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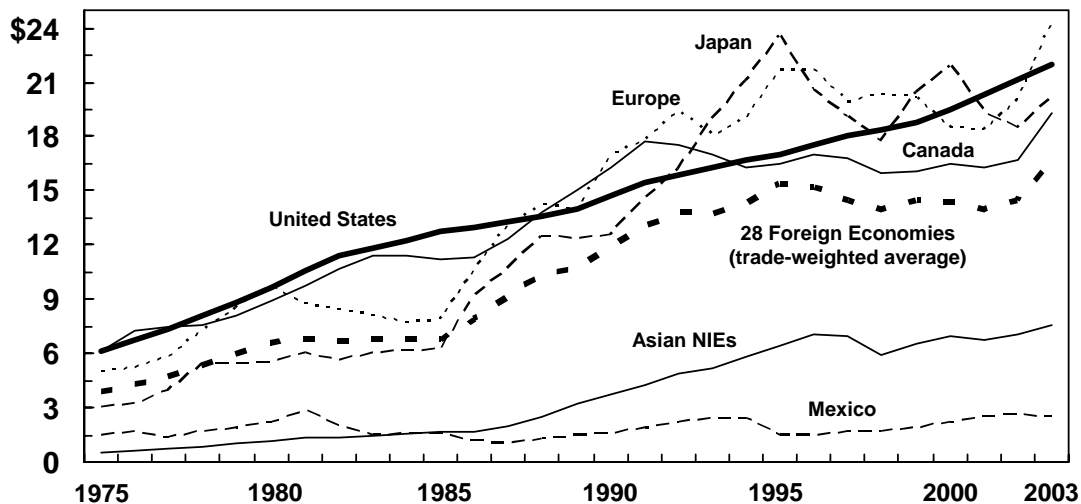
INTERNATIONAL COMPARISONS OF HOURLY COMPENSATION COSTS FOR PRODUCTION WORKERS IN MANUFACTURING, 2003

Average hourly compensation costs in U.S. dollars for production workers in manufacturing in 30 foreign economies climbed to 75 percent of the U.S. level in 2003, up from 67 percent of the U.S. level in the previous year, according to data issued by the Bureau of Labor Statistics, U.S. Department of Labor. Overall compensation costs relative to the United States increased in nearly all countries in 2003, with sharply rising costs in Europe contributing the most to the rising costs. European costs moved above U.S. costs for the first time since 1999. (See table 1.) Data for the Czech Republic, a relatively low labor cost country, are included in this release for the first time.

In the United States, hourly compensation costs for production workers in manufacturing increased 4.1 percent in 2003, to \$21.97. Average costs in the United States were higher than those in all the economies covered outside Europe, but 10 of the European countries had higher hourly compensation costs than did the United States, in a few cases more than 40 percent higher. Trade-weighted average costs increased 3.6 percent in the combined 30 foreign economies in 2003, when measured in national currency terms. This was less than the increase in the United States, but the value of foreign currencies rose 8.1 percent against the U.S. dollar, resulting in a rise in hourly compensation costs in the foreign economies of 11.9 percent on a U.S. dollar basis. (See chart 1 and table A.)

**Chart 1. Hourly compensation costs in U.S. dollars for
production workers in manufacturing, 1975-2003**

Hourly costs



Compensation costs expressed in U.S. dollars

Compensation costs for production workers in manufacturing, measured in U.S. dollars, continued to rise strongly in 2003 in most of the foreign economies, with increases of more than 20 percent in Australia, New Zealand, and most of the European countries. Only three economies -- Hong Kong SAR, Mexico, and Taiwan -- recorded slower rates of growth than the United States. As a result, the rate of compensation increase in a trade-weighted average of the foreign economies was 11.9 percent, the largest one year increase since 1990. (See table A.)

Changes over time in compensation costs in U.S. dollars are affected by the underlying national wage and benefit trends measured in national currencies, as well as frequent and sometimes sharp changes in currency exchange rates. A country's compensation costs expressed in U.S. dollars are calculated by dividing compensation costs in national currency by the exchange rate (expressed as national currency units per U.S. dollar).

A note on the measures

The hourly compensation measures in this news release are based on statistics available to BLS as of September 2004. These measures are prepared specifically for international comparisons of employer labor costs in manufacturing. The methods used, as well as the results, differ somewhat from those of other BLS series on U.S. compensation costs.

This is the first release of hourly compensation comparisons on a North American Industry Classification System (NAICS) basis. NAICS is a common industrial classification used by the United States, Canada, and Mexico. Previous versions of this release classified industries on a Standard Industrial Classification (SIC) basis, the industrial classification used by the United States before NAICS. The historical series on an SIC basis is available at <http://www.bls.gov/fls>, updated through May 2004.

As a result of the switch to the new classification system, data for nearly all economies were revised. For most economies, the adjustments were minor; hourly compensation cost levels did not change more than about one and one-half percent. For Hong Kong, the switch to NAICS had a somewhat larger effect for recent years, resulting in costs that are two to four percent lower on a NAICS basis than on an SIC basis. No adjustment was possible for Australia or Sri Lanka. For further information on NAICS, see the "Industrial classification" section of the Technical Notes.

Total compensation costs include pay for time worked, other direct pay (including holiday and vacation pay, bonuses, other direct payments, and the cost of payments in kind), employer expenditures for legally required insurance programs and contractual and private benefit plans, and, for some countries, other labor taxes.

Labor cost measures. The compensation measures are computed in national currency units and are converted into U.S. dollars at prevailing commercial market currency exchange rates. They are appropriate measures for comparing levels of employer labor costs, but they do not indicate relative living standards of workers or the purchasing power of their incomes. Prices of goods and services vary greatly among countries, and commercial market exchange rates do not reliably indicate relative differences in prices.

Data limitations. Hourly compensation is partly estimated, and data are subject to revision in the next update. The comparative level figures are averages for all manufacturing industries and are not necessarily representative of all component industries.

See the Technical Notes for further information regarding definitions, sources, and computation methods, as well as a description of the trade-weighted measures for economic groups.

Table A. Hourly compensation costs, in national currency and in U.S. dollars, for production workers in manufacturing and exchange rates (U.S. dollars per national currency unit)

Percent change, 2002-2003

Country or area	Hourly compensation, national currency	Exchange rates	Hourly compensation, U.S. dollars
Americas			
United States	4.1	-	4.1
Brazil	11.0	-5.0	5.4
Canada	3.1	12.1	15.6
Mexico	6.2	-10.5	-4.9
Asia and Oceania			
Australia	8.0	19.9	29.4
Hong Kong SAR ¹	-2.3	.2	-2.1
Israel	2.4	4.0	6.5
Japan	.6	8.0	8.6
Korea	9.0	4.9	14.3
New Zealand	2.5	25.8	29.0
Singapore	4.4	2.9	7.4
Sri Lanka	-	-	-
Taiwan	1.7	.4	2.1
Europe			
Austria	2.5	19.7	22.7
Belgium	1.9	19.7	22.0
Czech Republic	6.1	16.1	23.1
Denmark	4.8	19.9	25.6
Finland	4.2	19.7	24.7
France	3.1	19.7	23.4
Germany	2.7	19.7	22.9
Greece	-	-	-
Ireland	4.5	19.7	25.0
Italy	2.4	19.7	22.6
Luxembourg	3.2	19.7	23.5
Netherlands	3.7	19.7	24.1
Norway	2.5	12.7	15.6
Portugal	2.8	19.7	23.0
Spain	4.8	19.7	25.5
Sweden	3.5	20.3	24.5
Switzerland	1.0	15.8	16.9
United Kingdom	4.6	8.8	13.8
Trade-weighted measures ^{2,3}			
All 30 foreign economies	3.6	8.1	11.9
OECD ⁴	3.6	9.1	13.0
Europe	3.3	17.1	21.0
Asian NIEs	4.1	2.3	6.6

¹ Hong Kong Special Administrative Region of China.

² Because data for Germany are not available before 1993, data for only the former West Germany are included in the trade-weighted measures.

³ The 2002-2003 percent changes for the trade-weighted measures are based upon the changes for the countries or areas for which 2003 data are available.

⁴ OECD refers to the Organization for Economic Cooperation and Development.

The strength of the European currencies in 2003 drove costs in U.S. dollars up more than 20 percent, even though European compensation costs on a national currency basis increased at a slower pace than those in the United States. Costs in the countries which use the euro as a currency rose the most, 22 percent or more, while costs in several of the European countries that do not use the euro (Norway, Switzerland, and the United Kingdom) rose in the 13 to 17 percent range. The upward trend in costs in Europe marked the second consecutive year in which European costs rose strongly, reversing a 1996-2001 trend in which European costs had been declining on a U.S. dollar basis. Costs in Europe, on average, are now more than \$2 higher on a per hour basis than in the United States. Among the European countries covered, the Czech Republic had the lowest level of hourly compensation costs at \$4.71. Compensation costs were almost seven times that level in Denmark (\$32.18), the highest labor cost country in these comparisons. (See table 2.)

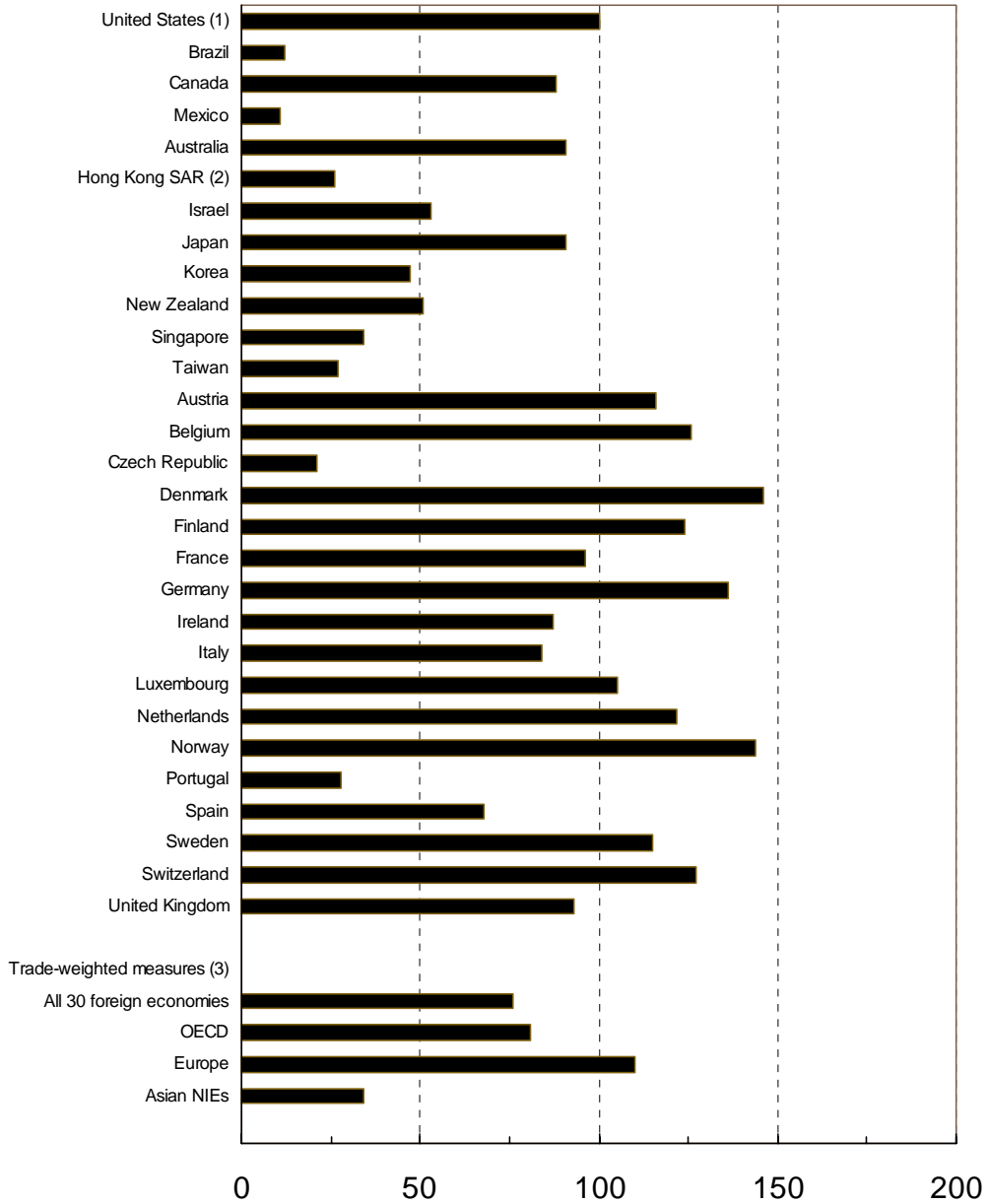
Compensation in U.S. dollars in most Asian economies in 2003 also grew at a faster rate than in recent years, but the increases were more modest than those in Europe. Costs in the Asian NIEs were up 6.6 percent, led by a 14.3 percent increase in Korea. Japanese compensation costs grew 8.6 percent in 2003, following two years of decline. Among Asian economies, only in Hong Kong did costs fail to rise in 2003. These increases contrasted with 2002, when costs in U.S. dollars in each of the NIEs except Korea declined. The two Oceania countries, Australia and New Zealand, experienced the largest increases in compensation costs in 2003, both near the 29 percent mark, the biggest increases in those countries since this comparative series began in 1975.

Compensation costs in U.S. dollars in Canada also grew at historically fast rates, rising 15.6 percent, the first time in 12 years that Canadian costs have grown at an appreciably faster rate than U.S. costs. In contrast, Mexican costs dropped 4.9 percent, more than any other country included in this report. The drop was associated with a weakening peso and an increase in compensation costs on a national currency basis that was lower than historical averages.

With the fast growth in hourly compensation costs in Europe, the average for the 18 European countries in 2003 rose to more than \$24 per hour. Ten European countries had higher compensation costs than the United States, with two countries -- Denmark and Norway -- having costs above \$30. Costs in Germany nearly reached the \$30 level. (See table 2.)

**Chart 2. Indexes of hourly compensation costs in U.S. dollars
for production workers in manufacturing, 2003**

(U.S. = 100)



(1) For 2003, U.S. hourly compensation costs were \$21.97.

(2) Hong Kong became a Special Administrative Region (SAR) of China in July 1997.

(3) Because data for Germany are not available before 1993, data for the former West Germany only are included in the trade-weighted measures. The trade-weighted measures include Greece and Sri Lanka, which are not shown on this chart because 2003 data were not available. OECD refers to the Organization for Economic Cooperation and Development.

Compensation costs expressed in national currencies

For the foreign economies, compensation costs for production workers in manufacturing in national currency in 2003 grew 3.6 percent, about the same rate as in 2002. Compensation costs grew more slowly in 2002 and 2003 than in any other year since this series began in 1975. Compensation cost growth more than doubled in the Asian NIEs from 2002 to 2003, but this was offset by slowing rates of growth in Mexico and Canada, which together comprise one-third of the trade-weighted compensation cost average. Growth rates in Europe did not change much from 2002. (See table 4.)

Compensation costs in 2003 rose in all the Asian economies except Hong Kong SAR. Compensation costs in Japan rose for the first time in 3 years, and costs in Singapore and Taiwan increased as well, by 4.4 and 1.7 percent, respectively. Korea had the highest increase in compensation costs among the Asian NIEs, with costs rising 9.0 percent. Overall, costs in the NIEs grew 4.1 percent in 2003.

The pace of growth in compensation costs in the North American competitors, Canada and Mexico, slowed in 2003. The rate of increase in compensation costs in Canada fell one percentage point in 2003, to 3.1 percent. Mexican costs grew at a rate that was one percentage point slower as well.

Compensation costs in Europe, on average, grew at nearly the same rate in 2003 as in 2002, and the rate of growth did not change a great deal in most European countries. Only in Ireland, Norway, and Portugal did the rate of growth change by more than one percentage point. Among the European countries, the largest increase in compensation costs was in the Czech Republic, 6.1 percent, while the smallest increase was in Switzerland, 1.0 percent.

Exchange rates

The trade-weighted value of the currencies of the 30 foreign economies against the U.S. dollar increased 8.1 percent between 2002 and 2003. This was the largest increase in trade-weighted currency values since this series began in 1975. The currencies in many countries appreciated sharply in 2003, while only two currencies -- the Brazilian real and the Mexican peso -- depreciated against the dollar. (See table 5.)

In general, the European currencies appreciated the most in 2003, rising 17.1 percent. The euro, which accounts for about 70 percent of the European trade-weighted average, rose by about 20 percent, as did currencies in Denmark and Sweden. Currencies in other European countries appreciated as well, but not as much as the euro. The British pound (+8.8 percent) was the only European currency that failed to appreciate more than 10 percent.

Czech Republic

Beginning with this release, measures of hourly compensation costs for the Czech Republic are included. Because of data limitations, the measures cover only the years 1995-2003. The tabulation below shows hourly compensation costs for the Czech Republic on a national currency basis, a U.S. dollar basis, and as a percentage of the U.S. level.

Czech Republic: Hourly Compensation Costs for Production Workers in Manufacturing

Year	National currency basis (Koruna)	U.S. dollar basis (US\$)	Index (United States = 100)
1995	67.14	2.53	15
1996	79.92	2.94	17
1997	88.50	2.79	15
1998	96.49	2.99	16
1999	101.4	2.93	16
2000	109.4	2.83	15
2001	119.0	3.13	15
2002	125.3	3.83	18
2003	132.9	4.71	21

Currency appreciations in Asia were more modest than in Europe. The value of the Japanese yen increased 8.0 percent, and currencies in the Asian NIEs appreciated 2.3 percent. Currencies in Australia (+19.9 percent) and New Zealand (+25.8 percent), however, appreciated strongly against the dollar.

The movements of the foreign currencies relative to the U.S. dollar in 2003 had a significant influence on hourly compensation costs measured in U.S. dollars. Hourly compensation costs on a national currency basis in the 30 foreign economies rose 3.6 percent, less than in the United States, but, when adjusted for an 8.1 percent appreciation of the foreign currencies against the U.S. dollar, those costs increased 11.9 percent, much higher than in the United States. The effect that exchange rate changes can have on hourly compensation costs is particularly evident when comparing European labor costs with those of the Asian NIEs. On a national currency basis, the increase in hourly compensation costs in the Asian NIEs was nearly a percentage point higher than the increase in Europe. When adjusted for changes in exchange rates, however, costs on a U.S. dollar basis in Europe increased at a rate triple that of the Asian NIEs.

Additional data available

In addition to the compensation cost measures covered in this news release, supplementary tables are available for comparative levels of hourly compensation costs, hourly direct pay, pay for time worked, and the structure of compensation for production workers in manufacturing for all years from 1975 through 2003. Data are also available for national currency hourly compensation and exchange rates from 1975 through 2003 in the supplementary tables (<http://www.bls.gov/fls>).

BLS also computes comparative measures for 39 component manufacturing industries. Data for the component industries are not included in this release; in general, the data limitations for the component industries are greater than for total manufacturing. Data are available upon request and via the Internet (<http://www.bls.gov/fls>). The data for component industries are currently available on a Standard Industrial Classification (SIC) basis only, but will be converted to a North American Industry Classification System (NAICS) basis when they are updated to include 2003 data.

For further information, contact the Office of Productivity and Technology by phone at 202-691-5654, by e-mail at flshc@bls.gov, or by mail at Bureau of Labor Statistics, 2 Massachusetts Avenue, NE, Room 2150, Washington, DC 20212.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone: 1-800-877-8339.

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TECHNICAL NOTES

The tables in this news release present international comparisons of hourly compensation costs for production workers in manufacturing in selected countries or areas. The total compensation measures are prepared by the Bureau of Labor Statistics in order to assess international differences in employer labor costs. Comparisons based on the more readily available average earnings statistics published by many countries can be very misleading. National definitions of average earnings differ considerably; average earnings do not include all items of labor compensation; and the omitted items of compensation frequently represent a large proportion of total compensation.

The compensation measures are computed in national currency units and are converted into U.S. dollars at prevailing commercial market currency exchange rates. The foreign currency exchange rates used in the calculations are the average daily exchange rates for the reference period. They are appropriate measures for comparing levels of employer labor costs. They do not indicate relative living standards of workers or the purchasing power of their income. Prices of goods and services vary greatly among countries, and commercial market exchange rates are not reliable indicators of relative differences in prices.

Definitions

Hourly compensation costs include (1) hourly direct pay and (2) employer social insurance expenditures and other labor taxes. *Hourly direct pay* includes all payments made directly to the worker, before payroll deductions of any kind, consisting of (a) *pay for time worked* (basic time and piece rates plus overtime premiums, shift differentials, other premiums and bonuses paid regularly each pay period, and cost-of-living adjustments) and (b) *other direct pay* (pay for time not worked (vacations, holidays, and other leave, except sick leave), seasonal or irregular bonuses and other special payments, selected social allowances, and the cost of payments in kind). *Social insurance expenditures and other labor taxes* include (c) employer expenditures for legally required insurance programs and contractual and private benefit plans (retirement and disability pensions, health insurance, income guarantee insurance and sick leave, life and accident insurance, occupational injury and illness compensation, unemployment insurance, and family allowances) and, for some countries, (d) other labor taxes (other taxes on payrolls or employment (or reductions to reflect subsidies), even if they do not finance programs that directly benefit workers, because such taxes are regarded as labor costs). For consistency, compensation is measured on an hours-worked basis for every country.

The BLS definition of hourly compensation costs is not the same as the International Labor Office (ILO) definition of total labor costs. Hourly compensation costs do not include all items of labor costs. The costs of recruitment, employee training, and plant facilities and services—such as cafeterias and medical clinics—are not included because data are not available for many countries. The labor costs not included account for no more than 4 percent of total labor costs in any country for which the data are available.

Production workers generally include those employees who are engaged in fabricating, assembly, and related activities; material handling, warehousing, and shipping; maintenance and repair; janitorial and guard services; auxiliary production (for example, powerplants); and other services closely related to the above activities. Working supervisors are generally included; apprentices and other trainees are generally excluded.

Methods

Total compensation is computed by adjusting each country's average earnings series for items of direct pay not included in earnings and for employer expenditures for legally required insurance, contractual and private benefit plans, and other labor taxes. For the United States and other countries that measure earnings on an hours-paid basis, the figures are also adjusted in order to approximate compensation per hour worked.

Earnings statistics are obtained from surveys of employment, hours, and earnings or from surveys or censuses of manufactures.

Adjustment factors are obtained from periodic labor cost surveys and interpolated or projected to non-survey years on the basis of other information for most countries. The information used includes tabulations of employer social security contribution rates provided by the International Social Security Association, information on contractual and legislated fringe benefit changes from labor bulletins, and statistical series on indirect labor costs. For other countries, adjustment factors are obtained from surveys or censuses of manufactures or from reports on fringe-benefit systems and social security. For the United

States, the adjustment factors are special calculations for international comparisons based on data from several surveys.

The statistics are also adjusted, where necessary, to account for major differences in worker coverage; differences in industrial classification systems; and changes over time in survey coverage, sample benchmarks, or frequency of surveys. Nevertheless, some differences in industrial coverage remain and, with the exception of the United States, Canada, and several other countries, the data exclude very small establishments (less than 5 employees in Japan and less than 10 employees in most European and some other countries). For the United States, the methods used, as well as the results, differ somewhat from those for other BLS series on U.S. compensation costs.

Hourly compensation costs are converted to U.S. dollars using the average daily exchange rate for the reference period. The exchange rates used are prevailing commercial market exchange rates as published by either the U.S. Federal Reserve Board or the International Monetary Fund.

On January 1, 1999, several European countries joined the European Monetary Union (EMU): Austria, Belgium, Finland, France, Germany, Ireland, Italy, Luxembourg, the Netherlands, Portugal, and Spain. Greece joined on January 1, 2001. Currencies of EMU members were established at fixed conversion rates to the euro, the official currency of the EMU. Currencies of EMU members were established at fixed conversion rates to the euro, the official currency of the EMU. In this release, data on hourly compensation costs in national currency and exchange rates for the EMU countries relate to euros for 1999 to present; for the years 1975-1998 these data are published in the old national currencies used in each country before the euro was adopted. In order to include data on trends in national currency compensation costs and exchange rates for the entire time period, BLS converts national currency for 1975-1998 to a "euro" basis for calculation. The conversions for all years 1975-1998 are made using the official fixed conversion rates for 1999.

Industrial classification

The hourly compensation measures relate to manufacturing on a North American Industry Classification System (NAICS) basis. NAICS is a common industrial classification used by the United States, Canada, and Mexico. The NAICS definition of manufacturing differs somewhat from the definition of manufacturing used in other countries. Some industries that are not included in the NAICS definition of manufacturing, such as publishing of books and sound recordings, some repair and maintenance of equipment, and some business support services, are included in the definition of manufacturing in most other industrial classifications. Other industries, such as some processing of foods, some packaging, and retail sales of bakery products from the production facility, are included in the NAICS definition of manufacturing but not in the definition of manufacturing for most foreign economies. Most of the differences other than the treatment of publishing are very minor and do not have a noticeable impact on overall manufacturing averages.

BLS makes adjustments to remove publishing from manufacturing for the foreign economies which do not use NAICS, except for Taiwan, which does not include publishing in manufacturing, and for Australia and Sri Lanka, for which the data necessary to remove publishing are not available. For the countries for which adjustments are made, the effect of publishing on manufacturing wages was estimated and removed using data from national sources, the United Nations Industrial Statistics Database, the International Labor Office (ILO), and other sources. Except for Hong Kong, the effect of removing publishing from manufacturing does not change the level of hourly compensation costs for any economy more than 1.5 percent. For Hong Kong, the effect of the adjustments is 2 to 4 percent in several years.

Country notes

The following are exceptions to the standard coverage and definitions explained above:

Australia. Compensation relates to production workers and non-production workers other than those in managerial, executive, professional, and higher supervisory positions.

Hong Kong SAR. Average of selected manufacturing industries. The industries covered accounted for about 70 percent of all persons employed in manufacturing in 1988. Compensation excludes overtime pay. Hong Kong became a Special Administrative Region (SAR) of China in July 1997.

Austria. Excludes workers in establishments considered handicraft manufacturers. (All printing and publishing and miscellaneous manufacturing establishments are classified in handicrafts.) In 1986, handicraft employment was about 35 percent of all manufacturing employment. Average compensation per

employee was about 10 percent lower in manufacturing including handicrafts than in manufacturing excluding handicrafts.

Finland. Includes workers in mining and electrical power plants. For comparability with other countries, compensation excludes some obligatory training and plant facilities costs; these costs would add 1.6 percent to average hourly compensation costs in 1994.

Germany. Excludes workers in establishments considered handicraft manufacturers. In 1990, handicraft employment in the former West Germany was about 25 percent of all manufacturing employment. Average hourly earnings of production workers were about 3 percent lower in manufacturing including handicrafts than in manufacturing excluding handicrafts.

Ireland. Data refer to September for 1975.

Norway. For comparability with other countries, compensation excludes some obligatory training and plant facilities costs; these costs would add 2.2 percent to average hourly compensation costs in 1994.

Trade-weighted measures

The trade weights used to compute the average compensation cost measures for selected economic groups are relative importances derived from the sum of U.S. imports of manufactured products for consumption (customs value) and U.S. exports of domestic manufactured products (free along side {f.a.s.} value) in 1999 for each country or area and each economic group. See table below.

Share of total U.S. imports and exports of manufactured products in 1999

(in percent)

Country or area and economic group	1999 trade share	Country or area and economic group	1999 trade share
Brazil.....	1.5	Greece.....	0.1
Canada.....	21.5	Ireland.....	1.1
Mexico.....	11.8	Italy.....	2.0
		Luxembourg.....	0.1
Australia.....	1.0	Netherlands.....	1.6
Hong Kong SAR(1)	1.5	Norway.....	0.2
Israel.....	1.1		
Japan.....	11.8	Portugal.....	0.2
Korea.....	3.4	Spain.....	0.7
New Zealand.....	0.2	Sweden.....	0.8
Singapore.....	2.2	Switzerland.....	1.1
Sri Lanka.....	0.1	United Kingdom	4.6
Taiwan.....	3.4		
		Economic Groups	
Austria.....	0.4	30 foreign	
Belgium.....	1.3	economies.....	82.3
Czech Republic...	0.1		
Denmark.....	0.3	OECD(3).....	72.5
Finland.....	0.3	Europe.....	22.7
France.....	2.7	European Union(4)	21.4
Germany(2).....	5.2	Asian NIEs.....	10.5

1 Hong Kong Special Administrative Region of China.

2 Former West Germany.

3 Organization for Economic Cooperation and Development.

4 Includes the 15 European Union members prior to expansion on May 1, 2004.

The trade data used to compute the weights are U.S. Bureau of the Census statistics of U.S. imports and exports converted to a Standard Industrial Classification (SIC) basis from data initially collected under the *Harmonized Tariff Schedule* commodity classification system.

The countries included in the Organization for Economic Cooperation and Development (OECD) trade-weighted measure are Canada, Mexico, Australia, Japan, Korea, New Zealand, and all European countries. The group labeled "European Union-15" consists of the 15 members of the European Union before the expansion to 25 countries on May 1, 2004 (Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, and the United Kingdom). The group labeled "Europe" consists of the 15 members of the European Union-15, the Czech Republic, Norway, and Switzerland. The group labeled "Asian NIEs" consists of the four newly industrializing economies of Hong Kong SAR, Korea, Singapore, and Taiwan.

The trade-weighted measures relate to all the countries or areas covered in the series. In these measures, data for Germany relate to the former West Germany. Estimates are computed for missing country data using the average trend in other economies to estimate the missing data. Trade weighted average percent changes for the 30 foreign economies are computed both including and excluding Brazil, Mexico and Israel because their rapid rates of inflation and currency changes in several years distort the trade-weighted averages.

The trade-weighted average rates of change are computed as the trade-weighted arithmetic average of the rates of change for the individual countries or areas; the trade-weighted average hourly compensation costs are computed as the trade-weighted arithmetic average of cost levels for the individual countries or areas. Rates of change derived from the trade-weighted average hourly compensation cost levels need not be the same as the trade-weighted average rates of change.

Data limitations

Because compensation is partly estimated, the statistics should not be considered as precise measures of comparative compensation costs. In addition, the figures are subject to revision as the results of new labor cost surveys or other data used to estimate compensation costs become available.

The comparative level figures in this report are averages for all manufacturing industries and are not necessarily representative of all component industries. In the United States and some other countries, such as Japan, differentials in hourly compensation cost levels by industry are fairly wide. In contrast, some countries, such as Denmark and Sweden, have narrow differentials, while others, such as Brazil and Mexico, have very wide differentials.

Labor costs versus labor income

The hourly compensation figures in U.S. dollars shown in the tables provide comparative measures of employer labor costs; they do not provide intercountry comparisons of the purchasing power of worker incomes. Prices of goods and services vary greatly among countries, and the commercial market exchange rates used to compare employer labor costs do not reliably indicate relative differences in prices. Purchasing power parities that is, the number of foreign currency units required to buy goods and services equivalent to what can be purchased with one unit of U.S. or other base-country currency must be used for meaningful international comparisons of the relative purchasing power of worker incomes.

Total compensation converted to U.S. dollars at purchasing power parities would provide one measure for comparing relative real levels of labor income. It should be noted, however, that total compensation includes employer payments to funds for the benefit of workers in addition to payments made directly to workers. (For a few countries, the compensation measures also include taxes or subsidies on payrolls or employment even if they do not finance programs which directly benefit workers.) Payments into these funds provide either deferred income (for example, payments to retirement funds), a type of insurance (for example, payments to unemployment or health benefit funds), or current social benefits (for example, family allowances), and the relationship between employer payments and current or future worker benefits is indirect. On the other hand, excluding these payments would understate the total value of income derived from work because they substitute for worker savings or self-insurance to cover retirement, medical costs, etc.

Total compensation, because it takes account of employer payments into funds for the benefit of workers, is a broader income concept than either total direct earnings or direct spendable earnings. An even broader concept would take account of all social benefits available to workers, including those financed out of general revenues as well as those financed through employment or payroll taxes.

Table 1. Indexes of hourly compensation costs for production workers in manufacturing, 31 countries or areas and selected economic groups, selected years, 1975-2003

Country or area	1975	1980	1985	1990	1995	2000	2001	2002	2003
Americas									
United States.....	100	100	100	100	100	100	100	100	100
Brazil.....	-	-	-	-	-	18	14	12	12
Canada.....	99	92	88	111	97	85	80	79	88
Mexico.....	24	23	13	11	9	11	12	12	11
Asia and Oceania									
Australia.....	91	88	65	89	91	74	66	73	91
Hong Kong SAR (1).....	12	16	14	22	28	28	28	27	25
Israel.....	33	35	29	52	56	59	60	52	53
Japan.....	48	57	49	85	138	112	95	88	91
Korea.....	5	10	10	25	43	42	38	43	47
New Zealand.....	50	53	34	54	57	41	37	41	51
Singapore.....	14	15	19	25	42	38	36	33	34
Sri Lanka.....	5	2	2	2	3	2	2	2	-
Taiwan.....	6	11	12	26	35	32	30	27	27
Europe									
Austria.....	73	92	60	122	148	99	94	98	116
Belgium.....	104	136	70	130	162	111	103	108	126
Czech Republic.....	-	-	-	-	15	15	15	18	21
Denmark.....	101	112	64	125	149	117	115	121	146
Finland.....	75	86	65	144	143	100	98	103	124
France.....	73	92	59	104	113	79	77	81	96
Germany, Former West.....	102	126	74	148	184	122	116	121	142
Germany.....	-	-	-	-	177	116	111	115	136
Greece.....	27	39	29	45	53	-	-	-	-
Ireland.....	50	63	47	80	81	66	67	73	87
Italy.....	75	84	60	117	93	72	68	71	84
Luxembourg.....	101	120	59	109	137	90	85	89	105
Netherlands.....	107	125	69	122	141	99	97	102	122
Norway.....	112	123	82	148	146	116	115	129	144
Portugal.....	25	21	12	24	30	23	23	24	28
Spain.....	41	61	36	77	75	55	53	56	68
Sweden.....	116	129	76	141	126	104	91	96	115
Switzerland.....	98	114	75	140	170	108	106	113	127
United Kingdom.....	55	78	49	86	81	86	81	85	93
Trade-weighted measures (2,3)									
All 30 foreign economies..	-	-	-	-	-	73	68	67	75
less Brazil, Czech									
Republic.....	63	68	53	81	90	74	69	68	76
OECD (4,5).....	68	74	57	88	96	78	72	73	81
Europe (5).....	81	101	62	116	127	95	90	95	110
European Union-15 (6).....	80	100	61	115	125	94	90	94	109
Asian NIEs (7).....	8	12	13	25	38	36	33	33	34

Dash means data not available.

- (1) Hong Kong special administrative region of China.
- (2) Because data for Germany are not available before 1993, data for the former West Germany only are included in the trade-weighted measures.
- (3) For description of trade-weighted measures and economic groups, see the Technical Notes preceding these tables.
- (4) Organization for Economic Cooperation and Development.
- (5) Data for the Czech Republic are not included for 1975-1994.
- (6) European Union-15 refers to European Union member countries prior to the expansion of the European Union to 25 countries on May 1, 2004.
- (7) The Asian NIEs are Hong Kong, Korea, Singapore and Taiwan.

Source: U.S. Department of Labor, Bureau of Labor Statistics, November 2004.

Table 2. Hourly compensation costs in U.S. dollars for production workers in manufacturing, 31 countries or areas and selected economic groups, selected years, 1975-2003

Country or area	1975	1980	1985	1990	1995	2000	2001	2002	2003
Americas									
United States.....	6.16	9.63	12.71	14.72	17.02	19.46	20.29	21.11	21.97
Brazil.....	-	-	-	-	-	3.50	2.94	2.53	2.67
Canada.....	6.11	8.87	11.20	16.33	16.50	16.48	16.24	16.68	19.28
Mexico.....	1.47	2.21	1.59	1.58	1.46	2.19	2.51	2.60	2.48
Asia and Oceania									
Australia.....	5.62	8.47	8.21	13.14	15.42	14.48	13.31	15.50	20.05
Hong Kong SAR (1).....	0.75	1.50	1.73	3.22	4.80	5.45	5.74	5.66	5.54
Israel.....	2.03	3.41	3.66	7.71	9.50	11.49	12.26	11.01	11.73
Japan.....	2.97	5.46	6.27	12.54	23.55	21.89	19.25	18.49	20.09
Korea.....	0.32	0.95	1.23	3.69	7.26	8.23	7.69	9.00	10.28
New Zealand.....	3.10	5.14	4.30	8.01	9.78	7.91	7.53	8.63	11.13
Singapore.....	0.84	1.48	2.45	3.73	7.23	7.36	7.28	6.90	7.41
Sri Lanka.....	0.28	0.22	0.28	0.35	0.48	0.48	0.45	0.49	-
Taiwan.....	0.38	1.02	1.50	3.89	5.88	6.18	6.03	5.73	5.84
Europe									
Austria.....	4.50	8.87	7.57	17.91	25.26	19.17	19.08	20.69	25.38
Belgium.....	6.39	13.07	8.94	19.10	27.53	21.53	20.98	22.74	27.73
Czech Republic.....	-	-	-	-	2.53	2.83	3.13	3.83	4.71
Denmark.....	6.24	10.77	8.10	18.35	25.43	22.76	23.26	25.62	32.18
Finland.....	4.63	8.30	8.20	21.15	24.31	19.44	19.85	21.78	27.17
France.....	4.50	8.90	7.48	15.36	19.26	15.46	15.65	17.12	21.13
Germany, Former West.....	6.26	12.16	9.46	21.71	31.40	23.66	23.55	25.44	31.25
Germany.....	-	-	-	-	30.08	22.65	22.54	24.34	29.91
Greece.....	1.69	3.72	3.65	6.69	8.94	-	-	-	-
Ireland.....	3.06	6.03	6.00	11.78	13.77	12.76	13.64	15.31	19.14
Italy.....	4.64	8.09	7.56	17.28	15.91	14.05	13.81	14.97	18.35
Luxembourg.....	6.22	11.51	7.48	16.00	23.36	17.51	17.21	18.71	23.11
Netherlands.....	6.58	12.05	8.73	17.98	24.03	19.33	19.65	21.62	26.84
Norway.....	6.90	11.80	10.47	21.76	24.84	22.66	23.29	27.29	31.55
Portugal.....	1.52	1.98	1.46	3.59	5.09	4.49	4.59	5.07	6.23
Spain.....	2.52	5.86	4.64	11.30	12.70	10.66	10.76	11.93	14.96
Sweden.....	7.14	12.44	9.61	20.82	21.46	20.18	18.39	20.23	25.18
Switzerland.....	6.03	10.96	9.55	20.63	28.99	21.02	21.60	23.84	27.87
United Kingdom.....	3.39	7.52	6.23	12.62	13.79	16.82	16.50	17.89	20.37
Trade-weighted measures (2,3)									
All 30 foreign economies..	-	-	-	-	-	14.16	13.70	14.22	16.42
less Brazil, Czech									
Republic.....	3.86	6.54	6.73	11.99	15.35	14.37	13.92	14.45	16.69
OECD (4,5).....	4.21	7.11	7.26	12.88	16.35	15.20	14.69	15.32	17.79
Europe (5).....	5.01	9.75	7.88	17.10	21.66	18.42	18.34	20.00	24.22
European Union-15 (6).....	4.94	9.67	7.77	16.88	21.33	18.31	18.19	19.80	24.05
Asian NIEs (7).....	0.51	1.16	1.64	3.70	6.46	6.99	6.79	7.02	7.57

Dash means data not available.

(1) Hong Kong special administrative region of China.

(2) Because data for Germany are not available before 1993, data for the former West Germany only are included in the trade-weighted measures.

(3) For description of trade-weighted measures and economic groups, see the Technical Notes preceding these tables.

(4) Organization for Economic Cooperation and Development.

(5) Data for the Czech Republic are not included for 1975-1994.

(6) European Union-15 refers to European Union member countries prior to the expansion of the European Union to 25 countries on May 1, 2004.

(7) The Asian NIEs are Hong Kong, Korea, Singapore and Taiwan.

Source: U.S. Department of Labor, Bureau of Labor Statistics, November 2004.

Table 3. Annual percent change in hourly compensation costs in U.S. dollars for production workers in manufacturing, 31 countries or areas and selected economic groups, selected years, 1975-2003

Country or area	1975- 2003(1)	1975- 1980	1980- 1985	1985- 1990	1990- 1995	1995- 2000	2000- 2003	2002	2003
Americas									
United States.....	4.6	9.3	5.7	3.0	3.0	2.7	4.1	4.0	4.1
Brazil.....	-	-	-	-	-	-	-8.6	-13.7	5.4
Canada.....	4.2	7.7	4.8	7.8	.2	.0	5.4	2.7	15.6
Mexico.....	1.9	8.5	-6.3	-.2	-1.5	8.4	4.2	3.6	-4.9
Asia and Oceania									
Australia.....	4.6	8.6	-.6	9.9	3.3	-1.3	11.5	16.4	29.4
Hong Kong SAR (2).....	7.4	14.8	2.8	13.2	8.3	2.6	.6	-1.4	-2.1
Israel.....	6.5	11.0	1.4	16.1	4.3	3.9	.7	-10.2	6.5
Japan.....	7.1	13.0	2.8	14.8	13.4	-1.5	-2.8	-4.0	8.6
Korea.....	13.2	24.3	5.2	24.6	14.5	2.5	7.7	17.0	14.3
New Zealand.....	4.7	10.7	-3.5	13.3	4.1	-4.1	12.0	14.6	29.0
Singapore.....	8.1	12.0	10.6	8.8	14.2	.4	.2	-5.2	7.4
Sri Lanka.....	2.1	-5.0	5.2	4.7	6.4	.0	-	10.1	-
Taiwan.....	10.3	21.9	8.1	21.0	8.6	1.0	-1.9	-5.1	2.1
Europe									
Austria.....	6.4	14.5	-3.1	18.8	7.1	-5.4	9.8	8.4	22.7
Belgium.....	5.4	15.4	-7.3	16.4	7.6	-4.8	8.8	8.4	22.0
Czech Republic.....	-	-	-	-	-	2.3	18.5	22.3	23.1
Denmark.....	6.0	11.5	-5.5	17.8	6.7	-2.2	12.2	10.2	25.6
Finland.....	6.5	12.4	-.2	20.9	2.8	-4.4	11.8	9.7	24.7
France.....	5.7	14.6	-3.4	15.5	4.6	-4.3	11.0	9.4	23.4
Germany, Former West.....	5.9	14.2	-4.9	18.1	7.7	-5.5	9.7	8.0	22.9
Germany.....	-	-	-	-	-	-5.5	9.7	8.0	22.9
Greece.....	7.4	17.2	-.4	12.9	6.0	-	-	-	-
Ireland.....	6.8	14.5	-.1	14.5	3.2	-1.5	14.5	12.2	25.0
Italy.....	5.0	11.8	-1.3	18.0	-1.6	-2.5	9.3	8.4	22.6
Luxembourg.....	4.8	13.1	-8.3	16.4	7.9	-5.6	9.7	8.7	23.5
Netherlands.....	5.2	12.9	-6.2	15.6	6.0	-4.3	11.6	10.0	24.1
Norway.....	5.6	11.3	-2.4	15.8	2.7	-1.8	11.7	17.2	15.6
Portugal.....	5.2	5.4	-5.8	19.7	7.3	-2.5	11.6	10.3	23.0
Spain.....	6.6	18.4	-4.6	19.5	2.4	-3.4	12.0	10.8	25.5
Sweden.....	4.6	11.7	-5.0	16.7	.6	-1.2	7.7	10.0	24.5
Switzerland.....	5.6	12.7	-2.7	16.7	7.0	-6.2	9.9	10.4	16.9
United Kingdom.....	6.6	17.3	-3.7	15.2	1.8	4.1	6.6	8.4	13.8
Trade-weighted measures (3,4)									
All 30 foreign economies..	-	-	-	-	-	-	4.5	3.4	11.9
less Brazil, Czech									
Republic.....	5.6	12.1	.6	11.7	4.7	.5	4.8	3.7	12.0
OECD (5,6).....	5.2	11.6	-.2	11.3	4.1	.4	5.4	4.7	13.0
Europe (6).....	5.9	14.5	-4.0	16.6	4.4	-2.5	9.6	9.1	21.0
European Union-15 (7).....	5.9	14.6	-4.0	16.6	4.2	-2.3	9.5	8.9	21.2
Asian NIEs (8).....	10.4	19.6	7.0	18.5	11.7	1.6	2.0	2.5	6.6

Rates of change based on compound rate method.

Dash means data not available.

(1) 1975-2002 for Sri Lanka. 1975-1998 for Greece.

(2) Hong Kong special administrative region of China.

(3) Because data for Germany are not available before 1993, data for the former West Germany only are included in the trade-weighted measures.

(4) Trade-weighted percent changes computed as the trade-weighted average of the rates of change for the individual countries or areas. For description of trade-weighted measures and economic groups, see the Technical Notes preceding these tables.

(5) Organization for Economic Cooperation and Development.

(6) Data for the Czech Republic are not included for 1975-2003, 1975-1980, 1980-1985, 1985-1990, and 1990-1995.

(7) European Union-15 refers to European Union member countries prior to the expansion of the European Union to 25 countries on May 1, 2004.

(8) The Asian NIEs are Hong Kong, Korea, Singapore and Taiwan.

Source: U.S. Department of Labor, Bureau of Labor Statistics, November 2004.

Table 4. Annual percent change in hourly compensation costs in national currency for production workers in manufacturing, 31 countries or areas and selected economic groups, selected years, 1975-2003

Country or area	1975- 2003(1)	1975- 1980	1980- 1985	1985- 1990	1990- 1995	1995- 2000	2000- 2003	2002	2003
Americas									
United States.....	4.6	9.3	5.7	3.0	3.0	2.7	4.1	4.0	4.1
Brazil.....	-	-	-	-	-	-	8.6	7.2	11.0
Canada.....	5.4	10.8	8.1	4.5	3.5	1.6	3.3	4.1	3.1
Mexico.....	29.7	22.5	51.8	61.1	16.2	17.2	8.8	7.2	6.2
Asia and Oceania									
Australia.....	7.3	11.6	9.6	7.5	4.3	3.6	7.3	10.6	8.0
Hong Kong SAR (2).....	9.1	14.9	12.5	13.2	8.2	2.7	.6	-1.4	-2.3
Israel.....	46.2	68.3	200.9	29.2	13.0	10.4	4.5	1.2	2.4
Japan.....	3.5	7.0	3.9	4.0	4.0	1.3	-.4	-1.1	.6
Korea.....	16.9	30.0	13.1	19.6	16.5	10.7	9.6	13.2	9.0
New Zealand.....	7.4	15.6	10.3	9.2	2.1	3.0	3.2	3.7	2.5
Singapore.....	6.9	9.8	11.2	4.6	8.7	4.4	.5	-5.3	4.4
Sri Lanka.....	12.5	12.7	16.2	13.1	11.7	8.5	-	17.8	-
Taiwan.....	9.9	20.6	10.3	11.9	8.3	4.4	1.3	-3.1	1.7
Europe									
Austria.....	5.0	7.9	6.4	5.3	4.7	2.3	2.6	2.7	2.5
Belgium.....	5.3	10.2	6.8	3.8	4.9	3.0	1.7	2.6	1.9
Czech Republic.....	-	-	-	-	-	10.3	6.7	5.3	6.1
Denmark.....	6.6	11.1	7.2	5.8	4.6	5.3	4.8	4.3	4.8
Finland.....	7.9	12.7	10.5	9.8	5.6	3.3	4.5	3.9	4.2
France.....	6.8	14.3	12.3	4.5	2.8	2.7	3.7	3.6	3.1
Germany, Former West.....	4.6	7.5	4.8	4.8	5.1	2.2	2.5	2.3	2.7
Germany.....	-	-	-	-	-	2.2	2.5	2.3	2.7
Greece.....	18.2	23.9	26.0	16.0	14.3	-	-	-	-
Ireland.....	8.4	16.3	13.9	4.8	3.9	4.9	7.0	6.3	4.5
Italy.....	8.7	18.0	15.8	7.5	4.6	2.6	2.1	2.6	2.4
Luxembourg.....	4.7	8.0	5.7	3.8	5.2	2.1	2.5	3.0	3.2
Netherlands.....	4.2	7.6	3.9	2.5	3.3	3.7	4.2	4.2	3.7
Norway.....	6.7	10.1	9.1	8.6	3.0	4.9	3.8	4.0	2.5
Portugal.....	12.7	20.7	20.5	15.3	8.3	5.0	4.2	4.4	2.8
Spain.....	10.2	23.8	13.4	7.9	6.6	4.0	4.6	4.9	4.8
Sweden.....	7.1	12.2	9.5	8.3	4.4	3.9	3.2	3.4	3.5
Switzerland.....	3.2	3.4	5.0	4.1	3.6	.7	1.8	1.7	1.0
United Kingdom.....	7.8	16.2	8.2	8.1	4.3	4.9	3.9	3.9	4.6
Trade-weighted measures (3,4)									
All 30 foreign economies..	-	-	-	-	-	-	3.8	3.5	3.6
less Brazil, Czech									
Republic.....	10.4	14.5	17.2	14.6	6.8	5.1	3.7	3.4	3.5
OECD (5,6).....	10.0	13.5	15.0	14.8	6.5	5.1	4.0	4.1	3.6
Europe (6).....	6.5	12.4	8.7	5.8	4.4	3.3	3.4	3.4	3.3
European Union-15 (7).....	6.6	12.8	8.8	5.9	4.4	3.4	3.5	3.5	3.4
Asian NIEs (8).....	11.4	20.6	11.7	13.1	11.0	6.2	3.7	1.9	4.1

Rates of change based on compound rate method.

Dash means data not available.

(1) 1975-2002 for Sri Lanka. 1975-1998 for Greece.

(2) Hong Kong special administrative region of China.

(3) Because data for Germany are not available before 1993, data for the former West Germany only are included in the trade-weighted measures.

(4) Trade-weighted percent changes computed as the trade-weighted average of the rates of change for the individual countries or areas. For description of trade-weighted measures and economic groups, see the Technical Notes preceding these tables.

(5) Organization for Economic Cooperation and Development.

(6) Data for the Czech Republic are not included for 1975-2003, 1975-1980, 1980-1985, 1985-1990, and 1990-1995.

(7) European Union-15 refers to European Union member countries prior to the expansion of the European Union to 25 countries on May 1, 2004.

(8) The Asian NIEs are Hong Kong, Korea, Singapore and Taiwan.

Source: U.S. Department of Labor, Bureau of Labor Statistics, November 2004.

Table 5. Annual percent change in exchange rates (U.S. dollars per national currency unit), 31 countries or areas and selected economic groups, selected years, 1975-2003

Country or area	1975- 2003(1)	1975- 1980	1980- 1985	1985- 1990	1990- 1995	1995- 2000	2000- 2003	2002	2003
Americas									
United States.....	-	-	-	-	-	-	-	-	-
Brazil.....	-	-	-	-	-	-	-15.9	-19.4	-5.0
Canada.....	-1.1	-2.7	-3.1	3.2	-3.2	-1.6	2.0	-1.3	12.1
Mexico.....	-21.5	-11.5	-38.3	-38.0	-15.2	-7.5	-4.3	-3.4	-10.5
Asia and Oceania									
Australia.....	-2.5	-2.7	-9.3	2.2	-1.0	-4.7	3.9	5.2	19.9
Hong Kong SAR (2).....	-1.6	-.1	-8.6	.0	.1	-.1	.0	.0	.2
Israel.....	-27.2	-34.1	-66.3	-10.2	-7.7	-5.9	-3.6	-11.2	4.0
Japan.....	3.4	5.6	-1.1	10.5	9.1	-2.7	-2.4	-2.9	8.0
Korea.....	-3.2	-4.4	-6.9	4.2	-1.7	-7.4	-1.7	3.4	4.9
New Zealand.....	-2.6	-4.3	-12.6	3.7	1.9	-7.0	8.5	10.5	25.8
Singapore.....	1.1	2.1	-.5	3.9	5.1	-3.9	-.3	.1	2.9
Sri Lanka.....	-9.2	-15.7	-9.5	-7.5	-4.8	-7.8	-	-6.6	-
Taiwan.....	.4	1.1	-2.0	8.2	.3	-3.2	-3.1	-2.1	.4
Europe									
Austria.....	1.3	6.1	-9.0	12.8	2.4	-7.5	7.0	5.6	19.7
Belgium.....	.1	4.7	-13.2	12.2	2.5	-7.6	7.0	5.6	19.7
Czech Republic.....	-	-	-	-	-	-7.2	11.0	16.2	16.1
Denmark.....	-.5	.4	-11.9	11.4	2.0	-7.1	7.2	5.7	19.9
Finland.....	-1.3	-.3	-9.7	10.1	-2.6	-7.4	7.0	5.6	19.7
France.....	-1.1	.3	-14.0	10.5	1.8	-6.8	7.0	5.6	19.7
Germany, Former West.....	1.3	6.2	-9.2	12.7	2.5	-7.5	7.0	5.6	19.7
Germany.....	-	-	-	-	-	-7.5	7.0	5.6	19.7
Greece.....	-9.2	-5.4	-21.0	-2.7	-7.3	-	-	-	-
Ireland.....	-1.5	-1.5	-12.3	9.2	-.7	-6.1	7.0	5.6	19.7
Italy.....	-3.4	-5.3	-14.8	9.8	-6.0	-4.9	7.0	5.6	19.7
Luxembourg.....	.1	4.7	-13.2	12.2	2.5	-7.6	7.0	5.6	19.7
Netherlands.....	.9	4.9	-9.8	12.7	2.6	-7.6	7.0	5.6	19.7
Norway.....	-1.1	1.1	-10.5	6.6	-.3	-6.4	7.6	12.7	12.7
Portugal.....	-6.7	-12.7	-21.9	3.8	-1.0	-7.1	7.0	5.6	19.7
Spain.....	-3.3	-4.3	-15.9	10.8	-3.9	-7.1	7.0	5.6	19.7
Sweden.....	-2.4	-.4	-13.2	7.8	-3.7	-4.9	4.3	6.4	20.3
Switzerland.....	2.4	9.0	-7.4	12.0	3.3	-6.9	7.9	8.5	15.8
United Kingdom.....	-1.1	.9	-11.0	6.6	-2.4	-.8	2.5	4.3	8.8
Trade-weighted measures (3,4)									
All 30 foreign economies..	-	-	-	-	-	-	.7	-.1	8.1
less Brazil, Czech									
Republic.....	-3.6	-1.6	-11.4	.2	-1.8	-4.2	1.0	.3	8.3
OECD (5,6).....	-3.6	-1.4	-11.4	-.1	-2.0	-4.3	1.4	.6	9.1
Europe (6).....	-.5	2.1	-11.5	10.2	.0	-5.6	6.0	5.6	17.1
European Union-15 (7).....	-.7	1.7	-11.7	10.2	-.2	-5.6	5.9	5.3	17.3
Asian NIEs (8).....	-.9	-.7	-4.2	4.9	.6	-4.3	-1.7	.4	2.3

Rates of change based on compound rate method.

Dash means data not available.

(1) 1975-2002 for Sri Lanka. 1975-1998 for Greece.

(2) Hong Kong special administrative region of China.

(3) Because data for Germany are not available before 1993, data for the former West Germany only are included in the trade-weighted measures.

(4) Trade-weighted percent changes computed as the trade-weighted average of the rates of change for the individual countries or areas. For description of trade-weighted measures and economic groups, see the Technical Notes preceding these tables.

(5) Organization for Economic Cooperation and Development.

(6) Data for the Czech Republic are not included for 1975-2003, 1975-1980, 1980-1985, 1985-1990, and 1990-1995.

(7) European Union-15 refers to European Union member countries prior to the expansion of the European Union to 25 countries on May 1, 2004.

(8) The Asian NIEs are Hong Kong, Korea, Singapore and Taiwan.

Source: U.S. Department of Labor, Bureau of Labor Statistics, November 2004.

Table 6. Hourly compensation costs in national currency units and exchange rates, 31 countries or areas, 2003

Country or area	Compensation costs	Exchange Rates
Americas		
United States.....	21.97	1.000
Brazil.....	8.22	3.076
Canada.....	27.01	1.401
Mexico.....	26.71	10.79
Asia and Oceania		
Australia.....	30.76	1.534
Hong Kong SAR (1).....	43.15	7.788
Israel.....	53.42	4.554
Japan.....	2329	116.0
Korea.....	12258	1192
New Zealand.....	19.05	1.712
Singapore.....	12.90	1.741
Sri Lanka.....	-	-
Taiwan.....	201.1	34.41
Europe		
Austria.....	22.43	.8838
Belgium.....	24.51	.8838
Czech Republic.....	132.9	28.21
Denmark.....	211.8	6.580
Finland.....	24.01	.8838
France.....	18.67	.8838
Germany.....	26.44	.8838
Greece.....	-	-
Ireland.....	16.92	.8838
Italy.....	16.22	.8838
Luxembourg.....	20.43	.8838
Netherlands.....	23.72	.8838
Norway.....	223.4	7.082
Portugal.....	5.51	.8838
Spain.....	13.22	.8838
Sweden.....	203.5	8.082
Switzerland.....	37.48	1.345
United Kingdom.....	12.46	.6120

Dash means data not available.

(1) Hong Kong special administrative region of China.

National currency units are: United States, dollar; Canada, dollar; Brazil, real; Mexico, peso; Australia, dollar; Hong Kong, dollar; Israel, new shekel; Japan, yen; Korea, won; New Zealand, dollar; Singapore, dollar; Sri Lanka, rupee; Taiwan, dollar; Austria, euro; Belgium, euro; Czech Republic, koruna; Denmark, krone; Finland, euro; France, euro; Germany, euro; Greece, euro; Ireland, euro; Italy, euro; Luxembourg, euro; Netherlands, euro; Norway, krone; Portugal, euro; Spain, euro; Sweden, krona; Switzerland, franc; United Kingdom, pound.

Note: For data for all years 1975-2003, see the supplementary tables to this news release at <http://www.bls.gov/fls>.

Source: U.S. Department of Labor, Bureau of Labor Statistics, November 2004.