

News

United States
Department
of Labor



Office of Information

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PRODUCTIVITY AND COSTS

Nonfinancial Corporate Sector Second Quarter 1978

Productivity in nonfinancial corporations increased 4.1 percent in the second quarter of 1978 at a seasonally adjusted annual rate, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The increase reflected a 14.5 percent rise in output and a 10.1 percent increase in hours of all employees. In the preceding quarter, productivity declined 2.6 percent in this sector, which includes all corporations doing business in the United States with the exception of banks, stock and commodity brokers, and finance and insurance companies.

Revised second-quarter measures incorporating the latest output and labor input data were also release today for the private business, nonfarm business, and manufacturing sectors. Productivity growth in the business sectors was somewhat higher than had been reported earlier. A summary of second quarter measures appears in table A; details are given in tables 1-6.

The productivity advance in the nonfinancial corporate sector came after 2 consecutive quarters of decline in the measure, and the gain in output was the largest since the third quarter of 1975. The increase in employee-hours was the largest since the first quarter of 1972.

Hourly compensation, which includes both wages and supplements, increased 8.5 percent in the second quarter, compared with a 12.4 percent rise in the first quarter. This increase in hourly compensation, combined with the gain in productivity, resulted in a 4.3 percent rise in unit labor cost. In the first quarter of 1978, these costs rose 15.3 percent--at an annual rate.

Table A. Productivity and Cost: Percent Change at Annual Rate
(Seasonally Adjusted)

Sector	Productivity	Hourly compensation	Unit labor cost	Real hourly compensation	Output	Hours
First quarter 1978 to second quarter 1978						
<u>PRELIMINARY</u>						
Nonfinancial corporations.....	4.1	8.5	4.3	-2.1	14.5	10.1
<u>REVISED</u>						
Private business...	0.8	8.0	7.2	-2.6	9.9	9.1
Nonfarm business...	1.2	8.1	6.9	-2.5	11.1	9.8
Manufacturing.....	7.2	6.8	-0.4	-3.7	13.6	6.0
Durable.....	10.1	6.7	-3.1	-3.7	17.1	6.3
Nondurable.....	3.0	6.8	3.7	-3.7	8.7	5.5
Second quarter 1977 to second quarter 1978						
<u>PRELIMINARY</u>						
Nonfinancial corporations.....	1.6	9.4	7.7	2.2	5.7	4.1
<u>REVISED</u>						
Private business...	0.6	9.3	8.7	2.1	4.5	3.9
Nonfarm business...	0.7	9.2	8.4	2.0	5.0	4.3
Manufacturing.....	2.0	9.1	7.0	1.9	5.8	3.8
Durable.....	1.7	9.1	7.2	1.9	6.9	5.1
Nondurable.....	2.3	8.8	6.3	1.6	4.2	1.8

Real hourly compensation--hourly compensation adjusted for changes in the Consumer Price Index for All Urban Consumers (CPI-U)--declined at a 2.1 percent annual rate in the second quarter, the first decline since the second quarter of 1977. In the first quarter, the series showed a 4.2 percent gain.

Unit nonlabor payments--which include profits as well as all other nonlabor costs--increased 41.1 percent in the second quarter, compared with a 12.3 percent decline during the first quarter of 1978. Within this component unit profits, the most volatile element, experienced a very sharp increase following 2 consecutive quarters of decline. The implicit price deflator,

which is influenced by changes in unit labor cost, unit nonlabor cost, and unit profit, rose 10.1 percent in the second quarter, compared with a 5.5 percent increase during the first quarter.

Table B summarize price, cost, and profit developments since 1971. This period includes periods of economic slowdown and recovery.

Table B. Indexes of Prices, Costs, and Profits in the Nonfinancial Corporate Sector, 1971-78
1967=100

Measure	1971	1972	1973	1974	1975	1976	1976	1977		1978	
								III	IV	I	II
Implicit deflator..	117.2	120.5	125.8	140.2	154.9	163.2	172.8	174.5	176.3	178.6	183.0
Total unit cost.....	124.3	126.3	132.8	152.6	165.9	172.0	182.0	182.5	185.6	191.5	192.8
Unit labor cost.....	120.6	123.7	130.7	148.8	158.6	166.5	177.9	178.5	181.9	188.5	190.4
Unit non-labor cost.....	135.6	134.6	139.2	164.4	188.5	188.8	194.5	195.0	197.1	201.1	200.2
Unit profits...	76.9	87.1	85.6	69.5	91.8	112.7	120.2	128.3	122.9	104.5	126.4

Revised Measures

Revised second-quarter productivity and cost measures were also released today for the private business, nonfarm business, and manufacturing sectors. These revisions reflect the incorporation of the most recent second-quarter compensation and output measures compiled by the Bureau of Economic Analysis of the U.S. Department of Commerce and the most recent measures of labor input from the BLS. The revised measures show that productivity increased 0.8 percent in the private business sector, 1.2 percent in the non-farm business sector, and 7.2 percent in manufacturing. Based on preliminary data, these movements had been reported as 0.1 percent, 0.6 percent and 7.3 percent, respectively. Preliminary and revised measures are compared in table C.

Real hourly compensation was not reported last month due to the unavailability of the second-quarter value of the CPI-U. Table A shows that real hourly compensation declined in the second quarter by 2.6 percent in the private business sector, 2.5 percent in the nonfarm business sector, and 3.7 percent in manufacturing.

Table C. Preliminary and Revised Second Quarter Measures of Productivity and Costs, Quarterly Change at Annual Rate (Seasonally Adjusted)

Measure	Private Business Sector		Nonfarm Business Sector		Manufacturing	
	Prel.	Rev.	Prel.	Rev.	Prel.	Rev.
Output per hour of all persons.....	0.1	0.8	0.6	1.2	7.3	7.2
Compensation per hour..	7.9	8.0	8.1	8.1	6.8	6.8
Unit labor cost.....	7.8	7.2	7.4	6.9	-0.5	-0.4
Real compensation per hour.....	N.A.	-2.6	N.A.	-2.5	N.A.	-3.7
Output.....	8.8	9.9	10.0	11.1	13.2	13.6
Hours.....	8.6	9.1	9.3	9.8	5.5	6.0

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									
1977	I	117.6	130.5	111.0	206.8	116.8	175.9	160.5	170.6
	II	117.2	132.5	113.1	210.0	116.1	179.2	164.1	174.0
	III	118.9	134.2	112.9	215.2	117.5	181.0	167.0	176.3
	IV	119.1	135.5	113.8	218.9	118.2	183.8	167.8	178.4
	ANNUAL	118.1	133.2	112.7	212.7	117.2	180.1	164.8	174.9
1978	I	117.7	135.3	115.0	225.1R	119.3	191.4	161.9	181.3
	II	117.9R	138.5R	117.5R	229.5	118.5P	194.7R	170.8R	186.5R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)									
1977	I	2.8	9.3	6.3	8.3	0.0	5.3	4.8	5.2
	II	-1.2	6.5	7.8	6.4	-2.2	7.7	9.3	8.2
	III	5.8	5.0	-0.7	10.3	5.0	4.3	7.3	5.2
	IV	0.6	4.0	3.4	7.0	2.2	6.3	1.9	4.9
	ANNUAL	1.8	5.3	3.5	8.4	1.8	6.5	4.1	5.7
1978	I	-4.7R	-0.6	4.2	11.9	3.7R	17.4	-13.3	6.7
	II	0.8R	9.9R	9.1R	8.0R	-2.6P	7.2R	23.7R	12.0R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)									
1977	I	2.2	4.4	2.2	8.7	2.7	6.4	2.3	5.0
	II	1.2	5.0	3.8	8.1R	1.3	6.9	3.5	5.8
	III	1.8	5.6	3.7	8.4	1.6	6.5	4.9	6.0
	IV	2.0	6.2	4.1	8.0	1.2	5.9	5.8	5.9
	ANNUAL	1.8	5.3	3.5	8.4	1.8	6.5	4.1	5.7
1978	I	0.1	3.7	3.6	8.9	2.2	8.8	0.9	6.3
	II	0.6R	4.5R	3.9R	9.3	2.1P	8.7R	4.1R	7.2R

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

AUGUST 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 OF ALL PERSONS	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									
1977	I	115.2	131.0	113.8	203.0	114.6	176.3	157.9	170.0
	II	114.9	133.0	115.7	206.5	114.2	179.7	161.7	173.6
	III	116.1	134.6	115.9	210.9	115.2	181.6	166.1	176.4
	IV	116.4	135.8	116.7	215.0	116.1	184.8	165.1	178.1
	ANNUAL	115.6	133.6	115.6	208.9	115.1	180.7	162.7	174.6
1978	I	115.4	136.1	117.9	221.2	117.2	191.6R	159.1R	180.6
	II	115.7R	139.7R	120.7R	225.5	116.5P	194.8R	166.5R	185.2R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE (5)									
1977	I	2.7	9.4	6.6	8.6	0.3	5.8	1.4	4.4
	II	-0.8	6.2	7.1	7.2	-1.5	8.1	10.1	8.7
	III	4.3	5.0	0.7	8.8	3.6	4.3	11.4	6.5
	IV	0.8	3.5	2.7	8.0	3.2	7.1	-2.6	4.0
	ANNUAL	1.5	5.2	3.7	8.3	1.7	6.7	4.2	5.9
1978	I	-3.3R	0.7	4.2R	12.0	3.8R	15.8	-13.8	5.8
	II	1.2R	11.1R	9.8R	8.1	-2.5P	6.9R	20.2R	10.7R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (6)									
1977	I	2.2	4.7	2.4	8.7	2.7	6.3	2.6	5.1
	II	0.7	4.8	4.0	8.1	1.3	7.4	3.9	6.2
	III	1.2	5.4	4.1	8.2	1.5	6.9	5.4	6.4
	IV	1.7	6.0	4.2	8.1	1.4	6.3	4.9	5.9
	ANNUAL	1.5	5.2	3.7	8.3	1.7	6.7	4.2	5.9
1978	I	0.2	3.8	3.6	9.0	2.2R	8.7	0.7	6.2
	II	0.7R	5.0R	4.3R	9.2	2.0P	8.4R	3.0P	6.7R

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

AUGUST 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 COMPEN- 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											
77	I	117.8	137.5	116.7	205.4	116.0	174.3	192.6	178.8	108.8	168.4
	II	118.6	140.5	118.5	209.7	115.9	176.8	193.1	180.8	120.1	171.8
	III	120.1	142.3	118.5	214.5	117.1	178.5	195.0	182.5	128.3	174.5
	IV	120.1	143.6	119.6	218.3	117.9	181.9	197.1	185.6	122.9	176.3
	ANNUAL	119.2	141.0	118.3	212.0	116.8	177.9	194.5	182.0	120.2	172.8
78	I	119.3	143.6	120.4	224.8	119.1	188.5	201.1	191.5	104.5	178.6
	II	120.5P	148.5P	123.3P	229.4P	118.5P	190.4P	200.2P	192.8P	126.4P	183.0P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)											
77	I	3.5	9.9	6.2	8.7	0.3	5.0	-0.7	3.5	12.9	4.3
	II	2.7	9.2	6.3	8.7	-0.1	5.8	1.0	4.6	48.2	8.3
	III	5.3	5.2	-0.1	9.3	4.1	3.9	3.9	3.9	30.4	6.4
	IV	-0.2	3.6	3.9	7.5	2.7	7.7	4.3	6.8	-15.8	4.2
	ANNUAL	1.8	5.4	3.5	8.8	2.2	6.8	3.0	5.8	6.6	5.9
78	I	-2.6	0.0	2.7	12.4	4.2	15.3	8.5	13.6	-47.8	5.5
	II	4.1P	14.5P	10.1P	8.5P	-2.1P	4.3P	-1.8P	2.7P	114.0P	10.1P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)											
77	I	1.2	3.9	2.7	8.8	2.8	7.5	3.5	6.4	-5.3	5.2
	II	1.0	4.8	3.7	8.8	1.9	7.6	3.3	6.5	3.9	6.2
	III	2.1	5.9	3.7	8.9	2.1	6.6	3.0	5.6	11.9	6.3
	IV	2.8	7.0	4.1	8.5	1.7	5.6	2.1	4.7	16.4	5.8
	ANNUAL	1.8	5.4	3.5	8.8	2.2	6.8	3.0	5.8	6.6	5.9
78	I	1.2	4.5	3.2	9.5	2.7	8.1	4.4	7.1	-4.0	6.1
	II	1.6P	5.7P	4.1P	9.4P	2.2P	7.7P	3.7P	6.7P	5.2P	6.5P

FOOTNOTES FOLLOWING TABLE 6.
REVISED
PRELIMINARY

AUGUST 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							
1977	I	124.1	122.6	98.7	206.3	116.5	166.3
	II	126.1	126.6	100.3	210.5	116.4	166.9
	III	128.3	128.6	100.2	215.5	117.7	168.0
	IV	128.2	129.8	101.3	220.1	118.9	171.7
	ANNUAL	126.7	126.9	100.2	213.2	117.5	168.3
1978	I	126.4	129.7	102.6	226.0	119.7	178.8
	II	128.6	133.9R	104.1R	229.7	118.6P	178.7R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE (5)							
1977	I	-0.6	7.7	8.3	9.9	1.5	10.5
	II	6.6	13.7	6.6	8.4	-0.4	1.6
	III	7.1	6.6	-0.5	9.8	4.6	2.6
	IV	-0.3	4.0	4.3	8.8	3.9	9.1
	ANNUAL	2.6	6.3	3.6	9.0	2.4	6.3
1978	I	-5.6	-0.5	5.4	11.1	3.0	17.7
	II	7.2R	13.6R	6.0R	6.8	-3.7P	-0.4R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR (6)							
1977	I	1.9	4.0	2.1	9.1	3.1	7.1
	II	2.2	6.1	3.9	8.5	1.7	6.2
	III	3.0	7.1	4.0	9.0	2.2	5.8
	IV	3.2	7.9	4.6	9.2	2.4	5.9
	ANNUAL	2.6	6.3	3.6	9.0	2.4	6.3
1978	I	1.8	5.8	3.9	9.5	2.8	7.6
	II	2.0	5.8R	3.8R	9.1	1.9P	7.0

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

AUGUST 28, 1978
SOURCE: BUREAU OF LABOR STATISTICS

TABLE 5. DURABLE MANUFACTURING SECTOR: PRODUCTIVITY, HOURLY
COMPENSATION, UNIT LABOR COST, SEASONALLY ADJUSTED(11)

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							
1977	I	118.6	116.3	98.1	208.3	117.6	175.7
	II	121.2	121.0	99.9	213.2	117.9	175.9
	III	122.9	123.5	100.5	218.2	119.2	177.5
	IV	122.5	124.8	101.9	223.3	120.6	182.2
	ANNUAL	121.3	121.4	100.1	215.8	118.9	177.9
1978	I	120.3	124.4	103.4	228.7	121.2	190.1
	II	123.3R	129.4R	105.0	232.5R	120.0P	188.6R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1977	I	-1.9	6.9	8.9	11.1	2.6	13.2
	II	9.1	17.1	7.4	9.6	0.7	0.5
	III	5.8	8.3	2.3	9.8	4.6	3.8
	IV	-1.2	4.5	5.9	9.6	4.7	11.0
	ANNUAL	2.2	7.1	4.8	9.2	2.6	6.9
1978	I	-7.0	-1.5	5.9	10.2	2.2	18.5
	II	10.1R	17.1R	6.3	6.7R	-3.7P	-3.1R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1977	I	1.6	5.0	3.4	8.7	2.7	7.0
	II	2.0	6.9	4.8	8.6	1.7	6.5
	III	2.4	7.5	5.0	9.4	2.6	6.8
	IV	2.8	9.1	6.1	10.0	3.1	7.0
	ANNUAL	2.2	7.1	4.8	9.2	2.6	6.9
1978	I	1.5	6.9	5.3	9.8	3.0	8.2
	II	1.7R	6.9R	5.1	9.1R	1.9P	7.2R

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

AUGUST 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							
1977	I	133.0	132.6	99.7	203.3	114.8	152.8
	II	134.1	135.5	101.1	206.3	114.1	153.9
	III	137.0	136.9	99.9	210.7	115.1	153.8
	IV	137.4	138.0	100.4	214.3	115.7	155.9
	ANNUAL	135.4	135.7	100.3	208.7	115.0	154.2
1978	I	136.2	138.3	101.5	220.8	117.0	162.0
	II	137.2R	141.2R	102.9R	224.4R	115.9P	163.5R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1977	I	1.4	8.8	7.4	7.6	-0.6	6.2
	II	3.2	9.0	5.6	6.0	-2.5	2.8
	III	9.0	4.1	-4.5	8.9	3.6	-0.1
	IV	1.2	3.2	2.0	6.9	2.1	5.6
	ANNUAL	3.1	5.1	2.0	8.3	1.7	5.0
1978	I	-3.4	1.1	4.6	12.7	4.5	16.6
	II	3.0R	8.7R	5.5R	6.8R	-3.7P	3.7R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1977	I	2.3	2.6	0.3	9.4	3.3	6.9
	II	2.4	5.1	2.6	8.1	1.3	5.6
	III	3.9	6.6	2.6	8.1	1.3	4.0
	IV	3.6	6.2	2.5	7.3	0.6	3.6
	ANNUAL	3.1	5.1	2.0	8.3	1.7	5.0
1978	I	2.4	4.3	1.9	8.6	1.9	6.0
	II	2.3R	4.2	1.8R	8.8	1.6P	6.3R

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

AUGUST 28, 1978
SOURCE: BUREAU OF LABOR STATISTICS

SOURCE: OUTPUT DATA FROM 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 INCLUDE AN ESTIMATE OF WAGES, SALARIES, AND SUPPLEMENTAL PAYMENTS FOR THE SELF-EMPLOYED.
- (2) COMPENSATION PER HOUR ADJUSTED FOR CHANGES IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS.
- (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 THE 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 COST INCLUDE DEPRECIATION, INTEREST, AND INDIRECT TAXES.
- (9) TOTAL UNIT COST IS THE SUM OF LABOR AND NONLABOR COSTS.
- (10) UNIT PROFITS INCLUDE CORPORATE PROFIT 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; 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; PRINTING AND PUBLISHING; CHEMICALS AND CHEMICAL PRODUCTS; PETROLEUM PRODUCTS; RUBBER AND PLASTIC PRODUCTS; FOODS; AND TOBACCO PRODUCTS.
- (13) SCHEDULING OF THE RELEASE OF THE NEW CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U) PRECLUDES THE USE OF REAL HOURLY COMPENSATION (HOURLY COMPENSATION ADJUSTED FOR QUARTERLY CHANGES IN THE CPI-U) WITH PRELIMINARY PRODUCTIVITY AND COST MEASURES. THESE WILL BE PUBLISHED TOGETHER WITH REVISED OUTPUT AND LABOR INPUT MEASURES WITH THE NEXT REGULAR EDITION OF PRODUCTIVITY AND COSTS, APPROXIMATELY 30 DAYS AFTER THE PRELIMINARY MEASURES.

Chart 1. Productivity, hourly compensation, unit costs and prices in the private business sector

(percent change from preceding quarter at annual rate)

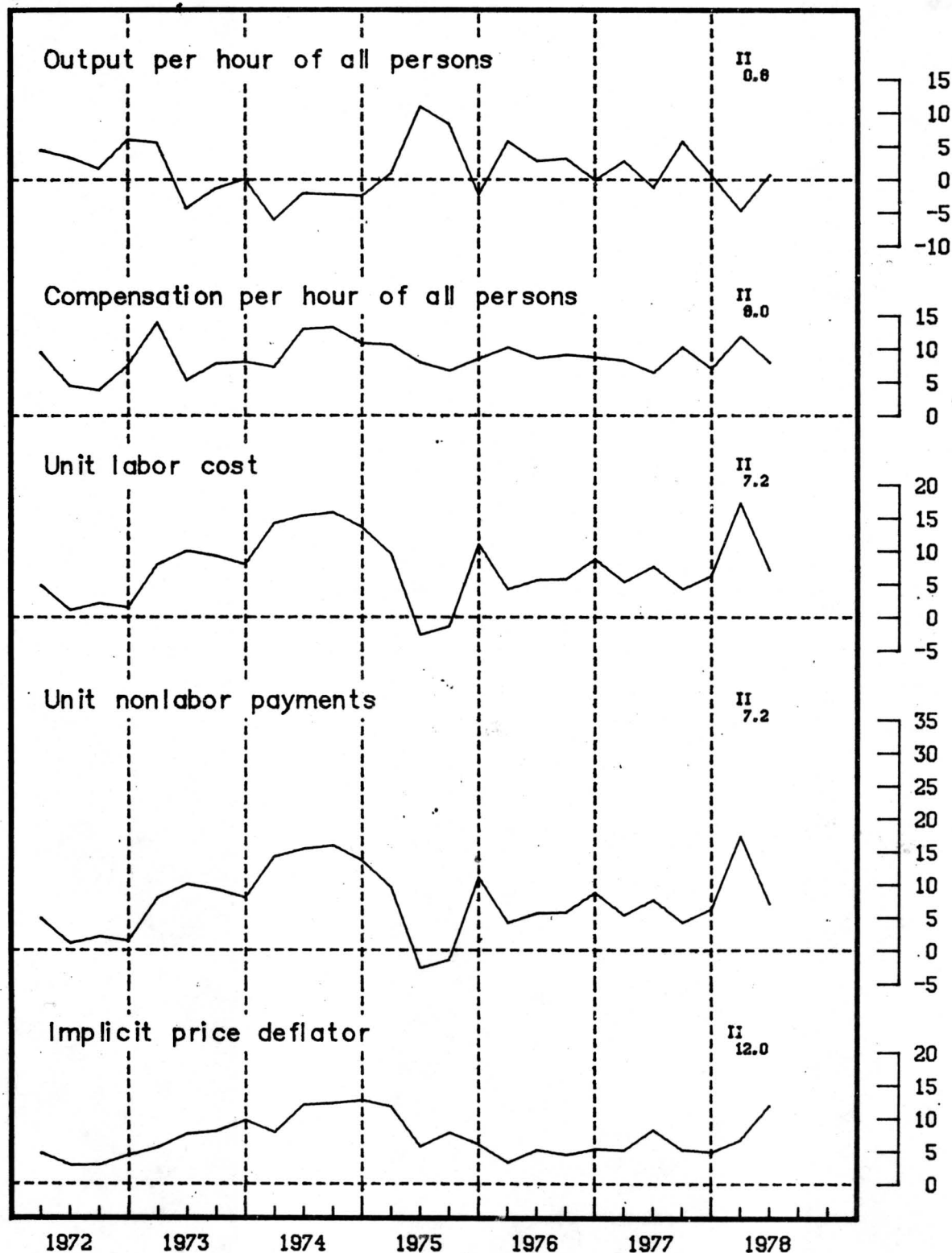


Chart 2. Productivity, hourly compensation, unit costs and prices in the nonfarm business sector

(percent change from preceding quarter at annual rate)

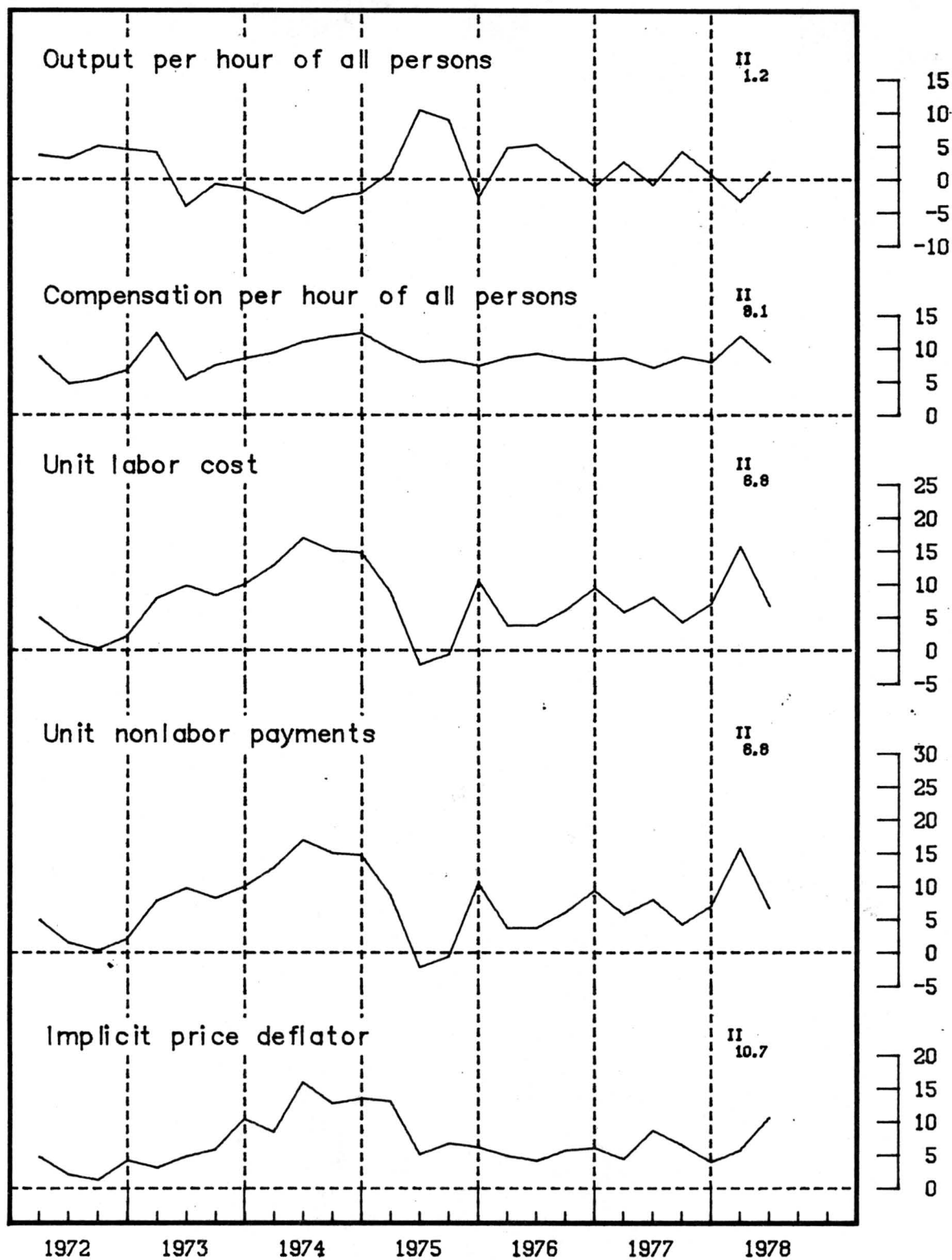


Chart 3. Productivity, hourly compensation, unit costs and prices in nonfinancial corporations

(percent change from same quarter a year ago)

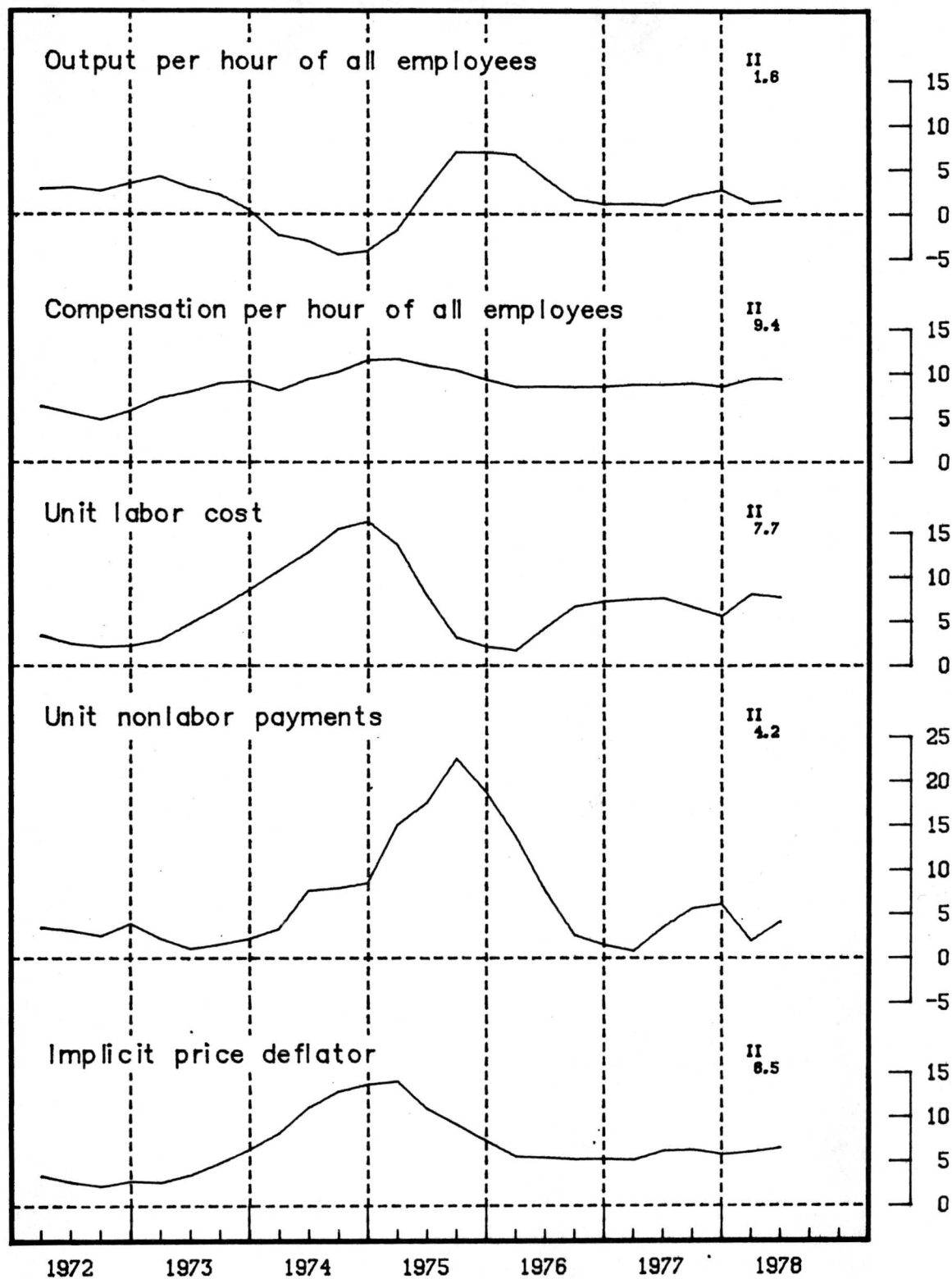


Chart 4. Unit costs, unit profits, and prices in nonfinancial corporations

(percent change from same quarter a year ago)

