

# News

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Department  
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## EMPLOYMENT COST INDEX - DECEMBER 1989

The Employment Cost Index (ECI) rose 5.0 percent for the year ended in December 1989, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The December 1989 ECI stood at 152.8, based on June 1981=100. The ECI measures changes in compensation costs--wages, salaries, and employer costs for employee benefits. It is not seasonally adjusted.

The 5.0 percent rise in compensation costs for the year ended in December 1989 equaled the increase recorded in 1988. Compared with a year ago, compensation cost gains were higher for state and local government workers (6.2 percent, up from 5.6 percent in 1988), but about the same for private industry workers (4.8 percent in 1989 and 4.9 percent in 1988). (See table 1.)

The compensation cost increases in private industry in 1989 (4.8 percent) reflect wage and salary gains (4.2 percent) and benefit cost increases (6.1 percent). The table below shows over-the-year changes in private industry compensation since December 1986.

### 12-month percent changes in the ECI, private industry workers

	12-months ended	Compensation costs	Wages and salaries	Benefit costs
1986	Dec.	3.2	3.1	3.4
1987	March	3.1	3.2	2.9
	June	3.0	3.0	3.3
	Sept.	3.3	3.3	3.1
	Dec.	3.3	3.3	3.5
1988	March	3.9	3.3	5.8
	June	4.5	3.7	6.4
	Sept.	4.5	3.7	6.7
	Dec.	4.9	4.1	6.8
1989	March	4.6	4.2	5.4
	June	4.5	4.1	5.6
	Sept.	4.7	4.4	6.0
	Dec.	4.8	4.2	6.1

Benefit cost increases for private industry workers in 1989 (6.1 percent) were lower than the 1988 gains (6.8 percent) because the social security tax rate did not rise in 1989 whereas it rose 5.0 percent in January 1988. Rising health insurance costs, however, kept benefit cost increases in 1989 well above the gains in wages and salaries.

December 1988-89 wage and salary increases in private industry were lower for workers in goods-producing industries (3.9 percent) than for those in service-producing industries (4.5 percent). Service-producing industry divisions registering above average wage and salary gains were wholesale trade (9.1 percent), finance, insurance, and real estate (5.1 percent), and service industries (4.8 percent), which include hospitals (6.6 percent). The gains in wholesale trade and finance, insurance, and real estate were heavily influenced by volatile commission earnings of sales workers.

Over-the-year wage and salary gains in private industry were higher for white-collar occupations (4.7 percent) than for either blue-collar occupations (3.5 percent) or service occupations (3.6 percent). Pay increases for white-collar occupational groups ranged from 3.5 percent for executives, administrators, and managers to 7.0 percent for sales workers. In contrast, pay gains for blue-collar occupational groups ranged from 2.6 percent for transportation and material moving occupations to 3.8 percent for craft workers and for laborers. (See table 4.)

December 1988-89 wage and salary advances for nonunion workers in private industry (4.5 percent) exceeded those for union workers (3.1 percent), as they have since 1983-84. This pattern held in both goods-producing and service-producing industries. (See table 7.) With benefits included in the comparison, compensation cost increases also were higher for nonunion workers (5.1 percent) than for union (3.7 percent). (See table 6.)

For state and local government workers, pay gains for the year ended in December 1989 (5.3 percent) were higher than those a year ago (4.8 percent). The December 1988-89 gains were highest in hospitals (6.1 percent). (See table 2.)

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\* Beginning with the ECI news release for March 1990, the base for ECI \*  
\* series will be June 1989=100, rather than June 1981=100. This change \*  
\* is being made so that all ECI series--including many new series that \*  
\* began after June 1981--are published with reference to the same base \*  
\* (June 1989=100). The change will not affect the fixed employment \*  
\* weights being used, which will continue to be based on the 1980 census. \*  
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ECI data for March 1990 will be released on Tuesday, April 24, 1990, at 8:30 A.M. (EDT).

### Changes in wages and salaries and benefit costs, private industry, 1980-89

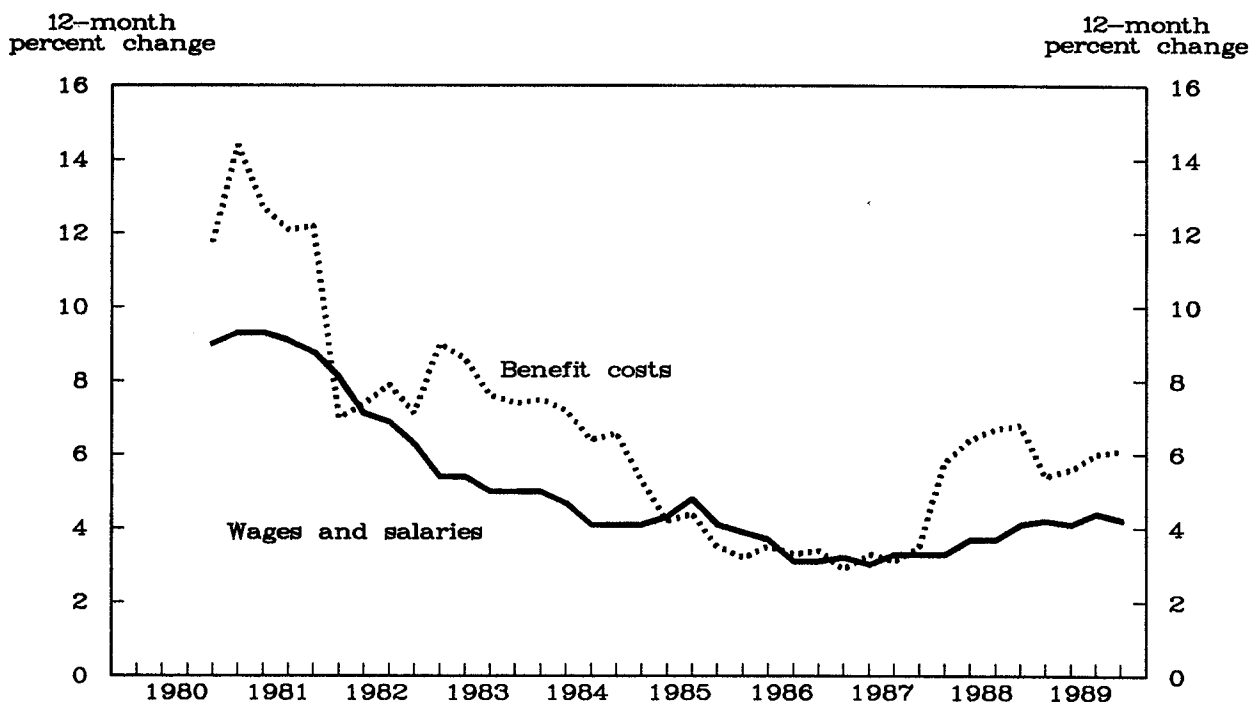


Table 1. COMPENSATION: Employment Cost Index for total compensation, by industry and occupational group  
(Not seasonally adjusted)

Series	Indexes (June 1981=100)			Percent Changes for						
	Dec. 1988	Sept. 1989	Dec. 1989	3 Months Ended		12 Months Ended		Sept. 1989	Dec. 1988	Dec. 1989
				Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989			
Civilian workers .....	145.5	151.3	152.8	1.0	1.6	1.0	5.0	5.1	5.0	5.0
Workers, by occupational group										
White-collar occupations.....	149.7	156.4	157.9	1.2	2.0	1.0	5.3	5.7	5.3	5.5
Blue-collar occupations.....	138.2	142.9	144.1	.7	1.1	.8	4.3	4.2	4.3	4.3
Service occupations.....	148.5	153.7	155.5	.9	1.7	1.2	5.5	4.4	5.5	4.7
Workers, by industry division										
Goods-producing 1/.....	139.3	143.9	145.3	.8	1.1	1.0	4.3	4.1	4.3	4.3
Manufacturing.....	140.1	145.1	146.4	.8	1.1	.9	4.5	4.4	4.5	4.5
Service-producing 2/.....	149.2	155.9	157.3	1.1	2.0	.9	5.3	5.6	5.4	5.4
Services.....	159.7	167.5	169.2	1.3	2.7	1.0	6.0	6.2	5.9	5.9
Health services.....	-	-	-	1.3	2.2	1.6	5.7	6.7	5.9	7.0
Hospitals.....	-	-	-	1.3	2.3	1.4	5.9	7.0	5.9	7.1
Educational services.....	-	-	-	-	4.1	.8	-	-	-	-
Public administration.....	154.4	161.8	163.0	.3	2.5	.7	4.3	5.1	4.3	5.6
Nonmanufacturing.....	147.7	154.0	155.5	1.1	1.9	1.0	5.1	5.4	5.1	5.3
Private industry workers .....	142.6	147.9	149.4	1.0	1.2	1.0	4.9	4.7	4.9	4.8
Workers, by occupational group										
White-collar occupations.....	146.3	152.4	153.9	1.2	1.4	1.0	5.0	5.4	5.0	5.2
Blue-collar occupations.....	137.6	142.2	143.3	.8	1.1	.8	4.4	4.2	4.4	4.1
Service occupations.....	143.9	148.1	150.1	1.2	1.1	1.4	5.3	4.1	5.3	4.3
Workers, by industry division										
Goods-producing 1/.....	139.0	143.6	145.0	.8	1.1	1.0	4.4	4.1	4.4	4.3
Service-producing 2/.....	145.5	151.5	152.9	1.2	1.3	.9	5.1	5.4	5.1	5.1
State and local government workers.....	159.6	167.9	169.5	1.1	3.3	1.0	5.6	6.4	5.6	6.2
Workers, by occupational group										
White-collar occupations.....	161.8	170.5	172.1	1.4	3.6	.9	6.0	6.8	6.0	6.4
Blue-collar occupations.....	149.1	156.2	158.6	.5	2.1	1.5	3.3	5.3	3.3	6.4
Workers, by industry division										
Services.....	163.0	171.8	173.3	1.6	3.8	.9	6.5	7.0	6.5	6.3
Excluding schools 3/.....	155.2	162.6	163.7	1.3	2.5	.7	6.1	6.1	6.1	5.5
Health services.....	-	-	-	1.8	3.1	1.1	4.6	6.8	4.6	7.1
Hospitals.....	-	-	-	.6	3.2	1.2	5.2	6.4	5.2	7.0
Educational services.....	-	-	-	-	4.1	.8	-	7.4	-	-
Schools.....	165.7	175.1	176.7	1.6	4.4	.9	6.6	7.4	6.6	6.6
Elementary and secondary.....	168.3	177.7	179.2	1.8	4.6	.8	6.7	7.4	6.7	6.5
Colleges and universities.....	-	-	-	-	3.4	1.3	-	-	-	-
Public administration.....	154.4	161.8	163.0	.3	2.5	.7	4.3	5.1	4.3	5.6

- Data not available.

NOTE: See footnotes at end of table 7.

Table 2. WAGES AND SALARIES: Employment Cost Index for wages and salaries only, by industry and occupational group (Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for						
	Dec. 1988	Sept. 1989	Dec. 1989	3 Months Ended		12 Months Ended			
				Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989		
Civilian workers .....	141.9	146.9	148.1	1.0	1.6	0.8	4.3	4.6	4.4
Workers, by occupational group									
White-collar occupations.....	146.8	152.6	154.0	1.1	1.9	.9	4.7	5.1	4.9
Blue-collar occupations.....	133.4	137.4	138.3	.7	1.0	.7	3.1	3.7	3.7
Service occupations.....	142.9	146.8	148.4	.8	1.4	1.1	4.6	3.5	3.8
Workers, by industry division									
Goods-producing 1/.....	135.1	139.0	140.3	.7	.9	.9	3.1	3.7	3.8
Manufacturing.....	136.2	140.0	141.5	.8	.9	1.1	3.0	3.6	3.9
Service-producing 2/.....	145.8	151.4	152.7	1.1	1.8	.9	4.7	5.0	3.7
Health services.....	155.7	162.4	163.6	1.1	2.5	.7	5.1	5.5	5.1
Hospitals.....	-	-	-	1.3	2.0	1.5	5.5	6.1	6.3
Educational services.....	-	-	-	1.3	2.2	1.3	5.7	6.5	6.4
Public administration.....	149.4	155.0	156.0	.3	3.8	.6	-	-	-
Nonmanufacturing.....	144.1	149.6	150.8	1.0	2.1	.6	3.9	4.1	4.4
Private industry workers .....	139.3	143.9	145.1	1.0	1.2	.8	4.1	4.4	4.2
Workers, by occupational group									
White-collar occupations.....	144.0	149.3	150.8	1.1	1.4	1.0	4.7	4.8	4.7
Blue-collar occupations.....	132.9	136.7	137.6	.8	1.0	.7	3.1	3.6	3.5
Service occupations.....	139.1	142.1	144.1	1.1	.9	1.4	4.4	3.3	3.6
Workers, by industry division									
Goods-producing 1/.....	134.9	138.8	140.1	.7	1.0	.9	3.1	3.7	3.9
Service-producing 2/.....	142.6	147.8	149.0	1.1	1.4	.8	4.7	4.8	4.5
State and local government workers.....	154.5	161.4	162.7	1.0	3.1	.8	4.8	5.5	5.3
Workers, by occupational group									
White-collar occupations.....	156.8	164.1	165.3	1.2	3.4	.7	5.0	5.9	5.4
Blue-collar occupations.....	144.1	149.6	151.6	.4	1.9	1.3	3.2	4.3	5.2
Workers, by industry division									
Services.....	157.6	165.0	166.2	1.3	3.6	.7	5.4	6.0	5.5
Excluding schools 3/.....	148.7	155.3	156.1	1.9	2.5	.5	4.6	5.4	5.0
Health services.....	-	-	-	1.0	2.7	.9	4.8	6.3	6.1
Hospitals.....	-	-	-	.9	2.9	.9	5.1	6.1	6.1
Educational services.....	160.3	168.1	169.3	1.5	3.8	.7	-	-	-
Schools.....	162.1	170.2	171.3	1.5	4.0	.7	5.6	6.4	5.6
Elementary and secondary.....	-	-	-	1.5	4.2	.6	5.7	6.6	5.7
Colleges and universities.....	149.4	155.0	156.0	.3	2.9	1.1	5.7	6.6	5.7
Public administration.....	-	-	-	-	2.1	.6	3.9	4.1	4.4

- Data not available.

NOTE: See footnotes at end of table 7.

Table 3. COMPENSATION; Employment Cost Index for total compensation, private industry workers, by industry and occupational group  
(Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for					
			3 Months Ended		12 Months Ended			
	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989
Private industry workers	142.6	147.9	1.0	1.2	1.0	4.9	4.7	4.8
Excluding sales	142.9	147.9	.8	1.2	.9	4.6	4.4	4.5
White-collar occupations	146.3	152.4	1.2	1.4	1.0	5.0	5.4	5.2
Excluding sales	147.6	153.3	.8	1.3	.9	4.6	4.7	4.8
Professional specialty and technical	-	-	.6	1.8	1.1	4.9	5.0	5.5
Executive, administrative, and managerial	-	-	1.3	.9	.6	4.1	4.5	3.8
Sales	-	-	2.4	1.9	1.4	6.8	8.4	7.3
Administrative support, including clerical	-	-	.7	1.2	1.1	5.0	4.7	5.1
Blue-collar occupations	137.6	142.2	.8	1.1	.8	4.4	4.2	4.1
Precision production, craft, and repair	-	-	.7	1.2	.8	3.8	4.0	4.1
Machine operators, assemblers, and inspectors	-	-	1.1	.9	.9	5.2	4.5	4.3
Transportation and material moving	-	-	.3	1.2	.2	4.7	3.3	3.2
Handlers, equipment cleaners, helpers, and laborers	-	-	.7	1.3	.9	4.5	4.4	4.6
Service occupations	143.9	148.1	1.2	1.1	1.4	5.3	4.1	4.3
Production and nonsupervisory occupations $\frac{1}{4}$	142.3	147.9	1.0	1.4	1.0	5.1	5.0	5.0
Goods-producing industries $\frac{1}{4}$	139.0	143.6	.8	1.1	1.0	4.4	4.1	4.3
Excluding sales occupations	138.7	143.3	.8	1.1	1.0	4.4	4.1	4.4
White-collar occupations	-	-	.6	1.2	.7	4.0	4.1	4.2
Excluding sales	-	-	.6	1.2	.8	4.0	4.2	4.4
Blue-collar occupations	-	-	.9	1.1	1.1	4.5	4.1	4.4
Service occupations	-	-	.9	.9	1.2	4.3	4.9	5.3
Construction	-	-	.8	1.2	1.2	4.2	4.0	4.4
Manufacturing	140.1	145.1	.8	1.1	.9	4.5	4.4	4.5
White-collar occupations	-	-	.6	1.1	.7	3.9	4.1	4.2
Excluding sales	-	-	.6	1.1	.7	4.0	4.1	4.3
Blue-collar occupations	-	-	.9	1.1	1.0	4.8	4.6	4.6
Service occupations	-	-	.9	.8	1.2	4.6	4.6	4.9
Durables	-	-	1.1	1.1	1.1	4.5	4.1	4.5
Nondurables	-	-	1.1	1.2	.7	4.4	4.9	4.5

Table 3. COMPENSATION; Employment Cost Index for total compensation, private industry workers, by industry and occupational group -Continued  
(Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for			
	Dec. 1988	Sept. 1989	3 Months Ended		12 Months Ended	
			Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989
Service-producing industries 2/	145.5	151.5	1.2	1.3	0.9	5.1
Excluding sales occupations.....	146.7	153.5	.9	1.2	.9	4.6
White-collar occupations.....	-	-	1.4	1.4	1.1	5.8
Excluding sales.....	-	-	.9	1.4	1.0	5.0
Blue-collar occupations.....	-	-	.4	1.1	1.1	3.7
Service occupations.....	-	-	1.3	1.1	1.4	4.1
Transportation and public utilities.....	-	-	.0	.7	.5	3.8
Transportation.....	-	-	-.3	.5	.3	3.6
Public utilities.....	-	-	.4	1.0	.7	4.0
Communications.....	-	-	.0	1.0	.6	4.2
Electric, gas, and sanitary services.....	-	-	.8	1.0	.7	3.8
Wholesale and retail trade.....	-	-	.8	1.6	1.0	5.1
Excluding sales occupations.....	-	-	.9	1.3	.7	3.9
Wholesale trade.....	-	-	.5	2.6	1.9	8.8
Excluding sales occupations.....	-	-	.6	1.8	.8	5.0
Retail trade.....	-	-	1.0	1.1	.5	3.4
General merchandise stores.....	-	-	1.1	.4	1.0	1.9
Food stores.....	-	-	1.2	.8	.9	3.5
Finance, insurance, and real estate.....	-	-	3.5	.4	1.0	5.4
Excluding sales occupations.....	-	-	1.7	.1	.9	4.1
Banking, savings and loan, and other credit agencies.....	-	-	.8	.6	1.1	3.0
Insurance.....	-	-	1.3	-.1	1.1	4.1
Services.....	-	-	1.1	1.8	1.1	5.6
Business services.....	-	-	1.0	1.7	.6	4.3
Health services.....	-	-	1.4	1.9	1.8	7.0
Hospitals.....	-	-	1.5	1.9	1.5	7.1
Educational services.....	-	-	-	3.9	.3	-
Colleges and universities.....	-	-	-	3.3	.5	-
Nonmanufacturing industries.....	143.9	149.5	1.1	1.3	1.0	4.9
White-collar occupations.....	-	-	1.3	1.4	1.1	5.6
Excluding sales.....	-	-	.9	1.4	1.0	5.0
Blue-collar occupations.....	-	-	.6	1.1	.6	3.6
Service occupations.....	-	-	1.3	1.0	1.4	4.1

- Data not available.  
NOTE: See footnotes at end of table 7.

Table 4. WAGES AND SALARIES: Employment Cost Index for wages and salaries only, private industry workers, by industry and occupational group  
(Not seasonally adjusted)

Series	Indexes (June 1981=100)			Percent Changes for						
	Dec. 1988		Sept. 1989		Dec. 1989		Dec. 1988		Sept. 1989	
	Dec. 1988	Sept. 1989	Dec. 1989	Dec. 1989	Dec. 1989	Dec. 1988	Dec. 1988	Sept. 1989	Sept. 1989	Dec. 1989
Private industry workers	139.3	143.9	145.1	1.0	1.2	0.8	4.1	4.1	4.4	4.2
Excluding sales	139.7	144.0	145.2	.8	1.1	.8	3.7	3.7	3.9	3.9
White-collar occupations	144.0	149.3	150.8	1.1	1.4	1.0	4.7	4.7	4.8	4.7
Excluding sales	146.0	150.8	152.1	.9	1.2	.9	4.2	4.2	4.2	4.2
Professional, specialty and technical	148.9	154.6	155.9	.5	1.6	.8	4.4	4.4	4.4	4.7
Executive, administrative, and managerial	144.4	148.5	149.5	1.3	1.8	.7	3.7	3.7	4.2	3.5
Sales	134.4	141.6	143.8	2.2	2.1	1.6	6.6	6.6	7.7	7.0
Administrative support, including clerical	144.1	149.0	150.6	.6	1.1	1.1	4.3	4.3	4.1	4.5
Blue-collar occupations	132.9	136.7	137.6	.8	1.0	.7	3.1	3.1	3.6	3.5
Precision production, craft, and repair	134.9	139.2	140.0	.7	1.0	.6	2.9	2.9	3.9	3.8
Machine operators, assemblers, and inspectors	133.3	136.7	138.1	1.1	.6	1.0	3.2	3.2	3.6	3.6
Transportation and material moving	126.9	130.2	130.2	.2	1.2	.0	3.3	3.3	2.8	2.6
Handlers, equipment cleaners, helpers, and laborers	129.3	133.0	134.2	.7	1.1	.9	3.4	3.4	3.6	3.8
Service occupations	139.1	142.1	144.1	1.1	.9	1.4	4.4	4.4	3.3	3.6
Production and nonsupervisory occupations 4/	138.5	143.3	144.6	.9	1.3	.9	4.2	4.2	4.4	4.4
Goods-producing industries 1/	134.9	138.8	140.1	.7	1.0	.9	3.1	3.1	3.7	3.9
Excluding sales occupations	134.9	138.8	140.1	.8	1.0	.9	3.1	3.1	3.7	3.9
White-collar occupations	-	-	-	.6	1.0	.9	3.5	3.5	3.4	3.7
Excluding sales	-	-	-	.6	1.0	.9	3.6	3.6	3.6	3.8
Blue-collar occupations	-	-	-	.8	1.0	1.0	3.0	3.0	3.7	3.9
Service occupations	-	-	-	.9	.7	1.2	1.8	1.8	4.0	4.2
Construction	129.4	133.0	133.9	.6	1.1	.7	3.8	3.8	3.4	3.5
Manufacturing	136.2	140.0	141.5	.8	.9	1.1	3.0	3.0	3.6	3.9
White-collar occupations	-	-	-	.6	.9	.9	3.3	3.3	3.5	3.7
Excluding sales	-	-	-	.6	.9	1.0	3.4	3.4	3.6	3.9
Blue-collar occupations	-	-	-	.9	.9	1.1	2.8	2.8	3.8	4.0
Service occupations	-	-	-	.9	.7	1.3	2.0	2.0	3.6	4.0
Durables	134.6	138.3	139.9	.7	.7	1.2	2.7	2.7	3.4	3.9
Nondurables	139.1	143.1	144.2	1.1	1.1	.8	3.7	3.7	4.0	3.7



Table 4. WAGES AND SALARIES: Employment Cost Index for wages and salaries only, private industry workers, by industry and occupational group—Continued  
(Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for					
			3 Months Ended		12 Months Ended			
	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989
Service-producing industries 2/	142.6	147.8	1.1	1.4	0.8	4.7	4.8	4.5
Excluding sales occupations	143.9	148.6	.8	1.2	.7	4.2	4.1	4.0
White-collar occupations	-	-	1.3	1.5	1.0	5.0	5.4	5.1
Excluding sales	-	-	1.0	1.3	.8	4.4	4.6	4.3
Blue-collar occupations	-	-	.4	.9	-.1	3.3	3.5	3.0
Service occupations	-	-	1.1	.8	1.4	4.7	3.2	3.5
Transportation and public utilities	133.4	136.3	-.1	.7	.4	2.5	2.1	2.6
Transportation	-	-	-.4	.6	.2	2.5	1.5	2.1
Public utilities	-	-	.4	1.1	.7	2.6	2.8	3.2
Communications	-	-	.1	1.1	.7	1.9	2.2	2.9
Electric, gas, and sanitary services	-	-	.9	1.0	.7	3.5	3.7	3.5
Wholesale and retail trade	136.9	142.1	.7	1.6	1.1	4.7	4.5	5.0
Excluding sales occupations	137.8	141.6	1.0	1.1	.7	4.2	3.7	3.5
Wholesale trade	143.6	153.2	.3	2.8	2.3	3.7	7.0	9.1
Excluding sales occupations	140.4	145.3	.6	1.7	.8	3.2	4.1	4.3
Retail trade	134.3	137.7	.8	1.0	.6	5.2	3.4	3.1
General merchandise stores	-	-	1.2	.3	1.0	-	3.4	3.2
Food stores	-	-	.8	.4	1.3	2.3	2.3	2.8
Finance, insurance, and real estate	139.9	146.0	3.7	.6	.8	6.3	8.2	5.1
Excluding sales occupations	143.2	147.8	1.8	.2	.7	4.4	5.1	3.9
Banking, savings and loan, and other credit agencies	-	-	.8	1.1	-.3	5.8	4.3	3.2
Insurance	-	-	1.2	-.4	1.2	5.4	3.5	3.6
Services	154.4	160.4	1.0	1.6	.9	5.0	4.9	4.8
Business services	-	-	1.0	1.9	.3	4.1	4.6	3.9
Health services	-	-	1.3	1.9	1.6	5.7	6.1	6.4
Hospitals	-	-	1.4	1.9	1.3	5.9	6.6	6.6
Educational services	-	-	-	3.7	.2	-	-	-
Colleges and universities	-	-	-	3.3	.4	-	-	-
Nonmanufacturing industries	140.8	145.9	1.0	1.4	.8	4.5	4.7	4.4
White-collar occupations	-	-	1.2	1.5	1.0	4.9	5.2	5.0
Excluding sales	-	-	1.0	1.3	.8	4.4	4.4	4.3
Blue-collar occupations	-	-	.5	1.0	.2	3.3	3.4	3.2
Service occupations	-	-	1.1	.8	1.5	4.6	3.2	3.6

- Data not available.

NOTE: See footnotes at end of table 7.

Table 5. BENEFITS: Employment Cost Index for benefits only, private industry workers, by industry and occupational group (Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for						
			3 Months Ended		12 Months Ended				
	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	
Private industry workers.....	151.3	158.7	160.6	1.1	1.4	1.2	6.8	6.0	6.1
Workers, by occupational group									
White-collar occupations.....	152.7	161.1	163.0	1.2	1.4	1.2	6.3	6.8	6.7
Blue-collar occupations.....	148.9	155.1	156.8	.9	1.4	1.1	7.4	5.2	5.3
Service occupations.....	-	-	-	1.8	1.6	1.4	8.0	6.8	6.3
Workers, by industry division									
Goods-producing industries 1/.....	148.6	155.0	156.7	.9	1.5	1.1	7.1	5.2	5.5
Service-producing industries 2/.....	153.9	162.3	164.2	1.3	1.4	1.2	6.6	6.8	6.7
Manufacturing.....	149.0	156.6	157.8	.8	1.6	.8	7.7	6.0	5.9
Nonmanufacturing.....	152.9	160.2	162.4	1.3	1.4	1.4	6.3	6.2	6.2

- Data not available.

NOTE: See footnotes at end of table 7.

Table 6. COMPENSATION: Employment Cost Index for total compensation, private industry workers, by bargaining status, region, and area size  
(Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for						
			3 Months Ended		12 Months Ended				
	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989	
<b>Workers, by bargaining status</b>									
Union.....	138.6	142.3	143.7	0.5	0.9	1.0	3.9	3.2	3.7
Blue-collar occupations.....	-	-	-	.7	.9	.8	4.3	3.3	3.4
Goods-producing industries 1/.....	137.2	140.6	142.0	.7	.9	1.0	4.5	3.2	3.5
Service-producing industries 2/.....	140.9	145.1	146.3	.3	.8	.8	3.1	3.3	3.8
Manufacturing.....	138.2	142.5	144.1	.9	.8	1.1	5.1	4.0	4.3
Blue-collar occupations.....	-	-	-	.9	.9	1.0	5.2	4.1	4.2
Nonmanufacturing.....	138.9	142.1	143.3	.2	.8	.8	2.8	2.5	3.2
Nonunion.....	143.9	149.8	151.2	1.2	1.4	.9	5.1	5.3	5.1
Blue-collar occupations.....	-	-	-	1.0	1.3	.8	4.6	4.8	4.7
Goods-producing industries 1/.....	139.9	145.0	146.5	.9	1.3	1.0	4.3	4.5	4.7
Service-producing industries 2/.....	146.3	152.7	154.1	1.3	1.5	.9	5.6	5.7	5.3
Manufacturing.....	141.3	146.5	147.8	.9	1.2	.9	4.2	4.6	4.6
Blue-collar occupations.....	-	-	-	1.1	1.4	1.0	4.6	5.2	5.2
Nonmanufacturing.....	145.0	151.2	152.7	1.3	1.4	1.0	5.5	5.6	5.3
<b>Workers, by region</b>									
Northeast.....	150.4	158.3	160.0	1.8	1.8	1.1	6.0	7.1	6.4
South.....	141.3	145.8	147.3	.6	1.2	1.0	4.4	3.8	4.2
Midwest.....	138.0	142.3	143.6	1.0	1.0	.9	4.8	4.1	4.1
West.....	141.5	146.4	147.5	.6	1.0	.8	3.8	4.1	4.2
<b>Workers, by area size</b>									
Metropolitan areas.....	143.6	149.4	150.7	1.1	1.4	.9	5.0	5.2	4.9
Other areas.....	136.8	139.4	141.1	.4	.8	1.2	3.6	2.3	3.1

- Data not available.

NOTE: The indexes for these series are not strictly comparable to those for the aggregate, occupation, and industry series. See explanatory note. See footnotes at end of table 7.

Table 7. WAGES AND SALARIES: Employment Cost Index for wages and salaries only, private industry workers, by bargaining status, region, and area size  
(Not seasonally adjusted)

Series	Indexes (June 1981=100)		Percent Changes for							
	Dec. 1988	Sept. 1989	3 Months Ended		12 Months Ended		Sept. 1989	Dec. 1989		
			Dec. 1988	Sept. 1989	Dec. 1988	Sept. 1989				
Workers, by bargaining status										
Union.....	133.4	136.2	137.6	0.4	0.6	1.0	2.2	2.5	3.1	3.1
Blue-collar occupations.....	-	-	-	.6	.7	.8	2.3	2.9	3.1	3.1
Goods-producing industries <sup>1/</sup> .....	131.2	134.2	135.6	.6	.6	1.0	2.1	2.9	3.4	3.4
Service-producing industries <sup>2/</sup> .....	136.8	139.3	140.7	.1	.7	1.0	2.4	1.9	2.9	2.9
Manufacturing.....	132.1	135.1	136.7	.8	.5	1.2	2.2	3.1	3.5	3.5
Blue-collar occupations.....	-	-	-	.8	.6	1.2	2.2	3.2	3.6	3.6
Nonmanufacturing.....	134.6	137.1	138.3	.1	.7	.9	2.4	1.9	2.7	2.7
Nonunion.....	141.1	146.3	147.5	1.1	1.3	.8	4.5	4.9	4.5	4.5
Blue-collar occupations.....	-	-	-	.8	1.2	.5	3.8	4.3	4.0	4.0
Goods-producing industries <sup>1/</sup> .....	136.8	141.1	142.4	.8	1.1	.9	3.6	4.0	4.1	4.1
Service-producing industries <sup>2/</sup> .....	143.6	149.3	150.5	1.3	1.4	.8	5.0	5.3	4.8	4.8
Manufacturing.....	138.6	142.8	144.2	.9	1.0	1.0	3.5	3.9	4.0	4.0
Blue-collar occupations.....	-	-	-	1.0	1.2	1.0	3.6	4.5	4.4	4.4
Nonmanufacturing.....	142.2	147.7	148.9	1.3	1.4	.8	5.0	5.2	4.7	4.7
Workers, by region										
Northeast.....	147.3	154.7	156.4	1.9	1.8	1.1	5.4	7.0	6.2	6.2
South.....	137.8	141.7	142.9	.5	1.2	.8	3.6	3.4	3.7	3.7
Midwest.....	134.5	138.0	139.1	.9	.8	.8	3.5	3.5	3.4	3.4
West.....	138.1	141.8	142.7	.5	.8	.6	3.4	3.2	3.4	3.3
Workers, by area size										
Metropolitan areas.....	140.2	145.2	146.4	1.1	1.3	.8	4.2	4.7	4.4	4.4
Other areas.....	133.7	136.1	137.8	.1	.7	1.2	3.0	1.9	3.1	3.1

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

<sup>2/</sup> Includes transportation, public utilities, trade, finance, insurance, real estate, services, and, where applicable, public administration in State and local governments.

<sup>3/</sup> Formerly called 'Hospitals and other services.'

<sup>4/</sup> This series has the same industry and occupational coverage as the Hourly Earnings Index, which was discontinued in January 1989.

- Data not available.

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

Table 8. AEROSPACE: Employment Cost Index for workers in aerospace manufacturing by industry and occupation -  
(Not seasonally adjusted)

Series	3 Months Ended						12 Months Ended						Percent Changes for										
	Sept. 1989		Dec. 1989		12 Months Ended Dec. 1989		Sept. 1989		Dec. 1989		12 Months Ended Dec. 1989		Sept. 1989		Dec. 1989		12 Months Ended Dec. 1989						
	Compensation												Wages and Salaries						Benefits				
Aircraft and parts manufacturing (SIC 372)	1.1	2.0	4.9	0.8	1.5	3.7	1.7	3.3	3.3	3.3	7.5	1.1	2.0	4.9	0.8	1.5	3.7	1.7	3.3	3.3	3.3	7.5	
White-collar occupations.....	.9	1.7	4.4	.6	1.1	3.1	1.4	3.3	3.3	7.5	.9	1.7	4.4	.6	1.1	3.1	1.4	3.3	3.3	3.3	7.5		
Professional specialty and technical.....	.5	1.3	3.1	.4	.8	2.6	.6	2.8	2.8	4.4	.5	1.3	3.1	.4	.8	2.6	.6	2.8	2.8	2.8	4.4		
Blue-collar occupations.....	1.4	2.4	5.5	1.0	2.2	4.5	2.1	3.3	3.3	7.5	1.4	2.4	5.5	1.0	2.2	4.5	2.1	3.3	3.3	3.3	7.5		
Precision production, craft, and repair.....	1.1	2.0	4.6	.9	1.6	3.8	1.7	2.9	2.9	6.1	1.1	2.0	4.6	.9	1.6	3.8	1.7	2.9	2.9	2.9	6.1		
Machine operators, assemblers, and inspectors.....	1.7	2.9	6.6	1.2	2.5	5.2	2.3	3.7	3.7	9.2	1.7	2.9	6.6	1.2	2.5	5.2	2.3	3.7	3.7	3.7	9.2		
Aircraft manufacturing (SIC 3721)	1.0	2.5	4.8	.6	1.6	3.4	2.0	4.5	4.5	7.6	1.0	2.5	4.8	.6	1.6	3.4	2.0	4.5	4.5	4.5	7.6		
White-collar occupations.....	.8	2.0	4.0	.4	1.1	2.8	1.7	4.0	4.0	6.7	.8	2.0	4.0	.4	1.1	2.8	1.7	4.0	4.0	4.0	6.7		
Blue-collar occupations.....	1.4	3.3	5.9	.9	2.4	4.4	2.3	5.0	5.0	8.7	1.4	3.3	5.9	.9	2.4	4.4	2.3	5.0	5.0	5.0	8.7		
Aircraft engines and parts manufacturing (SIC 3724)	1.1	.9	3.6	1.0	1.0	3.3	1.3	.7	.7	4.2	1.1	.9	3.6	1.0	1.0	3.3	1.3	.7	.7	.7	4.2		
Aircraft parts and equipment manufacturing, not elsewhere classified (SIC 3728)	1.3	2.3	6.7	1.1	1.8	4.8	1.5	3.3	3.3	10.9	1.3	2.3	6.7	1.1	1.8	4.8	1.5	3.3	3.3	3.3	10.9		
Guided missiles and space vehicles manufacturing (SIC 3761)	1.1	1.6	4.8	.8	1.7	3.7	1.5	1.3	1.3	7.5	1.1	1.6	4.8	.8	1.7	3.7	1.5	1.3	1.3	1.3	7.5		

1/ Funds for the development and maintenance of these series are provided by the Aerospace Industries Association (AIA). The series are published in this release for the convenience of all users.

NOTE: SIC refers to the 1972 Standard Industrial Classification System code as defined by the U.S. Office of Management and Budget.

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<sup>1</sup> 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 overtime, shift differentials, and nonproduction bonuses such as lump-sum payments provided in lieu of wage increases); insurance benefits (life, health, and sickness and accident); retirement and savings benefits (pension and other retirement plans and savings and thrift plans); legally required benefits (social security, railroad retirement and supplemental retirement, railroad unemployment insurance, Federal and state unemployment insurance, workers' compensation, and other legally required benefits such as state temporary disability); and other benefits (severance pay and supplemental unemployment plans).

The ECI provides data for the civilian economy, which includes the total private economy, excluding farms and 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.

Each quarter, straight-time average hourly wage and salary rates and benefit cost data (cents-per-hour-worked) are collected from a probability sample of nearly 23,000 occupations within 4,400 sample establishments in private industry and about 6,000 occupations within 1,000 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. ECI statistics are neither annualized nor adjusted for seasonal influences.

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<sup>1</sup> The benefit cost indexes provide the change in the cost of benefits to a fixed labor force. They are not price indexes for a fixed market basket of benefits. Therefore, the indexes will change as a result of either a change in the price of benefits provided (for example, higher pay for holidays) or a change in the benefits (for example, an additional holiday).

The sample establishments are classified in industry categories based on the 1972 Standard Industrial Classification (SIC), as defined by the U.S. Office of Management and Budget.

Within an establishment, specific job categories are selected to represent broader occupational definitions. Since June 1986, the jobs have been classified according to definitions used in the 1980 Census. Prior to June 1986, they were classified according to the 1970 Census. Differences between the two classification systems are slight, as indicated in the article "Introducing new weights for the Employment Cost Index," in the June 1985 issue of the Monthly Labor Review.

Fixed employment weights are used each quarter to calculate the most aggregate indexes--civilian, private, and state and local governments. These fixed weights are also used to derive all of the industry and occupation series indexes. Since June 1986, employment counts from the 1980 Census have been used as weights. Prior to June 1986, employment counts from the 1970 Census were used.

For the series based on bargaining status, region, or area size, employment data are not available from the Census. 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.

The costs per hour worked of compensation components, based on March 1989 data from the ECI, are published in a separate news release titled "Employer Costs for Employee Compensation - March 1989." A description of the cost levels is provided in the article "Analyzing employers' costs for wages, salaries, and benefits" in the October 1987 issue of the Monthly Labor Review. The cost levels, which are published annually in mid-June, are calculated with current employment weights, rather than the fixed 1980 Census weights used in computing the ECI. Therefore, year-to-year changes in the cost levels will usually differ from those in the ECI.

More detailed information on the ECI is available in several sources. These include an annual bulletin, Employment Cost Indexes and Levels, 1975-89, (Bulletin 2339); a chapter in the BLS Handbook of Methods (Bulletin 2285), "The Employment Cost Index;" and several articles published in the Monthly Labor Review. The annual bulletin is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or Bureau of Labor Statistics, Publications Sales Center, P.O. Box 2145, Chicago, Illinois 60690. Reprints of the articles plus other descriptive pieces and a complete historical listing are available upon request. ECI historical data are also available on data diskettes formatted for use with Lotus 1-2-3.