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PRODUCTIVITY AND COSTS
Third Quarter 2001

The Bureau of Labor Statistics of the U.S. Department of Labor today reported revised productivity data--as measured by output per hour of all persons--for the third quarter of 2001. The seasonally adjusted annual rates of productivity growth in the third quarter were:

1.1 percent in the business sector, and
1.5 percent in the nonfarm business sector.

In both sectors, the downward revisions to productivity were due to declines in output that were larger than originally reported and smaller declines in labor hours.

In manufacturing, revised productivity increases in the third quarter were:

2.5 percent in manufacturing,
1.8 percent in durable goods manufacturing, and
2.6 percent in nondurable goods manufacturing.

Manufacturing productivity rose faster than reported on November 7. Both output and hours show smaller declines than originally reported, but the revision to output was greater than that to hours. Output and hours in manufacturing, which includes about 16 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. Third-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.

The productivity and costs measures in this release incorporate three separate revisions. (1) Measures of hours have been adjusted to incorporate the results of the 2000 Hours at Work Survey for all private nonfarm employees. (2) Output measures for the manufacturing sector now include information released by the Board of Governors of the Federal Reserve System on Nov. 27. (3) Price indexes used to calculate the real output of nonfinancial corporations were revised beginning with the first quarter of 1998.

Table A. Productivity and costs: Revised third-quarter 2001 measures
(Seasonally adjusted annual rates)

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Percent change from preceding quarter						
Business	1.1	-1.9	-2.9	3.5	2.8	2.4
Nonfarm business	1.5	-2.0	-3.4	3.8	3.1	2.3
Manufacturing	2.5	-5.0	-7.4	3.6	2.9	1.1
Durable	1.8	-7.7	-9.4	4.4	3.7	2.5
Nondurable	2.6	-1.7	-4.2	2.8	2.1	0.2
Percent change from same quarter a year ago						
Business	1.5	0.1	-1.4	5.8	3.0	4.2
Nonfarm business	1.5	0.2	-1.3	5.6	2.8	4.1
Manufacturing	0.5	-5.6	-6.0	7.0	4.2	6.5
Durable	-0.3	-7.2	-6.9	7.7	4.9	8.1
Nondurable	1.2	-3.5	-4.7	6.1	3.3	4.8

Business

From second quarter to third quarter of 2001, business sector productivity rose at an annual rate of 1.1 percent, as output decreased 1.9 percent and hours of all persons engaged in the sector decreased 2.9 percent (table 1). The declines in both output and hours were the largest since the first quarter of 1991, when output decreased 3.2 percent and hours fell 4.6 percent. Productivity had increased 2.2 percent during the second quarter of 2001, as output declined 0.7 percent and hours at work fell 2.8 percent (seasonally adjusted annual rates).

Hourly compensation increased 3.5 percent during the third quarter of 2001, the smallest increase in this measure since the second quarter of 1997, when it rose 1.4 percent. Hourly compensation includes wages and salaries, supplements, employer contributions to employee benefit plans, and taxes. Real hourly compensation, which takes into account changes in consumer prices, rose 2.8 percent in the third quarter of 2001.

Unit labor costs increased at an annual rate of 2.4 percent during the third quarter of 2001. The implicit price deflator for the business sector, which reflects changes both in unit labor costs and in unit nonlabor payments, increased at a 1.8 percent annual rate in the third quarter of 2001, after rising 1.7 percent in the previous quarter.

Nonfarm business

Output per hour of all persons in the nonfarm business sector increased 1.5 percent during the third quarter of 2001, after rising 2.1 percent in the second quarter (table 2). Output decreased 2.0 percent and hours of all persons fell 3.4 percent in the third quarter of 2001. As in the business sector, these were the largest declines in output and hours since the first quarter of 1991, when output decreased 3.2 percent and hours fell 4.8 percent.

Hourly compensation grew at a 3.8 percent annual rate in the third quarter of 2001, after increasing 4.7 percent in the previous quarter. When the rise in consumer prices is taken into account, real hourly compensation rose at a 3.1 percent annual rate in the third quarter of 2001.

Unit labor costs rose 2.3 percent in the third quarter of 2001, following a 2.6 percent increase one quarter earlier. The implicit price deflator for nonfarm business rose 1.5 percent in both the second and third quarters of 2001.

Manufacturing

Productivity increased 2.5 percent in manufacturing in the third quarter of 2001, as output declined 5.0 percent and hours of all persons fell 7.4 percent (seasonally adjusted annual rates). In durable goods industries, productivity grew 1.8 percent in the third quarter as output and hours dropped 7.7 and 9.4 percent, respectively. In the nondurable goods industries, third-quarter productivity rose 2.6 percent as output declined 1.7 percent and hours fell further, 4.2 percent (tables 3, 4, and 5).

Hourly compensation of all manufacturing workers rose 3.6 percent during the third quarter of 2001 (seasonally adjusted annual rates). In durable goods manufacturing, hourly compensation rose 4.4 percent during the third quarter. The increase in nondurable goods manufacturing was 2.8 percent. When the increase in consumer prices is taken into account, real hourly compensation for all manufacturing workers rose 2.9 percent in the third quarter.

Unit labor costs in manufacturing rose 1.1 percent in the third quarter of 2001, down sharply from the 6.7-percent increase of the second quarter. Unit labor costs rose 2.5 percent in durable goods manufacturing in the third quarter. In nondurable goods manufacturing, unit labor costs rose 0.2 percent.

Nonfinancial Corporations

Third-quarter 2001 measures of productivity and costs also were released for nonfinancial corporations (tables B and 6). Output per all-employee hour grew at a 2.4 percent annual rate, compared with a 3.3 percent increase in the previous quarter. Output decreased 1.3 percent in the third quarter of 2001, and hours of all employees declined 3.6 percent (seasonally adjusted annual rates). BLS adjusted third-quarter output of nonfinancial corporations to reflect insurance benefits related to the September 11 tragedies. An adjustment to nonfinancial corporate output will be made by the Bureau of Economic Analysis, U.S. Department of Commerce, in its next estimate, but this adjustment will not affect GDP. The nonfinancial corporate sector includes all corporations doing business in the United States, except those classified as depository institutions, nondepository institutions, security and commodity brokers, insurance carriers, regulated investment offices, small business investment offices, and real estate investment trusts.

 Table B. Nonfinancial corporations: Third-quarter 2001 productivity and cost measures
 (Seasonally adjusted annual rates)

Period	Productivity	Output	Hours	Real		Unit labor costs	Unit profits	Implicit price deflator
				Hourly compensation	hourly compensation			

Percent change from preceding quarter								
2001 III	2.4	-1.3	-3.6	4.9	4.2	2.5	-25.7	1.5

Percent change from same quarter a year ago								
2001 III	1.7	0.1	-1.5	6.5	3.7	4.7	-26.6	1.8

Hourly compensation for nonfinancial corporations increased 4.9 percent in the third quarter; it rose 6.1 percent in the second quarter. When the rise in consumer prices is taken into account, real hourly compensation increased 4.2 percent in the third quarter and 2.9 percent in the second quarter.

Unit labor costs for the sector increased 2.5 percent in the third quarter. Unit nonlabor costs increased 9.2 percent in the third quarter--the largest increase since the first quarter of 1994, when they rose 11.9 percent. Unit profits fell 25.7 percent in the third quarter of 2001, after dropping 12.6 percent in the second quarter. The implicit price deflator for the output of nonfinancial corporations rose 1.5 percent in the third quarter of 2001. In the previous quarter, the implicit price deflator rose 2.3 percent.

Adjustments

The terrorist attacks of September 11 resulted in significant disruptions in the New York and Washington area economies, as well as disruptions to businesses outside these directly impacted areas. The Bureau of Economic Analysis (BEA), U.S. Department of Commerce, reported that most of the effects of this disaster are reflected in the usual source data used to construct the national income and product accounts--the data that underlie the output measures for the business and nonfarm business sectors. BEA made adjustments to wages of employees because the regular source of data--employment, hours, and earnings from the Bureau of Labor Statistics monthly employment survey--covered the mid-month pay period and did not fully reflect the changes to labor markets following the September attacks. Therefore, as reported on Nov. 7, BLS adjusted the change in hours of business employees downward by 0.3 percentage point to reflect these compensation adjustments. It is not possible to separately identify the impacts of the attacks on the productivity and cost measures.

Revised Measures

Current and previous measures for the third quarter of 2001 for the business, nonfarm business, and manufacturing sectors are compared in table C. In the business and nonfarm business sectors, increases in productivity and output are smaller than those reported on Nov. 7, based on the information available at that time. Unit labor cost measures for these sectors are correspondingly higher.

 Table C. 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

Third quarter 2001						
Business:						
Previous	2.2	-1.0	-3.1	4.1	3.4	1.9
Current	1.1	-1.9	-2.9	3.5	2.8	2.4

Nonfarm business:						
Previous	2.7	-1.0	-3.6	4.5	3.8	1.8
Current	1.5	-2.0	-3.4	3.8	3.1	2.3

Manufacturing:						
Previous	1.1	-6.7	-7.7	5.1	4.4	4.0
Current	2.5	-5.0	-7.4	3.6	2.9	1.1

Productivity and cost measures were revised to reflect the results of the 2000 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 2000, these new results show that hours of all persons were lower than originally had been reported. In the nonfarm business sector, hours of all persons grew 1.1 percent in 2000 rather than 1.5 percent, as previously reported. This difference in the ratio of hours at work to hours paid also occurred in the manufacturing sector, where hours of all persons fell 1.4 percent, rather than decreasing 0.9 percent, as previously reported.

In manufacturing, rates of growth in productivity were revised upward in the third quarter. Unit labor costs were revised down, due both to the output revision and a downward revision in hourly compensation (tables 3-5 and appendix tables 3-5). The quarterly measures of productivity, output, and unit labor costs for manufacturing were revised back to 1992 due to the incorporation of revised indexes of industrial production. The bulk of the revision began in 1999. The annual measures for 2000 also were affected. These indexes, published by the Board of Governors of the Federal Reserve System, were changed to incorporate additional and revised source data and updated information on seasonal trends. (See Federal Reserve Statistical Release G.17, "Industrial production and capacity utilization: a revision," Nov. 27, 2001.)

On Nov. 30, the Bureau of Economic Analysis, U.S. Department of Commerce, revised the price indexes used to calculate real output of nonfinancial corporations back to the first quarter of 1998. Appendix table 6 shows revised 1998 measures for output, productivity, and unit costs.

NEXT RELEASE DATE

The next release of Productivity and Costs is scheduled for 8:30 AM EST, Wednesday, February 6, 2002. Preliminary fourth-quarter and annual 2001 measures will be released at that time.

Scheduled release dates for productivity and costs measures for major sectors of the U.S. economy in 2002 are:

Reference period	2002 release date
2001:	
Fourth quarter, Annual	February 6
Fourth quarter, Annual <revised>	March 7
2002:	
First quarter	May 7
First quarter (revised)	May 31
Second quarter	August 9
Second quarter (revised)	September 5
Third quarter	November 7
Third quarter (revised)	December 4

These dates are based on presently available schedules for the release of underlying source data in 2002. Each issue of Productivity and Costs contains a "Next release date" paragraph that readers should use to confirm the dates above.

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									
1999	I	r112.7	132.4	117.4	r123.1	106.6	109.2	114.5	111.2
	II	r112.4	132.9	118.2	r124.4	r106.9	110.7	112.6	111.4
	III	113.3	134.6	118.8	126.1	107.5	111.3	112.3	111.7
	IV	r115.3	137.8	r119.5	r127.3	r107.7	110.4	114.8	112.0
	ANNUAL	113.4	134.4	118.5	125.2	107.3	110.4	113.6	111.6
2000	I	r115.3	138.6	r120.2	r129.3	r108.4	r112.2	114.2	112.9
	II	r117.5	140.8	r119.8	r132.1	r110.0	112.5	r115.1	113.5
	III	r117.8	141.2	r119.9	r134.3	r110.8	114.0	r113.8	113.9
	IV	r118.7	141.9	r119.5	r137.4	r112.5	r115.8	r112.0	114.4
	ANNUAL	r117.3	140.6	r119.8	r133.3	r110.5	113.6	r113.8	113.7
2001	I	r118.6	142.3	r119.9	r139.1	r112.8	r117.3	r111.7	115.2
	II	r119.3	142.1	r119.1	r140.9	r113.4	118.1	r111.5	115.7
	III	r119.6	r141.4	r118.2	r142.1	r114.2	r118.8	r111.7	116.2
Percent change from previous quarter at annual rate(5)									
1999	I	r3.0	3.5	r0.5	r4.5	r2.9	1.5	0.9	1.3
	II	-1.1	1.6	2.7	r4.3	1.4	5.4	r-6.4	0.8
	III	r3.1	5.1	r1.9	r5.3	r2.3	r2.2	r-1.2	0.9
	IV	r7.4	9.9	r2.3	r4.0	r0.7	-3.2	r9.0	1.2
	ANNUAL	2.5	4.6	2.0	4.6	2.4	2.0	-0.8	0.9
2000	I	r-0.1	2.2	r2.3	r6.5	r2.4	r6.6	r-2.1	3.2
	II	r7.7	6.5	r-1.1	r9.0	r5.9	r1.3	r3.5	2.1
	III	r1.2	1.3	r0.1	r6.8	r3.1	5.5	-4.5	1.7
	IV	3.0	1.8	-1.1	r9.5	r6.4	6.3	-6.1	1.6
	ANNUAL	r3.4	4.6	r1.1	r6.4	r3.0	2.9	r0.2	1.9
2001	I	r-0.2	1.2	r1.4	r5.1	r0.9	5.3	-1.3	2.9
	II	r2.2	-0.7	r-2.8	r5.2	r2.1	3.0	r-0.6	1.7
	III	r1.1	r-1.9	r-2.9	r3.5	r2.8	r2.4	r0.7	r1.8
Percent change from corresponding quarter of previous year									
1999	I	r2.5	4.5	1.9	r4.7	r3.1	2.2	-1.4	0.8
	II	r2.2	4.4	2.1	r4.4	2.5	2.2	-1.2	0.9
	III	2.3	4.6	2.2	r4.6	2.2	2.2	-1.2	0.9
	IV	r3.0	5.0	r1.9	r4.5	r1.8	1.4	0.5	1.1
	ANNUAL	2.5	4.6	2.0	4.6	2.4	2.0	-0.8	0.9
2000	I	r2.3	4.7	r2.3	r5.0	r1.7	r2.7	-0.3	1.5
	II	r4.5	5.9	r1.4	r6.2	r2.8	1.6	r2.2	1.9
	III	r4.0	4.9	r0.9	r6.6	r3.0	r2.5	r1.3	2.1
	IV	r2.9	3.0	r0.0	r7.9	r4.4	r4.9	r-2.4	2.1
	ANNUAL	r3.4	4.6	r1.1	r6.4	r3.0	2.9	r0.2	1.9
2001	I	r2.9	2.7	r-0.2	r7.6	r4.1	4.6	r-2.2	2.1
	II	1.6	0.9	-0.6	6.6	3.1	5.0	-3.2	2.0
	III	r1.5	r0.1	r-1.4	r5.8	r3.0	r4.2	r-1.9	2.0

See footnotes following Table 6.
r=revised

December 6, 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									
1999	I	112.2	132.8	118.3	r122.2	r105.8	109.0	116.0	111.5
	II	r111.8	133.2	r119.2	r123.5	r106.1	110.5	114.2	111.8
	III	112.7	134.9	r119.7	125.1	106.8	111.1	114.0	112.1
	IV	r114.8	138.1	r120.3	r126.6	r107.1	110.2	116.5	112.5
	ANNUAL	112.9	134.8	119.4	124.4	106.5	110.2	115.2	112.0
2000	I	r114.8	138.8	r120.9	r128.7	r107.9	112.1	r115.9	113.5
	II	r116.7	141.0	r120.8	r131.2	r109.2	r112.5	116.7	114.0
	III	r117.2	141.4	r120.7	r133.6	r110.2	114.0	r115.3	114.5
	IV	r117.8	142.1	r120.6	r136.5	r111.8	115.8	r113.4	114.9
	ANNUAL	r116.6	140.8	r120.8	r132.5	r109.8	113.6	r115.3	114.2
2001	I	r117.8	142.5	r121.0	r138.1	r112.0	117.2	113.1	115.7
	II	r118.4	142.4	r120.2	r139.7	r112.4	r118.0	r112.9	116.1
	III	r118.9	r141.7	r119.2	r141.0	r113.3	r118.7	r112.9	116.6
Percent change from previous quarter at annual rate(5)									
1999	I	r2.3	3.5	r1.1	r3.6	r2.0	1.3	1.9	1.5
	II	r-1.3	1.4	2.8	4.2	r1.4	5.6	-5.9	1.2
	III	r3.2	5.3	r2.0	r5.5	r2.4	r2.2	r-0.9	1.0
	IV	r7.8	9.8	r1.9	r4.7	r1.4	-2.9	r9.0	1.4
	ANNUAL	2.3	4.6	2.2	4.4	2.2	2.0	-0.4	1.1
2000	I	r0.0	2.0	r2.0	r6.9	r2.8	r6.9	r-1.8	3.5
	II	r6.7	6.5	r-0.2	r8.1	r5.0	r1.3	r2.5	1.7
	III	r1.6	1.2	r-0.5	r7.4	r3.7	r5.7	-4.4	1.8
	IV	2.3	1.8	-0.5	8.9	5.8	6.4	-6.6	1.5
	ANNUAL	r3.3	4.5	r1.1	r6.5	r3.1	3.1	r0.1	2.0
2001	I	r-0.1	1.4	r1.4	r4.9	r0.7	5.0	-1.2	2.7
	II	r2.1	-0.4	r-2.4	r4.7	r1.6	2.6	-0.5	1.5
	III	r1.5	r-2.0	r-3.4	r3.8	r3.1	r2.3	r0.1	1.5
Percent change from corresponding quarter of previous year									
1999	I	r2.3	4.5	2.1	r4.5	r2.9	2.1	-1.1	0.9
	II	1.9	4.3	2.4	4.2	r2.2	2.3	-0.9	1.1
	III	2.1	4.6	2.4	4.3	1.9	2.1	-0.8	1.0
	IV	r2.9	4.9	r1.9	r4.5	r1.8	1.5	0.9	1.3
	ANNUAL	2.3	4.6	2.2	4.4	2.2	2.0	-0.4	1.1
2000	I	r2.4	4.6	r2.2	r5.3	r2.0	2.9	0.0	1.8
	II	r4.4	5.9	r1.4	r6.3	r2.9	1.8	r2.1	1.9
	III	r4.0	4.8	r0.8	r6.7	r3.2	r2.7	r1.2	2.1
	IV	r2.6	2.8	r0.2	r7.8	r4.3	5.0	-2.6	2.2
	ANNUAL	r3.3	4.5	r1.1	r6.5	r3.1	3.1	r0.1	2.0
2001	I	r2.6	2.7	r0.1	r7.3	r3.8	4.6	-2.5	2.0
	II	1.5	1.0	-0.5	6.5	2.9	4.9	-3.2	1.9
	III	r1.5	r0.2	r-1.3	r5.6	r2.8	r4.1	r-2.1	1.8

See footnotes following Table 6.
r=revised

December 6, 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							
1999	I	r127.6	r133.1	104.3	r119.8	103.7	r93.9
	II	r128.3	r134.2	104.5	r121.2	104.2	94.4
	III	r129.6	r135.6	r104.6	123.0	104.9	r94.9
	IV	132.7	r137.8	r103.8	r124.5	r105.4	r93.8
	ANNUAL	129.6	135.2	104.3	122.1	104.6	94.3
2000	I	135.2	r139.9	r103.5	r126.3	r105.9	r93.4
	II	r137.2	r142.3	r103.8	r128.6	r107.0	r93.8
	III	r138.3	r142.5	r103.0	r131.9	r108.8	r95.4
	IV	r139.2	r141.1	r101.3	r135.9	r111.3	r97.6
	ANNUAL	r137.5	r141.5	r102.9	r130.7	r108.3	r95.1
2001	I	r138.3	r138.5	r100.1	r137.9	r111.8	r99.7
	II	r138.1	r136.3	r98.7	r140.0	r112.6	r101.3
	III	r139.0	r134.5	r96.8	r141.2	r113.4	r101.6
----- Percent change from previous quarter at annual rate(5)							
1999	I	r5.6	r3.2	r-2.3	r2.4	r0.9	r-3.0
	II	r2.4	r3.1	r0.7	4.8	1.9	r2.4
	III	r3.9	r4.4	r0.4	r6.0	r2.9	r2.0
	IV	r10.1	r6.7	r-3.1	r5.2	r1.9	r-4.5
	ANNUAL	4.5	3.7	-0.8	4.0	1.9	-0.5
2000	I	7.6	r6.3	r-1.2	r5.9	r1.8	r-1.6
	II	r6.1	r7.1	r0.9	r7.5	r4.5	r1.4
	III	r3.3	r0.4	r-2.8	r10.6	r6.8	r7.1
	IV	r2.8	r-4.0	r-6.6	r12.7	r9.5	r9.7
	ANNUAL	r6.1	r4.6	r-1.4	r7.0	r3.5	r0.9
2001	I	r-2.7	r-7.1	r-4.5	r6.0	r1.7	r8.9
	II	r-0.5	r-6.2	r-5.7	r6.1	r2.9	r6.7
	III	r2.5	r-5.0	r-7.4	r3.6	r2.9	r1.1
----- Percent change from corresponding quarter of previous year							
1999	I	r4.7	r3.2	r-1.4	r3.8	r2.2	r-0.9
	II	4.3	3.3	r-0.9	r3.5	r1.6	-0.7
	III	3.7	3.8	0.1	r4.1	1.7	r0.4
	IV	5.5	r4.3	r-1.1	r4.6	r1.9	r-0.8
	ANNUAL	4.5	3.7	-0.8	4.0	1.9	-0.5
2000	I	r6.0	r5.1	r-0.8	r5.5	r2.1	r-0.5
	II	6.9	r6.1	r-0.7	r6.1	r2.8	r-0.7
	III	r6.7	r5.1	r-1.5	r7.3	r3.7	r0.5
	IV	r4.9	r2.3	r-2.4	r9.1	r5.6	r4.0
	ANNUAL	r6.1	r4.6	r-1.4	r7.0	r3.5	r0.9
2001	I	r2.3	r-1.0	r-3.3	r9.2	r5.6	r6.7
	II	r0.7	r-4.3	-4.9	8.8	5.2	r8.1
	III	r0.5	r-5.6	r-6.0	r7.0	r4.2	6.5

See footnotes following Table 6.
r=revised

December 6, 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						
1999	I	r140.7	r154.5	r109.8	r117.6	r101.8
	II	r142.1	r156.1	r109.9	r119.3	102.6
	III	r143.9	r159.4	110.7	121.1	103.3
	IV	r147.3	r161.8	r109.8	r122.7	r103.9
	ANNUAL	143.5	157.9	110.1	120.2	103.0
2000	I	152.0	r166.7	r109.7	r124.4	r104.3
	II	r155.0	r171.0	r110.3	r126.7	r105.4
	III	r156.4	r171.6	r109.7	r130.1	r107.3
	IV	r156.9	r169.5	r108.0	r134.6	r110.2
	ANNUAL	r155.1	r169.7	r109.4	r128.9	r106.9
2001	I	r155.2	r165.2	r106.5	r136.6	r110.7
	II	r155.2	r162.5	r104.7	r138.7	r111.6
	III	r155.9	r159.2	r102.1	r140.2	r112.6
Percent change from previous quarter at annual rate(5)						
1999	I	r8.3	r4.0	r-4.0	r3.8	r2.2
	II	r4.0	r4.4	r0.3	r5.9	2.9
	III	r5.2	r8.5	r3.1	r6.1	r3.0
	IV	r9.7	r6.2	r-3.2	r5.5	r2.2
	ANNUAL	6.9	6.1	-0.8	4.7	2.5
2000	I	r13.5	r12.8	r-0.6	r5.6	r1.5
	II	r8.2	r10.7	r2.3	r7.7	r4.6
	III	r3.7	r1.4	r-2.2	r11.2	r7.4
	IV	r1.3	r-4.8	-6.0	14.3	r11.1
	ANNUAL	r8.1	r7.4	r-0.6	r7.3	r3.8
2001	I	r-4.3	r-9.7	r-5.6	r6.1	r1.9
	II	r0.0	r-6.5	r-6.6	r6.3	r3.1
	III	r1.8	-7.7	r-9.4	r4.4	r3.7
Percent change from corresponding quarter of previous year						
1999	I	r7.6	r6.0	r-1.5	r4.2	r2.6
	II	7.3	6.1	r-1.0	r4.3	r2.3
	III	r6.1	r6.6	0.5	4.9	2.6
	IV	r6.8	r5.7	r-1.0	r5.3	r2.6
	ANNUAL	6.9	6.1	-0.8	4.7	2.5
2000	I	r8.0	r7.9	r-0.1	r5.7	r2.4
	II	r9.1	r9.5	r0.4	r6.2	r2.8
	III	r8.7	r7.7	r-0.9	r7.5	r3.9
	IV	r6.5	r4.8	r-1.7	r9.6	r6.1
	ANNUAL	r8.1	r7.4	r-0.6	r7.3	r3.8
2001	I	r2.1	r-0.9	r-2.9	r9.8	r6.2
	II	r0.1	r-5.0	-5.1	9.4	5.8
	III	r-0.3	r-7.2	r-6.9	r7.7	r4.9

See footnotes following Table 6.
r=revised

December 6, 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 -----						
1999	I	116.6	r113.2	r97.1	r122.0	r105.6
	II	116.6	r113.6	r97.4	r123.0	r105.7
	III	r117.4	r113.4	96.6	r124.6	106.3
	IV	r120.5	r115.4	r95.8	r126.0	r106.6
	ANNUAL	117.8	113.9	96.7	123.9	106.1
2000	I	r120.6	r115.0	r95.3	r127.9	r107.2
	II	r121.7	r115.7	r95.1	r130.1	r108.3
	III	r122.6	r115.4	r94.2	r133.1	r109.8
	IV	r124.0	r114.6	r92.4	r136.2	r111.5
	ANNUAL	r122.2	115.2	r94.2	r131.8	r109.2
2001	I	r123.8	r113.5	r91.7	r138.2	r112.0
	II	r123.3	r111.8	r90.7	r140.2	r112.8
	III	r124.1	r111.3	r89.7	141.2	113.4
----- Percent change from previous quarter at annual rate(5) -----						
1999	I	r1.8	r2.2	r0.4	r0.5	r-1.1
	II	0.2	r1.4	1.3	r3.2	0.3
	III	r2.9	r-0.6	r-3.4	r5.2	r2.2
	IV	r10.7	r7.4	r-3.0	r4.8	r1.5
	ANNUAL	1.6	0.7	-0.9	2.8	0.7
2000	I	r0.5	r-1.6	r-2.1	r6.3	r2.2
	II	r3.6	r2.5	r-1.1	r6.9	r3.9
	III	r2.9	r-0.9	r-3.7	r9.4	r5.7
	IV	r4.8	r-2.9	r-7.4	r9.7	r6.6
	ANNUAL	r3.8	r1.1	r-2.6	r6.4	r2.9
2001	I	r-0.9	r-3.7	r-2.8	r5.9	r1.7
	II	r-1.6	r-5.9	r-4.4	r5.9	r2.8
	III	r2.6	r-1.7	r-4.2	r2.8	r2.1
----- Percent change from corresponding quarter of previous year -----						
1999	I	r1.2	r-0.1	r-1.4	r3.1	r1.5
	II	r0.6	0.0	r-0.6	r2.3	r0.4
	III	r0.8	r0.3	-0.5	2.5	0.2
	IV	r3.8	r2.6	r-1.2	r3.4	r0.7
	ANNUAL	1.6	0.7	-0.9	2.8	0.7
2000	I	3.5	r1.6	r-1.8	r4.9	r1.5
	II	r4.4	r1.9	r-2.4	r5.8	r2.4
	III	r4.4	r1.8	r-2.5	r6.8	r3.3
	IV	r3.0	r-0.7	r-3.6	r8.1	r4.6
	ANNUAL	r3.8	r1.1	r-2.6	r6.4	r2.9
2001	I	r2.6	r-1.3	r-3.8	r8.0	r4.5
	II	r1.3	r-3.3	-4.6	7.7	4.2
	III	r1.2	r-3.5	r-4.7	r6.1	r3.3

See footnotes following Table 6.
r=revised

December 6, 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											
1999	I	r114.5	r139.5	r121.9	r119.1	r103.1	r104.1	r102.8	r103.7	r141.6	r106.9
	II	r114.7	r140.8	r122.7	120.4	103.5	r104.9	r103.4	r104.5	r135.4	r107.1
	III	r115.4	r142.5	123.4	121.9	104.0	r105.6	r105.0	r105.4	r128.0	r107.4
	IV	r116.4	r144.8	r124.3	r123.2	r104.2	r105.8	r105.1	r105.6	r131.3	r107.8
	ANNUAL	r115.3	r141.9	123.1	121.2	103.8	r105.1	r104.1	r104.8	r134.0	r107.3
2000	I	r117.2	r146.6	r125.1	r125.0	r104.8	r106.6	r106.2	r106.5	r135.1	r108.9
	II	r118.8	r148.7	r125.1	r127.6	r106.1	r107.4	r106.5	r107.1	r139.3	r109.8
	III	r119.6	r149.7	r125.2	r129.7	r107.0	r108.5	r107.1	r108.1	r135.8	r110.5
	IV	r119.8	r149.8	r125.1	r132.7	r108.7	r110.8	r107.8	r110.0	r120.5	r110.9
	ANNUAL	r118.8	r148.7	r125.1	r128.8	r106.7	r108.3	r106.9	r107.9	r132.6	r110.0
2001	I	r119.9	r150.1	r125.1	r134.5	r109.1	r112.2	r109.3	r111.4	r111.1	r111.4
	II	r120.9	r150.4	r124.4	r136.5	r109.9	r112.9	r111.2	r112.5	r107.4	r112.0
	III	121.6	149.9	123.3	138.2	111.0	113.6	113.7	113.6	99.7	112.5
Percent change from previous quarter at annual rate(5)											
1999	I	r4.5	r6.8	r2.2	r4.3	r2.7	r-0.2	r-1.7	r-0.6	r11.6	r0.7
	II	r0.8	r3.6	2.8	4.2	r1.4	r3.4	r2.4	r3.1	r-16.4	r0.8
	III	r2.4	r4.9	r2.5	r5.2	r2.1	r2.7	r6.1	r3.6	r-20.0	r0.8
	IV	r3.5	r6.5	r2.9	r4.2	r0.9	r0.7	r0.7	r0.7	r10.5	r1.7
	ANNUAL	r3.1	r5.6	2.4	4.5	2.3	r1.3	r1.9	r1.4	r-5.4	r0.7
2000	I	r2.8	r5.3	r2.5	r6.0	r2.0	r3.2	r4.1	r3.4	r12.2	r4.3
	II	r5.6	r5.7	r0.1	r8.4	r5.4	r2.7	r1.1	r2.3	r13.0	r3.4
	III	r2.6	r2.8	r0.2	r7.0	r3.3	r4.3	r2.4	r3.8	r-9.8	r2.2
	IV	r0.7	r0.3	-0.3	9.6	6.5	r8.9	r2.6	r7.2	r-38.0	r1.6
	ANNUAL	r3.1	r4.8	r1.7	r6.3	r2.8	r3.1	r2.7	r3.0	r-1.0	r2.5
2001	I	r0.5	0.7	r0.2	r5.5	r1.3	5.0	5.8	5.2	-27.8	1.8
	II	r3.3	0.8	r-2.4	r6.1	r2.9	2.7	7.0	3.8	-12.6	2.3
	III	2.4	-1.3	-3.6	4.9	4.2	2.5	9.2	4.3	-25.7	1.5
Percent change from corresponding quarter of previous year											
1999	I	r4.2	r6.3	r2.1	r4.6	3.1	r0.4	r1.1	r0.6	r-1.6	r0.4
	II	r3.2	r5.8	r2.5	r4.3	r2.3	r1.1	r1.5	r1.2	r-3.6	r0.7
	III	r2.4	r5.1	2.6	4.4	2.0	r2.0	r3.1	r2.3	r-11.6	r0.7
	IV	r2.8	r5.5	r2.6	r4.5	r1.8	r1.6	r1.8	r1.7	r-4.7	r1.0
	ANNUAL	r3.1	r5.6	2.4	4.5	2.3	r1.3	r1.9	r1.4	r-5.4	r0.7
2000	I	r2.4	r5.1	r2.7	r4.9	r1.6	r2.5	r3.3	r2.7	r-4.6	r1.9
	II	r3.6	r5.6	r2.0	r6.0	r2.6	r2.3	r3.0	r2.5	r2.9	r2.5
	III	r3.6	r5.1	r1.4	r6.4	r2.9	r2.7	r2.0	r2.5	r6.0	r2.9
	IV	r2.9	r3.5	r0.6	r7.8	r4.3	r4.7	r2.5	r4.1	r-8.2	r2.9
	ANNUAL	r3.1	r4.8	r1.7	r6.3	r2.8	r3.1	r2.7	r3.0	r-1.0	r2.5
2001	I	r2.3	r2.3	r0.0	r7.6	r4.1	r5.2	r2.9	r4.6	r-17.8	r2.2
	II	r1.8	r1.2	-0.6	7.0	3.5	r5.2	r4.4	r5.0	r-22.9	r2.0
	III	1.7	0.1	-1.5	6.5	3.7	4.7	6.1	5.1	-26.6	1.8

See footnotes following Table 6.
r=revised

December 6, 2001
Source: Bureau of Labor Statistics

Appendix table 1.

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									
1996	I	104.4	114.0	109.2	108.5	99.3	104.0	112.3	107.0
	II	105.6	116.1	110.0	109.7	99.6	103.9	113.7	107.5
	III	105.6	116.8	110.7	110.7	100.0	104.8	113.3	108.0
	IV	106.0	118.4	111.7	111.6	99.9	105.3	113.7	108.4
	ANNUAL	105.4	116.4	110.4	110.1	99.8	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	100.7	104.9	118.4	109.9
	IV	108.7	124.4	114.5	115.6	101.8	106.4	116.7	110.2
	ANNUAL	107.8	122.5	113.6	113.5	100.7	105.3	117.1	109.7
1998	I	110.0	126.7	115.2	117.6	103.3	106.9	116.1	110.3
	II	110.0	127.3	115.7	119.1	104.4	108.3	114.0	110.4
	III	110.7	128.7	116.3	120.6	105.2	108.9	113.7	110.7
	IV	111.9	131.3	117.3	121.8	105.8	108.8	114.3	110.8
	ANNUAL	110.7	128.5	116.1	119.8	104.8	108.2	114.5	110.6
Percent change from previous quarter at annual rate(5)									
1996	I	4.0	4.1	0.1	2.2	-0.9	-1.8	7.4	1.7
	II	4.6	7.6	2.8	4.5	1.0	-0.1	5.1	1.9
	III	-0.1	2.4	2.5	3.5	1.5	3.6	-1.4	1.6
	IV	1.5	5.5	3.9	3.2	-0.1	1.6	1.3	1.5
	ANNUAL	2.8	4.4	1.6	3.2	0.4	0.4	3.5	1.6
1997	I	1.6	5.2	3.5	2.2	-0.1	0.6	5.9	2.6
	II	4.2	7.1	2.8	1.4	0.5	-2.7	9.6	1.9
	III	3.8	4.9	1.1	4.5	2.8	0.7	1.5	1.0
	IV	0.6	3.2	2.6	6.5	4.2	5.8	-5.7	1.1
	ANNUAL	2.3	5.2	2.9	3.1	0.9	0.8	3.4	1.8
1998	I	4.9	7.5	2.4	7.1	6.3	2.1	-2.0	0.5
	II	0.1	1.9	1.9	5.4	4.1	5.3	-6.9	0.5
	III	2.5	4.4	1.8	4.9	3.3	2.3	-1.2	0.9
	IV	4.5	8.2	3.6	4.1	2.2	-0.4	2.0	0.5
	ANNUAL	2.7	4.9	2.2	5.5	4.0	2.8	-2.2	0.8
Percent change from corresponding quarter of previous year									
1996	I	2.4	3.2	0.8	2.8	0.2	0.5	3.1	1.5
	II	3.2	4.9	1.6	3.1	0.5	0.0	4.2	1.6
	III	3.0	4.5	1.5	3.4	0.7	0.4	3.6	1.6
	IV	2.5	4.9	2.3	3.3	0.4	0.8	3.0	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	0.4	0.7	3.8	1.9
	III	2.8	5.7	2.8	2.8	0.8	0.0	4.5	1.8
	IV	2.5	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
1998	I	3.4	5.7	2.2	4.8	3.4	1.4	0.7	1.1
	II	2.3	4.4	2.0	5.9	4.3	3.5	-3.3	0.8
	III	2.0	4.2	2.2	6.0	4.5	3.9	-4.0	0.7
	IV	3.0	5.5	2.4	5.4	4.0	2.3	-2.1	0.6
	ANNUAL	2.7	4.9	2.2	5.5	4.0	2.8	-2.2	0.8

See footnotes following Table 6.

December 6, 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									
1996	I	104.5	114.4	109.4	108.3	99.2	103.6	112.7	106.9
	II	105.6	116.4	110.3	109.5	99.3	103.7	113.8	107.3
	III	105.5	117.2	111.0	110.3	99.6	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	99.5	104.2	113.5	107.6
1997	I	106.2	120.2	113.1	111.8	99.6	105.2	115.9	109.1
	II	107.3	122.2	113.9	112.2	99.7	104.5	118.8	109.7
	III	108.2	123.6	114.2	113.3	100.3	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	100.3	105.2	118.0	109.8
1998	I	109.6	127.0	115.9	116.9	102.8	106.7	117.2	110.5
	II	109.8	127.7	116.3	118.6	103.9	108.0	115.2	110.6
	III	110.3	129.0	116.9	120.0	104.7	108.7	114.8	111.0
	IV	111.5	131.6	118.0	121.1	105.3	108.6	115.4	111.1
	ANNUAL	110.3	128.8	116.8	119.2	104.2	108.0	115.7	110.8
Percent change from previous quarter at annual rate(5)									
1996	I	3.8	3.9	0.1	2.3	-0.8	-1.5	6.7	1.6
	II	4.1	7.4	3.2	4.2	0.7	0.0	4.1	1.6
	III	-0.2	2.5	2.7	3.1	1.1	3.3	-1.5	1.4
	IV	1.5	5.6	4.0	3.2	-0.1	1.7	2.7	2.1
	ANNUAL	2.5	4.3	1.7	3.1	0.3	0.5	2.8	1.4
1997	I	1.1	4.8	3.7	2.3	0.0	1.1	6.3	3.1
	II	4.2	7.1	2.7	1.4	0.6	-2.6	10.2	2.2
	III	3.3	4.6	1.3	4.0	2.3	0.7	2.4	1.3
	IV	0.6	3.4	2.7	6.3	4.0	5.6	-5.6	1.1
	ANNUAL	2.0	5.1	3.1	3.0	0.8	0.9	3.9	2.1
1998	I	4.7	7.8	3.0	6.8	6.1	2.0	-1.7	0.6
	II	0.5	2.1	1.6	5.6	4.4	5.1	-6.7	0.4
	III	2.2	4.3	2.1	4.9	3.3	2.7	-1.3	1.2
	IV	4.4	8.3	3.7	3.9	2.0	-0.4	2.1	0.5
	ANNUAL	2.6	5.0	2.4	5.4	3.9	2.7	-1.9	0.9
Percent change from corresponding quarter of previous year									
1996	I	2.3	3.2	0.9	2.8	0.2	0.5	2.5	1.3
	II	3.0	4.8	1.8	3.0	0.4	0.1	3.2	1.2
	III	2.7	4.4	1.7	3.2	0.5	0.5	2.8	1.3
	IV	2.3	4.8	2.5	3.2	0.2	0.9	3.0	1.7
	ANNUAL	2.5	4.3	1.7	3.1	0.3	0.5	2.8	1.4
1997	I	1.6	5.1	3.4	3.2	0.4	1.5	2.9	2.0
	II	1.6	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	5.3	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
1998	I	3.2	5.7	2.4	4.6	3.2	1.4	1.2	1.3
	II	2.3	4.5	2.1	5.7	4.2	3.3	-3.0	0.8
	III	2.0	4.4	2.4	5.9	4.4	3.8	-3.8	0.8
	IV	2.9	5.6	2.6	5.3	3.9	2.3	-2.0	0.7
	ANNUAL	2.6	5.0	2.4	5.4	3.9	2.7	-1.9	0.9

See footnotes following Table 6.

December 6, 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							
1996	I	111.4	114.2	102.6	108.4	99.2	97.4
	II	112.1	116.2	103.7	109.1	99.0	97.3
	III	113.5	118.1	104.0	109.6	99.0	96.6
	IV	114.4	119.3	104.3	110.3	98.8	96.4
	ANNUAL	112.8	117.0	103.6	109.4	99.1	96.9
1997	I	115.3	121.2	105.1	110.3	98.2	95.6
	II	116.3	122.7	105.6	110.5	98.2	95.0
	III	118.8	125.0	105.2	111.6	98.7	93.9
	IV	120.1	127.3	106.0	113.3	99.8	94.3
	ANNUAL	117.6	124.1	105.5	111.4	98.8	94.7
1998	I	121.9	129.0	105.9	115.4	101.4	94.7
	II	123.1	129.8	105.5	117.0	102.5	95.1
	III	125.0	130.7	104.5	118.2	103.2	94.6
	IV	125.9	132.1	105.0	119.1	103.4	94.6
	ANNUAL	124.0	130.4	105.2	117.4	102.7	94.7

Percent change from previous quarter at annual rate(5)							
1996	I	3.7	0.4	-3.2	-0.6	-3.6	-4.1
	II	2.7	7.2	4.4	2.3	-1.1	-0.3
	III	5.1	6.4	1.2	2.2	0.2	-2.8
	IV	3.2	4.1	0.9	2.4	-0.9	-0.7
	ANNUAL	3.5	3.1	-0.4	1.4	-1.3	-2.1
1997	I	3.2	6.7	3.4	-0.1	-2.4	-3.2
	II	3.4	5.1	1.6	0.8	0.0	-2.5
	III	9.0	7.5	-1.3	3.9	2.2	-4.7
	IV	4.6	7.7	3.0	6.5	4.2	1.8
	ANNUAL	4.3	6.1	1.8	1.9	-0.3	-2.3
1998	I	5.9	5.5	-0.4	7.7	6.9	1.6
	II	4.0	2.4	-1.5	5.7	4.5	1.6
	III	6.3	2.6	-3.5	3.9	2.4	-2.2
	IV	2.9	4.5	1.6	3.0	1.1	0.1
	ANNUAL	5.4	5.1	-0.2	5.4	3.9	0.0

Percent change from corresponding quarter of previous year							
1996	I	3.5	1.0	-2.4	1.5	-1.0	-1.9
	II	3.2	2.9	-0.2	1.2	-1.4	-2.0
	III	3.7	4.1	0.4	1.2	-1.4	-2.5
	IV	3.7	4.5	0.8	1.6	-1.4	-2.0
	ANNUAL	3.5	3.1	-0.4	1.4	-1.3	-2.1
1997	I	3.5	6.1	2.5	1.7	-1.0	-1.8
	II	3.7	5.6	1.8	1.3	-0.8	-2.3
	III	4.7	5.9	1.1	1.7	-0.3	-2.8
	IV	5.0	6.8	1.7	2.7	1.0	-2.2
	ANNUAL	4.3	6.1	1.8	1.9	-0.3	-2.3
1998	I	5.7	6.5	0.7	4.7	3.3	-1.0
	II	5.9	5.8	-0.1	5.9	4.4	0.1
	III	5.2	4.5	-0.6	5.9	4.5	0.7
	IV	4.8	3.7	-1.0	5.1	3.7	0.3
	ANNUAL	5.4	5.1	-0.2	5.4	3.9	0.0

See footnotes following Table 6.

December 6, 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 -----							
1996	I	116.3	122.7	105.6	106.8	97.8	91.9
	II	117.3	126.0	107.3	107.1	97.2	91.3
	III	119.0	128.1	107.7	107.6	97.2	90.4
	IV	120.1	129.6	108.0	108.0	96.7	89.9
	ANNUAL	118.2	126.6	107.2	107.4	97.3	90.9
1997	I	120.7	132.3	109.6	107.6	95.9	89.2
	II	122.4	134.9	110.3	107.9	95.9	88.1
	III	125.4	138.2	110.2	109.0	96.4	86.9
	IV	128.1	142.3	111.1	110.9	97.6	86.6
	ANNUAL	124.2	137.0	110.3	108.9	96.5	87.7
1998	I	130.8	145.8	111.5	112.9	99.2	86.3
	II	132.5	147.1	111.0	114.4	100.3	86.4
	III	135.7	149.5	110.2	115.4	100.7	85.0
	IV	137.9	153.0	110.9	116.5	101.3	84.5
	ANNUAL	134.2	148.8	110.9	114.8	100.4	85.6
----- Percent change from previous quarter at annual rate(5) -----							
1996	I	5.0	2.7	-2.3	-3.1	-6.1	-7.8
	II	3.8	11.0	6.9	1.0	-2.3	-2.7
	III	5.6	7.1	1.4	1.8	-0.2	-3.7
	IV	3.7	4.7	0.9	1.4	-1.8	-2.2
	ANNUAL	4.4	5.4	0.9	-0.1	-2.8	-4.4
1997	I	2.2	8.6	6.2	-1.2	-3.4	-3.3
	II	5.7	8.2	2.3	0.9	0.1	-4.6
	III	10.2	10.0	-0.2	4.0	2.3	-5.6
	IV	8.9	12.5	3.4	7.3	5.1	-1.4
	ANNUAL	5.1	8.2	2.9	1.4	-0.8	-3.5
1998	I	8.7	10.1	1.2	7.6	6.8	-1.0
	II	5.2	3.6	-1.5	5.4	4.1	0.2
	III	10.1	6.6	-3.2	3.5	1.9	-6.0
	IV	6.7	9.7	2.8	4.0	2.1	-2.5
	ANNUAL	8.1	8.7	0.5	5.5	4.0	-2.4
----- Percent change from corresponding quarter of previous year -----							
1996	I	4.0	2.8	-1.1	0.1	-2.4	-3.7
	II	4.4	5.7	1.3	-0.5	-3.1	-4.7
	III	4.9	6.6	1.7	-0.5	-3.0	-5.1
	IV	4.5	6.3	1.7	0.2	-2.6	-4.1
	ANNUAL	4.4	5.4	0.9	-0.1	-2.8	-4.4
1997	I	3.8	7.8	3.8	0.8	-2.0	-3.0
	II	4.3	7.1	2.7	0.7	-1.4	-3.4
	III	5.4	7.8	2.3	1.3	-0.8	-3.9
	IV	6.7	9.8	2.9	2.7	0.9	-3.7
	ANNUAL	5.1	8.2	2.9	1.4	-0.8	-3.5
1998	I	8.4	10.2	1.7	4.9	3.5	-3.2
	II	8.2	9.0	0.7	6.1	4.6	-2.0
	III	8.2	8.2	0.0	5.9	4.5	-2.1
	IV	7.7	7.5	-0.2	5.1	3.7	-2.4
	ANNUAL	8.1	8.7	0.5	5.5	4.0	-2.4

See footnotes following Table 6.

December 6, 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							
1996	I	107.4	105.9	98.6	110.4	101.0	102.8
	II	107.9	106.7	98.9	111.5	101.2	103.3
	III	109.3	108.3	99.1	112.2	101.3	102.7
	IV	110.1	109.4	99.3	113.3	101.5	102.9
	ANNUAL	108.7	107.6	99.0	111.8	101.3	102.9
1997	I	111.7	110.7	99.2	113.7	101.2	101.8
	II	112.1	111.3	99.3	113.8	101.2	101.6
	III	114.3	112.7	98.6	114.8	101.6	100.5
	IV	114.3	113.3	99.1	116.2	102.3	101.7
	ANNUAL	113.1	112.0	99.0	114.7	101.7	101.4
1998	I	115.2	113.4	98.4	118.4	104.0	102.8
	II	115.9	113.6	98.0	120.2	105.3	103.7
	III	116.5	113.0	97.0	121.5	106.1	104.3
	IV	116.1	112.6	97.0	121.9	105.9	105.0
	ANNUAL	115.9	113.1	97.6	120.5	105.4	104.0
Percent change from previous quarter at annual rate(5)							
1996	I	2.5	-2.0	-4.5	3.5	0.3	0.9
	II	2.1	3.1	1.0	4.1	0.6	1.9
	III	5.0	5.9	0.9	2.7	0.7	-2.1
	IV	3.1	4.1	0.9	4.1	0.7	0.9
	ANNUAL	2.9	0.8	-2.1	3.6	0.9	0.7
1997	I	5.8	5.2	-0.6	1.2	-1.1	-4.4
	II	1.4	2.0	0.6	0.6	-0.2	-0.8
	III	8.3	5.0	-3.0	3.5	1.8	-4.4
	IV	-0.1	2.3	2.4	5.0	2.8	5.1
	ANNUAL	4.1	4.1	0.1	2.5	0.3	-1.5
1998	I	3.1	0.1	-2.9	7.5	6.7	4.3
	II	2.6	1.0	-1.6	6.2	5.0	3.5
	III	2.0	-2.1	-4.0	4.7	3.1	2.6
	IV	-1.5	-1.7	-0.2	1.1	-0.7	2.7
	ANNUAL	2.5	1.0	-1.4	5.1	3.6	2.5
Percent change from corresponding quarter of previous year							
1996	I	3.2	-1.0	-4.1	3.6	1.0	0.3
	II	2.3	-0.1	-2.4	3.6	1.0	1.3
	III	3.0	1.5	-1.5	3.6	0.9	0.6
	IV	3.2	2.7	-0.4	3.6	0.6	0.4
	ANNUAL	2.9	0.8	-2.1	3.6	0.9	0.7
1997	I	4.0	4.6	0.5	3.0	0.2	-0.9
	II	3.8	4.3	0.4	2.1	0.0	-1.6
	III	4.6	4.1	-0.5	2.3	0.3	-2.2
	IV	3.8	3.6	-0.2	2.6	0.8	-1.2
	ANNUAL	4.1	4.1	0.1	2.5	0.3	-1.5
1998	I	3.1	2.4	-0.7	4.1	2.7	1.0
	II	3.4	2.1	-1.3	5.5	4.0	2.1
	III	1.9	0.3	-1.5	5.8	4.4	3.9
	IV	1.5	-0.7	-2.2	4.8	3.5	3.3
	ANNUAL	2.5	1.0	-1.4	5.1	3.6	2.5

See footnotes following Table 6.

December 6, 2001
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 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	106.4	117.0	110.0	107.8	98.6	101.3	101.3	150.5	105.5	
	II	107.4	119.1	110.9	108.9	98.8	101.4	100.7	151.8	105.5	
	III	107.8	120.7	111.9	109.5	98.9	101.5	100.3	151.9	105.5	
	IV	108.4	122.9	113.4	109.8	98.3	101.2	100.2	154.6	105.5	
	ANNUAL	107.5	119.9	111.5	109.0	98.7	101.4	100.6	152.2	105.5	
1997	I	107.6	123.8	115.1	109.6	97.6	101.9	100.6	154.8	106.1	
	II	107.6	125.7	116.8	109.5	97.3	101.7	101.5	155.4	106.2	
	III	108.9	128.2	117.7	110.3	97.6	101.3	101.0	160.5	106.2	
	IV	109.6	130.2	118.8	111.9	98.5	102.1	100.6	156.8	106.3	
	ANNUAL	108.5	127.0	117.1	110.4	97.9	101.8	100.9	156.9	106.2	
1998	I	109.9	131.2	119.4	113.9	100.1	103.6	101.7	143.8	106.5	
	II	111.2	133.1	119.7	115.4	101.1	103.8	101.9	140.4	106.4	
	III	112.8	135.6	120.3	116.8	102.0	103.6	101.8	144.9	106.7	
	IV	113.3	137.3	121.2	117.9	102.4	104.1	103.3	137.7	106.7	
	ANNUAL	111.8	134.3	120.1	116.0	101.4	103.8	102.2	141.7	106.6	
Percent change from previous quarter at annual rate(5)											
1996	I	3.6	3.3	-0.3	2.2	-0.9	-1.4	-2.9	-1.8	21.7	0.7
	II	3.7	7.4	3.5	4.1	0.7	0.4	-2.1	-0.3	3.3	0.1
	III	1.8	5.6	3.8	2.3	0.3	0.5	-1.6	-0.1	0.4	0.0
	IV	2.2	7.5	5.2	1.0	-2.3	-1.2	-0.7	-1.0	7.1	-0.1
	ANNUAL	3.2	5.0	1.8	2.7	-0.1	-0.5	-1.5	-0.8	9.5	0.4
1997	I	-3.1	3.0	6.3	-0.5	-2.7	2.7	1.9	2.5	0.6	2.3
	II	0.1	6.0	5.9	-0.5	-1.3	-0.6	3.5	0.5	1.7	0.6
	III	4.9	8.4	3.3	3.1	1.4	-1.7	-2.1	-1.8	13.7	0.0
	IV	2.6	6.3	3.6	5.8	3.6	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
1998	I	1.0	3.2	2.1	7.2	6.4	6.1	4.5	5.7	-29.2	0.7
	II	4.8	5.9	1.1	5.5	4.3	0.7	0.8	0.7	-9.2	-0.4
	III	5.7	7.8	1.9	5.0	3.4	-0.7	-0.5	-0.6	13.5	0.9
	IV	1.8	4.9	3.1	3.7	1.9	1.9	5.9	3.0	-18.4	0.3
	ANNUAL	3.1	5.8	2.6	5.1	3.7	2.0	1.2	1.8	-9.7	0.3
Percent change from corresponding quarter of previous year											
1996	I	3.2	4.0	0.8	2.5	-0.1	-0.7	-1.0	-0.8	12.2	0.6
	II	3.7	5.2	1.5	2.9	0.2	-0.8	-2.0	-1.1	12.8	0.4
	III	3.0	5.0	1.9	2.8	0.2	-0.2	-1.3	-0.5	5.8	0.2
	IV	2.8	5.9	3.0	2.4	-0.6	-0.4	-1.8	-0.8	7.8	0.2
	ANNUAL	3.2	5.0	1.8	2.7	-0.1	-0.5	-1.5	-0.8	9.5	0.4
1997	I	1.1	5.9	4.7	1.7	-1.0	0.6	-0.6	0.3	2.8	0.6
	II	0.2	5.5	5.3	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	4.8	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
1998	I	2.2	6.0	3.7	3.9	2.5	1.7	1.1	1.5	-7.1	0.4
	II	3.3	5.9	2.5	5.4	3.9	2.0	0.4	1.6	-9.7	0.2
	III	3.5	5.8	2.2	5.9	4.4	2.3	0.8	1.9	-9.7	0.4
	IV	3.3	5.4	2.0	5.3	4.0	2.0	2.7	2.2	-12.1	0.4
	ANNUAL	3.1	5.8	2.6	5.1	3.7	2.0	1.2	1.8	-9.7	0.3

See footnotes following Table 6.

December 6, 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 -1.6 and +1.8 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 second quarter of 2001.

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 1978-2000 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.