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PRODUCTIVITY AND COSTS
Second Quarter 1998

The Bureau of Labor Statistics of the U.S. Department of Labor reported preliminary productivity data--as measured by output per hour of all persons--for the second quarter of 1998. The preliminary seasonally adjusted annual rates of productivity change in the second quarter were:

-0.6 percent in the business sector, and
-0.2 percent in the nonfarm business sector.

In both the business and nonfarm business sectors, the decline in productivity growth in the second quarter was the first since the first quarter of 1995. In the first quarter of 1998, output per hour of all persons (as revised) rose 4.1 percent in the business sector and 3.5 percent in the nonfarm business sector.

In manufacturing, productivity changes in the second quarter were:

3.3 percent in manufacturing,
5.7 percent in durable goods manufacturing, and
0.2 percent in nondurable goods manufacturing.

The data in this release reflect the regular multi-year GDP revisions released by the Bureau of Economic Analysis of the U.S. Department of Commerce on July 31. They also reflect the annual benchmark revision to the BLS establishment survey data and revisions to hours series released by BLS on June 5. All employment and hours series incorporate new information on seasonal patterns. See Revised Measures. Appendix tables 1-6 show revised historical series.

Table A. Productivity and costs: Preliminary second-quarter 1998 measures
(Seasonally adjusted annual rates)

Sector	Produc- tivity	Output	Hours	Hourly compen- sation	Real hourly compen- sation	Unit labor costs
Percent change from preceding quarter						
Business	-0.6	1.2	1.8	3.9	1.9	4.5
Nonfarm business	-0.2	1.3	1.6	3.8	1.8	4.1
Manufacturing	3.3	1.7	-1.5	2.5	0.5	-0.7
Durable	5.7	3.6	-1.9	1.5	-0.5	-4.0
Nondurable	0.2	-0.7	-0.9	4.4	2.3	4.2
Percent change from same quarter a year ago						
Business	2.0	4.2	2.1	4.5	2.9	2.5
Nonfarm business	1.9	4.2	2.3	4.3	2.7	2.4
Manufacturing	4.2	4.5	0.3	5.0	3.3	0.8
Durable	6.1	6.6	0.5	4.9	3.2	-1.2
Nondurable	2.0	2.0	0.0	5.2	3.5	3.2

The second-quarter increase in manufacturing productivity was the result of a small increase in output, 1.7 percent, combined with a drop in hours worked in the sector of 1.5 percent. Output and hours in manufacturing, which includes about 18 percent of U.S. business-sector employment, tend to vary more from quarter to quarter than data for the more aggregate business and nonfarm business sectors. Second-quarter measures are summarized in table A and appear in detail in tables 1 through 5.

The data sources and methods used in the preparation of the manufacturing series differ from those used in preparing the business and nonfarm business series, and these measures are not directly comparable. Output measures for business and nonfarm business are based on measures of gross domestic product prepared by the Bureau of Economic Analysis of the U.S. Department of Commerce. Quarterly output measures for manufacturing reflect indexes of industrial production independently prepared by the Board of Governors of the Federal Reserve System. See Technical Notes for further information on data sources.

Business

From the first to the second quarter of 1998, business sector productivity fell at a 0.6 percent annual rate, as output rose 1.2 percent and hours of all persons engaged in the sector rose faster, 1.8 percent. The second-quarter increase in output was the smallest recorded since a 0.3-percent rise in the second quarter of 1995. The revised measure of labor productivity for the first quarter shows that productivity rose 4.1 percent as output and hours increased 7.1 and 2.9 percent, respectively (table 1).

Hourly compensation increased 3.9 percent in the second quarter and 4.9 percent in the first quarter of 1998. This measure includes wages and salaries, supplements, employer contributions to employee benefit plans, and taxes. Unit labor costs, which reflect changes in both hourly compensation and productivity, increased at a 4.5-percent annual rate during the second quarter. This was only the fourth time since 1990 that these costs increased more than 4 percent in a single quarter.

Real hourly compensation, which takes into account changes in the Consumer Price Index for All Urban Consumers (CPI-U), increased at a 1.9 percent annual rate during the second quarter of 1998 after rising 4.4 percent in the first quarter of 1998.

The implicit price deflator for the business sector, which reflects changes in unit labor costs and unit nonlabor payments, increased 0.3 percent in the second quarter and 0.2 percent in the first quarter of 1998.

Nonfarm business

Productivity decreased slightly--0.2 percent--in the nonfarm business sector during the second quarter of 1998, after rising 3.5 percent in the first quarter (table 2). Output rose 1.3 percent during the second quarter, but hours of all persons working in the sector increased more rapidly, 1.6 percent. In the first quarter of the year, output had risen 7.0 percent, the largest increase since an 8.4-percent increase occurred in the fourth quarter of 1992. Hours of all persons in the nonfarm business sector rose 3.4 percent in the first quarter of 1998.

Hourly compensation increased 3.8 percent in the second quarter, down from the 4.6 percent rise posted one quarter earlier. When the rise in the CPI-U is taken into account, increases in real hourly compensation for the second quarter of the year rose 1.8 percent.

Unit labor costs grew 4.1 percent in the second quarter and 1.1 percent in the previous quarter. The implicit price deflator for nonfarm business output grew 0.1 percent in the second quarter and 0.6 percent in the first quarter of 1998.

Manufacturing

Productivity increased 3.3 percent in manufacturing, as output rose 1.7 percent and hours of all persons dropped 1.5 percent (seasonally adjusted annual rates). In the first quarter, productivity rose 1.4 percent as output increased 2.2 percent and hours increased 0.8 percent (table 3). Labor productivity in manufacturing has risen in every quarter since the third quarter of 1993, when it fell 0.2 percent. In durable goods, productivity increased 5.7 in the second quarter of 1998 as output rose 3.6 percent while hours of all persons fell 1.9 percent. In nondurable goods manufacturing, productivity rose 0.2 percent in the second quarter as both output and hours dropped, 0.7 and 0.9 percent, respectively (tables 4 and 5).

Hourly compensation of all manufacturing workers increased 2.5 percent during the second quarter, less than the 4.1 percent increase in the first quarter. When the increase in consumer prices is taken into account, real hourly compensation rose 0.5 percent in the second quarter.

Unit labor costs in manufacturing fell at a 0.7 percent annual rate in the second quarter. Trends in unit labor costs in the two subsectors were quite different; unit labor costs fell 4.0 percent in durable goods manufacturing and rose 4.2 percent in nondurable goods manufacturing.

Revised Measures

Current and previous measures for the first quarter of 1998 for the business, nonfarm business, and manufacturing sectors are compared in table B. Increases in productivity and output are larger--and increases in hours of all persons are smaller--than those reported on June 4, based on information then available. Increases in unit labor costs are correspondingly smaller than originally reported.

Table B. Previous and revised productivity and related measures
Quarterly percent change at seasonally adjusted annual rate

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs

First quarter 1998						
Business:						
Previous	1.7	6.0	4.2	4.4	3.9	2.7
Current	4.1	7.1	2.9	4.9	4.4	0.8
Nonfarm business:						
Previous	1.1	6.0	4.8	4.2	3.7	3.1
Current	3.5	7.0	3.4	4.6	4.1	1.1
Manufacturing:						
Previous	0.7	2.0	1.3	2.8	2.3	2.1
Current	1.4	2.2	0.8	4.1	3.6	2.7

Output data for the business, nonfarm business, and nonfinancial corporate sectors and compensation series for all sectors incorporate the revisions of the national income and product accounts produced by the Bureau of Economic Analysis, U.S. Department of Commerce. Labor input measures have been revised to reflect the annual benchmarking process of employment levels derived from the monthly Current Employment Statistics (CES) survey and the updating of seasonal adjustment factors. In addition, the seasonal adjustment process for hours series reported by CES was refined to correct for distortions associated with the varying length of pay periods across months. (See USDL 98-231.) These revisions extend back to the first quarter of 1988.

As a result of these revisions, annual increases in labor productivity in the business and nonfarm business sectors are higher than previously reported for 1994-96 and slightly lower for 1997. In the manufacturing sector, increases in output per hour since 1994 are slightly less than reported earlier. Appendix tables 1-6 present quarterly and annual measures for 1993-95.

Revised measures: Nonfinancial Corporations

Productivity and cost measures for the first quarter for nonfinancial corporations also were revised to incorporate the most recent information on output, compensation, profits, and labor inputs. Productivity growth was unchanged from that reported on June 4 as downward revisions in output were matched by similar revisions to employee hours. Unit labor costs grew less than originally reported, reflecting a downward revision to hourly compensation. The decrease in unit profits was less than reported on June 4 (table C).

Table C. Nonfinancial corporations: Previous and revised productivity and cost measures

Quarterly percent changes at seasonally adjusted annual rates

	Produc-			Hourly	Real	Unit		Implicit
	tivity	Output	Hours	compen-	hourly	labor	Unit	price
				sation	compen-	costs	profits	deflator
					sation			
			First quarter 1998					
Previous	2.6	7.2	4.5	4.2	3.7	1.6	-6.3	-0.2
Current	2.6	5.9	3.2	3.6	3.1	0.9	-5.6	-0.4

Next release date

The next release of Productivity and Costs is scheduled for 10:00 a.m. EDT, Thursday, September 3, 1998. Revised second-quarter measures for business, nonfarm business, and manufacturing will be released at that time, along with measures for nonfinancial corporations.

TECHNICAL NOTES

Labor Hours: 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 paid hours of production and non-supervisory workers in nonagricultural establishments. Jobs rather than persons are counted. Weekly paid hours are adjusted to hours at work 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 (BEA) of the Department of Commerce and the CPS are used to measure labor input for government enterprises, proprietors, and unpaid family workers.

Output: Business sector output is an annual-weighted index constructed after excluding from gross domestic product (GDP) the following outputs: General government, nonprofit institutions, paid employees of private households, and the rental value of owner-occupied dwellings. Corresponding exclusions also are made in labor inputs. Business output accounted for about 76 percent of the value of GDP in 1992. Nonfarm business, which also excludes farming, accounted for about 75 percent of GDP in 1992.

Annual manufacturing indexes are constructed by deflating current-dollar industry value of production data from the U.S. Bureau of the Census with deflators from the BEA. These deflators are based on data from the BLS producer price program and other sources. The industry shipments are aggregated using annual weights, and intrasector transactions are removed. Quarterly manufacturing output measures are based on the index of industrial production prepared monthly by the Board of Governors of the Federal Reserve System adjusted to be consistent with annual indexes of manufacturing sector output prepared by BLS. Durables include the following 2-digit SIC industries: Primary metal industries; fabricated metal products; non-electrical machinery; industrial and commercial machinery and computer equipment; electronic and other electrical equipment; transportation equipment; instruments; lumber and lumber products; furniture and fixtures; stone, clay, and glass and concrete products; and miscellaneous manufactures. Nondurables include: Food and kindred products, tobacco products, textile mill products, apparel products, paper and allied products, printing and publishing, chemicals and chemical products, petroleum refining and related industries, rubber and plastic products, and leather and leather products.

Nonfinancial corporate output is an annual-weighted index constructed by excluding from GDP the following outputs: General government; nonprofit institutions; employees of private households; the rental value of owner-occupied dwellings; unincorporated business; and those corporations which are depository institutions, nondepository institutions, security and commodity brokers, insurance carriers, regulated investment offices, small business investment offices, and real estate investment trusts. Nonfinancial corporations accounted for about 52 percent of the value of GDP in 1992.

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.

Information in this release will be made available to sensory-impaired individuals upon request. Voice phone: 202-606-STAT; TDD phone: 202-606-5897; TDD message referral phone number: 1-800-326-2577.

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

1. Business Sector: Productivity, hourly compensation, unit labor costs, 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 1992=100									
1996	I	r102.9	r112.5	r109.3	r108.8	r98.4	r105.7	r111.9	r107.9
	II	r103.8	r114.2	r110.0	r110.3	r98.9	r106.3	r112.1	r108.4
	III	r103.8	r114.9	r110.7	r111.4	r99.3	r107.3	r111.5	r108.8
	IV	r104.2	r116.4	r111.6	r112.3	r99.3	r107.8	r111.8	r109.2
	ANNUAL	r103.7	r114.5	110.4	r110.7	r99.0	r106.8	r111.8	r108.6
1997	I	r104.5	r117.8	112.7	r113.4	r99.7	r108.5	r112.4	r109.9
	II	r105.0	r119.1	r113.4	r114.1	r100.0	r108.7	r113.1	r110.3
	III	r106.0	r120.6	r113.8	r115.3	r100.5	r108.8	r113.8	r110.6
	IV	r106.2	r121.7	r114.5	r116.8	r101.3	r110.0	r112.4	r110.8
	ANNUAL	r105.4	r119.8	r113.6	r114.9	r100.5	r109.0	r112.9	r110.4
1998	I	r107.3	r123.7	r115.4	r118.2	r102.4	r110.2	r112.2	r110.9
	II	107.1	124.1	115.9	119.3	102.9	111.4	110.2	111.0
Percent change from previous quarter at annual rate(5)									
1996	I	r4.4	r4.5	r0.1	r2.5	r-0.7	r-1.9	r8.5	r1.9
	II	r3.5	r6.4	r2.9	r5.6	r1.8	r2.1	r0.9	r1.7
	III	r0.1	r2.5	r2.4	r4.0	r1.5	r3.8	r-2.2	r1.6
	IV	r1.5	r5.1	r3.5	3.4	0.0	r1.8	r1.0	r1.5
	ANNUAL	r2.7	r4.2	r1.5	r3.6	r0.7	r0.9	r2.8	r1.6
1997	I	r1.0	r4.9	r3.9	r3.9	r1.7	r2.8	r2.0	r2.5
	II	r2.0	r4.7	r2.6	r2.6	r1.3	r0.6	r2.8	r1.4
	III	r3.7	r4.9	r1.2	r4.1	r2.1	r0.4	r2.2	1.1
	IV	r0.9	r3.6	r2.7	r5.3	r3.1	r4.4	r-4.8	0.9
	ANNUAL	r1.7	r4.6	r2.9	r3.8	r1.5	r2.1	r1.0	1.7
1998	I	r4.1	r7.1	r2.9	r4.9	r4.4	r0.8	r-0.7	r0.2
	II	-0.6	1.2	1.8	3.9	1.9	4.5	-6.8	0.3
Percent change from corresponding quarter of previous year									
1996	I	r2.5	r3.2	r0.7	r3.0	r0.2	r0.6	r3.3	r1.6
	II	r3.1	r4.7	r1.6	r3.7	r0.8	r0.6	r3.4	r1.6
	III	r2.8	r4.2	r1.4	r4.0	r1.0	r1.1	r2.4	r1.6
	IV	r2.4	r4.6	r2.2	r3.9	r0.7	r1.5	2.0	r1.7
	ANNUAL	r2.7	r4.2	r1.5	r3.6	r0.7	r0.9	r2.8	r1.6
1997	I	1.5	4.7	r3.2	r4.2	1.2	2.6	r0.4	r1.8
	II	r1.2	r4.3	r3.1	r3.5	r1.1	2.3	r0.9	r1.8
	III	r2.1	r4.9	r2.8	r3.5	r1.3	r1.4	2.0	1.6
	IV	r1.9	4.5	r2.6	r4.0	r2.0	2.0	r0.5	r1.5
	ANNUAL	r1.7	r4.6	r2.9	r3.8	r1.5	r2.1	r1.0	1.7
1998	I	r2.6	r5.1	2.3	r4.2	r2.7	r1.5	r-0.2	r0.9
	II	2.0	4.2	2.1	4.5	2.9	2.5	-2.6	0.6

See footnotes following Table 6.

r=revised

August 11, 1998

Source: Bureau of Labor Statistics

Table 2. Nonfarm business sector: Productivity, hourly compensation, unit labor costs, 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 1992=100								
1996	I	r103.0	r112.8	109.4	r108.6	r98.3	r105.4	r112.3
	II	r103.8	r114.5	r110.3	r110.0	r98.6	r106.0	r112.3
	III	r103.8	r115.2	r111.0	r111.0	r98.9	r107.0	r111.6
	IV	r104.1	r116.6	r112.0	r112.0	r98.9	r107.5	r112.2
	ANNUAL	r103.7	r114.8	110.7	r110.4	r98.7	r106.5	r112.1
1997	I	r104.2	r117.9	113.1	r113.1	r99.4	r108.5	r112.8
	II	r104.7	r119.2	r113.9	r113.8	r99.7	r108.7	r113.6
	III	r105.6	r120.6	r114.2	r114.9	r100.2	r108.8	r114.5
	IV	r105.9	r121.8	r115.1	r116.3	r100.9	r109.9	r113.3
	ANNUAL	r105.1	r119.9	r114.1	r114.5	r100.1	r109.0	r113.6
1998	I	r106.8	r123.9	r116.0	r117.6	r101.9	r110.2	r113.2
	II	106.7	124.3	116.5	118.7	102.3	111.3	111.3
Percent change from previous quarter at annual rate(5)								
1996	I	r4.1	r4.2	r0.0	r2.6	r-0.5	r-1.5	r7.4
	II	r3.0	r6.4	r3.3	r5.2	r1.4	2.2	r-0.1
	III	r0.0	r2.5	r2.4	r3.7	r1.3	r3.7	r-2.3
	IV	r1.2	r5.0	r3.7	r3.3	0.0	r2.1	r2.3
	ANNUAL	r2.4	r4.1	1.6	r3.5	r0.6	r1.1	r2.0
1997	I	r0.5	r4.5	r4.1	r4.0	r1.8	r3.6	r2.2
	II	r1.8	r4.5	r2.6	r2.6	r1.2	r0.7	r2.8
	III	3.6	r4.8	r1.2	r3.9	r2.0	r0.3	r3.1
	IV	r0.9	r4.0	r3.0	r4.9	r2.8	r4.0	r-4.3
	ANNUAL	r1.4	4.5	r3.0	r3.7	r1.4	r2.3	r1.3
1998	I	r3.5	r7.0	r3.4	r4.6	r4.1	r1.1	r-0.3
	II	-0.2	1.3	1.6	3.8	1.8	4.1	-6.6
Percent change from corresponding quarter of previous year								
1996	I	r2.4	r3.2	r0.8	r3.0	r0.2	r0.6	r2.7
	II	r2.9	r4.7	1.8	r3.6	r0.7	r0.7	r2.4
	III	r2.4	r4.1	r1.6	r3.8	r0.8	r1.3	r1.4
	IV	r2.1	r4.5	r2.4	r3.7	r0.5	r1.6	r1.7
	ANNUAL	r2.4	r4.1	1.6	r3.5	r0.6	r1.1	r2.0
1997	I	r1.2	r4.6	3.4	r4.1	1.1	r2.9	r0.5
	II	r0.9	r4.1	r3.2	r3.4	r1.1	r2.5	r1.2
	III	r1.8	4.7	r2.9	r3.5	r1.2	r1.7	r2.6
	IV	r1.7	r4.4	r2.7	r3.9	r1.9	r2.1	r0.9
	ANNUAL	r1.4	4.5	r3.0	r3.7	r1.4	r2.3	r1.3
1998	I	r2.4	r5.1	r2.6	r4.0	r2.5	r1.5	r0.3
	II	1.9	4.2	2.3	4.3	2.7	2.4	-2.1

See footnotes following Table 6.
r=revised

August 11, 1998
Source: Bureau of Labor Statistics

Table 3. Manufacturing sector: Productivity, hourly compensation, and unit labor costs, 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
Indexes 1992=100							
1996	I	r112.9	115.8	r102.6	r109.2	r98.8	r96.8
	II	r114.0	118.3	r103.8	r110.3	r98.9	r96.8
	III	r115.2	119.9	r104.1	r111.2	r99.1	r96.5
	IV	r116.3	121.2	r104.3	r111.9	r98.9	r96.2
	ANNUAL	r114.6	118.8	r103.7	r110.7	r99.0	r96.6
1997	I	r117.1	123.0	r105.1	r113.0	r99.3	r96.5
	II	r118.0	124.5	r105.5	r114.0	r99.9	r96.6
	III	r120.1	126.4	r105.2	r115.5	r100.7	r96.2
	IV	r121.5	128.9	r106.1	r117.8	r102.2	r96.9
	ANNUAL	r119.2	125.7	r105.5	r115.1	r100.6	r96.6
1998	I	r121.9	r129.6	r106.3	119.0	103.1	r97.6
	II	122.9	130.1	105.9	119.7	103.2	97.4
Percent change from previous quarter at annual rate(5)							
1996	I	r6.2	2.6	r-3.3	r-0.1	r-3.2	r-6.0
	II	r3.9	9.0	r4.9	r4.1	r0.4	r0.2
	III	r4.3	5.4	r1.1	3.1	0.7	r-1.1
	IV	r3.8	4.5	r0.7	r2.5	r-0.9	r-1.3
	ANNUAL	r4.5	4.2	r-0.4	r2.2	r-0.8	r-2.3
1997	I	r2.8	6.2	r3.3	r4.2	r2.0	r1.3
	II	r3.2	4.9	r1.7	r3.5	r2.1	r0.3
	III	r7.3	6.1	r-1.1	r5.6	r3.6	r-1.6
	IV	r4.9	8.2	r3.1	r8.0	r5.8	r3.0
	ANNUAL	r4.0	5.8	r1.7	r4.0	r1.7	r0.0
1998	I	r1.4	r2.2	r0.8	r4.1	r3.6	r2.7
	II	3.3	1.7	-1.5	2.5	0.5	-0.7
Percent change from corresponding quarter of previous year							
1996	I	4.7	2.2	-2.4	r1.9	r-0.9	r-2.7
	II	r4.4	4.3	r-0.1	r2.1	r-0.7	r-2.2
	III	r4.3	4.7	r0.4	r2.2	r-0.7	r-2.0
	IV	r4.6	5.4	r0.8	r2.4	r-0.8	r-2.1
	ANNUAL	r4.5	4.2	r-0.4	r2.2	r-0.8	r-2.3
1997	I	r3.7	6.3	r2.5	3.5	r0.5	r-0.2
	II	r3.5	5.3	r1.7	r3.3	r1.0	r-0.2
	III	r4.2	5.4	r1.1	r3.9	r1.7	r-0.3
	IV	r4.5	6.3	r1.7	r5.3	r3.4	r0.7
	ANNUAL	r4.0	5.8	r1.7	r4.0	r1.7	r0.0
1998	I	r4.2	5.3	1.1	r5.3	r3.8	r1.1
	II	4.2	4.5	0.3	5.0	3.3	0.8

See footnotes following Table 6.
r=revised

August 11, 1998
Source: Bureau of Labor Statistics

Table 4. Durable manufacturing sector: Productivity, hourly compensation, and unit labor costs, 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
Indexes 1992=100							
1996	I	r120.2	126.8	r105.5	r107.5	r97.2	r89.4
	II	r122.0	131.1	r107.4	r108.5	r97.2	r88.9
	III	r123.6	133.2	r107.8	r109.2	r97.3	r88.4
	IV	r124.6	134.6	r108.0	r109.6	r96.8	r87.9
	ANNUAL	r122.6	131.4	r107.2	r108.7	r97.2	r88.6
1997	I	r125.7	137.7	r109.5	r110.6	r97.2	r88.0
	II	r127.4	140.4	r110.2	r111.5	r97.7	r87.5
	III	r130.6	143.8	r110.1	r113.0	r98.5	r86.5
	IV	r133.0	147.4	r110.9	r115.8	r100.4	r87.1
	ANNUAL	r129.2	142.3	r110.2	r112.8	r98.6	r87.3
1998	I	r133.4	r148.4	r111.3	r116.6	r101.0	r87.4
	II	135.2	149.7	110.7	117.0	100.8	86.5
Percent change from previous quarter at annual rate(5)							
1996	I	r8.8	5.9	r-2.7	r-2.8	r-5.8	r-10.7
	II	r6.2	14.2	r7.5	r3.8	r0.1	r-2.2
	III	r5.2	6.8	r1.5	2.6	0.2	r-2.5
	IV	r3.6	4.3	0.7	r1.4	r-1.9	r-2.1
	ANNUAL	r6.2	7.1	r0.9	r0.8	r-2.1	r-5.0
1997	I	r3.5	9.4	r5.7	r3.9	r1.6	r0.3
	II	r5.6	8.1	r2.4	r3.4	r2.0	r-2.0
	III	r10.4	10.2	r-0.2	r5.5	r3.5	r-4.5
	IV	r7.5	10.3	r2.7	r10.2	r7.9	r2.5
	ANNUAL	r5.4	8.3	r2.8	r3.7	r1.4	r-1.6
1998	I	r1.2	r2.6	r1.4	r2.6	r2.1	r1.4
	II	5.7	3.6	-1.9	1.5	-0.5	-4.0
Percent change from corresponding quarter of previous year							
1996	I	6.0	4.8	r-1.2	r0.4	r-2.4	r-5.3
	II	r6.5	8.0	r1.4	r0.7	r-2.1	r-5.4
	III	r6.2	8.0	r1.7	r0.9	r-2.0	r-5.0
	IV	r5.9	7.7	r1.7	r1.2	r-1.9	r-4.4
	ANNUAL	r6.2	7.1	r0.9	r0.8	r-2.1	r-5.0
1997	I	r4.6	8.6	r3.8	r2.9	r0.0	r-1.6
	II	r4.5	7.1	r2.6	r2.8	r0.5	r-1.6
	III	r5.7	8.0	r2.1	r3.5	r1.3	r-2.1
	IV	r6.7	9.5	r2.6	r5.7	r3.7	r-0.9
	ANNUAL	r5.4	8.3	r2.8	r3.7	r1.4	r-1.6
1998	I	r6.1	r7.8	1.6	r5.4	r3.9	r-0.7
	II	6.1	6.6	0.5	4.9	3.2	-1.2

See footnotes following Table 6.
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August 11, 1998
Source: Bureau of Labor Statistics

Table 5. Nondurable manufacturing sector: Productivity, hourly compensation, and unit labor costs, 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
Indexes 1992=100							
1996	I	r105.9	104.5	r98.7	r111.4	r100.8	r105.2
	II	r106.4	105.3	r99.0	r112.6	r100.9	r105.8
	III	r107.2	106.3	r99.1	r113.7	r101.3	r106.0
	IV	r108.3	107.5	r99.3	r114.8	r101.5	r106.0
	ANNUAL	r107.0	105.9	r99.0	r113.1	r101.2	r105.8
1997	I	r109.0	108.2	r99.2	r116.1	r102.0	r106.5
	II	r109.2	108.5	r99.4	r117.1	r102.6	r107.2
	III	r110.2	108.9	r98.8	118.7	r103.5	r107.6
	IV	r110.7	110.3	r99.7	r120.0	r104.1	r108.4
	ANNUAL	r109.8	109.0	r99.2	r118.0	r103.1	r107.4
1998	I	r111.3	110.8	r99.6	r121.9	r105.6	r109.5
	II	111.3	110.6	99.4	123.2	106.2	110.7
Percent change from previous quarter at annual rate(5)							
1996	I	r3.1	-1.2	r-4.2	r4.2	r1.0	r1.0
	II	r1.8	3.1	r1.2	4.1	0.4	r2.3
	III	r3.3	3.8	r0.5	4.0	1.5	r0.7
	IV	r4.0	4.6	r0.6	r4.2	r0.8	r0.2
	ANNUAL	r2.7	0.6	r-2.1	4.1	1.1	r1.4
1997	I	r2.7	2.5	r-0.2	r4.3	r2.1	r1.6
	II	r0.5	1.2	r0.6	r3.5	r2.2	r3.0
	III	r4.0	1.5	r-2.4	r5.6	r3.6	r1.5
	IV	r1.7	5.5	r3.7	r4.6	r2.5	r2.9
	ANNUAL	r2.6	2.9	r0.2	r4.3	r1.9	r1.6
1998	I	r2.0	r1.8	r-0.2	r6.4	r5.8	r4.3
	II	0.2	-0.7	-0.9	4.4	2.3	4.2
Percent change from corresponding quarter of previous year							
1996	I	r3.3	-1.0	-4.1	r4.1	r1.3	r0.8
	II	r2.3	-0.1	r-2.3	r4.1	r1.2	r1.8
	III	r2.3	0.8	r-1.5	r4.1	1.2	r1.8
	IV	r3.0	2.5	r-0.5	4.1	0.9	r1.0
	ANNUAL	r2.7	0.6	r-2.1	4.1	1.1	r1.4
1997	I	r2.9	3.5	r0.5	r4.2	r1.2	r1.2
	II	r2.6	3.0	r0.4	r4.0	r1.7	r1.4
	III	r2.8	2.4	r-0.4	r4.4	r2.2	r1.6
	IV	r2.2	2.6	r0.4	r4.5	r2.6	r2.2
	ANNUAL	r2.6	2.9	r0.2	r4.3	r1.9	r1.6
1998	I	2.1	r2.5	0.4	r5.0	r3.5	r2.9
	II	2.0	2.0	0.0	5.2	3.5	3.2

See footnotes following Table 6.
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August 11, 1998
Source: Bureau of Labor Statistics

Table 6. Nonfinancial corporations: Productivity, hourly compensation, unit labor costs, 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 costs (6)	Total unit costs (7)	Unit profits (8)	Implicit price deflator (4)
Indexes 1992=100											
1996	I	r106.4	r117.3	r110.3	r107.7	r97.4	r101.2	r98.7	r100.6	r153.7	r105.4
	II	r107.2	r119.3	r111.2	r109.0	r97.7	r101.7	r97.9	r100.7	r154.1	r105.5
	III	r108.0	r120.9	r111.9	r110.1	r98.1	r101.9	r97.5	r100.8	r155.3	r105.7
	IV	r108.6	r122.5	r112.8	r110.9	r98.0	r102.1	97.4	r100.9	r155.4	r105.8
	ANNUAL	r107.6	r120.0	r111.5	r109.5	r97.9	r101.7	r97.9	r100.7	r154.6	r105.6
1997	I	r109.0	r124.3	r114.0	r111.8	r98.3	r102.6	r97.3	r101.2	r156.6	r106.2
	II	r109.7	r126.2	r115.1	r112.6	r98.6	r102.6	97.1	r101.2	r157.3	r106.3
	III	r111.2	r128.7	r115.7	r113.7	r99.2	r102.3	r96.4	r100.7	r161.7	r106.3
	IV	r111.4	r130.2	r116.8	r115.1	r99.9	r103.3	r95.7	r101.3	r155.7	r106.3
	ANNUAL	r110.4	r127.3	r115.3	r113.4	r99.1	r102.7	96.6	r101.1	r157.8	r106.3
1998	I	r112.2	r132.1	r117.7	r116.2	r100.6	r103.5	r95.4	r101.4	r153.5	r106.2
Percent change from previous quarter at annual rate (5)											
1996	I	r1.2	r1.4	r0.2	r1.7	r-1.5	r0.4	r-0.7	r0.1	r13.1	r1.7
	II	r3.3	r6.9	r3.5	r5.0	r1.2	r1.7	r-2.9	r0.5	r1.1	r0.6
	III	r2.9	r5.6	r2.6	r3.9	1.4	r0.9	r-1.7	r0.3	r3.0	r0.6
	IV	2.1	r5.5	r3.3	r2.9	r-0.4	r0.7	r-0.5	r0.4	r0.3	r0.4
	ANNUAL	r2.8	4.5	r1.7	r3.1	r0.2	r0.3	r-1.1	r-0.1	r7.7	r0.9
1997	I	r1.5	r5.9	4.3	r3.6	r1.3	r2.0	r-0.6	r1.4	r3.2	1.6
	II	r2.5	r6.3	r3.8	r2.6	r1.3	r0.2	r-0.6	r0.0	r1.7	r0.2
	III	r5.6	r8.2	r2.4	r4.2	r2.2	r-1.3	r-3.1	r-1.8	r11.8	r0.0
	IV	r1.0	r4.8	r3.8	r5.0	r2.9	r4.0	r-2.7	r2.3	r-14.1	r-0.1
	ANNUAL	2.6	r6.1	r3.5	r3.6	r1.2	r1.0	r-1.3	0.4	r2.1	r0.6
1998	I	2.6	r5.9	r3.2	r3.6	r3.1	r0.9	r-1.1	r0.4	r-5.6	r-0.4
Percent change from corresponding quarter of previous year											
1996	I	r2.9	r3.9	r1.0	r2.5	r-0.3	r-0.4	-0.6	r-0.5	r11.5	r0.9
	II	r3.2	r4.9	r1.7	r3.1	r0.2	r-0.1	-1.6	r-0.5	r11.1	r0.9
	III	r2.6	4.4	r1.8	r3.4	r0.5	0.8	-0.9	r0.3	r4.5	r0.9
	IV	r2.4	4.8	r2.4	r3.4	r0.2	r0.9	r-1.4	0.3	r4.3	r0.8
	ANNUAL	r2.8	4.5	r1.7	r3.1	r0.2	r0.3	r-1.1	r-0.1	r7.7	r0.9
1997	I	r2.5	r5.9	r3.4	r3.8	r0.9	1.3	r-1.4	r0.6	r1.9	0.8
	II	r2.3	r5.8	r3.5	r3.2	r0.9	r1.0	r-0.8	r0.5	r2.0	r0.7
	III	r2.9	r6.4	r3.4	r3.3	r1.1	r0.4	r-1.2	0.0	r4.2	r0.5
	IV	r2.6	r6.3	r3.5	r3.9	r1.9	r1.2	r-1.8	r0.5	r0.2	r0.4
	ANNUAL	2.6	r6.1	r3.5	r3.6	r1.2	r1.0	r-1.3	0.4	r2.1	r0.6
1998	I	2.9	r6.3	r3.3	r3.9	r2.4	r0.9	r-1.9	r0.2	r-2.0	r-0.1

See footnotes following Table 6.

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August 11, 1998

Source: Bureau of Labor Statistics

Appendix table 1. Business sector: Productivity, hourly compensation, unit labor costs, 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 1992=100									
1993	I	99.9	101.4	101.5	101.6	99.6	101.7	101.8	101.7
	II	99.8	102.1	102.3	102.5	99.7	102.7	101.5	102.3
	III	99.9	102.8	102.9	102.9	99.6	103.0	102.2	102.7
	IV	100.8	104.6	103.7	103.1	99.1	102.3	105.3	103.4
	ANNUAL	100.1	102.7	102.6	102.5	99.5	102.4	102.7	102.5
1994	I	100.8	105.2	104.4	104.1	99.6	103.3	104.9	103.9
	II	100.8	106.9	106.0	104.1	98.9	103.2	106.5	104.4
	III	100.4	107.3	106.8	104.3	98.2	103.8	107.4	105.1
	IV	100.7	108.5	107.7	105.1	98.3	104.3	108.3	105.8
	ANNUAL	100.7	107.0	106.2	104.4	98.8	103.7	106.8	104.8
1995	I	100.5	109.0	108.5	105.6	98.2	105.1	108.3	106.3
	II	100.7	109.1	108.3	106.4	98.1	105.7	108.5	106.7
	III	101.0	110.3	109.1	107.2	98.3	106.1	108.9	107.1
	IV	101.8	111.2	109.2	108.2	98.6	106.2	109.6	107.4
	ANNUAL	101.0	109.9	108.8	106.8	98.4	105.8	108.8	106.9
Percent change from previous quarter at annual rate(5)									
1993	I	-4.4	-1.2	3.4	1.8	-1.0	6.5	-1.5	3.5
	II	-0.6	2.7	3.3	3.3	0.3	4.0	-1.2	2.1
	III	0.5	2.8	2.2	1.5	-0.4	1.0	2.8	1.6
	IV	3.8	7.1	3.2	1.0	-2.2	-2.7	12.9	2.7
	ANNUAL	0.1	2.7	2.6	2.5	-0.5	2.4	2.7	2.5
1994	I	0.0	2.6	2.6	4.0	2.0	4.0	-1.5	2.0
	II	-0.1	6.4	6.5	-0.3	-2.8	-0.2	6.3	2.1
	III	-1.4	1.5	3.0	0.8	-2.8	2.3	3.4	2.7
	IV	1.2	4.6	3.3	3.2	0.7	1.9	3.4	2.5
	ANNUAL	0.6	4.1	3.5	1.8	-0.7	1.2	4.0	2.2
1995	I	-1.0	2.0	3.0	2.1	-0.5	3.1	-0.3	1.9
	II	0.9	0.3	-0.6	3.0	-0.4	2.0	0.7	1.6
	III	1.3	4.4	3.1	2.9	0.8	1.5	1.8	1.6
	IV	3.2	3.6	0.4	3.8	1.3	0.6	2.5	1.3
	ANNUAL	0.3	2.7	2.4	2.3	-0.5	2.0	1.9	2.0
Percent change from corresponding quarter of previous year									
1993	I	0.3	2.6	2.3	2.8	-0.4	2.4	2.6	2.5
	II	0.1	2.5	2.4	3.2	0.1	3.1	1.5	2.5
	III	0.2	3.0	2.7	2.3	-0.5	2.0	3.6	2.6
	IV	-0.2	2.8	3.0	1.9	-0.8	2.1	3.1	2.5
	ANNUAL	0.1	2.7	2.6	2.5	-0.5	2.4	2.7	2.5
1994	I	0.9	3.8	2.8	2.5	-0.1	1.5	3.1	2.1
	II	1.0	4.7	3.6	1.5	-0.8	0.5	5.0	2.1
	III	0.5	4.4	3.8	1.4	-1.5	0.8	5.1	2.4
	IV	-0.1	3.7	3.8	1.9	-0.7	2.0	2.9	2.3
	ANNUAL	0.6	4.1	3.5	1.8	-0.7	1.2	4.0	2.2
1995	I	-0.3	3.6	3.9	1.4	-1.4	1.8	3.2	2.3
	II	-0.1	2.1	2.2	2.3	-0.8	2.3	1.8	2.1
	III	0.6	2.8	2.2	2.8	0.1	2.2	1.4	1.9
	IV	1.1	2.6	1.4	2.9	0.3	1.8	1.2	1.6
	ANNUAL	0.3	2.7	2.4	2.3	-0.5	2.0	1.9	2.0

See footnotes following Table 6.

August 11, 1998
Source: Bureau of Labor Statistics

Appendix table 2. Nonfarm business sector: Productivity, hourly compensation, unit labor costs, 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 1992=100									
1993	I	99.9	101.6	101.7	101.5	99.5	101.6	102.3	101.8
	II	99.7	102.3	102.6	102.2	99.4	102.5	101.8	102.3
	III	100.0	103.2	103.2	102.5	99.3	102.5	102.9	102.6
	IV	100.7	104.8	104.1	102.8	98.8	102.1	105.5	103.3
	ANNUAL	100.1	103.0	102.9	102.2	99.3	102.2	103.1	102.5
1994	I	100.7	105.2	104.5	103.9	99.3	103.2	105.0	103.8
	II	100.8	106.9	106.1	103.9	98.7	103.1	107.0	104.5
	III	100.3	107.3	106.9	104.1	98.0	103.7	108.2	105.3
	IV	100.8	108.6	107.8	105.0	98.2	104.2	109.2	106.0
	ANNUAL	100.6	107.0	106.3	104.2	98.7	103.6	107.3	104.9
1995	I	100.6	109.2	108.5	105.5	98.1	104.8	109.4	106.4
	II	100.9	109.4	108.4	106.2	97.9	105.3	109.7	106.9
	III	101.3	110.7	109.2	107.0	98.2	105.6	110.0	107.2
	IV	102.0	111.6	109.4	107.9	98.4	105.8	110.3	107.4
	ANNUAL	101.2	110.2	108.9	106.7	98.2	105.4	109.9	107.0
Percent change from previous quarter at annual rate(5)									
1993	I	-4.6	-0.8	3.9	1.1	-1.6	6.0	0.0	3.8
	II	-1.1	2.6	3.7	2.9	-0.1	4.0	-2.2	1.7
	III	1.5	3.9	2.4	1.3	-0.6	-0.2	4.5	1.5
	IV	2.7	6.1	3.2	1.1	-2.1	-1.6	10.6	2.6
	ANNUAL	0.1	3.0	2.9	2.2	-0.7	2.2	3.1	2.5
1994	I	-0.2	1.6	1.8	4.3	2.3	4.5	-1.9	2.1
	II	0.5	6.6	6.1	0.2	-2.3	-0.3	7.7	2.5
	III	-1.8	1.5	3.4	0.5	-3.1	2.4	4.6	3.2
	IV	1.8	5.0	3.1	3.5	1.0	1.7	3.8	2.4
	ANNUAL	0.5	3.9	3.3	1.9	-0.6	1.4	4.1	2.3
1995	I	-0.4	2.5	2.9	2.0	-0.6	2.5	0.8	1.9
	II	0.9	0.5	-0.5	2.8	-0.6	1.8	1.1	1.6
	III	1.8	4.9	3.1	3.1	0.9	1.2	1.3	1.2
	IV	2.6	3.3	0.7	3.5	1.0	0.9	1.0	0.9
	ANNUAL	0.6	3.0	2.4	2.4	-0.5	1.8	2.3	2.0
Percent change from corresponding quarter of previous year									
1993	I	0.4	2.8	2.4	2.7	-0.5	2.3	3.2	2.6
	II	-0.1	2.7	2.8	2.8	-0.3	2.9	1.8	2.5
	III	0.4	3.5	3.0	1.9	-0.9	1.5	4.5	2.5
	IV	-0.4	2.9	3.3	1.6	-1.1	2.0	3.1	2.4
	ANNUAL	0.1	3.0	2.9	2.2	-0.7	2.2	3.1	2.5
1994	I	0.7	3.6	2.8	2.4	-0.1	1.6	2.6	2.0
	II	1.1	4.5	3.4	1.7	-0.7	0.6	5.1	2.2
	III	0.3	3.9	3.6	1.5	-1.3	1.2	5.1	2.6
	IV	0.1	3.6	3.6	2.1	-0.6	2.0	3.5	2.6
	ANNUAL	0.5	3.9	3.3	1.9	-0.6	1.4	4.1	2.3
1995	I	0.0	3.8	3.9	1.5	-1.3	1.6	4.2	2.5
	II	0.1	2.3	2.2	2.2	-0.8	2.1	2.5	2.2
	III	1.0	3.2	2.1	2.8	0.2	1.8	1.7	1.8
	IV	1.2	2.8	1.5	2.8	0.2	1.6	1.0	1.4
	ANNUAL	0.6	3.0	2.4	2.4	-0.5	1.8	2.3	2.0

See footnotes following Table 6.

August 11, 1998
Source: Bureau of Labor Statistics

Appendix table 3. Manufacturing sector: Productivity, hourly compensation, and unit labor costs, 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

Indexes 1992=100							
1993	I	101.9	102.7	100.8	101.5	99.5	99.6
	II	101.8	103.0	101.2	102.5	99.7	100.7
	III	101.7	103.3	101.5	103.4	100.1	101.6
	IV	102.6	104.7	102.0	104.3	100.2	101.6
	ANNUAL	102.0	103.4	101.4	102.9	99.9	100.9
1994	I	104.0	106.3	102.2	105.3	100.7	101.3
	II	105.2	108.4	103.1	105.3	100.0	100.1
	III	105.6	109.9	104.0	105.9	99.7	100.3
	IV	106.5	111.9	105.1	106.7	99.8	100.1
	ANNUAL	105.3	109.1	103.6	105.8	100.1	100.4
1995	I	107.8	113.3	105.1	107.2	99.7	99.5
	II	109.1	113.4	103.9	108.0	99.6	99.0
	III	110.4	114.5	103.7	108.8	99.8	98.5
	IV	111.2	115.0	103.4	109.3	99.6	98.3
	ANNUAL	109.6	114.1	104.0	108.3	99.7	98.8

Percent change from previous quarter at annual rate(5)							
1993	I	2.6	4.2	1.5	1.8	-1.0	-0.7
	II	-0.6	1.0	1.6	3.9	0.9	4.6
	III	-0.2	1.1	1.3	3.4	1.5	3.6
	IV	3.7	5.9	2.1	3.7	0.4	0.0
	ANNUAL	2.0	3.4	1.4	2.9	-0.1	0.9
1994	I	5.3	6.1	0.8	3.8	1.8	-1.4
	II	4.8	8.3	3.3	0.1	-2.4	-4.5
	III	1.5	5.3	3.7	2.2	-1.5	0.7
	IV	3.5	7.8	4.1	3.0	0.5	-0.5
	ANNUAL	3.3	5.5	2.2	2.8	0.2	-0.5
1995	I	4.8	4.9	0.1	2.1	-0.5	-2.5
	II	5.1	0.6	-4.3	3.1	-0.3	-2.0
	III	4.7	3.7	-0.9	2.8	0.6	-1.8
	IV	3.0	1.9	-1.0	1.8	-0.6	-1.1
	ANNUAL	4.1	4.5	0.4	2.4	-0.4	-1.6

Percent change from corresponding quarter of previous year							
1993	I	3.5	4.8	1.3	2.9	-0.2	-0.6
	II	2.1	3.1	1.0	2.8	-0.3	0.7
	III	1.1	2.7	1.6	2.7	-0.1	1.5
	IV	1.4	3.0	1.6	3.2	0.5	1.8
	ANNUAL	2.0	3.4	1.4	2.9	-0.1	0.9
1994	I	2.0	3.5	1.4	3.7	1.2	1.7
	II	3.4	5.3	1.9	2.7	0.3	-0.6
	III	3.8	6.4	2.5	2.4	-0.4	-1.3
	IV	3.8	6.9	3.0	2.3	-0.4	-1.5
	ANNUAL	3.3	5.5	2.2	2.8	0.2	-0.5
1995	I	3.7	6.6	2.8	1.8	-1.0	-1.7
	II	3.7	4.6	0.8	2.6	-0.4	-1.1
	III	4.5	4.2	-0.3	2.7	0.1	-1.7
	IV	4.4	2.8	-1.5	2.4	-0.2	-1.9
	ANNUAL	4.1	4.5	0.4	2.4	-0.4	-1.6

See footnotes following Table 6.

August 11, 1998

Source: Bureau of Labor Statistics

Appendix table 4. Durable manufacturing sector: Productivity, hourly compensation, and unit labor costs, 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

Indexes 1992=100							
1993	I	103.7	104.4	100.7	101.6	99.6	98.0
	II	104.4	105.4	101.0	102.8	100.0	98.4
	III	104.0	105.8	101.7	103.6	100.3	99.6
	IV	106.3	108.9	102.5	104.6	100.5	98.5
	ANNUAL	104.6	106.1	101.5	103.2	100.2	98.6
1994	I	107.9	111.1	103.0	105.4	100.8	97.7
	II	109.3	113.7	104.0	105.3	100.0	96.3
	III	110.3	116.1	105.3	105.7	99.5	95.9
	IV	111.5	118.9	106.7	106.5	99.7	95.5
	ANNUAL	109.7	114.9	104.7	105.7	100.1	96.3
1995	I	113.4	121.0	106.7	107.1	99.6	94.5
	II	114.6	121.3	105.9	107.7	99.3	94.0
	III	116.3	123.4	106.1	108.2	99.2	93.0
	IV	117.7	125.0	106.2	108.2	98.7	92.0
	ANNUAL	115.5	122.7	106.2	107.8	99.3	93.4

Percent change from previous quarter at annual rate(5)							
1993	I	6.5	8.2	1.7	2.6	-0.3	-3.7
	II	2.9	3.9	1.0	4.5	1.5	1.6
	III	-1.8	1.2	3.0	3.2	1.3	5.0
	IV	9.1	12.4	3.0	4.3	1.0	-4.5
	ANNUAL	4.6	6.1	1.5	3.2	0.2	-1.4
1994	I	6.2	8.2	1.9	3.0	1.0	-3.0
	II	5.5	9.7	4.0	-0.5	-3.0	-5.6
	III	3.6	8.9	5.1	1.7	-2.0	-1.9
	IV	4.3	9.9	5.4	2.9	0.5	-1.3
	ANNUAL	4.9	8.3	3.2	2.5	-0.1	-2.3
1995	I	7.0	7.3	0.3	2.3	-0.3	-4.4
	II	4.4	1.2	-3.1	2.3	-1.1	-2.0
	III	6.2	6.8	0.6	1.9	-0.2	-4.0
	IV	4.8	5.4	0.6	0.1	-2.3	-4.4
	ANNUAL	5.2	6.7	1.4	2.0	-0.8	-3.1

Percent change from corresponding quarter of previous year							
1993	I	6.2	7.3	1.0	3.0	-0.1	-3.0
	II	4.7	5.7	0.9	3.0	-0.1	-1.6
	III	3.4	5.3	1.8	2.9	0.1	-0.5
	IV	4.1	6.3	2.2	3.6	0.9	-0.5
	ANNUAL	4.6	6.1	1.5	3.2	0.2	-1.4
1994	I	4.0	6.3	2.2	3.7	1.2	-0.3
	II	4.7	7.8	3.0	2.5	0.1	-2.1
	III	6.1	9.8	3.5	2.1	-0.8	-3.8
	IV	4.9	9.2	4.1	1.8	-0.9	-3.0
	ANNUAL	4.9	8.3	3.2	2.5	-0.1	-2.3
1995	I	5.1	8.9	3.7	1.6	-1.2	-3.3
	II	4.8	6.8	1.9	2.3	-0.7	-2.4
	III	5.5	6.3	0.8	2.3	-0.3	-3.0
	IV	5.6	5.2	-0.4	1.6	-1.0	-3.7
	ANNUAL	5.2	6.7	1.4	2.0	-0.8	-3.1

See footnotes following Table 6.

August 11, 1998

Source: Bureau of Labor Statistics

Appendix table 5. Nondurable manufacturing sector: Productivity, hourly compensation, and unit labor costs, 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

Indexes 1992=100							
1993	I	100.3	101.1	100.8	101.3	99.3	101.1
	II	99.2	100.7	101.5	102.1	99.4	103.0
	III	99.8	101.0	101.2	103.0	99.7	103.2
	IV	99.3	100.8	101.5	103.7	99.6	104.4
	ANNUAL	99.6	100.9	101.2	102.5	99.6	102.9
1994	I	100.5	101.8	101.3	104.9	100.3	104.4
	II	101.5	103.5	101.9	105.1	99.9	103.5
	III	101.4	103.8	102.4	105.8	99.6	104.4
	IV	102.1	105.1	103.0	106.6	99.7	104.4
	ANNUAL	101.4	103.5	102.1	105.6	100.0	104.2
1995	I	102.5	105.5	102.9	107.1	99.5	104.4
	II	104.0	105.4	101.3	108.1	99.7	103.9
	III	104.8	105.4	100.6	109.1	100.1	104.1
	IV	105.1	104.8	99.7	110.3	100.5	104.9
	ANNUAL	104.1	105.3	101.1	108.6	100.0	104.3

Percent change from previous quarter at annual rate(5)							
1993	I	-1.2	0.1	1.3	0.7	-2.1	2.0
	II	-4.2	-1.9	2.5	3.2	0.2	7.8
	III	2.3	1.3	-0.9	3.3	1.4	1.0
	IV	-1.7	-0.8	0.9	2.7	-0.6	4.5
	ANNUAL	-0.4	0.9	1.2	2.5	-0.4	2.9
1994	I	4.7	3.9	-0.7	4.8	2.8	0.1
	II	4.3	6.9	2.4	0.8	-1.7	-3.4
	III	-0.6	1.4	2.0	2.8	-0.9	3.4
	IV	2.7	5.1	2.3	2.8	0.4	0.1
	ANNUAL	1.7	2.6	0.9	3.0	0.4	1.2
1995	I	1.8	1.7	-0.1	1.8	-0.8	0.0
	II	5.9	-0.5	-6.0	4.0	0.6	-1.8
	III	3.0	-0.1	-3.0	3.9	1.7	0.8
	IV	1.1	-2.2	-3.3	4.3	1.8	3.1
	ANNUAL	2.7	1.7	-1.0	2.9	0.0	0.2

Percent change from corresponding quarter of previous year							
1993	I	1.2	2.8	1.6	2.8	-0.3	1.7
	II	-0.5	0.8	1.3	2.5	-0.6	2.9
	III	-0.9	0.3	1.2	2.4	-0.4	3.2
	IV	-1.2	-0.3	0.9	2.5	-0.3	3.8
	ANNUAL	-0.4	0.9	1.2	2.5	-0.4	2.9
1994	I	0.2	0.6	0.4	3.5	1.0	3.3
	II	2.4	2.8	0.4	2.9	0.5	0.5
	III	1.6	2.8	1.1	2.8	-0.1	1.1
	IV	2.8	4.3	1.5	2.8	0.1	0.0
	ANNUAL	1.7	2.6	0.9	3.0	0.4	1.2
1995	I	2.1	3.7	1.6	2.1	-0.8	0.0
	II	2.4	1.9	-0.5	2.9	-0.2	0.4
	III	3.3	1.5	-1.8	3.1	0.5	-0.2
	IV	2.9	-0.3	-3.1	3.5	0.8	0.5
	ANNUAL	2.7	1.7	-1.0	2.9	0.0	0.2

See footnotes following Table 6.

August 11, 1998

Source: Bureau of Labor Statistics

Appendix table 6. Nonfinancial corporations: Productivity, hourly compensation, unit labor costs, 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 costs (6)	Total unit costs (7)	Unit profits (8)	Implicit price deflator (4)

Indexes 1992=100											
1993	I	100.2	101.5	101.3	101.4	99.4	101.2	99.9	100.8	105.4	101.3
	II	100.9	102.8	101.9	101.9	99.2	101.1	99.1	100.6	110.1	101.4
	III	101.2	103.8	102.6	102.2	99.0	101.0	99.5	100.6	112.6	101.7
	IV	102.1	105.7	103.5	102.4	98.4	100.3	99.0	100.0	124.8	102.2
	ANNUAL	101.1	103.4	102.3	102.0	99.1	100.9	99.4	100.5	113.3	101.7
1994	I	103.7	108.1	104.2	103.7	99.2	100.0	101.5	100.4	126.9	102.8
	II	103.1	109.1	105.8	103.7	98.6	100.6	98.8	100.1	132.4	103.1
	III	103.0	110.2	107.0	103.9	97.8	100.9	99.5	100.5	136.3	103.7
	IV	103.7	112.3	108.3	104.5	97.8	100.8	99.1	100.3	142.1	104.1
	ANNUAL	103.5	109.9	106.2	104.1	98.5	100.6	99.7	100.3	134.5	103.4
1995	I	103.3	112.9	109.2	105.1	97.7	101.7	99.3	101.1	137.9	104.4
	II	104.0	113.7	109.4	105.8	97.5	101.7	99.6	101.2	138.7	104.6
	III	105.3	115.7	110.0	106.4	97.6	101.1	98.4	100.4	148.5	104.8
	IV	106.0	116.9	110.2	107.3	97.8	101.1	98.8	100.5	149.0	104.9
	ANNUAL	104.7	114.8	109.6	106.2	97.8	101.4	99.0	100.8	143.6	104.7

Percent change from previous quarter at annual rate(5)											
1993	I	-4.5	-2.1	2.5	0.7	-2.1	5.4	4.7	5.2	-12.2	3.4
	II	2.7	5.2	2.5	2.3	-0.7	-0.4	-3.1	-1.1	19.1	0.7
	III	1.3	4.2	2.8	1.0	-0.9	-0.3	1.6	0.1	9.5	1.0
	IV	3.6	7.3	3.6	1.1	-2.1	-2.5	-2.0	-2.4	51.0	2.2
	ANNUAL	1.1	3.4	2.3	2.0	-0.9	0.9	-0.6	0.5	13.3	1.7
1994	I	6.5	9.4	2.7	5.1	3.1	-1.4	10.4	1.6	6.8	2.1
	II	-2.3	3.9	6.4	0.1	-2.4	2.5	-10.2	-1.0	18.5	1.1
	III	-0.5	4.0	4.5	0.5	-3.1	1.0	2.7	1.4	12.6	2.7
	IV	2.9	8.1	5.0	2.6	0.2	-0.3	-1.4	-0.6	18.1	1.5
	ANNUAL	2.3	6.3	3.9	2.0	-0.6	-0.3	0.3	-0.2	18.7	1.8
1995	I	-1.5	1.9	3.5	2.1	-0.5	3.7	0.6	2.9	-11.5	1.0
	II	2.4	3.0	0.6	2.6	-0.8	0.2	1.1	0.4	2.4	0.7
	III	5.1	7.3	2.1	2.6	0.5	-2.3	-4.7	-2.9	31.6	0.8
	IV	3.0	4.0	1.0	3.1	0.6	0.0	1.8	0.5	1.4	0.6
	ANNUAL	1.2	4.4	3.2	2.1	-0.8	0.9	-0.7	0.4	6.8	1.2

Percent change from corresponding quarter of previous year											
1993	I	0.8	2.9	2.1	2.5	-0.6	1.7	-0.5	1.2	7.6	1.7
	II	1.6	3.5	1.9	2.5	-0.6	0.9	-0.5	0.5	11.4	1.5
	III	1.1	3.7	2.5	1.6	-1.2	0.5	-1.7	-0.1	19.5	1.6
	IV	0.7	3.6	2.8	1.2	-1.5	0.5	0.3	0.4	14.7	1.8
	ANNUAL	1.1	3.4	2.3	2.0	-0.9	0.9	-0.6	0.5	13.3	1.7
1994	I	3.5	6.5	2.9	2.3	-0.2	-1.2	1.6	-0.5	20.4	1.5
	II	2.2	6.2	3.9	1.8	-0.6	-0.5	-0.3	-0.4	20.3	1.6
	III	1.8	6.1	4.3	1.6	-1.2	-0.1	0.0	-0.1	21.1	2.0
	IV	1.6	6.3	4.6	2.0	-0.6	0.4	0.1	0.3	13.9	1.8
	ANNUAL	2.3	6.3	3.9	2.0	-0.6	-0.3	0.3	-0.2	18.7	1.8
1995	I	-0.4	4.4	4.8	1.3	-1.5	1.7	-2.2	0.7	8.7	1.6
	II	0.8	4.2	3.4	1.9	-1.1	1.1	0.7	1.0	4.8	1.5
	III	2.2	5.1	2.8	2.5	-0.1	0.3	-1.1	-0.1	8.9	1.0
	IV	2.2	4.1	1.8	2.6	0.0	0.4	-0.3	0.2	4.9	0.8
	ANNUAL	1.2	4.4	3.2	2.1	-0.8	0.9	-0.7	0.4	6.8	1.2

See footnotes following Table 6.

August 11, 1998
Source: Bureau of Labor Statistics

SOURCES: Output data are from the Bureau of Economic Analysis and the Census Bureau of the U.S. Department of Commerce; the Bureau of Labor Statistics, U.S. Department of Labor; and the Federal Reserve Board. Compensation and hours data are from the Bureau of Labor Statistics 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 second revisions after an additional 60 days.

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 output divided by the output index.
- (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) Unit nonlabor costs include capital consumption allowances, interest, rental income of persons, and indirect taxes. For nonfinancial corporations, rental income of persons is zero by definition.
- (7) Total unit costs are the sum of unit labor and nonlabor costs.
- (8) Unit profits include corporate profits with inventory valuation and capital consumption adjustments.