



Historical, technical
information: (202) 523-9261
Current data: (202) 523-1221 or 1208
Media contact: (202) 523-1913

USDL 83-40
For Release 10:00 AM EST
Wednesday, January 26, 1983

PRODUCTIVITY AND COSTS
Fourth Quarter
and Annual Averages, 1982

Productivity, as measured by output per hour of all persons, increased at a 4.1 percent annual rate in the economy's business sector; 2.7 percent in the nonfarm portion of the business sector; and 0.4 percent in manufacturing during the fourth quarter of 1982, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The increases in productivity were accompanied by declines in both output and hours in all sectors.

For 1982 as a whole, productivity advanced slowly in the business and the nonfarm business sector, 0.4 percent and 0.2 percent, respectively, and these gains also resulted from a larger reduction in hours than in output. In manufacturing, output per hour of all persons fell by 1.0 percent as cutbacks in hours for the year failed to keep pace with the decline in output.

The fourth quarter gain in the business sector was the largest increase since the 5.6 percent gain during the first quarter of 1981. In the earlier case, however, output and hours were both rising.

All of these measures --which are preliminary-- are summarized in table A and appear in detail in tables 1-5. In addition to productivity, the measures include output, hours, hourly compensation, real hourly compensation, and unit labor cost, as changed from the previous quarter and the same quarter of the previous year. All measures are at seasonally adjusted annual rates.

A revised estimate of the productivity of nonfinancial corporations shows no change from the preliminary third-quarter increase of 4.6 percent (annual rate). Revised measures for this sector are summarized in table B and appear in greater detail in table 6.

-2-

Table A. Productivity and costs: preliminary fourth quarter and annual 1982 measures (seasonally adjusted annual rates).

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor cost
Percent change from preceding quarter						
Business	4.1	-2.5	-6.4	6.0	3.3	1.8
Nonfarm business	2.7	-3.8	-6.3	6.0	3.3	3.2
Manufacturing	0.4	-10.1	-10.5	4.5	1.9	4.1
Durable	0.9	-15.3	-16.0	4.6	2.0	3.7
Nondurable	-0.5	-2.5	-2.0	6.2	3.5	6.7
Percent change from same quarter a year ago						
Business	2.0	-1.6	-3.5	6.6	2.0	4.5
Nonfarm business	1.9	-1.7	-3.5	6.6	2.0	4.6
Manufacturing	1.5	-7.8	-9.1	7.4	2.8	5.8
Durable	1.0	-11.0	-11.9	7.5	2.9	6.5
Nondurable	2.0	-3.0	-4.9	8.2	3.5	6.0
Annual percent change, 1981 - 1982						
Business	0.4	-2.3	-2.6	7.3	1.1	6.9
Nonfarm business	0.2	-2.5	-2.6	7.3	1.1	7.1
Manufacturing	-1.0	-8.9	-7.9	8.5	2.2	9.6
Durable	-1.8	-11.2	-9.6	8.6	2.3	10.5
Nondurable	0.0	-5.3	-5.2	8.9	2.6	9.0

Table B. Nonfinancial corporations: Preliminary and revised third-quarter productivity and cost measures, quarterly change at seasonally adjusted annual rate.

Percent change								
Item	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor cost	Unit profits	Implicit price deflator
Preliminary	4.6	0.6	-3.8	5.9	-1.6	1.2	35.4	4.6
Revised	4.6	0.6	-3.8	5.9	-1.6	1.2	40.8	4.7

MOVEMENTS FROM THE THIRD TO FOURTH QUARTER 1982

Business sector

The 4.1 percent productivity increase in the fourth quarter of 1982 in the business sector was higher than the 3.6 percent rise during the third quarter. The fourth quarter increase reflected a 2.5 percent drop in output coupled with a 6.4 percent decline in hours. Employment declined 3.9 percent --the fifth consecutive quarterly drop and the largest since the 4.3 percent decline in the second quarter of 1980. The length of the average work week declined 2.5 percent.

Hourly compensation, which includes employer expenditures for wages and salaries as well as payments for social security, private pension and health plans, and other employee benefits, increased at a 6.0 percent annual rate, the smallest increase in this major cost item since the 5.0 percent gain recorded during the third quarter of 1972. During the third quarter of 1982, these cost rose 6.1 percent.

Real hourly compensation, which is adjusted for the increase in the Consumer Price Index for All Urban Consumers (CPI-U), increased 3.3 percent in the fourth quarter, compared with a 1.4 percent decline during the third quarter.

Unit labor cost (compensation per unit of output) shows the effect of changes in hourly compensation and productivity. During the fourth quarter, unit labor cost rose 1.8 percent, the slowest rise in this measure since the 1.7 percent gain during the first quarter of 1977. During the third quarter of 1982, unit labor cost rose 2.4 percent.

The implicit price deflator --which measures price change in a sector and reflects changes in unit labor cost and unit nonlabor payments-- increased at a 3.5 percent annual rate in the fourth quarter, compared with a 4.4 percent increase during the third quarter. This was the smallest quarterly increase in the implicit price deflator since the 3.0 percent increase during the second quarter of 1976.

Nonfarm business sector

Productivity advanced more slowly in the nonfarm business sector than in the more comprehensive business sector (which includes farming). The 2.7 percent gain in nonfarm output per hour of all persons reflects a 3.8 percent decline in output and a 6.3 percent reduction in hours (annual rates). The reduction in hours was the fifth in a row, and the largest since the 12.0 percent decline during the first quarter of 1975. During the third quarter of 1982, productivity increased 3.4 percent.

Hourly compensation increased 6.0 percent in nonfarm business, the smallest quarterly gain in 10 years. In real terms, hourly compensation increased 3.3 percent in the fourth quarter, compared with a 0.9 percent decline during the third quarter of 1982.

Unit labor cost increased 3.2 percent in the fourth quarter, compared with a 3.1 percent rise one quarter earlier. Although hourly compensation rose less in the fourth quarter, the increase in unit labor cost reflected a greater falloff of productivity growth.

The implicit price deflator rose 5.1 percent in the nonfarm business sector, compared with a 4.9 percent rise during the third quarter (seasonally adjusted annual rates).

Manufacturing

Productivity increased by 0.4 percent in the fourth quarter in manufacturing, as output and hours declined 10.1 and 10.5 percent, respectively. Both output and hours have declined in each of the past 6 quarters, but productivity has gone up for the past 3 quarters because of the more rapid declines in hours.

Hourly compensation increased at a 4.5 percent annual rate in the fourth quarter, the smallest increase in manufacturing since the 4.3 percent gain posted during the second quarter of 1978. During the third quarter, hourly compensation rose 6.2 percent. Real hourly compensation increased 1.9 percent, compared with a 1.3 percent drop during the third quarter. Unit labor cost rose 4.1 percent, compared with a 1.0 percent decline during the third quarter. The increase in manufacturing productivity was entirely due to gains in durables, where the cutbacks in output and hours were the most severe. Productivity rose in nondurables, and the reductions in output and hours were smaller (tables 4 and 5).

SUMMARY OF ANNUAL PRODUCTIVITY AND COST MOVEMENTS: 1982

Private Business

Productivity increased 0.4 percent in private business from 1981 to 1982, compared with a 1.8 percent rise in 1981. The small advance in productivity occurred as output declined 2.3 percent and hours of all persons engaged in the sector fell 2.6 percent. Hourly compensation increased 7.3 percent in 1982, compared with a 9.6 percent gain during 1981. This was the smallest gain in hourly compensation in 10 years. After allowing for the increase in the CPI-U, real hourly compensation increased 1.1 percent in 1982. Real hourly compensation declined in 1979-1981.

Unit labor cost increased 6.9 percent in 1982, compared with a 7.7 percent rise during 1981. Prices rose 5.5 percent in 1982, compared with a 9.5 percent increase during 1981.

Nonfarm business

Productivity edged up 0.2 percent from 1981 to 1982 in nonfarm business as output declined 2.5 percent and hours of all persons fell 2.6 percent. From

1980 to 1981, productivity rose 1.4 percent and both output and hours increased. Hourly compensation increased 7.3 percent in nonfarm business, the smallest annual rise since the 6.7 percent increase during 1972. Real hourly compensation rose for the first time since 1978, largely reflecting the slower growth in the CPI-U during 1982. The 1.1 percent gain in real hourly compensation was the largest advance since the 2.2 percent gain during 1976. Unit labor cost rose 7.1 percent during 1982, the smallest annual rise since the 5.2 percent gain in 1977. Prices of the goods and services which comprise nonfarm business output rose 5.9 percent in 1982, compared with a 9.7 percent increase during 1981. The 1982 increase was the smallest since the 5.7 percent gain in 1977.

Manufacturing

The manufacturing sector accounts for about 24 percent of business employment. During 1982, productivity in manufacturing declined 1.0 percent, as output dropped 8.9 percent and hours of all persons fell 7.9 percent. During 1981, productivity advanced 2.8 percent. Declines in output and hours occurred among both durable and nondurable goods manufacturers; productivity fell in durables and was unchanged from 1981 levels in nondurables. Hourly compensation rose 8.5 percent in all of manufacturing, and real hourly compensation increased 2.2 percent. Unit labor cost rose 9.6 percent, compared with a 7.2 percent rise during 1981.

Table C contains annual changes in productivity, output, and hours since 1972.

Table C. Annual changes in productivity, output, and hours.

Measure	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
PRIVATE BUSINESS											
Productivity	3.5	2.6	-2.4	2.2	3.3	2.4	0.6	-0.9	-0.7	1.8	0.4
Output	6.6	6.6	-2.0	-2.0	6.4	6.6	5.5	2.3	-1.5	2.5	-2.3
Hours	3.0	3.9	0.4	-4.1	3.0	4.1	4.9	3.2	-0.7	0.7	-2.6
NONFARM BUSINESS											
Productivity	3.7	2.4	-2.5	2.0	3.2	2.2	0.6	-1.3	-0.9	1.4	0.2
Output	6.9	6.8	-2.1	-2.2	6.7	6.7	5.7	2.2	-1.5	2.2	-2.5
Hours	3.1	4.3	0.5	-4.1	3.4	4.4	5.0	3.5	-0.7	0.7	-2.6
MANUFACTURING											
Productivity	5.0	5.4	-2.4	2.9	4.4	2.5	0.9	0.7	0.2	2.8	-1.0
Output	9.6	11.2	-4.2	-7.1	9.6	6.9	5.3	2.7	-4.3	2.3	-8.9
Hours	4.3	5.5	-1.9	-9.7	4.9	4.2	4.4	2.0	-4.5	-0.5	-7.9

REVISED MEASURES

The Bureau of Labor Statistics also reported revised measures for the third quarter of 1982 for the nonfinancial corporate sector. As can be seen from table B, the revised measures announced today show little change from the preliminary measures published on November 29, 1982.

TECHNICAL NOTES

Business sector output is equal to gross national product less the rest-of-the-world sector, general government, output of paid employees of private households and nonprofit institutions, rental value of owner-occupied dwellings, and the statistical discrepancy in computing the national income accounts. Corresponding exclusions are also made in employment. Business output has accounted for about 77 percent of gross national product in recent years.

Total manufacturing measures are computed by summing series prepared for the durable and nondurable goods sectors.

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, and glass products; and miscellaneous manufactures. 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.

Manufacturing output has accounted for about 24 percent of gross national product in recent years.

Nonfinancial corporate output is equal to gross national product, less the rest-of-the-world sector, general government, unincorporated business, output of paid employees of private households and nonprofit institutions, rental value of owner-occupied dwellings, the output of corporations engaged in banking, finance, stock and commodity trading, and credit and insurance agencies, and the statistical discrepancy in computing the national income accounts. Nonfinancial corporate output has accounted for about 59 percent of gross national product in recent years.

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 goods and services produced per hour. 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 the characteristics and effort of the work force.

Productivity Measures for Selected Industries, 1954-81



U.S. Department of Labor
Raymond J. Donovan, Secretary

Bureau of Labor Statistics
Janet L. Norwood, Commissioner

December 1982

Bulletin 2155

Productivity Measures for Selected Industries, 1954-81, BLS Bulletin 2155, has been prepared by the Division of Industry Productivity Studies and is now available. This 246 page bulletin contains annual indexes of output per employee hour, output and employee hours for about 116 industries in the nonfarm sector. The indexes are available for most industries through 1981. Please call Charles W. Ardolini, 202-523-9244 for additional information. BLS Bulletin 2155 can be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402 (Stock No. 029-001-02731-1), GPO Bookstores, or BLS Regional Offices listed below. The price is \$7.50. Make checks or money orders payable to the Superintendent of Documents.

REGION I
1603 JFK Federal Building
Government Center
Boston, Mass. 02203

REGION II
Suite 3400
1515 Broadway
New York, N. Y. 10036

REGION III
3535 Market Street
P. O. Box 13309
Philadelphia, Pa. 19101

REGION IV
1371 Peachtree Street, N.E.
Atlanta, Ga. 30367

REGION V
9th Floor
Federal Office Building
230 S. Dearborn Street
Chicago, Ill. 60604

REGION VI
Second Floor
555 Griffin Square Building
Dallas, Tex. 75202

REGIONS VII AND VIII
911 Walnut Street
Kansas City, Mo. 64106

REGIONS IX AND X
450 Golden Gate Avenue
Box 36017
San Francisco, Calif. 94102

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

YEAR AND QUARTER	CL/PUT PER HOUR OF ALL PERSONS	OUTPUT OF ALL PERSONS	HOURS OF ALL PERSONS	COMPEN- TION PER HOUR(1)	REAL COMPEN- TION PER HOUR(2)	UNIT LABOR COST	UNIT NON- LABOR PAY- MENTS(3)	PRICE DEFLATOR
INDEXES 1977=100								
1981	I	100.7	109.1	108.2	140.0	96.2	139.0	130.5
	II	100.7	109.1	108.2	140.0	96.2	139.0	130.5
	III	100.7	109.1	108.2	140.0	96.2	139.0	130.5
	IV	100.2	107.8	107.5	142.2	95.6	147.9	141.6
ANNUAL		100.7	108.9	108.2	144.1	96.0	143.1	140.4
1982	I	100.0	106.2	106.3	130.9	96.5	150.9	146.0
	II	100.3	106.4	106.1	135.4	97.1	152.4	147.5
	III	101.2R	106.7R	105.4	132.7	96.2	151.8R	149.1F
	IV	102.2F	106.1F	105.7P	132.0P	97.5P	152.4P	150.4F
ANNUAL		101.0P	106.4P	105.3P	134.6P	97.0P	153.0P	148.2F
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(S)								
1981	I	5.6	7.5	2.1	11.7	0.2	5.7	11.4
	II	0.0	-0.1	0.5	7.5	0.5	6.9	4.6
	III	1.1	1.9	0.2	9.0	-2.4	7.8	9.3
	IV	-2.9	-6.4	-3.6	7.4	-0.4	10.6	8.0
ANNUAL		1.8	2.5	0.7	9.6	-0.7	7.7	9.5
1982	I	-1.0	-5.5	-4.5	7.3	3.9	8.4	3.8
	II	1.4	0.6	-0.8	6.9	2.2	5.5	4.3
	III	3.6R	1.1R	-2.4	6.1	-1.4	2.4R	4.4R
	IV	4.1F	-2.5F	-6.4P	6.0P	3.3P	1.8P	3.5P
ANNUAL		0.4P	-2.3P	-2.6P	7.3P	1.1P	6.9P	5.5P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)								
1981	I	1.4	1.1	-0.4	10.5	-0.7	8.9	10.4
	II	2.5	4.1	1.6	9.7	-0.1	6.9	9.4
	III	2.2	4.1	1.9	9.4	-1.3	7.1	9.2
	IV	0.9	0.7	-0.2	8.9	-0.6	7.9	8.5
ANNUAL		1.8	2.5	0.7	9.6	-0.7	7.7	9.5
1982	I	-0.7	-2.6	-1.9	7.8	0.3	8.6	6.8
	II	-0.4	-2.4	-2.1	7.6	0.2	8.1	6.3
	III	0.2R	-2.6R	-2.1R	6.9	1.1	2.6R	5.1R
	IV	2.0P	-1.6P	-5.5P	6.6P	2.0P	4.5P	4.0P
ANNUAL		0.4P	-2.3P	-2.6P	7.3P	1.1P	6.9P	5.5P

SEE FOOTNOTES FOLLOWING TABLE 6.

JAN. 26, 1983

SOURCE: BUREAU OF LABOR STATISTICS

PRELIMINARY

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

JAN. 26, 1983
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	100.4	109.2	108.8	139.5	96.0	139.0	131.5	136.5
	II	100.0	109.0	109.0	142.0	96.0	141.9	132.2	138.9
	III	100.0	109.1	109.1	145.1	95.4	145.1	136.7	142.3
	IV	99.1	107.1	108.1	147.7	95.3	149.0	138.4	145.5
	ANNUAL	99.9	108.6	108.7	143.6	95.7	143.8	134.2	140.6
1982	I	99.2	106.0	106.8	150.4	96.3	151.6	136.7	146.6
	II	99.4	106.1	106.7	152.7	96.6	153.5	137.2	148.1
	III	100.3R	106.3R	106.0	155.1	96.4	154.7R	140.1R	149.8
	IV	100.9P	105.3P	104.3P	157.4P	97.2P	155.9P	143.2P	151.7P
	ANNUAL	100.0P	105.9P	105.9P	154.0P	96.7P	153.9P	139.3P	149.0P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)									
1981	I	4.9	7.2	2.2	11.8	0.4	6.6	24.9	12.1
	II	-1.3	-0.8	0.5	7.1	0.1	8.6	4.0	7.1
	III	-0.3	0.3	0.6	9.0	-2.6	9.3	12.1	10.2
	IV	-3.5	-7.1	-3.7	7.3	-0.5	11.2	5.1	9.2
	ANNUAL	1.4	2.2	0.7	9.7	-0.7	8.1	13.1	9.7
1982	I	0.6	-4.2	-4.7	7.7	4.3	7.1	-4.6	3.3
	II	0.8	0.6	-0.1	6.1	1.4	5.2	1.3	4.0
	III	3.4R	0.7R	-2.7	6.6	-0.9	3.1R	8.9R	4.9R
	IV	2.7P	-3.8P	-6.3P	6.0P	3.3P	3.2P	9.2P	5.1P
	ANNUAL	0.2P	-2.5P	-2.6P	7.3P	1.1P	7.1P	3.4P	5.9P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)									
1981	I	1.7	1.2	-0.4	10.6	-0.6	8.8	14.1	10.4
	II	2.5	4.2	1.6	9.8	0.0	7.1	13.8	9.2
	III	1.6	3.6	2.0	9.4	-1.2	7.7	13.6	9.6
	IV	-0.1	-0.2	-0.1	8.8	-0.6	8.9	11.2	9.6
	ANNUAL	1.4	2.2	0.7	9.7	-0.7	8.1	13.1	9.7
1982	I	-1.1	-3.0	-1.9	7.8	0.3	9.0	4.0	7.4
	II	-0.6	-2.6	-2.0	7.5	0.6	8.2	3.3	6.6
	III	0.3R	-2.5R	-2.8	6.9	1.1	6.6R	2.6R	5.3
	IV	1.9P	-1.7P	-3.5P	6.6P	2.0P	4.6P	3.5P	4.3P
	ANNUAL	0.2P	-2.5P	-2.6P	7.3P	1.1P	7.1P	3.4P	5.9P

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

JAN. 26, 1983

SOURCE: BUREAU OF LABOR STATISTICS

TABLE 3. 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	105.2	106.7	101.5	142.6	98.0	135.5
	II	105.0	107.5	102.4	144.9	97.9	138.0
	III	105.0	107.4	102.3	147.3	96.8	140.3
	IV	102.8	102.0	99.2	150.7	97.2	146.6
	ANNUAL	104.5	105.9	101.3	146.4	97.5	140.0
1982	I	102.1	98.2	96.2	154.7	99.0	151.5
	II	102.3	97.0	94.8	157.6	99.7	154.0
	III	104.1R	96.6	92.8	160.0	99.4	153.6
	IV	104.3P	94.1P	90.2P	161.8P	99.9P	155.2P
	ANNUAL	103.4P	96.5P	93.3P	158.8P	99.7P	153.5P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1981	I	6.3	6.9	0.5	12.7	1.2	6.0
	II	-0.7	2.8	3.6	6.6	-0.4	7.3
	III	-0.1	-0.4	-0.3	6.8	-4.6	6.8
	IV	-8.2	-18.7	-11.4	9.6	1.6	15.4
	ANNUAL	2.8	2.3	-0.5	10.2	-0.2	7.2
1982	I	-2.4	-13.8	-11.7	11.1	7.6	13.9
	II	0.8	-5.1	-5.9	7.8	3.1	6.9
	III	7.3	-1.5	-8.1	6.2	-1.3	-1.0
	IV	0.6P	-10.1P	-10.5P	4.5P	1.9P	4.1P
	ANNUAL	-1.0P	-8.9P	-7.9P	8.5P	2.2P	5.6P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1981	I	2.6	-1.0	-3.5	12.2	0.3	9.3
	II	4.5	5.8	1.2	10.7	0.9	5.9
	III	4.7	7.5	2.7	8.9	-1.7	4.0
	IV	-0.8	-2.9	-2.1	8.9	-0.6	9.8
	ANNUAL	2.8	2.3	-0.5	10.2	-0.2	7.2
1982	I	-2.9	-8.0	-5.2	8.5	1.0	11.7
	II	-2.5	-9.8	-7.4	8.8	1.8	11.6
	III	-0.8	-10.0	-9.3	8.7	2.7	9.5
	IV	1.5P	-7.8P	-9.1P	7.4P	2.8P	5.8P
	ANNUAL	-1.0P	-8.9P	-7.9P	8.5P	2.2P	9.6P

SEE FOOTNOTES FOLLOWING TABLE 1

TABLE 4. 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	104.2	107.0	102.7	142.7	93.2	137.0
	II	104.0	103.2	104.0	144.7	97.9	139.2
	III	103.7	107.8	103.9	147.2	96.7	142.0
	IV	101.5	101.6	100.0	151.0	97.4	143.7
	ANNUAL	103.4	106.1	102.6	146.5	97.5	141.6
1982	I	100.3	96.8	96.5	154.6	99.1	154.3
	II	100.5	95.2	94.7	157.7	99.8	156.9
	III	102.3	94.2	92.1	160.5	99.7	156.9
	IV	102.5P	90.4P	88.2P	162.4P	100.2P	158.3P
	ANNUAL	101.5P	94.2P	92.7P	159.0P	99.5P	156.5P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1981	I	8.2	8.0	-0.2	12.8	1.3	4.3
	II	-0.7	4.5	5.3	5.7	-1.2	6.5
	III	-1.3	-1.6	-0.3	6.9	-4.5	8.3
	IV	-8.0	-21.1	-14.2	10.9	2.9	20.5
	ANNUAL	3.2	2.5	-0.6	10.5	0.1	7.1
1982	I	-4.9	-17.5	-13.2	10.3	6.8	15.9
	II	0.9	-6.4	-7.2	7.7	2.9	6.7
	III	7.4	-4.2	-10.7	7.5R	-0.1P	0.1R
	IV	0.9P	-15.3P	-16.0P	4.6P	2.0P	3.7P
	ANNUAL	-1.8P	-11.2P	-9.6P	8.6P	2.3P	10.5P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1981	I	3.0	-1.7	-4.6	12.7	1.3	9.5
	II	4.8	6.7	1.8	11.0	1.1	5.9
	III	5.4	9.1	3.5	9.0	-1.6	3.4
	IV	-0.6	-3.2	-2.6	9.1	-0.4	9.7
	ANNUAL	3.2	2.5	-0.6	10.5	0.1	7.1
1982	I	-3.8	-9.5	-6.0	8.4	0.9	12.7
	II	-3.4	-12.0	-8.9	8.9	1.9	12.7
	III	-1.3	-12.6	-11.4	9.1	3.1	10.5
	IV	1.0P	-11.0P	-11.9P	7.5P	2.9P	6.5P
	ANNUAL	-1.8P	-11.2P	-9.6P	8.6P	2.3P	10.5P

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

JAN. 26, 1983

SOURCE: BUREAU OF LABOR STATISTICS

TABLE 5. 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	106.7	106.4	99.7	141.8	97.5	132.9
	II	106.5	106.5	99.9	144.4	97.7	135.6
	III	107.0	106.9	99.8	146.7	96.5	137.1
	IV	104.6	102.6	98.1	149.6	96.5	143.1
	ANNUAL	106.2	105.6	99.4	145.6	97.0	137.1
1982	I	104.9	100.4	95.7	154.3	98.8	147.2
	II	105.1	99.6	94.8	157.5	99.7	150.0
	III	106.8	100.2	93.8	159.4	99.1	149.2
	IV	106.7F	99.6P	93.3P	161.8P	99.9P	151.7P
	ANNUAL	106.2F	100.0P	94.2P	158.6P	99.6P	149.4P
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)							
1981	I	3.5	5.2	1.6	12.8	1.2	9.0
	II	-0.7	0.3	1.0	7.6	0.6	8.3
	III	1.8	1.4	-0.4	6.5	-4.8	4.6
	IV	-8.8	-15.1	-6.9	8.2	0.3	18.5
	ANNUAL	2.2	1.9	-0.3	9.6	-0.7	7.3
1982	I	1.1	-8.3	-9.3	13.2	9.6	12.0
	II	0.7	-3.2	-3.9	8.5	3.8	7.8
	III	7.0	2.5	-4.2	4.9R	-2.5R	-2.0
	IV	-0.5P	-2.5P	-2.0P	6.2P	3.5P	6.7P
	ANNUAL	0.0P	-5.3P	-5.2P	8.9P	2.6P	9.0P
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)							
1981	I	2.0	0.1	-1.8	11.5	0.2	9.4
	II	4.2	4.6	0.4	10.0	0.2	5.6
	III	3.7	5.3	1.5	8.4	-2.2	4.5
	IV	-1.1	-2.4	-1.2	8.7	-0.7	10.0
	ANNUAL	2.2	1.9	-0.3	9.6	-0.7	7.3
1982	I	-1.7	-5.6	-4.0	8.8	1.3	10.8
	II	-1.4	-6.5	-5.2	9.1	2.1	10.6
	III	-0.2	-6.2	-6.1	8.7R	2.7	8.8
	IV	2.0P	-3.0P	-4.9P	8.2P	3.5P	6.0P
	ANNUAL	0.0P	-5.3P	-5.2P	8.9P	2.6P	9.0P

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

**TABLE 6. NONFINANCIAL CORPORATIONS: PRODUCTIVITY, HOURLY COMPENSATION
UNIT LABOR COST, UNIT PROFITS, AND PRICES, SEASONALLY ADJUSTED**

YEAR AND QUARTER	OUTPUT PER ALL- EMPLOYEE HOUR	OUTFLT	EMPLOYEE HOURS	HOURLY COMPENSA- TION (1)	REAL HOURLY COMPEN- SATION(2)	UNIT LABOR COST	UNIT NON- LABOR COST(3)	TOTAL UNIT COST (9)	UNIT PRC- FITS (10)	IMPLICIT PRICE DEFLATOR	
INDEXES 1977=100											
1981	I	102.3	111.0	108.5	139.6	96.0	136.5	143.4	138.3	104.7	134.5
	II	102.2	111.1	108.8	141.9	96.0	138.9	149.6	141.7	98.8	136.8
	III	102.2	111.5	109.1	144.8	95.2	141.7	153.1	144.7	105.2	140.2
	IV	101.6	109.4	107.7	147.7	95.3	145.4	159.6	149.1	97.6	143.2
	ANNUAL	102.0	110.7	108.5	143.5	95.6	140.6	151.4	143.4	101.6	138.6
1982	I	101.6	107.9	106.2	150.7	96.5	148.3	161.8	151.8	86.1	144.3
	II	102.3	107.8	105.3	153.0	96.8	149.5	166.0	153.8	82.3	145.6
	III	103.5	108.0	104.3	155.2	96.4	150.0	168.3R	154.8	89.6R	147.3R
PERCENT CHANGE FROM PREVIOUS QUARTER AT ANNUAL RATE(5)											
1981	I	4.6	7.4	2.6	12.3	0.8	7.4	8.0	7.5	79.5	12.3
	II	-0.4	0.6	1.0	6.8	-0.1	7.3	18.5	10.2	-20.8	7.1
	III	0.2	1.5	1.2	8.4	-3.1	8.2	9.8	8.6	28.4	10.2
	IV	-2.4	-7.5	-5.1	8.2	0.3	10.9	17.8	12.8	-25.9	8.9
	ANNUAL	1.7	2.4	0.7	9.6	-0.7	7.8	14.3	9.5	15.6	10.0
1982	I	0.3	-5.2	-5.5	8.4	5.0	8.1	5.7	7.4	-39.4	3.0
	II	2.7	-0.4	-3.1	6.2	1.6	3.4	10.7	5.4	-16.7	3.8
	III	4.6	0.6	-3.8	5.9	-1.6	1.2	5.5R	2.5R	40.8R	4.7R
PERCENT CHANGE FROM CORRESPONDING QUARTER OF PREVIOUS YEAR(6)											
1981	I	2.0	1.0	-1.0	10.7	-0.5	8.5	16.5	10.6	14.9	11.0
	II	2.9	4.4	1.5	9.8	0.0	6.7	14.2	8.7	20.7	9.6
	III	1.6	4.1	2.4	9.2	-1.4	7.5	12.5	8.9	19.7	9.7
	IV	0.5	0.3	-0.1	8.9	-0.5	8.4	13.4	9.8	7.9	9.6
	ANNUAL	1.7	2.4	0.7	9.6	-0.7	7.8	14.3	9.5	15.6	10.0
1982	I	-0.6	-2.7	-2.2	8.0	0.5	8.6	12.8	9.7	-17.8	7.3
	II	0.2	-3.0	-3.1	7.8	0.9	7.6	10.5	8.5	-16.7	6.4
	III	1.3	-3.2	-4.4	7.2	1.3	5.8	9.5R	7.0	-14.8R	5.1R

SEE FOOTNOTES FOLLOWING TABLE 6.

R=REVISED

P=PRELIMINARY

JAN. 26, 1983

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 second quarter of 1982, the probability is 0.95 that the interval between -1.9 and 2.2 index points contains the revision of the index of productivity in the business sector from the first to the third quarterly publication of the estimate.

- (1) Wages and salaries of the 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, and 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.