News

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EMPLOYMENT COST INDEX—DECEMBER 2005

Total compensation costs for civilian workers increased 0.8 percent from September to December 2005, seasonally adjusted, the same increase that occurred between June and September, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Benefit costs between September and December rose 1.1 percent and continued to outpace the gain in wages and salaries for civilian workers, 0.8 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).

Quarterly changes, seasonally adjusted

Compensation cost gains for civilian, private sector, and State and local government workers were identical in the September to December quarter to their respective gains in the prior quarter. Civilian and private industry compensation costs rose 0.8 percent. For State and local government workers, compensation costs rose 1.1 percent. (See tables A and 1.)

Benefit costs advanced 1.1 percent for civilian workers in the December quarter, compared with a 1.3 percent gain in the September 2005 quarter. Private sector benefit costs rose 0.9 percent for the December quarter, following the 1.3 percent gain in the previous quarter. Benefit costs for State and local government workers increased 1.5 percent in the December quarter, compared with a 1.7 percent gain in the prior quarter.

Wages and salaries of civilian workers rose 0.8 percent in the December quarter, compared with a gain of 0.6 percent during the prior quarter. Private industry workers wages and salaries increased 0.6 percent during the December 2005 quarter, the same increases as in the previous three quarters. Wages and salaries in State and local government advanced 0.9 percent during the September to December 2005 period, following an increase of 0.7 percent in the prior quarter.

NOTE

The ECI will convert to the 2002 North American Industry Classification System and the 2000 Standard Occupational Classification System with the release of the March 2006 estimates. In addition, several computational changes will be introduced, including rebasing all series to December 2005=100 from June 1989=100, the introduction of new employment weights and seasonal adjustment factors, and discontinuing the collection of severance pay and supplemental unemployment plans. See page 5 for details.

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

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

Over-the-year changes, not seasonally adjusted

Annual compensation cost increases moderated for civilian and private industry workers for the year ended December 2005, compared with their over-the-year increases for December 2004. Compensation costs for civilian workers increased 3.1 percent for the year ended December 2005, which was lower than the 3.7 percent over-the-year increase for December 2004. Compensation costs in private industry rose 3.0 percent in the year ended December 2005, slowing from a 3.8 percent increase in December 2004. In contrast, compensation costs increased 4.1 percent for State and local governments for the year ended December 2005, which was greater than the over-the-year gain of 3.5 percent in December 2004. (See tables B, 2, and 3.)

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

Compensation Component	Dec. 2000	Dec. 2001	Dec. 2002	Dec. 2003	Dec. 2004	Dec. 2005
Civilian workers						
Compensation costs	4.1	4.1	3.4	3.8	3.7	3.1
Wages and salaries	3.8	3.7	2.9	2.9	2.4	2.6
Benefit costs	4.9	5.2	5.0	6.3	6.9	4.5
Private industry						
Compensation costs	4.4	4.2	3.2	4.0	3.8	3.0
Wages and salaries	3.9	3.8	2.7	3.0	2.4	2.5
Benefit costs	5.6	5.1	4.7	6.4	6.9	4.1
State and local government						
Compensation costs	3.0	4.2	4.1	3.3	3.5	4.1
Wages and salaries	3.3	3.6	3.2	2.1	2.1	3.1
Benefit costs	2.4	5.5	6.2	6.1	6.7	6.0

The components of compensation showed differences in their rate of change. While increases in wages and salaries continued at a moderate pace, the sharp increases in benefit costs seen over the past several years began to increase at a slower pace. For civilian workers, wages and salaries rose 2.6 percent in the year ended December 2005, compared with a gain of 2.4 percent in December 2004. Benefit costs gained 4.5 percent for civilian workers for the period ended December 2005, slowing sharply from an increase of 6.9 percent for the year ended December 2004. (See tables B, 5, 6, and 8.)

Nonfarm private industry

For the year ended December 2005, compensation costs in private industry increased 3.3 percent for goods-producing industries, lower than the increase of 4.7 percent for the year ended December 2004. The rise in compensation costs for manufacturing moderated for the year ending December 2005, advancing 3.4 percent compared with the 5.0 percent gain in December 2004. In contrast, compensation costs for construction rose 3.7 percent in December 2005, compared with a 2.4 percent gain in December 2004. (See table 3.)

The over-the-year increase in compensation for service-producing industries was 2.8 percent, compared with a 3.3 percent gain for the year ended December 2004. Among service-producing industries, compensation gains in transportation and public utilities moderated for the year ending December 2005, rising 2.4 percent compared with an increase of 3.9 percent in December 2004. (See table 3.)

Over-the-year compensation cost increases were 3.2 percent for white-collar occupations, 2.6 percent for blue-collar occupations, and 2.4 percent for service occupations for the year ended December 2005. Among white-collar occupational groups, compensation cost changes ranged from 2.9 percent for executive, administrative, and managerial workers to 4.2 percent for sales employees. Among blue-collar occupational groups, compensation cost increases ranged from 1.7 percent for machine operators, assemblers, and inspectors to 3.0 percent for transportation and material moving occupations. (See table 3.)

Compensation costs for union workers advanced 2.8 percent over the year ended December 2005, slowing from the 5.6 percent gain for the year ended December 2004. For nonunion workers, compensation costs rose 3.0 percent for the year ended December 2005, compared with a gain of 3.4 percent for December 2004. Benefit costs for union workers rose 3.5 percent for the year ended December 2005, decelerating sharply from the gain of 10.3 percent in December 2004. Benefit costs for nonunion workers advanced 4.2 percent over the year ended December 2005, slowing from an increase of 6.2 percent in December 2004. Wages and salaries for union workers rose 2.3 percent for the 12 months ended in December 2005, compared with an over-the-year increase of 2.5 percent for nonunion workers. (See tables C, 4, 7, and 8.)

Among union blue-collar workers, compensation costs advanced 2.9 percent, compared with the gain of 2.5 percent for nonunion blue-collar workers for the 12 months ended in December 2005. In manufacturing industries, compensation cost gains for union workers slowed sharply, rising 2.5 percent for the year ended December 2005, significantly less than the 7.6 percent in December 2004. For nonunion workers in manufacturing, compensation costs rose 3.6 percent for the year ended December 2005, compared with an over-the year gain of 4.2 percent in December 2004. (See table 4.)

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

Compensation Component	Dec. 2000	Dec. 2001	Dec. 2002	Dec. 2003	Dec. 2004	Dec. 2005
Union workers						
Compensation costs	4.0	4.2	4.2	4.6	5.6	2.8
Wages and salaries	3.4	4.4	3.5	2.4	2.8	2.3
Benefit costs	5.2	3.7	5.7	8.3	10.3	3.5
Nonunion workers						
Compensation costs	4.4	4.1	3.2	3.9	3.4	3.0
Wages and salaries	4.0	3.6	2.7	3.1	2.4	2.5
Benefit costs	5.7	5.4	4.5	6.0	6.2	4.2

Among the four geographic regions, increases in compensation costs ranged from 2.3 percent in the South to 3.4 percent in the Northeast and Midwest for the year ended December 2005. Compensation costs rose 3.0 percent in the West. Gains in wages and salaries ranged from 2.0 percent in the South and West to 3.3 percent in the Midwest for the year ended December 2005. Wages and salaries rose 2.8 percent in the Northeast for the year ended December 2005. (See tables 4 and 7.)

State and local government

Wages and salaries for State and local government workers rose 3.1 percent in the year ended December 2005, greater than the gain of 2.1 percent for December 2004. Benefit costs rose 6.0 percent for the year ended December 2005, compared with a gain of 6.7 percent for the year ended December 2004. (See tables B, 5, and 8.)

For the year ended December 2005, compensation costs increased 4.0 percent for educational services, outpacing the 3.0 percent increase for the year ended December 2004. Compensation costs for colleges and universities rose 3.8 percent, a significant increase from the 1.9 percent gain for the year ended December 2004. Among occupational groups, compensation costs of service workers rose 4.8 percent for the year ended December 2005, compared with gains of 4.3 percent for blue-collar workers and 3.9 percent for white-collar workers. (See table 2.)

Annual changes, constant dollars, not seasonally adjusted

Quarterly and annual changes are computed in terms of June 1989 dollars to give an approximate measure of changes in compensation costs after adjustment for the changes over the same time in the price of consumer goods and services. These estimates, in "constant dollars," showed annual compensation costs for civilian workers were -0.3 percent for the year ended December 2005, compared with a 0.5 percent over-the-year change for December 2004. Compensation costs in private industry changed -0.4 percent in the year ended December 2005, compared with a 0.5 percent change in December 2004. Compensation costs advanced 0.6 percent for State and local government for the year ended December 2005, compared with an over-the-year change of 0.2 percent in December 2004. These inflation-adjusted ECI series were derived using the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average All Items. (See table D and the Explanatory Note for details.)

Table D. 12-month percent changes in Employment Cost Index, constant dollars, not seasonally adjusted

Compensation Component	Dec. 2000	Dec. 2001	Dec. 2002	Dec. 2003	Dec. 2004	Dec. 2005
Civilian workers						
Compensation costs	0.7	2.5	1.0	1.9	0.5	-0.3
Wages and salaries	0.4	2.1	0.5	1.0	-0.8	-0.8
Benefit costs	1.5	3.6	2.5	4.4	3.5	1.1
Private industry						
Compensation costs	0.9	2.6	0.8	2.1	0.5	-0.4
Wages and salaries	0.5	2.2	0.4	1.1	-0.8	-0.9
Benefit costs	2.1	3.5	2.3	4.5	3.6	0.7
State and local government						
Compensation costs	-0.4	2.6	1.6	1.4	0.2	0.6
Wages and salaries	0.0	2.1	0.8	0.2	-1.1	-0.3
Benefit costs	-1.0	3.8	3.7	4.2	3.3	2.5

NOTE:

The new seasonal factors for 2006, along with revised seasonally adjusted indexes for the past five years will be available Wednesday, April 26, 2006, on the Internet site http://www.bls.gov/ncs/ect/home, by e-mail request to olctinfo@bls.gov, or by telephone (202) 691-6199. The ECI for March 2006 is scheduled to be released Friday, April 28, 2006, at 8:30 a.m. (EDT).

Beginning with the release of the March 2006 estimates, the ECI will publish industry categories based on the 2002 North American Industry Classification System (NAICS) and classify jobs into occupational categories according to the 2000 Standard Occupational Classification (SOC) Manual. These systems will replace the 1987 Standard Industrial Classification (SIC) Manual and the Occupational Classification System (OCS) currently being used in the ECI. Broad categories, such as civilian workers and private industry workers, are comparable for both the old and new classification systems; however, some detailed occupational and industry classifications (even with the same title) may not be comparable. Some new series will be introduced while others will be dropped. For more detailed information on NAICS and SOC, including background and definitions, see the BLS websites: http://www.bls.gov/bls/naics.htm and http://www.bls.gov/soc/home.htm.

In addition, several computational changes will be introduced, including rebasing all series to December 2005=100 from June 1989=100, and the initiation of new employment weights and seasonal adjustment factors. Collection of severance pay and supplemental unemployment plans, which are included in the total compensation component in tables 1 through 4, and the benefit component in table 8, will be discontinued beginning with the March 2006 estimates. New series will be added, including series for the census divisions and for series on workers, excluding incentive paid occupations. At the same time, an improved process for imputing costs for missing values will be introduced.

Several publications are being prepared to provide more information on the computational changes to the ECI and the transition to NAICS and SOC. In addition, the April 2006 *Monthly Labor Review* will be devoted to a series of articles detailing the changes. The latest information on the transition will be available on the BLS website at http://www.bls.gov/ncs/ect/#notices.

ECI data are available on the Compensation Cost Trends page at http://www.bls.gov/ncs/ect/home.htm.

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

12-month percent change

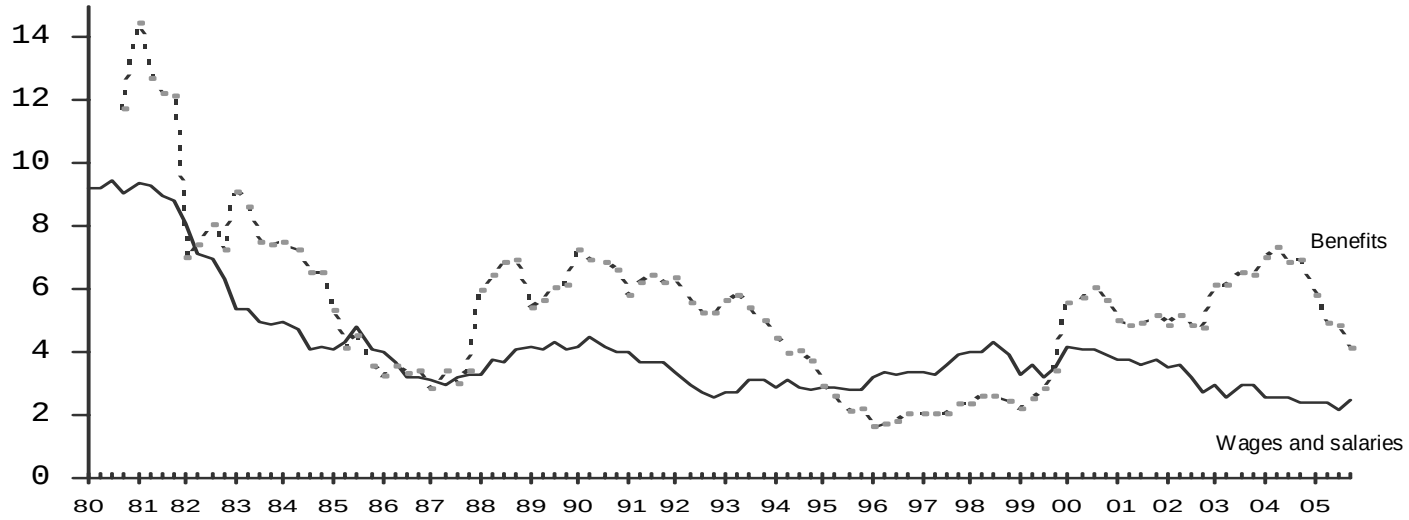

Chart B. Changes in wages and salaries, private industry and State and local government, 1980-2005

12-month percent change

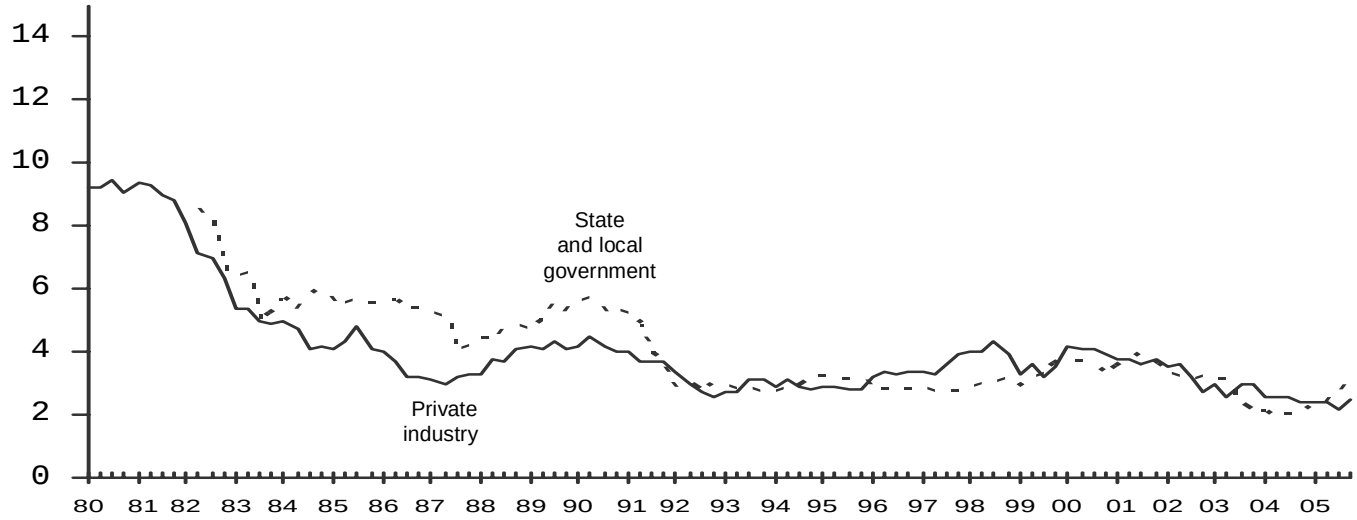

Chart C. Changes in benefits, private industry and State and local government, 1980-2005

12-month percent change

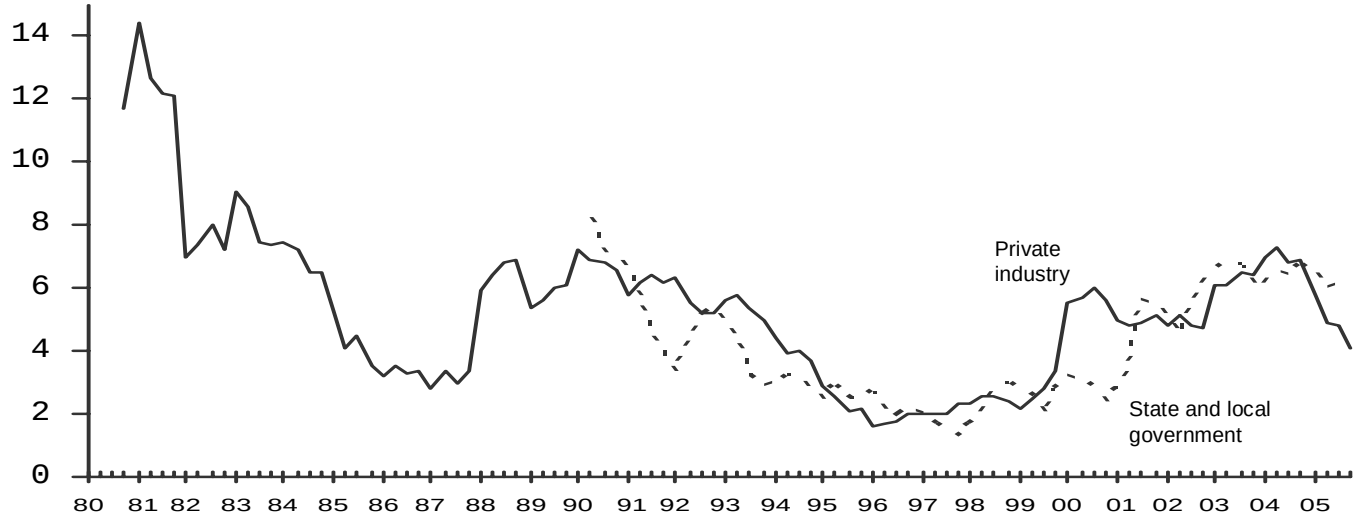

Table 1. Employment Cost Index for total compensation[1], wages and salaries, and benefit costs by industry and occupational group

(Seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)		Percent changes for 3-months ended–							
	Sep. 2005	Dec. 2005	Mar. 2004	Jun. 2004	Sep. 2004	Dec. 2004	Mar. 2005	Jun. 2005	Sep. 2005	Dec. 2005
TOTAL COMPENSATION										
Civilian workers	179.4	180.9	1.1	0.9	0.9	0.8	0.7	0.7	0.8	0.8
State and local government	177.5	179.5	.9	.9	.8	.9	1.0	.7	1.1	1.1
Private industry	179.8	181.2	1.1	.9	1.0	.8	.6	.6	.8	.8
Industry										
Goods producing[2]	180.9	181.7	1.7	1.0	1.3	1.0	.5	1.0	1.1	.4
Construction	172.8	173.7	.8	.5	.7	.4	1.1	.9	1.2	.5
Manufacturing	180.6	182.6	1.6	1.1	1.2	1.0	.4	1.0	.8	1.1
Durables	182.3	184.5	1.7	1.2	1.3	1.1	.4	1.2	.9	1.2
Nondurables	177.8	179.4	1.3	.9	1.1	.9	.3	.7	.8	.9
Service producing[3]	179.4	181.0	.8	.9	.8	.7	.6	.5	.7	.9
Transportation and public utilities	176.9	178.5	1.4	1.1	.8	.6	.2	.3	1.0	.9
Wholesale trade	181.5	184.0	.6	.6	1.4	.1	1.0	-.4	1.7	1.4
Retail trade	168.4	170.0	.4	.9	.3	.7	.6	.6	.8	1.0
Finance, insurance, and real estate[4]	191.0	192.3	.9	.6	.7	.6	1.6	1.1	.1	.7
Services	181.3	182.8	.9	1.0	.9	1.0	.7	.6	.4	.8
Nonmanufacturing	178.7	180.1	.8	.9	.8	.8	.7	.6	.7	.8
Occupational group										
White collar	182.8	184.4	.9	.8	.9	.9	.9	.6	.8	.9
Blue collar	174.6	176.0	1.5	1.0	1.0	.9	.2	.8	.8	.8
Service	173.1	174.5	.9	.9	.5	.7	.2	.6	.7	.8
WAGES AND SALARIES										
Civilian workers	169.2	170.5	.6	.6	.7	.5	.6	.6	.6	.8
State and local government	168.5	170.1	.6	.5	.4	.6	.8	.5	.7	.9
Private industry	169.4	170.5	.6	.6	.7	.4	.6	.6	.6	.6
Industry										
Goods producing[2,4]	166.0	166.8	.8	.6	.9	.1	.7	.7	.7	.5
Construction	160.6	162.2	.6	.4	.6	.3	.3	.8	.9	1.0
Manufacturing[4]	167.4	168.2	.7	.7	.9	.1	.8	.7	.6	.5
Durables[4]	168.1	169.0	.6	.6	1.0	.1	.7	.7	.6	.5
Nondurables	166.2	167.3	.7	.7	.8	.4	.6	.5	.7	.7
Service producing[3]	170.8	172.2	.5	.5	.7	.6	.5	.5	.5	.8
Transportation and public utilities[4]	162.4	162.7	.7	1.0	.8	.1	-.4	.8	.8	.2
Wholesale trade	171.6	174.3	.2	.4	1.6	-.8	.8	-.6	1.8	1.6
Retail trade	162.7	164.1	.4	.6	.1	.6	.6	.6	.9	.9
Finance, insurance, and real estate[4]	180.9	181.9	.4	.1	.7	.7	.8	1.1	-.2	.6
Services	174.8	176.0	.7	.8	.8	.8	.7	.5	.3	.7
Nonmanufacturing	169.5	171.0	.6	.5	.7	.6	.5	.5	.5	.9

See footnotes at end of table.

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

(Seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)		Percent changes for 3-months ended–							
	Sep. 2005	Dec. 2005	Mar. 2004	Jun. 2004	Sep. 2004	Dec. 2004	Mar. 2005	Jun. 2005	Sep. 2005	Dec. 2005
WAGES AND SALARIES–Continued										
Occupational group										
White collar	173.2	174.7	0.5	0.6	0.8	0.6	0.5	0.5	0.6	0.9
Blue collar[4]	163.0	163.9	.7	.7	.8	.3	.6	.8	.6	.6
Service[4]	163.2	164.1	.4	.6	.3	.5	.5	.6	.6	.6
BENEFIT COSTS										
Civilian workers	204.7	206.9	2.2	1.6	1.4	1.6	1.2	.8	1.3	1.1
State and local government	198.7	201.6	1.6	1.8	1.6	1.5	1.5	1.2	1.7	1.5
Private industry	206.2	208.1	2.2	1.7	1.3	1.6	1.1	.8	1.3	.9
Industry										
Goods producing[2]	211.7	212.7	3.4	1.5	2.0	2.3	.9	1.4	1.7	.5
Manufacturing	210.8	213.5	3.9	1.8	2.1	1.9	.4	1.5	1.6	1.3
Service producing[3]	202.9	205.5	1.5	1.7	.9	1.2	1.2	.4	1.0	1.3
Nonmanufacturing	204.6	206.3	1.5	1.7	1.0	1.5	1.2	.6	1.1	.8
Occupational group										
White collar	210.7	212.5	1.6	1.5	1.4	1.6	1.7	.9	1.4	.9
Blue collar	200.7	202.3	3.1	1.9	1.6	1.6	-.1	.8	1.2	.8
Service	203.4	206.1	2.2	1.7	1.2	1.2	-.3	.9	1.1	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 compensation[1] 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–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Civilian workers	174.7	179.3	180.2	0.5	0.9	0.5	3.7	3.1	3.1
Excluding sales occupations	175.0	179.5	180.3	.6	.8	.4	3.8	3.2	3.0
Industry									
Goods producing[2]	174.4	179.8	180.2	.6	.7	.2	4.7	3.7	3.3
Manufacturing	175.4	180.7	181.3	.3	.6	.3	5.0	3.3	3.4
Service producing[3]	174.7	179.1	180.2	.4	1.0	.6	3.3	2.9	3.1
Services	175.5	179.6	180.7	.6	1.0	.6	3.5	2.9	3.0
Health services	177.7	182.7	184.0	.6	.9	.7	4.1	3.4	3.5
Hospitals	181.8	187.6	189.0	.7	1.1	.7	4.0	3.9	4.0
Educational services	172.9	178.1	179.8	.6	2.1	1.0	3.2	3.7	4.0
Public administration[4]	175.4	181.1	183.1	.7	1.6	1.1	4.3	4.0	4.4
Nonmanufacturing	174.4	178.8	179.8	.5	1.0	.6	3.4	3.1	3.1
Occupational group									
White collar	176.6	181.5	182.5	.5	.9	.6	3.5	3.2	3.3
Excluding sales	177.4	182.1	183.1	.7	.8	.5	3.7	3.3	3.2
Professional specialty and technical	174.7	179.6	180.7	.6	1.1	.6	4.0	3.5	3.4
Executive, administrative, and managerial	179.4	184.0	184.7	.7	.5	.4	2.6	3.3	3.0
Administrative support, including clerical	180.0	184.7	185.7	.7	.8	.5	4.3	3.4	3.2
Blue collar	170.9	174.8	175.4	.5	.6	.3	4.4	2.8	2.6
Service	173.6	178.1	179.2	.5	1.3	.6	3.4	3.1	3.2
State and local government	172.6	177.9	179.6	.6	1.8	1.0	3.5	3.7	4.1
Industry									
Services	170.8	175.8	177.5	.6	2.0	1.0	3.1	3.6	3.9
Excluding schools	173.8	179.3	180.0	.5	1.6	.4	3.3	3.6	3.6
Health services	176.8	182.3	183.1	.6	1.5	.4	3.4	3.8	3.6
Hospitals	177.4	182.6	183.5	.6	1.6	.5	3.5	3.6	3.4
Educational services	169.9	174.9	176.7	.7	2.0	1.0	3.0	3.6	4.0
Schools	170.3	175.2	177.1	.7	2.0	1.1	3.0	3.5	4.0
Elementary and secondary	169.2	174.0	176.0	.7	2.2	1.1	3.4	3.6	4.0
Colleges and universities	173.2	178.4	179.8	.5	1.6	.8	1.9	3.5	3.8
Public administration[4]	175.4	181.1	183.1	.7	1.6	1.1	4.3	4.0	4.4
Occupational group									
White collar	171.2	176.0	177.8	.7	1.7	1.0	3.3	3.5	3.9
Professional specialty and technical	169.4	174.2	176.3	.6	1.8	1.2	3.2	3.4	4.1
Executive, administrative, and managerial	174.3	178.8	180.0	1.3	1.3	.7	3.1	3.9	3.3
Administrative support, including clerical	175.5	180.4	181.6	.7	1.5	.7	4.2	3.5	3.5
Blue collar	171.0	177.4	178.3	.6	2.1	.5	3.5	4.4	4.3
Service	180.5	187.6	189.2	.6	2.5	.9	4.3	4.6	4.8

[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 compensation[1] for private industry workers, by industry and occupational group

(Not seasonally adjusted data)

Industry and occupational group	Indexes (June 1989=100)			Percent changes for–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Private industry workers	175.2	179.6	180.4	0.5	0.6	0.4	3.8	3.0	3.0
Excluding sales occupations	175.6	179.9	180.6	.6	.6	.4	3.9	3.0	2.8
Industry									
Goods producing[2]	174.3	179.7	180.1	.6	.7	.2	4.7	3.7	3.3
Excluding sales	173.7	179.1	179.4	.7	.7	.2	4.7	3.8	3.3
White collar	177.8	186.0	186.3	.8	1.0	.2	4.3	5.4	4.8
Excluding sales	176.4	184.7	184.6	1.1	.9	-.1	4.3	5.8	4.6
Blue collar	172.0	175.6	176.1	.4	.5	.3	4.9	2.5	2.4
Construction	167.3	172.9	173.5	.2	1.1	.3	2.4	3.5	3.7
Manufacturing	175.4	180.7	181.3	.3	.6	.3	5.0	3.3	3.4
White collar	176.7	184.8	185.4	.2	.8	.3	4.2	4.8	4.9
Excluding sales	174.7	183.0	183.3	.3	.8	.2	4.1	5.1	4.9
Blue collar	174.3	177.5	178.1	.3	.5	.3	5.6	2.2	2.2
Durables	176.3	182.3	182.9	.3	.6	.3	5.4	3.7	3.7
Aircraft manufacturing (SIC 3721)	202.0	235.1	238.7	.2	.3	1.5	10.9	16.6	18.2
White collar	195.3	228.7	230.5	.1	.1	.8	10.3	17.2	18.0
Blue collar	211.8	243.7	250.7	.4	.5	2.9	12.4	15.6	18.4
Nondurables	173.6	177.8	178.3	.3	.6	.3	4.2	2.7	2.7
Service producing[3]	175.3	179.3	180.2	.3	.7	.5	3.3	2.6	2.8
Excluding sales	176.5	180.3	181.2	.5	.5	.5	3.5	2.7	2.7
White collar	177.8	181.9	182.8	.3	.7	.5	3.4	2.6	2.8
Excluding sales	180.4	184.1	185.0	.6	.5	.5	3.6	2.6	2.5
Blue collar	168.1	172.4	173.1	.4	.5	.4	3.4	3.0	3.0
Service	168.9	172.1	172.9	.5	.6	.5	2.8	2.4	2.4
Transportation and public utilities	173.5	177.3	177.7	-.1	.9	.2	3.9	2.1	2.4
Transportation	166.2	167.8	167.8	.0	1.0	.0	4.1	1.0	1.0
Public utilities	183.4	190.4	191.3	-.1	.6	.5	3.6	3.7	4.3
Communications	183.5	190.0	191.0	-.2	.8	.5	2.5	3.4	4.1
Electric, gas, and sanitary services	183.3	190.7	191.6	.0	.3	.5	5.0	4.0	4.5
Wholesale and retail trade	169.1	173.4	174.5	.0	1.0	.6	2.5	2.5	3.2
Excluding sales	170.4	174.5	175.1	.5	.8	.3	2.7	2.9	2.8
Wholesale trade	176.6	181.8	183.0	-.7	1.4	.7	2.7	2.2	3.6
Excluding sales	176.3	180.5	180.8	.6	.6	.2	2.9	3.0	2.6
Retail trade	164.7	168.6	169.6	.3	.8	.6	2.3	2.7	3.0
General merchandise stores	169.5	171.9	174.2	.4	-.1	1.3	2.4	1.8	2.8
Food stores	164.0	166.6	167.9	.3	.4	.8	2.3	1.9	2.4
Finance, insurance, and real estate	186.0	191.0	192.3	.6	.1	.7	2.8	3.4	3.4
Excluding sales	191.2	195.2	196.3	.6	-.5	.6	2.7	2.7	2.7
Banking, savings and loan, and other credit agencies	212.3	213.7	214.9	.9	-1.7	.6	1.6	1.5	1.2
Insurance	183.6	189.0	190.0	.8	.1	.5	4.2	3.8	3.5
Excluding sales	180.3	185.5	186.3	.7	.3	.4	3.8	3.6	3.3
Services	177.9	181.6	182.4	.6	.6	.4	3.8	2.7	2.5
Business services	179.1	181.1	181.3	.3	.1	.1	3.8	1.5	1.2
Health services	178.0	182.9	184.3	.6	.8	.8	4.2	3.3	3.5
Hospitals	183.2	189.1	190.7	.8	1.0	.8	4.2	4.0	4.1
Nursing homes	–	–	–	.6	.9	1.1	3.0	3.0	3.5
Educational services	188.5	194.9	195.7	.8	2.1	.4	4.0	4.2	3.8
Colleges and universities	186.2	192.3	193.2	.5	2.0	.5	3.8	3.8	3.8

See footnotes at end of table.

Table 3. Employment Cost Index for total compensation[1] 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–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Industry–Continued									
Nonmanufacturing industries	174.7	178.9	179.7	0.5	0.7	0.4	3.4	2.9	2.9
White collar	178.0	182.3	183.2	.5	.7	.5	3.4	2.9	2.9
Excluding sales	180.6	184.5	185.3	.7	.5	.4	3.7	2.9	2.6
Blue collar	167.3	171.6	172.2	.5	.6	.3	3.5	3.1	2.9
Service	168.9	172.0	172.9	.5	.6	.5	2.9	2.4	2.4
Occupational group									
White collar	178.1	183.0	183.8	.5	.8	.4	3.5	3.2	3.2
Excluding sales	179.5	184.2	184.9	.7	.5	.4	3.8	3.3	3.0
Professional specialty and technical	178.1	183.0	183.5	.7	.8	.3	4.5	3.5	3.0
Executive, administrative, and managerial	180.2	184.8	185.5	.6	.3	.4	2.4	3.1	2.9
Sales	171.4	177.0	178.6	-1.0	1.5	.9	2.6	2.3	4.2
Administrative support, including clerical	180.7	185.4	186.3	.7	.6	.5	4.4	3.3	3.1
Blue collar	170.8	174.7	175.2	.4	.6	.3	4.4	2.7	2.6
Precision production, craft, and repair	171.2	175.6	176.1	.6	.4	.3	4.3	3.2	2.9
Machine operators, assemblers, and inspectors	172.5	174.9	175.5	.2	.6	.3	5.7	1.6	1.7
Transportation and material moving	162.3	167.0	167.2	.3	.8	.1	3.4	3.2	3.0
Handlers, equipment cleaners, helpers, and laborers	175.3	179.2	180.2	.6	.7	.6	3.4	2.8	2.8
Service	169.7	172.9	173.7	.5	.6	.5	2.9	2.4	2.4
Production and nonsupervisory occupations[4]	173.0	177.1	177.9	.3	.7	.5	3.8	2.7	2.8

[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 compensation[1] 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–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Bargaining status									
Union	176.2	180.4	181.1	0.5	0.8	0.4	5.6	2.9	2.8
Blue-collar occupations	173.5	177.8	178.5	.5	.7	.4	5.7	3.0	2.9
Goods-producing industries[2]	176.7	181.0	181.9	.4	.7	.5	6.5	2.8	2.9
Service-producing industries[3]	175.4	179.5	180.0	.6	.9	.3	4.7	2.9	2.6
Manufacturing	178.9	182.6	183.4	.3	.5	.4	7.6	2.4	2.5
Blue-collar occupations	177.8	180.5	181.2	.3	.6	.4	7.7	1.8	1.9
Nonmanufacturing	174.1	178.6	179.2	.6	1.0	.3	4.6	3.2	2.9
Nonunion	174.9	179.4	180.2	.4	.6	.4	3.4	3.0	3.0
Blue-collar occupations	169.2	172.9	173.4	.4	.5	.3	3.7	2.6	2.5
Goods-producing industries[2]	173.5	179.3	179.6	.6	.7	.2	4.1	4.0	3.5
Service-producing industries[3]	175.1	179.1	180.1	.3	.6	.6	3.1	2.6	2.9
Manufacturing	174.3	180.1	180.6	.3	.6	.3	4.2	3.6	3.6
Blue-collar occupations	171.9	175.4	175.9	.4	.4	.3	4.3	2.5	2.3
Nonmanufacturing	174.7	178.9	179.7	.4	.7	.4	3.2	2.8	2.9
Region[4]									
Northeast	174.2	178.9	180.2	.3	.7	.7	3.8	3.0	3.4
South	170.6	174.0	174.5	.6	.3	.3	4.1	2.7	2.3
Midwest	177.9	183.0	183.9	.2	1.2	.5	3.1	3.0	3.4
West	179.0	184.0	184.4	.5	.4	.2	3.9	3.3	3.0
Area									
Metropolitan	175.3	179.9	180.6	.4	.7	.4	3.7	3.0	3.0
Other	174.3	178.1	178.5	.6	.5	.2	4.4	2.8	2.4

[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] 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–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Civilian workers	166.2	169.5	170.5	0.3	0.8	0.6	2.4	2.3	2.6
Excluding sales occupations	166.3	169.4	170.4	.4	.7	.6	2.5	2.3	2.5
Industry									
Goods producing[1]	162.4	166.0	166.9	.1	.7	.5	2.3	2.3	2.8
Manufacturing	164.0	167.4	168.2	.1	.6	.5	2.4	2.2	2.6
Service producing[2]	167.5	170.8	171.8	.3	.8	.6	2.4	2.3	2.6
Services	170.1	173.3	174.3	.5	.8	.6	2.8	2.4	2.5
Health services	171.7	175.6	177.0	.5	.7	.8	3.5	2.8	3.1
Hospitals	173.2	177.5	178.9	.8	1.0	.8	3.3	3.3	3.3
Educational services	166.8	170.5	172.1	.5	1.5	.9	2.2	2.7	3.2
Public administration[3]	163.5	167.4	168.8	.6	1.1	.8	2.2	3.0	3.2
Nonmanufacturing	166.5	169.9	170.9	.3	.8	.6	2.3	2.3	2.6
Occupational group									
White collar	169.1	172.5	173.5	.2	.8	.6	2.4	2.3	2.6
Excluding sales	169.9	173.1	174.1	.5	.6	.6	2.5	2.4	2.5
Professional specialty and technical	167.0	170.3	171.3	.3	.9	.6	2.8	2.3	2.6
Executive, administrative, and managerial	174.4	177.4	178.3	.6	.3	.5	1.9	2.3	2.2
Administrative support, including clerical	169.7	173.0	174.0	.5	.6	.6	2.9	2.5	2.5
Blue collar	160.0	163.2	164.1	.2	.6	.6	2.4	2.2	2.6
Service	163.6	166.8	167.7	.5	.9	.5	1.9	2.5	2.5
State and local government	165.3	168.9	170.4	.5	1.3	.9	2.1	2.7	3.1
Industry									
Services	165.5	168.9	170.5	.4	1.4	.9	2.1	2.5	3.0
Excluding schools	168.3	172.0	172.9	.5	1.1	.5	2.3	2.7	2.7
Health services	170.7	174.1	175.1	.6	.9	.6	2.4	2.7	2.6
Hospitals	171.0	174.0	175.0	.6	.9	.6	2.6	2.4	2.3
Educational services	164.9	168.3	170.0	.4	1.5	1.0	2.0	2.5	3.1
Schools	165.0	168.4	170.2	.4	1.4	1.1	2.0	2.5	3.2
Elementary and secondary	164.5	167.8	169.7	.4	1.6	1.1	2.2	2.4	3.2
Colleges and universities	166.3	170.0	171.2	.5	1.1	.7	1.4	2.8	2.9
Public administration[3]	163.5	167.4	168.8	.6	1.1	.8	2.2	3.0	3.2
Occupational group									
White collar	164.9	168.3	170.0	.5	1.3	1.0	2.1	2.6	3.1
Professional specialty and technical	165.0	168.4	170.4	.4	1.3	1.2	2.2	2.4	3.3
Executive, administrative, and managerial	166.1	169.7	170.4	1.1	1.0	.4	1.7	3.3	2.6
Administrative support, including clerical	163.0	166.1	167.1	.2	1.3	.6	2.2	2.2	2.5
Blue collar	161.4	165.3	166.1	.4	1.3	.5	2.0	2.9	2.9
Service	169.4	173.9	175.0	.5	1.6	.6	2.2	3.2	3.3

[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–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Private industry workers	166.2	169.5	170.4	0.2	0.7	0.5	2.4	2.2	2.5
Excluding sales occupations	166.5	169.6	170.3	.4	.5	.4	2.5	2.3	2.3
Industry									
Goods producing[1]	162.4	166.0	166.8	.1	.7	.5	2.3	2.3	2.7
Excluding sales	161.6	165.2	165.9	.2	.7	.4	2.3	2.5	2.7
White collar	165.9	170.0	170.7	-.1	.9	.4	2.3	2.4	2.9
Excluding sales	164.1	168.0	168.5	.3	.8	.3	2.3	2.7	2.7
Blue collar	160.1	163.4	164.3	.2	.6	.6	2.4	2.3	2.6
Construction	157.0	160.9	161.9	-.1	1.1	.6	1.9	2.4	3.1
Manufacturing	164.0	167.4	168.2	.1	.6	.5	2.4	2.2	2.6
White collar	166.1	169.9	170.4	.0	.7	.3	2.5	2.3	2.6
Excluding sales	163.9	167.7	167.9	.2	.7	.1	2.4	2.6	2.4
Blue collar	162.4	165.5	166.4	.2	.5	.5	2.5	2.1	2.5
Durables	164.7	168.1	169.0	.1	.6	.5	2.4	2.2	2.6
Aircraft manufacturing (SIC 3721)	172.6	176.6	177.7	.1	.3	.6	2.9	2.4	3.0
White collar	165.9	170.5	171.6	.1	.1	.6	3.3	2.9	3.4
Blue collar	183.3	186.0	187.0	.2	.6	.5	2.9	1.6	2.0
Nondurables	162.9	166.3	166.8	.1	.6	.3	2.6	2.1	2.4
Service producing[2]	167.9	171.1	171.9	.2	.6	.5	2.4	2.1	2.4
Excluding sales	169.3	172.1	172.9	.5	.4	.5	2.6	2.1	2.1
White collar	170.8	174.1	175.0	.2	.6	.5	2.5	2.2	2.5
Excluding sales	173.6	176.5	177.3	.5	.3	.5	2.7	2.1	2.1
Blue collar	159.4	162.4	163.2	.3	.6	.5	2.6	2.2	2.4
Service	160.2	162.8	163.5	.5	.6	.4	1.8	2.1	2.1
Transportation and public utilities	160.5	162.4	162.7	.1	.8	.2	2.6	1.2	1.4
Transportation	155.1	156.2	156.1	.1	1.0	-.1	2.9	.8	.6
Public utilities	167.5	170.5	171.5	.0	.4	.6	2.1	1.8	2.4
Communications	168.3	171.0	172.2	-.3	.4	.7	1.4	1.3	2.3
Electric, gas, and sanitary services	166.6	169.8	170.7	.4	.4	.5	3.0	2.4	2.5
Wholesale and retail trade	162.1	165.9	167.1	-.2	1.1	.7	1.6	2.1	3.1
Excluding sales	164.1	167.7	168.5	.4	.8	.5	1.7	2.6	2.7
Wholesale trade	167.5	171.7	173.4	-1.3	1.4	1.0	1.3	1.2	3.5
Excluding sales	168.9	172.2	172.8	.2	.4	.3	1.6	2.1	2.3
Retail trade	159.3	162.9	163.9	.4	.9	.6	1.8	2.6	2.9
General merchandise stores	158.1	159.0	161.3	.4	.0	1.4	2.9	1.0	2.0
Food stores	155.0	157.5	158.5	.3	.5	.6	1.4	1.9	2.3
Finance, insurance, and real estate	177.7	180.9	181.9	.7	-.2	.6	1.8	2.5	2.4
Excluding sales	182.9	184.6	185.6	.6	-1.0	.5	1.7	1.5	1.5
Banking, savings and loan, and other credit agencies	211.3	210.2	211.3	.9	-2.4	.5	.5	.3	.0
Insurance	170.4	173.9	174.4	.9	.1	.3	3.6	3.0	2.3
Excluding sales	165.5	168.9	169.2	.5	.2	.2	3.0	2.6	2.2
Services	172.0	175.1	175.8	.5	.5	.4	3.2	2.3	2.2
Business services	175.0	176.5	176.6	.4	.0	.1	3.1	1.3	.9
Health services	171.9	175.8	177.3	.6	.7	.9	3.7	2.9	3.1
Hospitals	173.8	178.5	180.1	.8	1.0	.9	3.5	3.5	3.6
Nursing homes	–	–	–	.5	.7	1.0	2.5	2.9	3.4
Educational services	176.8	182.1	182.6	.7	2.0	.3	3.4	3.8	3.3
Colleges and universities	173.6	178.4	179.2	.4	1.7	.4	3.1	3.2	3.2

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–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Industry–Continued									
Nonmanufacturing industries	166.6	169.8	170.7	0.2	0.7	0.5	2.5	2.2	2.5
White collar	170.5	173.8	174.8	.2	.6	.6	2.5	2.2	2.5
Excluding sales	173.1	176.1	176.9	.5	.4	.5	2.7	2.2	2.2
Blue collar	157.5	160.7	161.5	.3	.6	.5	2.4	2.3	2.5
Service	160.1	162.7	163.4	.6	.6	.4	1.8	2.2	2.1
Occupational group									
White collar	170.0	173.5	174.3	.2	.7	.5	2.5	2.2	2.5
Excluding sales	171.4	174.5	175.3	.5	.5	.5	2.6	2.3	2.3
Professional specialty and technical	168.0	171.2	171.7	.2	.7	.3	3.1	2.1	2.2
Executive, administrative, and managerial	175.7	178.7	179.6	.5	.2	.5	1.9	2.2	2.2
Sales	164.0	168.9	170.3	-1.1	1.7	.8	1.8	1.8	3.8
Administrative support, including clerical	170.8	174.1	175.0	.6	.5	.5	3.1	2.6	2.5
Blue collar	159.9	163.0	163.9	.3	.6	.6	2.4	2.2	2.5
Precision production, craft, and repair	159.7	162.9	163.7	.3	.6	.5	2.2	2.3	2.5
Machine operators, assemblers, and inspectors	161.6	164.5	165.4	.0	.5	.5	3.0	1.8	2.4
Transportation and material moving	153.3	157.3	157.8	.3	.8	.3	2.3	2.9	2.9
Handlers, equipment cleaners, helpers, and laborers	164.5	167.0	168.2	.6	.7	.7	2.4	2.1	2.2
Service	160.6	163.2	164.1	.5	.6	.6	1.8	2.1	2.2
Production and nonsupervisory occupations[3]	163.4	166.7	167.6	.2	.7	.5	2.5	2.2	2.6

[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–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Bargaining status									
Union	160.6	163.4	164.3	0.4	0.8	0.6	2.8	2.1	2.3
Blue-collar occupations	157.2	160.5	161.6	.3	.8	.7	2.4	2.4	2.8
Goods-producing industries[1]	158.9	162.2	163.6	.1	.7	.9	2.3	2.2	3.0
Service-producing industries[2]	162.6	164.9	165.4	.6	.8	.3	3.4	2.0	1.7
Manufacturing	160.7	163.8	165.4	.1	.6	1.0	2.3	2.1	2.9
Blue-collar occupations	159.2	162.3	163.9	.0	.6	1.0	2.2	1.9	3.0
Nonmanufacturing	160.4	163.1	163.7	.5	.9	.4	3.1	2.2	2.1
Nonunion	167.3	170.7	171.5	.2	.6	.5	2.4	2.2	2.5
Blue-collar occupations	161.7	164.7	165.5	.2	.4	.5	2.5	2.0	2.4
Goods-producing industries[1]	163.9	167.5	168.3	.1	.7	.5	2.4	2.3	2.7
Service-producing industries[2]	168.4	171.7	172.6	.2	.6	.5	2.4	2.2	2.5
Manufacturing	165.3	168.8	169.3	.1	.6	.3	2.5	2.2	2.4
Blue-collar occupations	164.5	167.6	168.2	.2	.4	.4	2.6	2.1	2.2
Nonmanufacturing	167.5	170.8	171.7	.2	.6	.5	2.3	2.2	2.5
Region[3]									
Northeast	165.0	168.5	169.7	.1	.7	.7	2.5	2.2	2.8
South	162.3	165.0	165.5	.4	.4	.3	2.8	2.1	2.0
Midwest	169.2	173.6	174.8	.0	1.3	.7	1.6	2.6	3.3
West	169.5	172.2	172.9	.2	.2	.4	2.6	1.8	2.0
Area									
Metropolitan	166.6	169.9	170.7	.2	.7	.5	2.4	2.2	2.5
Other	163.8	167.2	168.0	.3	.5	.5	2.7	2.4	2.6

[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–					
				3 months ended–			12 months ended–		
	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005	Dec. 2004	Sep. 2005	Dec. 2005
Civilian workers	197.0	205.1	205.9	0.9	1.1	0.4	6.9	5.1	4.5
State and local government	190.4	199.8	201.9	1.1	3.0	1.1	6.7	6.1	6.0
Private industry	198.7	206.4	206.9	.9	.7	.2	6.9	4.8	4.1
Industry									
Goods producing[1]	201.2	210.9	210.3	1.6	.7	-.3	9.5	6.5	4.5
Service producing[2]	196.5	203.1	204.2	.5	.7	.5	5.5	3.9	3.9
Manufacturing	200.4	210.1	210.2	.6	.6	.0	9.9	5.5	4.9
Aircraft manufacturing (SIC 3721)	266.0	362.8	372.0	.3	.2	2.5	24.6	36.8	39.8
White collar	265.9	369.0	372.5	.0	.2	.9	22.9	38.8	40.1
Blue collar	264.9	351.2	369.7	.8	.2	5.3	27.7	33.6	39.6
Nonmanufacturing	197.6	204.6	205.2	1.0	.8	.3	5.8	4.5	3.8
Occupational group									
White collar	201.1	210.4	211.0	1.0	.9	.3	6.3	5.7	4.9
Blue collar	194.9	200.3	200.3	.8	.5	.0	8.3	3.6	2.8
Service	198.2	203.1	204.1	.4	.5	.5	6.3	2.8	3.0
Bargaining status									
Union	206.4	213.5	213.7	.7	.9	.1	10.3	4.1	3.5
Nonunion	196.5	204.3	204.8	1.0	.7	.2	6.2	5.0	4.2

[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.

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.

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. Employees in occupations included in the survey receive cash payments from the establishment for services performed and the establishment pays the employer's portion of Medicare taxes on that individual's wages. Major exclusions from the survey are the self-employed, individuals who set their own pay (for example proprietors, owners, major stockholders, and partners in unincorporated firms), volunteers, unpaid workers, family members being paid token wages, individuals receiving long-term disability compensation, and U.S. citizens working overseas.

Data for this quarter were collected from a probability sample of approximately 50,400 occupational observations within about 11,300 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.

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 (http://www.bls.gov/opub/hom/pdf/homch8.pdf), and several articles published in the Monthly Labor Review and Compensation and Working Conditions. The bulletins, articles, and other descriptive pieces are available on the BLS website (http://www.bls.gov/ncs/ect/home.htm), by calling (202) 691-6199, or sending e-mail to (ocltinfo@bls.gov).

Historical and supplemental data series from the ECI are available upon request or at the Internet site http://www.bls.gov/ect/home.htm. Historical data are available beginning with the first publication of each series at (http://www.bls.gov/web/echistry.pdf) or (ftp://ftp.bls.gov/pub/suppl/eci.echistry.txt). Supplemental data from the ECI, providing 12-month percent changes in employer costs for health insurance in private industry, are also available at (http://www.bls.gov/ncs/ect/sp/echealth.pdf) beginning with June 1982.

In addition, constant-dollar ECI series derived from the Consumer Price Index for All Urban Consumers (CPI-U) are available. The constant dollar series are calculated by converting the CPI-U to the same base as the ECI, June 1989=100. The ECI for each quarter is divided by the converted CPI-U for the same reference period. The CPI-U U.S. City Average All Items is used to compute all series except for the regional estimates, which use corresponding CPI regional data. Data dating back to the first publication of each series are available at the Internet sites (http://www.bls.gov/web/ecconst.pdf), (ftp://ftp.bls.gov/pub/suppl/eci.ecconst.txt) 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–September 2005." The release is available by e-mail request at ocltinfo@bls.gov, by telephone at (202) 691-6199, or on the Internet site http://www.bls.gov/ect/home.htm. Historical data and related articles are included in the bulletin, Employer Costs for Employee Compensation, 1986-99, (Bulletin 2526). Also available is an annual historical summary from March 1986 through March 2002 on the Internet site (http://www.bls.gov/ncs/ect/home.htm) or upon request. 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.