

News

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PRODUCTIVITY AND COSTS First Quarter 2008, Preliminary

The Bureau of Labor Statistics of the U.S. Department of Labor today reported preliminary productivity data—as measured by output per hour of all persons—for the first quarter of 2008. The seasonally adjusted annual rates of productivity change in the first quarter were:

1.9 percent in the business sector and
2.2 percent in the nonfarm business sector.

In both sectors, the productivity gains were due primarily to declines in hours worked. In the business sector, output edged up 0.2 percent while hours fell 1.6 percent. In nonfarm businesses, output rose 0.4 percent and hours declined 1.8 percent (seasonally adjusted annual rates). In both sectors, productivity grew faster than in the fourth quarter of 2007, when output per hour rose 0.9 percent in the business sector and 1.8 percent in the nonfarm business sector. First quarter measures are summarized in table A and appear in detail in tables 1 through 5.

In manufacturing, productivity changes in the first quarter were:

4.1 percent in manufacturing,
2.3 percent in durable goods manufacturing, and
7.0 percent in nondurable goods manufacturing.

Manufacturing productivity growth in the first quarter reflected a 4.2 percent decline in hours worked in the sector and an output decline of 0.3 percent. After revisions, manufacturing productivity increased 4.2 percent in the fourth quarter of 2007. Output and hours in manufacturing, which includes about 12 percent of U.S. business sector employment, tend to vary more from quarter to quarter than data for the aggregate business and nonfarm business sectors. First quarter measures are summarized in table A and appear in detail in tables 1 through 5.

Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Percent change from preceding quarter						
Business	1.9	0.2	-1.6	4.2	-0.1	2.2
Nonfarm business	2.2	0.4	-1.8	4.4	0.1	2.2
Manufacturing	4.1	-0.3	-4.2	6.7	2.3	2.5
Durable	2.3	-0.5	-2.8	6.6	2.2	4.1
Nondurable	7.0	-0.1	-6.6	6.5	2.1	-0.4
Percent change from same quarter a year ago						
Business	3.2	2.6	-0.6	3.5	-0.7	0.2
Nonfarm business	3.2	2.6	-0.6	3.4	-0.7	0.2
Manufacturing	4.1	2.1	-2.0	2.8	-1.3	-1.3
Durable	5.5	3.6	-1.8	2.9	-1.2	-2.5
Nondurable	2.8	0.4	-2.3	2.6	-1.5	-0.2

The data sources and methods used in the preparation of the manufacturing series differ from those used in preparing the business and nonfarm business series, and these measures are not directly comparable. Output measures for business and nonfarm business are based on measures of gross domestic product prepared by the Bureau of Economic Analysis of the U.S. Department of Commerce. Quarterly output measures for manufacturing reflect indexes of industrial production independently prepared by the Board of Governors of the Federal Reserve System. See Technical Notes for further information on data sources (page 8).

Business

Productivity in the business sector rose 1.9 percent in the first quarter of 2008, as output grew 0.2 percent and hours of all persons at work in the sector—employees, proprietors, and unpaid family workers—fell 1.6 percent (seasonally adjusted annual rates). The decrease in hours was the largest since the second quarter of 2003, when they fell 2.1 percent. When the first quarter of 2008 is compared to the first quarter of 2007, productivity in the business sector grew 3.2 percent. This was the largest four quarter change since a 3.4 percent increase from the second quarter of 2003 to the second quarter of 2004 (see tables A and 1).

Hourly compensation increased 4.2 percent during the first quarter of 2008 following a 3.7 percent rise in the previous quarter. Hourly compensation includes wages and salary accruals, supplements, employer contributions to employee benefit plans, and taxes. Real hourly compensation, which takes into account changes in consumer prices, decreased 0.1 percent in the first quarter of 2008 after falling 1.3 percent in the fourth quarter of 2007.

Unit labor costs rose 2.2 percent in the first quarter of 2008, compared to a 2.8 percent increase in the fourth quarter. Growth in unit labor costs is roughly equivalent to the change in hourly compensation minus the change in output per hour. The implicit price deflator for the business sector, which reflects changes in both unit labor costs and unit nonlabor payments, grew at a 2.0 percent rate in the first quarter and 1.9 percent in the final quarter of 2007.

Nonfarm business

Productivity increased 2.2 percent in the nonfarm business sector in the first quarter of 2008 as output rose 0.4 percent and hours of all persons fell 1.8 percent (seasonally adjusted annual rates). The decrease in hours was the largest since the first quarter of 2003, when hours fell 2.3 percent, and followed a 1.6 percent decline in the previous quarter (see tables A and 2.)

Productivity in the nonfarm business sector grew 3.2 percent from the first quarter of 2007 to the first quarter of 2008, the largest four quarter change since a 3.8 percent increase between the second quarters of 2003 and 2004.

Hourly compensation grew at a 4.4 percent annual rate in the first quarter of 2008; similar to the fourth quarter rate of 4.6 percent. When the rise in consumer prices was taken into account, real hourly compensation rose 0.1 percent in the first quarter following a 0.4 percent decline in the fourth quarter of 2007.

Unit labor costs grew 2.2 percent in the first quarter of 2008 and 2.8 percent in the previous quarter. The implicit price deflator for nonfarm business output increased 2.2 percent in the first quarter of 2008 and 1.6 percent in the fourth quarter of 2007.

Chart 1. Output per Hour, Nonfarm Business, all persons, 2001:1-2008:1
Percent change

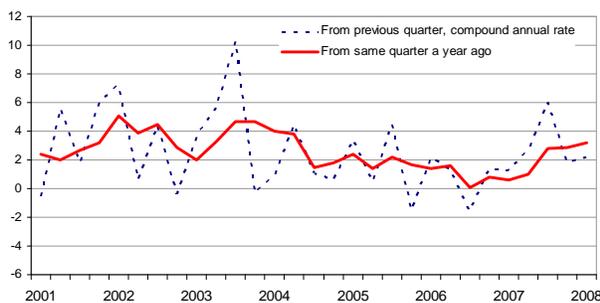
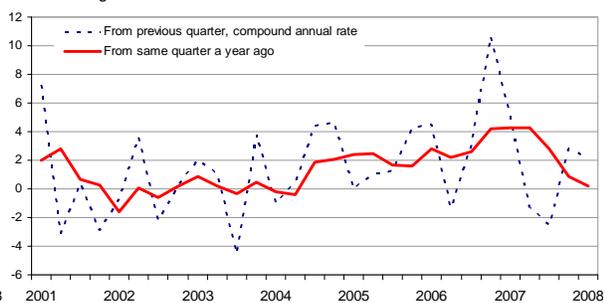


Chart 2. Unit Labor Costs, Nonfarm Business, all persons, 2001:1-2008:1
Percent change



Manufacturing

Productivity increased 4.1 percent in manufacturing in the first quarter of 2008 as output decreased 0.3 percent and hours of all persons dropped 4.2 percent (seasonally adjusted annual rates). This 4.2 percent hours decrease reflected a 2.8 percent decline in durable goods hours and a 6.6 percent drop in hours worked in nondurable goods industries. Productivity rose 2.3 percent in durable manufacturing and 7.0 percent in nondurable manufacturing.

The hourly compensation of all manufacturing workers increased 6.7 percent during the first quarter of 2008 and real hourly compensation rose 2.3 percent (seasonally adjusted annual rates). Because hourly compensation of manufacturing workers rose more rapidly than productivity, unit labor costs increased in the first quarter, by 2.5 percent. Unit labor costs increased 4.1 percent in durable goods manufacturing and fell 0.4 percent in nondurable goods manufacturing.

Chart 3. Output per Hour, Manufacturing, all persons, 2001:1-2008:1
Percent change

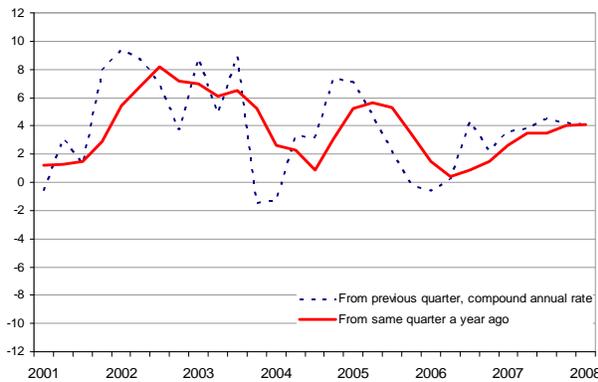
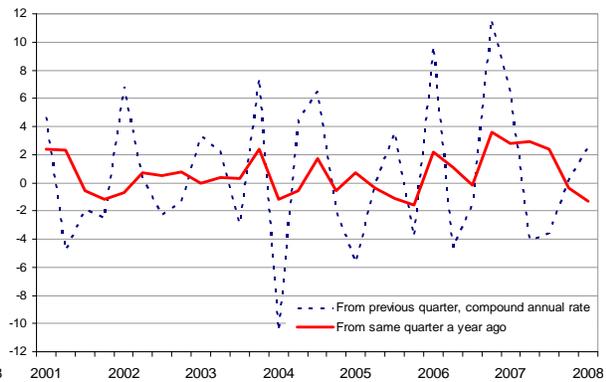


Chart 4. Unit Labor Costs, Manufacturing, all persons, 2001:1-2008:1
Percent change



Fourth quarter and annual measures for nonfinancial corporations

Fourth quarter and annual 2007 measures of productivity and costs also were announced today for the nonfinancial corporate sector (tables B, C, and 6). Output per all employee hour grew 0.9 percent from the third to the fourth quarter of 2007 as output rose 0.9 percent and employee hours were unchanged.

Table B. Nonfinancial corporations: Fourth quarter 2007 productivity and cost measures
(Seasonally adjusted annual rates)

Period	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs	Unit profits	Implicit price deflator
Percent change from preceding quarter								
2007 IV	0.9	0.9	0.0	3.5	-1.4	2.6	-16.9	0.3
Percent change from same quarter a year ago								
2007 IV	1.8	2.1	0.3	3.4	-0.6	1.6	-2.1	1.0

Hourly compensation increased 3.5 percent in the fourth quarter of 2007, leading to an increase of 2.6 percent in unit labor costs. When consumer prices are taken into account, real hourly compensation fell 1.4 percent. Unit profits fell 16.9 percent in the fourth quarter of 2007 and 10.2 percent in the previous quarter. The implicit price deflator increased 0.3 percent during the fourth quarter of 2007 after falling 1.6 percent in the third quarter.

When the annual average for 2007 was compared with that for 2006, labor productivity increased 1.4 percent in the nonfinancial corporate sector. In the previous six years, 2000 through 2006, output per hour increased an average of 2.6 percent per year. Output increased 2.1 percent in 2007, down from 3.0 percent in 2006, and hours rose 0.7 percent, compared with 2.2 percent during the previous year. (See table C.)

Measure	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Productivity.....	3.4	3.7	3.9	1.8	4.0	3.8	3.7	1.4	0.7	1.4
Output	5.7	6.0	5.2	-0.9	0.9	2.2	5.1	3.1	3.0	2.1
Hours.....	2.2	2.3	1.3	-2.7	-3.0	-1.5	1.3	1.7	2.2	0.7
Hourly compensation	5.9	4.9	7.1	4.2	3.6	4.1	3.0	3.8	3.5	4.7
Real hourly compensation.....	4.5	2.8	3.6	1.4	1.9	1.8	0.3	0.4	0.2	1.8
Unit labor costs	2.4	1.2	3.1	2.4	-0.4	0.3	-0.7	2.4	2.8	3.2
Unit nonlabor costs	-0.2	0.9	3.8	8.1	-1.6	0.2	-1.6	2.7	1.4	1.1
Total unit costs.....	1.7	1.1	3.3	3.9	-0.7	0.3	-0.9	2.4	2.4	2.6
Unit profits	-11.2	-5.8	-15.8	-24.3	19.2	12.1	31.8	6.6	5.5	-5.7
Implicit price deflator	0.0	0.3	1.2	1.3	0.6	1.2	2.0	2.9	2.8	1.6

Hourly compensation grew 4.7 percent in 2007, and real hourly compensation increased 1.8 percent. The increase in hourly compensation was the largest in the series since 2000, when it had increased 7.1 percent. Total unit costs in 2007 rose 2.6 percent, reflecting a 3.2 percent increase in unit labor costs and a 1.1 percent increase in unit nonlabor costs. Unit profits fell 5.7 percent in 2007. This was the first decline since 2001, when the series fell 24.3 percent. The implicit price deflator, which reflects both the unit costs and unit profits measures, rose 1.6 percent in 2007.

Revised measures

With this release, hours for all sectors were revised back to 2000 to incorporate updated information on seasonal trends in Current Population Survey data on hours worked. Employment was revised historically to exclude secondary jobs of self employed and unpaid family workers in any month when they did not report hours worked in those jobs. Also employment of manufacturing proprietors is now calculated using the number of persons employed; previously it was the number of persons at work.

Output data for the manufacturing sectors also were revised. Annual output indexes are constructed by BLS using data from the Bureau of the Census and the Bureau of Economic Analysis (BEA), both the U.S. Department of Commerce, together with information on price changes, primarily from the Bureau of Labor Statistics. These revisions begin with data for 1987 and incorporate revised information on intermediate inputs. (See USDL 08-0857, "Multifactor Productivity Trends in Manufacturing for 2006," May 1, 2008 (<http://www.bls.gov/news.release/pdf/prod3.pdf>)). Quarterly changes in manufacturing output

and related measures also now reflect revised Indexes of Industrial Production, published by the Board of Governors of the Federal Reserve System on March 28, 2008. Appendix tables 1-3 display quarterly and annual data for manufacturing, durable manufacturing, and nondurable manufacturing beginning in 2003. Quarterly historical data are available on the BLS website. Annual historical data for total manufacturing and its subsectors are presented in appendix tables 4-6.

A revised seasonally adjusted Consumer Price Index Research Series, prepared by the BLS Office of Prices and Living Conditions for the period 1978 to 2007, has been incorporated into our consumer price series. As a result, measures of real hourly compensation for all sectors were revised back to 1984. Complete quarterly and annual series are available on the BLS website.

Previous and revised measures for the fourth quarter and annual average of 2007 in the business, nonfarm business, and manufacturing sectors are compared in table D. In the business and nonfarm business sectors, productivity was revised down slightly in the fourth quarter, primarily due to downward revisions to output. Unit labor costs in these sectors were revised up from the increases reported March 5.

Table D. Previous and revised productivity and related measures Quarterly percent change at seasonally adjusted annual rate						
Sector	Productivity	Output	Hours	Hourly compensation	Real hourly compensation	Unit labor costs
Fourth quarter 2007						
Business:						
Previous.....	1.0	0.2	-0.7	3.6	-1.3	2.7
Revised.....	0.9	0.1	-0.7	3.7	-1.3	2.8
Nonfarm business:						
Previous.....	1.9	0.3	-1.6	4.6	-0.5	2.6
Revised.....	1.8	0.2	-1.6	4.6	-0.4	2.8
Manufacturing:						
Previous.....	2.3	-1.7	-3.9	4.4	-0.6	2.1
Revised.....	4.2	-0.4	-4.4	4.3	-0.6	0.2
Annual average 2007						
Business:						
Previous.....	1.9	2.3	0.4	5.0	2.3	3.1
Revised.....	1.9	2.3	0.4	5.0	2.1	3.1
Nonfarm business:						
Previous.....	1.8	2.3	0.5	4.9	2.3	3.1
Revised.....	1.8	2.3	0.5	4.9	2.1	3.1
Manufacturing:						
Previous.....	3.7	2.0	-1.7	5.4	2.7	1.6
Revised.....	3.4	1.6	-1.7	5.4	2.5	1.9

Fourth quarter productivity growth in the manufacturing sector was higher than reported March 5. Hours fell more than reported in March, and had the largest decline since the third quarter of 2003. The upward revision to productivity resulted in a downward revision to unit labor costs.

The 2007 annual average measures of real hourly compensation for the business, nonfarm business, and manufacturing sectors were revised downward due to a revision in the Consumer Price Index Research series. The 2007 annual averages in the manufacturing sector showed a downward revision in output, which led to a downward revision in productivity and an upward revision in unit labor costs.

Next release date

The next release of **Productivity and Costs** is scheduled for **8:30 AM EDT, Wednesday, June 4, 2008**. First quarter measures for nonfinancial corporations and revised first quarter measures for business, nonfarm business, and manufacturing will be released at that time.

TECHNICAL NOTES

Labor Hours: Hours data for the labor productivity and cost measures include hours for all persons working in the sector—wage and salary workers, the self-employed and unpaid family workers. The primary source of hours and employment data is the BLS Current Employment Statistics (CES) program, which provides monthly survey data on the number of jobs held by wage and salary workers in nonfarm establishments. The CES also provides average weekly paid hours of production and nonsupervisory workers in these establishments. Weekly paid hours are adjusted to hours at work using data from the National Compensation Survey (NCS). The BLS Hours at Work survey, conducted for this purpose, was used for earlier years. The Office of Productivity and Technology estimates average weekly hours at work for nonproduction and supervisory workers using information from the Current Population Survey (CPS), the CES, and the NCS.

Data from the CPS are used for farm labor, nonfarm proprietors, and nonfarm unpaid family workers. Estimates of labor input for government enterprises are derived from the CPS, the CES, and the National Income and Product Accounts (NIPA) prepared by the Bureau of Economic Analysis (BEA) of the Department of Commerce.

The CES measures jobs, counting a person who is employed by two or more establishments at each place of employment. In contrast, the CPS features measures of employment that count each person only once and classify each person according to his or her primary job; hours worked at all jobs by that person accrue to his or her primary job. However, the CPS also collects more detailed information on employment and hours worked at primary jobs and all other jobs, separately. The BLS productivity measures use the more detailed information on employment and hours to assign all hours worked to the correct industrial sector and avoid duplicating hours data from the CES.

Output: Business sector output is an annual-weighted index constructed after excluding from gross domestic product (GDP) the following outputs: general government, nonprofit institutions, and private households (including owner-occupied housing). Corresponding exclusions also are made in labor inputs. Business output accounted for about 78 percent of the value of GDP in 2000. Nonfarm business, which also excludes farming, accounted for about 77 percent of GDP in 2000.

Annual indexes for manufacturing and its durable and nondurable goods components are constructed by deflating current-dollar industry value of production data from the U.S. Bureau of the Census with deflators from the BLS. These deflators are based on data from the BLS producer price program and other sources. The industry shipments are aggregated using annual weights, and intrasector transactions are removed. Quarterly manufacturing output measures are based on the index of industrial production prepared monthly by the Board of Governors of the Federal Reserve System, adjusted to be consistent with annual indexes of manufacturing sector output prepared by BLS. Durables include the following 3-digit NAICS industries: wood product manufacturing; nonmetallic mineral product manufacturing; primary metal manufacturing; fabricated metal product manufacturing; machinery manufacturing; computer and electronic product manufacturing; electrical equipment and appliance manufacturing; transportation equipment manufacturing; furniture and related product manufacturing; and miscellaneous manufacturing. Nondurables include: food manufacturing; beverage and tobacco product manufacturing; textile mills; textile product mills; apparel manufacturing; leather and allied product manufacturing; paper manufacturing; printing and related support activities; petroleum and coal products manufacturing; chemical manufacturing; and plastics and rubber products manufacturing.

Nonfinancial corporate output is an annual-weighted index calculated on the basis of the costs incurred and the incomes earned from production. The output measure excludes the following outputs from GDP: general government; nonprofit institutions; private households; unincorporated business; and those corporations classified as offices of bank holding companies,

offices of other holding companies, or offices in the finance and insurance sector. Nonfinancial corporations accounted for about 54 percent of the value of GDP in 2000.

Productivity: These productivity measures describe the relationship between real output and the labor time involved in its production. They show the changes from period to period in the amount of goods and services produced per hour. Although these measures relate output to hours at work of all persons engaged in a sector, they do not measure the specific contribution of labor, capital, or any other factor of production. Rather, they reflect the joint effects of many influences, including changes in technology; capital investment; level of output; utilization of capacity, energy, and materials; the organization of production; managerial skill; and the characteristics and effort of the work force.

Labor Compensation: Estimates of labor compensation by major sector, required for measures of hourly compensation and unit labor costs, are based primarily on employee compensation data from the NIPA, prepared by the BEA. The compensation of employees in general government, nonprofit institutions and private households are subtracted from compensation of domestic employees to derive employee compensation for the business sector. The labor compensation of proprietors cannot be explicitly identified and must be estimated. This is done by assuming that proprietors have the same hourly compensation as employees in the same sector. The quarterly labor productivity and cost measures do not contain estimates of compensation for unpaid family workers.

Unit Labor Costs: The measures of unit labor costs in this release describe the relationship between compensation per hour and productivity, or real output per hour, and can be used as an indicator of inflationary pressure on producers. Increases in hourly compensation increase unit labor costs; labor productivity increases offset compensation increases and lower unit labor costs.

Presentation of the data: The quarterly data in this release are presented in three ways; as index number series where 1992=100, as percent changes from the corresponding quarter of the previous year, and as percent changes from the previous quarter presented at a compound annual rate. Annual data are presented both as index number series and percent changes from the previous year.

The index numbers and rates of change reported in the productivity and costs news release are rounded to one decimal place. All percent changes in this release and on the BLS web site are calculated using index numbers to three decimal places. These index numbers are available at the BLS web site, <http://www.bls.gov/data/home.htm>, or by contacting the BLS Division of Major Sector Productivity. (Telephone 202-691-5606 or email DPRWEB@BLS.GOV)

Information in this release will be made available to sensory-impaired individuals upon request. Voice phone: 202-691-5606; Federal Relay Service number: 1-800-877-8339.

(Table 1. Business sector: Productivity, hourly compensation, unit labor costs, and prices, seasonally adjusted)

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	Unit non-labor payments (3)	Implicit price deflator (4)	
Indexes 1992=100									
2006	I	r136.3	163.2	r119.7	r168.3	r120.8	r123.4	127.0	
	II	r136.7	164.2	r120.1	r168.1	r119.6	r123.0	128.0	
	III	r136.1	164.4	r120.8	r168.7	r118.9	r123.9	128.7	
	IV	r136.5	165.5	r121.2	r173.5	r122.7	r127.1	128.9	
	ANNUAL	r136.4	164.3	r120.5	r169.6	r120.5	r124.4	128.2	
2007	I	r136.8	165.6	r121.0	r176.1	r123.5	r128.7	130.2	
	II	r138.1	167.3	r121.2	r177.1	r122.8	r128.3	130.9	
	III	r140.3	169.7	r120.9	r178.7	r123.1	r127.4	131.0	
	IV	r140.6	r169.7	r120.7	r180.4	r122.7	r128.3	r131.7	
	ANNUAL	r139.0	r168.1	r121.0	r178.1	r123.0	r128.2	r131.0	
2008	I	141.3	169.8	120.2	182.2	122.6	129.0	132.3	
Percent change from previous quarter at annual rate(5)									
2006	I	r2.4	5.5	r3.0	7.1	r5.2	r4.6	r0.0	2.8
	II	r1.0	2.5	1.5	-0.5	r-3.9	-1.5	11.3	3.3
	III	r-1.7	0.6	2.3	1.5	r-2.4	r3.2	r0.4	2.1
	IV	r1.2	2.6	r1.4	r11.9	r13.6	r10.6	r-12.9	0.8
	ANNUAL	1.0	3.1	2.1	4.0	0.7	2.9	2.9	2.9
2007	I	r0.9	0.2	r-0.8	r6.2	r2.5	r5.2	r2.3	4.1
	II	3.8	4.4	0.5	r2.4	r-2.1	r-1.4	r8.2	2.2
	III	r6.4	5.7	r-0.7	3.7	r0.9	r-2.6	r5.2	0.3
	IV	r0.9	r0.1	-0.7	r3.7	-1.3	r2.8	r0.6	r1.9
	ANNUAL	1.9	2.3	0.4	5.0	r2.1	3.1	r0.8	2.2
2008	I	1.9	0.2	-1.6	4.2	-0.1	2.2	1.7	2.0
Percent change from corresponding quarter of previous year									
2006	I	1.5	3.8	2.3	4.2	0.5	2.7	3.8	3.1
	II	1.8	3.6	1.8	4.0	0.0	r2.1	r5.2	3.3
	III	0.2	2.4	2.2	2.8	r-0.5	2.6	3.5	3.0
	IV	r0.7	2.8	r2.1	4.9	2.9	4.1	r-0.7	2.2
	ANNUAL	1.0	3.1	2.1	4.0	0.7	2.9	2.9	2.9
2007	I	r0.4	1.5	1.1	r4.7	r2.2	4.3	-0.1	2.6
	II	1.0	1.9	0.9	5.4	r2.7	4.3	r-0.8	2.3
	III	3.1	3.2	0.1	6.0	r3.5	2.8	r0.3	1.8
	IV	3.0	2.6	-0.4	4.0	r0.0	r0.9	r4.0	r2.1
	ANNUAL	1.9	2.3	0.4	5.0	r2.1	3.1	r0.8	2.2
2008	I	3.2	2.6	-0.6	3.5	-0.7	0.2	3.9	1.6

See footnotes following Table 6.
r=revised

May 7, 2008
Source: Bureau of Labor Statistics

Table 2. Nonfarm business sector: Productivity, hourly compensation, unit labor costs, and prices, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	Unit non-labor payments (3)	Implicit price deflator (4)	
Indexes 1992=100									
2006	I	r135.2	163.4	r120.8	r167.0	r119.9	r123.5	127.7	
	II	r135.7	164.4	r121.2	r167.0	r118.8	r123.1	128.9	
	III	r135.1	164.7	r121.9	r167.6	r118.1	r124.0	129.4	
	IV	r135.6	165.7	r122.2	r172.5	r122.0	r127.2	129.5	
	ANNUAL	r135.4	164.5	r121.5	r168.5	r119.7	r124.5	128.9	
2007	I	r136.1	165.9	r121.9	r175.2	r122.8	r128.8	130.6	
	II	r137.0	167.6	r122.4	r175.8	r121.9	r128.4	131.3	
	III	r139.0	169.9	r122.3	r177.2	r122.0	r127.5	131.3	
	IV	r139.6	r170.0	r121.8	179.2	r121.9	r128.4	r131.9	
	ANNUAL	r137.9	r168.4	r122.1	r176.9	r122.2	r128.3	r131.3	
2008	I	140.4	170.2	121.2	181.2	121.9	129.1	132.6	
Percent change from previous quarter at annual rate(5)									
2006	I	r2.2	5.7	r3.4	6.9	r4.9	r4.5	r0.6	3.0
	II	1.3	2.4	1.1	0.0	r-3.5	-1.3	12.1	3.7
	III	r-1.6	0.8	r2.4	1.5	r-2.5	r3.1	r-0.5	1.6
	IV	r1.4	2.6	r1.1	12.3	r14.0	r10.7	r-14.2	0.3
	ANNUAL	1.0	3.2	2.2	3.9	0.6	2.9	3.1	3.0
2007	I	r1.3	0.3	r-0.9	6.4	r2.7	r5.0	r1.3	3.6
	II	r2.7	4.2	r1.5	1.3	r-3.2	-1.3	r7.9	2.1
	III	r6.0	5.6	r-0.4	r3.3	0.6	r-2.5	r4.5	0.1
	IV	r1.8	r0.2	-1.6	4.6	r-0.4	r2.8	r-0.3	r1.6
	ANNUAL	1.8	2.3	0.5	4.9	r2.1	3.1	r0.0	1.9
2008	I	2.2	0.4	-1.8	4.4	0.1	2.2	2.2	2.2
Percent change from corresponding quarter of previous year									
2006	I	1.4	3.8	2.4	4.2	r0.4	2.8	4.1	3.3
	II	1.6	3.6	2.0	3.8	r-0.1	2.2	5.7	3.5
	III	0.1	2.4	2.3	2.7	-0.6	2.6	3.6	3.0
	IV	r0.8	2.8	r2.0	5.0	3.0	r4.2	r-1.0	2.2
	ANNUAL	1.0	3.2	2.2	3.9	0.6	2.9	3.1	3.0
2007	I	0.6	1.5	0.9	4.9	r2.4	4.3	-0.8	2.3
	II	r1.0	2.0	1.0	5.3	r2.5	4.3	r-1.7	1.9
	III	r2.8	3.2	0.3	5.8	r3.3	2.8	-0.5	1.5
	IV	2.9	2.6	r-0.4	3.9	r-0.1	0.9	r3.3	r1.8
	ANNUAL	1.8	2.3	0.5	4.9	r2.1	3.1	r0.0	1.9
2008	I	3.2	2.6	-0.6	3.4	-0.7	0.2	3.5	1.5

See footnotes following Table 6.
r=revised

May 7 2008
Source: Bureau of Labor Statistics

Table 3. Manufacturing sector: Productivity, hourly compensation, and unit labor costs, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	

Indexes 1992=100							
2006	I	r172.6	r147.2	r85.3	r172.4	r123.8	r99.9
	II	r172.7	r147.4	r85.4	r170.5	r121.3	r98.7
	III	r174.5	r148.0	r84.8	r171.6	r120.9	r98.4
	IV	r175.4	r147.4	r84.0	r177.4	r125.5	r101.1
	ANNUAL	r173.8	r147.5	r84.9	r173.0	r122.8	r99.5
2007	I	r177.0	r147.8	r83.5	r181.7	r127.4	r102.7
	II	r178.7	r149.6	r83.7	r181.6	r125.9	r101.6
	III	r180.6	r151.2	r83.7	r181.9	r125.2	r100.7
	IV	r182.5	r151.0	r82.8	r183.8	r125.0	r100.7
	ANNUAL	r179.7	r149.9	r83.4	r182.3	r125.9	r101.4
2008	I	184.3	150.9	81.9	186.8	125.7	101.4

Percent change from previous quarter at annual rate(5)							
2006	I	r-0.6	r1.8	r2.4	9.1	r7.1	r9.7
	II	r0.2	r0.6	r0.4	-4.4	r-7.7	r-4.6
	III	r4.3	r1.6	r-2.5	2.7	r-1.3	r-1.5
	IV	r2.2	r-1.7	r-3.8	14.1	r15.8	r11.6
	ANNUAL	r1.1	r1.8	r0.8	2.8	-0.5	r1.7
2007	I	r3.6	r1.2	r-2.3	10.3	r6.4	r6.4
	II	r3.8	r4.9	1.0	-0.4	r-4.8	r-4.1
	III	r4.5	r4.3	-0.2	0.7	-2.0	r-3.6
	IV	r4.2	r-0.4	r-4.4	r4.3	-0.6	r0.2
	ANNUAL	r3.4	r1.6	-1.7	5.4	r2.5	r1.9
2008	I	4.1	-0.3	-4.2	6.7	2.3	2.5

Percent change from corresponding quarter of previous year							
2006	I	r1.5	r2.4	r0.9	3.8	0.0	r2.2
	II	r0.4	r2.1	r1.7	1.5	-2.4	r1.1
	III	r0.9	r2.3	r1.4	0.7	-2.6	r-0.2
	IV	r1.5	r0.6	r-0.9	5.1	3.1	r3.6
	ANNUAL	r1.1	r1.8	r0.8	2.8	-0.5	r1.7
2007	I	r2.6	r0.4	-2.1	5.4	r2.9	r2.8
	II	r3.5	r1.5	-1.9	6.5	r3.7	r2.9
	III	r3.5	r2.1	-1.3	6.0	r3.6	r2.4
	IV	r4.0	r2.5	r-1.5	3.7	r-0.3	r-0.4
	ANNUAL	r3.4	r1.6	-1.7	5.4	r2.5	r1.9
2008	I	4.1	2.1	-2.0	2.8	-1.3	-1.3

See footnotes following Table 6.
r=revised

May 7, 2008
Source: Bureau of Labor Statistics

Table 4. Durable manufacturing sector: Productivity, hourly compensation, and unit labor costs, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	

Indexes 1992=100							
2006	I	r198.8	r179.6	r90.3	r168.1	r120.7	r84.6
	II	r198.9	r180.5	r90.7	r166.1	r118.2	r83.5
	III	r201.7	r181.1	r89.8	r167.3	r117.9	r82.9
	IV	r202.4	r180.1	r89.0	r173.6	r122.8	r85.8
	ANNUAL	r200.4	r180.3	r90.0	r168.7	r119.8	r84.2
2007	I	r204.4	r180.3	r88.2	r177.6	r124.5	r86.9
	II	r207.9	r183.9	r88.4	r177.5	r123.0	r85.4
	III	r210.9	r186.9	r88.6	r177.5	r122.2	r84.2
	IV	r214.3	r187.0	r87.3	r179.8	r122.3	r83.9
	ANNUAL	r209.4	r184.5	r88.1	r178.1	r123.0	r85.1
2008	I	215.6	186.8	86.7	182.7	123.0	84.8

Percent change from previous quarter at annual rate(5)							
2006	I	r-1.8	r0.4	r2.3	11.6	r9.6	r13.7
	II	r0.3	r2.1	r1.8	-4.7	r-8.0	r-5.0
	III	r5.7	r1.2	r-4.3	2.9	r-1.1	r-2.7
	IV	r1.4	r-2.1	r-3.4	r16.0	r17.8	r14.5
	ANNUAL	r2.2	r3.3	r1.1	3.4	0.1	r1.2
2007	I	r3.9	r0.4	r-3.4	9.6	r5.7	r5.4
	II	r7.1	r8.2	1.0	r-0.3	-4.7	r-6.9
	III	r6.0	r6.8	0.8	0.1	-2.6	r-5.6
	IV	r6.6	r0.3	r-6.0	r5.4	r0.4	r-1.2
	ANNUAL	r4.5	r2.3	r-2.0	r5.6	r2.7	r1.1
2008	I	2.3	-0.5	-2.8	6.6	2.2	4.1

Percent change from corresponding quarter of previous year							
2006	I	r3.2	r4.8	r1.6	4.2	r0.4	r1.0
	II	r2.0	r4.6	2.5	2.1	-1.8	r0.1
	III	r2.2	r3.6	r1.4	1.1	r-2.2	r-1.1
	IV	r1.4	r0.4	r-1.0	6.2	4.1	r4.7
	ANNUAL	r2.2	r3.3	r1.1	3.4	0.1	r1.2
2007	I	r2.8	r0.4	r-2.4	5.7	r3.2	r2.8
	II	r4.5	r1.8	r-2.5	6.9	r4.1	r2.3
	III	r4.6	r3.2	r-1.3	6.1	r3.7	r1.5
	IV	r5.9	r3.9	r-1.9	r3.6	-0.4	r-2.2
	ANNUAL	r4.5	r2.3	r-2.0	r5.6	r2.7	r1.1
2008	I	5.5	3.6	-1.8	2.9	-1.2	-2.5

See footnotes following Table 6.
r=revised

May 7, 2008
Source: Bureau of Labor Statistics

Table 5. Nondurable manufacturing sector: Productivity, hourly compensation, and unit labor costs, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	

Indexes 1992=100							
2006	I	r148.0	r115.0	r77.7	178.3	r128.0	r120.4
	II	r148.4	r114.8	r77.3	r176.4	r125.6	r118.8
	III	r149.0	r115.4	r77.4	r177.6	r125.1	r119.2
	IV	r150.3	r115.1	r76.6	r181.9	r128.7	r121.1
	ANNUAL	r148.9	r115.1	r77.2	r178.6	r126.8	r119.9
2007	I	r151.2	r115.6	r76.5	r187.1	r131.2	r123.7
	II	r151.4	r116.0	r76.6	r186.9	r129.6	r123.5
	III	r152.7	r116.4	r76.3	r187.8	r129.3	r123.0
	IV	r152.9	r116.1	r75.9	r189.0	r128.5	r123.6
	ANNUAL	r152.0	r116.0	r76.3	r187.7	r129.7	r123.5
2008	I	155.4	116.1	74.7	192.0	129.2	123.5

Percent change from previous quarter at annual rate(5)							
2006	I	r1.0	r3.6	2.6	4.4	r2.5	r3.4
	II	r1.1	r-0.9	-1.9	-4.2	r-7.5	r-5.2
	III	r1.5	r2.2	r0.6	2.7	r-1.3	r1.1
	IV	r3.5	r-1.1	r-4.4	10.2	r11.9	r6.5
	ANNUAL	r0.2	r0.3	0.1	1.5	-1.7	r1.3
2007	I	r2.5	r2.0	-0.5	11.9	r8.0	r9.2
	II	r0.4	r1.3	r0.9	-0.4	-4.8	r-0.8
	III	r3.5	r1.6	-1.9	1.7	-1.0	r-1.7
	IV	r0.5	r-1.2	r-1.7	r2.6	r-2.2	r2.2
	ANNUAL	r2.1	0.9	-1.2	5.1	r2.2	r3.0
2008	I	7.0	-0.1	-6.6	6.5	2.1	-0.4

Percent change from corresponding quarter of previous year							
2006	I	r0.2	r-0.1	r-0.3	2.8	-0.9	r2.7
	II	r-0.7	r-0.6	0.1	0.1	-3.7	r0.8
	III	r-0.4	r1.0	r1.4	0.0	r-3.2	r0.4
	IV	r1.8	r0.9	r-0.8	3.1	1.1	r1.4
	ANNUAL	r0.2	r0.3	0.1	1.5	-1.7	r1.3
2007	I	r2.1	r0.5	-1.6	r4.9	r2.5	r2.7
	II	r2.0	r1.1	-0.9	6.0	r3.2	r3.9
	III	r2.5	r0.9	r-1.5	5.7	r3.3	r3.2
	IV	r1.7	r0.9	r-0.8	r3.9	r-0.1	r2.1
	ANNUAL	r2.1	0.9	-1.2	5.1	r2.2	r3.0
2008	I	2.8	0.4	-2.3	2.6	-1.5	-0.2

See footnotes following Table 6.
r=revised

May 7, 2008
Source: Bureau of Labor Statistics

Table 6. Nonfinancial corporate sector: Productivity, hourly compensation, unit labor costs, unit profits, and prices, seasonally adjusted

Year and quarter	Output per all-employee hour	Output	Employee hours	Hourly compensation (1)	Real hourly compensation(2)	Unit labor costs	Unit non-labor costs(6)	Total unit costs (7)	Unit profits (8)	Implicit price deflator (4)	
Indexes 1992=100											
2005	I	r141.0	r165.4	r117.3	r158.0	r117.7	r112.1	r111.0	r111.8	r151.2	r115.3
	II	r141.9	r167.7	r118.2	r158.5	r117.2	r111.7	r111.0	r111.5	r160.8	r115.9
	III	r141.3	r167.9	r118.8	r160.8	r117.1	r113.8	r114.4	r113.9	r146.6	r116.9
	IV	r142.1	r170.0	r119.7	r161.8	r116.7	r113.9	r112.3	r113.5	r158.8	r117.5
	ANNUAL	r141.6	r167.7	r118.5	r159.8	r117.2	r112.9	r112.2	r112.7	r154.4	r116.4
2006	I	r142.8	r171.9	120.4	163.8	r117.6	r114.8	r112.3	r114.1	r164.0	r118.5
	II	r141.9	r171.5	r120.9	r163.9	r116.7	r115.5	r114.2	r115.2	r164.8	r119.6
	III	r142.7	r173.4	r121.5	r164.6	r116.0	r115.3	r114.0	r114.9	r172.8	r120.1
	IV	r143.0	r174.2	r121.8	r169.3	r119.8	r118.4	r114.7	r117.4	r150.4	r120.3
	ANNUAL	r142.6	r172.8	r121.1	r165.4	r117.5	r116.0	r113.8	r115.4	r162.9	r119.7
2007	I	r143.5	r174.6	r121.7	r171.4	r120.2	r119.5	r114.9	r118.2	r154.7	r121.5
	II	r144.2	r175.9	r121.9	r172.4	r119.5	r119.5	r115.0	r118.3	r158.5	r121.9
	III	r145.3	r177.5	r122.2	r173.6	r119.5	r119.5	r114.7	r118.2	r154.3	r121.4
	IV	145.6	177.8	122.2	175.1	119.1	120.3	115.5	119.0	147.3	121.5
	ANNUAL	144.6	176.4	122.0	173.1	119.6	119.7	115.0	118.4	153.7	121.6
Percent change from previous quarter at annual rate(5)											
2005	I	r0.4	r0.6	0.2	2.6	r0.8	r2.1	r6.5	r3.3	r9.5	r4.0
	II	r2.8	r5.9	3.0	r1.3	r-1.6	r-1.5	r0.0	r-1.1	r27.8	r2.0
	III	-1.6	0.4	2.1	r6.1	r-0.2	7.8	r12.6	9.1	-30.8	3.4
	IV	r2.1	r5.1	3.0	r2.5	r-1.4	r0.5	r-7.2	r-1.7	r37.5	r2.3
	ANNUAL	r1.4	r3.1	1.7	3.8	0.4	r2.4	r2.7	r2.4	r6.6	r2.9
2006	I	r2.0	r4.5	r2.4	r5.1	r3.2	r3.0	r-0.1	r2.2	r13.7	r3.5
	II	r-2.5	r-0.8	1.7	0.2	r-3.3	r2.8	r7.2	r3.9	r1.9	r3.7
	III	r2.4	r4.4	1.9	1.6	r-2.4	r-0.8	r-0.9	r-0.9	r20.9	r1.7
	IV	r0.9	r1.9	r1.1	r12.0	r13.8	r11.1	r2.7	r8.8	r-42.6	r0.8
	ANNUAL	r0.7	r3.0	2.2	3.5	0.2	r2.8	r1.4	r2.4	r5.5	r2.8
2007	I	1.2	0.9	-0.3	5.1	r1.4	3.8	0.5	2.9	11.8	3.9
	II	2.1	2.9	0.8	2.3	r-2.3	0.2	0.5	0.3	10.4	1.4
	III	2.9	3.7	0.7	2.8	0.1	-0.1	-1.2	-0.4	-10.2	-1.6
	IV	0.9	0.9	0.0	3.5	-1.4	2.6	2.9	2.7	-16.9	0.3
	ANNUAL	1.4	2.1	0.7	4.7	1.8	3.2	1.1	2.6	-5.7	1.6
Percent change from corresponding quarter of previous year											
2005	I	r2.5	r3.7	1.1	4.7	1.7	r2.1	r1.4	r1.9	r11.9	r3.0
	II	r2.1	r3.8	1.7	3.7	r0.8	r1.6	r1.6	r1.6	r10.4	r2.6
	III	r0.2	r1.9	1.7	3.8	0.0	r3.6	r5.0	r4.0	r-2.4	r3.2
	IV	r0.9	r3.0	2.1	3.1	-0.6	r2.2	r2.7	r2.3	r7.4	r2.9
	ANNUAL	r1.4	r3.1	1.7	3.8	0.4	r2.4	r2.7	r2.4	r6.6	r2.9
2006	I	r1.3	r4.0	2.6	3.7	0.0	r2.4	r1.1	r2.0	r8.4	r2.8
	II	r0.0	r2.3	2.3	3.4	-0.5	r3.5	r2.9	r3.3	r2.5	r3.2
	III	r1.0	r3.3	2.3	2.3	-1.0	r1.3	r-0.4	r0.9	r17.8	r2.8
	IV	r0.7	r2.5	1.8	4.6	2.6	r3.9	r2.2	r3.4	r-5.3	r2.4
	ANNUAL	r0.7	r3.0	2.2	3.5	0.2	r2.8	r1.4	r2.4	r5.5	r2.8
2007	I	r0.5	r1.6	1.1	4.6	r2.2	r4.1	r2.3	r3.6	r-5.7	r2.5
	II	r1.6	r2.5	0.9	5.2	r2.4	r3.5	r0.7	r2.7	r-3.8	r1.9
	III	r1.8	r2.3	0.6	5.5	r3.1	r3.7	r0.6	r2.8	r-10.7	r1.1
	IV	1.8	2.1	0.3	3.4	-0.6	1.6	0.7	1.4	-2.1	1.0
	ANNUAL	1.4	2.1	0.7	4.7	1.8	3.2	1.1	2.6	-5.7	1.6

See footnotes following Table 6.
r=revised

May 7, 2008

Source: Bureau of Labor Statistics

SOURCES: Output data are from the Bureau of Economic Analysis and the Census Bureau of the U.S. Department of Commerce; the Bureau of Labor Statistics, U.S. Department of Labor; and the Federal Reserve Board. Compensation and hours data are from the Bureau of Labor Statistics and the Bureau of Economic Analysis.

RELIABILITY: Productivity and cost measures are regularly revised as more complete information becomes available. The measures are first published within 40 days of the close of the reference period; revisions appear 30 days later, and second revisions after an additional 60 days. In the business sector, the third publication (second revision) of a quarterly index of output per hour of all persons has differed from the initial value by between -1.5 and +1.4 index points approximately 95 percent of the time. This interval is based on the performance of this measure between the fourth quarter of 1995 and the first quarter of 2008.

Footnotes, Tables 1-6

- (1) Wages and salaries of employees plus employers' contributions for social insurance and private benefit plans. Except for nonfinancial corporations, where there are no self-employed, data also include an estimate of wages, salaries, and supplemental payments for the self-employed.
- (2) The change for recent quarters is based on the Consumer Price Index for all urban consumers (CPI-U). The trend from 1978-2007 is based on the Consumer Price Index research series (CPI-U-RS).
- (3) Unit nonlabor payments include profits, consumption of fixed capital, taxes on production and imports less subsidies, net interest and miscellaneous payments, business current transfer payments, rental income of persons, and the current surplus of government enterprises.
- (4) Current dollar output divided by the output index.
- (5) Quarterly changes: Percent change compounded at annual rate is calculated using index numbers to three decimal places. Indexes published in the news release are rounded to one decimal place for convenience. Annual changes: Percent change is calculated using annual average indexes to three decimal places.
- (6) Unit nonlabor costs include consumption of fixed capital, taxes on production and imports less subsidies, net interest and miscellaneous payments, and business current transfer payments.
- (7) Total unit costs are the sum of unit labor and nonlabor costs
- (8) Unit profits include corporate profits before tax with inventory valuation and capital consumption adjustments.

Appendix table 1. Manufacturing sector: Revised productivity, hourly compensation, and unit labor costs, seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	

Indexes 1992=100							
2003	I	r157.4	r137.3	r87.2	r154.5	r120.7	r98.2
	II	r159.3	r136.6	r85.7	r157.2	r123.0	r98.7
	III	r162.7	r137.3	r84.4	r159.5	r123.8	r98.0
	IV	r162.1	r138.2	r85.3	r161.7	r125.1	r99.8
	ANNUAL	r160.4	r137.3	r85.6	r158.2	r123.2	r98.7
2004	I	r161.6	r138.3	r85.6	r156.8	r120.3	r97.0
	II	r162.9	r138.9	r85.3	r159.8	r121.6	r98.1
	III	r164.2	r139.9	r85.2	r163.6	r123.7	r99.7
	IV	r167.1	r141.8	r84.8	r165.7	r124.0	r99.2
	ANNUAL	r163.9	r139.7	r85.2	r161.5	r122.4	r98.5
2005	I	r170.0	r143.7	r84.5	r166.2	r123.8	r97.7
	II	r172.0	r144.5	r84.0	r168.0	r124.3	r97.7
	III	r172.9	r144.7	r83.7	r170.4	r124.1	r98.6
	IV	r172.8	r146.5	r84.8	r168.7	r121.7	r97.6
	ANNUAL	r171.9	r144.8	r84.3	r168.3	r123.5	r97.9

Percent change from previous quarter at annual rate(5)							
2003	I	8.8	2.1	-6.2	12.4	r8.0	3.3
	II	r4.9	r-2.1	r-6.7	7.2	r7.9	r2.2
	III	r8.9	r2.1	-6.3	5.8	r2.6	r-2.9
	IV	r-1.5	r2.9	r4.5	5.7	r4.2	r7.4
	ANNUAL	6.2	1.0	-4.9	7.0	4.7	0.8
2004	I	r-1.3	r0.3	r1.6	-11.6	-14.6	r-10.5
	II	r3.3	r1.7	-1.5	7.9	r4.6	r4.4
	III	r3.2	r2.9	r-0.2	9.9	r6.8	r6.5
	IV	r7.4	r5.3	r-1.9	5.3	r1.0	r-1.9
	ANNUAL	r2.2	r1.7	-0.5	r2.1	-0.6	-0.2
2005	I	r7.1	r5.7	r-1.4	1.1	r-0.7	r-5.7
	II	r4.7	r2.0	r-2.5	4.5	r1.6	r-0.2
	III	r2.2	r0.6	-1.5	5.8	r-0.4	r3.6
	IV	r-0.2	r5.3	5.5	-3.9	r-7.6	r-3.8
	ANNUAL	r4.9	r3.7	r-1.2	4.2	0.9	r-0.6

Percent change from corresponding quarter of previous year							
2003	I	r7.0	r2.3	-4.4	7.0	r3.9	r0.0
	II	6.1	r0.3	-5.4	6.5	r4.4	0.4
	III	r6.5	0.2	-6.0	r6.9	4.5	0.3
	IV	r5.2	r1.2	r-3.8	7.7	r5.6	r2.4
	ANNUAL	6.2	1.0	-4.9	7.0	4.7	0.8
2004	I	r2.6	r0.7	-1.8	1.5	-0.4	-1.2
	II	r2.3	r1.7	-0.5	1.6	-1.1	r-0.6
	III	r0.9	r1.9	1.0	2.6	-0.1	r1.7
	IV	r3.1	r2.5	r-0.5	2.5	-0.9	r-0.6
	ANNUAL	r2.2	r1.7	-0.5	r2.1	-0.6	-0.2
2005	I	r5.2	r3.9	r-1.3	6.0	2.9	r0.7
	II	r5.6	r4.0	-1.5	5.1	2.2	r-0.4
	III	r5.3	r3.4	-1.8	4.2	0.4	r-1.1
	IV	r3.4	r3.4	0.0	1.8	-1.8	r-1.6
	ANNUAL	r4.9	r3.7	r-1.2	4.2	0.9	r-0.6

See footnotes following Table 6.
r=revised

May 7, 2008

Source: Bureau of Labor Statistics

Appendix table 2. Durable manufacturing sector: Revised productivity, hourly compensation, and unit labor costs seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	

Indexes 1992=100							
2003	I	r179.2	r161.6	r90.2	r153.1	r119.6	r85.4
	II	r181.3	r160.6	r88.6	r155.7	r121.8	r85.9
	III	r186.5	r162.3	r87.0	r158.2	r122.8	r84.8
	IV	r185.7	r164.1	r88.4	160.3	r124.0	r86.4
	ANNUAL	r183.2	r162.2	r88.5	r156.8	r122.1	r85.6
2004	I	r184.5	r164.6	r89.2	r152.3	r116.9	r82.6
	II	r185.0	r164.6	r89.0	r155.6	r118.5	r84.1
	III	r185.9	r166.1	r89.3	r159.7	r120.7	r85.9
	IV	r189.4	r168.5	r89.0	r161.2	r120.6	r85.1
	ANNUAL	r186.2	r165.9	r89.1	r157.2	r119.2	r84.4
2005	I	r192.6	r171.4	r88.9	r161.3	r120.2	r83.7
	II	r195.0	r172.6	r88.5	162.7	r120.3	r83.4
	III	r197.3	r174.7	r88.5	r165.5	r120.6	r83.9
	IV	r199.7	r179.4	r89.8	r163.5	r118.0	r81.9
	ANNUAL	r196.2	r174.5	r89.0	r163.2	r119.7	r83.2

Percent change from previous quarter at annual rate(5)							
2003	I	r7.8	r1.1	-6.1	17.0	r12.4	r8.6
	II	r4.7	r-2.6	r-7.0	r7.0	r7.7	r2.3
	III	r12.1	r4.4	-6.9	6.4	r3.2	r-5.1
	IV	r-1.9	r4.4	r6.4	5.6	r4.1	r7.6
	ANNUAL	7.1	1.4	-5.3	8.1	r5.8	0.9
2004	I	r-2.4	r1.3	r3.8	-18.5	r-21.2	r-16.5
	II	r1.0	r0.0	-1.0	r8.9	r5.6	r7.8
	III	r2.0	r3.6	1.5	10.9	r7.8	r8.7
	IV	r7.6	r5.9	r-1.7	3.8	r-0.4	r-3.6
	ANNUAL	1.7	2.3	r0.7	0.2	-2.4	-1.4
2005	I	r7.1	r7.1	r-0.1	0.3	r-1.4	r-6.3
	II	r5.1	r3.0	r-2.0	3.4	r0.5	r-1.6
	III	r4.8	r4.9	0.1	r7.1	r0.8	r2.3
	IV	r4.9	r11.2	r6.0	-4.7	r-8.4	r-9.1
	ANNUAL	r5.4	r5.2	r-0.2	3.8	0.5	r-1.4

Percent change from corresponding quarter of previous year							
2003	I	r8.4	r3.1	-4.9	8.0	r4.9	r-0.4
	II	r6.9	r0.4	-6.1	7.4	r5.3	r0.5
	III	r7.7	r0.4	-6.7	8.2	5.8	0.4
	IV	r5.5	r1.8	-3.5	8.9	r6.8	r3.2
	ANNUAL	7.1	1.4	-5.3	8.1	r5.8	0.9
2004	I	r2.9	r1.8	-1.1	-0.5	-2.3	-3.4
	II	r2.0	r2.5	0.5	-0.1	-2.8	r-2.1
	III	r-0.3	r2.3	2.7	1.0	-1.7	r1.3
	IV	r2.0	r2.7	r0.7	0.5	-2.8	r-1.4
	ANNUAL	1.7	2.3	r0.7	0.2	-2.4	-1.4
2005	I	r4.4	r4.1	r-0.3	5.9	2.8	r1.4
	II	r5.4	r4.9	r-0.6	4.5	1.6	r-0.9
	III	r6.1	r5.2	-0.9	3.6	-0.1	r-2.4
	IV	r5.5	r6.5	1.0	1.5	-2.2	r-3.8
	ANNUAL	r5.4	r5.2	r-0.2	3.8	0.5	r-1.4

See footnotes following Table 6.

r=revised

May 7, 2008

Source: Bureau of Labor Statistics

Appendix table 3. Nondurable manufacturing sector: Revised productivity, hourly compensation, and unit labor costs seasonally adjusted

Year and quarter	Output per hour of all persons	Output	Hours of all persons	Compensation per hour (1)	Real compensation per hour (2)	Unit labor costs	

Indexes 1992=100							
2003	I	r134.8	r111.5	r82.8	r155.8	r121.7	r115.6
	II	r136.4	r111.0	r81.4	r158.6	r124.1	r116.3
	III	r138.0	r110.9	r80.3	r160.5	r124.6	r116.3
	IV	r137.9	r111.2	r80.6	r162.7	r125.8	r117.9
	ANNUAL	r136.7	r111.1	r81.3	r159.4	r124.1	r116.5
2004	I	r138.4	r111.0	r80.2	r163.7	r125.5	r118.3
	II	r140.7	r112.1	r79.7	r166.1	r126.4	r118.1
	III	r142.6	r112.7	r79.1	r169.1	r127.8	r118.6
	IV	r145.1	r114.0	r78.6	172.5	r129.0	r118.9
	ANNUAL	r141.7	r112.4	r79.4	r167.8	r127.2	r118.5
2005	I	r147.8	r115.1	r77.9	r173.4	r129.2	r117.3
	II	r149.5	r115.4	r77.2	r176.2	r130.3	r117.9
	III	r149.6	r114.3	r76.4	r177.6	r129.3	r118.6
	IV	r147.7	r114.0	r77.2	r176.4	r127.2	r119.4
	ANNUAL	r148.7	r114.7	r77.2	175.9	129.0	r118.3

Percent change from previous quarter at annual rate(5)							
2003	I	r9.7	r3.0	-6.2	r4.1	r0.1	r-5.1
	II	r4.9	r-1.7	-6.2	7.5	r8.2	r2.5
	III	r4.8	r-0.7	-5.2	4.8	r1.6	r0.0
	IV	-0.2	1.2	r1.4	5.5	r4.0	r5.7
	ANNUAL	4.8	0.4	-4.2	5.1	2.8	0.3
2004	I	1.4	r-0.8	r-2.1	2.5	r-0.9	r1.1
	II	r6.7	r4.1	-2.4	6.0	r2.8	r-0.6
	III	r5.6	r2.3	r-3.1	r7.6	r4.6	r1.9
	IV	r7.2	r4.7	r-2.3	r8.2	r3.8	r0.9
	ANNUAL	3.6	1.2	r-2.3	5.3	r2.5	r1.7
2005	I	r7.8	r4.0	r-3.6	2.2	r0.4	r-5.2
	II	r4.6	r0.9	-3.5	6.6	r3.6	r1.9
	III	r0.4	r-3.9	-4.3	3.1	r-3.0	r2.6
	IV	r-5.1	r-0.8	4.5	-2.5	r-6.3	r2.7
	ANNUAL	r4.9	r2.0	-2.8	4.8	1.4	r-0.1

Percent change from corresponding quarter of previous year							
2003	I	5.0	1.3	-3.6	5.2	r2.2	0.2
	II	4.6	0.1	r-4.3	5.2	r3.1	0.5
	III	4.6	-0.3	-4.7	4.6	2.3	0.0
	IV	4.8	r0.4	-4.1	5.5	r3.4	r0.7
	ANNUAL	4.8	0.4	-4.2	5.1	2.8	0.3
2004	I	2.7	r-0.5	-3.1	5.1	3.2	2.3
	II	r3.1	r0.9	-2.1	4.7	r1.9	r1.5
	III	r3.3	r1.7	-1.6	5.4	2.6	r2.0
	IV	r5.2	r2.6	r-2.5	6.1	2.6	r0.8
	ANNUAL	3.6	1.2	r-2.3	5.3	r2.5	r1.7
2005	I	r6.8	r3.8	-2.9	6.0	2.9	r-0.8
	II	r6.3	r3.0	r-3.1	6.1	3.1	r-0.2
	III	r5.0	r1.4	-3.4	5.0	1.2	r0.0
	IV	r1.8	r0.0	r-1.8	2.3	-1.4	r0.4
	ANNUAL	r4.9	r2.0	-2.8	4.8	1.4	r-0.1

See footnotes following Table 6.
r=revisedMay 7, 2008
Source: Bureau of Labor Statistics

Appendix table 4. Manufacturing sector: Productivity, hourly compensation, and unit labor costs
Indexes 1992=100

Year	Output per hour of all persons	Output	Hours of all persons	Compensa- tion per hour (1)	Real compensa- tion per hour (2)	Unit labor costs
1987	r89.1	r92.4	r103.8	81.3	r98.0	r91.3
1988	r90.9	r97.2	r106.9	84.1	97.8	r92.5
1989	r91.9	r98.8	r107.6	86.6	96.6	r94.3
1990	r93.9	r98.5	r104.9	r90.5	r96.1	r96.4
1991	r96.3	r96.8	r100.5	95.6	98.0	r99.2
1992	100.0	100.0	100.0	100.0	100.0	100.0
1993	r102.6	r103.9	r101.3	r102.0	r99.6	r99.5
1994	r106.2	r110.1	r103.7	r105.3	r100.6	r99.2
1995	r111.0	r115.9	r104.4	107.3	100.1	r96.7
1996	r115.0	r119.8	r104.2	109.3	99.4	r95.1
1997	r121.3	r128.7	r106.0	r112.2	r99.8	r92.5
1998	r127.9	r135.3	105.8	r118.7	r104.2	r92.8
1999	r133.7	r140.4	r105.1	r123.5	r106.1	r92.4
2000	r139.1	r144.2	r103.7	r134.7	r112.0	r96.9
2001	r141.2	r136.9	r96.9	r137.8	r111.5	r97.6
2002	r151.0	r136.0	r90.1	r147.8	r117.7	r97.9
2003	r160.4	r137.3	r85.6	r158.2	r123.2	r98.7
2004	r163.9	r139.7	r85.2	r161.5	r122.4	r98.5
2005	r171.9	r144.8	r84.3	r168.3	r123.5	r97.9
2006	r173.8	r147.5	r84.9	r173.0	r122.8	r99.5
2007	r179.7	r149.9	r83.4	r182.3	r125.9	r101.4

See footnotes following Table 6.
r=revised

May 7, 2008
Source: Bureau of Labor Statistics

Appendix table 5. Durable manufacturing sector: Productivity, hourly compensation, and unit labor costs
Indexes 1992=100

Year	Output per hour of all persons	Output	Hours of all persons	Compensa- tion per hour (1)	Real compensa- tion per hour (2)	Unit labor costs
1987	r88.5	r94.2	r106.5	r81.3	r98.0	r91.8
1988	r90.4	r100.0	r110.6	83.6	97.3	r92.5
1989	r91.1	r101.1	r110.9	r85.9	r95.8	r94.3
1990	r92.9	r99.8	r107.4	r89.5	r95.0	r96.3
1991	r94.6	r96.0	r101.4	r94.9	r97.3	r100.3
1992	100.0	100.0	100.0	100.0	100.0	100.0
1993	r103.9	r105.4	r101.4	r101.9	r99.4	r98.0
1994	r109.1	r114.2	r104.7	r105.5	r100.8	r96.7
1995	r115.9	r123.3	r106.3	r106.7	r99.6	r92.0
1996	r122.1	r131.0	r107.3	r108.1	r98.2	r88.5
1997	r130.5	r144.1	r110.4	r110.6	r98.4	r84.7
1998	r140.6	r156.1	r111.0	r117.1	r102.7	r83.3
1999	r150.7	r166.5	r110.5	r122.5	r105.2	r81.3
2000	r158.1	r173.6	r109.8	r134.3	r111.6	r84.9
2001	r159.0	r162.1	r101.9	r136.4	r110.3	r85.8
2002	r171.0	r159.9	r93.5	r145.0	r115.4	r84.8
2003	r183.2	r162.2	r88.5	r156.8	r122.1	r85.6
2004	r186.2	r165.9	r89.1	r157.2	r119.2	r84.4
2005	r196.2	r174.5	r89.0	r163.2	r119.7	r83.2
2006	r200.4	r180.3	r90.0	r168.7	r119.8	r84.2
2007	r209.4	r184.5	r88.1	r178.1	r123.0	r85.1

See footnotes following Table 6.
r=revised

May 7, 2008
Source: Bureau of Labor Statistics

Appendix table 6. Nondurable manufacturing sector: Productivity, hourly compensation, and unit labor costs
Indexes 1992=100

Year	Output per hour of all persons	Output	Hours of all persons	Compensa- tion per hour (1)	Real compensa- tion per hour (2)	Unit labor costs
1987	r91.4	91.1	r99.7	r80.8	r97.4	r88.4
1988	r93.2	94.5	r101.4	r84.2	r98.0	r90.3
1989	r94.0	96.4	r102.5	r87.1	r97.2	r92.7
1990	r96.0	97.1	r101.1	91.7	97.4	r95.6
1991	r98.3	r97.4	r99.1	r96.5	r99.0	r98.2
1992	100.0	100.0	100.0	100.0	100.0	100.0
1993	r101.2	r102.4	r101.2	r102.2	r99.8	r101.1
1994	r103.5	105.7	r102.1	r104.7	100.1	r101.2
1995	r106.2	r107.7	r101.5	r107.8	r100.6	r101.5
1996	r108.4	107.8	r99.4	r110.8	r100.7	r102.2
1997	r112.8	112.2	r99.5	r114.1	r101.5	r101.1
1998	r115.8	113.4	r97.9	r120.3	r105.6	r103.9
1999	r116.9	113.3	r96.9	r123.6	r106.2	r105.7
2000	r120.7	114.1	r94.5	r133.2	r110.8	r110.4
2001	r123.4	110.4	r89.4	r138.6	r112.1	r112.3
2002	r130.5	r110.7	r84.8	r151.6	r120.7	r116.1
2003	r136.7	r111.1	r81.3	r159.4	r124.1	r116.5
2004	r141.7	r112.4	r79.4	r167.8	r127.2	r118.5
2005	r148.7	r114.7	r77.2	175.9	129.0	r118.3
2006	r148.9	r115.1	r77.2	r178.6	r126.8	r119.9
2007	r152.0	r116.0	r76.3	r187.7	r129.7	r123.5

See footnotes following Table 6.
r=revised

May 7, 2008
Source: Bureau of Labor Statistics