

News

U.S. Department of Labor
Bureau of Labor Statistics
Washington, D.C. 20212



LIBRARY

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

USDL 84-493
For Release: 10:00 AM EST
Wednesday, November 28, 1984

PRODUCTIVITY AND COSTS

Third Quarter 1984

Revised Data for Business, Nonfarm Business, and Manufacturing and
Preliminary Measures for Nonfinancial Corporations

Productivity, as measured by output per hour of all persons, increased 0.9 percent during the third quarter in the business sector but declined 0.7 percent in nonfarm business, according to revised measures announced today by the Bureau of Labor Statistics of the U.S. Department of Labor. In the business sector, the broadest category covered, total output increased 2.0 percent and hours of all persons engaged in the sector increased 1.1 percent. Nonfarm business output increased 1.0 percent and hours rose 1.7 percent. Productivity increased rapidly in manufacturing.

Preliminary measures announced today show that productivity decreased 2.1 percent in nonfinancial corporations (table B). The annual rates of productivity change in the third quarter in major sectors were:

- 0.9 percent in the business sector,
- 0.7 percent in the nonfarm business sector,
- 7.8 percent in manufacturing,
- 8.4 percent in durable goods manufacturing,
- 6.8 percent in nondurables goods manufacturing, and
- 2.1 percent in nonfinancial corporations.

Third quarter measures are summarized in tables A and B, and appear in detail in tables 1 through 6.

Business sector

Productivity advanced 0.9 percent in the third quarter in the business sector, as output increased 2.0 percent and hours rose 1.1 percent (seasonally adjusted annual rates). Gains in productivity, output, and hours were all larger during the second quarter (table 1). The third-quarter increase in productivity was the smallest since the second quarter of 1982. The increase in hours reflected a 2.8 percent gain in employment coupled with a 1.7 percent reduction in the length of the average work week. During the second quarter, employment rose 5.0 percent and average weekly hours increased 0.9 percent.



Centennial
of Labor
Statistics

Hourly compensation, which includes wages and salaries, supplements, and all employer expenditures for employee benefit plans, increased 4.5 percent in the third quarter, compared with a 1.9 percent gain during the second quarter. Real hourly compensation, which is adjusted for changes in the Consumer Price Index for All Urban Consumers (CPI-U), increased 0.9 percent in the third quarter, compared with a 1.8 percent decline during the second quarter.

Unit labor costs (compensation per unit of output), which reflect changes in productivity and hourly compensation, increased at a 3.6 percent annual rate compared with a 2.9 percent decline during the second quarter.

Table A. Productivity and costs: Revised third quarter 1984 measures
(Seasonally adjusted annual rates)

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
REVISED						
Percent change from preceding quarter						
Business	0.9	2.0	1.1	4.5	0.9	3.6
Nonfarm business	-0.7	1.0	1.7	3.8	0.2	4.5
Manufacturing	7.8	7.5	-0.3	3.6	0.1	-3.8
Durable	8.4	10.5	2.0	2.6	-0.9	-5.3
Nondurable	6.8	3.0	-3.6	4.9	1.3	-1.8
Percent change from same quarter a year ago						
Business	2.8	8.0	5.1	4.7	0.5	1.8
Nonfarm business	2.2	7.7	5.4	4.4	0.2	2.2
Manufacturing	3.6	9.6	5.8	3.9	-0.3	0.3
Durable	4.3	13.0	8.3	3.4	-0.7	-0.9
Nondurable	2.6	4.7	2.1	4.2	0.0	1.6

The implicit price deflator for the business sector—which reflects changes in unit labor costs and unit nonlabor payments—increased 3.3 percent in the third quarter, compared with a 2.9 percent gain during the second quarter.

Nonfarm business

Productivity declined at a 0.7 percent annual rate in the nonfarm business sector during the third quarter, the first decline since the second quarter of 1982. Output increased 1.0 percent and hours of all persons increased 1.7 percent. During the second quarter, productivity increased strongly, and larger gains were recorded in output and hours (table 2).

Hourly compensation increased 3.8 percent in the third quarter, nearly the same as the increase during the second quarter. However, because of the difference in the productivity change in the second and third quarters, unit labor costs rose in the third quarter after having declined during the second quarter. Real hourly compensation showed a 0.2 percent increase during the third quarter when the change in the CPI-U is taken into account. There was no change in this measure during the second quarter.

Manufacturing

Manufacturing productivity increased 7.8 percent in the third quarter, as output rose 7.5 percent and hours declined 0.3 percent. Productivity rose 8.4 percent in durables and 6.8 percent in nondurables (seasonally adjusted annual rates). The growth in output was uneven; more rapid gains occurred in durables (10.5 percent) than in nondurables (3.0 percent). All of the decline in hours occurred in nondurables; paid hours increased among durable goods producers (tables 3-5).

As BLS reported in the October release of preliminary third quarter measures, productivity movements in manufacturing and the more comprehensive nonfarm business sector do not always agree; since 1974, they have moved in opposite directions nearly one-third of the time. This large productivity increase in manufacturing compared with a decline for nonfarm business this quarter reflects substantially different movements in both hours and output between the two sectors (table A). The output measures for the sectors are based on two different sources. Manufacturing output is based on the monthly Index of Industrial Production prepared by the Board of Governors of the Federal Reserve System. Nonfarm output as a whole is based on the National Income and Product Accounts prepared by the Bureau of Economic Analysis of the U.S. Department of Commerce. The hours used to compute nonfarm and manufacturing productivity are based on the same sources—the BLS monthly Survey of Establishments which is part of the Current Employment Survey and, for the self-employed, the BLS monthly household survey. While hours increased in durable manufacturing, a decline in nondurables was sufficient to cause a drop for the quarter for manufacturing as a whole.

Hourly compensation in manufacturing increased at a 3.6 percent annual rate in the third quarter, compared with a 2.9 percent increase during the second quarter. Unit labor costs declined 3.8 percent in the third quarter, the second consecutive drop in these costs (during the second quarter, a 1.1 percent decline occurred). Real hourly compensation, which takes into account changes in the CPI-U, increased 0.1 percent in the third quarter.

Nonfinancial corporations

Productivity declined in nonfinancial corporations at a 2.1 percent annual rate during the third quarter of 1984, according to preliminary measures reported today (table B). During the second quarter, productivity advanced 2.8 percent (seasonally adjusted annual rates). Third-quarter gains in output and hours were both smaller than the increases during the first 2 quarters of the year; the increase in output was the smallest of the recovery period (table 6). This sector includes all corporations doing business in the United States with the exception of banks, stock and commodity brokers, and finance and insurance agencies. Although the third-quarter output movements were similar in nonfinancial corporations and the more comprehensive nonfarm sector (0.6 percent and 1.0 percent, respectively), hours moved up more in corporations (2.7 percent) than in nonfarm business (1.7 percent). The corporate sector omits the hours of proprietorships and unpaid family workers (as well as all hours in finance), which are part of nonfarm business hours.

Hourly compensation of employees of these corporations increased 3.3 percent in the third quarter, and unit labor costs rose 5.5 percent. During the second quarter, compensation rose more slowly and unit labor costs fell. Real hourly compensation declined for the second consecutive quarter.

Unit nonlabor payments, which include capital consumption allowances and indirect business taxes, increased 0.3 percent, and unit profits declined 11.7 percent. This was the first quarter in which profits per unit of output declined since the fourth quarter of 1982, when a 41.9 percent drop was recorded. The implicit price deflator for the nonfinancial corporate sector rose 3.6 percent in the third quarter, the largest gain of 1984.

Table B. Productivity and cost in nonfinancial corporations:
Preliminary third-quarter 1984 measures
(Seasonally adjusted annual rates)

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs	Unit profits
PRELIMINARY							
Percent change from preceding quarter							
Nonfinancial corporations	-2.1	0.6	2.7	3.3	-0.3	5.5	-11.7
Percent change from same quarter a year ago							
Nonfinancial corporations	1.0	7.5	6.4	3.3	-0.8	2.3	15.7

Revised measures

The latest productivity measures for the third quarter of 1984 show slower gains than had been reported on October 29, based on preliminary information then available. As can be seen in the comparisons in table C, the slower rates of productivity advance in the revised measures primarily reflect downward revisions in the output movements.

Table C. Preliminary and revised productivity and related measures,
third quarter 1984
(Seasonally adjusted annual rates)

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Business:						
Preliminary	1.7	2.7	1.0	4.5	0.9	2.7
Revised	0.9	2.0	1.1	4.5	0.9	3.6
Nonfarm business:						
Preliminary	0.0	1.6	1.6	3.7	0.1	3.7
Revised	-0.7	1.0	1.7	3.8	0.2	4.5
Manufacturing:						
Preliminary	8.0	7.4	-0.5	3.7	0.1	-4.0
Revised	7.8	7.5	-0.3	3.6	0.1	-3.8

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 labor inputs. 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 metals; 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, chemical 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 news 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.

Table 1. Business sector: Productivity, hourly compensation, unit labor cost, and prices seasonally adjusted

Year and quarter		Output per hour of all persons	Output	Hours of all persons	Compensation per hour(1)	Real compensation per hour(2)	Unit labor cost	Unit non-labor payments(3)	Implicit price deflator(4)
Indexes 1977=100									
1983	I	102.2	106.9	104.7	160.2	99.0	156.8	139.8	151.0
	II	103.6	110.1	106.2	161.0	98.5	155.4	144.6	151.7
	III	104.3	112.5	107.9	161.8	98.0	155.1	147.9	152.7
	IV	104.7	114.7	109.5	164.2	98.4	156.8	149.1	154.2
	ANNUAL	103.7	111.0	107.1	161.7	98.4	156.0	145.5	152.4
1984	I	105.7	117.8	111.4	166.7	98.6	157.7	151.6	155.6
	II	107.0	121.0	113.0	167.5	98.2	156.5	157.2	156.7
	III	107.3r	121.6r	113.3	169.4r	98.4	157.9r	158.3r	158.0r
Percent change from previous quarter at annual rate(5)									
1983	I	2.1	4.4	2.2	4.4	4.1	2.2	10.2	4.6
	II	5.9	12.4	6.1	2.2	-2.1	-3.5	14.5	1.9
	III	2.8	9.3	6.4	2.0	-2.1	-0.8	9.5	2.5
	IV	1.4	7.8	6.2	6.1	1.6	4.6	3.1	4.1
	ANNUAL	2.7	4.4	1.7	4.3	1.1	1.6	6.3	3.0
1984	I	4.0	11.4	7.2	6.2	1.2	2.1	7.0	3.7
	II	4.9	11.2	6.0	1.9	-1.8	-2.9	15.4	2.9
	III	0.9r	2.0r	1.1r	4.5	0.9	3.6r	2.8r	3.3r
Percent change from corresponding quarter of previous year(6)									
1983	I	1.2	-0.2	-1.4	5.8	2.1	4.5	1.3	3.5
	II	3.3	3.4	0.1	4.6	1.3	1.3	5.5	2.6
	III	3.4	6.1	2.6	3.3	0.7	-0.1	8.9	2.7
	IV	3.1	8.4	5.2	3.7	0.3	0.6	9.2	3.3
	ANNUAL	2.7	4.4	1.7	4.3	1.1	1.6	6.3	3.0
1984	I	3.5	10.2	6.5	4.1	-0.4	0.6	8.4	3.0
	II	3.3	9.9	6.4	4.0	-0.3	0.7	8.7	3.3
	III	2.8r	8.0r	5.1	4.7	0.5	1.8r	7.0r	3.5

See footnotes following table 6.

r=revised

p=preliminary

November 28, 1984

Source: Bureau of Labor Statistics

Table 2. Nonfarm business sector: Productivity, hourly compensation, unit labor cost, and prices, seasonally adjusted

Year and quarter		Output per hour of all persons	Output	Hours of all persons	Compensation per hour(1)	Real compensation per hour(2)	Unit labor cost	Unit non-labor payments(3)	Implicit price deflator(4)
Indexes 1977=100									
1983	I	101.6	106.7	105.1	160.1	99.0	157.6	140.6	151.9
	II	103.6	110.4	106.5	161.5	98.8	155.9	146.4	152.7
	III	104.1	112.7	108.2	162.4	98.3	155.9	149.4	153.8
	IV	104.4	115.2	110.3	164.0	98.2	157.1	151.4	155.2
	ANNUAL	103.4	111.2	107.5	162.0	98.6	156.6	147.0	153.4
1984	I	105.2	118.0	112.3	166.5	98.5	158.3	152.2	156.3
	II	106.6	121.0	113.6	168.0	98.5	157.6	156.8	157.3
	III	106.4r	121.3r	114.1r	169.5	98.5	159.4r	157.8r	158.8r
Percent change from previous quarter at annual rate(5)									
1983	I	4.4	6.0	1.5	5.7	5.4	1.3	12.7	4.6
	II	8.1	14.3	5.7	3.5	-0.8	-4.2	17.8	2.2
	III	2.1	8.7	6.5	2.2	-1.9	0.1	8.4	2.7
	IV	1.0	9.1	8.0	4.1	-0.3	3.0	5.3	3.7
	ANNUAL	3.5	5.0	1.5	4.9	1.6	1.4	7.4	3.2
1984	I	2.9	10.3	7.2	6.1	1.0	3.1	2.3	2.8
	II	5.5	10.6	4.8	3.7	0.0	-1.7	12.5	2.8
	III	-0.7r	1.0r	1.7r	3.8r	0.2r	4.5r	2.5r	3.8r
Percent change from corresponding quarter of previous year(6)									
1983	I	1.8	0.3	-1.5	6.0	2.4	4.1	2.7	3.7
	II	4.3	4.1	-0.2	5.4	2.0	1.1	6.5	2.8
	III	3.9	6.3	2.3	4.1	1.5	0.2	9.2	3.0
	IV	3.9	9.5	5.4	3.9	0.6	0.0	10.9	3.3
	ANNUAL	3.5	5.0	1.5	4.9	1.6	1.4	7.4	3.2
1984	I	3.5	10.6	6.9	4.0	-0.5	0.4	8.3	2.9
	II	2.9	9.7	6.6	4.0	-0.3	1.1	7.1	3.0
	III	2.2r	7.7r	5.4	4.4	0.2	2.2r	5.6r	3.3r

See footnotes following table 6.

r=revised

p=preliminary

November 28, 1984

Source: Bureau of Labor Statistics

Table 3. Manufacturing sector: Productivity, hourly compensation, and unit labor cost, seasonally adjusted

Year and quarter		Output per hour of all persons	Output (7)	Hours of all persons	Compensation per hour(1)	Real compensation per hour(2)	Unit labor cost
Indexes 1977=100							
1983	I	109.1	98.4	90.2	162.7	100.6	149.1
	II	110.8	102.4	92.4	163.0	99.7	147.0
	III	113.4	107.2	94.6	163.5	99.0	144.1
	IV	113.1	109.6	96.9	164.6	98.6	145.5
	ANNUAL	111.6	104.4	93.5	163.4	99.4	146.4
1984	I	114.2	113.0	98.9	167.1	98.9	146.4
	II	115.3	115.4	100.1	168.3	98.7	146.0
	III	117.5r	117.5	100.0r	169.9	98.7	144.5
Percent change from previous quarter at annual rate(5)							
1983	I	4.8	7.3	2.4	4.2	3.9	-0.5
	II	6.4	17.1	10.0	0.6	-3.5	-5.5
	III	9.7	20.5	9.8	1.3	-2.8	-7.7
	IV	-1.0	9.1	10.2	2.9	-1.5	3.9
	ANNUAL	4.3	5.2	0.9	3.4	0.2	-0.8
1984	I	3.7	12.9	8.8	6.2	1.1	2.3
	II	4.0	8.9	4.6	2.9	-0.8	-1.1
	III	7.8r	7.5r	-0.3r	3.6r	0.1	-3.8r
Percent change from corresponding quarter of previous year(6)							
1983	I	3.4	-2.2	-5.4	5.5	1.8	2.0
	II	4.3	2.4	-1.8	3.6	0.3	-0.6
	III	4.3	7.6	3.1	2.3	-0.3	-1.9
	IV	4.9	13.4	8.1	2.2	-1.0	-2.6
	ANNUAL	4.3	5.2	0.9	3.4	0.2	-0.8
1984	I	4.7	14.8	9.7	2.7	-1.7	-1.9
	II	4.1	12.7	8.3	3.3	-1.0	-0.7
	III	3.6r	9.6	5.8r	3.9	-0.3	0.3r

See footnotes following table 6.

r=revised

p=preliminary

November 28, 1984

Source: Bureau of Labor Statistics

Table 4. Durable manufacturing sector: Productivity, hourly compensation, and unit labor cost, seasonally adjusted(11)

Year and quarter		Output per hour of all persons	Output (7)	Hours of all persons	Compensation per hour(1)	Real compensation per hour(2)	Unit labor cost
Indexes 1977=100							
1983	I	108.5	95.6	88.1	162.2	100.3	149.5
	II	110.8	100.1	90.4	162.2	99.2	146.5
	III	113.5	105.7	93.2	162.5	98.4	143.2
	IV	113.1	109.0	96.4	163.4	97.8	144.4
	ANNUAL	111.5	102.6	92.0	162.5	98.9	145.8
1984	I	115.1	113.9	98.9	165.8	98.1	144.0
	II	116.0	116.5	100.4	167.0	97.9	144.0
	III	118.3r	119.4r	100.9r	168.0r	97.7	142.0r
Percent change from previous quarter at annual rate(5)							
1983	I	7.2	10.7	3.3	3.9	3.6	-3.1
	II	8.7	20.5	10.9	0.1	-4.1	-7.9
	III	10.2	24.2	12.8	0.8	-3.2	-8.5
	IV	-1.2	13.2	14.6	2.1	-2.3	3.3
	ANNUAL	5.6	5.7	0.1	3.1	-0.1	-2.3
1984	I	7.2	18.9	10.9	6.1	1.1	-1.0
	II	3.1	9.5	6.2	2.8	-0.8	-0.2
	III	8.4r	10.5r	2.0r	2.6r	-0.9r	-5.3r
Percent change from corresponding quarter of previous year(6)							
1983	I	4.7	-3.8	-8.1	5.5	1.8	0.7
	II	5.7	1.8	-3.7	3.4	0.1	-2.2
	III	5.5	8.5	2.9	1.8	-0.8	-3.5
	IV	6.1	17.0	10.3	1.7	-1.6	-4.2
	ANNUAL	5.6	5.7	0.1	3.1	-0.1	-2.3
1984	I	6.1	19.2	12.3	2.2	-2.2	-3.7
	II	4.7	16.3	11.1	2.9	-1.3	-1.7
	III	4.3r	13.0r	8.3r	3.4	-0.7	-0.9r

See footnotes following table 6.

r=revised

p=preliminary

November 28, 1984

Source: Bureau of Labor Statistics

Table 5. Nondurable manufacturing sector: Productivity, hourly compensation, and unit labor cost, seasonally adjusted(12)

Year and quarter		Output per hour of all persons	Output (7)	Hours of all persons	Compensation per hour(1)	Real compensation per hour(2)	Unit labor cost
Indexes 1977=100							
1983	I	110.0	102.6	93.3	164.5	101.7	149.6
	II	110.9	105.7	95.3	165.1	101.0	148.8
	III	113.3	109.5	96.6	165.7	100.3	146.2
	IV	113.2	110.5	97.6	167.1	100.1	147.6
	ANNUAL	111.9	107.1	95.7	165.6	100.7	148.0
1984	I	112.8	111.7	99.0	169.5	100.3	150.2
	II	114.3	113.8	99.5	170.6	100.0	149.2
	III	116.2r	114.7r	98.6	172.7r	100.3	148.5r
Percent change from previous quarter at annual rate(5)							
1983	I	1.5	2.8	1.3	4.5	4.1	2.9
	II	3.4	12.5	8.8	1.4	-2.8	-1.9
	III	9.0	15.3	5.8	1.4	-2.6	-7.0
	IV	-0.6	3.4	4.0	3.4	-1.0	4.0
	ANNUAL	2.4	4.4	2.0	4.1	0.9	1.7
1984	I	-1.3	4.4	5.8	5.8	0.8	7.2
	II	5.5	8.0	2.4	2.7	-1.0	-2.6
	III	6.8r	3.0r	-3.6r	4.9r	1.3r	-1.8r
Percent change from corresponding quarter of previous year(6)							
1983	I	1.4	0.1	-1.4	6.2	2.5	4.7
	II	2.2	3.1	0.9	4.5	1.1	2.2
	III	2.7	6.2	3.5	3.2	0.6	0.6
	IV	3.3	8.4	4.9	2.7	-0.6	-0.6
	ANNUAL	2.4	4.4	2.0	4.1	0.9	1.7
1984	I	2.6	8.8	6.1	3.0	-1.4	0.4
	II	3.1	7.7	4.5	3.3	-0.9	0.2
	III	2.6r	4.7r	2.1r	4.2	0.0	1.6r

See footnotes following table 6.

r=revised

p=preliminary

November 28, 1984

Source: Bureau of Labor Statistics

Table 6. 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 compensation (1)	Real hourly compensation (2)	Unit labor cost	Unit non-labor cost (8)	Total unit cost (9)	Unit profits (10)	Implicit price deflator (4)
Indexes 1977=100										
1983 I	104.0	107.5	103.4	159.2	98.4	153.1	167.0	156.7	92.5	149.4
II	105.8	111.4	105.2	160.6	98.2	151.7	165.1	155.2	111.8	150.2
III	107.2	114.7	106.9	161.8	98.0	150.9	164.4	154.4	126.6	151.2
IV	107.2	117.0	109.2	162.6	97.4	151.7	163.3	154.7	135.9	152.6
ANNUAL	106.1	112.6	106.2	161.0	97.9	151.8	164.9	155.2	117.2	150.9
1984 I	108.1	120.2	111.2	164.8	97.5	152.5	162.0	155.0	143.2	153.6
II	108.9	123.1	113.1	165.8	97.2	152.3	162.8	155.0	151.1	154.6
III	108.3p	123.3p	113.8p	167.2p	97.2p	154.4p	165.2p	157.2p	146.5p	156.0p

Percent change from previous quarter at annual rate (5)										
1983 I	3.2	4.4	1.2	3.9	3.5	0.7	-4.1	-0.7	124.6	4.7
II	7.5	15.1	7.1	3.5	-0.8	-3.7	-4.5	-3.9	112.8	2.3
III	5.3	12.4	6.7	3.1	-1.0	-2.1	-1.7	-2.0	64.8	2.8
IV	-0.2	8.4	8.6	2.0	-2.4	2.1	-2.6	0.8	32.6	3.6
ANNUAL	3.3	4.5	1.2	4.2	0.9	0.8	0.1	0.6	38.5	3.1
1984 I	3.6	11.6	7.7	5.7	0.7	2.0	-3.2	0.6	23.4	2.7
II	2.8	9.8	6.8	2.4	-1.3	-0.4	2.0	0.2	23.8	2.6
III	-2.1p	0.6p	2.7p	3.3p	-0.3p	5.5p	6.2p	5.7p	-11.7p	3.6p

Percent change from corresponding quarter of previous year (6)										
1983 I	1.8	-1.1	-2.8	5.4	1.7	3.5	3.3	3.5	3.5	3.5
II	3.7	3.1	-0.6	4.6	1.3	0.9	0.5	0.8	28.7	2.7
III	3.8	6.3	2.4	3.6	1.0	-0.2	0.0	-0.2	46.3	3.0
IV	3.9	10.0	5.9	3.1	-0.2	-0.8	-3.2	-1.5	79.8	3.3
ANNUAL	3.3	4.5	1.2	4.2	0.9	0.8	0.1	0.6	38.5	3.1
1984 I	4.0	11.8	7.5	3.6	-0.9	-0.4	-3.0	-1.1	54.8	2.8
II	2.9	10.5	7.5	3.3	-1.0	0.4	-1.4	-0.1	35.2	2.9
III	1.0p	7.5p	6.4p	3.3p	-0.8p	2.3p	0.5p	2.0p	15.7p	3.1p

See footnotes following table 6.
r=revised
p=preliminary

November 28, 1984
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 1984, the probability is 0.95 that the interval between -1.8 and 2.0 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) Current dollar gross product divided by constant dollar gross product.
- (2) Quarterly changes: percent change compounded at annual rate from the original data rather than index numbers. Annual changes: percent change between annual average levels.
- (3) Quarterly changes: current quarter divided by comparable quarter a year ago. Annual changes: percent change between annual average levels.
- (4) 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.
- (5) Compensation per hour adjusted for changes in the Consumer Price Index for All Urban Consumers.
- (6) Nonlabor payments include profits, depreciation, interest, rental income, and indirect taxes.
- (7) Quarterly measures adjusted to annual estimates of output (gross product originating) from the Bureau of Economic Analysis, U.S. Department of Commerce.
- (8) 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.
- (9) 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.
- (10) Unit nonlabor cost includes depreciation, interest, and indirect taxes.
- (11) Total unit cost is the sum of labor and nonlabor costs.
- (12) Unit profits include corporate profit and inventory valuation adjustment.