

News

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EMPLOYMENT COST INDEX - SEPTEMBER 1988

The Employment Cost Index (ECI) rose 1.3 percent in the 3 months ended in September 1988 to a level of 144.0 (June 1981=100), the U.S. Department of Labor's Bureau of Labor Statistics reported today. For the year ended in September, the increase was 4.7 percent. The ECI measures changes in compensation costs--wages, salaries, and employer costs for employee benefits. It is not seasonally adjusted.

The 1.3 percent increase in compensation costs in the June-September 1988 period was about the same as the 1.2 percent gain in the same period a year ago. The increase for private industry workers (1.0 percent) matched the gain a year ago. The increase for state and local government workers (2.7 percent), on the other hand, was above the 2.3 percent gain for June-September 1987. Compensation cost changes for state and local government workers are heavily concentrated in the June-September period, whereas those for private industry workers are spread throughout the year.

The 4.7 percent increase in compensation costs for the year ended in September 1988 was higher than the 3.4 percent increase a year ago. This relationship held for both state and local government workers (5.4 percent, up from 4.2 percent) and for private industry workers (4.5 percent, up from 3.3 percent). The table below shows over-the-year changes in private industry since March of 1986.

12-month percent changes in the ECI, private industry workers

	12-months ended	Compensation costs	Wages and salaries	Benefit costs
1986	March	3.8	3.9	3.2
	June	3.8	3.7	3.5
	Sept.	3.2	3.1	3.3
	Dec.	3.2	3.1	3.4
1987	March	3.1	3.2	2.9
	June	3.0	3.0	3.3
	Sept.	3.3	3.3	3.1
	Dec.	3.3	3.3	3.5
1988	March	3.9	3.3	5.8
	June	4.5	3.7	6.4
	Sept.	4.5	3.7	6.7

Private industry increases for the year ended in September 1988, when compared with a year ago, were less pronounced for wages and salaries (3.7 percent, up from 3.3 percent) than for benefit costs (6.7 percent, up from 3.1 percent). The over-the-year increases in benefit costs resulted primarily from a rise in the employer's social security tax rate from 7.15 to 7.51 percent, which occurred in the first quarter of 1988, and higher health insurance costs in the first, second, and third quarters of 1988.

Compensation cost increases in private industry for the year ended in September 1988 were about the same in goods-producing and service-producing industries (4.5 percent and 4.4 percent, respectively); the relationship was not the same, however, for wages and salaries and benefit costs. Wage and salary gains were lower in goods-producing industries (3.3 percent) than in service-producing industries (3.9 percent). (See table 4.) In contrast, benefit cost increases were higher in goods-producing (7.2 percent) than in service-producing industries (6.1 percent).

The larger benefit cost increases in goods-producing industries were concentrated in manufacturing which registered an 8.0 percent increase in benefit costs. (See table 5.) Higher health insurance costs and nonproduction bonuses (including lump-sum payments) contributed to the benefit cost increases in manufacturing.

September 1987-88 wage and salary advances for nonunion workers in private industry (3.9 percent) exceeded those for union workers (2.9 percent), as they have since 1983-84. This pattern held when the comparison was limited to blue-collar workers (3.5 percent, compared with 2.9 percent), but reversed when limited to blue-collar workers in manufacturing--3.2 percent for union workers compared with 2.8 percent for nonunion workers. (See table 7.)

With benefits included, employer compensation cost increases for union and nonunion workers were the same (4.5 percent). Compensation cost increases for union workers, however, were higher than those for nonunion workers in manufacturing industries and blue-collar occupations. (See table 6.)

For state and local government workers, pay gains for the year ended in September 1988 (4.7 percent) were higher than those a year ago (4.1 percent). The September 1987-88 gains were highest in schools, averaging 5.1 percent. (See table 2.)

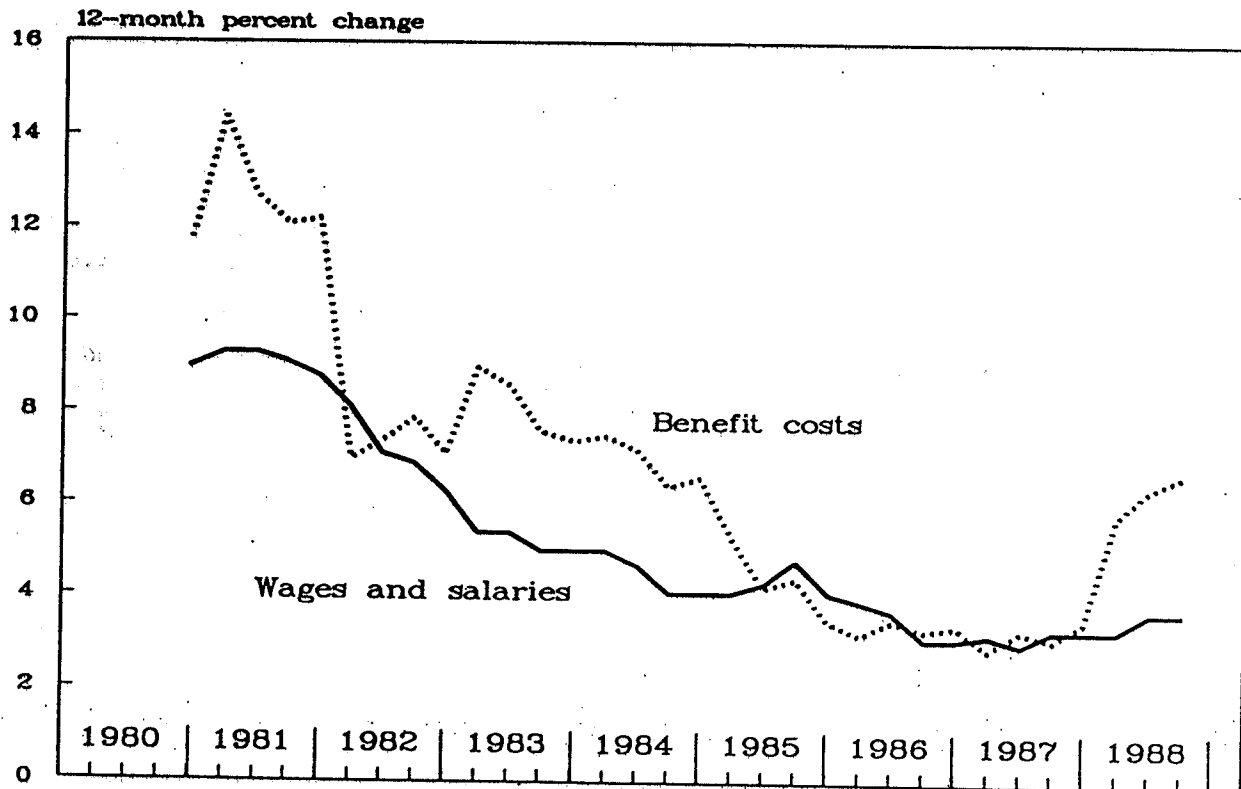
* This release includes first-time estimates of quarterly changes in *
* compensation costs and in wages and salaries for workers in general *
* merchandise stores. (See tables 3 and 4.) The addition of these *
* series is part of the Federal government's effort to improve statis- *
* tical programs for service-producing industries. *

ECI data for December 1988 will be released on Tuesday, January 24, 1989, at 10:00 a.m. E.S.T.

ECI news releases for 1989 will be published on the following schedule:

<u>Reference Month</u>	<u>Release Date</u>
March 1989	April 25, 1989
June 1989	July 25, 1989
September 1989	October 31, 1989

Changes in wages and salaries and benefit costs, private industry, 1980-88



COMPENSATION

Table 1. Employment Cost Index by occupation and industry group
(Not seasonally adjusted)

Series	Indexes (June 1981=100)			Percent Changes for					
				3 Months Ended		6 Months Ended		12 Months Ended	
	Sep. 1987	June 1988	Sep. 1988	Sep. 1987	June 1988	Sep. 1988	Sep. 1987	June 1988	Sep. 1988
Civilian workers	137.5	142.1	144.0	1.2	1.1	1.3	3.4	4.6	4.7
Workers, by occupational group									
White-collar occupations.....	141.2	145.7	147.9	1.4	1.0	1.5	3.8	4.6	4.7
Blue-collar occupations.....	131.3	136.2	137.2	.9	1.1	.7	2.7	4.7	4.5
Service occupations.....	139.9	144.3	147.2	1.0	1.0	2.0	3.3	4.2	5.2
Workers, by industry division									
Goods-producing 1/.....	132.2	137.3	138.2	.8	1.1	.7	2.6	4.7	4.5
Manufacturing.....	132.7	138.1	139.0	.9	1.0	.7	2.6	5.0	4.7
Service-producing 2/.....	140.8	145.1	147.6	1.4	1.0	1.7	3.8	4.5	4.8
Services.....	149.2	153.8	157.7	2.3	1.7	2.5	4.8	5.5	5.7
Health services.....	-	-	-	1.3	1.4	1.7	4.3	5.1	5.6
Hospitals.....	-	-	-	1.7	1.4	1.8	4.6	5.7	5.8
Public administration.....	146.4	151.2	154.0	1.2	1.6	1.9	4.1	4.5	5.2
Nonmanufacturing.....	139.6	143.9	146.1	1.3	1.1	1.5	3.7	4.4	4.7
Private industry workers	135.1	139.8	141.2	1.0	1.2	1.0	3.3	4.5	4.5
Workers, by occupational group									
White-collar occupations.....	138.5	143.0	144.6	1.1	1.3	1.1	3.7	4.4	4.4
Blue-collar occupations.....	130.6	135.6	136.5	.8	1.1	.7	2.7	4.7	4.5
Service occupations.....	135.9	140.1	142.2	.5	1.1	1.5	2.7	3.6	4.6
Workers, by industry division									
Goods-producing 1/.....	131.9	137.1	137.9	.8	1.1	.6	2.6	4.8	4.5
Service-producing 2/.....	137.7	142.1	143.8	1.0	1.4	1.2	3.8	4.3	4.4
State and local government workers.....	149.7	153.6	157.8	2.3	.3	2.7	4.2	5.0	5.4
Workers, by occupational group									
White-collar occupations.....	151.2	155.2	159.6	2.5	.3	2.8	4.3	5.2	5.6
Blue-collar occupations.....	143.3	145.9	148.4	1.4	.0	1.7	3.5	3.3	3.6
Workers, by industry division									
Services.....	151.8	155.6	160.5	2.8	.3	3.1	4.3	5.4	5.7
Hospitals and other services 3/.....	145.1	150.4	153.2	1.3	.1	1.9	4.1	5.0	5.6
Health services.....	-	-	-	2.1	.4	2.3	4.4	4.8	4.9
Hospitals.....	-	-	-	-	.9	2.3	-	-	-
Schools.....	154.1	157.3	163.1	3.4	.3	3.7	4.4	5.5	5.8
Elementary and secondary.....	156.5	159.4	165.4	3.8	.3	3.8	4.8	5.8	5.7
Public administration.....	146.4	151.2	154.0	1.2	.6	1.9	4.1	4.5	5.2

- Data not available.
NOTE: See footnotes at end of tables.

WAGES AND SALARIES

Table 2. Employment Cost Index for wages and salaries only, by occupation and industry group
(Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for						
			3 Months Ended		12 Months Ended				
	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988			
Civilian workers	135.2	138.7	140.5	1.3	0.9	1.3	3.4	3.9	3.9
Workers, by occupational group									
White-collar occupations.....	139.4	143.0	145.2	1.5	1.1	1.5	4.0	4.2	4.2
Blue-collar occupations.....	128.3	131.6	132.5	.9	.9	.7	2.6	3.5	3.3
Service occupations.....	136.0	139.3	141.8	1.0	.9	1.8	3.3	3.4	4.3
Workers, by industry division									
Goods-producing 1/.....	129.8	133.4	134.1	1.0	.9	.5	2.8	3.8	3.3
Manufacturing.....	130.8	134.4	135.1	1.0	.8	.5	2.8	3.8	3.3
Service-producing 2/.....	138.5	141.9	144.2	1.5	1.0	1.6	3.8	4.0	4.1
Services.....	146.8	150.4	154.0	2.4	.6	2.4	4.9	4.9	4.9
Health services.....	-	-	-	1.5	1.6	1.8	4.7	4.9	5.3
Hospitals.....	-	-	-	1.8	1.5	1.8	4.9	5.6	5.6
Public administration.....	142.6	146.4	148.9	1.1	.6	1.7	3.7	3.8	4.4
Nonmanufacturing.....	137.1	140.5	142.7	1.4	1.1	1.6	3.7	3.9	4.1
Private industry workers	133.0	136.6	137.9	1.0	1.1	1.0	3.3	3.7	3.7
Workers, by occupational group									
White-collar occupations.....	137.0	140.8	142.4	1.2	1.3	1.1	3.8	4.0	3.9
Blue-collar occupations.....	127.7	131.1	131.9	.9	.9	.6	2.6	3.6	3.3
Service occupations.....	132.6	135.8	137.6	.5	1.0	1.3	2.9	3.0	3.8
Workers, by industry division									
Goods-producing 1/.....	129.6	133.2	133.9	1.0	.9	.5	2.8	3.8	3.3
Service-producing 2/.....	135.7	139.3	141.0	1.0	1.3	1.2	3.7	3.7	3.9
State and local government workers.....	146.1	149.1	153.0	2.3	.3	2.6	4.1	4.4	4.7
Workers, by occupational group									
White-collar occupations.....	147.7	150.8	154.9	2.5	.2	2.7	4.2	4.6	4.9
Blue-collar occupations.....	139.0	141.1	143.5	1.5	.0	1.7	3.3	3.1	3.2
Workers, by industry division									
Services.....	148.2	151.1	155.6	2.8	.3	3.0	4.3	4.8	5.0
Hospitals and other services 3/.....	141.2	144.7	147.4	1.3	.1	1.9	4.0	3.8	4.4
Health services.....	-	-	-	1.9	.7	2.4	3.8	4.3	4.8
Hospitals.....	-	-	-	-	.9	2.3	-	-	-
Schools.....	150.3	153.0	158.0	3.2	.3	3.3	4.3	5.1	5.1
Elementary and secondary.....	152.0	154.3	159.7	3.7	.2	3.5	4.3	5.3	5.1
Public administration.....	142.6	146.4	148.9	1.1	.6	1.7	3.7	3.8	4.4

- Data not available.

NOTE: See footnotes at end of tables.

COMPENSATION

Table 3. Employment Cost Index, private industry workers, by industry and occupation group-Continued
(Not seasonally adjusted)

Series	Indexes (June 1981=100)		3 Months Ended			Percent Changes for 12 Months Ended		
	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1988	
Service-producing industries 2/	137.7	142.1	1.0	1.4	1.2	3.8	4.3	4.4
Excluding sales occupations	139.1	143.5	1.2	1.1	1.3	4.2	4.4	4.5
White-collar occupations	-	-	1.2	1.4	1.3	-	4.3	4.4
Excluding sales	-	-	1.5	1.1	1.5	-	4.6	4.6
Blue-collar occupations	-	-	.9	1.0	.9	-	4.3	4.4
Service occupations	-	-	.5	1.2	1.6	-	3.5	4.6
Transportation and public utilities	-	-	.5	1.0	.7	2.7	3.1	3.2
Transportation	-	-	.2	1.7	.7	2.2	3.4	4.0
Public utilities	-	-	1.0	.3	.6	3.4	2.6	2.2
Communications	-	-	-	.2	.7	-	-	2.0
Electric, gas, and sanitary services	-	-	-	.6	.5	-	-	-
Wholesale and retail trade	-	-	.5	1.9	1.1	3.3	4.0	4.6
Excluding sales occupations	-	-	.8	1.4	1.1	3.8	3.9	4.2
Wholesale trade	-	-	.6	1.8	1.0	4.3	4.0	4.4
Excluding sales occupations	-	-	1.3	1.1	1.0	3.9	4.3	4.0
Retail trade	-	-	1.5	1.9	1.1	2.8	4.0	4.7
General merchandise stores	-	-	-	-	1.4	-	-	-
Food stores	-	-	-	.6	.2	-	-	2.7
Finance, insurance, and real estate	-	-	3	1.5	.1	2.7	3.1	3.0
Excluding sales occupations	-	-	1.0	.8	.9	4.5	3.8	3.8
Banking, savings and loan, and other credit agencies	-	-	.8	.8	1.0	-	5.9	6.1
Insurance	-	-	.9	2.5	.9	-	6.0	6.1
Services	-	-	2.0	.9	2.0	5.2	5.5	5.6
Business services	-	-	2.5	1.1	1.4	-	6.1	4.9
Health services	-	-	1.1	1.7	1.6	4.3	5.3	5.8
Hospitals	-	-	1.7	1.5	1.7	4.7	5.9	5.9
Nonmanufacturing industries	136.4	140.8	1.0	1.4	1.1	3.6	4.2	4.4
White-collar occupations	-	-	1.2	1.5	1.2	-	4.4	4.4
Excluding sales	-	-	1.4	1.2	1.4	-	4.6	4.6
Blue-collar occupations	-	-	.9	1.2	1.4	-	4.2	4.1
Service occupations	-	-	.4	1.1	1.6	-	3.5	4.6

- Data not available.
NOTE: See footnotes at end of tables.

COMPENSATION

Table 3. Employment Cost Index, private industry workers, by industry and occupation group
(Not seasonally adjusted)

Series	Indexes (June 1981=100)			Percent Changes for						
				3 Months Ended		6 Months Ended		12 Months Ended		
	Sep. 1987	June 1988	Sep. 1988	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1988
Private industry workers	135.1	139.8	141.2	1.0	1.2	1.0	1.0	3.3	4.5	4.5
Excluding sales	135.5	140.2	141.7	1.0	1.1	1.1	1.1	3.4	4.5	4.6
White-collar occupations	138.5	143.0	144.6	1.1	1.3	1.1	1.1	3.7	4.4	4.4
Excluding sales	140.0	144.6	146.4	1.3	1.1	1.2	1.2	4.2	4.6	4.6
Professional, technical, and managerial	-	-	-	1.4	1.2	1.6	1.6	3.9	5.0	5.2
Executive, administrative, and managerial	-	-	-	1.4	1.1	.8	.8	4.8	3.9	3.3
Sales	-	-	-	.0	2.3	.5	.5	1.5	3.4	4.0
Administrative support, including clerical	-	-	-	1.1	1.0	1.4	1.4	3.9	4.9	5.2
Blue-collar occupations	130.6	135.6	136.5	.8	1.1	.7	.7	2.7	4.7	4.5
Precision production, craft, and repair	-	-	-	1.1	1.0	.6	.6	2.8	4.3	3.8
Machine operators, assemblers, and inspectors	-	-	-	.5	1.2	.7	.7	2.7	5.2	5.4
Transportation and material moving	-	-	-	.7	1.7	1.0	1.0	2.6	4.7	5.0
Handlers, equipment cleaners, helpers, and laborers	-	-	-	.9	.7	.8	.8	2.2	4.9	4.8
Service occupations	135.9	140.1	142.2	.5	1.1	1.5	1.5	2.7	3.6	4.6
Goods-producing industries 1/	131.9	137.1	137.9	.8	1.1	.6	.6	2.6	4.8	4.5
Excluding sales occupations	131.6	136.8	137.6	.8	1.2	.6	.6	2.6	4.8	4.6
White-collar occupations	-	-	-	.9	.9	.8	.8	-	4.5	4.4
Excluding sales	-	-	-	.9	1.1	.7	.7	-	4.6	4.4
Blue-collar occupations	-	-	-	.9	1.2	.6	.6	-	4.9	4.6
Service occupations	-	-	-	.9	.7	.5	.5	-	4.7	4.2
Construction	-	-	-	.8	1.3	.8	.8	3.1	4.1	4.1
Manufacturing	132.7	138.1	139.0	.9	1.0	.7	.7	2.6	5.0	4.7
White-collar occupations	-	-	-	1.0	.8	.7	.7	-	4.6	4.3
Excluding sales	-	-	-	.9	.9	.8	.8	-	4.6	4.4
Blue-collar occupations	-	-	-	.8	1.0	.7	.7	-	5.2	5.0
Service occupations	-	-	-	.8	.9	.5	.5	-	5.1	4.8
Durables	-	-	-	.7	1.0	.5	.5	-	5.0	4.8
Nondurables	-	-	-	1.3	.9	.9	.9	3.3	4.9	4.5

WAGES AND SALARIES

Table 4. Employment Cost Index for wages and salaries only, private industry workers, by industry and occupation group

(Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for					
			3 Months Ended			12 Months Ended		
	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1988	
Private industry workers	133.0	136.6	1.0	1.1	1.0	3.3	3.7	3.7
Excluding sales	133.6	137.2	1.1	1.0	1.0	3.5	3.9	3.7
White-collar occupations	137.0	140.8	1.2	1.3	1.1	3.8	4.0	3.9
Excluding sales	139.1	142.9	1.5	1.0	1.3	4.4	4.2	4.0
Professional specialty and technical	141.2	145.8	1.5	1.0	1.6	4.3	4.8	4.9
Executive, administrative, and managerial	138.6	141.3	1.6	1.0	1.8	4.7	3.6	2.8
Sales	127.0	130.8	- .1	2.6	.5	1.4	2.9	3.5
Administrative support, including clerical	137.1	141.2	1.2	.7	1.4	4.1	4.2	4.4
Blue-collar occupations	127.7	131.1	.9	.9	.6	2.6	3.6	3.3
Precision production, craft, and repair	130.2	133.4	1.1	1.0	.4	2.8	3.6	2.9
Machine operators, assemblers, and inspectors	127.5	131.2	.6	1.0	.5	2.7	3.6	3.5
Transportation and material moving	122.3	125.4	.7	1.4	1.0	2.1	3.2	3.6
Handlers, equipment cleaners, helpers, and laborers	123.7	127.5	.9	.6	.7	2.3	4.0	3.8
Service occupations	132.6	135.8	.5	1.0	1.3	2.9	3.0	3.8
Goods-producing industries 1/	129.6	133.2	1.0	.9	.5	2.8	3.8	3.3
Excluding sales occupations	129.5	133.2	.9	1.1	.5	2.7	3.8	3.3
White-collar occupations	-	-	1.1	.8	.7	-	4.3	3.9
Excluding sales	-	-	1.1	.9	.7	-	4.3	3.9
Blue-collar occupations	-	-	.9	1.0	.5	-	3.5	3.1
Service occupations	-	-	1.0	.5	.1	-	3.0	2.0
Construction	123.8	127.6	.9	1.4	.8	2.7	4.0	3.9
Manufacturing	130.8	134.4	1.0	.8	.5	2.8	3.8	3.3
White-collar occupations	-	-	1.1	.7	.7	2.8	4.2	3.7
Excluding sales	-	-	1.1	.8	.6	-	4.2	3.8
Blue-collar occupations	-	-	.9	.8	.5	-	3.4	3.0
Service occupations	-	-	1.0	.6	.2	-	3.1	2.3
Durables	129.7	133.1	.8	.8	.5	2.6	3.4	3.1
Nondurables	132.8	136.7	1.4	.8	.7	3.3	4.4	3.6

WAGES AND SALARIES

Table 4. Employment Cost Index for wages and salaries only, private industry workers, by industry and occupation
(Not seasonally adjusted)

Series	Indexes (June 1981=100)			Percent Changes for					
	(June 1981=100)			3 Months Ended		6 Months Ended		12 Months Ended	
	Sep. 1987	June 1988	Sep. 1988	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988
Service-producing industries 2/	135.7	139.3	141.0	1.0	1.3	3.7	3.7	3.7	3.9
Excluding sales occupations	137.3	140.8	142.7	1.3	1.0	4.2	4.2	3.9	3.9
White-collar occupations	-	-	-	1.1	1.5	-	-	3.8	4.0
Excluding sales	-	-	-	1.6	1.0	-	-	4.2	4.0
Blue-collar occupations	-	-	-	1.0	.8	-	-	3.7	3.6
Service occupations	-	-	-	.5	1.0	-	-	2.9	3.9
Transportation and public utilities	130.0	132.5	133.5	.5	.9	2.1	2.1	2.5	2.7
Transportation	-	-	-	.4	1.1	.9	1.6	2.1	2.6
Public utilities	-	-	-	.6	.6	2.8	2.8	2.7	2.6
Communications	-	-	-	-	.5	-	-	-	-
Electric, gas, and sanitary services	-	-	-	-	.9	.4	-	-	-
Wholesale and retail trade	130.6	134.6	136.0	.5	2.0	3.2	3.2	3.6	4.1
Excluding sales occupations	131.7	135.2	136.5	.9	1.3	3.8	3.8	3.6	3.6
Wholesale trade	137.8	141.7	143.2	.4	1.9	4.6	4.6	3.3	3.9
Excluding sales occupations	134.9	138.2	139.6	1.2	1.0	3.8	3.8	3.7	3.5
Retail trade	127.8	131.7	133.2	.6	1.9	2.7	2.7	3.6	4.2
General merchandise stores	-	-	-	-	-	-	-	-	-
Food stores	-	-	-	-	.5	.4	-	-	2.4
Finance, insurance, and real estate	131.8	134.9	134.9	1.2	1.5	2.2	2.2	2.6	2.4
Excluding sales occupations	136.5	139.4	140.6	1.1	.7	4.3	4.3	3.3	3.0
Banking, savings and loan, and other credit agencies	-	-	-	.9	.8	-	-	5.6	5.7
Insurance	-	-	-	.9	2.4	-	-	6.0	5.9
Services	145.9	149.8	152.9	2.2	.8	5.6	5.6	4.9	4.8
Business services	-	-	-	2.9	.8	-	-	5.4	3.9
Health services	-	-	-	1.4	1.9	5.0	5.0	5.2	5.5
Hospitals	-	-	-	1.8	1.6	5.3	5.3	5.8	5.7
Nonmanufacturing industries	134.2	137.8	139.4	1.1	1.3	3.5	3.5	3.8	3.9
White-collar occupations	-	-	-	1.1	1.5	-	-	3.9	4.1
Excluding sales	-	-	-	1.5	1.1	-	-	4.2	4.1
Blue-collar occupations	-	-	-	.9	1.1	-	-	3.7	3.6
Service occupations	-	-	-	.5	1.0	-	-	2.9	3.9

- Data not available.
NOTE: See footnotes at end of tables.

BENEFITS

Table 5. Employment Cost Index for benefits only, private industry workers, by occupation and industry group
(Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for					
			3 Months Ended		12 Months Ended			
	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988
Private industry workers.....	140.3	148.2	149.7	1.4	1.0	3.1	6.4	6.7
Workers, by occupational group								
White-collar occupations.....	142.4	149.3	150.9	1.4	1.1	3.5	5.7	6.0
Blue-collar occupations.....	137.3	146.3	147.5	1.5	.8	2.8	7.3	7.4
Service occupations.....	-	-	-	1.4	1.9	2.4	5.6	7.3
Workers, by industry division								
Goods-producing industries 1/.....	137.4	146.1	147.3	1.4	.8	2.4	7.0	7.2
Service-producing industries 2/.....	143.1	150.1	151.9	1.4	1.2	3.8	5.8	6.1
Manufacturing.....	136.9	146.4	147.8	1.3	1.0	2.0	7.6	8.0
Nonmanufacturing.....	142.6	149.3	150.9	1.4	1.1	3.9	5.6	5.8

- Data not available.
NOTE: See footnotes at end of tables.

COMPENSATION

Table 6. Employment Cost Index, private industry workers, by bargaining status, region, and area size
(Not seasonally adjusted)

Series	Indexes (June 1981=100)			Percent Changes for					
	(June 1988)			3 Months Ended		12 Months Ended		12 Months Ended	
	Sep. 1987	June 1988	Sep. 1988	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988
Workers, by bargaining status									
Union.....	132.0	136.9	137.9	0.6	1.0	0.7	2.0	4.3	4.5
Blue-collar occupations.....	-	-	-	.5	.9	.7	-	4.7	4.8
Goods-producing industries 1/.....	129.5	135.3	136.2	.6	.9	.7	1.7	5.1	5.2
Service-producing industries 2/.....	135.9	139.4	140.5	.5	1.0	.8	2.3	3.1	3.4
Manufacturing.....	129.5	136.2	137.0	.6	.9	.6	1.6	5.8	5.8
Blue-collar occupations.....	-	-	-	.6	.9	.6	-	6.0	6.0
Nonmanufacturing.....	134.3	137.5	138.6	.6	1.0	.8	2.4	3.0	3.2
Nonunion.....	136.1	140.7	142.2	1.1	1.3	1.1	3.7	4.5	4.5
Blue-collar occupations.....	-	-	-	1.2	1.4	.7	-	4.8	4.3
Goods-producing industries 1/.....	133.1	137.8	138.7	1.0	1.2	.7	3.1	4.6	4.2
Service-producing industries 2/.....	137.9	142.5	144.4	1.1	1.4	1.3	4.1	4.5	4.7
Manufacturing.....	134.6	139.2	140.1	1.1	1.0	.6	3.2	4.5	4.1
Blue-collar occupations.....	-	-	-	1.1	1.3	.7	-	4.3	3.8
Nonmanufacturing.....	136.8	141.5	143.2	1.1	1.5	1.2	4.0	4.6	4.7
Workers, by region									
Northeast.....	140.3	145.9	147.8	1.2	1.5	1.3	4.5	5.3	5.3
South.....	134.2	139.3	140.4	.8	1.6	.8	2.7	4.6	4.6
Midwest (formerly North Central).....	131.2	135.5	136.7	.8	.8	.9	3.1	4.1	4.2
West.....	135.8	139.5	140.6	1.2	.9	.8	2.8	3.9	3.5
Workers, by area size									
Metropolitan areas.....	135.8	140.5	142.0	1.0	1.2	1.1	3.3	4.5	4.6
Other areas.....	131.3	135.5	136.2	.8	1.4	.5	3.2	4.1	3.7

- Data not available.
NOTE: The indexes for these series are not strictly comparable to those for the aggregate occupation, and industry series. See explanatory note.
See footnotes at end of tables.

WAGES AND SALARIES

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

(Not seasonally adjusted)

Series	Indexes (June 1981=100)			Percent Changes for								
	Sep. 1987	June 1988	Sep. 1988	3 Months Ended		6 Months Ended		12 Months Ended				
				Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1987	June 1988	Sep. 1988		
Workers, by bargaining status												
Union.....	129.1	132.0	132.9	0.6	0.8	0.7	1.7	2.9	2.9	2.9	2.9	2.9
Blue-collar occupations.....	—	—	—	.6	.7	.6	—	—	—	—	—	—
Goods-producing industries 1/.....	126.5	129.7	130.4	.6	.8	.5	1.6	3.1	3.1	3.1	3.1	3.1
Service-producing industries 2/.....	132.9	135.4	136.7	.5	.7	1.0	1.8	2.4	2.4	2.9	2.9	2.9
Manufacturing.....	127.0	130.4	131.0	.6	.6	.5	1.6	3.3	3.3	3.1	3.1	3.1
Blue-collar occupations.....	—	—	—	.6	.7	.5	—	3.4	3.4	3.2	3.2	3.2
Nonmanufacturing.....	130.8	133.3	134.5	.5	.9	.9	1.8	2.5	2.5	2.8	2.8	2.8
Nonunion.....	134.3	138.1	139.5	1.1	1.2	1.0	3.8	4.0	4.0	3.9	3.9	3.5
Blue-collar occupations.....	—	—	—	1.2	1.2	.6	—	4.1	4.1	3.5	3.5	3.5
Goods-producing industries 1/.....	131.1	135.0	135.7	1.2	1.0	.5	3.2	4.2	4.2	3.5	3.5	3.5
Service-producing industries 2/.....	136.2	140.0	141.8	1.2	1.4	1.3	4.1	4.0	4.0	4.1	4.1	4.1
Manufacturing.....	133.0	136.7	137.4	1.1	.9	.5	3.5	4.0	4.0	3.3	3.3	3.3
Blue-collar occupations.....	—	—	—	1.2	1.0	.5	—	3.5	3.5	2.8	2.8	2.8
Nonmanufacturing.....	134.9	138.8	140.4	1.1	1.5	1.2	3.9	4.0	4.0	4.1	4.1	4.1
Workers, by region												
Northeast.....	138.3	142.9	144.6	1.2	1.4	1.2	4.5	4.6	4.6	4.6	4.6	4.6
South.....	132.1	136.1	137.1	.8	1.6	.7	2.6	3.8	3.8	3.8	3.8	3.8
Midwest (formerly North Central).....	129.6	132.1	133.3	.9	.6	.9	3.4	2.8	2.8	2.9	2.9	2.9
West.....	133.1	136.0	137.4	1.5	.8	1.0	2.9	3.7	3.7	3.2	3.2	3.2
Workers, by area size												
Metropolitan areas.....	133.7	137.3	138.7	1.0	1.1	1.0	3.3	3.7	3.7	3.7	3.7	3.7
Other areas.....	129.1	133.0	133.5	1.0	1.6	.4	3.3	4.1	4.1	3.4	3.4	3.4

1/ Includes mining, construction, and manufacturing.
 2/ Includes transportation, public utilities, trade, finance, insurance, real estate, services, and, where applicable, public administration in State and local governments.
 3/ Includes, for example, library, social, and health services.

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

1987-1988

EXPLANATORY NOTE

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 overtime, shift differentials, and nonproduction bonuses such as lump-sum payments provided in lieu of wage increases); insurance benefits (life, health, and sickness and accident); retirement and savings benefits (pension and other retirement plans and savings and thrift plans); legally required benefits (social security, railroad retirement and supplemental retirement, railroad unemployment insurance, Federal and state unemployment insurance, workers' compensation, and other legally required benefits such as state temporary disability); and other benefits (severance pay and supplemental unemployment plans).

The ECI provides data for the civilian economy, which includes the total private economy, excluding farms and 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.

Each quarter, straight-time average hourly wage and salary rates and benefit cost data (cents-per-hour-worked) are collected from a probability sample of about 18,000 occupations within 3,600 sample establishments in private industry and about 3,500 occupations within 700 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. ECI statistics are neither annualized nor adjusted for seasonal influences.

The sample establishments are classified in industry categories based on the 1972 Standard Industrial Classification (SIC), as defined by the U.S. Office of Management and Budget.

Within an establishment, specific job categories are selected to represent broader occupational definitions. Since June 1986, the jobs have been classified according to definitions used in the 1980 Census. Prior to June 1986, they were classified according to the 1970 Census. Differences between the two classification systems are slight, as indicated in the article "Introducing new weights for the Employment Cost Index," in the June 1985 issue of the Monthly Labor Review.

Fixed employment weights are used each quarter to calculate the most aggregate indexes--civilian, private, and state and local governments. These fixed weights are also used to derive all of the industry and occupation series indexes. Since June 1986, employment counts from the 1980 Census have been used as weights. Prior to June 1986, employment counts from the 1970 Census were used.

For the series based on bargaining status, region, or area size, employment data are not available from the Census. 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.

The costs per hour worked of compensation components, based on March 1988 data from the ECI, are published in a separate news release titled "Employer Costs for Employee Compensation--March 1988." A description of the cost levels is provided in the article "Analyzing employers' costs for wages, salaries, and benefits" in the October 1987 issue of the Monthly Labor Review. The cost levels, which are published annually in mid-June, are calculated with current employment weights, rather than the fixed 1980 Census weights used in computing the ECI. Therefore, year-to-year changes in the cost levels will usually differ from those in the ECI.

More detailed information on the ECI is available in several sources. These include a chapter in the BLS Handbook of Methods (Bulletin 2285), "The Employment Cost Index," and several articles published in the Monthly Labor Review. Reprints of these articles plus other descriptive pieces and a complete historical listing are available upon request. ECI historical data are also available on data diskettes formatted for use with Lotus 1-2-3.