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## PRODUCTIVITY AND COSTS

Second Quarter 1990

The Bureau of Labor Statistics of the U.S. Department of Labor today reported preliminary productivity data-as measured by output per hour of all persons-for the second quarter of 1990. The preliminary seasonallyadjusted annual rates of productivity change in the second quarter were:

> 1.9 percent in the business sector,
> 1.6 percent in the nonfarm business sector, 3.7 percent in manufacturing, 6.7 percent in durable goods manufacturing, and -1.1 percent in nondurable goods manufacturing.

Productivity advanced in business and nonfarm business as output rose while hours decreased. In manufacturing, however, a more rapid productivity increase occurred; although hours were unchanged output increased more than in the business and nonfarm business sectors. All of the manufacturing productivity gain took place among durable goods industries, unlike the previous 2 quarters. Second-quarter measures are sumenarized in table $A$ and appear in detail in tables 1 through 5.

## Business

Productivity increased at a 1.9 percent annual rate during the second quarter of 1990 in the business sector, as output rose 1.5 percent and hours of all persons engaged in the sector declined 0.4 percent (seasonally adjusted annual rates). This was the first decline in hours since 1986. In the second quarter of 1990 , employment rose 0.3 percent and average weekly hours declined 0.7 percent. During the first quarter of 1990, productivity had decreased 1.5 percent (table 1).

[^0]Table A. Productivity and costs: Second-quarter 1990 measures (Seasonally adjusted annual rates)


Percent change from preceding quarter

|  | 1.9 | 1.5 | -0.4 | 5.9 | 2.2 | 4.0 |
| :---: | ---: | ---: | ---: | ---: | ---: | ---: |
| Business business | 1.6 | 1.5 | -0.1 | 5.6 | 1.8 | 3.9 |
| Nonfarm banufacturing | 3.7 | 3.7 | 0.0 | 6.4 | 2.6 | 2.6 |
| Manurable | 6.7 | 6.3 | -0.4 | 6.8 | 3.0 | 0.1 |
| Durablurable | -1.1 | -0.6 | 0.5 | 5.7 | 2.0 | 6.9 |
| Nondur |  |  |  |  |  |  |


|  | Percent change from same quarter a year ago |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Business | -0.8 | 0.4 | 1.2 | 3.4 | -1.2 | 4.2 |
| Nonfarm business | -0.8 | 0.4 | 1.2 | 3.3 | -1.3 | 4.2 |
| Manufacturing | 2.5 | 0.7 | -1.8 | 3.7 | -0.9 | 1.1 |
| Durable | 2.9 | 0.4 | -2.4 | 3.7 | -0.9 | 0.8 |
| Nondurable | 2.1 | 1.1 | -1.0 | 3.7 | -0.9 | 1.6 |

Hourly compensation increased at a 5.9 percent annual rate during the second quarter of 1990 , compared with a 3.8 percent gain during the previous quarter. The second-quarter increase was the largest since 1987. This measure includes wages and salaries, supplements, employer contributions to employee-benefit plans, and taxes, Unit labor costs, which reflect changea in hourly compensation and productivity, increased at a 4.0 percent annual rate during the second quarter, compared with a 5.3 percent increase during the first quarter.

Real hourly compensation, which takes into account changes in the Consumer Price Index for All Urban Consumers (CPI-U), increased at a 2.2 percent annual rate during the second quarter. During the first quarter, this measure had declined at a 4.0 percent annual rate. The second quarter increase was the first gain in 7 quarters.

The implicit price deflator for business output, which reflects changes in unit labor costs and unit nonlabor payments, increased 4.4 percent in the second quarter, compared with a 4.6 percent rise in the first quarter.

## Nonfarm buatneta

Nonfarm productivity posted its first gain in 6 quarters during the April-June period of 1990. Productivity increased 1.6 percent as output rose 1.5 percent and hours of all persons--employees, proprietors, and unpaid family workers--declined 0.1 percent. During the first quarter of 1990, productivity had decreased 1.9 percent in this sector (table 2).

Hourly compensation increased 5.6 percent in the second quarter, or 1.8 percent when the increase in the CPI-U was taken into account. During the first quarter, the comparable changes were 3.2 percent and -4.5 percent, respectively. As in the more comprehensive business sector, the increase in hourly compensation was the greatest since 1987 (when a 6.8 percent increase occurred in the fourth quarter), and the increase in real hourly compensation was the first upward movement in 7 quarters. Unit labor costs increased 3.9 percent during the second quarter, compared with a 5.2 percent rise during the preceding period.

The implicit price deflator for nonfarm business output rose 4.6 percent in the second quarter, compared with a 3.8 percent increase one quarter eariler.

## Manufacturing

Productivity increased at a 3.7 percent seasonally adjusted annual rate in manufacturing in the second quarter of 1990, as output increased 3.7 percent and hours of all persons were unchanged. During the first quarter, productivity had increased at a 5.1 percent rate. The productivity increase in manufacturing resulted from opposite movements in durable and nondurable goods industries. Productivity increased rapidly among durable goods manufacturers, but decilned in nondurables (tables 4, 5). The increase in durables productivity reflects the large gain in durable output during the second quarter. On the other hand, nondurables goods industries experienced a decline in output coupled with a small rise in hours.

Hourly compensation of all manufacturing workers increased 6.4 percent during the second quarter, compared with a 2.5 percent increase during the first quartor. This was the largest quarterly increase since the first quarter of 1988 (when it rose 6.7 percent). Real hourly compensation rose 2.6 percent in the second quarter when the increase in consumer prices was taken into account. During the first quarter, this measure fell at a 5.2 percent annual rate. Manufacturing real hourly compensation has declined in 10 of the past 14 quarters. Unit labor costs increased at a 2.6 percent annual rate in the second quarter, compared with a 2.5 percent decrease during the first quarter of 1990.

Table B. Nonfinancial corporations: Previous and current first quarter productivity and related measures
(Percent change)

| Measure | Productivity | Output | Hours | Hourly compensation | Real hourly compensation | Unit <br> labor <br> costs | Unit profits | Implicit <br> price <br> deflator |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Previous | -2.2 | 0.3 | 2.4 | 3.8 | -4.0 | 6.0 | -1.5 | 4.5 |
| Current | -2.2 | 0.2 | 2.5 | 2.1 | -5.5 | 4.4 | 1.2 | 3.9 |

## Revised measures

The productivity and cost measures in this press release are based on the latest measures of output and compensation available. While the productivity increase in nonfarm business was revised upward for 1988 (from 2.0 percent to 2.2 percent), downard revisions occurred in 1989. The revised measures show productivity declining in each quarter last year; previously, only the first quarter showed a decrease. For the year as a whole, nonfarm productivity declined 0.3 percent. Previously a 0.9 percent increase was reported. See appendix tables 1-6 for quarterly measures.

Revised quarterly and annual output and compensation measures prepared by the Bureau of Economic Analysis (BEA) of the U.S. Department of Commerce were published on July 27 as part of the regular revision cycle of the national income and product accounts and affect the last 3 years. (For manufacturing, revised output measures will be announced by BEA later this. year. Until then, post-1987 manufacturing output will continue to be based on the Federal Reserve Board's Index of Industrial Production.) Annual indexes calculated with 1982 as 100 appear in appendix tables 7-12.

Table B compares previous and current productivity and cost measures in nonfinancial corporations for the first quarter of 1990. These measures, which were released previousily on June 4 , show a somewhat greater decline in productivity than when preliminary figures were released.

In addition, all of the productivity and cost measures in this release incorporate recent information on seasonal trends in employment and average weekly hours. This new information affected measures begining with 1985. Printed historical tables containing new quarterly values are available on request from the Bureau of Labor Statistics, Office of Productivity and Technology, Washington, D.C. 20212; or telephone (202) 523-9261.

Complete historical series of productivity and cost measures also are available on the BLS Major Sector Labor and Multifactor Productivity diskette, formatted for use on IBM-compatible microcomputers using LOTUS 1-2-3 for $\$ 38$, prepaid. To order, send a check or money order payable to the Bureau of Labor Statistics to: BLS Data Diskettes, 441 G Street NW, Room 2831 A, Washington, D.C. 20212 or call (202) 523-7827. Please specify "Major Sector Labor and Multifactor Productivity Diskette". NOTE: The multifactor productivity measures for 1948 through 1987 on this diskette will be revised later to incorporate the new information now being introduced in the labor productivity measures.

## rext melease date

The next release of productivity and cost measures is scheduled for 10:00 JM EDF, Tuesday, september 4, 1990. Second-quarter measures for nonfinancial corporations will be released at that time.

## TECANICAL ROTES

Labor Input: The primary source of hours and employment data is the BLS Current Employment Statistics (CES) program, which provides monthly survey data on total employment and average weekly hours of production and nonsupervisory workers in nonagricultural establishments. Jobs rather than persons are counted. Weekly hours are adjusted to the hours at work definition using the BLS Hours at Work survey, conducted for this purpose.

Data from the BLS Current Population Survey (CPS) are used for farm labor; in the nonfarm sector, the National Income and Product Accounts (NIPA) prepared by the Bureau of Economic Analysis of the U.S. Department of Commerce and the CPS are used to measure labor input for government enterprises, proprietors, unpald family workers, and paid employees of private households.

Output: Business sector output is equal to gross national product (GNP) in constant 1982 dollars, less the rest-of-the-world sector, general government, output of nonprofit institutions, output of paid employees of private households, rental value of owner-occupied dwellings, and the statistical discrepancy in computing the NTPA. Corresponding exclusions are also made in labor inputs. Business output was about 81 percent of GNP in 1988. Nonfarm business, which also excludes farming, was about 79 percent of GNP in 1988.

Total manufacturing measures are computed by suming series prepared for the durable and nondurable goods sectors. Durables include the following 2digit 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. Nondurables include: Textile mill products, apparel products, leather and leather products, printing and publishing, chemicals and chemical products, petroleum products, rubber and plastic products, food, and tobacco products. Manufacturing accounted for about 22 percent of GNP in 1988.

Nonfinanciad corporate output is equal to GNP in constant 1982 dollars, less the rest-of-the-world sector, general government, output of nonprofit institutions, output of paid employees of private households, rental value of owner-occupied dwellings, unincorporated business, the output of corporations engaged in banking, finance, stock and commodity trading, and credit and insurance agencies, and the statistical discrepancy in computing the NIPA. Nonfinancial corporations accounted for about 60 percent of GNP in 1988.

PRODOCTIVITY:'. These productivity measures describe the relationship between real output 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 at work of all persons engaged in a sector, they do not measure the specific contribution 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 adjusted

| Year <br> and quarter | Output per hour of all persons | Output | Hours of all persons | Compensation per hour (1) | Real compensation per hour (2) | Unit <br> labor <br> cost | Unit nonlabor payments (3) | $\begin{align*} & \text { Implicit } \\ & \text { price } \\ & \text { deflator } \tag{4} \end{align*}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indexes 1982=100 |  |  |  |  |  |  |  |  |
| 1989 I | r113.3 | r135.6 | r119.7 | r132.2 | r104.6 | r116.7 | r130.8 | r121.2 |
| II | r113.3 | r135.9 | r120.0 | r133.0 | r103.7 | r117.4 | r133.2 | r122.5 |
| III | r112.8 | r136.1 | r120.6 | r133.4 | r103.3 | r118.2 | r133.8 | r123.3 |
| IV | r112.3 | r135.5 | r120.7 | r134.3 | r103.0 | r119.6 | $r 134.4$ | r124.3 |
| ANNUAL | r112.8 | r135.8 | r120.4 | r133.1 | r103.5 | r118.0 | r133.1 | r122.8 |
| 1990 I | r111.9 | r136.0 | r121.5 | r135.5 | r101.9 | r121.1 | r135.5 | r125.8 |
| II | 112.4 | 136.4 | 121.4 | 137.5 | 102.5 | 122.3 | 137.2 | 127.1 |
| Percent change from previous quarter at annual rate(5) |  |  |  |  |  |  |  |  |
| 1989 I | r0.5 | r3.5 | r3.0 | r2.0 | r-3.3 | r1.5 | r6.3 | r3.1 |
| II | r0.0 | r0.9 | r0.9 | r2.4 | r-3.4 | r2.5 | r7.7 | r 4.3 |
| III | r-1.5 | r0.6 | r2.1 | r1.3 | r-1.5 | r2.8 | r1.8 | $r 2.5$ |
| IV | r-2.0 | r-1.8 | r0.1 | r2.6 | r-1.4 | 14.6 | r1.6 | r3.5 |
| ANNUAL | r-0.2 | r2.1 | 2.3 | r3.0 | r-1.7 | r3.2 | r5.2 | 3.9 |
| 1990 I | $x-1.5$ | r1.4 | r2.9 | r3.8 | r-4.0 | r5.3 | r3.3 | r 4.6 |
| II | 1.9 | 1.5 | -0.4 | 5.9 | 2.2 | 4.0 | 5.2 | 4.4 |

Percent change from corresponding quarter of previous year

| 1989 | 1 | r0.1 | r3.4 | 3.3 | r4.1 | $\mathrm{x}-0.6$ | r4.0 | r5.1 | 24.4 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | II | r0.4 | 52.5 | r2.0 | r3.4 | r-1.7 | r3.0 | r6. 6 | 4.2 |
|  | III | z-0.6 | 51.7 | r2.3 | 52.4 | r-2.2 | r2.9 | r5.1 | 3.7 |
|  | IV | r-0.7 | 20.8 | r1.5 | r2.1 | r-2.4 | [2.8 | r4.3 | r3.4 |
|  | ANNUAL | r-0.2 | r2.1 | 2.3 | 53.0 | r-1.7 | r3.2 | r5.2 | 3.9 |
| 1990 | I | r-1.2 | r0.3 | 1.5 | r2.5 | r-2.6 | r3.8 | r3.6 | r3.7 |
|  | II | -0.8 | 0.4 | 1.2 | 3.4 | -1.2 | 4.2 | 3.0 | 3.8 |

See footnotes. following table 6. August 6, 1990
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August 6, 1990
Source: Bureau of Labor Statistics

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

| Year and quarter | Output per hour of all persons | Output | Hours of all persons | Compensation per hour (1) | Real compensation per hour | Unit labor cost | Unit nonlabor paymenta (3) | Implicit price deflator (4) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indexes 1982-100 |  |  |  |  |  |  |  |  |
| 1989 I | r112.4 | r136.4 | r121.4 | r131.4 | r104.0 | 5116.9 | r130.9 | r121.4 |
| 1989 II | r112.2 | r136.8 | +121.9 | r131.9 | r102.9 | r117.5 | ז133.9 | r122.7 |
| III | F112.0 | r137.1 | r122.4 | r132.5 | 102.6 | r118.3 | r134.7 | r123.5 |
| IV | r111.4 | r136.3 | r122.4 | r133.4 | r102.3 | r119.8 | r135.3 | r124.7 |
| ANNUAL | r111.9 | r136.7 | r122.2 | 1132.1 | r102.8 | c118.1 | r133.7 | r123.0 |
| 1990 I | 5110.8 | r136.8 | r123.5 | r134.4 | r101.1 | F121.3 | r135.7 | r125.8 |
| II | 111.3 | 137.3 | 123.4 | 136.3 | 101.6 | 122.5 | 137.6 | 127.2 |
| Percent change from previous quarter at annual rate (5) |  |  |  |  |  |  |  |  |
| 1989 I | x-1.7 | r1.2 | r3.0 | r2.0 | r-3.3 | r3.8 | r1.0 | 2.8 |
| II | 工-0.5 | 51.3 | 1.7 | 11.5 | r-4.2 | r2.0 | $x 9.3$ | 4.4 |
| III | r-0.8 | 10.6 | r1.5 | r1.8 | r-1.0 | r2.7 | 工2.6 | r2.6 |
| IV | r-2.2 | r-2.1 | r0.1 | r2.7 | r-1.3 | r5.1 | r1.6 | 53.9 |
| AnNuAL | $r-0.3$ | r2.0 | 2.4 | r3.0 | r-1.8 | r3. 3 | r5.0 | r3.9 |
| 1990 I | r-1.9 | r1.4 | r3.4 | r3.2 | $r-4.5$ | r5. 2 | r1.2 | r3. 8 |
| II | 1.6 | 1.5 | -0.1 | 5.6 | 1.8 | 3.9 | 5.9 | 4.6 |

Percent change from correaponding quarter of previous year

| 1989 | I | r0.2 | r3.6 | r3.4 | r4.1 | r-0.6 | $r 3.9$ | 24.4 | r 4.1 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | II | r0.3 | r2.6 | r2.3 | r3.2 | r-1.8 | 53.0 | 56.4 | 4.1 |
|  | III | $\mathrm{r}-0.6$ | 51.7 | r2.3 | r2.4 | r-2.2 | r3.0 | L5.8 | r3.9 |
|  | IV | $\mathrm{r}-1.3$ | 50.3 | 1.6 | r2.0 | r-2.4 | r3.4 | r3.6 | r3.4 |
|  | NNNUAL | r-0.3 | 52.0 | 2.4 | r3.0 | r-1.0 | r3.3 | r5.0 | r3.9 |
| 1990 | I | r-1.4 | r0.3 | 1.7 | r2.3 | r-z. 8 | r3.7 | r3.6 | r3.7 |
|  | II | -0.8 | 0.4 | 1.2 | 3.3 | -1.3 | 4.2 | 2.8 | 3.7 |

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


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


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


Table 6．Nonfinancial corporations：Productivity，hourly compensation，unit labor cost，unit profits， and prices，seasonally adjusted

|  | Year <br> and <br> 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 (7)``` | Total unit cost （8） | Unit <br> pro－ <br> fits <br> （9） | Implicit price deflator （4） |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indexes 1982＝100 |  |  |  |  |  |  |  |  |  |  |  |
| 1989 | I | r112．5 | r136．2 | r121．1 | r128．9 | r102．0 | r114．6 | r108．0 | r112．7 | r162．3 | r115．9 |
|  | II | r112．1 | r136．4 | r121．7 | r129．4 | r100．9 | r115．4 | r110．6 | r114．1 | r162．9 | r117．1 |
|  | III | r112．3 | r137．1 | r122．1 | r130．0 | r100．7 | r115．7 | r113．3 | r115．0 | r159．3 | r117．8 |
|  | IV | r111．1 | r135．9 | r122．3 | r130．7 | r100．2 | r117．6 | r115．2 | r117．0 | r147．2 | 工118．9 |
|  | ANNUAL | r111．9 | r136．4 | r121．9 | r129．6 | r100．9 | r115．8 | r111．8 | r114．7 | r157．9 | r117．4 |
| 1990 | I | r110．5 | 5136.0 | 工123．0 | г131．4 | 工98．8 | r118．9 | 5116.2 | r118．1 | r147．6 | r120．0 |


| 1989 | I | s－2．5 | 工－0．1 | r2．4 | r3．3 | r－2．0 | r5．9 | r9．5 | 16．8 | r－32．5 | r2．4 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | II | $\mathrm{r}-1.4$ | r0．6 | r2．0 | r1．4 | r－4．3 | r2．8 | r9．9 | r4．7 | r1．5 | r4．4 |
|  | III | r0．8 | r2．1 | r1．3 | r1．8 | r－1．0 | r1．0 | r10．2 | r3．5 | r－8．5 | r2．4 |
|  | IV | r－4．2 | r－3．6 | r0．7 | r2．4 | r－1．6 | r6．9 | r6．9 | r6．9 | $\mathrm{r}-27.1$ | r3．6 |
|  | ANNUAL | r－1．3 | r1．1 | 2.5 | r3．0 | r－1．7 | r 4.4 | r7．7 | 5.3 | r－10．4 | r3．7 |
| 1990 | I | r－2．2 | r0． 2 | r2．5 | r2．1 | r－5．5 | r4．4 | I3．3 | 54．1 | r1．2 | r3．9 |

Percent change from corresponding quarter of previous year

| 1989 | 1 | 5－1．1 | 工2．3 | 3.4 | r4．1 | r－0．6 | r5．3 | r5．3 | 55．3 | r－8．1 | 4.0 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | II | r－1．4 | r1．4 | 2.8 | r3．3 | r－1．8 | r 4.7 | r7．4 | 5.4 | 工－8．5 | 4.0 |
|  | III | r－1．0 | r1．3 | 2.3 | r2．5 | r－2．1 | r3．5 | r8．7 | r4．9 | r－7．0 | r3．8 |
|  | IV | r－1．8 | r－0．3 | 1.6 | r2．2 | r－2．2 | r4．1 | $r 9.2$ | 5.5 | $\mathrm{r}=17.8$ | 3.2 |
|  | ANNUAL | r－1．3 | r1．1 | 2.5 | r3．0 | x－1．7 | r．4．4 | 57.7 | 5.3 | r－10．4 | r3．7 |
| 1990 | I | r－1．8 | r－0．2 | 1.6 | r1．9 | r－3．1 | r3．8 | r7．6 | r4．8 | r－9．0 | r3．6 |

see footnotes following table 6．
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SOURCE: Output data from the 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: Productivity and cost measures are regularly revised as more complete information becones available. The measures are first published 30 days after the close of the reference period; revisions appear 30 days later, and third revisions after an additional 60 days. In the business sector, the probability is 0.95 that the third publication (third revision) of a quarterly index of output per hour of all persons will differ from the initial value by between -1.8 and +2.1 index points. This interval is based on the performance of this measure between the second quarter of 1976 and the third quarter of 1988.

## Footnotes, Tables 1-6

(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 selfemployed.
(2) Compensation per hour adjusted for changes in the Consumer Price Index for All Urban Consumers.
(3) Unit nonlabor payments include profits, capital consumption allowances, interest, rental income of persons, and indirect taxes.
(4) Current dollar gross product divided by constant dollar gross product.
(5) Quarterly changes: Percent change compounded at annual rate from the original data rather than index numbers. Annual changes: Percent change between annual average levels.
(6) Quarterly manufacturing output measures are based on the index of industrial production prepared monthly by the Board of Governors of the Federal Reserve adjusted by BLS to annual manufacturing output levels (gross product originating) from the National Income and Product Accounts prepared by the Bureau of Economic Analysis of the U.S. Department of Commerce.
(7) Unit nonlabor cost includes capital consumption allowances, interest, rental income of persons, and indirect taxes. For nonfinancial corporations, rental income of persons is zero by definition.
(8) Total unit cost is the sum of labor and nonlabor costs.
(9) Unit profits include corporate profits with inventory valuation and capital consumption adjustments.

Appendix 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- <br> labor paymente (3) | $\begin{aligned} & \text { Implicit } \\ & \text { price } \\ & \text { deflator (4) } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indexes 1982-100 |  |  |  |  |  |  |  |  |  |
| 1987 | I | 109.6 | 123.5 | 112.7 | 121.7 | 104.9 | 111.0 | 119.4 | 113.7 |
|  | II | 110.5 | 125.4 | 113.5 | 122.2 | 104.2 | 110.6 | 122.6 | 114.5 |
|  | III | 111.3 | 127.2 | 114.3 | 123.5 | 104.2 | 111.0 | 124.5 | 115.3 |
|  | IV | 112.0 | 129.4 | 115.5 | 125.6 | 105.0 | 112.1 | 123.2 | 115.7 |
|  | annual | 110.7 | 126.4 | 114.1 | 123.1 | 104.6 | 111.2 | 122.5 | 114.8 |
| 1988 | I | 113.1 | 131.2 | 115.9 | 126.9 | 105.3 | 112.2 | 124.5 | 116.2 |
|  | II | 112.8 | 132.6 | 117.6 | 128.6 | 105.5 | 114.0 | 125.0 | 117.5 |
|  | III | 113.5 | 133.8 | 117.9 | 130.3 | 105.6 | 114.8 | 127.4 | 118.9 |
|  | IV | 113.1 | 134.5 | 118.8 | 131.5 | 105.5 | 116.3 | 128.8 | 120.3 |
|  | annual | 113.0 | 133.0 | 117.7 | 129.1 | 105.3 | 114.3 | 126.5 | 118.2 |
| Percent change from previous quarter at annual rate(s) |  |  |  |  |  |  |  |  |  |
| 1987 |  | 0.5 | 4.3 | 3.9 | 2.6 | -2.8 | 2.1 | 5.3 | 3.2 |
|  | II | 3.1 | 6.1 | 2.9 | 1.8 | -2.7 | -1.3 | 11.2 | 2.8 |
|  | III | 2.9 | 5.8 | 2.8 | 4.2 | 0.2 | 1.2 | 6.2 | 2.9 |
|  | IV | 2.7 | 7.2 | 4.4 | 7.0 | 3.1 | 4.2 | -4.2 | 1.2 |
|  | annual | 1.2 | 4.1 | 2.9 | 3.8 | 0.1 | 2.6 | 3.0 | 2.7 |
| 1988 | 1 | 4.1 | 5.7 | 1.5 | 4.4 | 1.0 | 0.3 | 4.3 | 1.7 |
|  | II | -1.2 | 4.6 | 5.9 | 5.2 | 0.7 | 6.5 | 1.7 | 4.8 |
|  | III | 2.5 | 3.5 | 1.0 | 5.6 | 0.6 | 3.1 | 7.8 | 4.7 |
|  | Iv | -1.2 | 2.0 | 3.3 | 3.8 | -0.5 | 5.1 | 4.6 | 4.9 |
|  | annual | 2.0 | 5.3 | 3.2 | 4.9 | 0.7 | 2.8 | 3.3 | 3.0 |
| Percont change from corresponding quarter of previous year |  |  |  |  |  |  |  |  |  |
| 1987 | 1 | -0.3 | 1.8 | 2.2 | 4.2 | 1.9 | 4.5 | 0.0 | 2.9 |
|  | II | 0.7 | 3.8 | 3.1 | 3.5 | -0.3 | 2.8 | 3.2 | 2.9 |
|  | III | 1.8 | 5.1 | 3.2 | 3.4 | -0.8 | 1.6 | 4.1 | 2.5 |
|  | IV | 2.3 | 5.8 | 3.5 | 3.9 | -0.6 | 1.5 | 4.5 | 2.5 |
|  | annual | 1.2 | 4.1 | 2.9 | 3.8 | 0.1 | 2.6 | 3.0 | 2.7 |
| 1988 | I | 3.2 | 6.2 | 2.9 | 4.3 | 0.4 | 1.1 | 4.2 | 2.2 |
|  | II | 2.1 | 5.8 | 3.6 | 5.2 | 1.2 | 3.0 | 2.9 | 2.6 |
|  | III | 2.0 | 5.2 | 3.2 | 5.5 | 1.3 | 3.5 | 2.3 | 3.1 |
|  | IV | 1.0 | 3.9 | 2.9 | 4.7 | 0.4 | 3.7 | 4.6 | 4.0 |
|  | ANNUAL | 2.0 | 5.3 | 3.2 | 4.9 | 0.7 | 2.8 | 3.3 | 3.0 |
| See | footnotes | lowing table 6. |  |  |  |  | Auguet 6, 1990 <br> Source: Bureau of L |  | r Statiatica |

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


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

|  | Year and quarter | Output per hour of all persons | Output (6) | Hours of all persons | Compensation per hour (1) | Real compensation per hour (2) | Unit labor cost |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indexes 1982-100 |  |  |  |  |  |  |  |
| 1987 | I | 123.3 | 129.2 | 104.8 | 119.1 | 102.7 | 96.7 |
|  | II | 125.4 | 131.2 | 104.7 | 119.0 | 101.4 | 94.9 |
|  | III | 125.9 | 133.2 | 105.8 | 119.5 | 200.9 | 94.9 |
|  | IV | 126.1 | 135.5 | 107.4 | 120.4 | 100.7 | 95.5 |
|  | annual | 124.7 | 132.3 | 106.1 | 119.0 | 101.1 | 95.5 |
| 1988 | $I$ | 126.7 | 136.9 | 108.0 | 122.4 | 101.5 | 96.6 |
|  | II | 127.5 | 138.9 | 108.9 | 123.1 | 100.9 | 96.5 |
|  | III | 128.8 | 142.1 | 109.5 | 124.3 | 100.7 | 96.5 |
|  | IV | 129.2 | 142.6 | 110.3 | 125.7 | 100.8 | 97.3 |
|  | annual | 127.6 | 139.9 | 109.6 | 123.4 | 100.6 | 96.7 |
| Percent change from previous quarter at annual rate(5) |  |  |  |  |  |  |  |
| 1987 | I | 3.3 | 3.2 | -0.1 | 2.5 | -2.9 | -0.8 |
|  | II | 7.1 | 6.6 | -0.5 | -0.4 | -4.8 | -7.0 |
|  | III | 1.7 | 6.2 | 4.4 | 1.8 | -2.0 | 0.1 |
|  | IV | 0.5 | 6.9 | 6.4 | 2.9 | -0.8 | 2.4 |
|  | ANNUAL | 3.7 | 4.3 | 0.6 | 2.5 | -1.1 | -1.2 |
| 1988 |  | 2.1 | 4.4 | 2.2 | 6.7 |  | 4.5 |
|  | II | 2.5 | 6.0 | 3.4 | 2.2 | -2.2 | -0.3 |
|  | III | 4.1 | 6.4 | 2.2 | 4.1 | -0.9 | 0.0 |
|  | IV | 1.3 | 4.4 | 3.1 | 4.8 | 0.4 | 3.5 |
|  | ANNUAL | 2.3 | 5.7 | 3.3 | 3.6 | -0.5 | 1.3 |
| Percent change from correaponding quarter of previoum year |  |  |  |  |  |  |  |
| 1987 |  | 3.0 | 2.2 | -0.8 | 3.4 | 1.2 | 0.4 |
|  | II | 4.5 | 4.1 | -0.4 | 2.7 | -1.1 | -1.7 |
|  | III | 4.1 | 5.2 | 3.1 | 2.1 | -2.1 | -1.9 |
|  | IV | 3.1 | 5.7 | 2.5 | 1.7 | -2.7 | -1.4 |
|  | annual | 3.7 | 4.3 | 0.6 | 2.5 | -1.1 | -1.2 |
| 1988 | 1 | 2.8 | 6.0 | 3.1 | 2.7 | -1.2 | -0.1 |
|  | IT | 1.7 | 5.8 | 4.1 | 3.4 | -0.5 | 1.7 |
|  | III | 2.3 | 5.9 | 3.5 | 4.0 | -0.2 | 1.6 |
|  | IV | 2.5 | 5.3 | 2.7 | 4.4 | 0.1 | 1.9 |
|  | ANNUAL | 2.3 | 5.7 | 3.3 | 3.6 | -0.5 | 1.3 |
| See footnotes following table 6. |  |  |  |  | August 6, 1990 <br> Source: Bureau of Labor Statistics |  |  |

Appendix table 4.
Durable manufacturing sector: Productivity, hourly compensation, and unit labor cost. seasonally adjusted

|  | Year and quarter | Output per hour of all persons | Output (6) | Hours <br> of all <br> persons | Compensa- <br> tion per hour (1) | Real compensation per hour (2) | Unit <br> labor <br> cost |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indexes 1982-100 |  |  |  |  |  |  |  |
| 1987 | 1 | 134.9 | 141.5 | 105.0 | 119.4 | 102.9 | 88.5 |
|  | II | 137.5 | 143.6 | 104.5 | 118.9 | 101.3 | 86.5 |
|  | III | 137.6 | 145.3 | 105.6 | 119.2 | 100.6 | 86.7 |
|  | IV | 138.3 | 149.0 | 107.7 | 119.8 | 100.2 | 86.6 |
|  | annual | 136.2 | 144.9 | 106.4 | 118.5 | 100.7 | 87.0 |
| 1988 | 1 | 139.3 | 150.8 | 108.3 | 121.9 | 101.1 | 87.5 |
|  | 11 | 140.3 | 154.0 | 109.8 | 121.7 | 99.8 | 86.8 |
|  | 111 | 141.4 | 156.6 | 110.7 | 122.8 | 99.5 | 86.8 |
|  | IV | 142.2 | 158.9 | 111.7 | 124.4 | 99.8 | 87.5 |
|  | annual | 139.9 | 155.1 | 110.9 | 121.9 | 99.4 | 87.1 |
| Percent change from previous quarter at annual rate (5) |  |  |  |  |  |  |  |
| 1987 | 1 | 4.2 | 3.0 | -1.2 | 3.1 | -2.3 | -1.1 |
|  | II | 8.0 | 6.0 | -1.9 | -1.8 | -6.1 | -9.1 |
|  | III | 0.3 | 4.8 | 4.5 | 1.3 | -2.6 | 1.0 |
|  | IV | 2.1 | 10.5 | 8.2 | 1.9 | -1.8 | -0.2 |
|  | annual | 4.4 | 4.0 | -0.4 | 2.4 | -1.2 | -1.9 |
| 1988 | 1 | 2.8 | 5.1 | 2.3 | 7.2 | 3.7 | 4.3 |
|  | II | 2.9 | 8.5 | 5.5 | -0.7 | -4.9 | -3.5 |
|  | III | 3.3 | 6.9 | 3.5 | 3.5 | -1.4 | 0.1 |
|  | IV | 2.2 | 6.0 | 3.7 | 5.6 | 1.2 | 3.3 |
|  | annual | 2.7 | 7.0 | 4.2 | 2.8 | -1.2 | 0.1. |


| Percent change from corresponding quarter of previous year |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1987 | 1 | 3.9 | 1.7 | -2.1 | 3.7 | 1.4 | -0.2 |
|  | 11 | 5.6 | 3.8 | -1.6 | 2.8 | -1.0 | -2.6 |
|  | III | 4.4 | 4.4 | 0.1 | 2.1 | -2.1 | -2.2 |
|  | IV | 3.6 | 6.0 | 2.3 | 1.1 | -3.2 | -2.4 |
|  | annual | 4.4 | 4.0 | -0.4 | 2.4 | -1.2 | -1.9 |
| 1988 | 1 | 3.3 | 6.6 | 3.2 | 2.1 | -1.8 | -1.1 |
|  | 11 | 2.0 | 7.2 | 5.1 | 2.4 | -1.4 | 0.4 |
|  | III | 2.8 | 7.7 | 4.8 | 2.9 | -1.1 | 0.2 |
|  | IV | 2.8 | 6.6 | 3.7 | 3.9 | -0.4 | 1.0 |
|  | annual | 2.7 | 7.0 | 4.2 | 2.8 | -1.2 | 0.1 |

See footnotes following table 6.
August 6, 1990
Source: Bureau of Labor statistice

Appendix table 5.
Nondurable manufacturing eector: productivity, hourly compensation, and unit labor cost, seasonally adjusted

|  | Year and quarter | Out put per hour of all persons | Output (6) | Hours of all persons | Compeneation per hour (1) | Real compensation per hour (2) | Unit labor cost |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indexes 1982-100 |  |  |  |  |  |  |  |
| 1987 | I | 107.8 | 112.7 | 104.5 | 118.6 | 102.2 | 110.1 |
|  | II | 109.3 | 114.7 | 105.0 | 119.3 | 101.7 | 109.1 |
|  | III | 110.4 | 117.1 | 106.0 | 120.1 | 101.4 | 108.8 |
|  | IV | 109.7 | 117.5 | 107.1 | 121.4 | 101.5 | 110.6 |
|  | ANMUAL | 109.3 | 115.5 | 105.7 | 119.9 | 101.8 | 109.7 |
| 1988 | $\therefore I$ | 110.0 | 118.3 | 107.6 | 123.1 | 102.1 | 111.9 |
|  | III | 110.4 | 118.8 | 107.7 | 125.1 | 102.7 | 113.4 |
|  | III | 111.7 | 120.4 | 107.8 | 126.6 | 102.6 | 113.3 |
|  | IV | 111.6 | 120.5 | 108.4 | 127.6 | 202.3 | 114.4 |
|  | ANNUAL | 110.9 | 119.6 | 107.8 | 125.6 | 102.5 | 113.2 |
| Percent change from previous quarter at annual rate(5) |  |  |  |  |  |  |  |
| 1987 | I | 2.0 | 3.6 | 1.6 | 1.7 | -3.7 | -0.3 |
|  | II | 5.9 | 7.6 | 1.6 | 2.3 | -2.2 | -3.4 |
|  | III | 4.2 | 8.5 | 4.2 | 2.7 | -2.2 | -1.4 |
|  | IV | -2.6 | 1.2 | 3.9 | 4.2 | 0.4 | 7.0 |
|  | Ansual | 2.8 | 4.9 | 2.0 | 2.9 | -0.8 | 0.0 |
| 1988 | I | 1.1 | 3.1 | 2.0 | 5.8 | 2.3 | 4.7 |
|  | II | 1.3 | 1.7 | 0.4 | 6.8 | 2.3 | 5.4 |
|  | III | 5.0 | 5.4 | 0.4 | 4.8 | -0.2 | -0.3 |
|  | IV | -0.5 | 1.7 | 2.2 | 3.2 | -1.1 | 3.7 |
|  | ANIUAL | 1.5 | 3.6 | 2.1 | 4.8 | 0.6 | 3.3 |
| Percent change from corresponding quarter of previous year |  |  |  |  |  |  |  |
| 1987 | I | 1.9 | 3.2 | 1.2 | 3.5 | 1.2 | 1.5 |
|  | II | 3.1 | 4.7 | 1.5 | 2.9 | -1.0 | -0.2 |
|  | III | 3.9 | 6.5 | 2.5 | 2.3 | -1.8 | -1.5 |
|  | IV | 2.3 | 5.2 | 2.8 | 2.7 | -1.7 | 0.4 |
| 1988 | ANBUAL | 2.8 | 4.9 | 2.0 | 2.9 | -0.8 | 0.0 |
|  | $\underset{ \pm}{I}$ | 2.1 | 5.0 | 2.9 | 3.8 | -0.2 | 1.6 |
|  | $\mathbf{I I}$ | 1.0 | 3.6 | 2.6 | 4.9 | 1.0 | 3.9 |
|  | III | 1.2 | 2.8 | 1.6 | 5.4 | 1.2 | 4.2 |
|  | IV | 1.7 | 2.9 | 1.2 | 5.1 | 0.8 | 3.4 |
|  | ANNUAL | 1.5 | 3.6 | 2.1 | 4.8 | 0.6 | 3.3 |

Appendix table 6.
Nonfinancial corporations: Productivity, hourly compensation, unit labor cost, unit profits, and prices, seasonally adjusted

|  | Year <br> and <br> quarter | Output per allemployee hour | Output | Employee hours | Hourly compensation (1) | Real nourly compensation (2) | Unit labor cost | ```Unit non- labor cost (7)``` | Total unit cost (8) | Unit profits (9) | ```Implicit price deflator (4)``` |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Indexes 1982=100 |  |  |  |  |  |  |  |  |  |  |  |
| 1987 | I | 111.0 | 125.4 | 113.0 | 119.2 | 102.7 | 107.4 | 103.2 | 106.2 | 157.5 | 109.4 |
|  | II | 112.0 | 127.6 | 113.9 | 119.7 | 102.0 | 106.9 | 102.8 | 105.8 | 171.4 | 109.9 |
|  | III | 112.8 | 129.7 | 115.0 | 121.0 | 102.1 | 107.3 | 102.4 | 105.9 | 181.0 | 110.6 |
|  | IV | 112.9 | 131.3 | 116.3 | 122.6 | 102.5 | 108.6 | 102.2 | 106.8 | 174.0 | 111.0 |
|  | ANNUAL | 112.1 | 128.5 | 114.6 | 120.5 | 102.4 | 107.5 | 102.7 | 106.2 | 171.1 | 110.2 |
| 1988 | I | 113.8 | 133.2 | 117.1 | 123.8 | 102.7 | 108.8 | 102.6 | 107.1 | 176.6 | 111.4 |
|  | II | 113.7 | 134.6 | 118.4 | 125.3 | 102.8 | 110.2 | 102.9 | 108.2 | 178.1 | 112.6 |
|  | III | 113.5 | 135.4 | 119.3 | 126.8 | 102.8 | 111.8 | 104.2 | 109.7 | 171.4 | 113.5 |
|  | IV | 113.2 | 136.3 | 120.4 | 127.9 | 102.6 | 113.0 | 105.6 | 110.9 | 179.1 | 115.2 |
|  | ANNUAL | 113.4 | 134.9 | 119.0 | 125.8 | 102.6 | 111.0 | 103.8 | 109.0 | 176.3 | 113.2 | Percent change from previous quarter at annual rate(5)


| 1987 | 1 | 2.3 | 6.9 | 4.5 | 1.4 | -3.9 | -0.9 | -3.7 | -1.6 | 11.1 | -0.6 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | II | 3.6 | 7.0 | 3.2 | 1.8 | -2.7 | -1.7 | -1.3 | -1.6 | 40.3 | 1.7 |
|  | III | 2.8 | 7.0 | 4.0 | 4.3 | 0.3 | 1.5 | -1.5 | 0.6 | 24.4 | 2.8 |
|  | IV | 0.3 | 4.8 | 4.4 | 5.4 | 1.6 | 5.0 | -0.9 | 3.4 | -14.5 | 1.4 |
|  | ANNUAL | 2.5 | 5.3 | 2.8 | 3.3 | -0.3 | 0.8 | -0.3 | 0.5 | 9.1 | 1.2 |
| 1988 | I | 3.1 | 6.0 | 2.8 | 3.9 | 0.5 | 0.8 | 1.4 | 0.9 | 6.0 | 1.4 |
|  | II | -0.4 | 4.3 | 4.7 | 4.9 | 0.5 | 5.3 | 1.4 | 4.3 | 3.4 | 4.2 |
|  | III | -0.7 | 2.4 | 3.2 | 5.0 | 0.0 | 5.7 | 5.2 | 5.6 | -14.2 | 3.5 |
|  | IV | -0.9 | 2.6 | 3.5 | 3.4 | -0.9 | 4.4 | 5.2 | 4.6 | 19.2 | 5.9 |
|  | annual | 1.1 | 5.0 | 3.8 | 4.3 | 0.2 | 3.2 | 1.1 | 2.6 | 3.0 | 2.7 |


| Percent change from corresponding quarter of previous year |  |  |  |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1987 | I | 1.6 | 3.0 | 1.3 | 3.5 | 1.3 | 1.9 | 1.7 | 1.9 | -2.5 | 1.4 |
|  | II | 2.6 | 5.2 | 2.5 | 3.1 | $-0.8$ | 0.4 | 1.0 | 0.6 | 9.4 | 1.4 |
|  | III | 3.3 | 6.8 | 3.4 | 3.1 | -1.1 | -0.2 | -2.0 | -0.7 | 16.2 | 0.8 |
|  | IV | 2.3 | 6.4 | 4.1 | 3.2 | -1.2 | 0.9 | -1.9 | 0.2 | 13.5 | 1.3 |
|  | ANNUAL | 2.5 | 5.3 | 2.8 | 3.3 | -0.3 | 0.8 | -0.3 | 0.5 | 9.1 | 1.2 |
| 1988 | I | 2.5 | 6.2 | 3.6 | 3.9 | -0.1 | 1.3 | -0.6 | 0.8 | 12.1 | 1.8 |
|  | II | 1.5 | 5.5 | 4.0 | 4.6 | 0.7 | 3.1 | 0.1 | 2.3 | 3.9 | 2.5 |
|  | III | 0.6 | 4.4 | 3.8 | 4.8 | 0.6 | 4.2 | 1.7 | 3.5 | -5.3 | 2.6 |
|  | IV | 0.3 | 3.8 | 3.5 | 4.3 | 0.0 | 4.0 | 3.3 | 3.8 | 2.9 | 3.7 |
|  | ANNUAL | 1.1 | 5.0 | 3.8 | 4.3 | 0.2 | 3.2 | 1.1 | 2.6 | 3.0 | 2.7 |
| See footnotes following table 6. |  |  |  |  |  |  |  | August 6, 1990 <br> Source: Bureau |  | Labor | $1 s t$ |

Appendix tabie 7. Bualness gector: Productivity, hourly compeniation, unit labor coat, and prices Indexes $1982=100$

| Year | Output per hour <br> of all peraons | Output | Hours of all persons | Compensation per hour (1) | Real compensation per nour (2) | Unit labor cost | Unit nonlabor paymente (3) | ```Implicit price deflator(4)``` |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1947 | 43.7 | 34.3 | 78.6 | 10.5 | 45.3 | 24.0 | 24.0 | 24.0 |
| 1948 | 45.9 | 36.3 | 79.2 | 12.3 | 45.4 | 24.7 | 27.7 | 25.7 |
| 1949 | 46.3 | 35.5 | 76.6 | 11.5 | 46.8 | 24.9 | 26.8 | 25.5 |
| 1950 | 50.2 | 38.9 | 77.4 | 12.4 | 49.6 | 24.7 | 28.6 | 25.9 |
| 1951 | 52.3 | 41.6 | 79.5 | 13.6 | 50.5 | 26.0 | 30.8 | 27.6 |
| 1952 | 54.0 | 42.9 | 79.5 | 14.5 | 52.7 | 26.8 | 30.3 | 27.9 |
| 1953 | 56.0 | 44.9 | 80.2 | 15.5 | 55.9 | 27.6 | 29.2 | 28.1 |
| 1954 | 56.9 | 44.1 |  | 16.0 | 57.3 | 28.1 | 29.3 | 28.5 |
| 1955 | 58.6 | 47.1 | 80.4 | 16.4 | 59.0 | 27.9 | 31.8 | 29.2 |
| 1956 | 59.4 | 48.5 | 81.6 | 17.5 | 62.0 | 29.4 | 31.6 | 30.1 |
| 1957 | 61.0 | 49.0 | 80.3 | - 18.6 | 64.0 | 30.5 | 32.5 | 31.2 |
|  | 62.8 | 48.1 | 76.6 | 19.5 | 65.0 | 31.0 | 33.0 | 31.7 |
| 1959 | 64.9 | 51.6 |  | 20.3 | 67.4 | 31.3 | 34.3 | 32.3 |
| 1960 | 66.0 | 52.5 | 79.6 | 21.2 | 69.2 | 32.2 | 34.0 | 32.8 |
| 1961 | 68.3 | 53.5 | 78.4 | 22.0 | 71.1 | 32.3 | 34.4 | 32.9 |
| 1962 | 70.8 | 56.3 | 79.6 | 23.1 | 73.7 | 32.6 | 35.6 | 33.6 |
| 1963 | 73.6 | 58.9 | 80.0 | 24.0 | 75.5 | 32.5 | 36.7 | 33.9 |
| 1964 | 76.9 | 62.4 | 81.2 | 25.2 | 78.5 | 32.8 | 37.2 | 34.2 |
|  | 79.2 | 66.4 | 83.8 | 26.2 | 80.2 | 33.1 | 39.1 | 35.0 |
| $1966$ | 81.5 | 69.8 | 85.7 | 28.0 | 83.5 | 34.4 | 39.9 | 36.2 |
| 1967 | 83.9 | 71.7 | 85.4 | 29.6 | 85.6 | 35.3 | 40.6 | 37.1 |
| 1968 | 86.4 | 74.8 | 86.6 | 32.1 | 88.9 | 37.1 | 42.3 | 38.8 |
| 1969 | 86.6 | 76.8 | 88.7 | 34.4 | 90.4 | 39.7 | 43.0 | 40.8 |
| 1970 |  | 76.1 | 87.1 | 36.9 | 91.9 | 42.3 | 43.6 | 42.7 |
| 1971 | 90.2 | 78.2 | 86.7 | 39.3 | 93.7 | 43.6 | 47.4 | 44.8 |
| 1972 | 92.9 | 03.1 | 89.5 | 41.8 | 96.5 | 45.0 | 49.9 | 46.6 |
| 1973 | 95.0 | 88.1 | 92.7 | 45.4 | 98.7 | 47.8 | 53.3 | 49.6 |
| 1974 | 93.2 | 86.5 | 92.8 | 49.9 | 97.6 | 53.5 | 56.1 | 54.3 |
| 1975 | 95.2 | 84.7 | 89.0 | 54.0 | 98.3 | 57.6 | 64.8 | 59.9 |
| 1976 | 98.0 | 89.6 | 91.5 | 59.8 | 101.4 | 61.0 | 68.5 | 63.4 |
| 1977 | 99.8 | 94.6 | 95.0 | 64.6 | 102.8 | 64.7 | 73.4 | 67.5 |
| 1978 1979 | 100.7 | 100.3 | 99.6 102.8 | 70.1 | 103.8 | 69.7 | 78.3 | 72.5 |
| 1979 | 99.5 | 202.3 | 102.8 | 77.0 | 102.3 | 77.4 | 82.4 | 79.0 |
| 1980 | 99.2 | 101.1 | 101.9 | 85.1 | 99.7 | 05.8 | 86.9 | 06.2 |
| 1981 | 100.7 | 103.2 | 102.5 | 93.0 | 98.8 | 92.4 | 98.6 | 94.4 |
| 1982 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 1983 | 102.4 | 104.2 | 101.8 | 103.8 | 100.6 | 101.4 | 107.3 | 103.3 |
| 1984 | 105.0 | 113.0 | 107.6 | 108.1 | 100.4 | 103.0 | 114.8 | 106.8 |
| 1985 | 107.1 | 11.7 .7 | 109.9 | 112.8 | 101.2 | 105.4 | 118.1 | 109.5 |
| 1986 | 109.5 | \% 1212.3 | 110.8 | 118.6 | 104.4 | 108.4 | 119.0 | 111.8 |
| 1987 1988 | 110.7 113.0 | 126.4 133.0 | 114.1 | 123.1 129.1 | 104.6 105.3 | 111.2 114.3 | 122.5 126.5 | 114.8 118.2 |
| 1989 | 112.8 | 135.8 | 120.4 | 133.1 | 103.5 | 114.3 118.0 | 126.5 133.1 | 118.2 122.8 |
| footno | lowing table |  |  |  |  | August 6, 1990 <br> Source: Bureau of 1 |  | S Statistics |

Appendix table 8. Nonfarm business sector: Productivity, hourly compensation, unit labor cost, and prices Indexes 1982-100


Appendix table 9. Manufacturing sector: Productivity, hourly compensation, and unit labor cont Indexes 1982-100

| Year | Output per hour of all persons | Output (6) | Hours of all persona | Compense - <br> tion per heur (1) | Real compensation per hour (2) | $\begin{aligned} & \text { Unit } \\ & \text { labor } \\ & \text { cost } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1847 | 40.0 | 35.6 | 89.0 | 10.7 | 46.3 | 26.7 |
| 2948 | 42.5 | 37.6 | 0.5 | 11.9 | 47.7 | 28.1 |
| 1949 | 44.2 | 35.7 | 80.7 | 12.5 | 50.5 | 28.2 |
| 1950 | 46.6 | 10.6 | 87.1 | 13.1 | 52.5 | 26.1 |
| 2951 | 48.5 | 45.4 | 93.7 | 14.4 | 53.6 | 29.8 |
| 1952 | 49.4 | 47.0 | . 95.0 | 15.4 | 56.0 | 31.1 |
| 1953 | 50.5 | 50.4 | 99.0 | 16.2 | 58.6 | 32.1 |
| 1954 | 51.2 | 46.7 | 91.3 | 17.0 | 60.9 | 33.1 |
| 1955 | 53.6 | 51.6 | 96.3 | 17.6 | 63.4 | 32.9 |
| 1956 | 53.3 | 52.1 | 97.7 | 18.8 | 66.5 | 35.2 |
| 1957 | 54.5 | 52.4 | 96.1 | 19.9 | 68.3 | 36.5 |
| 1959 | 54.2 | 17.8 | 88.2 | 20.8 | 69.4 | 38.3 |
| 1959 | 56.6 | 53.3 | 94.1 | 21.6 | 71.5 | 30.1 |
| 1960 | 56.9 | 53.4 | 93.6 | 22.5 | 73.2 | 39.5 |
| 1961 | 58.5 | 53.5 | 92.4 | 23.1 | 74.6 | 39.5 |
| 1962 | 61.0 | 58.0 | 95.1 | 24.0 | 76.7 | 39.3 |
| 1963 | 65.2 | 62.6 | 96.0 | 24.7 | 78.0 | 37.9 |
| 1964 | $66^{6} 3$ | 67.0 | 98.1 | 25.7 | 80.2 | 37:7 |
| 1965 | 70.2 | 72.9 | 103.9 | 26.3 | 00.5 | 37.5 |
| 1966 | 71.0 | 7 7 .5 | 110.6 | 27.5 | 61.9 | 38.7 |
| 1967 | 71.2 | 78.2 | 109.9 | 29.0 | 83.7 | 40.7 |
| 1968 | 73.8 | 82.3 | 111.5 | 31.2 | 66.5 | 42.3 |
| 1968 | 74.9 | 04.6 | 112.6 | 33.5 | 08. 1 | 44.7 |
| 1970 | 75.2 | 79.9 | 106.1 | 35.9 | 89.3 | 47.7 |
| 1971 | 79.3 | 81.2 | 102.4 | 38.0 | 90.7 | 47.9 |
| 1972 | 82.4 | 88.4 | 107.3 | 39.9 | 92.2 | 48.4 |
| 1973 | 66.9 | 97.9 | 112.7 | 43.0 | 93.5 | 49.5 |
| 1974 | 84.6 | 93.2 | 110.1 | 47.8 | 93.6 | 56.5 |
| 1975 | 16.9 | $06.3$ | 99.3 | 53.5 | 96.0 | 61.6 |
| 1976 | 90.9 | $94.6$ | 104.1 | 58.0 | 98.3 | 63.7 |
| 1977 | 93.8 | 101.6 | 108.4 | 63.0 | 100.4 | 67.2 |
| 1976 | 95.3 | 107.7 | 113.0 | 68.2 | 101.0 | 71.6 |
| 1979 | 95.3 | 109. ${ }^{\text {c }}$ | 115.2 | 74.9 | 99.6 | 78.6 |
| 1980 | 95.3 | 104.8 | 110.0 | 03.7 | 98.0 | 07.8 |
| 1921 | 97.5 | 106.5 | 109.2 | 91.8 | 97.5 | 94.1 |
| 1982 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 1983 | 105.2 | 106.4 | 102.2 | 102.5 | 99.3 | 97.5 |
| 1984 | 110.8 | 119.4 | 107.7 | 106.0 | 98.4 | 95.6 |
| 1985 | 115.9 | 124.0 | 107.0 | 111.1 | 99.6 | 93.9 |
| 1986 | 120.2 | 126.8 | 105.5 | 116.1 | 102.3 | 96.6 |
| 1987 | 124.7 | 132.3 | 106.1 | 119.0 | 101.1 | 95.5 |
| 1988 | 127.6 | 139.9 | 109.6 | 123.4 | 100.6 | 96.7 |
| 1989 | 130.1 | 144.0 | 110.6 | 126.7 | 98.6 | 97.4 |
| footne | lowing table 6. |  |  | August Source | 90 of Inbo | tietice |

Appendix table 10. Durable manufacturing sector: Productivity, hourly compensation, and unit labor cont Indexes 1982-100

| Year | output per hour of all persons | Output (6) | Hours <br> of all <br> persons | Compensa- <br> tion per hour (1) | Real compensation per hour (2) | Unit labor cost |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1947 | 46.8 | 38.1 | 81.4 | 10.5 | 45.4 | 22.4 |
| 1948 | 49.6 | 40.0 | 80.6 | 11.6 | 46.5 | 23.4 |
| 1949 | 51.6 | 36.7 | 71.2 | 12.2 | 49.4 | 23.6 |
| 1950 | 54.5 | 43.2 | 79.3 | 12.8 | 51.4 | 23.5 |
| 1951 | 55.9 | 50.0 | 89.5 | 14.2 | 52.7 | 25.4 |
| 1952 | 57.3 | 52.6 | 91.7 | 15.3 | 55.7 | 26.7 |
| 1953 | 50.3 | 57.5 | 98.6 | 16.1 | 58.3 | 27.7 |
| 1954 | 58.7 | 51.3 | 87.3 | 16.9 | 60.5 | 28.7 |
| 1955 | 61.7 | 57.5 | 93.2 | 17.6 | 63.4 | 28.5 |
| 1956 | 60.0 | 57.2 | 95.3 | 18.7 | 66.5 | 31.2 |
| 1957 | 61.2 | 57.6 | 94.1 | 19.9 | 68.2 | 32.5 |
| 1958 | 59.7 | 49.7 | 83.2 | 20.9 | 69.9 | 35.1 |
| 1959 | 62.1 | 56.0 | 90.2 | 21.7 | 72.0 | 35.0 |
| 1960 | 62.0 | 55.8 | 90.0 | 22.6 | 73.7 | $36: 5$ |
| 1961 | 63.6 | 55.1 | 86.7 | 23.2 | 75.0 | 36.5 |
| 1962 | 66.5 | 60.8 | 91.4 | 24.2 | 77.3 | 36.3 |
| 1963 | 70.8 | 65.9 | 93.1 | 24.8 | 78.4 | 35.1 |
| 1964 | 74.7 | 71.5 | 95.8 | 25.8 | 80.4 | 34.6 |
| 1965 | 77.0 | 79.1 | 102.8 | 26.3 | 80.6 | 34.2 |
| 1966 | 77.1 | 06.1 | 111.7 | 27.4 | 01.7 | 35.6 |
| 1967 | 77.6 | 06.0 | 110.8 | 28.9 | 33.4 | 37.2 |
| 1968 | 80.1 | 90.0 | 112.4 | 31.1 | 86.3 | 38.8 |
| 1969 | 80.8 | 92.1 | 114.0 | 33.4 | 87.8 | 41.3 |
| 1970 | 80.0 | 84.1 | 105.1 | 35.9 | 89.3 | 44.8 |
| 1971 | 84.4 | 84.3 | 99.8 | 38.3 | 91.2 | 45.3 |
| 1972 | 87.5 | 92,8 | 106.1 | 40.0 | 92.5 | 45.8 |
| 1973 | 91.1 | 104.0 | 114.2 | 43.0 | 93.4 | 47.2 |
| 1974 | 89.4 | 100.3 | 112.2 | 47.6 | 93.2 | 53.3 |
| 1975 | 90.7 | 89.7 | 98.9 | 53.7 | 96.4 | 59.2 |
| 1976 | 95.2 | 98.6 | 103.5 | 58.3 | 98.9 | 61.2 |
| 1977 | 97.6 | 106.5 | 109.2 | 63.3 | 100.8 | 64.9 |
| 1978 | 99.1 | 114.7 | 115.8 | 68.2 | 100.9 | 68.8 |
| 1979 | 97.9 | 116.8 | 119.3 | 74.8 | 99.4 | 76.4 |
| 1980 | 98.5 | 110.8 | 112.4 | 83.8 | 98.2 | 85.1 |
| 1981 | 100.1 | 111.7 | 111.5 | 92.0 | 97.7 | 91.9 |
| 1982 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 1983 | 107.0 | 107.7 | 100.7 | 102.1 | 98.9 | 95.4 |
| 1984 | 117.5 | 128.8 | 109.6 | 105.2 | 97.7 | 89.6 |
| 1985 | 124.3 | 136.2 | 109.6 | 110.2 | 98.9 | 88.7 |
| 1986 | 130.4 | 139.3 | 106.8 | 115.7 | 101.9 | 88.7 |
| 1987 | 136.2 | 144.9 | 106.4 | 118.5 | 100.7 | 87.0 |
| 1988 1989 | 139.9 | 155.1 | 110.9 | 121.9 | 99.4 | 87.1 |
| 1989 | 143.3 | 159.8 | 111.5 | 125.4 | 97.6 | 87.5 |
| footno | llowing table 6. |  |  | August <br> Source: | a of Labor | 1stics |

Appendix table 11 . Nondurable manufacturing sector: productivity, hourly compensation, and unit labor cost Indexes $1982=100$


Appendix table 12. Nonfinancial corporations: productivity, hourly compensation, unit labor cost, unit profits, and prices Indexes 1982-100

| Year | Output per allemployee hour | Output | Employee hours | Hourly compensation (1) | Real hourly compensation(2) | Unit labor cost | Unit <br> nonlabor cost (7) | Total unit cost (8) | Unit profits (9) | ```Implicit price deflator (4)``` |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1958 | 68.3 | 40.7 | 59.6 | 21.7 | 72.5 | 31.8 | 26.3 | 30.3 | 70.8 | 32.8 |
| 1959 | 70.8 | 44.8 | 63.3 | 22.5 | 74.7 | 31.8 | 25.6 | 30.1 | 84.0 | 33.5 |
| 1960 | 71.8 | 46.1 | 64.2 | 23.4 | 76.4 | 32.7 | 26.6 | 32.0 | 76.2 | 33.8 |
| 1961 | 73.9 | 47.1 | 63.7 | 24.2 | 78.0 | 32.7 | 27.2 | 31.2 | 76.1 | 34.0 |
| 1962 | 76.7 | 50.8 | 66.2 | 25.1 | 80.3 | 32.7 | 26.9 | 31.1 | 83.3 | 34.4 |
| 1963 | 80.0 | 54.1 | 67.6 | 25.9 | 81.8 | 32.4 | 26.6 | 30.8 | 87.3 | 34.3 |
| 1964 | 83.0 | 57.7 | 69.6 | 27.1 | 84.2 | 32.6 | 26.6 | 30.9 | 91.7 | 34.8 |
| 1965 | 84.8 | 62.4 | 73.5 | 27.8 | 85.3 | 32.8 | 26.5 | 31.1 | 99.1 | 35.3 |
| 1966 | 86.1 | 66.7 | 77.5 | 29.4 | 87.4 | 34.1 | 26.5 | 32.0 | 98.7 | 36.2 |
| 1967 | 87.2 | 68.3 | 78.3 | 31.0 | 89.6 | 35.6 | 28.2 | 33.5 | 92.3 | 37.2 |
| 1968 | 89.6 | 72.2 | 80.6 | 33.3 | 92.4 | 37.2 | 30.2 | 35.2 | 92.6 | 38.8 |
| 1969 | 89.7 | 75.2 | 83.8 | 35.6 | 93.5 | 39.7 | 32.5 | 37.6 | 82.8 | 40.5 |
| 1970 | 90.0 | 74.4 | 82.7 | 38.1 | 94.6 | 42.3 | 36.4 | 40.7 | 66.6 | 42.3 |
| 1971 | 92.4 | 76.3 | 82.6 | 40.4 | 96.3 | 43.7 | 38.7 | 42.3 | 76.3 | 44.5 |
| 1972 | 94.3 | 82.0 | 87.0 | 42.7 | 98.6 | 45.3 | 39.0 | 43.5 | 82.5 | 46.0 |
| 1973 | 96.6 | 88.1 | 91.2 | 46.1 | 100.1 | 47.7 | 40.1 | 45.6 | 83.6 | 48.0 |
| 1974 | 94.0 | 86.0 | 91.5 | 50.5 | 98.9 | 53.8 | 46.5 | 51.7 | 72.1 | 53.0 |
| 1975 | 96.2 | 83.5 | 86.8 | 55.5 | 99.6 | 57.7 | 53.8 | 56.6 | 98.1 | 59.2 |
| 1976 | 98.0 | 88.9 | 90.6 | 60.2 | 102.0 | 61.4 | 54.5 | 59.4 | 113.9 | 62.9 |
| 1977 | 99.8 | 94.6 | 94.9 | 64.9 | 103.3 | 65.0 | 56.7 | 62.7 | 127.4 | 66.8 |
| 1978 | 100.4 | 100.4 | 100.0 | 70.4 | 104.2 | 70.1 | 59.9 | 67.3 | 129.9 | 71.2 |
| 1979 | 99.7 | 103.3 | 103.6 | 77.1 | 102.5 | 77.4 | 65.7 | 74.1 | 120.4 | 77.0 |
| 1980 | 99.0 | 101.4 | 102.4 | 85.2 | 99.8 | 86.1 | 77.5 | 83.7 | 108.5 | 85.2 |
| 1981 | 99.7 | 103.1 | 103.4 | 93.2 | 98.9 | 93.5 | 90.2 | 92.6 | 125.1 | 94.6 |
| 1982 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| 1983 | 102.7 | 104.7 | 101.9 | 103.2 | 100.0 | 100.4 | 98.8 | 100.0 | 141.4 | 102.6 |
| 1984 | 105.2 | 114.3 | 108.6 | 107.1 | 99.4 | 101.8 | 98.4 | 100.8 | 174.0 | 105.4 |
| 1985 | 106.9 | 110.8 | 111.1 | 111.3 | 99.9 | 104.2 | 99.6 | 102.9 | 169.5 | 107.1 |
| 1986 | 109.4 | 122.0 | 111.5 | 116.7 | 102.8 | 106.7 | 103.0 | 105.7 | 156.8 | 108.9 |
| 1987 | 112.1 | 128.5 | 114.6 | 120.5 | 102.4 | 107.5 | 102.7 | 106.2 | 171.1 | 110.2 |
| 1988 | 113.4 | 134.9 | 119.0 | 125.8 | 102.6 | 111.0 | 103.8 | 109.0 | 176.3 | 113.2 |
| 2989 | 111.9 | 136.4 | 121.9 | 129.6 | 100.9 | 115.8 | 111.8 | 114.7 | 157.9 | 117.4 |


[^0]:    NOTE: The productivity and cost measures in this release reflect the regular 3 -year revisions to the national income and product accounts data announced by the Bureau of Economic Analysis of the U.S. Department of Commerce on July 27. Also, indexes are now based on 1982 as 100. See Ravised maasures section (page 4), and appendix tables 1-12 (pages 14-25).

