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PRODUCTIVITY AND COSTS  
Preliminary Fourth-Quarter and  
Annual Averages for 2000

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 fourth quarter and for the full year 2000. The seasonally adjusted annual rates of productivity in the fourth quarter and the annual average changes were:

	Fourth quarter	Annual averages 1999-2000
Business sector	3.2	4.3
Nonfarm business sector	2.4	4.3

In the fourth quarter, productivity advanced 3.2 percent in the business sector as output rose 1.2 percent and hours worked dropped 2.0 percent (seasonally adjusted annual rates). In the nonfarm business sector, productivity rose 2.4 percent as output increased 1.2 percent and hours fell 1.1 percent. On an annual average basis, productivity in both the business and the nonfarm business sectors rose 4.3 percent in 2000. In the business sector, it was the largest increase since a 4.4-percent increase in 1971; in nonfarm business, the increase was the biggest since a 4.5-percent rise in 1983. Fourth-quarter productivity and related measures are summarized in table A and annual average data in table B. Detailed information is presented in tables 1 through 5.

In the manufacturing sector, increases in productivity were:

	Fourth quarter	Annual averages 1999-2000
Manufacturing sector	4.8	7.1
Durable goods manufacturing	4.7	10.4
Nondurable goods manufacturing	5.0	3.3

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Measures of hours for private nonfarm employees have been adjusted to incorporate the results of the 1999 Hours at Work Survey. In addition, output measures for the manufacturing sector now include information released by the Board of Governors of the Federal Reserve System on Dec. 5. See Revised Measures on page 6.

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Table A. Productivity and costs: Preliminary fourth-quarter 2000 measures  
(Seasonally adjusted annual rates)

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Percent change from preceding quarter						
Business	3.2	1.2	-2.0	7.5	4.6	4.1
Nonfarm business	2.4	1.2	-1.1	6.6	3.8	4.1
Manufacturing	4.8	-2.1	-6.6	8.6	5.7	3.6
Durable	4.7	-2.2	-6.6	9.6	6.7	4.6
Nondurable	5.0	-2.0	-6.6	6.8	4.0	1.8
Percent change from same quarter a year ago						
Business	3.6	3.8	0.2	6.0	2.5	2.3
Nonfarm business	3.4	3.8	0.3	5.7	2.3	2.2
Manufacturing	6.5	4.1	-2.3	6.2	2.7	-0.3
Durable	10.0	7.9	-1.9	5.9	2.4	-3.7
Nondurable	2.4	-0.5	-2.8	6.6	3.1	4.1

Manufacturing productivity grew 4.8 percent in the fourth quarter, reflecting a drop in output of 2.1 percent and a larger decline, 6.6 percent, in hours of all persons. On an annual average basis, labor productivity in manufacturing posted a record increase of 7.1 percent in 2000. Output and hours in manufacturing, which includes about 17 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.

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 (page 9) for further information on data sources.

#### THIRD-TO-FOURTH QUARTER CHANGES, 2000

##### Business

Productivity in the business sector grew 3.2 percent in the fourth quarter of 2000, reflecting a rise of 1.2 percent in output and a 2.0-percent drop in hours of all persons engaged in the sector (seasonally adjusted annual rates). Hours fell faster in the fourth quarter than at any time since the first quarter of 1992, when they decreased 2.5 percent. Revised data for the third quarter of 2000 show that output per hour rose 2.4 percent as output increased 2.3 percent and hours declined 0.1 percent.

Hourly compensation increased at a 7.5 percent annual rate in the fourth quarter of 2000, following a 5.7-percent increase one quarter earlier. This measure includes wages and salaries, supplements, employer contributions to employee-benefit plans, and taxes. Real hourly compensation, which takes into account changes in consumer prices, grew at a 4.6 percent annual rate during the fourth quarter of 2000. This measure rose 2.5 percent in the third quarter.

The unit labor cost measure, which relates compensation to output, increased at a 4.1-percent annual rate during the fourth quarter. During the third quarter of 2000, unit labor costs had increased 3.1 percent. The implicit price deflator for business output, which reflects changes in both unit labor costs and unit nonlabor payments, increased at an annual rate of 1.8 percent in the fourth quarter of 2000.

## Nonfarm business

In the nonfarm business sector, productivity increased 2.4 percent in the fourth quarter of 2000. Output rose 1.2 percent and hours of all persons--employees, proprietors, and unpaid family workers--fell 1.1 percent (seasonally adjusted annual rates). Productivity increased 3.0 percent in the third quarter of 2000 (as revised), when output increased 2.3 percent and hours declined 0.7 percent (table 2).

Hourly compensation in the nonfarm business sector rose 6.6 percent in the fourth quarter of 2000, following an increase of 6.2 percent in the third quarter. When the increase in consumer prices was taken into account, real hourly compensation increased 3.8 percent during the fourth quarter of 2000 and 3.1 percent one quarter earlier.

Unit labor costs increased 4.1 percent in the fourth quarter and 3.2 percent in the third quarter of 2000. The implicit price deflator for nonfarm business output rose 1.7 percent in the fourth quarter, when a 2.1 percent drop in unit nonlabor payments partially offset the rise in unit labor costs.

### Manufacturing

Manufacturing productivity grew at a 4.8 percent seasonally adjusted annual rate in the fourth quarter of 2000 as output fell 2.1 percent and hours fell further, 6.6 percent (table 3). In durable goods manufacturing, productivity rose 4.7 percent, as output fell 2.2 percent and hours dropped 6.6 percent (table 4). Among nondurable goods manufacturers, productivity rose 5.0 percent in the fourth quarter, reflecting a 2.0-percent drop in output and a 6.6-percent decline in hours of all persons (table 5). In the third quarter, total manufacturing productivity increased 6.7 percent (as revised), reflecting a 3.8-percent rise in output and a 2.8-percent decrease in hours.

The average hourly compensation of manufacturing workers increased 8.6 percent in the fourth quarter--the largest increase since a rise of 12.0 percent in the second quarter of 1982. This fourth-quarter increase reflected increases of 9.6 percent in hourly compensation in durable goods manufacturing and 6.8 percent in nondurable goods manufacturing. When the increase in consumer prices was taken into account, real hourly compensation in total manufacturing rose 5.7 percent.

Unit labor costs for the manufacturing sector rose 3.6 percent. In durable goods manufacturing, unit labor costs rose 4.6 percent. This was the first increase in these costs since a 0.9-percent rise in the second quarter of 1995. The unit labor costs of nondurable goods manufacturers rose 1.8 percent in the fourth quarter of 2000.

## ANNUAL AVERAGE CHANGES, 1999-2000

### Business

Business sector productivity increased 4.3 percent when the annual average for 2000 was compared with the annual average for 1999 (table B). Output increased 5.7 percent and hours of all persons engaged in the sector rose 1.4 percent. Productivity had increased 2.8 percent in both 1998 and 1999.

Table B. Annual average changes in productivity and related measures,  
1991-2000

Measure	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
<b>Business:</b>										
Productivity	1.1	3.9	0.5	1.3	0.7	2.8	2.3	2.8	2.8	4.3
Output	-1.2	3.7	3.1	4.9	3.1	4.4	5.2	5.0	4.8	5.7
Hours	-2.3	-0.2	2.6	3.5	2.4	1.6	2.9	2.2	2.0	1.4
Hourly compensation	4.7	5.3	2.5	2.0	2.1	3.2	3.1	5.3	4.6	5.0
Real hourly compensation	1.0	2.6	-0.1	-0.2	-0.4	0.4	0.9	3.9	2.4	1.6
Unit labor costs	3.6	1.4	1.9	0.7	1.4	0.4	0.8	2.5	1.8	0.7
<b>Nonfarm Business:</b>										
Productivity	1.2	3.7	0.5	1.3	0.9	2.5	2.0	2.7	2.6	4.3
Output	-1.3	3.5	3.3	4.7	3.4	4.3	5.1	5.1	4.8	5.7
Hours	-2.4	-0.2	2.9	3.3	2.4	1.7	3.1	2.4	2.2	1.3
Hourly compensation	4.9	5.3	2.2	2.1	2.1	3.0	3.0	5.2	4.4	5.1
Real hourly compensation	1.2	2.6	-0.4	-0.1	-0.4	0.3	0.8	3.8	2.3	1.7
Unit labor costs	3.6	1.6	1.7	0.8	1.2	0.5	0.9	2.5	1.8	0.7
<b>Manufacturing:</b>										
Productivity	2.3	5.3	1.9	3.0	3.8	3.5	3.8	6.2	5.8	7.1
Output	-2.0	4.8	3.3	5.2	4.3	3.1	5.6	5.9	4.9	5.9
Hours	-4.2	-0.4	1.4	2.2	0.4	-0.3	1.7	-0.3	-0.8	-1.1
Hourly compensation	5.3	4.6	2.7	2.8	2.1	1.3	1.9	5.3	4.0	5.2
Real hourly compensation	1.5	1.9	0.2	0.6	-0.4	-1.4	-0.2	3.9	1.9	1.8
Unit labor costs	2.9	-0.6	0.8	-0.2	-1.6	-2.1	-1.8	-0.8	-1.7	-1.7

1.7

Hourly compensation in the business sector increased 5.0 percent in 2000, following a 4.6 percent rise in 1999. Real hourly compensation rose 1.6 percent in 2000, slightly less than the 2.4-percent increase in 1999. Unit labor costs rose 0.7 percent in 2000, compared with a 1.8 percent increase in the previous year. The implicit price deflator rose 1.8 percent in 2000 and 1.1 percent in 1999.

#### Nonfarm business

Productivity increased 4.3 percent in the nonfarm business sector during 2000 due to a 5.7 percent growth in output and a 1.3 percent rise in hours. During 1999, productivity increased 2.6 percent, as output grew 4.8 percent and hours of all persons increased 2.2 percent.

In 2000, hourly compensation increased 5.1 percent, following a 4.4 percent rise in 1999. When the increase in consumer prices was taken into account, real hourly compensation rose 1.7 percent in 2000 and 2.3 percent in 1999. Unit labor costs in the nonfarm business sector rose 0.7 percent in 2000, compared with a 1.8-percent increase one year earlier. The implicit price deflator for nonfarm business rose 1.8 percent in 2000 and 1.3 percent in 1999.

#### Manufacturing

In manufacturing, labor productivity rose 7.1 percent in 2000, the largest annual average increase since the beginning of the measure in 1949. The increase occurred as output rose 5.9 percent and hours of all persons fell 1.1 percent (table B). The manufacturing increase was led by a 10.4-percent increase in durable goods manufacturing productivity, where output rose 9.9 percent and hours fell 0.5 percent. A much smaller increase in labor productivity was posted in nondurable goods manufacturing, 3.3 percent, reflecting an output increase of 1.3 percent and a drop of 2.0 percent in hours of all persons.

Hourly compensation of manufacturing workers increased 5.2 percent in 2000, more than the 4.0-percent increase one year earlier (as revised). Taking into account the rise in consumer prices, real hourly compensation in manufacturing rose 1.8 percent in 2000. This increase was about the same as the 1.9-percent growth recorded in 1999.

Unit labor costs in manufacturing fell 1.7 percent in 2000; these costs have now dropped in eight of the past nine years. Unit labor costs in durable goods manufacturing fell 4.7 percent in 2000--the ninth consecutive drop in unit labor costs in this sector. In contrast, unit labor costs in nondurable goods rose 1.7 percent in 2000. This increase was larger than the 0.8-percent rise recorded in the previous year.

#### Revised Measures

Current and previous measures for the third quarter of 2000 for the business, nonfarm business, and manufacturing sectors are compared in table C. In the business and nonfarm business sectors, output and productivity measures were lower than those published on Dec. 6; unit labor costs were higher. Output and productivity growth in the manufacturing sector also were lower than the figures published on Dec. 6. In addition, hourly compensation growth in manufacturing was higher and unit labor costs showed a slight increase of 0.2 percent rather than a decline.

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

Real						
Sector	Productivity	Output	Hours	Hourly compensation	hourly compensation	Unit labor costs
Third quarter 2000						
Business:						
Previous	2.8	2.6	-0.2	5.7	2.6	2.8
Current	2.4	2.3	-0.1	5.7	2.5	3.1
Nonfarm business:						
Previous	3.3	2.5	-0.8	6.3	3.1	2.9
Current	3.0	2.3	-0.7	6.2	3.1	3.2
Manufacturing:						
Previous	7.3	4.1	-2.9	6.5	3.4	-0.7
Current	6.7	3.8	-2.8	6.9	3.7	0.2

Productivity and cost measures were revised to reflect the results of the 1999 Hours at Work Survey, which are now available. This survey is used to adjust the number of hours for which private nonfarm employees are paid (as reported in the BLS Current Employment Survey) to hours at the workplace. For 1999, these new results show that hours of all persons were higher than had originally been reported. In the nonfarm business sector, hours of all persons grew 2.2 percent in 1999 rather than 1.8 percent, as previously reported. The difference in the ratio of hours at work to hours paid was even greater in the manufacturing sector, where hours of all persons fell 0.8 in 1999, rather than decreasing 1.7 percent, as previously reported.

In addition, the results of the Dec. 5 revision to the Indexes of Industrial Production have been incorporated into the manufacturing output measures.

#### Revised measures: Nonfinancial Corporations

Revised productivity and output measures for the third quarter for nonfinancial corporations also were announced today. As in the other sectors, the increases in output and productivity were lower than those reported on Dec. 6, and unit labor costs were higher (table D).

Table D. Nonfinancial corporations: Previous and revised productivity and cost measures  
(Quarterly percent changes at seasonally adjusted annual rates)

	Produc- tivity	Output	Hours	Hourly compen- sation	Real hourly compen- sation	Unit labor costs	Unit profits	Implicit price deflator
			Third quarter 2000					
Previous	4.9	4.7	-0.2	6.1	2.9	1.1	-5.6	0.6
Current	4.4	4.4	0.0	6.0	2.9	1.5	-8.3	0.5

Next release date

The next release of Productivity and Costs is scheduled for 8:30 A.M. EST, Tuesday, March 6, 2001. Revised fourth-quarter and annual average measures for business, nonfarm business, and manufacturing will be released at that time.

## TECHNICAL NOTES

**Labor Hours:** Hours data for the labor productivity and cost measures include hours for all persons working in the sector-wage and salary workers, the self-employed, and unpaid family workers. The primary source of hours and employment data is the BLS Current Employment Statistics (CES) program, which provides monthly survey data on the number of jobs held by wage and salary workers in nonfarm establishments. The CES also provides average weekly paid hours of production and nonsupervisory workers in these establishments. Average weekly paid hours of nonproduction and supervisory workers are estimated by the Office of Productivity and Technology. 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 77 percent of the value of GDP in 1996. Nonfarm business, which also excludes farming, accounted for about 76 percent of GDP in 1996.

Annual indexes for manufacturing and its durable and nondurable goods components 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; nonelectrical 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 53 percent of the value of GDP in 1996.

**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: 202-691-5200; Federal Relay Service number: 1-800-877-8339.

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									
1998	I	r110.0	126.8	r115.3	r117.4	r103.2	106.7	r116.3	110.3
	II	r110.3	127.7	r115.8	r118.9	r104.1	r107.8	115.1	110.5
	III	r110.8	128.9	r116.3	r120.3	r105.0	r108.6	r114.5	110.7
	IV	r111.8	131.0	r117.2	r121.6	r105.7	108.8	114.6	110.9
	ANNUAL	r110.8	128.6	r116.1	r119.6	r104.6	r108.0	r115.1	110.6
1999	I	r112.5	132.3	117.5	123.0	106.4	109.3	115.1	111.4
	II	r112.7	133.1	r118.1	r124.3	r106.8	110.4	r114.2	111.8
	III	r114.0	135.3	r118.7	r125.9	r107.4	110.5	r114.4	111.9
	IV	r116.1	138.5	r119.3	r127.1	r107.6	109.5	r116.9	112.2
	ANNUAL	r113.8	134.8	r118.4	r125.1	r107.1	109.9	115.1	111.8
2000	I	r116.6	140.3	r120.3	r128.2	r107.5	110.0	118.2	113.0
	II	r118.6	142.4	r120.1	r130.4	r108.4	110.0	120.0	113.7
	III	r119.3	143.3	r120.1	r132.2	r109.1	110.8	r119.5	r114.0
	IV	120.2	143.7	119.5	134.6	110.3	112.0	118.9	114.5
	ANNUAL	118.7	142.4	120.0	131.4	108.9	110.7	119.2	113.8
Percent change from previous quarter at annual rate(5)									
1998	I	r4.8	7.9	r2.9	r6.4	r5.7	1.5	-1.5	0.3
	II	1.1	2.9	r1.8	5.1	3.5	3.9	-4.2	0.7
	III	r1.9	3.7	r1.8	r4.9	r3.4	r2.9	-1.9	1.1
	IV	r3.5	6.8	r3.2	r4.3	r2.7	r0.8	r0.3	0.6
	ANNUAL	r2.8	5.0	r2.2	5.3	3.9	2.5	-1.7	0.8
1999	I	r2.7	3.8	r1.1	r4.5	r2.9	r1.8	r2.0	1.9
	II	r0.5	2.6	r2.1	r4.5	r1.3	r4.0	r-3.4	1.2
	III	r4.7	6.6	r1.9	r5.1	r2.4	0.4	r0.8	0.5
	IV	r7.6	9.9	2.1	3.8	0.9	-3.6	9.0	1.0
	ANNUAL	r2.8	4.8	r2.0	r4.6	r2.4	1.8	0.0	1.1
2000	I	r1.7	5.3	r3.5	r3.7	r-0.5	1.9	4.8	3.0
	II	r7.0	6.3	r-0.7	r7.1	r3.3	0.0	r6.1	2.4
	III	r2.4	r2.3	r-0.1	5.7	r2.5	r3.1	r-1.7	r1.2
	IV	3.2	1.2	-2.0	7.5	4.6	4.1	-1.9	1.8
	ANNUAL	4.3	5.7	1.4	5.0	1.6	0.7	3.5	1.8
Percent change from corresponding quarter of previous year									
1998	I	r3.4	5.8	r2.3	r4.7	r3.3	1.2	0.9	1.1
	II	r2.7	4.7	r2.0	r5.7	r4.1	2.9	r-2.5	0.8
	III	r2.2	4.4	2.2	r5.8	4.3	3.5	-3.3	0.8
	IV	r2.8	5.3	r2.4	r5.2	r3.8	2.3	r-1.8	0.7
	ANNUAL	r2.8	5.0	r2.2	5.3	3.9	2.5	-1.7	0.8
1999	I	r2.3	4.3	r2.0	r4.7	r3.1	2.4	-1.0	1.1
	II	r2.1	4.2	r2.0	r4.6	r2.6	2.4	r-0.8	1.2
	III	r2.8	4.9	r2.1	r4.6	r2.3	1.8	r-0.1	1.0
	IV	r3.8	5.7	r1.8	r4.5	r1.9	r0.6	r2.0	1.1
	ANNUAL	r2.8	4.8	r2.0	r4.6	r2.4	1.8	0.0	1.1
2000	I	r3.6	6.1	r2.4	r4.3	r1.0	r0.6	2.7	1.4
	II	5.2	7.0	1.7	4.9	1.5	-0.3	5.1	1.7
	III	4.7	r5.9	1.2	5.0	r1.6	0.3	r4.5	r1.9
	IV	3.6	3.8	0.2	6.0	2.5	2.3	1.8	2.1
	ANNUAL	4.3	5.7	1.4	5.0	1.6	0.7	3.5	1.8

See footnotes following Table 6.  
r=revised

February 7, 2001  
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								
1998	I	r109.6	127.1	r115.9	r116.8	r102.6	106.5	117.4
	II	r110.1	128.1	r116.4	r118.3	r103.6	107.5	r116.2
	III	r110.5	129.2	r116.9	r119.8	r104.5	r108.4	r115.7
	IV	r111.4	131.4	r118.0	r120.9	r105.1	r108.6	115.8
	ANNUAL	r110.4	129.0	r116.8	r119.0	r104.0	107.7	116.3
1999	I	r111.9	132.6	118.4	122.1	r105.6	109.0	116.7
	II	r112.0	133.4	r119.1	r123.4	r106.0	110.2	r115.8
	III	r113.4	135.6	r119.6	r125.0	r106.6	r110.2	116.1
	IV	r115.6	138.9	r120.2	r126.3	r107.0	109.3	118.6
	ANNUAL	r113.2	135.1	r119.3	r124.2	r106.4	109.7	116.8
2000	I	r116.2	140.7	r121.1	r127.6	r107.0	109.8	120.1
	II	r118.0	142.9	r121.1	r129.4	r107.6	109.7	121.8
	III	r118.8	r143.7	r120.9	r131.4	r108.4	r110.6	r121.4
	IV	119.5	144.1	120.6	133.5	109.4	111.7	120.8
	ANNUAL	118.1	142.8	120.9	130.5	108.2	110.5	121.0
Percent change from previous quarter at annual rate(5)								
1998	I	r4.7	8.2	r3.3	r6.3	r5.5	r1.6	-1.4
	II	1.6	3.1	1.5	5.3	r3.7	3.6	-3.8
	III	r1.6	3.7	r2.0	r4.9	r3.4	3.3	-1.8
	IV	r3.2	6.8	r3.5	r4.0	r2.4	r0.7	0.2
	ANNUAL	r2.7	5.1	2.4	r5.2	r3.8	r2.5	-1.4
1999	I	r2.0	3.6	r1.6	r3.8	r2.1	1.8	r3.0
	II	r0.2	2.4	r2.2	r4.5	r1.3	4.3	r-3.0
	III	r5.0	7.0	r1.9	r5.2	r2.6	r0.2	1.3
	IV	8.0	10.0	1.8	4.2	1.3	-3.5	8.9
	ANNUAL	r2.6	4.8	r2.2	r4.4	r2.3	1.8	r0.5
2000	I	r2.1	5.2	r3.0	r4.1	r-0.1	1.9	r5.1
	II	r6.3	6.5	r0.2	r6.0	r2.3	-0.2	5.7
	III	r3.0	r2.3	r-0.7	r6.2	3.1	r3.2	r-1.2
	IV	2.4	1.2	-1.1	6.6	3.8	4.1	-2.1
	ANNUAL	4.3	5.7	1.3	5.1	1.7	0.7	3.6
Percent change from corresponding quarter of previous year								
1998	I	r3.2	5.8	r2.5	r4.5	r3.1	1.2	1.3
	II	r2.6	4.8	r2.1	r5.5	r4.0	2.8	-2.1
	III	r2.2	4.6	r2.3	5.7	4.2	3.5	-3.1
	IV	r2.8	5.4	r2.6	r5.1	r3.8	2.3	-1.7
	ANNUAL	r2.7	5.1	2.4	r5.2	r3.8	r2.5	-1.4
1999	I	r2.1	4.3	r2.1	r4.5	r2.9	2.4	r-0.6
	II	r1.7	4.1	r2.3	r4.3	r2.3	r2.5	r-0.4
	III	r2.6	4.9	r2.3	r4.4	r2.1	r1.7	0.3
	IV	r3.8	5.7	r1.9	r4.4	r1.8	r0.6	r2.5
	ANNUAL	r2.6	4.8	r2.2	r4.4	r2.3	1.8	r0.5
2000	I	r3.8	6.1	r2.2	r4.5	r1.3	0.7	3.0
	II	5.3	7.2	r1.7	4.9	1.5	-0.4	5.2
	III	4.8	6.0	1.1	5.1	1.6	r0.3	r4.6
	IV	3.4	3.8	0.3	5.7	2.3	2.2	1.8
	ANNUAL	4.3	5.7	1.3	5.1	1.7	0.7	3.6

See footnotes following Table 6.  
r=revised

February 7, 2001  
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							
1998	I	r121.7	r128.8	r105.8	r115.4	r101.4	r94.9
	II	r123.2	129.9	r105.5	r116.8	r102.2	94.8
	III	r125.7	131.3	104.5	r118.0	103.0	r93.9
	IV	r126.8	r133.0	r104.8	r119.0	r103.4	r93.9
	ANNUAL	124.3	130.7	105.2	117.3	102.6	94.4
1999	I	r128.9	r134.3	r104.2	r119.9	r103.7	r93.0
	II	r130.2	r136.1	r104.5	r121.2	r104.1	r93.1
	III	r131.9	r138.1	r104.7	r122.8	r104.7	r93.1
	IV	r135.0	r140.4	r104.0	r124.1	r105.2	r91.9
	ANNUAL	r131.5	r137.2	r104.3	r122.0	r104.5	r92.8
2000	I	r137.7	r142.8	r103.7	r125.7	r105.4	r91.2
	II	r139.8	r145.6	r104.1	r127.0	r105.5	r90.8
	III	r142.1	r146.9	r103.4	r129.1	r106.5	r90.9
	IV	143.8	146.1	101.6	131.8	108.0	91.7
	ANNUAL	140.9	145.3	103.2	128.4	106.4	91.1
Percent change from previous quarter at annual rate(5)							
1998	I	r6.3	r6.0	r-0.3	r7.2	r6.4	r0.8
	II	r5.2	r3.6	r-1.5	r4.9	r3.3	r-0.3
	III	r8.3	r4.5	r-3.5	r4.4	r2.9	r-3.6
	IV	r3.8	r5.0	r1.2	r3.4	r1.8	r-0.3
	ANNUAL	6.2	5.9	-0.3	5.3	3.9	-0.8
1999	I	6.8	r4.1	r-2.5	r2.8	r1.2	r-3.7
	II	r4.2	r5.4	r1.1	r4.6	r1.3	r0.4
	III	r5.2	r6.0	r0.7	r5.3	r2.6	r0.1
	IV	r9.7	r6.8	r-2.7	r4.5	r1.6	r-4.8
	ANNUAL	r5.8	r4.9	r-0.8	r4.0	r1.9	r-1.7
2000	I	r8.3	7.1	r-1.1	r5.0	r0.8	-3.0
	II	r6.3	r8.0	r1.6	r4.3	r0.6	r-1.9
	III	r6.7	r3.8	r-2.8	r6.9	r3.7	r0.2
	IV	4.8	-2.1	-6.6	8.6	5.7	3.6
	ANNUAL	7.1	5.9	-1.1	5.2	1.8	-1.7
Percent change from corresponding quarter of previous year							
1998	I	r6.0	r6.8	r0.7	r4.6	r3.2	r-1.3
	II	r6.6	r6.4	r-0.2	r5.8	r4.2	r-0.8
	III	r6.3	5.5	-0.7	5.9	4.4	r-0.4
	IV	r5.9	r4.8	r-1.0	r5.0	r3.6	r-0.8
	ANNUAL	6.2	5.9	-0.3	5.3	3.9	-0.8
1999	I	r6.0	r4.3	r-1.6	r3.9	r2.3	r-2.0
	II	r5.7	r4.7	r-0.9	r3.8	r1.8	r-1.8
	III	r5.0	r5.1	r0.1	r4.0	r1.7	r-0.9
	IV	6.5	r5.6	r-0.8	r4.3	r1.7	r-2.0
	ANNUAL	r5.8	r4.9	r-0.8	r4.0	r1.9	r-1.7
2000	I	6.8	r6.3	r-0.5	r4.8	r1.6	r-1.9
	II	r7.4	r7.0	-0.4	4.8	1.4	r-2.4
	III	r7.7	r6.4	-1.2	r5.2	r1.7	r-2.4
	IV	6.5	4.1	-2.3	6.2	2.7	-0.3
	ANNUAL	7.1	5.9	-1.1	5.2	1.8	-1.7

See footnotes following Table 6.  
r=revised

February 7, 2001  
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							
1998	I	r130.2	r145.0	r111.4	r112.8	r99.1	r86.6
	II	132.4	147.1	r111.0	r113.9	r99.7	86.0
	III	r136.6	r150.5	110.2	115.1	100.4	r84.2
	IV	r139.3	r154.3	r110.8	r116.3	r101.1	r83.5
	ANNUAL	134.6	149.2	110.8	114.5	100.1	85.0
1999	I	r142.9	r156.6	r109.6	r117.5	r101.7	r82.2
	II	r145.6	r159.8	r109.8	r119.2	r102.4	r81.9
	III	148.0	r163.8	r110.7	r120.9	r103.1	r81.7
	IV	r151.8	r167.0	r109.9	r122.5	r103.8	r80.7
	ANNUAL	147.1	r161.8	r110.0	r120.0	r102.8	r81.6
2000	I	r156.9	r172.0	r109.7	r123.8	r103.8	r78.9
	II	r160.7	r177.7	r110.5	r124.9	r103.8	r77.7
	III	r165.2	r181.2	r109.7	r126.9	r104.7	r76.8
	IV	167.1	180.2	107.8	129.8	106.4	77.7
	ANNUAL	162.4	177.8	109.4	126.3	104.7	77.8
Percent change from previous quarter at annual rate(5)							
1998	I	r8.7	r10.2	r1.3	r6.5	r5.7	r-2.0
	II	r7.0	r5.8	r-1.1	r4.1	r2.5	r-2.7
	III	r13.3	r9.7	r-3.1	r4.1	r2.6	r-8.1
	IV	r7.9	10.2	r2.1	r4.4	r2.8	r-3.3
	ANNUAL	9.0	9.6	0.5	5.2	3.8	-3.5
1999	I	r10.8	r6.1	r-4.3	r4.1	r2.5	r-6.1
	II	r7.9	r8.6	r0.7	r6.0	r2.7	r-1.8
	III	r6.8	r10.4	r3.4	r5.7	r3.1	r-1.0
	IV	r10.7	r7.9	r-2.6	r5.6	r2.7	r-4.6
	ANNUAL	9.3	r8.4	r-0.8	r4.8	r2.7	r-4.1
2000	I	r13.9	r12.7	r-1.1	r4.2	r0.0	r-8.6
	II	r10.2	r13.7	r3.2	r3.7	r0.1	r-5.9
	III	r11.5	r8.1	r-3.0	r6.3	r3.2	r-4.6
	IV	4.7	-2.2	-6.6	9.6	6.7	4.6
	ANNUAL	10.4	9.9	-0.5	5.3	1.8	-4.7
Percent change from corresponding quarter of previous year							
1998	I	r8.5	r10.4	r1.7	r4.6	r3.2	r-3.6
	II	r9.0	r9.7	r0.6	r5.7	r4.1	r-3.1
	III	r9.4	r9.3	-0.1	5.7	4.2	r-3.4
	IV	r9.2	r9.0	r-0.2	r4.8	r3.4	r-4.0
	ANNUAL	9.0	9.6	0.5	5.2	3.8	-3.5
1999	I	r9.7	r7.9	r-1.6	r4.2	r2.6	r-5.1
	II	r10.0	r8.7	r-1.2	r4.7	r2.7	r-4.8
	III	r8.3	r8.8	r0.4	r5.1	r2.8	r-3.0
	IV	r9.0	r8.2	r-0.7	r5.4	r2.7	r-3.4
	ANNUAL	9.3	r8.4	r-0.8	r4.8	r2.7	r-4.1
2000	I	r9.8	r9.9	r0.1	r5.4	r2.1	r-4.0
	II	r10.4	r11.2	0.7	4.8	1.5	r-5.0
	III	r11.6	r10.6	r-0.9	r5.0	r1.5	-5.9
	IV	10.0	7.9	-1.9	5.9	2.4	-3.7
	ANNUAL	10.4	9.9	-0.5	5.3	1.8	-4.7

See footnotes following Table 6.  
r=revised

February 7, 2001  
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							
1998	I	115.4	r113.7	r98.5	r118.6	r104.2	r102.7
	II	r116.2	113.9	r98.0	r120.3	r105.3	r103.5
	III	r117.0	r113.5	97.0	121.8	106.2	r104.1
	IV	r116.7	r113.2	r96.9	r122.2	r106.2	r104.7
	ANNUAL	116.3	113.6	97.6	120.7	105.6	103.8
1999	I	r117.2	r113.7	r97.0	r122.5	r106.0	r104.5
	II	r117.2	r114.2	r97.4	r123.2	r105.8	r105.1
	III	r118.4	r114.4	r96.7	r124.4	r106.2	r105.1
	IV	r120.9	r116.0	r96.0	r125.2	r106.1	r103.6
	ANNUAL	r118.4	r114.6	r96.8	r123.8	r106.1	r104.6
2000	I	r121.4	r116.2	r95.7	r127.2	r106.7	r104.8
	II	r122.0	r116.5	r95.5	r128.8	r107.0	r105.6
	III	r122.2	r116.1	r94.9	r131.3	r108.3	r107.4
	IV	123.7	115.5	93.3	133.4	109.3	107.8
	ANNUAL	122.3	116.1	94.9	130.1	107.9	106.4
Percent change from previous quarter at annual rate(5)							
1998	I	r3.5	r0.8	r-2.6	r8.1	r7.4	4.5
	II	r2.8	r0.9	r-1.9	r6.1	r4.5	r3.2
	III	r2.5	r-1.6	r-4.1	r4.8	r3.3	r2.2
	IV	r-0.9	r-1.0	r-0.2	r1.6	r0.0	r2.4
	ANNUAL	3.0	1.5	-1.5	5.3	3.9	2.3
1999	I	r1.7	r2.0	r0.3	r0.9	r-0.7	r-0.8
	II	r-0.1	r1.7	r1.8	r2.3	r-0.9	r2.4
	III	r4.1	r0.8	r-3.2	r4.0	r1.4	r-0.1
	IV	r8.6	r5.6	r-2.8	r2.5	r-0.3	r-5.6
	ANNUAL	r1.8	r0.9	r-0.8	r2.6	r0.5	r0.8
2000	I	r1.6	r0.5	r-1.1	r6.5	r2.2	r4.8
	II	r2.0	r1.2	r-0.8	r5.0	r1.3	r3.0
	III	r0.9	r-1.5	r-2.4	r8.0	r4.8	r7.0
	IV	5.0	-2.0	-6.6	6.8	4.0	1.8
	ANNUAL	3.3	1.3	-2.0	5.1	1.7	1.7
Percent change from corresponding quarter of previous year							
1998	I	3.5	r2.7	r-0.7	r4.3	r2.9	r0.8
	II	r3.9	2.5	r-1.4	r5.8	r4.2	1.8
	III	r2.5	r0.9	-1.6	r6.0	4.6	r3.4
	IV	r2.0	-0.3	r-2.2	r5.1	r3.8	r3.1
	ANNUAL	3.0	1.5	-1.5	5.3	3.9	2.3
1999	I	r1.6	r0.1	r-1.5	r3.3	r1.8	r1.8
	II	r0.8	r0.3	r-0.6	r2.4	r0.4	r1.6
	III	r1.2	r0.9	r-0.3	r2.2	r0.0	r1.0
	IV	r3.6	r2.5	r-1.0	r2.4	r-0.1	r-1.1
	ANNUAL	r1.8	r0.9	r-0.8	r2.6	r0.5	r0.8
2000	I	3.5	r2.1	r-1.3	r3.8	r0.6	r0.3
	II	r4.1	r2.0	-2.0	4.5	r1.1	r0.4
	III	r3.2	r1.4	r-1.8	r5.5	r2.0	r2.2
	IV	2.4	-0.5	-2.8	6.6	3.1	4.1
	ANNUAL	3.3	1.3	-2.0	5.1	1.7	1.7

See footnotes following Table 6.  
r=revised

February 7, 2001  
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										
1998	I	r110.6	132.1	r119.4	r113.7	r99.9	102.8	100.7	102.3	150.8
	II	r111.7	133.8	r119.7	r115.2	r100.9	103.1	101.2	102.6	147.7
	III	r113.1	136.0	r120.3	r116.7	r101.8	103.2	100.7	102.5	152.0
	IV	r113.7	137.8	r121.2	r117.8	r102.4	103.6	102.1	103.2	145.3
	ANNUAL	r112.3	134.9	r120.2	r115.9	r101.3	103.2	101.2	102.6	148.9
1999	I	r114.6	139.6	r121.9	r119.0	r103.0	103.9	101.3	103.2	150.6
	II	r115.3	141.4	r122.6	r120.3	r103.3	104.3	102.2	103.7	148.6
	III	r116.6	143.8	r123.3	r121.8	r103.9	104.5	102.9	104.0	144.4
	IV	r118.3	146.9	r124.2	r123.0	r104.2	104.0	103.4	103.9	147.0
	ANNUAL	r116.2	142.9	r123.0	r121.1	r103.7	104.2	102.5	103.7	147.6
2000	I	r119.2	149.1	r125.1	r123.9	r103.9	104.0	104.2	104.0	152.2
	II	r120.8	151.4	r125.3	r125.8	r104.6	104.2	104.9	104.3	156.3
	III	r122.1	r153.0	r125.3	r127.7	r105.3	r104.5	105.5	r104.8	r153.0
Percent change from previous quarter at annual rate (5)										
1998	I	r3.5	5.9	r2.3	r6.5	r5.8	2.9	0.5	2.3	-14.5
	II	r4.2	5.3	r1.0	r5.5	r4.0	1.3	1.9	1.4	-8.0
	III	4.8	6.9	2.0	r5.1	3.5	0.2	-2.1	-0.4	12.4
	IV	r2.4	5.4	r2.9	r3.9	r2.3	1.5	5.9	2.7	-16.6
	ANNUAL	r3.5	6.3	r2.6	r5.0	r3.6	1.4	0.3	1.1	-5.1
1999	I	r3.0	5.4	r2.3	r4.3	r2.6	1.2	-3.2	0.0	15.6
	II	r2.7	5.1	r2.4	r4.4	r1.1	1.6	3.4	2.1	-5.3
	III	r4.4	6.9	r2.4	r5.0	r2.4	0.6	2.9	1.2	-10.8
	IV	r5.8	8.8	2.8	4.1	1.2	-1.7	2.1	-0.7	7.3
	ANNUAL	r3.5	5.9	r2.3	r4.5	r2.3	1.0	1.3	1.0	-0.9
2000	I	r3.1	6.2	r3.0	r2.9	r-1.2	-0.2	3.0	0.7	14.9
	II	r5.6	6.4	r0.7	r6.3	r2.5	0.7	2.6	1.2	11.4
	III	r4.4	r4.4	r0.0	r6.0	2.9	r1.5	2.6	r1.8	r-8.3
Percent change from corresponding quarter of previous year										
1998	I	r2.8	6.6	r3.7	r3.7	r2.3	0.9	0.1	0.7	-2.6
	II	r3.9	6.5	r2.5	r5.3	r3.8	1.4	-0.3	0.9	-5.0
	III	r3.8	6.1	r2.2	r5.8	r4.3	1.9	-0.3	1.3	-5.3
	IV	r3.7	5.9	r2.1	r5.3	r3.9	1.5	1.5	1.5	-7.3
	ANNUAL	r3.5	6.3	r2.6	r5.0	r3.6	1.4	0.3	1.1	-5.1
1999	I	r3.6	5.7	r2.0	r4.7	r3.1	1.0	0.6	0.9	-0.1
	II	r3.2	5.7	r2.4	r4.4	r2.4	1.1	0.9	1.1	0.6
	III	r3.1	5.7	r2.5	r4.4	r2.1	1.2	2.2	1.5	-5.0
	IV	r4.0	6.5	r2.5	r4.4	r1.8	0.4	1.3	0.7	1.2
	ANNUAL	r3.5	5.9	r2.3	r4.5	r2.3	1.0	1.3	1.0	-0.9
2000	I	r4.0	6.8	r2.6	r4.1	r0.9	0.1	2.8	0.8	1.0
	II	4.7	7.1	2.2	4.6	1.2	-0.2	2.6	0.6	5.2
	III	r4.7	r6.4	r1.6	r4.8	1.3	r0.1	2.6	0.7	r5.9

See footnotes following Table 6.  
r=revised

February 7, 2001  
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 within 40 days of the close of the reference period; revisions appear 30 days later, and second revisions after an additional 60 days. In the business sector, the third publication (second revision) of a quarterly index of output per hour of all persons has differed from the initial value by between -1.7 and +2.2 index points approximately 95 percent of the time. This interval is based on the performance of this measure between the fourth quarter of 1995 and the third quarter of 2000.

#### 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) The change for recent quarters is based on the Consumer Price Index for all urban consumers (CPI-U). The trend from 1978-1999 is based on the Consumer Price Index research series (CPI-U-RS).

(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.

Appendix table 1. Business sector: Revised productivity, hourly compensation, unit labor costs, and prices, seasonally adjusted

Seasonally adjusted					Real				
Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	compensation per hour (2)	Unit labor costs	Unit non-labor payments (3)	Implicit price deflator (4)	
Indexes 1992=100									
1995	I	102.0	110.5	108.3	105.5	99.1	103.5	108.9	105.5
	II	102.3	110.8	108.2	106.4	99.1	104.0	109.2	105.9
	III	102.5	111.8	109.1	107.1	99.3	104.5	109.4	106.3
	IV	103.4	112.9	109.2	107.9	99.5	104.4	110.3	106.6
	ANNUAL	102.6	111.5	108.7	106.7	99.3	104.1	109.4	106.0
1996	I	104.4	114.0	109.2	108.6	99.4	104.0	112.3	107.0
	II	105.5	116.1	110.0	109.7	99.5	103.9	113.7	107.5
	III	105.6	116.8	110.7	110.7	99.9	104.8	113.3	108.0
	IV	106.0	118.4	111.7	111.6	100.0	105.2	113.7	108.4
	ANNUAL	105.4	116.4	110.4	110.1	99.7	104.5	113.3	107.7
1997	I	106.4	119.9	112.7	112.2	99.9	105.4	115.3	109.1
	II	107.5	122.0	113.5	112.5	100.0	104.7	118.0	109.6
	III	108.5	123.5	113.8	113.8	100.6	104.9	118.4	109.9
	IV	108.7	124.4	114.5	115.6	101.8	106.3	116.7	110.2
	ANNUAL	107.8	122.5	113.6	113.5	100.6	105.3	117.1	109.7
Percent change from previous quarter at annual rate(5)									
1995	I	-1.3	1.4	2.7	1.7	-0.7	3.1	2.1	2.7
	II	1.3	0.8	-0.5	3.3	0.0	1.9	1.0	1.6
	III	0.5	3.7	3.2	2.5	0.5	2.0	0.8	1.5
	IV	3.6	4.1	0.5	3.3	1.1	-0.2	3.5	1.2
	ANNUAL	0.7	3.1	2.4	2.1	-0.4	1.4	2.8	2.0
1996	I	4.1	4.1	0.1	2.3	-0.7	-1.7	7.3	1.7
	II	4.4	7.6	3.1	4.2	0.6	-0.2	5.2	1.9
	III	0.0	2.4	2.4	3.7	1.6	3.6	-1.4	1.6
	IV	1.8	5.5	3.7	3.2	0.3	1.5	1.5	1.5
	ANNUAL	2.8	4.4	1.6	3.2	0.4	0.4	3.5	1.6
1997	I	1.4	5.2	3.7	2.2	-0.3	0.8	5.6	2.6
	II	4.2	7.1	2.8	1.3	0.2	-2.8	9.7	1.9
	III	3.8	4.9	1.1	4.5	2.8	0.7	1.6	1.0
	IV	1.0	3.2	2.2	6.7	4.6	5.7	-5.6	1.1
	ANNUAL	2.3	5.2	2.9	3.1	0.9	0.8	3.4	1.8
Percent change from corresponding quarter of previous year									
1995	I	0.4	4.3	3.9	1.1	-1.3	0.7	4.5	2.1
	II	0.5	2.6	2.1	2.1	-0.6	1.6	3.0	2.1
	III	0.8	3.0	2.2	2.6	0.1	1.7	2.1	1.9
	IV	1.0	2.5	1.5	2.7	0.2	1.7	1.8	1.7
	ANNUAL	0.7	3.1	2.4	2.1	-0.4	1.4	2.8	2.0
1996	I	2.4	3.2	0.8	2.9	0.2	0.5	3.1	1.5
	II	3.1	4.9	1.7	3.1	0.4	0.0	4.2	1.6
	III	3.0	4.5	1.5	3.4	0.6	0.4	3.6	1.6
	IV	2.5	4.9	2.3	3.3	0.5	0.8	3.1	1.7
	ANNUAL	2.8	4.4	1.6	3.2	0.4	0.4	3.5	1.6
1997	I	1.9	5.2	3.2	3.3	0.6	1.4	2.7	1.9
	II	1.8	5.0	3.2	2.6	0.5	0.8	3.7	1.9
	III	2.8	5.7	2.8	2.8	0.7	0.0	4.5	1.8
	IV	2.6	5.1	2.5	3.6	1.8	1.1	2.7	1.7
	ANNUAL	2.3	5.2	2.9	3.1	0.9	0.8	3.4	1.8

See footnotes following Table 6.

February 7, 2001  
Source: Bureau of Labor Statistics

Appendix table 2. Nonfarm business sector: Revised 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									
1995	I	102.2	110.8	108.4	105.4	99.0	103.1	110.0	105.6
	II	102.6	111.1	108.3	106.2	99.0	103.6	110.4	106.0
	III	102.8	112.2	109.2	106.9	99.1	104.0	110.4	106.3
	IV	103.6	113.3	109.4	107.7	99.3	104.0	110.9	106.5
	ANNUAL	102.8	111.8	108.8	106.6	99.2	103.7	110.4	106.1
1996	I	104.5	114.4	109.4	108.4	99.2	103.7	112.7	106.9
	II	105.5	116.4	110.3	109.4	99.2	103.7	113.8	107.3
	III	105.5	117.2	111.0	110.3	99.5	104.5	113.4	107.7
	IV	105.9	118.7	112.1	111.2	99.6	104.9	114.2	108.3
	ANNUAL	105.4	116.7	110.7	109.8	99.4	104.2	113.5	107.6
1997	I	106.2	120.2	113.1	111.8	99.6	105.3	115.9	109.1
	II	107.3	122.2	113.9	112.2	99.6	104.5	118.7	109.7
	III	108.2	123.6	114.3	113.3	100.2	104.7	119.4	110.1
	IV	108.4	124.7	115.0	115.0	101.3	106.1	117.8	110.4
	ANNUAL	107.5	122.7	114.1	113.1	100.2	105.2	118.0	109.8
Percent change from previous quarter at annual rate(5)									
1995	I	-0.8	1.8	2.6	1.7	-0.7	2.5	3.0	2.7
	II	1.3	1.0	-0.4	3.2	-0.1	1.8	1.3	1.6
	III	0.9	4.1	3.2	2.6	0.6	1.8	0.1	1.1
	IV	3.0	3.8	0.8	3.1	0.9	0.1	1.9	0.7
	ANNUAL	0.9	3.4	2.4	2.1	-0.4	1.2	3.2	2.0
1996	I	3.9	3.9	0.0	2.4	-0.6	-1.4	6.6	1.6
	II	3.9	7.4	3.4	3.8	0.3	0.0	4.2	1.6
	III	0.0	2.5	2.6	3.3	1.2	3.3	-1.6	1.4
	IV	1.6	5.6	3.9	3.2	0.3	1.6	3.0	2.1
	ANNUAL	2.5	4.3	1.7	3.0	0.3	0.5	2.8	1.4
1997	I	1.0	4.8	3.8	2.3	-0.2	1.3	6.0	3.1
	II	4.2	7.1	2.8	1.4	0.3	-2.7	10.2	2.2
	III	3.4	4.6	1.2	4.0	2.3	0.6	2.4	1.3
	IV	0.8	3.4	2.5	6.4	4.3	5.5	-5.4	1.1
	ANNUAL	2.0	5.1	3.1	3.0	0.8	0.9	3.9	2.1
Percent change from corresponding quarter of previous year									
1995	I	0.8	4.6	3.8	1.2	-1.2	0.4	5.5	2.3
	II	0.7	2.9	2.2	2.1	-0.6	1.3	3.7	2.2
	III	1.2	3.4	2.2	2.6	0.2	1.4	2.3	1.7
	IV	1.1	2.7	1.6	2.6	0.1	1.5	1.6	1.5
	ANNUAL	0.9	3.4	2.4	2.1	-0.4	1.2	3.2	2.0
1996	I	2.3	3.2	0.9	2.8	0.2	0.5	2.4	1.3
	II	2.9	4.8	1.9	3.0	0.3	0.1	3.1	1.2
	III	2.7	4.4	1.7	3.2	0.4	0.5	2.7	1.3
	IV	2.3	4.8	2.5	3.2	0.3	0.9	3.0	1.7
	ANNUAL	2.5	4.3	1.7	3.0	0.3	0.5	2.8	1.4
1997	I	1.6	5.1	3.4	3.1	0.4	1.5	2.9	2.0
	II	1.7	5.0	3.3	2.5	0.4	0.9	4.3	2.2
	III	2.5	5.5	2.9	2.7	0.7	0.2	5.4	2.2
	IV	2.3	5.0	2.6	3.5	1.7	1.1	3.1	1.9
	ANNUAL	2.0	5.1	3.1	3.0	0.8	0.9	3.9	2.1

See footnotes following Table 6.

February 7, 2001  
Source: Bureau of Labor Statistics



Appendix table 3. Manufacturing sector: Revised 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							
1995	I	107.4	112.9	105.1	106.8	100.3	99.4
	II	108.5	112.8	104.0	107.8	100.4	99.3
	III	109.6	113.6	103.7	108.4	100.5	98.9
	IV	110.4	114.2	103.4	108.6	100.1	98.4
	ANNUAL	109.0	113.4	104.0	107.9	100.4	99.0
1996	I	111.4	114.3	102.6	108.4	99.2	97.3
	II	112.3	116.5	103.8	108.9	98.8	97.1
	III	113.3	118.0	104.1	109.6	98.9	96.7
	IV	114.0	118.9	104.3	110.3	98.8	96.7
	ANNUAL	112.8	116.9	103.7	109.3	99.0	96.9
1997	I	114.8	120.6	105.1	110.3	98.3	96.1
	II	115.5	122.1	105.6	110.4	98.1	95.6
	III	118.3	124.5	105.3	111.5	98.6	94.3
	IV	119.8	126.9	105.9	113.4	99.8	94.7
	ANNUAL	117.1	123.5	105.5	111.4	98.8	95.1
Percent change from previous quarter at annual rate(5)							
1995	I	5.5	5.6	0.2	1.0	-1.4	-4.2
	II	4.1	-0.4	-4.3	3.8	0.5	-0.2
	III	3.9	2.6	-1.2	2.2	0.2	-1.6
	IV	3.0	2.1	-0.9	0.8	-1.4	-2.2
	ANNUAL	3.8	4.3	0.4	2.1	-0.4	-1.6
1996	I	3.9	0.6	-3.2	-0.6	-3.5	-4.3
	II	3.0	8.0	4.9	1.9	-1.6	-1.1
	III	3.8	4.9	1.1	2.3	0.2	-1.5
	IV	2.6	3.3	0.6	2.7	-0.2	0.1
	ANNUAL	3.5	3.1	-0.3	1.3	-1.4	-2.1
1997	I	2.6	5.7	3.1	0.2	-2.2	-2.3
	II	2.7	5.0	2.2	0.3	-0.8	-2.4
	III	9.7	8.2	-1.4	4.0	2.3	-5.3
	IV	5.3	7.9	2.5	7.0	4.9	1.6
	ANNUAL	3.8	5.6	1.7	1.9	-0.2	-1.8
Percent change from corresponding quarter of previous year							
1995	I	3.8	6.7	2.8	1.6	-0.8	-2.1
	II	3.5	4.4	0.9	2.5	-0.3	-1.0
	III	4.0	3.6	-0.3	2.4	0.0	-1.5
	IV	4.1	2.5	-1.5	2.0	-0.5	-2.1
	ANNUAL	3.8	4.3	0.4	2.1	-0.4	-1.6
1996	I	3.7	1.2	-2.4	1.5	-1.1	-2.1
	II	3.4	3.3	-0.1	1.1	-1.6	-2.3
	III	3.4	3.9	0.4	1.1	-1.6	-2.3
	IV	3.3	4.2	0.8	1.6	-1.3	-1.7
	ANNUAL	3.5	3.1	-0.3	1.3	-1.4	-2.1
1997	I	3.0	5.5	2.4	1.8	-0.9	-1.2
	II	2.9	4.7	1.8	1.3	-0.8	-1.5
	III	4.4	5.5	1.1	1.8	-0.3	-2.5
	IV	5.0	6.7	1.6	2.8	1.0	-2.1
	ANNUAL	3.8	5.6	1.7	1.9	-0.2	-1.8

See footnotes following Table 6.

February 7, 2001

Source: Bureau of Labor Statistics

Appendix table 4. Durable manufacturing sector: Revised 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							
1995	I	111.6	119.2	106.8	106.7	100.2	95.6
	II	112.3	119.0	106.0	107.6	100.3	95.8
	III	113.6	120.4	106.0	108.1	100.2	95.1
	IV	114.9	122.0	106.2	107.7	99.3	93.7
	ANNUAL	113.1	120.2	106.2	107.5	100.1	95.1
1996	I	116.4	122.8	105.6	106.9	97.8	91.8
	II	117.6	126.3	107.4	107.0	97.1	91.0
	III	118.7	128.1	107.8	107.5	97.0	90.5
	IV	119.6	129.2	108.0	108.0	96.7	90.2
	ANNUAL	118.1	126.6	107.2	107.3	97.2	90.9
1997	I	120.0	131.4	109.5	107.8	96.0	89.8
	II	121.5	134.1	110.3	107.8	95.8	88.7
	III	124.9	137.8	110.3	108.9	96.3	87.2
	IV	127.5	141.6	111.0	111.0	97.7	87.0
	ANNUAL	123.5	136.2	110.3	108.9	96.5	88.1
Percent change from previous quarter at annual rate(5)							
1995	I	7.9	8.7	0.8	1.0	-1.4	-6.4
	II	2.7	-0.4	-3.0	3.6	0.3	0.9
	III	4.6	4.5	0.0	1.6	-0.4	-2.8
	IV	4.7	5.6	0.8	-1.4	-3.6	-5.9
	ANNUAL	4.7	6.3	1.5	1.8	-0.7	-2.8
1996	I	5.2	2.7	-2.3	-3.1	-5.9	-7.8
	II	4.2	11.8	7.4	0.6	-2.9	-3.4
	III	4.1	5.7	1.5	1.7	-0.4	-2.3
	IV	3.0	3.5	0.5	1.9	-1.0	-1.1
	ANNUAL	4.4	5.4	0.9	-0.2	-2.9	-4.4
1997	I	1.3	7.1	5.8	-0.7	-3.1	-2.0
	II	5.1	8.4	3.1	0.2	-0.9	-4.7
	III	11.6	11.4	-0.2	3.9	2.2	-6.9
	IV	8.8	11.5	2.6	8.1	6.0	-0.6
	ANNUAL	4.6	7.6	2.9	1.4	-0.7	-3.0
Percent change from corresponding quarter of previous year							
1995	I	5.3	9.2	3.7	1.4	-1.0	-3.7
	II	4.3	6.3	1.9	2.3	-0.4	-1.9
	III	4.4	5.2	0.7	2.2	-0.2	-2.1
	IV	4.9	4.6	-0.4	1.2	-1.3	-3.6
	ANNUAL	4.7	6.3	1.5	1.8	-0.7	-2.8
1996	I	4.3	3.1	-1.1	0.2	-2.4	-4.0
	II	4.7	6.1	1.4	-0.6	-3.2	-5.0
	III	4.5	6.4	1.8	-0.6	-3.2	-4.9
	IV	4.1	5.9	1.7	0.2	-2.6	-3.7
	ANNUAL	4.4	5.4	0.9	-0.2	-2.9	-4.4
1997	I	3.1	7.0	3.7	0.8	-1.8	-2.2
	II	3.4	6.1	2.7	0.7	-1.4	-2.5
	III	5.2	7.6	2.3	1.3	-0.7	-3.7
	IV	6.6	9.6	2.8	2.8	1.0	-3.5
	ANNUAL	4.6	7.6	2.9	1.4	-0.7	-3.0

See footnotes following Table 6.

February 7, 2001

Source: Bureau of Labor Statistics

Appendix table 5. Nondurable manufacturing sector: Revised 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							
1995	I	103.9	106.9	102.9	106.5	100.1	102.5
	II	105.4	106.8	101.3	107.5	100.2	102.0
	III	106.3	106.9	100.6	108.3	100.4	101.9
	IV	106.6	106.4	99.8	109.4	100.9	102.6
	ANNUAL	105.6	106.7	101.1	107.9	100.4	102.3
1996	I	107.4	105.9	98.7	110.3	101.0	102.8
	II	108.0	106.9	99.0	111.3	101.0	103.1
	III	109.1	108.2	99.1	112.2	101.3	102.8
	IV	110.0	109.2	99.3	113.3	101.6	103.1
	ANNUAL	108.6	107.6	99.0	111.8	101.2	102.9
1997	I	111.6	110.6	99.2	113.7	101.3	101.9
	II	111.8	111.1	99.4	113.8	101.1	101.7
	III	114.1	112.5	98.6	114.8	101.6	100.7
	IV	114.5	113.5	99.1	116.3	102.4	101.6
	ANNUAL	113.0	111.9	99.1	114.6	101.6	101.5
Percent change from previous quarter at annual rate(5)							
1995	I	2.6	1.9	-0.6	1.0	-1.4	-1.5
	II	6.0	-0.4	-6.0	3.9	0.6	-2.0
	III	3.3	0.4	-2.8	3.0	0.9	-0.3
	IV	1.3	-1.9	-3.2	4.0	1.8	2.6
	ANNUAL	3.0	2.0	-1.0	2.4	-0.1	-0.5
1996	I	2.7	-1.8	-4.4	3.4	0.4	0.7
	II	2.5	3.9	1.3	3.7	0.1	1.1
	III	4.2	4.7	0.5	3.2	1.1	-1.0
	IV	3.1	4.0	0.9	4.1	1.2	1.0
	ANNUAL	2.9	0.8	-2.1	3.6	0.8	0.7
1997	I	6.0	5.3	-0.7	1.3	-1.2	-4.5
	II	0.9	1.8	0.9	0.3	-0.8	-0.6
	III	8.3	4.8	-3.2	3.8	2.1	-4.2
	IV	1.3	3.6	2.3	5.1	3.1	3.8
	ANNUAL	4.0	4.1	0.0	2.5	0.4	-1.4
Percent change from corresponding quarter of previous year							
1995	I	2.3	4.0	1.6	1.7	-0.7	-0.6
	II	2.7	2.2	-0.5	2.4	-0.3	-0.3
	III	3.5	1.7	-1.7	2.6	0.1	-0.9
	IV	3.3	0.0	-3.2	3.0	0.5	-0.3
	ANNUAL	3.0	2.0	-1.0	2.4	-0.1	-0.5
1996	I	3.3	-0.9	-4.1	3.6	0.9	0.2
	II	2.5	0.1	-2.3	3.5	0.8	1.0
	III	2.7	1.2	-1.5	3.6	0.8	0.9
	IV	3.1	2.7	-0.4	3.6	0.7	0.5
	ANNUAL	2.9	0.8	-2.1	3.6	0.8	0.7
1997	I	3.9	4.5	0.5	3.0	0.3	-0.9
	II	3.5	3.9	0.4	2.2	0.1	-1.3
	III	4.5	4.0	-0.5	2.3	0.3	-2.1
	IV	4.1	3.9	-0.2	2.6	0.8	-1.4
	ANNUAL	4.0	4.1	0.0	2.5	0.4	-1.4

See footnotes following Table 6.

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Source: Bureau of Labor Statistics

Appendix table 6. Nonfinancial corporations: Revised productivity, hourly compensation, unit labor costs, unit profits, and prices, seasonally adjusted

	Year and quarter	Output per all- employee hour	Output	Employee hours	Hourly compen- sation (1)	Real hourly compen- sation(2)	Unit labor costs	Unit non- labor costs (6)	Total unit costs (7)	Unit pro- fits (8)	Implicit price deflator (4)
Indexes 1992=100											
1995	I	103.0	112.5	109.1	105.1	98.8	102.0	102.3	102.1	134.2	104.8
	II	103.6	113.2	109.3	105.8	98.6	102.2	102.8	102.3	134.5	105.1
	III	104.7	115.0	109.9	106.5	98.7	101.7	101.6	101.7	143.6	105.3
	IV	105.4	116.0	110.0	107.2	98.8	101.6	102.0	101.7	143.3	105.3
	ANNUAL	104.2	114.2	109.6	106.2	98.8	101.9	102.2	102.0	139.0	105.1
1996	I	106.5	117.0	109.9	107.8	98.7	101.3	101.3	101.3	150.5	105.5
	II	107.3	119.1	111.0	108.8	98.7	101.4	100.7	101.2	151.8	105.5
	III	107.8	120.7	111.9	109.5	98.8	101.5	100.3	101.2	151.9	105.5
	IV	108.4	122.9	113.4	109.7	98.3	101.2	100.2	100.9	154.6	105.5
	ANNUAL	107.5	119.9	111.5	109.0	98.7	101.4	100.6	101.2	152.2	105.5
1997	I	107.6	123.8	115.1	109.6	97.6	101.9	100.6	101.6	154.8	106.1
	II	107.6	125.7	116.8	109.5	97.2	101.7	101.5	101.7	155.4	106.2
	III	108.9	128.2	117.7	110.3	97.6	101.3	101.0	101.2	160.5	106.2
	IV	109.6	130.2	118.7	111.9	98.5	102.1	100.6	101.7	156.8	106.3
	ANNUAL	108.4	127.0	117.1	110.3	97.8	101.8	100.9	101.5	156.9	106.2
Percent change from previous quarter at annual rate(5)											
1995	I	-2.5	0.6	3.1	1.8	-0.7	4.4	5.3	4.6	-16.6	2.0
	II	2.1	2.8	0.7	2.7	-0.6	0.6	2.0	0.9	0.8	0.9
	III	4.3	6.4	2.0	2.4	0.4	-1.8	-4.3	-2.5	30.1	0.7
	IV	3.0	3.7	0.7	2.7	0.5	-0.3	1.4	0.2	-0.8	0.0
	ANNUAL	1.0	4.2	3.1	1.9	-0.6	0.8	0.9	0.8	5.5	1.4
1996	I	3.9	3.3	-0.6	2.4	-0.6	-1.4	-2.9	-1.8	21.7	0.7
	II	3.2	7.4	4.0	3.6	0.1	0.4	-2.1	-0.3	3.3	0.1
	III	2.0	5.6	3.5	2.5	0.5	0.5	-1.6	-0.1	0.4	0.0
	IV	2.2	7.5	5.2	1.0	-1.9	-1.2	-0.7	-1.0	7.1	-0.1
	ANNUAL	3.2	5.0	1.8	2.6	-0.1	-0.5	-1.5	-0.8	9.5	0.4
1997	I	-3.1	3.0	6.3	-0.5	-2.9	2.7	1.9	2.5	0.6	2.3
	II	0.1	6.0	6.0	-0.6	-1.6	-0.6	3.5	0.5	1.7	0.6
	III	5.0	8.4	3.3	3.2	1.5	-1.7	-2.1	-1.8	13.7	0.0
	IV	2.8	6.3	3.4	5.9	3.9	3.1	-1.5	1.8	-8.9	0.4
	ANNUAL	0.9	5.9	5.0	1.3	-0.9	0.4	0.3	0.4	3.1	0.7
Percent change from corresponding quarter of previous year											
1995	I	0.1	5.0	4.8	1.1	-1.4	0.9	-0.8	0.5	12.2	1.6
	II	0.7	4.0	3.3	1.8	-0.9	1.1	2.7	1.5	2.4	1.6
	III	1.7	4.4	2.7	2.3	-0.1	0.6	0.6	0.6	6.5	1.3
	IV	1.7	3.3	1.6	2.4	-0.1	0.7	1.1	0.8	2.0	0.9
	ANNUAL	1.0	4.2	3.1	1.9	-0.6	0.8	0.9	0.8	5.5	1.4
1996	I	3.3	4.0	0.7	2.6	-0.1	-0.7	-1.0	-0.8	12.2	0.6
	II	3.6	5.2	1.5	2.8	0.1	-0.8	-2.0	-1.1	12.8	0.4
	III	3.0	5.0	1.9	2.8	0.1	-0.2	-1.3	-0.5	5.8	0.2
	IV	2.8	5.9	3.0	2.4	-0.5	-0.4	-1.8	-0.8	7.8	0.2
	ANNUAL	3.2	5.0	1.8	2.6	-0.1	-0.5	-1.5	-0.8	9.5	0.4
1997	I	1.1	5.9	4.8	1.7	-1.1	0.6	-0.6	0.3	2.8	0.6
	II	0.3	5.5	5.2	0.6	-1.5	0.3	0.8	0.5	2.4	0.7
	III	1.0	6.2	5.2	0.8	-1.2	-0.2	0.6	0.0	5.6	0.7
	IV	1.1	5.9	4.7	2.0	0.2	0.8	0.4	0.7	1.4	0.8
	ANNUAL	0.9	5.9	5.0	1.3	-0.9	0.4	0.3	0.4	3.1	0.7

See footnotes following Table 6.

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Source: Bureau of Labor Statistics