

# News

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## PRODUCTIVITY AND COSTS

Fourth Quarter and Annual Averages 1991 for  
Business, Nonfarm Business, and Manufacturing  
and 1991 Annual Averages for  
Nonfinancial Corporations

The Bureau of Labor Statistics of the U.S. Department of Labor today reported revised productivity results--as measured by output per hour of all persons--for the fourth quarter and annual averages for 1991. The percentage changes, based on the latest information available, were:

	Fourth quarter	Annual averages 1990-1991
Business sector.....	2.2	0.2
Nonfarm business sector.....	1.7	0.3
Manufacturing.....	1.4	1.4
Durable goods manufacturing.....	1.0	1.3
Nondurable goods manufacturing...	1.9	1.6

The 1990-91 business productivity increase matched the gain from 1989 to 1990, and the nonfarm business increase followed two years of falling productivity. Following the pattern of recent years, productivity performed better in manufacturing during 1991 than in these two broader sectors.

Fourth-quarter measures are summarized in table A and appear in detail in tables 1 through 5. Annual changes in productivity and related measures appear in tables B through D.

## THIRD-TO-FOURTH QUARTER CHANGES, 1991

### Business

Productivity increased at a 2.2 percent annual rate during the fourth quarter of 1991 in the business sector, as output increased at a 0.8 percent annual rate and hours of all persons engaged in the sector fell 1.5 percent (seasonally adjusted rates). This was the third consecutive quarter of productivity increases. During the third quarter of 1991, business productivity had increased 1.1 percent, as output grew 1.8 percent and hours increased 0.7 percent (table 1).

Table A. Productivity and costs: Revised fourth-quarter 1991 measures  
(Seasonally adjusted annual rates)

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Percent change from preceding quarter						
Business	2.2	0.8	-1.5	3.2	-0.4	0.9
Nonfarm business	1.7	0.6	-1.1	2.7	-0.9	0.9
Manufacturing	1.4	0.6	-0.8	4.5	0.9	3.1
Durable	1.0	-1.5	-2.5	6.1	2.4	5.0
Nondurable	1.9	3.3	1.4	2.5	-1.0	0.6
Percent change from same quarter a year ago						
Business	1.3	-0.2	-1.5	3.2	0.2	1.9
Nonfarm business	1.1	-0.3	-1.4	3.2	0.2	2.0
Manufacturing	1.9	-0.4	-2.2	3.6	0.6	1.7
Durable	1.5	-2.1	-3.5	4.2	1.2	2.6
Nondurable	2.3	2.0	-0.4	3.0	0.0	0.6

Hourly compensation increased at a 3.2 percent annual rate during the fourth quarter of 1991, compared with a 2.7 percent increase during the third quarter. This measure includes wages and salaries, supplements, employer contributions to employee-benefit plans, and taxes. Unit labor costs, which reflect changes in hourly compensation and productivity, increased at a 0.9 percent annual rate during the fourth quarter, compared with a 1.6 percent increase one quarter earlier. The fourth-quarter increase was the smallest gain since the first quarter of 1988 (when a 0.2 percent decline occurred).

Real hourly compensation, which takes into account changes in the Consumer Price Index for All Urban Consumers (CPI-U), fell 0.4 percent in the fourth quarter, compared with no increase in the third quarter.

The implicit price deflator for business output, which reflects changes in unit labor costs and unit nonlabor payments, increased 1.1 percent in the fourth quarter. This was the smallest quarterly increase in this measure of price change since a 1.1 percent increase occurred in the second quarter of 1986. The implicit price deflator measures the price change for the goods and services which comprise the output of the business sector.

### **Nonfarm business**

Productivity increased 1.7 percent in the nonfarm business sector during the fourth quarter of 1991, as output grew 0.6 percent and hours of all persons--employees, proprietors, and unpaid family workers--decreased 1.1 percent. During the third quarter, nonfarm productivity had increased 0.9 percent (table 2). As in the more comprehensive business sector, the drop in hours was the third of 1991.

Hourly compensation rose 2.7 percent in the fourth quarter, but declined 0.9 percent when the increase in the CPI-U was taken into account. The index of real hourly compensation in the fourth quarter stood at 101.8 (1982=100). Unit labor costs increased at a 0.9 percent annual rate, compared with a 1.8 percent rise during the third quarter. This was the smallest increase in these costs since the first quarter of 1988 (when they were unchanged from the previous quarter).

The implicit price deflator for nonfarm business output rose 1.7 percent in the fourth quarter, compared with a 2.1 percent increase one quarter earlier. As in the business sector, this was the smallest price gain since the second quarter of 1986.

### **Manufacturing**

Manufacturing productivity increased in the fourth quarter as output showed a small increase and hours were reduced. Productivity increased at a 1.4 percent annual rate as output rose 0.6 percent and hours of all persons decreased 0.8 percent. During the third quarter, productivity rose 4.0 percent, output rose 7.1 percent, and hours increased 3.0 percent (table 3).

Hourly compensation of manufacturing workers increased 4.5 percent during the fourth quarter, or 0.9 percent when the increase in consumer prices was taken into account. Unit labor costs rose at a 3.1 percent annual rate in the fourth quarter of 1991, following a 1.8 percent decrease during the third quarter.

The 1.4 percent productivity gain in total manufacturing was the result of a 1.0 percent rise in the productivity of durable goods manufacturing and a 1.9 percent increase for nondurable goods. There were large declines in both output (1.5 percent) and hours (2.5 percent) for durables, while increases occurred in nondurables--3.3 percent for output and 1.4 percent for hours.

**ANNUAL CHANGES, 1990-1991**

**Nonfinancial corporations**

The Bureau of Labor Statistics also reported annual productivity and related indexes for nonfinancial corporations for 1991. Productivity increased 1.4 percent, as output slipped 1.0 percent and hours decreased 2.4 percent during the year. Hourly compensation rose 3.9 percent in 1991 but fell 0.2 percent when the increase in the CPI-U was taken into account. Unit labor costs rose 2.5 percent, unit nonlabor costs rose 5.6 percent, and unit profits declined 8.0 percent. Annual changes from 1982 to 1991 are shown in table B.

Measure	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Productivity.....	1.3	3.7	1.4	1.1	2.7	1.4	1.8	-1.8	0.0	1.4
Output.....	-1.7	5.6	8.1	3.6	3.3	4.1	5.4	1.2	0.1	-1.0
Hours.....	-2.9	1.8	6.6	2.4	0.6	2.7	3.5	3.0	0.1	-2.4
Hourly comp.....	7.0	3.3	4.0	4.1	4.6	2.8	4.0	3.5	5.2	3.9
Real hourly comp...	0.8	0.1	-0.3	0.6	2.7	-0.8	-0.2	-1.3	-0.2	-0.2
Unit labor costs...	5.7	-0.4	2.5	3.0	1.9	1.4	2.1	5.3	5.1	2.5
Unit nonlabor cost.	9.5	-0.8	-0.7	1.3	2.7	0.0	4.0	5.0	4.6	5.6
Total unit costs...	6.7	-0.5	1.6	2.6	2.1	1.0	2.6	5.2	5.0	3.3
Unit profit.....	-17.2	35.9	24.0	-0.3	-10.9	15.1	6.6	-6.1	-14.1	-8.0
Implicit price def.	4.8	1.8	3.5	2.3	0.8	2.2	3.0	4.1	3.3	2.5

**Revised measures**

Previous and revised productivity and cost measures for the fourth quarter and full year 1991 are compared in table C for the business, nonfarm business, and manufacturing sectors. Revisions to measures of real hourly compensation in all sectors reflect the introduction of new seasonal adjustment factors for the Consumer Price Index for All Urban Consumers. These new factors were applied beginning with data for the first quarter of 1987. Other revisions reflect the use of more complete and accurate data than were available February 5, when the previous measures were published.

**NOTE:** Future revisions due to the regular benchmarking of employment and hours measures to unemployment insurance records will affect measures incorporating labor input data (productivity, hourly compensation, real hourly compensation, and hours of all persons). The new data might lower the growth of business labor input by 1.5 to 2.5 percentage points in the first quarter of 1991 and by less than half a percent in the annual movement. Labor input data for the nonfarm business, manufacturing, and nonfinancial corporate sectors may be similarly affected by the benchmarking.

Table C. Previous and current productivity and related measures Fourth quarter and annual averages, 1991 (Seasonally adjusted annual rates)						
Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Percent change, third to fourth quarter 1991						
<b>Business:</b>						
Previous	1.6	0.1	-1.5	2.9	-0.2	1.3
Current	2.2	0.8	-1.5	3.2	-0.4	0.9
<b>Nonfarm business:</b>						
Previous	1.1	0.0	-1.1	2.4	-0.7	1.3
Current	1.7	0.6	-1.1	2.7	-0.9	0.9
<b>Manufacturing:</b>						
Previous	1.5	0.8	-0.7	4.0	0.8	2.5
Current	1.4	0.6	-0.8	4.5	0.9	3.1
Percent change, 1990 - 1991						
<b>Business:</b>						
Previous	0.2	-1.5	-1.7	3.9	-0.3	3.7
Current	0.2	-1.5	-1.7	3.9	-0.3	3.7
<b>Nonfarm business:</b>						
Previous	0.2	-1.6	-1.8	4.0	-0.2	3.7
Current	0.3	-1.6	-1.8	4.0	-0.2	3.7
<b>Manufacturing:</b>						
Previous	1.4	-2.2	-3.6	4.2	0.0	2.7
Current	1.4	-2.3	-3.7	4.2	0.0	2.7

**Next release date**

The next issue of **Productivity and Costs** is scheduled for release at **10:00 AM EDT, Wednesday, June 17, 1992**, and will contain first quarter 1992 measures for business, nonfarm business, and manufacturing.

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Information in this release will be made available to sensory-impaired individuals upon request. Voice phone: 202-523-1221; TDD phone: 202-523-3926; TDD message referral phone number: 1-800-326-2577.

**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 Department of Commerce and the CPS are used to measure labor input for government enterprises, proprietors, unpaid family workers, and paid employees of private households.

**Output:** Business sector output is equal to gross domestic product (GDP) in constant 1987 dollars, less 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 NIPA. Corresponding exclusions are also made in labor inputs. Business output was about 78 percent of GDP in 1991. Nonfarm business, which also excludes farming, was about 77 percent of GDP in 1991.

Total manufacturing measures are computed by summing series prepared for the durable and nondurable goods sectors. Durables include the following 2-digit SIC industries: Primary metals; fabricated metal products; industrial machinery and equipment; electronic and other electric equipment; 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, paper and allied 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 19 percent of GDP in 1991.

Nonfinancial corporate output is equal to GDP in constant 1987 dollars, less 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 55 percent of GDP in 1991.

**PRODUCTIVITY:** 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

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 costs	Unit non-labor payments (3)	Implicit price deflator (4)	
Indexes 1982=100									
1990	I	109.6	133.2	121.6	136.2	102.6	124.3	138.1	128.8
	II	110.3	133.9	121.4	139.0	103.6	126.1	138.7	130.2
	III	109.6	132.9	121.2	140.9	103.3	128.5	138.0	131.6
	IV	109.4	131.8	120.5	142.3	102.6	130.1	137.5	132.5
	ANNUAL	109.7	132.9	121.2	139.6	103.1	127.2	138.1	130.8
1991	I	109.4	130.2	119.1	143.2	102.4	131.0	140.2	134.0
	II	109.9	130.7	119.0	144.8	103.0	131.8	141.4	135.0
	III	110.2	131.3	119.2	145.8	103.0	132.3	r142.2	135.6
	IV	r110.8	r131.6	118.7	146.9	102.9	r132.6	r142.7	135.9
	ANNUAL	r110.0	r131.0	119.1	145.1	102.8	r131.9	r141.6	135.1
Percent change from previous quarter at annual rate(5)									
1990	I	1.7	3.0	1.2	6.6	r-0.4	4.8	2.4	4.0
	II	2.4	2.0	-0.5	8.4	r4.1	5.8	1.7	4.3
	III	-2.2	-3.0	-0.8	5.7	r-1.3	8.1	-2.2	4.4
	IV	-0.9	-3.0	-2.2	4.1	r-2.6	5.0	-1.3	2.8
	ANNUAL	0.2	0.4	0.2	5.4	0.0	5.2	1.4	3.8
1991	I	-0.1	-4.9	-4.7	2.6	r-0.6	2.7	7.9	4.5
	II	1.9	1.7	-0.3	4.6	r2.0	2.6	3.6	2.9
	III	1.1	1.8	0.7	r2.7	r0.0	r1.6	r2.2	1.8
	IV	r2.2	r0.8	-1.5	r3.2	r-0.4	r0.9	r1.6	r1.1
	ANNUAL	0.2	-1.5	-1.7	3.9	-0.3	3.7	r2.6	3.3
Percent change from corresponding quarter of previous year									
1990	I	-0.4	0.5	0.9	3.8	-1.3	4.2	2.8	3.7
	II	0.5	1.0	0.6	5.3	0.7	4.9	1.6	3.7
	III	0.4	0.3	-0.1	6.2	r0.6	5.8	1.0	4.1
	IV	0.2	-0.3	-0.6	6.2	-0.1	5.9	0.2	3.9
	ANNUAL	0.2	0.4	0.2	5.4	0.0	5.2	1.4	3.8
1991	I	-0.2	-2.3	-2.1	5.1	-0.2	5.4	1.5	4.0
	II	-0.3	-2.3	-2.0	4.2	r-0.7	4.6	1.9	3.6
	III	0.5	-1.2	-1.6	3.5	r-0.3	3.0	3.0	3.0
	IV	r1.3	r-0.2	-1.5	3.2	r0.2	r1.9	r3.8	r2.6
	ANNUAL	0.2	-1.5	-1.7	3.9	-0.3	3.7	r2.6	3.3

See footnotes following table 6.  
r-revised

March 10, 1992  
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 costs	Unit non-labor payments (3)	Implicit price deflator (4)	
Indexes 1982=100									
1990	I	108.1	133.5	123.5	134.9	r101.7	124.9	138.4	129.2
	II	108.6	134.1	123.4	137.6	102.6	126.7	139.0	130.6
	III	107.9	133.1	123.3	139.5	102.3	129.2	138.4	132.2
	IV	107.9	132.0	122.4	141.0	101.7	130.7	138.7	133.3
	ANNUAL	108.1	133.2	123.1	138.3	102.1	127.9	138.6	131.3
1991	I	107.9	130.4	120.9	142.0	r101.6	131.6	141.8	134.9
	II	108.4	130.9	120.8	143.6	102.1	132.5	142.5	135.7
	III	108.6	131.4	121.0	144.5	102.1	r133.0	143.4	136.4
	IV	r109.1	r131.6	120.6	r145.5	r101.8	r133.3	r144.5	r137.0
	ANNUAL	108.4	r131.1	120.9	143.8	101.9	r132.6	r143.1	136.0
Percent change from previous quarter at annual rate(5)									
1990	I	1.0	2.7	1.8	6.0	r-1.0	5.0	1.7	3.8
	II	2.1	1.8	-0.3	8.1	r3.9	5.9	1.8	4.5
	III	-2.5	-3.0	-0.5	5.6	r-1.4	8.4	-1.7	4.8
	IV	-0.3	-3.1	-2.8	4.4	r-2.3	4.7	1.0	3.4
	ANNUAL	-0.1	0.3	0.3	5.2	-0.2	5.3	1.5	3.9
1991	I	0.1	-4.9	-4.9	2.7	r-0.5	2.7	9.0	4.8
	II	1.9	1.6	-0.3	4.6	r2.1	2.6	2.1	2.5
	III	0.9	1.6	0.7	r2.6	r-0.1	1.8	r2.7	2.1
	IV	r1.7	r0.6	-1.1	r2.7	r-0.9	r0.9	r3.1	r1.7
	ANNUAL	r0.3	-1.6	-1.8	4.0	-0.2	3.7	r3.2	3.5
Percent change from corresponding quarter of previous year									
1990	I	-0.7	0.4	1.0	3.5	-1.6	4.2	2.9	3.8
	II	0.4	1.0	0.6	5.2	0.6	4.9	1.6	3.7
	III	0.1	0.2	0.1	6.1	r0.4	6.0	0.8	4.2
	IV	0.0	-0.4	-0.5	6.0	-0.2	6.0	0.7	4.1
	ANNUAL	-0.1	0.3	0.3	5.2	-0.2	5.3	1.5	3.9
1991	I	-0.2	-2.3	-2.2	5.2	-0.1	5.4	2.4	4.4
	II	-0.2	-2.4	-2.2	4.3	-0.5	4.6	2.5	3.9
	III	0.6	-1.2	-1.9	3.6	r-0.2	r2.9	3.6	3.2
	IV	r1.1	r-0.3	-1.4	r3.2	0.2	r2.0	r4.2	2.7
	ANNUAL	r0.3	-1.6	-1.8	4.0	-0.2	3.7	r3.2	3.5

See footnotes following table 6.  
r=revised

March 10, 1992  
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 (6)	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	
Indexes 1982=100							
1990	I	124.1	134.1	108.1	131.3	98.9	105.9
	II	125.1	135.4	108.3	133.6	99.6	106.8
	III	126.8	136.6	107.7	134.9	r98.9	106.4
	IV	126.4	133.9	105.9	137.0	98.8	108.4
	ANNUAL	125.7	135.0	107.4	134.3	99.2	106.9
1991	I	126.0	130.3	103.4	138.2	98.8	109.7
	II	127.1	131.0	103.0	139.7	99.3	109.9
	III	128.4	133.2	103.8	140.4	r99.2	109.4
	IV	128.8	r133.4	103.6	r142.0	r99.4	r110.2
	ANNUAL	127.5	132.0	103.5	r140.0	r99.2	109.8
Percent change from previous quarter at annual rate(5)							
1990	I	4.3	1.9	-2.4	4.9	r-2.0	0.5
	II	3.3	4.0	0.6	7.2	r3.0	3.8
	III	5.6	3.4	-2.1	4.0	r-2.9	-1.6
	IV	-1.1	-7.6	-6.6	6.5	r-0.4	7.6
	ANNUAL	2.5	0.3	-2.2	5.3	-0.1	2.7
1991	I	-1.5	-10.5	-9.1	3.3	r0.1	4.9
	II	3.7	2.2	-1.4	4.4	r1.8	0.7
	III	4.0	7.1	3.0	r2.1	r-0.6	r-1.8
	IV	r1.4	r0.6	r-0.8	r4.5	r0.9	r3.1
	ANNUAL	1.4	r-2.3	r-3.7	4.2	0.0	2.7
Percent change from corresponding quarter of previous year							
1990	I	1.2	-0.9	-2.1	3.9	-1.2	2.7
	II	1.7	0.2	-1.6	5.7	1.1	3.9
	III	3.8	1.8	-1.9	5.6	0.0	1.7
	IV	3.0	0.3	-2.6	5.6	-0.6	2.5
	ANNUAL	2.5	0.3	-2.2	5.3	-0.1	2.7
1991	I	1.5	-2.9	-4.4	5.2	-0.1	3.6
	II	1.6	-3.3	-4.9	4.5	-0.3	2.9
	III	1.2	-2.5	-3.6	4.1	r0.3	2.8
	IV	1.9	r-0.4	-2.2	r3.6	r0.6	r1.7
	ANNUAL	1.4	r-2.3	r-3.7	4.2	0.0	2.7

See footnotes following table 6.  
r=revised

March 10, 1992  
Source: Bureau of Labor Statistics

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 of all persons	Compensation per hour(1)	Real compensation per hour(2)	Unit labor costs
----- Indexes 1982=100 -----						
1990	I	132.4	143.2	108.1	129.3	97.4
	II	134.8	145.7	108.1	131.6	98.1
	III	137.4	147.3	107.2	132.9	97.5
	IV	136.3	142.6	104.6	135.3	r97.5
	ANNUAL	135.4	144.7	106.9	132.4	97.8
1991	I	135.7	137.6	101.4	136.4	r97.6
	II	136.8	138.3	101.1	137.9	98.1
	III	138.1	140.2	101.5	138.9	98.1
	IV	138.4	139.7	r100.9	r140.9	r98.7
	ANNUAL	r137.2	r138.9	101.3	r138.5	98.1
----- Percent change from previous quarter at annual rate(5) -----						
1990	I	4.9	1.6	-3.1	3.9	r-3.0
	II	7.5	7.3	-0.1	7.2	r3.0
	III	8.0	4.3	-3.4	4.2	r-2.7
	IV	-3.1	-12.1	-9.2	7.2	r0.3
	ANNUAL	3.7	0.2	-3.4	5.5	0.1
1991	I	-1.8	-13.3	-11.7	3.4	r0.1
	II	3.2	2.2	-1.0	4.6	r2.1
	III	3.8	5.5	1.6	r2.7	r-1.1
	IV	r1.0	r-1.5	r-2.5	r6.1	r2.4
	ANNUAL	1.3	-4.0	-5.2	r4.6	r0.4
----- Percent change from corresponding quarter of previous year -----						
1990	I	2.2	-1.4	-3.5	4.1	-1.0
	II	2.8	0.2	-2.6	6.0	1.3
	III	5.0	2.0	-2.8	5.7	0.1
	IV	4.2	0.0	-4.0	5.6	-0.6
	ANNUAL	3.7	0.2	-3.4	5.5	0.1
1991	I	2.5	-3.9	-6.2	5.5	0.2
	II	1.4	-5.1	-6.4	4.8	r-0.1
	III	0.5	-4.8	-5.3	4.5	0.6
	IV	1.5	r-2.1	-3.5	r4.2	r1.2
	ANNUAL	1.3	-4.0	-5.2	r4.6	r0.4

See footnotes following table 6.  
r=revised

March 10, 1992  
Source: Bureau of Labor Statistics

Table 5. Nondurable 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 costs	
Indexes 1982=100							
1990	I	114.0	123.3	108.1	134.7	r101.5	118.2
	II	113.3	123.1	108.6	137.2	102.3	121.0
	III	114.0	123.7	108.5	138.5	r101.5	121.5
	IV	114.5	123.5	107.8	140.5	101.3	122.6
	ANNUAL	114.0	123.4	108.2	137.7	101.7	120.8
1991	I	114.2	121.4	106.3	141.8	r101.5	124.1
	II	115.5	122.1	105.7	143.2	r101.8	124.0
	III	116.7	124.9	107.0	143.7	101.5	123.2
	IV	r117.2	r125.9	107.4	r144.6	r101.2	r123.4
	ANNUAL	r115.8	123.6	106.7	143.3	101.5	r123.7
Percent change from previous quarter at annual rate(5)							
1990	I	3.5	2.3	-1.2	6.7	r-0.3	3.0
	II	-2.2	-0.6	1.7	7.4	r3.1	9.8
	III	2.3	2.1	-0.2	3.8	r-3.0	1.5
	IV	1.9	-0.9	-2.7	5.9	r-0.9	3.9
	ANNUAL	1.0	0.6	-0.4	5.4	0.0	4.4
1991	I	-1.0	-6.4	-5.4	4.0	r0.7	5.1
	II	4.4	2.3	-2.1	3.9	r1.4	-0.5
	III	4.2	9.3	4.9	r1.4	r-1.2	-2.6
	IV	r1.9	r3.3	r1.4	r2.5	r-1.0	r0.6
	ANNUAL	1.6	0.2	-1.4	4.0	-0.2	r2.4
Percent change from corresponding quarter of previous year							
1990	I	-0.2	-0.1	0.1	4.0	-1.1	4.2
	II	0.2	0.2	-0.1	5.5	0.9	5.3
	III	2.1	1.5	-0.6	5.6	r0.0	3.4
	IV	1.4	0.7	-0.6	5.9	-0.3	4.5
	ANNUAL	1.0	0.6	-0.4	5.4	0.0	4.4
1991	I	0.2	-1.5	-1.7	5.3	0.0	5.0
	II	1.9	-0.8	-2.6	4.4	r-0.5	2.5
	III	2.3	0.9	-1.4	3.8	r0.0	1.4
	IV	r2.3	2.0	r-0.4	r3.0	0.0	r0.6
	ANNUAL	1.6	0.2	-1.4	4.0	-0.2	r2.4

See footnotes following table 6.  
r=revised

March 10, 1992  
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 costs	Unit non-labor cost (7)	Total unit cost (8)	Unit profits (9)	Implicit price deflator (4)	
Indexes 1982=100											
1990	I	110.3	135.9	123.2	132.6	99.9	120.3	115.0	118.8	161.6	121.4
	II	111.3	136.9	123.0	135.4	101.0	121.7	115.1	119.8	163.6	122.5
	III	110.2	135.4	122.8	137.3	r100.6	124.6	118.1	122.8	138.7	123.7
	IV	111.0	134.7	121.4	138.7	r100.0	125.0	120.5	123.7	128.7	124.0
	ANNUAL	110.7	135.7	122.6	136.1	100.5	122.9	117.1	121.3	148.2	122.9
1991	I	111.3	133.3	119.7	139.7	99.9	125.4	123.7	124.9	130.9	125.3
	II	112.1	134.0	119.5	141.2	100.4	125.9	123.4	125.2	138.2	126.0
	III	112.6	134.8	119.7	142.1	r100.4	126.2	124.1	125.6	136.7	126.3
	IV	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	ANNUAL	112.3	134.4	119.6	141.4	100.2	125.9	123.7	125.3	136.4	126.0
Percent change from previous quarter at annual rate(5)											
1990	I	0.1	0.7	0.6	4.9	r-2.0	4.8	2.0	4.0	-0.3	3.6
	II	3.7	3.2	-0.4	8.7	r4.4	4.8	0.3	3.6	5.0	3.7
	III	-3.9	-4.5	-0.6	5.6	r-1.4	9.9	11.1	10.2	-48.3	4.1
	IV	2.8	-1.9	-4.5	4.3	r-2.4	1.5	8.1	3.2	-26.0	1.0
	ANNUAL	0.0	0.1	0.1	5.2	-0.2	5.1	4.6	5.0	-14.1	3.3
1991	I	1.4	-4.3	-5.6	2.7	r-0.5	1.3	11.2	4.0	7.0	4.2
	II	2.9	2.1	-0.8	4.4	r1.9	1.5	-1.1	0.8	24.4	2.2
	III	1.7	2.5	0.8	2.6	r-0.1	0.9	2.4	1.3	-4.2	0.9
	IV	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	ANNUAL	1.4	-1.0	-2.4	3.9	-0.2	2.5	5.6	3.3	-8.0	2.5
Percent change from corresponding quarter of previous year											
1990	I	-0.8	0.2	1.0	3.5	-1.6	4.3	5.8	4.7	-8.7	3.4
	II	0.6	1.1	0.4	5.4	0.7	4.7	3.5	4.4	-8.4	3.2
	III	-0.2	-0.3	-0.1	6.1	r0.5	6.4	4.1	5.8	-19.8	3.5
	IV	0.6	-0.7	-1.3	5.8	-0.4	5.2	5.3	5.2	-20.4	3.1
	ANNUAL	0.0	0.1	0.1	5.2	-0.2	5.1	4.6	5.0	-14.1	3.3
1991	I	0.9	-1.9	-2.8	5.3	0.0	4.3	7.6	5.2	-19.0	3.2
	II	0.8	-2.2	-2.9	4.2	-0.6	3.5	7.2	4.5	-15.5	2.8
	III	2.2	-0.4	-2.6	3.5	r-0.3	1.3	5.0	2.3	-1.4	2.0
	IV	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	ANNUAL	1.4	-1.0	-2.4	3.9	-0.2	2.5	5.6	3.3	-8.0	2.5

See footnotes following table 6.  
r=revised

March 10, 1992  
Source: Bureau of Labor Statistics

**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 becomes 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 1990.

#### 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 self-employed.
- (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.