

News

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of Labor



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EMPLOYMENT COST INDEX—MARCH 2003

The Employment Cost Index for total compensation rose 1.3 percent from December 2002 to March 2003, following a 0.7 percent gain from September to December 2002, seasonally adjusted, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Benefit costs increased 2.2 percent and continued to substantially outpace the 1.0 percent gain in wages and salaries for civilian workers in March. The Employment Cost Index (ECI), a component of the National Compensation Survey, measures quarterly changes in compensation costs, which include wages, salaries, and employer costs for employee benefits, for nonfarm private and State and local government workers.

Employer costs for benefits account for nearly 30 percent of compensation costs and include such items as health and other insurance, retirement plans, paid leave, and legally-required benefits like Social Security. For the year ended March 2003, benefit costs increased 6.1 percent, greater than the 4.9 percent gain for the year ended March 2002. Much of the increase in benefit costs stemmed from the continuing rise in the costs for health insurance and the recent upturn in retirement costs, particularly for defined benefit pension plans.

Quarterly changes, seasonally adjusted

Compensation costs for private sector workers rose sharply, 1.4 percent from December 2002 to March 2003, after advancing 0.7 percent in the prior quarter. For State and local government workers, the increase in compensation costs was 0.9 percent from December to March, compared with the gain of 1.0 percent for the quarter ended in December. Gains in private sector compensation costs were led by large increases in durable manufacturing; finance, insurance, and real estate; and wholesale trade. Private sector compensation gains were dampened by retail trade, transportation and public utilities, and construction. (See tables A and 1.)

Benefit costs accelerated during the quarter, increasing 2.2 percent for civilian workers (nonfarm private industry and State and local government) in the March 2003 quarter following a gain of 1.3 percent in the December 2002 quarter. In the private sector, benefit costs shot up 2.4 percent for the March quarter, significantly higher than all quarterly gains since March 2000. By contrast, the increase for State and local governments was 1.5 percent in the March 2003 quarter, following a 1.7 percent increase in December 2002.

NOTE

This release incorporates new seasonal adjustment factors. See page 4 for details.

Gains in wages and salaries were 1.0 percent for civilian workers during the March quarter, following a 0.5 percent rise in the December quarter. Private sector wages advanced 1.0 percent for the quarter after posting moderate gains during the prior two quarters. Wage gains in the finance, insurance, and real estate and wholesale trade industries led the increase. Wage and salary increases were slowed by smaller gains in nondurable manufacturing industries, transportation and public utilities, services industries, and among service workers. Wages and salaries in State and local government advanced 0.7 percent during the December 2002 to March 2003 period, identical to the gain in the September-December 2002 quarter.

Table A. 3-month percent changes in Employment Cost Index, seasonally adjusted

Compensation Component	June 2001	Sep. 2001	Dec. 2001	Mar. 2002	June 2002	Sep. 2002	Dec. 2002	Mar. 2003
Civilian workers								
Compensation costs	1.0	1.0	1.0	0.9	1.0	0.8	0.7	1.3
Wages and salaries	0.9	0.9	0.9	0.8	0.9	0.6	0.5	1.0
Benefit costs	1.1	1.4	1.2	1.0	1.3	1.2	1.3	2.2
Private industry								
Compensation costs	0.9	1.0	1.1	0.9	1.1	0.6	0.7	1.4
Wages and salaries	0.9	0.8	0.9	0.9	0.9	0.4	0.5	1.0
Benefit costs	1.1	1.4	1.3	1.1	1.3	1.1	1.2	2.4
State and local government								
Compensation costs	1.2	1.1	0.7	0.8	0.9	1.3	1.0	0.9
Wages and salaries	1.0	1.0	0.6	0.8	0.8	0.8	0.7	0.7
Benefit costs	1.4	1.6	0.9	1.0	1.1	2.2	1.7	1.5

Over-the-year changes, not seasonally adjusted

Annual compensation costs for civilian workers (not seasonally adjusted) increased 3.9 percent for the year ended March 2003, identical to the over-the-year increase for March 2002. Compensation costs in private industry rose 3.8 percent in the year ended March 2003, compared with increases of 3.9 percent for March 2002, and 4.2 percent for March 2001. In State and local government, compensation costs increased 4.2 percent for the year ended March 2003; over-the-year gains were 3.9 percent in March 2002 and 3.3 percent in March 2001. (See tables B, 2, and 3.)

Although over-the-year compensation gains remained relatively constant for the years ending March 2002 and March 2003, the components of compensation showed significant differences. While increases in wages and salaries turned down, benefit costs rose sharply during the year. For civilian workers, wages and salaries inched up 2.9 percent in the year ended March 2003, compared with a gain of 6.1 percent for benefits. Both private industry and State and local government followed similar patterns. (See tables B, 5, 6, and 8.)

Table B. 12-month percent changes in Employment Cost Index, not seasonally adjusted

Compensation Component	Mar. 1998	Mar. 1999	Mar. 2000	Mar. 2001	Mar. 2002	Mar. 2003
Civilian workers						
Compensation costs	3.3	3.0	4.3	4.1	3.9	3.9
Wages and salaries	3.7	3.3	4.0	3.8	3.5	2.9
Benefit costs	2.2	2.3	5.0	4.7	4.9	6.1
Private industry						
Compensation costs	3.5	3.0	4.6	4.2	3.9	3.8
Wages and salaries	4.0	3.3	4.2	3.8	3.5	3.0
Benefit costs	2.3	2.2	5.5	5.0	4.8	6.1
State and local government						
Compensation costs	2.5	2.9	3.6	3.3	3.9	4.2
Wages and salaries	2.8	2.9	3.8	3.5	3.4	3.1
Benefit costs	1.7	2.8	3.2	2.8	5.0	6.6

Nonfarm private industry

For the year ended March 2003, compensation costs in private industry increased 4.4 percent for goods-producing industries, higher than the 3.6 percent advance for the year ended March 2002. Compensation costs for manufacturing led the gain, advancing 4.7 percent in March 2003 after increasing 3.5 percent in March 2002. Compensation costs for construction rose 3.2 percent compared with a 4.0 percent rise in 2002. (See table 3.)

The over-the-year increase in compensation for service-producing industries was 3.6 percent, compared with a 4.0 percent gain for the year ended March 2002. Among service-producing industries, the 12-month increase for finance, insurance, and real estate was 7.0 percent for the year ended in March 2003, led by increases in banking, savings and loan, and other credit agencies. Conversely, compensation costs inched up 1.3 percent in business services in the year ended March 2003, following a 3.6 percent increase for 2002.

Over-the-year compensation cost increases were 3.8 percent for white-collar occupations, 4.0 percent for blue-collar occupations, and 3.4 percent for service occupations for the year ended March 2003. Among white-collar occupational groups, compensation gains ranged from 3.1 percent for professional specialty and technical workers to 4.7 percent for executive, administrative, and managerial workers. Among blue-collar workers, compensation cost increases ranged from 3.0 percent for transportation and material moving workers to 4.1 percent for precision production, craft, and repair workers and machine operators, assemblers, and inspectors. (See table 3.)

Compensation costs for union workers advanced 4.7 percent over the year ending March 2003, greater than the 3.6 percent increase for nonunion workers. Compensation costs among blue-collar union workers rose 4.9 percent, higher than the modest gain of 3.3 percent for blue-collar nonunion workers. In goods-producing industries, the 5.2 percent increase for union workers was greater than the 4.1 percent advance for nonunion workers. (See tables C and 4.)

Wages and salaries for union workers rose 3.3 percent for the 12 months ended in March 2003. This compares with an over-the-year increase of 2.9 percent for nonunion workers. Benefit costs for union workers rose sharply, 7.3 percent, greater than the increase of 5.8 percent for nonunion workers in 2003. (See tables C, 7, and 8.)

Table C. 12-month percent changes in Employment Cost Index, not seasonally adjusted

Compensation Component	Mar. 1998	Mar. 1999	Mar. 2000	Mar. 2001	Mar. 2002	Mar. 2003
Union workers						
Compensation costs	2.3	3.0	3.6	3.4	4.7	4.7
Wages and salaries	2.9	3.1	2.7	3.6	4.4	3.3
Benefit costs	1.4	2.6	5.4	3.1	5.0	7.3
Nonunion workers						
Compensation costs	3.7	3.0	4.7	4.3	3.8	3.6
Wages and salaries	4.2	3.3	4.4	3.9	3.4	2.9
Benefit costs	2.6	2.2	5.5	5.5	4.8	5.8

Among the four geographic regions, increases in compensation costs ranged from 2.8 percent in the South to 4.9 percent in the Midwest for the year ended in March 2003. Compensation costs rose 3.5 percent in the Northeast and 4.3 percent in the West. (See table 4.)

State and local government

In State and local government, the March 2003 over-the-year increase in wages and salaries was 3.1 percent, compared with a gain of 3.4 percent for March 2002. Among occupational groups, wages of service workers rose 2.8 percent for the year ended March 2003, compared with gains of 3.0 percent for blue-collar

workers and 3.2 percent for white-collar workers. Benefit costs jumped 6.6 percent for March 2003, significantly higher than the March 2002 gain of 5.0 percent. (See tables B, 5, and 8.)

NOTES:

This release incorporates annual revisions in seasonally adjusted Employment Cost Index (ECI) data for total compensation, wages and salaries, and benefit costs. Seasonally adjusted data for 1998-2002 were revised to reflect updated seasonal factors. The new seasonal factors and historical listing containing revised seasonally adjusted indexes are available on the Internet site <http://www.bls.gov/ect/home.htm>, by e-mail request ocltinfo@bls.gov, or by telephone (202) 691-6199.

The ECI for June 2003 is scheduled to be released Thursday, July 31, 2003, at 8:30 a.m. (EDT).

Supplemental data from the ECI, providing 12-month percent changes in employer costs for health insurance in private industry from March 1982 to March 2003, will be available shortly after publication of this news release on the Internet site <http://www.bls.gov/ect/home.htm> or upon request.

The costs per hour worked of compensation components, based on data from the ECI, were published on March 18, 2003, in a news release titled "Employer Costs for Employee Compensation—December 2002." Employer Costs for Employee Compensation was changed from an annual to a quarterly publication beginning with June 2002 data. Future publications will be issued approximately three months after the survey months of March, June, September, and December.

ECI data are available on the Compensation Cost Trends page at <http://www.bls.gov/ncs/ect/home.htm>. To access data using Anonymous FTP, use the Internet address <ftp://ftp.bls.gov>.

For technical assistance in using the BLS Internet site, send e-mail to webmaster@bls.gov. For ECI data requests, send e-mail to ocltinfo@bls.gov.

The ECI news release is available through an e-mail subscription service. See the subscription link on <http://www.bls.gov/ncs/ect/home.htm> or <http://www.bls.gov/bls/newsrels.htm>.

News releases and other information are available from the BLS fax-on-demand service. To request a document fax, call (202) 691-6325. To request a catalog of available documents, select option 2 at the initial voice prompt. To request data found in this news release, enter the following codes:

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Employment Cost Index

Chart A. Changes in wages and salaries and in benefit costs, private industry, 1980-2003

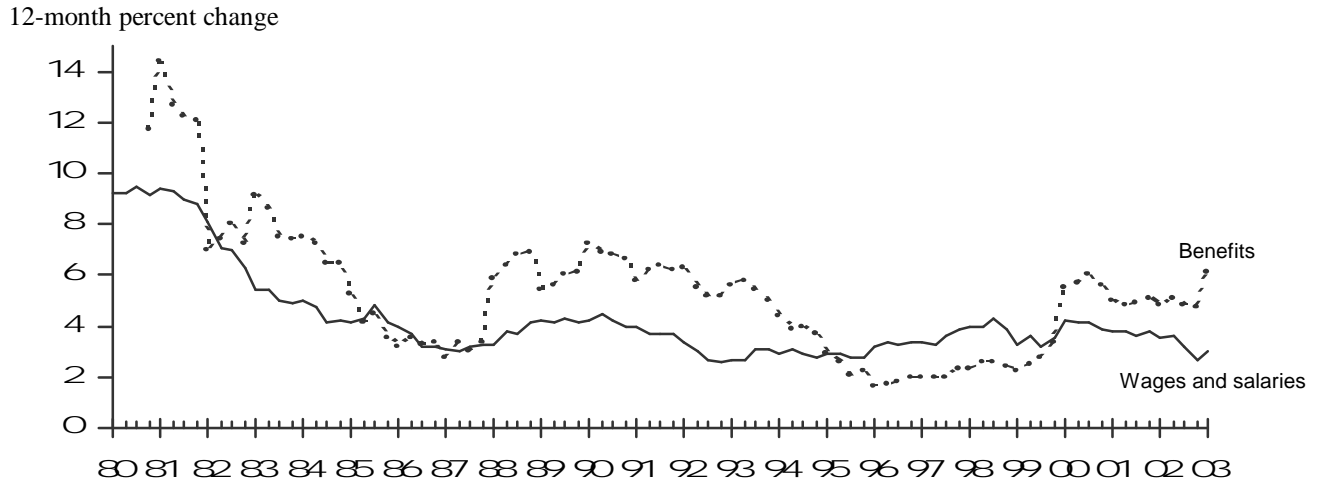


Chart B. Changes in benefits, goods- and service-producing industries, private industry, 1980-2003

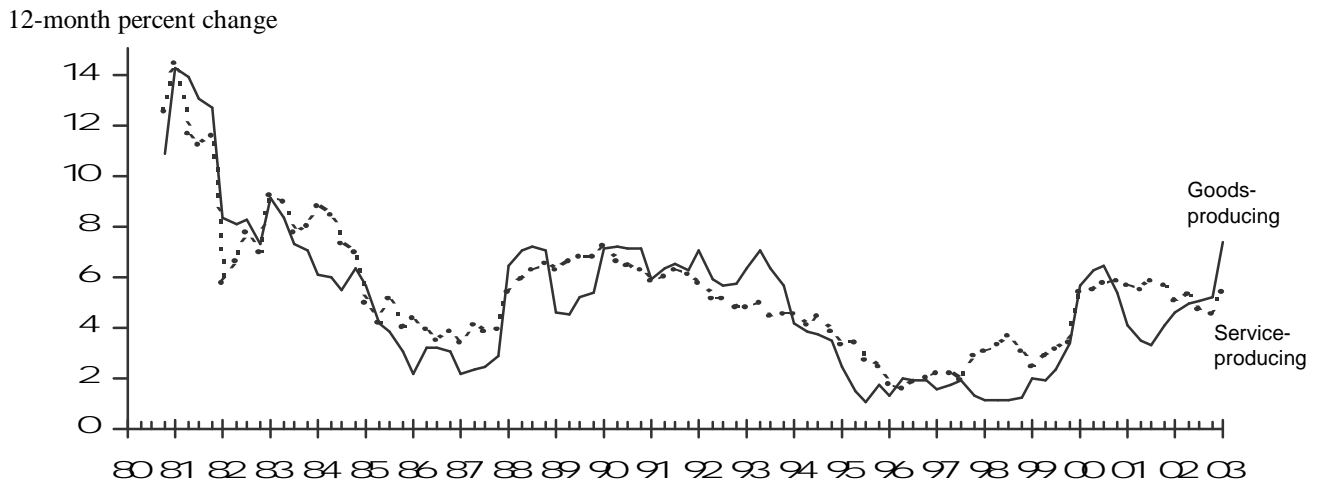


Chart C. Changes in benefits, by bargaining status, private industry, 1980-2003

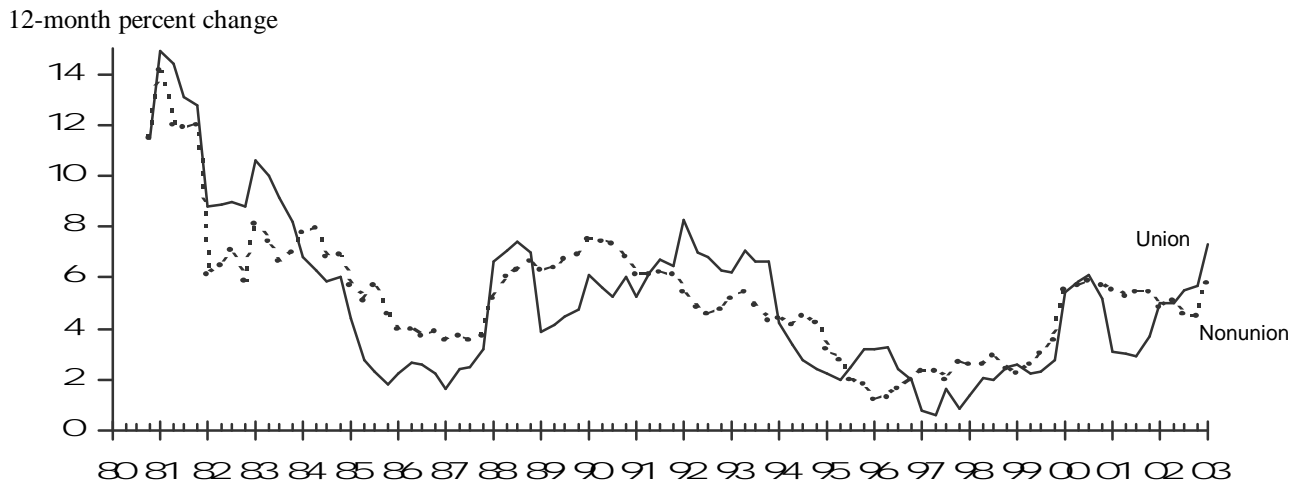


Table 1. Employment Cost Index for total compensation¹, wages and salaries, and benefit costs by industry and occupational group

(Seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)		Percent changes for 3-months ended-							
	Dec. 2002	Mar. 2003	Jun. 2001	Sep. 2001	Dec. 2001	Mar. 2002	Jun. 2002	Sep. 2002	Dec. 2002	Mar. 2003
TOTAL COMPENSATION										
Civilian workers	162.4	164.5	1.0	1.0	1.0	0.9	1.0	0.8	0.7	1.3
State and local government	161.1	162.6	1.2	1.1	.7	.8	.9	1.3	1.0	.9
Private industry	162.7	164.9	.9	1.0	1.1	.9	1.1	.6	.7	1.4
Industry										
Goods producing ²	160.6	163.1	1.0	.8	.9	1.0	1.0	.8	1.0	1.6
Construction	157.9	159.2	1.2	1.1	.9	.7	.6	.8	1.0	.8
Manufacturing	160.8	163.7	.9	.6	1.0	1.0	1.0	.8	1.1	1.8
Durables	160.8	164.3	.8	.8	.9	.8	.8	.6	1.1	2.2
Nondurables	160.9	162.6	1.0	.4	1.1	1.2	1.2	1.2	1.0	1.1
Service producing ³	163.7	165.7	.9	1.0	1.1	.9	1.1	.6	.6	1.2
Transportation and public utilities	162.0	163.2	1.2	.7	1.6	1.0	1.0	1.1	.9	.7
Wholesale trade	167.0	169.8	1.3	.8	.7	1.6	2.2	.1	.7	1.7
Retail trade	156.5	156.4	.6	.9	2.1	-3	1.3	.4	.4	-1
Finance, insurance, and real estate ⁴	168.5	176.7	1.0	.9	.2	2.4	1.3	.4	.3	4.9
Services	165.7	167.1	.8	1.3	.9	.9	.7	.6	.6	.8
Nonmanufacturing	162.9	164.8	1.0	1.1	1.2	.8	1.1	.6	.6	1.2
Occupational group										
White collar	165.6	168.0	1.0	.9	1.2	.8	1.1	.6	.7	1.4
Blue collar	157.6	159.7	.6	1.2	.9	.9	.8	.8	.9	1.3
Service	159.6	161.5	.9	.9	1.4	1.0	.7	1.0	.6	1.2
WAGES AND SALARIES										
Civilian workers	157.8	159.3	.9	.9	.9	.8	.9	.6	.5	1.0
State and local government	158.2	159.3	1.0	1.0	.6	.8	.8	.8	.7	.7
Private industry	157.7	159.3	.9	.8	.9	.9	.9	.4	.5	1.0
Industry										
Goods producing ^{2,4}	155.0	156.3	1.1	.6	.7	.8	.9	.5	.7	.8
Construction	150.3	150.7	1.1	1.0	.9	.5	.6	.7	.9	.3
Manufacturing ⁴	156.5	158.0	1.0	.5	.7	.9	.9	.6	.7	1.0
Durables ⁴	157.3	158.8	1.0	.7	.7	.9	.9	.5	.8	1.0
Nondurables	155.6	156.4	1.1	.3	.8	.8	.9	.9	.8	.5
Service producing ³	158.9	160.6	.9	.9	1.0	.9	.9	.5	.4	1.1
Transportation and public utilities ⁴	154.1	154.8	1.4	.7	1.7	.9	1.1	.9	.5	.5
Wholesale trade	161.3	163.9	1.1	.3	.5	1.7	1.7	.1	.4	1.6
Retail trade	153.3	152.9	.5	.8	1.7	-4	1.1	.3	.3	-3
Finance, insurance, and real estate ⁴	162.6	171.1	.5	.8	.1	2.8	1.1	.2	.1	5.2
Services	161.9	162.8	.8	1.2	.9	.8	.6	.6	.4	.6
Nonmanufacturing	157.8	159.4	.8	.9	1.1	.8	.8	.5	.4	1.0

See footnotes at end of table.

Table 1. Employment Cost Index for total compensation¹, wages and salaries, and benefit costs by industry and occupational group — Continued

(Seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)		Percent changes for 3-months ended—							
	Dec. 2002	Mar. 2003	Jun. 2001	Sep. 2001	Dec. 2001	Mar. 2002	Jun. 2002	Sep. 2002	Dec. 2002	Mar. 2003
WAGES AND SALARIES—Continued										
Occupational group										
White collar	160.7	162.6	0.9	0.7	1.1	0.8	0.9	0.5	0.5	1.2
Blue collar ⁴	152.4	153.6	.9	1.1	.5	.9	.9	.5	.5	.8
Service ⁴	154.5	155.5	.8	.8	1.3	.9	.5	.7	.4	.6
BENEFIT COSTS										
Civilian workers	173.4	177.2	1.1	1.4	1.2	1.0	1.3	1.2	1.3	2.2
State and local government	167.9	170.4	1.4	1.6	.9	1.0	1.1	2.2	1.7	1.5
Private industry	174.7	178.9	1.1	1.4	1.3	1.1	1.3	1.1	1.2	2.4
Industry										
Goods producing ²	171.6	177.4	.9	1.0	1.4	1.2	1.2	1.2	1.5	3.4
Manufacturing	169.5	176.3	.6	.8	1.3	1.4	1.2	1.3	1.4	4.0
Service producing ³	176.5	179.7	1.2	1.5	1.3	.9	1.5	1.0	1.0	1.8
Nonmanufacturing	176.9	180.2	1.2	1.5	1.3	1.0	1.3	1.0	1.1	1.9
Occupational group										
White collar	179.2	183.3	1.3	1.4	1.4	.8	1.4	.9	1.1	2.3
Blue collar	168.2	172.4	.4	1.4	.8	1.4	1.2	1.3	1.3	2.5
Service	175.1	179.9	1.2	1.2	1.8	1.4	1.1	1.7	1.0	2.7

¹ Includes wages, salaries, and employer costs for employee benefits.² Includes mining, construction, and manufacturing.³ Includes transportation, communication, and public utilities; wholesale and

retail trade; finance, insurance, and real estate; and service industries.

⁴ No identifiable seasonality was found for this series.

Table 2. Employment Cost Index for total compensation¹ for civilian and State and local government workers by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Civilian workers	158.4	162.2	164.5	1.0	0.6	1.4	3.9	3.4	3.9
Excluding sales occupations	158.4	162.2	164.6	1.0	.6	1.5	3.9	3.4	3.9
Industry									
Goods producing ²	156.3	160.2	163.1	1.2	.9	1.8	3.7	3.8	4.4
Manufacturing	156.6	160.5	164.0	1.3	.9	2.2	3.5	3.8	4.7
Service producing ³	159.1	162.8	165.0	1.0	.4	1.4	4.0	3.3	3.7
Services	160.2	163.9	165.3	.8	.4	.9	3.8	3.1	3.2
Health services	160.5	164.5	166.4	1.4	.9	1.2	5.2	3.9	3.7
Hospitals	162.3	167.6	169.9	1.4	1.1	1.4	5.9	4.8	4.7
Educational services	157.1	162.8	163.6	.3	.7	.5	3.6	4.0	4.1
Public administration ⁴	156.5	161.7	163.4	.8	.9	1.1	3.9	4.2	4.4
Nonmanufacturing	158.7	162.4	164.5	1.0	.4	1.3	4.0	3.3	3.7
Occupational group									
White collar	160.5	164.3	166.7	1.0	.5	1.5	4.0	3.4	3.9
Excluding sales	160.9	164.6	167.2	1.1	.5	1.6	4.0	3.4	3.9
Professional specialty and technical	158.5	162.4	164.1	.6	.6	1.0	3.5	3.1	3.5
Executive, administrative, and managerial	163.7	166.7	171.1	1.6	.2	2.6	4.5	3.4	4.5
Administrative support, including clerical	162.0	166.1	168.3	1.3	.7	1.3	4.3	3.8	3.9
Blue collar	153.7	157.5	159.8	1.1	.7	1.5	3.7	3.6	4.0
Service	158.4	162.2	164.1	1.0	.6	1.2	4.2	3.4	3.6
State and local government	156.1	161.5	162.6	.6	.9	.7	3.9	4.1	4.2
Industry									
Services	155.5	160.9	161.8	.4	.8	.6	3.7	3.9	4.1
Excluding schools	157.9	162.8	164.0	1.2	1.1	.7	5.2	4.3	3.9
Health services	160.4	165.5	166.4	1.1	1.2	.5	5.5	4.4	3.7
Hospitals	160.7	166.2	167.0	1.0	1.3	.5	5.6	4.5	3.9
Educational services	154.8	160.3	161.1	.2	.7	.5	3.5	3.8	4.1
Schools	155.1	160.7	161.4	.2	.7	.4	3.5	3.8	4.1
Elementary and secondary	153.4	158.8	159.4	.2	.7	.4	3.3	3.7	3.9
Colleges and universities	160.0	165.8	167.0	.3	.7	.7	4.1	3.9	4.4
Public administration ⁴	156.5	161.7	163.4	.8	.9	1.1	3.9	4.2	4.4
Occupational group									
White collar	155.2	160.7	161.7	.5	.9	.6	3.8	4.1	4.2
Professional specialty and technical	153.6	159.4	160.2	.3	.8	.5	3.5	4.0	4.3
Executive, administrative, and managerial	159.5	163.8	165.3	1.2	.9	.9	4.7	3.9	3.6
Administrative support, including clerical	156.9	162.4	163.8	.8	.9	.9	4.1	4.4	4.4
Blue collar	154.0	159.8	161.3	.5	.9	.9	3.6	4.3	4.7
Service	161.5	166.3	168.0	.6	.7	1.0	4.0	3.6	4.0

¹ Includes wages, salaries, and employer costs for employee benefits.² Includes mining, construction, and manufacturing.³ Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; service

industries; and public administration.

⁴ Includes executive, legislative, judicial, administrative, and regulatory activities of State and local governments, SICs 91 through 96.

Table 3. Employment Cost Index for total compensation¹ for private industry workers, by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Private industry workers	158.9	162.3	165.0	1.1	0.4	1.7	3.9	3.2	3.8
Excluding sales occupations	159.0	162.4	165.1	1.1	.5	1.7	3.9	3.3	3.8
Industry									
Goods producing ²	156.2	160.1	163.0	1.2	.9	1.8	3.6	3.7	4.4
Excluding sales	155.5	159.2	162.4	1.2	.8	2.0	3.6	3.6	4.4
White collar	160.1	164.3	167.8	1.3	.9	2.1	3.6	3.9	4.8
Excluding sales	158.4	162.3	166.3	1.2	.7	2.5	3.5	3.7	5.0
Blue collar	153.6	157.3	159.9	1.1	.9	1.7	3.6	3.6	4.1
Construction	154.1	157.9	159.1	.7	1.0	.8	4.0	3.2	3.2
Manufacturing	156.6	160.5	164.0	1.3	.9	2.2	3.5	3.8	4.7
White collar	159.1	163.3	167.1	1.4	.7	2.3	3.2	4.1	5.0
Excluding sales	156.7	160.7	165.1	1.3	.7	2.7	3.0	3.9	5.4
Blue collar	154.6	158.3	161.6	1.2	1.0	2.1	3.7	3.7	4.5
Durables	156.9	160.6	164.4	1.0	1.1	2.4	3.4	3.4	4.8
Aircraft manufacturing (SIC 3721) ..	167.5	172.3	183.2	2.5	2.1	6.3	4.8	5.4	9.4
White collar	163.3	165.3	177.9	2.7	1.0	7.6	3.8	4.0	8.9
Blue collar	172.6	182.3	189.8	2.1	3.9	4.1	6.6	7.8	10.0
Nondurables	156.0	160.3	163.1	1.8	.7	1.7	3.7	4.6	4.6
Service producing ³	159.9	163.1	165.6	1.1	.2	1.5	4.0	3.1	3.6
Excluding sales	160.9	164.0	166.6	1.2	.3	1.6	4.1	3.1	3.5
White collar	162.1	165.1	167.9	1.1	.2	1.7	4.0	3.0	3.6
Excluding sales	164.1	167.0	169.9	1.2	.3	1.7	4.2	3.0	3.5
Blue collar	153.2	156.9	158.7	1.2	.2	1.1	3.7	3.6	3.6
Service	155.9	159.3	161.1	1.1	.5	1.1	4.2	3.3	3.3
Transportation and public utilities	157.3	161.7	163.2	1.2	.6	.9	4.5	4.0	3.8
Transportation	152.5	156.1	157.8	.9	.5	1.1	4.9	3.3	3.5
Public utilities	163.9	169.2	170.5	1.5	.6	.8	4.2	4.8	4.0
Communications	166.0	170.1	171.3	1.6	.7	.7	4.9	4.1	3.2
Electric, gas, and sanitary services	161.3	168.1	169.5	1.4	.5	.8	3.4	5.7	5.1
Wholesale and retail trade	156.5	159.7	161.3	.6	.1	1.0	3.6	2.7	3.1
Excluding sales	157.5	160.4	161.8	.3	.1	.9	3.2	2.1	2.7
Wholesale trade	161.9	166.7	169.5	1.5	.5	1.7	4.4	4.5	4.7
Excluding sales	162.3	167.2	168.4	1.1	.7	.7	3.4	4.1	3.8
Retail trade	153.5	155.8	156.6	.2	-.1	.5	3.2	1.7	2.0
General merchandise stores	152.4	155.1	156.4	1.0	-.6	.8	3.5	2.8	2.6
Food stores	152.9	156.3	157.5	.8	.0	.8	4.7	3.0	3.0
Finance, insurance, and real estate	165.2	168.5	176.7	2.4	.3	4.9	4.6	4.5	7.0
Excluding sales	169.8	173.1	182.0	2.9	.6	5.1	5.3	4.9	7.2
Banking, savings and loan, and other credit agencies	182.1	185.3	204.3	4.5	.4	10.3	6.6	6.3	12.2
Insurance	164.0	167.9	172.1	1.7	.5	2.5	4.1	4.1	4.9
Excluding sales	163.0	165.7	169.6	2.3	.4	2.4	4.8	4.0	4.0
Services	162.6	165.4	167.1	1.0	.3	1.0	3.9	2.7	2.8
Business services	166.3	167.5	168.5	.1	.2	.6	3.6	.8	1.3
Health services	160.6	164.4	166.5	1.4	.7	1.3	5.2	3.8	3.7
Hospitals	162.8	168.1	170.8	1.6	1.1	1.6	6.1	4.9	4.9
Nursing homes	—	—	—	1.4	.8	1.2	4.7	4.0	3.9
Educational services	168.5	175.2	176.3	.5	1.0	.6	3.8	4.5	4.6
Colleges and universities	168.1	173.7	174.5	.4	1.0	.5	3.6	3.7	3.8

See footnotes at end of table.

Table 3. Employment Cost Index for total compensation¹ for private industry workers, by industry and occupational group — Continued

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Industry—Continued									
Nonmanufacturing industries	159.3	162.5	164.9	1.1	0.3	1.5	4.0	3.1	3.5
White collar	162.2	165.3	168.0	1.1	.3	1.6	4.1	3.0	3.6
Excluding sales	164.2	167.1	170.0	1.2	.3	1.7	4.3	3.0	3.5
Blue collar	152.2	155.9	157.5	1.1	.3	1.0	3.6	3.5	3.5
Service	155.9	159.2	161.1	1.2	.5	1.2	4.3	3.3	3.3
Occupational group									
White collar	161.9	165.2	168.1	1.1	.4	1.8	4.0	3.2	3.8
Excluding sales	162.8	165.9	169.1	1.2	.4	1.9	4.0	3.1	3.9
Professional specialty and technical	161.5	164.4	166.5	.7	.5	1.3	3.3	2.6	3.1
Executive, administrative, and managerial	164.4	167.2	172.1	1.6	.1	2.9	4.5	3.3	4.7
Sales	157.7	161.9	163.5	.6	.2	1.0	3.5	3.3	3.7
Administrative support, including clerical	162.8	166.7	169.0	1.2	.7	1.4	4.3	3.7	3.8
Blue collar	153.6	157.3	159.7	1.1	.6	1.5	3.6	3.6	4.0
Precision production, craft, and repair	153.7	157.8	160.0	.8	.6	1.4	3.4	3.5	4.1
Machine operators, assemblers, and inspectors	153.6	156.7	159.9	1.4	.8	2.0	3.6	3.4	4.1
Transportation and material moving	148.7	151.8	153.2	1.6	.5	.9	4.3	3.8	3.0
Handlers, equipment cleaners, helpers, and laborers	158.7	162.9	164.9	1.4	.9	1.2	4.3	4.1	3.9
Service	156.4	159.8	161.7	1.0	.5	1.2	4.3	3.2	3.4
Production and nonsupervisory occupations⁴	157.1	160.5	162.6	1.0	.5	1.3	3.8	3.2	3.5

¹ Includes wages, salaries, and employer costs for employee benefits.² Includes mining, construction, and manufacturing.³ Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.⁴ This series has the same industry and occupational coverage as the Hourly Earnings Index, which was discontinued in January 1989.

NOTE: Dashes indicate data not available.

Table 4. Employment Cost Index for total compensation¹ for private industry workers, by bargaining status, region, and area

(Not seasonally adjusted data)

Bargaining status, region, and area	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Bargaining status									
Union	154.8	159.5	162.1	1.1	0.9	1.6	4.7	4.2	4.7
Blue-collar occupations	151.7	156.6	159.2	1.1	.9	1.7	4.0	4.4	4.9
Goods-producing industries ²	153.4	157.8	161.4	1.1	1.0	2.3	3.7	4.0	5.2
Service-producing industries ³	156.0	161.1	162.6	1.2	.8	.9	5.7	4.5	4.2
Manufacturing	153.4	157.9	162.3	1.3	1.3	2.8	3.7	4.3	5.8
Blue-collar occupations	152.5	157.0	161.1	1.1	1.3	2.6	3.5	4.0	5.6
Nonmanufacturing	155.0	159.9	161.4	1.0	.7	.9	5.2	4.2	4.1
Nonunion	159.6	162.8	165.4	1.1	.4	1.6	3.8	3.2	3.6
Blue-collar occupations	154.7	157.7	159.8	1.2	.5	1.3	3.5	3.1	3.3
Goods-producing industries ²	157.2	160.8	163.6	1.2	.8	1.7	3.7	3.5	4.1
Service-producing industries ³	160.3	163.3	165.9	1.1	.2	1.6	3.8	3.0	3.5
Manufacturing	157.6	161.3	164.5	1.4	.7	2.0	3.4	3.7	4.4
Blue-collar occupations	155.6	158.8	161.5	1.4	.8	1.7	3.8	3.5	3.8
Nonmanufacturing	159.9	162.9	165.4	1.1	.3	1.5	3.9	3.0	3.4
Region⁴									
Northeast	158.3	161.3	163.8	1.3	.5	1.5	4.4	3.2	3.5
South	156.2	159.0	160.6	1.0	.1	1.0	3.4	2.8	2.8
Midwest	161.1	164.6	169.0	1.6	.7	2.7	4.1	3.8	4.9
West	160.4	165.0	167.3	.6	.7	1.4	4.0	3.5	4.3
Area									
Metropolitan	159.1	162.5	165.2	1.1	.4	1.7	3.9	3.2	3.8
Other	157.5	160.8	163.5	1.2	.5	1.7	3.6	3.3	3.8

¹ Includes wages, salaries, and employer costs for employee benefits.² Includes mining, construction, and manufacturing.³ Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.⁴ The regional coverage is as follows: Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; South: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi,

North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; and West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

NOTE: The indexes for these series are not strictly comparable to those for the aggregate, occupation, and industry series.

Table 5. Employment Cost Index for wages and salaries for civilian and State and local government workers, by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Civilian workers	154.8	157.8	159.3	0.9	0.4	1.0	3.5	2.9	2.9
Excluding sales occupations	154.8	157.8	159.4	.9	.4	1.0	3.6	2.9	3.0
Industry									
Goods producing ¹	151.8	155.1	156.3	.9	.8	.8	3.3	3.1	3.0
Manufacturing	153.1	156.5	158.0	.9	.7	1.0	3.1	3.2	3.2
Service producing ²	155.9	158.8	160.5	.9	.3	1.1	3.6	2.8	3.0
Services	158.1	161.1	161.9	.6	.2	.5	3.6	2.5	2.4
Health services	157.3	160.9	162.0	1.2	.8	.7	5.0	3.5	3.0
Hospitals	157.2	162.2	163.5	1.1	1.2	.8	5.6	4.3	4.0
Educational services	155.3	160.1	160.4	.1	.5	.2	3.2	3.2	3.3
Public administration ³	152.5	155.8	157.2	.6	.6	.9	3.3	2.8	3.1
Nonmanufacturing	155.0	158.0	159.6	.8	.3	1.0	3.5	2.7	3.0
Occupational group									
White collar	157.0	160.1	161.9	.9	.3	1.1	3.5	2.9	3.1
Excluding sales	157.6	160.7	162.5	1.0	.4	1.1	3.6	2.9	3.1
Professional specialty and technical	155.6	158.6	159.3	.3	.4	.4	3.0	2.3	2.4
Executive, administrative, and managerial	160.7	163.8	167.9	1.6	.2	2.5	4.4	3.6	4.5
Administrative support, including clerical	157.3	160.6	161.8	1.0	.6	.7	3.8	3.1	2.9
Blue collar	149.7	152.6	153.8	.8	.5	.8	3.5	2.8	2.7
Service	154.2	156.9	158.0	.8	.4	.7	3.8	2.5	2.5
State and local government	154.4	158.6	159.2	.5	.6	.4	3.4	3.2	3.1
Industry									
Services	154.6	159.2	159.5	.3	.5	.2	3.4	3.2	3.2
Excluding schools	156.7	160.3	161.4	1.2	.8	.7	5.1	3.5	3.0
Health services	157.8	162.2	162.9	1.3	1.1	.4	5.3	4.1	3.2
Hospitals	157.7	162.5	163.1	1.3	1.2	.4	5.5	4.4	3.4
Educational services	154.2	158.9	159.1	.1	.5	.1	3.1	3.2	3.2
Schools	154.3	159.0	159.2	.1	.4	.1	3.1	3.2	3.2
Elementary and secondary	153.4	158.1	158.2	.2	.4	.1	3.0	3.3	3.1
Colleges and universities	156.8	161.6	162.1	.1	.6	.3	3.6	3.1	3.4
Public administration ³	152.5	155.8	157.2	.6	.6	.9	3.3	2.8	3.1
Occupational group									
White collar	153.9	158.4	158.9	.4	.6	.3	3.3	3.3	3.2
Professional specialty and technical	153.6	158.4	158.8	.1	.6	.3	3.0	3.3	3.4
Executive, administrative, and managerial	156.6	160.1	160.9	1.0	.7	.5	4.3	3.2	2.7
Administrative support, including clerical	151.9	156.0	156.9	.7	.6	.6	3.3	3.4	3.3
Blue collar	151.6	155.1	156.2	.5	.4	.7	3.8	2.9	3.0
Service	158.3	161.2	162.7	.6	.4	.9	3.6	2.4	2.8

¹ Includes mining, construction, and manufacturing.² Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; service

industries; and public administration.

³ Includes executive, legislative, judicial, administrative, and regulatory activities of State and local governments, SICs 91 through 96.

Table 6. Employment Cost Index for wages and salaries for private industry workers by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Private industry workers	154.7	157.5	159.3	0.9	0.3	1.1	3.5	2.7	3.0
Excluding sales occupations	154.9	157.5	159.4	1.0	.3	1.2	3.6	2.7	2.9
Industry									
Goods producing ¹	151.7	155.0	156.3	.8	.7	.8	3.2	3.0	3.0
Excluding sales	150.9	154.0	155.4	.8	.7	.9	3.1	2.9	3.0
White collar	155.0	158.6	160.0	.9	.7	.9	3.0	3.3	3.2
Excluding sales	152.9	156.3	158.0	.8	.6	1.1	2.7	3.0	3.3
Blue collar	149.6	152.6	153.8	.8	.7	.8	3.4	2.8	2.8
Construction	147.0	150.2	150.6	.5	.8	.3	3.4	2.7	2.4
Manufacturing	153.1	156.5	158.0	.9	.7	1.0	3.1	3.2	3.2
White collar	154.9	158.6	160.1	1.0	.6	.9	2.5	3.5	3.4
Excluding sales	152.3	155.9	157.7	.9	.6	1.2	2.1	3.2	3.5
Blue collar	151.7	154.7	156.3	.9	.8	1.0	3.6	2.9	3.0
Durables	153.9	157.3	158.8	.9	.8	1.0	3.3	3.1	3.2
Aircraft manufacturing (SIC 3721) ..	161.4	163.1	166.0	2.0	.4	1.8	4.6	3.0	2.9
White collar	155.9	156.2	160.4	2.4	.2	2.7	4.1	2.6	2.9
Blue collar	169.0	173.2	173.6	1.0	.6	.2	5.4	3.5	2.7
Nondurables	151.9	155.2	156.6	1.1	.5	.9	3.0	3.3	3.1
Service producing ²	156.1	158.6	160.6	1.0	.1	1.3	3.7	2.7	2.9
Excluding sales	157.2	159.6	161.7	1.1	.2	1.3	3.9	2.6	2.9
White collar	158.2	160.7	163.0	1.1	.1	1.4	3.7	2.7	3.0
Excluding sales	160.4	162.8	165.3	1.1	.2	1.5	4.0	2.6	3.1
Blue collar	149.4	152.0	153.2	.9	.1	.8	3.5	2.6	2.5
Service	151.6	154.1	155.1	.9	.4	.6	3.8	2.6	2.3
Transportation and public utilities	150.5	154.1	154.8	.9	.5	.5	4.7	3.3	2.9
Transportation	147.4	150.1	150.5	1.2	.3	.3	5.4	3.0	2.1
Public utilities	154.3	159.3	160.4	.5	.7	.7	3.8	3.7	4.0
Communications	155.3	160.7	161.9	.1	.7	.7	4.1	3.5	4.2
Electric, gas, and sanitary services	153.0	157.4	158.6	.9	.6	.8	3.3	3.8	3.7
Wholesale and retail trade	153.0	155.5	156.7	.6	.0	.8	3.1	2.2	2.4
Excluding sales	154.8	157.0	157.9	.1	-.1	.6	2.7	1.6	2.0
Wholesale trade	157.2	161.0	163.4	1.6	.4	1.5	3.7	4.0	3.9
Excluding sales	159.4	163.7	163.9	.9	.7	.1	2.9	3.7	2.8
Retail trade	150.9	152.7	153.1	.1	-.1	.3	2.7	1.3	1.5
General merchandise stores	147.9	149.2	149.8	1.0	-.6	.4	2.9	1.8	1.3
Food stores	148.0	150.3	151.0	.9	.1	.5	3.3	2.5	2.0
Finance, insurance, and real estate	160.3	162.6	171.1	2.8	.1	5.2	4.2	4.2	6.7
Excluding sales	164.5	167.3	176.7	3.4	.7	5.6	5.0	5.2	7.4
Banking, savings and loan, and other credit agencies	181.2	183.9	206.4	5.5	.7	12.2	7.0	7.1	13.9
Insurance	157.1	159.1	161.6	1.4	-.3	1.6	3.1	2.6	2.9
Excluding sales	154.3	155.9	157.9	2.1	.0	1.3	4.0	3.1	2.3
Services	159.5	161.7	162.8	.8	.1	.7	3.7	2.2	2.1
Business services	164.0	164.8	165.6	.2	.1	.5	3.7	.7	1.0
Health services	157.3	160.7	161.9	1.2	.8	.7	5.0	3.4	2.9
Hospitals	157.1	162.1	163.6	1.1	1.2	.9	5.8	4.3	4.1
Nursing homes	—	—	—	1.4	.9	.8	4.7	4.1	3.5
Educational services	161.2	166.5	167.1	.4	.8	.4	3.7	3.7	3.7
Colleges and universities	159.9	164.3	164.4	.2	.7	.1	3.8	2.9	2.8

See footnotes at end of table.

Table 6. Employment Cost Index for wages and salaries for private industry workers by industry and occupational group — Continued

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Industry—Continued									
Nonmanufacturing industries	155.0	157.5	159.4	1.0	0.2	1.2	3.7	2.6	2.8
White collar	158.0	160.5	162.8	1.0	.2	1.4	3.7	2.6	3.0
Excluding sales	160.1	162.5	164.9	1.1	.2	1.5	4.0	2.7	3.0
Blue collar	147.5	150.2	151.1	.8	.3	.6	3.3	2.6	2.4
Service	151.4	154.0	155.0	.9	.4	.6	3.7	2.6	2.4
Occupational group									
White collar	157.7	160.4	162.6	1.0	.3	1.4	3.5	2.8	3.1
Excluding sales	158.6	161.3	163.6	1.1	.3	1.4	3.7	2.8	3.2
Professional specialty and technical	156.7	158.5	159.5	.5	.2	.6	3.0	1.7	1.8
Executive, administrative, and managerial	161.3	164.5	169.1	1.7	.1	2.8	4.3	3.7	4.8
Sales	153.6	156.8	158.1	.7	-.1	.8	2.9	2.8	2.9
Administrative support, including clerical	158.2	161.3	162.6	1.1	.6	.8	3.9	3.1	2.8
Blue collar	149.6	152.4	153.6	.9	.5	.8	3.5	2.8	2.7
Precision production, craft, and repair	149.2	152.3	153.4	.5	.3	.7	3.2	2.6	2.8
Machine operators, assemblers, and inspectors	150.5	153.2	154.7	1.0	.8	1.0	3.4	2.8	2.8
Transportation and material moving	144.8	146.9	147.8	1.4	.4	.6	3.8	2.9	2.1
Handlers, equipment cleaners, helpers, and laborers	154.2	157.2	158.4	1.2	.8	.8	4.2	3.1	2.7
Service	152.0	154.5	155.5	.9	.4	.6	3.8	2.6	2.3
Production and nonsupervisory occupations³	152.7	155.2	156.4	.8	.3	.8	3.4	2.4	2.4

¹ Includes mining, construction, and manufacturing.² Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.³ This series has the same industry and occupational coverage as the

Hourly Earnings Index, which was discontinued in January 1989.

NOTE: Dashes indicate data not available.

Table 7. Employment Cost Index for wages and salaries for private industry workers by bargaining status, region, and area

(Not seasonally adjusted data)

Bargaining status, region, and area	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Bargaining status									
Union	148.4	152.5	153.3	0.7	0.8	0.5	4.4	3.5	3.3
Blue-collar occupations	145.6	149.6	150.5	.6	.8	.6	3.8	3.4	3.4
Goods-producing industries ¹	147.2	151.2	152.4	.6	.8	.8	3.4	3.3	3.5
Service-producing industries ²	150.0	154.1	154.6	.7	.8	.3	5.5	3.5	3.1
Manufacturing	149.0	153.1	154.6	.7	1.0	1.0	3.5	3.4	3.8
Blue-collar occupations	147.8	151.8	153.3	.5	1.0	1.0	3.4	3.3	3.7
Nonmanufacturing	148.1	152.1	152.5	.7	.7	.3	5.0	3.4	3.0
Nonunion	155.9	158.5	160.4	1.0	.3	1.2	3.4	2.7	2.9
Blue-collar occupations	151.9	154.2	155.5	.9	.3	.8	3.3	2.5	2.4
Goods-producing industries ¹	153.5	156.6	157.8	.9	.7	.8	3.2	3.0	2.8
Service-producing industries ²	156.7	159.0	161.2	1.0	.1	1.4	3.5	2.5	2.9
Manufacturing	154.7	157.8	159.3	1.0	.6	1.0	3.1	3.1	3.0
Blue-collar occupations	154.3	156.8	158.3	1.1	.7	1.0	3.8	2.8	2.6
Nonmanufacturing	155.9	158.3	160.4	1.0	.1	1.3	3.5	2.5	2.9
Region³									
Northeast	153.5	155.7	157.3	1.2	.4	1.0	4.2	2.6	2.5
South	152.5	154.6	155.3	.9	-.1	.5	2.8	2.2	1.8
Midwest	157.1	160.2	164.1	1.6	.6	2.4	4.1	3.6	4.5
West	156.4	160.1	161.3	.3	.5	.7	3.4	2.6	3.1
Area									
Metropolitan	155.1	157.9	159.6	.9	.3	1.1	3.5	2.7	2.9
Other	151.7	154.8	156.8	.8	.7	1.3	2.9	2.9	3.4

¹ Includes mining, construction, and manufacturing.² Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.³ The regional coverage is as follows: Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; South: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia,

and West Virginia; Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; and West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

NOTE: The indexes for these series are not strictly comparable to those for the aggregate, occupation, and industry series.

Table 8. Employment Cost Index for benefits for civilian, State and local government, and private industry workers by industry, occupational group, and bargaining status

(Not seasonally adjusted data)

Industry, occupational group, and bargaining status	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2002	Dec. 2002	Mar. 2003	3 months ended—			12 months ended—		
				Mar. 2002	Dec. 2002	Mar. 2003	Mar. 2002	Dec. 2002	Mar. 2003
Civilian workers	167.5	173.3	177.8	1.5	0.9	2.6	4.9	5.0	6.1
State and local government	159.9	168.2	170.5	.9	1.4	1.4	5.0	6.2	6.6
Private industry	169.3	174.6	179.6	1.6	.9	2.9	4.8	4.7	6.1
Industry									
Goods producing ¹	165.8	171.0	178.0	2.0	1.3	4.1	4.6	5.2	7.4
Service producing ²	170.7	175.9	179.9	1.4	.6	2.3	5.0	4.5	5.4
Manufacturing	163.7	168.9	176.9	2.1	1.3	4.7	4.2	5.3	8.1
Aircraft manufacturing (SIC 3721)	180.7	192.4	220.4	3.6	5.4	14.6	5.4	10.3	22.0
White collar	180.7	187.0	219.7	3.3	2.6	17.5	3.3	6.9	21.6
Blue collar	179.5	199.3	220.1	4.1	9.6	10.4	8.8	15.6	22.6
Nonmanufacturing	171.1	176.3	180.3	1.4	.6	2.3	5.0	4.4	5.4
Occupational group									
White collar	173.5	178.5	183.6	1.3	.7	2.9	5.0	4.3	5.8
Blue collar	162.2	167.8	172.7	1.9	1.0	2.9	4.2	5.4	6.5
Service	168.9	174.9	180.2	1.7	.9	3.0	5.9	5.4	6.7
Bargaining status									
Union	166.5	172.7	178.7	1.9	1.1	3.5	5.0	5.7	7.3
Nonunion	169.7	174.7	179.5	1.5	.7	2.7	4.8	4.5	5.8

¹ Includes mining, construction, and manufacturing.² Includes transportation, communication, and public utilities;

wholesale and retail trade; finance, insurance, and real estate; and service industries.

EXPLANATORY NOTES

The Employment Cost Index (ECI) is a measure of the change in the cost of labor, free from the influence of employment shifts among occupations and industries. The compensation series includes changes in wages and salaries and employer costs for employee benefits. The wage and salary series and the benefit cost series provide the change for the two components of compensation.

Wages and salaries are defined as the hourly straight-time wage rate or, for workers not paid on an hourly basis, straight-time earnings divided by the corresponding hours. Straight-time wage and salary rates are total earnings before payroll deductions, excluding premium pay for overtime and for work on weekends and holidays, shift differentials, and nonproduction bonuses such as lump-sum payments provided in lieu of wage increases. Production bonuses, incentive earnings, commission payments, and cost-of-living adjustments are included in straight-time wage and salary rates.

Benefits covered by the ECI are: Paid leave--vacations, holidays, sick leave, and other leave; supplemental pay--premium pay for work in addition to the regular work schedule (such as overtime, weekends, and holidays), shift differentials, and nonproduction bonuses (such as referral bonuses and lump-sum payments provided in lieu of wage increases); insurance benefits--life, health, short-term disability, and long-term disability; retirement and savings benefits--defined benefit and defined contribution plans; legally required benefits--social security, medicare, Federal and State unemployment insurance, and workers' compensation; and other benefits--severance pay and supplemental unemployment plans.

The ECI provides data for the civilian economy, which includes the total private nonfarm economy excluding households and the public sector excluding the Federal government. The private industry series and the State and local government series provide data for the two sectors separately.

Data for this quarter were collected from a probability sample of approximately 27,850 occupational observations within about 6,850 sample establishments in private industry and approximately 3,700 occupations within about 800 sample establishments in State and local governments. Data are collected for the pay period including the 12th day of the survey months of March, June, September, and December.

The sampled establishments are classified by industry categories based on the 1987 Standard Industrial Classification (SIC), as defined by the U.S. Office of Management and Budget. Details on the sample design are included in the bulletin, Employment Cost Indexes, 1975-99, (Bulletin 2532). Within an establishment, specific job categories are selected and classified into about 500 occupational classifications according to the 1990 Census of Population. Individual occupations are combined into broader occupational groups. Fixed employment weights are used each quarter to calculate the most aggregate series – civilian, private, and State and local government. These fixed weights are also used to derive all of the industry and occupation series indexes. Since March 1995, 1990 employment counts, primarily from the Bureau's Occupational Employment Statistics survey, have been used. For more information on these topics, see the articles, "Introducing New Weights for the Employment Cost Index," in the June 1985 issue of the Monthly Labor Review and "Introducing 1990 Weights for the Employment Cost Index" in the June 1995 issue of Compensation and Working Conditions.

For the series based on bargaining status, region, and area size, employment data are not available. The employment weights are reallocated within these series each quarter based on the current ECI sample. The indexes for these series, consequently, are not strictly comparable to those for the aggregate, industry, and occupation series. A fuller explanation of the calculation of index numbers appears in an article, "Estimation Procedures for the Employment Cost Index," in the May 1982 issue of the Monthly Labor Review. Beginning with the March 1990 ECI release, indexes were rebased to June 1989=100. A description of the rebasing is included in the article "Employment Cost Index Rebased to June 1989," in the April 1990 issue of the Monthly Labor Review.

Beginning with the December 1990 ECI release, seasonally adjusted data are available for selected ECI series. Seasonal adjustment removes the effects of events that follow a more or less regular pattern each year. These adjustments make nonseasonal patterns easier to identify. For more information on the methodology used to seasonally adjust ECI series, see the bulletin, Employment Cost Indexes, 1975-99, (Bulletin 2532). The seasonal adjustment factors are recalculated once a year. The March release contains data reflecting the

newly updated seasonal adjustment factors. The historical data for the last five years are then revised based on the newly estimated factors. The new seasonal factors for 2002 and revised seasonally adjusted indexes for the past five years are available on the Internet site (<http://www.bls.gov/ncs/ect/home.htm>) or upon request.

The ECI sample is rotated over approximately five years, which makes the sample more representative and reduces respondent burden. The sample is replaced on a cross-area, cross-industry basis.

Because the ECI is a sample survey, it is subject to sampling errors. Sampling errors are differences that occur between the results computed from a sample of observations and those computed from all observations in the population. The estimates derived from different samples selected using the same sample design may differ from one other. A measure of the variation among these differing estimates is the standard error. It can be used to measure the precision with which an estimate from a particular sample approximates the expected result of all possible samples. The chances are about 68 out of 100 that an estimate from the survey differs from a complete population figure by less than the standard error. The chances are about 90 out of 100 that this difference would be less than 1.6 times the standard error. The statements of comparisons appearing in this publication are significant at a 1.6 standard error level or better, unless otherwise indicated. This means that for differences cited, the estimated difference is greater than 1.6 times the standard error of the difference.

Because standard errors vary from quarter to quarter, the ECI uses a five-year moving average of standard errors to evaluate published series. To assist users in ascertaining the reliability of series, the five-year moving average of standard errors for all estimates (excluding seasonally adjusted series) will be available on the Internet site (<http://www.bls.gov/ncs/ect/home.htm>) shortly after publication of the news release.

When determining data to be used in contract negotiations, it is important to note that differences by bargaining status may be due to factors other than union status, such as occupational and industry mix. For example, union occupations tend to be concentrated in blue-collar occupations within manufacturing industries. Thus, differences between blue-collar and white-collar pay or differences in manufacturing versus nonmanufacturing industries could explain such differences. An important consideration when choosing a series for escalation is the number of workers covered. Series with smaller numbers of workers may have larger sampling errors or be dominated by a smaller number of employers. For more information, see the web site: (<http://www.bls.gov/ect/escalator.htm>.)

More detailed information on the ECI is available from several sources. These include an historical bulletin--Employment Cost Indexes, 1975-99, (Bulletin 2532), a chapter, "National Compensation Measures," in the BLS Handbook of Methods (Bulletin 2490), and several articles published in the Monthly Labor Review and Compensation and Working Conditions. The bulletin is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or Bureau of Labor Statistics, Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690, (312) 353-1880. Reprints of the articles and other descriptive pieces are available upon request by calling (202) 691-6199 or sending e-mail to (ocltinfo@bls.gov). Current and historical data are available at the web site: (<http://www.bls.gov/ncs/ect/home.htm>).

The costs per hour worked of compensation components, based on data from the ECI, were recently published in a separate news release titled "Employer Costs for Employee Compensation--December 2002." Historical data and related articles are included in the bulletin, Employer Costs for Employee Compensation, 1986-99, (Bulletin 2526). An annual historical summary from March 1986 through March 2002 is also available on the Internet site (<http://www.bls.gov/ncs/ect/home.htm>) or upon request. Data are now available on a quarterly basis beginning with June 2002 data. The March 2003 data are expected to be published in June 2003. The cost levels are calculated with current employment weights, rather than the fixed 1990 weights used in computing the ECI. Therefore, year-to-year changes in the cost levels usually differ from those in the ECI.

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.