

# News

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## EMPLOYMENT COST INDEX—DECEMBER 1999

The Employment Cost Index for December 1999 was 144.6 (June 1989=100), not seasonally adjusted, an increase of 3.4 percent from December 1998, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The Employment Cost Index (ECI) measures changes in compensation costs, which include wages, salaries, and employer costs for employee benefits.

### Quarterly changes, seasonally adjusted

On a seasonally adjusted basis, the 3-month increase in compensation costs for civilian workers (nonfarm private industry plus State and local government) was 1.1 percent during the September-December 1999 period, following a gain of 0.8 percent in June-September. Wages and salaries increased 0.9 percent during the September-December 1999 period, the same increase as in the previous quarter. Benefit costs rose 1.3 percent during the December 1999 quarter, up from a 0.8 percent increase in the September 1999 quarter.

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

Compensation Component	Mar. 1998	June 1998	Sep. 1998	Dec. 1998	Mar. 1999	June 1999	Sep. 1999	Dec. 1999
<b>Civilian workers</b>								
Compensation costs	0.7	0.9	0.9	0.7	0.4	1.1	0.8	1.1
Wages and salaries	0.9	0.9	1.1	0.7	0.5	1.2	0.9	0.9
Benefit costs	0.4	0.7	0.7	0.6	0.3	0.9	0.8	1.3
<b>Private industry</b>								
Compensation costs	0.7	0.9	1.0	0.7	0.4	1.2	0.8	1.0
Wages and salaries	0.9	1.0	1.2	0.7	0.4	1.2	0.8	1.0
Benefit costs	0.4	0.7	0.6	0.7	0.2	1.0	0.9	1.4
<b>State and local government</b>								
Compensation costs	0.7	0.7	0.7	0.7	0.6	0.8	0.8	1.1
Wages and salaries	0.7	0.7	0.7	0.8	0.6	1.0	0.9	1.1
Benefit costs	0.7	0.7	0.9	0.6	0.6	0.6	0.3	1.4

The 3-month increase in compensation costs for private industry workers was 1.0 percent during the September-December 1999 period. The gain in wages and salaries also was 1.0 percent in December; in September, it was 0.8 percent. Benefit costs showed a 3-month rise of 1.4 percent during the December quarter, compared with 0.9 percent during the September period. (See tables A and 1.)

Compensation costs for State and local government workers increased 1.1 percent during the September-December 1999 period; in the September period, it was 0.8 percent. Wages and salaries rose 1.1 percent in December; in September, the increase was 0.9 percent. Benefit costs increased 1.4 percent in the December quarter, up from 0.3 percent in the previous quarter. The large increase in State and local government benefit costs was due, in part, to increases in health insurance and paid leave.

#### Over-the-year changes, not seasonally adjusted

Compensation costs for civilian workers (not seasonally adjusted) increased 3.4 percent for the year ended in December 1999. This compares with over-the-year increases of 3.4 percent in December 1998 and 3.3 percent in December 1997. Compensation costs in private industry also rose 3.4 percent in December 1999, following increases of 3.5 percent in December 1998 and 3.4 percent in December 1997. Compensation costs in State and local government increased 3.4 percent for the year ended December 1999; over-the-year increases were 3.0 percent in December 1998 and 2.3 percent in December 1997. (See tables B, 2, and 3.)

#### Nonfarm private industry

In private industry, wages and salaries rose 3.5 percent for the year ended December 1999, after increasing 3.9 percent in the year ended December 1998. (See tables B and 6.) Benefit costs for private industry workers increased 3.4 percent for the year ended in December 1999, compared with 2.4 percent in December 1998. (See chart A and tables B and 8.)

In private industry, over-the-year compensation cost increases were 3.5 percent for white-collar occupations, 3.3 percent for blue-collar occupations, and 3.3 percent for service occupations. (See table 3.)

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

Compensation Component	Dec. 1994	Dec. 1995	Dec. 1996	Dec. 1997	Dec. 1998	Dec. 1999
<b>Civilian workers</b>						
Compensation costs	3.0	2.7	2.9	3.3	3.4	3.4
Wages and salaries	2.8	2.9	3.3	3.8	3.7	3.5
Benefit costs	3.4	2.3	2.0	2.1	2.6	3.3
<b>Private industry</b>						
Compensation costs	3.1	2.6	3.1	3.4	3.5	3.4
Wages and salaries	2.8	2.8	3.4	3.9	3.9	3.5
Benefit costs	3.7	2.2	2.0	2.3	2.4	3.4
<b>State and local government</b>						
Compensation costs	3.0	2.9	2.6	2.3	3.0	3.4
Wages and salaries	3.1	3.2	2.8	2.7	3.1	3.6
Benefit costs	2.8	2.6	2.2	1.3	3.0	2.8

For the year ended December 1999, the private industry compensation cost increase was 3.4 percent for both service-producing and goods-producing industries. For the year ended in December 1998, compensation costs rose 3.8 percent in service-producing industries and 2.8 percent in goods-producing industries. (See table 3.)

The compensation cost change for nonunion workers in private industry was 3.6 percent over the year, while the change for union workers was 2.7 percent. In service-producing industries, union compensation increased 2.1 percent, and nonunion compensation increased 3.6 percent. In goods-producing industries, the increase for union workers was 3.2 percent, and the increase for nonunion workers was 3.5 percent. Compensation in blue-collar occupations increased 2.7 percent for union workers and 3.7 percent for nonunion workers. (See table 4.)

#### State and local government

In State and local government, the December 1999 over-the-year increase in wages and salaries was 3.6 percent, as compared with a 3.1 percent increase in December 1998. Benefit costs in December 1999 increased 2.8 percent. In December 1998, the increase was 3.0 percent. (See tables 5 and 8.)

#### NOTES:

The new seasonal factors for 2000, along with revised seasonally adjusted indexes for the past five years, will be available Tuesday, April 25, 2000. The ECI for March 2000 is scheduled to be released Thursday, April 27, 2000, at 8:30 a.m. (EDT).

In June 2000, the Bureau of Labor Statistics plans to expand the definition of nonproduction bonuses in the ECI to represent better the compensation packages offered to employees. In addition to the traditional types of nonproduction bonuses, such as attendance bonuses and lump sum payments, the ECI will include hiring and referral bonuses. Hiring bonuses are payments made by the employer to induce an individual to accept employment; referral bonuses are made by the employer to an employee for recommending an applicant who is hired by the establishment.

As part of its ongoing research program, the Bureau of Labor Statistics is currently conducting research on stock option plans. This research will be completed in stages. Beginning in early 2000, the BLS will conduct a test survey of the incidence of stock option plans across all industries and occupations. The prevalence of these plans, based on test results, and the potential impact on compensation costs will determine the next stage of research. The results of the incidence survey will be published in late 2000.

ECI data are available on the ECI home page (<http://stats.bls.gov/ecthome.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 ([labstat.helpdesk@bls.gov](mailto:labstat.helpdesk@bls.gov)). For ECI data requests, send e-mail to ([ocltinfo@bls.gov](mailto:ocltinfo@bls.gov)).

The ECI news release is now available through an e-mail subscription service. Please see the subscription link on (<http://stats.bls.gov/ecthome.htm>) or (<http://stats.bls.gov/newsrels.htm>).

News releases and other information are available from the BLS fax-on-demand service. To request a document fax, call (202) 606-6325. To request a catalog of available documents, select option 2 at the initial voice prompt. To request data found in this news release, enter the following codes:

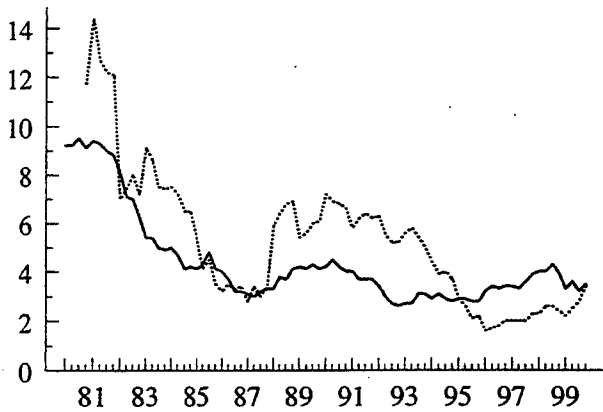
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# Employment Cost Index

**Chart A. Changes in wages and salaries and benefit costs, private industry**

Wages & salaries — Benefits —

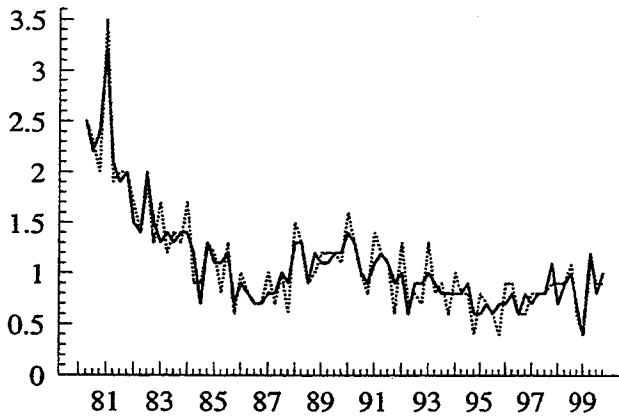
12-month percent change



**Chart B. Changes in compensation, seasonally adjusted and not seasonally adjusted, private industry**

Seasonally adjusted — Not seasonally adjusted —

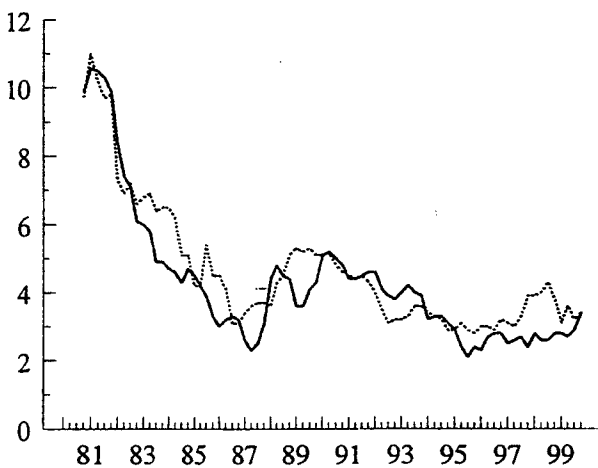
3-month percent change



**Chart C. Changes in compensation, goods-producing and service-producing sectors, private industry**

Goods-producing — Service-producing —

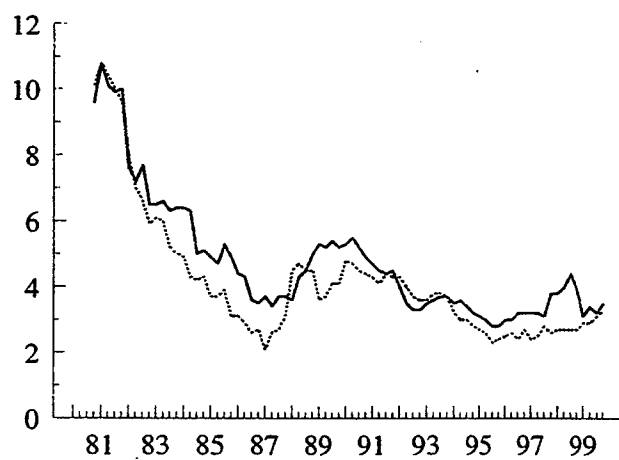
12-month percent change



**Chart D. Changes in compensation, white-collar and blue-collar occupations, private industry**

White-collar — Blue-collar —

12-month percent change



**Table 1. Employment Cost Index for total compensation<sup>1</sup>, 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—							
	Sep. 1999	Dec. 1999	Mar. 1998	June 1998	Sep. 1998	Dec. 1998	Mar. 1999	June 1999	Sep. 1999	Dec. 1999
<b>TOTAL COMPENSATION</b>										
Civilian workers .....	142.9	144.5	0.7	0.9	0.9	0.7	0.4	1.1	0.8	1.1
State and local government .....	142.6	144.2	.7	.7	.7	.7	.6	.8	.8	1.1
Private industry .....	143.0	144.5	.7	.9	1.0	.7	.4	1.2	.8	1.0
<b>Industry</b>										
Goods producing <sup>2</sup> .....	141.0	142.5	.7	.8	.7	.5	.7	.6	.9	1.1
Construction <sup>3</sup> .....	137.5	139.0	.7	1.2	.4	1.2	1.0	.5	.7	1.1
Manufacturing .....	142.0	143.6	.7	.6	.7	.6	.6	.6	.9	1.1
Durables .....	142.2	144.0	.7	.6	.7	.6	.6	.7	.9	1.3
Nondurables .....	141.6	143.0	.8	.6	.8	.5	.8	.6	.9	1.0
Service producing <sup>4</sup> .....	143.9	145.5	.7	.9	1.2	.8	.1	1.4	.8	1.1
Transportation and public utilities <sup>5</sup> .....	141.8	142.5	.9	1.2	.9	.7	.0	1.1	.6	.5
Wholesale trade <sup>3</sup> .....	146.3	148.8	1.6	.6	1.7	1.6	-3	1.3	1.3	1.7
Retail trade .....	139.6	141.0	.9	.8	1.0	.2	.7	1.5	.4	1.0
Finance, insurance, and real estate <sup>3,6</sup> .....	147.6	148.3	1.6	1.2	1.9	1.1	-7	3.0	1.2	.5
Services .....	146.0	147.7	.5	.8	.9	.8	.5	.8	.9	1.2
Nonmanufacturing .....	143.2	144.7	.8	.9	1.1	.9	.2	1.3	.8	1.0
<b>Occupational group</b>										
White collar .....	145.5	147.2	.7	1.0	1.1	.9	.0	1.3	1.0	1.2
Blue collar .....	139.3	140.7	.5	.8	.7	.7	.7	.8	.9	1.0
Service .....	140.5	142.1	.9	.7	.8	.5	1.1	.9	.1	1.1
<b>WAGES AND SALARIES</b>										
Civilian workers .....	141.1	142.4	.9	.9	1.1	.7	.5	1.2	.9	.9
State and local government .....	141.7	143.2	.7	.7	.7	.8	.6	1.0	.9	1.1
Private industry .....	140.9	142.3	.9	1.0	1.2	.7	.4	1.2	.8	1.0
<b>Industry</b>										
Goods producing <sup>2,6</sup> .....	138.5	139.7	1.1	.9	.8	.7	.8	.7	.9	.9
Construction <sup>3</sup> .....	132.7	133.9	1.0	1.3	.2	1.0	1.2	.5	.8	.9
Manufacturing <sup>6</sup> .....	140.2	141.5	1.1	.7	1.0	.6	.8	.8	.9	.9
Durables <sup>6</sup> .....	140.4	141.8	1.1	.8	1.0	.7	.7	.9	.9	1.0
Nondurables .....	139.8	141.1	.9	.6	1.0	.7	.6	.6	.9	.9
Service producing <sup>4</sup> .....	142.0	143.4	.9	.9	1.4	.7	.3	1.4	.9	1.0
Transportation and public utilities <sup>5</sup> .....	137.5	137.9	.5	.8	1.0	.6	.1	1.3	.4	.3
Wholesale trade <sup>3</sup> .....	144.3	146.6	1.9	.4	1.8	1.5	-4	.9	1.5	1.6
Retail trade .....	138.6	139.9	.8	.9	1.3	.1	.9	1.4	.3	.9
Finance, insurance, and real estate <sup>3,6</sup> .....	144.5	145.2	1.5	1.7	2.4	1.2	-1.9	3.8	1.5	.5
Services .....	144.4	146.1	.7	.9	1.1	.7	.9	.8	.8	1.2
Nonmanufacturing .....	140.8	142.3	.8	1.0	1.2	1.0	.2	1.3	.8	1.1

See footnotes at end of table.

**Table 1. Employment Cost Index for total compensation<sup>1</sup>, 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—							
	Sep. 1999	Dec. 1999	Mar. 1998	June 1998	Sep. 1998	Dec. 1998	Mar. 1999	June 1999	Sep. 1999	Dec. 1999
<b>WAGES AND SALARIES—Continued</b>										
<b>Occupational group</b>										
White collar .....	143.4	145.0	0.9	1.0	1.4	0.9	0.1	1.4	0.9	1.1
Blue collar <sup>6</sup> .....	136.8	137.7	.9	.8	.8	.6	.8	1.0	.9	.7
Service .....	137.9	139.4	.8	.8	.8	.6	1.2	1.0	-.1	1.1
<b>BENEFIT COSTS</b>										
Civilian workers .....	147.5	149.4	.4	.7	.7	.6	.3	.9	.8	1.3
State and local government .....	144.7	146.7	.7	.7	.9	.6	.6	.6	.3	1.4
Private industry .....	148.1	150.1	.4	.7	.6	.7	.2	1.0	.9	1.4
<b>Industry</b>										
Goods producing <sup>2</sup> .....	146.2	148.4	-.1	.5	.4	.3	.7	.5	.8	1.5
Manufacturing .....	145.7	147.9	-.1	.4	.3	.1	.6	.5	1.0	1.5
Service producing <sup>4</sup> .....	149.3	151.1	.5	.8	.8	.9	-.1	1.3	1.0	1.2
Nonmanufacturing .....	149.3	151.0	.6	.8	.8	.8	.1	1.2	.9	1.1
<b>Occupational group</b>										
White collar .....	151.0	152.9	.5	.7	.8	.8	.0	1.1	1.1	1.3
Blue collar .....	144.7	146.2	.3	.6	.4	.5	.6	.7	.8	1.0
Service .....	148.2	150.0	.8	.3	.6	.3	1.0	.9	.4	1.2

<sup>1</sup> Includes wages, salaries, and employer costs for employee benefits.

<sup>2</sup> Includes mining, construction, and manufacturing.

<sup>3</sup> Average standard errors (SE) for the unadjusted series upon which this series is based exceeded 0.3 percent for 3-month changes and 0.6 percent for 12-month changes for the five years ending December 1996. To assist users in ascertaining the reliability of the series, SEs for estimates in this news release (excluding seasonally adjusted series) will be available on the

Internet site (<http://stats.bls.gov/ecthome.htm>). All series will continue to be published until further notice.

<sup>4</sup> Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.

<sup>5</sup> Estimates for transportation and public utilities reflect the changes in SIC coding. See Explanatory Notes for further information.

<sup>6</sup> No identifiable seasonality was found for this series.

**Table 2. Employment Cost Index for total compensation<sup>1</sup> 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—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Civilian workers</b> .....	139.8	143.3	144.6	0.6	1.1	0.9	3.4	3.1	3.4
Excluding sales occupations .....	139.5	143.2	144.5	.5	1.1	.9	3.1	3.2	3.6
<b>Industry</b>									
Goods producing <sup>2</sup> .....	137.9	141.2	142.5	.5	.9	.9	2.8	2.9	3.3
Manufacturing .....	138.9	142.1	143.6	.5	.9	1.1	2.7	2.8	3.4
Service producing <sup>3</sup> .....	140.4	144.0	145.3	.6	1.1	.9	3.6	3.2	3.5
Services .....	141.7	145.1	146.5	.6	1.3	1.0	3.0	3.1	3.4
Health services .....	139.1	142.7	144.3	.0	.9	1.1	.9	2.6	3.7
Hospitals .....	140.2	143.4	145.0	.6	.8	1.1	2.6	2.9	3.4
Educational services .....	141.0	144.6	145.8	.6	2.0	.8	2.9	3.1	3.4
Public administration <sup>4</sup> .....	139.9	142.4	144.4	.7	.6	1.4	3.6	2.5	3.2
Nonmanufacturing .....	139.9	143.4	144.7	.6	1.1	.9	3.6	3.2	3.4
<b>Occupational group</b>									
White collar .....	141.4	145.0	146.3	.6	1.2	.9	3.6	3.1	3.5
Excluding sales .....	141.2	145.1	146.4	.4	1.2	.9	3.1	3.2	3.7
Professional specialty and technical .....	141.0	143.9	145.3	.7	1.2	1.0	3.1	2.8	3.0
Executive, administrative, and managerial ...	141.8	147.3	148.6	.1	1.3	.9	3.3	4.0	4.8
Administrative support, including clerical .....	141.3	144.7	146.1	.6	.9	1.0	3.2	3.1	3.4
Blue collar .....	136.1	139.5	140.6	.6	.9	.8	2.8	3.1	3.3
Service .....	140.0	143.1	144.8	.4	.5	1.2	3.2	2.7	3.4
<b>State and local government</b> .....	139.8	143.1	144.6	.6	1.5	1.0	3.0	2.9	3.4
<b>Industry</b>									
Services .....	139.7	143.2	144.5	.5	1.9	.9	2.7	3.0	3.4
Excluding schools <sup>5,6</sup> .....	138.8	142.6	143.8	.1	1.6	.8	2.6	2.8	3.6
Health services .....	140.7	144.2	145.8	.3	1.5	1.1	2.6	2.8	3.6
Hospitals .....	141.2	144.8	146.3	.4	1.5	1.0	2.6	2.9	3.6
Educational services .....	139.6	143.1	144.4	.6	2.0	.9	2.7	3.1	3.4
Schools .....	139.9	143.5	144.7	.6	2.1	.8	2.7	3.2	3.4
Elementary and secondary .....	139.3	142.9	144.1	.4	2.1	.8	2.6	3.0	3.4
Colleges and universities .....	141.5	144.8	146.5	1.0	1.9	1.2	3.1	3.4	3.5
Public administration <sup>4</sup> .....	139.9	142.4	144.4	.7	.6	1.4	3.6	2.5	3.2
<b>Occupational group</b>									
White collar .....	139.3	142.6	144.0	.7	1.7	1.0	2.8	3.0	3.4
Professional specialty and technical .....	138.5	142.0	143.2	.6	1.9	.8	2.5	3.1	3.4
Executive, administrative, and managerial ...	141.6	144.5	146.1	.9	1.2	1.1	3.8	2.9	3.2
Administrative support, including clerical .....	140.3	143.0	145.0	.6	1.2	1.4	3.1	2.5	3.4
Blue collar .....	137.8	140.9	142.5	.7	1.0	1.1	2.7	3.0	3.4
Service .....	143.4	146.7	148.6	.3	1.0	1.3	4.1	2.6	3.6

<sup>1</sup> Includes wages, salaries, and employer costs for employee benefits.

<sup>2</sup> Includes mining, construction, and manufacturing.

<sup>3</sup> Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; service industries; and public administration.

<sup>4</sup> Includes executive, legislative, judicial, administrative, and regulatory activities of State and local governments, SIC's 91 through 96.

<sup>5</sup> Average standard errors (SE) for the series exceed 0.3 percent for 3-month changes and 0.6 percent for 12-month changes for the five years ending December 1996. To assist users in ascertaining the reliability of the series, SEs for estimates in this news release (excluding seasonally adjusted series) will be available on the Internet site (<http://stats.bls.gov/ecthome.htm>). All series will continue to be published until further notice.

<sup>6</sup> Formerly called hospitals and other services.

**Table 3. Employment Cost Index for total compensation<sup>1</sup> for private industry workers, by industry and occupational group**

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Private industry workers</b> .....	139.8	143.3	144.6	0.6	0.9	0.9	3.5	3.1	3.4
Excluding sales occupations .....	139.4	143.2	144.5	.4	.9	.9	3.1	3.2	3.7
<b>Industry</b>									
<b>Goods producing<sup>2</sup></b> .....	137.8	141.1	142.5	.5	.9	1.0	2.8	2.9	3.4
Excluding sales .....	137.2	140.5	141.8	.5	.9	.9	2.7	2.9	3.3
White collar .....	140.2	143.9	145.5	.4	.8	1.1	2.9	3.0	3.7
Excluding sales .....	138.8	142.5	143.9	.4	.8	1.0	2.8	3.0	3.7
Blue collar .....	136.3	139.4	140.7	.6	.8	.9	2.6	2.9	3.2
Construction <sup>3</sup> .....	134.3	137.9	138.7	.7	.7	.6	3.5	3.4	3.3
Manufacturing .....	138.9	142.1	143.6	.5	.9	1.1	2.7	2.8	3.4
White collar .....	140.5	144.3	145.8	.3	.9	1.0	2.8	3.0	3.8
Excluding sales .....	138.7	142.5	143.8	.3	.8	.9	2.5	3.0	3.7
Blue collar .....	137.7	140.5	142.1	.7	.8	1.1	2.5	2.7	3.2
Durables .....	139.2	142.3	144.0	.5	.9	1.2	2.6	2.7	3.4
Aircraft manufacturing (SIC 3721) .....	140.6	143.7	146.9	.9	.9	2.2	2.7	3.2	4.5
White collar .....	137.4	139.8	141.7	.0	.2	1.4	2.3	1.7	3.1
Blue collar .....	144.4	149.0	154.4	2.6	2.3	3.6	3.4	5.8	6.9
Nondurables .....	138.2	141.5	142.8	.4	.8	.9	2.8	2.8	3.3
Service producing <sup>4</sup> .....	140.5	144.1	145.3	.6	.9	.8	3.8	3.2	3.4
Excluding sales .....	140.6	144.6	145.9	.4	.9	.9	3.3	3.3	3.8
White collar .....	142.2	145.8	147.0	.7	1.0	.8	4.1	3.3	3.4
Excluding sales .....	142.8	147.0	148.3	.4	1.0	.9	3.4	3.4	3.9
Blue collar .....	134.8	139.1	139.8	.4	.9	.5	3.0	3.6	3.7
Service .....	137.8	140.8	142.4	.6	.2	1.1	2.9	2.8	3.3
Transportation and public utilities <sup>5</sup> .....	139.3	141.8	142.3	.6	.6	.4	3.8	2.4	2.2
Transportation <sup>3,5</sup> .....	137.3	138.7	139.5	.4	.4	.6	2.9	1.5	1.6
Public utilities .....	141.9	145.7	146.1	.9	.8	.3	5.0	3.6	3.0
Communications .....	141.7	146.1	146.0	.9	.8	-.1	5.7	4.0	3.0
Electric, gas, and sanitary services .....	142.1	145.1	146.1	.8	.6	.7	4.2	2.9	2.8
Wholesale and retail trade .....	138.2	142.2	143.5	.4	.8	.9	4.0	3.3	3.8
Excluding sales .....	138.8	142.8	144.3	.5	.6	1.1	3.6	3.4	4.0
Wholesale trade <sup>3</sup> .....	142.8	146.3	148.5	1.4	1.2	1.5	5.7	3.9	4.0
Excluding sales .....	141.2	145.8	147.4	.9	1.3	1.1	4.3	4.1	4.4
Retail trade .....	135.6	140.0	140.7	-.2	.6	.5	3.0	3.0	3.8
General merchandise stores <sup>3</sup> .....	134.0	137.2	138.3	.6	1.2	.8	3.1	3.0	3.2
Food stores <sup>3</sup> .....	132.7	137.0	138.1	-.7	1.0	.8	2.6	2.5	4.1
Finance, insurance, and real estate <sup>3</sup> .....	142.5	147.6	148.3	1.1	1.2	.5	5.9	4.7	4.1
Excluding sales .....	143.3	151.0	151.6	.1	1.5	.4	4.1	5.4	5.8
Banking, savings and loan, and other credit agencies <sup>3</sup> .....	146.7	159.3	159.8	-1.1	2.5	.3	4.3	7.3	8.9
Insurance <sup>3</sup> .....	141.7	144.5	145.8	-.1	.3	.9	5.1	1.8	2.9
Excluding sales .....	142.5	146.2	147.0	.6	.6	.5	2.8	3.2	3.2
Services .....	142.7	146.1	147.6	.6	1.0	1.0	3.0	3.0	3.4
Business services <sup>3</sup> .....	145.9	150.7	151.9	1.7	1.3	.8	5.3	5.0	4.1
Health services .....	139.0	142.6	144.2	.0	.8	1.1	.7	2.6	3.7
Hospitals .....	139.9	143.0	144.6	.6	.6	1.1	2.5	2.8	3.4
Nursing homes .....	-	-	-	.6	.9	1.1	3.2	3.7	4.2
Educational services .....	147.7	152.2	153.0	.5	2.4	.5	3.6	3.5	3.6
Colleges and universities .....	148.5	152.6	153.3	.5	2.0	.5	3.3	3.2	3.2

See footnotes at end of table.



**Table 3. Employment Cost Index for total compensation<sup>1</sup> 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—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Industry—Continued</b>									
<b>Nonmanufacturing industries</b> .....	139.7	143.4	144.5	0.6	1.0	0.8	3.7	3.2	3.4
White collar .....	142.0	145.6	146.9	.6	1.0	.9	4.0	3.2	3.5
Excluding sales .....	142.7	146.8	148.1	.5	1.0	.9	3.5	3.4	3.8
Blue collar .....	134.0	138.0	138.7	.4	.9	.5	3.0	3.4	3.5
Service .....	137.7	140.7	142.3	.6	.2	1.1	2.9	2.8	3.3
<b>Occupational group</b>									
<b>White collar</b> .....	142.0	145.6	146.9	.6	1.0	.9	3.9	3.2	3.5
Excluding sales .....	141.9	146.0	147.3	.4	1.0	.9	3.3	3.3	3.8
Professional specialty and technical .....	142.6	145.2	146.7	.7	.8	1.0	3.5	2.5	2.9
Executive, administrative, and managerial ...	141.8	147.7	149.1	-.1	1.3	.9	3.2	4.1	5.1
Sales <sup>3</sup> .....	142.6	144.1	145.3	1.6	1.1	.8	6.8	2.6	1.9
Administrative support, including clerical .....	141.4	145.0	146.2	.6	.9	.8	3.2	3.1	3.4
<b>Blue collar</b> .....	135.9	139.4	140.5	.5	.9	.8	2.7	3.1	3.3
Precision production, craft, and repair .....	136.1	139.6	140.6	.5	.9	.7	3.2	3.1	3.3
Machine operators, assemblers, and inspectors .....	136.8	139.9	141.4	.8	1.1	1.1	2.9	3.1	3.4
Transportation and material moving .....	130.7	134.4	135.2	.0	.6	.6	1.4	2.8	3.4
Handlers, equipment cleaners, helpers, and laborers .....	139.2	143.2	144.4	.5	.6	.8	2.5	3.4	3.7
<b>Service</b> .....	138.0	141.0	142.6	.5	.3	1.1	2.9	2.7	3.3
<b>Production and nonsupervisory occupations<sup>6</sup></b> .....	139.0	141.9	143.1	.7	.8	.8	3.6	2.8	2.9

<sup>1</sup> Includes wages, salaries, and employer costs for employee benefits.

<sup>2</sup> Includes mining, construction, and manufacturing.

<sup>3</sup> Average standard errors (SE) for the series exceed 0.3 percent for 3-month changes and 0.6 percent for 12-month changes for the five years ending December 1996. To assist users in ascertaining the reliability of the series, SEs for estimates in this news release (excluding seasonally adjusted series) will be available on the Internet site (<http://stats.bls.gov/ecthome.htm>). All series will continue to be published until further notice.

<sup>4</sup> Includes transportation, communication, and public utilities; wholesale

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

<sup>5</sup> Estimates for transportation and public utilities reflect the changes in SIC coding. See Explanatory Notes for further information.

<sup>6</sup> 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 compensation<sup>1</sup> 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—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Bargaining status</b>									
<b>Union</b> .....	137.5	140.2	141.2	0.5	0.9	0.7	3.0	2.5	2.7
Blue-collar occupations .....	135.3	137.8	138.9	.5	.8	.8	2.8	2.4	2.7
Goods-producing industries <sup>2</sup> .....	136.5	139.2	140.8	.7	.7	1.1	3.0	2.7	3.2
Service-producing industries <sup>3</sup> .....	138.5	141.0	141.4	.4	.9	.3	3.0	2.2	2.1
Manufacturing .....	136.9	139.1	141.0	.7	.7	1.4	2.7	2.3	3.0
Blue-collar occupations .....	136.4	138.5	140.4	.7	.7	1.4	2.6	2.2	2.9
Nonmanufacturing .....	137.4	140.3	140.8	.4	.8	.4	3.2	2.5	2.5
<b>Nonunion</b> .....	140.1	143.8	145.2	.6	.9	1.0	3.5	3.2	3.6
Blue-collar occupations .....	136.3	140.3	141.4	.6	.9	.8	2.8	3.5	3.7
Goods-producing industries <sup>2</sup> .....	138.3	141.8	143.1	.4	.9	.9	2.7	3.0	3.5
Service-producing industries <sup>3</sup> .....	140.6	144.4	145.7	.6	1.0	.9	3.9	3.4	3.6
Manufacturing .....	139.4	143.0	144.4	.4	.9	1.0	2.6	3.0	3.5
Blue-collar occupations .....	138.3	141.6	142.9	.7	1.0	.9	2.6	3.1	3.3
Nonmanufacturing .....	140.0	143.8	145.1	.6	1.0	.9	3.8	3.4	3.6
<b>Region<sup>4</sup></b>									
Northeast .....	139.5	143.2	144.3	.6	1.2	.8	3.3	3.2	3.4
South .....	138.1	141.8	143.0	.4	.8	.8	2.6	3.1	3.5
Midwest .....	141.4	145.0	146.3	.4	1.0	.9	3.3	2.9	3.5
West .....	140.0	143.3	144.7	1.1	.8	1.0	4.9	3.5	3.4
<b>Area</b>									
Metropolitan .....	139.8	143.3	144.7	.5	.9	1.0	3.5	3.0	3.5
Other .....	139.4	143.1	143.6	.9	.9	.3	3.0	3.5	3.0

<sup>1</sup> Includes wages, salaries, and employer costs for employee benefits.<sup>2</sup> Includes mining, construction, and manufacturing.<sup>3</sup> Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.<sup>4</sup> 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—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Civilian workers</b> .....	137.7	141.3	142.5	0.7	1.1	0.8	3.7	3.3	3.5
Excluding sales occupations .....	137.3	141.1	142.3	.5	1.1	.9	3.4	3.3	3.6
<b>Industry</b>									
Goods producing <sup>1</sup> .....	135.2	138.6	139.7	.6	.9	.8	3.5	3.1	3.3
Manufacturing .....	136.8	140.2	141.5	.6	.9	.9	3.5	3.1	3.4
Service producing <sup>2</sup> .....	138.7	142.3	143.5	.7	1.1	.8	3.8	3.3	3.5
Services .....	140.5	144.1	145.5	.6	1.3	1.0	3.3	3.2	3.6
Health services .....	137.6	140.9	142.5	.0	.9	1.1	1.6	2.4	3.6
Hospitals .....	137.1	140.1	141.6	.5	.9	1.1	2.6	2.7	3.3
Educational services .....	140.0	143.7	144.7	.6	2.2	.7	3.0	3.3	3.4
Public administration <sup>3</sup> .....	135.9	139.5	141.5	.8	1.2	1.4	3.4	3.5	4.1
Nonmanufacturing .....	137.8	141.5	142.6	.6	1.1	.8	3.8	3.3	3.5
<b>Occupational group</b>									
White collar .....	139.7	143.3	144.6	.6	1.2	.9	4.0	3.2	3.5
Excluding sales .....	139.5	143.5	144.8	.5	1.2	.9	3.5	3.4	3.8
Professional specialty and technical .....	139.4	142.6	144.0	.6	1.1	1.0	3.3	3.0	3.3
Executive, administrative, and managerial .....	140.3	145.9	147.2	-.1	1.5	.9	3.5	3.8	4.9
Administrative support, including clerical .....	138.6	142.3	143.5	.8	1.0	.8	3.7	3.5	3.5
Blue collar .....	133.3	137.0	137.9	.5	.9	.7	3.1	3.3	3.5
Service .....	137.0	140.1	141.7	.7	.5	1.1	3.3	2.9	3.4
<b>State and local government</b> .....	138.5	142.2	143.5	.7	1.9	.9	3.1	3.3	3.6
<b>Industry</b>									
Services .....	139.2	142.9	144.0	.6	2.1	.8	2.9	3.3	3.4
Excluding schools <sup>4,5</sup> .....	138.2	142.1	143.2	.3	1.8	.8	2.8	3.1	3.6
Health services .....	139.2	142.8	144.2	.4	1.7	1.0	2.9	3.0	3.6
Hospitals .....	139.1	142.8	144.1	.4	1.6	.9	2.9	3.0	3.6
Educational services .....	139.3	142.9	144.0	.7	2.2	.8	3.0	3.3	3.4
Schools .....	139.5	143.1	144.2	.7	2.2	.8	3.0	3.3	3.4
Elementary and secondary .....	139.3	143.1	144.1	.4	2.3	.7	2.7	3.2	3.4
Colleges and universities .....	139.6	142.6	144.4	1.4	2.0	1.3	3.7	3.6	3.4
Public administration <sup>3</sup> .....	135.9	139.5	141.5	.8	1.2	1.4	3.4	3.5	4.1
<b>Occupational group</b>									
White collar .....	138.5	142.1	143.4	.7	2.0	.9	3.0	3.3	3.5
Professional specialty and technical .....	138.7	142.5	143.6	.6	2.2	.8	2.7	3.3	3.5
Executive, administrative, and managerial .....	139.3	142.7	144.3	.9	1.6	1.1	3.9	3.4	3.6
Administrative support, including clerical .....	136.5	139.6	141.7	.8	1.5	1.5	3.2	3.1	3.8
Blue collar .....	136.0	139.4	140.7	.7	1.3	.9	2.8	3.2	3.5
Service .....	140.0	144.1	145.7	.6	1.4	1.1	3.6	3.5	4.1

<sup>1</sup> Includes mining, construction, and manufacturing.

<sup>2</sup> Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; service industries; and public administration.

<sup>3</sup> Includes executive, legislative, judicial, administrative, and regulatory activities of State and local governments, SIC's 91 through 96.

<sup>4</sup> Average standard errors (SE) for the series exceed 0.3 percent for

3-month changes and 0.6 percent for 12-month changes for the five years ending December 1996. To assist users in ascertaining the reliability of the series, SEs for estimates in this news release (excluding seasonally adjusted series) will be available on the Internet site (<http://stats.bls.gov/ecthome.htm>). All series will continue to be published until further notice.

<sup>5</sup> Formerly called hospitals and other services.

**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—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Private industry workers</b> .....	137.4	141.0	142.2	0.6	0.9	0.9	3.9	3.2	3.5
Excluding sales occupations .....	136.9	140.8	142.0	.4	.9	.9	3.4	3.3	3.7
<b>Industry</b>									
<b>Goods producing</b> <sup>1</sup> .....	135.2	138.5	139.7	.7	.9	.9	3.5	3.1	3.3
Excluding sales .....	134.4	137.8	138.9	.6	.9	.8	3.4	3.1	3.3
White collar .....	138.2	141.7	143.0	.6	.9	.9	4.0	3.1	3.5
Excluding sales .....	136.4	140.1	141.3	.5	.9	.9	3.6	3.2	3.6
Blue collar .....	133.3	136.6	137.6	.8	.9	.7	3.2	3.3	3.2
<b>Construction</b> <sup>2</sup> .....	129.3	133.0	133.6	.6	.8	.5	3.5	3.5	3.3
<b>Manufacturing</b> .....	136.8	140.2	141.5	.6	.9	.9	3.5	3.1	3.4
White collar .....	139.0	142.7	144.0	.5	.9	.9	4.0	3.2	3.6
Excluding sales .....	137.1	140.8	142.0	.6	.9	.9	3.7	3.3	3.6
Blue collar .....	135.3	138.4	139.7	.7	.9	.9	3.1	3.1	3.3
Durables .....	136.9	140.4	141.8	.7	.9	1.0	3.8	3.3	3.6
Aircraft manufacturing (SIC 3721) .....	138.3	142.7	143.6	.8	.8	.6	3.2	4.0	3.8
White collar .....	134.5	138.3	139.1	.4	.2	.6	3.6	3.3	3.4
Blue collar .....	143.2	148.9	149.9	1.6	2.3	.7	2.6	5.6	4.7
Nondurables .....	136.8	139.7	140.9	.6	.7	.9	3.2	2.7	3.0
<b>Service producing</b> <sup>3</sup> .....	138.4	142.1	143.3	.6	.9	.8	4.0	3.3	3.5
Excluding sales .....	138.5	142.6	143.8	.4	.8	.8	3.4	3.4	3.8
White collar .....	140.1	143.8	145.0	.6	1.1	.8	4.3	3.3	3.5
Excluding sales .....	140.7	145.1	146.4	.4	1.0	.9	3.5	3.5	4.1
Blue collar .....	132.9	137.0	137.8	.4	.8	.6	3.1	3.5	3.7
Service .....	135.2	138.0	139.6	.7	.1	1.2	3.2	2.8	3.3
<b>Transportation and public utilities</b> <sup>4</sup> .....	135.1	137.5	137.9	.6	.5	.3	2.9	2.4	2.1
Transportation <sup>2,4</sup> .....	132.9	134.4	134.9	.4	.5	.4	2.6	1.5	1.5
Public utilities .....	137.8	141.5	141.8	1.0	.6	.2	3.2	3.7	2.9
Communications .....	138.0	141.9	142.2	1.0	.6	.2	3.0	3.8	3.0
Electric, gas, and sanitary services .....	137.4	140.9	141.3	.8	.6	.3	3.4	3.4	2.8
<b>Wholesale and retail trade</b> .....	137.0	140.7	142.0	.3	.8	.9	4.1	3.0	3.6
Excluding sales .....	138.2	141.8	143.3	.4	.5	1.1	3.8	3.1	3.7
Wholesale trade <sup>2</sup> .....	141.3	144.3	146.5	1.4	1.4	1.5	5.8	3.6	3.7
Excluding sales .....	140.8	144.8	146.4	.9	1.3	1.1	4.3	3.7	4.0
Retail trade .....	134.8	138.9	139.6	-.3	.4	.5	3.2	2.7	3.6
General merchandise stores <sup>2</sup> .....	133.0	135.6	136.7	.6	1.0	.8	3.6	2.6	2.8
Food stores <sup>2</sup> .....	130.5	133.9	134.9	-.9	.8	.7	2.8	1.7	3.4
<b>Finance, insurance, and real estate</b> <sup>2</sup> .....	139.8	144.5	145.2	1.2	1.5	.5	7.0	4.6	3.9
Excluding sales .....	139.6	147.5	148.0	-.1	1.9	.3	4.5	5.6	6.0
Banking, savings and loan, and other credit agencies <sup>2</sup> .....	144.4	159.2	159.6	-1.8	3.0	.3	4.4	8.3	10.5
Insurance <sup>2</sup> .....	138.5	140.2	141.5	-.1	.3	.9	6.4	1.1	2.2
Excluding sales .....	137.9	140.9	141.6	1.0	.7	.5	3.1	3.1	2.7
<b>Services</b> .....	140.8	144.5	146.0	.6	.9	1.0	3.4	3.2	3.7
Business services <sup>2</sup> .....	144.1	148.5	149.8	1.6	1.5	.9	5.0	4.7	4.0
Health services .....	137.4	140.6	142.2	-.1	.7	1.1	1.5	2.3	3.5
Hospitals .....	136.5	139.3	140.9	.5	.7	1.1	2.5	2.6	3.2
Nursing homes .....	-	-	-	.5	.9	1.1	3.7	3.8	4.4
Educational services .....	143.5	147.5	148.2	.5	2.3	.5	3.7	3.3	3.3
Colleges and universities .....	143.6	147.2	147.9	.6	1.9	.5	3.5	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—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Industry—Continued</b>									
<b>Nonmanufacturing industries</b> .....	137.4	141.0	142.1	0.7	0.9	0.8	4.0	3.3	3.4
White collar .....	139.8	143.5	144.7	.6	1.1	.8	4.3	3.3	3.5
Excluding sales .....	140.3	144.6	145.9	.4	1.0	.9	3.5	3.4	4.0
Blue collar .....	131.1	135.1	135.8	.5	.8	.5	3.1	3.5	3.6
Service .....	135.1	137.9	139.5	.7	.1	1.2	3.2	2.8	3.3
<b>Occupational group</b>									
<b>White collar</b> .....	139.9	143.5	144.8	.6	1.0	.9	4.2	3.2	3.5
Excluding sales .....	139.7	143.9	145.2	.4	1.0	.9	3.6	3.5	3.9
Professional specialty and technical .....	139.7	142.6	144.1	.7	.6	1.1	3.6	2.8	3.1
Executive, administrative, and managerial ...	140.5	146.4	147.6	-.3	1.5	.8	3.5	3.9	5.1
Sales <sup>2</sup> .....	141.3	142.1	143.3	1.8	1.1	.8	7.5	2.4	1.4
Administrative support, including clerical .....	138.9	142.7	143.8	.7	.9	.8	3.7	3.5	3.5
<b>Blue collar</b> .....	133.2	136.8	137.7	.6	.9	.7	3.2	3.3	3.4
Precision production, craft, and repair .....	133.0	136.7	137.5	.5	.8	.6	3.3	3.3	3.4
Machine operators, assemblers, and inspectors .....	134.9	138.3	139.5	.8	1.2	.9	3.3	3.4	3.4
Transportation and material moving .....	127.8	131.9	132.7	.2	.7	.6	2.2	3.4	3.8
Handlers, equipment cleaners, helpers, and laborers .....	135.8	139.4	140.4	.5	.8	.7	3.0	3.2	3.4
<b>Service</b> .....	135.3	138.0	139.6	.7	.1	1.2	3.2	2.7	3.2
<b>Production and nonsupervisory occupations<sup>5</sup></b> .....	136.4	139.3	140.4	.9	.8	.8	4.0	3.0	2.9

<sup>1</sup> Includes mining, construction, and manufacturing.<sup>2</sup> Average standard errors (SE) for the series exceed 0.3 percent for 3-month changes and 0.6 percent for 12-month changes for the five years ending December 1996. To assist users in ascertaining the reliability of the series, SEs for estimates in this news release (excluding seasonally adjusted series) will be available on the Internet site (<http://stats.bls.gov/ecthome.htm>). All series will continue to be published until further notice.<sup>3</sup> Includes transportation, communication, and public utilities; wholesale

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

<sup>4</sup> Estimates for transportation and public utilities reflect the changes in SIC coding. See Explanatory Notes for further information.<sup>5</sup> 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—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Bargaining status</b>									
<b>Union</b> .....	133.1	135.7	136.5	0.5	0.7	0.6	3.3	2.5	2.6
Blue-collar occupations .....	130.6	133.6	134.5	.5	.8	.7	3.1	2.8	3.0
Goods-producing industries <sup>1</sup> .....	131.7	134.9	136.1	.5	.8	.9	3.6	3.0	3.3
Service-producing industries <sup>2</sup> .....	134.8	136.8	137.2	.5	.7	.3	2.7	2.0	1.8
Manufacturing .....	133.0	135.8	137.5	.6	.8	1.3	3.4	2.7	3.4
Blue-collar occupations .....	132.4	135.1	136.8	.8	.7	1.3	3.1	2.8	3.3
Nonmanufacturing .....	133.1	135.6	135.9	.5	.7	.2	3.1	2.4	2.1
<b>Nonunion</b> .....	138.3	142.0	143.3	.7	.9	.9	4.0	3.3	3.6
Blue-collar occupations .....	134.8	138.7	139.7	.6	.9	.7	3.2	3.5	3.6
Goods-producing industries <sup>1</sup> .....	136.5	140.0	141.1	.6	.9	.8	3.4	3.2	3.4
Service-producing industries <sup>2</sup> .....	138.8	142.6	143.9	.7	.9	.9	4.2	3.4	3.7
Manufacturing .....	138.2	141.7	142.9	.7	.9	.8	3.5	3.2	3.4
Blue-collar occupations .....	137.2	140.5	141.6	.7	.9	.8	3.2	3.2	3.2
Nonmanufacturing .....	138.0	141.8	143.0	.7	.9	.8	4.1	3.4	3.6
<b>Region<sup>3</sup></b>									
Northeast .....	136.4	139.9	140.9	.7	1.2	.7	3.6	3.3	3.3
South .....	136.7	140.2	141.5	.1	.6	.9	2.8	2.7	3.5
Midwest .....	138.0	142.4	143.6	.4	1.0	.8	3.8	3.6	4.1
West .....	138.4	141.3	142.6	1.2	.8	.9	5.5	3.4	3.0
<b>Area</b>									
Metropolitan .....	137.7	141.2	142.5	.6	.9	.9	4.1	3.1	3.5
Other .....	136.0	139.8	140.2	1.0	1.0	.3	3.0	3.8	3.1

<sup>1</sup> Includes mining, construction, and manufacturing.

<sup>2</sup> Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.

<sup>3</sup> 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—					
	Dec. 1998	Sep. 1999	Dec. 1999	3 months ended—			12 months ended—		
				Dec. 1998	Sep. 1999	Dec. 1999	Dec. 1998	Sep. 1999	Dec. 1999
<b>Civilian workers</b> .....	144.7	147.9	149.5	0.5	0.9	1.1	2.6	2.7	3.3
State and local government .....	142.7	145.0	146.7	.4	.7	1.2	3.0	2.0	2.8
Private industry .....	145.2	148.6	150.2	.5	.9	1.1	2.4	2.8	3.4
<b>Industry</b>									
Goods producing <sup>1</sup> .....	143.2	146.3	148.2	.1	.8	1.3	1.2	2.3	3.4
Service producing <sup>2</sup> .....	145.7	149.4	150.7	.6	1.0	.9	3.0	3.1	3.4
Manufacturing .....	142.7	145.7	147.8	.1	.8	1.4	.7	2.2	3.4
Aircraft manufacturing (SIC 3721) .....	145.3	145.6	153.9	1.0	.9	5.7	1.6	1.3	5.9
White collar <sup>3</sup> .....	143.9	142.9	147.6	-1.1	.1	3.3	-6	-1.8	2.6
Blue collar .....	146.6	149.5	163.0	4.2	2.2	9.0	5.0	6.3	11.2
Nonmanufacturing .....	145.8	149.4	150.7	.6	.9	.9	3.0	3.0	3.4
<b>Occupational group</b>									
White collar .....	147.4	151.0	152.5	.5	1.1	1.0	2.8	3.0	3.5
Blue collar .....	141.6	144.8	146.2	.4	.8	1.0	1.9	2.7	3.2
Service <sup>3</sup> .....	144.8	148.4	149.9	.1	.5	1.0	2.0	2.6	3.5
<b>Bargaining status</b>									
Union .....	145.5	148.3	149.7	.3	1.0	.9	2.5	2.3	2.8
Nonunion .....	144.9	148.5	150.0	.5	1.0	1.0	2.4	3.0	3.5

<sup>1</sup> Includes mining, construction, and manufacturing.<sup>2</sup> Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.<sup>3</sup> Average standard errors (SE) for the series exceed 0.3 percent for 3-month changes and 0.6 percent for 12-month changes for the five yearsending December 1996. To assist users in ascertaining the reliability of the series, SEs for estimates in this news release (excluding seasonally adjusted series) will be available on the Internet site (<http://stats.bls.gov/ecthome.htm>). All series will continue to be published until further notice.

## EXPLANATORY NOTES

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

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

Benefits covered by the ECI are: Paid leave--vacations, holidays, sick leave, and other leave; supplemental pay--premium pay for work in addition to the regular work schedule (such as overtime, weekends, and holidays), shift differentials, and nonproduction bonuses (such as 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, 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 nonfarm economy except private households and the Federal government. The private industry series and the State and local government series provide data for the two sectors separately.

Data for this quarter were collected from a probability sample of approximately 27,100 occupational observations within about 6,300 sample establishments in private industry and approximately 4,000 occupations within about 800 sample establishments in State and local governments. Data are collected for the pay period including the 12<sup>th</sup> 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. In 1996, some establishments in motor freight transportation and warehousing (SIC 42), transportation by air (SIC 45), and transportation services (SIC 47) were reclassified into air courier services (SIC 4513), which includes support establishments. While the establishments in question were engaged in the delivery of letters, parcels, and packages, they were operated by enterprises engaged in furnishing air delivery of individually addressed letters, parcels, and packages. The ECI sample introduced these reclassifications with the June 1998 reference period.

Within an establishment, specific job categories are selected to represent broader occupational groups. Since March 1995, the jobs are classified according to the 1990 Census, which differs little from the 1980 Census. From June 1986 through December 1994, the jobs were classified according to definitions used in the 1980 Census. Prior to June 1986, they were classified according to the 1970 Census. Differences between the two classification systems are slight, as indicated in the article "Introducing New Weights for the Employment Cost Index," in the June 1985 issue of the Monthly Labor Review.

Fixed employment weights are used each quarter to calculate the most aggregate indexes--civilian, private, and State and local 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. A description of the reweighting is included in



an article "Introducing 1990 Weights for the Employment Cost Index," published in the June 1995 issue of Compensation and Working Conditions (available upon request). From June 1986 through December 1994, employment counts from the 1980 Census were used as weights. Before June 1986, employment counts from the 1970 Census were used.

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. ECI series are seasonally adjusted using either direct or composite seasonally adjusted estimates. Industry and occupational series, such as construction and service occupations, are adjusted directly. More aggregate series, such as civilian or private industry workers, use composite estimates. The composite estimates could be obtained by aggregating either the industry or the occupational components, and the results may differ depending on which method is used. The aggregate seasonally adjusted ECI series are estimated by combining the component seasonally adjusted industry series. The seasonal adjustment factors are recalculated once a year. The March release contains data reflecting the newly updated seasonal adjustment factors. The historical data for the last five years are then revised based on the newly estimated factors. The new seasonally adjusted factors for 2000, and revised seasonally adjusted indexes for the past five years, will be available Tuesday, April 25, 2000 on the Internet at (<http://stats.bls.gov/ecthome.htm>) or upon request. The factors are also published in the summer issue of Compensation and Working Conditions.

The ECI sample is rotated approximately every five years; this makes it more representative and reduces respondent burden. The sample is replaced on a cross-area, cross-industry basis and is being integrated with the Bureau's National Compensation Survey (NCS). Integrated samples result in an increase in the number of private industry establishments and occupations in the survey. The NCS-ECI sample will be completely integrated in 2001.

The costs per hour worked of compensation components, based on March data from the ECI, are published in a separate news release titled "Employer Costs for Employee Compensation - March 1999," and in an annual bulletin, Employer Costs for Employee Compensation, 1986-98, (Bulletin 2508). A description of the cost levels data (ECEC) is provided in the article "Analyzing Employers' Costs for Wages, Salaries, and Benefits" in the October 1987 issue of the Monthly Labor Review. This article, along with other ECEC research articles, also appears in the annual bulletin. 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.

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 each 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. Currently, in the higher level aggregate series, the standard errors for 3-month changes are generally 0.1 percent or less; for 12-month changes, standard errors are generally 0.25 percent or less. Currently, in the lower level series, standard errors are generally 0.3 percent or less for 3-month changes and 0.6 percent or less for 12-month changes. Series found to have a higher average standard error for the five years ending December 1996 are footnoted in the tables.

BLS is evaluating ECI publication standards as part of its overall quality improvement plan. The first phase of this evaluation, a review of the statistical reliability of the ECI series, is complete. To improve the quality of the ECI estimates, the sample size is being increased and other initiatives, such as revising collection procedures, are being explored. All series will continue to be published until further notice, although standard errors for some series are large. The five-year moving average of standard errors for all estimates (excluding seasonally adjusted series) will be available on the Internet site (<http://stats.bls.gov/ecthome.htm>) shortly after publication of the news release.

When comparing data by bargaining status, it is important to note that differences may be due to factors other than bargaining 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.

More detailed information on the ECI is available from several sources. These include annual bulletins--Employment Cost Indexes and Levels, 1975-98, (Bulletin 2514), a chapter in the BLS Handbook of Methods (Bulletin 2490), "National Compensation Measures," and several articles published in the Monthly Labor Review and Compensation and Working Conditions. The annual bulletins are 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 email to ([ocltinfo@bls.gov](mailto:ocltinfo@bls.gov)). Current and historical data are available at the web site: (<http://stats.bls.gov/ecthome.htm>).

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 606-5886; Federal Relay Service number: 1-800-877-8339.