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#### **EMPLOYMENT COST INDEX—JUNE 2002**

The Employment Cost Index for total compensation increased 4.0 percent for the year ended June 2002, the U.S. Department of Labor's Bureau of Labor Statistics reported today. The Employment Cost Index (ECI), a component of the National Compensation Survey, measures changes in compensation costs, which include wages, salaries, and employer costs for employee benefits, for nonfarm private and State and local government workers.

# Quarterly changes, seasonally adjusted

On a seasonally adjusted basis, both compensation costs and wages and salaries for civilian workers (nonfarm private industry and State and local government) was 1.0 percent from March to June 2002, following a gain of 0.8 percent in December 2001-March 2002. Benefit costs rose 1.3 percent during the June quarter, following a 1.0 percent gain in the March quarter.

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

	Sep.	Dec.	Mar.	June	Sep.	Dec.	Mar.	June
Compensation Component	2000	2000	2001	2001	2001	2001	2002	2002
Civilian workers								
Compensation costs	0.9	0.9	1.1	1.0	1.0	1.0	0.8	1.0
Wages and salaries	0.9	0.8	1.0	1.0	0.8	0.9	0.8	1.0
Benefit costs	1.0	1.1	1.2	1.1	1.5	1.2	1.0	1.3
Private industry								
Compensation costs	1.0	0.9	1.1	1.0	0.9	1.0	0.9	1.1
Wages and salaries	0.9	0.8	1.0	1.0	0.7	0.9	0.9	1.0
Benefit costs	1.2	1.1	1.3	1.1	1.4	1.3	1.1	1.4
State and local government								
Compensation costs	0.5	1.0	1.0	1.1	1.4	0.6	0.7	0.8
Wages and salaries	0.8	0.9	0.9	1.0	1.0	0.7	0.7	0.8
Benefit costs	0.1	0.9	1.1	1.2	2.2	0.8	0.7	0.8

The increase in compensation costs for private industry workers was 1.1 percent during the March-June 2002 period, following an increase of 0.9 percent during the previous 3-month period. The gain in wages and salaries was 1.0 percent in the quarter ended in June; in March, it was 0.9 percent. Benefit costs showed a rise of 1.4 percent during the June quarter, compared with a 1.1 percent gain during the March quarter. The increase in benefit costs was largely due to an increase in employer costs for health insurance. (See tables A and 1.)

Compensation costs, wages and salaries, and benefit costs for State and local government workers all increased 0.8 percent during the March-June 2002 period; in the December 2001-March 2002 period, the increase was 0.7 percent.

### Over-the-year changes, not seasonally adjusted

Compensation costs for civilian workers (not seasonally adjusted) increased 4.0 percent for the 12 months ended in June 2002 to 159.9 (June 1989=100). This compares with over-the-year increases of 3.9 percent in June 2001 and 4.4 percent in June 2000. Compensation costs in private industry rose 4.0 percent in the year ended June 2002, compared with increases of 4.0 percent in June 2001 and 4.6 percent in June 2000. In State and local government, compensation costs increased 3.6 percent for the years ended June 2002 and June 2001 and 3.5 percent for the year ended June 2000. (See tables B, 2, and 3.)

## Nonfarm private industry

In private industry, wages and salaries rose 3.6 percent for the year ended June 2002, after increasing 3.8 percent in the year ended June 2001. (See tables B and 6.) Benefit costs for private industry workers increased 5.1 percent for the year ended in June 2002, compared with an increase of 4.8 percent in June 2001. (See chart A and tables B and 8.)

In private industry, over-the-year compensation cost increases were 4.1 percent for white-collar occupations, 3.9 percent for blue-collar occupations, and 4.0 percent for service occupations. Among the occupational groups, increases in compensation costs ranged from 3.2 percent for professional specialty and technical employees to 4.6 percent for sales workers. (See table 3.)

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

•	June	June	June	June	June	June
Compensation Component	1997	1998	1999	2000	2001	2002
Civilian workers						
Compensation costs	2.8	3.5	3.2	4.4	3.9	4.0
Wages and salaries	3.2	3.8	3.6	4.0	3.7	3.5
Benefit costs	2.0	2.4	2.5	5.3	4.5	5.0
Private industry						
Compensation costs	2.9	3.5	3.3	4.6	4.0	4.0
Wages and salaries	3.3	4.0	3.6	4.1	3.8	3.6
Benefit costs	2.0	2.6	2.5	5.7	4.8	5.1
State and local government						
Compensation costs	2.4	2.7	3.0	3.5	3.6	3.6
Wages and salaries	2.7	3.0	3.1	3.7	3.7	3.2
Benefit costs	1.7	2.1	2.6	3.1	3.4	4.6

For the year ended June 2002, the compensation cost increase was 3.6 percent for goods-producing industries, compared with 3.8 percent for the year ended June 2001. The over-the-year increase in compensation for service-producing industries was 4.2 percent, identical to the increase for the year ended June 2001. Among service-producing industries, the 12-month increases ranged from 2.2 percent for business services to 6.7 percent for banking, savings and loan, and other credit agencies. (See table 3.)

Compensation costs for union workers rose 4.5 percent over the year, compared with a 3.9 percent increase for nonunion workers. In service-producing industries, union compensation increased 5.4 percent, greater than the 4.0 percent increase for nonunion workers. In goods-producing industries, the increases for both union and nonunion workers were 3.6 percent. Among the four geographic regions, increases in compensation costs ranged from 3.5 percent in the South to 4.4 percent in the West. (See table 4.)

### State and local government

In State and local government, the June 2002 over-the-year increase in wages and salaries was 3.2 percent, compared with a gain of 3.7 percent for June 2001. The 12-month gain in benefit costs for June 2002 was 4.6 percent, significantly higher than the 3.4 percent gain for June 2001. (See tables B, 5, and 8.)

#### NOTES:

The ECI for September 2002 is scheduled to be released Thursday, October 31, 2002, at 8:30 a.m. (EST).

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 2002." The schedule of the Employer Costs for Employee Compensation will change from an annual to a quarterly publication beginning with June 2002 data. Future publications will be issued approximately three months after the month of reference for the survey months of March, June, September, and December.

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

For technical assistance in using the BLS Internet site, send e-mail to <a href="webmaster@bls.gov">webmaster@bls.gov</a>. For ECI data requests, send e-mail to <a href="mailto:ocltinfo@bls.gov">ocltinfo@bls.gov</a>.

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

News releases and other information are available from the BLS fax-on-demand service. To request a document fax, call (202) 691-6325. To request a catalog of available documents, select option 2 at the initial voice prompt. To request data found in this news release, enter the following codes:

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# **Employment Cost Index**

Chart A. Changes in wages and salaries and in benefit costs, private industry, 1980-2002

12-month percent change

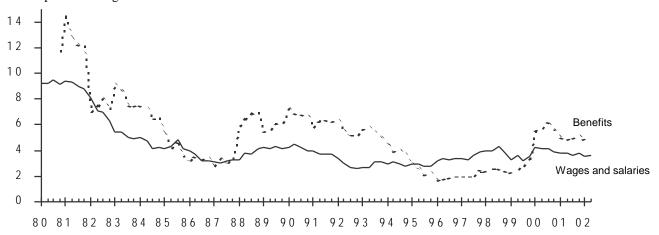


Chart B. Changes in wages and salaries, by goods- and service-producing industries, private industry, 1980-2002

12-month percent change

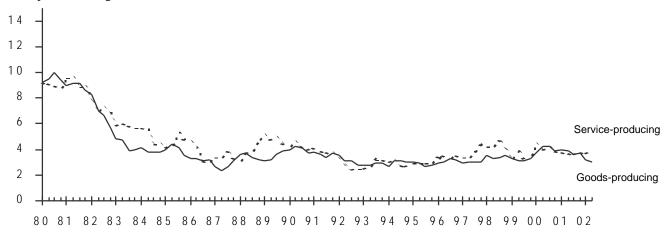


Chart C. Changes in wages and salaries, by bargaining status, private industry, 1980-2002

12-month percent change

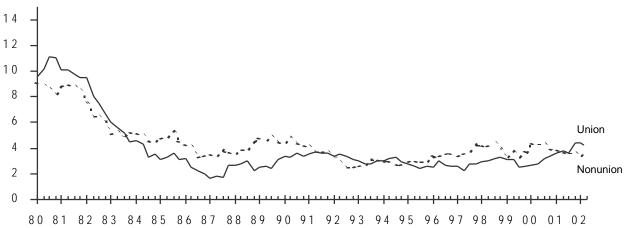


Table 1. Employment Cost Index for total compensation<sup>1</sup>, wages and salaries, and benefit costs by industry and occupational group

(Seasonally adjusted data)

Industry and accumpational group		s (June =100)			Percent of	changes fo	r 3-month	s ended–		
Industry and occupational group	Mar. 2002	Jun. 2002	Sep. 2000	Dec. 2000	Mar. 2001	Jun. 2001	Sep. 2001	Dec. 2001	Mar. 2002	Jun. 2002
TOTAL COMPENSATION										
Civilian workers	158.2 156.0 158.7	159.8 157.3 160.4	0.9 .5 1.0	0.9 1.0 .9	1.1 1.0 1.1	1.0 1.1 1.0	1.0 1.4 .9	1.0 .6 1.0	0.8 .7 .9	1.0 .8 1.1
Industry										
Goods producing <sup>2</sup> Construction Manufacturing Durables Nondurables	156.2 154.3 156.4 156.8 155.6	157.7 154.9 157.8 158.1 157.4	1.0 1.4 1.0 .9 1.2	.6 1.4 .5 .6	1.1 1.0 1.1 .9 1.4	.9 1.1 .9 .8 1.0	.8 1.0 .6 .7 .5	.9 1.2 1.0 1.0	.9 .7 1.0 .8 1.3	1.0 .4 .9 .8 1.2
Service producing <sup>3</sup>	159.9 157.3 162.2 153.4 165.2 162.6	161.8 158.8 166.0 155.4 167.3 163.7	1.0 1.2 .5 1.0 1.4 1.0	1.0 .8 1.4 .8 .3 1.0	1.1 1.3 .7 1.0 1.4 1.4	1.0 1.2 1.4 .6 1.0	1.0 .7 .8 .8 .9	1.1 1.6 .4 2.1 .2	.8 1.0 1.8 3 2.4	1.2 1.0 2.3 1.3 1.3
Nonmanufacturing	159.2	161.0	1.1	1.0	1.1	1.0	1.0	1.1	.8	1.1
Occupational group										
White collar	161.8 153.6 156.2	163.6 155.0 157.1	1.0 1.0 .8	.9 .9 1.1	1.1 1.0 1.2	1.0 .7 .8	.9 1.1 1.0	1.2 .9 1.4	.8 .9 1.2	1.1 .9 .6
WAGES AND SALARIES										
Civilian workers	154.7 154.5 154.8	156.2 155.7 156.3	.9 .8 .9	.8 .9 .8	1.0 .9 1.0	1.0 1.0 1.0	.8 1.0 .7	.9 .7 .9	.8 .7 .9	1.0 .8 1.0
Industry										
Goods producing <sup>2,4</sup>	151.7 147.1 153.1 153.9 151.7	153.1 147.9 154.5 155.3 153.0	.9 1.2 .9 1.0 .9	.6 1.2 .5 .8 .3	1.2 .9 1.4 1.2 1.2	1.1 1.0 1.0 1.0 1.1	.6 1.0 .5 .7 .3	.7 1.1 .7 .7 .7	.8 .3 .9 .9	.9 .5 .9 .9
Service producing <sup>3</sup> Transportation and public utilities  Wholesale trade  Retail trade  Finance, insurance, and real estate <sup>4</sup> Services	156.1 150.7 157.7 150.8 160.3 159.4	157.6 152.0 160.9 152.5 162.0 160.4	1.0 .9 .3 .9 1.5	.9 .8 1.2 .8 .0	.9 1.1 .5 .8 1.5 1.2	.9 1.2 1.3 .5 .5	.9 .7 .1 .7 .8 1.2	1.0 1.8 .3 1.7 .1	.9 1.0 2.0 3 2.8	1.0 .9 2.0 1.1 1.1
Nonmanufacturing	155.0	156.4	1.0	.9	.9	.9	.9	1.1	.8	.9

See footnotes at end of table.

 $\label{thm:cost_substitute} \textbf{Table 1. Employment Cost Index for total compensation}^1, wages and salaries, and benefit costs by industry and occupational group — Continued$ 

(Seasonally adjusted data)

		s (June =100)			Percent of	changes fo	or 3-month	s ended–		
Industry and occupational group	Mar. 2002	Jun. 2002	Sep. 2000	Dec. 2000	Mar. 2001	Jun. 2001	Sep. 2001	Dec. 2001	Mar. 2002	Jun. 2002
WAGES AND SALARIES-Continued										
Occupational group										
White collar	157.7 149.6 152.0	159.3 150.9 152.8	0.9 1.0 .7	0.8 .6 1.0	1.0 1.3 1.0	0.9 .9 .8	0.7 1.1 .8	1.0 .5 1.3	0.9 .9 .9	1.0 .9 .5
BENEFIT COSTS										
Civilian workers State and local government Private industry	166.9 159.6 168.6	169.0 160.9 170.9	1.0 .1 1.2	1.1 .9 1.1	1.2 1.1 1.3	1.1 1.2 1.1	1.5 2.2 1.4	1.2 .8 1.3	1.0 .7 1.1	1.3 .8 1.4
Industry										
Goods producing <sup>2</sup>	165.4 163.2	167.1 165.2	1.2 1.0	.6 .2	.9 .8	.8 .6	1.0 .7	1.4 1.4	1.4 1.4	1.0 1.2
Service producing <sup>3</sup>	170.4	173.1	1.3	1.4	1.4	1.3	1.6	1.2	.8	1.6
Nonmanufacturing	170.8	173.3	1.3	1.4	1.5	1.3	1.5	1.3	.8	1.5
Occupational group										
White collar Blue collar Service	173.1 162.3 168.8	175.8 163.9 170.2	1.4 1.0 1.2	1.1 .8 1.3	1.6 .9 1.9	1.4 .3 1.0	1.4 1.3 1.4	1.5 .8 1.7	.6 1.8 1.6	1.6 1.0 .8

retail trade; finance, insurance, and real estate; and service industries.  $^{4}\,$  No identifiable seasonality was found for this series.

Includes wages, salaries, and employer costs for employee benefits.
 Includes mining, construction, and manufacturing.
 Includes transportation, communication, and public utilities; wholesale and

Table 2. Employment Cost Index for total compensation<sup>1</sup> for civilian and State and local government workers by industry and occupational group

	Indexes	(June 19	39=100)		F	Percent ch	anges for-	_	
Industry and occupational group	l	Man	li va	3 m	onths end	ed-	12 n	nonths end	ded-
	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002
Civilian workers	153.8 153.8	158.4 158.4	159.9 159.7	0.9 .9	1.0 1.0	0.9 .8	3.9 4.1	3.9 3.9	4.0 3.8
Industry									
Goods producing <sup>2</sup> Manufacturing	152.2 152.6 154.4 155.4 155.6 155.6 152.2 151.9 154.0 156.2 154.3 158.6 156.8 149.3 153.3	156.3 156.6 159.1 160.2 160.5 162.3 157.1 156.5 158.7	157.7 158.1 160.7 161.1 161.8 163.8 157.4 157.5 160.2	1.0 .9 .9 .7 1.4 1.6 .3 .9 .9	1.2 1.3 1.0 .8 1.4 1.4 .3 .8 1.0 1.0 1.1 .6	.9 1.0 1.0 .6 .8 .9 .2 .6 .9 .7 .5	3.8 3.5 4.0 4.1 4.8 5.3 3.7 4.0 4.1 4.3 4.0 4.4 4.5 3.6 4.2	3.7 3.5 4.0 3.8 5.2 5.9 3.6 3.9 4.0 4.0 4.0 3.5 4.3 3.7 4.2	3.6 3.6 4.1 3.7 4.7 5.3 3.4 3.7 4.0 3.9 3.8 3.2 4.4 4.1 3.9 4.0
State and local governmentIndustry	151.2	156.1	156.7	.6	.6	.4	3.6	3.9	3.6
Services  Excluding schools  Health services  Hospitals  Educational services  Schools  Elementary and secondary  Colleges and universities  Public administration <sup>4</sup>	150.6 151.9 154.4 154.7 150.1 150.5 149.0 154.3 151.9	155.5 157.9 160.4 160.7 154.8 155.1 153.4 160.0 156.5	155.9 158.7 161.4 161.8 155.1 155.4 153.6 160.4 157.5	.5 1.2 1.5 1.6 .3 .4 .3 .4	.4 1.2 1.1 1.0 .2 .2 .2 .2 .3	.3 .5 .6 .7 .2 .2 .1 .3	3.5 4.2 4.4 4.2 3.4 3.4 3.0 4.5 4.0	3.7 5.2 5.5 5.6 3.5 3.5 3.3 4.1 3.9	3.5 4.5 4.6 3.3 3.3 3.1 4.0 3.7
Occupational group									
White collar  Professional specialty and technical  Executive, administrative, and managerial  Administrative support, including clerical	150.4 149.2 153.7 151.6	155.2 153.6 159.5 156.9	155.7 154.1 159.8 158.0	.6 .5 .9	.5 .3 1.2 .8	.3 .3 .2 .7	3.5 3.3 4.4 3.5	3.8 3.5 4.7 4.1	3.5 3.3 4.0 4.2
Blue collar	149.0 156.5	154.0 161.5	154.7 162.4	.6 .3 .8	.6 .5	.7 .5 .6	3.3 4.5	3.6 4.0	3.8 3.8

<sup>1</sup> Includes wages, salaries, and employer costs for employee benefits. 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.

<sup>4</sup> 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 or private industry workers, by industry and occupational group

Industry and occupational group  Private industry workers  Excluding sales occupations	Jun. 2001 154.5 154.4	Mar. 2002 158.9	Jun. 2002	3 m Jun. 2001	onths end Mar.	ed-	12 n	nonths end	ded-	
Private industry workers	2001 154.5	2002			Mar			12 months ended-		
	1	158.9		2001	2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002	
		159.0	160.7 160.5	1.0 .9	1.1 1.1	1.1 .9	4.0 4.2	3.9 3.9	4.0 4.0	
Industry										
Goods producing <sup>2</sup>	152.1	156.2	157.6	.9	1.2	.9	3.8	3.6	3.6	
Excluding sales	151.5	155.5	156.9	.9	1.2	.9	3.8	3.6	3.6	
White collar	156.5	160.1	161.9	1.3	1.3	1.1	4.3	3.6	3.5	
Excluding sales	155.0	158.4	160.2	1.3	1.2	1.1	4.4	3.5	3.4	
Blue collar	149.3	153.6	154.8	.7	1.1	.8	3.4	3.6	3.7	
Construction	150.3	154.1	155.2	1.4	.7	.7	5.0	4.0	3.3	
Manufacturing	152.6	156.6	158.1	.9	1.3	1.0	3.5	3.5	3.6	
White collar	156.0	159.1	161.1	1.2	1.4	1.3	3.9	3.2	3.3	
Excluding sales	154.0	156.7	158.6	1.2	1.3	1.2	3.9	3.0	3.0	
Blue collar	150.0	154.6	155.8	.6	1.2	.8	3.0	3.7	3.9	
Durables	153.1	156.9	158.3	.9	1.0	.9	3.2	3.4	3.4	
Aircraft manufacturing (SIC 3721)	160.4	167.5	168.9	.4	2.5	.8	4.0	4.8	5.3	
White collar	157.3	163.3	164.2	.0	2.7	.6	4.4	3.8	4.4	
Blue collar	163.6	172.6	174.8	1.1	2.1	1.3	3.2	6.6	6.8	
Nondurables	151.6	156.0	157.5	.8	1.8	1.0	3.8	3.7	3.9	
Service producing <sup>3</sup>	155.3	159.9	161.8	1.0	1.1	1.2	4.2	4.0	4.2	
Excluding sales	156.0	160.9	162.4	.9	1.2	.9	4.4	4.1	4.1	
White collar	157.4	162.1	164.0	1.0	1.1	1.2	4.2	4.0	4.2	
Excluding sales	159.1	164.1	165.6	1.0	1.2	.9	4.6	4.2	4.1	
Blue collar	148.7	153.2	155.2	.7	1.2	1.3	3.9	3.7	4.4	
Service	150.8	155.9	157.0	.8	1.1	.7	3.9	4.2	4.1	
Transportation and public utilities	152.4	157.3	158.9	1.3	1.2	1.0	4.6	4.5	4.3	
Transportation	146.9	152.5	153.9	1.0	.9	.9	3.6	4.9	4.8	
Public utilities	159.8	163.9	165.5	1.6	1.5	1.0	5.9	4.2	3.6	
Communications	161.1	166.0	166.1	1.8	1.6	.1	6.8	4.9	3.1	
Electric, gas, and sanitary services	158.1	161.3	164.8	1.3	1.4	2.2	4.7	3.4	4.2	
Wholesale and retail trade	152.6	156.5	159.5	1.1	.6	1.9	3.6	3.6	4.5	
Excluding sales	153.9	157.5	160.0	.9	.3	1.6	3.9	3.2	4.0	
Wholesale trade	157.8	161.9	166.3	1.7	1.5	2.7	4.0	4.4	5.4	
Excluding sales	158.5	162.3	164.4	1.0	1.1	1.3	4.9	3.4	3.7	
Retail trade	149.7 149.4	153.5 152.4	155.6 154.2	.7	.2	1.4 1.2	3.4	3.2	3.9 3.2	
Food stores	148.2	152.4	154.5	1.4 1.4	1.0 .8	1.0	6.0 4.0	3.5 4.7	4.3	
Finance, insurance, and real estate	159.5	165.2	167.3	1.0	2.4	1.3	4.2	4.6	4.9	
Excluding sales	163.1	169.8	171.3	1.2	2.9	.9	4.9	5.3	5.0	
Banking, savings and loan, and other	470 -	400 :	404-	,.						
credit agencies	172.7	182.1	184.2	1.1	4.5	1.2	5.2	6.6	6.7	
Insurance Excluding sales	159.3 157.6	164.0 163.0	166.1 164.3	1.1 1.3	1.7 2.3	1.3 .8	5.3 4.7	4.1 4.8	4.3 4.3	
Services	157.8	162.6	163.7	.8	1.0	.7	4.4	3.9	3.7	
Business services	163.0	166.3	166.6	.o 1.6	.1	. <i>t</i> .2	4.4	3.9	2.2	
Health services	154.7	160.5	162.0	1.0	1.4	.2 .9	4.9	5.0	4.7	
Hospitals	155.9	162.8	164.5	1.6	1.6	1.0	5.7	6.1	5.5	
Nursing homes			_	.8	1.4	1.1	5.8	4.7	5.0	
Educational services	162.6	168.5	169.0	.2	.5	.3	5.0	3.8	3.9	
Colleges and universities	162.6	168.1	168.4	.2	.4	.2	4.6	3.6	3.6	

See footnotes at end of table.

Table 3. Employment Cost Index for total compensation<sup>1</sup> for private industry workers, by industry and occupational group — Continued

	Indexes	(June 19	89=100)		F	Percent ch	anges for-	-	
Industry and occupational group	1	N4	Jun.	3 m	onths end	ed-	12 months ended-		
	Jun. 2001	Mar. 2002	2002	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002
Industry–Continued									
Nonmanufacturing industries	154.7	159.3	161.1	1.0	1.1	1.1	4.2	4.0	4.1
White collar	157.5	162.2	164.1	1.1	1.1	1.2	4.3	4.1	4.2
Excluding sales	159.1	164.2	165.7	1.0	1.2	.9	4.7	4.3	4.1
Blue collar	148.1	152.2	154.0	.8	1.1	1.2	4.1	3.6	4.0
Service	150.7	155.9	156.9	.8	1.2	.6	3.9	4.3	4.1
Occupational group									
White collar	157.4	161.9	163.8	1.1	1.1	1.2	4.2	4.0	4.1
Excluding sales	158.1	162.8	164.3	1.0	1.2	.9	4.5	4.0	3.9
Professional specialty and technical	157.5	161.5	162.5	.8	.7	.6	4.5	3.3	3.2
Executive, administrative, and									
managerial	159.4	164.4	166.6	1.3	1.6	1.3	4.4	4.5	4.5
Sales	154.5	157.7	161.6	1.4	.6	2.5	2.8	3.5	4.6
Administrative support, including									
clerical	157.7	162.8	164.2	1.0	1.2	.9	4.7	4.3	4.1
Blue collar	149.3	153.6	155.1	.7	1.1	1.0	3.6	3.6	3.9
Precision production, craft, and repair	149.7	153.7	155.7	.7	.8	1.3	3.9	3.4	4.0
Machine operators, assemblers, and							0.0	0	
inspectors	149.1	153.6	154.7	.5	1.4	.7	2.8	3.6	3.8
Transportation and material moving	143.9	148.7	149.6	.9	1.6	.6	3.8	4.3	4.0
Handlers, equipment cleaners, helpers,	1 10.0					.5	0.5		
and laborers	153.4	158.7	159.9	.8	1.4	.8	3.6	4.3	4.2
Service	151.3	156.4	157.4	.9	1.0	.6	4.1	4.3	4.0
Production and nonsupervisory									
occupations <sup>4</sup>	152.7	157.1	158.7	.9	1.0	1.0	3.9	3.8	3.9

NOTE: Dashes indicate data not available.

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

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

Table 4. Employment Cost Index for total compensation<sup>1</sup> for private industry workers, by bargaining status, region, and area

	Indexes	(June 19	89=100)		F	Percent ch	anges for-	_	
Bargaining status, region, and area	l	Mar.	Jun.	3 m	onths end	ed- 12		months ended-	
	Jun. 2001		2002	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002
Bargaining status									
Union	149.5	154.8	156.3	1.1	1.1	1.0	3.5	4.7	4.5
Blue-collar occupations	147.2	151.7	153.5	.9	1.1	1.2	3.3	4.0	4.3
Goods-producing industries <sup>2</sup>	149.3	153.4	154.7	.9	1.1	.8	3.1	3.7	3.6
Service-producing industries <sup>3</sup>	149.5	156.0	157.6	1.3	1.2	1.0	3.9	5.7	5.4
Manufacturing	148.8	153.4	154.6	.6	1.3	.8	2.3	3.7	3.9
Blue-collar occupations	148.1	152.5	153.7	.5	1.1	.8	2.3	3.5	3.8
Nonmanufacturing	149.4	155.0	156.6	1.4	1.0	1.0	4.2	5.2	4.8
Nonunion	155.3	159.6	161.4	1.0	1.1	1.1	4.2	3.8	3.9
Blue-collar occupations	150.3	154.7	156.0	.6	1.2	.8	3.7	3.5	3.8
Goods-producing industries <sup>2</sup>	153.1	157.2	158.6	1.0	1.2	.9	4.0	3.7	3.6
Service-producing industries <sup>3</sup>	155.9	160.3	162.2	1.0	1.1	1.2	4.2	3.8	4.0
Manufacturing	153.7	157.6	159.1	.9	1.4	1.0	3.7	3.4	3.5
Blue-collar occupations	150.8	155.6	156.7	.6	1.4	.7	3.4	3.8	3.9
Nonmanufacturing	155.4	159.9	161.7	1.0	1.1	1.1	4.2	3.9	4.1
Region <sup>4</sup>									
Northeast	153.7	158.3	159.9	1.4	1.3	1.0	4.1	4.4	4.0
South	152.3	156.2	157.6	.8	1.0	.9	3.8	3.4	3.5
Midwest	156.0	161.1	162.6	.8	1.6	.9	3.5	4.1	4.2
West	156.0	160.4	162.9	1.1	.6	1.6	4.8	4.0	4.4
Area									
Metropolitan	154.6	159.1	160.9	1.0	1.1	1.1	4.0	3.9	4.1
Other	153.7	157.5	158.5	1.1	1.2	.6	4.1	3.6	3.1

 $<sup>\</sup>stackrel{1}{\circ}$  Includes wages, salaries, and employer costs for employee benefits.

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

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

Includes mayes, sciences, and simple, seeds a local set of seeds and seeds a 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,

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

	Indexes	(June 19	89=100)		F	Percent ch	anges for-	-	
Industry and occupational group				3 m	onths end	ed-	12 n	nonths end	ded-
	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002
Civilian workers	150.8 150.7	154.8 154.8	156.1 155.9	0.9 .9	0.9 .9	0.8 .7	3.7 3.9	3.5 3.6	3.5 3.5
Industry									
Goods producing1  Manufacturing  Service producing2  Services  Health services  Hospitals  Educational services  Public administration3  Nonmanufacturing  Occupational group  White collar  Excluding sales  Professional specialty and technical  Executive, administrative, and managerial  Administrative support, including clerical	148.6 150.0 151.7 153.6 151.8 151.2 151.0 148.7 150.9 153.1 153.3 152.0	151.8 153.1 155.9 158.1 157.3 157.2 155.3 152.5 155.0	153.1 154.5 157.2 158.8 158.5 158.6 155.6 153.4 156.4 158.7 156.2	1.1 1.0 .8 .7 1.3 1.6 .3 .7 .8	.9 .9 .6 1.2 1.1 .1 .6 .8	.9 .9 .8 .4 .8 .9 .2 .6 .9 .9 .7 .4	3.9 3.9 3.7 3.9 4.5 5.1 3.7 4.1 3.7 3.7 3.9 3.8	3.3 3.1 3.6 3.6 5.0 5.6 3.2 3.3 3.5 3.5 3.6 3.0 4.4 3.8	3.0 3.6 3.4 4.4 4.9 3.0 3.2 3.6 3.5 2.8 4.4 3.7
Blue collar	146.0 149.7	149.7 154.2	151.0 155.1	.9 .7	.8 .8	.9 .6	3.8 4.0	3.5 3.8	3.4 3.6
State and local government	150.1	154.4	154.9	.5	.5	.3	3.7	3.4	3.2
Industry									
Services  Excluding schools  Health services  Hospitals  Educational services  Schools  Elementary and secondary  Colleges and universities  Public administration <sup>3</sup> Occupational group	150.2 150.7 151.9 151.8 150.0 150.2 149.5 151.8 148.7	154.6 156.7 157.8 157.7 154.2 154.3 153.4 156.8 152.5	155.0 157.3 158.8 158.8 154.5 154.6 153.6 157.3 153.4	.5 1.1 1.3 1.5 .3 .3 .3 .3	.3 1.2 1.3 1.3 .1 .1 .2 .1	.3 .4 .6 .7 .2 .2 .1 .3	3.7 4.1 4.3 4.3 3.6 3.7 3.4 4.3 4.1	3.4 5.1 5.3 5.5 3.1 3.1 3.0 3.6 3.3	3.2 4.4 4.5 4.6 3.0 2.9 2.7 3.6 3.2
White collar	149.8	153.9	154.4	.5	.4	.3	3.7	3.3	3.1
Professional specialty and technical Executive, administrative, and managerial Administrative support, including clerical Blue collar Service	149.8 151.5 147.6 146.5 153.7	153.6 156.6 151.9 151.6 158.3	154.1 156.8 152.8 152.1 159.2	.5 .9 .4 .3	.1 1.0 .7 .5	.3 .1 .6 .3	3.5 4.4 3.2 3.1 4.8	3.0 4.3 3.3 3.8 3.6	3.5 3.5 3.8 3.6

 $<sup>^{1}</sup>$  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

	Indexes	(June 19	89=100)		ı	Percent ch	anges for-	_	
Industry and occupational group				3 m	onths end	ed-	12 n	nonths end	ded-
	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002
Private industry workers Excluding sales occupations	150.9 150.8	154.7 154.9	156.3 156.1	1.0 .9	0.9 1.0	1.0 .8	3.8 3.9	3.5 3.6	3.6 3.5
Industry									
Goods producing <sup>1</sup> Excluding sales  White collar  Excluding sales  Blue collar	148.6 147.8 152.3 150.5 146.1	151.7 150.9 155.0 152.9 149.6	153.1 152.2 156.6 154.5 150.7	1.1 1.0 1.2 1.1 1.0	.8 .9 .8	.9 .9 1.0 1.0	3.9 4.0 3.7 3.9 4.0	3.2 3.1 3.0 2.7 3.4	3.0 3.0 2.8 2.7 3.1
Construction	143.9	147.0	148.2	1.3	.5	.8	4.3	3.4	3.0
Manufacturing White collar Excluding sales Blue collar Durables Aircraft manufacturing (SIC 3721) White collar Blue collar Nondurables	150.0 152.7 150.5 147.8 150.5 155.1 150.1 162.1 149.0	153.1 154.9 152.3 151.7 153.9 161.4 155.9 169.0 151.9	154.5 156.6 153.9 152.8 155.3 162.5 156.4 171.4 153.1	1.0 1.1 .9 1.0 1.0 .5 .2 1.1	.9 1.0 .9 .9 .9 2.0 2.4 1.0	.9 1.1 1.1 .7 .9 .7 .3 1.4	3.9 3.4 3.4 4.1 4.0 4.4 3.4 6.6 3.5	3.1 2.5 2.1 3.6 3.3 4.6 4.1 5.4 3.0	3.0 2.6 2.3 3.4 3.2 4.8 4.2 5.7 2.8
Service producing <sup>2</sup> Excluding sales  White collar  Excluding sales  Blue collar  Service	151.9 152.6 154.0 155.6 145.3 147.2	156.1 157.2 158.2 160.4 149.4 151.6	157.7 158.5 159.9 161.6 151.1 152.4	.9 .9 1.0 .8 .7	1.0 1.1 1.1 1.1 .9	1.0 .8 1.1 .7 1.1	3.7 3.9 3.7 4.0 3.6 3.3	3.7 3.9 3.7 4.0 3.5 3.8	3.8 3.9 3.8 3.9 4.0 3.5
Transportation and public utilities  Transportation  Public utilities  Communications  Electric, gas, and sanitary services	145.7 141.6 151.0 151.8 149.9	150.5 147.4 154.3 155.3 153.0	152.1 148.6 156.4 157.1 155.5	1.4 1.3 1.5 1.7	.9 1.2 .5 .1	1.1 .8 1.4 1.2 1.6	4.1 4.0 4.2 4.7 3.6	4.7 5.4 3.8 4.1 3.3	4.4 4.9 3.6 3.5 3.7
Wholesale and retail trade	150.1 151.9 154.5 156.5 147.8 145.5 144.5	153.0 154.8 157.2 159.4 150.9 147.9 148.0	155.7 157.1 161.3 161.2 152.7 148.9 148.9	1.1 .8 1.9 1.0 .6 1.2	.6 .1 1.6 .9 .1 1.0	1.8 1.5 2.6 1.1 1.2 .7	3.2 3.5 3.4 4.5 3.0 5.1 3.6	3.1 2.7 3.7 2.9 2.7 2.9 3.3	3.7 3.4 4.4 3.0 3.3 2.3 3.0
Finance, insurance, and real estate Excluding sales Banking, savings and loan, and other	154.6 157.6	160.3 164.5	162.0 165.7	.5 .6	2.8 3.4	1.1 .7	3.4 4.0	4.2 5.0	4.8 5.1
credit agencies	170.8 153.3 149.6	181.2 157.1 154.3	182.8 158.6 155.1	.8 .6 .9	5.5 1.4 2.1	.9 1.0 .5	4.6 4.6 3.8	7.0 3.1 4.0	7.0 3.5 3.7
Services Business services Health services Hospitals Nursing homes Educational services Colleges and universities	155.0 160.8 151.8 151.0 - 156.1 155.0	159.5 164.0 157.3 157.1 — 161.2 159.9	160.3 164.0 158.4 158.6 — 161.2 159.9	.8 1.6 1.3 1.7 .7 .5	.8 .2 1.2 1.1 1.4 .4	.5 .0 .7 1.0 .9 .0	4.0 4.3 4.5 5.4 5.3 4.3 3.7	3.7 3.7 5.0 5.8 4.7 3.7 3.8	3.4 2.0 4.3 5.0 5.0 3.3 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

	Indexes	(June 19	89=100)		F	Percent ch	anges for-	_	
Industry and occupational group	Jun.	Mar.	Jun.	3 m	onths end	ed-	12 n	nonths end	ded-
	2001	2002	2002	Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002
Industry-Continued									
Nonmanufacturing industries	150.9	155.0	156.5	0.9	1.0	1.0	3.7	3.7	3.7
White collar	153.8	158.0	159.6	1.0	1.0	1.0	3.8	3.7	3.8
Excluding sales	155.3	160.1	161.3	.9	1.1	.7	4.2	4.0	3.9
Blue collar	143.9	147.5	149.0	.8	.8	1.0	3.6	3.3	3.5
Service	147.1	151.4	152.3	.8	.9	.6	3.3	3.7	3.5
Occupational group									
White collar	153.8	157.7	159.4	1.0	1.0	1.1	3.7	3.5	3.6
Excluding sales	154.4	158.6	160.0	.9	1.1	.9	4.0	3.7	3.6
Professional specialty and technical	153.2	156.7	157.4	.7	.5	.4	4.0	3.0	2.7
Executive, administrative, and									
managerial	156.5	161.3	163.6	1.2	1.7	1.4	3.8	4.3	4.5
Sales	151.5	153.6	157.0	1.5	.7	2.2	2.4	2.9	3.6
Administrative support, including		100.0							0.0
clerical	153.6	158.2	159.2	.9	1.1	.6	4.1	3.9	3.6
Blue collar	145.9	149.6	150.9	.9	.9	.9	3.8	3.5	3.4
Precision production, craft, and repair	145.7	149.2	151.0	.8	.5	1.2	3.6	3.2	3.6
Machine operators, assemblers, and	1 10.7	1.10.2	101.0				0.0	0.2	0.0
inspectors	146.9	150.5	151.6	.9	1.0	.7	3.7	3.4	3.2
Transportation and material moving	140.7	144.8	145.2	.9	1.4	.3	4.1	3.8	3.2
Handlers, equipment cleaners, helpers,	140.7	177.0	140.2	.5	1	.5	7.1	0.0	0.2
and laborers	149.8	154.2	155.1	1.2	1.2	.6	4.3	4.2	3.5
Service	147.5	152.0	152.8	.8	.9	.5	3.5	3.8	3.6
3ei vice	147.5	152.0	152.8	٥. ا	.9	c.	3.5	3.6	3.0
Production and nonsupervisory									
occupations <sup>3</sup>	149.0	152.7	154.0	.9	.8	.9	3.7	3.4	3.4

Hourly Earnings Index, which was discontinued in January 1989.

NOTE: Dashes indicate data not available.

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

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

Bargaining status, region, and area	Indexes (June 1989=100)			Percent changes for-					
	Jun. 2001	Mar. 2002	Jun. 2002	3 months ended-			12 months ended-		
				Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002
Bargaining status									
Union	143.7	148.4	149.8	1.1	0.7	0.9	3.8	4.4	4.2
	141.8	145.6	147.2	1.1	.6	1.1	3.9	3.8	3.8
Goods-producing industries <sup>1</sup>	144.2	147.2	148.6	1.3	.6	1.0	4.2	3.4	3.1
Service-producing industries <sup>2</sup>	143.7	150.0	151.4	1.1	.7	.9	3.5	5.5	5.4
Manufacturing	145.5	149.0	150.2	1.1	.7	.8	4.2	3.5	3.2
	144.3	147.8	149.0	.9	.5	.8	4.0	3.4	3.3
	142.7	148.1	149.6	1.1	.7	1.0	3.6	5.0	4.8
Nonunion	152.2	155.9	157.5	.9	1.0	1.0	3.7	3.4	3.5
	148.2	151.9	153.1	.7	.9	.8	3.7	3.3	3.3
Goods-producing industries <sup>1</sup> Service-producing industries <sup>2</sup>	150.3	153.5	154.8	1.0	.9	.8	3.9	3.2	3.0
	152.7	156.7	158.3	.9	1.0	1.0	3.7	3.5	3.7
Manufacturing	151.6	154.7	156.1	1.0	1.0	.9	3.8	3.1	3.0
	150.1	154.3	155.3	.9	1.1	.6	4.1	3.8	3.5
	152.0	155.9	157.5	.9	1.0	1.0	3.7	3.5	3.6
Region <sup>3</sup>									
Northeast South Midwest West	149.2	153.5	154.9	1.3	1.2	.9	3.8	4.2	3.8
	149.3	152.5	153.6	.7	.9	.7	3.3	2.8	2.9
	152.3	157.1	158.5	.9	1.6	.9	3.5	4.1	4.1
	152.9	156.4	158.7	1.1	.3	1.5	4.5	3.4	3.8
Area									
Metropolitan Other	151.2	155.1	156.7	.9	.9	1.0	3.8	3.5	3.6
	148.8	151.7	152.6	.9	.8	.6	3.5	2.9	2.6

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.

<sup>&</sup>lt;sup>1</sup> Includes mining, construction, and manufacturing.
<sup>2</sup> Includes transportation, communication, and public utilities; wholesale and retail trade; finance, insurance, and real estate; and service

industries.

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,

Table 8. Employment Cost Index for benefits for civilian, State and local government, and private industry workers by industry, occupational group, and bargaining status

Industry, occupational group, and bargaining status	Indexes (June 1989=100)			Percent changes for-					
	Jun. 2001	Mar. 2002	Jun. 2002	3 months ended-			12 months ended-		
				Jun. 2001	Mar. 2002	Jun. 2002	Jun. 2001	Mar. 2002	Jun. 2002
Civilian workers	161.3 153.5 163.2	167.5 159.9 169.3	169.4 160.6 171.6	1.0 .8 1.1	1.5 .9 1.6	1.1 .4 1.4	4.5 3.4 4.8	4.9 5.0 4.8	5.0 4.6 5.1
Industry									
Goods producing <sup>1</sup> Service producing <sup>2</sup>	159.6 164.6	165.8 170.7	167.4 173.3	.7 1.2	2.0 1.4	1.0 1.5	3.5 5.5	4.6 5.0	4.9 5.3
Manufacturing	157.9 171.7 174.2 166.7	163.7 180.7 180.7 179.5	165.5 182.6 182.6 181.4	.5 .2 5 1.0	2.1 3.6 3.3 4.1	1.1 1.1 1.1 1.1	2.6 3.1 6.5 -2.2	4.2 5.4 3.3 8.8	4.8 6.3 4.8 8.8
Nonmanufacturing  Occupational group	164.9	171.1	173.5	1.2	1.4	1.4	5.6	5.0	5.2
White collar	167.4 156.2 161.1	173.5 162.2 168.9	176.1 164.0 170.4	1.3 .3 1.0	1.3 1.9 1.7	1.5 1.1 .9	5.6 3.0 5.5	5.0 4.2 5.9	5.2 5.0 5.8
Bargaining status									
Union Nonunion	160.1 163.7	166.5 169.7	168.1 172.1	1.0 1.0	1.9 1.5	1.0 1.4	3.0 5.3	5.0 4.8	5.0 5.1

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

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

#### **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 29,400 occupational observations within about 7,100 sample establishments in private industry and approximately 3,750 occupations within about 800 sample establishments in State and local governments. Data are collected for the pay period including the 12<sup>th</sup> 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, <a href="Employment Cost Indexes">Employment Cost Indexes</a>, 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 <a href="Monthly Labor Review">Monthly Labor Review</a> and "Introducing 1990 Weights for the Employment Cost Index," in the June 1995 issue of <a href="Compensation and Working Conditions">Compensation and Working Conditions</a>.

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, <a href="Employment Cost Indexes">Employment Cost Indexes</a>, 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 2002 and revised seasonally adjusted indexes for the past five years are available on the Internet site (<a href="http://www.bls.gov/ncs/ect/home.htm">http://www.bls.gov/ncs/ect/home.htm</a>) 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 (<a href="http://www.bls.gov/ncs/ect/home.htm">http://www.bls.gov/ncs/ect/home.htm</a>) 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.

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 2002." 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 (<a href="http://www.bls.gov/ncs/ect/home.htm">http://www.bls.gov/ncs/ect/home.htm</a>) or upon request. Data will now be available on a quarterly basis beginning with June 2002 data. The June release is expected to be published in late September. 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.