	9.0	1.9	7.1	3.2	6.1	0.4	5.5
	III	2.3	6.1	3.7	8.8	2.0	6.3	3.9	5.7	4.6	5.6
	IV	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	ANNUAL	2.2P	5.9P	3.5P	8.9P	2.3P	6.5P	3.6P	5.7P	1.4P	5.3P

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

FEBRUARY 28, 1978
SOURCE: BUREAU OF LABOR STATISTICS

TABLE 4. MANUFACTURING SECTOR: PRODUCTIVITY, HOURLY
COMPENSATION, UNIT LABOR COST, SEASONALLY ADJUSTED

YEAR AND QUARTER		OUTPUT PER HOUR OF ALL PERSONS	OUTPUT (7)	HOURS OF ALL PERSONS	COMPENSA- TION PER HOUR (1)	REAL COMPENSA- TION PER HOUR (2)	UNIT LABOR COST
INDEXES 1967=100							
1976	I	122.1	117.8	96.4	189.0	113.0	154.8
	II	124.3	119.9	96.5	193.7	114.5	155.9
	III	125.5	121.1	96.5	196.7	114.5	156.7
	IV	125.0	121.2	97.0	200.0	115.2	160.0
	ANNUAL	124.2	120.0	96.6	194.8	114.3	156.9
1977	I	125.0	123.0	98.4	206.1	116.4	164.9
	II	126.2	126.5	100.3	210.1	116.2	166.5
	III	127.8	128.3	100.4	213.6	116.6	167.2
	IV	127.5R	129.4R	101.5R	217.7R	117.6	170.8R
	ANNUAL	126.9	127.1R	100.1	211.9	116.8R	167.0
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE (5)							
1976	I	3.2	12.8	9.3	12.5	7.6	9.0
	II	7.2	7.6	0.3	10.4	5.5	2.9
	III	3.9	3.9	0.0	6.2	0.1	2.2
	IV	-1.6	0.5	2.1	6.9	2.2	8.7
	ANNUAL	6.8	11.6	4.5	8.6	2.7	1.7
1977	I	0.1	5.8	5.7	12.8	4.3	12.7
	II	3.8	12.2	8.1	8.1	-0.7	4.1
	III	5.2	5.6	0.4	6.9	1.5	1.6
	IV	-0.9R	3.7R	4.5R	7.9R	3.5R	8.8R
	ANNUAL	2.2	5.9R	3.6	8.8	2.2	6.5
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (6)							
1976	I	11.7	16.5	4.3	8.1	1.6	-3.2
	II	8.9	15.6	6.1	8.6	2.4	-0.3
	III	4.1	8.9	4.6	8.8	3.1	4.5
	IV	3.1	6.1	2.9	9.0	3.8	5.6
	ANNUAL	6.8	11.6	4.5	8.6	2.7	1.7
1977	I	2.3	4.4	2.0	9.0	3.0	6.5
	II	1.5	5.5	3.9	8.4	1.5	6.8
	III	1.8	5.9	4.0	8.6	1.8	6.7
	IV	2.0R	6.8R	4.6R	8.9	2.1R	6.7R
	ANNUAL	2.2	5.9R	3.6	8.8	2.2	6.5

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED
P=PRELIMINARY

FEBRUARY 28, 1978
SOURCE: BUREAU OF LABOR STATISTICS

TABLE 5. DURABLE MANUFACTURING SECTOR: PRODUCTIVITY, HOURLY
COMPENSATION, UNIT LABOR COST, SEASONALLY ADJUSTED(1)

YEAR AND QUARTER		OUTPUT PER HOUR OF ALL PERSONS	OUTPUT (7)	HOURS OF ALL PERSONS	COMPENSA- TION PER HOUR(1)	REAL COMPENSA- TION PER HOUR(2)	UNIT LABOR COST
INDEXES 1967=100							
1976	I	118.0	111.7	94.6	191.6	114.6	162.4
	II	120.7	114.9	95.2	196.4	116.1	162.8
	III	121.9	116.8	95.8	198.8	115.8	163.1
	IV	120.8	116.2	96.2	201.1	115.8	166.6
	ANNUAL	120.3	114.9	95.5	197.0	115.5	163.7
1977	I	120.3	117.6	97.7	207.5	117.2	172.5
	II	122.1	121.8	99.8	212.3	117.4	173.9
	III	123.2	124.0	100.6	215.3	117.5	174.8
	IV	122.7R	125.2R	102.1R	219.6	118.6	179.0R
	ANNUAL	122.2R	122.3R	100.0	213.8R	117.8	174.9R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1976	I	4.2	15.6	10.9	13.1	8.3	8.6
	II	9.3	12.0	2.4	10.4	5.5	1.0
	III	4.0	6.7	2.6	4.9	-1.2	0.8
	IV	-3.6	-2.0	1.6	4.8	0.2	8.7
	ANNUAL	7.2	12.1	4.5	8.9	2.9	1.5
1977	I	-1.5	4.8	6.5	13.2	4.7	15.0
	II	6.1	15.4	8.7	9.6	0.7	3.3
	III	3.5	7.2	3.5	5.7	0.5	2.1
	IV	-1.6R	4.1R	5.8R	8.2R	3.8R	10.0R
	ANNUAL	1.6R	6.4R	4.8	8.5	2.0R	6.9
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1976	I	12.3	14.4	1.8	9.6	3.0	-2.5
	II	9.7	16.0	5.8	9.3	3.1	-0.4
	III	4.4	10.6	6.0	8.7	3.1	4.2
	IV	3.4	7.8	4.3	8.2	3.1	4.7
	ANNUAL	7.2	12.1	4.5	8.9	2.9	1.5
1977	I	1.9	5.2	3.3	8.3	2.3	6.2
	II	1.2	6.0	4.8	8.1	1.1	6.8
	III	1.1	6.2	5.0	8.3	1.5	7.2
	IV	1.6R	7.8R	6.1R	9.2	2.4	7.5R
	ANNUAL	1.6R	6.4R	4.8	8.5	2.0R	6.9

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

FEBRUARY 28, 1978
SOURCE: BUREAU OF LABOR STATISTICS

TABLE 6. NONDURABLE MANUFACTURING SECTOR: PRODUCTIVITY, HOURLY
COMPENSATION, UNIT LABOR COST, SEASONALLY ADJUSTED (12)

YEAR AND QUARTER		OUTPUT PER HOUR OF ALL PERSONS	OUTPUT (7)	HOURS OF ALL PERSONS	COMPENSA- TION PER HOUR (1)	REAL COMPENSA- TION PER HOUR (2)	UNIT LABOR COST
INDEXES 1967=100							
1976	I	128.8	127.6	99.1	185.5	110.9	144.0
	II	130.1	128.1	98.4	189.9	112.2	145.9
	III	131.3	128.1	97.5	193.4	112.6	147.3
	IV	131.8	129.4	98.2	198.4	114.2	150.6
	ANNUAL	130.5	128.3	98.3	191.7	112.5	147.0
1977	I	132.6	131.7	99.3	204.0	115.2	153.9
	II	132.8	134.2	101.1	206.6	114.2	155.6
	III	135.2	135.3	100.0	210.6	115.0	155.7
	IV	135.4R	136.3	100.7R	214.2	115.7	158.2R
	ANNUAL	134.5	134.9	100.3R	208.8	115.0	155.3R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE (5)							
1976	I	1.9	9.0	6.9	10.9	6.1	8.9
	II	4.2	1.6	-2.5	9.7	4.8	5.2
	III	3.7	-0.1	-3.7	7.8	1.5	3.9
	IV	1.3	4.3	2.9	10.7	5.8	9.2
	ANNUAL	6.1	10.8	4.4	8.1	2.2	1.8
1977	I	2.5	7.2	4.6	11.8	3.4	9.0
	II	0.5	7.7	7.2	5.3	-3.2	4.7
	III	7.7	3.3	-4.1	7.9	2.5	0.2
	IV	0.4R	3.0	2.6R	7.0	2.6	6.6R
	ANNUAL	3.1	5.1	2.0R	8.9	2.3	5.7R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (6)							
1976	I	10.8	19.7	8.0	6.3	-0.1	-4.1
	II	7.9	15.0	6.6	7.5	1.4	-0.3
	III	3.7	6.5	2.7	8.5	2.9	4.6
	IV	2.8	3.6	0.8	9.7	4.6	6.8
	ANNUAL	6.1	10.8	4.4	8.1	2.2	1.8
1977	I	2.9	3.2	0.3	10.0	3.9	6.8
	II	2.0	4.7	2.7	8.8	1.8	6.7
	III	3.0	5.6	2.5	8.9	2.1	5.7
	IV	2.7R	5.3	2.5R	8.0	1.3	5.1R
	ANNUAL	3.1	5.1	2.0R	8.9	2.3	5.7R

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

FEBRUARY 28, 1978
SOURCE: BUREAU OF LABOR STATISTICS

FOOTNOTES, TABLES 1 TO 6

SOURCE: Output data from the Bureau of Economic Analysis, U.S. Department of Commerce and the Federal Reserve Board. Compensation and 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 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 non-labor costs.
- (10) Unit profits include corporate profits and inventory valuation adjustment.
- (11) The durable sector includes the following 2-digit SIC industries: primary metal; fabricated metal products; nonelectrical machinery; electrical machinery; transportation equipment; instruments; lumber and lumber products; clay, glass, and stone products; furniture and fixtures; and miscellaneous manufactures.
- (12) The nondurable sector includes the following 2-digit SIC industries: textile mill products; apparel products; leather and leather products; paper and paper products; printing and publishing; chemicals and chemical products; petroleum products; rubber and plastic products; foods; and tobacco products.

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

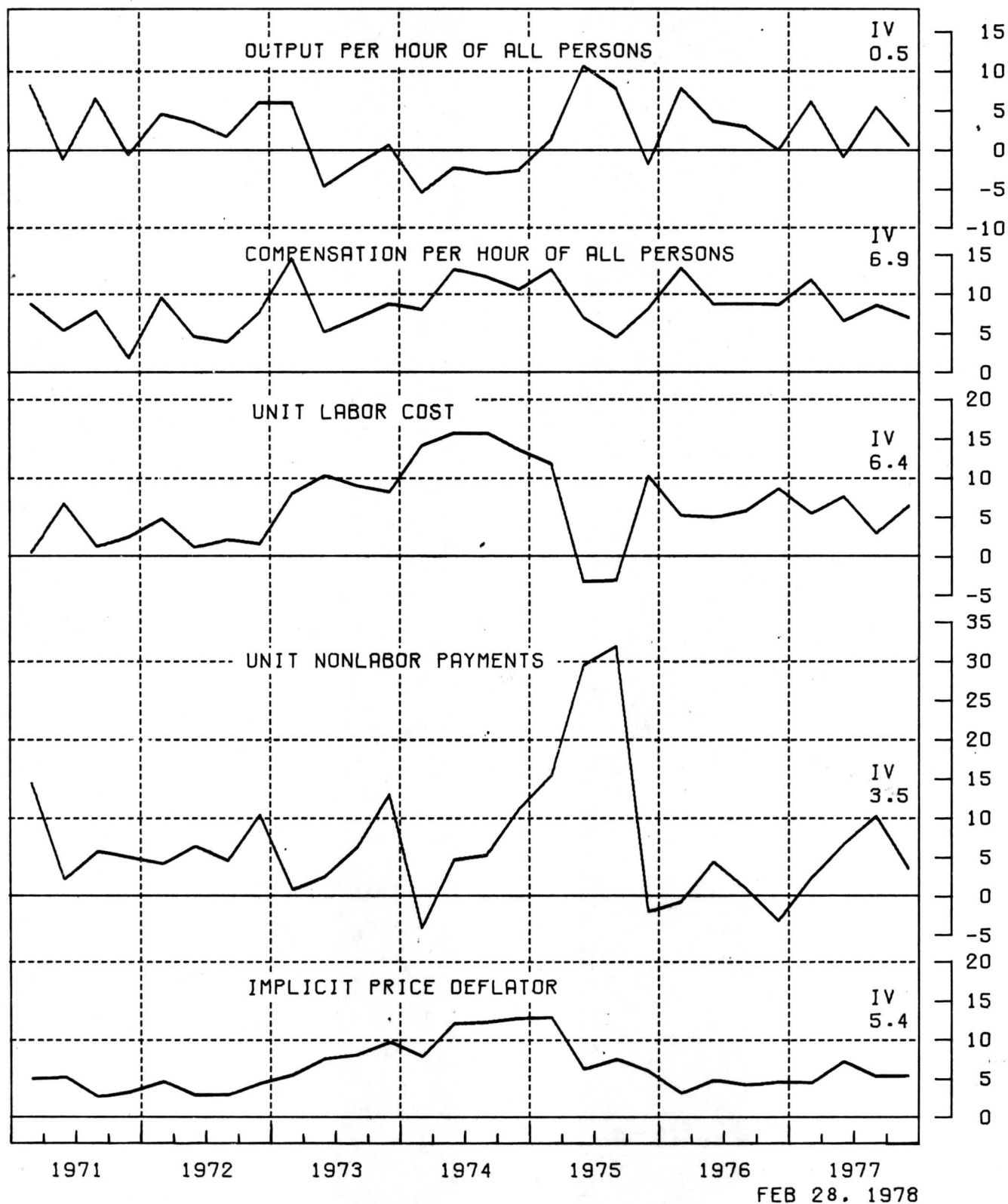


CHART 2. PRODUCTIVITY, HOURLY
COMPENSATION, UNIT COSTS AND PRICES
NONFARM BUSINESS SECTOR
(PERCENT CHANGE FROM PRECEDING
QUARTER AT ANNUAL RATE)

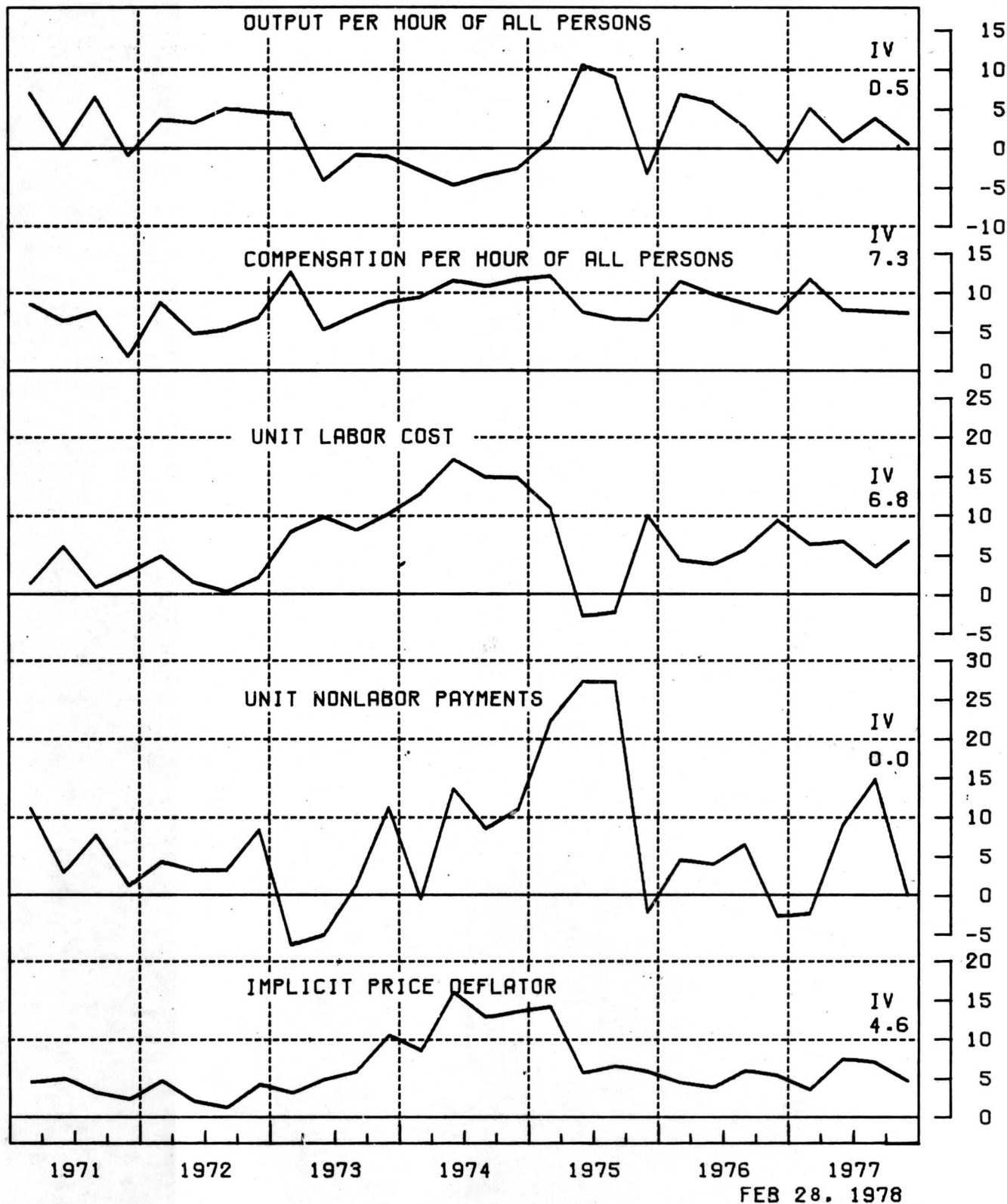


CHART 3. PRODUCTIVITY, HOURLY
COMPENSATION, UNIT COSTS AND PRICES
NONFINANCIAL CORPORATIONS
(PERCENT CHANGE FROM SAME
QUARTER A YEAR AGO)

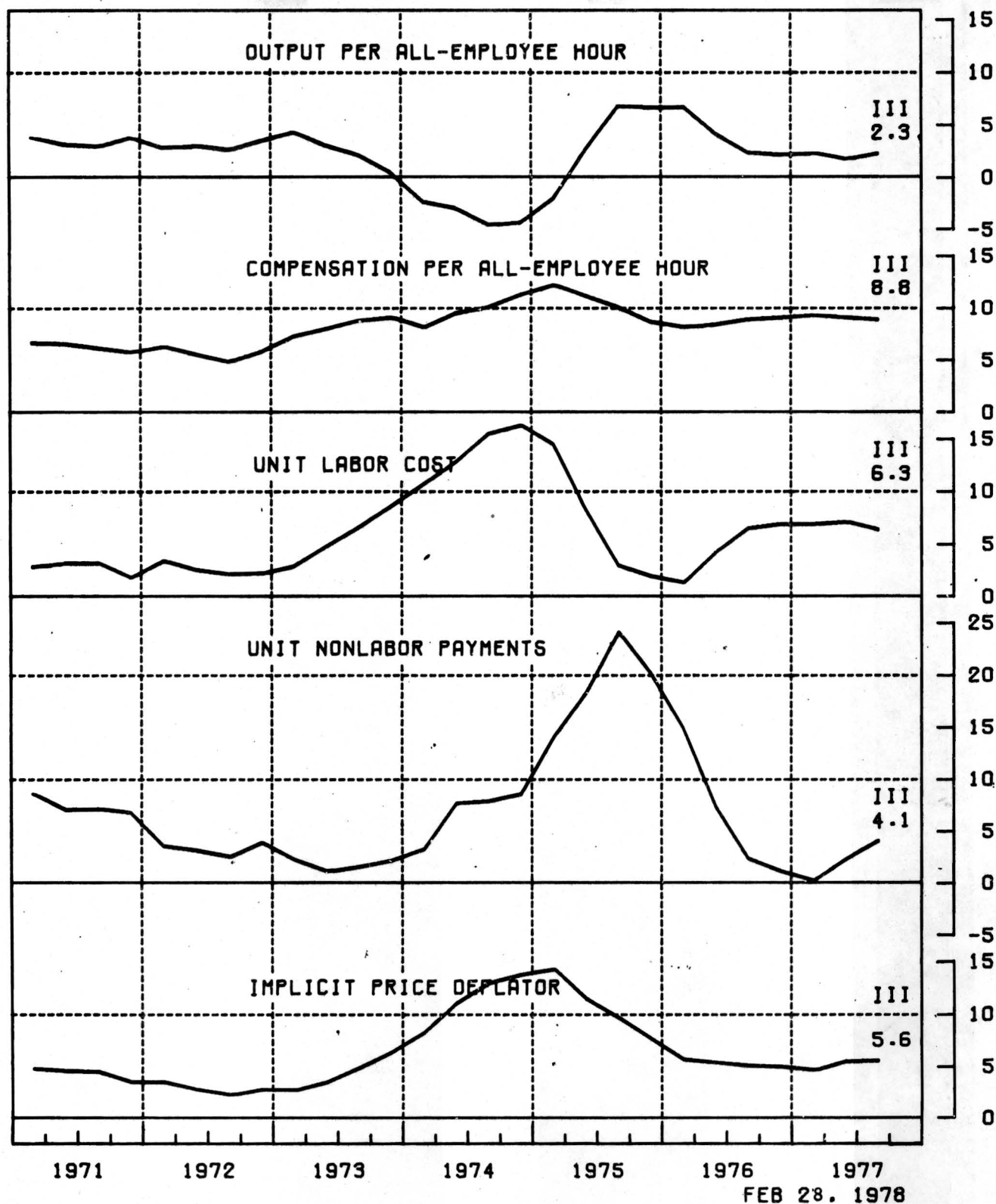


CHART 4.
UNIT COSTS, UNIT PROFITS, AND PRICES
NONFINANCIAL CORPORATIONS
(PERCENT CHANGE FROM SAME
QUARTER A YEAR AGO)

