

News

United States
Department
of Labor



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EMPLOYMENT COST INDEX—MARCH 2005

Total compensation costs for civilian workers increased 0.7 percent from December 2004 to March 2005, seasonally adjusted, virtually unchanged from the 0.8 percent gain from September to December 2004, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Benefit costs rose 1.2 percent, outpacing the gain for wages and salaries of 0.6 percent. The Employment Cost Index (ECI), a component of the National Compensation Survey, measures quarterly changes in compensation costs, which include wages, salaries, and employer costs for employee benefits for civilian workers (nonfarm private and State and local government).

Rises in benefit costs accounted for nearly 60 percent of the increase in compensation costs for civilian workers from December 2004 to March 2005. Among private industry workers, benefit costs contributed approximately 60 percent of compensation gains during the quarter, with health insurance costs and nonproduction bonuses accounting for nearly one-third of the gain in compensation costs. Among State and local government workers, benefit costs comprised a little over half of compensation cost gains during the December to March period, with health insurance costs accounting for one-fourth of the gain in compensation costs.

Quarterly changes, seasonally adjusted

Compensation costs for the private sector rose 0.6 percent from December 2004 to March 2005, after advancing 0.8 percent in the prior quarter. For State and local government workers, compensation costs rose 1.0 percent in March, compared with a gain of 0.9 percent for the quarter ended in December. (See tables A and 1.)

Benefit costs advanced 1.2 percent for civilian workers in the March 2005 quarter, following a gain of 1.6 percent in the December 2004 quarter. Private sector benefit costs rose 1.1 percent for the March quarter, moderating from the 1.6 percent gain in the previous quarter. Benefit costs for State and local government workers increased 1.5 percent in the March quarter, unchanged from the prior quarter.

NOTE

This release incorporates new seasonal adjustment factors. See page 4 for details.

Wages and salaries for civilian workers increased 0.6 percent during the March 2005 quarter, virtually unchanged from a gain of 0.5 percent in December 2004. Wages and salaries for private industry workers rose 0.6 percent for the March quarter, compared with a 0.4 percent gain during the prior period. Wages and salaries in State and local government advanced 0.8 percent during the December 2004 to March 2005 period, following an increase of 0.6 percent change in the previous quarter.

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

Compensation Component	June 2003	Sep. 2003	Dec. 2003	Mar. 2004	June 2004	Sep. 2004	Dec. 2004	Mar. 2005
Civilian workers								
Compensation costs	0.9	1.0	0.8	1.1	0.9	0.9	0.8	0.7
Wages and salaries	0.6	0.7	0.5	0.6	0.6	0.7	0.5	0.6
Benefit costs	1.3	1.7	1.5	2.2	1.6	1.4	1.6	1.2
Private industry								
Compensation costs	0.8	1.1	0.8	1.1	0.9	1.0	0.8	0.6
Wages and salaries	0.6	0.8	0.6	0.6	0.6	0.7	0.4	0.6
Benefit costs	1.3	1.7	1.5	2.2	1.7	1.3	1.6	1.1
State and local government								
Compensation costs	0.9	0.8	0.7	0.9	0.9	0.8	0.9	1.0
Wages and salaries	0.6	0.3	0.5	0.6	0.5	0.4	0.6	0.8
Benefit costs	1.3	1.9	1.3	1.6	1.8	1.6	1.5	1.5

Over-the-year changes, not seasonally adjusted

Annual compensation costs for civilian workers increased 3.5 percent for the year ended March 2005, compared with a 3.8 percent over-the-year increase for March 2004. Compensation costs in private industry rose 3.4 percent in the year ended March 2005, compared with a 3.9 percent increase in March 2004. Compensation costs increased 3.6 percent for State and local governments for the year ended March 2005, compared with an over-the-year gain of 3.3 percent in March 2004. (See tables B, 2, and 3.)

The components of compensation showed differences in the rate of change. While increases in wages and salaries continued at a moderate pace, benefit costs continued to rise more rapidly. For civilian workers, wages and salaries rose 2.4 percent in the year ended March 2005, nearly identical with a gain of 2.5 percent in March 2004. Wages and salaries for private industry workers also rose 2.4 percent for the 12 months ended in March 2005, compared with an increase of 2.6 percent in March 2004. Benefit costs gained 5.9 percent for civilian workers for the period ended March 2005, compared with an increase of 6.9 percent for the year ended March 2004. (See tables B, 5, 6, and 8.)

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

Compensation Component	Mar. 2000	Mar. 2001	Mar. 2002	Mar. 2003	Mar. 2004	Mar. 2005
Civilian workers						
Compensation costs	4.3	4.1	3.9	3.9	3.8	3.5
Wages and salaries	4.0	3.8	3.5	2.9	2.5	2.4
Benefit costs	5.0	4.7	4.9	6.1	6.9	5.9
Private industry						
Compensation costs	4.6	4.2	3.9	3.8	3.9	3.4
Wages and salaries	4.2	3.8	3.5	3.0	2.6	2.4
Benefit costs	5.5	5.0	4.8	6.1	7.0	5.8
State and local government						
Compensation costs	3.6	3.3	3.9	4.2	3.3	3.6
Wages and salaries	3.8	3.5	3.4	3.1	2.1	2.3
Benefit costs	3.2	2.8	5.0	6.6	6.2	6.6

Nonfarm private industry

For the year ended March 2005, compensation costs in private industry increased 3.9 percent for goods-producing industries, compared with an advance of 4.5 percent for the year ended March 2004. Compensation costs for manufacturing advanced 3.8 percent in March 2005, compared with the 4.7 percent gain in March 2004. Compensation costs for construction rose 2.7 percent in March 2005, compared with a 3.5 percent rise in March 2004. (See table 3.)

The over-the-year increase in compensation for service-producing industries was 3.2 percent, compared with a 3.6 percent gain for the year ended March 2004. Among service-producing industries, compensation costs rose modestly for retail trade and transportation and public utilities, increasing 2.5 percent and 2.8 percent, respectively, in March 2005. (See table 3.)

Over-the-year compensation cost increases were 3.6 percent for white-collar occupations, 3.2 percent for blue-collar occupations, and 2.4 percent for service occupations for the year ended March 2005. Among white-collar occupational groups, compensation cost changes ranged from 2.3 percent for sales workers to 4.3 percent for professional specialty and technical employees. Among blue-collar occupational groups, compensation cost increases ranged from 2.7 percent for machine operators, assemblers, and inspectors to 3.6 percent for precision production, craft, and repair occupations. (See table 3.)

Compensation costs for union workers advanced 3.6 percent over the year ended March 2005, compared with a 3.4 percent increase for nonunion workers. Among blue-collar workers, compensation costs advanced 3.5 percent for union workers, compared with the gain of 3.1 percent for nonunion workers. In manufacturing industries, compensation cost gains for union workers slowed sharply, rising 3.2 percent for year ended March 2005, significantly less than the 7.8 percent increase for the year-ended March 2004. For nonunion workers in manufacturing, compensation costs rose 3.4 percent for the year ended March 2005, compared with an over-the-year gain of 3.6 percent in March 2004. (See tables C and 4.)

Wages and salaries for union workers rose 2.3 percent for the 12 months ended in March 2005, compared with an over-the-year increase of 2.4 percent for nonunion workers. Benefit costs for union workers rose 5.6 percent for the year ended March 2005, slowing sharply compared with the gain of 11.2 percent in March 2004. Benefit costs for nonunion workers advanced 5.8 percent over the year ended March 2005, compared with an increase of 6.0 percent in March 2004. (See tables C, 7, and 8.)

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

Compensation Component	Mar. 2000	Mar. 2001	Mar. 2002	Mar. 2003	Mar. 2004	Mar. 2005
Union workers						
Compensation costs	3.6	3.4	4.7	4.7	5.7	3.6
Wages and salaries	2.7	3.6	4.4	3.3	2.5	2.3
Benefit costs	5.4	3.1	5.0	7.3	11.2	5.6
Nonunion workers						
Compensation costs	4.7	4.3	3.8	3.6	3.6	3.4
Wages and salaries	4.4	3.9	3.4	2.9	2.6	2.4
Benefit costs	5.5	5.5	4.8	5.8	6.0	5.8

Among the four geographic regions, increases in compensation costs ranged from 3.0 percent in the Midwest to 3.7 percent in the South for the year ended March 2005. Compensation costs rose 3.5 percent in the Northeast and West. In the West, gains in wages and salaries slowed to 2.1 percent for the year ended March 2005, significantly less than the 3.4 percent gain for the year ended March 2004. Among the remaining regions, wages and salaries rose 2.2 percent in the Midwest, 2.5 percent in the Northeast, and 2.8 percent in the South for the year ended March 2005. (See tables 4 and 7.)

State and local government

Wages and salaries for State and local government workers rose 2.3 percent in the year ended March 2005, compared with the gain of 2.1 percent for March 2004. Benefit costs rose 6.6 percent for the year ended March 2005, compared with the gain of 6.2 percent for the year ended March 2004. (See tables B, 5, and 8.)

For the year ended March 2005, compensation costs increased 3.1 percent for educational services, compared with the 2.9 percent increase for the year ended March 2004. Within educational services, compensation increases were 3.3 percent for elementary and secondary schools and 2.6 percent for colleges and universities. Among occupational groups, compensation costs of service workers rose 4.3 percent for the year ended March 2005, compared with gains of 3.5 percent for white- and blue-collar workers. (See table 2.)

NOTE:

This release incorporates annual revisions in seasonally adjusted Employment Cost Index (ECI) data for total compensation, wages and salaries, and benefit costs. Seasonally adjusted data for 2000-2004 were revised to reflect updated seasonal factors. The new seasonal factors and the historical listing containing revised seasonally adjusted indexes are available on the Internet site <http://www.bls.gov/ncs/ect/home.htm>, by e-mail request at ocltinfo@bls.gov, or by telephone (202) 691-6199.

The ECI for June 2005 is scheduled to be released Friday, July 29, 2005, at 8:30 a.m. (EDT).

ECI data are available on the Compensation Cost Trends page at <http://www.bls.gov/ncs/ect/home.htm>. To access data using Anonymous FTP, use the Internet address <ftp://ftp.bls.gov>.

For technical assistance in using the BLS Internet site, send e-mail to webmaster@bls.gov. For ECI data requests, send e-mail to ocltinfo@bls.gov.

The ECI news release is available through an e-mail subscription service. See the subscription link on <http://www.bls.gov/ncs/ect/home.htm> or <http://www.bls.gov/bls/newsrels.htm>.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service Number: 1-800-877-8339.

Chart A. Changes in wages and salaries and in benefit costs, private industry, 1980-2005

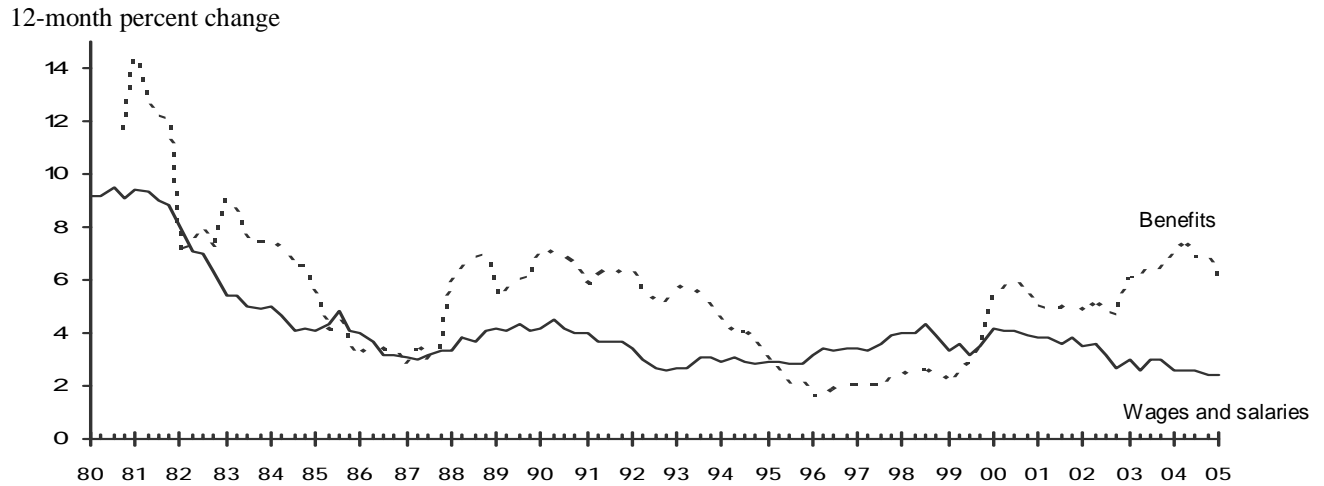


Chart B. Changes in benefits, goods- and service-producing industries, private industry, 1980-2005

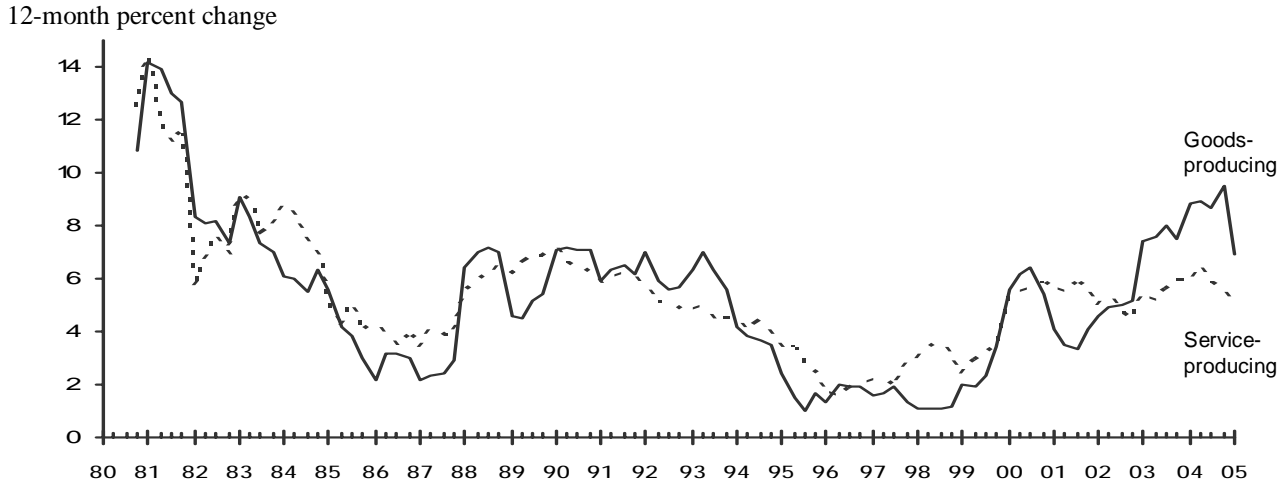


Chart C. Changes in benefits, by bargaining status, private industry, 1980-2005

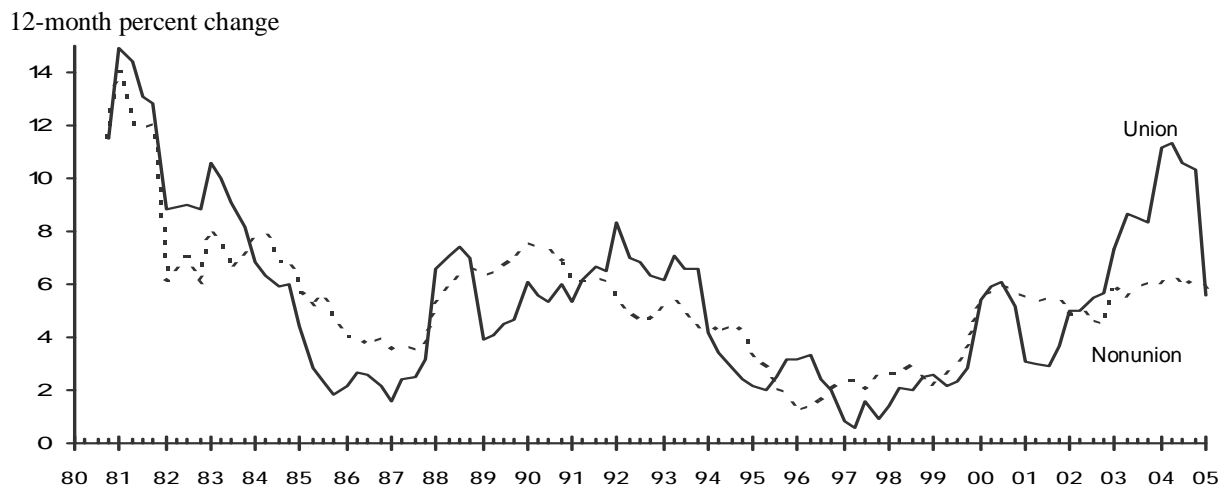


Table 1. Employment Cost Index for total compensation¹, wages and salaries, and benefit costs by industry and occupational group

(Seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)		Percent changes for 3-months ended-							
	Dec. 2004	Mar. 2005	Jun. 2003	Sep. 2003	Dec. 2003	Mar. 2004	Jun. 2004	Sep. 2004	Dec. 2004	Mar. 2005
TOTAL COMPENSATION										
Civilian workers	175.5	176.7	0.9	1.0	0.8	1.1	0.9	0.9	0.8	0.7
State and local government	172.5	174.3	.9	.8	.7	.9	.9	.8	.9	1.0
Private industry	176.2	177.3	.8	1.1	.8	1.1	.9	1.0	.8	.6
Industry										
Goods producing ²	176.3	177.1	1.0	1.1	.7	1.7	1.0	1.3	1.0	.5
Construction	167.5	169.3	1.1	.8	.8	.8	.5	.7	.4	1.1
Manufacturing	176.6	177.3	1.0	.9	1.1	1.6	1.1	1.2	1.0	.4
Durables	177.8	178.6	.9	1.0	1.1	1.7	1.2	1.3	1.1	.4
Nondurables	174.7	175.2	1.2	.9	1.0	1.3	.9	1.1	.9	.3
Service producing ³	176.2	177.3	.8	1.1	.9	.8	.9	.8	.7	.6
Transportation and public utilities	174.3	174.7	.9	.8	.9	1.4	1.1	.8	.6	.2
Wholesale trade	177.6	179.3	.5	.8	.6	.6	.6	1.4	.1	1.0
Retail trade	165.1	166.1	.4	1.6	1.1	.4	.9	.3	.7	.6
Finance, insurance, and real estate ⁴	186.0	188.9	.9	1.1	.4	.9	.6	.7	.6	1.6
Services	178.3	179.6	.8	1.1	.9	.9	1.0	.9	1.0	.7
Nonmanufacturing	175.1	176.4	.8	1.0	.9	.8	.9	.8	.8	.7
Occupational group										
White collar	178.7	180.3	.7	1.1	.9	.9	.8	.9	.9	.9
Blue collar	171.6	172.0	1.0	1.0	1.0	1.5	1.0	1.0	.9	.2
Service	170.4	170.8	.6	.9	.9	.9	.9	.5	.7	.2
WAGES AND SALARIES										
Civilian workers	166.2	167.2	.6	.7	.5	.6	.6	.7	.5	.6
State and local government	165.1	166.4	.6	.3	.5	.6	.5	.4	.6	.8
Private industry	166.4	167.4	.6	.8	.6	.6	.6	.7	.4	.6
Industry										
Goods producing ^{2,4}	162.4	163.6	.7	.6	.3	.8	.6	.9	.1	.7
Construction	157.3	157.8	1.1	.7	.6	.6	.4	.6	.3	.3
Manufacturing ⁴	164.0	165.3	.6	.4	.3	.7	.7	.9	.1	.8
Durables ⁴	164.7	165.9	.6	.6	.2	.6	.6	1.0	.1	.7
Nondurables	163.4	164.3	.8	.4	.6	.7	.7	.8	.4	.6
Service producing ³	168.2	169.1	.6	.9	.7	.5	.5	.7	.6	.5
Transportation and public utilities ⁵	160.5	159.8	.5	.3	.3	.7	1.0	.8	.1	-.4
Wholesale trade	168.3	169.6	.1	.6	.7	.2	.4	1.6	-.8	.8
Retail trade	159.5	160.4	.3	1.6	.4	.4	.6	.1	.6	.6
Finance, insurance, and real estate ⁴	177.7	179.2	.8	1.0	.2	.4	.1	.7	.7	.8
Services	172.2	173.4	.8	.9	.8	.7	.8	.8	.8	.7
Nonmanufacturing	166.9	167.8	.6	.9	.7	.6	.5	.7	.6	.5

See footnotes at end of table.

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

(Seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)		Percent changes for 3-months ended—							
	Dec. 2004	Mar. 2005	Jun. 2003	Sep. 2003	Dec. 2003	Mar. 2004	Jun. 2004	Sep. 2004	Dec. 2004	Mar. 2005
WAGES AND SALARIES—Continued										
Occupational group										
White collar	170.4	171.3	0.6	0.9	0.7	0.5	0.6	0.8	0.6	0.5
Blue collar ⁴	159.9	160.8	.7	.6	.3	.7	.7	.8	.3	.6
Service ⁵	160.6	161.4	.4	.6	.4	.4	.6	.3	.5	.5
BENEFIT COSTS										
Civilian workers	198.0	200.3	1.3	1.7	1.5	2.2	1.6	1.4	1.6	1.2
State and local government	190.1	193.0	1.3	1.9	1.3	1.6	1.8	1.6	1.5	1.5
Private industry	199.9	202.0	1.3	1.7	1.5	2.2	1.7	1.3	1.6	1.1
Industry										
Goods producing ²	203.5	205.3	1.5	2.0	1.5	3.4	1.5	2.0	2.3	.9
Manufacturing	203.5	204.4	1.6	2.1	1.8	3.9	1.8	2.1	1.9	.4
Service producing ³	197.7	200.1	1.2	1.5	1.5	1.5	1.7	.9	1.2	1.2
Nonmanufacturing	198.7	201.1	1.3	1.5	1.4	1.5	1.7	1.0	1.5	1.2
Occupational group										
White collar	202.5	205.9	1.1	1.6	1.4	1.6	1.5	1.4	1.6	1.7
Blue collar	196.8	196.7	2.0	1.9	1.6	3.1	1.9	1.6	1.6	-.1
Service	200.2	199.5	1.4	1.5	2.0	2.2	1.7	1.2	1.2	-3

¹ Includes wages, salaries, and employer costs for employee benefits.² Includes mining, construction, and manufacturing.³ Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.⁴ Seasonality was found for this series; however, the series is not seasonally adjusted due to processing limitations.⁵ No identifiable seasonality was found for this series.

Table 2. Employment Cost Index for total compensation¹ for civilian and State and local government workers by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Civilian workers	170.7	174.7	176.6	1.4	0.5	1.1	3.8	3.7	3.5
Excluding sales occupations	170.8	175.0	176.9	1.3	.6	1.1	3.8	3.8	3.6
Industry									
Goods producing ²	170.4	174.4	177.0	2.3	.6	1.5	4.5	4.7	3.9
Manufacturing	171.7	175.4	178.2	2.8	.3	1.6	4.7	5.0	3.8
Service producing ³	170.8	174.7	176.5	1.0	.4	1.0	3.5	3.3	3.3
Services	171.2	175.5	177.0	1.0	.6	.9	3.6	3.5	3.4
Health services	173.0	177.7	179.9	1.3	.6	1.2	4.0	4.1	4.0
Hospitals	176.8	181.8	184.3	1.1	.7	1.4	4.1	4.0	4.2
Educational services	168.5	172.9	173.9	.5	.6	.6	3.0	3.2	3.2
Public administration ⁴	170.1	175.4	177.6	1.2	.7	1.3	4.1	4.3	4.4
Nonmanufacturing	170.4	174.4	176.1	1.1	.5	1.0	3.6	3.4	3.3
Occupational group									
White collar	172.7	176.6	178.8	1.2	.5	1.2	3.6	3.5	3.5
Excluding sales	173.1	177.4	179.6	1.2	.7	1.2	3.5	3.7	3.8
Professional specialty and technical	170.2	174.7	176.8	1.3	.6	1.2	3.7	4.0	3.9
Executive, administrative, and managerial	175.8	179.4	182.0	.5	.7	1.4	2.7	2.6	3.5
Administrative support, including clerical	175.3	180.0	182.0	1.6	.7	1.1	4.2	4.3	3.8
Blue collar	166.9	170.9	172.4	2.0	.5	.9	4.4	4.4	3.3
Service	169.7	173.6	174.9	1.1	.5	.7	3.4	3.4	3.1
State and local government	168.0	172.6	174.1	.7	.6	.9	3.3	3.5	3.6
Industry									
Services	166.5	170.8	171.8	.5	.6	.6	2.9	3.1	3.2
Excluding schools	169.4	173.8	175.6	.7	.5	1.0	3.3	3.3	3.7
Health services	172.2	176.8	178.9	.7	.6	1.2	3.5	3.4	3.9
Hospitals	172.4	177.4	179.1	.6	.6	1.0	3.2	3.5	3.9
Educational services	165.7	169.9	170.9	.4	.7	.6	2.9	3.0	3.1
Schools	166.0	170.3	171.2	.4	.7	.5	2.9	3.0	3.1
Elementary and secondary	164.4	169.2	169.8	.4	.7	.4	3.1	3.4	3.3
Colleges and universities	170.7	173.2	175.1	.4	.5	1.1	2.2	1.9	2.6
Public administration ⁴	170.1	175.4	177.6	1.2	.7	1.3	4.1	4.3	4.4
Occupational group									
White collar	166.8	171.2	172.6	.7	.7	.8	3.2	3.3	3.5
Professional specialty and technical	165.1	169.4	170.4	.6	.6	.6	3.1	3.2	3.2
Executive, administrative, and managerial	170.1	174.3	176.7	.6	1.3	1.4	2.9	3.1	3.9
Administrative support, including clerical	170.4	175.5	177.2	1.1	.7	1.0	4.0	4.2	4.0
Blue collar	166.7	171.0	172.6	.9	.6	.9	3.3	3.5	3.5
Service	174.5	180.5	182.0	.9	.6	.8	3.9	4.3	4.3

¹ Includes wages, salaries, and employer costs for employee benefits.² Includes mining, construction, and manufacturing.³ Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; service

industries; and public administration.

⁴ Includes executive, legislative, judicial, administrative, and regulatory activities of State and local governments, SICs 91 through 96.

Table 3. Employment Cost Index for total compensation¹ for private industry workers, by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Private industry workers	171.4	175.2	177.2	1.5	0.5	1.1	3.9	3.8	3.4
Excluding sales occupations	171.6	175.6	177.7	1.5	.6	1.2	3.9	3.9	3.6
Industry									
Goods producing ²	170.3	174.3	176.9	2.3	.6	1.5	4.5	4.7	3.9
Excluding sales	169.8	173.7	176.3	2.4	.7	1.5	4.6	4.7	3.8
White collar	173.5	177.8	182.2	1.8	.8	2.5	3.4	4.3	5.0
Excluding sales	172.2	176.4	180.9	1.8	1.1	2.6	3.5	4.3	5.1
Blue collar	168.1	172.0	173.4	2.6	.4	.8	5.1	4.9	3.2
Construction	164.6	167.3	169.1	.8	.2	1.1	3.5	2.4	2.7
Manufacturing	171.7	175.4	178.2	2.8	.3	1.6	4.7	5.0	3.8
White collar	173.2	176.7	181.4	2.1	.2	2.7	3.7	4.2	4.7
Excluding sales	171.3	174.7	179.4	2.1	.3	2.7	3.8	4.1	4.7
Blue collar	170.4	174.3	175.8	3.2	.3	.9	5.4	5.6	3.2
Durables	172.4	176.3	179.5	3.0	.3	1.8	4.9	5.4	4.1
Aircraft manufacturing (SIC 3721) ..	198.9	202.0	234.1	9.2	.2	15.9	8.6	10.9	17.7
White collar	193.9	195.3	227.8	9.5	.1	16.6	9.0	10.3	17.5
Blue collar	204.5	211.8	242.5	8.5	.4	14.5	7.7	12.4	18.6
Nondurables	170.4	173.6	175.8	2.3	.3	1.3	4.5	4.2	3.2
Service producing ³	171.6	175.3	177.1	1.1	.3	1.0	3.6	3.3	3.2
Excluding sales	172.5	176.5	178.4	1.1	.5	1.1	3.5	3.5	3.4
White collar	174.1	177.8	179.7	1.2	.3	1.1	3.7	3.4	3.2
Excluding sales	176.2	180.4	182.4	1.1	.6	1.1	3.7	3.6	3.5
Blue collar	164.1	168.1	169.9	.9	.4	1.1	3.4	3.4	3.5
Service	166.1	168.9	170.1	1.1	.5	.7	3.1	2.8	2.4
Transportation and public utilities	169.8	173.5	174.5	1.7	-.1	.6	4.0	3.9	2.8
Transportation	162.0	166.2	165.5	1.5	.0	-.4	2.7	4.1	2.2
Public utilities	180.4	183.4	186.9	1.9	-.1	1.9	5.8	3.6	3.6
Communications	182.2	183.5	186.0	1.8	-.2	1.4	6.4	2.5	2.1
Electric, gas, and sanitary services	178.2	183.3	188.0	2.1	.0	2.6	5.1	5.0	5.5
Wholesale and retail trade	166.3	169.1	170.9	.8	.0	1.1	3.1	2.5	2.8
Excluding sales	167.4	170.4	172.3	.9	.5	1.1	3.5	2.7	2.9
Wholesale trade	173.8	176.6	179.1	1.0	-.7	1.4	2.5	2.7	3.0
Excluding sales	173.7	176.3	179.2	1.4	.6	1.6	3.1	2.9	3.2
Retail trade	162.1	164.7	166.2	.7	.3	.9	3.5	2.3	2.5
General merchandise stores	165.8	169.5	172.3	.1	.4	1.7	6.0	2.4	3.9
Food stores	162.1	164.0	165.0	1.1	.3	.6	2.9	2.3	1.8
Finance, insurance, and real estate	182.5	186.0	188.9	.9	.6	1.6	3.3	2.8	3.5
Excluding sales	186.6	191.2	194.3	.3	.6	1.6	2.5	2.7	4.1
Banking, savings and loan, and other credit agencies	207.2	212.3	213.7	-.9	.9	.7	1.4	1.6	3.1
Insurance	177.8	183.6	186.3	.9	.8	1.5	3.3	4.2	4.8
Excluding sales	175.4	180.3	183.0	1.0	.7	1.5	3.4	3.8	4.3
Services	173.5	177.9	179.7	1.2	.6	1.0	3.8	3.8	3.6
Business services	174.8	179.1	180.1	1.3	.3	.6	3.7	3.8	3.0
Health services	173.3	178.0	180.3	1.5	.6	1.3	4.1	4.2	4.0
Hospitals	178.1	183.2	185.8	1.3	.8	1.4	4.3	4.2	4.3
Nursing homes	—	—	—	1.2	.6	.6	3.4	3.0	2.4
Educational services	183.1	188.5	190.0	1.0	.8	.8	3.9	4.0	3.8
Colleges and universities	181.2	186.2	187.6	1.0	.5	.8	3.8	3.8	3.5

See footnotes at end of table.

Table 3. Employment Cost Index for total compensation¹ for private industry workers, by industry and occupational group — Continued

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Industry—Continued									
Nonmanufacturing industries	170.9	174.7	176.5	1.1	0.5	1.0	3.6	3.4	3.3
White collar	174.1	178.0	180.0	1.2	.5	1.1	3.6	3.4	3.4
Excluding sales	176.2	180.6	182.7	1.1	.7	1.2	3.6	3.7	3.7
Blue collar	163.4	167.3	168.8	1.1	.5	.9	3.7	3.5	3.3
Service	166.0	168.9	170.1	1.1	.5	.7	3.0	2.9	2.5
Occupational group									
White collar	174.2	178.1	180.4	1.3	.5	1.3	3.6	3.5	3.6
Excluding sales	175.3	179.5	182.0	1.3	.7	1.4	3.7	3.8	3.8
Professional specialty and technical	173.4	178.1	180.8	1.7	.7	1.5	4.1	4.5	4.3
Executive, administrative, and managerial	176.8	180.2	183.0	.5	.6	1.6	2.7	2.4	3.5
Sales	169.2	171.4	173.1	1.3	-1.0	1.0	3.5	2.6	2.3
Administrative support, including clerical	176.1	180.7	182.8	1.7	.7	1.2	4.2	4.4	3.8
Blue collar	166.9	170.8	172.3	2.0	.4	.9	4.5	4.4	3.2
Precision production, craft, and repair	167.1	171.2	173.1	1.8	.6	1.1	4.4	4.3	3.6
Machine operators, assemblers, and inspectors	168.7	172.5	173.3	3.4	.2	.5	5.5	5.7	2.7
Transportation and material moving	158.5	162.3	163.7	1.0	.3	.9	3.5	3.4	3.3
Handlers, equipment cleaners, helpers, and laborers	171.7	175.3	176.9	1.3	.6	.9	4.1	3.4	3.0
Service	166.9	169.7	170.9	1.2	.5	.7	3.2	2.9	2.4
Production and nonsupervisory occupations⁴	169.3	173.0	174.6	1.6	.3	.9	4.1	3.8	3.1

¹ Includes wages, salaries, and employer costs for employee benefits.² Includes mining, construction, and manufacturing.³ Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.⁴ This series has the same industry and occupational coverage as the Hourly Earnings Index, which was discontinued in January 1989.

NOTE: Dashes indicate data not available.

Table 4. Employment Cost Index for total compensation¹ for private industry workers, by bargaining status, region, and area

(Not seasonally adjusted data)

Bargaining status, region, and area	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Bargaining status									
Union	171.4	176.2	177.5	2.8	0.5	0.7	5.7	5.6	3.6
Blue-collar occupations	169.0	173.5	174.9	2.9	.5	.8	6.2	5.7	3.5
Goods-producing industries ²	172.3	176.7	178.2	3.9	.4	.8	6.8	6.5	3.4
Service-producing industries ³	170.2	175.4	176.6	1.6	.6	.7	4.7	4.7	3.8
Manufacturing	175.0	178.9	180.6	5.2	.3	1.0	7.8	7.6	3.2
Blue-collar occupations	173.8	177.8	178.6	5.3	.3	.4	7.9	7.7	2.8
Nonmanufacturing	168.8	174.1	175.2	1.4	.6	.6	4.6	4.6	3.8
Nonunion	171.3	174.9	177.1	1.3	.4	1.3	3.6	3.4	3.4
Blue-collar occupations	165.7	169.2	170.8	1.5	.4	.9	3.7	3.7	3.1
Goods-producing industries ²	169.7	173.5	176.5	1.8	.6	1.7	3.7	4.1	4.0
Service-producing industries ³	171.6	175.1	177.0	1.1	.3	1.1	3.4	3.1	3.1
Manufacturing	170.6	174.3	177.5	2.0	.3	1.8	3.7	4.2	4.0
Blue-collar occupations	168.1	171.9	173.8	2.0	.4	1.1	4.1	4.3	3.4
Nonmanufacturing	171.1	174.7	176.6	1.1	.4	1.1	3.4	3.2	3.2
Region⁴									
Northeast	170.2	174.2	176.1	1.4	.3	1.1	3.9	3.8	3.5
South	166.4	170.6	172.5	1.5	.6	1.1	3.6	4.1	3.7
Midwest	174.7	177.9	180.0	1.3	.2	1.2	3.4	3.1	3.0
West	175.3	179.0	181.4	1.8	.5	1.3	4.8	3.9	3.5
Area									
Metropolitan	171.5	175.3	177.4	1.4	.4	1.2	3.8	3.7	3.4
Other	170.2	174.3	176.4	2.0	.6	1.2	4.1	4.4	3.6

¹ Includes wages, salaries, and employer costs for employee benefits.² Includes mining, construction, and manufacturing.³ Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.⁴ The regional coverage is as follows: Northeast: Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont; South: Alabama, Arkansas, Delaware, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi,

North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia; Midwest: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin; and West: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

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

Table 5. Employment Cost Index for wages and salaries for civilian and State and local government workers, by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Civilian workers	163.3	166.2	167.3	0.6	0.3	0.7	2.5	2.4	2.4
Excluding sales occupations	163.3	166.3	167.4	.6	.4	.7	2.4	2.5	2.5
Industry									
Goods producing ¹	159.9	162.4	163.6	.8	.1	.7	2.3	2.3	2.3
Manufacturing	161.3	164.0	165.3	.7	.1	.8	2.1	2.4	2.5
Service producing ²	164.6	167.5	168.6	.6	.3	.7	2.6	2.4	2.4
Services	166.5	170.1	171.2	.7	.5	.6	2.8	2.8	2.8
Health services	167.7	171.7	173.2	1.1	.5	.9	3.5	3.5	3.3
Hospitals	169.0	173.2	174.7	.8	.8	.9	3.4	3.3	3.4
Educational services	163.6	166.8	167.5	.2	.5	.4	2.0	2.2	2.4
Public administration ³	161.1	163.5	165.0	.7	.6	.9	2.5	2.2	2.4
Nonmanufacturing	163.7	166.5	167.6	.6	.3	.7	2.6	2.3	2.4
Occupational group									
White collar	166.1	169.1	170.3	.6	.2	.7	2.6	2.4	2.5
Excluding sales	166.7	169.9	171.1	.6	.5	.7	2.6	2.5	2.6
Professional specialty and technical	163.8	167.0	168.1	.8	.3	.7	2.8	2.8	2.6
Executive, administrative, and managerial	171.4	174.4	175.9	.1	.6	.9	2.1	1.9	2.6
Administrative support, including clerical	166.3	169.7	170.9	.8	.5	.7	2.8	2.9	2.8
Blue collar	157.3	160.0	161.0	.6	.2	.6	2.3	2.4	2.4
Service	161.2	163.6	164.4	.4	.5	.5	2.0	1.9	2.0
State and local government	162.5	165.3	166.3	.4	.5	.6	2.1	2.1	2.3
Industry									
Services	162.6	165.5	166.2	.3	.4	.4	1.9	2.1	2.2
Excluding schools	165.1	168.3	169.4	.4	.5	.7	2.3	2.3	2.6
Health services	167.4	170.7	171.9	.4	.6	.7	2.8	2.4	2.7
Hospitals	167.4	171.0	172.0	.4	.6	.6	2.6	2.6	2.7
Educational services	162.0	164.9	165.5	.2	.4	.4	1.8	2.0	2.2
Schools	162.1	165.0	165.6	.2	.4	.4	1.8	2.0	2.2
Elementary and secondary	161.3	164.5	164.8	.2	.4	.2	2.0	2.2	2.2
Colleges and universities	164.3	166.3	167.9	.2	.5	1.0	1.4	1.4	2.2
Public administration ³	161.1	163.5	165.0	.7	.6	.9	2.5	2.2	2.4
Occupational group									
White collar	162.1	164.9	165.9	.4	.5	.6	2.0	2.1	2.3
Professional specialty and technical	162.1	165.0	165.7	.4	.4	.4	2.1	2.2	2.2
Executive, administrative, and managerial	163.5	166.1	168.2	.1	1.1	1.3	1.6	1.7	2.9
Administrative support, including clerical	160.4	163.0	163.9	.6	.2	.6	2.2	2.2	2.2
Blue collar	158.9	161.4	162.4	.4	.4	.6	1.7	2.0	2.2
Service	166.7	169.4	170.4	.5	.5	.6	2.5	2.2	2.2

¹ Includes mining, construction, and manufacturing.² Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; service

industries; and public administration.

³ Includes executive, legislative, judicial, administrative, and regulatory activities of State and local governments, SICs 91 through 96.

Table 6. Employment Cost Index for wages and salaries for private industry workers by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Private industry workers	163.4	166.2	167.4	0.7	0.2	0.7	2.6	2.4	2.4
Excluding sales occupations	163.5	166.5	167.6	.7	.4	.7	2.6	2.5	2.5
Industry									
Goods producing ¹	159.9	162.4	163.6	.8	.1	.7	2.3	2.3	2.3
Excluding sales	159.2	161.6	162.8	.8	.2	.7	2.4	2.3	2.3
White collar	163.2	165.9	167.3	.7	-.1	.8	2.0	2.3	2.5
Excluding sales	161.5	164.1	165.3	.7	.3	.7	2.2	2.3	2.4
Blue collar	157.7	160.1	161.2	.8	.2	.7	2.5	2.4	2.2
Construction	155.1	157.0	157.7	.7	-.1	.4	3.0	1.9	1.7
Manufacturing	161.3	164.0	165.3	.7	.1	.8	2.1	2.4	2.5
White collar	163.3	166.1	167.6	.7	.0	.9	2.0	2.5	2.6
Excluding sales	161.2	163.9	165.1	.8	.2	.7	2.2	2.4	2.4
Blue collar	159.8	162.4	163.6	.8	.2	.7	2.2	2.5	2.4
Durables	161.9	164.7	165.9	.6	.1	.7	2.0	2.4	2.5
Aircraft manufacturing (SIC 3721) ..	170.6	172.6	175.6	1.7	.1	1.7	2.8	2.9	2.9
White collar	164.7	165.9	170.1	2.6	.1	2.5	2.7	3.3	3.3
Blue collar	178.4	183.3	183.9	.1	.2	.3	2.8	2.9	3.1
Nondurables	160.4	162.9	164.5	1.1	.1	1.0	2.4	2.6	2.6
Service producing ²	165.0	167.9	169.0	.7	.2	.7	2.7	2.4	2.4
Excluding sales	166.0	169.3	170.4	.6	.5	.6	2.7	2.6	2.7
White collar	167.8	170.8	172.1	.7	.2	.8	2.9	2.5	2.6
Excluding sales	170.2	173.6	175.0	.7	.5	.8	3.0	2.7	2.8
Blue collar	156.2	159.4	160.1	.5	.3	.4	2.0	2.6	2.5
Service	158.0	160.2	160.9	.4	.5	.4	1.9	1.8	1.8
Transportation and public utilities	157.6	160.5	159.8	.7	.1	-.4	1.8	2.6	1.4
Transportation	151.7	155.1	153.4	.6	.1	-1.1	.8	2.9	1.1
Public utilities	165.3	167.5	168.2	.7	.0	.4	3.1	2.1	1.8
Communications	167.0	168.3	168.4	.7	-.3	.1	3.2	1.4	.8
Electric, gas, and sanitary services	163.3	166.6	167.9	.9	.4	.8	3.0	3.0	2.8
Wholesale and retail trade	160.3	162.1	163.4	.5	-.2	.8	2.3	1.6	1.9
Excluding sales	162.3	164.1	165.5	.6	.4	.9	2.8	1.7	2.0
Wholesale trade	166.2	167.5	169.5	.5	-1.3	1.2	1.7	1.3	2.0
Excluding sales	167.8	168.9	171.5	.9	.2	1.5	2.4	1.6	2.2
Retail trade	157.3	159.3	160.3	.5	.4	.6	2.7	1.8	1.9
General merchandise stores	154.1	158.1	159.3	.3	.4	.8	2.9	2.9	3.4
Food stores	153.8	155.0	155.8	.7	.3	.5	1.9	1.4	1.3
Finance, insurance, and real estate	175.2	177.7	179.2	.4	.7	.8	2.4	1.8	2.3
Excluding sales	179.2	182.9	184.6	-.3	.6	.9	1.4	1.7	3.0
Banking, savings and loan, and other credit agencies	206.7	211.3	210.7	-1.7	.9	-.3	.1	.5	1.9
Insurance	165.1	170.4	171.7	.4	.9	.8	2.2	3.6	4.0
Excluding sales	161.7	165.5	167.1	.6	.5	1.0	2.4	3.0	3.3
Services	168.1	172.0	173.4	.8	.5	.8	3.3	3.2	3.2
Business services	171.0	175.0	175.5	.7	.4	.3	3.3	3.1	2.6
Health services	167.8	171.9	173.4	1.2	.6	.9	3.6	3.7	3.3
Hospitals	169.4	173.8	175.4	.9	.8	.9	3.5	3.5	3.5
Nursing homes	—	—	—	.8	.5	.8	2.7	2.5	2.5
Educational services	171.9	176.8	177.9	.5	.7	.6	2.9	3.4	3.5
Colleges and universities	169.5	173.6	174.6	.7	.4	.6	3.1	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—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Industry—Continued									
Nonmanufacturing industries	163.7	166.6	167.7	0.7	0.2	0.7	2.7	2.5	2.4
White collar	167.5	170.5	171.7	.7	.2	.7	2.9	2.5	2.5
Excluding sales	169.7	173.1	174.4	.7	.5	.8	2.9	2.7	2.8
Blue collar	154.7	157.5	158.2	.6	.3	.4	2.4	2.4	2.3
Service	157.9	160.1	160.8	.4	.6	.4	1.9	1.8	1.8
Occupational group									
White collar	167.1	170.0	171.3	.7	.2	.8	2.8	2.5	2.5
Excluding sales	168.1	171.4	172.7	.7	.5	.8	2.8	2.6	2.7
Professional specialty and technical	164.7	168.0	169.4	1.0	.2	.8	3.3	3.1	2.9
Executive, administrative, and managerial	172.7	175.7	177.2	.1	.5	.9	2.1	1.9	2.6
Sales	162.6	164.0	164.9	.9	-1.1	.5	2.8	1.8	1.4
Administrative support, including clerical	167.2	170.8	172.0	.9	.6	.7	2.8	3.1	2.9
Blue collar	157.2	159.9	160.8	.7	.3	.6	2.3	2.4	2.3
Precision production, craft, and repair	157.1	159.7	160.4	.6	.3	.4	2.4	2.2	2.1
Machine operators, assemblers, and inspectors	158.6	161.6	162.6	1.1	.0	.6	2.5	3.0	2.5
Transportation and material moving	150.4	153.3	154.4	.4	.3	.7	1.8	2.3	2.7
Handlers, equipment cleaners, helpers, and laborers	161.8	164.5	165.6	.7	.6	.7	2.1	2.4	2.3
Service	158.4	160.6	161.4	.4	.5	.5	1.9	1.8	1.9
Production and nonsupervisory occupations³	160.7	163.4	164.5	.8	.2	.7	2.7	2.5	2.4

¹ Includes mining, construction, and manufacturing.² Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.³ This series has the same industry and occupational coverage as the

Hourly Earnings Index, which was discontinued in January 1989.

NOTE: Dashes indicate data not available.

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

(Not seasonally adjusted data)

Bargaining status, region, and area	Indexes (June 1989=100)			Percent changes for—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Bargaining status									
Union	157.2	160.6	160.8	0.6	0.4	0.1	2.5	2.8	2.3
Blue-collar occupations	154.3	157.2	157.8	.5	.3	.4	2.5	2.4	2.3
Goods-producing industries ¹	156.3	158.9	159.6	.6	.1	.4	2.6	2.3	2.1
Service-producing industries ²	158.5	162.6	162.3	.8	.6	-.2	2.5	3.4	2.4
Manufacturing	158.1	160.7	161.5	.6	.1	.5	2.3	2.3	2.2
Blue-collar occupations	156.7	159.2	160.0	.6	.0	.5	2.2	2.2	2.1
Nonmanufacturing	156.6	160.4	160.3	.6	.5	-.1	2.7	3.1	2.4
Nonunion	164.6	167.3	168.6	.7	.2	.8	2.6	2.4	2.4
Blue-collar occupations	159.0	161.7	162.7	.8	.2	.6	2.3	2.5	2.3
Goods-producing industries ¹	161.4	163.9	165.2	.8	.1	.8	2.3	2.4	2.4
Service-producing industries ²	165.6	168.4	169.7	.7	.2	.8	2.7	2.4	2.5
Manufacturing	162.6	165.3	166.8	.8	.1	.9	2.1	2.5	2.6
Blue-collar occupations	161.9	164.5	166.0	.9	.2	.9	2.3	2.6	2.5
Nonmanufacturing	164.7	167.5	168.7	.6	.2	.7	2.7	2.3	2.4
Region³									
Northeast	162.0	165.0	166.0	.7	.1	.6	3.0	2.5	2.5
South	159.1	162.3	163.6	.8	.4	.8	2.4	2.8	2.8
Midwest	166.9	169.2	170.6	.2	.0	.8	1.7	1.6	2.2
West	166.8	169.5	170.3	1.0	.2	.5	3.4	2.6	2.1
Area									
Metropolitan	163.8	166.6	167.7	.7	.2	.7	2.6	2.4	2.4
Other	160.8	163.8	165.1	.8	.3	.8	2.6	2.7	2.7

¹ Includes mining, construction, and manufacturing.² Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service industries.³ 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—					
	Mar. 2004	Dec. 2004	Mar. 2005	3 months ended—			12 months ended—		
				Mar. 2004	Dec. 2004	Mar. 2005	Mar. 2004	Dec. 2004	Mar. 2005
Civilian workers	190.0	197.0	201.3	3.1	0.9	2.2	6.9	6.9	5.9
State and local government	181.1	190.4	193.0	1.5	1.1	1.4	6.2	6.7	6.6
Private industry	192.2	198.7	203.3	3.4	.9	2.3	7.0	6.9	5.8
Industry									
Goods producing ¹	193.7	201.2	207.0	5.4	1.6	2.9	8.8	9.5	6.9
Service producing ²	190.6	196.5	200.5	2.4	.5	2.0	5.9	5.5	5.2
Manufacturing	194.4	200.4	206.7	6.6	.6	3.1	9.9	9.9	6.3
Aircraft manufacturing (SIC 3721)	260.6	266.0	361.9	22.1	.3	36.1	18.2	24.6	38.9
White collar	264.0	265.9	367.0	22.1	.0	38.0	20.2	22.9	39.0
Blue collar	253.1	264.9	351.8	22.0	.8	32.8	15.0	27.7	39.0
Nonmanufacturing	190.9	197.6	201.6	2.2	1.0	2.0	5.9	5.8	5.6
Occupational group									
White collar	194.4	201.1	206.8	2.7	1.0	2.8	5.9	6.3	6.4
Blue collar	188.3	194.9	197.8	4.7	.8	1.5	9.0	8.3	5.0
Service	193.4	198.2	200.9	3.8	.4	1.4	7.3	6.3	3.9
Bargaining status									
Union	198.8	206.4	210.0	6.3	.7	1.7	11.2	10.3	5.6
Nonunion	190.2	196.5	201.3	2.8	1.0	2.4	6.0	6.2	5.8

¹ Includes mining, construction, and manufacturing.² Includes transportation, communication, and public utilities;

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

EXPLANATORY NOTE

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

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

Benefits covered by the ECI are: Paid leave—vacations, holidays, sick leave, and other leave; supplemental pay—premium pay for work in addition to the regular work schedule (such as overtime, weekends, and holidays), shift differentials, and nonproduction bonuses (such as referral bonuses and lump-sum payments provided in lieu of wage increases); insurance benefits—life, health, short-term disability, and long-term disability; retirement and savings benefits—defined benefit and defined contribution plans; legally required benefits—Social Security, Medicare, Federal and State unemployment insurance, and workers' compensation; and other benefits—severance pay and supplemental unemployment plans.

The ECI provides data for the civilian economy, which includes the total private nonfarm economy excluding households and the public sector excluding the Federal government. The private industry series and the State and local government series provide data for the two sectors separately.

Data for this quarter were collected from a probability sample of approximately 42,000 occupational observations within about 9,600 sample establishments in private industry and approximately 3,500 occupations within about 800 sample establishments in State and local governments. Data are collected for the pay period including the 12th day of the survey months of March, June, September, and December.

The sampled establishments are classified by industry categories based on the 1987 Standard Industrial Classification (SIC), as defined by the U.S. Office of Management and Budget. Details on the sample design are included in the bulletin, Employment Cost Indexes, 1975-99, (Bulletin 2532). Within an establishment, specific job categories are selected and classified into about 500 occupational classifications according to the 1990 Census of Population. Individual occupations are combined into broader occupational groups. Fixed employment weights are used each quarter to calculate the most aggregate series—civilian, private, and State and local government. These fixed weights are also used to derive all of the industry and occupation series indexes. Since March 1995, 1990 employment counts, primarily from the Bureau's Occupational Employment Statistics survey, have been used. For more information on these topics, see the articles, "Introducing New Weights for the Employment Cost Index," in the June 1985 issue of the Monthly Labor Review and "Introducing 1990 Weights for the Employment Cost Index" in the June 1995 issue of Compensation and Working Conditions.

For the series based on bargaining status, region, and area size, employment data are not available. The employment weights are reallocated within these series each quarter based on the current ECI sample. The indexes for these series, consequently, are not strictly comparable to those for the aggregate, industry, and occupation series. A fuller explanation of the calculation of index numbers appears in an article, "Estimation Procedures for the Employment Cost Index," in the May 1982 issue of the Monthly Labor Review. Beginning with the March 1990 ECI release, indexes were rebased to June 1989=100. A description of the rebasing is included in the article "Employment Cost Index Rebased to June 1989," in the April 1990 issue of the Monthly Labor Review.

Beginning with the December 1990 ECI release, seasonally adjusted data are available for selected ECI series. Seasonal adjustment removes the effects of events that follow a more or less regular pattern each year. These adjustments make nonseasonal patterns easier to identify. For more information on the methodology used to seasonally adjust ECI series, see the bulletin, Employment Cost Indexes, 1975-99, (Bulletin 2532). The seasonal adjustment factors are recalculated once a year. The March release contains data reflecting the newly updated seasonal adjustment factors. The historical data for the last five years are then revised based on

the newly estimated factors. The seasonal factors for 2005 and revised seasonally adjusted indexes for the past five years are available on the Internet site (<http://www.bls.gov/ncs/ect/home.htm>) or upon request.

The ECI sample is rotated over approximately five years, which makes the sample more representative of the economy and reduces respondent burden. The sample is replaced on a cross-area, cross-industry basis.

Because the ECI is a sample survey, it is subject to sampling errors. Sampling errors are differences that occur between the results computed from a sample of observations and those computed from all observations in the population. The estimates derived from different samples selected using the same sample design may differ from one other. A measure of the variation among these differing estimates is the standard error. It can be used to measure the precision with which an estimate from a particular sample approximates the expected result of all possible samples. The chances are about 68 out of 100 that an estimate from the survey differs from a complete population figure by less than the standard error. The chances are about 90 out of 100 that this difference would be less than 1.6 times the standard error. The statements of comparisons appearing in this publication are significant at a 1.6 standard error level or better, unless otherwise indicated. This means that for differences cited, the estimated difference is greater than 1.6 times the standard error of the difference.

Because standard errors vary from quarter to quarter, the ECI uses a five-year moving average of standard errors to evaluate published series. To assist users in ascertaining the reliability of series, the five-year moving average of standard errors for all estimates (excluding seasonally adjusted series) will be available on the Internet site (<http://www.bls.gov/ncs/ect/home.htm>) shortly after publication of the news release.

When determining data to be used in contract negotiations, it is important to note that differences by bargaining status may be due to factors other than union status, such as occupational and industry mix. For example, union occupations tend to be concentrated in blue-collar occupations within manufacturing industries. Thus, differences between blue-collar and white-collar pay or differences in manufacturing versus nonmanufacturing industries could explain such differences. An important consideration when choosing a series for escalation is the number of workers covered. Series with smaller numbers of workers may have larger sampling errors or be dominated by a smaller number of employers. For more information, see the web site: (<http://www.bls.gov/ect/escalator.htm>).

More detailed information on the ECI is available from several sources. These include an historical bulletin—Employment Cost Indexes, 1975-99, (Bulletin 2532), a chapter, “National Compensation Measures,” in the BLS Handbook of Methods (Bulletin 2490), and several articles published in the Monthly Labor Review and Compensation and Working Conditions. Orders for bulletins should be made to the Bureau of Labor Statistics, Publication Sales Center, Room 960, 230 South Dearborn Street, Chicago, IL 60604, (312) 353-1880. Reprints of the articles and other descriptive pieces are available upon request by calling (202) 691-6199 or sending e-mail to (ocltinfo@bls.gov).

Historical data series are available, beginning with some wage and salary series begun in 1975. In addition, constant-dollar ECI series derived from the Consumer Price Index for All Urban Consumers (CPI-U) are available. Supplemental data from the ECI, providing 12-month percent changes in employer costs for health insurance in private industry beginning with June 1982 are also available. This information is available at the Internet site (<http://www.bls.gov/ect/home.htm>) or upon request.

The costs per hour worked of compensation components, based on data from the ECI, were recently published in a separate news release titled "Employer Costs for Employee Compensation—December 2004." Beginning with the March 2004 estimates, industry estimates are based on the 2002 North American Industry Classification (NAICS) system and the occupational categories are classified according to the 2000 Standard Occupational (SOC) system. These systems replace the 1987 Standard Industrial Classification System (SIC) and the Occupational Classification System (OCS). The release and information on the transition to the new industry and occupational classification systems are available by e-mail request at ocltinfo@bls.gov, on the Internet site <http://www.bls.gov/ect/home.htm>, or by telephone (202) 691-6199. Historical data and related articles are included in the bulletin, Employer Costs for Employee Compensation, 1986-99, (Bulletin 2526). Also available on the Internet site (<http://www.bls.gov/ncs/ect/home.htm>) or upon request is an annual historical summary from March 1986 through March 2002. Data on a quarterly basis beginning with June 2002 are also available. The cost levels are calculated with current employment weights, rather than the fixed 1990 weights used in computing the ECI. Therefore, year-to-year changes in the cost levels usually differ from those in the ECI.