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PRODUCTIVITY AND COSTS

Private Business, Nonfarm Business, and Manufacturing Sectors
First Quarter 1982

Productivity, in the business economy declined at a 1.0 percent annual rate in the first quarter of 1982, according to preliminary measures the Bureau of Labor Statistics reported today. The productivity decline in the first quarter reflected a 4.2 percent decrease in output and a 3.3 percent decrease in hours (quarterly changes at seasonally adjusted annual rate). During the fourth quarter of 1981, productivity declined 6.6 percent.

In the nonfarm business sector, output per hour of all persons increased 0.3 percent, reflecting a fall in output of 3.0 percent and an even greater decline in hours of all persons of 3.3 percent. During the fourth quarter of 1981, productivity had declined 6.9 percent in this sector.

In manufacturing, productivity decreased 5.8 percent in the first quarter; output decreased 14.6 percent, and hours fell 9.3 percent. During the fourth quarter of 1981, manufacturing productivity declined 10.8 percent as output and hours fell 18.5 percent and 8.7 percent, respectively.

First quarter measures are summarized in table A; details are given in tables 1-6. Revised annual measures for nonfinancial corporations and measures for the fourth quarter of 1981 were also released today. (See table B.)

Private business sector

Productivity, as measured by output per hour of all persons, declined at a 1.0 percent annual rate during the first 3 months of 1982, compared with a 6.6 percent decrease during the fourth quarter of 1981. This was the third consecutive quarter of productivity decline in the private business sector. Output declined 4.2 percent and hours decreased 3.3 percent during the first quarter. Although output has declined for the past 4 quarters, the most recent decrease was smaller than the 6.8 percent decline recorded during the fourth quarter of 1981. On the other hand, hours declined faster during the first quarter of 1982 than they had during the fourth quarter of 1981.

Although the productivity measures relate output to the hours of all persons engaged in each sector, they do not measure the specific contributions of labor, capital, or any other single factor of production. Rather, they reflect the joint effects of many influences, including new technology, capital investment, the level of output, capacity utilization, energy use, and managerial skill, as well as the skills and efforts of the work force.

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Table A. Productivity and costs: percent change at annual rate
(Seasonally adjusted)

Sector	Productivity	Hourly compensation	Unit labor cost	Real hourly compensation	Output	Hours
<u>Preliminary</u>						
Fourth Quarter 1981 to First Quarter 1982						
Private business	-1.0	8.1	9.1	4.7	-4.2	-3.3
Nonfarm business	0.3	8.4	8.1	5.0	-3.0	-3.3
Manufacturing	-5.8	10.9	17.8	7.4	-14.6	-9.3
Durable	-7.1	10.9	19.5	7.4	-16.9	-10.6
Nondurable	-4.0	11.4	16.0	7.9	-11.0	-7.3
First Quarter 1981 to First Quarter 1982						
Private business	-1.4	8.3	9.8	0.8	-2.9	-1.6
Nonfarm business	-1.8	8.4	10.4	0.9	-3.3	-1.6
Manufacturing	-3.0	9.6	13.0	2.0	-7.9	-5.1
Durable	-3.3	9.7	13.5	2.1	-9.1	-6.0
Nondurable	-2.6	9.8	12.6	2.2	-6.1	-3.7

Hourly compensation, which includes wages and salaries, supplements, and employer payments for social security and other employee benefit plans, increased at an 8.1 percent annual rate, the smallest first-quarter gain since 1977. First-quarter increases in hourly compensation were larger than subsequent quarters' gains in 7 of the past 10 years. During the fourth quarter of 1981, hourly compensation rose 5.5 percent.

Real hourly compensation--which adjusts for changes in the Consumer Price Index for All Urban Consumers (CPI-U)--increased 4.7 percent in the first quarter of 1982, the first rise in this series since the second quarter of 1981 and the largest increase since the 5.1 percent annual rate of increase during the second quarter of 1976. The 3.3 percent increase in the CPI-U was the smallest gain in this measure since the 3.2 percent increase of the second quarter of 1976.

Unit labor cost, which reflects changes in productivity and hourly compensation, increased at a 9.1 percent annual rate during the first quarter, compared with a 13.0 percent increase during the fourth quarter of 1981. Unit nonlabor payments--which consist of indirect business taxes, depreciation, net interest, and profits--declined at a 10.3 percent annual rate, compared with a 0.4 percent increase during the fourth quarter of 1981. This was the first decline in this series since the 6.8 percent decrease during the first quarter of 1978, and the largest quarterly decline since the 12.5 percent drop during the third quarter of 1959.

The implicit price deflator--which measures price change in a specific sector and reflects changes in unit labor cost and unit nonlabor payments combined--increased 2.8 percent in the first quarter, compared with an 8.9 percent rise during the fourth quarter of 1981. This was the smallest price rise in this sector since the 2.8 percent gain during the first quarter of 1976.

Compared with the first quarter of 1981, productivity declined 1.4 percent, as output fell 2.9 percent and hours dropped 1.6 percent. Hourly compensation rose 8.3 percent (0.8 percent after allowing for the increase in the CPI-U), unit labor cost increased 9.8 percent, nonlabor payments rose 1.1 percent, and the implicit price deflator increased 7.0 percent.

Nonfarm business sector

Productivity increased in the nonfarm business sector by 0.3 percent during the first quarter, reflecting a 3.0 percent decline in output and a 3.3 percent decrease in hours of all persons. During the fourth quarter of 1981, productivity dropped 6.9 percent, output fell 7.7 percent, and hours decreased 0.9 percent. The first-quarter declines marked the fourth consecutive quarterly drop in output and the second in hours.

Nonfarm hourly compensation increased 8.4 percent in the first quarter of 1982, compared with a 6.3 percent rise during the fourth quarter of 1981. Real hourly compensation increased at a 5.0 percent annual rate during the first quarter, compared with a 1.4 percent decline during the fourth quarter of 1981. This was the first increase in the series since the second quarter of 1981 and the largest gain since the 5.5 percent rise in the second quarter of 1976.

Unit labor cost rose 8.1 percent during the first quarter of 1982, compared with a 14.1 percent rise during the fourth quarter of 1981. Unit nonlabor payments fell at a 10.2 percent annual rate, and the implicit price deflator rose 2.2 percent. During the preceding quarter, nonlabor payments increased 1.8 percent and prices rose 10.1 percent in this sector (at seasonally adjusted annual rates).

Compared with the first quarter of 1981, productivity declined 1.8 percent, output fell 3.3 percent, and hours of all persons declined 1.6 percent. Hourly compensation went up 8.4 percent, unit labor cost rose 10.4 percent, and unit nonlabor payments increased 1.2 percent. The implicit price deflator rose 7.5 percent over the 4-quarter span.

Manufacturing

Productivity in the manufacturing sector fell at a 5.8 percent annual rate in the first quarter of 1982, as output fell 14.6 percent and hours dropped 9.3 percent. During the fourth quarter of 1981, productivity declined 10.8 percent, output fell 18.5 percent, and hours dropped 8.7 percent (at seasonally adjusted annual rates). This was the third quarter of falling or unchanged output, and the fourth quarter of falling hours in manufacturing. The decline in hours in part reflects a drop in employment of about 772,000 during the past 2 quarters. Average weekly hours declined at a 1.4 percent annual rate during the first quarter, the fourth quarter of decline in this measure.

Hourly compensation increased at a 10.9 percent annual rate during the first quarter, compared with a 7.6 percent gain during the fourth quarter of 1981. After allowing for the increase in the CPI-U, real hourly compensation increased 7.4 percent during the first quarter, compared with a 0.2 percent decline during the fourth quarter of 1981. This was the largest quarterly gain in real hourly compensation in manufacturing since the 7.6 percent gain during the first quarter of 1960.

Compared with the first quarter of 1981, productivity declined 3.0 percent, as output fell 7.9 percent and hours dropped 5.1 percent. Hourly compensation rose 9.6 percent (2.0 percent after allowing for the rise in the CPI-U), and unit labor cost increased 13.0 percent. Employment dropped 3.4 percent over the 4-quarter span.

Fourth quarter measures for nonfinancial corporations

Fourth quarter 1981 productivity and cost measures were also announced today for the nonfinancial corporate sector, together with revised annual movements. (See table B.) Output per all-employee hour declined at a 5.5 percent annual rate during the fourth quarter, as output declined 7.8 percent and hours fell 2.4 percent. This was the largest quarterly productivity decline in this sector since the 6.5 percent drop during the first quarter of 1974. Hourly compensation increased 6.9 percent, and real hourly compensation declined 0.8 percent. Unit labor cost rose 13.2 percent, the largest gain since a 17.3 percent gain during the third quarter of 1974. Unit profits declined at a 32.6 percent annual rate, compared with a 15.7 percent gain during the third quarter (annual rates). See table 3.

Table B. Nonfinancial corporations
Percent change in productivity and costs at annual rates
(Seasonally adjusted)

Item	Third quarter 1981 to fourth quarter 1981 PRELIMINARY	Fourth quarter 1980 to fourth quarter 1981 PRELIMINARY	1981 Annual REVISED
Output per all-employee hours	-5.5	0.6	2.4
Hourly compensation	6.9	9.2	10.0
Unit labor cost	13.2	8.6	7.4
Real hourly compensation	-0.8	-0.3	-0.3
Output	-7.8	0.7	3.4
Hours	-2.4	0.1	1.0
Unit profits	-32.6	4.5	14.9

Revised measures

The productivity and cost measures contained in this release for the manufacturing sector incorporate small revisions in the underlying output measures prepared by the Board of Governors of the Federal Reserve System and the Bureau of Economic Analysis of the U.S. Department of Commerce. All affected quarters are found in this release; see tables 4-6 and appendix tables A-C.

Productivity Measures for Selected Industries, 1954-80



U.S. Department of Labor
Raymond J. Donovan, Secretary
Bureau of Labor Statistics
Janet L. Norwood, Commissioner
April 1982

Bulletin 2128

Productivity Measures for Selected Industries, 1954-80, BLS Bulletin 2128, has been prepared by the Division of Industry Productivity Studies and is now available. This 228 page bulletin contains annual indexes of output per employee hour, output and employee hours for about 103 industries in the nonfarm sector. The indexes are available for most industries through 1980. Please call Charles W. Ardolini, 202-523-9244 for additional information. BLS Bulletin 2128 can be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington, D.C. 20402 (Stock No. 029-001-02702-8), GPO Bookstores, or BLS Regional Offices listed below. The price is \$7.00. Make checks or money orders payable to the Superintendent of Documents.

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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 1977=100								
1981 I	100.3	109.5	109.2	139.8	96.1	139.4	127.6	135.4
II	131.2	109.5	108.2	143.3	96.9	141.6	129.3	137.5
III	100.9	109.4	108.4	146.5	96.3	145.2	132.4	140.9
IV	99.2	107.5	108.4	148.5	95.8	149.7	132.6R	143.9
ANNUAL	100.4	109.0R	108.5	144.6	96.3R	144.0	130.6R	139.4
1982 I	98.9P	106.3P	107.5P	151.4P	96.9P	153.0P	129.0P	144.9P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)								
1981 I	4.7	7.9	3.0	11.9	0.5	6.9	17.1	10.0
II	3.5	-0.1	-3.5	10.4	3.2	6.6	5.3	6.2
III	-1.1	-0.3	0.8	9.3	-2.3	10.6	10.1	10.4
IV	-6.6R	-6.8	-0.2	5.5	-2.1	13.0R	0.4R	8.9R
ANNUAL	1.1	2.0	0.9	10.0	-0.3	8.8	10.4R	9.3
1982 I	-1.0P	-4.2P	-3.3P	8.1P	4.7P	9.1P	-10.3P	2.8P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)								
1981 I	0.8	0.8	0.0	10.6	-0.6	9.7	10.8	10.1
II	2.1	3.9	1.7	10.1	0.3	7.8	11.5	9.0
III	1.5	3.5	2.0	10.1	-0.6	8.5	10.6	9.1
IV	0.0	0.0	0.0	9.3	-0.2	9.3R	8.1R	8.9R
ANNUAL	1.1	2.0	0.9	10.0	-0.3	8.8	10.4R	9.3
1982 I	-1.4P	-2.9P	-1.6P	8.3P	0.8P	9.8P	1.1P	7.0P

SEE FOOTNOTES FOLLOWING TABLE 6.
R=REVISED
P=PRELIMINARY

APRIL 29, 1982
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 1977=100								
1981 I	100.0	109.7	109.7	139.2	95.7	139.1	127.8	135.3
II	100.4	109.4	109.0	142.4	96.3	141.9	128.7	137.5
III	99.9	109.0	109.1	145.7	95.8	145.8	132.2	141.2
IV	98.2	106.9	108.9R	147.9	95.4	150.7R	132.8R	144.7R
ANNUAL	99.7	108.8	109.1	143.9	95.9	144.3	130.4R	139.7R
1982 I	98.3P	106.1P	108.0P	150.9P	96.6P	153.6P	129.2P	145.5P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)								
1981 I	4.4	7.9	3.4	11.7	0.3	7.0	20.2	11.0
II	1.4	-1.1	-2.5	9.6	2.5	8.1	3.0	6.5
III	-1.7	-1.4	0.4	9.5	-2.2	11.5	11.3	11.4
IV	-6.9R	-7.7	-0.9R	6.3R	-1.4R	14.1R	1.8R	10.1R
ANNUAL	0.9	1.9	1.0R	10.0R	-0.3	9.0	10.9R	9.6
1982 I	0.3P	-3.0P	-3.3P	8.4P	5.0P	8.1P	-10.2P	2.2P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)								
1981 I	1.2	1.1	-0.1	10.5	-0.7	9.2	12.2	10.1
II	2.3	4.1	1.8	10.0	0.3	7.6	11.8	8.9
III	0.9	3.0	2.1	10.2	-0.6	9.2	10.9	9.7
IV	-0.8	-0.7	0.1	9.3R	-0.2	10.1	8.8	9.7
ANNUAL	0.9	1.9	1.0R	10.0R	-0.3	9.0	10.9R	9.6
1982 I	-1.8P	-3.3P	-1.6P	8.4P	0.9P	10.4P	1.2P	7.5P

SEE FOOTNOTES FOLLOWING TABLE 6.
R=REVISED
P=PRELIMINARY

APRIL 29, 1982
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 (11)
INDEXES 1977=100										
1981	I	103.4R	112.8	109.1	139.3R	95.8R	134.7	139.5	136.0	106.8
	II	104.0R	112.3	108.5R	142.4R	96.3R	137.0	143.6	138.7	102.8
	III	103.8	112.8	108.6R	145.5	95.7R	140.2	147.7	142.2	106.7
	IV	102.4P	110.5P	108.0P	148.0P	95.5P	144.6P	153.8P	147.0P	96.6P
	ANNUAL	103.5	112.3R	108.5	143.9	95.9	139.0R	146.1	140.9	103.6R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)										
1981	I	6.6R	11.5	4.6P	11.7R	0.3R	4.8	7.9	5.6	77.9
	II	2.2	0.1	-2.0	9.3	2.1	7.0	12.3	8.4	-13.9
	III	-0.5	-0.1	0.5R	9.1R	-2.5	9.7	11.8	10.3	15.7
	IV	-5.5P	-7.8P	-2.4P	6.9P	-0.8P	13.2P	17.6P	14.4P	-32.6P
	ANNUAL	2.4R	3.4	1.0R	10.0R	-0.3	7.4	12.2	8.7	14.9R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)										
1981	I	3.2R	2.6	-0.5	10.8	-0.4R	7.4	15.4	9.5	11.8
	II	3.8	5.6	1.7R	10.1	0.4R	6.1	11.1	7.4	23.3
	III	2.0	4.7	2.7	9.9R	-0.8R	7.7	10.4	8.4	19.7
	IV	0.6P	0.7P	0.1P	9.2P	-0.3P	8.6P	12.3P	9.6P	4.5P
	ANNUAL	2.4R	3.4	1.0R	10.0R	-0.3	7.4	12.2	8.7	14.9R

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

APRIL 29, 1982

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 1977=100						
1981	I	103.6R	106.4R	102.7	141.1	97.1
	II	104.6R	107.2R	102.5	144.8	97.9
	III	105.3R	107.2R	102.2	148.0	97.3
	IV	102.0R	101.9R	99.9	150.8R	97.3R
	ANNUAL	104.0R	105.3R	101.7	146.2	97.4
1982	I	100.5P	98.0P	97.5P	154.7P	99.0P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)						
1981	I	1.9R	5.6R	3.6	11.6	0.2
	II	4.1R	3.3	-0.8	10.8	3.5
	III	1.2	0.0R	-1.2	9.3	-2.4
	IV	-10.8R	-18.5	-8.7R	7.6R	-0.2R
	ANNUAL	2.2R	2.1R	-0.1	11.1	0.7
1982	I	-5.8P	-14.6P	-9.3P	10.9P	7.4P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)						
1981	I	1.5R	-1.6R	-3.0	12.5	1.1
	II	3.8R	5.5R	1.6	11.4	1.5
	III	4.2R	7.4R	3.0	10.5	-0.2
	IV	-1.1R	-2.9R	-1.9R	9.8	0.3R
	ANNUAL	2.2R	2.1R	-0.1	11.1	0.7
1982	I	-3.0P	-7.9P	-5.1P	9.6P	2.0P

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

APRIL 29, 1982

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 1977=100							
1981	I	101.7R	105.7R	103.9	141.7	97.4	139.3R
	II	103.1R	107.0R	103.7	145.3	98.3	141.0R
	III	103.2R	106.7R	103.3	148.7	97.7	144.0R
	IV	100.1R	100.6R	100.4R	151.5R	97.7	151.3R
	ANNUAL	102.3R	105.1R	102.8	146.9	97.9	143.6R
1982	I	98.3P	96.0P	97.7P	155.5P	99.5P	158.2P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1981	I	2.8R	6.2R	3.4	11.8	0.3	8.7R
	II	5.6R	5.1R	-0.5	10.7	3.5	4.8R
	III	0.5R	-1.2R	-1.7	9.5	-2.1	9.0R
	IV	-11.5R	-20.9R	-10.7R	7.8R	0.0R	21.7R
	ANNUAL	2.6R	2.2R	-0.4	11.5	1.0	8.7R
1982	I	-7.1P	-16.9P	-10.6P	10.9P	7.4P	19.5P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1981	I	1.7R	-2.6R	-4.2	13.2	1.7	11.3R
	II	4.1R	6.1R	1.9	11.8	1.9	7.4R
	III	5.0R	8.8R	3.6	10.8	0.0	5.6R
	IV	-0.9R	-3.4R	-2.5	9.9	0.4R	10.9R
	ANNUAL	2.6R	2.2R	-0.4	11.5	1.0	8.7R
1982	I	-3.3P	-9.1P	-6.0P	9.7P	2.1P	13.5P

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

APRIL 29, 1982

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 1977=100							
1981	I	106.5R	107.4R	100.9	139.7	96.1	131.2R
	II	107.0R	107.7R	100.6	143.3	96.9	133.9R
	III	107.6R	108.1R	100.5	146.4	96.2	136.0R
	IV	104.8R	103.8R	99.1	149.2	96.3R	142.4R
	ANNUAL	106.6R	106.8R	100.2	144.7	96.4	135.7R
1982	I	103.8P	100.9P	97.2P	153.3P	98.1P	147.7P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1981	I	0.7R	4.6R	3.9	11.4	0.0	10.6R
	II	2.0R	0.8R	-1.1	10.7	3.5	8.6R
	III	2.4R	1.8R	-0.6	8.9	-2.7	6.4R
	IV	-10.0R	-14.9R	-5.4R	8.0R	0.2R	20.1R
	ANNUAL	1.7R	2.0R	0.3	10.5	0.1	8.7R
1982	I	-4.0P	-11.0P	-7.3P	11.4P	7.9P	16.0P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1981	I	1.1R	0.0R	-1.0	11.7	0.4	10.5R
	II	3.4R	4.6R	1.1	10.5	0.7	6.9R
	III	3.2R	5.4R	2.1	9.8	-0.9	6.4R
	IV	-1.4R	-2.2R	-0.9R	9.8R	0.2	11.3R
	ANNUAL	1.7R	2.0R	0.3	10.5	0.1	8.7R
1982	I	-2.6P	-6.1P	-3.7P	9.8P	2.2P	12.6P

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

APRIL 29, 1982

SOURCE: BUREAU OF LABOR STATISTICS

FOOTNOTES, TABLES 1-6

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.

RELIABILITY: BASED ON DATA COVERING THE PERIOD FROM THE FIRST QUARTER OF 1976 TO THE FIRST QUARTER OF 1981, THE PROBABILITY IS 0.95 THAT THE INTERVAL BETWEEN -2.0 AND 2.4 INDEX POINTS CONTAINS THE REVISION OF THE INDEX OF PRODUCTIVITY IN THE PRIVATE BUSINESS SECTOR FROM THE FIRST TO THE THIRD QUARTERLY PUBLICATION OF THE ESTIMATE.

- (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 INCLUDES 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; STONE, CLAY, & GLASS PRODUCTS; 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.

 * THE PRODUCTIVITY AND ASSOCIATED COST MEASURES IN THIS PRESS RELEASE DESCRIBE THE RELATIONSHIP *
 * BETWEEN OUTPUT IN REAL TERMS AND THE LABOR TIME INVOLVED IN ITS PRODUCTION. THEY SHOW THE *
 * CHANGES FROM PERIOD TO PERIOD IN THE AMOUNT OF LABOR TIME REQUIRED TO PRODUCE A UNIT OF OUTPUT. *
 * ALTHOUGH THESE MEASURES RELATE OUTPUT TO HOURS OF ALL PERSONS ENGAGED IN A SECTOR, THEY DO NOT *
 * MEASURE THE SPECIFIC CONTRIBUTIONS OF LABOR, CAPITAL, OR ANY OTHER FACTOR OF PRODUCTION. RATHER, *
 * THEY REFLECT THE JOINT EFFECTS OF MANY INFLUENCES, INCLUDING CHANGES IN TECHNOLOGY; CAPITAL *
 * INVESTMENT; LEVEL OF OUTPUT; UTILIZATION OF CAPACITY; ENERGY AND MATERIALS; THE ORGANIZATION *
 * OF PRODUCTION; MANAGEMENT; AND THE ENVIRONMENT. *****

APPENDIX TABLE A. 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 1977=100							
1979	I	101.4	109.3	107.7	114.5	100.2	112.9
	II	102.3	108.5	106.1	118.6	100.7	115.9
	III	102.0	108.5	106.4	119.8	98.5	117.5
	IV	102.1	108.3	106.0	122.3	97.2	119.8
	ANNUAL	102.0	108.6	106.5	118.8	99.2	116.5
1980	I	102.1	108.1	105.8	125.4	96.0	122.8
	II	100.8	101.7	100.9	130.0	96.5	129.0
	III	100.7	99.9	99.2	133.9	97.5	133.0
	IV	103.1	104.9	101.8	137.3	97.0	133.2
	ANNUAL	101.7	103.6	101.9	131.6	96.8	129.4
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1979	I	-2.2	3.5	5.8	11.3	0.8	13.7
	II	3.5	-2.6	-5.9	15.0	2.3	11.1
	III	-1.2	-0.1	1.2	4.2	-8.5	5.6
	IV	0.4	-0.8	-1.3	8.4	-5.1	8.0
	ANNUAL	1.1	3.1	2.0	9.8	-1.3	8.6
1980	I	-0.1	-0.8	-0.7	10.5	-5.1	10.7
	II	-4.9	-21.6	-17.6	15.5	2.1	21.5
	III	-0.3	-6.8	-6.6	12.7	4.6	13.0
	IV	9.8	21.8	11.0	10.5	-2.2	0.6
	ANNUAL	-0.3	-4.6	-4.4	10.7	-2.5	11.0
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1979	I	2.0	7.2	5.1	8.7	-1.0	6.6
	II	1.7	3.7	2.0	11.0	0.3	9.1
	III	0.3	1.8	1.5	9.8	-1.7	9.5
	IV	0.1	0.0	-0.1	9.7	-2.7	9.5
	ANNUAL	1.1	3.1	2.0	9.8	-1.3	8.6
1980	I	0.6	-1.1	-1.7	9.5	-4.2	8.8
	II	-1.5	-6.3	-4.9	9.6	-4.2	11.3
	III	-1.3	-7.9	-6.8	11.8	-1.0	13.2
	IV	1.0	-3.1	-4.0	12.3	-0.2	11.2
	ANNUAL	-0.3	-4.6	-4.4	10.7	-2.5	11.0

SEE FOOTNOTES FOLLOWING TABLE 5.

R=REVISED

P=PRELIMINARY

APRIL 29, 1982

SOURCE: BUREAU OF LABOR STATISTICS

APPENDIX TABLE B. 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 1977=100							
1979	I	100.7	111.6	110.8	114.1	99.8	113.3
	II	101.6	110.3	108.6	118.4	100.6	116.6
	III	100.1	109.5	109.3	119.3	98.1	119.2
	IV	100.4	109.1	108.7	121.5	96.6	121.1
	ANNUAL	100.7	110.2	109.3	118.4	98.8	117.5
1980	I	100.0	108.5	108.4	125.2	95.8	125.1
	II	99.0	100.8	101.8	130.0	96.5	131.3
	III	98.4	98.0	99.7	134.2	97.7	136.4
	IV	101.0	104.1	103.0	137.8	97.4	136.4
	ANNUAL	99.7	102.9	103.2	131.7	96.9	132.1
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1979	I	-4.4	2.7	7.4	11.3	0.8	16.5
	II	3.4	-4.6	-7.8	16.1	3.3	12.3
	III	-5.5	-2.9	2.7	3.1	-9.5	9.1
	IV	0.9	-1.4	-2.3	7.5	-5.9	6.5
	ANNUAL	-0.2	2.8	3.0	9.8	-1.3	10.1
1980	I	-1.4	-2.4	-1.0	12.5	-3.4	14.1
	II	-3.8	-25.4	-22.4	16.5	3.0	21.1
	III	-2.8	-10.5	-8.0	13.4	5.2	16.6
	IV	11.3	26.9	14.1	11.2	-1.4	0.0
	ANNUAL	-1.1	-6.6	-5.6	11.3	-2.0	12.5
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1979	I	1.4	8.7	7.3	8.7	-1.0	7.2
	II	0.5	3.8	3.3	11.3	0.6	10.7
	III	-1.6	0.7	2.4	9.9	-1.6	11.8
	IV	-1.5	-1.6	-0.1	9.4	-3.0	11.0
	ANNUAL	-0.2	2.8	3.0	9.8	-1.3	10.1
1980	I	-0.7	-2.8	-2.2	9.7	-4.0	10.5
	II	-2.5	-8.6	-6.3	9.8	-4.1	12.6
	III	-1.8	-10.5	-8.8	12.4	-0.4	14.5
	IV	0.6	-4.6	-5.2	13.4	0.8	12.7
	ANNUAL	-1.1	-6.6	-5.6	11.3	-2.0	12.5

SEE FOOTNOTES FOLLOWING TABLE 6.

APPENDIX TABLE C. 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 1977=100							
1979	I	102.6	105.7	103.0	114.5	100.1	111.5
	II	103.5	105.8	102.2	118.2	100.3	114.1
	III	105.0	107.0	101.9	119.9	98.5	114.2
	IV	104.9	107.0	102.0	122.9	97.7	117.2
	ANNUAL	104.0	106.4	102.3	118.8	99.2	114.3
1980	I	105.4	107.4	102.0	125.0	95.7	118.7
	II	103.5	102.9	99.5	129.6	96.2	125.3
	III	104.3	102.6	98.4	133.3	97.1	127.8
	IV	106.3	106.2	99.9	136.0	96.1	127.9
	ANNUAL	104.9	104.8	99.9	130.9	96.3	124.8
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1979	I	1.5	4.8	3.3	10.7	0.3	9.1
	II	3.5	0.6	-2.8	13.5	0.9	9.6
	III	5.8	4.4	-1.3	6.0	-7.0	0.2
	IV	-0.3	0.1	0.4	10.6	-3.2	10.9
	ANNUAL	3.2	3.6	0.4	9.4	-1.7	6.0
1980	I	1.8	1.5	-0.3	7.0	-8.2	5.1
	II	-7.0	-15.7	-9.4	15.6	2.2	24.2
	III	3.2	-1.2	-4.3	11.9	3.8	8.4
	IV	7.9	14.9	6.4	8.2	-4.2	0.2
	ANNUAL	0.9	-1.5	-2.4	10.2	-2.9	9.2
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1979	I	3.1	5.0	1.8	8.2	-1.5	5.0
	II	3.6	3.5	-0.1	10.0	-0.6	6.2
	III	3.4	3.5	0.1	9.4	-2.1	5.8
	IV	2.6	2.4	-0.1	10.1	-2.3	7.4
	ANNUAL	3.2	3.6	0.4	9.4	-1.7	6.0
1980	I	2.7	1.6	-1.0	9.2	-4.4	6.4
	II	0.0	-2.8	-2.7	9.7	-4.1	9.7
	III	-0.6	-4.1	-3.5	11.2	-1.5	11.9
	IV	1.4	-0.7	-2.1	10.6	-1.7	9.1
	ANNUAL	0.9	-1.5	-2.4	10.2	-2.9	9.2

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

APRIL 29, 1982