

News

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EMPLOYMENT COST INDEX—JUNE 2003

The Employment Cost Index for total compensation for civilian workers rose 0.9 percent from March to June 2003, following a 1.3 percent gain from December 2002 to March 2003, seasonally adjusted, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Benefit costs increased 1.4 percent and continued to substantially outpace the 0.6 percent gain in wages and salaries for civilian workers in June. 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 nonfarm private and State and local government workers.

Employer costs for wages and salaries, accounting for over 70 percent of compensation costs, rose 2.7 percent for the year ending June 2003. Year ending wage and salary increases from June 1983 through June 2003 have ranged from 2.8 in June 1993 to 5.7 percent in June 1983. Benefit costs rose 6.3 percent for the year ending June 2003. Much of the increase in benefit costs again stemmed from the continuing rise in the costs for health insurance. Year-ending benefit increases from June 1993 through June 2003 have ranged from 1.8 percent in June 1996 to 5.5 percent in June 1993.

Quarterly changes, seasonally adjusted

Compensation costs for private sector workers rose 0.8 from March to June, after jumping 1.4 percent in the prior quarter. For State and local government workers, the increase in compensation costs was 1.0 percent from March to June, compared with the gain of 0.9 percent for the quarter ended in March. Gains in private sector compensation costs were led by large increases in nondurable manufacturing; transportation and public utilities; and construction. Private sector compensation gains were dampened by retail trade and wholesale trade. (See tables A and 1.)

Benefit costs moderated during the quarter, advancing 1.4 percent for civilian workers (nonfarm private industry and State and local government) in the June 2003 quarter following a sharp gain of 2.2 percent in the March quarter. In the private sector, benefit costs rose 1.3 percent for the June quarter, slowing significantly from the 2.4 percent gain of the previous quarter. By contrast, the increase for State and local governments was 1.3 percent in the June quarter, following a 1.5 percent increase in March 2003.

Gains in wages and salaries also moderated during the quarter, increasing 0.6 percent for both civilian and private sector workers during the June quarter, each following a 1.0 percent rise in the March quarter. Private sector wage gains were led by construction and nondurable manufacturing industries. Wage and salaries in the private sector were slowed by wholesale trade and retail trade, and service workers. Wages and salaries in State and local government advanced 0.8 percent during the March to June 2003 period, after gaining 0.7 percent in the December 2002 to March 2003 quarter.

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

Compensation Component	Sep. 2001	Dec. 2001	Mar. 2002	June 2002	Sep. 2002	Dec. 2002	Mar. 2003	June 2003
Civilian workers								
Compensation costs	1.0	1.0	0.9	1.0	0.8	0.7	1.3	0.9
Wages and salaries	0.9	0.9	0.8	0.9	0.6	0.5	1.0	0.6
Benefit costs	1.4	1.2	1.0	1.3	1.2	1.3	2.2	1.4
Private industry								
Compensation costs	1.0	1.1	0.9	1.1	0.6	0.7	1.4	0.8
Wages and salaries	0.8	0.9	0.9	0.9	0.4	0.5	1.0	0.6
Benefit costs	1.4	1.3	1.1	1.3	1.1	1.2	2.4	1.3
State and local government								
Compensation costs	1.1	0.7	0.8	0.9	1.3	1.0	0.9	1.0
Wages and salaries	1.0	0.6	0.8	0.8	0.8	0.7	0.7	0.8
Benefit costs	1.6	0.9	1.0	1.1	2.2	1.7	1.5	1.3

Over-the-year changes, not seasonally adjusted

Annual compensation costs for civilian workers (not seasonally adjusted) increased 3.7 percent for the year ended June 2003, compared with a 4.0 percent over-the-year increase for June 2002. Compensation costs in private industry rose 3.5 percent in the year ended June 2003, compared with greater increases of 4.0 percent for years ending June 2002 and June 2001. In contrast, State and local government compensation costs increased 4.1 percent for the year ended June 2003; over-the-year gains were a more modest 3.6 percent in June 2002 and June 2001. (See tables B, 2, and 3.)

Although over-the-year compensation gains remained relatively constant for the years ending June 2002 and June 2003, the components of compensation showed significant differences. While increases in wages and salaries slowed, benefit costs rose sharply during the year ending June 2003. For civilian workers, wages and salaries rose 2.7 percent in the year ended June 2003, compared with a gain of 6.3 percent for benefits. Benefit costs for State and local government rose sharply, increasing 6.8 percent for the year ending June 2003, compared with an increase of 4.6 percent for the year ending June 2002. (See tables B, 5, 6, and 8.)

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

Compensation Component	June 1998	June 1999	June 2000	June 2001	June 2002	June 2003
Civilian workers						
Compensation costs	3.5	3.2	4.4	3.9	4.0	3.7
Wages and salaries	3.8	3.6	4.0	3.7	3.5	2.7
Benefit costs	2.4	2.5	5.3	4.5	5.0	6.3
Private industry						
Compensation costs	3.5	3.3	4.6	4.0	4.0	3.5
Wages and salaries	4.0	3.6	4.1	3.8	3.6	2.6
Benefit costs	2.6	2.5	5.7	4.8	5.1	6.1
State and local government						
Compensation costs	2.7	3.0	3.5	3.6	3.6	4.1
Wages and salaries	3.0	3.1	3.7	3.7	3.2	3.1
Benefit costs	2.1	2.6	3.1	3.4	4.6	6.8

Nonfarm private industry

For the year ended June 2003, compensation costs in private industry increased 4.4 percent for goods-producing industries, higher than the 3.6 percent advance for the year ended June 2002. Compensation costs for manufacturing advanced 4.6 percent in June 2003, after increasing 3.6 percent in June 2002. Compensation costs for construction rose 3.8 percent in June 2003 compared with a 3.3 percent rise in June 2002. (See table 3.)

The over-the-year increase in compensation for service-producing industries slowed to 3.2 percent, compared with a 4.2 percent gain for the year ended June 2002. Among service-producing industries, the 12-month increase for finance, insurance, and real estate was 6.6 percent for the year ended in June 2003, led by increases in banking, savings and loan, and other credit agencies. Compensation costs were 1.2 percent for retail trade and 1.6 percent in business services in the year ended June 2003.

Over-the-year compensation cost increases were 3.4 percent for white-collar occupations, 4.1 percent for blue-collar occupations, and 3.3 percent for service occupations for the year ended June 2003. Among white-collar occupational groups, compensation changes ranged from 2.2 percent for sales workers to 4.1 percent for administrative support, including clerical workers. Among blue-collar workers, compensation cost increases ranged from 3.7 percent for transportation and material moving workers to 4.3 percent for handlers, equipment cleaners, helpers, and laborers. (See table 3.)

Compensation costs for union workers advanced 5.0 percent over the year ending June 2003, greater than the 3.3 percent increase for nonunion workers. Compensation costs among blue-collar union workers rose 5.1 percent, higher than the gain of 3.4 percent for blue-collar nonunion workers. In goods-producing industries, the 5.6 percent increase for union workers was greater than the 4.0 percent advance for nonunion workers. (See tables C and 4.)

Wages and salaries for union workers rose 3.0 percent for the 12 months ended in June 2003. This compares with an over-the-year increase of 2.5 percent for nonunion workers. Benefit costs for union workers rose sharply, 8.7 percent, greater than the increase of 5.5 percent for nonunion workers in June 2003. (See tables C, 7, and 8.)

Compensation costs, led by higher benefit costs, accelerated for union workers, rising 5.0 percent for the year ending June 2003 compared with a 4.5 percent gain in June 2002. Compensation for nonunion workers increased 3.3 percent for the year ending June 2003 compared with an over-the-year gain of 3.9 percent in June 2002.

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

Compensation Component	June 1998	June 1999	June 2000	June 2001	June 2002	June 2003
Union workers						
Compensation costs	2.7	2.7	3.9	3.5	4.5	5.0
Wages and salaries	3.0	3.1	2.8	3.8	4.2	3.0
Benefit costs	2.1	2.2	5.9	3.0	5.0	8.7
Nonunion workers						
Compensation costs	3.8	3.4	4.6	4.2	3.9	3.3
Wages and salaries	4.1	3.7	4.3	3.7	3.5	2.5
Benefit costs	2.6	2.6	5.7	5.3	5.1	5.5

Among the four geographic regions, increases in compensation costs ranged from 2.5 percent in the South to 4.8 percent in the Midwest for the year ended in June 2003. Compensation costs rose 3.3 percent in the Northeast and 4.1 percent in the West. (See table 4.)

State and local government

In State and local government, the June 2003 over-the-year increase in wages and salaries was 3.1 percent, compared with a gain of 3.2 percent for June 2002. Among occupational groups, wages of service and blue-collar workers rose 2.9 percent for the year ended June 2003; wages for white-collar workers rose 3.1 percent. Benefit costs jumped 6.8 percent for June 2003, significantly higher than the June 2002 gain of 4.6 percent. (See tables B, 5, and 8.)

NOTES:

The ECI for September 2003 is scheduled to be released Thursday, October 30, 2003, at 8:30 a.m. (EST).

Supplemental data from the ECI, providing 12-month percent changes in employer costs for health insurance in private industry from June 1982 to June 2003, will be available shortly after publication of this news release on 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 published on June 11, 2003, in a news release titled "Employer Costs for Employee Compensation—March 2003."

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>.

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Employment Cost Index

Chart A. Changes in wages and salaries and in benefit costs, private industry, 1980-2003

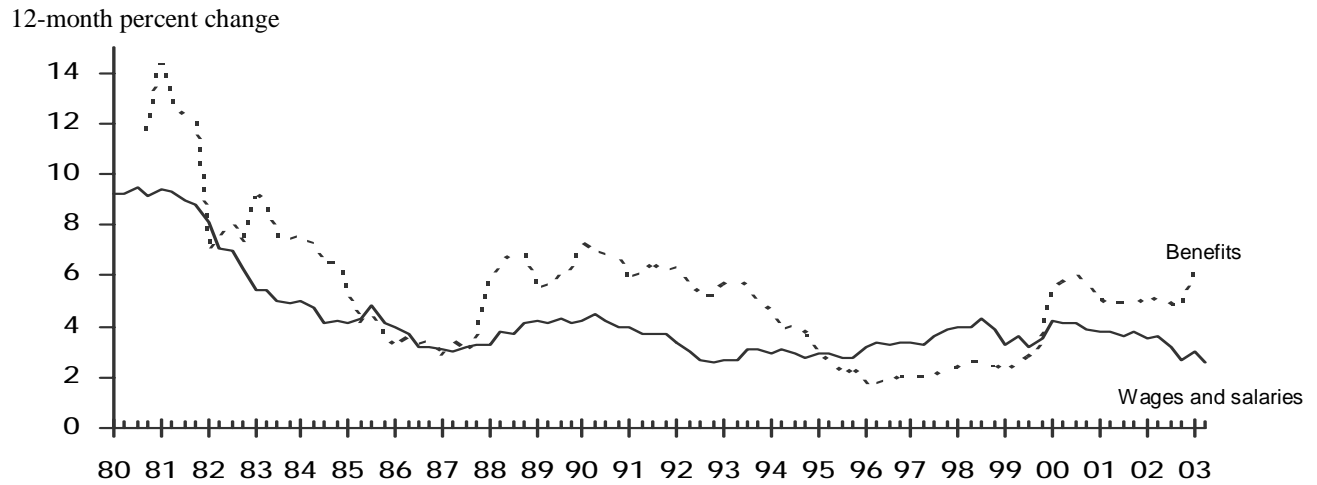


Chart B. Changes in wages and salaries, by goods- and service-producing industries, private industry, 1980-2003

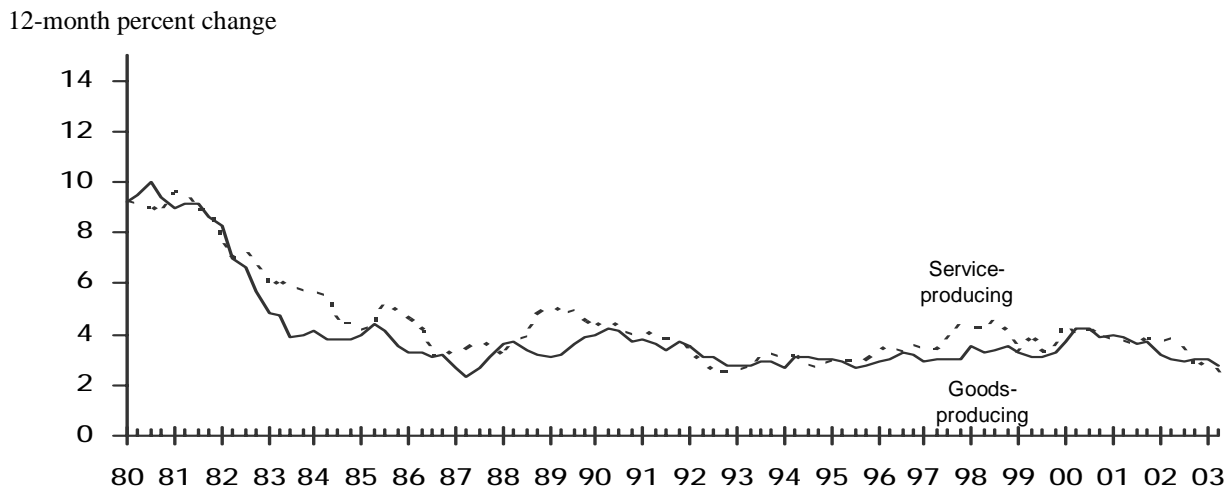


Chart C. Changes in wages and salaries, by bargaining status, private industry, 1980-2003

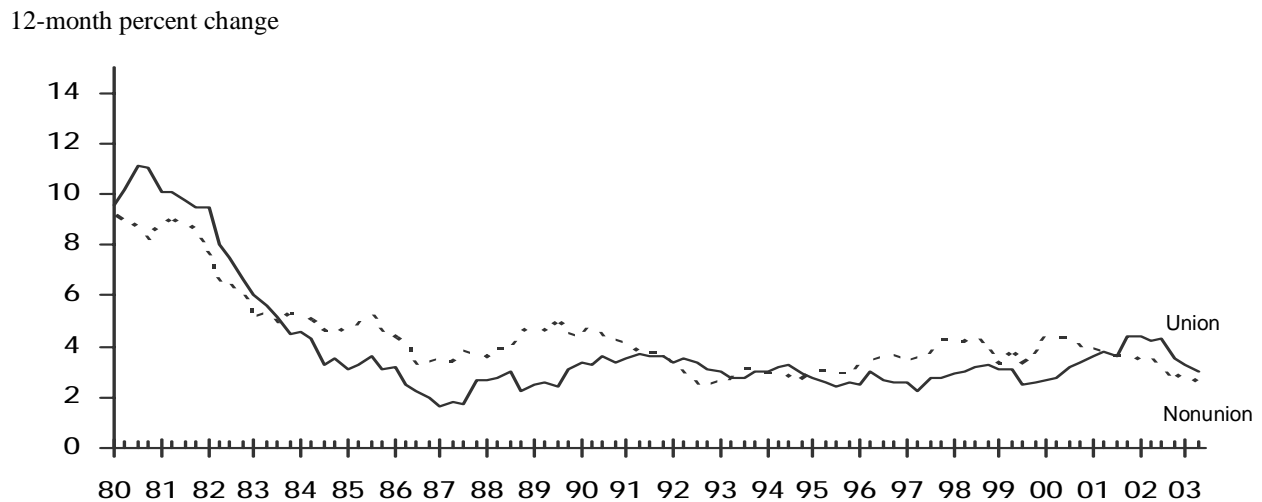


Table 1. Employment Cost Index for total compensation¹, wages and salaries, and benefit costs by industry and occupational group

(Seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)		Percent changes for 3-months ended-							
	Mar. 2003	Jun. 2003	Sep. 2001	Dec. 2001	Mar. 2002	Jun. 2002	Sep. 2002	Dec. 2002	Mar. 2003	Jun. 2003
TOTAL COMPENSATION										
Civilian workers	164.5	165.9	1.0	1.0	0.9	1.0	0.8	0.7	1.3	0.9
State and local government	162.6	164.2	1.1	.7	.8	.9	1.3	1.0	.9	1.0
Private industry	164.9	166.3	1.0	1.1	.9	1.1	.6	.7	1.4	.8
Industry										
Goods producing ²	163.1	164.7	.8	.9	1.0	1.0	.8	1.0	1.6	1.0
Construction	159.2	161.0	1.1	.9	.7	.6	.8	1.0	.8	1.1
Manufacturing	163.7	165.1	.6	1.0	1.0	1.0	.8	1.1	1.8	.9
Durables	164.3	165.3	.8	.9	.8	.8	.6	1.1	2.2	.6
Nondurables	162.6	164.8	.4	1.1	1.2	1.2	1.2	1.0	1.1	1.4
Service producing ³	165.7	167.0	1.0	1.1	.9	1.1	.6	.6	1.2	.8
Transportation and public utilities	163.2	165.3	.7	1.6	1.0	1.0	1.1	.9	.7	1.3
Wholesale trade	169.8	170.7	.8	.7	1.6	2.2	.1	.7	1.7	.5
Retail trade	156.4	157.1	.9	2.1	-3	1.3	.4	.4	-1	.4
Finance, insurance, and real estate ⁴	176.7	178.3	.9	.2	2.4	1.3	.4	.3	4.9	.9
Services	167.1	168.4	1.3	.9	.9	.7	.6	.6	.8	.8
Nonmanufacturing	164.8	166.2	1.1	1.2	.8	1.1	.6	.6	1.2	.8
Occupational group										
White collar	168.0	169.1	.9	1.2	.8	1.1	.6	.7	1.4	.7
Blue collar	159.7	161.2	1.2	.9	.9	.8	.8	.9	1.3	.9
Service	161.5	162.6	.9	1.4	1.0	.7	1.0	.6	1.2	.7
WAGES AND SALARIES										
Civilian workers	159.3	160.3	.9	.9	.8	.9	.6	.5	1.0	.6
State and local government	159.3	160.6	1.0	.6	.8	.8	.8	.7	.7	.8
Private industry	159.3	160.3	.8	.9	.9	.9	.4	.5	1.0	.6
Industry										
Goods producing ^{2,4}	156.3	157.4	.6	.7	.8	.9	.5	.7	.8	.7
Construction	150.7	152.2	1.0	.9	.5	.6	.7	.9	.3	1.0
Manufacturing ⁴	158.0	159.0	.5	.7	.9	.9	.6	.7	1.0	.6
Durables ⁴	158.8	159.7	.7	.7	.9	.9	.5	.8	1.0	.6
Nondurables	156.4	157.7	.3	.8	.8	.9	.9	.8	.5	.8
Service producing ³	160.6	161.5	.9	1.0	.9	.9	.5	.4	1.1	.6
Transportation and public utilities ⁴	154.8	155.6	.7	1.7	.9	1.1	.9	.5	.5	.5
Wholesale trade	163.9	163.7	.3	.5	1.7	1.7	.1	.4	1.6	-1
Retail trade	152.9	153.5	.8	1.7	-4	1.1	.3	.3	-3	.4
Finance, insurance, and real estate ⁴	171.1	172.4	.8	.1	2.8	1.1	.2	.1	5.2	.8
Services	162.8	164.1	1.2	.9	.8	.6	.6	.4	.6	.8
Nonmanufacturing	159.4	160.3	.9	1.1	.8	.8	.5	.4	1.0	.6

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—							
	Mar. 2003	Jun. 2003	Sep. 2001	Dec. 2001	Mar. 2002	Jun. 2002	Sep. 2002	Dec. 2002	Mar. 2003	Jun. 2003
WAGES AND SALARIES—Continued										
Occupational group										
White collar	162.6	163.5	0.7	1.1	0.8	0.9	0.5	0.5	1.2	0.6
Blue collar ⁴	153.6	154.6	1.1	.5	.9	.9	.5	.5	.8	.7
Service ⁴	155.5	156.1	.8	1.3	.9	.5	.7	.4	.6	.4
BENEFIT COSTS										
Civilian workers	177.2	179.6	1.4	1.2	1.0	1.3	1.2	1.3	2.2	1.4
State and local government	170.4	172.7	1.6	.9	1.0	1.1	2.2	1.7	1.5	1.3
Private industry	178.9	181.3	1.4	1.3	1.1	1.3	1.1	1.2	2.4	1.3
Industry										
Goods producing ²	177.4	179.9	1.0	1.4	1.2	1.2	1.2	1.5	3.4	1.4
Manufacturing	176.3	178.6	.8	1.3	1.4	1.2	1.3	1.4	4.0	1.3
Service producing ³	179.7	182.0	1.5	1.3	.9	1.5	1.0	1.0	1.8	1.3
Nonmanufacturing	180.2	182.5	1.5	1.3	1.0	1.3	1.0	1.1	1.9	1.3
Occupational group										
White collar	183.3	185.1	1.4	1.4	.8	1.4	.9	1.1	2.3	1.0
Blue collar	172.4	176.0	1.4	.8	1.4	1.2	1.3	1.3	2.5	2.1
Service	179.9	182.2	1.2	1.8	1.4	1.1	1.7	1.0	2.7	1.3

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 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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Civilian workers	159.9	164.5	165.8	0.9	1.4	0.8	4.0	3.9	3.7
Excluding sales occupations	159.7	164.6	165.9	.8	1.5	.8	3.8	3.9	3.9
Industry									
Goods producing ²	157.7	163.1	164.6	.9	1.8	.9	3.6	4.4	4.4
Manufacturing	158.1	164.0	165.4	1.0	2.2	.9	3.6	4.7	4.6
Service producing ³	160.7	165.0	166.2	1.0	1.4	.7	4.1	3.7	3.4
Services	161.1	165.3	166.3	.6	.9	.6	3.7	3.2	3.2
Health services	161.8	166.4	167.6	.8	1.2	.7	4.7	3.7	3.6
Hospitals	163.8	169.9	170.8	.9	1.4	.5	5.3	4.7	4.3
Educational services	157.4	163.6	164.2	.2	.5	.4	3.4	4.1	4.3
Public administration ⁴	157.5	163.4	164.3	.6	1.1	.6	3.7	4.4	4.3
Nonmanufacturing	160.2	164.5	165.8	.9	1.3	.8	4.0	3.7	3.5
Occupational group									
White collar	162.1	166.7	167.9	1.0	1.5	.7	3.9	3.9	3.6
Excluding sales	162.1	167.2	168.3	.7	1.6	.7	3.8	3.9	3.8
Professional specialty and technical	159.3	164.1	165.0	.5	1.0	.5	3.2	3.5	3.6
Executive, administrative, and managerial	165.6	171.1	172.0	1.2	2.6	.5	4.4	4.5	3.9
Administrative support, including clerical	163.3	168.3	170.0	.8	1.3	1.0	4.1	3.9	4.1
Blue collar	155.1	159.8	161.4	.9	1.5	1.0	3.9	4.0	4.1
Service	159.4	164.1	165.0	.6	1.2	.5	4.0	3.6	3.5
State and local government	156.7	162.6	163.2	.4	.7	.4	3.6	4.2	4.1
Industry									
Services	155.9	161.8	162.3	.3	.6	.3	3.5	4.1	4.1
Excluding schools	158.7	164.0	164.2	.5	.7	.1	4.5	3.9	3.5
Health services	161.4	166.4	166.7	.6	.5	.2	4.5	3.7	3.3
Hospitals	161.8	167.0	167.3	.7	.5	.2	4.6	3.9	3.4
Educational services	155.1	161.1	161.7	.2	.5	.4	3.3	4.1	4.3
Schools	155.4	161.4	162.0	.2	.4	.4	3.3	4.1	4.2
Elementary and secondary	153.6	159.4	160.0	.1	.4	.4	3.1	3.9	4.2
Colleges and universities	160.4	167.0	167.5	.3	.7	.3	4.0	4.4	4.4
Public administration ⁴	157.5	163.4	164.3	.6	1.1	.6	3.7	4.4	4.3
Occupational group									
White collar	155.7	161.7	162.2	.3	.6	.3	3.5	4.2	4.2
Professional specialty and technical	154.1	160.2	160.8	.3	.5	.4	3.3	4.3	4.3
Executive, administrative, and managerial	159.8	165.3	165.7	.2	.9	.2	4.0	3.6	3.7
Administrative support, including clerical	158.0	163.8	164.4	.7	.9	.4	4.2	4.4	4.1
Blue collar	154.7	161.3	161.7	.5	.9	.2	3.8	4.7	4.5
Service	162.4	168.0	168.9	.6	1.0	.5	3.8	4.0	4.0

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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Private industry workers	160.7	165.0	166.4	1.1	1.7	0.8	4.0	3.8	3.5
Excluding sales occupations	160.5	165.1	166.6	.9	1.7	.9	4.0	3.8	3.8
Industry									
Goods producing ²	157.6	163.0	164.5	.9	1.8	.9	3.6	4.4	4.4
Excluding sales	156.9	162.4	163.8	.9	2.0	.9	3.6	4.4	4.4
White collar	161.9	167.8	169.2	1.1	2.1	.8	3.5	4.8	4.5
Excluding sales	160.2	166.3	167.5	1.1	2.5	.7	3.4	5.0	4.6
Blue collar	154.8	159.9	161.5	.8	1.7	1.0	3.7	4.1	4.3
Construction	155.2	159.1	161.1	.7	.8	1.3	3.3	3.2	3.8
Manufacturing	158.1	164.0	165.4	1.0	2.2	.9	3.6	4.7	4.6
White collar	161.1	167.1	168.7	1.3	2.3	1.0	3.3	5.0	4.7
Excluding sales	158.6	165.1	166.4	1.2	2.7	.8	3.0	5.4	4.9
Blue collar	155.8	161.6	162.8	.8	2.1	.7	3.9	4.5	4.5
Durables	158.3	164.4	165.5	.9	2.4	.7	3.4	4.8	4.5
Aircraft manufacturing (SIC 3721) ..	168.9	183.2	183.7	.8	6.3	.3	5.3	9.4	8.8
White collar	164.2	177.9	177.3	.6	7.6	-.3	4.4	8.9	8.0
Blue collar	174.8	189.8	192.3	1.3	4.1	1.3	6.8	10.0	10.0
Nondurables	157.5	163.1	164.9	1.0	1.7	1.1	3.9	4.6	4.7
Service producing ³	161.8	165.6	167.0	1.2	1.5	.8	4.2	3.6	3.2
Excluding sales	162.4	166.6	168.0	.9	1.6	.8	4.1	3.5	3.4
White collar	164.0	167.9	169.2	1.2	1.7	.8	4.2	3.6	3.2
Excluding sales	165.6	169.9	171.3	.9	1.7	.8	4.1	3.5	3.4
Blue collar	155.2	158.7	160.8	1.3	1.1	1.3	4.4	3.6	3.6
Service	157.0	161.1	162.0	.7	1.1	.6	4.1	3.3	3.2
Transportation and public utilities	158.9	163.2	165.4	1.0	.9	1.3	4.3	3.8	4.1
Transportation	153.9	157.8	158.9	.9	1.1	.7	4.8	3.5	3.2
Public utilities	165.5	170.5	174.2	1.0	.8	2.2	3.6	4.0	5.3
Communications	166.1	171.3	175.5	.1	.7	2.5	3.1	3.2	5.7
Electric, gas, and sanitary services	164.8	169.5	172.6	2.2	.8	1.8	4.2	5.1	4.7
Wholesale and retail trade	159.5	161.3	162.5	1.9	1.0	.7	4.5	3.1	1.9
Excluding sales	160.0	161.8	162.7	1.6	.9	.6	4.0	2.7	1.7
Wholesale trade	166.3	169.5	171.3	2.7	1.7	1.1	5.4	4.7	3.0
Excluding sales	164.4	168.4	169.9	1.3	.7	.9	3.7	3.8	3.3
Retail trade	155.6	156.6	157.4	1.4	.5	.5	3.9	2.0	1.2
General merchandise stores	154.2	156.4	159.2	1.2	.8	1.8	3.2	2.6	3.2
Food stores	154.5	157.5	158.6	1.0	.8	.7	4.3	3.0	2.7
Finance, insurance, and real estate	167.3	176.7	178.3	1.3	4.9	.9	4.9	7.0	6.6
Excluding sales	171.3	182.0	184.0	.9	5.1	1.1	5.0	7.2	7.4
Banking, savings and loan, and other credit agencies	184.2	204.3	206.3	1.2	10.3	1.0	6.7	12.2	12.0
Insurance	166.1	172.1	173.9	1.3	2.5	1.0	4.3	4.9	4.7
Excluding sales	164.3	169.6	171.7	.8	2.4	1.2	4.3	4.0	4.5
Services	163.7	167.1	168.4	.7	1.0	.8	3.7	2.8	2.9
Business services	166.6	168.5	169.2	.2	.6	.4	2.2	1.3	1.6
Health services	162.0	166.5	167.9	.9	1.3	.8	4.7	3.7	3.6
Hospitals	164.5	170.8	171.9	1.0	1.6	.6	5.5	4.9	4.5
Nursing homes	—	—	—	1.1	1.2	.8	5.0	3.9	3.5
Educational services	169.0	176.3	177.1	.3	.6	.5	3.9	4.6	4.8
Colleges and universities	168.4	174.5	175.4	.2	.5	.5	3.6	3.8	4.2

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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Industry—Continued									
Nonmanufacturing industries	161.1	164.9	166.4	1.1	1.5	0.9	4.1	3.5	3.3
White collar	164.1	168.0	169.3	1.2	1.6	.8	4.2	3.6	3.2
Excluding sales	165.7	170.0	171.4	.9	1.7	.8	4.1	3.5	3.4
Blue collar	154.0	157.5	159.7	1.2	1.0	1.4	4.0	3.5	3.7
Service	156.9	161.1	162.0	.6	1.2	.6	4.1	3.3	3.3
Occupational group									
White collar	163.8	168.1	169.4	1.2	1.8	.8	4.1	3.8	3.4
Excluding sales	164.3	169.1	170.4	.9	1.9	.8	3.9	3.9	3.7
Professional specialty and technical	162.5	166.5	167.7	.6	1.3	.7	3.2	3.1	3.2
Executive, administrative, and managerial	166.6	172.1	173.1	1.3	2.9	.6	4.5	4.7	3.9
Sales	161.6	163.5	165.1	2.5	1.0	1.0	4.6	3.7	2.2
Administrative support, including clerical	164.2	169.0	170.9	.9	1.4	1.1	4.1	3.8	4.1
Blue collar	155.1	159.7	161.4	1.0	1.5	1.1	3.9	4.0	4.1
Precision production, craft, and repair	155.7	160.0	162.0	1.3	1.4	1.3	4.0	4.1	4.0
Machine operators, assemblers, and inspectors	154.7	159.9	161.1	.7	2.0	.8	3.8	4.1	4.1
Transportation and material moving	149.6	153.2	155.1	.6	.9	1.2	4.0	3.0	3.7
Handlers, equipment cleaners, helpers, and laborers	159.9	164.9	166.8	.8	1.2	1.2	4.2	3.9	4.3
Service	157.4	161.7	162.6	.6	1.2	.6	4.0	3.4	3.3
Production and nonsupervisory occupations⁴	158.7	162.6	164.1	1.0	1.3	.9	3.9	3.5	3.4

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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Bargaining status									
Union	156.3	162.1	164.1	1.0	1.6	1.2	4.5	4.7	5.0
Blue-collar occupations	153.5	159.2	161.4	1.2	1.7	1.4	4.3	4.9	5.1
Goods-producing industries ²	154.7	161.4	163.4	.8	2.3	1.2	3.6	5.2	5.6
Service-producing industries ³	157.6	162.6	164.6	1.0	.9	1.2	5.4	4.2	4.4
Manufacturing	154.6	162.3	163.8	.8	2.8	.9	3.9	5.8	6.0
Blue-collar occupations	153.7	161.1	162.5	.8	2.6	.9	3.8	5.6	5.7
Nonmanufacturing	156.6	161.4	163.7	1.0	.9	1.4	4.8	4.1	4.5
Nonunion	161.4	165.4	166.8	1.1	1.6	.8	3.9	3.6	3.3
Blue-collar occupations	156.0	159.8	161.3	.8	1.3	.9	3.8	3.3	3.4
Goods-producing industries ²	158.6	163.6	164.9	.9	1.7	.8	3.6	4.1	4.0
Service-producing industries ³	162.2	165.9	167.2	1.2	1.6	.8	4.0	3.5	3.1
Manufacturing	159.1	164.5	165.8	1.0	2.0	.8	3.5	4.4	4.2
Blue-collar occupations	156.7	161.5	162.6	.7	1.7	.7	3.9	3.8	3.8
Nonmanufacturing	161.7	165.4	166.7	1.1	1.5	.8	4.1	3.4	3.1
Region⁴									
Northeast	159.9	163.8	165.2	1.0	1.5	.9	4.0	3.5	3.3
South	157.6	160.6	161.6	.9	1.0	.6	3.5	2.8	2.5
Midwest	162.6	169.0	170.4	.9	2.7	.8	4.2	4.9	4.8
West	162.9	167.3	169.5	1.6	1.4	1.3	4.4	4.3	4.1
Area									
Metropolitan	160.9	165.2	166.6	1.1	1.7	.8	4.1	3.8	3.5
Other	158.5	163.5	165.0	.6	1.7	.9	3.1	3.8	4.1

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 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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Civilian workers	156.1	159.3	160.3	0.8	1.0	0.6	3.5	2.9	2.7
Excluding sales occupations	155.9	159.4	160.3	.7	1.0	.6	3.5	3.0	2.8
Industry									
Goods producing ¹	153.1	156.3	157.5	.9	.8	.8	3.0	3.0	2.9
Manufacturing	154.5	158.0	159.0	.9	1.0	.6	3.0	3.2	2.9
Service producing ²	157.2	160.5	161.4	.8	1.1	.6	3.6	3.0	2.7
Services	158.8	161.9	162.8	.4	.5	.6	3.4	2.4	2.5
Health services	158.5	162.0	163.2	.8	.7	.7	4.4	3.0	3.0
Hospitals	158.6	163.5	164.4	.9	.8	.6	4.9	4.0	3.7
Educational services	155.6	160.4	160.7	.2	.2	.2	3.0	3.3	3.3
Public administration ³	153.4	157.2	158.0	.6	.9	.5	3.2	3.1	3.0
Nonmanufacturing	156.4	159.6	160.5	.9	1.0	.6	3.6	3.0	2.6
Occupational group									
White collar	158.4	161.9	162.9	.9	1.1	.6	3.5	3.1	2.8
Excluding sales	158.7	162.5	163.5	.7	1.1	.6	3.5	3.1	3.0
Professional specialty and technical	156.2	159.3	160.1	.4	.4	.5	2.8	2.4	2.5
Executive, administrative, and managerial	162.6	167.9	169.0	1.2	2.5	.7	4.4	4.5	3.9
Administrative support, including clerical	158.4	161.8	163.1	.7	.7	.8	3.7	2.9	3.0
Blue collar	151.0	153.8	154.8	.9	.8	.7	3.4	2.7	2.5
Service	155.1	158.0	158.7	.6	.7	.4	3.6	2.5	2.3
State and local government	154.9	159.2	159.7	.3	.4	.3	3.2	3.1	3.1
Industry									
Services	155.0	159.5	159.8	.3	.2	.2	3.2	3.2	3.1
Excluding schools	157.3	161.4	161.8	.4	.7	.2	4.4	3.0	2.9
Health services	158.8	162.9	163.5	.6	.4	.4	4.5	3.2	3.0
Hospitals	158.8	163.1	163.8	.7	.4	.4	4.6	3.4	3.1
Educational services	154.5	159.1	159.3	.2	.1	.1	3.0	3.2	3.1
Schools	154.6	159.2	159.5	.2	.1	.2	2.9	3.2	3.2
Elementary and secondary	153.6	158.2	158.5	.1	.1	.2	2.7	3.1	3.2
Colleges and universities	157.3	162.1	162.1	.3	.3	.0	3.6	3.4	3.1
Public administration ³	153.4	157.2	158.0	.6	.9	.5	3.2	3.1	3.0
Occupational group									
White collar	154.4	158.9	159.2	.3	.3	.2	3.1	3.2	3.1
Professional specialty and technical	154.1	158.8	159.1	.3	.3	.2	2.9	3.4	3.2
Executive, administrative, and managerial	156.8	160.9	161.0	.1	.5	.1	3.5	2.7	2.7
Administrative support, including clerical	152.8	156.9	157.2	.6	.6	.2	3.5	3.3	2.9
Blue collar	152.1	156.2	156.5	.3	.7	.2	3.8	3.0	2.9
Service	159.2	162.7	163.8	.6	.9	.7	3.6	2.8	2.9

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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Private industry workers	156.3	159.3	160.4	1.0	1.1	0.7	3.6	3.0	2.6
Excluding sales occupations	156.1	159.4	160.5	.8	1.2	.7	3.5	2.9	2.8
Industry									
Goods producing ¹	153.1	156.3	157.4	.9	.8	.7	3.0	3.0	2.8
Excluding sales	152.2	155.4	156.5	.9	.9	.7	3.0	3.0	2.8
White collar	156.6	160.0	161.4	1.0	.9	.9	2.8	3.2	3.1
Excluding sales	154.5	158.0	159.2	1.0	1.1	.8	2.7	3.3	3.0
Blue collar	150.7	153.8	154.8	.7	.8	.7	3.1	2.8	2.7
Construction	148.2	150.6	152.4	.8	.3	1.2	3.0	2.4	2.8
Manufacturing	154.5	158.0	159.0	.9	1.0	.6	3.0	3.2	2.9
White collar	156.6	160.1	161.6	1.1	.9	.9	2.6	3.4	3.2
Excluding sales	153.9	157.7	158.9	1.1	1.2	.8	2.3	3.5	3.2
Blue collar	152.8	156.3	156.9	.7	1.0	.4	3.4	3.0	2.7
Durables	155.3	158.8	159.7	.9	1.0	.6	3.2	3.2	2.8
Aircraft manufacturing (SIC 3721) ..	162.5	166.0	166.9	.7	1.8	.5	4.8	2.9	2.7
White collar	156.4	160.4	160.2	.3	2.7	-.1	4.2	2.9	2.4
Blue collar	171.4	173.6	176.5	1.4	.2	1.7	5.7	2.7	3.0
Nondurables	153.1	156.6	157.8	.8	.9	.8	2.8	3.1	3.1
Service producing ²	157.7	160.6	161.7	1.0	1.3	.7	3.8	2.9	2.5
Excluding sales	158.5	161.7	162.8	.8	1.3	.7	3.9	2.9	2.7
White collar	159.9	163.0	164.1	1.1	1.4	.7	3.8	3.0	2.6
Excluding sales	161.6	165.3	166.5	.7	1.5	.7	3.9	3.1	3.0
Blue collar	151.1	153.2	154.3	1.1	.8	.7	4.0	2.5	2.1
Service	152.4	155.1	155.6	.5	.6	.3	3.5	2.3	2.1
Transportation and public utilities	152.1	154.8	155.6	1.1	.5	.5	4.4	2.9	2.3
Transportation	148.6	150.5	150.6	.8	.3	.1	4.9	2.1	1.3
Public utilities	156.4	160.4	162.1	1.4	.7	1.1	3.6	4.0	3.6
Communications	157.1	161.9	163.4	1.2	.7	.9	3.5	4.2	4.0
Electric, gas, and sanitary services	155.5	158.6	160.4	1.6	.8	1.1	3.7	3.7	3.2
Wholesale and retail trade	155.7	156.7	157.5	1.8	.8	.5	3.7	2.4	1.2
Excluding sales	157.1	157.9	158.7	1.5	.6	.5	3.4	2.0	1.0
Wholesale trade	161.3	163.4	164.7	2.6	1.5	.8	4.4	3.9	2.1
Excluding sales	161.2	163.9	165.2	1.1	.1	.8	3.0	2.8	2.5
Retail trade	152.7	153.1	153.8	1.2	.3	.5	3.3	1.5	.7
General merchandise stores	148.9	149.8	152.0	.7	.4	1.5	2.3	1.3	2.1
Food stores	148.9	151.0	151.6	.6	.5	.4	3.0	2.0	1.8
Finance, insurance, and real estate	162.0	171.1	172.4	1.1	5.2	.8	4.8	6.7	6.4
Excluding sales	165.7	176.7	178.5	.7	5.6	1.0	5.1	7.4	7.7
Banking, savings and loan, and other credit agencies	182.8	206.4	208.7	.9	12.2	1.1	7.0	13.9	14.2
Insurance	158.6	161.6	163.0	1.0	1.6	.9	3.5	2.9	2.8
Excluding sales	155.1	157.9	159.6	.5	1.3	1.1	3.7	2.3	2.9
Services	160.3	162.8	164.0	.5	.7	.7	3.4	2.1	2.3
Business services	164.0	165.6	166.4	.0	.5	.5	2.0	1.0	1.5
Health services	158.4	161.9	163.2	.7	.7	.8	4.3	2.9	3.0
Hospitals	158.6	163.6	164.6	1.0	.9	.6	5.0	4.1	3.8
Nursing homes	—	—	—	.9	.8	.7	5.0	3.5	3.3
Educational services	161.2	167.1	167.7	.0	.4	.4	3.3	3.7	4.0
Colleges and universities	159.9	164.4	165.1	.0	.1	.4	3.2	2.8	3.3

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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Industry—Continued									
Nonmanufacturing industries	156.5	159.4	160.5	1.0	1.2	0.7	3.7	2.8	2.6
White collar	159.6	162.8	163.9	1.0	1.4	.7	3.8	3.0	2.7
Excluding sales	161.3	164.9	166.1	.7	1.5	.7	3.9	3.0	3.0
Blue collar	149.0	151.1	152.4	1.0	.6	.9	3.5	2.4	2.3
Service	152.3	155.0	155.5	.6	.6	.3	3.5	2.4	2.1
Occupational group									
White collar	159.4	162.6	163.8	1.1	1.4	.7	3.6	3.1	2.8
Excluding sales	160.0	163.6	164.8	.9	1.4	.7	3.6	3.2	3.0
Professional specialty and technical	157.4	159.5	160.5	.4	.6	.6	2.7	1.8	2.0
Executive, administrative, and managerial	163.6	169.1	170.3	1.4	2.8	.7	4.5	4.8	4.1
Sales	157.0	158.1	159.3	2.2	.8	.8	3.6	2.9	1.5
Administrative support, including clerical	159.2	162.6	164.0	.6	.8	.9	3.6	2.8	3.0
Blue collar	150.9	153.6	154.6	.9	.8	.7	3.4	2.7	2.5
Precision production, craft, and repair	151.0	153.4	154.7	1.2	.7	.8	3.6	2.8	2.5
Machine operators, assemblers, and inspectors	151.6	154.7	155.3	.7	1.0	.4	3.2	2.8	2.4
Transportation and material moving	145.2	147.8	149.0	.3	.6	.8	3.2	2.1	2.6
Handlers, equipment cleaners, helpers, and laborers	155.1	158.4	159.0	.6	.8	.4	3.5	2.7	2.5
Service	152.8	155.5	156.1	.5	.6	.4	3.6	2.3	2.2
Production and nonsupervisory occupations³	154.0	156.4	157.4	.9	.8	.6	3.4	2.4	2.2

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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Bargaining status									
Union	149.8	153.3	154.3	0.9	0.5	0.7	4.2	3.3	3.0
Blue-collar occupations	147.2	150.5	151.6	1.1	.6	.7	3.8	3.4	3.0
Goods-producing industries ¹	148.6	152.4	153.9	1.0	.8	1.0	3.1	3.5	3.6
Service-producing industries ²	151.4	154.6	155.1	.9	.3	.3	5.4	3.1	2.4
Manufacturing	150.2	154.6	155.9	.8	1.0	.8	3.2	3.8	3.8
Blue-collar occupations	149.0	153.3	154.4	.8	1.0	.7	3.3	3.7	3.6
Nonmanufacturing	149.6	152.5	153.5	1.0	.3	.7	4.8	3.0	2.6
Nonunion	157.5	160.4	161.5	1.0	1.2	.7	3.5	2.9	2.5
Blue-collar occupations	153.1	155.5	156.5	.8	.8	.6	3.3	2.4	2.2
Goods-producing industries ¹	154.8	157.8	158.9	.8	.8	.7	3.0	2.8	2.6
Service-producing industries ²	158.3	161.2	162.3	1.0	1.4	.7	3.7	2.9	2.5
Manufacturing	156.1	159.3	160.2	.9	1.0	.6	3.0	3.0	2.6
Blue-collar occupations	155.3	158.3	158.7	.6	1.0	.3	3.5	2.6	2.2
Nonmanufacturing	157.5	160.4	161.5	1.0	1.3	.7	3.6	2.9	2.5
Region³									
Northeast	154.9	157.3	158.4	.9	1.0	.7	3.8	2.5	2.3
South	153.6	155.3	156.1	.7	.5	.5	2.9	1.8	1.6
Midwest	158.5	164.1	165.0	.9	2.4	.5	4.1	4.5	4.1
West	158.7	161.3	163.1	1.5	.7	1.1	3.8	3.1	2.8
Area									
Metropolitan	156.7	159.6	160.7	1.0	1.1	.7	3.6	2.9	2.6
Other	152.6	156.8	158.0	.6	1.3	.8	2.6	3.4	3.5

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—					
	Jun. 2002	Mar. 2003	Jun. 2003	3 months ended—			12 months ended—		
				Jun. 2002	Mar. 2003	Jun. 2003	Jun. 2002	Mar. 2003	Jun. 2003
Civilian workers	169.4	177.8	180.0	1.1	2.6	1.2	5.0	6.1	6.3
State and local government	160.6	170.5	171.6	.4	1.4	.6	4.6	6.6	6.8
Private industry	171.6	179.6	182.0	1.4	2.9	1.3	5.1	6.1	6.1
Industry									
Goods producing ¹	167.4	178.0	180.2	1.0	4.1	1.2	4.9	7.4	7.6
Service producing ²	173.3	179.9	182.3	1.5	2.3	1.3	5.3	5.4	5.2
Manufacturing	165.5	176.9	179.0	1.1	4.7	1.2	4.8	8.1	8.2
Aircraft manufacturing (SIC 3721)	182.6	220.4	220.3	1.1	14.6	.0	6.3	22.0	20.6
White collar	182.6	219.7	218.3	1.1	17.5	-.6	4.8	21.6	19.6
Blue collar	181.4	220.1	221.8	1.1	10.4	.8	8.8	22.6	22.3
Nonmanufacturing	173.5	180.3	182.8	1.4	2.3	1.4	5.2	5.4	5.4
Occupational group									
White collar	176.1	183.6	185.5	1.5	2.9	1.0	5.2	5.8	5.3
Blue collar	164.0	172.7	176.1	1.1	2.9	2.0	5.0	6.5	7.4
Service	170.4	180.2	182.1	.9	3.0	1.1	5.8	6.7	6.9
Bargaining status									
Union	168.1	178.7	182.7	1.0	3.5	2.2	5.0	7.3	8.7
Nonunion	172.1	179.5	181.5	1.4	2.7	1.1	5.1	5.8	5.5

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 NOTES

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

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

Benefits covered by the ECI are: Paid leave--vacations, holidays, sick leave, and other leave; supplemental pay--premium pay for work in addition to the regular work schedule (such as overtime, weekends, and holidays), shift differentials, and nonproduction bonuses (such as 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 37,300 occupational observations within about 8,500 sample establishments in private industry and approximately 3,650 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 new seasonal factors for 2003 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 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. The 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, (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). Current and historical data are available at the web site: (<http://www.bls.gov/ncs/ect/home.htm>).

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--March 2003." Historical data and related articles are included in the bulletin, Employer Costs for Employee Compensation, 1986-99, (Bulletin 2526). An annual historical summary from March 1986 through March 2002 is also available on the Internet site (<http://www.bls.gov/ncs/ect/home.htm>) or upon request. Data are now available on a quarterly basis beginning with June 2002 data. The June 2003 data are expected to be published in September 2003. 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.

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.