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## PRODUCTIVITY AND COSTS

### Nonfinancial Corporate Sector First Quarter 1982

Productivity in nonfinancial corporations declined at a 0.3 percent annual rate in the first quarter of 1982, the Bureau of Labor Statistics reported today. The decline reflected a drop of 4.7 percent in output and a 4.4 percent decrease in employee-hours. This was the third consecutive decline in productivity 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. Productivity fell 5.5 percent during the fourth quarter of 1981 and 0.5 percent during the third quarter (seasonally adjusted annual rates).

Revised first-quarter productivity and cost measures for the private business, nonfarm business, and manufacturing sectors were also announced today. A summary appears in table A; details are found in tables 1, 2, and 4-6.

### Compensation and labor cost for nonfinancial corporations

Hourly compensation increased 8.6 percent for all employees in the nonfinancial corporate sector during the first quarter of 1982, compared with a 6.9 percent increase during the fourth quarter of 1981. Hourly compensation includes wages and salaries, supplements, employer contributions to employee benefit plans, and taxes.

Real hourly compensation--which takes account of the increase in the Consumer Price Index for All Consumers (CPI-U)--increased 5.2 percent during the first quarter of 1982, compared with a 0.8 percent annual rate of decline in the fourth quarter of 1981. This was the largest quarterly increase in real hourly compensation in this sector since the 5.7 percent increase in the first quarter of 1968.

Unit labor cost--compensation per unit of output--rose 8.9 percent during the first quarter, compared with a 13.2 percent increase 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
Fourth quarter 1981 to first quarter 1982						
<u>Preliminary</u>						
Nonfinancial corporations	-0.3	8.6	8.9	5.2	-4.7	-4.4
<u>Revised</u>						
Private business	-0.9	7.6	8.6	4.2	-3.9	-3.0
Nonfarm business	0.5	7.9	7.3	4.5	-2.5	-3.0
Manufacturing	-4.9	10.7	16.5	7.2	-14.1	-9.7
Durable	-7.5	10.5	19.5	7.0	-17.6	-11.0
Nondurable	-1.3	11.5	13.0	8.0	-8.8	-7.7
First quarter 1981 to first quarter 1982						
<u>Preliminary</u>						
Nonfinancial corporations	-1.1	8.5	9.7	0.9	-3.2	-2.1
<u>Revised</u>						
Private business	-1.4	8.2	9.7	0.7	-2.8	-1.5
Nonfarm business	-1.7	8.3	10.2	0.8	-3.2	-1.5
Manufacturing	-3.0	9.6	13.0	2.0	-8.1	-5.2
Durable	-3.8	9.6	13.9	2.0	-9.6	-6.1
Nondurable	-2.1	9.8	12.1	2.2	-5.7	-3.7

Unit profit declined at a 51.4 percent annual rate during the first quarter, compared with a 32.6 percent drop during the fourth quarter of 1981. This was the largest quarterly decrease in unit profit recorded in this series, which begins with data for the first quarter of 1958.

The implicit price deflator, which reflects changes in unit labor cost, unit nonlabor payments, and unit profit, increased at a 2.4 percent annual rate during the first quarter of 1982, compared with a 9.6 percent increase during the fourth quarter of 1981. This increase in prices was the smallest in this sector since the 2.0 percent increase in the first quarter of 1973. The implicit price deflator and its components are shown in table B from 1977 forward.

Comparing the first quarter of 1981 and the first quarter of 1982, productivity declined 1.1 percent, as output decreased 3.2 percent, and employee-hours fell 2.1 percent. Hourly compensation increased 8.5 percent, unit labor cost rose 9.7 percent, and real hourly compensation increased 0.9 percent. Unit profit fell 24.4 percent, and the implicit price deflator rose 7.2 percent over the 12-month span.

Table B. Indexes of price, cost, and profit  
Nonfinancial corporations  
(1977=100)

Measure	1977	1978	1979	1980	1981	1981				1982
						I	II	III	IV	
Implicit price deflator	100.00	106.4	114.8	125.2	136.7	132.7	134.7	138.2	141.4	142.2
Total unit cost	100.00	106.8	116.8	129.7	140.9	136.0	138.7	142.2	147.0	150.0
Unit labor cost	100.00	107.8	118.2	129.4	139.0	134.7	137.0	140.2	144.6	147.7
Unit nonlabor cost	100.00	104.1	112.7	130.2	146.1	139.5	143.6	147.7	153.8	156.3
Unit profit	100.00	103.0	99.0	90.2	103.6	106.8	102.8	106.7	96.6	80.7

Comparing the first quarter of 1981 and the first quarter of 1982, productivity declined 1.1 percent, as output decreased 3.2 percent, and employee-hours fell 2.1 percent. Hourly compensation increased 8.5 percent, unit labor cost rose 9.7 percent, and real hourly compensation increased 0.9 percent. Unit profit fell 24.4 percent, and the implicit price deflator rose 7.2 percent over the 12-month span.

#### Revised measures

Revised first-quarter productivity and cost measures for the private business, nonfarm business, and manufacturing sectors were also reported today. The productivity declines were somewhat smaller in the revised series than in the earlier measures reported on April 29 which were based on preliminary information. The latest data show smaller declines in both output and hours of all persons in almost all cases. Table C compares the preliminary and revised measures. Quarterly output measures for manufacturing in 1981 also have been revised, but the change for the year as a whole was not affected.

Table C. Preliminary and revised first quarter measures of productivity and costs  
Quarterly change at annual rate.  
(Seasonally adjusted)

Measure	Private business sector		Nonfarm business sector		Manufacturing	
	Preliminary	Revised	Preliminary	Revised	Preliminary	Revised
Output per hour of all persons	-1.0	-0.9	0.3	0.5	-5.8	-4.9
Compensation per hour	8.1	7.6	8.4	7.9	10.9	10.7
Unit labor cost	9.1	8.6	8.1	7.3	17.8	16.5
Real compensation per hour	4.7	4.2	5.0	4.5	7.4	7.2
Output	-4.2	-3.9	-3.0	-2.5	-14.6	-14.1
Hours	-3.3	-3.0	-3.3	-3.0	-9.3	-9.7

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	101.2	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	132.6	143.9
ANNUAL	100.4	109.0	108.5	144.6	96.3	144.0	130.6	139.4
1982 I	98.9	106.4R	107.6R	151.2R	96.8R	152.8R	129.2R	144.9
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	-6.6	-6.8	-0.2	5.5	-2.1	13.0	0.4	8.9
ANNUAL	1.1	2.0	0.9	10.0	-0.3	8.8	10.4	9.3
1982 I	-0.9R	-3.9R	-3.0R	7.6R	4.2R	8.6R	-9.7R	2.6R
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	9.3	8.1	8.9
ANNUAL	1.1	2.0	0.9	10.0	-0.3	8.8	10.4	9.3
1982 I	-1.4	-2.8R	-1.5R	8.2R	0.7R	9.7R	1.3R	7.0

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

MAY 26, 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	108.9	147.9	95.4	150.7	132.8	144.7
ANNUAL	99.7	108.8	109.1	143.9	95.9	144.3	130.4	139.7
1982 I	98.3	106.2R	108.0	150.8R	96.5R	153.3R	129.7R	145.4R
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	-6.9	-7.7	-0.9	6.3	-1.4	14.1	1.8	10.1
ANNUAL	0.9	1.9	1.0	10.0	-0.3	9.0	10.9	9.6
1982 I	0.5R	-2.5R	-3.0R	7.9R	4.5R	7.3R	-9.0R	2.1R
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	9.3	-0.2	10.1	8.8	9.7
ANNUAL	0.9	1.9	1.0	10.0	-0.3	9.0	10.9	9.6
1982 I	-1.7R	-3.2R	-1.5R	8.3R	0.8R	10.2R	1.5R	7.5

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

MAY 26, 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
INDEXES 1977=100										
1981	I	103.4	112.8	109.1	139.3	95.8	134.7	139.5	136.0	106.8
	II	104.0	112.8	108.5	142.4	96.3	137.0	143.6	138.7	102.8
	III	103.8	112.8	108.6	145.5	95.7	140.2	147.7	142.2	106.7
	IV	102.4	110.5	108.0	148.0	95.5	144.6	153.8	147.0	96.6
	ANNUAL	103.5	112.3	108.5	143.9	95.9	139.0	146.1	140.9	103.6
1982	I	102.3P	109.2P	106.8P	151.1P	96.7P	147.7P	156.3P	150.0P	80.7P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)										
1981	I	6.6	11.5	4.6	11.7	0.3	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	0.5	9.1	-2.5	9.7	11.8	10.3	15.7
	IV	-5.5	-7.8	-2.4	6.9	-0.8	13.2	17.6	14.4	-32.6
	ANNUAL	2.4	3.4	1.0	10.0	-0.3	7.4	12.2	8.7	14.9
1982	I	-0.3P	-4.7P	-4.4P	8.6P	5.2P	8.9P	6.7P	8.3P	-51.4P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)										
1981	I	3.2	2.6	-0.5	10.8	-0.4	7.4	15.4	9.5	11.8
	II	3.8	5.6	1.7	10.1	0.4	6.1	11.1	7.4	23.3
	III	2.0	4.7	2.7	9.9	-0.8	7.7	10.4	8.4	19.7
	IV	0.6	0.7	0.1	9.2	-0.3	8.6	12.3	9.6	4.5
	ANNUAL	2.4	3.4	1.0	10.0	-0.3	7.4	12.2	8.7	14.9
1982	I	-1.1P	-3.2P	-2.1P	8.5P	0.9P	9.7P	12.0P	10.3P	-24.4P

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

MAY 26, 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	103.9R	106.7R	102.7	141.1	97.1
	II	104.8R	107.4R	102.5	144.8	97.9
	III	105.0	107.3R	102.2	148.0	97.3
	IV	102.0	101.9	99.9	150.8	97.3
	ANNUAL	104.0	105.8	101.7	146.2	97.4
1982	I	100.7R	98.1R	97.4R	154.7	99.0
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)						
1981	I	3.1R	6.8R	3.6	11.6	0.2
	II	3.5R	2.8R	-0.8	10.8	3.5
	III	0.9R	-0.4R	-1.2	9.3	-2.4
	IV	-11.0R	-18.7R	-8.7	7.6	-0.2
	ANNUAL	2.2	2.1	-0.1	11.1	0.7
1982	I	-4.9R	-14.1R	-9.7R	10.7R	7.2R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)						
1981	I	1.8R	-1.3R	-3.0	12.5	1.1
	II	4.0R	5.0R	1.6	11.4	1.5
	III	4.3R	7.4	3.0	10.5	-0.2
	IV	-1.1	-2.9	-1.9	9.8	0.3
	ANNUAL	2.2	2.1	-0.1	11.1	0.7
1982	I	-3.0	-8.1R	-5.2R	9.6	2.0

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

MAY 26, 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	102.1R	106.0R	103.9	141.7	97.4	138.8R
	II	103.3R	107.2R	103.7	145.3	98.3	140.7R
	III	103.3R	106.7	103.3	148.7	97.7	143.9R
	IV	100.1	100.6	100.4	151.5	97.7	151.3
	ANNUAL	102.3	105.1	102.8	146.9	97.9	143.6
1982	I	98.2R	95.8R	97.6R	155.3R	99.4R	158.2
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1981	I	4.3R	7.8R	3.4	11.8	0.3	7.2R
	II	4.9R	4.3R	-0.5	10.7	3.5	5.6R
	III	0.0R	-1.7R	-1.7	9.5	-2.1	9.5R
	IV	-11.7R	-21.1R	-10.7	7.8	0.0	22.0R
	ANNUAL	2.6	2.2	-0.4	11.5	1.0	8.7
1982	I	-7.5R	-17.6R	-11.0R	10.5R	7.0R	19.5
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1981	I	2.1R	-2.2R	-4.2	13.2	1.7	10.9R
	II	4.3R	6.3R	1.9	11.8	1.9	7.2R
	III	5.0	8.8	3.6	10.8	0.0	5.5R
	IV	-0.9	-3.4	-2.5	9.9	0.4	10.9
	ANNUAL	2.6	2.2	-0.4	11.5	1.0	8.7
1982	I	-3.8R	-9.6R	-6.1R	9.6R	2.0R	13.9R

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

MAY 26, 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	106.7R	107.6R	100.9	139.7	96.1	130.9R
	II	107.1R	107.7	100.6	143.3	96.9	133.8R
	III	107.7R	108.2R	100.5	146.4	96.2	136.0
	IV	104.8	103.8	99.1	149.2	96.3	142.4
	ANNUAL	106.6	106.8	100.2	144.7	96.4	135.7
1982	I	104.5R	101.5R	97.1R	153.4R	98.2R	146.8R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1981	I	1.4R	5.4R	3.9	11.4	0.0	9.8R
	II	1.6R	0.4R	-1.1	10.7	3.5	9.0R
	III	2.1R	1.5R	-0.6	8.9	-2.7	6.7R
	IV	-10.1R	-15.0R	-5.4	8.0	0.2	20.2R
	ANNUAL	1.7	2.0	0.3	10.5	0.1	8.7
1982	I	-1.3R	-8.8R	-7.7R	11.5R	8.0R	13.0R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1981	I	1.3R	0.2R	-1.0	11.7	0.4	10.3R
	II	3.5R	4.7R	1.1	10.5	0.7	6.8R
	III	3.2	5.4	2.1	9.8	-0.9	6.4
	IV	-1.4	-2.2	-0.9	9.8	0.2	11.3
	ANNUAL	1.7	2.0	0.3	10.5	0.1	8.7
1982	I	-2.1R	-5.7R	-3.7	9.8	2.2	12.1R

R=REVISED  
P=PRELIMINARY

MAY 26, 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.

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 \* 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; MANAGERIAL SKILL; AND CHARACTERISTICS AND EFFORT OF THE WORK FORCE. \*  
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