

News

United States
Department
of Labor



Bureau of Labor Statistics

Washington, D.C. 20212

Technical Contact:

(202) 691-6199 ocltinfo@bls.gov

Media Contact:

(202) 691-5902 hoyle_k@bls.gov

Internet address:

<http://www.bls.gov/ncs/ect/home.htm>

USDL: 04-1380

TRANSMISSION OF MATERIAL
IN THIS RELEASE IS EMBARGOED
UNTIL 8:30 A.M. (EDT),
THURSDAY, JULY 29, 2004

EMPLOYMENT COST INDEX—JUNE 2004

Total compensation costs for civilian workers increased 0.9 percent from March to June 2004, seasonally adjusted, moderating from the 1.1 percent gain from December 2003 to March 2004, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Wage and salary costs increased 0.6 percent and benefit costs rose 1.8 percent, continuing to rise sharply. 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.

Rises in benefit costs accounted for a little over half of the increase in compensation costs for civilian workers during the March-to-June period. Among private industry workers, benefit costs were one-half of compensation gains during the quarter, with health insurance and defined benefit retirement costs combined accounting for one-quarter of the rise in compensation costs. Among State and local government workers, benefit costs contributed nearly three-fourths of compensation gains during the March-to-June 2004 period, with defined benefit retirement costs accounting for almost one-half and health insurance contributions accounting for one-fourth of the gain in compensation costs.

Quarterly changes, seasonally adjusted

Compensation costs for the private sector rose 1.0 percent from March to June 2004, after advancing 1.1 percent in the prior quarter. After a strong gain of 1.8 percent in the March quarter, gains in the goods-producing industries moderated to 0.9 percent for the period ended June 2004. For State and local government workers, compensation costs increased 1.1 percent from March to June, compared with a gain of 1.0 percent for the quarter ended in March. (See tables A and 1.)

Benefit costs increased 1.8 percent for civilian workers (nonfarm private industry and State and local government) in the June 2004 quarter, following a gain of 2.4 percent in the March 2004 quarter. Private sector benefit costs rose 1.7 percent for the June quarter, moderating from the 2.6 percent gain in the previous quarter. Benefit costs for State and local governments increased 1.9 percent in the June quarter, following an increase of 1.7 percent in March 2004.

Wages and salaries for civilian and private workers advanced 0.6 percent during the June quarter, identical to the increases in March 2004. Wage and salary gains in transportation and public utilities and in service industries led the increase. Wage and salary increases were lower in construction, wholesale trade, and

finance, insurance, and real estate. Wages and salaries in State and local governments advanced 0.7 percent during the March-to-June period, after gaining 0.6 percent in the previous quarter.

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

Compensation Component	Sep. 2002	Dec. 2002	Mar. 2003	June 2003	Sep. 2003	Dec. 2003	Mar. 2004	June 2004
Civilian workers								
Compensation costs	0.8	0.9	1.2	0.9	1.0	0.8	1.1	0.9
Wages and salaries	0.6	0.5	1.0	0.6	0.7	0.5	0.6	0.6
Benefit costs	1.2	1.4	2.0	1.4	1.5	1.4	2.4	1.8
Private industry								
Compensation costs	0.6	0.8	1.4	0.8	1.1	0.8	1.1	1.0
Wages and salaries	0.4	0.5	1.0	0.6	0.9	0.5	0.6	0.6
Benefit costs	1.1	1.4	2.1	1.4	1.5	1.4	2.6	1.7
State and local government								
Compensation costs	1.1	1.1	1.0	1.0	0.5	0.8	1.0	1.1
Wages and salaries	0.9	0.8	0.6	0.8	0.1	0.6	0.6	0.7
Benefit costs	1.9	1.8	1.6	1.5	1.6	1.3	1.7	1.9

Over-the-year changes, not seasonally adjusted

Annual compensation costs for civilian workers increased 3.9 percent for the year ended June 2004, compared with a 3.7 percent over-the-year increase for June 2003. Compensation costs in private industry rose 4.0 percent in the year ended June 2004, greater than the 3.5 percent increase in June 2003. In contrast, compensation costs slowed to a 3.4 percent increase for State and local government for the year ended June 2004, compared with an over-the-year gain of 4.1 percent in June 2003. (See tables B, 2, and 3.)

The components of compensation continued to show significant differences. While increases in wages and salaries continued to be moderate, benefit costs continued to rise during the year ended June 2004. For civilian workers, wages and salaries increased 2.5 percent in the year ended June 2004, compared with a gain of 2.7 percent in June 2003. Benefit costs jumped 7.2 percent for the period ended June 2004, compared with an increase of 6.3 percent for the year ended June 2003. (See tables B, 5, 6, and 8.)

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

Compensation Component	June 1999	June 2000	June 2001	June 2002	June 2003	June 2004
Civilian workers						
Compensation costs	3.2	4.4	3.9	4.0	3.7	3.9
Wages and salaries	3.6	4.0	3.7	3.5	2.7	2.5
Benefit costs	2.5	5.3	4.5	5.0	6.3	7.2
Private industry						
Compensation costs	3.3	4.6	4.0	4.0	3.5	4.0
Wages and salaries	3.6	4.1	3.8	3.6	2.6	2.6
Benefit costs	2.5	5.7	4.8	5.1	6.1	7.3
State and local government						
Compensation costs	3.0	3.5	3.6	3.6	4.1	3.4
Wages and salaries	3.1	3.7	3.7	3.2	3.1	1.9
Benefit costs	2.6	3.1	3.4	4.6	6.8	6.6

Nonfarm private industry

For the year ended June 2004, compensation costs in private industry increased 4.4 percent for goods-producing industries, identical to the advance for the year ended June 2003. Compensation costs for manufacturing advanced 4.7 percent in June 2004, after increasing 4.6 percent in June 2003. Compensation costs for construction rose 3.0 percent in June 2004, compared with a 3.8 percent rise in June 2003. (See table 3.)

The over-the-year increase in compensation for service-producing industries was 3.8 percent, compared with a 3.2 percent gain for the year ended June 2003. Among service-producing industries, the 12-month increase for transportation and public utilities was 4.3 percent for the year ended in June 2004, led by higher increases in public utilities, particularly the electric, gas, and sanitary services industry. Compensation costs rose modestly in wholesale trade, increasing 2.7 percent in the year ended June 2004.

Over-the-year compensation cost increases were 4.6 percent for blue-collar occupations, 3.7 percent for white-collar occupations, and 3.4 percent for service occupations for the year ended June 2004. Among white-collar occupational groups, compensation cost changes ranged from 2.9 percent for executive, administrative, and managerial employees to 4.2 percent for professional specialty and technical workers and administrative support, including clerical workers. Among blue-collar workers, compensation cost increases ranged from 3.5 percent for transportation and material moving workers to 5.8 percent for machine operators, assemblers, and inspectors. (See table 3.)

Gains in compensation costs for union workers outpaced those for nonunion workers. Compensation costs for union workers advanced sharply, rising 6.0 percent over the year ended June 2004, significantly higher than the 3.5 percent increase for nonunion workers. Compensation costs among blue-collar union workers advanced 6.1 percent, greater than the gain of 3.8 percent for blue-collar nonunion workers. In goods-producing industries, a 6.9 percent increase for union workers was greater than the 3.6 percent advance for nonunion workers. (See tables C and 4.)

Wages and salaries for union workers rose 2.9 percent for the 12 months ended in June 2004, compared with an over-the-year increase of 2.5 percent for nonunion workers. In contrast, benefit costs for union workers continued to rise sharply, jumping 11.3 percent, compared with an increase of 6.3 percent for nonunion workers in June 2004. Employer contributions for defined benefit and for health insurance plans accounted for nearly half the rise in compensation costs for union workers for the year ended June 2004. (See tables C, 7, and 8.)

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

Compensation Component	June 1999	June 2000	June 2001	June 2002	June 2003	June 2004
Union workers						
Compensation costs	2.7	3.9	3.5	4.5	5.0	6.0
Wages and salaries	3.1	2.8	3.8	4.2	3.0	2.9
Benefit costs	2.2	5.9	3.0	5.0	8.7	11.3
Nonunion workers						
Compensation costs	3.4	4.6	4.2	3.9	3.3	3.5
Wages and salaries	3.7	4.3	3.7	3.5	2.5	2.5
Benefit costs	2.6	5.7	5.3	5.1	5.5	6.3

Among the four geographic regions, increases in compensation costs ranged from 3.4 percent in the Midwest to 4.3 percent in the Northeast and West. Compensation costs rose 3.9 percent in the South. (See table 4.) Gains in wages and salaries showed significant differences among regions. In the Midwest, wages and salaries inched up 1.6 percent for the year ended June 2004, slowing from the 4.1 percent gain of the year ended June 2003. In contrast, wages and salaries rose 3.3 percent in the Northeast and 2.6 percent in the South for the year ended June 2004, compared with over-the-year gains in June 2003 of 2.3 percent and 1.6 percent, respectively. Wages and salaries rose 2.9 percent in the West for the period ended June 2004, compared with a gain of 2.8 percent in June 2003.

State and local government

Wages and salaries for State and local government workers inched up 1.9 percent in the year ended June 2004, moderating from a gain of 3.1 percent for June 2003. Benefit costs rose 6.6 percent for the year ended June 2004, compared with an increase of 6.8 percent for the year ended June 2003. (See tables B, 5, and 8.)

Compensation gains slowed for educational services, rising 2.6 percent for the year ended June 2004, down from a 4.3 percent increase for the year ended June 2003. Within educational services, compensation increases for colleges and universities slowed to 2.1 percent, compared with a 4.4 percent rise for the year ended June 2003. Among occupational groups, compensation costs of service workers rose 3.8 percent for the year ended June 2004, compared with gains of 3.6 percent for blue-collar workers and 3.3 percent for white-collar workers. (See table 2.)

NOTE:

The ECI for September 2004 is scheduled to be released Friday, October 29, 2004, at 8:30 a.m. (EDT).

The costs per hour worked of compensation components, based on data from the ECI, were published on June 24, 2004, in a news release titled "Employer Costs for Employee Compensation—March 2004." Beginning with this release, the Employer Costs for Employee Compensation data are based on the 2002 North American Industry Classification System (NAICS) and the 2000 Standard Occupational Classification (SOC). The release and information on the transition to the new industry and occupational classification systems are available on the Internet site <http://www.bls.gov/ect/home.htm>, by e-mail request at ocltinfo@bls.gov, or by telephone (202) 691-6199.

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 data found in this news release, enter the following codes:

Text	4110
Tables 1-4	4115
Tables 5-7	4120
Table 8	4125
Explanatory notes	4190

To request a catalog of available documents, select option 2 at the initial voice prompt.

Employment Cost Index

Chart A. Changes in wages and salaries and in benefit costs, private industry, 1980-2004

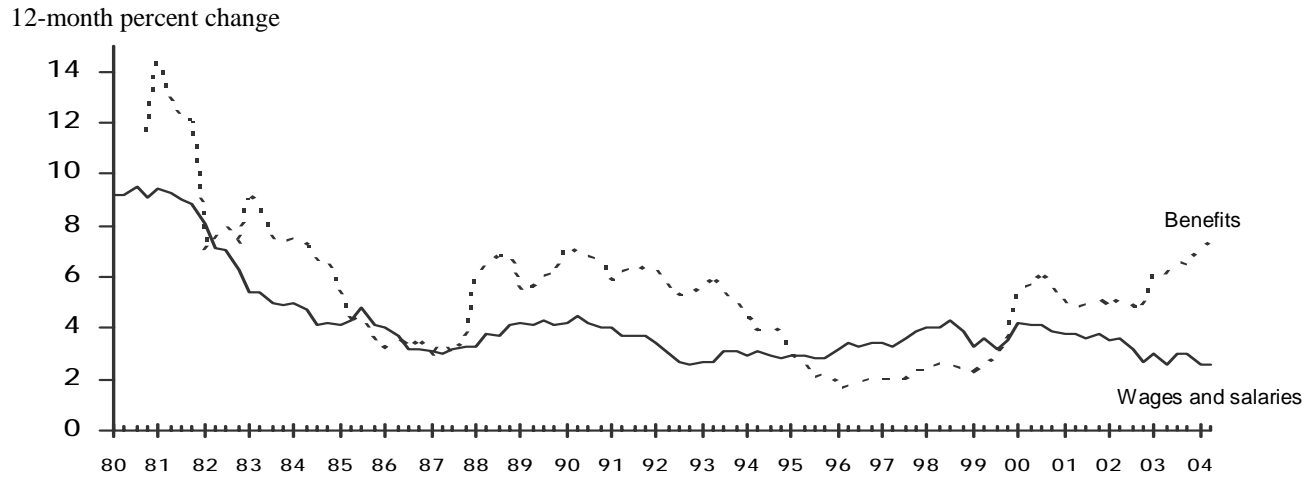


Chart B. Changes in wages and salaries, by goods- and service-producing industries, private industry, 1980-2004

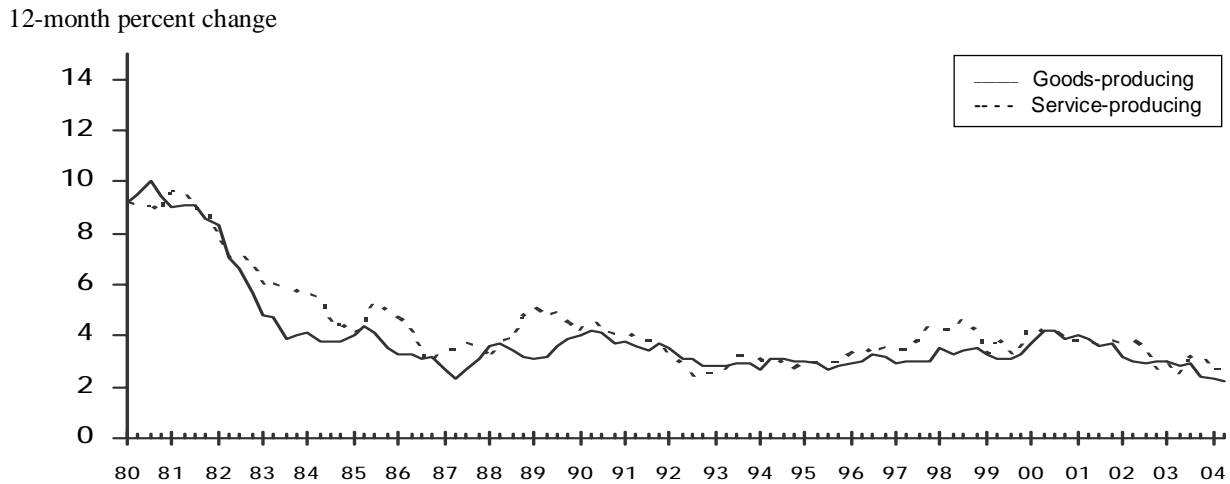


Chart C. Changes in wages and salaries, by bargaining status, private industry, 1980-2004

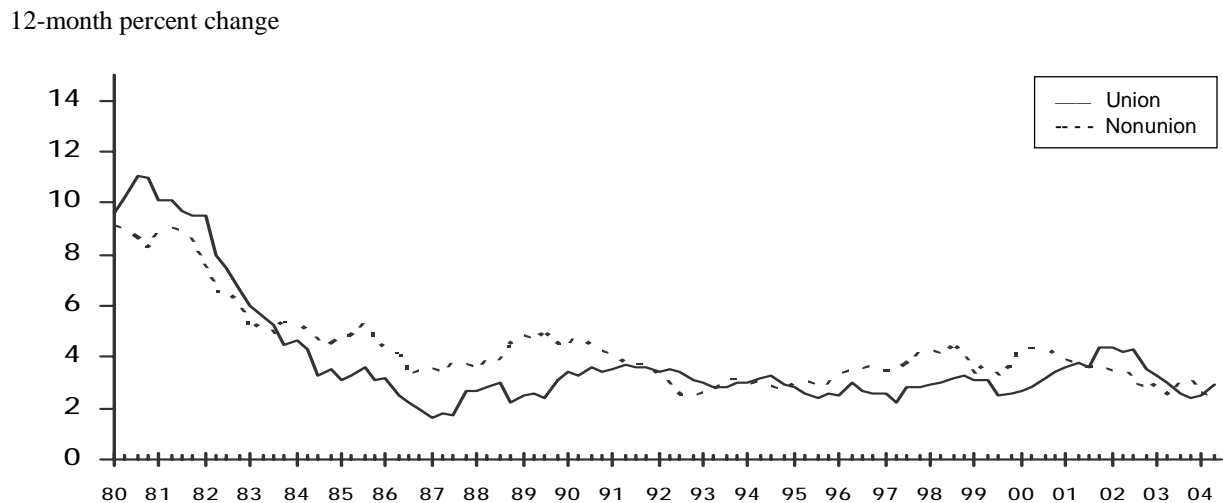


Table 1. Employment Cost Index for total compensation¹, wages and salaries, and benefit costs by industry and occupational group

(Seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)		Percent changes for 3-months ended-							
	Mar. 2004	Jun. 2004	Sep. 2002	Dec. 2002	Mar. 2003	Jun. 2003	Sep. 2003	Dec. 2003	Mar. 2004	Jun. 2004
TOTAL COMPENSATION										
Civilian workers	170.8	172.4	0.8	0.9	1.2	0.9	1.0	0.8	1.1	0.9
State and local government	168.1	169.9	1.1	1.1	1.0	1.0	.5	.8	1.0	1.1
Private industry	171.3	173.0	.6	.8	1.4	.8	1.1	.8	1.1	1.0
Industry										
Goods producing ²	170.6	172.1	.8	1.1	1.6	1.0	1.0	.7	1.8	.9
Construction	164.8	165.7	.8	1.2	.8	1.0	.8	.7	.9	.5
Manufacturing	171.4	172.8	.9	1.2	1.6	.8	1.0	.7	2.3	.8
Durables	172.1	173.6	.6	1.3	2.0	.5	1.0	.7	2.6	.9
Nondurables	170.0	171.3	1.3	1.1	1.1	1.1	.9	.8	1.6	.8
Service producing ³	171.7	173.4	.6	.6	1.3	.8	1.1	.8	.8	1.0
Transportation and public utilities	169.9	172.3	1.1	.9	.8	1.2	.6	.7	1.5	1.4
Wholesale trade	173.9	175.0	.2	.9	1.3	.5	.9	.5	.6	.6
Retail trade	162.0	163.6	.2	.3	.2	.5	1.5	1.0	.4	1.0
Finance, insurance, and real estate ⁴	182.5	183.6	.4	.3	4.9	.9	1.1	.4	.9	.6
Services	173.5	175.1	.5	.7	.8	.8	1.0	.9	1.0	.9
Nonmanufacturing	170.8	172.4	.6	.6	1.2	.9	1.0	.8	.8	.9
Occupational group										
White collar	174.1	175.4	.6	.7	1.4	.7	1.2	.8	.9	.7
Blue collar	166.8	168.5	.8	1.0	1.2	1.0	.9	.9	1.6	1.0
Service	166.9	168.4	1.0	.6	1.1	.7	.8	.7	1.2	.9
WAGES AND SALARIES										
Civilian workers	163.3	164.3	.6	.5	1.0	.6	.7	.5	.6	.6
State and local government	162.6	163.7	.9	.8	.6	.8	.1	.6	.6	.7
Private industry	163.5	164.4	.4	.5	1.0	.6	.9	.5	.6	.6
Industry										
Goods producing ^{2,4}	159.9	160.9	.5	.7	.8	.7	.6	.3	.8	.6
Construction	155.5	155.7	.6	.9	.5	.8	.8	.4	1.0	.1
Manufacturing ⁴	161.3	162.4	.6	.7	1.0	.6	.4	.3	.7	.7
Durables ⁴	161.9	162.9	.5	.8	1.0	.6	.6	.2	.6	.6
Nondurables	160.2	161.4	1.0	.8	.5	.8	.4	.5	.7	.7
Service producing ³	165.0	165.9	.4	.4	1.1	.6	1.1	.6	.5	.5
Transportation and public utilities ⁴	157.6	159.1	.9	.5	.5	.5	.3	.3	.7	1.0
Wholesale trade	166.5	166.6	.2	.6	1.3	-1	.9	.7	.2	.1
Retail trade	157.2	158.3	.1	.3	.0	.4	1.6	.4	.3	.7
Finance, insurance, and real estate ⁴	175.2	175.3	.2	.1	5.2	.8	1.0	.2	.4	.1
Services	168.1	169.4	.5	.4	.6	.8	.9	.8	.7	.8
Nonmanufacturing	163.7	164.6	.4	.5	1.0	.6	1.0	.6	.5	.5

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—							
	Mar. 2004	Jun. 2004	Sep. 2002	Dec. 2002	Mar. 2003	Jun. 2003	Sep. 2003	Dec. 2003	Mar. 2004	Jun. 2004
WAGES AND SALARIES—Continued										
Occupational group										
White collar	167.1	167.9	0.4	0.6	1.1	0.6	0.9	0.7	0.5	0.5
Blue collar ⁴	157.2	158.3	.5	.5	.8	.7	.6	.3	.7	.7
Service ⁴	158.4	159.3	.7	.4	.6	.4	.6	.4	.4	.6
BENEFIT COSTS										
Civilian workers	189.2	192.6	1.2	1.4	2.0	1.4	1.5	1.4	2.4	1.8
State and local government	181.1	184.6	1.9	1.8	1.6	1.5	1.6	1.3	1.7	1.9
Private industry	191.2	194.5	1.1	1.4	2.1	1.4	1.5	1.4	2.6	1.7
Industry										
Goods producing ²	192.8	195.5	1.3	1.8	3.0	1.4	1.7	1.4	4.2	1.4
Manufacturing	193.3	196.0	1.3	1.9	3.3	1.3	1.8	1.4	5.1	1.4
Service producing ³	190.2	193.9	.9	1.1	1.6	1.4	1.3	1.4	1.7	1.9
Nonmanufacturing	190.5	193.9	1.1	1.1	1.6	1.4	1.4	1.4	1.5	1.8
Occupational group										
White collar	193.8	196.9	.9	1.2	2.0	1.1	1.5	1.3	1.9	1.6
Blue collar	187.8	191.3	1.5	1.6	2.1	2.0	1.5	1.5	3.8	1.9
Service	192.7	196.1	1.9	1.0	2.4	1.4	1.2	1.4	3.1	1.8

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 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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Civilian workers	165.8	170.7	172.2	0.8	1.4	0.9	3.7	3.8	3.9
Excluding sales occupations	165.9	170.8	172.3	.8	1.3	.9	3.9	3.8	3.9
Industry									
Goods producing ²	164.6	170.4	171.9	.9	2.3	.9	4.4	4.5	4.4
Manufacturing	165.4	171.7	173.2	.9	2.8	.9	4.6	4.7	4.7
Service producing ³	166.2	170.8	172.3	.7	1.0	.9	3.4	3.5	3.7
Services	166.3	171.2	172.3	.6	1.0	.6	3.2	3.6	3.6
Health services	167.6	173.0	174.4	.7	1.3	.8	3.6	4.0	4.1
Hospitals	170.8	176.8	178.2	.5	1.1	.8	4.3	4.1	4.3
Educational services	164.2	168.5	168.9	.4	.5	.2	4.3	3.0	2.9
Public administration ⁴	164.3	170.1	171.4	.6	1.2	.8	4.3	4.1	4.3
Nonmanufacturing	165.8	170.4	171.8	.8	1.1	.8	3.5	3.6	3.6
Occupational group									
White collar	167.9	172.7	174.0	.7	1.2	.8	3.6	3.6	3.6
Excluding sales	168.3	173.1	174.4	.7	1.2	.8	3.8	3.5	3.6
Professional specialty and technical	165.0	170.2	171.2	.5	1.3	.6	3.6	3.7	3.8
Executive, administrative, and managerial	172.0	175.8	177.1	.5	.5	.7	3.9	2.7	3.0
Administrative support, including clerical	170.0	175.3	177.2	1.0	1.6	1.1	4.1	4.2	4.2
Blue collar	161.4	166.9	168.8	1.0	2.0	1.1	4.1	4.4	4.6
Service	165.0	169.7	170.9	.5	1.1	.7	3.5	3.4	3.6
State and local government	163.2	168.0	168.7	.4	.7	.4	4.1	3.3	3.4
Industry									
Services	162.3	166.5	166.8	.3	.5	.2	4.1	2.9	2.8
Excluding schools	164.2	169.4	170.1	.1	.7	.4	3.5	3.3	3.6
Health services	166.7	172.2	172.9	.2	.7	.4	3.3	3.5	3.7
Hospitals	167.3	172.4	173.2	.2	.6	.5	3.4	3.2	3.5
Educational services	161.7	165.7	165.9	.4	.4	.1	4.3	2.9	2.6
Schools	162.0	166.0	166.3	.4	.4	.2	4.2	2.9	2.7
Elementary and secondary	160.0	164.4	164.6	.4	.4	.1	4.2	3.1	2.9
Colleges and universities	167.5	170.7	171.0	.3	.4	.2	4.4	2.2	2.1
Public administration ⁴	164.3	170.1	171.4	.6	1.2	.8	4.3	4.1	4.3
Occupational group									
White collar	162.2	166.8	167.5	.3	.7	.4	4.2	3.2	3.3
Professional specialty and technical	160.8	165.1	165.6	.4	.6	.3	4.3	3.1	3.0
Executive, administrative, and managerial	165.7	170.1	171.0	.2	.6	.5	3.7	2.9	3.2
Administrative support, including clerical	164.4	170.4	171.8	.4	1.1	.8	4.1	4.0	4.5
Blue collar	161.7	166.7	167.5	.2	.9	.5	4.5	3.3	3.6
Service	168.9	174.5	175.3	.5	.9	.5	4.0	3.9	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; 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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Private industry workers	166.4	171.4	173.0	0.8	1.5	0.9	3.5	3.9	4.0
Excluding sales occupations	166.6	171.6	173.2	.9	1.5	.9	3.8	3.9	4.0
Industry									
Goods producing ²	164.5	170.3	171.8	.9	2.3	.9	4.4	4.5	4.4
Excluding sales	163.8	169.8	171.2	.9	2.4	.8	4.4	4.6	4.5
White collar	169.2	173.5	174.7	.8	1.8	.7	4.5	3.4	3.3
Excluding sales	167.5	172.2	173.3	.7	1.8	.6	4.6	3.5	3.5
Blue collar	161.5	168.1	169.8	1.0	2.6	1.0	4.3	5.1	5.1
Construction	161.1	164.6	165.9	1.3	.8	.8	3.8	3.5	3.0
Manufacturing	165.4	171.7	173.2	.9	2.8	.9	4.6	4.7	4.7
White collar	168.7	173.2	174.6	1.0	2.1	.8	4.7	3.7	3.5
Excluding sales	166.4	171.3	172.6	.8	2.1	.8	4.9	3.8	3.7
Blue collar	162.8	170.4	172.0	.7	3.2	.9	4.5	5.4	5.7
Durables	165.5	172.4	174.0	.7	3.0	.9	4.5	4.9	5.1
Aircraft manufacturing (SIC 3721) ..	183.7	198.9	200.9	.3	9.2	1.0	8.8	8.6	9.4
White collar	177.3	193.9	194.9	-.3	9.5	.5	8.0	9.0	9.9
Blue collar	192.3	204.5	208.3	1.3	8.5	1.9	10.0	7.7	8.3
Nondurables	164.9	170.4	171.7	1.1	2.3	.8	4.7	4.5	4.1
Service producing ³	167.0	171.6	173.3	.8	1.1	1.0	3.2	3.6	3.8
Excluding sales	168.0	172.5	174.2	.8	1.1	1.0	3.4	3.5	3.7
White collar	169.2	174.1	175.7	.8	1.2	.9	3.2	3.7	3.8
Excluding sales	171.3	176.2	177.8	.8	1.1	.9	3.4	3.7	3.8
Blue collar	160.8	164.1	166.4	1.3	.9	1.4	3.6	3.4	3.5
Service	162.0	166.1	167.4	.6	1.1	.8	3.2	3.1	3.3
Transportation and public utilities	165.4	169.8	172.5	1.3	1.7	1.6	4.1	4.0	4.3
Transportation	158.9	162.0	164.7	.7	1.5	1.7	3.2	2.7	3.7
Public utilities	174.2	180.4	183.1	2.2	1.9	1.5	5.3	5.8	5.1
Communications	175.5	182.2	183.6	2.5	1.8	.8	5.7	6.4	4.6
Electric, gas, and sanitary services	172.6	178.2	182.4	1.8	2.1	2.4	4.7	5.1	5.7
Wholesale and retail trade	162.5	166.3	168.1	.7	.8	1.1	1.9	3.1	3.4
Excluding sales	162.7	167.4	168.6	.6	.9	.7	1.7	3.5	3.6
Wholesale trade	171.3	173.8	175.9	1.1	1.0	1.2	3.0	2.5	2.7
Excluding sales	169.9	173.7	174.0	.9	1.4	.2	3.3	3.1	2.4
Retail trade	157.4	162.1	163.7	.5	.7	1.0	1.2	3.5	4.0
General merchandise stores	159.2	165.8	166.2	1.8	.1	.2	3.2	6.0	4.4
Food stores	158.6	162.1	163.5	.7	1.1	.9	2.7	2.9	3.1
Finance, insurance, and real estate	178.3	182.5	183.6	.9	.9	.6	6.6	3.3	3.0
Excluding sales	184.0	186.6	188.7	1.1	.3	1.1	7.4	2.5	2.6
Banking, savings and loan, and other credit agencies	206.3	207.2	208.9	1.0	-.9	.8	12.0	1.4	1.3
Insurance	173.9	177.8	180.5	1.0	.9	1.5	4.7	3.3	3.8
Excluding sales	171.7	175.4	178.1	1.2	1.0	1.5	4.5	3.4	3.7
Services	168.4	173.5	175.1	.8	1.2	.9	2.9	3.8	4.0
Business services	169.2	174.8	176.9	.4	1.3	1.2	1.6	3.7	4.6
Health services	167.9	173.3	174.8	.8	1.5	.9	3.6	4.1	4.1
Hospitals	171.9	178.1	179.7	.6	1.3	.9	4.5	4.3	4.5
Nursing homes	—	—	—	.8	1.2	.7	3.5	3.4	3.3
Educational services	177.1	183.1	184.2	.5	1.0	.6	4.8	3.9	4.0
Colleges and universities	175.4	181.2	182.5	.5	1.0	.7	4.2	3.8	4.0

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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Industry—Continued									
Nonmanufacturing industries	166.4	170.9	172.5	0.9	1.1	0.9	3.3	3.6	3.7
White collar	169.3	174.1	175.7	.8	1.2	.9	3.2	3.6	3.8
Excluding sales	171.4	176.2	177.7	.8	1.1	.9	3.4	3.6	3.7
Blue collar	159.7	163.4	165.5	1.4	1.1	1.3	3.7	3.7	3.6
Service	162.0	166.0	167.3	.6	1.1	.8	3.3	3.0	3.3
Occupational group									
White collar	169.4	174.2	175.7	.8	1.3	.9	3.4	3.6	3.7
Excluding sales	170.4	175.3	176.7	.8	1.3	.8	3.7	3.7	3.7
Professional specialty and technical	167.7	173.4	174.7	.7	1.7	.7	3.2	4.1	4.2
Executive, administrative, and managerial	173.1	176.8	178.1	.6	.5	.7	3.9	2.7	2.9
Sales	165.1	169.2	171.2	1.0	1.3	1.2	2.2	3.5	3.7
Administrative support, including clerical	170.9	176.1	178.1	1.1	1.7	1.1	4.1	4.2	4.2
Blue collar	161.4	166.9	168.8	1.1	2.0	1.1	4.1	4.5	4.6
Precision production, craft, and repair	162.0	167.1	169.1	1.3	1.8	1.2	4.0	4.4	4.4
Machine operators, assemblers, and inspectors	161.1	168.7	170.5	.8	3.4	1.1	4.1	5.5	5.8
Transportation and material moving	155.1	158.5	160.6	1.2	1.0	1.3	3.7	3.5	3.5
Handlers, equipment cleaners, helpers, and laborers	166.8	171.7	173.2	1.2	1.3	.9	4.3	4.1	3.8
Service	162.6	166.9	168.2	.6	1.2	.8	3.3	3.2	3.4
Production and nonsupervisory occupations⁴	164.1	169.3	171.0	.9	1.6	1.0	3.4	4.1	4.2

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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Bargaining status									
Union	164.1	171.4	173.9	1.2	2.8	1.5	5.0	5.7	6.0
Blue-collar occupations	161.4	169.0	171.2	1.4	2.9	1.3	5.1	6.2	6.1
Goods-producing industries ²	163.4	172.3	174.6	1.2	3.9	1.3	5.6	6.8	6.9
Service-producing industries ³	164.6	170.2	172.9	1.2	1.6	1.6	4.4	4.7	5.0
Manufacturing	163.8	175.0	177.0	.9	5.2	1.1	6.0	7.8	8.1
Blue-collar occupations	162.5	173.8	175.9	.9	5.3	1.2	5.7	7.9	8.2
Nonmanufacturing	163.7	168.8	171.6	1.4	1.4	1.7	4.5	4.6	4.8
Nonunion	166.8	171.3	172.7	.8	1.3	.8	3.3	3.6	3.5
Blue-collar occupations	161.3	165.7	167.4	.9	1.5	1.0	3.4	3.7	3.8
Goods-producing industries ²	164.9	169.7	170.9	.8	1.8	.7	4.0	3.7	3.6
Service-producing industries ³	167.2	171.6	173.2	.8	1.1	.9	3.1	3.4	3.6
Manufacturing	165.8	170.6	172.0	.8	2.0	.8	4.2	3.7	3.7
Blue-collar occupations	162.6	168.1	169.3	.7	2.0	.7	3.8	4.1	4.1
Nonmanufacturing	166.7	171.1	172.6	.8	1.1	.9	3.1	3.4	3.5
Region⁴									
Northeast	165.2	170.2	172.3	.9	1.4	1.2	3.3	3.9	4.3
South	161.6	166.4	167.9	.6	1.5	.9	2.5	3.6	3.9
Midwest	170.4	174.7	176.2	.8	1.3	.9	4.8	3.4	3.4
West	169.5	175.3	176.8	1.3	1.8	.9	4.1	4.8	4.3
Area									
Metropolitan	166.6	171.5	173.1	.8	1.4	.9	3.5	3.8	3.9
Other	165.0	170.2	172.1	.9	2.0	1.1	4.1	4.1	4.3

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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Civilian workers	160.3	163.3	164.3	0.6	0.6	0.6	2.7	2.5	2.5
Excluding sales occupations	160.3	163.3	164.2	.6	.6	.6	2.8	2.4	2.4
Industry									
Goods producing ¹	157.5	159.9	161.0	.8	.8	.7	2.9	2.3	2.2
Manufacturing	159.0	161.3	162.4	.6	.7	.7	2.9	2.1	2.1
Service producing ²	161.4	164.6	165.5	.6	.6	.5	2.7	2.6	2.5
Services	162.8	166.5	167.4	.6	.7	.5	2.5	2.8	2.8
Health services	163.2	167.7	168.6	.7	1.1	.5	3.0	3.5	3.3
Hospitals	164.4	169.0	169.9	.6	.8	.5	3.7	3.4	3.3
Educational services	160.7	163.6	163.8	.2	.2	.1	3.3	2.0	1.9
Public administration ³	158.0	161.1	161.4	.5	.7	.2	3.0	2.5	2.2
Nonmanufacturing	160.5	163.7	164.6	.6	.6	.5	2.6	2.6	2.6
Occupational group									
White collar	162.9	166.1	167.1	.6	.6	.6	2.8	2.6	2.6
Excluding sales	163.5	166.7	167.6	.6	.6	.5	3.0	2.6	2.5
Professional specialty and technical	160.1	163.8	164.4	.5	.8	.4	2.5	2.8	2.7
Executive, administrative, and managerial	169.0	171.4	172.4	.7	.1	.6	3.9	2.1	2.0
Administrative support, including clerical	163.1	166.3	167.5	.8	.8	.7	3.0	2.8	2.7
Blue collar	154.8	157.3	158.4	.7	.6	.7	2.5	2.3	2.3
Service	158.7	161.2	161.9	.4	.4	.4	2.3	2.0	2.0
State and local government	159.7	162.5	162.8	.3	.4	.2	3.1	2.1	1.9
Industry									
Services	159.8	162.6	162.7	.2	.3	.1	3.1	1.9	1.8
Excluding schools	161.8	165.1	165.6	.2	.4	.3	2.9	2.3	2.3
Health services	163.5	167.4	167.8	.4	.4	.2	3.0	2.8	2.6
Hospitals	163.8	167.4	167.9	.4	.4	.3	3.1	2.6	2.5
Educational services	159.3	162.0	162.1	.1	.2	.1	3.1	1.8	1.8
Schools	159.5	162.1	162.3	.2	.2	.1	3.2	1.8	1.8
Elementary and secondary	158.5	161.3	161.5	.2	.2	.1	3.2	2.0	1.9
Colleges and universities	162.1	164.3	164.4	.0	.2	.1	3.1	1.4	1.4
Public administration ³	158.0	161.1	161.4	.5	.7	.2	3.0	2.5	2.2
Occupational group									
White collar	159.2	162.1	162.4	.2	.4	.2	3.1	2.0	2.0
Professional specialty and technical	159.1	162.1	162.3	.2	.4	.1	3.2	2.1	2.0
Executive, administrative, and managerial	161.0	163.5	163.8	.1	.1	.2	2.7	1.6	1.7
Administrative support, including clerical	157.2	160.4	160.8	.2	.6	.2	2.9	2.2	2.3
Blue collar	156.5	158.9	159.2	.2	.4	.2	2.9	1.7	1.7
Service	163.8	166.7	167.0	.7	.5	.2	2.9	2.5	2.0

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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Private industry workers	160.4	163.4	164.5	0.7	0.7	0.7	2.6	2.6	2.6
Excluding sales occupations	160.5	163.5	164.5	.7	.7	.6	2.8	2.6	2.5
Industry									
Goods producing ¹	157.4	159.9	160.9	.7	.8	.6	2.8	2.3	2.2
Excluding sales	156.5	159.2	160.2	.7	.8	.6	2.8	2.4	2.4
White collar	161.4	163.2	164.5	.9	.7	.8	3.1	2.0	1.9
Excluding sales	159.2	161.5	162.7	.8	.7	.7	3.0	2.2	2.2
Blue collar	154.8	157.7	158.6	.7	.8	.6	2.7	2.5	2.5
Construction	152.4	155.1	155.9	1.2	.7	.5	2.8	3.0	2.3
Manufacturing	159.0	161.3	162.4	.6	.7	.7	2.9	2.1	2.1
White collar	161.6	163.3	164.7	.9	.7	.9	3.2	2.0	1.9
Excluding sales	158.9	161.2	162.5	.8	.8	.8	3.2	2.2	2.3
Blue collar	156.9	159.8	160.6	.4	.8	.5	2.7	2.2	2.4
Durables	159.7	161.9	162.9	.6	.6	.6	2.8	2.0	2.0
Aircraft manufacturing (SIC 3721) ..	166.9	170.6	171.9	.5	1.7	.8	2.7	2.8	3.0
White collar	160.2	164.7	165.5	-.1	2.6	.5	2.4	2.7	3.3
Blue collar	176.5	178.4	180.7	1.7	.1	1.3	3.0	2.8	2.4
Nondurables	157.8	160.4	161.6	.8	1.1	.7	3.1	2.4	2.4
Service producing ²	161.7	165.0	166.1	.7	.7	.7	2.5	2.7	2.7
Excluding sales	162.8	166.0	167.1	.7	.6	.7	2.7	2.7	2.6
White collar	164.1	167.8	168.9	.7	.7	.7	2.6	2.9	2.9
Excluding sales	166.5	170.2	171.2	.7	.7	.6	3.0	3.0	2.8
Blue collar	154.3	156.2	157.8	.7	.5	1.0	2.1	2.0	2.3
Service	155.6	158.0	158.8	.3	.4	.5	2.1	1.9	2.1
Transportation and public utilities	155.6	157.6	159.1	.5	.7	1.0	2.3	1.8	2.2
Transportation	150.6	151.7	153.4	.1	.6	1.1	1.3	.8	1.9
Public utilities	162.1	165.3	166.4	1.1	.7	.7	3.6	3.1	2.7
Communications	163.4	167.0	167.5	.9	.7	.3	4.0	3.2	2.5
Electric, gas, and sanitary services	160.4	163.3	165.1	1.1	.9	1.1	3.2	3.0	2.9
Wholesale and retail trade	157.5	160.3	161.6	.5	.5	.8	1.2	2.3	2.6
Excluding sales	158.7	162.3	162.9	.5	.6	.4	1.0	2.8	2.6
Wholesale trade	164.7	166.2	167.8	.8	.5	1.0	2.1	1.7	1.9
Excluding sales	165.2	167.8	167.6	.8	.9	-.1	2.5	2.4	1.5
Retail trade	153.8	157.3	158.4	.5	.5	.7	.7	2.7	3.0
General merchandise stores	152.0	154.1	154.9	1.5	.3	.5	2.1	2.9	1.9
Food stores	151.6	153.8	154.3	.4	.7	.3	1.8	1.9	1.8
Finance, insurance, and real estate	172.4	175.2	175.3	.8	.4	.1	6.4	2.4	1.7
Excluding sales	178.5	179.2	180.5	1.0	-.3	.7	7.7	1.4	1.1
Banking, savings and loan, and other credit agencies	208.7	206.7	207.6	1.1	-1.7	.4	14.2	.1	-.5
Insurance	163.0	165.1	167.2	.9	.4	1.3	2.8	2.2	2.6
Excluding sales	159.6	161.7	163.7	1.1	.6	1.2	2.9	2.4	2.6
Services	164.0	168.1	169.3	.7	.8	.7	2.3	3.3	3.2
Business services	166.4	171.0	172.7	.5	.7	1.0	1.5	3.3	3.8
Health services	163.2	167.8	168.8	.8	1.2	.6	3.0	3.6	3.4
Hospitals	164.6	169.4	170.5	.6	.9	.6	3.8	3.5	3.6
Nursing homes	—	—	—	.7	.8	.6	3.3	2.7	2.6
Educational services	167.7	171.9	172.6	.4	.5	.4	4.0	2.9	2.9
Colleges and universities	165.1	169.5	170.0	.4	.7	.3	3.3	3.1	3.0

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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Industry—Continued									
Nonmanufacturing industries	160.5	163.7	164.8	0.7	0.7	0.7	2.6	2.7	2.7
White collar	163.9	167.5	168.6	.7	.7	.7	2.7	2.9	2.9
Excluding sales	166.1	169.7	170.7	.7	.7	.6	3.0	2.9	2.8
Blue collar	152.4	154.7	156.1	.9	.6	.9	2.3	2.4	2.4
Service	155.5	157.9	158.7	.3	.4	.5	2.1	1.9	2.1
Occupational group									
White collar	163.8	167.1	168.2	.7	.7	.7	2.8	2.8	2.7
Excluding sales	164.8	168.1	169.2	.7	.7	.7	3.0	2.8	2.7
Professional specialty and technical	160.5	164.7	165.5	.6	1.0	.5	2.0	3.3	3.1
Executive, administrative, and managerial	170.3	172.7	173.9	.7	.1	.7	4.1	2.1	2.1
Sales	159.3	162.6	163.9	.8	.9	.8	1.5	2.8	2.9
Administrative support, including clerical	164.0	167.2	168.6	.9	.9	.8	3.0	2.8	2.8
Blue collar	154.6	157.2	158.3	.7	.7	.7	2.5	2.3	2.4
Precision production, craft, and repair	154.7	157.1	158.3	.8	.6	.8	2.5	2.4	2.3
Machine operators, assemblers, and inspectors	155.3	158.6	159.8	.4	1.1	.8	2.4	2.5	2.9
Transportation and material moving	149.0	150.4	151.8	.8	.4	.9	2.6	1.8	1.9
Handlers, equipment cleaners, helpers, and laborers	159.0	161.8	162.7	.4	.7	.6	2.5	2.1	2.3
Service	156.1	158.4	159.3	.4	.4	.6	2.2	1.9	2.0
Production and nonsupervisory occupations³	157.4	160.7	161.7	.6	.8	.6	2.2	2.7	2.7

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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Bargaining status									
Union	154.3	157.2	158.7	0.7	0.6	1.0	3.0	2.5	2.9
Blue-collar occupations	151.6	154.3	155.5	.7	.5	.8	3.0	2.5	2.6
Goods-producing industries ¹	153.9	156.3	157.5	1.0	.6	.8	3.6	2.6	2.3
Service-producing industries ²	155.1	158.5	160.3	.3	.8	1.1	2.4	2.5	3.4
Manufacturing	155.9	158.1	159.2	.8	.6	.7	3.8	2.3	2.1
Blue-collar occupations	154.4	156.7	157.8	.7	.6	.7	3.6	2.2	2.2
Nonmanufacturing	153.5	156.6	158.4	.7	.6	1.1	2.6	2.7	3.2
Nonunion	161.5	164.6	165.6	.7	.7	.6	2.5	2.6	2.5
Blue-collar occupations	156.5	159.0	160.2	.6	.8	.8	2.2	2.3	2.4
Goods-producing industries ¹	158.9	161.4	162.4	.7	.8	.6	2.6	2.3	2.2
Service-producing industries ²	162.3	165.6	166.6	.7	.7	.6	2.5	2.7	2.6
Manufacturing	160.2	162.6	163.7	.6	.8	.7	2.6	2.1	2.2
Blue-collar occupations	158.7	161.9	162.6	.3	.9	.4	2.2	2.3	2.5
Nonmanufacturing	161.5	164.7	165.7	.7	.6	.6	2.5	2.7	2.6
Region³									
Northeast	158.4	162.0	163.6	.7	.7	1.0	2.3	3.0	3.3
South	156.1	159.1	160.1	.5	.8	.6	1.6	2.4	2.6
Midwest	165.0	166.9	167.7	.5	.2	.5	4.1	1.7	1.6
West	163.1	166.8	167.9	1.1	1.0	.7	2.8	3.4	2.9
Area									
Metropolitan	160.7	163.8	164.9	.7	.7	.7	2.6	2.6	2.6
Other	158.0	160.8	162.1	.8	.8	.8	3.5	2.6	2.6

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—					
	Jun. 2003	Mar. 2004	Jun. 2004	3 months ended—			12 months ended—		
				Jun. 2003	Mar. 2004	Jun. 2004	Jun. 2003	Mar. 2004	Jun. 2004
Civilian workers	180.0	190.0	192.9	1.2	3.1	1.5	6.3	6.9	7.2
State and local government	171.6	181.1	183.0	.6	1.5	1.0	6.8	6.2	6.6
Private industry	182.0	192.2	195.3	1.3	3.4	1.6	6.1	7.0	7.3
Industry									
Goods producing ¹	180.2	193.7	196.2	1.2	5.4	1.3	7.6	8.8	8.9
Service producing ²	182.3	190.6	194.1	1.3	2.4	1.8	5.2	5.9	6.5
Manufacturing	179.0	194.4	196.9	1.2	6.6	1.3	8.2	9.9	10.0
Aircraft manufacturing (SIC 3721)	220.3	260.6	264.0	.0	22.1	1.3	20.6	18.2	19.8
White collar	218.3	264.0	265.3	-.6	22.1	.5	19.6	20.2	21.5
Blue collar	221.8	253.1	259.9	.8	22.0	2.7	22.3	15.0	17.2
Nonmanufacturing	182.8	190.9	194.3	1.4	2.2	1.8	5.4	5.9	6.3
Occupational group									
White collar	185.5	194.4	197.4	1.0	2.7	1.5	5.3	5.9	6.4
Blue collar	176.1	188.3	191.8	2.0	4.7	1.9	7.4	9.0	8.9
Service	182.1	193.4	196.1	1.1	3.8	1.4	6.9	7.3	7.7
Bargaining status									
Union	182.7	198.8	203.3	2.2	6.3	2.3	8.7	11.2	11.3
Nonunion	181.5	190.2	193.0	1.1	2.8	1.5	5.5	6.0	6.3

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 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 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 44,000 occupational observations within about 9,800 sample establishments in private industry and approximately 3,600 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 seasonal factors for 2004 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 of the economy 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).

Historical data series are available, beginning with some wage and salary series begun in 1975. In addition, constant-dollar ECI series derived from the Consumer Price Index for All Urban Consumers (CPI-U) are available. Supplemental data from the ECI, providing 12-month percent changes in employer costs for health insurance in private industry beginning with June 1982 are also available. This information is available at 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 recently published in a separate news release titled “Employer Costs for Employee Compensation—March 2004.” Beginning with the March 2004 estimates, industry estimates are based on the 2002 North American Industry Classification (NAICS) system and the occupational categories are classified according to the 2000 Standard Occupational (SOC) system. These systems replace the 1987 Standard Industrial Classification System (SIC) and the Occupational Classification System (OCS). Historical data and related articles are included in the bulletin, Employer Costs for Employee Compensation, 1986-99, (Bulletin 2526). Also available on the Internet site (<http://www.bls.gov/ncs/ect/home.htm>) or upon request is an annual historical summary from March 1986 through March 2002. Data on a quarterly basis beginning with June 2002 are also available. 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.