

News

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PRODUCTIVITY AND COSTS

First Quarter 2005, preliminary

The Bureau of Labor Statistics of the U.S. Department of Labor today reported preliminary productivity data—as measured by output per hour of all persons—for the first quarter of 2005. The seasonally adjusted annual rates of productivity change in the first quarter were:

2.1 percent in the business sector and
2.6 percent in the nonfarm business sector.

Productivity in the business sector grew more slowly than in the fourth quarter of 2004, when it increased 3.7 percent. In the nonfarm business sector, however, productivity increased more in the first quarter than it had in the previous quarter. Nonfarm business labor productivity increased 2.1 percent in the fourth quarter of 2004.

In manufacturing, productivity changes in the first quarter were:

3.9 percent in manufacturing,
6.3 percent in durable goods manufacturing, and
1.3 percent in nondurable goods manufacturing.

Productivity growth in manufacturing in the first quarter of 2005 reflected a 3.3-percent increase in output and a drop of 0.7 percent in hours worked in the sector. Output and hours in manufacturing, which includes about 13 percent of U.S. business sector employment, tend to vary more from quarter to quarter than data for the aggregate business and nonfarm business sectors. First-quarter measures are summarized in table A and appear in detail in tables 1 through 5.

The data sources and methods used in the preparation of the manufacturing series differ from those used in preparing the business and nonfarm business series, and these measures are not directly comparable. Output measures for business and nonfarm business are based on measures of gross domestic product prepared by the Bureau of Economic Analysis of the U.S. Department of Commerce. Quarterly output measures for manufacturing reflect indexes of industrial production independently prepared by the Board of Governors of the Federal Reserve System. See Technical Notes for further information on data sources (page 8).

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Percent change from preceding quarter						
Business	2.1	3.6	1.5	4.3	1.9	2.2
Nonfarm business	2.6	3.6	1.0	4.8	2.4	2.2
Manufacturing	3.9	3.3	-0.7	4.9	2.5	0.9
Durable	6.3	5.8	-0.4	5.3	2.9	-0.9
Nondurable	1.3	0.3	-1.0	3.9	1.5	2.6
Percent change from same quarter a year ago						
Business	2.7	4.0	1.4	5.0	2.0	2.3
Nonfarm business	2.5	3.9	1.4	5.0	2.0	2.5
Manufacturing	5.5	4.5	-1.0	7.0	3.9	1.4
Durable	6.5	6.0	-0.4	7.5	4.4	1.0
Nondurable	4.6	2.6	-1.9	5.8	2.7	1.1

Business

Productivity in the business sector rose 2.1 percent in the first quarter 2005, as output grew 3.6 percent and hours of all persons engaged in the sector increased 1.5 percent (seasonally adjusted annual rates). Revised data for the fourth quarter of 2004 show that output per hour increased 3.7 percent, reflecting a 4.3-percent rise in output and a 0.6-percent increase in hours at work. (See table 1.)

Hourly compensation increased 4.3 percent during the first quarter of 2005. This measure includes wages and salaries, supplements, employer contributions to employee benefit plans, and taxes. Hourly compensation had risen 4.9 percent in the previous quarter. However, real hourly compensation, which takes into account changes in consumer prices, increased faster in the first quarter of 2005, 1.9 percent, than in the fourth quarter of 2004, when it rose 1.3 percent.

Unit labor costs rose 2.2 percent in the first quarter of 2005, more rapidly than the 1.1-percent increase in the fourth quarter. Growth in unit labor costs is roughly equivalent to the change in hourly compensation offset by the change in output per hour.

The implicit price deflator for the business sector, which reflects changes in both unit labor costs and unit nonlabor payments, rose 2.8 percent in the first quarter. In the previous quarter, the implicit price deflator for business sector output increased 2.4 percent.

Nonfarm business

Productivity rose 2.6 percent in the nonfarm business sector in first-quarter 2005 as output grew 3.6 percent and hours of all persons increased by 1.0 percent (seasonally adjusted annual rates). In the fourth quarter of 2004, productivity had risen 2.1 percent, reflecting increases in output and hours of 3.7 and 1.6 percent, respectively. (See table 2.)

Hourly compensation increased 4.8 percent in the first quarter of 2005, more rapidly than in the fourth quarter, when it grew 3.8 percent. When the rise in consumer prices was taken into account, real hourly compensation rose 2.4 percent in the first quarter, up from 0.2 percent in the fourth quarter of 2004.

Unit labor costs grew 2.2 percent in the first quarter of 2005, more rapidly than the 1.7-percent rise of the previous quarter. The implicit price deflator for nonfarm business output rose 2.9 percent in the first quarter and 2.5 percent one quarter earlier.

Manufacturing

Productivity increased 3.9 percent in manufacturing in the first quarter of 2005, as output increased 3.3 percent and hours of all persons fell 0.7 percent (seasonally adjusted annual rates). This is the fourth consecutive quarter in which output has risen and hours have decreased. (See table 3.) Productivity rose 6.3 percent in durable goods manufacturing, reflecting 5.8-percent growth in output and a 0.4 percent decrease in all person hours. In nondurable goods manufacturing, productivity grew more slowly, 1.3 percent, in the first quarter of 2005 as output edged up 0.3 percent and hours of all persons fell 1.0 percent. The first quarter increase in labor productivity was the smallest in nondurable goods manufacturing since a 4.5-percent drop in the fourth quarter of 2002. Hours in that sector have declined in every quarter since the second quarter of 1999, when they increased 1.2 percent.

The hourly compensation of all manufacturing workers rose 4.9 percent during the first quarter, and real hourly compensation increased 2.5 percent. The 4.9-percent hourly compensation rise reflects a change of 5.3 percent in durable goods and 3.9 percent in nondurable goods.

Because the hourly compensation of manufacturing workers rose more rapidly than output per hour, unit labor costs increased in the first quarter, by 0.9 percent. This is similar to the 0.8-percent increase recorded in the fourth quarter of 2004. In durable goods manufacturing, however, unit labor costs fell in the first quarter of 2005, dropping 0.9 percent. All of the increase in manufacturing unit labor costs came from the nondurable goods subsector, where unit labor costs grew 2.6 percent.

Fourth-quarter and annual measures for nonfinancial corporations

Fourth-quarter and annual 2004 measures of productivity and costs also were announced today for the nonfinancial corporate sector (tables B, C, and 6). Output per all-employee hour grew 5.3 percent from the third to the fourth quarter of 2004, as output grew 6.7 percent and employee hours increased 1.3 percent. The nonfinancial corporate sector includes all corporations doing business in the United States, except those classified as depository institutions, nondepository institutions, security and commodity brokers, insurance carriers, regulated investment offices, small business investment offices, and real estate investment trusts.

Table B. Nonfinancial corporations: Fourth-quarter 2004 productivity and cost measures (Seasonally adjusted annual rates)								
Period	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs	Unit profits	Implicit price deflator
Percent change from preceding quarter								
2004 IV	5.3	6.7	1.3	4.4	0.8	-0.8	38.5	2.2
Percent change from same quarter a year ago								
2004 IV	3.6	5.3	1.7	4.5	1.1	0.9	17.9	1.9

Hourly compensation in this sector increased 4.4 percent in the fourth quarter, and real hourly compensation rose 0.8 percent. Unit labor costs fell 0.8 percent in the fourth quarter of 2004—the first decline in these costs since the fourth quarter of 2003. In the fourth quarter of 2004, unit profits grew 38.5 percent after falling slightly, 0.8 percent, in the previous quarter. The implicit price deflator for nonfinancial corporate output grew 2.2 percent during the fourth quarter of 2004, up from the 0.2-percent increase in the third quarter.

In calendar year 2004, productivity in the nonfinancial corporate sector grew 3.9 percent, following an increase of 4.2 percent in the previous year. (See table C.) When combined with the 3.9-percent increase in 2002, this marks the fastest three-year increase in productivity—an average of 4.0 percent a year—in the history of the series, which begins in 1958. Nonfinancial corporate output grew 5.4 percent in 2004, and employee hours increased 1.4 percent. This was the first increase in employee hours since 2000, when they grew 1.5 percent.

Measure	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Productivity.....	1.1	3.7	2.6	3.2	3.4	3.6	1.7	3.9	4.2	3.9
Output	4.7	5.5	6.5	5.7	6.0	5.2	-0.9	1.0	2.8	5.4
Hours.....	3.6	1.8	3.8	2.4	2.6	1.5	-2.5	-2.8	-1.3	1.4
Hourly compensation.....	1.7	3.0	3.0	5.7	4.6	6.8	4.1	3.0	4.0	4.4
Real hourly compensation.....	-0.7	0.3	0.8	4.2	2.4	3.4	1.2	1.4	1.7	1.7
Unit labor costs	0.6	-0.6	0.4	2.4	1.2	3.1	2.4	-0.8	-0.1	0.5
Unit nonlabor costs	0.4	-1.3	-0.2	-0.2	0.9	3.8	8.1	0.3	-0.1	-1.6
Total unit costs.....	0.6	-0.8	0.2	1.7	1.1	3.3	3.9	-0.5	-0.1	-0.1
Unit profits	3.9	9.6	2.9	-11.2	-5.8	-15.8	-24.3	16.0	20.1	20.0
Implicit price deflator	1.0	0.4	0.6	0.0	0.3	1.2	1.3	0.6	1.4	1.8

Hourly compensation grew 4.4 percent in 2004, and real hourly compensation increased 1.7 percent. Total unit costs declined 0.1 percent, reflecting a 0.5-percent rise in unit labor costs and a 1.6-percent drop in unit nonlabor costs. Unit profits rose 20.0 percent in 2004. The implicit price deflator, which reflects both the unit costs and unit profits measures, rose 1.8 percent in 2004.

Revised measures

Current and previous measures for the fourth quarter and annual average of 2004 in the business, nonfarm business, and manufacturing sectors are compared in table D. Some of the quarterly movements differ from those reported on March 3. In the business and nonfarm business sectors, productivity, output and hours are little changed from what was reported previously. However, hourly compensation and unit labor costs increased faster in the fourth quarter than reported on March 3. Productivity in the manufacturing sector grew more rapidly in the fourth quarter 2004, 6.3 percent, than previously reported due to both an upward revision to output and a downward revision to hours. Hourly compensation was revised up more than productivity. As a result, unit labor costs grew faster, 0.8 percent, than reported on March 3.

Table D. Previous and revised productivity and related measures Quarterly percent change at seasonally adjusted annual rate						
Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Fourth quarter 2004						
Business:						
Previous	3.7	4.2	0.5	4.5	0.9	0.8
Revised.....	3.7	4.3	0.6	4.9	1.3	1.1
Nonfarm business:						
Previous	2.1	3.7	1.6	3.4	-0.2	1.3
Revised.....	2.1	3.7	1.6	3.8	0.2	1.7
Manufacturing:						
Previous	5.8	4.6	-1.1	6.2	2.5	0.4
Revised.....	6.3	4.9	-1.3	7.1	3.4	0.8
Annual average 2004						
Business:						
Previous	4.0	5.1	1.1	4.5	1.8	0.5
Revised.....	4.0	5.1	1.1	4.5	1.8	0.6
Nonfarm business:						
Previous	4.0	5.3	1.2	4.4	1.7	0.4
Revised.....	4.1	5.3	1.2	4.5	1.7	0.4
Manufacturing:						
Previous	5.2	4.8	-0.4	4.5	1.8	-0.7
Revised.....	5.3	4.8	-0.4	4.5	1.8	-0.7

All of the 2004 annual average annual productivity and cost measures reported for the business and nonfarm business sectors and for manufacturing are similar to those reported in March.

The Consumer Price Index Research Series has been updated and new seasonal factors applied to it. Real hourly compensation measures are revised beginning with 2000. See appendix tables 1-6.

Next release date

The next release of **Productivity and Costs** is scheduled for **8:30 AM EDT, Thursday, June 2, 2005**. First-quarter measures for nonfinancial corporations and revised first and fourth quarter measures for business, nonfarm business, and manufacturing will be released at that time.

Current and upcoming changes to productivity and cost data

The Bureau of Labor Statistics uses Current Population Survey (CPS) data to measure the hours of nonfarm proprietors and unpaid family workers, all persons working in the farm sector, and all employees of government enterprises using the hours worked by people whose main job falls into these categories. Effective with the next release of productivity and costs, hours for primary and secondary jobs held by persons working more than one job will be processed separately and assigned to the appropriate class of worker for each job rather than assigning all hours to the primary job. This multiple-jobholder adjustment will result in an improved measure of hours at work by sector and industry and the employment series will more nearly approximate a count of jobs rather than persons. At the aggregate level, trends in the new hours series are expected to be similar to those in the currently-published productivity measures.

TECHNICAL NOTES

Labor Hours: Hours data for the labor productivity and cost measures include hours for all persons working in the sector—wage and salary workers, the self-employed and unpaid family workers. The primary source of hours and employment data is the BLS Current Employment Statistics (CES) program, which provides monthly survey data on the number of jobs held by wage and salary workers in nonfarm establishments. The CES also provides average weekly paid hours of production and nonsupervisory workers in these establishments. Weekly paid hours are adjusted to hours at work using data from the National Compensation Survey (NCS). The BLS Hours at Work survey, conducted for this purpose, was used for years prior to 2001. The Office of Productivity and Technology estimates average weekly hours at work for nonproduction and supervisory workers using information from the Current Population Survey (CPS), the CES, and the NCS.

Data from the CPS are used for farm labor, nonfarm proprietors, and nonfarm unpaid family workers. Estimates of labor input for government enterprises are derived from the CPS, the CES, and the National Income and Product Accounts (NIPA) prepared by the Bureau of Economic Analysis (BEA) of the Department of Commerce.

Output: Business sector output is an annual-weighted index constructed after excluding from gross domestic product (GDP) the following outputs: general government, nonprofit institutions, and private households (including owner-occupied housing). Corresponding exclusions also are made in labor inputs. Business output accounted for about 78 percent of the value of GDP in 2000. Nonfarm business, which also excludes farming, accounted for about 77 percent of GDP in 2000.

Annual indexes for manufacturing and its durable and nondurable goods components are constructed by deflating current-dollar industry value of production data from the U.S. Bureau of the Census with deflators from the BEA. These deflators are based on data from the BLS producer price program and other sources. The industry shipments are aggregated using annual weights, and intrasector transactions are removed. Quarterly manufacturing output measures are based on the index of industrial production prepared monthly by the Board of Governors of the Federal Reserve System, adjusted to be consistent

with annual indexes of manufacturing sector output prepared by BLS. Durables include the following 3-digit NAICS industries: wood product manufacturing; nonmetallic mineral product manufacturing; primary metal manufacturing; fabricated metal product manufacturing; machinery manufacturing; computer and electronic product manufacturing; electrical equipment and appliance manufacturing; transportation equipment manufacturing; furniture and related product manufacturing; and miscellaneous manufacturing. Nondurables include: food manufacturing; beverage and tobacco product manufacturing; textile mills; textile product mills; apparel manufacturing; leather and allied product manufacturing; paper manufacturing; printing and related support activities; petroleum and coal products manufacturing; chemical manufacturing; and plastics and rubber products manufacturing.

Nonfinancial corporate output is an annual-weighted index calculated on the basis of the costs incurred and the incomes earned from production. The output measure excludes the following outputs from GDP: general government; nonprofit institutions; private households; unincorporated business; and those corporations classified as offices of bank holding companies, offices of other holding companies, or offices in the finance and insurance sector. Nonfinancial corporations accounted for about 54 percent of the value of GDP in 2000.

Productivity: These productivity measures describe the relationship between real output and the labor time involved in its production. They show the changes from period to period in the amount of goods and services produced per hour. Although these measures relate output to hours at work of all persons engaged in a sector, they do not measure the specific contribution of labor, capital, or any other factor of production. Rather, they reflect the joint effects of many influences, including changes in technology; capital investment; level of output; utilization of capacity, energy, and materials; the organization of production; managerial skill; and the characteristics and effort of the work force.

Information in this release will be made available to sensory-impaired individuals upon request. Voice phone: 202-691-5606; Federal Relay Service number: 1-800-877-8339.

Table 1. Business sector: Productivity, hourly compensation, unit labor costs, and prices, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	Unit non-labor payments (3)	Implicit price deflator (4)
Indexes 1992=100								
2003	I	126.3	145.5	115.2	147.4	r115.2	116.8	117.7
	II	128.6	147.5	114.7	149.6	116.8	116.4	119.0
	III	131.1	150.8	115.0	151.5	r117.7	115.6	120.8
	IV	131.8	152.3	115.6	152.9	118.5	116.0	120.7
	ANNUAL	129.5	149.0	115.1	150.4	117.0	116.2	119.6
2004	I	133.1	154.3	115.9	154.0	r118.2	115.7	122.9
	II	134.1	155.8	116.2	156.0	118.5	116.4	124.4
	III	134.7	157.5	116.9	158.2	r119.6	117.4	123.5
	IV	136.0	r159.2	117.0	r160.1	120.0	r117.8	r124.8
	ANNUAL	134.6	156.7	116.4	157.2	119.2	116.8	123.9
2005	I	136.7	160.6	117.5	161.8	120.6	118.4	126.0
Percent change from previous quarter at annual rate(5)								
2003	I	4.1	2.2	-1.8	5.8	r1.5	1.6	3.1
	II	7.6	5.6	-1.9	6.1	r5.7	-1.4	4.5
	III	8.1	9.3	1.1	5.2	r3.0	-2.7	6.4
	IV	2.1	4.2	2.0	3.7	r2.8	1.6	-0.3
	ANNUAL	4.5	3.8	-0.6	4.1	1.8	-0.4	4.1
2004	I	4.0	5.3	1.2	2.9	r-0.9	-1.1	7.3
	II	2.9	3.9	0.9	5.3	0.8	2.3	5.0
	III	2.0	4.5	2.5	5.8	r4.0	3.7	-2.9
	IV	3.7	r4.3	r0.6	r4.9	r1.3	r1.1	r4.4
	ANNUAL	4.0	5.1	1.1	4.5	1.8	r0.6	3.6
2005	I	2.1	3.6	1.5	4.3	1.9	2.2	3.9
Percent change from corresponding quarter of previous year								
2003	I	3.0	2.3	-0.6	3.0	0.1	0.0	3.8
	II	4.4	3.2	-1.1	3.6	1.4	-0.7	4.7
	III	5.2	4.5	-0.7	4.5	2.3	-0.6	4.4
	IV	5.5	5.3	-0.2	5.2	3.2	-0.3	3.4
	ANNUAL	4.5	3.8	-0.6	4.1	1.8	-0.4	4.1
2004	I	5.4	6.1	0.6	4.5	2.6	-0.9	4.4
	II	4.3	5.6	1.3	4.3	1.4	0.0	4.6
	III	2.8	4.4	1.6	4.4	r1.7	1.6	2.2
	IV	3.2	4.5	1.3	r4.7	r1.3	r1.5	r3.4
	ANNUAL	4.0	5.1	1.1	4.5	1.8	r0.6	3.6
2005	I	2.7	4.0	1.4	5.0	2.0	2.3	2.6

See footnotes following Table 6.
r=revisedMay 5, 2005
Source: Bureau of Labor Statistics

Table 2. Nonfarm business sector: Productivity, hourly compensation, unit labor costs, and prices, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	Unit non-labor payments (3)	Implicit price deflator (4)	

Indexes 1992=100									
2003	I	125.8	145.9	116.0	146.7	r114.6	116.6	119.6	117.7
	II	127.9	147.8	115.6	148.7	116.1	116.3	120.4	117.8
	III	130.5	151.1	115.7	150.8	r117.1	115.5	122.3	118.0
	IV	131.5	152.8	116.2	152.3	118.0	115.9	121.9	118.1
	ANNUAL	128.9	149.4	115.9	149.6	116.4	116.1	121.1	117.9
2004	I	132.7	155.0	116.8	153.1	r117.5	115.4	124.3	118.7
	II	134.0	156.5	116.8	155.3	r117.9	115.9	125.7	119.6
	III	134.4	158.2	117.7	157.4	r119.0	117.1	125.2	120.1
	IV	135.1	159.6	118.1	r158.9	r119.1	r117.6	r126.4	r120.8
	ANNUAL	134.1	157.3	117.3	156.3	118.5	116.5	125.4	119.8
2005	I	136.0	161.0	118.4	160.8	119.8	118.2	127.6	121.7

Percent change from previous quarter at annual rate(5)									
2003	I	4.0	2.4	-1.5	5.6	r1.3	1.6	2.3	1.9
	II	6.7	5.3	-1.4	5.7	r5.3	-1.0	2.9	0.5
	III	8.7	9.3	0.6	5.7	r3.5	-2.7	6.3	0.6
	IV	2.8	4.6	1.7	4.1	r3.1	1.2	-1.2	0.3
	ANNUAL	4.4	3.8	-0.5	4.0	1.7	-0.4	3.7	1.1
2004	I	3.8	5.7	1.9	2.1	r-1.7	-1.6	8.0	2.0
	II	3.9	4.2	0.2	5.9	r1.5	1.9	4.6	2.9
	III	1.3	4.2	2.8	5.4	3.7	4.0	-1.6	1.8
	IV	2.1	3.7	1.6	r3.8	r0.2	r1.7	r3.8	r2.5
	ANNUAL	r4.1	5.3	1.2	r4.5	1.7	0.4	r3.6	1.6
2005	I	2.6	3.6	1.0	4.8	2.4	2.2	4.0	2.9

Percent change from corresponding quarter of previous year									
2003	I	2.8	2.3	-0.5	2.9	0.0	0.1	3.9	1.5
	II	4.1	3.2	-0.9	3.4	1.2	-0.7	4.4	1.2
	III	5.2	4.6	-0.6	4.5	2.3	-0.6	3.9	1.1
	IV	5.5	5.4	-0.1	5.3	3.3	-0.2	2.6	0.8
	ANNUAL	4.4	3.8	-0.5	4.0	1.7	-0.4	3.7	1.1
2004	I	5.5	6.2	0.7	4.4	2.5	-1.0	4.0	0.8
	II	4.8	6.0	1.1	4.5	1.6	-0.3	4.4	1.5
	III	3.0	4.7	1.7	4.4	r1.6	1.4	2.4	1.8
	IV	2.8	r4.5	1.6	r4.3	0.9	r1.5	3.6	r2.3
	ANNUAL	r4.1	5.3	1.2	r4.5	1.7	0.4	r3.6	1.6
2005	I	2.5	3.9	1.4	5.0	2.0	2.5	2.6	2.5

See footnotes following Table 6.
r=revised

May 5, 2005
Source: Bureau of Labor Statistics

Table 3. Manufacturing sector: Productivity, hourly compensation, and unit labor costs, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs
----- Indexes 1992=100 -----						
2003	I	151.6	131.8	86.9	155.5	102.6
	II	152.9	130.7	85.5	158.4	103.6
	III	156.9	132.1	84.2	161.6	103.0
	IV	158.1	134.2	84.9	163.6	103.5
	ANNUAL	154.8	132.2	85.4	159.7	103.2
2004	I	159.3	136.0	85.4	162.4	101.9
	II	162.2	138.0	85.1	165.1	101.8
	III	164.0	139.4	85.0	168.7	102.9
	IV	r166.5	141.0	r84.7	r171.7	r103.1
	ANNUAL	163.0	138.6	r85.0	r167.0	102.4
2005	I	168.1	142.2	84.6	173.7	103.3
----- Percent change from previous quarter at annual rate(5) -----						
2003	I	5.7	-0.9	-6.3	17.4	11.0
	II	3.3	-3.4	-6.5	7.6	4.2
	III	11.0	4.5	-5.9	8.3	-2.4
	IV	3.2	6.6	3.3	5.2	1.9
	ANNUAL	5.2	0.0	-4.9	8.7	3.3
2004	I	3.0	5.4	2.4	-3.1	-5.9
	II	7.6	5.9	-1.6	6.9	-0.6
	III	4.4	4.0	-0.3	9.1	4.6
	IV	r6.3	r4.9	r-1.3	r7.1	r0.8
	ANNUAL	r5.3	4.8	-0.4	4.5	-0.7
2005	I	3.9	3.3	-0.7	4.9	0.9
----- Percent change from corresponding quarter of previous year -----						
2003	I	5.0	0.6	-4.2	8.1	3.0
	II	4.4	-1.3	-5.4	7.9	3.4
	III	5.5	-0.8	-6.0	9.0	3.3
	IV	5.8	1.6	-3.9	9.5	3.6
	ANNUAL	5.2	0.0	-4.9	8.7	3.3
2004	I	5.1	3.2	-1.8	4.4	-0.6
	II	6.1	5.6	-0.5	4.3	-1.8
	III	4.5	5.5	0.9	4.4	-0.1
	IV	r5.3	r5.1	-0.2	r4.9	r-0.4
	ANNUAL	r5.3	4.8	-0.4	4.5	-0.7
2005	I	5.5	4.5	-1.0	7.0	1.4

See footnotes following Table 6.
r=revised

May 5, 2005
Source: Bureau of Labor Statistics

Table 4. Durable manufacturing sector: Productivity, hourly compensation, and unit labor costs, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	
----- Indexes 1992=100 -----							
2003	I	172.7	155.7	90.1	153.5	r120.0	88.9
	II	174.3	154.3	88.6	156.5	122.2	89.8
	III	180.9	157.6	87.1	159.8	r124.1	88.3
	IV	182.8	161.5	88.3	161.7	125.3	88.5
	ANNUAL	177.6	157.3	88.5	157.9	122.9	88.9
2004	I	184.4	164.6	89.3	159.1	r122.1	86.3
	II	187.8	167.1	88.9	162.1	123.1	86.3
	III	190.0	169.5	89.2	166.0	125.5	87.4
	IV	r193.4	r172.1	89.0	r168.9	r126.6	r87.4
	ANNUAL	188.9	168.3	89.1	164.0	124.3	86.8
2005	I	196.3	174.6	88.9	171.1	127.5	87.2
----- Percent change from previous quarter at annual rate(5) -----							
2003	I	5.1	-1.6	-6.4	21.8	r16.9	15.9
	II	3.7	-3.4	-6.9	8.1	r7.7	4.2
	III	16.0	8.7	-6.3	8.6	r6.3	-6.4
	IV	4.2	10.1	5.7	4.9	r4.0	0.6
	ANNUAL	6.9	1.3	-5.3	9.7	7.2	2.6
2004	I	3.6	8.1	4.3	-6.2	r-9.7	-9.5
	II	7.7	6.0	-1.5	7.7	r3.2	0.0
	III	4.6	6.0	1.3	9.9	8.1	5.1
	IV	r7.4	r6.3	-1.0	r7.3	r3.6	r-0.1
	ANNUAL	r6.4	7.0	r0.6	3.9	1.2	-2.3
2005	I	6.3	5.8	-0.4	5.3	2.9	-0.9
----- Percent change from corresponding quarter of previous year -----							
2003	I	6.7	1.7	-4.7	9.0	r5.9	2.2
	II	5.9	-0.6	-6.1	8.8	6.5	2.8
	III	7.9	0.7	-6.7	10.2	r7.8	2.2
	IV	7.2	3.3	-3.6	10.7	8.6	3.3
	ANNUAL	6.9	1.3	-5.3	9.7	7.2	2.6
2004	I	6.8	5.8	-1.0	3.7	1.8	-2.9
	II	7.8	8.3	0.4	3.6	0.7	-3.9
	III	5.0	7.6	2.4	3.9	r1.1	-1.1
	IV	r5.8	r6.6	0.8	r4.5	r1.1	r-1.3
	ANNUAL	r6.4	7.0	r0.6	3.9	1.2	-2.3
2005	I	6.5	6.0	-0.4	7.5	4.4	1.0

See footnotes following Table 6.
r=revised

May 5, 2005
Source: Bureau of Labor Statistics

Table 5. Nondurable manufacturing sector: Productivity, hourly compensation, and unit labor costs, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	
Indexes 1992=100							
2003	I	130.2	106.9	82.1	157.7	r123.2	121.1
	II	131.1	106.0	80.9	160.3	125.2	122.3
	III	132.6	105.9	79.8	163.4	r126.9	123.2
	IV	133.6	106.5	79.7	165.5	128.2	123.9
	ANNUAL	131.8	106.3	80.6	161.7	125.8	122.6
2004	I	134.5	107.1	79.6	166.6	r127.8	123.8
	II	137.0	108.6	79.3	168.8	128.2	123.2
	III	138.6	109.0	78.7	171.8	129.9	123.9
	IV	r140.3	r109.8	r78.3	r174.5	r130.8	124.4
	ANNUAL	r137.6	108.6	r78.9	r170.4	r129.2	123.8
2005	I	140.7	109.9	78.1	176.2	131.3	125.2
Percent change from previous quarter at annual rate(5)							
2003	I	6.5	0.1	-6.0	9.7	r5.2	3.0
	II	2.6	-3.5	-5.9	6.9	r6.5	4.2
	III	4.9	-0.6	-5.2	8.0	r5.7	2.9
	IV	2.8	2.4	-0.4	5.2	r4.3	2.3
	ANNUAL	2.8	-1.5	-4.2	6.8	4.5	3.9
2004	I	2.9	2.1	-0.8	2.6	r-1.3	-0.3
	II	7.5	5.7	-1.7	5.5	r1.1	-1.9
	III	4.8	1.7	-3.0	7.2	5.5	2.3
	IV	r4.9	r2.9	r-1.9	r6.6	r3.0	r1.7
	ANNUAL	r4.4	r2.2	-2.1	r5.4	2.6	1.0
2005	I	1.3	0.3	-1.0	3.9	1.5	2.6
Percent change from corresponding quarter of previous year							
2003	I	2.6	-0.9	-3.4	6.6	3.6	3.9
	II	2.2	-2.2	-4.3	6.5	4.2	4.2
	III	2.3	-2.6	-4.8	6.9	4.6	4.5
	IV	4.2	-0.4	-4.4	7.4	5.4	3.1
	ANNUAL	2.8	-1.5	-4.2	6.8	4.5	3.9
2004	I	3.3	0.1	-3.1	5.7	3.7	2.3
	II	4.5	2.4	-2.0	5.3	2.4	0.7
	III	4.5	3.0	-1.5	5.1	r2.3	0.6
	IV	r5.0	r3.1	r-1.8	r5.5	r2.0	0.4
	ANNUAL	r4.4	r2.2	-2.1	r5.4	2.6	1.0
2005	I	4.6	2.6	-1.9	5.8	2.7	1.1

See footnotes following Table 6.
r=revised

May 5, 2005
Source: Bureau of Labor Statistics

Table 6. Nonfinancial corporations: Productivity, hourly compensation, unit labor costs, unit profits, and prices, seasonally adjusted

Year and quarter	Output per all-employee hour	Output	Employee hours	Hourly compensation (1)	Real hourly compensation(2)	Unit labor costs	Unit non-labor costs(6)	Total unit costs (7)	Unit profits (8)	Implicit price deflator (4)	
Indexes 1992=100											
2002	I	126.7	150.2	118.5	139.9	112.5	110.4	113.6	111.3	88.8	109.3
	II	128.2	151.7	118.4	141.3	r112.8	110.3	112.7	111.0	94.5	109.5
	III	129.0	152.2	118.0	142.1	112.7	110.1	112.8	110.9	95.8	109.5
	IV	129.6	152.4	117.6	142.8	r112.8	110.2	112.8	110.9	102.3	110.1
	ANNUAL	128.4	151.6	118.1	141.5	112.7	110.3	113.0	111.0	95.4	109.6
2003	I	130.3	152.2	116.8	144.2	112.7	110.7	114.0	111.6	100.0	110.5
	II	132.7	154.4	116.4	146.4	114.3	110.3	112.6	110.9	112.2	111.0
	III	135.2	157.3	116.3	148.4	r115.3	109.8	112.6	110.5	120.3	111.4
	IV	136.6	159.6	116.8	149.8	116.1	109.7	112.2	110.4	125.1	111.7
	ANNUAL	133.7	155.9	116.6	147.2	114.6	110.1	112.9	110.8	114.6	111.2
2004	I	136.9	160.9	117.6	150.8	115.7	110.2	111.1	110.4	129.9	112.2
	II	138.0	162.6	117.9	152.8	116.0	110.7	111.4	110.9	136.3	113.2
	III	139.6	165.3	118.4	154.9	117.1	110.9	111.3	111.0	136.0	113.2
	IV	141.4	168.0	118.8	156.5	117.3	110.7	110.2	110.6	147.5	113.9
	ANNUAL	139.0	164.2	118.2	153.7	116.5	110.6	111.0	110.7	137.5	113.1
Percent change from previous quarter at annual rate(5)											
2002	I	7.5	5.4	-2.0	1.7	r0.2	-5.4	-7.0	-5.9	91.5	-1.3
	II	4.6	4.2	-0.3	4.2	r0.9	-0.3	-3.1	-1.1	28.2	0.8
	III	2.6	1.1	-1.4	2.0	r-0.1	-0.6	0.3	-0.3	5.8	0.1
	IV	1.9	0.7	-1.2	2.1	r0.1	0.3	0.0	0.2	29.9	2.3
	ANNUAL	3.9	1.0	-2.8	3.0	1.4	-0.8	0.3	-0.5	16.0	0.6
2003	I	2.2	-0.7	-2.8	3.8	r-0.3	1.6	4.4	2.4	-8.8	1.4
	II	7.7	6.0	-1.5	6.2	r5.8	-1.4	-4.9	-2.4	58.5	1.8
	III	7.9	7.6	-0.3	5.8	r3.6	-1.9	0.1	-1.4	32.3	1.4
	IV	3.9	6.0	2.0	3.8	r2.9	-0.1	-1.5	-0.5	16.8	1.1
	ANNUAL	4.2	2.8	-1.3	4.0	1.7	-0.1	-0.1	-0.1	20.1	1.4
2004	I	0.9	3.4	2.5	2.5	r-1.4	1.6	-4.0	0.1	16.3	1.6
	II	3.3	4.3	1.0	5.5	1.0	2.1	1.3	1.9	21.0	3.8
	III	4.9	6.9	1.9	5.6	r3.8	0.6	-0.5	0.3	-0.8	0.2
	IV	5.3	6.7	1.3	4.4	0.8	-0.8	-3.7	-1.6	38.5	2.2
	ANNUAL	3.9	5.4	1.4	4.4	1.7	0.5	-1.6	-0.1	20.0	1.8
Percent change from corresponding quarter of previous year											
2002	I	3.4	-1.1	-4.4	3.2	2.0	-0.1	4.0	1.0	1.6	1.0
	II	3.8	0.4	-3.2	3.3	r2.1	-0.4	1.0	0.0	8.8	0.6
	III	4.3	1.9	-2.3	3.0	r1.5	-1.2	-1.1	-1.2	21.4	0.3
	IV	4.1	2.8	-1.2	2.5	0.3	-1.5	-2.5	-1.8	35.5	0.5
	ANNUAL	3.9	1.0	-2.8	3.0	1.4	-0.8	0.3	-0.5	16.0	0.6
2003	I	2.8	1.3	-1.4	3.1	r0.1	0.3	0.4	0.3	12.6	1.2
	II	3.6	1.8	-1.7	3.5	r1.3	0.0	-0.1	0.0	18.7	1.4
	III	4.9	3.3	-1.4	4.5	r2.2	-0.4	-0.2	-0.3	25.5	1.7
	IV	5.4	4.7	-0.7	4.9	r2.9	-0.5	-0.5	-0.5	22.3	1.4
	ANNUAL	4.2	2.8	-1.3	4.0	1.7	-0.1	-0.1	-0.1	20.1	1.4
2004	I	5.0	5.7	0.7	4.6	2.7	-0.5	-2.6	-1.0	29.9	1.5
	II	4.0	5.3	1.3	4.4	1.5	0.4	-1.0	0.0	21.5	2.0
	III	3.2	5.1	1.8	4.3	r1.6	1.1	-1.2	0.4	13.0	1.7
	IV	3.6	5.3	1.7	4.5	1.1	0.9	-1.8	0.2	17.9	1.9
	ANNUAL	3.9	5.4	1.4	4.4	1.7	0.5	-1.6	-0.1	20.0	1.8

See footnotes following Table 6.
r=revisedMay 5, 2005
Source: Bureau of Labor Statistics

SOURCES: Output data are from the Bureau of Economic Analysis and the Census Bureau of the U.S. Department of Commerce; the Bureau of Labor Statistics, U.S. Department of Labor; and the Federal Reserve Board. Compensation and hours data are from the Bureau of Labor Statistics and the Bureau of Economic Analysis.

RELIABILITY: Productivity and cost measures are regularly revised as more complete information becomes available. The measures are first published within 40 days of the close of the reference period; revisions appear 30 days later, and second revisions after an additional 60 days. In the business sector, the third publication (second revision) of a quarterly index of output per hour of all persons has differed from the initial value by between -1.3 and $+1.4$ index points approximately 95 percent of the time. This interval is based on the performance of this measure between the fourth quarter of 1995 and the fourth quarter of 2004.

Footnotes, Tables 1-6

- (1) Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Except for nonfinancial corporations, where there are no self-employed, data also include an estimate of wages, salaries, and supplemental payments for the self-employed.
- (2) The change for recent quarters is based on the Consumer Price Index for all urban consumers (CPI-U). The trend from 1978-2004 is based on the Consumer Price Index research series (CPI-U-RS).
- (3) Unit nonlabor payments include profits, consumption of fixed capital, taxes on production and imports less subsidies, net interest and miscellaneous payments, business current transfer payments, rental income of persons, and the current surplus of government enterprises.
- (4) Current dollar output divided by the output index.
- (5) Quarterly changes: Percent change compounded at annual rate from the original data rather than index numbers. Annual changes: Percent change between annual average levels.
- (6) Unit nonlabor costs include consumption of fixed capital, taxes on production and imports less subsidies, net interest and miscellaneous payments, and business current transfer payments.
- (7) Total unit costs are the sum of unit labor and nonlabor costs.
- (8) Unit profits include corporate profits before tax with inventory valuation and capital consumption adjustments.

Appendix table 1. Business sector: Revised productivity, hourly compensation, unit labor costs, and prices, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	Unit non-labor payments (3)	Implicit price deflator (4)	
----- Indexes 1992=100 -----									
2000	I	114.0	138.6	121.6	132.4	111.5	116.2	105.2	112.1
	II	116.2	141.1	121.4	133.0	111.1	114.5	109.4	112.6
	III	115.9	140.8	121.5	135.6	112.2	117.0	106.2	112.9
	IV	117.1	141.5	120.9	136.5	112.1	116.6	107.9	113.3
	ANNUAL	115.9	140.5	121.2	134.5	111.8	116.1	107.2	112.7
2001	I	116.9	141.1	120.7	138.8	r112.9	118.7	106.4	114.1
	II	118.5	141.4	119.4	139.7	112.9	117.9	109.8	114.9
	III	118.8	140.3	118.1	140.4	113.2	118.2	110.2	115.2
	IV	120.9	141.0	116.6	141.5	114.2	117.0	113.1	115.6
	ANNUAL	118.8	141.0	118.7	140.1	113.3	118.0	109.9	114.9
2002	I	122.6	142.2	115.9	143.2	r115.1	116.7	113.4	115.5
	II	123.2	142.9	116.0	144.5	115.2	117.2	113.6	115.9
	III	124.6	144.3	115.8	145.0	115.0	116.3	115.7	116.1
	IV	125.0	144.7	115.8	145.4	114.8	116.3	116.8	116.5
	ANNUAL	123.9	143.5	115.9	144.5	115.0	116.6	114.9	116.0
----- Percent change from previous quarter at annual rate(5) -----									
2000	I	-1.3	0.3	1.6	14.6	r10.3	16.0	-15.7	3.4
	II	8.1	7.5	-0.5	1.7	r-1.4	-5.9	17.1	1.8
	III	-1.1	-0.8	0.3	7.9	4.0	9.1	-11.1	1.3
	IV	4.1	2.0	-2.0	2.8	-0.1	-1.3	6.3	1.4
	ANNUAL	2.9	3.9	1.0	7.1	3.6	4.0	-1.8	1.8
2001	I	-0.5	-1.1	-0.6	6.8	r2.9	7.4	-5.4	2.7
	II	5.5	0.8	-4.4	2.9	r-0.3	-2.5	13.7	3.0
	III	1.2	-3.1	-4.2	2.0	r1.1	0.8	1.4	1.0
	IV	7.1	1.8	-5.0	3.1	3.6	-3.8	10.9	1.3
	ANNUAL	2.5	0.3	-2.1	4.2	1.3	1.6	2.5	2.0
2002	I	5.9	3.5	-2.3	4.9	r3.4	-1.0	1.0	-0.3
	II	1.9	2.1	0.2	3.7	r0.4	1.7	1.0	1.4
	III	4.6	3.8	-0.8	1.4	r-0.7	-3.1	7.3	0.7
	IV	1.2	1.2	0.0	1.2	r-0.8	0.0	3.8	1.4
	ANNUAL	4.3	1.8	-2.4	3.1	1.5	-1.1	4.5	0.9
----- Percent change from corresponding quarter of previous year -----									
2000	I	2.2	4.5	2.2	6.7	r3.3	4.4	-3.0	1.6
	II	4.0	5.4	1.3	6.8	3.4	2.7	0.5	1.9
	III	3.0	3.8	0.8	7.9	4.3	4.8	-3.0	1.9
	IV	2.4	2.2	-0.2	6.6	3.1	4.1	-1.7	2.0
	ANNUAL	2.9	3.9	1.0	7.1	3.6	4.0	-1.8	1.8
2001	I	2.6	1.8	-0.7	4.8	1.3	2.1	1.1	1.8
	II	2.0	0.2	-1.7	5.1	1.6	3.0	0.4	2.1
	III	2.5	-0.4	-2.8	3.6	0.9	1.0	3.7	2.0
	IV	3.3	-0.4	-3.6	3.7	1.8	0.4	4.8	2.0
	ANNUAL	2.5	0.3	-2.1	4.2	1.3	1.6	2.5	2.0
2002	I	4.9	0.8	-4.0	3.2	1.9	-1.6	6.6	1.2
	II	4.0	1.1	-2.8	3.4	2.1	-0.6	3.5	0.9
	III	4.9	2.8	-2.0	3.2	1.6	-1.6	5.0	0.8
	IV	3.4	2.7	-0.7	2.8	0.5	-0.6	3.3	0.8
	ANNUAL	4.3	1.8	-2.4	3.1	1.5	-1.1	4.5	0.9

See footnotes following Table 6.
r=revisedMay 5, 2005
Source: Bureau of Labor Statistics

Appendix table 2. Nonfarm business sector: Revised productivity, hourly compensation, unit labor costs, and prices, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	Unit non-labor payments (3)	Implicit price deflator (4)	
----- Indexes 1992=100 -----									
2000	I	113.7	138.8	122.1	132.1	111.2	116.2	106.6	112.6
	II	115.8	141.4	122.1	132.5	110.7	114.4	111.0	113.1
	III	115.5	141.1	122.1	135.1	111.8	116.9	107.8	113.5
	IV	116.6	141.8	121.7	135.8	111.6	116.5	109.4	113.9
	ANNUAL	115.5	140.8	121.9	134.0	111.4	116.0	108.7	113.3
2001	I	116.4	141.4	121.5	138.1	112.4	118.6	107.9	114.6
	II	118.1	141.9	120.1	139.0	r112.2	117.6	111.6	115.4
	III	118.5	140.8	118.9	139.6	112.5	117.8	111.9	115.6
	IV	120.4	141.2	117.3	140.7	113.5	116.8	114.7	116.0
	ANNUAL	118.3	141.3	119.4	139.3	112.7	117.7	111.5	115.4
2002	I	122.4	142.6	116.5	142.5	r114.6	116.4	115.1	116.0
	II	122.8	143.2	116.6	143.8	114.7	117.1	115.4	116.5
	III	124.1	144.5	116.4	144.3	r114.5	116.2	117.7	116.8
	IV	124.6	145.0	116.4	144.7	114.2	116.1	118.9	117.2
	ANNUAL	123.5	143.9	116.5	143.8	114.5	116.5	116.8	116.6
----- Percent change from previous quarter at annual rate(5) -----									
2000	I	-1.6	-0.1	1.5	14.8	r10.5	16.7	-16.8	3.3
	II	7.5	7.5	0.0	1.1	r-2.0	-6.0	17.4	1.8
	III	-1.0	-0.8	0.1	8.0	4.1	9.1	-11.0	1.4
	IV	3.6	2.2	-1.4	2.3	-0.6	-1.3	6.3	1.3
	ANNUAL	2.8	3.8	1.0	7.1	3.6	4.2	-1.8	1.9
2001	I	-0.4	-1.1	-0.7	6.7	r2.8	7.2	-5.4	2.6
	II	5.9	1.2	-4.4	2.6	r-0.5	-3.1	14.3	2.7
	III	1.2	-2.9	-4.1	1.8	r1.0	0.6	0.9	0.7
	IV	6.6	1.2	-5.1	3.1	3.7	-3.3	10.5	1.5
	ANNUAL	2.5	0.4	-2.0	4.0	1.1	1.5	2.6	1.9
2002	I	6.9	4.0	-2.7	5.4	r3.9	-1.4	1.6	-0.3
	II	1.3	1.7	0.4	3.7	r0.4	2.3	1.0	1.8
	III	4.3	3.6	-0.6	1.2	r-0.9	-2.9	8.1	1.0
	IV	1.5	1.4	-0.1	1.2	r-0.8	-0.3	4.2	1.3
	ANNUAL	4.3	1.8	-2.5	3.2	1.6	-1.1	4.7	1.0
----- Percent change from corresponding quarter of previous year -----									
2000	I	2.2	4.4	2.1	6.9	3.6	4.6	-2.7	1.9
	II	3.9	5.3	1.4	6.8	3.4	2.9	0.4	2.0
	III	2.9	3.6	0.8	8.0	4.4	5.0	-3.1	2.0
	IV	2.1	2.1	0.1	6.4	2.9	4.3	-1.9	2.0
	ANNUAL	2.8	3.8	1.0	7.1	3.6	4.2	-1.8	1.9
2001	I	2.4	1.9	-0.5	4.5	r1.0	2.1	1.2	1.8
	II	2.0	0.4	-1.6	4.9	1.4	2.8	0.6	2.0
	III	2.6	-0.2	-2.7	3.3	0.7	0.8	3.8	1.8
	IV	3.3	-0.4	-3.6	3.6	1.7	0.3	4.8	1.9
	ANNUAL	2.5	0.4	-2.0	4.0	1.1	1.5	2.6	1.9
2002	I	5.1	0.9	-4.1	3.2	2.0	-1.8	6.7	1.2
	II	4.0	1.0	-2.9	3.5	2.2	-0.5	3.4	0.9
	III	4.7	2.6	-2.0	3.3	r1.8	-1.3	5.2	1.0
	IV	3.5	2.7	-0.8	2.9	0.6	-0.6	3.7	1.0
	ANNUAL	4.3	1.8	-2.5	3.2	1.6	-1.1	4.7	1.0

See footnotes following Table 6.
r=revisedMay 5, 2005
Source: Bureau of Labor Statistics

Appendix table 3. Manufacturing sector: Revised productivity, hourly compensation, and unit labor costs, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	

Indexes 1992=100							
2000	I	132.6	138.1	104.1	133.2	112.1	100.5
	II	134.4	140.0	104.1	132.5	110.7	98.6
	III	134.0	139.0	103.8	135.9	112.4	101.4
	IV	134.9	137.5	102.0	136.7	112.3	101.4
	ANNUAL	134.1	138.6	103.4	134.7	112.0	100.5
2001	I	134.6	134.9	100.2	138.1	r112.4	102.7
	II	135.8	133.1	98.0	137.3	110.9	101.1
	III	137.0	131.3	95.8	137.0	110.4	100.0
	IV	140.6	130.0	92.5	139.0	112.2	98.8
	ANNUAL	136.9	132.3	96.6	137.8	111.5	100.7
2002	I	144.4	131.1	90.8	143.8	r115.6	99.6
	II	146.5	132.4	90.4	146.7	117.0	100.2
	III	148.7	133.2	89.6	148.3	r117.7	99.7
	IV	149.5	132.1	88.4	149.4	117.9	99.9
	ANNUAL	147.3	132.2	89.8	147.0	117.0	99.8

Percent change from previous quarter at annual rate(5)							
2000	I	5.6	3.7	-1.9	21.8	r17.3	15.3
	II	5.6	5.6	0.0	-2.1	r-5.1	-7.3
	III	-1.4	-2.8	-1.4	10.6	6.6	12.1
	IV	2.8	-4.1	-6.7	2.4	-0.4	-0.3
	ANNUAL	4.7	3.0	-1.6	9.2	5.6	4.2
2001	I	-0.9	-7.6	-6.7	4.3	r0.4	5.2
	II	3.8	-5.0	-8.5	-2.4	r-5.4	-5.9
	III	3.5	-5.5	-8.6	-0.9	r-1.7	-4.2
	IV	11.1	-3.7	-13.3	5.9	6.5	-4.6
	ANNUAL	2.1	-4.6	-6.5	2.3	-0.5	0.2
2002	I	11.2	3.2	-7.2	14.6	r12.9	3.0
	II	5.8	4.1	-1.6	8.5	r5.0	2.6
	III	6.3	2.4	-3.7	4.3	r2.1	-1.9
	IV	2.2	-3.2	-5.3	3.0	r0.9	0.8
	ANNUAL	7.5	-0.1	-7.1	6.6	5.0	-0.8

Percent change from corresponding quarter of previous year							
2000	I	4.7	3.8	-0.8	9.8	6.4	4.9
	II	5.6	4.6	-0.9	8.5	5.1	2.8
	III	5.1	3.3	-1.7	10.0	6.4	4.7
	IV	3.1	0.5	-2.5	7.8	4.2	4.6
	ANNUAL	4.7	3.0	-1.6	9.2	5.6	4.2
2001	I	1.5	-2.3	-3.7	3.7	0.3	2.2
	II	1.0	-4.9	-5.9	3.6	0.2	2.5
	III	2.3	-5.5	-7.6	0.8	-1.8	-1.4
	IV	4.3	-5.5	-9.3	1.7	-0.1	-2.5
	ANNUAL	2.1	-4.6	-6.5	2.3	-0.5	0.2
2002	I	7.3	-2.8	-9.4	4.1	2.8	-3.0
	II	7.8	-0.5	-7.8	6.9	5.5	-0.9
	III	8.6	1.5	-6.6	8.2	r6.6	-0.3
	IV	6.3	1.6	-4.5	7.5	5.1	1.1
	ANNUAL	7.5	-0.1	-7.1	6.6	5.0	-0.8

See footnotes following Table 6.
r=revised

May 5, 2005
Source: Bureau of Labor Statistics

Appendix table 4. Durable manufacturing sector: Revised productivity, hourly compensation, and unit labor costs seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	
----- Indexes 1992=100 -----							
2000	I	149.6	164.9	110.2	133.4	112.3	89.2
	II	151.4	167.5	110.7	131.9	110.1	87.1
	III	151.0	166.4	110.2	135.7	112.3	89.9
	IV	151.0	164.1	108.6	135.4	111.3	89.7
	ANNUAL	150.9	165.7	109.8	134.2	111.6	89.0
2001	I	150.3	160.1	106.5	136.4	111.0	90.7
	II	151.7	157.6	103.9	135.8	r109.6	89.5
	III	153.4	154.4	100.7	135.6	109.3	88.4
	IV	156.8	151.5	96.6	137.9	111.3	87.9
	ANNUAL	153.0	155.9	101.9	136.4	110.3	89.2
2002	I	161.8	153.1	94.6	140.8	r113.2	87.0
	II	164.6	155.3	94.3	143.9	r114.8	87.4
	III	167.7	156.6	93.4	145.0	r115.1	86.5
	IV	170.6	156.3	91.6	146.1	r115.4	85.7
	ANNUAL	166.1	155.3	93.5	143.9	114.6	86.6
----- Percent change from previous quarter at annual rate(5) -----							
2000	I	9.8	7.9	-1.7	25.0	r20.3	13.9
	II	4.9	6.6	1.6	-4.5	r-7.5	-9.0
	III	-1.1	-2.6	-1.6	12.1	8.1	13.3
	IV	0.2	-5.4	-5.6	-0.7	-3.5	-0.9
	ANNUAL	5.3	4.6	-0.7	9.7	6.1	4.2
2001	I	-2.0	-9.5	-7.6	2.7	r-1.1	4.8
	II	3.7	-6.1	-9.4	-1.7	r-4.7	-5.2
	III	4.6	-7.7	-11.8	-0.6	r-1.4	-5.0
	IV	9.2	-7.3	-15.2	7.1	7.7	-2.0
	ANNUAL	1.4	-5.9	-7.2	1.6	-1.2	0.2
2002	I	13.3	4.1	-8.1	8.7	r7.1	-4.1
	II	7.1	6.0	-1.0	9.0	r5.5	1.8
	III	7.7	3.3	-4.0	3.2	r1.1	-4.2
	IV	7.1	-0.7	-7.2	3.2	r1.1	-3.6
	ANNUAL	8.6	-0.4	-8.3	5.5	3.9	-2.8
----- Percent change from corresponding quarter of previous year -----							
2000	I	5.9	6.0	0.2	11.2	r7.7	5.0
	II	5.9	6.5	0.6	8.9	5.5	2.8
	III	5.6	4.4	-1.2	10.9	7.2	4.9
	IV	3.4	1.5	-1.8	7.4	3.8	3.9
	ANNUAL	5.3	4.6	-0.7	9.7	6.1	4.2
2001	I	0.5	-2.9	-3.4	2.2	-1.1	1.7
	II	0.2	-5.9	-6.1	3.0	-0.4	2.8
	III	1.6	-7.2	-8.7	-0.1	-2.7	-1.7
	IV	3.8	-7.7	-11.1	1.8	0.0	-1.9
	ANNUAL	1.4	-5.9	-7.2	1.6	-1.2	0.2
2002	I	7.7	-4.4	-11.2	3.3	2.0	-4.1
	II	8.5	-1.5	-9.2	6.0	r4.7	-2.4
	III	9.3	1.4	-7.2	6.9	r5.3	-2.2
	IV	8.8	3.2	-5.1	6.0	r3.7	-2.6
	ANNUAL	8.6	-0.4	-8.3	5.5	3.9	-2.8

See footnotes following Table 6.

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Source: Bureau of Labor Statistics

Appendix table 5. Nondurable manufacturing sector: Revised productivity, hourly compensation, and unit labor costs seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	

Indexes 1992=100							
2000	I	116.7	110.9	95.0	130.5	r109.8	111.8
	II	118.7	112.0	94.4	131.4	109.7	110.7
	III	118.0	111.1	94.1	133.7	110.7	113.3
	IV	119.9	110.4	92.0	136.6	112.2	113.9
	ANNUAL	118.5	111.1	93.7	133.2	110.8	112.4
2001	I	119.9	108.9	90.8	139.2	r113.3	116.1
	II	120.8	107.8	89.2	138.0	111.5	114.3
	III	120.9	107.1	88.6	137.8	111.1	114.0
	IV	124.4	107.3	86.3	139.3	112.4	111.9
	ANNUAL	121.5	107.8	88.7	138.6	112.1	114.1
2002	I	126.9	107.9	85.0	147.9	r118.9	116.5
	II	128.3	108.4	84.5	150.5	120.1	117.4
	III	129.7	108.7	83.8	152.9	121.3	117.9
	IV	128.2	106.9	83.4	154.1	121.6	120.2
	ANNUAL	128.2	108.0	84.2	151.3	120.5	118.0

Percent change from previous quarter at annual rate(5)							
2000	I	-0.1	-2.3	-2.2	15.4	r11.1	15.5
	II	6.8	3.9	-2.8	2.7	r-0.4	-3.8
	III	-2.3	-3.2	-1.0	7.4	3.5	9.8
	IV	6.6	-2.5	-8.5	8.9	5.9	2.2
	ANNUAL	4.0	0.7	-3.2	7.8	4.3	3.6
2001	I	-0.2	-5.3	-5.1	7.8	r3.8	8.0
	II	3.2	-3.8	-6.8	-3.4	r-6.3	-6.3
	III	0.3	-2.6	-2.9	-0.6	r-1.4	-0.9
	IV	12.2	0.8	-10.1	4.3	4.9	-7.1
	ANNUAL	2.5	-3.0	-5.3	4.0	1.2	1.5
2002	I	8.2	2.2	-5.5	27.1	r25.3	17.5
	II	4.4	1.8	-2.4	7.4	r4.0	2.9
	III	4.5	1.1	-3.2	6.4	r4.2	1.9
	IV	-4.5	-6.4	-2.0	3.1	r1.0	8.0
	ANNUAL	5.6	0.2	-5.1	9.2	7.5	3.4

Percent change from corresponding quarter of previous year							
2000	I	3.4	0.8	-2.5	6.7	r3.4	3.2
	II	5.3	1.7	-3.5	7.3	3.9	1.8
	III	4.2	1.5	-2.6	8.2	4.6	3.8
	IV	2.7	-1.1	-3.7	8.5	4.9	5.7
	ANNUAL	4.0	0.7	-3.2	7.8	4.3	3.6
2001	I	2.7	-1.9	-4.4	6.7	3.2	3.9
	II	1.8	-3.7	-5.4	5.1	1.6	3.2
	III	2.4	-3.6	-5.9	3.1	0.4	0.6
	IV	3.8	-2.7	-6.3	1.9	0.1	-1.8
	ANNUAL	2.5	-3.0	-5.3	4.0	1.2	1.5
2002	I	5.9	-0.9	-6.4	6.2	r5.0	0.3
	II	6.2	0.6	-5.3	9.1	7.7	2.7
	III	7.3	1.5	-5.4	10.9	9.2	3.4
	IV	3.0	-0.4	-3.3	10.6	8.2	7.4
	ANNUAL	5.6	0.2	-5.1	9.2	7.5	3.4

See footnotes following Table 6.

May 5, 2005

r=revised

Source: Bureau of Labor Statistics

Appendix table 6. Nonfinancial corporations: Revised productivity, hourly compensation, unit labor costs, unit profits, and prices, seasonally adjusted

Year and quarter	Output per all-employee hour	Output	Employee hours	Hourly compensation (1)	Real hourly compensation(2)	Unit labor costs	Unit non-labor costs(6)	Total unit costs (7)	Unit profits (8)	Implicit price deflator (4)
Indexes 1992=100										
2000	I	120.5	150.3	124.7	129.7	109.2	107.7	101.9	106.1	114.6
	II	121.1	151.1	124.8	130.5	108.9	107.7	103.5	106.6	115.9
	III	121.9	152.4	125.0	132.9	110.0	109.0	104.8	107.9	107.4
	IV	122.2	152.3	124.7	134.4	110.4	110.0	106.5	109.1	97.0
	ANNUAL	121.5	151.5	124.7	132.0	109.7	108.6	104.2	107.4	108.7
2001	I	122.6	151.9	123.9	135.5	110.3	110.5	109.2	110.2	87.4
	II	123.5	151.1	122.3	136.8	110.5	110.8	111.6	111.0	86.9
	III	123.7	149.4	120.8	137.9	111.1	111.5	114.1	112.2	79.0
	IV	124.5	148.2	119.1	139.3	112.4	111.9	115.7	113.0	75.5
	ANNUAL	123.5	150.2	121.5	137.3	111.1	111.2	112.6	111.6	82.2
2002	I	126.7	150.2	118.5	139.9	112.5	110.4	113.6	111.3	88.8
	II	128.2	151.7	118.4	141.3	r112.8	110.3	112.7	111.0	94.5
	III	129.0	152.2	118.0	142.1	112.7	110.1	112.8	110.9	95.8
	IV	129.6	152.4	117.6	142.8	r112.8	110.2	112.8	110.9	102.3
	ANNUAL	128.4	151.6	118.1	141.5	112.7	110.3	113.0	111.0	95.4
Percent change from previous quarter at annual rate(5)										
2000	I	7.2	9.5	2.1	15.3	r11.0	7.6	1.4	5.9	-25.5
	II	2.1	2.3	0.2	2.3	r-0.9	0.1	6.6	1.8	4.7
	III	2.7	3.4	0.6	7.7	3.8	4.9	5.0	4.9	-26.2
	IV	0.8	-0.2	-0.9	4.5	1.6	3.7	6.7	4.5	-33.4
	ANNUAL	3.6	5.2	1.5	6.8	3.4	3.1	3.8	3.3	-15.8
2001	I	1.4	-1.1	-2.4	3.4	r-0.5	1.9	10.5	4.1	-34.1
	II	2.9	-2.2	-4.9	3.8	r0.7	0.9	9.2	3.1	-2.5
	III	0.6	-4.4	-5.0	3.3	r2.4	2.6	8.9	4.3	-31.8
	IV	2.6	-3.0	-5.5	4.2	4.8	1.6	5.9	2.8	-16.3
	ANNUAL	1.7	-0.9	-2.5	4.1	1.2	2.4	8.1	3.9	-24.3
2002	I	7.5	5.4	-2.0	1.7	r0.2	-5.4	-7.0	-5.9	91.5
	II	4.6	4.2	-0.3	4.2	r0.9	-0.3	-3.1	-1.1	28.2
	III	2.6	1.1	-1.4	2.0	r-0.1	-0.6	0.3	-0.3	5.8
	IV	1.9	0.7	-1.2	2.1	r0.1	0.3	0.0	0.2	29.9
	ANNUAL	3.9	1.0	-2.8	3.0	1.4	-0.8	0.3	-0.5	16.0
Percent change from corresponding quarter of previous year										
2000	I	3.4	6.1	2.6	5.8	2.5	2.3	2.8	2.4	-14.1
	II	3.5	5.5	2.0	6.2	2.9	2.7	3.8	3.0	-13.2
	III	4.1	5.6	1.4	7.6	4.0	3.3	3.8	3.5	-14.9
	IV	3.2	3.7	0.5	7.3	3.8	4.0	4.9	4.3	-21.3
	ANNUAL	3.6	5.2	1.5	6.8	3.4	3.1	3.8	3.3	-15.8
2001	I	1.7	1.1	-0.6	4.4	1.0	2.6	7.2	3.8	-23.7
	II	1.9	0.0	-1.9	4.8	1.4	2.8	7.8	4.1	-25.0
	III	1.4	-2.0	-3.3	3.7	1.0	2.3	8.8	4.0	-26.5
	IV	1.9	-2.7	-4.5	3.7	1.8	1.8	8.6	3.6	-22.2
	ANNUAL	1.7	-0.9	-2.5	4.1	1.2	2.4	8.1	3.9	-24.3
2002	I	3.4	-1.1	-4.4	3.2	2.0	-0.1	4.0	1.0	1.6
	II	3.8	0.4	-3.2	3.3	r2.1	-0.4	1.0	0.0	8.8
	III	4.3	1.9	-2.3	3.0	r1.5	-1.2	-1.1	-1.2	21.4
	IV	4.1	2.8	-1.2	2.5	0.3	-1.5	-2.5	-1.8	35.5
	ANNUAL	3.9	1.0	-2.8	3.0	1.4	-0.8	0.3	-0.5	16.0

See footnotes following Table 6.
r=revisedMay 5, 2005
Source: Bureau of Labor Statistics