EMPLOYMENT-UNEMPLOYMENT

HEARINGS

BEFORE THE

JOINT ECONOMIC COMMITTEE
CONGRESS OF THE UNITED STATES

NINETY-SEVENTH CONGRESS

FIRST SESSION

PART 18

JANUARY 9, FEBRUARY 6, MARCH 6, APRIL 3, MAY 8, AND JUNE 5, 1981

[Hearing days of July 2, August 7, and September 4, 1981, of this series, were not held]

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JOINT ECONOMIC COMMITTEE

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EMPLOYMENT-UNEMPLOYMENT

FRIDAY, JANUARY 9, 1981

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 2118, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representatives Reuss and Rousselot; and Senator Mattingly.

Also present: James K. Galbraith, executive director; Richard F. Kaufman, assistant director-general counsel; Charles H. Bradford, assistant director; and Mary E. Eccles and George R. Tyler, professional staff members.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. Good morning. The Joint Economic Committee will be in order for its monthly hearing on prices and jobs.

We are particularly happy to welcome you, Commissioner Norwood, in the new year of 1981, even though, as has been the case in recent months, you're not a bearer of particularly good news. Your reports show that both unemployment and inflation—as measured by the producer price indexes—continue to be unacceptably high. The December unemployment rate is still about as bad as it was last spring. Producer prices are still double-digit and have now risen by 11.7 percent since this time a year ago. To be sure, recent news is no worse than that which prevailed in the months leading up to the November election, but it isn't any better either, and it's certainly not good.

What can we do? Must we be bound by the old Phillips curve theory that if we do anything to help unemployment we raise inflation and if we do anything to clobber inflation we raise unemployment?

President-elect Reagan has not yet presented his economic program, but whatever the details may be, the broad outline is clear enough. The new administration is committed to using reductions in income taxes and social spending, increases in defense spending, and monetary restraint to restore a climate of growth and renewed prosperity. And it is counting on that climate—acting through the money markets and through work incentives—to lower inflationary expectations. In fact, if people believe that inflation is under control, they won't feel impelled to raise the prices of their goods periodically and to raise

their wages. And, if they are money lenders, they won't feel impelled to add an inflationary premium, and we will, in short, attain a nirvana of maximum employment without inflation, which is our joint goal.

I believe that President-elect Reagan's plans ought to receive a fair hearing in the Congress and a fair trial. Personally, I would have believed that a combination of tax reductions—mainly benefiting the wealthy—military expenditure increases, and the small amount of feasible expenditure reductions in discretionary social spending programs, would generate more inflation rather than less. But I am willing to be proved wrong, and indeed would be delighted to be shown, by the success of President Reagan's program, that I am wrong.

Nevertheless, there is an obvious problem which the new administration must face. It will take months before the full set of proposals is acted upon by the Congress. If it is enacted, it will take weeks or months more before the effects are felt. Yet, as recent price statistics clearly indicate, inflation remains terrible in the interim, and, owing to expected price rises in energy and food particularly, it is likely to get worse. If so, the actual climate of bad and worsening news may wreck the psychological impact which the Reagan program might otherwise have.

Faced with this difficulty, the Reagan administration may find that a short-term emergency program to break inflationary expectations is required. An immediate, 6-month freeze on wages and prices would accomplish this end, and build the necessary psychological bridge over the difficult period ahead, thereby enabling the ideas of the supply side economists to enjoy a full and fair test.

If the new administration discovers, on mature internal reflection, that such powers are indeed necessary, it should not hesitate to ask the Congress for them. I have not been an advocate of wage-price controls in the recent past for the simple reason that I believe they are worse than useless unless they are accompanied by a full-fledged structural program to eliminate the root causes of inflation. Otherwise, they will have only the most short run effects. In the past we have not had such a program. The Reagan administration believes that it will have a comprehensive program, and I for one am willing to give them the benefit of the doubt. Therefore, if the new President decides that he needs to equip himself with the tools for possible economic policy success, including the authority to invoke mandatory price-wage controls, then I would want to cooperate with him, particularly in the House where the Democrats are in the majority, and where there might be some tendency not to be cooperative with a Presidential initiative. I am reasonably confident that enough Democrats could make the difference and could be added to the Republicans in responding to their leader's request. So I would do everything within my power, if that's what the administration should want, to secure the enactment of whatever wage-price authority is requested, retroactive to January 1, 1981.

Now, Commissioner Norwood, against that general background, we would be most happy to have you comment on the specific figures which you give to us today.

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND JOHN E. BREGGER, CHIEF, DIVISION OF CURRENT EMPLOYMENT AND UNEMPLOYMENT ANALYSIS

Ms. NORWOOD. Thank you, Mr. Chairman.

I am pleased to have this opportunity to provide the Joint Economic Committee with a few brief comments to supplement the Employment Situation and the Producer Price Indexes press releases, issued by the Bureau of Labor Statistics this morning at 9 a.m.

The unemployment rate for December, at 7.4 percent, was little changed from November, but some improvement in the economy occurred, as both the number of payroll jobs and the factory workweek continued to rise.

In accordance with customary BLS practice with the release of data in January, the seasonally adjusted series from the household survey have been revised to take into account data through 1980. The data released today confirm the sharp rise in unemployment registered during the first half of 1980 and show that since May the unemployment rate has fluctuated between 7.6 and 7.4 percent. The jobless rate for adult men, which reached 6.6 percent in July, dropped to 6.2 percent by the end of 1980.

In December, total employment, as measured by the household survey, was about unchanged, but the business survey showed an increase of 200,000. Gains occurred in both the goods- and service-producing sectors, and the factory workweek rose three-tenths of an hour to 40.2 hours. Factory overtime also increased over the month.

During 1980, according to both surveys, employment reached a high in February and then dropped by more than 1 million in the next 4 months. Since July, both surveys have shown substantial employment gains. Manufacturing jobs rebounded by 500,000 and construction by 175,000, although employment in both industries remained well below prerecession levels. The service-producing sector, less affected by the recession than the goods-producing sector, had recovered its job losses by August and moved ahead by another 375,000 by December. At the end of 1980, there were more than 1 million more jobs in the service-producing sector than there were a year ago.

The factory workweek, which dropped by more than an hour between January and July, regained virtually all of this decline by December. The comprehensive index of aggregate weekly hours dropped by about 4 percent from January to July; by December, it had recovered about three-quarters of this curtailment.

Over the past year, the civilian labor force increase—900,000—was substantially below the pace of prior years. It is too soon, however, to determine whether this slowdown is the result of short-term cyclical factors or the beginning of a new long-term secular trend. Different factors affected each of the major demographic groups. The teenage labor force declined sharply—by nearly 550,000—in 1980, reflecting both a drop in the teenage population and a decline in the proportion of that population in the labor force.

In 1980, the number of adult women in the labor force grew by a little more than 820,000, only about half the increase registered in previous years. Their labor force participation rate, which rose steadily throughout the decade of the 1970's—from 43 percent to about 51 percent—leveled off during 1980. In December, this rate had advanced only slightly—to 51.4 percent. The same stable pattern occurred in 1980 even for young women in the 20- to 34-year-age group whose participation rate had climbed the most dramatically over the last decade.

For adult men, the labor force increase in 1980 was the smallest since the 1974–75 recession. The participation rate for adult men, which had declined steadily through the first half of the 1970's, leveled off during the 1976–79 period and then began dropping again in 1980. At the end of the year, 79 percent of the adult male civilian population were in the labor force; the rate had been nearly 83 percent in early 1970. Much of the secular decline has been among men in the older age groups.

PRODUCER PRICES

Producer prices for finished goods rose 0.6 percent from November to December and 11.7 percent from December 1979. The over-the-year change was somewhat smaller than the increase during 1979 as the rates of price increase for finished energy goods and consumer foods decelerated. However, price increases for nonfood, nonenergy items increased more in 1980 than in the previous year.

In December, food prices declined at all three stages of processing—finished, intermediate, and crude—and prices of energy rose. In addition, price increases for capital equipment and for some important intermediate materials for further processing, such as steel mill products, lumber, millwork, paper, and woodpulp accelerated. Motor vehicle parts prices rose almost 17 percent in December, accounting for nearly half of the increase in the intermediate materials index.

At the crude materials level, prices turned down not only for foodstuffs but also for such items as nonferrous scrap, hides, skins, and rubber.

The fact that energy prices have accelerated significantly in recent months, after several months of moderation, bears watching. Although these prices are not now increasing at the levels registered late last year and early in 1980, the magnitude and duration of changes in energy prices in the coming months will be an important factor in the inflationary climate for 1981.

In summary, the overall employment situation continued to improve in December, as payroll jobs increased for the fifth consecutive month, and factory hours rose. Both the total unemployment rate and the rate for adult men, which had risen sharply during the second quarter of the year, had shown some improvement by yearend.

Upward price pressures continued in December, although the rates of price increase at the end of the year were somewhat less than those prevailing in the latter half of 1979 and the first quarter of 1980. Food prices, which had risen sharply during the summer months, declined in December at all three stages of processing. In recent months, some shifts have occurred in the sources of inflationary pressures as energy prices have once again begun to accelerate and prices for some intermediate materials for further processing have gone up substantially.

I am accompanied by my colleagues, Mr. Bregger and Mr. Layng, and we would be very happy to try to answer any questions you might have.

[The table attached to Ms. Norwood's statement, together with the press releases referred to, follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X-11 ARIMA method					X-11 method (former official method)	Range (cols. 2-7)
		Official	Concurrent	Stable	Total	Residual		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1979: December	5.6	6.0	6.0	6.0	6.0	6.1	6.0	0.1
1980:								
January	6.8	6.2	6.2	6.2	6.3	6.2	6.2	.1
February	6.8	6.2	6.2	6.1	6.2	6.2	6.1	.1
March	6.6	6.3	6.3	6.2	6.3	6.5	6.2	.3
April	6.6	6.9	6.9	6.9	6.9	6.9	6.9	
May	7.0	7.6	7.6	7.7	7.7	7.3	7.6	.4
June	7.8	7.5	7.5	7.4	7.4	7.3	7.6	.3
July	7.9	7.6	7.6	7.8	7.6	7.5	7.8	.3
August	7.5	7.6	7.6	7.7	7.5	7.5	7.7	.2
September	7.1	7.4	7.4	7.4	7.3	7.3	7.5	.2
October	7.1	7.6	7.6	7.6	7.5	7.5	7.6	.1
November	7.1	7.5	7.5	7.5	7.5	7.5	7.5	
December	6.9	7.4	7.4	7.4	7.4	7.4	7.3	.1

Explanation of Column Heads

(1) Unadjusted rate.—Unemployment rate not seasonally adjusted.

(2) Official rate (X-11 ARIMA method).—The published seasonally adjusted rate. Each of the 3 major labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16 to 19 and 20 yr and over—are seasonally adjusted independently using data from January 1967 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (autoregressive, integrated, moving average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X-11 portion of the X-11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted with the multiplicative model. A prior adjustment for trend is applied to the extended series for adult male unemployment before seasonal adjustment. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January–June are computed at the beginning of each year; extrapolated factors for July–December are computed in the middle of the year after the June data become available. Each set of 6-mo factors are published in advance, in the January and July issues, respectively, or "Employment and Earnings."

(3) Concurrent (X-11 ARIMA method).—The procedure for computation of the official rate using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X-11 ARIMA program each month as the most recent data become available. Rates for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example, the rate for January 1980 would be based, during 1980, on the adjustment of data from the period January 1967 through January 1980. Since the revision pattern and procedure for computation of the rate are identical to the official procedure, the results of this method will be identical to the official rate at the end of each year when the most recent observation is December.

(4) Stable (X-11 ARIMA method).—Each of the 12 labor force components is extended using ARIMA models as in the official procedure and then run through the X-11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year-to-year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-mo intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure

(5) Total (X-11 ARIMA method).—This is one alternative aggregation procedure, in which total unemployment and labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X-11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent of seasonally adjusted total civilian labor force. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(6) Residual (X-11 ARIMA method).—This is another aggregation method, in which total employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(7) X-11 method (former official method).—The procedure for computation of the official rate is used except that the series are not extended with ARIMA models and the factors are projected in 12-mo intervals. The standard X-11 program is used to perform the seasonal adjustment.

Methods of adjustment.—The X-11 ARIMA was developed at Statistics Canada by the seasonal adjustment and times series staff under the direction of Estela Bee Dagum. The method is described in the "X-11 ARIMA Seasonal Adjustment Method," by Estela Bee Dagum. Statistics Canada Catalog No. 12-564E, February 1980.

The standard X-11 method is described in "X-11 Variant of the Census Method II Seasonal Adjustment Program," by Julius Shiskin, Alan Young, and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

Source: U.S. Department of Labor, Bureau of Labor Statistics, January 1981.

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THE EMPLOYMENT SITUATION: DECEMBER 1980

Both total employment and unemployment in December remained near their November levels, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The overall unemployment rate was 7.4 percent, close to levels which have prevailed since May.

Total employment--as measured by the monthly survey of households--was about unchanged in December at 97.3 million, still some 500,000 below the February 1980 peak.

In contrast, nonfarm payroll employment--as measured by the monthly survey of establishments--rose by 200,000 in December to 91.1 million, its fifth consecutive monthly increase. Overall, job gains in the latter half of 1980 have nearly recouped losses earlier in the year, although employment was still sharply down in manufacturing and construction. The factory workweek rose 0.3 hour in December to 40.2 hours, essentially back to its prerecession level.

Unemployment

The Nation's unemployment rate was 7.4 percent in December, about unchanged from the previous month's 7.5 percent rate. As revised, based on updated seasonal adjustment factors, the rate had risen from 6.0 percent in December 1979 to 7.6 percent in May. Since May, the rate has fluctuated narrowly between 7.6 and 7.4 percent. The number of unemployed totaled 7.8 million in December, a million and a half above the year-earlier level, with adult men accounting for two-thirds of the increase. (See table A-1.)

NOTE: This release incorporates revisions in seasonally adjusted unemployment and other labor force series derived from the household survey. The revisions altered the overall rate in 8 months of 1980. The 1980 overall rates as originally published and as revised, plus additional information on the revisions, appear on page 6. Appended to this release, in addition, are selected annual averages for many of the household and establishment series (tables 1-6).

There was also little change in the unemployment rates for major demographic groups in December--adult men (6.2 percent), adult women (6.8 percent), teenagers (17.8 percent), whites (6.5 percent), black and other workers (14.0 percent), and Hispanics (9.8 percent). Adult men were the most seriously affected age/sex group in the 1980 downturn, as their rate increased from 4.4 percent in December 1979 to 6.6 percent in the July-September period before declining slightly in recent months. The rate for adult women increased 1.1 points over the year to its December 1980 high, while that for teenagers was up 1.5 points in the same period. (See tables A-1, and A-2, and A-9.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Nov. - Dec. change
	1979	1980		1980			
	IV	III	IV	Oct.	Nov.	Dec.	
HOUSEHOLD DATA							
	Thousands of persons						
Civilian labor force	103,741	104,982	105,173	105,167	105,285	105,067	-218
Total employment	97,572	97,061	97,276	97,206	97,339	97,282	-57
Unemployment	6,169	7,921	7,897	7,961	7,946	7,785	-161
Not in labor force	58,850	59,493	59,906	59,717	59,797	60,205	408
Discouraged workers	766	961	1,055	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	5.9	7.5	7.5	7.6	7.5	7.4	-0.1
Adult men	4.4	6.6	6.3	6.4	6.4	6.2	-0.2
Adult women	5.7	6.4	6.7	6.7	6.7	6.8	0.1
Teenagers	16.2	18.4	18.3	18.5	18.6	17.8	-0.8
White	5.2	6.7	6.6	6.6	6.6	6.5	-0.1
Black and other	11.3	13.9	14.1	14.2	14.0	14.0	0
Hispanic origin	9.0	10.8	10.2	10.7	10.2	9.8	-0.4
Full-time workers	5.5	7.3	7.3	7.3	7.4	7.3	-0.1
ESTABLISHMENT DATA							
	Thousands of jobs						
Nonfarm payroll employment	90,557	90,131	90,916p	90,710	90,917p	91,122p	205p
Goods-producing industries	26,549	25,317	25,785p	25,636	25,804p	25,916p	112p
Service-producing industries	64,008	64,814	65,131p	65,074	65,113p	65,206p	93p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.6	35.1	35.4p	35.3	35.4p	35.4p	0p
Manufacturing	40.1	39.3	39.9p	39.7	39.9p	40.2p	0.3p
Manufacturing overtime	3.2	2.6	2.9p	2.8	2.9p	3.1p	0.2p

p=preliminary. N.A.=not available.

NOTE: Household data in this table have been revised. See note on page 6.

The number of persons on layoff and permanently separated from their jobs (job losers), at 4.2 million in December, was little changed from the previous 2 months. The number of job losers had increased from 2.8 million in December 1979 to a high of 4.5 million in June. Job losers accounted for 54 percent of the jobless total in December; people entering the labor force and those leaving their jobs comprise the balance. (See table A-7.)

The median duration of unemployment declined in December to 7.3 from 7.7 weeks but was still 1.7 weeks longer than a year ago. (See table A-6.) The number of persons unemployed for 15 weeks or longer was 2.4 million, about the same as in November but 1.1 million higher than a year ago.

Total Employment and the Labor Force

All the major worker groups experienced little over-the-month change in their employment levels. Despite increases totaling 500,000 since June, the number of employed persons in December was still 540,000 below the February peak. The employment-population ratio, at 58.1 percent in December, has been about unchanged since June, after declining a full precentage point from December 1979.

The civilian labor force, at 105.1 million in December, was off slightly from the previous month. Over the past year, the labor force increased by about 900,000, a substantially slower pace than in recent years. The overall labor force participation rate edged down 0.2 point to 63.6 percent in December. Over the year, the participation rate declined for adult men and teenagers. Women's participation was up slightly from last December, but their rate stabilized at about 51.4 percent in 1980; this is in contrast to the rapid gains in labor force activity in prior years. (See table A-1.)

Discouraged Workers

The number of discouraged workers in the fourth quarter of 1980 was 1.1 million, up about 100,000 over the previous quarter and nearly 300,000 over the year. (Discouraged workers are persons who report that they want to work but are not looking for jobs because they believe they cannot find any.) Blacks and women accounted for most of the increases. About 70 percent of the discouraged cited job-market factors as the reason for their discouragement. (See table A-11.)

Industry Payroll Employment

The number of employees on nonagricultural payrolls rose by about 200,000 to 91.1 million in December. This was the fifth consecutive monthly advance; since July, the number of payroll jobs has increased by one and a quarter million but was still slightly below the February peak. (See table B-1.)

Manufacturing employment showed improvement in December, as it has every month since the July recession low. Factory jobs increased by 65,000, with gains in both durable and nondurable goods. In durable goods, electrical equipment and primary metals registered the largest advances. In nondurables, increases occurred in printing and publishing, rubber and plastic products, and apparel, while there was a decline in food processing. Factory employment was still 780,000 short of its June 1979 high.

Construction employment rose by 30,000 in December but was 250,000 below its January peak. Mining registered a December increase which brought its over-the-year gain to 80,000 jobs.

The service-producing sector continued to grow in December as it had almost continuously throughout 1980. The December increase of 95,000 was concentrated in the services industry and in finance, insurance, and real estate. There was, however, a small decline in retail trade, which has exhibited some weakness in recent months.

Hours of Work

The average workweek for production or nonsupervisory workers on private nonfarm payrolls remained at the November level of 35.4 hours. The December workweek was up 0.5 hour from the July low of 34.9 but was still below the year-ago prerecession high of 35.7 hours. The manufacturing workweek jumped 0.3 hour over the month to 40.2; this was the fifth straight monthly advance, bringing factory hours 1.2 hour above the July level and within a tenth of the January high. Factory overtime rose by 0.2 hour to 3.1 in December. (See table B-2.)

The index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls rose 0.4 percent in December to 125.7 (1967=100). The index has increased 3.1 percent since July but was still 1.1 percent below its January peak. The manufacturing index was up 1.3 percent over the month. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls rose 0.6 percent over the month (seasonally adjusted). Average weekly earnings were up 0.6 percent from November. Before adjustment for seasonality, average hourly earnings rose by 2 cents over the month to $6.94 and 56 cents over the year. Average weekly earnings were $247.76, up $3.48 over the month and $18.72 from a year earlier. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 261.6 (1967=100) in December, 0.4 percent higher than in November. The Index was 9.3 percent above December a year ago. In dollars of constant purchasing power, the Index decreased 2.5 percent during the 12-month period ended in November. (See table B-4.)

NOTE ON SEASONAL ADJUSTMENT

At the end of each calendar year, the Bureau of Labor Statistics revises the seasonally adjusted labor force series derived from the Current Population Survey (household survey) to incorporate the experience of that year. As a result of the recalculation of the seasonal factors, seasonally adjusted data for the most recent 5 years are subject to revision.

The seasonal adjustment methodology reflects the two major modifications introduced at the beginning of 1980. First, the labor force data are being seasonally adjusted with the X-11/ARIMA seasonal adjustment procedure, which replaced the standard X-11 method used previously. Second, seasonal factors are being calculated for use during the first 6 months of the year rather than for the entire year. In July, the Bureau calculates and publishes a new set of seasonal factors for use in the second half of the year, based on the experience through June. Revisions of the historical data are made once a year, at the end of each calendar year.

The table below contains the seasonally adjusted overall unemployment rates for the past 12 months as originally published and as revised. Previously published data were altered by 0.1 percentage point in 4 months of the year and 0.2 percentage point in 4 months. The 1980 annual average rate (7.1 percent), which is calculated using unadjusted data, is not affected by seasonal adjustment revisions.

New seasonal adjustment factors to be used to calculate the overall unemployment rate during January-June 1981, a description of the current seasonal adjustment methodology, and revised data for the most recent 13 months or calendar quarters (tables A- 1, 2, 33-42, and 44-53) will appear in the January 1981 issue of Employment and Earnings. Revised data for the entire 1976-80 revision period for nearly 500 labor force series will be published, as is the usual practice, in the February 1981 issue. Historical data (monthly and quarterly) from the time of the inception of the various series may be obtained from the Bureau upon request. (Contact John Stinson, 202-523-1944.)

Revised seasonally adjusted unemployment rates in 1980

Month	As previously published	As revised
January	6.2	6.2
February	6.0	6.2
March	6.2	6.3
April	7.0	6.9
May	7.8	7.6
June	7.7	7.5
July	7.8	7.6
August	7.6	7.6
September	7.5	7.4
October	7.6	7.6
November	7.5	7.5
December	7.3*	7.4

* Not published

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Chart 1. Civilian labor force and employment
(Seasonally adjusted)

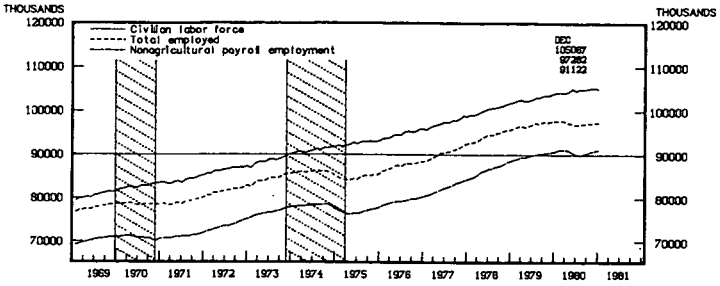


Chart 2. Unemployment rate—all civilian workers

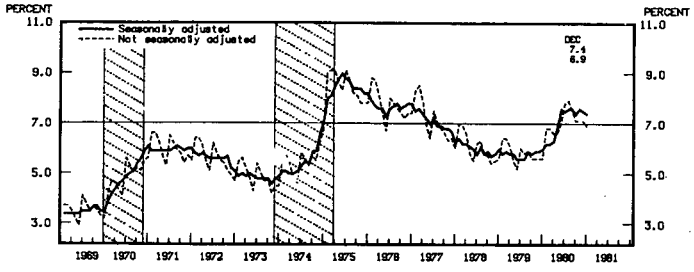
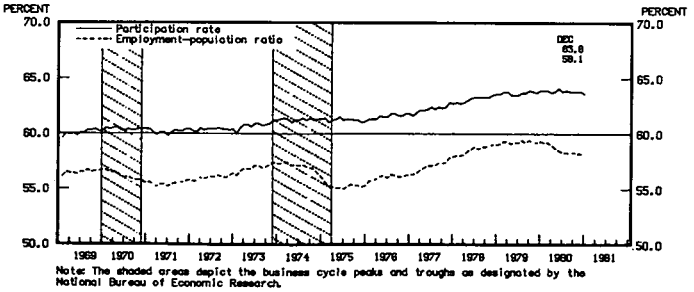


Chart 3. Civilian labor force participation rate
and total employment-population ratio
(Seasonally adjusted)



Note: The shaded areas depict the business cycle peaks and troughs as designated by the National Bureau of Economic Research.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 65,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 166,000 establishments employing about 35 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed,* regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

—The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

—The household survey includes people on unpaid leave among the employed; the establishment survey does not;

—The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

—The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $2.75 per issue or $22.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables A through I of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables L through Q of that publication.

Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment, status, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Dec. 1979	Nov. 1980	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
TOTAL									
Total noninstitutional population[1]	164,898	167,201	167,396	164,898	166,578	166,789	167,005	167,201	167,396
Armed Forces[1]	2,089	2,119	2,124	2,089	2,118	2,121	2,121	2,119	2,124
Civilian noninstitutional population[1]	162,809	165,082	165,272	162,809	164,464	164,667	164,884	165,082	165,272
Civilian labor force	103,884	105,287	104,778	104,053	104,945	104,980	105,167	105,285	105,067
Participation rate	63.8	63.8	63.4	63.9	63.8	63.8	63.8	63.8	63.6
Employed	98,047	97,861	97,545	97,781	97,603	97,180	97,206	97,339	97,282
Employment-population ratio[2]	59.5	58.5	58.3	59.3	58.2	58.3	58.2	58.2	58.1
Agriculture	2,995	3,214	3,044	3,323	3,210	3,399	3,319	3,340	3,394
Nonagricultural industries	95,052	94,586	94,501	94,458	93,793	93,781	93,887	93,999	93,888
Unemployed	5,836	7,486	7,233	6,272	7,342	7,800	7,961	7,946	7,785
Unemployment rate	5.6	7.1	6.9	6.0	7.0	7.4	7.6	7.5	7.4
Not in labor force	58,925	59,795	60,494	58,756	59,519	59,687	59,717	59,797	60,205
Men, 16 years and over									
Total noninstitutional population[1]	79,009	80,091	80,183	79,009	79,798	79,897	80,000	80,091	80,183
Armed Forces[1]	1,939	1,954	1,959	1,939	1,951	1,958	1,956	1,958	1,959
Civilian noninstitutional population[1]	77,070	78,137	78,224	77,070	77,847	77,939	78,044	78,137	78,224
Civilian labor force	59,812	59,972	59,745	59,858	60,147	60,320	60,375	60,388	60,258
Participation rate	77.1	76.8	76.4	77.7	77.3	77.4	77.4	77.3	77.0
Employed	56,325	55,826	55,644	56,617	55,589	55,754	55,881	55,897	55,920
Employment-population ratio[2]	71.3	69.7	69.4	71.7	69.7	69.8	69.5	69.8	69.7
Unemployed	3,087	4,146	4,100	3,241	4,558	4,566	4,498	4,491	4,338
Unemployment rate	5.2	6.9	6.9	5.4	7.6	7.6	7.4	7.4	7.2
Men, 20 years and over									
Total noninstitutional population[1]	70,594	71,768	71,875	70,594	71,430	71,548	71,661	71,768	71,875
Armed Forces[1]	1,654	1,673	1,677	1,654	1,674	1,680	1,674	1,673	1,677
Civilian noninstitutional population[1]	68,940	70,095	70,198	68,940	69,756	69,868	69,987	70,095	70,198
Civilian labor force	54,666	55,408	55,284	54,799	55,403	55,475	55,495	55,535	55,470
Participation rate	79.3	79.0	78.8	79.5	79.4	79.4	79.3	79.2	79.0
Employed	52,335	52,199	52,041	52,364	51,791	51,823	51,963	52,007	52,045
Employment-population ratio[2]	76.1	72.7	72.4	76.2	72.5	72.4	72.5	72.5	72.4
Agriculture	2,292	2,375	2,228	2,408	2,301	2,389	2,351	2,372	2,331
Nonagricultural industries	50,043	49,824	49,812	49,960	49,490	49,434	49,612	49,635	49,714
Unemployed	2,331	3,209	3,244	2,435	3,612	3,652	3,532	3,532	3,425
Unemployment rate	4.3	5.8	5.9	4.4	6.5	6.6	6.4	6.4	6.2
Women, 16 years and over									
Total noninstitutional population[1]	85,889	87,110	87,213	85,889	86,780	86,892	87,006	87,110	87,213
Armed Forces[1]	150	165	165	150	163	163	165	165	165
Civilian noninstitutional population[1]	85,739	86,945	87,048	85,739	86,617	86,728	86,841	86,945	87,048
Civilian labor force	44,072	45,315	45,033	44,195	44,798	44,660	44,788	44,897	44,813
Participation rate	51.9	52.1	51.7	51.5	51.7	51.5	51.6	51.6	51.5
Employed	41,722	41,975	41,900	41,164	41,414	41,426	41,325	41,442	41,362
Employment-population ratio[2]	48.6	48.2	48.0	47.9	47.7	47.7	47.5	47.6	47.4
Unemployed	2,749	3,340	3,133	3,031	3,384	3,234	3,463	3,455	3,451
Unemployment rate	6.2	7.4	7.0	6.9	7.6	7.2	7.7	7.7	7.7
Women, 20 years and over									
Total noninstitutional population[1]	77,666	78,979	79,087	77,666	78,607	78,732	78,860	78,979	79,097
Armed Forces[1]	124	137	137	124	134	135	137	137	137
Civilian noninstitutional population[1]	77,542	78,842	78,959	77,542	78,473	78,598	78,723	78,842	78,959
Civilian labor force	40,057	41,150	40,877	39,697	40,523	40,317	40,486	40,629	40,570
Participation rate	51.7	52.2	51.8	51.2	51.6	51.3	51.4	51.5	51.4
Employed	37,954	38,497	38,334	37,421	37,890	37,804	37,754	37,909	37,820
Employment-population ratio[2]	48.9	48.7	48.5	48.2	48.2	48.0	47.5	48.0	47.8
Agriculture	466	532	545	570	555	592	576	574	565
Nonagricultural industries	37,487	37,964	37,788	36,851	37,335	37,212	37,178	37,335	37,155
Unemployed	2,104	2,653	2,544	2,276	2,633	2,513	2,732	2,720	2,750
Unemployment rate	5.3	6.4	6.2	5.7	6.5	6.2	6.7	6.7	6.8
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,638	16,458	16,424	16,638	16,541	16,512	16,484	16,458	16,424
Armed Forces[1]	311	309	310	311	306	307	309	309	310
Civilian noninstitutional population[1]	16,326	16,149	16,114	16,326	16,235	16,205	16,174	16,149	16,114
Civilian labor force	9,160	8,730	8,616	9,557	9,019	9,108	9,186	9,117	9,027
Participation rate	56.1	54.1	53.5	58.5	55.5	56.7	56.8	56.5	56.0
Employed	7,759	7,105	7,170	7,996	7,322	7,553	7,465	7,423	7,417
Employment-population ratio[2]	46.6	43.2	43.7	48.1	44.3	45.7	45.8	45.1	45.2
Agriculture	237	308	270	349	354	418	352	394	398
Nonagricultural industries	7,522	6,798	6,901	7,647	6,968	7,135	7,057	7,029	7,019
Unemployed	1,401	1,625	1,445	1,561	1,697	1,635	1,657	1,694	1,610
Unemployment rate	15.3	18.6	16.8	16.3	18.8	17.8	18.5	18.6	17.8

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

NOTE: Seasonally adjusted data in this table have been revised. See note on page 6.

HOUSEHOLD DATA

Table A-2. Employment status of the population by race, sex, and age

(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Dec. 1979	Nov. 1980	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
WHITE									
Total noninstitutional population[1]	144,267	145,995	146,140	144,267	145,530	145,687	145,848	145,995	146,140
Armed Forces[1]	1,621	1,636	1,640	1,621	1,630	1,636	1,638	1,636	1,640
Civilian noninstitutional population[1]	142,645	144,359	144,500	142,645	143,900	144,051	144,211	144,359	144,500
Civilian labor force	91,509	92,585	92,179	91,651	92,288	92,317	92,516	92,562	92,383
Participation rate	64.2	64.1	63.8	64.3	64.1	64.1	64.2	64.1	63.9
Employed	86,993	86,785	86,590	86,809	86,067	86,307	86,371	86,409	86,377
Employment-population ratio[2]	60.3	59.4	59.3	60.2	59.1	59.2	59.2	59.2	59.1
Unemployed	4,516	5,801	5,589	4,842	6,221	6,010	6,145	6,153	6,006
Unemployment rate	4.9	6.3	6.1	5.3	6.7	6.5	6.6	6.6	6.5
Men, 20 years and over									
Civilian labor force	48,725	49,355	49,268	48,860	49,356	49,415	49,461	49,481	49,449
Participation rate	79.7	79.6	79.3	80.0	79.9	79.9	79.8	79.8	79.6
Employed	46,906	46,837	46,691	46,961	46,500	46,556	46,666	46,684	46,728
Employment-population ratio[2]	75.2	74.0	73.6	75.3	73.7	73.7	73.8	73.7	73.7
Unemployed	1,819	2,519	2,577	1,899	2,856	2,859	2,801	2,797	2,721
Unemployment rate	3.7	5.1	5.2	3.9	5.8	5.8	5.7	5.7	5.5
Women, 20 years and over									
Civilian labor force	34,571	35,444	35,214	34,246	34,846	34,765	34,883	34,972	34,910
Participation rate	51.0	51.6	51.2	50.5	50.5	50.7	50.8	50.9	50.7
Employed	32,975	33,448	33,317	32,516	32,823	32,841	32,845	32,984	32,858
Employment-population ratio[2]	48.6	48.6	48.3	47.9	47.9	47.8	47.8	47.9	47.7
Unemployed	1,597	1,996	1,897	1,730	2,023	1,924	2,038	2,028	2,052
Unemployment rate	4.6	5.6	5.4	5.1	5.8	5.5	5.8	5.8	5.9
Both sexes, 16-19 years									
Civilian labor force	8,213	7,786	7,696	8,545	8,086	8,137	8,172	8,109	8,024
Participation rate	59.6	57.3	56.8	62.0	59.1	59.6	60.0	59.7	59.2
Employed	7,113	6,500	6,581	7,332	6,744	6,910	6,866	6,781	6,791
Employment-population ratio[2]	50.7	47.0	47.7	52.3	48.5	49.8	49.6	49.1	49.2
Unemployed	1,100	1,286	1,115	1,213	1,342	1,227	1,306	1,328	1,233
Unemployment rate	13.4	16.5	14.5	14.2	16.6	15.1	16.0	16.4	15.4
Men	14.3	18.6	16.7	14.1	17.5	16.2	17.3	17.7	16.4
Women	12.5	14.3	12.2	14.3	15.5	13.8	14.5	14.9	14.2
BLACK AND OTHER									
Total noninstitutional population[1]	20,631	21,206	21,255	20,631	21,048	21,102	21,157	21,206	21,255
Armed Forces[1]	468	483	484	468	484	485	483	483	484
Civilian noninstitutional population[1]	20,163	20,723	20,771	20,163	20,564	20,617	20,673	20,723	20,771
Civilian labor force	12,378	12,702	12,599	12,421	12,630	12,677	12,666	12,706	12,668
Participation rate	61.4	61.3	60.7	61.6	61.4	61.5	61.4	61.3	61.0
Employed	11,054	11,016	10,955	10,993	10,902	10,894	10,889	10,922	10,895
Employment-population ratio[2]	53.6	51.9	51.5	53.3	51.8	51.6	51.4	51.5	51.3
Unemployed	1,321	1,686	1,644	1,428	1,728	1,783	1,802	1,784	1,773
Unemployment rate	10.7	13.3	13.0	11.5	13.7	14.1	14.2	14.0	14.0
Men, 20 years and over									
Civilian labor force	5,941	6,052	6,016	5,935	6,049	6,068	6,030	6,042	6,015
Participation rate	75.9	75.0	74.4	75.8	75.7	75.6	75.0	74.9	74.4
Employed	5,429	5,362	5,349	5,400	5,291	5,266	5,200	5,315	5,315
Employment-population ratio[2]	66.3	63.5	63.2	65.9	65.2	62.7	63.0	63.0	62.8
Unemployed	512	690	667	535	758	798	730	727	700
Unemployment rate	8.6	11.4	11.1	9.0	12.5	13.2	12.1	12.0	11.6
Women, 20 years and over									
Civilian labor force	5,486	5,706	5,663	5,462	5,629	5,568	5,648	5,652	5,659
Participation rate	56.0	56.5	55.9	55.8	56.2	55.5	56.1	56.0	55.9
Employed	4,979	5,089	5,016	4,915	5,017	4,978	4,953	4,965	4,956
Employment-population ratio[2]	50.7	49.8	49.4	50.0	49.9	49.4	49.0	49.0	48.8
Unemployed	507	617	647	547	612	590	695	687	698
Unemployment rate	9.2	11.5	11.4	10.0	10.9	10.6	12.3	12.2	12.3
Both sexes, 16-19 years									
Civilian labor force	947	943	920	1,028	952	1,045	1,008	1,012	999
Participation rate	37.3	36.8	35.9	40.3	37.2	40.9	39.4	39.5	39.0
Employed	646	605	589	678	594	650	631	602	624
Employment-population ratio[2]	24.7	23.0	22.4	25.9	22.6	24.7	24.0	24.4	23.7
Unemployed	301	339	330	346	358	395	377	370	375
Unemployment rate	31.8	35.9	35.9	33.8	37.6	37.8	37.4	36.6	37.5
Men	31.6	35.6	39.6	31.9	39.4	37.7	38.2	35.9	38.8
Women	32.0	36.3	31.7	35.6	35.7	37.9	36.4	37.4	36.1

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

NOTE: Seasonally adjusted data in this table have been revised. See note on page 6.

HOUSEHOLD DATA

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	Dec. 1979	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
CHARACTERISTIC								
Total employed, 16 years and over	98,047	97,585	97,781	97,003	97,180	97,206	97,339	97,282
Married men, spouse present	38,923	38,319	38,848	37,987	38,027	38,142	38,167	38,231
Married women, spouse present	23,547	23,552	23,054	23,126	23,027	22,993	23,065	23,063
Women who maintain families	4,768	4,798	4,687	4,721	4,703	4,701	4,707	4,716
OCCUPATION								
White-collar workers	50,683	51,733	49,980	51,307	51,074	51,101	51,148	51,065
Professional and technical	15,505	16,012	15,303	15,751	15,540	15,780	15,863	15,810
Managers and administrators, except farm	10,529	10,988	10,532	11,109	11,007	10,975	11,016	11,009
Sales workers	6,653	6,583	6,291	6,140	6,316	6,277	6,155	6,175
Clerical workers	17,997	18,189	17,854	18,307	18,211	18,065	18,114	18,071
Blue-collar workers	32,012	30,305	32,125	30,232	30,436	30,521	30,550	30,373
Craft and kindred workers	12,973	12,305	13,023	12,346	12,450	12,485	12,424	12,337
Operatives, except transport	11,035	10,310	10,931	10,147	10,262	10,210	10,247	10,194
Transport equipment operatives	3,688	3,837	3,614	3,678	3,838	3,883	3,829	3,802
Nonfarm laborers	4,360	4,253	4,557	4,261	4,310	4,383	4,450	4,440
Service workers	12,980	13,608	12,965	12,928	12,983	12,891	12,888	12,982
Farm workers	2,372	2,499	2,673	2,620	2,757	2,735	2,729	2,804
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,237	1,225	1,433	1,282	1,417	1,363	1,417	1,411
Self-employed workers	1,526	1,587	1,594	1,680	1,688	1,680	1,612	1,655
Unpaid family workers	231	232	305	280	369	325	324	305
Nonagricultural industries:								
Wage and salary workers	87,942	87,158	87,324	86,490	86,395	86,587	86,683	86,513
Government	15,655	15,868	15,440	15,531	15,575	15,597	15,651	15,653
Private industries	72,286	71,290	71,884	70,959	70,820	70,990	70,992	70,860
Private households	1,268	1,147	1,225	1,196	1,125	1,144	1,148	1,110
Other industries	71,022	70,143	70,659	69,763	69,695	69,846	69,844	69,750
Self-employed workers	6,740	6,988	6,726	6,881	6,977	7,005	6,943	6,973
Unpaid family workers	370	355	412	403	416	417	405	396
PERSONS AT WORK[1]								
Nonagricultural industries	91,913	91,219	89,052	88,195	88,246	88,488	88,694	88,468
Full-time schedules	78,773	78,348	72,947	71,526	71,929	72,071	72,265	72,151
Part time for economic reasons	3,279	3,893	3,541	4,183	4,183	4,220	4,176	4,218
Usually work full time	1,456	1,566	1,526	1,709	1,761	1,685	1,620	1,647
Usually work part time	1,823	2,327	2,015	2,474	2,482	2,535	2,556	2,571
Part time for noneconomic reasons	13,861	13,378	12,564	12,526	12,134	12,183	12,253	12,149

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial disputes.

NOTE: Seasonally adjusted data in this table have been revised. See note on page 6.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1979	1980				1980		
	IV	I	II	III	IV	Oct.	Nov.	Dec.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.2	1.3	1.6	2.0	2.2	2.2	2.2	2.3
U-2 Job losers as a percent of the civilian labor force	2.7	2.9	3.9	4.1	4.0	4.0	4.0	4.0
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	4.0	4.3	5.2	5.5	5.4	5.4	5.4	5.3
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	5.5	5.8	7.0	7.3	7.3	7.3	7.4	7.3
U-5 Total unemployed as a percent of the civilian labor force (official measure)	5.9	6.2	7.3	7.5	7.5	7.6	7.5	7.4
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	7.5	7.9	9.2	9.6	9.6	9.6	9.6	9.5
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	8.2	8.6	10.1	10.5	10.5	N.A.	N.A.	N.A.

N.A. = not available.

NOTE: Data in this table have been revised. See note on page 6.

HOUSEHOLD DATA

Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rates					
	Dec. 1979	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
CHARACTERISTIC								
Total, 16 years and over	6,272	7,785	6.0	7.6	7.8	7.6	7.5	7.4
Men, 20 years and over	2,435	3,425	4.4	6.5	6.6	6.4	6.4	6.2
Women, 20 years and over	2,276	2,750	5.7	6.5	6.2	6.7	6.7	6.8
Both sexes, 16-19 years	1,561	1,610	16.3	18.8	17.8	16.5	16.6	17.8
Married men, spouse present	1,196	1,732	3.0	4.8	4.7	4.6	4.4	4.3
Married women, spouse present	1,251	1,432	5.1	6.0	5.7	6.0	5.9	5.8
Women who maintain families	436	550	8.5	9.6	9.0	10.2	9.9	10.4
Full-time workers	4,911	6,549	5.5	7.3	7.3	7.3	7.4	7.3
Part-time workers	1,348	1,225	8.7	8.7	8.7	9.1	8.6	8.2
Labor force time lost[1]	--	--	6.5	8.3	8.2	8.4	8.3	8.2
OCCUPATION[2]								
White-collar workers	1,704	2,119	3.3	3.7	3.8	3.9	3.9	4.0
Professional and technical	351	429	2.2	2.4	2.5	2.6	2.5	2.6
Managers and administrators, except farm	225	277	2.1	2.5	2.4	2.5	2.4	2.5
Sales workers	261	307	4.0	4.2	4.3	4.6	4.8	4.7
Clerical workers	867	1,106	4.6	5.4	5.4	5.6	5.6	5.8
Blue-collar workers	2,616	3,554	7.5	11.1	10.8	10.8	10.7	10.5
Craft and kindred workers	632	944	4.6	7.6	7.4	7.1	7.1	7.1
Operatives, except transport	1,124	1,510	9.3	13.5	13.0	13.2	13.0	12.9
Transport equipment operatives	202	327	5.3	9.8	10.4	10.6	10.6	8.8
Nonfarm laborers	658	773	12.6	16.1	15.2	15.3	15.0	14.8
Service workers	968	1,092	6.8	8.5	8.1	8.3	8.3	7.6
Farm workers	118	117	4.2	5.5	4.3	4.4	4.0	4.0
INDUSTRY[2]								
Nonagricultural private wage and salary workers[3]	4,550	5,931	6.0	8.0	7.8	7.8	7.8	7.7
Construction	594	688	11.2	17.3	15.9	14.6	14.8	13.8
Manufacturing	1,401	2,009	6.1	9.3	9.2	9.2	8.9	8.8
Durable goods	808	1,248	5.8	10.1	10.0	9.5	9.0	9.0
Nondurable goods	593	761	6.5	8.0	7.9	8.9	8.6	8.5
Transportation and public utilities	225	274	4.2	5.6	5.3	5.3	4.9	4.9
Wholesale and retail trade	1,213	1,574	6.4	7.7	7.7	7.8	8.2	8.3
Finance and service industries	1,070	1,287	4.7	5.5	5.4	5.6	5.5	5.5
Government workers	598	670	3.7	4.0	4.1	4.4	4.2	4.1
Agricultural wage and salary workers	152	167	9.6	13.2	10.7	11.1	10.1	10.6

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

NOTE: Data in this table have been revised. See note on page 6.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Dec. 1979	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
DURATION								
Less than 5 weeks	2,608	2,716	2,984	3,255	3,042	3,186	3,108	3,115
5 to 14 weeks	2,055	2,274	2,000	2,533	2,566	2,500	2,524	2,217
15 weeks and over	1,173	2,242	1,247	2,150	2,295	2,292	2,329	2,370
15 to 26 weeks	689	1,199	717	1,239	1,366	1,256	1,213	1,231
27 weeks and over	484	1,044	530	911	929	1,036	1,116	1,147
Average (mean) duration, in weeks	11.0	14.0	10.6	12.5	13.0	13.3	13.6	13.5
Median duration, in weeks	6.1	7.9	5.6	7.4	8.0	7.5	7.7	7.3
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	48.7	37.6	47.9	41.0	38.4	39.9	39.0	40.4
5 to 14 weeks	35.2	31.4	32.1	31.9	32.6	31.3	31.7	28.8
15 weeks and over	20.1	31.0	20.0	27.1	29.0	28.7	29.3	30.8
15 to 26 weeks	11.8	16.6	11.5	15.6	17.2	15.7	15.2	16.0
27 weeks and over	8.3	14.4	8.5	11.5	11.7	13.0	14.0	14.9

NOTE: Seasonally adjusted data in this table have been revised. See note on page 6.

Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	Dec. 1979	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
NUMBER OF UNEMPLOYED								
Lost last job	2,794	4,183	2,828	4,319	4,387	4,240	4,229	4,226
On layoff	969	1,413	993	1,699	1,744	1,692	1,453	1,470
Other job losers	1,825	2,730	1,835	2,620	2,643	2,548	2,776	2,756
Left last job	724	721	812	890	855	870	897	813
Reentered labor force	1,607	1,664	1,810	1,883	1,844	2,013	1,896	1,869
Seeking first job	710	704	876	870	862	880	890	868
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	47.9	57.2	46.7	54.2	55.2	53.0	53.5	54.3
On layoff	16.6	19.5	15.7	21.3	21.9	21.1	18.4	18.9
Other job losers	31.3	37.7	29.0	32.9	33.3	31.8	35.1	35.4
Job leavers	12.4	10.0	12.8	11.2	10.8	10.9	11.3	10.5
Reentrants	27.5	23.0	28.6	23.6	23.2	25.2	24.0	24.0
New entrants	12.2	9.7	13.8	10.9	10.8	11.0	11.2	11.2
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	2.7	3.9	2.7	4.1	4.2	4.0	4.0	4.0
Job leavers	.7	.7	.8	.8	.8	.8	.9	.8
Reentrants	1.5	1.6	1.7	1.8	1.8	1.9	1.8	1.8
New entrants	.7	.7	.8	.8	.8	.8	.8	.8

NOTE: Seasonally adjusted data in this table have been revised. See note on page 6.

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rates					
	Dec. 1979	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
Total, 16 years and over	6,272	7,785	6.0	7.6	7.4	7.6	7.5	7.4
16 to 24 years	3,100	3,419	12.4	14.5	14.2	14.6	14.5	14.0
16 to 19 years	1,561	1,610	16.3	18.8	17.8	18.5	18.6	17.8
16 to 17 years	741	723	18.4	22.1	20.1	20.5	21.4	19.9
18 to 19 years	815	881	14.7	16.5	16.0	16.7	16.5	16.4
20 to 24 years	1,539	1,809	10.0	12.0	12.0	12.3	12.1	11.7
25 years and over	3,134	4,302	4.0	5.4	5.4	5.4	5.4	5.3
25 to 54 years	2,747	3,835	4.3	5.9	5.9	5.9	5.9	5.8
55 years and over	417	512	2.8	3.4	3.4	3.4	3.3	3.5
Men, 16 years and over	3,241	4,334	5.4	7.6	7.6	7.4	7.4	7.2
16 to 24 years	1,624	1,981	12.2	15.9	15.5	16.0	15.6	14.9
16 to 19 years	806	909	15.9	19.9	18.9	19.8	19.8	15.0
16 to 17 years	399	400	18.4	23.7	21.2	21.8	22.3	20.5
18 to 19 years	399	501	13.8	17.1	16.9	18.1	17.8	17.8
20 to 24 years	818	1,032	9.9	13.6	13.5	13.8	13.2	12.5
25 years and over	1,573	2,328	3.4	5.3	5.4	5.1	5.1	4.9
25 to 54 years	1,351	2,073	3.6	5.7	6.0	5.6	5.6	5.4
55 years and over	247	292	2.7	3.6	3.5	3.3	3.3	3.3
Women, 16 years and over	3,031	3,451	6.9	7.6	7.2	7.7	7.7	7.7
16 to 24 years	1,476	1,478	12.8	13.0	12.7	13.0	13.2	13.0
16 to 19 years	755	701	16.8	17.6	16.6	17.0	17.2	16.5
16 to 17 years	342	323	18.4	20.2	18.8	19.8	20.3	19.3
18 to 19 years	416	380	15.7	15.9	15.1	15.1	15.1	14.8
20 to 24 years	721	777	10.2	10.2	10.2	10.6	10.8	10.8
25 years and over	1,561	1,978	4.8	5.7	5.4	5.9	5.8	5.5
25 to 54 years	1,396	1,762	5.2	6.2	5.9	6.4	6.2	6.3
55 years and over	170	220	2.9	3.1	3.3	3.4	3.4	3.9

NOTE: Data in this table have been revised. See note on page 6.

Table A-9. Employment status of the black and Hispanic-origin population

(Numbers in thousands)

Employment status	Not seasonally adjusted		Seasonally adjusted					
	Dec. 1979	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
BLACK[1]								
Civilian noninstitutional population	17,205	17,610	17,205	17,477	17,515	17,545	17,579	17,610
Civilian labor force	10,457	10,627	10,498	10,653	10,688	10,701	10,716	10,693
Participation rate	60.8	60.3	61.0	61.0	61.0	61.0	61.0	60.7
Employed	9,276	9,128	9,219	9,096	9,067	9,070	9,097	9,072
Unemployed	1,180	1,499	1,279	1,557	1,621	1,631	1,619	1,621
Unemployment rate	11.3	14.1	12.2	14.6	15.2	15.2	15.1	15.2
Not in labor force	6,749	6,984	6,707	6,824	6,827	6,844	6,863	6,917
HISPANIC ORIGIN[2]								
Civilian noninstitutional population	7,953	8,768	7,953	8,039	8,818	8,759	8,824	8,768
Civilian labor force	5,113	5,542	5,232	5,548	5,551	5,585	5,696	5,668
Participation rate	64.3	63.2	65.8	62.6	63.0	63.6	64.6	64.7
Employed	4,646	5,003	4,758	4,962	4,939	4,992	5,116	5,114
Unemployed	467	539	478	586	612	593	580	554
Unemployment rate	9.1	9.7	9.1	10.6	11.0	10.7	10.2	9.8
Not in labor force	2,840	3,222	2,721	3,291	3,267	3,176	3,128	3,096

[1] Data relate to black workers only. In the 1970 census, they constituted about 89 percent of the "black and other" population group.

[2] Data on persons of Hispanic ethnicity are collected independently of racial data. In the 1970 census, approximately 96 percent of their population was white.

NOTE: Seasonally adjusted data in this table have been revised. See note on page 6.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Dec. 1979	Dec. 1980	Dec. 1979	Dec. 1980	Dec. 1979	Dec. 1980	Dec. 1979	Dec. 1980	Dec. 1979	Dec. 1980
VETERANS[1]										
Total, 20 years and over	8,560	8,662	8,121	8,205	7,787	7,725	334	480	4.1	5.9
20 to 24 years	859	237	816	228	771	191	45	37	10.8	16.2
25 to 39 years	7,196	7,324	6,926	7,011	6,656	6,606	270	405	3.9	5.8
25 to 29 years	1,846	1,607	1,761	1,490	1,626	1,360	115	130	6.6	8.7
30 to 34 years	3,623	3,504	3,519	3,372	3,421	3,195	98	177	2.8	5.2
35 to 39 years	1,727	2,213	1,666	2,189	1,609	2,051	57	98	3.4	4.6
40 years and over	905	1,101	779	966	760	928	19	38	2.4	3.9
NONVETERANS[2]										
Total, 25 to 39 years	16,998	15,868	14,268	15,033	13,675	14,152	593	881	4.2	5.9
25 to 29 years	6,860	7,238	6,489	6,823	6,210	6,327	279	496	4.3	7.3
30 to 34 years	4,380	4,861	4,154	4,635	3,968	4,382	186	253	4.5	5.5
35 to 39 years	3,798	3,765	3,625	3,575	3,497	3,443	128	132	3.5	3.7

[1] Vietnam-era veterans are those who served between August 5, 1964 and May 7, 1975.

[2] Nonveterans are males who have never served in the Armed Forces. Published data are limited to those 25-39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population.

Table A-11. Persons not in labor force by reason, sex, and race, quarterly averages

(In thousands)

Reason, sex, and race	Not seasonally adjusted		Seasonally adjusted				
	1979	1980	1979	1980			
	IV	IV	IV	I	II	III	IV
TOTAL							
Total not in labor force	58,744	59,919	58,850	58,999	59,111	59,495	59,906
Do not want a job now	53,716	54,676	53,574	53,573	53,851	54,231	54,521
Current activity: Going to school	7,677	7,908	6,037	6,038	6,185	6,594	6,224
Ill, disabled	4,444	4,217	4,534	4,627	4,446	4,124	4,293
Keeping house	28,440	28,643	28,659	28,376	28,688	28,686	28,842
Retired	10,650	10,699	10,254	10,578	10,538	10,917	10,536
Other	3,106	3,209	4,090	3,954	3,994	3,956	4,224
Want a job now	5,026	5,244	5,333	5,548	5,431	5,605	5,586
Reason not looking: School attendance	1,419	1,399	1,478	1,453	1,461	1,517	1,466
Ill health, disability	758	695	785	771	728	759	710
Home responsibilities	1,167	1,098	1,245	1,335	1,195	1,235	1,179
Think cannot get a job	700	973	766	949	921	961	1,055
Job-market factors[1]	438	658	465	603	626	669	697
Personal factors[2]	262	316	301	345	294	292	358
Other reasons[3]	977	1,078	1,058	1,040	1,127	1,133	1,176
Men							
Total not in labor force	17,502	18,184	17,220	17,296	17,348	17,607	17,795
Do not want a job now	15,910	16,523	15,482	15,570	15,663	15,942	16,081
Want a job now	1,591	1,661	1,731	1,710	1,753	1,825	1,827
Reason not looking: School attendance	699	688	733	695	745	765	720
Ill health, disability	334	286	355	324	338	338	307
Think cannot get a job	243	305	291	347	319	367	370
Other reasons[3]	315	383	353	340	351	355	430
Women							
Total not in labor force	41,[illegible]	41,735	41,630	41,702	41,763	41,886	42,111
Do not want a job now	37,807	38,152	38,092	38,003	38,188	38,288	38,441
Want a job now	3,835	3,583	3,602	3,838	3,678	3,780	3,759
Reason not looking: School attendance	718	711	746	758	716	751	746
Ill health, disability	435	409	430	447	390	421	403
Home responsibilities	1,167	1,098	1,245	1,335	1,195	1,235	1,179
Think cannot get a job	457	669	475	602	601	594	685
Other reasons	662	695	705	700	776	778	746
White							
Total not in labor force	51,036	51,876	51,122	51,138	51,182	51,594	51,870
Do not want a job now	47,205	47,985	46,973	46,879	47,198	47,565	47,744
Want a job now	3,831	3,891	4,042	4,259	4,094	4,139	4,124
Reason not looking: School attendance	1,044	999	1,113	1,051	1,087	1,084	1,059
Ill health, disability	535	512	527	559	533	514	513
Home responsibilities	927	846	985	1,104	940	957	967
Think cannot get a job	518	644	551	673	611	681	686
Other reasons	808	890	866	871	923	903	960
Black and other							
Total not in labor force	7,708	8,044	7,711	7,870	7,918	7,912	8,036
Do not want a job now	6,512	6,691	6,460	6,584	6,581	6,449	6,642
Want a job now	1,196	1,351	1,236	1,322	1,315	1,526	1,402
Reason not looking: School attendance	370	401	369	400	357	461	406
Ill health, disability	233	182	236	228	205	228	187
Home responsibilities	240	252	258	243	239	285	269
Think cannot get a job	183	329	197	296	292	293	358
Other reasons	170	187	176	155	221	258	186

[1] Job market factors include "could not find job" and "thinks no job available."

[2] Personal factors include "employers think too young or old," "lacks education or training," and "other personal handicap."

[3] Includes small number of men not looking for work because of home responsibilities.

NOTE: Seasonally adjusted data in this table have been revised. See note on page 8.

Table A-12. Employment status of the noninstitutional population for the ten largest States

(Numbers in thousands)

State and employment status	Not seasonally adjusted*			Seasonally adjusted					
	Dec. 1979	Nov. 1980	Dec. 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980
California									
Civilian noninstitutional population[1]	16,925	17,236	17,264	16,925	17,152	17,180	17,208	17,236	17,264
Civilian labor force	11,195	11,309	11,217	11,178	11,371	11,217	11,243	11,329	11,168
Employed	10,521	10,512	10,512	10,481	10,564	10,441	10,437	10,486	10,440
Unemployed	675	797	704	697	827	776	806	843	728
Unemployment rate	6.0	7.0	6.3	6.2	7.3	6.9	7.2	7.4	6.5
Florida									
Civilian noninstitutional population[1]	6,852	7,044	7,061	6,852	6,992	7,009	7,026	7,044	7,061
Civilian labor force	3,764	3,978	3,967	3,802	3,894	3,884	3,923	4,014	4,026
Employed	3,569	3,760	3,768	3,598	3,652	3,649	3,674	3,805	3,815
Unemployed	194	218	199	204	242	235	249	209	211
Unemployment rate	5.2	5.5	5.0	5.4	6.2	6.1	6.3	5.2	5.2
Illinois									
Civilian noninstitutional population[1]	8,285	8,345	8,349	8,285	8,327	8,333	8,340	8,345	8,349
Civilian labor force	5,474	5,512	5,514	5,454	5,348	5,435	5,469	5,500	5,498
Employed	5,135	5,066	5,021	5,105	4,889	4,955	4,965	5,029	4,983
Unemployed	339	446	493	349	459	480	504	471	515
Unemployment rate	6.2	8.1	8.9	6.4	8.6	8.8	9.2	8.6	9.4
Massachusetts									
Civilian noninstitutional population[1]	4,389	4,430	4,434	4,389	4,419	4,423	4,427	4,430	4,434
Civilian labor force	2,852	2,948	2,955	2,879	2,880	2,935	2,999	2,975	2,977
Employed	2,708	2,812	2,826	2,719	2,721	2,764	2,800	2,825	2,836
Unemployed	144	136	129	160	159	171	199	150	141
Unemployment rate	5.1	4.6	4.4	5.6	5.5	5.8	6.6	5.0	4.7
Michigan									
Civilian noninstitutional population[1]	6,755	6,830	6,837	6,755	6,810	6,817	6,824	6,830	6,837
Civilian labor force	4,323	4,321	4,303	4,345	4,365	4,331	4,335	4,304	4,297
Employed	3,955	3,782	3,779	3,968	3,823	3,779	3,755	3,742	3,749
Unemployed	368	540	524	377	542	552	580	562	548
Unemployment rate	8.5	12.5	12.2	8.7	12.4	12.7	13.4	13.1	12.8
New Jersey									
Civilian noninstitutional population[1]	5,532	5,584	5,588	5,532	5,569	5,574	5,579	5,584	5,588
Civilian labor force	3,590	3,574	3,587	3,568	3,556	3,483	3,562	3,563	3,558
Employed	3,376	3,316	3,316	3,335	3,311	3,234	3,301	3,289	3,268
Unemployed	214	258	271	233	245	249	261	274	290
Unemployment rate	6.0	7.2	7.5	6.5	6.9	7.1	7.3	7.7	8.2
New York									
Civilian noninstitutional population[1]	13,294	13,328	13,330	13,294	13,320	13,322	13,326	13,328	13,330
Civilian labor force	8,111	7,933	7,916	8,114	8,025	7,935	7,999	7,954	7,883
Employed	7,546	7,364	7,366	7,525	7,391	7,375	7,403	7,378	7,308
Unemployed	565	568	549	589	634	560	596	576	575
Unemployment rate	7.0	7.2	6.9	7.3	7.9	7.1	7.5	7.2	7.3
Ohio									
Civilian noninstitutional population[1]	7,944	8,006	8,010	7,944	7,989	7,994	8,000	8,006	8,010
Civilian labor force	5,082	5,126	5,006	5,069	5,140	5,161	5,158	5,081	4,986
Employed	4,815	4,673	4,581	4,775	4,677	4,675	4,722	4,600	4,521
Unemployed	267	453	425	294	463	486	436	481	463
Unemployment rate	5.2	8.8	8.5	5.8	9.0	9.1	8.5	9.5	9.3
Pennsylvania									
Civilian noninstitutional population[1]	8,920	8,974	8,978	8,920	8,960	8,964	8,970	8,974	8,978
Civilian labor force	5,331	5,444	5,347	5,304	5,391	5,408	5,444	5,426	5,334
Employed	4,978	5,037	4,947	4,930	4,946	4,992	5,025	5,002	4,909
Unemployed	354	407	400	374	445	416	419	424	425
Unemployment rate	6.6	7.5	7.5	7.1	8.3	7.7	7.7	7.8	8.0
Texas									
Civilian noninstitutional population[1]	9,618	9,822	9,840	9,618	9,767	9,785	9,804	9,822	9,840
Civilian labor force	6,327	6,527	6,496	6,342	6,527	6,522	6,487	6,512	6,496
Employed	6,102	6,163	6,180	6,092	6,168	6,218	6,180	6,144	6,152
Unemployed	226	364	316	250	359	304	307	368	344
Unemployment rate	3.6	5.6	4.9	3.9	5.5	4.7	4.7	5.7	5.3

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

* These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

NOTE: Revised seasonal factors are not yet available for States. The seasonally adjusted series will be revised for the release of January data on February 6, 1981.

Table B-1. Employees on nonagricultural payrolls by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	Dec. 1979	Oct. 1980	Nov. p 1980	Dec. p 1980	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. p 1980	Dec. p 1980
TOTAL	91,394	91,332	91,652	91,832	90,678	90,142	90,384	90,710	90,917	91,122
GOODS-PRODUCING	26,508	26,041	26,037	25,837	26,590	25,312	25,476	25,636	25,804	25,916
MINING	985	1,039	1,055	1,063	992	1,013	1,028	1,037	1,054	1,070
CONSTRUCTION	4,536	4,700	4,611	4,421	4,615	4,359	4,404	4,442	4,468	4,497
MANUFACTURING	20,987	20,302	20,371	20,353	20,983	19,940	20,044	20,157	20,282	20,349
Production workers	14,964	14,204	14,260	14,244	14,956	13,872	13,972	14,065	14,180	14,237
DURABLE GOODS	12,733	12,100	12,198	12,212	12,706	11,860	11,955	12,043	12,147	12,185
Production workers	9,040	8,343	8,430	8,437	9,009	8,123	8,212	8,288	8,381	8,407
Lumber and wood products	737.4	686.9	682.9	676.9	746	662	674	677	683	685
Furniture and fixtures	501.8	470.3	473.1	476.4	497	456	464	466	468	472
Stone, clay, and glass products	697.4	665.5	666.7	654.2	704	648	655	656	661	660
Primary metal industries	1,209.9	1,093.1	1,109.2	1,120.7	1,219	1,059	1,074	1,096	1,116	1,129
Fabricated metal products	1,725.2	1,604.6	1,615.3	1,615.8	1,718	1,569	1,587	1,595	1,606	1,609
Machinery, except electrical	2,471.6	2,456.7	2,475.4	2,488.6	2,459	2,437	2,452	2,469	2,475	2,476
Electric and electronic equipment	2,171.9	2,119.3	2,138.8	2,146.7	2,163	2,083	2,091	2,107	2,124	2,138
Transportation equipment	2,079.3	1,885.7	1,913.6	1,916.4	2,057	1,840	1,851	1,873	1,902	1,896
Instruments and related products	698.8	695.9	701.7	705.6	698	697	697	697	702	705
Miscellaneous manufacturing	439.4	422.1	421.0	410.3	445	409	410	407	410	415
NONDURABLE GOODS	8,254	8,202	8,173	8,141	8,277	8,080	8,089	8,114	8,135	8,164
Production workers	5,924	5,861	5,830	5,807	5,947	5,749	5,760	5,777	5,799	5,830
Food and kindred products	1,706.2	1,738.8	1,691.5	1,655.4	1,724	1,690	1,672	1,682	1,681	1,672
Tobacco manufacturers	70.8	76.4	75.6	70.9	66	67	68	69	71	67
Textile mill products	889.7	856.8	860.0	860.5	869	851	851	856	857	860
Apparel and other textile products	1,287.1	1,307.5	1,306.0	1,292.6	1,296	1,296	1,299	1,292	1,294	1,302
Paper and allied products	705.9	690.7	692.2	695.1	708	682	686	690	692	696
Printing and publishing	1,268.5	1,272.7	1,280.0	1,297.5	1,261	1,266	1,269	1,272	1,277	1,290
Chemicals and allied products	1,114.2	1,104	1,106.9	1,110.6	1,118	1,100	1,104	1,105	1,109	1,115
Petroleum and coal products	210.6	210.4	210.3	207.3	213	208	208	209	209	209
Rubber and misc. plastics products	755.6	703.4	709.0	713.1	756	680	692	699	705	714
Leather and leather products	245.2	240.6	241.2	237.8	246	240	240	240	240	239
SERVICE-PRODUCING	64,886	65,291	65,615	65,995	64,088	64,830	64,908	65,074	65,113	65,206
TRANSPORTATION AND PUBLIC UTILITIES	5,240	5,178	5,159	5,161	5,212	5,129	5,124	5,147	5,133	5,135
WHOLESALE AND RETAIL TRADE	21,114	20,708	20,924	21,301	20,448	20,589	20,620	20,641	20,647	20,626
WHOLESALE TRADE	5,264	5,313	5,313	5,318	5,251	5,263	5,280	5,292	5,297	5,302
RETAIL TRADE	15,850	15,395	15,611	15,983	15,197	15,326	15,340	15,349	15,350	15,324
FINANCE, INSURANCE, AND REAL ESTATE	5,047	5,204	5,217	5,224	5,064	5,180	5,194	5,214	5,227	5,240
SERVICES	17,271	17,949	17,933	17,935	17,362	17,788	17,861	17,913	17,951	18,025
GOVERNMENT	16,214	16,252	16,382	16,374	16,002	16,144	16,109	16,159	16,155	16,180
FEDERAL	2,770	2,774	2,779	2,788	2,773	2,828	2,765	2,788	2,793	2,808
STATE AND LOCAL	13,444	13,478	13,603	13,586	13,229	13,316	13,344	13,371	13,362	13,372

ppreliminary.

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Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Dec. 1979	Oct. 1980	Nov. 1980 p	Dec. 1980 p	Dec. 1979	Aug. 1980	Sept. 1980	Oct. 1980	Nov. 1980 p	Dec. 1980 p
TOTAL PRIVATE	35.9	35.3	35.3	35.7	35.7	35.1	35.2	35.3	35.4	35.4
MINING	43.9	43.5	43.5	44.1	[2]	[2]	[2]	[2]	[2]	[2]
CONSTRUCTION	37.2	37.9	36.7	37.0	37.2	36.5	37.4	37.0	37.1	37.0
MANUFACTURING	40.9	39.8	40.2	41.0	40.2	39.4	39.6	39.7	39.9	40.2
Overtime hours	3.4	2.9	3.1	3.3	3.2	2.7	2.7	2.8	2.9	3.1
DURABLE GOODS	41.6	40.3	40.7	41.7	40.7	39.9	40.1	40.1	40.5	40.8
Overtime hours	3.5	2.9	3.1	3.4	3.2	2.6	2.7	2.8	3.0	3.2
Lumber and wood products	39.2	39.2	39.2	39.7	39.0	38.9	38.8	38.7	39.3	39.5
Furniture and fixtures	39.9	38.5	38.4	39.5	38.9	37.4	38.0	38.0	38.0	38.5
Stone, clay, and glass products	41.8	41.3	41.4	41.5	41.5	40.3	40.9	40.9	41.1	41.2
Primary metal industries	40.9	39.9	40.7	41.6	40.7	39.2	c39.7	40.1	40.8	41.4
Fabricated metal products	41.9	40.5	40.8	41.7	40.9	40.1	40.4	40.4	40.5	40.7
Machinery, except electrical	42.7	40.7	41.3	42.4	41.5	40.8	40.9	40.7	41.0	41.2
Electric and electronic equipment	41.3	39.9	40.4	41.1	40.5	39.4	39.5	39.9	40.0	40.3
Transportation equipment	42.7	41.1	41.7	43.7	40.9	40.9	40.6	40.8	41.4	41.9
Instruments and related products	41.7	40.3	41.1	41.6	41.0	40.1	40.1	40.2	40.7	40.9
Miscellaneous manufacturing	39.5	38.9	39.2	39.7	39.0	38.6	38.9	38.7	38.7	39.2
NONDURABLE GOODS	39.9	39.1	39.3	39.9	39.4	38.7	38.8	39.0	39.0	39.5
Overtime hours	3.2	2.9	3.0	3.1	3.1	2.8	2.7	2.8	2.9	3.0
Food and kindred products	40.4	39.7	40.2	40.6	39.9	39.8	39.7	39.6	39.9	40.1
Tobacco manufacturers	39.4	40.1	40.0	39.2	38.5	37.3	37.5	39.5	38.9	38.3
Textile mill products	41.5	39.9	40.3	41.1	41.0	39.2	39.7	39.9	40.0	40.6
Apparel and other textile products	35.9	35.4	35.4	35.9	35.6	35.1	35.1	35.3	35.0	35.6
Paper and allied products	43.5	42.2	42.7	43.7	42.8	41.8	42.2	42.2	42.5	43.0
Printing and publishing	38.1	37.2	37.2	38.2	37.4	37.1	36.9	37.1	36.8	37.5
Chemicals and allied products	42.2	41.4	42.0	42.4	41.8	41.0	41.3	41.4	41.7	42.0
Petroleum and coal products	43.5	43.7	43.4	42.9	43.4	42.2	42.7	43.1	43.0	42.8
Rubber and misc. plastics products	40.7	40.7	41.0	41.5	40.0	40.2	40.1	40.4	40.7	40.8
Leather and leather products	37.3	36.5	36.4	37.1	37.0	36.5	36.2	36.5	36.3	36.8
TRANSPORTATION AND PUBLIC UTILITIES	40.0	39.8	39.9	40.0	[2]	[2]	[2]	[2]	[2]	[2]
WHOLESALE AND RETAIL TRADE	32.9	32.1	32.0	32.5	32.6	32.0	32.1	32.2	32.2	32.2
WHOLESALE TRADE	39.1	38.7	38.5	38.9	38.9	38.2	38.5	38.5	38.5	38.7
RETAIL TRADE	31.0	30.0	30.0	30.6	30.6	30.1	30.1	30.2	30.2	30.1
FINANCE, INSURANCE, AND REAL ESTATE	36.4	36.3	36.3	36.2	[2]	[2]	[2]	[2]	[2]	[2]
SERVICES	32.8	32.6	32.6	32.7	32.8	32.6	32.5	32.6	32.7	32.7

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employment on private nonagricultural payrolls.

[2] This series is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

c = corrected.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Dec. 1979	Oct. 1980	Nov. p 1980	Dec. p 1980	Dec. 1979	Oct. 1980	Nov. p 1980	Dec. p 1980
TOTAL PRIVATE	$6.38	$6.86	$6.92	$6.94	$219.04	$242.16	$244.28	$247.76
Seasonally adjusted	6.39	6.83	6.91	6.95	228.12	241.10	244.61	246.03
MINING	8.75	9.37	9.52	9.51	384.13	407.60	414.12	419.39
CONSTRUCTION	9.58	10.25	10.24	10.32	356.38	388.48	375.81	381.84
MANUFACTURING	6.97	7.49	7.59	7.70	285.07	298.10	305.12	315.70
DURABLE GOODS	7.42	8.02	8.13	8.26	308.67	323.21	330.89	344.44
Lumber and wood products	6.24	6.76	6.79	6.77	244.61	264.99	266.17	268.77
Furniture and fixtures	5.26	5.59	5.63	5.71	209.87	215.22	216.19	225.55
Stone, clay, and glass products	7.11	7.74	7.83	7.83	297.20	319.66	324.16	324.95
Primary metal industries	9.28	10.09	10.30	10.44	379.55	402.59	419.21	434.30
Fabricated metal products	7.14	7.68	7.75	7.84	299.17	311.04	316.20	326.93
Machinery, except electrical	7.63	8.36	8.44	8.55	325.80	340.25	348.57	362.52
Electric and electronic equipment	6.64	7.20	7.29	7.40	274.23	287.28	294.52	304.14
Transportation equipment	8.93	9.77	9.88	10.17	381.31	401.55	412.00	444.43
Instruments and related products	6.50	6.93	7.01	7.09	271.05	280.09	288.11	294.94
Miscellaneous manufacturing	5.20	5.55	5.60	5.70	205.40	215.90	219.52	226.29
NONDURABLE GOODS	6.26	6.72	6.79	6.85	249.77	262.75	266.85	273.32
Food and kindred products	6.55	6.95	7.08	7.12	264.62	275.92	284.62	289.07
Tobacco manufacturers	6.98	7.56	7.74	8.18	275.01	303.16	309.60	320.66
Textile mill products	4.87	5.26	5.29	5.34	202.11	209.87	213.19	219.47
Apparel and other textile products	4.38	4.73	4.75	4.79	157.24	167.44	168.15	171.96
Paper and allied products	7.50	8.09	8.19	8.26	326.25	341.40	349.71	360.96
Printing and publishing	7.21	7.75	7.82	7.87	274.70	288.30	290.90	300.63
Chemicals and allied products	7.92	8.52	8.57	8.64	334.22	352.73	359.94	366.34
Petroleum and coal products	9.48	10.39	10.51	10.31	412.38	454.04	456.13	442.30
Rubber and misc. plastics products	6.21	6.70	6.80	6.88	232.75	272.69	278.80	285.52
Leather and leather products	4.35	4.64	4.67	4.71	162.26	169.36	169.99	174.74
TRANSPORTATION AND PUBLIC UTILITIES	8.54	9.20	9.26	9.30	341.60	366.16	369.47	372.00
WHOLESALE AND RETAIL TRADE	5.18	5.59	5.63	5.62	170.42	179.44	180.16	182.65
WHOLESALE TRADE	6.69	7.10	7.19	7.25	261.58	274.77	276.82	282.03
RETAIL TRADE	4.61	4.98	5.01	4.99	142.91	149.40	150.30	152.69
FINANCE, INSURANCE, AND REAL ESTATE	5.48	5.91	6.01	6.02	199.47	214.53	218.16	217.92
SERVICES	5.61	6.00	6.09	6.09	184.01	195.60	198.53	199.14

[1] See footnote 1, table B-2.

p=preliminary.

ESTABLISHMENT DATA

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls by industry division, seasonally adjusted

[1967=100]

Industry	DEC. 1979	JULY 1980	AUG. 1980	SEPT. 1980	OCT. 1980	NOV. P 1980	DEC. P 1980	Percent change from— DEC. 1979–DEC. 1980	Percent change from— NOV. 1980–DEC. 1980
TOTAL PRIVATE NONFARM:									
Current dollars	239.4	252.1	254.0	255.4	257.9	260.7	261.6	9.3	0.4
Constant (1967) dollars	103.8	102.0	102.0	101.5	101.5	101.6	N.A.	(2)	(3)
MINING	274.6	285.3	288.9	290.4	294.4	298.7	299.5	9.1	.3
CONSTRUCTION	228.1	236.7	239.0	239.3	241.6	242.8	244.6	7.2	.7
MANUFACTURING	244.1	260.6	262.4	264.5	266.6	268.9	270.4	10.8	.6
TRANSPORTATION AND PUBLIC UTILITIES	260.1	272.8	273.2	274.0	280.2	282.6	283.9	9.2	.5
WHOLESALE AND RETAIL TRADE	231.4	243.5	245.3	246.5	247.7	250.4	250.9	8.4	.2
FINANCE, INSURANCE, AND REAL ESTATE	217.9	229.0	232.7	233.1	234.8	239.5	239.0	9.7	-.2
SERVICES	237.8	247.6	249.8	251.7	254.2	258.1	258.3	8.6	.1

1 SEE FOOTNOTE 1, TABLE B-2.
2 PERCENT CHANGE WAS -2.5 FROM NOVEMBER 1979 TO NOVEMBER 1980, THE LATEST MONTH AVAILABLE.
3 PERCENT CHANGE WAS .0 FROM OCTOBER 1980 TO NOVEMBER 1980, THE LATEST MONTH AVAILABLE.

N.A. = not available.
p=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers,[1] on private nonagricultural payrolls- by industry, seasonally adjusted

[1967=100]

Industry division and group	1979	1980											
	Dec.r	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.p	Dec.p
TOTAL PRIVATE	126.8	127.1	126.9	126.0	124.8	123.4	122.5	121.9	123.0	123.7c	124.5	125.2	125.7
GOODS-PRODUCING	109.4	110.1	109.1	107.3	105.2	102.2	100.3	98.5	100.0	101.5c	102.3	103.6	104.9
MINING	162.5	162.0	162.1	162.9	161.7	163.2	166.4	158.7	162.4	166.7	168.0	170.6	175.0
CONSTRUCTION	132.8	137.7	134.7	126.9	124.7	124.3	123.7	120.6	120.5	124.7	124.5	125.5	126.0
MANUFACTURING	103.5	103.4	102.8	101.8	99.8	96.1	93.8	92.5	94.2	95.2	96.1	97.4	98.7
DURABLE GOODS	106.4	106.0	105.8	105.0	101.6	96.6	94.0	92.4	94.1	95.5c	96.6	98.5	99.6
Lumber and wood products	109.4	109.8	108.9	106.5	95.3	90.4	89.6	91.5	95.3	96.8	97.0	99.4	100.3
Furniture and fixtures	109.1	109.7	108.9	106.9	106.1	99.0	94.6	91.0	94.8	98.4	99.0	99.2	101.9
Stone, clay, and glass products	110.4	110.3	109.6	108.0	103.5	99.4	96.7	95.1	96.5	99.3	99.5	101.2	101.2
Primary metal industries	92.9	92.7	92.4	91.8	89.9	82.4	77.4	73.4	75.4	77.7c	80.5	83.7	86.4
Fabricated metal products	105.7	104.8	104.9	104.6	102.1	95.3	92.5	89.9	92.3	94.5	95.1	96.2	96.9
Machinery, except electrical	114.4	118.5	117.5	116.9	116.1	114.1	110.8	108.8	108.6	110.1	110.2	111.0	111.1
Electric and electronic equipment	110.4	110.8	109.8	109.4	108.1	103.8	100.1	98.5	99.8	100.5	102.1	103.6	105.1
Transportation equipment	98.3	91.7	93.8	93.0	85.0	79.1	79.6	79.8	82.4	82.5	84.7	88.2	88.7
Instruments and related products	128.8	130.0	129.1	128.7	128.4	126.0	125.1	123.8	124.1	123.8	124.2	126.3	127.8
Miscellaneous manufacturing industry	99.4	99.3	98.2	96.9	95.8	91.6	88.5	89.0	88.5	88.9	87.6	88.5	91.1
NONDURABLE GOODS	99.2	99.7	98.4	97.3	97.2	95.4	93.5	92.5	94.3	94.7	95.4	95.9	97.4
Food and kindred products	97.6	98.9	96.2	94.6	94.4	95.1	93.2	93.9	94.8	93.2	93.7	94.5	94.3
Tobacco manufacturers	70.3	71.7	70.5	70.2	72.4	73.8	72.1	73.0	68.1	71.1	74.9	75.1	68.6
Textile mill products	91.5	92.7	91.6	91.0	89.4	86.4	82.2	80.5	83.3	84.5	85.3	85.7	87.4
Apparel and other textile products	88.5	90.3	90.5	89.2	89.3	87.2	86.7	86.1	87.2	87.3	87.5	87.0	89.0
Paper and allied products	102.1	102.9	102.5	101.6	100.4	96.7	94.7	93.6	95.0	96.5	97.3	98.5	100.6
Printing and publishing	105.2	106.9	105.9	105.1	104.8	103.6	103.1	102.9	103.8	103.8	104.1	103.7	107.3
Chemicals and allied products	108.2	109.0	108.4	108.0	107.4	106.0	104.4	102.1	102.4	103.9	104.1	105.5	107.3
Petroleum and coal products	122.4	104.9	75.7	71.4	91.6	113.8	113.3	113.9	114.8	116.1	117.2	116.9	119.9
Rubber and misc. plastics products	143.4	145.7	142.2	141.4	139.9	128.5	123.6	119.2	127.5	130.1	132.8	135.1	137.6
Leather and leather products	66.4	66.4	66.4	65.6	66.0	63.6	63.3	59.5	63.9	63.7	64.2	63.9	64.1
SERVICE-PRODUCING	138.8	138.9	139.2	139.0	138.3	138.1	137.9	138.2	139.0	139.2	139.9	140.2	140.2
TRANSPORTATION AND PUBLIC UTILITIES	115.8	114.0	113.7	113.9	113.5	112.6	112.6	112.8	112.6	112.7	113.5	113.4	113.8
WHOLESALE AND RETAIL TRADE	132.2	132.6	132.7	131.8	130.4	130.3	129.1	128.9	130.4	130.9	131.4	131.4	131.0
WHOLESALE TRADE	135.0	135.4	135.6	134.5	134.1	133.7	130.8	131.0	131.9	133.3	133.6	133.6	134.5
RETAIL TRADE	131.0	131.5	131.5	130.7	128.9	129.0	128.5	128.0	129.8	130.0	130.6	130.5	129.6
FINANCE, INSURANCE, AND REAL ESTATE	148.2	148.2	149.3	149.6	149.4	149.7	151.2	151.1	151.8	151.1	152.4	152.6	152.8
SERVICES	156.0	156.4	157.2	157.6	157.6	157.4	157.8	159.1	159.4	159.3	160.0	161.1	161.5

1 See footnote 1, table B-2.

p=preliminary.
c = corrected.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1977				
January	72.4	78.5	86.0	79.1
February	66.9	84.3	85.8	80.8
March	73.5	83.1	84.9	82.3
April	72.4	83.4	80.8	83.4
May	71.2	76.2	80.2	85.2
June	65.1	71.2	77.9	86.0
July	64.0	67.7	74.1	84.9
August	60.5	72.1	76.7	82.6
September	70.1	72.1	79.1	82.3
October	65.1	77.6	81.4	82.6
November	71.8	78.5	84.6	80.8
December	75.0	78.2	82.0	81.7
1978				
January	68.6	80.8	82.3	79.7
February	68.6	77.3	82.8	82.3
March	71.8	80.2	79.9	81.1
April	69.8	74.7	74.7	84.6
May	61.9	73.0	75.3	83.7
June	64.2	66.6	74.7	82.6
July	61.0	68.0	73.3	81.1
August	67.7	70.1	77.6	79.9
September	67.2	74.1	80.5	79.1
October	68.0	78.2	82.0	74.1
November	75.3	81.1	79.1	76.7
December	74.7	81.7	78.2	74.4
1979				
January	66.9	75.9	74.7	73.3
February	66.3	70.3	71.8	70.6
March	62.2	64.0	64.0	69.2
April	49.7	60.2	60.5	67.7
May	58.1	54.7	53.8	63.4
June	57.8	59.9	51.5	58.4
July	57.0	53.8	58.1	59.6
August	54.4	52.0	55.5	54.9
September	52.9	57.6	55.2	50.6
October	65.1	61.9	59.3	46.5
November	55.2	61.9	63.1	39.5
December	53.5	57.3	56.4	37.8
1980				
January	60.2	57.6	45.3	33.4
February	54.9	52.6	36.9	33.1
March	45.9	39.2	32.3	35.2
April	34.6	29.1	24.7	33.1
May	28.8	25.0	26.7	36.9p
June	30.2	23.8	25.6	35.5p
July	36.3	34.9	32.3	
August	62.8	54.4	48.3p	
September	62.8	68.9	67.7p	
October	64.0	74.1p		
November	67.2p	71.2p		
December	63.7p			

[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.
p = preliminary.

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Table 1. Employment status of the population by sex and age

(Numbers in thousands)

Employment status, sex, and age	1975	1976	1977	1978	1979	1980
TOTAL						
Total noninstitutional population	153,449	156,048	158,559	161,038	163,620	166,246
Armed Forces	2,180	2,144	2,133	2,117	2,088	2,102
Civilian noninstitutional population	151,268	153,904	156,426	158,941	161,532	164,143
Civilian labor force	92,613	94,773	97,401	100,420	102,908	104,719
Participation rate	61.2	61.6	62.3	63.2	63.7	63.8
Employed	84,783	87,485	90,546	94,373	96,945	97,270
Employment-population ratio[1]	55.3	56.1	57.1	58.6	59.3	58.5
Agriculture	3,380	3,297	3,244	3,342	3,297	3,310
Nonagricultural industries	81,403	84,188	87,302	91,031	93,648	93,960
Unemployed	7,830	7,288	6,855	6,047	5,963	7,448
Unemployment rate	8.5	7.7	7.0	6.0	5.8	7.1
Not in labor force	58,655	59,130	59,025	58,521	58,623	59,425
Men, 16 years and over						
Total noninstitutional population	73,494	74,739	75,981	77,169	78,397	79,642
Armed Forces	2,091	2,038	2,108	1,992	1,949	1,943
Civilian noninstitutional population	71,403	72,700	73,963	75,176	76,449	77,699
Civilian labor force	55,615	56,359	57,449	58,542	59,517	60,145
Participation rate	77.9	77.5	77.7	77.9	77.9	77.4
Employed	51,230	52,391	53,861	55,491	56,499	55,988
Employment-population ratio[1]	68.7	70.1	70.9	71.9	72.1	70.3
Unemployment	4,385	3,968	3,588	3,051	3,018	4,157
Unemployment rate	7.9	7.0	6.2	5.2	5.1	6.9
Men, 20 years and over						
Total noninstitutional population	65,082	66,253	67,484	68,693	69,964	71,271
Armed Forces	1,724	1,692	1,688	1,687	1,670	1,664
Civilian noninstitutional population	63,357	64,561	65,796	67,006	68,293	69,607
Civilian labor force	50,855	51,527	52,464	53,464	54,486	55,234
Participation rate	80.3	79.8	79.7	79.8	79.8	79.4
Employed	47,427	48,486	49,737	51,212	52,264	51,972
Employment-population ratio[1]	72.9	73.2	73.7	74.6	74.7	72.9
Agriculture	2,422	2,359	2,308	2,361	2,350	2,355
Nonagricultural industries	45,005	46,128	47,429	48,852	49,913	49,617
Unemployed	3,428	3,041	2,727	2,252	2,223	3,261
Unemployment rate	6.7	5.9	5.2	4.2	4.1	5.9
Women, 16 years and over						
Total noninstitutional population	79,954	81,309	82,577	83,890	85,223	86,604
Armed Forces	89	106	115	125	139	159
Civilian noninstitutional population	79,865	81,203	82,462	83,765	85,083	86,445
Civilian labor force	36,998	38,414	39,952	41,878	43,391	44,574
Participation rate	46.3	47.3	48.4	50.0	51.0	51.6
Employed	33,553	35,095	36,685	38,882	40,446	41,283
Employment-population ratio[1]	42.0	43.2	44.5	46.3	47.5	47.7
Unemployment	3,445	3,320	3,267	2,996	2,945	3,291
Unemployment rate	9.3	8.6	8.2	7.2	6.8	7.4
Women, 20 years and over						
Total noninstitutional population	71,719	73,003	74,256	75,594	76,976	78,426
Armed Forces	69	86	97	105	116	131
Civilian noninstitutional population	71,650	72,917	74,160	75,489	76,860	78,295
Civilian labor force	32,959	34,276	35,685	37,416	38,910	40,243
Participation rate	46.0	47.0	48.1	49.6	50.6	51.4
Employed	30,310	31,730	33,199	35,180	36,698	37,696
Employment-population ratio[1]	42.3	43.5	44.7	46.5	47.7	48.1
Agriculture	505	511	537	586	591	575
Nonagricultural industries	29,805	31,218	32,662	34,593	36,107	37,120
Unemployed	2,649	2,546	2,486	2,236	2,213	2,547
Unemployment rate	8.0	7.4	7.0	6.0	5.7	6.3
Both sexes, 16–19 years						
Total noninstitutional population	16,648	16,792	16,818	16,771	16,681	16,549
Armed Forces	387	366	348	325	302	307
Civilian noninstitutional population	16,261	16,426	16,470	16,447	16,379	16,242
Civilian labor force	8,799	8,970	9,252	9,540	9,512	9,242
Participation rate	54.1	54.6	56.2	58.0	58.1	56.9
Employed	7,046	7,269	7,610	7,981	7,984	7,603
Employment-population ratio[1]	42.3	43.3	45.2	47.6	47.9	45.9
Agriculture	453	427	399	395	356	380
Nonagricultural industries	6,593	6,842	7,211	7,586	7,628	7,223
Unemployed	1,752	1,701	1,642	1,559	1,528	1,640
Unemployment rate	19.9	19.0	17.7	16.3	16.1	17.7

[1] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

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Table 2. Employment status of the population by race, sex, and age

(Numbers in thousands)

Employment status, race, sex, and age	1975	1976	1977	1978	1979	1980
WHITE						
Total noninstitutional population	135,323	137,351	139,346	141,289	143,260	145,281
Armed Forces	1,822	1,783	1,752	1,709	1,646	1,624
Civilian noninstitutional population	133,501	135,569	137,595	139,580	141,614	143,657
Civilian labor force	82,084	83,876	86,107	88,456	90,602	92,171
Participation rate	61.5	61.9	62.6	63.4	64.0	64.2
Employed	73,713	78,021	80,734	83,836	86,025	86,380
Employment-population ratio[1]	54.5	56.8	57.9	59.3	60.0	59.5
Unemployed	6,371	5,855	5,373	4,620	4,577	5,790
Unemployment rate	7.8	7.0	6.2	5.2	5.1	6.3
Men, 20 years and over						
Civilian labor force	45,617	46,178	46,960	47,733	48,583	49,252
Participation rate	80.7	80.3	80.3	80.2	80.2	79.9
Employed	42,801	43,704	44,784	45,977	46,854	46,671
Employment-population ratio[1]	43.9	74.9	74.8	75.5	75.7	74.2
Unemployed	2,816	2,474	2,176	1,757	1,728	2,581
Unemployment rate	6.2	5.4	4.6	3.7	3.6	5.2
Women, 20 years and over						
Civilian labor force	28,609	29,659	30,853	32,233	33,545	34,686
Participation rate	45.3	46.2	47.4	48.7	49.9	50.8
Employed	26,459	27,634	28,930	30,547	31,876	32,756
Employment-population ratio[1]	43.0	43.0	44.4	46.1	47.4	47.9
Unemployed	2,149	2,025	1,922	1,686	1,669	1,931
Unemployment rate	7.5	6.8	6.2	5.2	5.0	5.6
Both sexes, 16–19 years						
Civilian labor force	7,858	8,039	8,295	8,490	8,475	8,233
Participation rate	56.7	57.6	59.4	61.0	61.2	60.1
Employed	6,452	6,683	7,020	7,312	7,295	6,955
Employment-population ratio[1]	45.5	46.9	49.2	51.6	51.8	50.0
Unemployed	1,406	1,356	1,275	1,178	1,181	1,278
Unemployment rate	17.9	16.9	15.4	13.9	13.9	13.5
Men	18.3	17.3	15.0	13.5	13.9	16.2
Women	17.4	16.4	15.9	14.4	13.9	14.8
BLACK AND OTHER						
Total noninstitutional population	18,126	18,696	19,212	19,769	20,359	20,964
Armed Forces	355	362	381	408	441	478
Civilian noninstitutional population	17,768	18,335	18,831	19,361	19,918	20,486
Civilian labor force	10,529	10,897	11,294	11,964	12,306	12,548
Participation rate	59.3	59.4	60.0	61.8	61.8	61.2
Employed	9,070	9,464	9,812	10,537	10,920	10,890
Employment-population ratio[1]	50.0	50.6	51.1	53.3	53.6	51.9
Unemployed	1,459	1,433	1,482	1,427	1,386	1,658
Unemployment rate	13.9	13.1	13.1	11.9	11.3	13.2
Men, 20 years and over						
Civilian labor force	5,238	5,349	5,504	5,731	5,904	5,982
Participation rate	76.4	75.6	75.6	76.5	76.4	75.1
Employed	4,626	4,782	4,953	5,236	5,409	5,301
Employment-population ratio[1]	64.8	64.9	65.3	67.0	67.0	63.6
Unemployed	612	566	551	495	495	681
Unemployment rate	11.7	10.6	10.0	8.6	8.4	11.4
Women, 20 years and over						
Civilian labor force	4,351	4,617	4,832	5,182	5,366	5,557
Participation rate	51.2	52.6	53.4	55.3	55.6	55.8
Employed	3,851	4,096	4,268	4,632	4,822	4,941
Employment-population ratio[1]	45.2	46.7	47.0	49.5	49.8	49.4
Unemployed	500	521	564	550	544	616
Unemployment rate	11.5	11.3	11.7	10.6	10.1	11.1
Both sexes, 16–19 years						
Civilian labor force	940	931	957	1,050	1,036	1,009
Participation rate	39.1	37.7	38.4	41.6	40.8	39.5
Employed	594	586	590	669	689	648
Employment-population ratio[1]	24.0	23.2	23.1	25.9	26.4	24.6
Unemployed	347	345	367	381	347	361
Unemployment rate	36.9	37.1	38.3	36.3	33.5	35.8
Men	35.4	35.4	37.0	34.4	31.5	34.9
Women	38.5	39.0	39.9	38.4	35.7	36.9

[1] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

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Table 3. Major unemployment indicators

Category	Number of unemployed persons (in thousands)		Unemployment rates					
	1979	1980	1975	1976	1977	1978	1979	1980
CHARACTERISTIC								
Total, 16 years and over	5,963	7,448	8.5	7.7	7.0	6.0	5.8	7.1
Men, 20 years and over	2,223	3,261	6.7	5.9	5.2	4.2	4.1	5.9
Women, 20 years and over	2,213	2,547	8.0	7.4	7.0	6.0	5.7	6.3
Both sexes, 16-19 years	1,528	1,640	19.9	19.0	17.7	16.3	16.1	17.7
Black	1,269	1,499	14.7	13.8	13.9	12.6	12.2	14.1
Hispanic origin	415	554	12.2	11.5	10.0	9.1	8.3	10.1
Married men, spouse present	1,101	1,674	5.1	4.2	3.6	2.8	2.7	4.2
Married women, spouse present	1,224	1,417	7.9	7.1	6.5	5.5	5.1	5.8
Women who maintain families	413	469	10.0	10.0	9.3	8.5	8.3	9.1
Full-time workers	4,639	6,108	8.1	7.3	6.5	5.5	5.3	6.8
Part-time workers	1,325	1,341	10.3	10.1	9.8	9.0	8.7	8.7
Labor force time lost[1]	–	–	9.1	8.3	7.6	6.5	6.3	7.9
OCCUPATION[2]								
White-collar workers	1,703	1,951	4.7	4.6	4.3	3.5	3.3	3.7
Professional and technical	373	395	3.2	3.2	3.0	2.6	2.4	2.5
Managers and administrators, except farm	225	270	3.0	3.1	2.8	2.1	2.1	2.4
Sales workers	252	283	5.8	5.4	5.3	4.1	3.9	4.4
Clerical workers	853	1,004	6.6	6.4	5.9	4.9	4.6	5.3
Blue-collar workers	2,377	3,414	11.7	9.4	8.1	6.9	6.9	10.0
Craft and kindred workers	604	884	8.3	6.9	5.6	4.6	4.5	6.6
Operatives, except transport	1,000	1,436	14.7	10.8	9.5	8.1	8.4	12.2
Transport equipment operatives	206	335	8.5	7.7	6.6	5.2	5.4	8.8
Nonfarm laborers	566	760	15.6	13.7	12.0	10.7	10.8	14.6
Service workers	980	1,107	8.6	8.7	8.2	7.4	7.1	7.9
Farm workers	106	125	3.5	4.5	4.6	3.8	3.8	4.4
INDUSTRY[3]								
Nonagricultural private wage and salary workers[3]	4,336	5,642	9.2	7.9	7.0	5.9	5.7	7.4
Construction	525	723	18.1	15.6	12.7	10.6	10.2	14.2
Manufacturing	1,271	1,953	10.9	7.9	6.7	5.5	5.5	8.5
Durable goods	685	1,235	11.3	7.7	6.2	4.9	5.0	8.9
Nondurable goods	586	717	10.4	8.1	7.4	6.3	6.4	7.9
Transportation and public utilities	200	274	5.6	5.0	4.7	3.7	3.7	4.9
Wholesale and retail trade	1,214	1,404	8.7	8.6	8.0	6.9	6.5	7.4
Finance and service industries	1,083	1,226	6.6	6.5	6.0	5.1	4.9	5.3
Government workers	589	660	4.0	4.4	4.2	3.9	3.7	4.1
Agricultural wage and salary workers	141	168	10.3	11.7	11.1	8.8	9.1	10.8

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

ESTABLISHMENT DATA
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Table 4. Employees on nonagricultural payrolls by industry and major manufacturing group

(In thousands)

Industry	1977	1978	1979	1980[P]	Change from 1978–1979	Change from 1979–1980[P]
TOTAL	82,471	86,697	89,886	90,652	3,189	766
GOODS-PRODUCING	24,346	25,585	26,504	25,857	919	-647
MINING	813	851	960	1,025	109	65
CONSTRUCTION	3,851	4,229	4,483	4,468	254	-15
MANUFACTURING	19,682	20,505	21,062	20,365	557	-697
DURABLE GOODS	11,597	12,274	12,772	12,218	498	-554
Lumber and wood products	721.9	754.7	766.1	686.7	11.4	-79.4
Furniture and fixtures	464.3	494.1	499.3	473.7	5.2	-25.6
Stone, clay, and glass products	668.7	698.2	709.7	667.9	11.5	-41.8
Primary metal industries	1,181.6	1,214.9	1,250.2	1,132.7	35.3	-117.5
Fabricated metal products	1,582.8	1,672.6	1,723.7	1,627.2	51.1	-96.5
Machinery, except electrical	2,174.7	2,325.5	2,481.6	2,488.5	156.1	6.9
Electric and electronic equipment	1,878.0	2,006.1	2,124.3	2,126.9	118.2	2.6
Transportation equipment	1,871.5	2,002.8	2,082.8	1,892.2	80.0	-190.6
Instruments and related products	615.1	653.1	688.9	700.1	35.8	11.2
Miscellaneous manufacturing industries	438.4	451.5	445.6	422.0	-5.9	-23.6
NONDURABLE GOODS	8,086	8,231	8,290	8,147	59	-143
Food and kindred products	1,711.0	1,724.1	1,728.1	1,689.0	4.0	-39.1
Tobacco manufactures	70.7	70.6	69.9	68.7	-.7	-1.2
Textile mill products	910.2	899.1	888.5	864.0	-10.6	-24.5
Apparel and other textile products	1,316.3	1,332.3	1,312.5	1,297.7	-19.8	-14.8
Paper and allied products	691.6	698.7	706.7	694.3	8.0	-12.4
Printing and publishing	1,141.4	1,192.0	1,239.5	1,272.1	47.5	32.6
Chemicals and allied products	1,073.7	1,095.5	1,110.7	1,112.9	15.2	2.2
Petroleum and coal products	202.3	207.7	210.0	197.3	2.3	-12.7
Rubber and misc. plastics products	713.5	734.5	775.6	711.0	41.1	-64.6
Leather and leather products	234.8	256.8	248.0	240.0	-8.8	-8.0
SERVICE-PRODUCING	58,125	61,113	63,382	64,795	2,269	1,413
TRANSPORTATION AND PUBLIC UTILITIES	4,713	4,923	5,141	5,155	218	14
WHOLESALE AND RETAIL TRADE	18,516	19,542	20,269	20,571	727	302
WHOLESALE TRADE	4,708	4,969	5,204	5,281	235	77
RETAIL TRADE	13,808	14,573	15,066	15,290	493	224
FINANCE, INSURANCE, AND REAL ESTATE	4,467	4,724	4,974	5,162	250	188
SERVICES	15,303	16,252	17,078	17,736	826	658
GOVERNMENT	15,127	15,672	15,920	16,171	248	251
FEDERAL	2,727	2,753	2,773	2,867	20	94
STATE AND LOCAL	12,399	12,919	13,147	13,304	228	157

[P]preliminary.

ESTABLISHMENT DATA
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Table 5. Production or nonsupervisory workers[1] on private nonagricultural payrolls by industry division and major manufacturing group

(In thousands)

Industry	1977	1978	1979	1980 p	Change from 1978-1979	Change from 1979-1980 p
TOTAL PRIVATE	55,179	58,156	60,442	60,589	2,286	147
MINING	618	638	721	763	83	42
CONSTRUCTION	3,021	3,354	3,581	3,516	227	-65
MANUFACTURING	14,135	14,734	15,085	14,281	351	-804
DURABLE GOODS	8,307	8,805	9,120	8,470	315	-650
Lumber and wood products	616.3	646.6	653.1	574.9	6.5	-78.2
Furniture and fixtures	381.8	406.3	407.3	382.6	1.0	-24.7
Stone, clay, and glass products	532.9	554.3	559.5	517.9	5.2	-41.6
Primary metal industries	922.1	954.3	983.6	870.1	29.3	-113.5
Fabricated metal products	1,198.2	1,270.0	1,303.6	1,206.7	33.6	-96.9
Machinery, except electrical	1,422.0	1,526.4	1,631.8	1,600.6	105.4	-31.2
Electric and electronic equipment	1,233.2	1,317.9	1,393.7	1,354.4	75.8	-39.3
Transportation equipment	1,290.4	1,383.9	1,427.4	1,228.0	43.5	-199.4
Instruments and related products	375.5	400.3	420.1	418.3	19.8	-1.8
Miscellaneous manufacturing industries	334.2	344.5	339.8	316.9	-4.7	-22.9
NONDURABLE GOODS	5,828	5,929	5,965	5,811	36	-154
Food and kindred products	1,161.0	1,173.9	1,186.6	1,155.7	12.7	-30.9
Tobacco manufactures	57.0	56.2	55.4	53.5	-.8	-1.9
Textile mill products	792.3	783.1	774.1	751.7	-9.0	-22.4
Apparel and other textile products	1,129.4	1,144.6	1,123.5	1,108.9	-21.1	-14.6
Paper and allied products	518.2	524.7	535.5	523.7	10.8	-11.8
Printing and publishing	646.5	671.9	701.2	714.5	29.3	13.3
Chemicals and allied products	616.0	627.6	633.4	627.0	5.8	-6.4
Petroleum and coal products	131.3	135.5	137.2	124.5	1.7	-12.7
Rubber and misc. plastics products	538.1	591.2	607.4	547.9	16.2	-59.5
Leather and leather products	218.4	220.4	211.1	202.9	-9.3	-8.2
TRANSPORTATION AND PUBLIC UTILITIES	4,008	4,142	4,304	4,302	162	-2
WHOLESALE AND RETAIL TRADE	16,316	17,219	17,818	18,044	599	226
WHOLESALE TRADE	3,878	4,094	4,274	4,316	180	42
RETAIL TRADE	12,438	13,125	13,544	13,728	419	184
FINANCE, INSURANCE, AND REAL ESTATE	3,397	3,593	3,774	3,905	181	131
SERVICES	13,683	14,476	15,161	15,777	685	616

[1] For coverage of series, see footnote 1, table B-2.

p=preliminary.

ESTABLISHMENT DATA
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Table 6. Gross hours and earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry division and major manufacturing group

Industry	Average weekly hours				Average hourly earnings				Average weekly earnings			
	1977	1978	1979	1980 p	1977	1978	1979	1980 p	1977	1978	1979	1980 p
TOTAL PRIVATE	36.0	35.8	35.6	35.3	$5.25	$5.69	$6.16	$6.66	$189.00	$203.70	$219.30	$235.10
MINING	43.4	43.4	43.0	43.2	6.94	7.67	8.50	9.18	301.20	332.88	365.50	396.58
CONSTRUCTION	36.5	36.8	37.0	37.0	8.10	8.66	9.27	9.93	295.65	318.69	342.99	367.41
MANUFACTURING	40.3	40.4	40.2	39.7	5.68	6.17	6.69	7.27	228.90	249.27	268.94	288.62
Overtime hours	3.5	3.6	3.3	2.8	-	-	-	-	-	-	-	-
DURABLE GOODS	41.0	41.1	40.8	40.2	6.06	6.58	7.13	7.76	248.46	270.44	290.90	311.95
Overtime hours	3.7	3.8	3.5	2.8	-	-	-	-	-	-	-	-
Lumber and wood products	39.8	39.8	39.4	38.6	5.10	5.60	6.08	6.56	202.98	222.88	239.55	253.22
Furniture and fixtures	39.0	39.3	38.7	38.0	4.34	4.68	5.06	5.48	169.26	183.92	195.82	208.24
Stone, clay, and glass products	41.3	41.6	41.5	40.8	5.81	6.33	6.85	7.51	239.95	263.33	284.28	306.41
Primary metal industries	41.3	41.8	41.4	40.1	7.40	8.20	8.97	9.77	305.62	342.76	371.36	391.78
Fabricated metal products	41.0	41.0	40.7	40.4	5.91	6.35	6.84	7.43	242.31	260.35	278.39	300.17
Machinery, except electrical	41.5	42.1	41.8	41.1	6.26	6.78	7.32	8.04	259.79	285.44	305.98	330.44
Electric and electronic equipment	40.4	40.3	40.3	39.8	5.39	5.82	6.32	6.96	217.76	234.55	254.70	277.01
Transportation equipment	42.5	42.2	41.1	40.6	7.29	7.91	8.54	9.35	309.83	333.80	350.99	379.61
Instruments and related products	40.6	40.9	40.8	40.5	5.29	5.71	6.17	6.80	214.77	233.54	251.74	275.40
Miscellaneous manufacturing industries	38.8	38.8	38.8	38.7	4.36	4.69	5.03	5.45	169.17	181.97	195.16	210.92
NONDURABLE GOODS	39.4	39.4	39.3	39.0	5.11	5.53	6.00	6.53	201.33	217.88	235.80	254.67
Overtime hours	3.2	3.2	3.1	2.8	-	-	-	-	-	-	-	-
Food and kindred products	40.0	39.7	39.9	39.7	5.37	5.80	6.27	6.86	214.80	230.26	250.17	272.34
Tobacco manufactures	37.8	38.1	38.0	38.2	5.54	6.13	6.65	7.67	209.41	233.55	252.70	292.99
Textile mill products	40.4	40.4	40.4	40.1	3.99	4.30	4.66	5.07	161.20	173.72	188.26	203.31
Apparel and other textile products	35.6	35.6	35.3	35.4	3.62	3.94	4.23	4.57	128.87	140.26	149.32	161.78
Paper and allied products	42.9	42.9	42.6	42.3	5.96	6.52	7.13	7.85	255.68	279.71	303.74	332.06
Printing and publishing	37.7	37.6	37.5	37.1	6.12	6.51	6.95	7.54	230.72	244.78	260.63	279.73
Chemicals and allied products	41.7	41.9	41.9	41.5	6.43	7.02	7.60	8.29	268.13	294.14	318.44	344.04
Petroleum and coal products	42.7	43.6	43.8	41.7	7.83	8.63	9.36	10.09	334.34	376.27	409.97	420.75
Rubber and misc. plastics products	41.0	40.9	40.5	40.0	5.17	5.52	5.96	6.49	211.97	225.77	241.38	259.60
Leather and leather products	36.9	37.1	36.5	36.7	3.61	3.89	4.22	4.57	133.21	144.32	154.03	167.72
TRANSPORTATION AND PUBLIC UTILITIES	39.9	40.0	39.9	39.6	6.99	7.57	8.17	8.88	278.90	302.80	325.98	351.65
WHOLESALE AND RETAIL TRADE	33.3	32.9	32.6	32.1	4.28	4.67	5.06	5.48	142.52	153.64	164.96	175.91
WHOLESALE TRADE	38.8	38.8	38.8	38.5	5.39	5.88	6.39	6.97	209.13	228.14	247.93	268.35
RETAIL TRADE	31.6	31.0	30.6	30.2	3.85	4.20	4.53	4.88	121.66	130.20	138.62	147.38
FINANCE, INSURANCE, AND REAL ESTATE	36.4	36.4	36.2	36.2	4.54	4.89	5.27	5.78	165.26	178.00	190.77	209.24
SERVICES	33.0	32.8	32.7	32.6	4.65	4.99	5.36	5.85	153.45	163.67	175.27	190.71

[1]For coverage of series, see footnote 1, table B-2.

p=preliminary unweighted averages.

News
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PRODUCER PRICE INDEXES--DECEMBER 1980

The Producer Price Index for Finished Goods moved up 0.6 percent from November to December on a seasonally adjusted basis, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The December rise was the same as in November and was slightly smaller than the 0.8 percent increase in October. Prices for intermediate goods climbed 1.3 percent, following increases of

Table A. Percent changes from preceding month in selected stage-of-processing price indexes, seasonally adjusted*

Month	Finished goods			Intermediate goods			Crude goods		
	Total	Consumer foods	Other	Total	Foods and feeds 1/	Other	Total	Foodstuffs and feedstuffs	Other
Dec. 1979	0.8	0.3	1.1	1.1	0.3	1.2	1.1	0.2	2.2
Jan. 1980	1.6	-.9	2.4	2.7	-2.6	3.0	-.7	-3.8	3.2
Feb.	1.4	-.4	2.0	2.0	5.6	1.8	2.7	2.2	3.3
Mar.	1.4	1.0	1.5	.5	-3.1	.7	-2.1	-2.7	-1.4
Apr.	.6	-2.8	1.6	.1	-2.7	.3	-3.5	-6.1	-.5
May	.3	0	.4	.4	6.1	.1	1.3	2.4	0
June	.7	.7	.7	.8	0	.8	.4	1.1	-.5
July	1.7	3.9	1.1	.9	4.2	.7	6.3	9.0	3.3
Aug.	1.4	4.3	.5	1.1r	9.5r	.7r	6.1r	9.0	2.8r
Sept....	-.2	-.2	-.2r	.2r	.2r	.1r	.8r	-.4	2.3r
Oct.	.8	.5	.9	.9	6.0	.6	1.9	1.5	2.5
Nov.	.6	.5	.7	1.0	1.7	.9	1.1	.6	1.8
Dec.	.6	-.4	.9	1.3	-7.5	1.9	-1.3	-3.3	1.0

1/ Intermediate materials for food manufacturing and feeds.
* Data for August 1980 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.
r= revised.

1.0 and 0.9 percent in November and October. Crude material prices fell 1.3 percent, the first decline since last April. (See table A.)

Among finished goods, prices for capital equipment and energy goods advanced somewhat more than in November. On the other hand, consumer food prices decreased slightly, the fourth consecutive small monthly change. Prices for consumer goods other than food and energy moved up 0.6 percent for the second consecutive month.

Before seasonal adjustment, the Producer Price Index for Finished Goods moved up 0.6 percent to 254.7 (1967=100). From December 1979 to December 1980, price indexes for each of the three major stage-of-processing groupings--finished, intermediate, and crude goods--rose at double-digit rates, although each of these rates was somewhat slower than the corresponding 1979 pace. The Finished Goods Price Index climbed 11.7 percent in 1980, following a 12.6 percent advance in 1979. This slowdown in 1980 was partly due to the deceleration in the rate of increase for the finished energy goods index, which climbed 27.2 percent after soaring 62.7 percent in 1979. Another moderating influence was consumer food prices, which rose 6.5 percent in 1980, following a 7.6 percent advance during the previous 12 months. On the other hand, prices for finished goods other than food and energy rose more in 1980 (11.0 percent) than in 1979 (9.3 percent); on average, prices of these goods advanced rapidly in early 1980 and then moderated as the year progressed. At the earlier stages of processing, the price index for intermediate goods moved up 12.6 percent over the year, after increasing 16.0 percent from December 1978 to December 1979, and crude material prices climbed 13.3 percent, following a 17.3 percent jump during the 12 months ended in December 1979.

Table B. Percent changes in finished goods price indexes, selected periods*

Month	Changes from preceding month, seasonally adjusted						Change in finished goods from 12 months ago (unadj.)
	Finished goods	Capital equipment	Finished consumer goods	Finished consumer goods excluding foods			
				Total	Durables	Nondurables	
Dec. 1979	0.8	0.9	0.9	1.2	1.2	1.2	12.6
Jan. 1980	1.6	1.6	1.6	2.9	3.4	2.7	13.1
Feb.	1.4	.7	1.7	2.8	2.0	3.2	13.5
Mar.	1.4	.9	1.6	1.8	-.8	3.3	14.1
Apr.	.6	1.8	.1	1.5	.3	2.1	13.8
May	.3	.2	.4	.5	-.1	.9	13.6
June	.7	.7	.7	.6	1.3	.3	13.7
July	1.7	1.4	1.8c	.8	1.6	.5	14.3
Aug.	1.4	.7r	1.6	.4	.5r	.3r	14.6
Sept.....	-.2	-.1	-.2	-.2r	-.5r	0	12.8
Oct.	.8	1.4	.6	.6	1.2	.2	12.5
Nov.	.6	.6	.7	.7	.2	1.1	11.9
Dec.	.6	1.0	.5	.9	.7	.9	11.7

* Data for August 1980 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.

r= revised.

c= corrected.

Finished goods

Finished consumer goods. The Producer Price Index for finished consumer goods rose 0.5 percent in December on a seasonally adjusted basis, following a 0.7 percent increase in November. Prices for consumer foods fell 0.4 percent from November to December after rising 0.5 percent in both November and October. Prices turned down sharply in December after increasing in November for pork, refined sugar, and fresh fruits, and prices for processed poultry and roasted coffee fell more than a month earlier. Beef and veal prices edged down, following a much larger decrease in November. Prices also declined for fish and pecans. However, increases were registered for dairy products, bakery products, frozen meat pies, fresh and dried vegetables, peanut butter, black pepper, processed fruits and vegetables, and eggs.

The index for finished energy goods advanced more than 1 percent for the second consecutive month, following several months of generally declining prices. Heating oil prices rose 1.9 percent, compared with a 0.9 percent rise in the previous month. Gasoline prices increased 1.5 percent, following a 1.7 percent advance a month earlier.

The index for finished consumer goods other than food and energy increased 0.6 percent, the same as in November. The largest advances occurred for apparel, floor coverings, household flatware, silver jewelry, and sanitary papers and health products. On the other hand, passenger car prices were virtually unchanged after a modest rise in November and a large increase in October.

Capital equipment. The Producer Price Index for capital equipment rose 1.0 percent, more than the 0.6 percent rise in November but less than the 1.4 percent advance in October. Prices for aircraft, agricultural machinery, chemical industry machinery, pumps and compressors, metal forming machine tools, generators and generator sets, and hand tools rose considerably after little or no change in November. On the other hand, motor truck prices moved down slightly following 2 months of increases.

Intermediate materials

The Producer Price Index for Intermediate Materials, Supplies, and Components advanced 1.3 percent in December on a seasonally adjusted basis, the largest rise since last February. Nearly half of the the increase, however, was due to a 16.8 percent advance for motor vehicle parts. Energy price increases also accelerated. On the other hand, prices for foods and feeds turned down markedly, following several months of large increases.

The intermediate energy index rose 3.5 percent, more than in any month since early 1980. Residual fuel prices climbed 14.0 percent, even more than the 7.9 percent advance in November. The price indexes for electric power, commercial jet fuel, and diesel fuel registered large increases after little or no change in November. Liquefied petroleum gas prices were up substantially for the second consecutive month, following 8 months of relatively small changes.

The construction materials index advanced 1.3 percent, slightly more than in November. Most of the December rise was caused by increases for bituminous paving materials, softwood lumber, millwork, and fabricated structural metal products. Plywood prices declined, however.

The nondurable manufacturing materials index rose 1.0 percent, almost as much as in the previous month. Higher prices were recorded for paper, woodpulp, processed yarns, inedible fats and oils, and leather. In contrast, prices turned down after rising in November for gray fabrics, plastic resins, and paperboard.

The durable manufacturing materials category edged up 0.2 percent, considerably less than in either of the 2 preceding months. Prices for copper, gold, silver, tin, and lead fell sharply for

the second consecutive month. On the other hand, prices continued to increase substantially for steel mill products and zinc.

The intermediate foods and feeds index fell 7.5 percent, after rising at a 58.4 percent annual rate from April through November. Most of the reversal resulted from a 23 percent drop in prices for refined sugar for food manufacturing; in contrast, these prices had more than doubled during the first 11 months of 1980. The indexes for feeds and crude vegetable oils also turned down, while prices continued to move up sharply for animal fats and oils.

Crude materials

The Producer Price Index for Crude Materials for Further Processing decreased 1.3 percent in December on a seasonally adjusted basis, following a 1.1 percent rise in November. Crude foodstuff prices turned down after 2 months of increases. The index for crude materials other than food and energy was unchanged, following 5 months of steep advances. Crude energy prices continued to rise at about the same rate as in each of the previous 3 months.

The index for crude foodstuffs and feedstuffs fell 3.3 percent, following a 0.6 percent rise in November. Raw cane sugar prices dropped 28.5 percent, following a 28.2 percent jump in October and a 4.1 percent decline in November. Led by a sharp decrease in hog prices, the livestock index fell after rising in November. Wheat prices moved down considerably more than in the previous month. Soybean prices fell sharply, after climbing rapidly since early summer. Green coffee prices also declined. On the other hand, peanut prices were more than three times higher than their last reported price in August. Prices for fluid milk and live poultry also rose, and cocoa bean prices moved up after declining for 9 consecutive months.

The index for crude nonfood materials less energy was unchanged; from June through November, these prices had climbed at a seasonally adjusted annual rate of 63.4 percent. Prices for both nonferrous scrap and natural rubber dropped for the first time since June. Prices of hides and skins fell after rising more than 10 percent in both October and November. On the other hand, iron and steel scrap prices rose after falling in the previous month. Raw cotton and leaf tobacco prices rose substantially.

Prices of crude energy materials moved up 1.5 percent, about the same as the 1.6 percent increase in the previous month. Crude petroleum prices rose more than in most recent months, while natural gas prices rose less than in any of the preceding 3 months.

Upcoming Revisions in Stage-of-Processing Indexes

Beginning with January 1981 data to be released on February 13, Producer Price Indexes at all stages of processing will reflect updated industry input-output relationships and improved classification of some products. The text and tables 1 and 2 of this release are based on stage-of-processing data, developed from PPI commodity indexes regrouped into various categories--crude, intermediate, or finished goods--according to the latest available input-output values. (For a definition of the major stage-of-processing categories, see "Brief Explanation of Producer Price Indexes," on the next two pages of this release.) The new stage-of-processing relationships will be based upon 1972 input-output tables prepared by the Bureau of Economic Analysis, U.S. Department of Commerce. Since January 1976, stage-of-processing indexes have been based on relationships from the 1967 input-output tables.

The most significant reclassification will be reflected in the Finished Goods Price Index and

in the Crude Materials Price Index as a result of a change in the allocation of the natural gas index (PPI commodity code 05-31). Until now, the entire weight of this index has been allocated to the stage-of-processing index for crude fuels. Beginning with the next release, approximately half the weight of this index will be allocated to the stage-of-processing index for consumer nondurable goods excluding foods, since households purchase natural gas in an essentially unprocessed form. In addition, the Finished Goods Price Index will no longer incorporate weights reflecting the value of shipments purchased by the government or exported, since these categories do not fit the existing components of the Finished Goods index--finished consumer goods and capital equipment. New input-output tables are sufficiently detailed for the first time to permit the separation of weights for government purchases and exports, for which prices are not collected.

Revised historical stage-of-processing indexes from January 1976 through December 1980 will also be released February 13 to reflect the updated stage-of-processing relationships and reclassifications, as well as the separation of the weights for government purchases and exports from the Finished Goods Price Index. Previously reported indexes for individual commodities and commodity groupings will not be affected by these revisions.

Brief Explanation of Producer Price Indexes

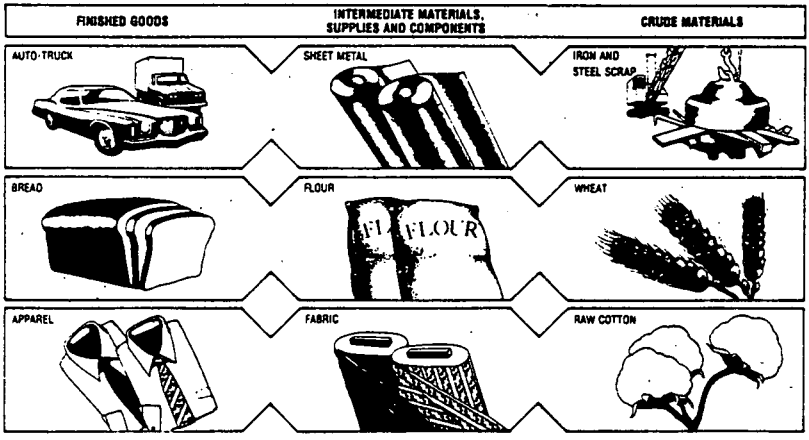
Producer Price Indexes measure average changes in prices received in primary markets of the United States by producers of commodities in all stages of processing. These data were previously presented as the Wholesale Price Index. The name "Producer Price Indexes" is now being used to reflect more accurately the coverage of the data. The sample used for calculating these indexes continues to contain nearly 2,800 commodities and about 10,000 quotations selected to represent the movement of prices of all commodities produced in the manufacturing, agriculture, forestry, fishing, mining, gas and electricity, and public utilities sectors. The universe includes all commodities produced or imported for sale in commercial transactions in primary markets in the United States.

Producer Price Indexes can be organized by stage of processing or by commodity. The stage of processing structure organizes products by degree of fabrication (i.e., finished goods, intermediate or semifinished goods, and crude materials). The commodity structure organizes products by similarity of end-use or material composition.

Finished goods are commodities that will not undergo further processing and are ready for sale to the ultimate user, either an individual consumer or a business firm. Capital equipment (formerly called producer finished goods) includes commodities such as motor trucks, farm equipment, and machine tools. Finished consumer goods include foods and other types of goods eventually purchased by retailers and used by consumers. Consumer foods include unprocessed foods such as eggs and fresh vegetables, as well as processed foods such as bakery products and meats. Other finished consumer goods include durables such as automobiles, household furniture, and jewelry, and nondurables such as apparel and gasoline.

Intermediate materials, supplies, and components are commodities that have been processed but require further processing before they become finished goods. Examples of such semifinished goods include flour, cotton yarns, steel mill products, belts and belting, lumber, liquefied petroleum gas, paper boxes, and motor vehicle parts.

Crude materials for further processing include products entering the market for the first time which have not been manufactured or fabricated but will be processed before becoming finished goods. Scrap materials are also included. Crude foodstuffs and feedstuffs include items such as grains and livestock. Examples of crude nonfood materials include raw cotton, crude petroleum, natural gas, hides and skins, and iron and steel scrap.



For analysis of general price trends, stage of processing indexes are more useful than commodity grouping indexes. This is because commodity grouping indexes sometimes produce exaggerated or misleading signals of price changes by reflecting the same price movement through various stages of processing. For example, suppose that a price rise for steel scrap results in an increase in the price of steel sheet and then an advance in prices of automobiles produced from that steel. The All Commodities Price Index and the Industrial Commodities Price Index would reflect the same price movement three times—once for the steel scrap, once for the steel sheet, and once for the automobiles. This multiple counting occurs because the weighting structure for the All Commodities Index uses the total shipment values for all commodities at all stages of processing. On the other hand, the Finished Goods Price Index would reflect the change in automobile prices, the Intermediate Materials Price Index would reflect the steel sheet price change, and the Crude Materials Price Index would reflect the rise in the price of steel scrap. (See illustration.)

To the extent possible, prices used in calculating Producer Price Indexes apply to the first significant commercial transaction in the United States, from the production or central marketing point. Price data are generally collected monthly, primarily by mail questionnaire. Respondents are asked to provide net prices or to provide all applicable discounts. BLS attempts to base Producer Price Indexes on actual transaction prices; however, list or book prices are used if transaction prices are not available. Most prices are obtained directly from producing companies on a voluntary and confidential basis, but some prices are taken from trade publications or from other Government agencies. Prices generally are reported for the Tuesday of the week containing the 13th day of the month.

In calculating Producer Price Indexes, price changes for the various commodities are averaged together with weights representing their importance in the total net selling value of all commodities as of 1972. The detailed data are aggregated to obtain indexes for stage of processing groupings, commodity groupings, durability of product groupings, and a number of special composite groupings. Each index measures price changes from a reference period which equals 100.0 (usually 1967, as designated by the Office of Management and Budget). An increase of 85 percent from the reference period in the Finished Goods Price Index, for example, is shown as 185.0. This change can also be expressed in dollars, as follows: "The price of a representative sample of finished goods sold in primary markets in the United States has risen from $100 in 1967 to $185."

A Note about Calculating Index Changes

Movements of price indexes from one month to another are usually expressed as percent changes rather than changes in index points because index point changes are affected by the level of the index in relation to its base period, while percent changes are not. The box below shows the computation of index point and percent changes.

Percent changes for 3-month and 6-month periods are expressed as annual rates that are computed according to the standard formula for compound growth rates. These data indicate what the percent change would be if the current rate were maintained for a 12-month period.

Index Point Change	
Finished Goods Price Index	185.5
less previous index	184.5
equals index point change	1.0
Index Percent Change	
Index point change	1.0
divided by the previous index	184.5
equals	0.005
result multiplied by 100	0.005 x 100
equals index percent change	0.5

A Note on Seasonally Adjusted Data

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred because they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and marketing cycles, model changeovers, seasonal discounts, and holidays. For this reason, seasonally adjusted data more clearly reveal the underlying cyclical trends. Seasonally adjusted data are subject to revision when seasonal factors are revised each year.

The unadjusted data are of primary interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

Table 1. Producer price indexes and percent changes by stage of processing

(1982=100)

Grouping	Relative importance	Unadjusted index			Unadjusted percent change to Dec. 1980 from:		Seasonally adjusted percent change from:		
	Dec. 1979 1/	Aug. 1980 2/	Nov. 1980 2/	Dec. 1980 2/	Dec. 1979	Nov. 1980	Sept. to Oct.	Oct. to Nov.	Nov. to Dec.
Finished goods	100.000	249.1	253.2	254.7	11.7	0.6	0.8	0.6	0.6
Finished consumer goods	71.632	251.9	254.7	255.9	11.7	.5	.6	.7	.5
Finished consumer foods	24.257	244.9	244.9	247.2	6.5	.1	.5	.5	-.4
Crude	1.748	249.8	248.2	252.6	10.8	1.8	-7.4	2.9	1.1
Processed	22.509	243.0	244.5	244.5	6.2	0	1.2	.3	-.4
Finished consumer goods, excluding foods	47.375	252.8	255.9	257.6	14.3	.7	.6	.7	.9
Nondurable goods less foods	30.518	285.2	287.0	289.1	16.6	.7	.2	1.1	.9
Durable goods	16.857	207.0	210.6	211.7	10.4	.5	1.2	.2	.7
Capital equipment	28.368	241.8	249.1	251.1	11.5	.8	1.4	.6	1.0
Intermediate materials, supplies, and components	100.000	283.8	288.0	291.2	12.6	1.1	.9	1.0	1.3
Materials and components for manufacturing	53.853	268.6	273.1	275.5	11.2	.9	1.3	.9	1.1
Materials for food manufacturing	3.361	278.5	301.6	278.0	20.7	-7.8	8.4	1.8	-7.8
Materials for nondurable manufacturing	18.537	259.1	261.9	263.4	11.9	.6	.4	1.2	1.0
Materials for durable manufacturing	20.728	301.3	304.9	305.2	6.0	.1	1.4	.8	.2
Components for manufacturing	11.228	235.2	238.5	252.2	16.6	5.7	.7	.3	6.0
Materials and components for construction	16.385	271.7	273.9	276.2	8.9	.8	.5	1.1	1.3
Processed fuels and lubricants	12.690	508.2	510.8	529.7	24.8	3.7	-.2	1.9	4.8
Manufacturing industries	5.234	381.1	384.7	396.3	19.3	3.0	.2	1.1	3.6
Nonmanufacturing industries	7.455	639.1	640.9	667.3	28.5	4.1	-.7	2.2	6.4
Containers	2.954	266.8	269.8	272.0	10.1	.8	.7	.3	1.0
Supplies 3/	14.119	249.6	256.3	256.0	11.7	-.1	.8	1.0	-.1
Manufacturing industries 3/	4.573	233.8	235.1	235.7	9.0	.3	.6	.3	.3
Nonmanufacturing industries	9.545	258.4	267.4	266.7	13.0	-.3	.7	.7	-.4
Feeds	1.700	258.5	265.4	255.9	11.1	-3.6	1.2	1.4	-4.8
Other supplies 3/	7.845	258.9	263.9	265.1	13.3	.5	.7	.9	.5
Crude materials for further processing	100.000	329.1	337.6	335.6	13.3	-.6	1.9	1.1	-1.3
Foodstuffs and feedstuffs	55.466	276.7	277.3	271.3	8.7	-2.2	1.5	.6	-3.5
Nonfood materials	44.534	428.4	452.0	457.8	19.2	1.3	2.5	1.8	1.0
Nonfood materials except fuel 4/	27.895	342.2	357.9	363.3	16.6	1.5	2.7	1.5	1.1
Manufacturing 5/	23.649	353.5	370.7	376.7	16.8	1.6	2.7	1.4	1.1
Construction	2.246	243.7	247.5	247.8	14.4	.1	2.6	1.1	.6
Crude fuel 3/ 6/	16.638	725.4	776.1	783.3	23.5	.9	2.1	2.6	.9
Manufacturing industries 3/	8.196	799.6	861.8	870.7	24.5	1.0	2.4	2.9	1.0
Nonmanufacturing industries 3/	8.443	679.5	721.9	727.7	20.5	.8	1.8	2.4	.8
Special groupings									
Finished goods, excluding foods	7/ 75.743	248.0	252.7	254.5	13.3	.7	.9	.7	.9
Intermediate materials less foods and feeds	7/ 94.939	285.0	288.0	292.6	12.3	1.6	.6	.9	1.9
Intermediate foods and feeds	7/ 5.061	264.4	288.7	269.9	17.4	-6.5	6.0	1.7	-7.5
Crude materials less agricultural products 8/ 9/	8/ 59.787	483.9	510.4	515.0	18.4	.9	2.9	1.8	.7
Finished energy goods	8/ 10.335	698.4	686.4	695.7	27.2	1.4	-.4	1.5	1.6
Finished goods less energy	8/ 89.665	225.4	229.8	230.9	9.8	.5	1.0	.5	.5
Finished consumer goods less energy	8/ 61.297	220.8	224.8	224.7	9.0	.3	.8	.5	.2
Finished goods less foods and energy	8/ 65.408	218.4	223.5	224.8	11.0	.6	1.1	.6	.8
Finished consumer goods less foods and energy	8/ 37.040	285.9	289.7	290.6	10.7	.4	.9	.6	.6
Consumer nondurable goods less foods and energy	8/ 20.183	194.6	198.3	199.1	11.2	.4	.6	.9	.5
Intermediate energy goods	7/ 13.580	489.9	492.0	500.0	24.9	3.5	-.2	1.7	3.5
Intermediate materials less energy	7/ 86.420	269.1	273.6	1275.5	10.6	.7	1.1	.9	.9
Intermediate materials less foods and energy	7/ 81.359	264.6	267.8	271.1	10.2	1.2	.8	.8	1.5
Crude energy materials 3/ 6/	9/ 28.526	646.1	678.6	689.1	23.9	1.5	1.8	1.6	1.5
Crude materials less energy	9/ 71.474	269.3	273.5	269.3	9.1	-1.5	2.0	.9	-2.6
Crude nonfood materials less energy 3/	9/ 16.008	265.5	282.6	284.7	10.6	.7	3.8	2.2	0

1/ Comprehensive relative importance figures are computed once each year in December.
2/ Data for Aug. 1980 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.
3/ Not seasonally adjusted.
4/ Includes crude petroleum.
5/ Excludes crude petroleum.
6/ Percent of total finished goods.
7/ Percent of total intermediate materials.
8/ Formerly titled "Crude materials for further processing, excluding crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco."
9/ Percent of total crude materials.

Table 2. Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance Dec. 1979 1/	Unadjusted index Nov. 1980 2/	Unadjusted index Dec. 1980 2/	Unadjusted percent change to Dec. 1980 from: Dec. 1979	Unadjusted percent change to Dec. 1980 from: Nov. 1980	Seasonally adjusted percent change from: Sept. to Oct.	Seasonally adjusted percent change from: Oct. to Nov.	Seasonally adjusted percent change from: Nov. to Dec.
	FINISHED GOODS	100.000	253.2	254.7	11.7	0.6	0.8	0.6	0.6
	FINISHED CONSUMER GOODS	71.632	254.7	255.9	11.7	.5	.6	.7	.5
	FINISHED CONSUMER FOODS	24.257	246.9	247.2	6.5	.1	.5	.5	-.4
01-11	Fresh fruits	.433	219.0	220.5	-4.3	.7	-14.3	8.3	-4.0
01-13	Fresh and dried vegetables	.448	248.5	244.2	39.9	-1.7	-10.9	.9	4.7
01-7	Eggs	.509	194.0	217.5	9.6	12.1	2.1	-.1	2.6
02-11	Bakery products	2.139	255.2	258.9	10.5	1.4	1.0	1.2	1.3
02-12-02	Flour base mixes and doughs	.198	232.4	233.3	11.0	.4	2.2	-.6	1.1
02-13	Milled rice	.142	265.8	287.3	31.7	8.1	1.8	5.7	4.0
02-14	Other cereals	.486	263.7	265.5	10.5	.7	.7	1.0	0
02-21-01	Beef and veal	3.550	254.6	252.0	-1.8	-1.0	.7	-4.0	-.1
02-21-04	Pork	1.637	222.6	218.7	8.8	-1.8	1.7	3.0	-6.8
02-22	Processed poultry	.805	207.7	203.3	6.8	-2.1	1.2	-1.1	-3.6
02-23	Fish	1.162	357.8	355.4	-9.3	-.7	-4.7	1.8	-2.2
02-3	Dairy products	3.653	240.6	242.7	10.4	.9	1.2	.8	.8
02-4	Processed fruits and vegetables	1.624	235.2	237.1	6.5	.8	.3	0	.8
02-53-01	Refined sugar, consumer size packages (Dec. 1977=100) 3/	.133	282.3	230.2	76.9	-18.5	23.0	.3	-18.5
02-55	Confectionery end products (Dec. 1977=100) 3/	.894	120.7	120.7	7.9	0	1.1	2.3	0
02-63-01	Roasted coffee	1.061	346.7	340.7	-14.7	-1.7	-2.7	-.1	-2.0
02-74	Vegetable oil end products	.450	237.5	236.9	2.8	-.3	-.6	1.9	.5
02-8	Miscellaneous processed foods 3/	2.427	235.0	240.5	7.8	2.3	1.6	1.9	2.3
	FINISHED CONSUMER GOODS EXCLUDING FOODS	47.375	255.9	257.6	14.3	.7	.6	.7	.9
02-61	Alcoholic beverages 3/	1.679	180.9	181.2	8.2	.2	.1	.5	.2
02-62	Nonalcoholic beverages 3/	1.350	275.9	275.9	19.3	0	.9	2.4	0
03-81	Apparel	5.123	176.0	177.0	8.9	.6	.5	-.1	.9
03-82	Textile housefurnishings	.784	218.0	218.5	10.9	.2	.4	.5	0
04-3	Footwear	1.096	237.7	237.1	4.0	-.3	.4	.8	0
04-41	Luggage and small leather goods	.302	177.4	177.4	9.4	0	2.3	.6	.3
05-71	Gasoline	6.627	641.9	647.1	29.5	.8	-.2	1.7	1.5
05-72-02-01	Kerosene (Feb. 1973=100)	.346	689.7	703.8	25.8	2.0	.7	.7	1.9
05-73-02-01	Fuel oil No. 2 (Feb. 1973=100)	2.481	705.9	722.9	24.0	2.4	-.5	.9	1.9
05-76	Finished lubricants 3/	.308	322.9	324.6	20.1	.5	.6	.1	.5
06-35	Pharmaceutical preparations, ethical (Prescription) 3/	1.122	158.2	159.4	9.8	.8	.6	1.2	.8
06-36	Pharmaceutical preparations, proprietary (Over-the-counter)	.453	217.2	217.2	14.5	0	2.9	2.5	.4
06-71	Soaps and synthetic detergents 3/	.422	223.9	227.2	10.9	1.5	.6	.2	1.5
06-75	Cosmetics and other toilet preparations	.879	198.5	199.4	20.0	.5	.4	2.2	.7
07-12	Tires and tubes	.700	244.7	244.7	9.7	0	1.7	-.1	.7
07-13-01	Rubber footwear	.201	217.5	217.5	5.0	0	0	.4	-.2
07-27	Disposable plastic dinnerware and tableware (June 1978=100) 3/	.190	132.5	132.5	3.8	0	0	-1.1	0
07-28	Consumer and commercial plastics, not elsewhere classified (June 1978=100) 3/	.360	122.3	122.0	8.5	-.2	.7	0	-.2
09-15-01	Sanitary papers and health products 3/	1.008	339.0	343.4	16.9	1.3	.5	.6	1.3
12-1	Household furniture	1.603	209.1	210.4	8.0	.6	.3	.5	.5
12-3	Floor coverings	.684	165.7	170.2	11.3	2.7	.5	.7	2.9
12-4	Household appliances	1.621	177.2	178.2	7.8	.6	.3	.3	.7
12-5	Home electronic equipment 3/	.881	91.1	91.0	.6	-.1	-.2	2.5	-.1
12-6	Other household durable goods	.888	278.4	285.1	12.1	2.4	1.3	.2	2.5
14-11-01	Passenger cars	5.708	198.3	197.4	9.2	-.5	3.4	.7	.1
15-1	Toys, sporting goods, small arms, etc	1.153	202.8	205.6	12.3	1.4	.2	.8	1.5
15-2	Tobacco products 3/	1.459	253.9	254.2	12.2	.1	.5	2.0	.1
15-51	Mobile homes 3/	.924	152.0	152.4	5.8	.3	.7	0	.3
15-61-01	Electronic hearing aids (June 1978=100) 3/	.014	108.5	108.5	3.9	0	-.8	0	0
15-94-02	Jewelry, platinum & karat gold (Dec. 1978=100) 3/	1.071	222.3	223.0	33.1	.3	.5	-6.4	.3
15-94-03	Other precious metal jewelry 3/	.235	164.7	174.4	28.9	5.9	.4	0	5.9
15-94-04	Costume jewelry (Dec. 1978=100) 3/	.386	113.5	115.6	9.5	1.9	.4	-.9	1.9
	CAPITAL EQUIPMENT	28.368	249.1	251.1	11.5	.8	1.4	.6	1.0
10-42	Hand tools	.306	287.3	291.8	14.3	1.6	.9	-.3	1.7
11-1	Agricultural machinery and equipment	1.203	266.1	269.5	10.4	1.3	.3	.3	1.2
11-2	Construction machinery and equipment 3/	1.715	299.7	301.1	12.0	.5	1.2	.4	.5
11-32	Power driven hand tools 3/	.197	197.1	199.0	10.4	1.0	1.1	0	1.0
11-34	Industrial process furnaces and ovens 3/	.163	303.7	305.8	12.1	.7	1.1	.6	.7
11-37	Metal cutting machine tools 3/	.504	328.6	330.6	14.9	.6	1.2	.9	.6
11-38	Metal forming machine tools	.252	357.2	363.2	14.1	1.7	.3	.6	1.9
11-41	Pumps, compressors, and equipment	.416	297.7	304.7	14.6	2.4	1.6	-.1	2.6
11-44	Industrial material handling equipment 3/	.793	261.2	261.7	8.8	.2	1.2	.8	.2
11-46	Scales and balances 3/	.047	215.5	215.7	8.3	.1	0	.3	.1
11-47	Fans and blowers except portable	.140	308.1	308.8	10.1	.2	.4	2.6	0
11-48-02	Unitary air conditioners (Dec. 1977=100) 3/	.336	124.3	125.1	7.7	.6	0	.6	.6
11-6	Special industry machinery and equipment 3/	2.702	287.9	291.2	13.7	1.1	1.1	.6	1.1
11-72	Integrating and measuring instruments	.384	188.0	188.5	7.9	.3	.2	.2	.5
11-73-02	Generators and generator sets 3/	.458	307.5	311.2	25.7	1.2	1.3	0	1.2
11-74	Transformers and power regulators 3/	.538	190.9	191.1	13.4	.1	1.5	-.7	.1
11-91	Oilfield machinery and tools 3/	.477	355.9	358.9	17.0	.8	2.3	1.7	.8
11-92	Mining machinery and equipment	.184	318.4	320.4	13.9	.6	.9	1.1	1.0
11-93	Office and store machines and equipment 3/	1.793	142.9	143.7	5.5	.6	.5	.4	.6
12-2	Commercial furniture 3/	1.111	241.5	242.4	7.7	.4	1.6	.1	.4
14-11-01	Passenger cars	3.649	198.3	197.4	9.2	-.5	3.4	.7	.1
14-11-02	Motor trucks	3.473	247.6	245.6	11.2	-.8	4.4	.9	-.3
14-21-11	Fixed wing, utility aircraft (Dec. 1968=100)	1.639	254.9	273.2	22.7	7.2	2.8	-.2	6.1
14-4	Railroad equipment 3/	.474	323.6	323.6	12.0	0	1.0	.1	0
15-41	Photographic equipment	.466	123.7	123.8	3.3	.1	0	-.3	-.2
15-71-04	Guards, mechanical power press (June 1978=100) 3/	.022	113.1	113.1	3.7	0	.4	0	0

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance	Unadjusted index		Unadjusted percent change to Dec. 1980 from:		Seasonally adjusted percent change from:		
		Dec. 1979 1/	Nov. 1980 2/	Dec. 1980 2/	Dec. 1979	Nov. 1980	Sept. to Oct.	Oct. to Nov.	Nov. to Dec.
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS	100.000	288.0	291.2	12.6	1.1	0.9	1.0	1.3
	INTERMEDIATE FOODS AND FEEDS	5.061	288.7	269.9	17.4	-6.5	6.0	1.7	-7.5
82-12-01	Flour	.271	198.6	194.5	5.5	-2.1	1.4	-.8	-.7
82-53-02	Refined sugar, for use in food manufacturing (Dec. 1977=100) 3/	.673	287.2	221.1	64.9	-23.0	24.3	3.8	-23.0
02-54	Confectionery materials (Dec. 1977=100) 3/	.234	179.7	179.8	40.7	.1	2.0	.1	.1
02-71	Animal fats and oils	.069	212.7	295.9	1.9	1.1	-3.1	7.1	7.6
02-72	Crude vegetable oils	.312	216.4	206.6	-9.9	-5.5	1.7	3.2	-1.7
02-73	Refined vegetable oils 3/	.077	214.4	217.3	11.8	1.4	-3.6	18.4	1.4
02-9	Manufactured animal feeds	1.700	254.9	247.3	10.0	-3.0	3.0	2.1	-8.6
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS	94.939	288.0	292.6	12.3	1.6	.6	.9	1.9
03-1	Synthetic fibers (Dec. 1975=100)	.784	141.4	141.5	13.5	.1	1.9	.6	.6
03-2	Processed yarns and threads (Dec. 1975=100)	.887	124.9	127.6	13.2	2.2	1.1	.9	2.7
03-3	Gray fabrics (Dec. 1975=100) 3/	1.086	144.3	143.3	8.3	-.7	2.4	1.3	-.7
03-4	Finished fabrics (Dec. 1975=100)	1.786	119.0	120.0	9.2	.8	1.2	.7	.5
04-2	Leather	.319	317.3	332.4	2.3	4.8	(4)	(4)	5.2
05-2	Coke	.155	438.6	438.6	-.1	0	.3	.5	.2
05-32	Liquefied petroleum gas 3/	.970	658.7	681.8	28.9	3.5	.2	3.4	3.5
05-4	Electric power	4.854	332.0	337.9	17.7	1.8	.4	0	2.6
05-72-03-01	Commercial jet fuel (Feb. 1973=100) 3/	1.142	758.5	770.0	29.7	1.5	-1.0	-.1	1.5
05-73-03-01	Diesel fuel (Feb. 1973=100) 3/	1.405	708.1	718.6	23.5	1.5	-.5	0	1.5
05-74	Residual fuel	1.979	1012.0	1160.7	39.1	14.7	-1.5	7.9	14.0
05-75	Lubricating oil materials 3/	.520	792.2	792.2	26.3	0	0	0	0
06-1	Industrial chemicals 3/	4.755	333.4	334.6	14.5	.4	.9	1.5	.4
06-21	Prepared paint 3/	.675	241.7	241.7	14.7	0	0	.9	0
06-22	Paint materials	.774	279.5	280.9	9.4	.5	.5	.3	.6
06-31	Drugs and pharmaceutical materials 3/	.238	214.0	214.2	8.8	.1	-.2	.8	.1
06-4	Fats and oils, inedible	.338	308.2	316.9	-3.4	2.5	2.7	2.8	6.3
06-51	Mixed fertilizers	.285	244.6	246.9	10.3	.9	-.6	-.5	2.1
06-52-01	Nitrogenates 3/	.383	188.4	191.0	10.7	1.6	-1.0	-.3	1.6
06-52-02	Phosphates 3/	.307	278.6	281.9	19.2	1.2	0	.5	1.2
06-53	Pesticides 3/	.312	375.3	375.3	8.4	0	0	0	0
06-6	Plastic resins and materials	1.471	277.1	274.6	4.5	-1.0	0	.8	-.4
06-79	Miscellaneous chemical products 3/	1.662	259.3	260.4	16.8	.4	1.2	0	.4
07-11-02	Synthetic rubber	.315	256.1	258.1	13.4	.8	.7	-.3	.9
07-12	Tires and tubes	.780	244.7	244.7	9.7	0	1.7	-.1	.7
07-13-04	Other miscellaneous rubber products	.559	235.1	236.4	9.2	.6	-.1	.6	1.5
07-21	Plastic construction products (Dec. 1969=100)	.291	153.5	153.7	3.6	.1	-3.6	1.7	1.4
07-22	Unsupported plastic film and sheeting (Dec. 1970=100)	.573	193.9	193.7	4.8	-.1	.1	-.5	-.1
07-23	Laminated plastic sheets (Dec. 1978=100)	.15	180.5	178.0	7.7	-1.4	1.6	2.5	-.4
07-24	Foamed plastic products (June 1978=100) 3/	.196	126.9	133.5	13.9	5.2	.3	.1	5.2
07-25	Plastic packaging and shipping products (June 1978=100) 3/	.364	126.9	126.9	6.1	0	2.8	.1	0
07-26	Plastic parts and components for manufacturing (June 1978=100) 3/	.697	125.8	126.4	9.8	.5	.3	0	.5
08-1	Lumber	2.788	325.8	333.8	-1.9	2.5	-1.0	4.7	1.5
08-2	Millwork	1.377	270.0	273.5	9.2	1.2	.1	3.1	2.0
08-3	Plywood	.872	256.6	263.9	18.8	2.7	.3	4.2	-1.4
08-4	Other wood products	.202	236.6	236.2	-1.8	-.2	.6	.3	.5
09-11	Woodpulp	.799	392.6	392.6	16.2	0	-.6	-.5	1.4
09-13	Paper	2.321	264.4	269.8	11.2	2.0	1.2	1.1	2.6
09-14	Paperboard	1.881	243.2	241.1	11.9	-.9	1.7	1.9	-.3
09-15-03	Paper boxes and containers	2.913	226.4	227.0	8.1	.3	0	.7	.3
09-2	Building paper and board	.346	215.6	219.1	18.7	1.6	1.7	3.0	2.0
10-13-01	Semifinished steel mill products	.384	338.6	344.6	14.6	4.2	.3	2.3	5.1
10-13-02	Finished steel mill products	6.102	308.1	311.4	7.9	1.1	2.4	1.4	1.4
10-15	Foundry and forge shop products	1.845	317.5	317.2	8.8	-.1	.9	.4	.2
10-16	Pig iron and ferroalloys	.311	305.8	305.8	-.6	0	.3	.3	.2
10-22	Primary nonferrous metal refinery shapes	2.769	369.3	355.4	-.7	-3.8	2.2	-2.7	-2.5
10-24	Secondary nonferrous metal and alloy basic shapes	.497	292.1	287.7	1.9	-1.5	.4	2.8	-.4
10-25	Nonferrous mill shapes	1.927	296.1	295.1	2.7	-.3	1.8	1.6	.6
10-26	Nonferrous wire and cable	.855	214.9	214.0	4.8	-.4	1.1	.3	.7
10-28-01	Zinc castings (June 1977=100) 3/	.139	118.1	118.5	6.9	.3	1.0	1.5	.3
10-3	Metal containers	1.096	303.3	303.3	8.0	0	-1.0	.2	1.0
10-41	Hardware, not elsewhere classified 3/	.692	231.5	233.9	8.5	.3	.1	1.2	.3
10-5	Plumbing fixtures and brass fittings	.337	251.8	254.4	12.3	1.0	.5	.9	1.2
10-6	Heating equipment 3/	.376	211.2	212.6	8.7	.7	.6	.6	.7
10-7	Fabricated structural metal products	3.194	237.6	239.2	8.3	.6	1.2	.9	.9
10-8	Miscellaneous metal products	3.498	257.7	258.4	8.1	.3	1.7	.2	.7
11-11-51	Tractor parts 3/	.134	183.5	183.5	5.7	0	.1	.2	0
11-12-51	Parts for farm machinery ex. tractors	.163	215.3	220.6	12.4	2.5	-.4	.4	2.4
11-28-51	Parts for nonfarm tractors	.301	267.6	269.7	14.3	.8	1.9	.1	1.0
11-33-03	Arc welding electrodes	.112	293.7	296.4	6.0	.9	0	.7	.7
11-35	Cutting tools and accessories 3/	.408	239.7	240.6	10.5	.4	.1	.5	.4
11-36	Abrasive products 3/	.334	261.2	261.5	12.4	.1	.5	.6	.1

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance Dec. 1979 1/	Unadjusted index Nov. 1980 2/	Unadjusted index Dec. 1980 2/	Unadjusted percent change to Dec. 1980 from: Dec. 1979	Unadjusted percent change to Dec. 1980 from: Nov. 1980	Seasonally adjusted percent change from: Sept. to Oct.	Seasonally adjusted percent change from: Oct. to Nov.	Seasonally adjusted percent change from: Nov. to Dec.
	INTERMEDIATE MATERIALS, ETC.- Continued								
11-37-51	Parts for metal cutting machine tools 3/	0.142	318.3	319.7	17.9	0.4	1.7	0.8	0.4
11-38-51	Parts for metal forming machine tools	.093	292.9	292.9	13.4	0	1.0	.2	-.7
11-42	Elevators and escalators	.189	248.3	249.4	12.9	.4	1.0	.2	.7
11-43	Fluid power equipment 3/	.314	207.4	211.3	14.5	1.9	2.1	.4	1.9
11-45	Mechanical power transmission equipment	.448	274.0	279.4	13.4	2.0	1.6	.6	2.0
11-47	Fans and blowers except portable	.189	388.1	388.8	10.1	.2	.4	2.6	0
11-48-04	Refrigerant compressors and compressor units (Dec. 1977=100) 3/	.359	127.8	127.8	7.4	0	0	0	0
11-49-01	Valves and fittings	.576	294.6	296.5	10.2	.6	.6	.5	.7
11-49-05	Ball and roller bearings	.257	278.7	279.0	17.4	.1	1.5	.3	.1
11-49-06	Plain bearings	.029	272.3	271.5	9.1	-.3	2.1	-1.1	.8
11-71	Wiring devices	.515	273.4	277.3	8.5	1.4	.6	.7	1.5
11-73-01	Electric motors	.585	255.3	255.5	8.0	.1	-.2	.4	.3
11-75	Switchgear, switchboard, etc., equipment	.686	232.1	233.1	11.6	1.3	-.1	.3	1.4
11-77	Electric lamps/bulbs 3/	.270	262.8	259.4	10.5	-1.3	-.8	.6	-1.0
11-78	Electronic components and accessories 3/	1.688	161.0	162.0	14.0	.6	.1	.2	.6
11-92-53-01	Parts for mining machinery and equipment	.095	319.4	319.4	16.2	0	.8	2.2	.7
11-94	Internal combustion engines	.798	280.9	281.2	13.1	.1	1.0	1.7	.7
13-11	Flat glass 3/	.564	283.1	283.8	8.9	0	.5	1.2	0
13-22-01-31	Portland cement	.566	387.5	387.5	7.4	0	.5	.4	.4
13-3	Concrete products	1.782	277.6	277.8	9.7	.1	.3	.6	.1
13-4	Structural clay products, ex refractories 3/	.234	233.6	234.1	3.3	.2	1.4	.1	.2
13-5	Refractories	.206	274.1	274.1	10.5	0	.6	-.1	.6
13-6	Asphalt roofing	.342	396.9	396.5	13.9	-.6	-.6	-1.5	.8
13-7	Gypsum products	.192	253.3	252.7	-.9	-.2	-1.0	1.5	.8
13-8	Glass containers	.626	306.5	311.5	13.6	1.6	3.8	1.4	.7
13-9	Other nonmetallic minerals	1.041	402.0	415.7	21.5	3.4	.4	.8	4.2
14-12	Motor vehicle parts	5.753	258.4	300.6	27.4	16.3	.5	.2	16.8
15-3	Notions 3/	.172	224.1	225.0	14.3	.4	0	0	.4
15-42	Photographic supplies 3/	.600	270.6	270.3	48.9	-.1	0	4.8	-.1
15-71-01	Respiratory protective equipment(June 1978=100)3/	.014	125.8	125.6	11.2	.5	1.1	0	.5
15-71-02	Eye and face protective equipment (June 1978=100) 3/	.023	114.3	115.3	4.8	.9	.3	-.1	.9
15-71-05	Protective clothing (June 1978=100) 3/	.013	126.0	128.8	6.4	2.2	0	0	2.2
15-94-05	Jewelers' materials and findings (Dec. 1978=100) 3/	.315	229.8	231.5	31.2	.7	-.4	-7.4	.7
	CRUDE MATERIALS FOR FURTHER PROCESSING	100.000	337.6	335.6	13.3	-.6	1.9	1.1	-1.3
	CRUDE FOODSTUFFS AND FEEDSTUFFS	55.466	277.3	271.3	8.7	-2.2	1.5	.6	-3.3
01-1	Fresh and dried fruits and vegetables	2.135	246.4	244.7	16.1	-.7	-11.2	4.0	2.0
01-2	Grains 3/	10.052	270.9	265.2	16.4	-2.1	3.3	.6	-2.1
01-3	Livestock	23.166	254.8	251.6	-.4	-1.3	.1	1.6	-1.9
01-4	Live poultry	2.298	221.0	218.9	12.4	-1.0	.9	-1.5	.5
01-6	Fluid milk	8.644	284.7	290.5	10.0	2.0	-.3	.3	1.4
01-8	Hay, hayseeds, oilseeds 3/	3.684	298.3	310.2	34.7	4.0	1.3	4.9	4.0
01-91-01	Green coffee 3/	2.368	404.4	399.5	-17.3	-1.3	-.1	.3	-1.3
01-91-02	Cocoa beans	.412	379.7	372.6	-34.6	-1.9	-1.0	-11.2	2.1
02-52-01-01	Cane sugar, raw 3/	1.650	562.3	401.8	62.2	-28.5	28.2	-4.1	-28.5
	CRUDE NONFOOD MATERIALS	44.534	452.0	457.8	19.2	1.3	2.5	1.8	1.0
01-5	Plant and animal fibers 3/	1.864	287.2	294.1	32.5	2.4	-5.7	3.1	2.4
01-92-01-01	Leaf tobacco	1.571	225.6	240.6	10.2	6.6	(4)	(4)	6.6
04-1	Hides and skins	.739	409.1	392.8	-11.5	-4.0	12.6	10.6	-4.7
05-1	Coal	5.080	475.7	475.7	3.7	0	-.2	1.4	-.1
05-31	Natural gas 3/	12.527	943.3	954.5	29.9	1.2	2.8	3.1	1.2
05-61	Crude petroleum 3/	10.861	580.7	596.8	26.6	2.6	1.5	.2	2.6
06-52-03	Potash	.187	249.4	249.4	21.8	0	3.6	.4	.5
07-11-01	Crude natural rubber	.359	369.6	342.3	5.6	-7.4	1.8	.6	-4.6
09-12	Wastepaper	.724	191.7	190.8	-13.7	-.5	1.2	-2.5	-.1
10-11	Iron ore 3/	.658	248.2	248.2	9.1	0	0	0	0
10-12	Iron and steel scrap	3.048	345.7	358.5	7.6	3.7	11.0	-1.1	1.9
10-23	Nonferrous scrap	2.793	282.0	264.2	-3.5	-6.3	6.4	3.7	-5.7
13-21	Sand, gravel, and crushed stone	2.417	247.6	247.9	14.4	.1	2.6	1.1	.5

1/ Comprehensive relative importance figures are computed once each year in December. Data shown are expressed as a percent of total finished goods, total intermediate materials, or total crude materials. Data shown will not add up to 100.000 because not all commodity components of each stage-of-processing (SOP) index are shown; relative importance figures shown account for about 87 percent of total finished goods, about 89 percent of total intermediate materials, and about 96 percent of total crude materials. For each commodity component of the Finished Goods Index which is allocated to both capital equipment and finished consumer goods excluding foods, the relative importance figure shown reflects only the share allocated to the SOP grouping under which it is listed. For example, the relative importance figure shown for household furniture under the SOP grouping for finished consumer goods excluding foods includes the share allocated to that SOP grouping but not the share allocated to capital equipment.

2/ All data are subject to revision 4 months after original publication.

3/ Not seasonally adjusted.

4/ Not available.

Table 3. Producer price indexes for selected commodity groupings[1]

(1967=100)

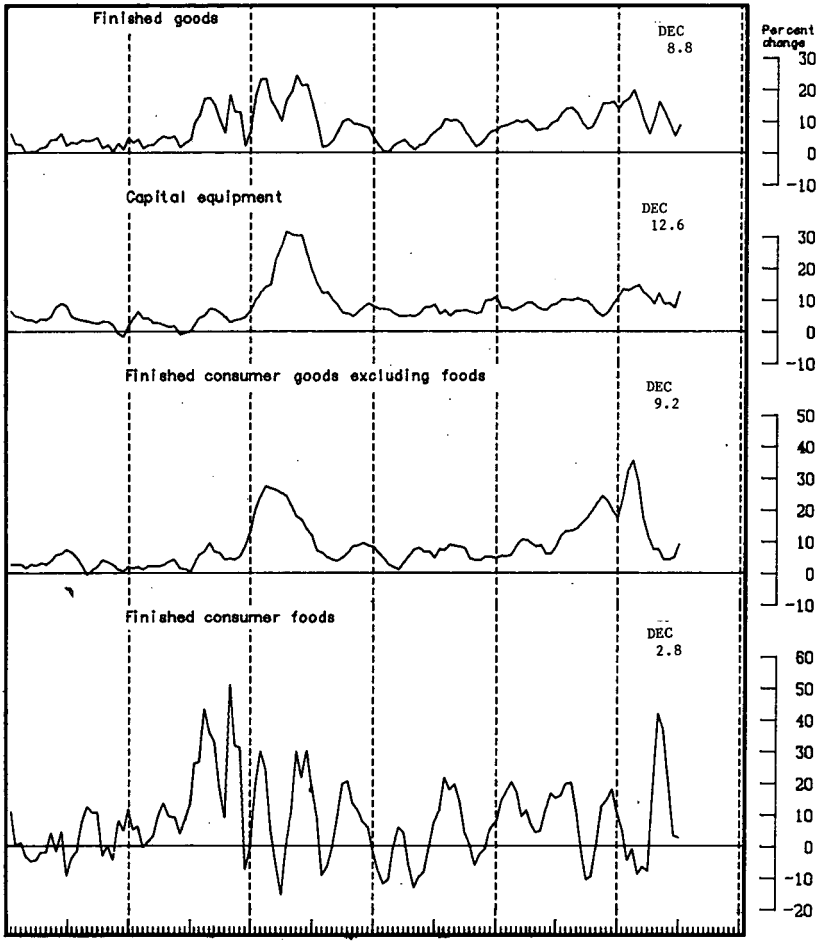
Grouping	Unadjusted index	
	Aug. 1980 2/	Dec. 1980 2/
All Commodities	273.8	280.3
All Commodities (1957-59=100)	298.5	297.4
MAJOR COMMODITY GROUPS		
Farm products and processed foods and feeds	255.1	256.5
Farm products	263.8	265.3
Processed foods and feeds	249.4	250.8
Industrial commodities	278.2	286.1
Textile products and apparel	185.6	190.2
Hides, skins, leather, and related products	251.3	256.6
Fuels and related products and power 3/	590.6	611.7
Chemicals and allied products 3/	264.4	267.9
Rubber and plastic products	220.5	223.5
Lumber and wood products	296.1	299.4
Pulp, paper, and allied products	252.4	257.4
Metals and metal products	285.1	290.7
Machinery and equipment	242.6	249.5
Furniture and household durables	188.9	192.3
Nonmetallic mineral products	286.0	290.7
Transportation equipment (Dec.1968=100)	208.8	224.1
Miscellaneous products	260.1	265.4
Industrial commodities less fuels and related products and power	245.6	252.2
OTHER COMMODITY GROUPINGS		
01-9 Other farm products	282.7	296.0
02-1 Cereal and bakery products	235.8	248.5
02-2 Meats, poultry, and fish	259.9	248.0
02-5 Sugar and confectionery	347.1	334.6
02-6 Beverages and beverage materials	237.1	238.1
02-63 Packaged beveraged materials	356.2	325.7
02-7 Fats and oils	240.2	234.3
04-4 Other leather and related products	218.7	223.5
05-3 Gas fuels 3/	772.6	841.8
05-7 Refined petroleum products 3/	697.6	716.3
06-3 Drugs and pharmaceuticals	176.1	181.8
06-5 Agricultural chemicals and products	260.0	262.8
06-7 Other chemicals and allied products	229.0	234.2
07-1 Rubber and rubber products	240.2	245.9
07-11 Crude rubber	264.3	267.5
07-13 Miscellaneous rubber products	232.0	237.1
09-1 Pulp, paper, and products, excluding building paper and board	253.8	258.6
09-15 Converted paper and paperboard products	242.3	245.2
10-1 Iron and steel	302.6	316.0
10-13 Steel mill products	301.0	313.4
10-2 Nonferrous metals	298.4	294.4
10-4 Hardware	243.3	249.6
11-3 Metalworking machinery and equipment	278.8	285.6
11-4 General purpose machinery and equipment	267.0	275.2
11-7 Electrical machinery and equipment	205.0	208.9
11-9 Miscellaneous machinery and equipment	232.1	239.2
13-2 Concrete ingradients	278.6	278.7
14-1 Motor vehicles and equipment	211.7	225.9
15-4 Photographic equipment and supplies	200.9	207.0
15-9 Other miscellaneous products	364.6	371.5

1/ Indexes for these commodity groupings are not included in Table 2 because their components are divided among different stages of processing.

2/ Data for Aug. 1980 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.

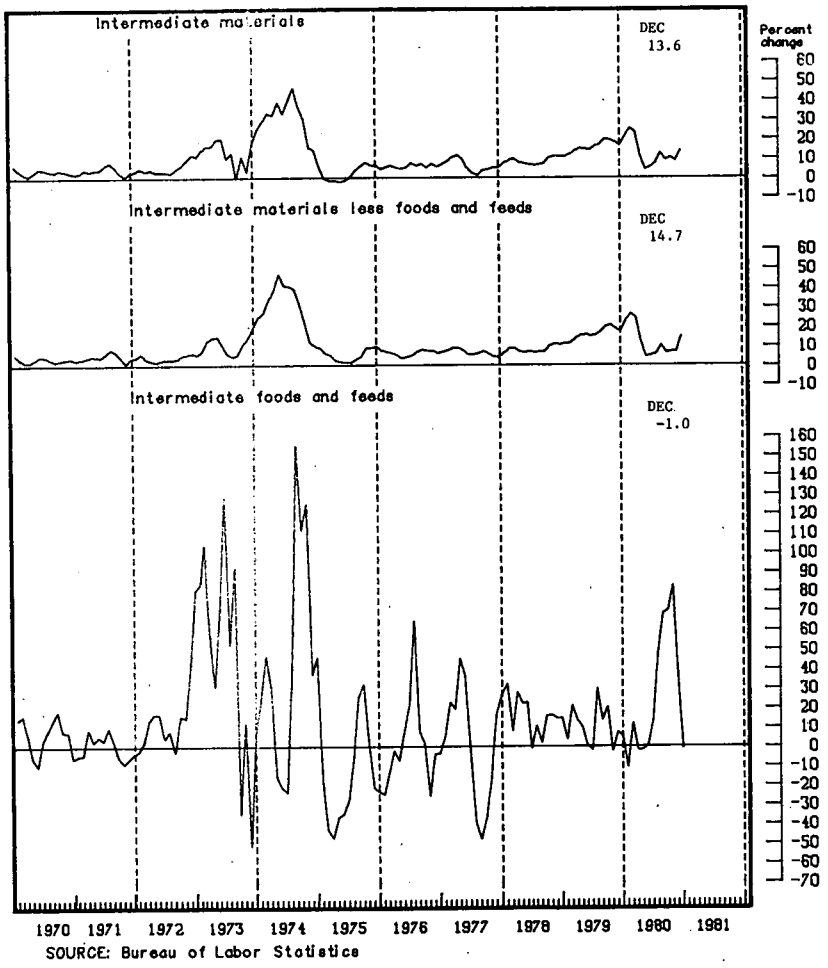
3/ Prices of some items in this grouping are lagged 1 month.

Chart 1
Finished Goods Price Index and its components
1970 – 80
3-month annual rates of change
(Seasonally adjusted)



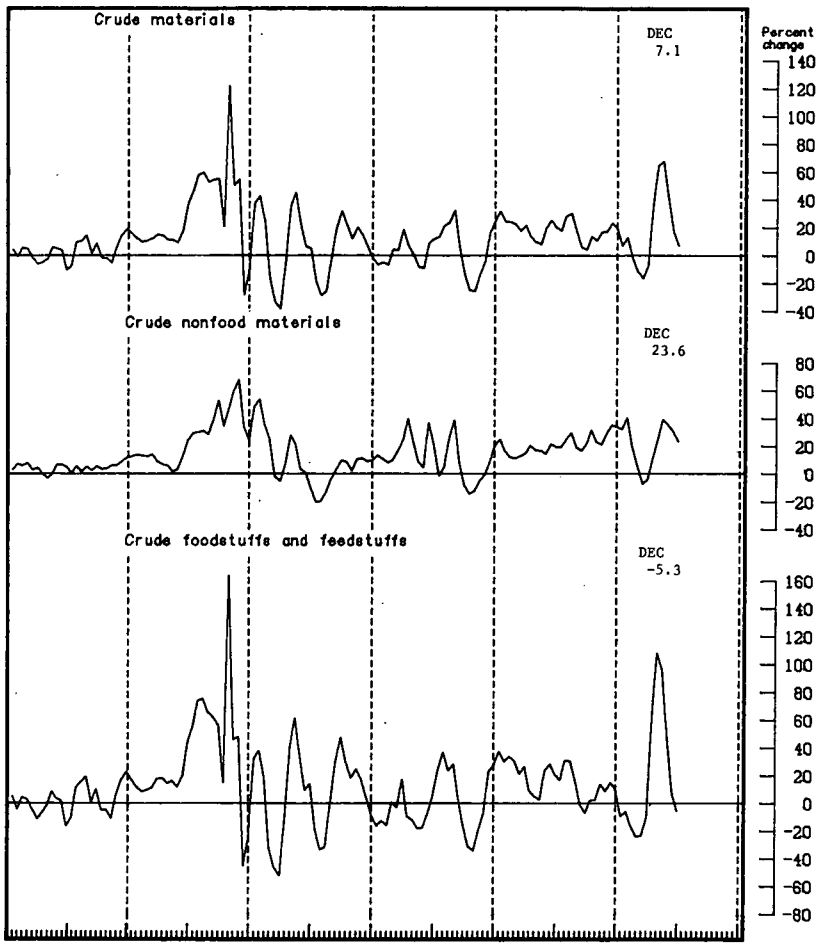
SOURCE: Bureau of Labor Statistics

Chart 2
Intermediate Materials Price Index and its components
1970 – 80
3-month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Chart 3
Crude Materials Price Index and its components
1970 – 80
3–month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Representative REUSS. Thank you very much, Commissioner Norwood.

I want to first welcome our colleague, and new and very valued member of the Joint Economic Committee, Senator Mattingly. Do you have any comments at this time?

Senator MATTINGLY. Thank you very much.

I'm happy to be here today. I have just a few questions. One, the labor force increased more in 1980 than it has in the past, and where I live and across the country it seems as if the fact and reality is that there are fewer jobs. In reality people are still becoming more and more unemployed and there's still inflation in the economy.

In your opinion, what needs to be done to solve these problems?

Ms. NORWOOD. Well, as you know, Senator, my role is to try to explain to you what has happened and I do think that the labor force changes are significant. That's one of the reasons that I emphasized them in my statement. I think it's a little too soon for us to know whether there is going to be a long-term shift.

As you're aware, we had a rather dramatic shift in the labor force, particularly in the role of women in the labor force, during the whole decade of the 1970's. I think it is questionable whether that kind of rapid increase of women coming into the labor force can continue, at least at the same rates.

We now have a very large proportion of families, more than half of the families in this country with husbands and wives, that presently have at least two earners. Obviously, this is affected both by social conditions and by business cycle conditions and I think it's going to take a little while to see where we're headed.

Senator MATTINGLY. In my opinion, as in Georgia and I'm sure a lot of other places, especially in urban areas, the programs that we have had in the past have failed and we have structurally unemployed people, especially minorities, and I guess what I'm driving at is that there needs to be a change in policy, and I was wondering about such things as the proposals that have been made in the House and in the Senate, what your opinion is, insofar as where this might have some impact on programs.

Ms. NORWOOD. I think you're quite right to say that there are, in addition to the cyclical factors, particular structural problems. We have been reporting for some time, for example, an unemployment rate for blacks that is somewhere near twice the rate for whites. The unemployment situation for Hispanics appears generally to be somewhere in between those two groups and any policy developments that the Congress and the new administration decide to undertake would certainly have to take into account those issues, as well as the cyclical development, I would think.

Senator MATTINGLY. And what do you refer to as cyclical?

Ms. NORWOOD. We have, since January, been in what the National Bureau of Economic Research has designated as a recession. If you look at the committee chart you can see that the economy certainly deteriorated in the second quarter of the year, and the unemployment rate has fluctuated within a very narrow range since that time.

Obviously, other data such as the gross national product and industrial production and other things, in addition, are important, but

I think they are consistent with that picture. We still have serious problems.

Senator MATTINGLY. Right. I guess what I'm trying to get at is the cyclical thing and the charts don't put anybody to work and the figures indicate it may be better to change policies, and like my colleague was talking about the supply side, it may be time to change directions and shift gears, and maybe the participation of yourself in that viewpoint of encouraging going to this type of legislation of shifting gears in our country—where it's really going to help people, because the charts don't put food on the table.

Ms. NORWOOD. I think I have only a few comments to offer. First, you're quite right that we need to recognize that the data we produce represent problems and successes that people have and we've got to look behind the data always at what is happening to the people that the data represent.

Beyond that, I would just like to say that my view of my role as Commissioner of Labor Statistics is to be an objective reporter for the country, the press, and the Congress, to try to explain as well as I and my staff can what is happening. We try our best not to take a position on policy issues because we believe that that's the best way to retain our credibility and our objectivity.

Senator MATTINGLY. Thank you.

Representative REUSS. Thank you.

Commissioner Norwood, on the expectations for inflation in 1981, you mentioned in your statement that the 11.7-percent, year-to-year increase reported last month in the producer prices, horrible though it is, was somewhat less horrible because energy prices and food prices happily saw their price increase decelerated. It wasn't as bad in 1980 as it had been the year before. That's an accurate replay of your statement?

Ms. NORWOOD. Yes, I think so, Mr. Reuss. Energy prices, however, as I indicated, are beginning now to accelerate again.

Representative REUSS. Well, that's my point. Is it not a fact that the future for energy and food prices in 1981 is cloudy indeed? On energy prices you have the Iraq-Iran war, you've got more mutterings by OPEC as to things it's going to do, you've got not just mutterings but a firm program to decontrol domestic oil and other energy prices. On food you have some talk of getting rid of the grain embargo and letting the Soviet Union bid up the price of domestic soybeans and small grains as they did in 1971, I believe it was.

There are many who usually know what they're talking about who are saying that the price performance for energy and for food is not going to be good in 1981.

Given that fact, and given the fact that a relatively better performance for energy and food was one of the saving graces which kept our 1980 producer price inflation down—I smile when I say down to 11.7—isn't the prospect for 1981 pretty scary?

Ms. NORWOOD. You're quite right about the cloudy nature of the food and the energy expectations. The Department of Agriculture has been forecasting rising food prices and there's been a lot in the press, as you have said, about shortages that may develop.

Our index for finished goods, excluding food and energy, doesn't look very good. It shows that in the recent period—that is, in 1980—it was somewhat higher than it had been in 1979 and before. So that prices, looking at the prices that we have now without looking ahead, the prices of finished producer goods, excluding food and energy, have risen.

Representative REUSS. So in general, though I'm sure you take no joy in it, you would agree with my unhappy appreciation that maybe things will not get better in inflation this year and indeed could be at least as bad or worse?

Ms. NORWOOD. I think it's quite important to watch in particular what happens to energy prices because it's not just the immediate effect of the energy commodity but rather the indirect effect of the use of energy throughout our economy, particularly in the manufacturing process, which can have a very much more important effect than just the direct effect of energy price increases.

Representative REUSS. Thank you. Turning to another facet of your testimony, unemployment, and particularly minority unemployment, can you give us a comparison between the 1980 figures for minority unemployment, including minority youth unemployment, and that obtained in the last 2 or 3 years? Did the gap between whites and minorities get better, worse, stay the same? What happened?

Ms. NORWOOD. I think that the gap has changed little in recent years. It varies slightly, but basically blacks have about double the unemployment rates for whites. In 1980, during the largest part of the downturn of the recent recession, we did have a concentration of employment declines in the construction industry and durable goods maufacturing and particularly automobiles. The labor force of those industries, which tends to be more male and perhaps somewhat more white, was more seriously affected. But you're quite right that there has been not much difference.

Representative REUSS. In your statement you referred to a decline in the proportion of the teenage population in the labor force. I'm not talking about minorities but about teenagers generally.

Wasn't that decline very largely due to the uncertain and deteriorating economic situation? Wasn't there a growth, in short, in the number of the so-called discouraged workers, people who had been looking around and found no possibility of a job and just stopped looking? Can you give us a yearend comparison of that with respect to either discouraged workers generally or teenagers, perhaps both?

Ms. NORWOOD. Over the year, discouraged workers are up about 300,000.

Representative REUSS. Generally?

Ms. NORWOOD. Generally, yes.

Representative REUSS. All discouraged workers?

Ms. NORWOOD. All discouraged workers, but we do know—300,000—but we do know that a large proportion of discouraged workers are women and teenagers.

Representative REUSS. That is very alarming because that 300,000 jump in discouraged workers, whoever they are—head of household, teenager, male or female—is an increase by more than 25 percent in one year. Is that not so?

Mr. BREGGER. Yes, sir. That's about right. Of course, these people are not counted among the unemployed, so if you were to combine that with the increase in unemployment you would get a bigger indication of the effects of the recession.

Representative REUSS. Well, to most people a discouraged worker is not a statistic we like to see very much. It would indicate somebody who, in good faith and with real zeal and energy, pounds the pavements but can't find a job. The mere fact that they take themselves out of the labor market in hopelessness doesn't, socially speaking, differ much from someone who still desperately stays on, even though he feels there's no hope. Again, things are a little worse than they seem; are they not?

Ms. NORWOOD. But I think that one has to look at the social implications, as you're doing, of some of the data. There are certainly groups of the population which are more severely affected than others. The discouraged worker category, as you are aware, is quite controversial because it appears to be a state of mind in part and it's very hard, of course, to measure in an objective manner a state of mind.

We are now doing some testing of different definitions of discouraged workers as a result of the recommendations of the National Commission on Employment and Unemployment Statistics, and we may perhaps have some better measures in the future as a result of that.

Representative REUSS. Senator Mattingly.

Senator MATTINGLY. First, I assume you agree the figures are still bad; right?

Ms. NORWOOD. I'd like to see them better.

Senator MATTINGLY. And second, we need to have growth in the economy; right?

Ms. NORWOOD. Yes.

Senator MATTINGLY. And third, the recommendations that have come from the Joint Economic Committee in the last year are probably ideas that should be included in the legislation?

Ms. NORWOOD. I have enormous respect for the work of the Joint Economic Committee. It's a very capable committee.

Senator MATTINGLY. What advice, then, would you give a new incoming administration?

Ms. NORWOOD. That's a rather tall order.

Senator MATTINGLY. As far as creation of jobs?

Ms. NORWOOD. My advice would be to pay careful attention to the data and have all the facts in developing policy, and I'm sure that's what the new administration will do.

Senator MATTINGLY. Taking the facts that you have and take the advice especially of the Joint Economic Committee and try to institute that?

Ms. NORWOOD. I'm sure that the new President will want to consult with a very large group of people to determine what the best thing to do for the economy is, and I'm sure also that people who would be advising him would pay careful attention not only to our data but the data from other agencies that report on what is happening to the economy show.

Senator MATTINGLY. Specifically those that try to encourage growth in the private sector?

Ms. NORWOOD. Well, I would assume that they would look at that as well as other things; yes, certainly.

Senator MATTINGLY. Thank you.

Representative REUSS. Congressman Rousselot.

Representative ROUSSELOT. Thank you, Mr. Chairman.

Let me hark back on a continual subject that I have always been interested in. Is there any consideration being given to including military personnel in the employment figures?

Ms. NORWOOD. Yes, sir, there is.

Representative ROUSSELOT. When are we going to do that?

Ms. NORWOOD. The current unemployment rate, as you have indicated, is based upon the proportion of unemployment to the civilian labor force. The National Commission on Employment and Unemployment Statistics, which was set up by the President on the basis of the legislation passed by the Congress, recommended that we use the total labor force as most other countries do; that is, include the military.

Secretary Marshall in his report to the Congress on his views on the Levitan report said that he generally favored that and that we were looking at ways to do it. We want to do it without increasing the survey burden any more then it now is, and I think we can do that.

Representative ROUSSELOT. I don't understand. Why would including military personnel increase substantially the survey burden? And I assume the military knows each month what they have. We've got to believe that; right?

Ms. NORWOOD. Yes. We are working out arrangements to get the kind of information that we need. The Defense Department does not have current data in as much detail as we would like to have, for example, but I think those provisions can be worked out.

The law requires that the Secretary of Labor provide a final report to the Congress on what the administration plans to do on all of the recommendations and the new Secretary will be reviewing all of these recommendations and will be reporting to the Congress in the fall.

Representative ROUSSELOT. Well, what you're saying to use is that this has been under consideration for a long time. How long do you think it might take us just to get them included?

Ms. NORWOOD. Once a decision is made and final——

Representative ROUSSELOT. Who has to sign off on it to make it happen?

Ms. NORWOOD. As I said, the law provides that the Secretary of Labor is to get the views of the other agencies of the Government, and to provide a report to the Congress. That final report is to be sent to the Congress in the fall.

If the decision is to go forward with including the military, we could do that in January of next year and we would expect to do that.

Representative ROUSSELOT. I realize this hasn't been exactly a hasty decision and nobody could accuse anybody of moving too fast. I think, Mr. Chairman, its been under discussion for about 4 years, hasn't it—even longer than that? Well, then, there is a real possibility that they

will be, assuming the Secretary of Labor and the President have to make a decision also or what?

Ms. NORWOOD. Yes; I think this is a policy question. We provide data. We are a service agency and I think the question of the definition of unemployment is quite properly a policy question. We provide a lot of different kinds of measures and we could easily provide a measure of the unemployment rate based upon the total labor force rather than the civilian labor force. That has not been a problem for us, Congressman Rousselot.

The question has been what the country decides it wishes the basic unemployment rate to be.

Representative ROUSSELOT. Well, I don't think the country considers the people in the military unemployed. Certainly, they're not nonpeople. So how long will it take us to get to the final decision? Your statement indicates to me that if the Secretary of Labor and the President say the military should be included, military personnel will be included in the employment figure. Is that true?

Ms. NORWOOD. Yes, sir.

Representative ROUSSELOT. Is that all that's required?

Ms. NORWOOD. Absolutely.

Representative ROUSSELOT. Well, if we can get the President to make a decision, we certainly know our new Secretary of Labor will.

Ms. NORWOOD. I will certainly discuss this as soon as possible with the new Secretary of Labor.

Representative ROUSSELOT. Well, thank you.

You probably discussed this in your statement today and I haven't had a chance to look at that carefully yet. Maybe you don't want to get into this. On the basis of the current unemployment burden and assuming that it lasts at a fairly consistent level for the next 3 months, what is the cost to the Federal Government of maintaining that burden of unemployment? Do you know?

Ms. NORWOOD. I don't know.

Representative ROUSSELOT. Do you look at that or do they come to you for your figures?

Ms. NORWOOD. No, sir.

Representative ROUSSELOT. Is that all done in the Labor Department?

Ms. NORWOOD. Well, I think that that it's not just the Labor Department. It may involve the Department of Health and Human Services. There are other parts of the Government, and OMB, generally, coordinates much of that.

Representative ROUSSELOT. Well, I had a conversation with Mr. Stockman on this subject because we are all looking at the costs of unemployment. Are you involved in the analysis of what happens in that area, the cost to the Federal Government of unemployment?

Ms. NORWOOD. Generally, no.

Representative ROUSSELOT. Generally?

Ms. NORWOOD. No; we don't.

Representative ROUSSELOT. OK, thank you.

Representative REUSS. Thank you.

According to classical economics, when times are not so good, sellers lower their prices so as to sell more goods. I notice that the two major

automobile companies, General Motors and Ford, recently announced price increases for 1981 on some of their models that haven't been selling very well.

What do your overall producer price figures tell you about the general practice of cutting prices to meet slack in demand? I hope there's some evidence of that, although the automobile picture looks just to the contrary.

Ms. NORWOOD. The prices of automobiles as measured in the producer price index rose somewhere around 9 percent last year, which is less than the rates of the finished goods components itself. I think that one would expect prices to be affected by demand, but one also has to expect prices to be affected by costs and there are cost of materials which are going up.

One of the things I indicated I was concerned about is the price rises for some of the metals, steel mill products for example. The automobile companies have changed their pricing system considerably over the last couple of years. They used to make price increases at the time of the introduction of a new model. They now spread those price increases over the year. But that is a question that very little is known about.

Representative REUSS. Turning to another subject, currently and particularly last month, we have seen another bout of tremendously high interest rates, mostly of the short term, though they tend to reflect themselves in higher interest rates in long term, too. Have we seen the full impact of this new bout of high interest rates on housing and construction, or is this another indignity which we are going to have to envisage down the line?

Ms. NORWOOD. Many people thought that there would have been more of an effect of high interest rates on the economy than has existed. We have, for example, an increase in employment in construction. I think the data on private housing construction has shown that there is an effect there. The producer price index that we released today shows an increase in the prices of lumber and other building materials which could also affect housing and construction in general.

The interest rate issue is one which probably needs to be looked at in real terms—in terms of inflationary expectations—and so far the effect has not been what at least some forecasters had anticipated.

Representative REUSS. You say the interest rate is one issue to be looked at in terms of inflationary expectations. Would you spell out that thought a little?

Ms. NORWOOD. I think that many people look at their economic decisions in terms of the cost to them. If they anticipate that prices are going to go up or that inflation will be higher, a producer may decide to buy equipment now rather than delay it; a consumer may decide to buy furniture now rather than delay it, depending on what is happening to rates of inflation now and what they anticipate.

Home purchase, I would say, would be affected by the long-term expectation of what is going to happen to prices.

Representative REUSS. Well, would you expect December 1980's very high prime rate—21.5 percent at its peak I believe—to be translated into some increase in the long-term mortgage rates?

Ms. NORWOOD. Certainly.

Representative REUSS. And how much of a lag, based on past experience, does there tend to be, if any? Maybe there isn't any lag.

Ms. NORWOOD. The only thing I have learned about interest rates is that they are very difficult to forecast and I'm not an expert in that field. Certainly, interest rates have gone up. Mortgage interest rates have gone up. That is an important inflationary development and depending upon what happens to the prime rate and to mortgage interest rates as a residual, there will be an important effect in the future as well.

I don't know what is going to happen to interest rates. I wish I did. I think that would be a great kind of skill to have.

Representative REUSS. But insofar as based on your experience, you would say the harder the money managers engage in their battle against inflation by tightening money and raising interest rates, the more inflation we will have because those higher interest rates will shortly be transmitted to the mortgage market and thus affect housing?

Ms. NORWOOD. If mortgage interest rates go up, the cost of buying a house will go up and that can be inflationary. On the other hand, it can have a downward effect on the price of the houses, depending upon what happens to building costs. It's rather difficult to say that there is a single effect. One has to look at the whole situation.

Representative REUSS. Senator Mattingly.

Senator MATTINGLY. That almost seemed to be a policy statement. The high interest rates, which I think we all know has destroyed the housing industry, and the middle-income people in this country don't like not being able to buy a home—I can't buy a home whether I'm in the middle-income level or not. So what you're saying about inflationary expectations may sound good, but high interest rates, which you're talking about which—I'm not sure whether you're supposed to be making policy statements or not—I think you're trying to avoid it—but yes, it does affect, as you have said, the price of not only a home or somebody's expectation to buy a home, but what is done to this country.

Ms. NORWOOD. Certainly, that's not a policy question. That's a question of what has actually happened. Interest rates have gone up. Mortgage interest rates have gone up. The cost of buying a house, if you finance it with a mortgage as most people do, is certainly higher.

Now as I indicated, it's possible sometimes that that could have a depressing effect on the price of the house itself. On the other hand, we do have some evidence at least in recent months, that the prices of some of the building materials have gone up which is also an upward pressure.

Senator MATTINGLY. It has had a depressing effect?

Ms. NORWOOD. Sure, I don't deny that at all.

Senator MATTINGLY. Which gets back to the point, then, obviously, would you say that the high interest rates have not been good for the country?

Ms. NORWOOD. I don't think that I'm qualified to get into the question of what should be done with interest rates.

Senator MATTINGLY. With the unemployment rate where it is and the inflation rate where it is and the interest rate where it is, if you try to buy a home——

Ms. NORWOOD. It's difficult.

Senator MATTINGLY. Isn't that a problem?

Ms. NORWOOD. It's very difficult.

Senator MATTINGLY. It would not be good policy; would you agree?

Ms. NORWOOD. I leave that judgment to you, sir.

Senator MATTINGLY. Thank you.

Representative REUSS. Congressman Rousselot.

Representative ROUSSELOT. What are we doing with the misery index? I realize it's a combination of two factors. We don't talk much about that any more.

Ms. NORWOOD. That's not in the Bureau of Labor Statistics.

Representative ROUSSELOT. Doesn't the index use BLS figures?

Ms. NORWOOD. We provide data to people and they can do anything they like with it.

Representative ROUSSELOT. That's a good answer. I've forgotten what it was the month before. Doesn't the misery index roughly add up to about 20 percent?

Ms. NORWOOD. I'm not sure what it is, but I guess it's the combination of unemployment and consumer prices.

Representative ROUSSELOT. Right, that's the way the current President defined it. Is it around 20 percent?

Ms. NORWOOD. It's about that.

Representative ROUSSELOT. So was that higher or lower than last month's?

Ms. NORWOOD. Mr. Layng is commenting that we're not quite sure how that was put together, whether they take the annual rate or the year over year change or the monthly change, but it's high if you add those two together. If you take them separately they're high. The unemployment rate at 7.4 percent is certainly higher than we would like it to be and the over the year CPI rate of close to 12 percent is certainly higher than we would like it to be.

Representative ROUSSELOT. Would that make a total misery rate, as defined by the President, of 20 percent?

Ms. NORWOOD. Somewhere in that neighborhood.

Representative ROUSSELOT. What was it the previous month?

Ms. NORWOOD. I don't have those figure here.

Representative ROUSSELOT. I thought everybody kept track of them. I note that the prices turned down quite sharply for foodstuffs and for nonferrous scrap and for hides and skins and rubber, but that energy prices have accelerated sharply in recent months after a period of relative price stability.

Do you have any facts or information that would tell us whether these sharply increasing energy prices are going to persist and will they have an increasingly adverse effect on the producer price index?

Ms. NORWOOD. Since energy prices are increasing at the crude level, we would expect that that would go through at least the other stages of processing.

Representative ROUSSELOT. Be passed on to the consumer ultimately?

Ms. NORWOOD. Well, eventually, yes, and they could also have an indirect effect on the manufacturing process, as I indicated earlier. We're not sure, of course, what will happen since there is decontrol going on which will contribute to that.

Representative ROUSSELOT. So what do you think we can expect? How much of an impact does energy overall have on the CPI?

Mr. LAYNG. In terms of 1981?

Representative ROUSSELOT. Yes.

Mr. LAYNG. In terms of known announced price increases to this date, they are not as large as they were last year.

Representative ROUSSELOT. They're not as large as last year?

Mr. LAYNG. But you know, there's a great deal of uncertainty with respect to what future increases may be put into effect and it's more serious now because we're tied to the world market in terms of the decontrol of oil. But it's a guessing game with respect to how far any increases might go. As the Commissioner said, the magnitude and duration of oil prices this year will be an important factor. But in terms of the impact on the index of a given price change, we know what that is. A 10 cent increase in gasoline prices or heating oil prices has a certain impact on the Consumer Price Index in terms of its direct impact.

Representative ROUSSELOT. I know you have told us before, but what percentage of the Consumer Price Index does that affect?

Mr. LAYNG. It's substantially greater now than it was several years ago because the relative price of gasoline and heating oil have gone up. It must be in the neighborhood of 17 percent now. In terms of current price levels, for example, a 10 cent a gallon increase in heating oil and gasoline would increase the CPI six-tenths of 1 percent.

Representative ROUSSELOT. Six-tenths of 1 percent?

Mr. LAYNG. Yes. And you read the media and you hear people talking about $1.25 to $1.50 a gallon for gasoline and potentially increases of 15 cents to 20 cents a gallon for heating oil and we can calculate what the direct impact of that would be on the index and we do that each month in terms of updating it to current price levels. It's clear that it has played a major role in 1979 and 1980 and potentially could in 1981.

Representative ROUSSELOT. So we can expect, if those prices are passed on to the consumer and go through the manufacturing processes as you say, an impact upon the CPI?

Mr. LAYNG. I think you have seen most of the impact. The transmission effects are fairly quick from our crude stage to intermediate to finished. It doesn't take very long for those crude oil price increases to show up in the retail market or in the heating oil market or commercial jet fuel or diesel fuel. It's pretty fast.

I think the uncertainty is, how much more lies out there this year.

Ms. NORWOOD. Yes.

Representative ROUSSELOT. Thank you, Mr. Chairman.

Representative REUSS. Thank you, Congressman Rousselot.

And thank you particularly, Commissioner Norwood, and your associates, for your straightforward answers, as is your habit. You have added to our education. We thank you for it.

We now stand adjourned.

[Whereupon, at 11 a.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, FEBRUARY 6, 1981

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m.. in room 2128, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representative Reuss.

Also present: James K. Galbraith, executive director; and David W. Allen, Mary E. Eccles, and Mark R. Policinski, professional staff members.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. Good morning. The Joint Economic Committee will be in session for its inquiry into the unemployment figures.

We welcome you, Commissioner Norwood. You have brought us today a report for the January unemployment rate which shows that at 7.4 percent, it's been unchanged since December, the month before, and has remained on the same high plateau since last May.

In some sectors, employment was growing, though job gains in most manufacturing industries were small. Unemployment among minority workers, though still very high, did decline somewhat in January, but an abrupt increase in the size of the labor force in the month has kept overall joblessness high.

Last night in his address, the President embraced the full 3 years and the full 10 percent annually of the Kemp-Roth tax cut as well as substantial additional tax reductions for business. I agree with the President that our current course is leading us nowhere, that indeed a different one has got to be charted. But as Federal Reserve Chairman Volcker warned this committee yesterday, such a tax package raises the threat of even larger deficits and even higher interest rates with potential catastrophe for housing, small business, autos, farmers, productive capital investment, and the inflationary spiral itself.

While the new administration has not formally announced budget proposals, the morning's newspapers indicate the transfer program for the poor, the unemployed, the elderly, and the disabled are prime candidates for drastic cuts. So far, the rumored targets include food stamps, school lunches, public service jobs, unemployment benefits, trade adjustment assistance, medicaid, and several aspects of social security, including disability insurance.

These are deep and painful cuts and the question is, will the administration take the same tough approach to other areas of the budget?

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Commissioner Norwood, we are eager to hear your explanation of the unemployment situation in January. Would you proceed to enlighten us?

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND JOHN E. BREGGER, CHIEF, DIVISION OF CURRENT EMPLOYMENT AND UNEMPLOYMENT ANALYSIS

Ms. NORWOOD. Thank you very much, Mr. Chairman.

I'm pleased to be here to provide you with a few brief comments to supplement the employment situation press release issued this morning by the Bureau of Labor Statistics at 9 a.m.

The January labor market indicators provide mixed signals on the economy. When adjusted for seasonal movements, both the payroll and the household surveys showed some evidence of strength. Employment increased and the factory workweek continued to rise.

The Nation's unemployment rate was 7.4 percent, the same as in December. Since last May, the jobless rate has remained in the narrow range of 7.6–7.4 percent. The overall stability in January did mask some offsetting over-the-month movements, however. Thus, there was a decline in joblessness among black workers, whose rate dropped to 12.9 percent in January, after hovering around 14 percent in the July-December period. The rate for white workers rose slightly to 6.7 percent, but has been little changed since July, while the rate for Hispanics edged up to 11.1 percent in January. There was also an increase in teenage unemployment. Between July and January joblessness among adult men declined from 6.6 to 6.0 percent, while the rate among adult women fluctuated around 6.7 percent.

After several months of sluggish growth, the labor force increased by almost 500,000 in January. Nearly 400,000 women entered the labor force, and their participation rate reached a record 51.8 percent.

Industry employment rose by nearly 400,000 in January. Over the last 3 months, employment growth has averaged about 250,000 per month. Between December and January, large employment reductions usually occur. When employers reduce their work forces less than usual in this period, seasonally adjusted data show increases. These seasonally adjusted increases in construction and in retail trade establishments were especially large, accounting for more than half of the total payroll employment change in January. Manufacturing employment continued the growth of the last 5 months, but the January increase was extremely small.

Average weekly hours in manufacturing rose sharply to 40.4 hours, the highest level since early 1979. This measure has been rising steadily since last summer. In the last 6 months, the comprehensive index of aggregate weekly hours of workers on nonagricultural payrolls, which reflects changes in both employment and hours, rose almost 4 percent.

In summary, in January, after seasonal adjustment, the labor force and employment rose and the unemployment rate remained at the December level.

We would be very happy now to try to answer any questions you may have.

[The table attached to Ms. Norwood's statement, together with the Employment Situation press release, follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X-11 ARIMA method					X-11 method (former official method)	Range (cols. 2-7)
		Official	Concurrent	Stable	Total	Residual		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1980:								
January	6.8	6.2	6.2	6.2	6.3	6.2	6.2	0.1
February	6.8	6.2	6.2	6.1	6.2	6.2	6.1	.1
March	6.6	6.3	6.3	6.2	6.3	6.5	6.2	.3
April	6.6	6.9	6.9	6.9	6.9	6.9	6.9	.0
May	7.0	7.6	7.6	7.7	7.7	7.3	7.6	.4
June	7.8	7.5	7.5	7.4	7.4	7.3	7.6	.3
July	7.9	7.6	7.6	7.8	7.6	7.5	7.8	.3
August	7.5	7.6	7.6	7.7	7.5	7.5	7.7	.2
September	7.1	7.4	7.4	7.4	7.3	7.3	7.5	.2
October	7.1	7.6	7.6	7.6	7.5	7.5	7.6	.1
November	7.1	7.5	7.5	7.5	7.5	7.5	7.5	.0
December	6.9	7.4	7.4	7.4	7.4	7.4	7.3	.1
1981: January	8.2	7.4	7.5	7.4	7.5	7.6	7.4	.2

Explanation of Column Heads

(1) Unadjusted rate.—Unemployment rate not seasonally adjusted.

(2) Official rate (X-11 ARIMA method).—The published seasonally adjusted rate. Each of the 3 major labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16 to 19 and 20 yrs and over—are seasonally adjusted independently using data from January 1967 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (autoregressive, integrated, moving average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X-11 portion of the X-11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted with the multiplicative model. A prior adjustment for trend is applied to the extended series for adult male unemployment before seasonal adjustment. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January-June are computed at the beginning of each year; extrapolated factors for July-December are computed in the middle of the year after the June data become available. Each set of 6-mo factors are published in advance, in the January and July issues, respectively, of "Employment and Earnings."

(3) Concurrent (X-11 ARIMA method).—The procedure for computation of the official rate using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X-11 ARIMA program each month as the most recent data become available Rates for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example, the rate for January 1980 would be based, during 1980, on the adjustment of data from the period January 1967 through January 1980. Since the revision pattern and procedure for computation of the rate are identical to the official procedure, the results of this method will be identical to the official rate at the end of each year when the most recent observation is December.

(4) Stable (X-11 ARIMA method).—Each of the 12 labor force components is extended using ARIMA models as in the official procedure and then run through the X-11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year-to-year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-mo intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure.

(5) Total (X-11 ARIMA method).—This is one alternative aggregation procedure, in which total unemployment and labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X-11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent of seasonally adjusted total civilian labor force. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(6) Regional (X-11 ARIMA method).—This is another alternative aggregation method, in which total employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(7) X-11 method (former official method).—The procedure for computation of the official rate is used except that the series are not extended with ARIMA models and the factors are projected in 12-mo intervals. The standard X-11 program is used to perform the seasonal adjustment.

Methods of adjustment.—The X-11 ARIMA method was developed at Statistics Canada by the seasonal adjustment and times series staff under the direction of Estela Bee Daeum. The method is described in the "X-11 ARIMA Seasonal Adjustment Method," by Estela Bee Dapum. Statistics Canada Catalog No. 12-564E, February 1980.

The standard X-11 method is described in "X-11 Variant of the Census Method II Seasonal Adjustment Program," by Julius Shiskin, Alan Young, and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

Source: U.S. Department of Labor, Bureau of Labor Statistics, February 1981.

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THE EMPLOYMENT SITUATION: JANUARY 1981

Employment rose in January and unemployment was unchanged, after seasonal adjustment, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The overall unemployment rate was 7.4 percent, the same as in December and little different from the rates which have prevailed since May of last year.

Total employment--as measured by the monthly survey of households--rose 410,000 over the month to 97.7 million. Nonfarm payroll employment--as measured by the monthly survey of establishments--advanced by 375,000 in January to 91.5 million. In addition, the factory workweek was up 0.3 hour over the month. Both the employment and hours measures have risen steadily since last July.

Unemployment

The number of unemployed workers in January, 7.8 million, and the overall unemployment rate, 7.4 percent, were unchanged from their December levels and have shown little movement since last May. Unemployment rates for adult men (6.0 percent) and adult women (6.7 percent) were also about unchanged over the month. There were, however, contrasting movements among some of the other major worker groups. Jobless rates for teenagers (19.0 percent), Hispanics (11.1 percent), and whites (6.7 percent) increased, while the rate for black and other workers (12.9 percent) declined. The rates for most major worker groups remained substantially higher than their year-ago levels. (See tables A-1, A-2, and A-9.)

The number of unemployed persons on layoff or permanently separated from their jobs (job losers) was down almost 400,000 over the month to 3.8 million, the lowest level since April but

still well above year-ago levels. In contrast, there were increases in the number of unemployed who had voluntarily left their last jobs and those who were newly entering or returning to the labor force. (See table A-7.)

The average (mean) duration of unemployment increased nearly 1 week to 14.4 weeks, the highest level in 3-1/2 years; this reflected a substantial rise in the number of persons unemployed for 6 months or longer. In contrast, the median duration of unemployment, which is little affected by movements in very long-term joblessness, was about unchanged over the month at 7.4 weeks. (See table A-6.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Dec. - Jan. change
	1979	1980		1980		1981	
	IV	III	IV	Nov.	Dec.	Jan.	
HOUSEHOLD DATA							
	Thousands of persons						
Civilian labor force	103,741	104,982	105,173	105,285	105,067	105,543	476
Total employment	97,572	97,061	97,276	97,339	97,282	97,696	414
Unemployment	6,169	7,921	7,897	7,946	7,785	7,847	62
Not in labor force	58,850	59,493	59,906	59,797	60,205	59,917	-288
Discouraged workers	766	961	1,055	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	5.9	7.5	7.5	7.5	7.4	7.4	0
Adult men	4.4	6.6	6.3	6.4	6.2	6.0	-0.2
Adult women	5.7	6.4	6.7	6.7	6.8	6.7	-0.1
Teenagers	16.2	18.4	18.3	18.6	17.8	19.0	1.2
White	5.2	6.7	6.6	6.6	6.5	6.7	0.2
Black and other	11.3	13.9	14.1	14.0	14.0	12.9	-1.1
Hispanic origin	9.0	10.8	10.2	10.2	9.8	11.1	1.3
Full-time workers	5.5	7.3	7.3	7.4	7.3	7.1	-0.2
ESTABLISHMENT DATA							
	Thousands of jobs						
Nonfarm payroll employment	90,557	90,131	90,929p	90,961	91,116p	91,490p	374p
Goods-producing industries	26,549	25,317	25,784p	25,811	25,904p	26,051p	147p
Service-producing industries	64,008	64,814	65,145p	65,150	65,212p	65,439p	227p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.6	35.1	35.4p	35.4	35.4p	35.5p	0.1p
Manufacturing	40.1	39.3	39.9p	39.9	40.1p	40.4p	0.3p
Manufacturing overtime	3.2	2.6	2.9p	2.9	3.1p	3.1p	0p

p=preliminary. N.A.=not available.

Total Employment and the Labor Force

Total employment increased by 410,000 in January, when adjusted for seasonal variation, and, at 97.7 million, was about equal to the year-ago level. Adult women accounted for virtually all of the gain, and their January employment total was 630,000 above last January's level. In contrast, employment of adult men and teenagers, unchanged in January, was still 150,000 and 500,000, respectively, below a year ago. (See table A-1.)

The civilian labor force advanced by 475,000 in January to 105.5 million, the first sizeable increase since July. Most of the over-the-month gain occurred among adult women, whose labor force participation rate was at an all-time high of 51.8 percent. Over the year, the labor force advanced by 1.5 million, a slower pace than in recent years.

Industry Payroll Employment

The number of employees on nonagricultural payrolls rose by 375,000 to 91.5 million in January. The number of payroll jobs was up 460,000 from a year earlier and 1.6 million from July. January gains occurred in both goods-producing and service-producing industries. (See table B-1.)

Construction employment rose by 105,000, the sharpest increase in recent months, but, at 4.6 million, was still more than 100,000 short of the January 1980 high. Mining jobs increased both over the month and the year.

Manufacturing employment edged up slightly in January, with job gains essentially limited to the durable goods industries, particularly electric and electronic equipment and machinery.

Employment growth continued in the service-producing sector with a gain of 225,000 in January. The increases were concentrated in retail trade, services, and finance, insurance, and real estate. Since January a year ago, jobs in the service-producing sector were up by 1.1 million, while goods-producing jobs were down by more than 600,000.

Hours of Work

The average workweek for production or nonsupervisory workers on private nonfarm payrolls rose 0.1 hour to 35.5 hours in January. The manufacturing workweek jumped 0.3 hour over the month to 40.4; this was the sixth consecutive monthly advance, bringing factory hours 1.4 hours above the July low. Factory overtime remained at the December level of 3.1 hours. (See table B-2.)

The index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls rose 0.9 percent in January to 126.6 (1967=100). The index increased by 3.9 percent since July but was still 0.4 percent below the year-ago peak. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls rose 1.2 percent from December to January, and average weekly earnings rose 1.4 percent (seasonally adjusted). The increase in hourly earnings was higher than usual, reflecting, in part, the change in the minimum wage from $3.10 to $3.35. Before adjustment for seasonality, average hourly earnings rose 10 cents over the month and 61 cents over the year. Average weekly earnings were $246.05, down 66 cents over the month but up $20.71 from a year earlier. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 264.3 (1967=100) in January, 1.0 percent higher than in December. The Index was 10.0 percent above January a year ago. In dollars of constant purchasing power, the Index decreased 2.8 percent during the 12-month period ended in December. (See table B-4.)

Chart 1. Civilian labor force and employment
(Seasonally adjusted)

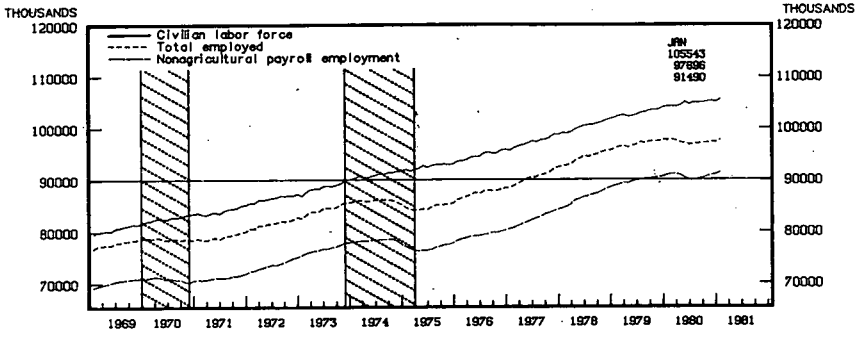


Chart 2. Unemployment rate—all civilian workers

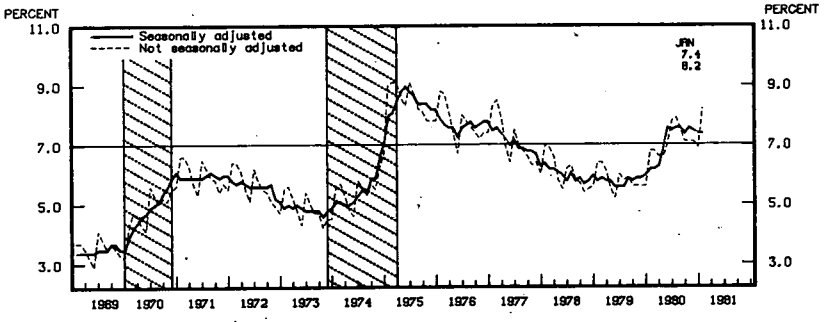
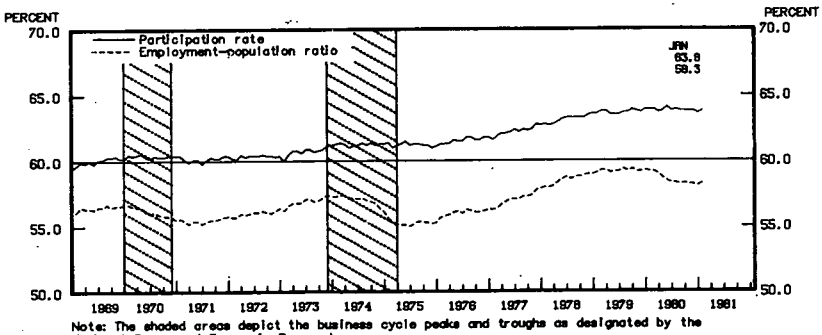


Chart 3. Civilian labor force participation rate and total employment-population ratio
(Seasonally adjusted)



Note: The shaded areas depict the business cycle peaks and troughs as designated by the National Bureau of Economic Research.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 65,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 166,000 establishments employing about 35 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed,* regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

----The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

----The household survey includes people on unpaid leave among the employed; the establishment survey does not;

----The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

----The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $2.75 per issue or $22.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables A through I of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables L through Q of that publication.

Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Jan. 1980	Dec. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
TOTAL									
Total noninstitutional population[1]	165,101	167,390	167,585	165,131	166,719	167,005	167,221	167,395	167,585
Armed Forces[1]	2,081	2,124	2,125	2,081	2,121	2,121	2,119	2,124	2,125
Civilian noninstitutional population[1]	163,020	165,272	165,460	163,050	164,667	164,884	165,082	165,272	165,460
Civilian labor force	103,138	104,773	104,671	104,233	104,980	105,167	105,285	105,067	105,583
Participation rate	63.3	63.4	63.3	63.9	63.8	63.8	63.8	63.6	63.8
Employed	96,145	97,545	96,828	97,704	97,183	97,286	97,139	97,282	97,595
Employment-population ratio[2]	58.2	58.3	57.4	59.2	58.3	58.2	58.1	58.1	58.3
Agriculture	2,782	3,044	2,860	3,297	3,399	3,319	3,340	3,344	3,403
Nonagricultural industries	93,363	94,501	93,268	94,421	93,781	93,887	93,999	93,938	94,294
Unemployed	7,043	7,233	8,543	6,500	7,800	7,961	7,946	7,785	7,847
Unemployment rate	6.4	6.9	8.2	6.2	7.4	7.6	7.5	7.4	7.4
Not in labor force	59,882	60,494	60,789	58,817	59,687	59,717	59,797	60,205	59,917
Men, 16 years and over									
Total noninstitutional population[1]	79,104	80,183	80,272	79,104	79,897	80,000	80,091	80,183	80,272
Armed Forces[1]	1,932	1,950	1,954	1,932	1,958	1,956	1,954	1,959	1,954
Civilian noninstitutional population[1]	77,173	78,224	78,318	77,173	77,939	78,044	78,137	78,224	78,318
Civilian labor force	59,148	59,765	59,796	59,906	60,320	60,379	60,388	60,254	60,366
Participation rate	76.7	76.4	76.3	77.6	77.4	77.4	77.3	77.0	77.1
Employed	55,251	55,844	54,815	56,454	55,754	55,881	55,897	55,920	55,912
Employment-population ratio[2]	69.8	69.4	66.3	71.4	69.8	69.9	69.8	69.7	69.8
Unemployed	3,933	4,100	4,973	3,448	4,566	4,498	4,491	4,334	4,353
Unemployment rate	6.6	6.9	8.3	5.8	7.6	7.4	7.4	7.2	7.2
Men, 20 years and over									
Total noninstitutional population[1]	70,695	71,875	71,980	70,695	71,544	71,661	71,768	71,875	71,980
Armed Forces[1]	1,648	1,677	1,660	1,648	1,680	1,674	1,673	1,677	1,660
Civilian noninstitutional population[1]	69,047	70,198	70,320	69,047	69,864	69,987	70,095	70,198	70,320
Civilian labor force	54,613	55,284	55,322	54,992	55,475	55,495	55,539	55,470	55,483
Participation rate	79.1	78.8	78.7	79.5	79.4	79.3	79.2	79.0	78.8
Employed	51,503	52,041	51,356	52,264	51,923	51,963	52,007	52,045	52,091
Employment-population ratio[2]	72.9	72.4	71.3	73.9	72.9	72.5	72.5	72.4	72.8
Agriculture	2,760	2,228	2,190	2,903	2,389	2,351	2,372	2,331	2,378
Nonagricultural industries	49,393	49,812	49,216	49,362	49,534	49,612	49,635	49,714	49,713
Unemployed	3,110	3,244	3,966	2,629	3,552	3,532	3,532	3,425	3,392
Unemployment rate	5.7	5.9	7.2	4.8	6.6	6.4	6.4	6.2	6.0
Women, 16 years and over									
Total noninstitutional population[1]	85,997	87,213	87,313	85,997	86,832	87,006	87,110	87,213	87,313
Armed Forces[1]	149	165	171	149	163	165	165	165	171
Civilian noninstitutional population[1]	85,847	87,048	87,142	85,847	86,728	86,841	86,945	87,048	87,142
Civilian labor force	44,004	45,235	44,883	44,332	45,460	44,788	44,897	44,813	45,178
Participation rate	51.3	51.7	51.5	51.6	51.5	51.6	51.6	51.5	51.8
Employed	40,893	41,903	41,313	41,250	41,426	41,325	41,342	41,362	41,586
Employment-population ratio[2]	47.6	48.0	47.3	48.0	47.7	47.5	47.6	47.6	47.7
Unemployed	3,110	3,333	3,570	3,052	3,234	3,463	3,455	3,451	3,493
Unemployment rate	7.1	7.0	8.0	6.9	7.2	7.7	7.7	7.7	7.7
Women, 20 years and over									
Total noninstitutional population[1]	77,779	79,097	79,212	77,779	78,732	78,860	78,979	79,097	79,212
Armed Forces[1]	123	137	141	123	135	137	137	137	141
Civilian noninstitutional population[1]	77,656	78,959	79,071	77,656	78,598	78,723	78,842	78,959	79,071
Civilian labor force	39,860	40,877	40,952	39,852	41,317	40,486	40,529	40,573	40,942
Participation rate	51.3	51.8	51.8	51.3	51.7	51.4	51.5	51.4	51.8
Employed	37,481	38,334	38,075	37,538	37,804	37,756	37,809	37,820	38,191
Employment-population ratio[2]	48.1	48.5	48.1	48.3	48.3	47.9	48.0	47.8	48.2
Agriculture	407	535	467	543	592	576	574	665	621
Nonagricultural industries	37,034	37,788	37,608	36,995	37,212	37,178	37,235	37,155	37,570
Unemployed	2,419	2,544	2,877	2,314	2,513	2,732	2,720	2,750	2,750
Unemployment rate	6.1	6.2	7.0	5.8	6.2	6.7	6.7	6.3	6.7
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,627	16,924	16,993	16,627	16,912	16,983	16,956	16,924	16,993
Armed Forces[1]	310	310	324	310	307	309	309	310	324
Civilian noninstitutional population[1]	16,317	16,614	16,669	16,317	16,605	16,674	16,647	16,614	16,669
Civilian labor force	8,715	8,616	8,396	8,984	9,188	9,186	9,117	9,027	9,158
Participation rate	53.4	51.5	52.3	58.0	56.7	56.8	56.5	56.0	57.0
Employed	7,201	7,170	6,697	7,907	7,353	7,489	7,423	7,417	7,419
Employment-population ratio[2]	43.3	43.7	40.9	47.6	45.7	45.4	45.1	45.2	45.2
Agriculture	215	270	253	343	418	392	394	398	404
Nonagricultural industries	6,986	6,901	6,444	7,564	7,135	7,097	7,029	7,019	7,010
Unemployed	1,514	1,445	1,699	1,557	1,835	1,697	1,694	1,610	1,743
Unemployment rate	17.4	16.8	20.2	16.5	17.8	18.5	18.6	17.8	19.0

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

HOUSEHOLD DATA

Table A-2. Employment status of the population by race, sex, and age

(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Jan. 1980	Dec. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
WHITE									
Total noninstitutional population[1]	144,421	144,143	146,284	144,421	145,537	145,868	145,995	146,143	145,284
Armed Forces[1]	1,615	1,640	1,633	1,615	1,638	1,638	1,636	1,640	1,633
Civilian noninstitutional population[1]	142,806	144,503	144,651	142,806	143,951	144,211	144,359	144,503	143,651
Civilian labor force	90,953	92,179	92,403	91,783	92,317	92,516	92,562	92,383	92,832
Participation rate	63.7	63.8	63.7	64.3	64.1	64.2	64.1	63.9	64.2
Employed	85,420	86,599	85,332	86,760	86,307	86,371	86,409	86,377	85,629
Employment-population ratio[2]	59.8	59.9	58.9	60.1	59.8	59.9	59.9	59.7	59.2
Unemployed	5,530	5,582	6,871	5,023	5,010	6,145	6,153	6,006	5,203
Unemployment rate	6.1	6.1	7.5	5.5	5.5	6.6	6.6	6.5	5.7
Men, 20 years and over									
Civilian labor force	48,717	49,268	49,366	48,998	49,315	49,461	49,481	49,499	49,426
Participation rate	79.6	79.3	79.4	80.0	79.4	79.8	79.8	79.6	79.4
Employed	46,296	46,691	46,097	46,891	46,556	46,663	46,684	46,728	45,704
Employment-population ratio[2]	76.0	73.6	72.6	75.9	73.7	73.8	73.7	73.7	73.6
Unemployed	2,471	2,577	3,269	2,057	2,459	2,801	2,797	2,771	2,722
Unemployment rate	5.1	5.2	6.6	4.2	5.8	5.7	5.7	5.5	5.5
Women, 20 years and over									
Civilian labor force	34,414	35,214	35,360	34,393	34,765	34,883	34,972	34,910	35,313
Participation rate	50.7	51.2	51.3	50.7	50.7	50.8	50.9	50.7	51.2
Employed	32,556	33,317	33,114	32,627	32,881	32,845	32,944	32,856	33,183
Employment-population ratio[2]	47.9	48.3	48.0	48.0	47.8	47.8	47.9	47.7	48.1
Unemployed	1,859	1,897	2,245	1,766	1,924	2,038	2,028	2,052	2,131
Unemployment rate	5.4	5.4	6.4	5.1	5.5	5.8	5.8	5.9	6.0
Both sexes, 16-19 years									
Civilian labor force	7,818	7,696	7,478	8,442	8,137	8,172	8,109	8,024	8,393
Participation rate	56.3	56.6	55.3	61.3	59.6	60.0	59.7	59.2	59.9
Employed	6,618	6,581	6,121	7,282	6,910	6,866	6,781	6,791	6,735
Employment-population ratio[2]	47.7	48.7	44.5	51.7	49.8	49.6	49.1	49.2	48.9
Unemployed	1,200	1,115	1,356	1,233	1,227	1,306	1,328	1,233	1,358
Unemployment rate	15.4	14.5	18.1	14.2	15.1	16.0	16.4	15.4	16.8
Men	10.2	16.7	20.1	14.4	16.2	17.3	17.7	16.4	17.9
Women	18.4	12.2	15.0	14.3	13.8	14.5	14.9	14.2	15.5
BLACK AND OTHER									
Total noninstitutional population[1]	20,680	21,255	21,331	20,680	21,102	21,157	21,206	21,255	21,331
Armed Forces[1]	466	484	492	466	485	483	483	484	492
Civilian noninstitutional population[1]	20,214	20,771	20,809	20,214	20,617	20,673	20,723	20,771	20,809
Civilian labor force	12,238	12,599	12,467	12,453	12,677	12,696	12,706	12,669	12,684
Participation rate	60.5	60.7	59.9	61.6	61.5	61.4	61.3	61.0	61.0
Employed	10,725	10,955	10,796	10,974	10,894	10,888	10,922	10,895	11,051
Employment-population ratio[2]	51.1	51.5	50.7	53.1	51.6	51.4	51.5	51.3	51.9
Unemployed	1,513	1,644	1,672	1,479	1,783	1,802	1,784	1,773	1,634
Unemployment rate	12.4	13.0	13.4	11.9	14.1	14.2	14.0	14.0	12.9
Men, 20 years and over									
Civilian labor force	5,693	6,016	5,956	5,936	6,064	6,030	6,042	6,015	5,996
Participation rate	75.1	74.4	73.5	75.6	75.6	75.0	74.9	74.4	73.9
Employed	5,256	5,349	5,260	5,363	5,266	5,300	5,315	5,315	5,367
Employment-population ratio[2]	69.0	68.2	64.0	68.4	64.7	65.0	65.0	64.8	66.3
Unemployed	639	667	697	573	798	730	727	700	628
Unemployment rate	10.6	11.1	11.7	9.7	13.2	12.1	12.0	11.6	10.5
Women, 20 years and over									
Civilian labor force	5,445	5,663	5,593	5,488	5,568	5,648	5,652	5,654	5,638
Participation rate	59.5	59.9	59.1	59.9	59.5	59.1	59.0	59.0	55.6
Employed	4,885	5,016	4,961	4,936	4,978	4,953	4,965	4,956	5,015
Employment-population ratio[2]	49.6	49.4	48.7	50.1	49.4	49.0	49.0	48.8	49.3
Unemployed	560	647	632	552	590	695	687	698	621
Unemployment rate	10.3	11.4	11.3	10.1	10.6	12.3	12.2	12.3	11.0
Both sexes, 16-19 years									
Civilian labor force	897	920	919	1,029	1,045	1,008	1,012	999	1,051
Participation rate	35.3	35.9	36.0	40.5	40.9	39.4	39.5	39.0	41.2
Employed	584	583	575	675	650	631	642	624	667
Employment-population ratio[2]	22.3	22.4	21.8	25.4	24.7	24.0	24.4	23.7	25.3
Unemployed	314	337	343	354	395	377	370	375	384
Unemployment rate	35.0	33.9	37.4	34.4	37.8	37.4	36.6	37.5	36.5
Men	38.4	39.6	42.4	32.4	37.7	38.2	35.9	38.8	39.2
Women	35.6	31.7	31.4	36.5	37.9	36.8	37.4	36.1	33.3

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	Jan. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
CHARACTERISTIC								
Total employed, 16 years and over	96,145	96,128	97,705	97,180	97,206	97,339	97,282	97,596
Married men, spouse present	38,162	37,838	38,714	38,027	38,142	38,167	38,231	38,182
Married women, spouse present	23,111	23,352	23,104	23,027	22,993	23,065	23,063	23,352
Women who maintain families	4,722	4,773	4,739	4,703	4,701	4,707	4,716	4,787
OCCUPATION								
White-collar workers	50,351	51,033	50,307	51,378	51,101	51,183	51,065	51,598
Professional and technical	15,490	16,109	15,353	15,540	15,700	15,863	15,810	15,765
Managers and administrators, except farm	10,019	11,340	10,638	11,037	11,079	11,016	11,009	11,163
Sales workers	6,291	6,184	6,383	6,316	6,277	6,155	6,175	6,265
Clerical workers	17,951	18,001	17,933	18,211	18,065	18,114	18,071	18,301
Blue-collar workers	30,800	29,444	31,770	30,436	30,521	30,550	30,373	30,338
Craft and kindred workers	12,981	11,998	12,806	12,449	12,445	12,424	12,337	12,306
Operatives, except transport	10,539	10,186	10,691	10,202	10,210	10,247	10,194	10,331
Transport equipment operatives	3,569	3,305	3,591	3,434	3,443	3,429	3,402	3,322
Nonfarm laborers	4,211	3,955	4,682	4,310	4,383	4,450	4,440	4,380
Service workers	12,738	12,712	12,958	12,943	12,891	12,888	12,982	12,986
Farm workers	2,256	2,339	2,684	2,757	2,735	2,729	2,804	2,737
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,154	1,121	1,421	1,417	1,363	1,417	1,411	1,365
Self-employed workers	1,436	1,483	1,563	1,688	1,640	1,612	1,655	1,615
Unpaid family workers	193	186	294	309	325	329	305	284
Nonagricultural industries:								
Wage and salary workers	86,385	86,177	87,377	86,895	86,587	86,643	86,513	87,125
Government	15,584	15,848	15,457	15,575	15,537	15,651	15,653	15,738
Private industries	70,800	70,329	71,920	70,823	70,990	70,992	70,860	71,387
Private households	1,062	1,072	1,159	1,125	1,144	1,148	1,110	1,197
Other industries	69,738	69,237	70,761	69,695	69,846	69,844	69,750	70,190
Self-employed workers	6,624	6,709	6,751	6,977	7,005	6,983	6,973	6,939
Unpaid family workers	354	382	390	416	417	405	396	322
PERSONS AT WORK[1]								
Nonagricultural industries	89,206	89,552	89,109	88,246	88,484	88,694	88,468	89,499
Full-time schedules	72,857	72,734	72,963	71,929	72,071	72,265	72,131	72,307
Part time for economic reasons	3,339	4,172	3,549	4,183	4,220	4,176	4,218	4,374
Usually work full time	1,591	1,732	1,562	1,701	1,685	1,620	1,647	1,598
Usually work part time	1,748	2,440	1,987	2,482	2,535	2,556	2,571	2,776
Part time for noneconomic reasons	13,010	12,646	12,597	12,134	12,197	12,253	12,119	12,218

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial disputes.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1979	1980				1980		1981
	IV	I	II	III	IV	Nov.	Dec.	Jan.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.2	1.3	1.6	2.0	2.2	2.2	2.3	2.2
U-2 Job losers as a percent of the civilian labor force	2.7	2.9	3.9	4.1	4.0	4.0	4.0	3.6
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	4.0	4.3	5.2	5.5	5.4	5.4	5.3	5.3
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	5.5	5.8	7.0	7.3	7.3	7.4	7.3	7.1
U-5 Total unemployed as a percent of the civilian labor force (official measure)	5.9	6.2	7.3	7.5	7.5	7.5	7.4	7.4
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	7.5	7.9	9.2	9.6	9.6	9.6	9.5	9.6
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	8.2	8.6	10.1	10.5	10.5	N.A.	N.A.	N.A.

N.A. = not available.

Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rate					
	Jan. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
CHARACTERISTIC								
Total, 16 years and over	6,500	7,847	6.2	7.4	7.6	7.5	7.4	7.4
Men, 20 years and over	2,629	3,352	4.8	6.6	6.4	6.4	6.2	6.0
Women, 20 years and over	2,314	2,750	5.8	6.2	6.7	6.7	6.8	6.7
Both sexes, 16-19 years	1,557	1,744	16.5	17.8	18.5	18.6	17.8	19.0
Married men, spouse present	1,379	1,669	3.4	4.7	4.6	4.4	4.3	4.2
Married women, spouse present	1,284	1,534	5.3	5.7	6.0	5.9	5.8	5.2
Women who maintain families	469	563	9.0	9.9	10.2	9.9	10.4	10.5
Full-time workers	5,130	6,460	5.8	7.3	7.3	7.4	7.3	7.1
Part-time workers	1,358	1,390	8.7	8.7	9.1	8.6	8.2	9.2
Labor force time lost[1]	--	--	6.7	8.2	8.4	8.3	8.2	8.2
OCCUPATION[2]								
White-collar workers	1,750	2,121	3.4	3.8	3.9	3.9	4.0	3.9
Professional and technical	354	466	2.3	2.5	2.6	2.5	2.6	2.8
Managers and administrators, except farm	208	283	1.9	2.4	2.5	2.4	2.5	2.4
Sales workers	290	290	4.3	4.3	4.6	4.6	4.7	4.4
Clerical workers	898	1,081	4.8	5.4	5.6	5.6	5.8	5.7
Blue-collar workers	2,810	3,430	8.1	10.8	10.8	10.7	10.5	10.2
Craft and kindred workers	692	900	5.1	7.4	7.1	7.1	7.1	6.8
Operatives, except transport	1,182	1,427	10.3	13.3	13.2	13.0	12.9	12.1
Transport equipment operatives	265	331	6.9	10.4	10.6	10.6	8.8	9.1
Nonfarm laborers	661	772	12.7	15.2	15.3	15.3	14.8	15.3
Service workers	907	1,131	6.9	8.1	8.3	8.3	7.8	9.0
Farm workers	124	145	4.5	4.3	4.4	4.0	4.0	5.0
INDUSTRY[3]								
Nonagricultural private wage and salary workers[3]	4,785	5,803	6.2	7.8	7.8	7.8	7.7	7.5
Construction	602	674	11.4	15.9	14.6	14.8	13.8	13.3
Manufacturing	1,567	1,889	6.7	9.2	9.2	8.9	8.8	8.4
Durable goods	936	1,120	6.7	10.0	9.5	9.0	9.0	8.3
Nondurable goods	631	769	6.8	7.9	8.9	8.6	8.5	8.5
Transportation and public utilities	244	324	4.4	5.3	5.3	4.9	4.9	5.8
Wholesale and retail trade	1,262	1,453	6.6	7.7	7.8	8.2	8.3	7.6
Finance and service industries	1,080	1,394	4.7	5.4	5.6	5.5	5.5	5.8
Government workers	512	727	3.8	4.1	4.4	4.2	4.1	4.4
Agricultural wage and salary workers	165	190	10.4	10.7	11.1	10.1	10.6	11.5

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Jan. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
DURATION								
Less than 5 weeks	3,506	3,014	3,163	3,042	3,186	3,108	3,115	3,259
5 to 14 weeks	2,128	2,907	1,944	2,586	2,500	2,524	2,217	2,264
15 weeks and over	1,409	2,523	1,319	2,295	2,292	2,329	2,378	2,358
15 to 26 weeks	873	1,260	776	1,366	1,256	1,213	1,231	1,079
27 weeks and over	536	1,262	543	929	1,036	1,116	1,147	1,279
Average (mean) duration, in weeks	10.1	13.8	10.6	13.0	13.3	13.6	13.5	14.0
Median duration, in weeks	5.0	7.0	5.3	8.0	7.5	7.7	7.3	7.4
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	49.8	42.3	48.8	38.4	39.9	39.0	40.4	41.3
5 to 14 weeks	30.2	28.2	30.8	32.6	31.3	31.7	28.8	28.7
15 weeks and over	20.0	29.5	20.4	29.0	28.7	29.3	30.8	29.9
15 to 26 weeks	12.4	14.8	12.0	17.2	15.7	15.2	16.0	13.7
27 weeks and over	7.6	14.8	8.4	11.7	13.0	14.0	14.9	15.2

Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	Jan. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
NUMBER OF UNEMPLOYED								
Lost last job	3,729	4,717	3,038	4,387	4,240	4,229	4,226	3,387
On layoff	1,550	1,806	1,072	1,748	1,692	1,453	1,470	1,258
Other job losers	2,179	2,911	1,966	2,693	2,548	2,776	2,756	2,590
Left last job	819	918	807	855	870	897	813	907
Reentered labor force	1,822	2,049	1,808	1,844	2,013	1,896	1,869	2,039
Seeking first job	674	869	814	862	880	890	868	1,000
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	52.9	55.2	47.0	55.2	53.0	53.5	54.3	49.4
On layoff	22.0	21.1	16.6	21.9	21.1	18.4	18.9	16.1
Other job losers	30.9	34.1	30.4	33.3	31.8	35.1	35.4	33.2
Job leavers	11.6	10.7	12.5	10.8	10.9	11.3	10.5	11.6
Reentrants	25.9	24.0	28.0	23.2	25.2	24.0	24.9	25.2
New entrants	9.6	10.1	12.6	10.8	11.0	11.2	11.2	12.8
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	3.6	4.5	2.9	4.2	4.0	4.0	4.0	3.6
Job leavers	.8	.9	.8	.8	.8	.9	.8	.9
Reentrants	1.8	2.0	1.7	1.8	1.9	1.8	1.8	1.9
New entrants	.7	.8	.8	.8	.8	.8	.8	.9

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rates					
	Jan. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
Total, 16 years and over	6,509	7,847	6.2	7.4	7.6	7.5	7.4	7.4
16 to 24 years	3,118	3,589	12.6	14.2	14.6	14.5	14.0	13.5
16 to 19 years	1,557	1,744	16.5	17.8	18.5	18.6	17.8	19.0
16 to 17 years	758	783	19.0	20.1	20.9	21.4	19.9	21.0
18 to 19 years	787	949	14.3	16.0	16.7	16.5	16.4	17.5
20 to 24 years	1,561	1,845	10.2	12.0	12.3	12.1	11.7	11.9
25 years and over	3,387	4,269	4.3	5.4	5.4	5.4	5.3	5.3
25 to 54 years	2,893	3,766	4.5	5.9	5.9	5.9	5.8	5.7
55 years and over	498	507	3.4	3.4	3.4	3.3	3.5	3.5
Men, 16 years and over	3,448	4,353	5.8	7.6	7.8	7.4	7.2	7.2
16 to 24 years	1,687	2,062	12.7	15.5	16.0	15.6	14.9	15.6
16 to 19 years	819	1,001	16.3	19.9	19.8	19.8	19.0	20.3
16 to 17 years	408	466	19.0	21.2	21.8	22.3	20.5	23.0
18 to 19 years	408	533	14.2	18.9	18.1	17.8	17.8	18.5
20 to 24 years	868	1,061	10.5	13.5	13.8	13.2	12.5	12.8
25 years and over	1,760	2,306	3.8	5.8	5.1	5.1	4.9	4.9
25 to 54 years	1,459	1,992	3.9	6.0	5.6	5.6	5.4	5.2
55 years and over	307	306	3.4	3.5	3.3	3.3	3.3	3.4
Women, 16 years and over	3,052	3,493	6.9	7.2	7.7	7.7	7.7	7.7
16 to 24 years	1,431	1,528	12.4	12.7	13.0	13.2	13.0	13.3
16 to 19 years	738	743	16.6	15.6	17.0	17.2	16.5	17.5
16 to 17 years	350	317	19.1	18.8	19.8	20.3	19.3	19.7
18 to 19 years	379	416	14.5	13.1	15.1	15.1	14.8	16.4
20 to 24 years	693	785	9.8	10.2	10.6	10.8	10.8	10.8
25 years and over	1,619	1,962	4.9	5.4	5.9	5.8	5.9	5.8
25 to 54 years	1,434	1,774	5.3	5.9	6.4	6.2	6.3	6.3
55 years and over	191	201	3.3	3.3	3.4	3.4	3.9	3.6

Table A-9. Employment status of the black and Hispanic-origin population

(Numbers in thousands)

Employment status	Not seasonally adjusted		Seasonally adjusted					
	Jan. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
BLACK[1]								
Civilian noninstitutional population	17,240	17,535	17,240	17,515	17,545	17,579	17,610	17,635
Civilian labor force	10,339	10,547	10,524	10,685	10,701	10,716	10,693	10,725
Participation rate	60.0	59.8	61.0	61.0	61.0	61.0	60.7	60.8
Employed	8,988	9,015	9,210	9,067	9,070	9,097	9,072	9,234
Unemployed	1,351	1,532	1,314	1,621	1,631	1,619	1,621	1,491
Unemployment rate	13.1	14.5	12.5	15.2	15.2	15.1	15.2	13.9
Not in labor force	6,901	7,090	6,716	6,827	6,844	6,863	6,917	6,911
HISPANIC ORIGIN[2]								
Civilian noninstitutional population	8,033	8,843	8,033	8,313	8,759	8,824	8,764	8,843
Civilian labor force	5,153	5,633	5,339	5,551	5,589	5,696	5,668	5,817
Participation rate	64.2	63.7	66.5	63.7	63.8	64.6	64.7	65.8
Employed	4,665	4,968	4,859	4,939	4,992	5,116	5,114	5,170
Unemployed	494	665	480	612	597	580	554	648
Unemployment rate	9.5	11.8	9.0	11.0	10.7	10.2	9.8	11.1
Not in labor force	2,874	3,210	2,694	3,267	3,170	3,128	3,096	3,026

[1] Data relate to black workers only. In the 1970 census, they constituted about 89 percent of the "black and other" population group.

[2] Data on persons of Hispanic ethnicity are collected independently of racial data. In the 1970 census, approximately 98 percent of their population was white.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Jan. 1980	Jan. 1981	Jan. 1980	Jan. 1981	Jan. 1980	Jan. 1981	Jan. 1980	Jan. 1981	Jan. 1980	Jan. 1981
VETERANS										
Total, 25 years and over	8,127	8,445	7,705	7,997	7,287	7,488	418	509	5.4	6.4
25 to 39 years	7,207	7,525	6,824	7,083	6,530	6,564	294	469	5.7	6.7
25 to 29 years	1,825	1,589	1,718	1,473	1,556	1,314	162	159	9.4	10.8
30 to 34 years	3,616	3,477	3,507	3,370	3,349	3,150	158	220	4.5	6.5
35 to 39 years	1,766	2,459	1,599	2,190	1,625	2,130	74	90	4.6	4.1
40 years and over	920	1,120	781	984	757	924	24	40	3.1	4.1
NONVETERANS										
Total, 25 to 39 years	15,076	15,939	14,311	15,079	13,531	13,972	780	1,107	5.5	7.3
25 to 29 years	6,896	7,261	6,531	6,832	6,135	6,220	396	612	6.1	9.0
30 to 34 years	4,180	4,925	4,175	4,673	3,983	4,363	232	310	5.6	6.6
35 to 39 years	3,800	3,753	3,605	3,574	3,453	3,389	152	185	4.2	5.2

NOTE: Vietnam-era veterans are males who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are males who have never served in the Armed Forces; published data are limited to those 25 to 39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population. Data for 20-to-24-year-old veterans are no longer shown on the table, because the group is rapidly disappearing (into the 25-29 age category) and the numbers remaining are not large enough to warrant their continued publication.

HOUSEHOLD DATA

Table A-11. Employment status of the noninstitutional population for the ten largest States

[Numbers in thousands]

State and employment status	Not seasonally adjusted*			Seasonally adjusted					
	Jan. 1980	Dec. 1980	Jan. 1981	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981
California									
Civilian noninstitutional population[1]	16,934	17,264	17,290	16,954	17,180	17,208	17,236	17,264	17,290
Civilian labor force	11,082	11,643	11,314	11,115	11,221	11,246	11,312	11,204	11,346
Employed	10,367	10,343	10,421	10,443	10,442	10,441	10,497	10,470	10,493
Unemployed	714	701	893	672	779	805	815	734	853
Unemployment rate	6.5	6.2	7.9	6.0	6.9	7.2	7.2	6.6	7.5
Florida									
Civilian noninstitutional population[1]	6,870	7,061	7,077	6,870	7,009	7,026	7,044	7,061	7,077
Civilian labor force	3,765	3,980	3,883	3,817	3,898	3,933	4,023	4,038	3,938
Employed	3,552	3,782	3,636	3,612	3,655	3,681	3,799	3,819	3,698
Unemployed	213	199	247	205	243	252	224	219	240
Unemployment rate	5.7	5.0	6.4	5.4	6.2	6.4	5.6	5.4	6.1
Illinois									
Civilian noninstitutional population[1]	8,290	8,349	8,353	8,290	8,333	8,340	8,345	8,349	8,353
Civilian labor force	5,418	5,517	5,428	5,434	5,445	5,471	5,491	5,481	5,441
Employed	4,994	5,012	4,889	5,061	4,952	4,964	5,001	4,969	4,954
Unemployed	424	505	539	373	493	507	490	512	487
Unemployment rate	7.8	9.2	9.9	6.9	9.1	9.3	8.9	9.3	9.0
Massachusetts									
Civilian noninstitutional population[1]	4,393	4,434	4,437	4,393	4,423	4,427	4,430	4,434	4,437
Civilian labor force	2,825	2,954	2,911	2,831	2,932	2,988	2,964	2,968	2,917
Employed	2,642	2,826	2,724	2,682	2,762	2,792	2,811	2,822	2,764
Unemployed	184	129	188	149	170	196	153	146	133
Unemployment rate	6.5	4.4	6.4	5.3	5.8	6.6	5.2	4.9	5.2
Michigan									
Civilian noninstitutional population[1]	6,762	6,837	6,843	6,762	6,817	6,824	6,830	6,837	6,843
Civilian labor force	4,275	4,296	4,267	4,301	4,302	4,303	4,296	4,293	4,293
Employed	3,807	3,762	3,682	3,860	3,736	3,718	3,718	3,726	3,736
Unemployed	468	533	585	441	566	585	578	567	557
Unemployment rate	11.0	12.4	13.7	10.3	13.2	13.6	13.5	13.2	13.0
New Jersey									
Civilian noninstitutional population[1]	5,536	5,588	5,592	5,536	5,574	5,579	5,584	5,588	5,592
Civilian labor force	3,594	3,585	3,573	3,607	3,534	3,569	3,554	3,560	3,583
Employed	3,324	3,316	3,289	3,354	3,275	3,310	3,284	3,276	3,316
Unemployed	270	268	284	253	259	259	270	284	267
Unemployment rate	7.5	7.5	8.0	7.0	7.3	7.3	7.6	8.0	7.5
New York									
Civilian noninstitutional population[1]	13,298	13,330	13,332	13,298	13,322	13,326	13,328	13,330	13,332
Civilian labor force	8,069	7,940	8,001	8,071	7,953	7,995	7,972	7,920	8,002
Employed	7,394	7,384	7,334	7,455	7,390	7,395	7,379	7,335	7,395
Unemployed	676	556	667	616	563	600	593	585	607
Unemployment rate	8.4	7.0	8.3	7.6	7.1	7.5	7.4	7.4	7.6
Ohio									
Civilian noninstitutional population[1]	7,949	8,010	8,015	7,949	7,994	8,000	8,006	8,010	8,015
Civilian labor force	4,994	5,004	4,970	5,073	5,122	5,138	5,06Z	5,018	5,048
Employed	4,636	4,574	4,453	4,740	4,654	4,682	4,578	4,542	4,558
Unemployed	359	430	517	333	468	456	489	476	490*
Unemployment rate	7.2	8.6	10.4	6.6	9.1	8.9	9.7	9.5	9.7
Pennsylvania									
Civilian noninstitutional population[1]	8,925	8,978	8,982	8,925	8,964	8,970	8,974	8,978	8,982
Civilian labor force	5,325	5,341	5,366	5,365	5,389	5,423	5,401	5,343	5,402
Employed	4,921	4,938	4,876	4,984	4,959	5,003	4,973	4,913	4,933
Unemployed	404	403	490	381	430	420	428	430	469
Unemployment rate	7.6	7.5	9.1	7.1	8.0	7.7	7.9	8.0	8.7
Texas									
Civilian noninstitutional population[1]	9,637	9,840	9,858	9,637	9,785	9,804	9,822	9,840	9,858
Civilian labor force	6,333	6,458	6,566	6,345	6,498	6,468	6,481	6,457	6,577
Employed	5,989	6,149	6,197	6,031	6,190	6,141	6,119	6,114	6,237
Unemployed	344	308	370	314	308	327	362	343	340
Unemployment rate	5.4	4.8	5.6	4.9	4.7	5.1	5.6	5.3	5.2

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

* These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

NOTE: The not seasonally adjusted labor force estimates for 1980 reflect an enlarged CPS State sample. These estimates were used to develop seasonally adjusted data for 1980 and seasonal factors for 1981.

Table B-1. Employees on nonagricultural payrolls by industry

[In thousands]

Industry	Not seasonally adjusted				Seasonally adjusted					
	Jan. 1980	Nov. 1980	Dec. 1980 p	Jan. 1981 p	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980p	Jan. 1981 p
TOTAL	89,630	91,693	91,839	90,089	91,031	90,384	90,710	90,961	91,116	91,490
GOODS-PRODUCING	25,953	26,041	25,824	25,311	26,715	25,476	25,636	25,811	25,904	26,051
MINING	982	1,055	1,062	1,065	999	1,028	1,037	1,054	1,069	1,082
CONSTRUCTION	4,194	4,618	4,430	4,082	4,745	4,404	4,442	4,475	4,507	4,612
MANUFACTURING	20,777	20,368	20,332	20,164	20,971	20,044	20,157	20,282	20,328	20,357
Production workers	14,738	14,260	14,215	14,076	14,911	13,972	14,065	14,179	14,207	14,247
DURABLE GOODS	12,600	12,195	12,195	12,123	12,681	11,955	12,043	12,146	12,169	12,202
Production workers	8,885	8,430	8,421	8,358	8,953	8,212	8,288	8,381	8,391	8,425
Lumber and wood products	717.4	682.8	676.5	666.4	743	674	677	683	685	691
Furniture and fixtures	498.0	473.8	476.4	472.0	497	464	466	469	472	472
Stone, clay, and glass products	678.2	667.2	655.1	638.6	705	655	656	661	661	665
Primary metal industries	1,207.2	1,111.9	1,120.9	1,116.6	1,215	1,074	1,096	1,119	1,129	1,124
Fabricated metal products	1,696.8	1,615.6	1,615.3	1,604.2	1,707	1,587	1,595	1,606	1,609	1,614
Machinery, except electrical	2,538.5	2,475.2	2,501.7	2,505.2	2,532	2,452	2,469	2,475	2,489	2,498
Electric and electronic equipment	2,162.9	2,134.9	2,144.4	2,142.7	2,169	2,091	2,107	2,120	2,136	2,149
Transportation equipment	1,975.8	1,912.2	1,891.9	1,872.4	1,970	1,851	1,873	1,901	1,871	1,867
Instruments and related products	697.7	700.6	704.0	703.2	699	697	697	701	703	705
Miscellaneous manufacturing	427.7	421.2	408.8	401.9	444	410	407	411	414	417
NONDURABLE GOODS	8,177	8,173	8,137	8,041	8,290	8,089	8,114	8,136	8,159	8,155
Production workers	5,853	5,830	5,794	5,718	5,958	5,760	5,777	5,798	5,816	5,822
Food and kindred products	1,659.9	1,696.6	1,668.0	1,619.2	1,716	1,672	1,682	1,686	1,685	1,674
Tobacco manufacturers	69.1	75.6	73.6	70.4	67	68	69	71	69	69
Textile mill products	884.0	859.4	859.6	856.2	888	851	856	856	859	861
Apparel and other textile products	1,282.0	1,302.3	1,283.2	1,262.8	1,305	1,299	1,292	1,291	1,292	1,286
Paper and allied products	703.5	691.6	693.0	690.4	710	686	690	692	694	697
Printing and publishing	1,266.3	1,281.0	1,294.0	1,281.5	1,269	1,269	1,272	1,278	1,286	1,284
Chemicals and allied products	1,113.1	1,106.1	1,108.6	1,105.7	1,121	1,104	1,105	1,108	1,113	1,115
Petroleum and coal products	208.6	210.2	207.5	210.0	214	208	209	209	210	215
Rubber and misc. plastics products	750.3	708.3	711.1	708.5	755	692	699	705	712	713
Leather and leather products	240.3	241.5	238.7	236.7	245	240	240	240	239	241
SERVICE-PRODUCING	63,677	65,652	66,015	64,778	64,316	64,908	65,074	65,150	65,212	65,439
TRANSPORTATION AND PUBLIC UTILITIES	5,136	5,158	5,156	5,082	5,202	5,124	5,147	5,132	5,130	5,149
WHOLESALE AND RETAIL TRADE	20,325	20,937	21,314	20,550	20,529	20,620	20,641	20,660	20,638	20,757
WHOLESALE TRADE	5,241	5,313	5,315	5,273	5,278	5,280	5,292	5,297	5,299	5,310
RETAIL TRADE	15,084	15,624	15,999	15,277	15,251	15,340	15,349	15,363	15,339	15,447
FINANCE, INSURANCE, AND REAL ESTATE	5,052	5,215	5,227	5,223	5,091	5,194	5,214	5,225	5,243	5,265
SERVICES	17,135	17,951	17,962	17,779	17,462	17,861	17,913	17,969	18,052	18,123
GOVERNMENT	16,029	16,391	16,356	16,144	16,032	16,109	16,159	16,164	16,149	16,145
FEDERAL	2,763	2,776	2,789	2,772	2,791	2,765	2,788	2,790	2,796	2,800
STATE AND LOCAL	13,266	13,615	13,567	13,372	13,241	13,344	13,371	13,374	13,353	13,345

pPreliminary.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Jan. 1980	Nov. 1980	Dec. 1980p	Jan. 1981p	Jan. 1980	Sept. 1980	Oct. 1980	Nov. 1980	Dec. 1980p	Jan. 1981p
TOTAL PRIVATE	35.1	35.3	35.6	35.0	35.6	35.2	35.3	35.4	35.4	35.5
MINING	43.4	43.5	44.0	43.4	[2]	[2]	[2]	[2]	[2]	[2]
CONSTRUCTION	35.3	36.8	37.2	36.3	37.3	37.4	37.0	37.2	37.2	38.4
MANUFACTURING	39.8	40.2	40.9	39.9	40.3	39.6	39.7	39.9	40.1	40.4
Overtime hours	3.0	3.1	3.3	2.9	3.2	2.7	2.8	2.9	3.1	3.1
DURABLE GOODS	40.3	40.7	41.6	40.5	40.8	40.1	40.1	40.5	40.7	41.0
Overtime hours	3.1	3.1	3.4	2.9	3.3	2.7	2.8	3.0	3.2	3.1
Lumber and wood products	38.1	39.2	39.6	38.3	39.4	38.8	38.7	39.3	39.4	39.6
Furniture and fixtures	38.4	38.4	39.5	38.2	39.2	38.0	38.0	38.0	38.5	39.0
Stone, clay, and glass products	40.1	41.4	41.5	40.3	41.4	40.9	40.9	41.1	41.2	41.5
Primary metal industries	40.7	40.8	41.7	41.2	40.8	39.7	40.1	40.9	41.5	41.3
Fabricated metal products	40.6	40.9	41.7	40.6	40.9	40.4	40.4	40.6	40.7	40.9
Machinery, except electrical	41.5	41.3	42.2	41.4	41.6	40.9	40.7	41.0	41.0	41.5
Electric and electronic equipment	40.2	40.4	41.1	40.1	40.5	39.5	39.9	40.0	40.3	40.4
Transportation equipment	40.0	41.7	43.4	41.3	40.9	40.6	40.8	41.4	41.6	42.3
Instruments and related products	41.0	40.9	41.3	40.7	41.4	40.1	40.2	40.5	40.6	41.1
Miscellaneous manufacturing	38.8	39.1	39.6	38.4	39.2	38.9	38.7	38.6	39.1	38.8
NONDURABLE GOODS	39.0	39.3	39.8	39.1	39.5	38.8	39.0	39.0	39.3	39.6
Overtime hours	2.9	3.0	3.1	2.9	3.1	2.7	2.8	2.9	3.0	3.1
Food and kindred products	39.5	40.1	40.3	40.0	39.8	39.7	39.6	39.8	39.8	40.3
Tobacco manufacturers	37.3	40.0	38.4	38.9	38.5	37.5	39.5	38.9	37.5	40.1
Textile mill products	40.9	40.3	40.9	39.9	41.5	39.7	39.9	40.0	40.4	40.5
Apparel and other textile products	35.2	35.4	36.0	35.0	36.0	35.1	35.3	35.0	35.7	35.8
Paper and allied products	42.7	42.8	43.6	42.7	43.0	42.2	42.2	42.6	42.9	43.0
Printing and publishing	37.2	37.2	38.1	37.3	37.8	36.9	37.1	36.8	37.4	37.9
Chemicals and allied products	41.7	42.0	42.1	41.2	42.0	41.3	41.4	41.7	41.7	41.5
Petroleum and coal products	36.2	43.6	43.1	42.6	36.9	42.7	43.1	43.2	43.0	43.4
Rubber and misc. plastics products	40.3	41.1	41.5	40.9	40.7	40.1	40.4	40.8	40.8	41.3
Leather and leather products	36.7	36.3	37.0	36.8	37.2	36.2	36.5	36.2	36.7	37.3
TRANSPORTATION AND PUBLIC UTILITIES	39.5	39.7	39.7	39.5	[2]	[2]	[2]	[2]	[2]	[2]
WHOLESALE AND RETAIL TRADE	31.9	32.0	32.5	31.7	32.6	32.1	32.2	32.2	32.1	32.3
WHOLESALE TRADE	38.5	38.6	38.9	38.5	38.9	38.5	38.5	38.6	38.7	38.8
RETAIL TRADE	29.8	30.0	30.5	29.6	30.6	30.1	30.2	30.2	30.0	30.3
FINANCE, INSURANCE, AND REAL ESTATE	36.2	36.3	36.3	36.1	[2]	[2]	[2]	[2]	[2]	[2]
SERVICES	32.5	32.6	32.6	32.3	32.7	32.5	32.6	32.7	32.6	32.5

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employment on private nonagricultural payrolls.

[2] This series is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

ESTABLISHMENT DATA

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Jan. 1980	Nov. 1980	Dec. 1980 p	Jan. 1981 p	Jan. 1980	Nov. 1980	Dec. 1980 p	Jan. 1981 p
TOTAL PRIVATE	$6.42	$6.93	$6.93	$7.03	$225.34	$244.63	$246.71	$246.05
Seasonally adjusted	6.41	6.91	6.94	7.02	228.20	244.61	245.68	249.21
MINING	8.88	9.51	9.57	9.77	385.39	413.69	421.08	424.02
CONSTRUCTION	9.49	10.25	10.35	10.44	335.00	377.20	385.02	378.97
MANUFACTURING	6.96	7.59	7.69	7.73	277.01	305.12	314.52	308.43
DURABLE GOODS	7.39	8.13	8.24	8.26	297.82	330.89	342.78	334.53
Lumber and wood products	6.21	6.79	6.76	6.84	236.60	266.17	267.70	261.97
Furniture and fixtures	5.27	5.62	5.70	5.73	202.37	215.81	225.15	218.89
Stone, clay, and glass products	7.06	7.82	7.83	7.85	283.11	323.75	324.95	316.36
Primary metal industries	9.30	10.28	10.40	10.44	378.51	419.42	433.68	430.13
Fabricated metal products	7.09	7.75	7.85	7.87	287.85	316.98	327.35	319.52
Machinery, except electrical	7.66	8.44	8.54	8.58	317.89	348.57	360.39	355.21
Electric and electronic equipment	6.67	7.29	7.39	7.45	268.13	294.52	303.73	298.75
Transportation equipment	8.81	9.89	10.10	10.02	352.40	412.41	438.34	413.83
Instruments and related products	6.57	7.02	7.12	7.16	269.37	287.12	294.06	291.41
Miscellaneous manufacturing	5.28	5.60	5.72	5.81	204.86	218.96	226.51	223.10
NONDURABLE GOODS	6.28	6.80	6.86	6.93	244.92	267.24	273.03	270.96
Food and kindred products	6.61	7.09	7.12	7.21	261.10	284.31	286.94	288.40
Tobacco manufactures	7.08	7.74	8.05	8.51	264.08	309.60	309.12	331.04
Textile mill products	4.90	5.30	5.32	5.35	200.41	213.59	217.59	213.47
Apparel and other textile products	4.44	4.75	4.82	4.91	156.29	168.15	173.52	171.85
Paper and allied products	7.49	8.18	8.28	8.26	319.82	350.10	361.01	352.70
Printing and publishing	7.24	7.79	7.86	7.91	269.33	289.79	299.47	295.04
Chemicals and allied products	7.97	8.59	8.67	8.67	332.35	360.78	365.01	357.20
Petroleum and coal products	9.46	10.52	10.38	11.13	342.45	458.67	447.38	474.14
Rubber and misc. plastics products	6.25	6.79	6.88	6.89	251.88	279.07	285.52	281.80
Leather and leather products	4.45	4.68	4.72	4.81	163.32	169.88	174.64	177.01
TRANSPORTATION AND PUBLIC UTILITIES	8.55	9.28	9.31	9.34	337.73	368.42	369.61	368.93
WHOLESALE AND RETAIL TRADE	5.34	5.64	5.60	5.79	170.35	180.48	182.00	183.54
WHOLESALE TRADE	6.72	7.20	7.24	7.35	258.72	277.92	281.64	282.98
RETAIL TRADE	4.78	5.02	4.97	5.16	142.44	150.60	151.59	152.74
FINANCE, INSURANCE, AND REAL ESTATE	5.53	6.01	6.00	6.12	200.19	218.16	217.80	220.93
SERVICES	5.65	6.10	6.10	6.20	183.63	198.86	198.86	200.26

[1] See footnote 1, table B-2.

p=preliminary.

ESTABLISHMENT DATA

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls by industry division, seasonally adjusted

[1967=100]

Industry	JAN. 1980	AUG. 1980	SEPT. 1980	OCT. 1980	NOV. 1980	DEC. P 1980	JAN. P 1981	Percent change from— JAN. 1980–JAN. 1981	DEC. 1980–JAN. 1981
TOTAL PRIVATE NONFARM:									
Current dollars	240.3	254.0	255.4	257.9	260.9	261.6	264.3	10.0	1.0
Constant (1967) dollars	102.7	102.0	101.5	101.5	101.7	100.8	N.A.	(2)	(3)
MINING	277.0	288.9	290.4	294.4	298.7	302.0	306.8	10.8	1.6
CONSTRUCTION	225.8	239.0	239.3	241.6	243.0	245.3	248.1	9.9	1.1
MANUFACTURING	245.2	262.4	264.5	266.6	268.9	270.2	272.9	11.3	1.0
TRANSPORTATION AND PUBLIC UTILITIES	260.8	273.2	274.0	280.2	283.4	284.6	285.7	9.5	.4
WHOLESALE AND RETAIL TRADE	234.2	245.3	246.5	247.7	250.9	250.2	254.1	8.5	1.6
FINANCE, INSURANCE, AND REAL ESTATE	218.4	232.7	233.1	234.8	239.3	238.2	240.9	10.3	1.2
SERVICES	237.7	249.8	251.7	254.2	258.5	258.8	260.7	9.7	.7

[1] SEE FOOTNOTE 1, TABLE B-2.
[2] PERCENT CHANGE WAS -2.8 FROM DECEMBER 1979 TO DECEMBER 1980, THE LATEST MONTH AVAILABLE.
[3] PERCENT CHANGE WAS -.8 FROM NOVEMBER 1980 TO DECEMBER 1980, THE LATEST MONTH AVAILABLE.

N.A. = not available.
P=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers,[1] on private nonagricultural payrolls, by industry, seasonally adjusted

[1967=100]

Industry division and group	1980											1981	
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec. P	Jan. P
TOTAL PRIVATE	127.1	126.9	126.0	124.8	123.4	122.5	121.9	123.0	123.7	124.5	125.2	125.5	126.6
GOODS-PRODUCING	110.1	109.1	107.3	105.2	102.2	100.3	98.5	100.0	101.5	102.3	103.7	104.6	106.5
MINING	162.0	162.1	162.9	161.7	163.2	166.4	158.7	162.4	166.7	168.0	170.4	174.8	173.7
CONSTRUCTION	137.7	134.7	126.9	124.7	124.3	123.7	120.6	120.5	124.7	124.5	126.0	127.1	134.8
MANUFACTURING	103.4	102.8	101.8	99.8	96.1	93.8	92.5	94.2	95.2	96.1	97.4	98.2	99.2
DURABLE GOODS	106.0	105.8	105.0	101.6	96.6	94.0	92.4	94.1	95.5	96.6	98.5	99.1	100.2
Lumber and wood products	109.8	108.9	106.5	95.3	90.4	89.6	91.5	95.3	96.8	97.0	99.4	100.0	101.6
Furniture and fixtures	109.7	108.9	106.9	106.1	99.0	94.6	91.0	94.8	98.4	99.0	99.5	101.6	102.9
Stone, clay, and glass products	110.3	109.6	108.0	103.5	99.4	96.7	95.1	96.5	99.3	99.5	101.0	101.2	102.8
Primary metal industries	92.7	92.4	91.8	89.9	82.4	77.4	73.4	75.4	77.3	80.5	84.3	86.5	85.5
Fabricated metal products	104.8	104.9	104.6	102.1	95.3	92.5	89.9	92.3	94.5	95.1	96.5	96.9	97.9
Machinery, except electrical	118.5	117.5	116.9	116.1	114.1	110.8	108.8	108.6	110.1	110.2	111.0	111.5	113.5
Electric and electronic equipment	110.8	109.8	109.4	108.1	103.8	100.1	98.5	99.8	100.5	102.1	103.3	105.1	106.3
Transportation equipment	91.7	93.8	93.0	85.0	79.1	79.6	79.8	82.4	82.5	84.7	88.2	86.2	87.4
Instruments and related products	130.0	129.1	128.7	128.4	126.0	125.1	123.8	124.1	123.8	124.2	125.7	126.9	129.4
Miscellaneous manufacturing industry	99.3	98.2	96.9	95.8	91.6	88.5	89.0	88.5	88.9	87.6	88.2	90.6	90.7
NONDURABLE GOODS	99.7	98.4	97.3	97.2	95.4	93.5	92.5	94.3	94.7	95.4	95.8	96.9	97.7
Food and kindred products	96.9	96.2	94.6	94.4	95.1	93.2	93.9	94.8	93.2	93.7	94.6	94.5	95.0
Tobacco manufacturers	71.7	70.5	70.2	72.4	73.8	72.1	73.0	68.1	71.1	74.9	75.1	69.8	74.6
Textile mill products	92.7	91.6	91.0	89.4	86.4	82.2	80.5	83.3	84.5	85.3	85.6	86.8	87.3
Apparel and other textile products	90.3	90.5	89.2	89.3	87.2	86.7	86.1	87.2	87.3	87.5	86.7	88.5	88.5
Paper and allied products	102.9	102.5	101.6	100.4	98.7	94.7	93.6	95.0	96.5	97.3	98.6	99.8	100.4
Printing and publishing	106.9	105.9	105.1	104.8	103.6	103.1	102.9	103.8	103.8	104.1	103.8	106.4	107.7
Chemicals and allied products	109.0	108.4	108.0	107.4	106.0	104.4	102.1	102.4	103.9	104.1	105.3	105.9	106.0
Petroleum and coal products	104.9	75.7	71.4	91.6	113.8	113.3	113.9	114.8	116.1	117.2	117.5	116.9	124.2
Rubber and misc. plastics products	145.7	142.2	141.4	139.9	128.5	123.6	119.2	127.5	130.1	132.8	135.1	137.1	139.3
Leather and leather products	66.4	66.4	65.6	68.0	63.6	63.3	59.5	63.9	63.7	64.2	63.7	64.3	65.7
SERVICE-PRODUCING	138.9	139.2	139.0	138.3	138.1	137.9	138.2	139.0	139.2	139.9	140.2	139.9	140.6
TRANSPORTATION AND PUBLIC UTILITIES	114.0	113.7	113.9	113.5	112.6	112.6	112.8	112.6	112.7	113.5	112.8	112.8	112.3
WHOLESALE AND RETAIL TRADE	132.6	132.7	131.8	130.4	130.3	129.1	128.9	130.4	130.9	131.4	131.6	130.8	132.5
WHOLESALE TRADE	135.4	135.6	134.5	134.1	133.7	130.8	131.0	131.9	133.3	133.6	134.0	134.4	135.0
RETAIL TRADE	131.5	131.5	130.7	128.9	129.0	128.5	128.0	129.8	130.0	130.6	130.6	129.4	131.6
FINANCE, INSURANCE, AND REAL ESTATE	148.2	149.3	149.6	149.4	149.7	151.2	151.1	151.8	151.1	152.4	152.6	153.2	152.9
SERVICES	156.4	157.2	157.6	157.6	157.4	157.8	159.1	159.4	159.3	160.0	161.2	161.2	161.1

[1] See footnote 1, table B-2.

P=preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1978				
January	68.6	80.8	82.3	79.7
February	68.6	77.3	82.8	82.3
March	71.8	80.2	79.9	81.1
April	69.8	74.7	74.7	84.6
May	61.9	73.0	75.3	83.7
June	64.2	66.6	74.7	82.6
July	61.0	68.0	73.3	81.1
August	67.7	70.1	77.6	79.9
September	67.2	74.1	80.5	79.1
October	68.0	78.2	82.0	74.1
November	75.3	81.1	79.1	76.7
December	74.7	81.7	78.2	74.4
1979				
January	66.9	75.9	74.7	73.3
February	66.3	70.3	71.8	70.6
March	62.2	64.0	64.0	69.2
April	49.7	60.2	60.5	67.7
May	58.1	54.7	53.8	63.4
June	57.8	59.9	51.5	58.4
July	57.0	53.8	58.1	59.6
August	54.4	52.0	55.5	54.9
September	52.9	57.6	55.2	50.6
October	65.1	61.9	59.3	46.5
November	55.2	61.9	63.1	39.5
December	53.5	57.3	56.4	37.8
1980				
January	60.2	57.6	45.3	33.4
February	54.9	52.6	36.9	33.1
March	45.9	39.2	32.3	35.2
April	34.6	29.1	24.7	33.1
May	28.8	25.0	26.7	35.5
June	30.2	23.8	25.6	35.5p
July	36.3	34.9	32.3	33.4p
August	62.8	54.4	46.8	
September	62.8	68.9	68.3p	
October	64.0	74.1	76.7p	
November	66.9	73.8p		
December	62.8p	73.5p		
1981				
January	64.8p			
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.
p = preliminary.

Representative REUSS. Thank you, Commissioner Norwood.

The good news, I gather, is that jobs in industry rose by almost 400,000, which is much more than the growth in jobs over the last 3 months. This is particularly gratifying because normally, as between December and January, there isn't growth but rather decline.

And a second favorable factor—and I want your comments on this if we're reading something into them that shouldn't be read—the second favorable factor is average weekly hours of manufacturing rose quite sharply to 40.4 hours a week.

Both those signs taken by themselves are good, are they not? They indicate, while the unemployment rate remains the same, that the economy is holding its own.

Ms. NORWOOD. Yes, sir, I think that they do show that. I would point out that we have had between December and January much less reduction in employment than we would have expected normally—that is, less than the normal seasonal movement.

Representative REUSS. Let's focus in on both of these things. First of all, the increase in hours worked per week. What does that tell us about capital investment? I take it it tells us that employers would sooner hire an additional worker or give more hours a week to an existing worker than buy a new piece of machinery. That's what happened in January, is it not?

Ms. NORWOOD. Well, it certainly tells us that employers are using the work force that they have somewhat longer per day or per week than they had before. I think that these data are consistent with the data that have been released on industrial production, for example, and on factory orders, which show that there is perhaps slightly more activity than had been expected.

Representative REUSS. Now another good sign was the increase in construction employment. What was the amount of that increase?

Ms. NORWOOD. Construction employment on a seasonally adjusted basis increased a little over 100,000 this month.

Representative REUSS. And what are the base figures on which the 100,000 was added? How many are in construction jobs?

Ms. NORWOOD. There are about 4.6 million construction workers, seasonally adjusted again.

Representative REUSS. Do you have a breakdown of the workers in housing and in commercial construction? They are both construction.

Ms. NORWOOD. No, sir, we do not.

Representative REUSS. You don't know how that is divided?

Ms. NORWOOD. No.

Representative REUSS. How do you rationalize this good news; that is, some improvement in the construction industry, with the continued high interest rates?

Ms. NORWOOD. The data on building permits and on construction seem to suggest that production declines are taking place in single family housing but that commercial structures and multifamily structures and other kinds of construction are still going at, at least, their past rate, perhaps slightly more. In addition, unreasonably mild and dry weather contributed to a smaller than normal, not seasonally adjusted, decline in construction employment. These employment data,

in other words, are consistent with the changes in office building construction and multifamily structures construction.

Representative REUSS. Another phenomenon is that the number of women entering the labor force in January, almost 400,000, was very high. To what do you attribute that?

Ms. NORWOOD. I really am not sure. There are several ways of looking at it. One is that we have had extremely sluggish labor force growth in the last several months which we would expect in a period of recession. I think it's too soon to know whether this large increase this month will be continued or whether it is a kind of catching up.

Representative REUSS. At this stage of the cycle, why are women entering the labor force at a faster rate than has been the case in prior months?

Ms. NORWOOD. Over a long period of time—that is, many years—of course, women have been entering the labor force at very fast rates and what had been happening this year was a slowdown in that increase for women. We don't really know—in fact, I think it's one of the most difficult things to determine—how much more that very large, almost revolutionary social change of women entering the labor force will continue.

The labor force participation rate of women this month was 51.8 percent, which is quite high, and I just don't know what the future will hold.

Representative REUSS. The January data indicate a sharp increase in the average length of unemployment and a similar sharp increase in the number who are unemployed after 6 months. This comes at a time when, in the majority of States, the 13-week extended benefits portion of the unemployment insurance program—that which gave the unemployed worker an additional 13 weeks of benefits—was ended due to a drop in the national insured employment rate.

Don't these two factors indicate considerable hardship ahead? Here you've got the number of long-term unemployed increasing and the attitude and ability of the States to continue unemployment compensation after 6 months decreasing. Doesn't that spell unhappiness for a great many Americans?

Ms. NORWOOD. Mr. Reuss, I think that any unemployment spells unhappiness for those Americans who are unemployed, as I'm sure you would agree. I think that the reason for the shift here is that we have had a change—rather an important change this month—in the makeup of the unemployed, in terms of whether they had lost their last jobs, left their last jobs, or had entered or reentered the labor force. For several months now the proportion of unemployed people who have lost their last jobs, either because they have been laid off temporarily or because they have been fired, has been quite high. There was quite a drop this month in that group and an increase in the other groups; that is, people who left their last jobs and people wo have entered or reentered the labor force.

Representative REUSS. My point was that if we had as a nation to cut down drastically on the amount of unemployment compensation due to people who have been out of work for 6 months or longer and that moment was now, it's an unfortunate time to do it if at that very

same time the number of people who have been out of work for 6 months is increasing.

Ms. NORWOOD. Well, the data show that there were approximately 1.3 million in January who were unemployed 27 weeks or more, and that compares with less than 1.2 million in the previous month. Thus, there was more than a 100,000 increase in January.

Representative REUSS. Well, all I'm saying is that it may be—I don't make any judgment now—my point is that a very poor time to put that new order of things into effect is when the number of people unemployed for more than 6 months is going up. It's much easier if you do it when it's coming down, then the number of people who are hurt by it is less and there's a general feeling that this taking away of benefits will not be all that bad because down the line is a job. But if you've got more and more people that have been out of work longer and longer and you start taking away their benefits, that is socially and politically not very good timing. Is that not so?

Ms. NORWOOD. I think that as the unemployment rate has remained so stable, it is not untypical for the size of this group to be rising. As the unemployment rate stabilizes and hopefully at some point goes down, we may not see a decline in the size of this group for a while because movements among those unemployed at least 27 weeks tend to lag behind the changes in the rate of joblessness.

Representative REUSS. Turning to another subject, in the 1950's, the unemployment rates for young people were approximately the same whether they were white, black, or Latin. Increasingly, since then, there's been a great gap and the unemployment rates for minorities have been much, much higher than for white youths.

What is the reason or what are some of the reasons for this divergence?

Ms. NORWOOD. It's quite clear that some of the minority youth in particular have much greater difficulty in the labor force. Part of this is because of the lack of training. Part of it is because of the large increase in those groups, and I think there are a number of other social reasons for that.

We would be glad to submit a paragraph for the record if you would like.

Representative REUSS. That would be most helpful and, without objection, if you will send that up we would like to put it in the record.

[The information referred to follows:]

Since the 1950's, unemployment rates for white and black and other minority teenagers have risen. For example, the rate for white teenagers was 10.4 percent in 1955, compared with 13.9 percent in 1979 and 15.5 percent in 1980; the rates for black and other teenagers were 15.6, 33.5, and 35.8 percent, respectively. As these data indicate, the gap between these groups has grown over time, as the ratio of black to white teenage jobless rates has increased from 1.5-to-1 to 2.3-to-1.

Several possible explanations for this widening gap have been advanced by labor market researchers but there is no clear or full explanation. Probably the most frequent argument is that the post-World War II baby boom resulted in a surge in the teenage population in the 1960's and 1970's with more rapid growth among black teenagers since the mid-1960's. This increase in the relative supply of black youth created overcrowding in the youth labor market and resulted in increased unemployment.

There are, in addition, many other theories that have been advanced, such as the suburbanization of jobs, the overrepresentation of blacks in central cities, and rising family income levels. However, it is not possible to quantify these factors, and I cannot therefore provide you with a satisfactory explanation for the widening gap.

Representative REUSS. Earlier I asked you about the growing numbers of minority youth who have dropped out of the labor force, the so-called discouraged workers. Do you have any current figures on that?

Ms. NORWOOD. Not this month, Mr. Bregger informs me.

Representative REUSS. How often do you take a look at that category?

Ms. NORWOOD. Each quarter—we develop those data on a quarterly basis.

Representative REUSS. And do you have it for the last quarter of 1980?

Mr. BREGGER. There are 1.1 million what we call discouraged workers.

Ms. NORWOOD. In total.

Mr. BREGGER. In total, yes.

Representative REUSS. Say that again.

Mr. BREGGER. There is a total of 1.1 million discouraged workers.

Representative REUSS. Of discouraged workers, white and minority?

Mr. BREGGER. Yes.

Ms. NORWOOD. Adult and youth.

Mr. BREGGER. I don't have the figures for the fourth quarter with me, although we can provide them for the record, but typically, blacks account for about a fourth to a third of that total.

Ms. NORWOOD. And women usually account for a large proportion of discouraged workers.

Representative REUSS. I'm not getting you. Would you talk into the mike?

Ms. NORWOOD. In addition to blacks accounting for a large proportion, women also tend to be a large proportion of the discouraged workers.

Representative REUSS. All right. If you would file that additional material, we would be most grateful as we always are for the help you and your associates give us, Commissioner Norwood, and we will now, with thanks to you, stand adjourned.

Ms. NORWOOD. Thank you very much.

[Whereupon, at 10:22 a.m., the committee adjourned, subject to the call of the Chair.]

[The following information was subsequently supplied for the record:]

Discouraged workers, seasonally adjusted

	Thousands
Fourth quarter, 1980:	
Total	1,055
Men	370
Women	685
White	686
Black and other	354

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, MARCH 6, 1981

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 2128, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representatives Reuss, Mitchell, and Rousselot.

Also present: Louis C. Krauthoff II, assistant director; and Mary E. Eccles and Mark R. Policinski, professional staff members.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. Good morning. The Joint Economic Committee will be in session for its monthly hearing on the employment situation.

I am pleased, as always, to have Ms. Janet Norwood, Commissioner of the BLS, appear before us.

Commissioner Norwood, would you tell us the news, and your extremely helpful explanations thereof?

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND DEBORAH KLEIN, SENIOR ECONOMIST

Ms. NORWOOD. Thank you, Mr. Chairman.

Mr. Chairman and members of the committee, I am pleased to have this opportunity to provide the Joint Economic Committee with a few brief comments to supplement the Employment Situation and Producer Price Indexes press releases, issued by the Bureau of Labor Statistics this morning at 9 a.m.

There was little change in the overall employment situation in February. The Nation's unemployment rate, at 7.3 percent, remained near the December and January level. Total employment edged up slightly, while nonfarm payroll employment was unchanged.

During the first 2 months of this year, however, employment was 500,000 above the fourth quarter of 1980. After rising continuously since last summer, the factory workweek dropped sixth-tenths of a hour in February.

It is difficult to evaluate the importance of this decline, since the data were affected by the extremely bad weather conditions during the survey reference week, in the heavy manufacturing areas of the Midwest and central United States.

The February rise in total employment was concentrated among adult women. As I reported to you in January, adult women who are employed in large numbers in the service sector were the only major demographic group to have shown employment gains during the recession. Their employment level has risen by 835,000 over the past year.

In contrast, employment among adult men, which had picked up since the low reached last summer, was still about 270,000 below last year's level. Since February 1980, the employment-population ratio, up slightly for adult women, declined nearly two full percentage points for adult men.

Nonfarm payroll employment, as measured by the business survey, was unchanged in February, as a seasonally adjusted job gain in retail trade was offset by a decline in construction employment. The seasonally adjusted employment increase of more than 85,000 in retail trade resulted from a smaller than usual January to February employment decline in the industry. When employers reduce their work forces less than usual, seasonally adjusted data show increases. Construction employment declined over the month, following several months of job increases.

The factory workweek, after rising steadily since last summer, declined from 40.4 to 39.8 hours in February. Near-blizzard conditions prevailed during the survey reference week, from northern Missouri through Iowa, southern Wisconsin, northern Illinois, Indiana, and lower Michigan, while heavy rains fell in the Southeastern States. The bad weather probably was responsible for a sharp over-the-month curtailment in the construction work hours.

As I reported to you last month, the overall jobless rate has remained relatively stable in recent months, after rising sharply in the second quarter of 1980. While the incidence of unemployment has been little changed, measures of average duration—the average length of time a worker has been unemployed—rose during the 1980 recession period. Movements in the average duration figures are really somewhat hard to interpret.

During periods of cyclical downturn, newly laid off workers, who have only recently begun to experience unemployment, are added to the jobless category, thus bringing down the average number of weeks of unemployment for the total group. When these people remain unemployed, and job cutbacks are curtailed, the average duration tends to rise. Then, when the economy has been improving, the number of workers with long spells of unemployment tends to decline.

In February, the number of persons unemployed 15 weeks or longer dropped by more than 100,000. This suggests that the steady rise in average duration, which began early last year, may be leveling off.

PRODUCER PRICES

The Producer Price Indexes for finished goods, also released this morning, increased 0.8 percent on a seasonally adjusted basis. The increase for February was about the same as in January. Finished energy goods prices rose sharply for the fourth consecutive month, but consumer food prices at the producer level declined 0.6 percent. Over the year, prices of finished goods other than food and energy were up 9.0 percent, somewhat less than the previous 12-month high of 12.2 percent reached in August 1980.

Consumer durable goods prices advanced 0.5 percent in February. Although higher than in January, the trend in this series has clearly moderated in recent months. Price changes at the producer level for consumer nondurable goods other than food and energy slowed in February, but the trend, compared with a year ago, has moderated only slightly. Capital equipment prices, reflecting continuation of large increases that began early last year, continued to advance in February.

Prices decelerated sharply in February at the intermediate or semi-finished stage of processing. In fact, the increase of 0.4 percent was the smallest in almost a year. Prices moderated for a wide variety of industrial materials, including ferrous and nonferrous metals, and some construction materials. Prices of energy items used in the production of goods and services, however, continued to register large advances.

Crude materials prices jumped sharply in February because of the very large price increases registered for domestic crude petroleum. Prices of crude materials other than energy declined.

In summary, employment and unemployment changed very little in February. Hours of work in manufacturing dropped sharply, but at least some of the weakening in this important leading indicator may reflect the especially bad weather conditions during the survey reference week in many parts of the country.

Finished producer prices rose at about the same rate in February as in January, but the over-the-year change in this index slowed to 10.4 percent. In February, prices of consumer food products dropped at the producer level. However, prices of capital equipment rose and sharp increases occurred in the prices of all the energy products priced for the index.

We would be very happy to try to answer any of your questions.

[The table attached to Ms. Norwood's statement, together with the press release referred to, follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X-11 ARIMA method					X-11 method (former official method)	Range (cols. 2-7)
		Official	Concurrent	Stable	Total	Residual		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1980:								
February	6.8	6.2	6.2	6.1	6.2	6.2	6.1	0.1
March	6.6	6.3	6.3	6.2	6.3	6.2	6.2	.3
April	6.6	6.9	6.9	6.9	8.9	6.9	6.9	----
May	7.0	7.6	7.6	7.7	7.7	7.3	7.6	.4
June	7.8	7.5	7.5	7.4	7.4	7.3	7.6	.3
July	7.9	7.6	7.6	7.8	7.6	7.5	7.8	.3
August	7.5	7.6	7.6	7.7	7.5	7.5	7.7	.2
September	7.1	7.4	7.4	7.4	7.3	7.3	7.5	.2
October	7.1	7.6	7.6	7.6	7.5	7.5	7.6	.1
November	7.1	7.5	7.5	7.5	7.5	7.5	7.5	----
December	6.9	7.4	7.4	7.4	7.4	7.4	7.3	.1
1981:								
January	8.2	7.4	7.5	7.4	7.5	7.6	7.4	.2
February	8.0	7.3	7.4	7.2	7.4	7.6	7.2	.4

Explanation of Column Heads

(1) Unadjusted rate.—Unemployment rate not seasonally adjusted.

(2) Official rate (X-11 ARIMA method).—The published seasonally adjusted rate. Each of the 3 major labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16 to 19 and 20 yrs and over—are seasonally adjusted independently using data from January 1967 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (autoregressive, integrated, moving average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X-11 portion of the X-11 ARIMA program. The 4 teenage unemployment and non-agricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted with the multiplicative model. A prior adjustment for trend is applied to the extended series for adult male unemployment before seasonal adjustment. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January–June are computed at the beginning of each year; extrapolated factors for July–December are computed in the middle of the year after the June data become available. Each set of 6-mo factors are published in advance, in the January and July issues, respectively, of "Employment and Earnings."

(3) Concurrent (X-11 ARIMA method).—The procedure for computation of the official rate using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X-11 ARIMA program each month as the most recent data become available. Rates for each month of the current year are shown as first computed; they are revised only once each year at the end of the year when data for the full year become available. For example, the rate for January 1980 would be based, during 1980, on the adjustment of data from the period January 1967 through January 1980. Since the revision pattern and procedure for computation of the rate are identical to the official procedure, the results of this method will be identical to the official rate at the end of each year when the most recent observation is December.

(4) Stable (X-11 ARIMA method).—Each of the 12 labor force components is extended using ARIMA models as in the official procedure and then run through the X-11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year-to-year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-mo intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure.

(5) Total (X-11 ARIMA method).—This is one alternative aggregation procedure, in which total unemployment and labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X-11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent or seasonally adjusted total civilian labor force. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(6) Residual (X-11 ARIMA method).—This is another alternative aggregation method, in which total employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(7) X-11 method (farmer official method).—The procedure for computation of the official rate is used except that the series are not extended with ARIMA models and the factors are projected in 12-mo intervals. The standard X-11 program is used to perform the seasonal adjustment.

Methods or adjustment.—The X-11 ARIMA method was developed at Statistics Canada by the seasonal adjustment and times series staff under the direction of Estela Bee Dagum. The method is described in the "X-11 ARIMA Seasonal Adjustment Method," by Estela Bee Dagum. Statistics Canada Catalog No. 12-564E, February 1980.

The standard X-11 method is described in "X-11 Variant of the Census Method II Seasonal Adjustment Program" by Julius Shiskin, Alan Young, and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

Source: U.S. Department of Labor, Bureau of Labor Statistics, March 1981.

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THE EMPLOYMENT SITUATION: FEBRUARY 1981

The overall employment situation was little changed from January to February, the Bureau of Labor Statistics of the U. S. Department of Labor reported today. The Nation's unemployment rate was 7.3 percent in February; it had been 7.4 percent in the prior 2 months.

Total employment--as measured by the monthly survey of households--edged up in February to 97.9 million.

Nonfarm payroll employment--as measured by the monthly survey of establishments--was unchanged in February at 91.5 million.

Unemployment

The Nation's unemployment rate was 7.3 percent in February, and the number of unemployed workers was 7.8 million; both measures were about unchanged over the month. Likewise, unemployment rates for most major worker groups in February were about the same as in January: Adult men (6.0 percent), adult women (6.5 percent), teenagers (19.3 percent), whites (6.6 percent), Hispanics (12.0 percent), and black and other workers (13.1 percent). Jobless rates for all of these worker groups were substantially above their year-earlier levels. (See tables A-1, A-2, and A-9.)

The number of persons who had been unemployed for 15 weeks or more dropped in February and the median duration of unemployment declined from 7.4 to 6.9 weeks, still well above the level of a year ago. (See table A-6.)

The number of unemployed persons on layoff or permanently separated from their jobs (job losers), which had been declining between June and January, was unchanged in February at 3.9

million. The other unemployment categories--job leavers and labor force entrants--have shown no consistent trend since June. (See table A-7.)

Total Employment and the Labor Force

Total employment rose by 230,000 over the month and, at 97.9 million, exceeded the 1980 peak which occurred in this series last February. Adult women accounted for virtually all of the over-the-month increase, and their February employment total was 835,000 above last February's level. In contrast, employment of adult men and teenagers was below the year-earlier level, by 270,000 and 450,000, respectively. (See table A-1.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Jan. - Feb. change
	1979	1980		1980	1981		
	IV	III	IV	Dec.	Jan.	Feb.	
HOUSEHOLD DATA	Thousands of persons						
Civilian labor force	103,741	104,982	105,173	105,067	105,543	105,681	138
Total employment	97,572	97,061	97,276	97,282	97,696	97,927	231
Unemployment	6,169	7,921	7,897	7,785	7,847	7,754	-93
Not in labor force	58,850	59,493	59,906	60,205	59,917	59,946	29
Discouraged workers	766	961	1,055	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	5.9	7.5	7.5	7.4	7.4	7.3	-0.1
Adult men	4.4	6.6	6.3	6.2	6.0	6.0	0
Adult women	5.7	6.4	6.7	6.8	6.7	6.5	-0.2
Teenagers	16.2	18.4	18.3	17.8	19.0	19.3	0.3
White	5.2	6.7	6.6	6.5	6.7	6.6	-0.1
Black and other	11.3	13.9	14.1	14.0	12.9	13.1	0.2
Hispanic origin	9.0	10.8	10.2	9.8	11.1	12.0	0.9
Full-time workers	5.5	7.3	7.3	7.3	7.1	7.1	0
ESTABLISHMENT DATA	Thousands of jobs						
Nonfarm payroll employment	90,557	90,131	90,932	91,125	91,499p	91,550p	51p
Goods-producing industries	26,549	25,317	25,780	25,892	26,042p	25,960p	-82p
Service-producing industries	64,008	64,814	65,152	65,233	65,457p	65,590p	133p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.6	35.1	35.4	35.4	35.5p	35.2p	-0.3p
Manufacturing	40.1	39.3	39.9	40.1	40.4p	39.8p	-0.6p
Manufacturing overtime	3.2	2.6	2.9	3.1	3.1p	2.9p	-0.2p

p=preliminary. N.A.=not available.

The civilian labor force was little changed over the month at 105.7 million. Over the past year, the labor force has grown by 1.6 million, a slower pace than in recent years. Most of the over-the-year increase occurred among adult women, whose labor force participation rate reached an all-time high of 51.9 percent in February. The labor force increase for adult men was smaller than their population growth over the past 12 months; their participation rate continued its long-term decline and was 78.7 percent in February.

Industry Payroll Employment

Nonfarm payroll employment was unchanged in February, at 91.5 million, following 6 consecutive monthly advances. An employment gain in wholesale and retail trade was offset by a decrease in the number of construction jobs. The number of payroll jobs was 365,000 above the February 1980 employment peak. (See table B-1.)

Construction employment dropped by 110,000 over the month. This decline followed several months of job gains. At 4.5 million, construction jobs were still 140,000 short of last February's level.

Manufacturing employment remained unchanged at 20.4 million in February. The number of factory jobs was still well below pre-recession levels.

Employment rose by 110,000 in wholesale and retail trade. Elsewhere in the service-producing sector, there was a small job increase in finance, insurance, and real estate, while Federal Government employment declined over the month.

Hours of Work

The average workweek for production or nonsupervisory workers on private nonfarm payrolls fell 0.3 hour in February to 35.2 hours. Adverse weather conditions in the Midwest and the Southeast were apparently a major factor in this decline. The manufacturing workweek decreased 0.6 hour during February to 39.8 hours, offsetting gains of the past two months. Factory overtime declined by 0.2 hour to 2.9 hours in February. (See table B-2.)

The sharp reduction in the workweek coupled with the stable employment level led to a decline in the index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls. The index decreased 0.7 percent in February to 125.7 (1967=100) following steady increases since July. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on private nonfarm payrolls rose 0.1 percent in February (seasonally adjusted). Average weekly earnings fell 0.7 percent as a result of the decrease in hours. Before adjustment for seasonality, average hourly earnings rose by one cent over the month and 58 cents over the year. Average weekly earnings were $245.70, down 35 cents in February, but up $18.95 from a year earlier. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 265.6 (1967=100) in February, 0.5 percent higher than in January. The Index was 9.5 percent above February a year ago. In dollars of constant purchasing power, the Index decreased 1.7 percent during the 12-month period ended in January. (See table B-4.)

Chart 1. Civilian labor force and employment
(Seasonally adjusted)

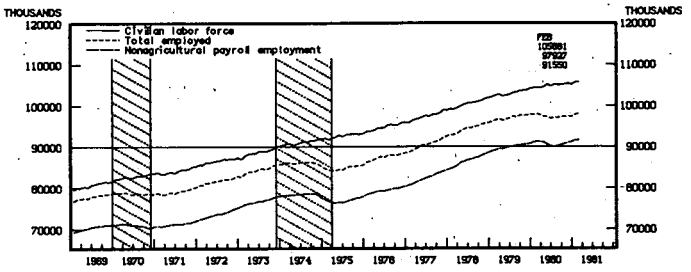


Chart 2. Unemployment rate--all civilian workers

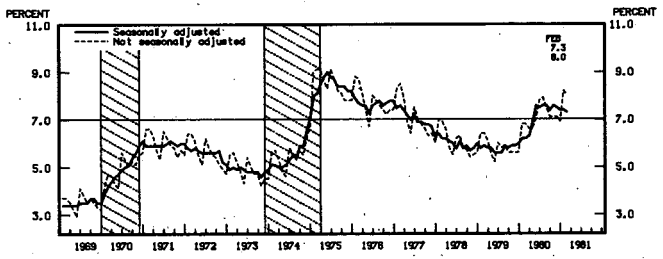
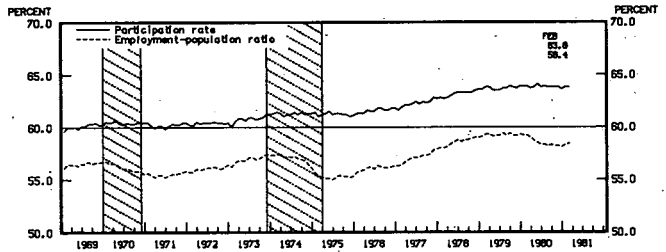


Chart 3. Civilian labor force participation rate
and total employment-population ratio
(Seasonally adjusted)



Note: The shaded areas depict the business cycle peaks and troughs as designated by the National Bureau of Economic Research.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 65,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 166,000 establishments employing about 35 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed,* regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

---The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

---The household survey includes people on unpaid leave among the employed; the establishment survey does not;

---The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

---The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings,* published each month by BLS. It is available for $2.75 per issue or $22.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this news release. For unemployment and other labor force categories, the standard errors appear in tables A through I of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables L through Q of that publication.

Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Feb. 1980	Jan. 1981	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
TOTAL									
Total noninstitutional population[1]	165,298	167,585	167,747	165,298	167,005	167,201	167,396	167,585	167,747
Armed Forces[1]	2,086	2,125	2,121	2,086	2,121	2,119	2,124	2,125	2,121
Civilian noninstitutional population[1]	163,211	165,460	165,627	163,211	164,884	165,082	165,272	165,460	165,627
Civilian labor force	103,257	104,671	104,808	104,271	105,167	105,285	105,067	105,543	105,681
Participation rate	63.3	63.3	63.3	63.9	63.8	63.8	63.6	63.8	63.8
Employed	96,264	96,128	96,383	97,817	97,206	97,339	97,282	97,696	97,927
Employment-population ratio[2]	58.2	57.8	57.5	59.2	58.2	58.2	58.1	58.3	58.4
Agriculture	2,836	2,860	2,773	3,329	3,319	3,340	3,394	3,403	3,281
Nonagricultural industries	93,428	93,268	93,609	94,488	93,887	93,999	93,888	94,294	94,646
Unemployed	6,993	8,543	8,425	6,454	7,961	7,946	7,785	7,847	7,754
Unemployment rate	6.8	8.2	8.0	6.2	7.6	7.5	7.4	7.4	7.3
Not in labor force	59,954	60,789	60,819	58,940	59,717	59,797	60,205	59,917	59,946
Men, 16 years and over									
Total noninstitutional population[1]	79,196	80,272	80,346	79,196	80,000	80,091	80,183	80,272	80,346
Armed Forces[1]	1,937	1,954	1,950	1,937	1,956	1,954	1,959	1,954	1,950
Civilian noninstitutional population[1]	77,259	78,318	78,396	77,259	78,044	78,137	78,224	78,318	78,396
Civilian labor force	59,239	59,788	59,726	60,009	60,379	60,388	60,254	60,366	60,338
Participation rate	76.7	76.3	76.2	77.7	77.4	77.3	77.0	77.1	77.0
Employed	55,319	54,815	54,764	56,631	55,881	55,897	55,920	56,012	56,045
Employment-population ratio[2]	69.9	68.3	68.2	71.5	69.9	69.8	69.7	69.8	69.8
Unemployed	3,920	4,973	4,962	3,378	4,498	4,491	4,334	4,353	4,293
Unemployment rate	6.6	8.3	8.3	5.6	7.4	7.4	7.2	7.2	7.1
Men, 20 years and over									
Total noninstitutional population[1]	70,792	71,980	72,070	70,792	71,661	71,768	71,875	71,980	72,070
Armed Forces[1]	1,652	1,660	1,657	1,652	1,674	1,673	1,677	1,660	1,657
Civilian noninstitutional population[1]	69,140	70,320	70,413	69,140	69,987	70,095	70,198	70,320	70,413
Civilian labor force	54,789	55,322	55,383	55,017	55,495	55,539	55,470	55,483	55,445
Participation rate	79.2	78.7	78.6	79.6	79.3	79.2	79.0	78.8	78.7
Employed	51,658	51,356	51,392	52,436	51,963	52,007	52,085	52,091	52,134
Employment-population ratio[2]	73.0	71.3	71.3	74.1	72.5	72.5	72.4	72.4	72.3
Agriculture	2,213	2,140	2,097	2,418	2,351	2,372	2,331	2,378	2,289
Nonagricultural industries	49,445	49,216	49,296	50,018	49,612	49,635	49,754	49,713	49,844
Unemployed	3,091	3,966	3,951	2,581	3,532	3,532	3,425	3,352	3,312
Unemployment rate	5.6	7.2	7.1	4.7	6.4	6.4	6.2	6.0	6.0
Women, 16 years and over									
Total noninstitutional population[1]	86,102	87,313	87,402	86,102	87,006	87,110	87,213	87,313	87,402
Armed Forces[1]	150	171	170	150	165	165	165	171	170
Civilian noninstitutional population[1]	85,952	87,142	87,231	85,952	86,841	86,945	87,048	87,142	87,231
Civilian labor force	44,018	44,883	45,082	44,262	44,788	44,897	44,813	45,178	45,343
Participation rate	51.2	51.5	51.7	51.5	51.6	51.6	51.5	51.8	52.0
Employed	40,945	41,313	41,619	41,186	41,325	41,442	41,362	41,684	41,882
Employment-population ratio[2]	47.6	47.3	47.6	47.8	47.5	47.6	47.4	47.7	47.9
Unemployed	3,073	3,570	3,463	3,076	3,463	3,455	3,451	3,493	3,461
Unemployment rate	7.0	8.0	7.7	6.9	7.7	7.7	7.7	7.7	7.6
Women, 20 years and over									
Total noninstitutional population[1]	77,890	79,212	79,315	77,890	78,860	78,979	79,097	79,212	79,315
Armed Forces[1]	123	141	140	123	137	137	137	141	140
Civilian noninstitutional population[1]	77,766	79,071	79,175	77,766	78,723	78,842	78,959	79,071	79,175
Civilian labor force	39,991	40,952	41,199	39,871	40,486	40,629	40,570	40,942	41,090
Participation rate	51.4	51.8	52.0	51.3	51.4	51.5	51.4	51.8	51.9
Employed	37,609	38,075	38,448	37,560	37,754	37,909	37,820	38,191	38,410
Employment-population ratio[2]	48.3	48.1	48.5	48.2	47.9	48.0	47.8	48.2	48.4
Agriculture	424	467	461	568	576	574	665	621	615
Nonagricultural industries	37,185	37,608	37,983	36,992	37,178	37,335	37,155	37,570	37,794
Unemployed	2,382	2,877	2,755	2,311	2,732	2,720	2,750	2,750	2,680
Unemployment rate	6.0	7.0	6.7	5.8	6.7	6.7	6.8	6.7	6.5
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,616	16,393	16,362	16,616	16,488	16,454	16,424	16,393	16,362
Armed Forces[1]	311	324	323	311	309	309	310	324	323
Civilian noninstitutional population[1]	16,305	16,069	16,039	16,305	16,174	16,145	16,114	16,069	16,039
Civilian labor force	8,517	8,396	8,265	9,383	9,186	9,117	9,027	9,158	9,146
Participation rate	52.2	52.3	51.5	57.5	56.8	56.5	56.0	57.0	57.0
Employed	6,997	6,697	6,546	7,821	7,489	7,423	7,417	7,414	7,384
Employment-population ratio[2]	42.1	40.9	40.0	47.1	45.4	45.1	45.2	45.2	45.1
Agriculture	198	253	215	383	392	394	398	404	376
Nonagricultural industries	6,798	6,444	6,331	7,438	7,097	7,029	7,019	7,010	7,008
Unemployed	1,520	1,699	1,719	1,562	1,697	1,694	1,610	1,744	1,762
Unemployment rate	17.9	20.2	20.8	16.6	18.5	18.6	17.8	19.0	19.3

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

HOUSEHOLD DATA

Table A-2. Employment status of the population by race, sex, and age

(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Feb. 1980	Jan. 1981	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
WHITE									
Total noninstitutional population[1]	144,570	146,284	146,403	144,570	145,848	145,995	146,140	146,284	146,403
Armed Forces[1]	1,619	1,633	1,629	1,619	1,638	1,636	1,640	1,633	1,629
Civilian noninstitutional population[2]	142,951	144,651	144,774	142,951	144,211	144,359	144,500	144,651	144,774
Civilian labor force	91,029	92,203	92,366	91,873	92,516	92,562	92,383	92,832	93,035
Participation rate	63.7	63.7	63.8	64.3	64.2	64.1	63.9	64.2	64.3
Employed	85,540	85,332	85,661	86,869	86,371	86,409	86,377	86,620	86,940
Employment-population ratio[2]	59.2	58.3	58.5	60.1	59.2	59.2	59.1	59.2	59.4
Unemployed	5,490	6,871	6,704	5,004	6,145	6,153	6,006	6,213	6,095
Unemployment rate	6.0	7.5	7.3	5.4	6.6	6.6	6.5	6.7	6.6
Men, 20 years and over									
Civilian labor force	48,860	49,366	49,372	49,066	49,461	49,481	49,449	49,426	49,820
Participation rate	79.8	79.4	79.3	80.1	79.8	79.8	79.6	79.4	79.3
Employed	46,403	46,097	46,149	47,047	46,660	46,684	46,728	46,704	46,757
Employment-population ratio[2]	74.2	72.6	72.6	75.2	73.8	73.7	73.7	73.6	73.6
Unemployed	2,457	3,269	3,223	2,019	2,801	2,797	2,721	2,722	2,664
Unemployment rate	5.0	6.6	6.5	4.1	5.7	5.7	5.5	5.5	5.4
Women, 20 years and over									
Civilian labor force	34,569	35,360	35,566	34,485	34,883	34,972	34,910	35,313	35,423
Participation rate	50.9	51.3	51.5	50.7	50.8	50.9	50.7	51.2	51.3
Employed	32,701	33,114	33,488	32,645	32,845	32,944	32,858	33,180	33,421
Employment-population ratio[2]	48.1	48.0	48.5	48.0	47.8	47.9	47.7	48.1	48.4
Unemployed	1,868	2,246	2,078	1,800	2,038	2,028	2,052	2,133	2,002
Unemployment rate	5.4	6.4	5.8	5.2	5.8	5.8	5.9	6.0	5.7
Both sexes, 16-19 years									
Civilian labor force	7,600	7,478	7,428	8,362	8,172	8,109	8,024	8,093	8,191
Participation rate	55.2	55.3	55.1	60.8	60.0	59.7	59.2	59.9	60.7
Employed	6,435	6,121	6,024	7,177	6,866	6,781	6,791	6,735	6,762
Employment-population ratio[2]	46.0	44.5	43.9	51.3	49.6	49.1	49.2	48.9	49.2
Unemployed	1,165	1,356	1,404	1,185	1,306	1,328	1,233	1,358	1,429
Unemployment rate	15.3	18.1	18.9	14.2	16.0	16.4	15.4	16.8	17.4
Men	16.2	20.1	21.0	13.8	17.3	17.7	16.4	17.9	18.2
Women	14.4	16.0	16.6	14.6	14.5	14.9	14.2	15.5	16.6
BLACK AND OTHER									
Total noninstitutional population[1]	20,727	21,301	21,348	20,727	21,157	21,206	21,255	21,301	21,348
Armed Forces[1]	467	492	491	467	483	483	484	492	491
Civilian noninstitutional population[2]	20,261	20,809	20,853	20,261	20,673	20,723	20,771	20,809	20,853
Civilian labor force	12,228	12,467	12,442	12,395	12,686	12,706	12,668	12,684	12,598
Participation rate	60.4	59.9	59.7	61.2	61.4	61.3	61.0	61.0	60.4
Employed	10,725	10,796	10,722	10,945	10,884	10,922	10,895	11,051	10,942
Employment-population ratio[2]	51.7	50.7	50.2	52.8	51.4	51.5	51.3	51.9	51.3
Unemployed	1,503	1,672	1,721	1,450	1,802	1,784	1,773	1,634	1,655
Unemployment rate	12.3	13.4	13.8	11.7	14.2	14.0	14.0	12.9	13.1
Men, 20 years and over									
Civilian labor force	5,889	5,956	5,971	5,932	6,030	6,082	6,015	5,996	6,007
Participation rate	74.8	73.5	73.5	75.3	75.0	74.9	74.4	73.9	73.9
Employed	5,255	5,260	5,243	5,367	5,300	5,315	5,315	5,367	5,355
Employment-population ratio[2]	63.8	62.0	61.7	65.2	63.0	63.0	62.8	63.3	63.0
Unemployed	634	697	728	565	730	727	700	628	651
Unemployment rate	10.8	11.7	12.2	9.5	12.1	12.0	11.6	10.5	10.8
Women, 20 years and over									
Civilian labor force	5,421	5,593	5,633	5,433	5,688	5,652	5,654	5,638	5,645
Participation rate	55.1	55.1	55.4	55.2	56.1	56.0	55.9	55.6	55.5
Employed	4,908	4,961	4,956	4,928	4,953	4,965	4,956	5,016	4,976
Employment-population ratio[2]	49.7	48.7	48.6	49.9	49.0	49.0	48.8	49.3	48.7
Unemployed	513	632	677	505	695	687	698	621	669
Unemployment rate	9.5	11.3	12.0	9.3	12.3	12.2	12.3	11.0	11.9
Both sexes, 16-19 years									
Civilian labor force	917	919	838	1,030	1,008	1,012	999	1,051	986
Participation rate	36.1	36.0	32.6	40.5	39.4	39.5	39.0	41.2	37.1
Employed	562	575	522	650	631	642	624	667	611
Employment-population ratio[2]	21.4	21.8	19.8	24.8	24.0	24.4	23.7	25.3	23.2
Unemployed	355	343	315	380	377	370	375	384	335
Unemployment rate	38.8	37.4	37.6	36.9	37.4	36.6	37.5	36.5	35.4
Men	39.0	42.4	40.8	34.2	38.2	35.9	38.8	39.2	35.5
Women	38.5	31.4	33.8	39.6	36.4	37.4	36.1	33.3	35.3

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	Feb. 1980	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
CHARACTERISTIC								
Total employed, 16 years and over	96,268	96,383	97,817	97,206	97,339	97,282	97,696	97,927
Married men, spouse present	38,410	37,732	38,827	38,142	38,167	38,231	38,182	38,113
Married women, spouse present	23,271	23,496	23,150	22,993	23,065	23,063	23,352	23,356
Women who maintain families	4,645	4,847	4,650	4,701	4,707	4,716	4,787	4,852
OCCUPATION								
White-collar workers	50,525	51,781	50,847	51,101	51,148	51,065	51,598	51,698
Professional and technical	15,753	16,161	15,823	15,780	15,863	15,810	15,965	15,813
Managers and administrators, except farm	10,850	11,385	10,953	10,979	11,016	11,009	11,363	11,488
Sales workers	6,055	6,146	6,179	6,277	6,155	6,175	6,265	6,271
Clerical workers	17,866	18,089	17,892	18,065	18,116	18,071	18,001	18,125
Blue-collar workers	30,527	29,377	31,669	30,521	30,550	30,373	30,338	30,486
Craft and kindred workers	12,346	12,027	12,722	12,485	12,424	12,337	12,306	12,386
Operatives, except transport	10,426	10,172	10,688	10,210	10,247	10,194	10,331	10,390
Transport equipment operatives	3,507	3,314	3,557	3,443	3,429	3,402	3,322	3,361
Nonfarm laborers	4,248	3,865	4,742	4,383	4,450	4,440	4,380	4,309
Service workers	12,866	12,943	13,005	12,891	12,888	12,982	12,946	13,070
Farm workers	2,347	2,282	2,745	2,735	2,729	2,804	2,737	2,662
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,158	1,098	1,411	1,363	1,417	1,411	1,465	1,336
Self-employed workers	1,498	1,475	1,636	1,640	1,612	1,655	1,615	1,610
Unpaid family workers	180	200	293	325	328	305	284	325
Nonagricultural industries:								
Wage and salary workers	86,267	86,384	87,192	86,587	86,643	86,513	87,125	87,236
Government	15,773	15,823	15,539	15,597	15,651	15,653	15,738	15,589
Private industries	70,495	70,561	71,653	70,990	70,992	70,860	71,387	71,647
Private households	1,121	1,117	1,181	1,144	1,148	1,110	1,197	1,176
Other industries	69,374	69,444	70,472	69,846	69,844	69,750	70,190	70,471
Self-employed workers	6,796	6,888	6,841	7,005	6,983	6,973	6,839	6,923
Unpaid family workers	364	338	400	417	405	396	422	371
PERSONS AT WORK[1]								
Nonagricultural industries	89,159	89,769	88,830	88,488	88,694	88,468	89,499	89,441
Full-time schedules	72,525	72,580	72,937	72,071	72,265	72,131	72,807	72,945
Part time for economic reasons	3,292	3,936	3,854	4,220	4,176	4,218	4,474	4,145
Usually work full time	1,430	1,635	1,415	1,685	1,620	1,647	1,698	1,622
Usually work part time	1,862	2,301	2,039	2,535	2,556	2,571	2,776	2,523
Part time for noneconomic reasons	13,342	13,253	12,439	12,197	12,253	12,119	12,218	12,351

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial disputes.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1979	1980				1980	1981	
	IV	I	II	III	IV	Dec.	Jan.	Feb.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.2	1.3	1.6	2.0	2.2	2.3	2.2	2.1
U-2 Job losers as a percent of the civilian labor force	2.7	2.9	3.9	4.1	4.0	4.0	3.6	3.7
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	4.0	4.3	5.2	5.5	5.4	5.3	5.3	5.1
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	5.5	5.8	7.0	7.3	7.3	7.3	7.1	7.1
U-5 Total unemployed as a percent of the civilian labor force (official measure)	5.9	6.2	7.3	7.5	7.5	7.4	7.4	7.3
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	7.5	7.9	9.2	9.6	9.6	9.5	9.6	9.4
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	8.2	8.8	10.1	10.5	10.5	N.A.	N.A.	N.A.

N.A. = not available.

Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rates					
	Feb. 1980	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
CHARACTERISTIC								
Total, 16 years and over	6,458	7,758	6.2	7.6	7.5	7.4	7.4	7.3
Men, 20 years and over	2,581	3,312	4.7	6.4	6.4	6.2	6.0	6.0
Women, 20 years and over	2,311	2,680	5.8	6.7	6.7	6.8	6.7	6.5
Both sexes, 16-19 years	1,562	1,762	16.6	18.5	18.6	17.8	19.0	19.3
Married men, spouse present	1,286	1,624	3.2	4.6	4.4	4.3	4.2	4.1
Married women, spouse present	1,334	1,446	5.4	6.0	5.9	5.8	6.2	5.8
Women who maintain families	431	518	8.5	10.2	9.9	10.4	10.5	9.6
Full-time workers	5,114	6,396	5.8	7.3	7.4	7.3	7.1	7.1
Part-time workers	1,370	1,405	8.8	9.1	8.6	8.2	9.2	9.1
Labor force time lost[1]	—	—	6.6	8.4	8.3	8.2	8.2	8.1
OCCUPATION[2]								
White-collar workers	1,782	1,984	3.4	3.9	3.9	4.0	3.9	3.7
Professional and technical	365	419	2.3	2.6	2.5	2.6	2.8	2.6
Managers and administrators, except farm	252	287	2.2	2.5	2.4	2.5	2.4	2.4
Sales workers	280	259	4.3	4.6	4.8	4.7	4.4	4.0
Clerical workers	885	1,019	4.7	5.6	5.6	5.8	5.7	5.3
Blue-collar workers	2,717	3,426	7.9	10.8	10.7	10.5	10.2	10.1
Craft and kindred workers	682	963	5.1	7.1	7.1	7.1	6.8	7.2
Operatives, except transport	1,094	1,402	9.3	13.2	13.0	12.9	12.1	11.9
Transport equipment operatives	261	304	6.8	10.6	10.6	8.8	9.1	8.3
Nonfarm laborers	680	757	12.5	15.3	15.0	14.8	15.0	14.9
Service workers	985	1,281	7.0	8.3	8.3	7.8	8.0	8.7
Farm workers	112	132	3.9	4.4	4.0	4.0	5.0	4.7
INDUSTRY[3]								
Nonagricultural private wage and salary workers[3]	4,718	5,826	6.2	7.8	7.8	7.7	7.5	7.5
Construction	568	666	10.9	14.6	14.8	13.8	13.3	13.2
Manufacturing	1,539	1,911	6.7	9.2	8.9	8.8	8.4	8.4
Durable goods	917	1,159	6.5	9.5	9.0	9.0	8.3	8.5
Nondurable goods	622	752	6.9	8.9	8.6	8.5	8.5	8.2
Transportation and public utilities	286	311	4.5	5.3	4.9	4.9	5.8	5.5
Wholesale and retail trade	1,244	1,489	6.6	7.8	8.2	8.3	7.6	7.6
Finance and service industries	1,078	1,432	4.7	5.6	5.5	5.5	5.8	6.0
Government workers	648	693	4.0	4.4	4.2	4.1	4.4	4.3
Agricultural wage and salary workers	148	184	9.5	11.1	10.1	10.6	11.5	12.1

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Feb. 1980	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
DURATION								
Less than 5 weeks	2,878	3,014	3,089	3,186	3,108	3,115	3,259	3,203
5 to 14 weeks	2,653	2,880	2,134	2,500	2,528	2,217	2,264	2,324
15 weeks and over	1,462	2,531	1,299	2,292	2,329	2,378	2,358	2,250
15 to 26 weeks	946	1,246	794	1,256	1,213	1,231	1,079	992
27 weeks and over	516	1,285	505	1,036	1,116	1,147	1,279	1,257
Average (mean) duration, in weeks	10.7	14.4	10.7	13.3	13.6	13.5	14.4	14.4
Median duration, in weeks	6.7	8.2	5.7	7.5	7.7	7.3	7.4	6.9
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	41.2	35.8	47.0	39.9	39.0	40.4	41.3	41.2
5 to 14 weeks	37.9	34.2	32.9	31.3	31.7	28.8	28.7	29.9
15 weeks and over	20.9	30.0	20.0	28.7	29.3	30.8	29.9	28.9
15 to 26 weeks	13.5	14.8	12.2	15.7	15.2	16.0	13.7	12.8
27 weeks and over	7.4	15.3	7.8	13.0	14.0	14.9	16.2	16.2

Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	Feb. 1980	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
NUMBER OF UNEMPLOYED								
Lost last job	3,643	4,749	2,979	4,290	4,229	4,226	3,847	3,896
On layoff	1,530	1,767	1,087	1,692	1,453	1,470	1,258	1,267
Other job losers	2,113	2,982	1,892	2,598	2,776	2,756	2,590	2,629
Left last job	805	854	831	870	897	813	907	884
Reentered labor force	1,814	1,986	1,797	2,013	1,896	1,869	2,039	1,970
Seeking first job	730	836	825	880	890	868	1,000	928
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	52.1	56.8	46.3	53.0	53.5	54.3	49.8	50.7
On layoff	21.9	21.0	16.9	21.1	18.4	18.9	16.1	16.5
Other job losers	30.2	35.8	29.4	31.8	35.1	35.4	33.2	34.2
Job leavers	11.5	10.1	12.9	10.9	11.3	10.5	11.6	11.5
Reentrants	25.9	23.6	27.9	25.2	24.0	24.0	26.2	25.7
New entrants	10.4	9.9	12.8	11.0	11.2	11.2	12.8	12.1
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	3.5	4.5	2.9	4.0	4.0	4.0	3.6	3.7
Job leavers	.8	.8	.8	.8	.9	.8	.9	.8
Reentrants	1.8	1.9	1.7	1.9	1.8	1.8	1.9	1.9
New entrants	.7	.8	.8	.8	.8	.8	.9	.9

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rates					
	Feb. 1980	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
Total, 16 years and over	6,854	7,758	6.2	7.6	7.5	7.4	7.4	7.3
16 to 24 years	3,082	3,593	12.5	14.6	14.5	14.0	14.5	14.6
16 to 19 years	1,562	1,762	16.6	18.5	18.6	17.9	19.0	19.3
16 to 17 years	722	796	18.8	20.9	21.4	19.9	21.0	21.4
18 to 19 years	844	967	15.2	16.7	16.5	16.4	17.5	17.9
20 to 24 years	1,520	1,831	9.9	12.3	12.1	11.7	11.9	11.8
25 years and over	3,374	4,171	4.2	5.4	5.4	5.3	5.3	5.1
25 to 54 years	2,955	3,647	4.6	5.9	5.9	5.8	5.7	5.5
55 years and over	422	528	2.8	3.4	3.3	3.5	3.5	3.6
Men, 16 years and over	3,378	4,293	5.6	7.4	7.4	7.2	7.2	7.1
16 to 24 years	1,656	2,033	12.5	16.0	15.6	14.9	15.6	15.4
16 to 19 years	797	981	16.0	19.8	19.8	19.0	20.3	20.1
16 to 17 years	383	449	18.2	21.8	22.3	20.5	23.0	22.1
18 to 19 years	419	534	14.5	18.1	17.8	17.8	18.5	18.7
20 to 24 years	859	1,052	10.3	13.8	13.2	12.5	12.8	12.7
25 years and over	1,736	2,283	3.7	5.1	5.1	4.9	4.9	4.8
25 to 54 years	1,481	1,977	3.9	5.6	5.6	5.4	5.2	5.2
55 years and over	253	303	2.8	3.3	3.3	3.3	3.4	3.4
Women, 16 years and over	3,076	3,461	6.9	7.7	7.7	7.7	7.7	7.6
16 to 24 years	1,426	1,560	12.5	13.0	13.2	13.0	13.3	13.6
16 to 19 years	765	781	17.4	17.0	17.2	16.5	17.5	18.4
16 to 17 years	339	347	19.4	19.8	20.3	19.3	18.7	20.5
18 to 19 years	425	433	16.1	15.1	15.1	14.8	16.4	17.0
20 to 24 years	661	779	9.4	10.6	10.8	10.8	10.8	10.9
25 years and over	1,638	1,887	5.0	5.9	5.8	5.9	5.8	5.6
25 to 54 years	1,474	1,670	5.4	6.4	6.2	6.3	6.3	5.9
55 years and over	169	225	2.9	3.4	3.4	3.9	3.6	3.9

Table A-9. Employment status of the black and Hispanic-origin population

(Numbers in thousands)

Employment status	Not seasonally adjusted		Seasonally adjusted					
	Feb. 1980	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
BLACK[1]								
Civilian noninstitutional population	17,271	17,667	17,271	17,585	17,579	17,610	17,636	17,667
Civilian labor force	10,336	10,506	10,485	10,701	10,716	10,693	10,725	10,646
Participation rate	59.9	59.5	60.7	61.0	61.0	60.7	60.8	60.3
Employed	8,984	8,936	9,177	9,070	9,097	9,072	9,234	9,129
Unemployed	1,352	1,570	1,308	1,631	1,619	1,621	1,491	1,516
Unemployment rate	13.1	14.9	12.5	15.2	15.1	15.2	13.9	14.2
Not in labor force	6,935	7,162	6,786	6,884	6,863	6,917	6,911	7,021
HISPANIC ORIGIN[2]								
Civilian noninstitutional population	8,175	8,835	8,175	8,759	8,824	8,764	8,843	8,835
Civilian labor force	5,177	5,699	5,306	5,589	5,696	5,668	5,817	5,827
Participation rate	63.3	64.5	64.9	63.8	64.6	64.7	65.8	66.0
Employed	4,675	4,990	4,814	4,992	5,116	5,114	5,170	5,128
Unemployed	503	709	492	597	580	554	648	699
Unemployment rate	9.7	12.4	9.3	10.7	10.2	9.8	11.1	12.0
Not in labor force	2,998	3,136	2,869	3,170	3,128	3,096	3,026	3,008

[1] Data relate to black workers only. In the 1970 census, they constituted about 89 percent of the "black and other" population group.

[2] Data on persons of Hispanic ethnicity are collected independently of racial data. In the 1970 census, approximately 96 percent of their population was white.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Feb. 1980	Feb. 1981	Feb. 1980	Feb. 1981	Feb. 1980	Feb. 1981	Feb. 1980	Feb. 1981	Feb. 1980	Feb. 1981
VETERANS										
Total, 25 years and over	8,154	8,468	7,727	7,994	7,310	7,482	417	512	5.4	6.4
25 to 29 years	7,219	7,325	6,939	7,006	6,546	6,527	393	479	5.7	6.8
25 to 29 years	1,804	1,571	1,716	1,454	1,554	1,292	162	162	9.4	11.1
30 to 34 years	3,609	3,450	3,489	3,328	3,339	3,118	150	210	4.3	6.4
35 to 39 years	1,806	2,304	1,734	2,224	1,653	2,121	81	103	4.7	4.6
40 years and over	935	1,143	788	988	764	955	24	33	3.0	3.3
NONVETERANS										
Total, 25 to 39 years	15,198	16,018	14,371	15,185	13,568	14,084	803	1,101	5.6	7.3
25 to 29 years	6,932	7,289	6,587	6,845	6,125	6,268	422	581	6.4	8.5
30 to 34 years	4,416	4,989	4,211	4,743	3,998	4,420	213	323	5.1	6.8
35 to 39 years	3,800	3,740	3,613	3,557	3,445	3,360	168	197	4.6	5.5

NOTE: Vietnam-era veterans are males who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are males who have never served in the Armed Forces; published data are limited to those 25 to 39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population. Data for 20-to 24-year-old veterans are no longer shown on the table, because the group is rapidly disappearing (into the 25-29 age category) and the numbers remaining are not large enough to warrant their continued publication.

HOUSEHOLD DATA

Table A-11. Employment status of the noninstitutional population for the ten largest States

[Numbers in thousands]

State and employment status	Not seasonally adjusted[2]			Seasonally adjusted					
	Feb. 1980	Jan. 1981	Feb. 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981
California									
Civilian noninstitutional population[1]	15,979	17,290	17,314	16,978	17,208	17,236	17,264	17,290	17,314
Civilian labor force	11,042	11,314	11,292	11,097	11,246	11,312	11,204	11,346	11,352
Employed	10,297	10,421	10,384	10,401	10,441	10,497	10,470	10,493	10,493
Unemployed	745	893	908	696	805	815	734	853	859
Unemployment rate	6.8	7.9	8.0	6.3	7.2	7.2	6.6	7.5	7.6
Florida									
Civilian noninstitutional population[1]	6,886	7,077	7,093	6,886	7,026	7,044	7,061	7,077	7,093
Civilian labor force	3,836	3,883	4,015	3,857	3,933	4,023	4,038	3,938	4,035
Employed	3,636	3,636	3,763	3,642	3,681	3,799	3,819	3,698	3,766
Unemployed	200	247	252	215	252	224	219	240	269
Unemployment rate	5.2	6.4	6.3	5.6	6.4	5.6	5.4	6.1	6.7
Illinois									
Civilian noninstitutional population[1]	8,295	8,353	8,357	8,295	8,340	8,345	8,349	8,353	8,357
Civilian labor force	5,382	5,428	5,396	5,437	5,471	5,491	5,481	5,441	5,453
Employed	4,977	4,889	4,921	5,057	4,964	5,001	4,969	4,954	5,002
Unemployed	405	539	475	380	507	490	512	487	451
Unemployment rate	7.5	9.9	8.8	7.0	9.3	8.9	9.3	9.0	8.3
Massachusetts									
Civilian noninstitutional population[1]	4,396	4,437	4,439	4,396	4,427	4,430	4,434	4,437	4,439
Civilian labor force	2,822	2,911	2,947	2,883	2,988	2,968	2,968	2,917	2,968
Employed	2,659	2,724	2,759	2,698	2,792	2,811	2,822	2,766	2,797
Unemployed	163	188	188	185	196	153	146	153	171
Unemployment rate	5.8	6.4	6.4	5.1	6.6	5.2	4.9	5.2	5.8
Michigan									
Civilian noninstitutional population[1]	6,768	6,843	6,848	6,768	6,826	6,830	6,837	6,843	6,848
Civilian labor force	4,293	4,267	4,251	4,299	4,303	4,296	4,293	4,293	4,259
Employed	3,800	3,682	3,647	3,836	3,718	3,718	3,726	3,736	3,685
Unemployed	493	585	604	463	585	578	567	557	574
Unemployment rate	11.5	13.7	14.2	10.8	13.6	13.5	13.2	13.0	13.5
New Jersey									
Civilian noninstitutional population[1]	5,581	5,592	5,595	5,581	5,579	5,584	5,588	5,592	5,595
Civilian labor force	3,562	3,573	3,525	3,572	3,569	3,554	3,560	3,583	3,531
Employed	3,326	3,289	3,254	3,363	3,310	3,288	3,276	3,316	3,288
Unemployed	236	284	270	209	259	270	284	267	243
Unemployment rate	6.6	8.0	7.7	5.9	7.3	7.6	8.0	7.5	6.9
New York									
Civilian noninstitutional population[1]	13,300	13,332	13,332	13,300	13,326	13,328	13,330	13,332	13,332
Civilian labor force	8,115	8,001	8,073	8,152	7,995	7,972	7,920	8,002	8,110
Employed	7,455	7,338	7,408	7,539	7,395	7,379	7,335	7,395	7,492
Unemployed	660	667	665	613	600	593	585	607	618
Unemployment rate	8.1	8.3	8.2	7.5	7.5	7.4	7.4	7.6	7.6
Ohio									
Civilian noninstitutional population[1]	7,954	8,015	8,019	7,954	8,000	8,006	8,010	8,015	8,019
Civilian labor force	4,986	4,970	4,941	5,074	5,138	5,067	5,018	5,048	5,031
Employed	4,627	4,453	4,445	4,739	4,682	4,578	4,542	4,558	4,558
Unemployed	359	517	496	335	456	489	476	490	473
Unemployment rate	7.2	10.4	10.0	6.6	8.9	9.7	9.5	9.7	9.4
Pennsylvania									
Civilian noninstitutional population[1]	8,929	8,982	8,985	8,929	8,970	8,974	8,978	8,982	8,985
Civilian labor force	5,348	5,366	5,324	5,393	5,423	5,401	5,343	5,402	5,370
Employed	4,937	4,876	4,867	5,014	5,003	4,973	4,913	4,933	4,942
Unemployed	410	490	456	379	420	428	430	469	428
Unemployment rate	7.7	9.1	8.6	7.0	7.7	7.9	8.0	8.7	8.0
Texas									
Civilian noninstitutional population[1]	9,655	9,858	9,874	9,655	9,804	9,822	9,840	9,858	9,874
Civilian labor force	6,319	6,566	6,562	6,368	6,468	6,481	6,457	6,577	6,612
Employed	5,983	6,197	6,252	6,052	6,141	6,119	6,114	6,237	6,320
Unemployed	335	370	310	316	327	362	343	340	292
Unemployment rate	5.3	5.6	4.7	5.0	5.1	5.6	5.3	5.2	4.4

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

[2] These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

Table B-1. Employees on nonagricultural payrolls by industry

[In thousands]

Industry	Not seasonally adjusted				Seasonally adjusted					
	Feb. 1980	Dec. 1980	Jan. p 1981	Feb. p 1981	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. p 1981	Feb. p 1981
TOTAL	89,781	91,846	90,098	90,147	91,186	90,710	90,961	91,125	91,499	91,550
GOODS-PRODUCING	25,826	25,811	25,303	25,183	26,623	25,636	25,811	25,892	26,042	25,960
MINING	987	1,064	1,067	1,068	1,007	1,037	1,054	1,072	1,084	1,090
CONSTRUCTION	4,109	4,431	4,078	3,969	4,659	4,442	4,475	4,508	4,608	4,500
MANUFACTURING	20,730	20,316	20,158	20,146	20,957	20,157	20,282	20,312	20,350	20,370
Production workers	14,678	14,199	14,055	14,065	14,871	14,065	14,179	14,195	14,226	14,260
DURABLE GOODS	12,599	12,186	12,112	12,085	12,715	12,043	12,146	12,160	12,192	12,198
Production workers	8,869	8,413	8,341	8,329	8,967	8,288	8,381	8,386	8,409	8,424
Lumber and wood products	718.9	679.8	667.7	667.9	745	677	683	686	693	692
Furniture and fixtures	494.6	475.8	474.2	473.8	495	466	469	472	474	474
Stone, clay, and glass products	674.7	654.3	636.2	632.0	705	656	661	660	662	660
Primary metal industries	1,205.1	1,124.6	1,127.0	1,127.3	1,214	1,096	1,119	1,133	1,135	1,135
Fabricated metal products	1,699.4	1,614.6	1,598.5	1,598.2	1,711	1,595	1,606	1,608	1,608	1,611
Machinery, except electrical	2,536.5	2,492.5	2,491.4	2,497.2	2,529	2,469	2,475	2,480	2,484	2,490
Electric and electronic equipment	2,157.7	2,143.9	2,143.4	2,143.5	2,168	2,107	2,120	2,135	2,150	2,154
Transportation equipment	1,983.1	1,888.4	1,870.2	1,842.1	2,006	1,873	1,901	1,868	1,865	1,866
Instruments and related products	700.5	702.2	701.3	698.5	702	697	701	701	703	701
Miscellaneous manufacturing	428.8	410.1	402.2	404.3	440	407	411	415	418	415
NONDURABLE GOODS	8,131	8,130	8,046	8,061	8,242	8,114	8,136	8,152	8,158	8,172
Production workers	5,809	5,786	5,712	5,736	5,904	5,777	5,798	5,809	5,817	5,836
Food and kindred products	1,644.1	1,667.2	1,624.0	1,615.7	1,713	1,682	1,686	1,684	1,679	1,683
Tobacco manufacturers	67.1	74.7	71.9	69.8	68	69	71	70	70	71
Textile mill products	884.6	858.3	853.2	856.9	888	856	856	857	858	860
Apparel and other textile products	1,305.8	1,281.7	1,266.9	1,282.7	1,313	1,292	1,291	1,291	1,290	1,290
Paper and allied products	701.9	691.7	687.5	687.5	709	690	692	693	694	695
Printing and publishing	1,270.4	1,291.6	1,282.6	1,289.0	1,273	1,272	1,278	1,284	1,285	1,292
Chemicals and allied products	1,112.1	1,107.6	1,106.5	1,108.4	1,121	1,105	1,108	1,112	1,115	1,117
Petroleum and coal products	155.9	207.8	207.8	203.1	161	209	209	210	213	209
Rubber and misc. plastics products	746.3	710.3	708.5	709.3	751	699	705	711	713	714
Leather and leather products	242.6	238.8	236.7	238.9	245	240	240	240	241	241
SERVICE-PRODUCING	63,955	66,035	64,795	64,964	64,563	65,074	65,150	65,233	65,457	65,590
TRANSPORTATION AND PUBLIC UTILITIES	5,130	5,163	5,081	5,080	5,198	5,147	5,132	5,137	5,148	5,147
WHOLESALE AND RETAIL TRADE	20,155	21,313	20,575	20,403	20,637	20,641	20,660	20,638	20,782	20,892
WHOLESALE TRADE	5,230	5,318	5,273	5,280	5,302	5,292	5,297	5,302	5,310	5,333
RETAIL TRADE	14,905	15,995	15,302	15,123	15,335	15,349	15,363	15,336	15,472	15,559
FINANCE, INSURANCE, AND REAL ESTATE	5,061	5,229	5,223	5,233	5,101	5,214	5,225	5,245	5,265	5,275
SERVICES	17,317	17,978	17,790	17,928	17,540	17,913	17,969	18,068	18,135	18,164
GOVERNMENT	16,292	16,352	16,126	16,320	16,087	16,159	16,164	16,145	16,127	16,112
FEDERAL	2,803	2,782	2,758	2,734	2,826	2,788	2,790	2,789	2,786	2,753
STATE AND LOCAL	13,489	13,570	13,368	13,586	13,261	13,371	13,374	13,356	13,341	13,359

pPreliminary.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Feb. 1980	Dec. 1980	Jan. 1981 p	Feb. 1981 p	Feb. 1980	Oct. 1980	Nov. 1980	Dec. 1980	Jan. 1981 p	Feb. 1981 p
TOTAL PRIVATE	35.1	35.6	35.0	34.9	35.5	35.3	35.4	35.4	35.5	35.2
MINING	43.2	44.1	43.7	42.8	([2])	([2])	([2])	([2])	([2])	([2])
CONSTRUCTION	35.7	37.1	36.3	34.6	37.1	37.0	37.2	37.1	38.4	35.9
MANUFACTURING	39.8	40.8	39.9	39.5	40.1	39.7	39.9	40.1	40.4	39.8
Overtime hours	2.9	3.3	2.9	2.8	3.0	2.8	2.9	3.1	3.1	2.9
DURABLE GOODS	40.3	41.5	40.4	39.9	40.6	40.1	40.5	40.6	40.9	40.2
Overtime hours	3.0	3.4	2.9	2.8	3.1	2.8	3.0	3.2	3.1	2.9
Lumber and wood products	38.5	39.6	38.7	37.8	39.1	38.7	39.3	39.4	40.0	38.3
Furniture and fixtures	38.4	39.6	38.0	38.1	39.0	38.0	38.0	38.6	38.8	38.7
Stone, clay, and glass products	40.1	41.6	40.3	39.8	41.2	40.9	41.1	41.3	41.5	40.8
Primary metal industries	40.7	41.6	41.2	40.6	40.8	40.1	40.9	41.4	41.3	40.7
Fabricated metal products	40.4	41.6	40.4	40.0	40.8	40.4	40.6	40.6	40.7	40.4
Machinery, except electrical	41.5	42.2	41.2	40.9	41.5	40.7	41.0	41.0	41.3	40.9
Electric and electronic equipment	40.2	41.0	40.1	39.5	40.3	39.9	40.0	40.2	40.4	39.6
Transportation equipment	40.4	43.1	41.2	40.2	40.8	40.8	41.4	41.3	42.2	40.6
Instruments and related products	40.8	41.2	40.5	40.0	40.9	40.2	40.5	40.5	40.9	40.1
Miscellaneous manufacturing	38.6	39.5	38.6	38.7	39.1	38.7	38.6	39.0	39.0	39.1
NONDURABLE GOODS	38.9	39.8	39.1	38.8	39.4	39.0	39.0	39.3	39.6	39.3
Overtime hours	2.8	3.1	2.9	2.8	2.9	2.8	2.9	3.0	3.1	3.0
Food and kindred products	39.1	40.3	40.0	39.4	39.7	39.6	39.8	39.8	40.3	40.0
Tobacco manufacturers	36.9	38.1	38.4	38.3	37.9	39.5	38.9	37.2	39.6	39.3
Textile mill products	40.8	40.8	39.8	39.7	41.1	39.9	40.0	40.3	40.4	40.0
Apparel and other textile products	35.4	35.9	35.1	35.0	35.9	35.3	35.0	35.6	35.9	35.5
Paper and allied products	42.4	43.7	43.0	42.6	42.9	42.2	42.6	43.0	43.3	43.1
Printing and publishing	37.0	38.1	37.1	37.0	37.4	37.1	36.8	37.4	37.7	37.4
Chemicals and allied products	41.6	42.1	41.3	41.4	41.9	41.4	41.7	41.7	41.6	41.6
Petroleum and coal products	39.7	43.3	42.6	42.4	40.7	43.1	43.2	43.2	43.4	43.4
Rubber and misc. plastics products	39.9	41.6	41.1	40.3	40.0	40.4	40.8	40.9	41.5	40.3
Leather and leather products	36.8	36.9	36.5	36.9	37.2	36.5	36.2	36.6	37.0	37.3
TRANSPORTATION AND PUBLIC UTILITIES	39.4	40.0	39.2	39.4	([2])	([2])	([2])	([2])	([2])	([2])
WHOLESALE AND RETAIL TRADE	31.9	32.4	31.6	31.7	32.4	32.2	32.2	32.1	32.2	32.2
WHOLESALE TRADE	38.4	38.9	38.5	38.2	38.8	38.5	38.6	38.7	38.8	38.6
RETAIL TRADE	29.8	30.5	29.5	29.6	30.4	30.2	30.2	30.0	30.2	30.2
FINANCE, INSURANCE, AND REAL ESTATE	36.3	36.3	36.2	36.4	([2])	([2])	([2])	([2])	([2])	([2])
SERVICES	32.5	32.6	32.4	32.4	32.7	32.6	32.7	32.6	32.6	32.6

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employment on private nonagricultural payrolls.

[2] This series is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Feb. 1980	Dec. 1980	Jan. 1981 p	Feb. 1981 p	Feb. 1980	Dec. 1980	Jan. 1981 p	Feb. 1981 p
TOTAL PRIVATE	$6.46	$6.94	$7.03	$7.04	$226.75	$247.06	$246.05	$245.70
Seasonally adjusted	6.45	6.95	7.02	7.03	228.98	246.03	249.21	247.46
MINING	8.90	9.58	9.78	9.84	384.48	422.48	427.39	421.15
CONSTRUCTION	9.61	10.35	10.42	10.34	343.08	383.99	378.25	357.76
MANUFACTURING	7.00	7.69	7.72	7.72	278.60	313.75	308.03	304.94
DURABLE GOODS	7.46	8.24	8.24	8.25	300.64	341.96	332.90	329.18
Lumber and wood products	6.33	6.77	6.82	6.85	243.71	268.09	263.93	258.93
Furniture and fixtures	5.32	5.69	5.72	5.77	204.29	225.32	217.36	219.84
Stone, clay, and glass products	7.14	7.83	7.86	7.86	286.31	325.73	316.76	312.83
Primary metal industries	9.44	10.35	10.35	10.44	384.21	430.56	426.42	423.86
Fabricated metal products	7.14	7.86	7.86	7.90	288.46	326.98	317.34	316.00
Machinery, except electrical	7.69	8.57	8.59	8.61	319.14	361.65	353.91	352.15
Electric and electronic equipment	6.71	7.39	7.42	7.39	269.74	302.99	297.54	291.91
Transportation equipment	8.86	10.11	9.96	9.89	357.94	435.74	410.35	397.58
Instruments and related products	6.59	7.14	7.20	7.22	268.87	294.17	291.60	288.80
Miscellaneous manufacturing	5.30	5.72	5.81	5.81	204.58	225.94	224.27	224.85
NONDURABLE GOODS	6.27	6.86	6.94	6.94	243.90	273.03	271.35	269.27
Food and kindred products	6.64	7.13	7.21	7.22	259.62	287.34	288.40	284.47
Tobacco manufacturers	7.36	8.00	8.44	8.35	271.58	304.80	324.10	319.81
Textile mill products	4.90	5.33	5.34	5.33	199.92	217.46	212.53	211.60
Apparel and other textile products	4.45	4.81	4.89	4.89	157.53	172.68	171.64	171.15
Paper and allied products	7.52	8.28	8.27	8.28	318.85	361.84	355.61	352.73
Printing and publishing	7.29	7.88	7.91	7.94	269.73	300.23	293.46	293.78
Chemicals and allied products	8.01	8.68	8.71	8.75	333.22	365.43	359.72	362.25
Petroleum and coal products	9.37	10.37	11.02	11.18	371.99	449.02	469.45	474.03
Rubber and misc. plastics products	6.25	6.89	6.95	6.96	249.38	286.62	285.65	280.49
Leather and leather products	4.47	4.73	4.85	4.86	164.50	174.54	177.03	179.33
TRANSPORTATION AND PUBLIC UTILITIES	8.58	9.31	9.34	9.38	338.05	372.40	366.13	369.57
WHOLESALE AND RETAIL TRADE	5.36	5.61	5.79	5.81	170.98	181.76	182.96	184.18
WHOLESALE TRADE	6.77	7.24	7.31	7.35	259.97	281.64	281.44	280.77
RETAIL TRADE	4.78	4.99	5.17	5.18	142.44	152.20	152.52	153.33
FINANCE, INSURANCE, AND REAL ESTATE	5.60	6.00	6.12	6.21	203.28	217.80	221.54	226.04
SERVICES	5.70	6.12	6.21	6.28	185.25	199.51	201.20	203.47

[1] See footnote 1, table B-2.

p=preliminary.

ESTABLISHMENT DATA

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls by industry division, seasonally adjusted

(1967=100)

Industry	FEB. 1980	SEPT. 1980	OCT. 1980	NOV. 1980	DEC. 1980	JAN. P 1981	FEB. P 1981	Percent change from—	
								FEB. 1980–FEB. 1981	JAN. 1981–FEB. 1981
TOTAL PRIVATE NONFARM:									
Current dollars	242.4	255.4	257.9	260.9	261.9	264.2	265.6	9.5	0.5
Constant (1967) dollars	102.2	101.5	101.4	101.5	100.8	100.9	N.A.	(2)	(3)
MINING	278.5	290.4	294.4	298.7	302.3	306.6	307.5	10.4	.3
CONSTRUCTION	229.8	239.3	241.6	243.0	245.3	247.7	246.2	7.1	-.6
MANUFACTURING	242.8	264.5	266.6	268.9	270.4	272.3	273.3	10.3	.4
TRANSPORTATION AND PUBLIC UTILITIES	262.4	274.0	280.2	283.4	284.1	285.9	287.1	9.4	.4
WHOLESALE AND RETAIL TRADE	235.2	246.5	247.7	250.9	250.9	254.1	255.4	8.6	.5
FINANCE, INSURANCE, AND REAL ESTATE	221.1	233.1	234.8	239.3	238.0	240.9	244.0	10.4	1.3
SERVICES	239.7	251.7	254.2	258.5	259.4	261.2	264.2	10.2	1.1

[1] SEE FOOTNOTE 1, TABLE B-2.
[2] PERCENT CHANGE WAS -1.7 FROM JANUARY 1980 TO JANUARY 1981, THE LATEST MONTH AVAILABLE.
[3] PERCENT CHANGE WAS .1 FROM DECEMBER 1980 TO JANUARY 1981, THE LATEST MONTH AVAILABLE.

N.A. = not available.
p=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers,[1] on private nonagricultural payrolls by industry, seasonally adjusted

(1967=100)

Industry division and group	1980											1981	
	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan. P	Feb. P
TOTAL PRIVATE	126.9	126.0	124.8	123.4	122.5	121.9	123.0	123.7	124.5	125.2	125.5	126.6	125.7
GOODS-PRODUCING	109.1	107.3	105.2	102.2	100.3	98.5	100.0	101.5	102.3	103.7	104.4	106.4	103.6
MINING	162.1	162.9	161.7	163.2	166.4	158.7	162.4	166.7	168.0	170.4	175.6	175.8	173.2
CONSTRUCTION	134.7	126.9	124.7	124.3	123.7	120.6	120.5	124.7	124.5	126.0	126.8	134.9	122.6
MANUFACTURING	102.8	101.8	99.8	96.1	93.8	92.5	94.2	95.2	96.1	97.4	98.0	99.0	97.8
DURABLE GOODS	105.8	105.0	101.6	96.6	94.0	92.4	94.1	95.5	96.6	98.5	98.9	99.9	98.2
Lumber and wood products	108.9	106.5	95.3	90.4	89.6	91.5	95.3	96.8	97.0	99.4	100.7	102.6	97.7
Furniture and fixtures	108.9	106.9	106.1	99.0	94.6	91.0	94.8	98.4	99.0	99.5	101.9	102.7	102.7
Stone, clay, and glass products	109.6	108.0	103.5	99.4	96.7	95.1	96.5	99.3	99.3	101.0	101.3	101.8	100.3
Primary metal industries	92.4	91.8	89.9	82.4	77.4	73.4	75.4	77.7	80.5	84.3	86.6	86.6	85.6
Fabricated metal products	104.9	104.6	102.1	95.3	92.5	89.9	92.3	94.5	95.1	96.5	96.7	96.8	96.4
Machinery, except electrical	117.5	116.9	116.1	114.1	110.8	108.8	108.6	110.1	110.2	111.0	110.8	112.1	111.3
Electric and electronic equipment	109.8	109.4	108.1	103.8	100.1	98.5	99.8	100.5	102.1	103.3	104.8	106.2	104.2
Transportation equipment	93.8	93.0	85.0	79.1	79.6	79.8	82.4	82.5	84.7	88.2	85.7	87.4	84.6
Instruments and related products	129.1	128.7	128.4	126.0	125.1	123.8	124.1	123.8	124.2	125.7	126.0	127.5	124.7
Miscellaneous manufacturing industry	98.2	96.9	95.8	91.6	88.5	89.0	88.5	88.9	87.6	88.2	90.3	91.2	90.6
NONDURABLE GOODS	98.4	97.3	97.2	95.4	93.5	92.5	94.3	94.7	95.4	95.8	96.7	97.6	97.1
Food and kindred products	96.2	94.6	94.4	95.1	93.2	93.9	94.8	93.2	93.7	94.6	94.4	95.4	94.7
Tobacco manufacturers	70.5	70.2	72.4	73.8	72.1	73.0	68.1	71.1	74.9	75.1	70.5	75.1	74.5
Textile mill products	91.6	91.0	89.4	86.4	82.2	80.5	83.3	84.5	85.3	85.6	86.4	86.6	86.1
Apparel and other textile products	90.5	89.2	89.3	87.2	86.7	86.1	87.2	87.5	87.5	86.7	88.1	89.0	87.9
Paper and allied products	102.5	101.6	100.4	96.7	94.7	93.6	95.0	96.5	97.3	98.6	99.9	100.8	100.5
Printing and publishing	105.9	105.1	104.8	103.6	103.1	102.9	103.8	103.8	104.1	103.8	106.2	106.9	107.0
Chemicals and allied products	108.4	108.0	107.4	106.0	104.4	102.1	102.4	103.9	104.1	105.5	105.7	106.1	107.1
Petroleum and coal products	75.7	71.4	91.6	113.8	113.3	113.9	114.8	116.1	117.2	117.5	118.4	121.6	121.6
Rubber and misc. plastics products	142.2	141.4	139.9	128.5	123.6	119.2	127.5	130.1	132.8	135.1	137.0	139.5	136.2
Leather and leather products	66.4	65.6	66.0	63.6	63.3	59.5	63.9	63.7	64.2	63.7	64.1	65.1	65.7
SERVICE-PRODUCING	139.2	139.0	138.3	138.1	137.9	138.2	139.0	139.2	139.9	140.2	140.2	140.7	141.0
TRANSPORTATION AND PUBLIC UTILITIES	113.7	113.9	113.5	112.6	112.6	112.8	112.6	112.7	113.5	112.8	113.8	111.4	111.9
WHOLESALE AND RETAIL TRADE	132.7	131.8	130.4	130.3	129.1	128.9	130.4	130.9	131.4	131.6	130.9	132.5	132.8
WHOLESALE TRADE	135.6	134.5	134.1	133.7	130.8	131.0	131.9	133.3	133.6	134.0	134.5	134.8	134.6
RETAIL TRADE	131.5	130.7	128.9	129.0	128.5	128.0	129.8	130.0	130.6	130.6	129.4	131.5	132.1
FINANCE, INSURANCE, AND REAL ESTATE	149.3	149.6	149.4	149.7	151.2	151.1	151.8	151.1	152.4	152.6	153.2	153.1	154.1
SERVICES	157.2	157.6	157.6	157.4	157.8	159.1	159.4	159.3	160.0	161.2	161.4	161.9	162.0

[1] See footnote 1, table B-2.

p=preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1978				
January	68.6	80.8	82.3	79.7
February	68.6	77.3	82.8	82.3
March	71.8	80.2	79.9	81.1
April	69.8	74.7	74.7	84.6
May	61.9	73.0	75.3	83.7
June	64.2	66.6	74.7	82.6
July	61.0	68.0	73.3	81.1
August	67.7	70.1	77.6	79.9
September	67.2	74.1	80.5	79.1
October	68.0	78.2	82.0	74.1
November	75.3	81.1	79.1	76.7
December	76.7	81.7	78.2	74.4
1979				
January	66.9	75.9	74.7	73.3
February	66.3	70.3	71.8	70.6
March	62.2	64.0	64.0	69.2
April	49.7	60.2	60.5	67.7
May	58.1	54.7	53.8	63.4
June	57.8	59.9	51.5	58.4
July	57.0	53.8	58.1	59.6
August	54.4	52.0	55.5	54.9
September	52.9	57.6	55.2	50.6
October	65.1	61.9	59.3	46.5
November	55.2	61.9	63.1	39.5
December	53.5	57.3	56.4	37.8
1980				
January	60.2	57.6	45.3	33.4
February	54.9	52.6	36.9	33.1
March	45.9	39.2	32.3	35.2
April	34.6	29.1	24.7	33.1
May	28.8	25.0	26.7	35.5
June	30.2	23.8	25.6	35.8
July	36.3	34.9	32.3	32.8p
August	62.8	54.4	46.8	33.4p
September	62.8	68.9	68.6	
October	64.0	74.1	79.1p	
November	66.9	71.2	77.3p	
December	64.0	72.7p		
1981				
January	65.7p	70.1p		
February	56.4p			
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.
p = preliminary.

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PRODUCER PRICE INDEXES---FEBRUARY 1981

The Producer Price Index for Finished Goods moved up 0.8 percent after seasonal adjustment from January to February, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The February rise followed a 0.9 percent advance in January and a 0.5 percent increase in December. Prices for intermediate materials rose 0.4 percent,

Table A. Percent changes from preceding month in selected stage-of-processing price indexes, seasonally adjusted*

Month	Finished goods			Intermediate goods			Crude goods		
	Total	Consumer foods	Other	Total	Foods and feeds 1/	Other	Total	Foodstuffs and feedstuffs	Other
Feb. 1980	1.3	-0.6	1.9	1.8	4.4	1.6	2.2	1.8	2.7
Mar.	1.1	1.0	1.2	.7	-2.1	.9	-2.3	-3.0	-1.3
Apr.	.8	-1.3	1.5	.3	-1.8	.4	-1.8	-3.5	.4
May	.5	.4	.5	.6	4.8	.4	1.1	1.8	0
June	.8	.6	.9	.7	.5	.8	.8	1.7	-.4
July	1.7	3.7	1.1	.9	4.1	.7	5.3	7.5	2.4
Aug.	1.2	2.7	.7	1.0	6.0	.6	4.6	6.1	2.4
Sept.....	.3	.5	.2	.5	.7	.5	1.4	.7	2.3
Oct.	.9r	.7r	1.1r	.8r	5.2r	.5r	1.7r	1.5	1.9r
Nov.	.5r	.1r	.5r	.8r	.9r	.8r	.6r	.2	1.3r
Dec.	.5	.1	.6	1.2	-5.6	1.7	-1.2	-2.6	.8
Jan. 1981	.9	0	1.1	1.2	.1	1.3	-1.0	-1.1	-.8
Feb.	.8	-.6	1.3	.4	-3.0	.6	2.9	-3.3	11.5

1/ Intermediate materials for food manufacturing and feeds.
* Data for October 1980 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from these previously reported.
r= revised.

far less than in either of the 2 preceding months. Crude material prices climbed 2.9 percent, after dropping in both December and January. (See table A.)

Among finished goods, prices for finished energy goods advanced 3.6 percent, the fourth consecutive large monthly increase. The consumer foods index declined 0.6 percent, after showing no change in January and small increases in the last 2 months of 1980. The indexes for capital equipment and for consumer goods other than foods and energy both rose about as much as in January.

Before seasonal adjustment, the Producer Price Index for Finished Goods moved up 1.0 percent to 262.4 (1967=100). Over the year, the Finished Goods Price Index rose 10.4 percent. Consumer food prices were up 8.1 percent from February 1980 to February 1981, the finished energy goods index climbed 22.3 percent, prices for finished consumer goods other than food and energy increased 7.9 percent, and capital equipment prices advanced 11.2 percent. The Producer Price Index for intermediate goods rose 9.5 percent over the year, and crude material prices moved up 12.4 percent.

Finished goods

Finished consumer goods. The Producer Price Index for finished consumer goods rose 0.8 percent in February on a seasonally adjusted basis, the same as in January. Declines for foods were more than offset by large advances for energy and other items.

Table B. Percent changes in finished goods price indexes, selected periods*

Month	Changes from preceding month, seasonally adjusted						Change in finished goods from 12 months ago (unadj.)
	Finished goods	Capital equipment	Finished consumer goods	Finished consumer goods excluding foods			
				Total	Durables	Nondurables	
Feb. 1980	1.3	0.8	1.5	2.5	1.7	2.9	13.6
Mar.	1.1	.9	1.2	1.3	-.7	2.5	13.9
Apr.	.8	1.6	.5	1.4	.3	2.0	13.7
May	.5	.3	.5	.5	.1	.7	13.5
June	.8	.7	.9	1.0	1.5	.7	13.8
July	1.7	1.2	1.9	1.0	1.5	.8	14.6
Aug.	1.2	1.0	1.2	.6	.8	.5	14.8
Sept.....	.3	.1	.3	.2	-.1	.4	13.1
Oct.	.9r	1.7r	.8r	.8r	1.5r	.4r	13.1r
Nov.	.5r	.1r	.5r	.7r	.1r	1.1r	12.1
Dec.	.5	.9	.4	.5	0	.8	11.7
Jan. 1981	.9	1.0	.8	1.2	0	1.7	10.8
Feb.	.8	1.1	.8	1.3	.5	1.8	10.4

* Data for October 1980 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.

r= revised.

Finished energy prices were up 3.6 percent, the largest monthly advance since March 1980. Gasoline prices moved up 4.7 percent, following a 2.5 percent rise in January, and home heating oil prices rose 6.5 percent, after an increase of 5.7 percent a month earlier. However, the index for natural gas was unchanged, following 10 consecutive months of large increases.

The index for finished consumer goods other than foods and energy rose 0.7 percent in February, after an advance of 0.8 percent in the previous month. Increases occurred for a broad range of items, especially newspaper publishing, alcoholic beverages, cosmetics, drugs, tires and tubes, and sanitary papers and health products. Jewelry prices declined for the second consecutive month.

The index for consumer finished foods declined 0.6 percent, after showing no change in January. Prices for beef and veal, pork, and processed poultry all continued to fall. Fresh fruit prices averaged lower despite a sharp rise for Florida oranges. Prices were also lower for refined sugar. On the other hand, prices rose for fresh and dried vegetables and whole black pepper, after declining a month earlier. Prices for frozen orange concentrate, fresh orange juice, and canned orange juice all rose sharply over the month. Prices for peanut butter rose 6.6 percent, the fourth consecutive sharp monthly increase.

Capital equipment. The Producer Price Index for capital equipment rose 1.1 percent in February, about the same as in January. Heavy motor truck prices climbed 1.4 percent, about as much as in the preceding month, but light motor truck prices were unchanged, following a substantial January advance. Increases were also registered for construction machinery, commercial furniture, railroad equipment, agricultural machinery, photographic equipment, plastic and rubber industry machinery, food products machinery, and pumps and compressors.

Intermediate materials

The Producer Price Index for Intermediate Materials, Supplies, and Components moved up 0.4 percent in February on a seasonally adjusted basis, following 2 months of increases of 1.2 percent. Price moderation was evident in a wide variety of industrial goods, and foods and feeds prices decreased. However, prices for most energy items continued to register large advances.

The index for intermediate materials other than foods and energy edged up 0.2 percent, the smallest rise since last April. The durable manufacturing materials category declined 1.4 percent, led by sharply lower prices for gold, silver, jewelers' materials, lead, and tin. Copper and hardwood lumber registered small price decreases. The finished steel mill products index was virtually unchanged, following 4 consecutive months of substantial increases.

The nondurable manufacturing materials index increased 0.7 percent, considerably less than the 2.0 percent advance in January. Prices for leather and inedible fats and oils fell more than in January, and the rate of increase slowed substantially for paperboard, finished fabrics, synthetic fibers, and synthetic rubber. Large advances occurred, however, for industrial chemicals, gray fabrics, paper, paint materials, phosphates, and nitrogenates.

The construction materials index declined 0.3 percent. Prices continued to move down for softwood lumber, millwork, plywood, and copper wire and cable. Decreases were also recorded for asphalt roofing and environmental controls. In contrast, prices rose

for wiring devices, switchgear and switchboards, insulation materials, refractories, and building paper and board.

In the manufacturing components category, prices for motor vehicle parts, screws, hardware, bearings, and electric motors rose sharply. Among other goods, substantial increases were recorded for paper bags and boxes, aluminum zippers, mixed fertilizers, and pesticides. On the other hand, prices for wood pallets declined.

The intermediate foods and feeds index fell 3.0 percent. Lower prices were registered for prepared animal feeds, refined sugar used in food manufacturing, crude and refined vegetable oils, and flour.

The intermediate energy index advanced 2.8 percent, the third consecutive jump of about that magnitude. Larger price increases for diesel fuel and commercial jet fuel were moderated by smaller increases for electric power and liquefied petroleum gas. Residual fuel and kerosene prices continued to move up at about the same rate as in the previous month.

Crude materials

The Producer Price Index for Crude Materials for Further Processing rose 2.9 percent in February on a seasonally adjusted basis, following decreases in December and January of 1.2 and 1.0 percent, respectively. The crude energy materials index soared, but prices for most other crude materials continued to move down.

The index for crude energy materials rose 20.0 percent. Virtually all of this surge was due to a 37.0 percent jump in the crude petroleum index, reflecting the cumulative impact of deregulation moves over the past several months.

The index for crude foodstuffs and feedstuffs declined 3.3 percent, somewhat more than in either December or January. Cattle prices fell for the sixth consecutive month; hog and live poultry prices also moved down but much less than in January. Prices for grains, soybeans, and green coffee fell after climbing sharply in the previous month. Raw cane sugar prices decreased 12.2 percent, following a 3.7 percent rise in January. On the other hand, fluid milk prices rose considerably more than in the previous month; prices for cocoa beans moved up sharply for the second consecutive month after falling for 10 months.

The index for crude nonfood materials other than energy dropped 3.4 percent, following a 5.8 percent decline in January. Both ferrous and nonferrous scrap prices moved down about 8 percent for the second consecutive month. Raw cotton and crude rubber prices declined more sharply than in January; prices of hides and skins also continued to decrease but not as much as in January. Wastepaper and potash prices fell after rising in the preceding month. On the other hand, iron ore prices rose sharply, and sand and gravel prices advanced more than in the previous month.

Producer Price Indexes Will Shift to New Base Next Year

Beginning with the release of January 1982 data in February 1982, most Producer Price Indexes will shift to a new base year. All indexes currently expressed on a base of 1967=100, or any other base through December 1976, will be rebased to 1977=100. Only indexes with a base later than December 1976 will keep their current base. Rebasing of PPI data is part of a comprehensive rebasing of indexes published by the Federal

Government. (See Technical Note, "Federal agencies updating base year of indexes to 1977," in the February 1981 issue of Monthly Labor Review.) The last previous rebasing of PPI data occurred in January 1971, when the current 1967 base was substituted for the former 1957-59 base.

Historical data for each PPI series on the new base will be available from BLS on request.

To convert any continuous index series on the 1967 base to a new continuous series on the 1977 base, divide each index value on the former base by the index value for the new base period and multiply by 100. For example, the August 1980 index for steel mill products was 301.0 (1967=100). To convert that index to a base of 1977=100, divide 301.0 by the 1977 annual average for steel mill products on a 1967=100 base, which was 229.9. The August 1980 index for steel mill products on a base of 1977=100 thus becomes:

$$(301.0/229.9) \times 100 = 130.9$$

Rebasing an index does not affect the calculation of percent changes over time, except for possible rounding differences, so long as all calculations are performed with indexes expressed on the same base. Long-term business contracts with escalation clauses which make changes in selling or buying prices dependent on percent changes in specified PPI series should, therefore, not be substantively affected by the rebasing next year. However, contracts with escalation clauses which make price changes dependent on changes in index points may be greatly affected by rebasing. (See "Escalation and Producer Price Indexes: A Guide for Contracting Parties," BLS Report 570, available on request.)

Brief Explanation of Producer Price Indexes

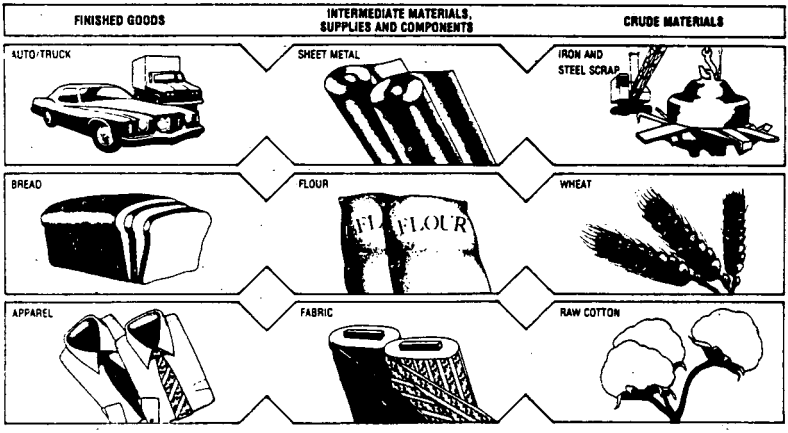
Producer Price Indexes measure average changes in prices received in primary markets of the United States by producers of commodities in all stages of processing. These data were previously presented as the Wholesale Price Index. The name "Producer Price Indexes" is now being used to reflect more accurately the coverage of the data. The sample used for calculating these indexes continues to contain nearly 2,800 commodities and about 10,000 quotations selected to represent the movement of prices of all commodities produced in the manufacturing, agriculture, forestry, fishing, mining, gas and electricity, and public utilities sectors. The universe includes all commodities produced or imported for sale in commercial transactions in primary markets in the United States.

Producer Price Indexes can be organized by stage of processing or by commodity. The stage of processing structure organizes products by degree of fabrication (i.e., finished goods, intermediate or semifinished goods, and crude materials). The commodity structure organizes products by similarity of end-use or material composition.

Finished goods are commodities that will not undergo further processing and are ready for sale to the ultimate user, either an individual consumer or a business firm. Capital equipment (formerly called producer finished goods) includes commodities such as motor trucks, farm equipment, and machine tools. Finished consumer goods include foods and other types of goods eventually purchased by retailers and used by consumers. Consumer foods include unprocessed foods such as eggs and fresh vegetables, as well as processed foods such as bakery products and meats. Other finished consumer goods include durables such as automobiles, household furniture, and jewelry, and nondurables such as apparel and gasoline.

Intermediate materials, supplies, and components are commodities that have been processed but require further processing before they become finished goods. Examples of such semifinished goods include flour, cotton yarns, steel mill products, belts and belting, lumber, liquefied petroleum gas, paper boxes, and motor vehicle parts.

Crude materials for further processing include products entering the market for the first time which have not been manufactured or fabricated but will be processed before becoming finished goods. Scrap materials are also included. Crude foodstuffs and feedstuffs include items such as grains and livestock. Examples of crude nonfood materials include raw cotton, crude petroleum, natural gas, hides and skins, and iron and steel scrap.



For analysis of general price trends, stage of processing indexes are more useful than commodity grouping indexes. This is because commodity grouping indexes sometimes produce exaggerated or misleading signals of price changes by reflecting the same price movement through various stages of processing. For example, suppose that a price rise for steel scrap results in an increase in the price of steel sheet and then an advance in prices of automobiles produced from that steel. The All Commodities Price Index and the Industrial Commodities Price Index would reflect the same price movement three times—once for the steel scrap, once for the steel sheet, and once for the automobiles. This multiple counting occurs because the weighting structure for the All Commodities Index uses the total shipment values for all commodities at all stages of processing. On the other hand, the Finished Goods Price Index would reflect the change in automobile prices, the Intermediate Materials Price Index would reflect the steel sheet price change, and the Crude Materials Price Index would reflect the rise in the price of steel scrap. (See illustration.)

To the extent possible, prices used in calculating Producer Price Indexes apply to the first significant commercial transaction in the United States, from the production or central marketing point. Price data are generally collected monthly, primarily by mail questionnaire. Respondents are asked to provide net prices or to provide all applicable discounts. BLS attempts to base Producer Price Indexes on actual transaction prices; however, list or book prices are used if transaction prices are not available. Most prices are obtained directly from producing companies on a voluntary and confidential basis, but some prices are taken from trade publications or from other Government agencies. Prices generally are reported for the Tuesday of the week containing the 13th day of the month.

In calculating Producer Price Indexes, price changes for the various commodities are averaged together with weights representing their importance in the total net selling value of all commodities as of 1972. The detailed data are aggregated to obtain indexes for stage of processing groupings, commodity groupings, durability of product groupings, and a number of special composite groupings. Each index measures price changes from a reference period which equals 100.0 (usually 1967, as designated by the Office of Management and Budget). An increase of 85 percent from the reference period in the Finished Goods Price Index, for example, is shown as 185.0. This change can also be expressed in dollars, as follows: "The price of a representative sample of finished goods sold in primary markets in the United States has risen from $100 in 1967 to $185."

A Note about Calculating Index Changes

Movements of price indexes from one month to another are usually expressed as percent changes rather than changes in index points because index point changes are affected by the level of the index in relation to its base period, while percent changes are not. The box below shows the computation of index point and percent changes.

Percent changes for 3-month and 6-month periods are expressed as annual rates that are computed according to the standard formula for compound growth rates. These data indicate what the percent change would be if the current rate were maintained for a 12-month period.

Index Point Change	
Finished Goods Price Index	185.5
less previous index	184.5
equals index point change	1.0
Index Percent Change	
Index point change	1.0
divided by the previous index	184.5
equals	0.005
result multiplied by 100	0.005 × 100
equals index percent change	0.5

A Note on Seasonally Adjusted Data

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred because they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and marketing cycles, model changeovers, seasonal discounts, and holidays. For this reason, seasonally adjusted data more clearly reveal the underlying cyclical trends. Seasonally adjusted data are subject to revision when seasonal factors are revised each year.

The unadjusted data are of primary interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

Table 1. Producer price indexes and percent changes by stage of processing

(1967=100)

Grouping	Relative importance Dec. 1980 1/	Unadjusted index Dec. 1980 2/	Jan. 1981 2/	Feb. 1981 2/	Unadjusted percent change to Feb. 1981 from: Feb. 1980	Jan. 1981	Seasonally adjusted percent change from: Nov. to Dec.	Dec. to Jan.	Jan. to Feb.
Finished goods	100.000	255.4	259.8	262.4	10.4	1.0	0.5	0.9	0.8
Finished consumer goods	79.666	257.0	261.4	264.0	10.1	1.0	.4	.8	.8
Finished consumer foods	25.032	248.0	250.6	250.9	8.1	.1	.1	0	-.4
Crude	1.973	237.8	257.3	265.0	19.8	3.0	.9	-2.8	1.2
Processed	21.059	246.9	247.9	247.6	7.1	-.1	0	.4	-.6
Finished consumer goods, excluding foods	54.634	255.8	260.9	264.3	11.0	1.3	.5	1.2	1.3
Nondurable goods less foods	37.161	291.7	301.1	307.1	14.3	2.0	.8	1.7	1.6
Durable goods	19.473	214.0	213.8	213.9	5.6	0	0	0	.5
Capital equipment	20.334	249.2	253.9	256.3	11.2	.9	.9	1.0	1.1
Manufacturing industries	6.244	263.5	269.9	272.4	11.6	.9	.9	1.2	1.0
Nonmanufacturing industries	14.090	240.9	245.0	247.3	11.0	.9	.9	.8	1.1
Intermediate materials, supplies, and components	100.000	287.7	295.5	297.8	9.5	.8	1.2	1.2	.4
Materials and components for manufacturing	52.778	273.3	278.7	279.7	7.7	.4	.8	1.0	-.1
Materials for food manufacturing	4.565	295.1	277.9	273.8	18.4	-1.5	-6.3	.3	-2.3
Materials for nondurable manufacturing	16.485	265.0	273.4	275.8	10.9	.9	.9	2.0	.7
Materials for durable manufacturing	15.559	304.7	306.9	305.5	-.9	-.5	.5	.1	-1.4
Components for manufacturing 3/	16.169	238.4	249.0	251.7	13.2	1.1	1.8	1.1	1.1
Materials and components for construction	15.361	272.4	279.2	280.2	6.7	.4	1.3	.5	-.3
Processed fuels and lubricants	14.841	516.2	551.4	568.3	28.6	3.1	3.5	2.9	2.6
Manufacturing industries	5.886	449.6	468.8	481.5	28.6	2.7	3.4	2.8	2.5
Nonmanufacturing industries	8.955	583.7	624.2	644.8	28.6	3.3	3.6	2.9	2.7
Containers	4.172	260.1	264.7	268.0	9.1	1.2	.6	1.5	1.5
Supplies	12.849	252.3	257.3	257.5	8.5	.1	.1	.7	-.3
Manufacturing industries 3/	3.980	237.5	242.2	244.6	9.8	1.0	.5	1.1	1.0
Nonmanufacturing industries	8.948	259.9	265.1	264.3	8.0	-.3	-.1	.6	-.7
Feeds	1.843	298.3	252.2	238.1	7.2	-5.6	-3.8	-.4	-4.6
Other supplies 3/	7.105	258.8	264.9	267.6	8.1	1.0	.5	1.1	1.0
Crude materials for further processing	100.000	322.8	321.3	335.5	12.4	4.4	-1.2	-1.0	2.9
Foodstuffs and feedstuffs	58.229	279.1	270.6	267.1	5.5	-1.3	-2.6	-1.1	-3.3
Nonfood materials	41.771	415.4	428.7	481.2	22.0	12.4	.8	1.8	11.5
Nonfood materials except fuel 4/	30.153	355.6	365.8	428.1	23.7	17.0	.8	-1.4	15.9
Manufacturing 4/	28.313	367.1	377.5	445.7	24.4	18.1	.9	-1.7	16.9
Construction	1.840	245.5	256.3	257.9	12.8	1.4	.8	.4	1.3
Crude fuel 3/ 5/	11.618	650.9	677.6	679.0	17.1	.2	.8	1.1	.2
Manufacturing industries 3/	6.078	738.1	772.2	773.1	19.9	.1	.9	1.2	.1
Nonmanufacturing industries 3/	5.548	593.8	614.9	616.8	14.3	.3	.6	1.0	.3
Special groupings									
Finished goods, excluding foods	6/ 76.968	256.2	261.2	264.4	11.1	1.2	.6	1.1	1.3
Intermediate materials less foods and feeds	7/ 93.592	287.3	296.6	299.5	9.5	1.0	1.7	1.3	.6
Intermediate foods and feeds	7/ 6.408	280.3	269.8	261.9	9.4	-2.6	-5.6	.1	-3.0
Crude materials less agricultural products 8/	8/ 38.094	433.6	447.5	509.0	23.7	13.7	.5	-.6	12.9
Finished energy goods	6/ 11.975	619.7	647.9	670.3	22.3	3.5	1.4	2.7	3.6
Finished goods less energy	6/ 88.025	231.6	234.7	236.2	8.8	.6	.3	.6	.5
Finished consumer goods less energy	6/ 67.691	226.6	229.3	230.5	8.0	.5	.1	.5	.5
Finished goods less foods and energy	6/ 64.993	226.2	229.5	231.3	9.0	.8	.4	.8	.8
Finished consumer goods less foods and energy	6/ 44.659	215.9	218.5	220.2	7.9	.8	.2	.8	.7
Consumer nondurable goods less foods and energy	6/ 25.186	217.8	223.2	226.1	9.9	1.3	.5	1.3	.9
Intermediate energy goods	7/ 16.187	485.9	432.6	445.4	20.6	3.0	3.1	2.8	2.8
Intermediate materials less energy	7/ 83.813	272.5	278.1	279.0	7.6	.3	.8	.9	~.1
Intermediate materials less foods and energy	7/ 77.405	263.1	269.8	271.4	7.4	.6	1.4	.9	.2
Crude energy materials 3/ 5/	9/ 26.172	618.1	649.8	779.7	41.4	20.0	1.7	2.2	26.0
Crude materials less energy	9/ 73.828	275.4	268.8	265.4	3.0	-1.3	-2.2	-2.1	-3.4
Crude nonfood materials less energy 5/	9/ 15.599	264.9	265.0	262.4	-5.3	-1.0	-.6	-5.8	-3.4

1/ Comprehensive relative importance figures are computed once each year in December.
2/ Data for Oct. 1980 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.
3/ Not seasonally adjusted.
4/ Includes crude petroleum.
5/ Excludes crude petroleum.
6/ Percent of total finished goods.
7/ Percent of total intermediate materials.
8/ Formerly titled "Crude materials for further processing, excluding crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco."
9/ Percent of total crude materials.

Table 2. Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance	Unadjusted index		Unadjusted percent change to Feb. 1981 from:		Seasonally adjusted percent change from:		
		Dec. 1980 1/	Jan. 1981 2/	Feb. 1981 2/	Feb. 1980	Jan. 1981	Nov. to Dec.	Dec. to Jan.	Jan. to Feb.
	FINISHED GOODS	100.000	259.8	262.4	10.4	1.0	0.5	0.9	0.8
	FINISHED CONSUMER GOODS	79.666	261.6	264.0	10.1	1.0	.6	.8	.8
	FINISHED CONSUMER FOODS	23.032	250.6	250.9	8.1	.1	.1	0	-.6
01-11	Fresh fruits	2.081	203.3	211.6	-12.7	4.1	-6.6	-6.9	-1.1
01-13	Fresh and dried vegetables	.720	282.5	298.6	63.5	5.7	3.4	-.5	5.2
01-7	Eggs	.468	185.7	184.8	22.9	-.5	2.0	-5.5	-.5
02-11	Bakery products	2.257	261.3	262.7	8.6	.5	1.3	1.0	.2
02-12-02	Flour base mixes and doughs	.170	233.3	233.3	10.0	0	.5	-.1	.4
02-13	Milled rice	.866	289.7	289.7	24.3	0	4.7	6.0	-2.0
02-14	Other cereals	.439	267.1	270.1	11.5	1.1	.2	.6	1.2
02-21-01	Beef and veal	2.783	254.7	248.1	-5.9	-3.4	-.4	-1.5	-5.4
02-21-04	Pork	1.488	214.8	208.7	12.7	-2.8	-2.3	-4.0	-4.4
02-22	Processed poultry	.764	203.2	209.6	16.8	3.1	-2.2	-3.5	-1.9
02-23	Fish	.930	373.8	371.5	-5.7	-.6	-1.4	3.7	.3
02-3	Dairy products	3.125	245.2	245.5	11.2	.1	1.0	1.4	.8
02-4	Processed fruits and vegetables	1.476	237.4	244.1	9.3	2.8	1.1	.6	3.1
02-53-01	Refined sugar, consumer size packages (Dec. 1977=100) 1/	.223	230.2	214.0	20.2	-7.0	-18.5	0	-7.0
02-55	Confectionery and products (Dec. 1977=100) 1/	.879	120.7	120.7	7.9	0	0	0	0
02-62	Soft drinks	1.515	289.5	290.8	19.6	.4	0	4.9	.4
02-63-01	Roasted coffee	.825	325.7	325.7	-14.2	0	-1.4	-2.6	2.5
02-74	Vegetable oil end products	.364	235.8	248.7	5.2	2.4	.5	.6	1.6
02-8	Miscellaneous processed foods 1/	2.345	244.2	248.8	11.0	1.6	2.3	1.5	1.6
	FINISHED CONSUMER GOODS EXCLUDING FOODS	56.634	260.9	264.3	11.8	1.3	.5	1.2	1.3
02-61	Alcoholic beverages 1/	1.681	181.7	185.2	8.5	1.9	.2	.3	1.9
03-81	Apparel	5.274	178.6	179.3	7.5	.4	.7	.4	.5
03-82	Textile housefurnishings 1/	.760	223.9	225.4	12.9	.7	.2	2.5	.7
04-3	Footwear	1.056	238.6	240.8	5.6	.9	.4	.2	.5
04-41	Luggage and small leather goods	.298	183.2	187.2	13.3	2.2	.6	1.0	2.5
05-31	Natural gas 1/	2.182	967.3	967.4	24.0	0	1.2	1.4	0
05-71	Gasoline	6.806	657.7	684.3	22.4	4.0	1.8	2.5	4.7
05-73-02-01	Fuel oil No. 2 (Feb. 1973=100)	1.695	761.1	815.1	27.4	7.1	1.9	5.7	6.5
05-76	Finished lubricants 1/	.197	326.8	331.2	14.8	1.3	.5	.7	1.3
06-35	Pharmaceutical preparations, ethical (Prescription)	.677	162.1	164.7	11.1	1.6	.7	1.2	1.7
06-36	Pharmaceutical preparations, proprietary (Over-the-counter)	.327	219.2	221.8	14.6	1.2	.5	.5	1.0
06-71	Soaps and synthetic detergents 1/	.683	227.2	228.3	8.0	.5	1.5	0	.5
06-75	Cosmetics and other toilet preparations	.987	265.5	270.1	18.8	2.2	.9	1.2	2.0
07-12	Tires and tubes	.721	240.5	243.1	5.0	1.1	.6	-1.4	2.0
07-13-01	Rubber footwear	.193	217.8	218.5	5.5	.3	-.2	0	.8
07-27	Disposable plastic dinnerware and tableware (June 1978=100) 1/	.185	132.5	132.5	2.0	0	0	0	0
07-28	Consumer and commercial plastics,not elsewhere classified (June 1978=100) 1/	.367	122.8	124.4	8.7	1.3	-.2	.7	1.3
09-15-01	Sanitary papers and health products 1/	.780	343.4	347.3	13.2	1.1	1.3	0	1.1
11-77	Electric lamps and bulbs	.215	259.1	264.5	7.7	2.1	0	-.8	2.4
12-1	Household furniture	1.609	211.3	212.1	6.9	.4	.5	.1	.7
12-3	Floor coverings	.405	172.3	172.4	8.8	.1	2.6	.6	.3
12-4	Household appliances 1/	1.391	181.8	182.5	7.9	.7	.6	1.6	.7
12-5	Home electronic equipment 1/	.633	91.0	91.7	-.5	.8	-.1	0	.8
12-6	Other household durable goods	.929	278.3	280.2	-5.1	.7	.4	-3.7	1.0
14-11-01	Passenger cars	6.984	199.4	199.2	9.2	-.1	.2	.5	.7
14-11-02-71	Light motor trucks 1/	1.022	239.7	239.6	13.2	0	-1.5	2.0	0
15-1	Toys, sporting goods, small arms, etc.	1.134	207.8	209.5	8.3	.8	1.2	-.8	.9
15-2	Tobacco products 1/	1.580	254.3	255.3	7.6	.4	.1	0	.4
15-51	Mobile homes 1/	.871	152.3	152.5	3.9	.1	.3	-.1	.1
15-96-02	Jewelry, platinum & karat gold (Dec. 1978=100) 1/	1.124	209.7	200.8	-16.5	-4.6	.3	-6.0	-4.6
15-96-03	Other precious metal jewelry 1/	.239	173.9	173.1	7.2	-.5	5.9	-.3	-.5
15-96-04	Costume jewelry (Dec. 1978=100) 1/	.333	112.7	112.7	4.6	0	1.9	-2.5	0
	CAPITAL EQUIPMENT	20.334	253.9	256.3	11.2	.9	.9	1.0	1.1
11-1	Agricultural machinery and equipment	1.190	273.5	277.2	10.9	1.4	1.2	1.7	1.6
11-2	Construction machinery and equipment 1/	1.304	304.9	308.4	10.8	1.1	.5	1.3	1.1
11-32-03	Power driven hand tools, electrical (Dec. 1976=100)	.057	134.9	136.7	12.6	1.3	1.1	1.6	1.3
11-36	Industrial process furnaces and ovens 1/	.155	314.2	317.0	13.2	.9	.7	2.7	.9
11-37	Metal cutting machine tools	.468	333.8	336.9	13.3	.9	.7	1.1	.9
11-38	Metal forming machine tools	.273	378.1	378.5	11.6	.1	1.6	1.5	.2
11-41	Pumps, compressors, and equipment	.421	307.6	312.9	14.6	1.7	2.3	1.1	1.9
11-44	Industrial material handling equipment	.731	265.4	265.9	8.3	.2	.4	1.6	.2
11-47	Fans and blowers except portable	.126	308.8	308.8	8.8	0	-.2	.3	0
11-6	Special industry machinery and equipment 1/	2.228	295.3	299.3	13.7	1.4	1.1	1.6	1.4
11-72	Integrating and measuring instruments	.202	189.2	189.8	5.3	.3	.4	-.2	.2
11-73-02	Generators and generator set	.499	319.6	320.4	22.2	.3	1.4	2.0	.1
11-74	Transformers and power regulators 1/	.443	192.6	193.9	11.4	.7	.1	.8	.7
11-91	Oilfield machinery and tools 1/	.588	365.8	374.9	19.4	2.5	.6	1.9	2.5
11-92	Mining machinery and equipment	.142	323.2	324.7	10.7	.5	1.1	-.1	.4
11-93	Office and store machines and equipment 1/	1.251	144.9	145.8	5.2	.6	.6	.8	.6
12-2	Commercial furniture 1/	.769	246.1	251.2	8.6	2.1	.4	1.5	2.1
14-11-01	Passenger cars	2.262	199.4	199.2	9.2	-.1	.2	.5	.7
14-11-02-71	Light motor trucks 1/	1.355	239.7	239.6	13.2	0	-1.5	2.0	0
14-11-02-81	Heavy motor trucks 1/	1.056	265.7	269.4	13.4	1.4	0	1.5	1.4
14-16	Truck trailers (June 1980=100) 1/	.279	102.0	102.4	(4)	.4	.2	.2	.4
14-21-11	Fixed wing, utility aircraft (Dec. 1968=100)	.917	273.3	275.3	18.6	0	6.4	-.1	.4
14-4	Railroad equipment	.446	327.8	334.4	11.7	2.0	.6	0	2.3
15-41	Photographic equipment	.466	123.8	126.9	3.7	2.5	-.1	.1	2.3

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance	Unadjusted index		Unadjusted percent change to Feb. 1981 from:		Seasonally adjusted percent change from:		
		Dec. 1980 1/	Jan. 1981 2/	Feb. 1981 2/	Feb. 1980	Jan. 1981	Nov. to Dec.	Dec. to Jan.	Jan. to Feb.
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS	100.000	295.5	297.8	9.5	0.8	1.2	1.2	0.4
	INTERMEDIATE FOODS AND FEEDS	6.408	269.0	261.9	9.4	-2.6	-5.6	.1	-3.0
02-12-01	Flour	.268	197.9	196.1	4.3	-.9	0	2.3	-2.8
02-53-02	Refined sugar, for use in food manufacturing (Dec. 1977=100) 1/	1.814	225.4	219.4	19.9	-2.7	-23.0	1.9	-2.7
02-54	Confectionery materials (Dec. 1977=100) 1/	.286	175.1	174.1	36.5	-.6	.1	-2.6	-.6
02-71	Animal fats and oils	.070	285.5	284.6	4.4	-.3	6.5	1.6	-.1
02-72	Crude vegetable oils	.209	199.8	187.5	-10.0	-6.2	-3.0	.6	-8.9
02-73	Refined vegetable oils 1/	.073	211.9	202.3	8.8	-4.5	1.4	-2.5	-4.5
02-9	Prepared animal feeds	1.840	247.9	235.3	7.1	-5.1	-4.8	-.5	-3.2
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS	93.592	296.6	299.5	9.5	1.0	1.7	1.3	.6
03-1	Synthetic fibers (Dec. 1975=100)	.693	147.3	147.8	16.2	.3	.6	3.2	.6
03-2	Processed yarns and threads (Dec. 1975=100)	.921	129.2	129.6	9.8	.3	2.5	1.2	-.4
03-3	Gray fabrics (Dec. 1975=100)	1.171	142.8	143.1	8.2	.2	-.5	0	1.4
03-4	Finished fabrics (Dec. 1975=100)	1.699	121.5	122.2	10.0	.6	.8	2.5	.4
04-2	Leather	.279	332.6	310.0	-8.9	-6.8	5.8	-4.4	-7.8
05-2	Coke	.163	430.6	430.6	0	0	.2	-.4	-.4
05-32	Liquefied petroleum gas 1/	.771	703.8	706.0	11.4	.3	3.5	3.2	.3
05-4	Electric power	4.854	341.7	345.6	15.4	1.1	1.9	1.6	.7
05-71	Gasoline	3.224	657.7	684.3	22.4	4.0	1.0	2.5	4.7
05-72-02-01	Kerosene (Feb. 1973=100)	.197	739.0	784.5	29.5	6.2	1.8	5.6	5.7
05-73-03-01	Commercial jet fuel (Feb. 1973=100) 1/	1.353	782.4	812.2	23.8	3.8	1.5	1.6	3.8
05-73-03-01	Diesel fuel (Feb. 1973=100) 1/	1.459	741.9	788.5	23.5	6.3	1.5	4.4	6.3
05-74	Residual fuel	2.514	1201.5	1237.6	27.6	3.0	12.0	5.0	2.8
05-75	Lubricating oil materials 1/	.600	836.5	836.5	20.3	0	0	5.6	0
06-1	Industrial chemicals 1/	4.396	342.8	349.4	13.5	1.9	.4	2.5	1.9
06-21	Prepared paint 1/	.810	243.3	246.9	10.6	1.5	0	.7	1.5
06-22	Paint materials	.682	283.1	286.6	8.7	1.2	.8	1.3	1.3
06-31	Drugs and pharmaceutical materials 1/	.220	219.6	222.1	11.7	1.1	.1	2.5	1.1
06-4	Fats and oils, inedible	.253	310.6	289.7	-4.1	-6.7	5.6	-.1	-10.3
06-51	Mixed fertilizers	.589	251.3	260.4	9.7	3.6	.5	2.5	3.7
06-52-01	Nitrogenates	.277	195.6	201.9	8.2	3.2	1.4	1.9	1.9
06-52-02	Phosphates	.123	283.3	288.9	9.3	2.0	1.5	-.1	2.3
06-53	Pesticides	.283	375.3	375.3	8.4	0	.7	.6	1.2
06-6	Plastic resins and materials	1.277	275.2	276.1	1.5	.3	-.4	.1	.8
06-79	Miscellaneous chemical products 1/	1.102	279.6	281.3	20.4	.6	.4	7.4	.6
07-11-02	Synthetic rubber	.284	271.3	277.3	14.8	2.2	.7	5.0	1.8
07-12	Tires and tubes	.733	240.5	243.1	5.0	1.1	.6	-1.4	2.0
07-13-04	Other miscellaneous rubber products	.716	241.3	242.8	12.3	.6	1.0	2.4	.9
07-21	Plastic construction products (Dec. 1969=100)	.272	153.5	153.4	2.3	-.1	1.4	-.5	-.3
07-22	Unsupported plastic film and sheeting (Dec. 1970=100)	.488	193.5	194.6	5.8	.6	-.2	.3	1.2
07-23	Laminated plastic sheets (Dec. 1970=100)	.132	188.3	188.3	10.6	0	-.1	6.3	-1.1
07-24	Foamed plastic products (June 1978=100) 1/	.182	133.1	132.5	9.2	-.5	5.2	-.3	-.5
07-25	Plastic packaging and shipping products (June 1978=100) 1/	.349	127.0	127.0	4.3	0	0	.1	0
07-26	Plastic parts and components for manufacturing (June 1978=100) 1/	.691	129.1	130.0	11.4	.7	.5	2.1	.7
08-11	Softwood lumber	1.739	353.4	348.2	-4.1	-1.5	3.1	-.2	-2.8
08-12	Hardwood lumber	.408	250.8	250.3	-3.7	-.1	.5	.6	-.8
08-2	Millwork	1.484	273.6	274.1	6.1	.1	1.9	-.6	-1.9
08-3	Plywood	.742	251.1	248.6	2.1	-1.0	1.5	-6.1	-1.4
08-4	Other wood products	.330	238.5	238.1	-2.2	-.2	.2	.9	-1.2
09-11	Woodpulp	.434	392.6	392.6	10.2	0	1.3	-1.0	.5
09-13	Paper	1.561	271.0	273.1	10.5	.8	2.3	.2	.9
09-14	Paperboard	.701	251.0	253.2	13.2	.9	.2	4.2	.5
09-15-03	Paper boxes and containers	1.855	230.8	233.8	7.1	1.3	.2	1.5	1.1
09-2	Building paper and board	.242	219.1	225.2	17.5	2.8	2.1	.4	2.2
10-13-01	Semifinished steel mill products	.394	348.0	348.5	9.3	.1	3.7	1.0	-.7
10-13-02	Finished steel mill products	6.128	321.1	321.3	9.8	.1	1.3	2.1	.5
10-15	Foundry and forge shop products	1.897	321.7	321.7	6.2	0	.1	.8	.5
10-16	Pig iron and ferroalloys	.274	310.6	310.6	.7	0	.4	1.5	-.1
10-22	Primary nonferrous metal refinery shapes 1/	2.159	346.8	336.6	-25.4	-2.9	-3.8	-2.4	-2.9
10-24	Secondary nonferrous metal and alloy basic shapes	.529	284.9	274.0	-13.9	-3.8	-.1	-1.0	-3.7
10-25	Nonferrous mill shapes	1.707	297.2	296.7	-.9	-.2	.4	.2	-.5
10-26	Nonferrous wire and cable 1/	.822	211.1	209.6	-9.1	-.7	.4	-1.4	-.7
10-3	Metal containers	1.082	311.4	313.8	10.3	.8	.7	3.2	1.0
10-4	Hardware	.875	252.5	256.0	11.1	1.4	.7	1.0	1.3
10-5	Plumbing fixtures and brass fittings	.338	255.5	259.0	9.4	1.4	.9	.7	.5
10-6	Heating equipment 1/	.350	215.4	216.1	6.7	.3	.7	1.1	.3
10-7	Fabricated structural metal products	3.010	283.0	285.6	10.3	.9	.2	1.2	.6
10-8	Miscellaneous metal products	3.281	261.3	264.0	9.3	1.0	.2	1.3	1.2
11-11-51	Tractor parts 1/	.116	185.7	198.1	11.7	6.7	0	1.2	6.7
11-12-51	Parts for farm machinery ex. tractors	.149	223.4	223.1	10.4	-.1	2.0	1.9	-.4
11-35	Cutting tools and accessories 1/	.418	242.8	243.2	9.5	.2	.4	.9	.2
11-36	Abrasive products	.334	263.5	268.7	11.1	2.0	.5	.3	1.4

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance Dec. 1980 1/	Unadjusted index Jan. 1981 2/	Unadjusted index Feb. 1981 2/	Unadjusted percent change to Feb. 1981 from: Feb. 1980	Unadjusted percent change to Feb. 1981 from: Jan. 1981	Seasonally adjusted percent change from: Nov. to Dec.	Seasonally adjusted percent change from: Dec. to Jan.	Seasonally adjusted percent change from: Jan. to Feb.
	INTERMEDIATE MATERIALS, ETC - Continued								
11-37-51	Parts for metal cutting machine tools 3/	.121	322.9	323.4	14.7	0.2	0.4	1.0	0.2
11-38-51	Parts for metal forming machine tools	.879	302.6	302.6	13.5	0	-.7	3.6	.6
11-43	Fluid power equipment	.287	214.5	214.5	12.0	0	1.9	1.5	-.3
11-45	Mechanical power transmission equipment	.415	283.7	284.7	13.2	.4	2.0	1.6	.6
11-48-02	Unitary air conditioners (Dec. 1972=100) 3/	.263	126.0	126.3	6.9	.2	.6	.7	.2
11-48-04	Refrigerant compressors and compressor units (Dec. 1972=100) 3/	.318	127.8	127.8	7.2	0	0	0	0
11-49-01	Valves and fittings	.568	297.7	300.4	9.1	.9	.6	.2	.7
11-49-05	Ball and roller bearings	.332	285.8	293.3	20.2	2.6	.6	2.6	2.9
11-71	Wiring devices	.639	283.0	288.5	12.1	1.9	1.1	2.9	1.5
11-73-01	Electric motors	.521	261.9	265.5	7.4	1.4	-.2	2.7	1.1
11-75	Switchgear, switchboard, etc., equipment 3/	.689	239.8	242.9	7.5	1.3	1.3	2.0	1.3
11-78	Electronic components and accessories	1.581	163.6	164.1	9.5	.3	.5	.6	.2
11-81	Environmental controls (June 1980=100) 3/	.055	106.0	102.9	(4)	-2.9	2.3	0	-2.9
11-92-53-01	Parts for mining machinery and equipment	.082	319.4	319.4	9.5	0	1.5	-4.1	1.1
11-94	Internal combustion engines	.746	284.9	285.6	11.9	.2	1.0	.5	.6
13-11	Flat glass 3/	.513	203.9	204.5	7.0	.2	0	.4	.2
13-22-01-31	Portland cement	.555	319.1	319.0	4.3	0	.7	-1.5	.6
13-3	Concrete products	1.759	285.6	286.6	7.5	.4	.8	.1	.2
13-4	Structural clay products, ex refractories 3/	.221	240.8	240.4	4.1	-.2	.2	2.5	.4
13-5	Refractories	.187	283.5	294.4	17.2	3.8	.7	3.7	4.5
13-6	Asphalt roofing	.355	404.1	389.3	4.5	-3.7	.6	2.9	-3.7
13-7	Gypsum products 3/	.172	259.6	257.3	-1.9	-.9	-.2	2.7	-.8
13-8	Glass containers	.637	311.5	311.5	13.6	0	.8	.4	.5
13-9	Other nonmetallic minerals	1.147	417.9	424.7	11.3	1.6	3.5	-.2	.5
14-12	Motor vehicle parts	3.869	383.6	391.2	30.0	2.5	16.4	1.7	2.1
15-3	Notions	.179	227.8	247.3	21.7	8.9	.7	-1.2	9.3
15-42	Photographic supplies 3/	.604	270.9	272.0	-7.5	.4	-.1	.2	.4
15-94-85	Jewelers' materials and findings (Dec. 1978=100) 3/	.270	211.0	196.3	-26.0	-7.0	.7	-8.9	-7.0
	CRUDE MATERIALS FOR FURTHER PROCESSING	100.000	321.3	335.5	12.4	4.4	-1.2	-1.0	2.9
	CRUDE FOODSTUFFS AND FEEDSTUFFS	58.229	270.6	267.1	5.5	-1.3	-2.6	-1.1	-3.3
01-1	Fresh and dried fruits and vegetables	1.589	257.7	278.4	22.6	4.9	-.3	-1.8	.8
01-21	Wheat	2.926	279.2	264.7	3.7	-5.2	-4.1	7.9	-6.5
01-22-02-05	Corn 3/	5.607	276.3	266.9	30.2	-3.4	3.1	-.3	-3.4
01-31	Cattle	18.269	249.6	247.1	-8.8	-1.0	-1.7	-3.0	-3.5
01-32	Hogs	4.751	199.0	208.1	14.6	4.6	-6.3	-11.4	-1.5
01-4	Live poultry	2.610	213.1	220.8	19.6	3.6	1.2	-6.3	-1.4
01-6	Fluid milk	9.563	288.4	289.5	9.7	.4	1.3	.1	1.2
01-81-01-01	Hay	1.211	297.7	297.7	47.0	0	0	-7.4	0
01-83	Oilseeds	4.225	316.7	296.4	38.1	-6.4	2.9	3.3	-5.8
01-91-01	Green coffee 3/	1.978	489.1	483.0	-8.7	-1.5	-1.3	2.5	-1.5
01-91-02	Cocoa beans	.273	371.9	390.1	-35.1	4.9	-1.6	2.0	9.2
02-52-01-01	Cane sugar, raw 3/	2.713	416.8	366.1	-2.1	-12.2	-28.5	3.7	-12.2
	CRUDE NONFOOD MATERIALS	41.771	428.7	481.7	22.0	12.4	.8	-.8	11.5
01-51-01-01	Raw cotton 3/	1.744	294.8	277.2	-.5	-6.0	2.6	-3.6	-6.0
01-92-01-01	Leaf tobacco	1.755	234.3	234.3	9.1	0	5.9	-1.7	1.4
04-1	Hides and skins	.658	377.8	367.3	-9.3	-2.8	-2.6	-8.2	-2.7
05-1	Coal	3.952	477.5	488.8	4.6	.7	.1	.5	1.0
05-31	Natural gas 3/	8.278	967.5	967.6	24.0	0	1.2	1.4	0
05-61	Crude petroleum 3/	13.932	615.2	642.9	63.6	37.0	2.6	5.2	37.0
06-52-03	Potash	.191	264.2	264.2	21.1	0	1.1	9.8	-4.5
07-11-01	Crude natural rubber	.394	341.8	329.1	-18.7	-3.7	-2.1	-2.0	-4.6
09-12	Wastepaper	.397	191.5	186.1	-16.7	-2.8	-.8	1.2	-2.0
10-11	Iron ore 3/	.692	268.2	269.8	13.9	8.7	0	0	8.7
10-12	Iron and steel scrap	3.262	348.3	342.5	-6.3	-1.7	1.6	-7.4	-8.3
10-23	Nonferrous scrap	2.680	255.6	250.5	-28.8	-2.0	-3.5	-8.3	-7.8
13-21	Sand, gravel, and crushed stone	2.746	254.4	258.0	12.8	1.4	.8	.5	1.3

1/ Comprehensive relative importance figures are computed once each year in December. Data shown are expressed as a percent of total finished goods, total intermediate materials, or total crude materials. Data shown will not add up to 100.000 because not all commodity components of each stage-of-processing (SOP) index are shown; relative importance figures shown account for about 83 percent of total finished goods, about 88 percent of total intermediate materials, and about 96 percent of total crude materials. For each commodity component of the Finished Goods Index which is allocated to both capital equipment and finished consumer goods excluding foods, the relative importance figure shown reflects only the share allocated to the SOP grouping under which it is listed. For example, the relative importance figure shown for household furniture under the SOP grouping for finished consumer goods excluding foods includes the share allocated to that SOP grouping but not the share allocated to capital equipment.

2/ All data are subject to revision 4 months after original publication.

3/ Not seasonally adjusted.

4/ Not available.

Table 3. Producer price indexes for selected commodity groupings[1]

(1967=100)

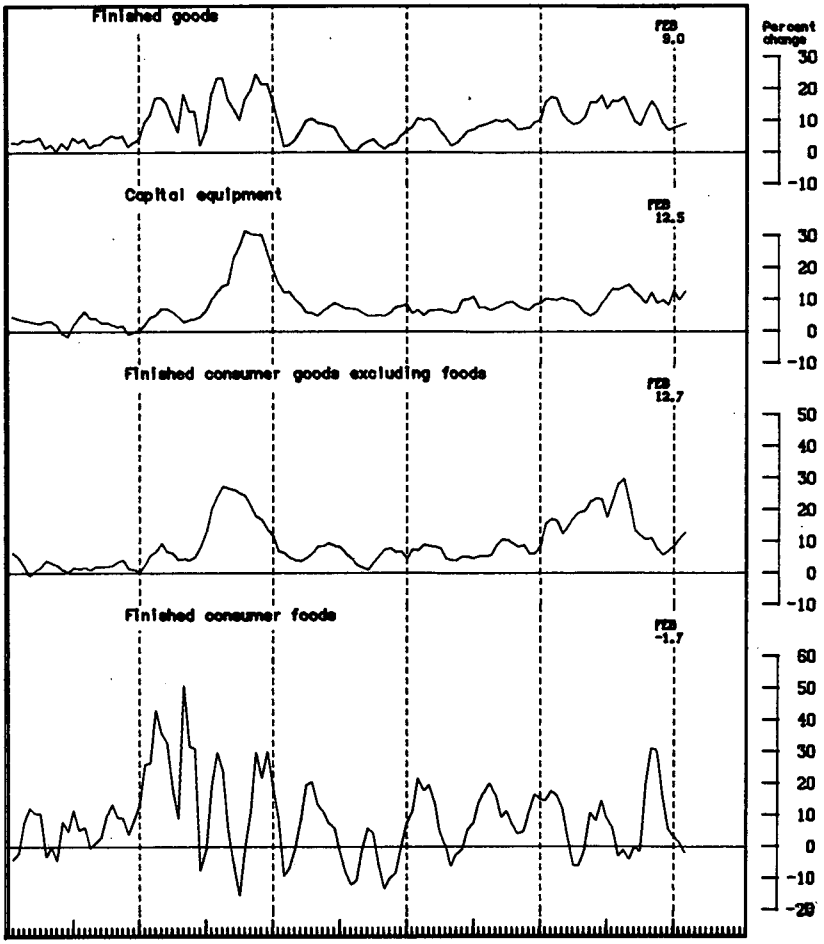
Grouping	Unadjusted index	
	Oct. 1980 2/	Feb. 1981 2/
All Commodities	277.8	286.9
All Commodities (1957-59=100)	294.7	304.4
MAJOR COMMODITY GROUPS		
Farm products and processed foods and feeds	259.4	254.9
Farm products	263.6	262.3
Processed foods and feeds	256.1	250.0
Industrial commodities	282.0	294.8
Textile products and apparel	188.1	193.1
Hides, skins, leather, and related products	251.2	257.4
Fuels and related products and power 3/	592.9	663.8
Chemicals and allied products 3/	264.8	277.2
Rubber and plastic products	222.8	226.5
Lumber and wood products	289.0	294.5
Pulp, paper, and allied products	256.3	266.2
Metals and metal products	291.9	293.7
Machinery and equipment	246.8	254.8
Furniture and household durables	190.9	196.6
Nonmetallic mineral products	288.6	297.7
Transportation equipment (Dec. 1968=100)	217.4	228.5
Miscellaneous products	266.0	263.2
Industrial commodities less fuels and related products and power	249.6	256.6
OTHER COMMODITY GROUPINGS		
01-2 Grains	269.2	267.5
01-3 Livestock	263.0	244.6
01-5 Plant and animal fibers	278.5	268.4
01-8 Hay, hayseeds, and oilseeds	284.4	295.0
01-9 Other farm products	285.8	295.1
02-1 Cereal and bakery products	241.5	251.7
02-2 Meats, poultry, and fish	256.0	243.9
02-5 Sugar and confectionery	404.7	324.7
02-6 Beverages and beverage materials	239.5	242.2
02-63 Packaged beverages materials	337.1	314.4
02-7 Fats and oils	231.0	228.3
04-4 Other leather and related products	221.8	235.8
05-3 Gas fuels 3/	802.2	858.8
05-7 Refined petroleum products 3/	690.4	767.8
06-3 Drugs and pharmaceuticals	178.4	187.4
06-5 Agricultural chemicals and products	260.6	271.3
06-7 Other chemicals and allied products	230.9	246.7
07-1 Rubber and rubber products	244.6	249.2
07-11 Crude rubber	271.7	280.8
07-13 Miscellaneous rubber products	232.0	243.0
08-1 Lumber	320.6	327.8
09-1 Pulp, paper, and products, excluding building paper and board	255.6	264.6
09-15 Converted paper and paperboard products	243.7	252.0
10-1 Iron and steel	310.5	323.0
10-13 Steel mill products	307.5	322.9
10-2 Nonferrous metals	309.4	286.2
11-3 Metalworking machinery and equipment	282.5	291.2
11-4 General purpose machinery and equipment	272.5	279.9
11-7 Electrical machinery and equipment	207.0	213.6
11-9 Miscellaneous machinery and equipment	236.5	243.7
13-2 Concrete ingredients	279.0	289.6
14-1 Motor vehicles and equipment	218.2	230.2
Motor trucks	249.3	251.4
15-4 Photographic equipment and supplies	200.8	209.6
15-9 Other miscellaneous products	383.4	353.2

1/ Indexes for these commodity groupings are not included in Table 2 because their components are divided among different stages of processing.

2/ Data for Oct. 1980 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.

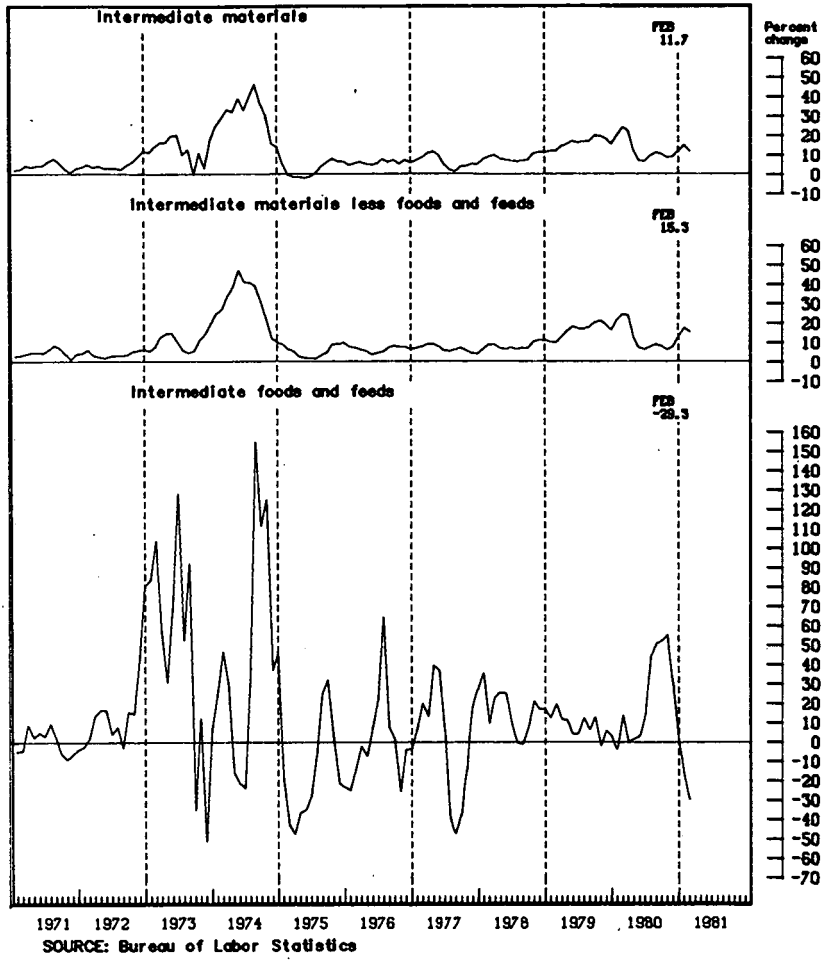
3/ Prices of some items in this grouping are lagged 1 month.

Chart 1
Finished Goods Price Index and its components
1971 – 81
3-month annual rates of change
(Seasonally adjusted)



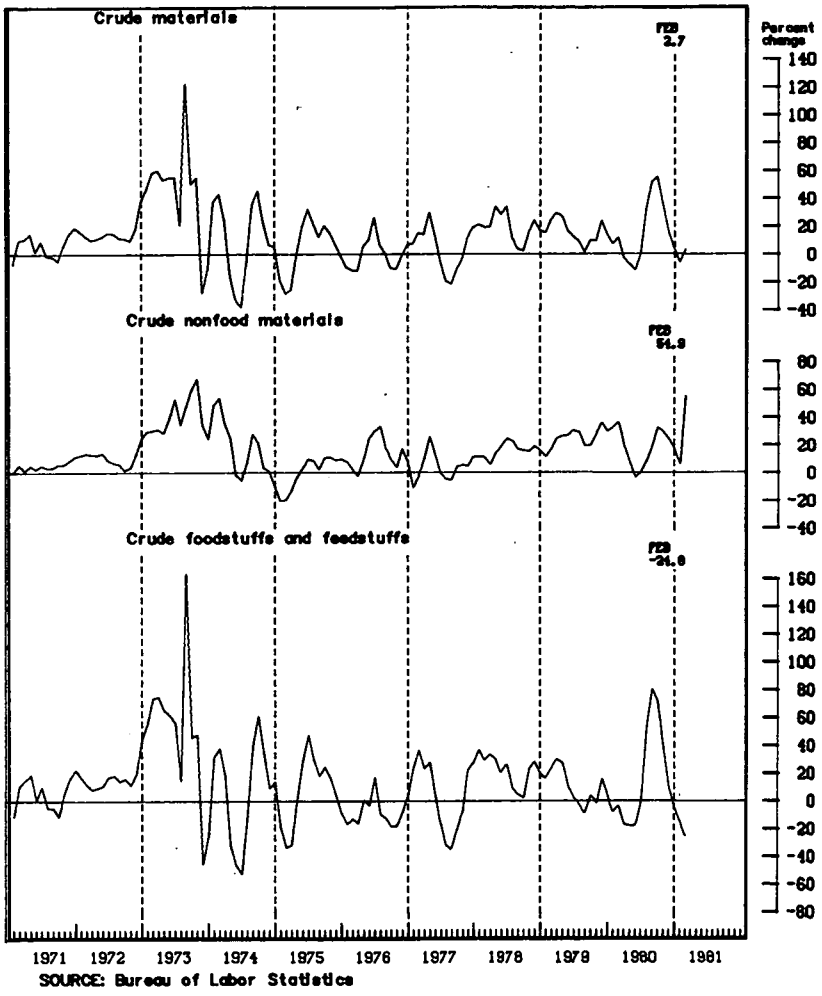
SOURCE: Bureau of Labor Statistics

Chart 2
Intermediate Materials Price Index and it's components
1971 - 81
3-month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Chart 3
Crude Materials Price Index and its components
1971 – 81
3–month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Representative REUSS. Thank you, Commissioner.

In reading the price response to the continuation of "stagflation"—the combination of stagnation and inflation—the inflation rate which you've reported today for February, as an annual rate of 10 percent, is still double-digit; and the employment rate shows that 1 million more men and women are unemployed today than were unemployed a year ago.

Is that not so?

Ms. NORWOOD. Yes. I think there is really very little change.

Of course, in the price area, Mr. Chairman, there are differences within the groupings.

Representative REUSS. Food, for instance, was down. But energy, due to the decontrol of crude, was up.

Ms. NORWOOD. Due, primarily, to crude petroleum, of course, the effect of full decontrol. But the other stages of processing are still not reflecting the full decontrol, because of the timing of the price increase.

Representative REUSS. So, we're going to get worse in energy before we get better?

Ms. NORWOOD. We probably will.

Representative REUSS. You point out, there was a very sharp drop in February in manufacturing; namely, 0.6 percent in the number of hours worked. Part of that, as you say, was due to the fact that, on the days on which you took your survey, there was snow, heavy snow, in a number of cities; and many workers may not have been able to make it to work.

But that doesn't account for the whole drop-off in hours spent in manufacuring, does it?

Ms. NORWOOD. I am not sure.

Nevertheless, this is the first month since July that we have had a drop in hours. The drop in hours appears to be concentrated in the durable manufacturing industries; and I think it bears watching. But I do think we should be extremely careful about drawing any conclusions, because of the weather.

Representative REUSS. Because it involved durable manufacturing, is there any regional significance to this? Would the midwest, for example, take a worse beating than other areas?

Ms. NORWOOD. The drop in hours is in industries which are located there. That's where the blizzards occurred, too.

By the way, there was unusually mild weather in January, in contrast to the unusually heavy weather in February. There also was a drop both in employment and in hours in construction, which is certainly very much affected by the weather.

Representative REUSS. Congressman Mitchell.

Representative MITCHELL. It's good to see you again, Commissioner.

I have this persisting interest in black unemployment. It is ravaging our communities and is certainly contributing to the rate of crime.

I reviewed the unemployment statistics for last year and January of this year. Looking at last January you find that white males over 20 at 4.7 percent and in December of 1980 6.2 percent. In January of this year the rate had dropped to 5.5 percent.

Insofar as males 20 and over are concerned, we started with a 4.7 percent rate in January of 1980, and it has increased to 5.5 percent. That is less than a 1-percent increase.

If you review the nonwhite males 20 and over, in January of 1980 the unemployment rate was 9.6 percent, almost double that of their white counterparts. It rose to 12 percent in December. However, in January of this year, it has now increased to slightly more than 12 percent, that reflects almost a 3-percent increase in unemployment for black males 20 and over, as contrasted with less than a 1-percent increase for white males 20 and over.

How would you explain this difference?

Ms. NORWOOD. Congressman, you're quite right about the general magnitudes. There are a few little differences in the seasonal adjustment of the data, but you're certainly quite right about the magnitudes.

And, as you well know, our minority population has a harder time in the labor force. We have discussed this many times, and it is a very serious problem.

Representative MITCHELL. My point is that more than a year ago black males over 20 had an unemployment rate almost twice as high as their white counterparts. Now, in January 1981, while white males' rate has decreased to nearly 5.5 percent, blacks 20 and over have experienced an almost 3-percent increase.

You responded by saying that minorities have always had a harder time finding employment. I wonder because of the tight employment situation whether or not we're beginning to see racism begin to be reflected in the hiring of blacks over 20?

Ms. NORWOOD. Mr. Mitchell, the seasonally adjusted data show that there is a large gap between the blacks and the whites, but that that gap has not widened over the last year.

The February 1980 figures were 4.1 compared to 9.5 percent; and the February 1981 figures, 5.4 compared to 10.8 percent.

We at BLS do not have any kind of data which could prove or disprove discrimination; we really just don't know.

Representative MITCHELL. It is interesting that Mr. Reagan is proposing to put at least 600,000 people cut of work temporarily. I shall be quite interested in following whether there is a high incidence of nonwhite unemployment in that pattern. If the Reagan proposals are enacted it should begin to show very quickly.

You cited weather factors. Our chairman also touched on this area. Does not the drop in construction employment indicate, not necessarily weather factors, but structural weaknesses in the housing industry?

Are the high interest rates, that the Federal Reserve has fostered, are they not now beginning to show their predictable effects?

Ms. NORWOOD. We have seen some drop in construction employment, as the result of conditions in housing. About 37 percent of the decline in employment in construction was due to work on highways and roads. And I think those people must have been affected by the bad weather. Some of the housing data that are released by other agencies seem to me to be stronger than one would have expected.

Still, there has been some deterioration, particularly in private, single-family housing; but some of the larger structures are still being built.

Representative MITCHELL. Are you in a position to forecast whether or not the deterioration in private, single-family construction will continue for some time?

Ms. NORWOOD. Mr. Mitchell, I am very glad we do not engage in short-term forecasting; it's a very difficult business.

Representative MITCHELL. Then, you are very wise not to respond to my question.

I was thinking of your response in the evalution of "Reaganomics." With the reduction of section 8 housing and the elimination of the 312 housing rehabilitation program, I was wondering whether or not the actions of this administration, coupled with the impact of the prime rate on the housing industry, might not make for a very disastrous housing situation for all of us.

I have one more question, Ms. Norwood. Chrysler, Ford, and General Motors are all doing well with rebate programs. My Granada is now 6 years old. If they keep the rebates going, I might turn it in and get another one.

My question is, Is the employment rate in the auto and other related industries reasonably stable now?

Ms. NORWOOD. There's been very little change in employment in the automobile industry, in the last month, or so. But, as we all know, unemployment in the automobile industry is still extremely high.

Representative MITCHELL. We are in a situation in which a bad situation has remained stable; right?

In evaluating the rebate programs, are the automobile manufacturers primarily aiming to reduce inventories, rather than stepping up production?

Ms. NORWOOD. The rebates so far have probably been reducing inventories. If those sales continue, we should see increased production, as the inventories are worked off.

Representative MITCHELL. I have no further questions at this time. I might want to come back to you.

Representative REUSS. On the question just raised by Congressman Mitchell on automobiles, let's look at the price side. Mr. Mitchell was looking at the employment side. Let's take the biggest automaker: General Motors has been increasing the price of its products steadily. And, while a discount program has had an effect in recent weeks, I understand that that is going to be removed in a few days, unless the price goes up once again.

Meanwhile, over in the Federal Republic of Germany, General Motors, it turns out, has a subsidiary named Opel. Recently Count von Lamsdorf, the Minister of Economics, announced with pride that Opel, General Motors subsidiary over in Germany, working mostly with the Government, has not only improved its products and produced a better car, but is selling it for less. This raises great joy in the German consumer and indeed of Opel which is making and deserves to make a good profit out of it.

Contrasting the situation in the two countries, one notes that Germany has an incomes policy and that this country recently has totally expunged and stamped out its incomes policy.

Would it be a good idea if we had an incomes policy?

Ms. NORWOOD. Mr. Chairman, I am not sure that one can draw direct relationships between any policy, macropolicy and the specific changes in the automobile industry.

We do know that there have been price increases in automobiles in the United States but our indexes for passenger cars have not risen as much over the past year as the indexes for many other commodities.

Representative REUSS. Of course, they don't rise as much as the commodity which they contain; namely, gasoline. But oughtn't we look at prices across the board, because unless we get lower prices in some things you are going to be absolutely murdered by the higher prices that you are sure to get in other things, particularly the higher price that may be under the control of OPEC. It should at least arouse the concern of policymakers, shouldn't it, that in Germany, with Government help and surveillance, a General Motors subsidiary with very high cost labor was able to reduce the price of its automobiles and give a better quality automobile as opposed to here where the price, while it has not shown the percentage increase of some commodities, has nevertheless continually gone up.

Ms. NORWOOD. As you know, Mr. Chairman, we have a much greater inflation problem in this country than they have in Germany at the moment. So there are a lot of factors involved.

Representative REUSS. Germany imports all of its oil. We import only about half our oil. It is we, not the unfortunate Germans, who are raising interest rates, which are a cost added to inflation in Germany. So I am not at all sure that the problems are all that different. But I did want to make the point that what is good for General Motors in Germany might also be good for General Motors in the United States. Let's see what they do.

Congressman Mitchell.

Representative MITCHELL. Mr. Chairman, thank you.

I have one last series of questions. I am in a nice pleasant mood this morning. I have mentioned my little Ford Granada. I filled it up to three-quarters the other day and it cost me $17. Someone, some persons acting with sagacity and wisdom, elected to decontrol many areas of energy. We have had an increase in the CPI of eight-tenths of 1 percent. If you annualize that out for a year, that is about a 10-percent increase.

How much of this total wholesale price increase do you think is attributable to energy prices? You might say energy prices as a result of decontrol.

Ms. NORWOOD. We can try to provide something on that, Mr. Mitchell. Mr. Layng will have the figure in a few moments. But first let me make clear that a good part of the information on energy products in the Producer Price Indexes that are released today is the result of the decontrol that was phased in during the Carter administration.

Mr. Reagan removed controls at the end of January. The crude petroleum index at the crude stage of processing shows a large increase which took place after the Reagan decontrol. The 2.7-percent increase in refined gasoline and the increases in kerosene, diesel fuel, jet fuel—those are still the results of the decontrol before Mr. Reagan came into office.

Representative MITCHELL. In other words, we might get hit in the wallet around the end of next month or the following month because of the Reagan decontrol. Is there a 60-day lag maybe?

Ms. NORWOOD. I think that all economists expect that there will be an increase in energy products as decontrol occurs before there will be

declines. I think they are anticipating declines, but first the increase.

Mr. Layng informs me that about three-tenths in the eight-tenths change in the Producer Price Indexes is energy.

Representative MITCHELL. Three-tenths.

Well, no more questions. It is always so nice to see you, but I always feel so depressed. We have a situation where unemployment is remaining high, particularly for blacks. We have a situation where we don't have inflation under control, and certain moves taken by the past administration and this administration suggest that we are going to pay more before there is any leveling off. I am trying to figure out, in my own mind, how you drain some more blood out of those people that we have kept permanently unemployed.

You're nice, but what you present to me is just depressing.

Thank you.

Ms. NORWOOD. I hope to have better news in the future.

Representative MITCHELL. That's what you told me last year.

Representative REUSS. Thank you. In this committee, Commissioner, we do not blame the messenger for the message. The message is dismal, the messenger brilliant and charming. We will see you again next month.

Ms. NORWOOD. Thank you.

Representative REUSS. Now the committee will recess until 10:30 when we will hear from Secretary Donovan.

[A short recess was taken.]

Representative REUSS. The committee will be in order.

Secretary Donovan, we are honored and delighted to have you with us this morning. You, I believe, have a prepared statement, which I am sure will be received in full into the record.

Will you now proceed in whatever way is congenial to you to present it, and Congressman Mitchell and I and some of the rest of us will have some questions.

STATEMENT OF HON. RAYMOND J. DONOVAN, SECRETARY OF LABOR, ACCOMPANIED BY LARRY WEATHERFORD, DEPUTY ASSISTANT SECRETARY FOR EMPLOYMENT AND TRAINING

Secretary DONOVAN. Thank you, Mr. Chairman. I am delighted to be here this morning.

I am especially pleased to have the opportunity to appear before you today to discuss President Reagan's program of revitalizing the economy and the importance of this program for the American working man and woman.

It is an understatement that the decade of the 1970's was an extremely difficult period for the average American worker. These 10 years were plagued by repeated economic recessions and slow growth resulting in high levels of unemployment. These high levels were accompanied by an acceleration in inflation and high taxes which steadily eroded the purchasing power of the workers' wages, their savings, and their retirement incomes.

Further, many workers found their jobs increasingly threatened by the inability of American industries to meet foreign competition.

The country was gripped by a sense of frustration and fearful of our inability to cope with the enormous problems besetting the Nation.

It is with this backdrop that President Reagan developed his program for revitalizing the national economy. This revitalization program is the cornerstone of the administration's domestic economic policy. I cannot stress enough the importance of this program for the American worker. Without such a revitalization, we are locked into the bleak world of continued high unemployment and inflation which has had a devastating impact on the American worker.

As you know, the President's program calls for four key elements. Specifically, it calls for: Significant reduction in the roof of Federal expenditures; a 3-year tax reduction of 30 percent in individual income tax rates, accompanied by modifications in depreciation schedules that will provide incentives for revitalizing plant and equipment; an extensive program of regulatory reform aimed at reducing the unnecessary regulatory burden; and finally, a stable monetary policy.

These four elements must be viewed as an integrated whole. The four elements comprise a complementary and integrated program for national economic recovery. We recognize that the program is dramatic and will influence the lives of many individuals.

The scope of the program, however, is tailored to the need for dramatic action that is required to place the economy back on a sound economic path of strong noninflationary growth.

First and foremost, the program is designed to break the inflationary psychology that pervades the economy. The key factor underlying this inflationary psychology is the rapid increase in the growth of Federal expenditures. These must be brought under control since failure here will doom the entire program.

Second, the program is designed to revitalize the industrial base of the economy and thereby stimulate growth. It is this growth that will lead to the jobs and real wage gains for which the American worker has hungered.

Revitalization itself will be achieved primarily through new investment in capital goods, which American workers must have in order to work efficiently and to meet the challenge of foreign competition. To achieve this needed investment, the President's tax policy complements the budget reform proposals by encouraging individuals and companies to increase savings and investment.

These tax policies are further reinforced by the program of regulatory reform aimed at reducing or eliminating unnecessary regulations, which only add to the costs of production, thereby constraining the economy's ability to grow.

The stakes in achieving the President's program are high. Failure to achieve a revitalized economy points to a bleak outlook for the American worker. It is for this reason that the Department of Labor can and will make every effort to insure the success of the President's program.

EXPENDITURE REDUCTIONS

In fiscal year 1981 the Department of Labor is reducing expenditures by $2 billion, followed by $7.8 billion in 1982. I am not unaware, sir, that these actions will require dislocation and hardships for some individuals. We can only assure the committee that in achieving the expenditure reductions the greatest care was taken to insure that the

truly needy would not be hurt. To the extent possible the Department's programs have been redirected to enforce the revitalization effort.

In the trade adjustment assistance program, as an example, we are shifting the emphasis of the program back to its original purpose, that of assisting workers displaced by foreign competition to find new jobs through training and relocation assistance.

As I have indicated, I firmly believe that workers who are unemployed through no fault of their own are entitled to temporary help while they seek other jobs. The recent explosion of TAA costs, however, simply cannot be justified in the light of either the program's intended purpose or our national priorities. As of last November it was estimated that these costs would reach $2.7 billion for fiscal year 1981.

The present program provides benefits which are far out of proportion to those received by workers who are unemployed for nontrade related reasons. These payments are made to workers regardless of their intents to find new careers in healthy industries. In the case of industries which pay private supplemental unemployment benefits, the effect of the program has been to shift the benefit costs from industry financed funds to the Federal taxpayer.

Under the administration's proposal workers would be required to exhaust their unemployment compensation benefits before receiving adjustment assistance. Under current law they can receive both benefits simultaneously. Benefits will be the same as the worker's weekly benefit amount under the State UI law. The maximum duration of both UI and TAA benefits combined would be 52 weeks. All workers certified for TAA would continue to be eligible for training, special TAA job search and relocation allowances.

The effect of these changes will be to shift the emphasis of this program back to its original purposes, the readjustment of the workers. These changes are expected to result in a fiscal year 1982 savings of $1.1 billion.

Similarly, the black lung disability trust fund, because of liberal eligibility requirements and inadequate financing, has resulted in skyrocketing deficits. By eliminating unjustified claims and assuring adequate financing we can place this fund on a self-supporting basis.

The present coal production tax of 50 cents a ton of underground coal and 25 cents a ton for surface mined coal is clearly inadequate to finance this program, and massive deficits are being financed by loans from the United States Treasury. At the end of fiscal year 1980 the fund owed the Treasury $956 million. It is expected that this debt will reach $1.5 billion by the end of this fiscal year and that there will be further massive increases in the year to come.

We must restore financial soundness to this fund. We need to tighten up the program's eligibility requirements. And let me emphasize that we do not want to deny benefits to those truly disabled by black lung. Our purpose is to eliminate unjustified claims. By eliminating these claims and imposing a reasonable coal tax increase, we can place this fund on a self-supporting basis. The administration is developing a specific proposal to attain these objectives.

In our comprehensive employment and training programs, the elimination of public service employment will return CETA to its original

purpose of improving the employability of low-income, structurally unemployed persons by providing skills that are marketable in the private sector.

We propose phasing out by the end of fiscal year 1981, the two CETA programs which provide funds for subsidized public-sector employment in State and local government.

The work experience the participants in public service employment programs receive has not helped many of them in finding private sector employment. A substantial number of PSE participants do not find employment when they leave their subsidized jobs. This may be due in part because the types of jobs they get in the public sector sometimes do not have private sector counterparts.

Elimination of public service employment programs will save $0.5 billion this year. Expenditures on these programs would have risen to over $5 billion in 1986.

Finally, we will be proposing important changes in the present Federal employee workers' compensation program. The purpose of these changes is to remove incentives for the filing of questionable claims, to eliminate disincentives for insured workers to return to work, when they are medically able to do so and to eliminate inequities in compensation rates which now permit higher paid workers to receive more in take-home pay than when they are working.

In the coming weeks, we will be examining the laws under which we operate to determine whether there are other proposals which are necessary and useful.

REGULATORY IMPROVEMENT

Regulatory reform is an integral component of the President's program. Inappropriate Government regulation has often needlessly increased the costs of producing in America, and much of the economic burden of such regulation falls on the American worker. Wasteful regulation fuels inflation and makes competition in the world economy more difficult. It can stifle economic initiative, damage productivity, and discourage job creation. Regulations are often especially costly for small businesses, where half of the new jobs in our economy originate.

The Department is presently undergoing a careful review of recent regulations to assure that such regulations are needed and are the most cost effective. In the future we will be carefully reviewing the Department's regulatory program to assure that all of the Department's regulations reflect the principle that such regulations are necessary and are the least costly alternative.

It is my firm intention to achieve real results in the regulatory reform area. All too often in the past, Government regulators have taken actions without adequately understanding their impacts. I believe that close consultation with labor and management will improve the regulatory process. I believe that the adversarial approach should be avoided as much as possible. With respect to occupational safety and health, for example, our ultimate goal will not be regulation, but rather finding the best way to achieve protection of the worker's safety and his health.

As I indicated earlier, the American worker's stakes in achieving the President's program are high. Failure to achieve the goals of the program condemn the economy to continued high unemployment and inflation—the stagflation of the 1970's. As I have indicated, the adjustments needed to achieve the President's program will require sacrifice from many sections and segments of the American society.

My fear is that as a nation we will focus on the short-term impacts and fail to look beyond to the revitalization of the economy with its promise of real jobs and real wage gains. Thus, while we face great challenges in the years ahead, the President's program is one of hope, not despair. This country is blessed with an abundance of resources, both human and material, which we have yet to tap. It is, indeed, the American worker who stands ultimately to gain most from this revitalization and reindustrialization of America.

It is for this reason that I so strongly support the President's revitalization program. It reflects in a most fundamental way the mission of the Labor Department to protect and to promote the interests of the American workers. If we do not assure a healthy economy with reduced inflation, we will have failed our mandate, despite the Department's programs. A healthy economy, generating private job opportunities, along with reduced inflation, represents the cornerstone of the Department's mandate.

I urge all to vigorously support the administration's program, recognizing its fundamental importance to the American worker. Thank you, Mr. Chairman.

Representative REUSS. Thank you very much, Secretary Donovan.

This week, the administration started phasing out its public service employment program. That's the program under which State governments are assisted to employ men and women, quite frequently young people, blacks, Hispanics, handicapped, and poor people. They are hired for a variety of jobs, such as safe street security guards, as people who keep the parks and museums clean. This program is being phased out, which means that about 500,000 people who would have gotten jobs under that program between now and next September, when the window will be closed, won't get them.

The President has said, and I'm quoting from his February 18 state of the economy address, "We believe we can do better, just by the expansion of the economy and the job creation which will come from our economic program."

We'd appreciate it if you would explain to us just how that can come about. How in the next 6 months, between now and September, is private industry going to take over the task of providing jobs for these 500,000 people who won't get the public service jobs, when they cease to exist? I applaud the goal. I wish you'd tell me how it's supposed to work.

Secretary DONOVAN. Mr. Chairman, I think the economic package will have a long-term effect. I am not here to say anything other than there is pain and sacrifice. I don't believe that in the short 6-month term, the private sector can make an important dent in reemploying the majority of those people who will be displaced as a result of the phaseout of this program.

The only consolation that I can offer at this time is that in the program we have allowed for unemployment insurance for these people. It's a Band-Aid, sir. But I stress to you that in my oath of office, the first word in my oath as it affects the interest of the wage earner is to protect his rights. Unless this economic package, both the tax cuts, the budget cuts, the monetary controls, and the regulatory reform are acted upon, I will be back before this committee, I am certain, with worse news, as it affects the working men and women in America.

Representative REUSS. I had a little difficulty following that. It now turns out that the administration does not expect this 500,000 Americans who are going to be fired to be hired. They're going to be cast out into unemployment for some interim time. When do you think they will get a job again?

Secretary DONOVAN. I would hope that this program is acted upon quickly. I'm speaking for the American worker and particularly for the unfortunate people who are going to be displaced under this phase-out—the quicker this program is enacted, the quicker we will see them get into private sector jobs. I would hope that within a year we'll be seeing some real effect. I'm not an economist. All I know is that we have to look at the CETA program not in the short term, but in the long-term focus. It's major purpose, as it was indicated in the law, as I understand it, was the training of the structurally hard-core unemployed, particularly, our minorities.

The PSE program was not a training program. Unless we can get them trained, there is an additional difficulty in getting them into the private sector, even if the economic program is adopted. So we intend to stress the training portion of the CETA program at the sacrifice of the public service.

Representative REUSS. Wouldn't you agree that nothing is more tragically destructive of human hopes than to undergo training, public or private, waiting for the pot of gold at the end of the rainbow, the job, but then find there isn't any job? You've now testified that contrary to what a lot of us had thought, that new jobs, even if Congress acts remorselessly, aren't going to be ready for these half million people. Therefore, we can look forward to an increase in unemployment for, you said, a year to come.

Secretary DONOVAN. The statistics indicate that the unemployment rate will be 7.8 percent during the period that you refer to. So it's a far broader problem, I'm sad to say.

Representative REUSS. The unemployment rate is now 7.3 percent, so a 7.8 percent rate means half a percentage point increase. That's about 500,000 human beings. That's about the number that's going to be denied a job by the phasing out of public service jobs. Is that how the administration got its 7.8 figure? It would seem to add up.

Secretary DONOVAN. No, that's certainly a fact in hand. But in your earlier questioning, which is on point, isn't it awfully frustrating for people to be trained and not have meaningful jobs available to them? I couldn't agree with you more, particularly, our teenage unemployment with the minorities. I question, in my short term at the Labor Department, the statistics that I see. Even with the billions of dollars that have been spent in the training programs, we have hardly made a dent in the unemployment rates of our black and minority youth.

Representative REUSS. You're going to make a negative dent in it. You're going to increase the unemployment levels by 500,000 people by September.

Secretary DONOVAN. I cannot deny that. But when I plead the case of the economic package, cuts have to be made, and we have attempted to make them in some areas and reconcentrate our assets in the areas where there is more permanent hope for private sector jobs. We had to cut somewhere, sir. I think you will agree that the budget cuts had to come. None of these cuts, you could particularly call humane. I'm not here to say they are. It's saddening, but the cut has been in the programs that have been least productive in the meaningful training of our people to get them on the first rung of the private sector jobs.

Representative REUSS. When the White House team was debating this particular budget change, that is, the phaseout of half a million jobs between now and September, was there any voice raised in those councils which said:

> Look, this is crazy. Our projections, according to Secretary Donovan, are that jobs in the private sector will be available for these 500,000 people in a year or so, therefore, why don't we consider the public service jobs until that happens, so we don't have to add to the unemployment rolls?

That, I think, would have been a reasonable proposition to have advanced. Did anybody advance it?

Secretary DONOVAN. Surely, that was discussed, but this is making the presumption that there would be meaningful budget cuts. I would have absolutely gone down with the ship on the subject of cutting PSE out, if there wasn't a meaningful economic package that I believed in, that would have long-term meaning to the unemployed and particularly the tragic situation that the black and other minority youth face. It's upward of 45 percent unemployment. If we wanted to go business as usual, this was as good a way as any. If it's being interpreted that we are insensitive to the poor, I am here to tell you, sir, that I was poor most of my life, and I am not insensitive to it, but I don't want to leave this city without being honest. As my job here is fulfilled, hopefully 8 years from now, I don't want it to be said that I wasn't direct and honest and I believe that I will leave the city feeling that we made a permanent and meaningful dent.

The statistics I have seen so far in the CETA PSE area are not impressive, sir.

Representative REUSS. I in no way question your sincerity. I'm convinced of it. But what I do question is the judgment that somehow, given the social structure in this country, it's a good idea to throw half a million people, largely young and minority, and largely in areas of social tension, out of jobs. This will leave them unemployed for a year, when your projections indicate—and I won't quarrel with those now—that private industry will come to the rescue, emboldened by the Reagan program, and provide jobs.

I think that while you're most sincere, you're dead wrong.

Secretary DONOVAN. Well, Mr. Chairman, the Labor Department, like every other department in Government, in my view, has been mandated by the American people to start to control the hemorrhage in our budget. I don't think anybody would deny that. I don't know where we could be more humane, or where we could be more effective

in our budget cuts and have it hurt less, than in the public service employment area.

Representative REUSS. I'll be delighted if you would accept that. I think, for example, intead of doing what you've done here, you could have cut the subsidies to recreational aviation and the pleasure jets that fly around our airports; they get subsidized.

Secretary DONOVAN. I'm talking about the Labor Department, sir.

Representative REUSS. That's right. But I thought the Government was a seamless web in which all worked together for a common good, instead of tiny, little compartments. I guess that's asking too much. But anyway, you could have done that. You could have cut out the subsidies to very wealthy families for their second and third and fourth vacation homes.

Secretary DONOVAN. That is under study. There is another tax program, as you're well aware.

Representative REUSS. That's fine. I can show you where you can cut so you wouldn't have to throw half a million people out of work.

Secretary DONOVAN. Mr. Chairman, when you put it that way, throwing them out of work, by implication it says that we are insensitive to their needs. I am addressing myself to an emerging situation in the budget, and on a positive point addressing myself to a long-term cure. Unless it is done, sir, I would be frank to tell you I don't know how we in the Labor Department can make a meaningful change in the unemployment rates and in the training of minority youth of this Nation.

Representative REUSS. Congressman Mitchell.

Representative MITCHELL. Thank you, Mr. Chairman.

Mr. Chairman, you and I are generally in total agreement, but I am going to have the temerity to disagree with you just a little bit this morning.

Representative REUSS. The gentleman's time has expired. [Laughter.]

Representative MITCHELL. No; it is not.

You indicated some 300,000 jobs and some 500,000 people. It is much more than that. We are talking a minimum of 600,000 people in just these areas. In the CETA public service jobs, if you analyze the employment in construction projects, highways, mass transportation, aviation, water projects, stretching those out just in this segment alone you are going to make 600,000 more people unemployed. Add that 300,000 to the CETA.

Mr. Secretary, has your department gone through the hit list of programs to find out if indeed all of these recommendations are enacted how many people would be put out of work? Is it a million? 1½ million?

Secretary DONOVAN. It is under study. I cannot pin a figure down, Mr. Mitchell.

Representative MITCHELL. How in the world could any administration proceed to implement a program like this? How could you suggest that it be implemented without knowing what the total impact on unemployment would be? No one knew that?

Secretary DONOVAN. Let me say that budget cuts have to come, control of Government spending which fuels inflation—I know you have heard it from other people testifying—but it is an indisputable

fact that unless we get growth in the economy unemployment won't be an additional million or whatever figure.

Representative MITCHELL. Mr. Secretary, I am not arguing that. I am not arguing the matter of trying to spur the private sector to employ people. I am talking about a simple administrative procedure that I think anyone would do in any kind of business at any level of Government. We propose a program and then we look at the total impact of that program on various facets of the American economy. It is rudimentary, it seems to me, to evaluate if indeed these proposals are enacted we are going to put 1½ million people out of work, or 1 million or 800,000. Then we can plan options and/or alternatives for them. That is all that I am talking about. I am not talking about your long-range intent. I am talking about the absolute lack of good administrative planning. Your administration produced a policy document without looking at the impact of it.

Secretary DONOVAN. I understand.

Representative MITCHELL. OK.

Secretary DONOVAN. But the point I wanted to make is that 2 million people a year enter this work force. We have to absorb 200,000 roughly, a month. If we don't have growth it won't take us long, not 6 months, to arrive at that same number. And it will go up in geometrical proportion, Mr. Mitchell.

Representative MITCHELL. I insist on my point. It is ignoring basic planning to suggest this program without looking at least at the short-term impact on the total number of people affected.

You and the proponents of this economic recovery have come up with another buzz phrase, "the truly needy." You have a "safety net to catch the truly needy." If I am correct in my assumption that in one area alone, CETA—coupled with the stretchout of construction programs—we are going to force at least 600,000 people out of work. At the time that they are out of work are they the truly needy? How do you define truly needy?

Secretary DONOVAN. It is very difficult.

Representative MITCHELL. In this one particular case, with 600,000 people out of work because of your economic policy, would they be considered truly needy? They must buy food. They have got to feed their children. They are forced to pay rent. They have got to make mortgage payments.

Secretary DONOVAN. It is an inadequate use of our language. I don't know how better they could say it.

Representative MITCHELL. But you have got the safety net. I guess you are assuming that the 600,000 people who will be put out of work, a minimum of 600,000 who will be put out of work by this policy would draw unemployment compensation benefits; is that correct?

Secretary DONOVAN. Yes.

Representative MITCHELL. What would be the total cost of the unemployment compensation benefits for the 600,000?

Secretary DONOVAN. I wanted to make a point that under the PSE and CETA these jobs are temporary jobs. You recognize that. They can't have employment beyond 18 months. I don't know the number. I realize what you are trying to say.

Representative MITCHELL. You know exactly where I am going. If you are going to put 600,000 people out of work you cannot tell them, those unemployed people, that this policy is humane. It is not to them. They are going to be suffering and hurting. But if you put them out of work and you pay them unemployment compensation you are going to be paying out a substantial portion of Government funds for people that you put out of work. That is ludicrous.

Let me make one other point on this. By putting them out of work, making the Government pay for unemployment compensation, we also deal with an intangible. In my opinion it is better for people to be working. At least you preserve the ethic of work rather than put them out of work where the ethic of work will be eroded. And what that erosion will cost us over the long haul I do not know.

I have a couple more questions.

Secretary DONOVAN. Sir, on the ethic of work, that is one of the areas that disturbs me on the public sector employment. From the professionals I have talked to in this field, the people on public service employment seldom have pride in what they are doing. They aren't getting proper training. To me this is destructive.

Representative MITCHELL. I do not want to belabor that point or tautologize the discussion, but obviously we are not talking just about CETA. We are talking about the people who will be out of work because of the stretchout on the construction projects, highway, mass transportation, and so forth; we are not just talking CETA.

You state in your prepared statement:

> Second, the program is designed to revitalize the industrial base of the economy and thereby stimulate growth. It is this growth that will lead to jobs and real wage gains for which the American worker has hungered.

In response to the chairman's questioning in this area, you said it might take about 1 year before the private sector could possibly begin to absorb some people. Other economists who have testified before this committee have indicated it might take 2 years. And I am inclined to agree that it might take 2 years.

If this is such an excellent working solution, then how in the name of God in this hit list to me do you have projections of unemployment stretching out from 1981 to 1986, where in 1986 you are still going to have 5.6 percent out of work? That is almost 7¼ million people, 5.6 percent. If this approach is so efficacious, how do you justify these projected unemployment figures?

Secretary DONOVAN. It is not only efficacious, in my view, it is an absolute must. Is there any other program that you can suggest that will get this economy going again?

Representative MITCHELL. Yes.

Secretary DONOVAN. I suggest we will feel some of the impact within I year. I hope I am right. But I preface it by saying I am not an economist.

Representative MITCHELL. I think you are wrong. It is going to be a minimum of 2 years.

Secretary DONOVAN. I hope it is shorter than that. But at least it is a beginning and a meaningful new direction.

Representative MITCHELL. But, Mr. Donovan, don't you understand that even if I agree with you in total, even if I wanted to support all

the tax incentives for the private sector totally—I agree that we need to revitalize and spur the economy. But you are dealing with human beings in the interim.

Secretary DONOVAN. I agree.

Representative MITCHELL. My figure is 2 years. You say sacrifice and hurt. Yours would say 1 year; my estimate is 2 years. That is 2 years of hurt. I am sorry. I am getting excited. I was going to say that is despicable. That is a harsh word to use. But it is foolhardy.

Do I have time for one more question, Mr. Chairman?

The President wants to lower the minimum wage. If a differential of 80 percent of the current minimum wage were established the subsidy of a 4-year basis would be less than half the current subsidy provided for the targeted jobs tax credit approach. But hasn't it been used? It has been in effect 1 year. And even with the targeted tax credit the private sector has not employed minority youth. What in the world makes you think that by lowering the minimum wage you will get a change of heart and a change of mind on the part of the private sector?

Secretary DONOVAN. That is correct, that the tax incentive has not been effective.

Representative MITCHELL. It has been a dismal failure.

Secretary DONOVAN. I am told by my career people in the Labor Department that it, first, has not been advertised well enough. There is an attitude on the part of the private sector that the redtape involved in it is not worth the effort.

It is being studied now. And I think in concept it is an excellent idea. I agree with you; it has not been effective.

On the subminimum wage, I am not convinced one way or the other that it will make a meaningful dent in what I consider to be a national tragedy with the unemployment among our minority youth in the high 40's. But what will, Mr. Mitchell? I understand the argument that it will displace heads of households, our older citizens. I do not know whether that is the case. But I suggest we cannot sit by and do nothing. A decision has not been firmly made, by I am persuaded that something like a subminimum wage for our youth may be worth trying. I have no fixed ideas.

Representative MITCHELL. You don't know whether this will work or not. So we are tinkering. Let's agree to that.

Secretary DONOVAN. No; we are not tinkering. I am suggesting a subminimum youth wage may very well begin to make a dent in a great American tragedy. I don't consider that tinkering.

Representative MITCHELL. I consider it tinkering.

Let me conclude by echoing what the chairman said. You are setting forth a program, a radical, brandnew, dramatic departure. You really don't know that it will work. I hope that it will. You hope that it will. But we don't know. So it would make eminent good sense, it seems to me, to establish a system of accountability for this program. And I would say the best way to do that is to leave most of your employment programs in place and at the end of the year if this produces 5,000 jobs, then reduce the public sector jobs by 5,000. If at the end of 2 years it produces another 10,000 jobs, then reduce the public sector. But to simply throw these people out of work on a system that has not been tested, it seems to me, is atrocious.

Secretary DONOVAN. I suggest that the program of the President has been tested. People keep referring to the Kennedy years. But I go back to something more basic. I don't need economists to tell me, Mr. Chairman and Mr. Mitchell, what made me work hard and what made me come from a shoeshine boy on the streets of Bayonne to relative success in America. It was because there were incentives.

The time for dramatic action on the inflationary side and on the incentive and deregulation side is now. This is the most meaningful and historic program that has been brought before the Congress. I am proud to be part of it. I believe it will work.

If there are any other alternatives that will create this incentive—as I like to say, if we could look at a crystal ball, as Shakespeare said, and tell each other which seed will grow, then let's speak. But I am convinced that it is basically economically sound.

Representative MITCHELL. Thank you. My time is up. All I can say is it is dramatic to me to put a million out of work. That is damn dramatic.

Secretary DONOVAN. It is, and into the labor market 2 million people enter a year—those are the projections—with no jobs. That is more than dramatic, Mr. Mitchell. And we have got to have growth to absorb it.

Representative REUSS. You were the chief executive of one of the largest construction companies in New Jersey.

Secretary DONOVAN. I was the executive vice president.

Representative REUSS. Did you work hard at that job?

Secretary DONOVAN. I sure did.

Representative REUSS. That, I might add, is the story I get from everywhere. You are a hard worker. It sounds to me as if the existing incentive is pretty good. A motivation not to be a goldbrick.

Secretary DONOVAN. I missed your premise. I'm sorry.

Representative REUSS. My point is you seem to have responded to incentives in the present system. America wasn't really breaking down. It got you to work most energetically.

Secretary DONOVAN. You are making the very point, Mr. Chairman, that I am trying to make here. When we began our business 25 years ago the incentives were far greater and the restrictions far less. In small businesses, and 50 percent of our labor force is absorbed by small business, when they put a pro forma together to see what it takes to start a small business it is pretty apparent that they make the accountants and lawyers very wealthy. And it gets very discouraging. And the capital formation is being eaten up for the small businessman worse than the General Motors of this world. They are the unsung heroes. They are the patriots.

Yes; the incentives were far greater when I started my business than if I had to start one today. That is why I am here, because I love this country and I want to make a substantial change, so that my children and their children will have the same opportunity I did.

The Government has taxed us and regulated us into a position where it stultifies growth. When growth is stultified we have these tragedies that Mr. Mitchell and I were just discussing.

Representative REUSS. On this very question of incentive, I agree very heartily with one sentence in the President's February 18 economic recovery program:

The motivation and incentive of our people to supply new goods and services and earn additional income for their families are the most precious resources of our Nation's economy.

I think that is a very good statement. If that is so, if one wants to increase incentives for people to get out there and work, why does the administration's program include changes in the food stamp program and aid for dependent children and medicaid, which can only discourage people from working.

For example, under the proposed change, a worker making $11,000 a year in a tannery or a motel or other similar job might under the existing arrangements like to get a better job or work more hours, at any rate make more income. But under the President's proposal he would be discouraged from doing that because if he does that his food stamps go down. So he will end up as bad off or worse off than he was before he got full of incentive. Aren't those changes counterproductive? Don't they go against the grain of what the President was saying, in a sense?

Secretary DONOVAN. I have much more faith in the American worker, whom I consider to be the most dedicated and talented in the world. In my experience, if people had the opportunity to raise their income versus taking food stamps, there is little question, in my mind, that they would be looking to raise their income.

Representative REUSS. That is interesting.

Of course, it's an observation, different, made by many of your colleagues, who consistently make the point that these welfare programs act as a disincentive to people, but that doesn't answer my question.

Are you ready?

Representative ROUSSELOT. Am I ready?

Representative REUSS. Congressman Rousselot to the rescue.

Representative ROUSSELOT. Parren, I've got to have a talk with you. We've got to know where you got those million figures for unemployment.

Representative MITCHELL. Just look at your sheet there.

Representative ROUSSELOT. I'm looking at every sheet we've got here. Where did you get the million? That occurred under Carter.

Representative MITCHELL. I'm talking about the stretchouts on construction and all that other good stuff that's being proposed.

Representative ROUSSELOT. You're always running off, just when we get to the good part. I was hoping you could have the benefit of some of this discussion.

Representative MITCHELL. Sorry.

Representative ROUSSELOT. Mr. Secretary, we're delighted to have you here. I want you to know that there's a lot of us who have watched the CETA program with great interest and found that it has not done all the things it was originally intended to do, that is, retrain people to go to permanent jobs, which it was supposed to do. And we admire and are grateful for what this administration is trying to do to change its direction and actually have CETA returned to training people to go to permanent jobs.

I don't know where my colleague got the 500,000 or million people he's talking about that are going to be thrown out of work. I just don't believe that's true. I think the program has to be tightened up. It's too expensive. It's not doing any of the things it was supposed to do.

And by the way, I've had a lot of local government officials that have told me how the program has, in fact, been misused—to transfer people who are in public service jobs. By putting them in CETA, local governments don't have to use local tax money to pay for them. CETA is not helping the needy or the poor to be retrained for permanent jobs. CETA does need to be tightened up. It's badly out of whack; it's too expensive. We are glad somebody is finally looking at the program to see if it's doing the things it's supposed to do.

So I don't want you to be misled into believing that the only voices you've heard so far attack, attack, attack. I don't think that's the case.

Some of us have read some of the General Accounting Office reports and have looked at CETA job training and are aware of the fact that in some cases as high as 60 percent of the people that have been involved in these programs have, in fact, not been retrained to go to an improved job status or to find a better job.

So that the program for—what it is now, $8.861 billion—really hasn't achieved those goals. That's why we commend your effort and the President's effort to reduce that unwarranted expenditure.

Now, how much are you recommending that we cut out or reduce the expenditure for CETA? Is it $1 billion?

Secretary DONOVAN. The fiscal year—I'll give you the exact figure in a moment. But as I look, I should comment on what you said. I had the opportunity to meet with 40 State CETA directors in the past few weeks.

Representative ROUSSELOT. Oh, you did. What did they say?

Secretary DONOVAN. The general attitude was——

Representative ROUSSELOT. You ought to hear this, Mr. Chairman.

Secretary DONOVAN. I met with 40 State CETA directors, Mr. Chairman, about 2 weeks ago for about an hour. And the general attitude was not dissimilar; you know, they're American citizens, like anyone else. But budget cuts are necessary. And in their view, the public service employment area was the place to cut.

They confirmed to me in several ways, Mr. Rousselot, what you have been told by the bankers. I've been getting it directly from them.

Representative ROUSSELOT. Some of my schoolboys told me that the CETA funds had been misused. Why did they say that? What were some of their examples?

Secretary DONOVAN. The general reaction they had was that they were dead end jobs. And the major attitude was they have no more talent or marketable skills to offer to the private sector when they leave.

Representative ROUSSELOT. You mean the money spent to retrain them really hasn't given CETA employees that much?

Secretary DONOVAN. It really wasn't a retraining program, Mr. Rousselot.

Representative ROUSSELOT. That's what we thought we were doing when we passed it in Congress.

Secretary DONOVAN. Not in title VI, in the public service employment area.

Their general attitude was that these are jobs that can be legislated out of existence. Our professional goal is to give these people, as best we can, marketable skills for the private sector. They were not getting them in the public sector.

These savings, for fiscal 1981, $635 million——

Representative ROUSSELOT. $635 million?

Secretary DONOVAN. In fiscal 1982, $3.5 billion.

Representative ROUSSELOT. $3.5 billion in 1982?

Secretary DONOVAN. Yes.

Representative ROUSSELOT. So you're not really gutting the program, you're just reducing it.

How much of an increase did President Carter recommend?

Secretary DONOVAN. He was, over the past 2 fiscal years, gradually—and I stress gradually—decreasing the funding in the public service employment.

Representative ROUSSELOT. So even he was suggesting reducing it?

Secretary DONOVAN. That's correct.

Representative ROUSSELOT. So it's kind of a bipartisan program?

Secretary DONOVAN. I would say that it's at least a recognition that it was masquerading as a training program in some people's views. It is not and was not a training program.

Representative ROUSSELOT. I also recall that we had a great number of other public sector participants—not just city governments, but county governments, school districts, and others. CETA-funded jobs in many cases did not necessarily train people for new skills or upgrade them in their ability to get a job in the private sector. In some cases 50 percent of the cost of the CETA program was chewed up in administrative costs, and therefore it was not really helping the needy or the poor.

My colleague, Mr. Mitchell, was talking about this issue—and I'm sorry he left—because I wanted to discuss this and find out where he was getting all those figures he was throwing out.

Some of us commend you for that.

Now, let me go on to a couple of other areas. I have an interest in another area that relates to you. I'm glad to see that this administration, including you, intends to do something about unnecessary regulatory burdens. I have a lot of gravel people in my area, and if they go to engage in a new construction, they are subject to a dual jurisdictional conflict with MSHA and OSHA. Can you do anything about eliminating that unnecessary conflict?

Let me suggest that we believe in providing safety for the worker, but should there be this problem of dual jurisdiction in MSHA and OSHA both——

Secretary DONOVAN. I'm convinced that obviously there shouldn't be. That very issue is under study now. I met with the Acting Secretary of MSHA. It's a very difficult area for the small scale operations.

But I stress, too, Mr. Rousselot, that some of these smaller gravel operations—there are many in number, and the health and safety of the workers does concern me. It found its way into MSHA, as I understand it, because generically they're considered a mining operation.

Representative ROUSSELOT. Nobody is suggesting mining operations be relieved of regulatory supervision as it relates to safety, but in some cases MSHA and OSHA could be in conflict. It was hoped that in those cases where MSHA and OSHA were not in conflict, as in deep mining and required deep mining construction, that OSHA would be an adequate jurisdiction for consideration of safety.

Secretary DONOVAN. I'm not convinced that that's so. I really believe that this department has great opportunities. There's a big training center in West Virginia—I think it's a $30 million building—where MSHA is training.

I would like to see more cooperation and more understanding between those overlapping areas. But generally speaking, the carrot and stick approach and some result-oriented type of approach, rather than the adversarial approach. In both of those programs I'm afraid we have gotten from my own experience as a contractor, in very dangerous work—Tunnels, bridges, and the like—there's too much adversarial approach to the safety problems. It gets industries' back up, and they want to take these things to court. There are better ways to do it. I don't think I'm being too idealistic when I say so.

Representative ROUSSELOT. Now, you know the coal miners—and I don't have to tell you about this—are calling for a work stoppage because of the proposed cutbacks in the black lung program.

In your particular statement, you talk of tightening eligibility requirements, but yet you say you won't reduce aid for those who need it.

Would you elaborate on how your department would attempt to do this and what assurances we can have that the tightening will not affect the truly needy? We've heard there's a lot of people receiving black lung benefits that really don't qualify. I wonder if you could comment on the savings that you expect to achieve by eliminating from the program those who are not truly needy?

Secretary DONOVAN. I'm happy for this opportunity. From what I've been reading in the press, there have been statements made that this administration intends to gut the black lung program.

Representative ROUSSELOT. Well, that makes good rhetoric.

Secretary DONOVAN. Not only is it rhetoric, I look at the poor black lung fellow who can't lie down on a bed at night and sleep, but has to sleep on a straight-backed chair, reading the paper in Kentucky, believing it. I think it's extremely disturbing, misleading. The intent here is to save the program. That's not a play on words. We intend to save the program, to make it what it isn't now—first, more responsive to the truly unfortunate who have this disease and to put it on a paying basis. I touched on it generally in my statement.

Representative ROUSSELOT. Yes, you did.

Secretary DONOVAN. If you want more details, I have them here.

Representative ROUSSELOT. Just give us some idea of how we can be assured that the truly needy will not be prevented from receiving benefits deserved, and how those who may possibly be misusing the program, as we have seen in some of the Accounting Office reports, will not be able to continue to misuse the program.

Secretary DONOVAN. First, we're not going to propose anything that would deprive any miner who is disabled by black lung from qualifying for the benefits. We're not proposing to change the definition of the disability. But we do need to make the program financially solvent. It's a billion dollars in debt now, going to a billion and a half this year. And I read figures as high as $7 billion into the mid-1980's.

We're considering recommending a substantial increase in the perton tax to support the benefit program. It's right now falling on the taxpayers of this country and the Federal Government to make up

these deficits. It's, to my way of thinking, the obligation of the industry and the union to have it funded properly and administered properly, with the Federal Government there to be certain that that's done.

There's a tremendous backup in applications for claims right now. It's a very emotional issue. I appreciate the opportunity, as a result of your question. There's no gutting to go on. It's to make it more responsive and put it on a fiscally sound basis, or the program will gut itself. That's our view.

Representative ROUSSELOT. I imagine it's the same concept President Reagan put into the welfare programs when he was Governor of California; that is, to assure that the truly needy receive welfare support when they needed it, but to eliminate from the program those who were not really truly proper beneficiaries.

Secretary DONOVAN. That's right. I'm sure that you agree—or any logical man would agree—that the mine operators should be prevented from taking advantage of the program in cases they do, but the claimants who do not actually have black lung should be denied the benefits. And I am convinced that some of that is going on. It's not a matter of dollars alone; by doing this, they threaten a program that was well thought out and deserving on those who truly have this horrible disease.

Representative ROUSSELOT. Thank you.

In your prepared statement which I've glanced through quickly, you provide us with an evaluation of public service employment programs—and maybe you did this with Mr. Mitchell in CETA—which are being specifically reduced and cut. Did those particular segments of the program really help the hard-core unemployed?

Secretary DONOVAN. You can't make a blanket statement that there was no help in the programs.

Representative ROUSSELOT. If you prefer to provide it later, feel free to do so.

Secretary DONOVAN. We'll provide you with numbers later, but I think generally, Congressman, the abilities of the Labor Department to fund far outstripped its ability to audit either the dollars themselves or the results desired.

In the public service employment area, the great majority of that money was not in training at all. We intend to preserve the training portion and to refocus it, hopefully, into a block grant type of approach, so that each municipality can use these funds on a well-designed plan to suit their particular local needs.

Generally the CETA program itself has a bad name. It was mainly the public service employment area—title VI, I think—that gives it that bad name.

There are some very good programs, and we intend to support those. But this is one that in these austere budget times was the most logical one to cut.

Representative ROUSSELOT. It's very possible you haven't been on this job long enough to really do a total evaluation as to whether these programs really help the hard to employ.

Any backup that you can give us to this analysis would be helpful to us in making our judgments when we're asked to do so. I hope that

you can supply that, so that in those areas in which you are reducing or cutting back we can be assured have basically proven job retraining programs to be ineffective in putting people back to work.

Secretary DONOVAN. I will, sir.

[The following information was subsequently supplied for the record.]

The Administration's analyses indicate that Public Service Employment is an expensive alternative to employability development programs and therefore an inappropriate activity, particularly as we are trying to channel resources toward private sector budgets. PSE is rarely combined with skill training so that participants are unable to improve their job readiness. The long-term goal of preparing people for unsubsidized employment is often not accomplished because many jobs in the public sector do not have private sector counterparts. In those instances where there are placements from PSE, the average costs per unsubsidized job are two or three times more expensive than placements from training programs.

PSE, which was originally designed as a countercyclical activity, has been ineffective in this regard. In fact, high PSE levels were reached only after the recession of 1974–75, so that PSE became a procyclical pressure exaggerating distortions in the market economy. Private industry can be hindered in its return to normal operating levels if former employees are in Public Service Employment. PSE can then become not only an untimely economic stimulus but can also contribute to inefficiencies in the allocation of human resources to the most productive sectors of the economy.

With respect to the Title II B public service employment program which deals with structural unemployment, an examination of the Title II D program and the Title II B/C training program clearly supports the administration's determination that public service employment is the least effective of all employment and training programs authorized by CETA in addressing the structural problems of the unemployed.

Not only is the placement rate under Title II B/C almost one-third higher than under II–B, but the positive outcome rate (obtaining jobs or other positive outcomes such as retraining or remaining in school) is almost 50 percent higher than for Title II–D. A further indication that Title II–D is not as effective as other programs is the cost of obtaining these results. The cost per placement for Title II–D is almost three times the cost per placement for Title II B/C ($21,785 vs. $7,525).

The above figures and rationale were instrumental in the Administration's decision to phase out public service employment programs under CETA.

Representative ROUSSELOT. I don't remember whether you talked about whether any reduced programs would be replaced with other training and employment initiatives.

Do you discuss that in your testimony?

Secretary DONOVAN. The plans under study try to focus the remaining dollars that we would have in our training programs into those areas that have proven productive—private-sector areas, along with block grants.

Representative ROUSSELOT. Will that help small businesses?

Secretary DONOVAN. Dramatically so, in my view.

Representative ROUSSELOT. How can we be assured of that?

Secretary DONOVAN. As the program develops, we'll certainly keep you informed on our thoughts, and ask for your input.

But it is in the small business area that I have the most hope, in predicting what they need in the way of trained skills, and being able to project and predict those needs over the next 5 to 6 years. And it's in the small business area that I find very encouraging signs.

Representative ROUSSELOT. One more item, Mr. Chairman. In the past, I have suggested—I know Commissioner Norwood has been aware

of my suggestions—that, in the employment figures we include those employed in the military. We do not now do so.

I would like to suggest to you that I personally believe that they should be counted as part of the employed labor force. We haven't been doing this. I'll just pass on the suggestion to you, for what it's worth. It's been debated for a long time. We've just never done it.

Secretary DONOVAN. I know.

Representative ROUSSELOT. Thank you, Mr. Chairman.

Representative REUSS. Thank you.

We should try, Secretary Donovan, to clear up this factual question.

Congressman Mitchell asserted that the phasing out by next September of the public service jobs program means that half a million people, who would otherwise have gotten the public service jobs, won't get them.

Congressman Rousselot has challenged that.

I invite you to consult with your colleagues here—I am aware of the fact that you've only been at your office for a few weeks—and let's set the record straight on that.

The question again, Is it or is it not a fact that under the proposed cuts some 500,000 people who—under the existing public service jobs program—would have had a job by next September, won't have one?

[Pause.]

Secretary DONOVAN. The only statistical data we have is that 300,000 will be phased out.

Representative REUSS. 300,000 slots?

Secretary DONOVAN. That's correct—people—300,000 people.

Representative REUSS. Let's pursue that. First of all, 300,000 is a lot of people; and I know you're sympathetic about their plight. And even 300,000 people, I don't relish our Government telling them:

You're not going to get this job. The job has been retracted. But be of good cheer. In just a few years, there'll be a job in the private sector, and it'll be a better job.

But I do want to get into the exact numbers. I had thought—and here, again, you may want to refer this to one of your associates—I had thought that there were 300,000 slots; but that, owing to the fact that CETA jobs are only for 18 months, it would take more than 300,000 people to fill those 300,000 slots. And that, between now and next September 30, the number of disappointed applicants for public service jobs would be on the order of 500,000.

Could you confirm or deny that?

Mr. WEATHERFORD. Mr. Chairman, I'm Larry Weatherford, the Deputy Assistant Secretary for Employment and Training.

Current budgets had about 340,000 slots, when the budget was proposed. Had it been passed, the original budget had 240,000 slots for title II–D, and 100,000 slots for title VI; which really gives you a slot level in excess of 300,000.

What we're trying to say is that there are currently 300,000 people in public service jobs; which, during the period from now until September 30, will be phased out. They will be taken off of those jobs.

I think what Mr. Mitchell is talking about is that, had we continued the program with the slot level, there would be other people that could get a job.

It's important to note, we've not taken them out of jobs. They would have had an opportunity to come in.

Representative REUSS. You've been very helpful.

The number of such additional people is on the order of 200,000, making a total of around 500,000, who will not get a job in public service programs, which they otherwise would have gotten, between now and next September? That is so, isn't it?

Mr. WEATHERFORD. Yes, as I understand.

Representative REUSS. Thank you, very much.

Representative ROUSSELOT. We're supposed to be training them for permanent service in the private sector. Does that mean that those people will not be employed? They'll all be unemployed?

Mr. WEATHERFORD. No, sir.

I think what we had the Secretary talking about earlier, Congressman, we have a plan in place that will try to find jobs for those people immediately. We'll have the public employment offices; we'll have the CETA prime sponsors; and we'll have the private industry.

Representative ROUSSELOT. CETA's prime sponsors. What are those?

Mr. WEATHERFORD. The local agencies that run the CETA programs. And we will make special efforts, working with the private sector, to see if we can't put these people—instead of throwing them off the jobs—into jobs in the private sector.

Representative ROUSSELOT. Mr. Chairman, maybe in September they can tell us how successful they've been in putting those people to work?

Representative REUSS. I'm sure they will be able to, and will have an opportunity, when we visit with you on this.

Meanwhile, this is very helpful. Let me ask a couple of more questions.

The Secretary testified that it will take a year for the private sector to be able to absorb the 500,000-odd people who won't have the public service jobs in the period between now and September. Representative Mitchell said, are you sure it won't take 2 years?

But, could you now tell us how much you hope to accelerate that schedule?

Because, after all, a year being without a job is a serious matter for the country and, particularly, for the person who is out of a job. It is especially so if he or she didn't have—as many disadvantaged people don't—previous work records so that they don't get unemployment benefits.

How much are you able to accelerate the Secretary's projection that it will take a year for the private sector to absorb these people?

Mr. WEATHERFORD. Mr. Chairman, there are two groups. As I indicated a while ago, the 300,000 individuals that we have in our records, that we have on the jobs, will get special, if you will, hands-on attention, to try and find a job for them in the private sector.

The others, that might have gotten a job—or the other part of the 2 million individuals every year, that are not in the work force, but decide to go to work—I think that our offices will be involved in that.

However, our offices deal with maybe only 20 percent of the jobs in the country. So, there's not much that our system can do to impact

the private sector, here, where employers hire people without involving the Government, or without involving the public office.

I don't know how to shorten the time frame.

I think what's important—and the Secretary has directed us to do this—is to pay attention to these individuals that are there, and try to find a job for them, by going to the private sector employers, and giving special attention, and asking them to take them into that job.

Secretary DONOVAN. I can add, Mr. Chairman, I truly and honestly believe that the speed with which this occurs is totally tied to the tax program, and the incentives we give to businesses and individuals to get the country moving again.

I think that's such a basic issue here. That we sit here, with these heartrending problems, and I confess to you that they're not easy to live with. But the Congress has to give us the major tools. And that's the tax package.

Representative REUSS. Suppose that Congress does what you feel is desirable; namely, passes the tax cut. What would you say is the date which the Reagan administration is justified in feeling is the proper date for Congress to complete action on the tax package?

Secretary DONOVAN. The day it happens will be an historic one. I'm not a economist, sir, but I know this: It will be the first step in an historical and meaningful approach to the economic problems that this country faces.

Representative REUSS. When would you and the administration like to see that day? July 1? August 1?

Secretary DONOVAN. The tax cut itself? The proposal, as I understand, is coming up on March 10.

Representative REUSS. That's correct. And when would you like to see the Congress present a bill, passed by the House and Senate?

Secretary DONOVAN. Just as soon as possible?

Representative REUSS. When does that mean? July 1?

Secretary DONOVAN. I don't know. I'm new to this city. I don't truly understand the process yet. But I know this: That the signal has to go out. And once the signal goes out, there's a psychological advantage, along with an economic advanage. And this is important.

Representative REUSS. You say it will take about a year for business to be able to offer these jobs to these 500,000 people who would have had a public service job.

When would that year start? When Congress passes the tax bill?

Secretary DONOVAN. I'd be hesitant to say. That would be as logical a date as any.

Mr. WEATHERFORD. Mr. Chairman?

Representative REUSS. Yes.

Mr. WEATHERFORD. I might add, in the economic projections that we will be sending up as part of the program, we anticipate a drop in the unemployment rate in the first quarter of fiscal year 1982, if the tax cut is passed. The impact should begin to be felt by the first quarter—the last 3 months of this calendar year, the October-to-December period.

We have so reflected that in the unemployment rate. So, there will be an early impact on jobs.

Representative REUSS. I know they're in the book. But can you give us the unemployment projections for each quarter in 1982?

Mr. WEATHERFORD. Yes, sir. Now?

Representative REUSS. Yes.

Mr. WEATHERFORD. The first quarter is 7.7 percent; the second quarter is 7.5 percent; the third quarter is 7.3; the fourth quarter is 7.1. Which means that the fiscal year 1982 average would be 7.2 percent.

Representative REUSS. The first quarter, however, would be worse unemployment than it is now, 7.7 percent?

Mr. WEATHERFORD. Based on what Commissioner Norwood reported today, 7.3, it would be.

Representative REUSS. This pick-up in the unemployed, by private industry, will not be started in the first quarter?

Mr. WEATHERFORD. By the first quarter of the fiscal year? Yes, sir.

Representative REUSS. Oh. The fiscal year.

In other words, by July and August of 1982.

Congressman Rousselot.

Representative ROUSSELOT. Mr. Chairman, I'd like to pursue a little further, with the Secretary, your meeting with the various CETA administrators, in the various States.

You said you had a meeting with roughly 40?

Secretary DONOVAN. That's right.

Representative ROUSSELOT. And that they made some suggestions as to ways to improve retraining programs? To make sure CETA was really being utilized to fulfill its purposes of retraining and getting people moved to permanent jobs? Rather than, as they said—according to what you said—CETA providing dead-end jobs. They were not really jobs that turned out to be productive.

If you're willing to submit for our record here some of their suggestions, I think that would be helpful.

Secretary DONOVAN. They are being prepared right now, Congressman Rousselot.

Representative ROUSSELOT. That would be helpful for the record, Mr. Chairman.

Representative REUSS. In a limited way. Because these CETA honchos are the people who brought on all of these problems with the CETA program, and I would be the first to deny that it has been a first-rate program—and the fault lies with those who administer it, the State and local officials.

So, I think one would have to look elsewhere than those who have been lousing up the details, for solutions.

Secretary DONOVAN. If they are the ones, as you suggest, who have loused it up. It's a very encouraging beginning, if we look upon literally the sins of our past, which we're paying for now. And if they are those people, then it's an encouraging beginning.

Representative REUSS. Both Congressman Rousselot and I would be very interested in seeing the results of that meeting.

[The following information was subsequently supplied for the record:]

The Secretary of Labor met informally with a group of CETA prime sponsor administrators on February 9, 1981, to exchange views on how the CETA program had been administered in the past and what improvements might be made.

The Secretary will continue to solicit prime sponsors' views in order to make certain that the Department does everything in its power to cut needless paperwork requirements and to foster the greatest administrative efficiency possible.

The results of the Secretary's continuing interchange with CETA prime sponsors will be reflected in the Department's planning and legislative proposals as they are forwarded to the Congress.

Representative REUSS. We're most grateful, Mr. Secretary, for your appearance here, and your willingness to take on any and all questions, and your good spirit. We look forward to having a pleasant relationship.

Secretary DONOVAN. Thank you, Mr. Chairman.

Please help this administration to begin turning this country around.

Representative REUSS. The committee will stand in adjournment.

[Whereupon, at 11:55 a.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, APRIL 3, 1981

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 10 a.m., in room 2154, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representative Reuss.

Also present: James K. Galbraith, executive director; and Mary E. Eccles, William Keyes, and Mark R. Policinski, professional staff members.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. Good morning. The Joint Economic Committee will be in order for its monthly hearing into the unemployment figures and the Producer Price Indexes.

The news this morning on the inflation front is bad. The March figures released this morning show a total increase for March of 1.3 percent. That is an annualized inflation rate for finished goods in the Producer Price Indexes of 16.8 percent. That is the worst month—save one—in at least 1 year, and results in very large part from the administration's energy policy.

I am particularly concerned about it because, in my view, it is necessary to turn the corner. To have an annualized rate increase of 16.8 percent is certainly not turning the corner.

We will just have to wait and see, and try to do better.

We are fortunate, as always, to have Ms. Janet L. Norwood, Commissioner of the Bureau of Labor Statistics, before us.

Ms. Norwood, would you proceed with your statement and your supplementary tables will be received, as usual, into the record.

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND JOHN E. BREGGER, CHIEF, DIVISION OF CURRENT EMPLOYMENT AND UNEMPLOYMENT ANALYSIS

Ms. NORWOOD. Thank you, Mr. Chairman. As always, we are very pleased to be here.

Mr. Chairman and members of the committee, I am pleased to have this opportunity to provide the Joint Economic Committee with a few

brief comments to supplement the Employment Situation and Producer Price Indexes press releases, issued by the Bureau of Labor Statistics this morning at 9 a.m.

The Nation's unemployment rate, at 7.3 percent in March, was the same as in February. Payroll employment, as measured by the business survey, was unchanged over the month, while the household survey showed employment increasing sharply between February and March. When averaged over the first quarter of this year, however, both surveys showed employment increases of about 700,000 since the last quarter of 1980. Month-to-month differences between the two surveys are not unusual, but over the long run, both surveys track fairly well.

In March, the household survey caught up with recent changes in the business survey. A gain of nearly 500,000 in the labor force was about matched by increases in employment. The March employment increase reported by the household survey was concentrated among adult men; 72.8 percent of adult men were employed in March, the highest percentage since last spring.

Although employment as measured by the business survey did not increase in March, it has risen steadily from July through February. Job gains occurred in both manufacturing and construction during that period, but employment in those industries has not yet reached the pre-1980 recession levels.

In contrast, except for Government and transportation and public utilities, there have been steady employment advances in service-producing industries. In fact, employment in the services sector in March was about 1 million above the year-ago level.

Factory hours in March were close to December levels, although overtime hours were down slightly. Last month, I urged caution in interpreting the February decline in hours. It now appears that the January figure was probably overstated, and that the workweek has stabilized at about the levels prevailing at the end of 1980.

The Nation's overall unemployment rate of 7.3 percent in March has been little different since last December, when it was 7.4 percent. Since last July, when the rate was 7.6 percent, unemployment has edged down at a very slow pace; job gains have been only slightly larger than the labor force expansion. Thus, despite a substantial increase in employment, the overall jobless rate has changed little and remains at a relatively high level. The unemployment rate for adult men, however, has dropped from 6.6 percent in July to 5.9 percent in March.

The number of discouraged workers—persons who want jobs but are not looking for work because they believe no jobs are available—which we report on each quarter, rose by 60,000 in the first quarter of 1981 and was up about 150,000 over the past two quarters. The first quarter rise occurred entirely among those who gave "job market" rather than personal reasons for their discouragement.

As you know, BLS reports a series of unemployment measures based on varying definitions of unemployment. For the first quarter

of 1981, these measures ranged from 2.1 to 10.5 percent. Six of the seven measures show some improvement from the fourth quarter of 1980 to the first quarter of this year.

PRODUCER PRICES

The producer price index for finished goods, which was also released this morning, rose 1.3 percent. The March increase, the largest since last summer, followed increases of 0.8 to 0.9 percent in February and January. A 6.1 percent surge in producer prices of finished energy goods and a turnaround in consumer food prices at the producer level accounted for a large part of the March increase.

The increase in finished energy prices in March was the fifth consecutive large monthly increase and reflected the impact of price deregulation of domestic crude oil, as well as increases in prices of imported petroleum. Consumer food prices moved up 0.8 percent, following several months of stable or slightly declining prices. Prices of finished goods other than food and energy rose 0.5 percent in March, less than the 0.8 percent increases in January and February. Prices of capital equipment, consumer durable goods and consumer nondurable goods decelerated in March.

At the intermediate or semifinished stage in the price structure, prices increased 1.1 percent in March, much more than in February, and about the same as in January. Most of the March advance was caused by a large increase in prices of energy goods used in the production of goods and services. Prices also increased for materials used in manufacturing and construction.

Prices of crude materials decreased 1.3 percent in March, the third decline in the last 4 months. Prices of crude energy materials rose 0.3 percent following a 20-percent jump in February, when the cumulative impact of several months of price deregulation actions were reflected in the PPI. Prices of crude food and other crude materials declined in March, for the fourth consecutive month.

In summary, the March labor market data continue the trends of the last few months. Unemployment, although slightly below last summer's level, remains high. Employment increases over the quarter occurred in both construction and manufacturing, the two industries hardest hit by the recession. The long-term trend toward job gains in the service sector has continued throughout most of the past year.

The index for producer finished products rose more in March than in any of the previous 6 months, because prices turned around for many consumer goods, and energy prices rose sharply. When food products and energy goods are excluded, the finished goods index rose 9.2 percent over the year, less than the double-digit rates that prevailed in 1980.

My colleagues and I will now be glad to answer any questions you may have.

[The table attached to Ms. Norwood's statement, together with the press releases referred to, follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X-11 ARIMA method					X-11 method (former official method)	Range (cols. 2-7)
		Official	Concurrent	Stable	Total	Residual		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1980:								
March	6.6	6.3	6.3	6.2	6.3	6.5	6.2	0.3
April	6.6	6.9	6.9	6.9	6.9	6.9	6.9	----
May	7.0	7.6	7.6	7.7	7.7	7.3	7.6	.4
June	7.8	7.5	7.5	7.4	7.4	7.3	7.6	.3
July	7.9	7.6	7.6	7.8	7.6	7.5	7.8	.3
August	7.5	7.6	7.6	7.7	7.5	7.5	7.7	.2
September	7.1	7.4	7.4	7.4	7.3	7.3	7.5	.2
October	7.1	7.6	7.6	7.6	7.5	7.5	7.6	.1
November	7.1	7.5	7.5	7.5	7.5	7.5	7.5	----
December	6.9	7.4	7.4	7.4	7.4	7.4	7.3	.1
1981:								
January	8.2	7.4	7.5	7.4	7.5	7.6	7.4	.2
February	8.0	7.3	7.4	7.2	7.4	7.6	7.2	.4
March	7.7	7.3	7.4	7.2	7.3	7.7	7.2	.5

Explanation of Column Heads

(1) Unadjusted rate.—Unemployment rate not seasonally adjusted.

(2) Official rate (X-11 ARIMA method).—The published seasonally adjusted rate. Each of the 3 major labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16 to 19 and 20 yrs and over—are seasonally adjusted independently using data from January 1967 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (autoregressive, integrated, moving average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X-11 portion of the X-11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with additive adjustment model, while the other components are adjusted with the multiplicative model. A prior adjustment for trend is applied to the extended series for adult male unemployment before seasonal adjustment. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January-June are computed at the beginning of each year; extrapolated factors for July-December are computed in the middle of the year after the June data become available. Each set of 6-mo factors are published in advance, in the January and July issues, respectively, of "Employment and Earnings."

(3) Concurrent (X-11 ARIMA method).—The procedure for computation of the official rate using the 12 components is followed except that the extrapolated factors are not used at all. Each component is seasonally adjusted with the X-11 ARIMA program each month as the most recent data become available. Rate for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example, the rate for January 1980 would be based, during 1980, on the adjustment of data from the period January 1967 through January 1980. Since the revision pattern and procedure for computation of the rate are identical to the official procedure, the results of this method will be identical to the official rate at the end of each year when the most recent observation is December.

(4) Stable (X-11 ARIMA method).—Each of the 12 labor force components is extended using ARIMA models as in the official procedure and then run through the X-11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year to year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-mo intervals and the series are revised at the end of each year. The procedure or computation of the rate from the seasonally adjusted components is also indentical to the official procedure.

(5) Total (X-11 ARIMA method).—This is one alternative aggregation procedure, in which total unemployment and labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X-11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent of seasonally adjusted total civilian labor force. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(6) Residual (X-11 ARIMA method).—This is another alternative aggregation method, in which total employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(7) X-11 method (former official method).—The procedure for computation of the official rate is used except that the series are not extended with ARIMA models and the factors are projected in 12-mo intervals. The standard X-11 program is used to perform the seasonal adjustment.

Methods or adjustment.—The X-11 ARIMA method was developed at Statistics Canada by the seasonal adjustment and times series staff under the direction of Estela Bee Dagum. The method is described in the "X-11 ARIMA seasonal Adjustment Method," by Estela Bee Dagum. Statistics Canada Catalog No. 12-564E, February 1980.

The standard X-11 method is described in "X-11 Variant of the Census Method II Seasonal Adjustment Program," by Julius Shiskin, Alan Young, and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

Source: U.S. Department of Labor, Bureau of Labor Statistics, April 1981

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THE EMPLOYMENT SITUATION: MARCH 1981

Unemployment was unchanged in March, while the two major employment series showed different developments, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The Nation's unemployment rate was 7.3 percent, the same as it had been in February but down from 1980's high of 7.6 percent.

The series on total employment--derived from the monthly survey of households--showed an increase of nearly 500,000 in March to 98.4 million. In contrast, the series on nonfarm payroll employment--derived from the monthly survey of establishments--was unchanged over the month at 91.6 million. Since last summer, however, both series have recorded sizeable increases in employment.

Unemployment

The Nation's unemployment rate was 7.3 percent in March, and the number of unemployed workers was 7.8 million. Both measures have been about unchanged since December (after adjustment for seasonality). Unemployment rates for most major worker groups have also been relatively stable for the past several months. March rates were 7.1 percent for full-time workers, 5.9 percent for adult men, 6.6 percent for adult women, 19.1 percent for teenagers, 6.5 percent for whites, and 13.7 percent for black and other workers. (See tables A-1 and A-2.)

The number of persons on layoff, plus those permanently separated from their jobs (job losers), at 3.8 million in March, was little changed from the previous 2 months. The number of job losers was down more than half a million since last summer but was still more than 800,000 higher than in March 1980. (See table A-7.)

There was little change in the average duration of unemployment in March. Since December, however, there has been a slight decrease in the number of persons unemployed for 15 weeks or longer. (See table A-6.)

Total Employment and the Labor Force

Both total employment and the civilian labor force increased by about half a million, advancing to 98.4 million and 106.2 million, respectively. Adult men accounted for over 70 percent of the over-the-month change in both of these series. (See table A-1.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Feb. - Mar. change
	1980		1981	1981			
	I	IV	I	Jan.	Feb.	Mar.	
HOUSEHOLD DATA							
	Thousands of persons						
Civilian labor force	104,217	105,173	105,800	105,543	105,681	106,177	496
Total employment	97,718	97,276	98,012	97,696	97,927	98,412	485
Unemployment	6,499	7,897	7,788	7,847	7,754	7,764	10
Not in labor force	58,999	59,906	59,820	59,917	59,946	59,598	-348
Discouraged workers	949	1,055	1,115	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	6.2	7.5	7.4	7.4	7.3	7.3	0
Adult men	4.8	6.3	6.0	6.0	6.0	5.9	-0.1
Adult women	5.8	6.7	6.6	6.7	6.5	6.6	0.1
Teenagers	16.4	18.3	19.1	19.0	19.3	19.1	-0.2
White	5.5	6.6	6.6	6.7	6.6	6.5	-0.1
Black and other	11.8	14.1	13.2	12.9	13.1	13.7	0.6
Hispanic origin	9.3	10.2	11.3	11.1	12.0	10.7	-1.3
Full-time workers	5.8	7.3	7.1	7.1	7.1	7.1	0
ESTABLISHMENT DATA							
	Thousands of jobs						
Nonfarm payroll employment	91,120	90,932	91,590p	91,481	91,644p	91,645p	1p
Goods-producing industries	26,605	25,780	26,002p	26,041	25,987p	25,978p	-9p
Service-producing industries	64,516	65,152	65,588p	65,440	65,657p	65,667p	10p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.5	35.4	35.4p	35.5	35.3p	35.4p	0.1p
Manufacturing	40.1	39.4	40.1p	40.4	39.9p	40.0p	0.1p
Manufacturing overtime	3.1	2.9	3.0p	3.1	2.9p	2.9p	0p

p=preliminary. N.A.=not available.

Since July, total employment has increased by about 1.4 million. The number of employed adult men and women each rose by about 800,000. The number of employed teenagers dropped by 200,000 over this period, reflecting, in part, a decline in their population.

The civilian labor force increased by 2.1 million over the past year. Adult women, whose labor force participation rate reached an all-time high of 52.1 percent in March, accounted for about two-thirds of this growth.

Discouraged Workers

The number of discouraged workers in the first quarter of 1981 was 1.1 million, slightly above the level of the previous quarter and 165,000 higher than a year earlier. (Discouraged workers are persons who report that they want to work but are not looking for jobs because they believe they cannot find any.) Women accounted for most of the over-the-year increase. Almost 80 percent of discouraged workers cited job-market factors as the reason for their discouragement; the remainder cited personal reasons. (See table A-11.)

Industry Payroll Employment

The number of employees on nonagricultural payrolls was unchanged in March at 91.6 million. The total number of payroll jobs had advanced by 1.8 million from July through February, recouping employment losses which occurred in early 1980; however, not all industry divisions have fully recovered from the 1980 recession effects. (See table B-1.)

Manufacturing employment remained at 20.4 million in March. Although the number of factory jobs has risen substantially since July, employment in the industry was still three-quarters of a million below its June 1979 pre-recession high.

Employment in construction and mining was unchanged over the month at 4.5 and 1.1 million, respectively. The number of construction jobs was still about 230,000 below the January 1980 peak. By contrast, employment in mining, which had increased fairly steadily during 1980, was about 85,000 above the year-earlier level.

In the service-producing sector, only State and local government--down by 55,000--showed any substantial movement over the month. This was about offset by small gains in trade and services. Employment in the service-producing sector rose steadily over the past year and was about 1 million above its March 1980 level, but only trade, services, and finance, insurance, and real estate contributed to the growth.

Hours of Work

Following a decline of 0.2 hour in February, the average workweek of production or nonsupervisory workers on private nonfarm payrolls edged up 0.1 hour in March to 35.4 hours. The manufacturing workweek was also up a tenth of an hour, following a large decline in February. At 40.0 hours, the factory workweek was at about the same level as at the end of 1980. Manufacturing overtime, at 2.9 hours, was unchanged over the month. (See table B-2.)

Reflecting the gain in weekly hours, the index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls increased 0.2 percent in March to 126.5 (1967=100). The manufacturing index rose 0.4 percent over the month, offsetting some of the February decline; the index was 6.2 percent higher than last July's low but still 3.5 percent below its year-earlier level. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls rose 0.7 percent over the month (seasonally adjusted). Average weekly earnings were up 1.0 percent from February. Before adjustment for seasonality, average hourly earnings increased 4 cents in March to $7.10, 59 cents above the year-earlier level. Average weekly earnings were $249.92, up $2.82 over the month and $20.77 since March 1980. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 268.5 (1967=100) in March, 0.8 percent higher than in February. The Index was 9.5 percent above March a year ago. In dollars of constant purchasing power, the Index decreased 1.4 percent during the 12-month period ended in February. (See table B-4.)

Chart 1. Civilian labor force and employment
(Seasonally adjusted)

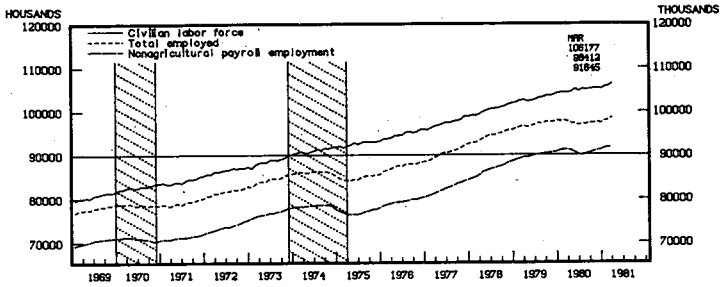


Chart 2. Unemployment rate--all civilian workers

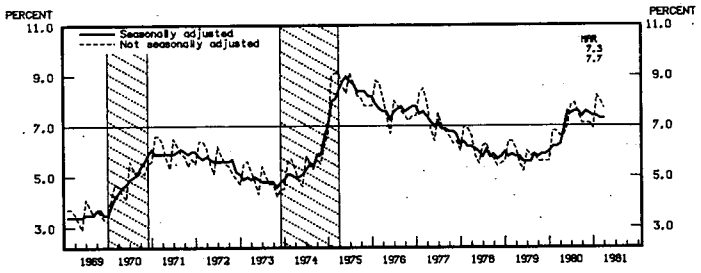
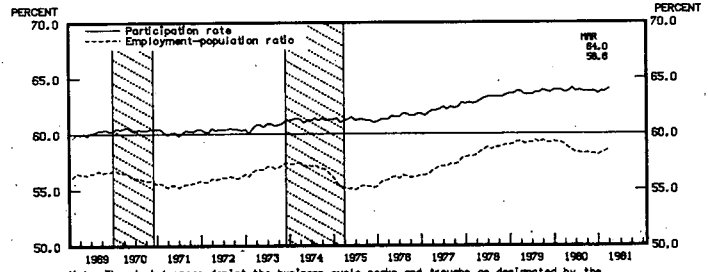


Chart 3. Civilian labor force participation rate
and total employment-population ratio
(Seasonally adjusted)



Note: The shaded areas depict the business cycle peaks and troughs as designated by the National Bureau of Economic Research.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 65,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 166,000 establishments employing about 35 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed,* regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

----The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

----The household survey includes people on unpaid leave among the employed; the establishment survey does not;

----The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

----The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings*, published each month by BLS. It is available for $2.75 per issue or $22.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables A through I of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables L through Q of that publication.

HOUSEHOLD DATA

Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment, status, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	MAR. 1980	FEB. 1981	MAR. 1981	MAR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981
TOTAL									
Total noninstitutional population[1]	165,506	167,747	167,902	165,506	167,201	167,396	167,585	167,747	167,902
Armed Forces[1]	2,090	2,121	2,128	2,090	2,119	2,124	2,125	2,121	2,128
Civilian noninstitutional population[1]	163,416	165,627	165,774	163,416	165,082	165,272	165,460	165,627	165,774
Civilian labor force	103,351	104,808	105,405	104,171	105,285	105,067	105,543	105,681	106,177
Participation rate	63.2	63.3	63.6	63.7	63.8	63.6	63.8	63.8	64.0
Employed	96,546	96,383	97,318	97,628	97,339	97,282	97,696	97,927	98,412
Employment-population ratio[2]	58.3	57.5	58.0	59.0	58.2	58.1	58.3	58.4	58.6
Agriculture	2,962	2,773	2,905	3,337	3,340	3,394	3,403	3,281	3,276
Nonagricultural industries	93,584	93,609	94,413	94,291	93,999	93,888	94,294	94,646	95,136
Unemployed	6,805	8,425	8,087	6,543	7,946	7,785	7,847	7,754	7,764
Unemployment rate	6.6	8.0	7.7	6.3	7.5	7.4	7.4	7.3	7.3
Not in labor force	60,065	60,819	60,368	59,245	59,797	60,205	59,917	59,946	59,598
Men, 16 years and over									
Total noninstitutional population[1]	79,295	80,346	80,415	79,295	80,091	80,183	80,272	80,346	80,415
Armed Forces[1]	1,934	1,950	1,954	1,934	1,954	1,959	1,954	1,950	1,954
Civilian noninstitutional population[1]	77,361	78,396	78,461	77,361	78,137	78,224	78,318	78,396	78,461
Civilian labor force	59,383	59,726	60,101	59,989	60,388	60,256	60,365	60,338	60,628
Participation rate	76.8	76.2	76.6	77.5	77.3	77.0	77.1	77.0	77.3
Employed	55,484	54,764	55,379	56,489	55,897	55,920	56,012	56,045	56,383
Employment-population ratio[2]	70.0	68.2	68.9	71.2	69.8	69.7	69.8	69.8	70.1
Unemployed	3,898	4,962	4,722	3,500	4,491	4,334	4,353	4,293	4,245
Unemployment rate	6.6	8.3	7.9	5.8	7.4	7.2	7.2	7.1	7.0
Men, 20 years and over									
Total noninstitutional population[1]	70,896	72,070	72,155	70,896	71,768	71,875	71,980	72,070	72,155
Armed Forces[1]	1,657	1,657	1,673	1,657	1,673	1,677	1,660	1,657	1,673
Civilian noninstitutional population[1]	69,238	70,413	70,481	69,238	70,095	70,198	70,320	70,413	70,481
Civilian labor force	54,766	55,343	55,652	54,966	55,539	55,470	55,443	55,445	55,816
Participation rate	79.1	78.6	79.0	79.4	79.2	79.0	78.8	78.7	79.2
Employed	51,624	51,392	51,898	52,230	52,007	52,045	52,091	52,134	52,511
Employment-population ratio[2]	72.8	71.3	71.9	73.7	72.5	72.4	72.4	72.3	72.8
Agriculture	2,217	2,097	2,135	2,386	2,372	2,331	2,378	2,289	2,296
Nonagricultural industries	49,407	49,296	49,763	49,844	49,635	49,714	49,713	49,844	50,215
Unemployed	3,141	3,951	3,794	2,736	3,532	3,425	3,352	3,312	3,305
Unemployment rate	5.7	7.1	6.8	5.0	6.4	6.2	6.0	6.0	5.9
Women, 16 years and over									
Total noninstitutional population[1]	86,211	87,402	87,487	86,211	87,110	87,213	87,313	87,402	87,487
Armed Forces[1]	157	170	174	157	165	165	171	170	174
Civilian noninstitutional population[1]	86,054	87,231	87,313	86,054	86,945	87,048	87,142	87,231	87,313
Civilian labor force	43,968	45,082	45,304	44,182	44,897	44,813	45,178	45,343	45,549
Participation rate	51.1	51.7	51.9	51.3	51.6	51.5	51.8	52.0	52.2
Employed	41,062	41,619	41,940	41,139	41,442	41,362	41,684	41,882	42,029
Employment-population ratio[2]	47.6	47.6	47.9	47.7	47.6	47.4	47.7	47.9	48.0
Unemployed	2,906	3,463	3,365	3,043	3,455	3,451	3,493	3,461	3,519
Unemployment rate	6.6	7.7	7.4	6.9	7.7	7.7	7.7	7.6	7.7
Women, 20 years and over									
Total noninstitutional population[1]	78,005	79,315	79,415	78,005	78,979	79,097	79,212	79,315	79,415
Armed Forces[1]	129	140	145	129	137	137	141	140	145
Civilian noninstitutional population[1]	77,876	79,175	79,271	77,876	78,842	78,959	79,071	79,175	79,271
Civilian labor force	39,989	41,199	41,411	39,845	40,629	40,570	40,942	41,090	41,293
Participation rate	51.4	52.0	52.2	51.2	51.5	51.4	51.8	51.9	52.1
Employed	37,755	38,444	38,762	37,550	37,909	37,820	38,191	38,410	38,567
Employment-population ratio[2]	48.4	48.5	48.8	48.1	48.0	47.8	48.2	48.4	48.6
Agriculture	471	461	497	577	574	665	621	615	606
Nonagricultural industries	37,283	37,983	38,265	36,973	37,335	37,155	37,570	37,794	37,961
Unemployed	2,235	2,755	2,649	2,295	2,720	2,750	2,750	2,680	2,725
Unemployment rate	5.6	6.7	6.4	5.8	6.7	6.8	6.7	6.5	6.6
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,606	16,362	16,331	16,606	16,454	16,424	16,393	16,362	16,331
Armed Forces[1]	304	323	310	304	309	310	324	323	310
Civilian noninstitutional population[1]	16,302	16,039	16,022	16,302	16,145	16,114	16,069	16,039	16,022
Civilian labor force	8,596	8,265	8,303	9,360	9,117	9,027	9,158	9,146	9,068
Participation rate	52.7	51.5	51.8	57.4	56.5	56.0	57.0	57.0	56.6
Employed	7,167	6,546	6,659	7,848	7,623	7,417	7,414	7,384	7,334
Employment-population ratio[2]	43.2	40.0	40.8	47.3	45.1	45.2	45.2	45.1	44.9
Agriculture	274	215	273	374	394	398	404	376	374
Nonagricultural industries	6,893	6,331	6,385	7,474	7,029	7,019	7,010	7,008	6,960
Unemployed	1,429	1,719	1,644	1,512	1,694	1,610	1,744	1,762	1,734
Unemployment rate	16.6	20.8	19.8	16.2	18.6	17.8	19.0	19.3	19.1

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

Table A-2. Employment status of the population by race, sex, and age

(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	MAR. 1980	FEB. 1981	MAR. 1981	MAR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981
WHITE									
Total noninstitutional population[1]	144,730	146,403	146,515	144,730	145,995	146,140	146,284	146,403	146,515
Armed Forces[1]	1,615	1,629	1,633	1,615	1,636	1,640	1,633	1,629	1,633
Civilian noninstitutional population[1]	143,115	144,774	144,882	143,115	144,359	144,500	144,651	144,774	144,882
Civilian labor force	91,204	92,366	92,814	91,802	92,562	92,383	92,832	93,035	93,313
Participation rate	63.7	63.8	64.1	64.1	64.1	63.9	64.2	64.3	64.4
Employed	85,845	85,661	86,454	86,723	86,409	86,377	86,620	86,940	87,291
Employment-population ratio[2]	59.3	58.5	59.0	59.9	59.2	59.1	59.2	59.4	59.6
Unemployed	5,358	6,704	6,360	5,079	6,153	6,006	6,213	6,095	6,022
Unemployment rate	5.9	7.3	6.9	5.5	6.6	6.5	6.7	6.6	6.5
Men, 20 years and over									
Civilian labor force	48,888	49,372	49,632	49,049	49,481	49,449	49,426	49,420	49,695
Participation rate	79.7	79.3	79.6	79.9	79.8	79.6	79.4	79.3	79.7
Employed	46,359	46,149	46,560	46,856	46,684	46,728	46,704	46,757	47,030
Employment-population ratio[2]	74.0	72.6	73.2	74.8	73.7	73.7	73.6	73.6	73.9
Unemployed	2,529	3,223	3,072	2,193	2,797	2,721	2,722	2,664	2,664
Unemployment rate	5.2	6.5	6.2	4.5	5.7	5.5	5.5	5.4	5.4
Women, 20 years and over									
Civilian labor force	34,592	35,566	35,740	34,382	34,972	34,910	35,313	35,423	35,529
Participation rate	50.9	51.5	51.7	50.6	50.9	50.7	51.2	51.3	51.4
Employed	32,900	33,488	33,774	32,673	32,944	32,858	33,180	33,421	33,539
Employment-population ratio[2]	48.3	48.5	48.8	48.0	47.9	47.7	48.1	48.4	48.5
Unemployed	1,692	2,078	1,966	1,709	2,028	2,052	2,133	2,002	1,990
Unemployment rate	4.9	5.8	5.5	5.0	5.8	5.9	6.0	5.7	5.6
Both sexes, 16-19 years									
Civilian labor force	7,723	7,428	7,442	8,371	8,109	8,024	8,093	8,191	8,089
Participation rate	56.1	55.1	55.3	60.9	59.7	59.2	59.9	60.7	60.1
Employed	6,587	6,024	6,120	7,194	6,781	6,791	6,735	6,762	6,721
Employment-population ratio[2]	47.1	43.9	44.7	51.5	49.1	49.2	48.9	49.2	49.1
Unemployed	1,137	1,404	1,322	1,177	1,328	1,233	1,358	1,429	1,368
Unemployment rate	14.7	18.9	17.8	14.1	16.4	15.4	16.8	17.4	16.9
Men	14.7	21.0	19.5	13.5	17.7	16.4	17.9	18.2	18.0
Women	14.8	16.6	15.8	14.7	14.9	14.2	15.5	16.6	15.7
BLACK AND OTHER									
Total noninstitutional population[1]	20,777	21,344	21,387	20,777	21,206	21,255	21,301	21,344	21,387
Armed Forces[1]	476	491	495	476	483	484	492	491	495
Civilian noninstitutional population[1]	20,301	20,853	20,892	20,301	20,723	20,771	20,809	20,853	20,892
Civilian labor force	12,147	12,442	12,591	12,320	12,706	12,668	12,684	12,598	12,765
Participation rate	59.8	59.7	60.3	60.7	61.3	61.0	61.0	60.4	61.1
Employed	10,701	10,722	10,865	10,856	10,922	10,895	11,051	10,942	11,020
Employment-population ratio[2]	51.5	50.2	50.8	52.3	51.5	51.3	51.9	51.3	51.5
Unemployed	1,446	1,721	1,727	1,464	1,784	1,773	1,634	1,655	1,745
Unemployment rate	11.9	13.8	13.7	11.9	14.0	14.0	12.9	13.1	13.7
Men, 20 years and over									
Civilian labor force	5,877	5,971	6,060	5,898	6,042	6,015	5,996	6,007	6,072
Participation rate	74.5	73.5	74.4	74.8	74.9	74.4	73.9	73.9	74.6
Employed	5,265	5,243	5,338	5,340	5,315	5,315	5,367	5,355	5,414
Employment-population ratio[2]	63.8	61.7	62.6	64.7	63.0	62.8	63.3	63.0	63.5
Unemployed	612	728	722	558	727	700	628	651	658
Unemployment rate	10.4	12.2	11.9	9.5	12.0	11.6	10.5	10.8	10.8
Women, 20 years and over									
Civilian labor force	5,397	5,633	5,671	5,424	5,652	5,654	5,638	5,645	5,708
Participation rate	54.7	55.4	55.6	55.0	56.0	55.9	55.6	55.5	56.0
Employed	4,855	4,956	4,988	4,854	4,965	4,956	5,016	4,976	4,988
Employment-population ratio[2]	49.0	48.6	48.7	49.0	49.0	48.8	49.3	48.7	48.7
Unemployed	542	677	683	570	687	698	621	669	720
Unemployment rate	10.0	12.0	12.0	10.5	12.2	12.3	11.0	11.9	12.6
Both sexes, 16-19 years									
Civilian labor force	873	838	861	998	1,012	999	1,051	946	985
Participation rate	34.3	32.8	33.6	39.2	39.5	39.0	41.2	37.1	38.5
Employed	581	522	539	662	642	624	667	611	618
Employment-population ratio[2]	22.1	19.8	20.5	25.2	24.4	23.7	25.3	23.2	23.5
Unemployed	292	315	322	336	370	375	384	335	367
Unemployment rate	33.5	37.6	37.4	33.7	36.6	37.5	36.5	35.4	37.3
Men	32.3	40.8	34.6	31.1	35.9	38.8	39.2	35.5	33.5
Women	34.7	33.8	40.5	36.4	37.4	36.1	33.3	35.3	41.4

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	MAR. 1980	MAR. 1981	MAR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981
CHARACTERISTIC								
Total employed, 16 years and over	96,546	97,318	97,628	97,339	97,282	97,696	97,927	98,412
Married men, spouse present	38,396	38,058	38,706	38,167	38,231	38,182	38,113	38,365
Married women, spouse present	23,295	23,631	23,171	23,065	23,063	23,352	23,356	23,513
Women who maintain families	4,623	4,839	4,658	4,707	4,716	4,787	4,852	4,878
OCCUPATION								
White-collar workers	50,604	52,044	50,336	51,148	51,065	51,594	51,698	51,746
Professional and technical	15,736	16,175	15,408	15,863	15,810	15,965	15,813	15,827
Managers and administrators, except farm	10,744	11,542	10,765	11,016	11,009	11,363	11,488	11,565
Sales workers	6,052	6,139	6,132	6,155	6,175	6,265	6,271	6,220
Clerical workers	18,073	18,189	18,031	18,114	18,071	18,001	18,125	18,135
Blue-collar workers	30,580	29,647	31,568	30,550	30,373	30,338	30,446	30,594
Craft and kindred workers	12,358	12,227	12,740	12,424	12,337	12,306	12,386	12,605
Operatives, except transport	10,441	10,077	10,556	10,247	10,194	10,331	10,390	10,189
Transport equipment operatives	3,505	3,319	3,551	3,429	3,402	3,322	3,361	3,363
Nonfarm laborers	4,276	4,024	4,721	4,450	4,440	4,380	4,309	4,437
Service workers	12,930	13,223	12,982	12,888	12,982	12,946	13,070	13,279
Farm workers	2,432	2,404	2,718	2,729	2,804	2,737	2,662	2,679
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,253	1,176	1,429	1,417	1,411	1,465	1,336	1,338
Self-employed workers	1,486	1,491	1,612	1,612	1,655	1,615	1,610	1,615
Unpaid family workers	223	237	295	324	305	284	325	312
Nonagricultural industries:								
Wage and salary workers	86,359	87,132	87,110	86,643	86,513	87,125	87,236	87,870
Government	15,809	15,889	15,605	15,651	15,653	15,738	15,589	15,685
Private industries	70,549	71,243	71,505	70,992	70,860	71,387	71,647	72,185
Private households	1,067	1,155	1,140	1,168	1,110	1,197	1,176	1,235
Other industries	69,482	70,088	70,365	69,844	69,750	70,190	70,471	70,949
Self-employed workers	6,791	6,882	6,807	6,943	6,973	6,839	6,923	6,896
Unpaid family workers	434	399	385	405	396	422	371	354
PERSONS AT WORK[1]								
Nonagricultural industries	89,536	90,581	88,505	88,694	88,468	89,499	89,441	89,583
Full-time schedules	72,749	73,021	72,618	72,265	72,131	72,807	72,945	72,875
Part time for economic reasons	3,313	4,018	3,470	4,176	4,218	4,474	4,145	4,227
Usually work full time	1,460	1,610	1,481	1,620	1,647	1,698	1,622	1,638
Usually work part time	1,853	2,408	1,989	2,556	2,571	2,776	2,523	2,589
Part time for noneconomic reasons	13,474	13,542	12,417	12,253	12,119	12,218	12,351	12,481

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial disputes.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1980				1981	1981		
	I	II	III	IV	I	JAN.	FEB.	MAR.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.3	1.6	2.0	2.2	2.1	2.2	2.1	2.1
U-2 Job losers as a percent of the civilian labor force	2.9	3.9	4.1	4.0	3.7	3.6	3.7	3.6
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	4.3	5.2	5.5	5.4	5.2	5.3	5.1	5.2
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	5.8	7.0	7.3	7.3	7.1	7.1	7.1	7.1
U-5 Total unemployed as a percent of the civilian labor force (official measure)	6.2	7.3	7.5	7.5	7.4	7.4	7.3	7.3
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	7.9	9.2	9.6	9.6	9.4	9.6	9.4	9.4
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	8.8	10.1	10.5	10.5	10.5	N.A.	N.A.	N.A.

N.A. = not available.

Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rate					
	MAR. 1980	MAR. 1981	MAR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981
CHARACTERISTIC								
Total, 16 years and over	6,543	7,764	6.3	7.5	7.4	7.4	7.3	7.3
Men, 20 years and over	2,736	3,305	5.0	6.4	6.2	6.0	6.0	5.9
Women, 20 years and over	2,295	2,725	5.8	6.7	6.8	6.7	6.5	6.6
Both sexes, 16-19 years	1,512	1,734	16.2	18.6	17.8	19.0	19.3	19.1
Married men, spouse present	1,380	1,644	3.4	4.4	4.3	4.2	4.1	4.1
Married women, spouse present	1,316	1,497	5.4	5.9	5.8	6.2	5.8	6.0
Women who maintain families	439	506	8.6	9.9	10.4	10.5	9.6	9.4
Full-time workers	5,265	6,407	5.9	7.4	7.3	7.1	7.1	7.1
Part-time workers	1,301	1,396	8.4	8.6	8.2	9.2	9.1	9.0
Labor force time lost[1]	—	--	6.8	8.3	8.2	8.2	8.1	8.1
OCCUPATION[2]								
White-collar workers	1,792	2,122	3.4	3.9	4.0	3.9	3.7	3.9
Professional and technical	368	436	2.3	2.5	2.6	2.8	2.6	2.7
Managers and administrators, except farm	266	304	2.4	2.4	2.5	2.4	2.4	2.6
Sales workers	253	247	4.0	4.8	4.7	4.4	4.0	3.8
Clerical workers	905	1,136	4.8	5.6	5.8	5.7	5.3	5.9
Blue-collar workers	2,826	3,339	8.2	10.7	10.5	10.2	10.1	9.8
Craft and kindred workers	746	963	5.5	7.1	7.1	6.8	7.2	7.1
Operatives, except transport	1,093	1,302	9.4	13.0	12.9	12.1	11.9	11.3
Transport equipment operatives	264	346	6.9	10.6	8.8	9.1	8.3	9.3
Nonfarm laborers	723	728	13.3	15.0	14.8	15.0	14.9	14.1
Service workers	1,001	1,178	7.2	8.3	7.8	8.0	8.7	8.1
Farm workers	118	144	4.2	4.0	4.0	5.0	4.7	5.1
INDUSTRY[3]								
Nonagricultural private wage and salary workers[3]	4,791	5,726	6.3	7.8	7.7	7.5	7.5	7.3
Construction	677	738	13.1	14.8	13.8	13.3	13.2	14.7
Manufacturing	1,525	1,835	6.6	8.9	8.8	8.4	8.4	8.0
Durable goods	897	1,077	6.5	9.0	9.0	8.3	8.5	7.9
Nondurable goods	628	758	6.8	8.6	8.5	8.5	8.2	8.3
Transportation and public utilities	216	362	3.9	4.9	4.9	5.8	5.5	6.4
Wholesale and retail trade	1,221	1,418	6.4	8.2	8.3	7.6	7.6	7.3
Finance and service industries	1,113	1,332	4.9	5.5	5.5	5.8	6.0	5.6
Government workers	660	764	4.1	4.2	4.1	4.4	4.3	4.6
Agricultural wage and salary workers	164	180	10.3	10.1	10.6	11.5	12.1	11.9

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	MAR. 1980	MAR. 1981	MAR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981
DURATION								
Less than 5 weeks	2,725	2,904	3,005	3,108	3,115	3,259	3,203	3,209
5 to 14 weeks	2,429	2,585	2,207	2,524	2,217	2,264	2,324	2,356
15 weeks and over	1,651	2,597	1,391	2,329	2,378	2,358	2,250	2,192
15 to 26 weeks	989	1,285	796	1,213	1,231	1,079	992	1,013
27 weeks and over	662	1,312	595	1,116	1,147	1,279	1,257	1,179
Average (mean) duration, in weeks	11.9	15.2	11.0	13.6	13.5	14.4	14.4	14.0
Median duration, in weeks	7.5	9.0	5.9	7.7	7.3	7.4	6.9	7.0
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	40.0	35.9	45.5	39.0	40.4	41.3	41.2	41.4
5 to 14 weeks	35.7	32.0	33.4	31.7	28.8	28.7	29.9	30.4
15 weeks and over	24.3	32.1	21.1	29.3	30.8	29.9	28.9	28.3
15 to 26 weeks	14.5	15.9	12.1	15.2	16.0	13.7	12.8	13.1
27 weeks and over	9.7	16.2	9.0	14.0	14.9	16.2	16.2	15.2

Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	MAR. 1980	MAR. 1981	MAR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981
NUMBER OF UNEMPLOYED								
Lost last job	3,522	4,357	3,102	4,229	4,226	3,847	3,896	3,946
On layoff	1,404	1,604	1,135	1,453	1,470	1,258	1,267	1,299
Other job losers	2,118	2,753	1,967	2,776	2,756	2,590	2,629	2,547
Left last job	780	835	804	897	813	907	884	863
Reentered labor force	1,787	2,011	1,812	1,896	1,869	2,039	1,970	2,040
Seeking first job	716	884	815	890	868	1,000	928	986
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	51.7	53.8	47.5	53.5	54.3	49.4	50.7	49.7
On layoff	20.6	19.8	17.4	18.4	18.9	16.1	16.5	16.8
Other job losers	31.1	34.0	30.1	35.1	35.4	33.2	34.2	32.9
Job leavers	11.5	10.3	12.3	11.3	10.5	11.6	11.5	11.2
Reentrants	26.3	24.9	27.7	24.0	24.0	26.2	25.7	26.4
New entrants	10.5	10.9	12.5	11.2	11.2	12.8	12.1	12.7
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	3.4	4.1	3.0	4.0	4.0	3.6	3.7	3.6
Job leavers	.8	.8	.8	.9	.8	.9	.8	.8
Reentrants	1.7	1.9	1.7	1.8	1.8	1.9	1.9	1.9
New entrants	.7	.8	.8	.8	.8	.9	.9	.9

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rates					
	MAR. 1980	MAR. 1981	MAR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981
Total, 16 years and over	6,543	7,764	6.3	7.5	7.4	7.4	7.3	7.3
16 to 24 years	3,026	3,544	12.3	14.5	14.0	14.5	14.6	14.4
16 to 19 years	1,512	1,734	16.2	18.6	17.8	19.0	19.3	19.1
16 to 17 years	685	789	17.7	21.4	19.9	21.0	21.4	21.3
18 to 19 years	827	946	15.1	16.5	16.4	17.5	17.9	17.7
20 to 24 years	1,514	1,810	9.9	12.1	11.7	11.9	11.8	11.7
25 years and over	3,522	4,233	4.4	5.4	5.3	5.3	5.1	5.2
25 to 54 years	3,109	3,683	4.8	5.9	5.8	5.7	5.5	5.5
55 years and over	419	552	2.8	3.3	3.5	3.5	3.6	3.7
Men, 16 years and over	3,500	4,245	5.8	7.4	7.2	7.2	7.1	7.0
16 to 24 years	1,651	2,025	12.4	15.6	14.9	15.6	15.4	15.4
16 to 19 years	764	940	15.2	19.8	19.0	20.3	20.1	19.5
16 to 17 years	353	414	16.5	22.3	20.5	23.0	22.1	21.1
18 to 19 years	417	532	14.5	17.8	17.8	18.5	18.7	18.6
20 to 24 years	887	1,085	10.7	13.2	12.5	12.8	12.7	13.0
25 years and over	1,857	2,235	4.0	5.1	4.9	4.9	4.8	4.7
25 to 54 years	1,601	1,942	4.3	5.6	5.4	5.2	5.2	5.1
55 years and over	256	293	2.8	3.3	3.3	3.4	3.4	3.2
Women, 16 years and over	3,043	3,519	6.9	7.7	7.7	7.7	7.6	7.7
16 to 24 years	1,375	1,520	12.2	13.2	13.0	13.3	13.6	13.3
16 to 19 years	748	794	17.2	17.2	16.5	17.5	18.4	18.7
16 to 17 years	332	375	19.2	20.3	19.3	18.7	20.5	21.6
18 to 19 years	410	414	15.8	15.1	14.8	16.4	17.0	16.5
20 to 24 years	627	726	9.0	10.8	10.8	10.8	10.8	10.1
25 years and over	1,665	1,998	5.1	5.8	5.9	5.8	5.6	5.9
25 to 54 years	1,508	1,741	5.5	6.2	6.3	6.3	5.9	6.2
55 years and over	163	259	2.9	3.4	3.9	3.6	3.9	4.5

Table A-9. Employment status of the black and Hispanic-origin population

(Numbers in thousands)

Employment status	Not seasonally adjusted		Seasonally adjusted					
	MAR. 1980	MAR. 1981	MAR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981
BLACK[1]								
Civilian noninstitutional population	17,299	17,694	17,299	17,579	17,610	17,636	17,667	17,694
Civilian labor force	10,288	10,628	10,423	10,716	10,693	10,725	10,646	10,763
Participation rate	59.5	60.1	60.3	61.0	60.7	60.8	60.3	60.8
Employed	8,978	9,036	9,095	9,097	9,072	9,234	9,129	9,154
Unemployed	1,310	1,592	1,328	1,619	1,621	1,491	1,516	1,608
Unemployment rate	12.7	15.0	12.7	15.1	15.2	13.9	14.2	14.9
Not in labor force	7,012	7,066	6,876	6,863	6,917	6,911	7,021	6,931
HISPANIC ORIGIN[2]								
Civilian noninstitutional population	8,341	8,724	8,341	8,824	8,764	8,843	8,835	8,724
Civilian labor force	5,307	5,522	5,334	5,696	5,668	5,817	5,827	5,547
Participation rate	63.6	63.3	63.9	64.6	64.7	65.8	66.0	63.6
Employed	4,804	4,936	4,827	5,116	5,114	5,170	5,128	4,956
Unemployed	503	585	507	580	554	648	699	592
Unemployment rate	9.5	10.6	9.5	10.2	9.8	11.1	12.0	10.7
Not in labor force	3,034	3,202	3,007	3,128	3,096	3,026	3,008	3,177

[1] Data relate to black workers only. In the 1970 census, they constituted about 89 percent of the "black and other" population group.

[2] Data on persons of Hispanic ethnicity are collected independently of racial data. In the 1970 census, approximately 98 percent of their population was white.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	MAR. 1980	MAR. 1981	MAR. 1980	MAR. 1981	MAR. 1980	MAR. 1981	MAR. 1980	MAR. 1981	MAR. 1980	MAR. 1981
VETERANS										
Total, 25 years and over	8,180	8,475	7,740	8,043	7,293	7,530	447	513	5.8	6.4
25 to 39 years	7,231	7,316	6,940	7,037	6,519	6,556	421	481	6.1	6.8
25 to 29 years	1,784	1,548	1,693	1,440	1,518	1,284	175	156	10.3	10.8
30 to 34 years	3,602	3,421	3,460	3,315	3,283	3,110	177	205	5.1	6.2
35 to 39 years	1,845	2,347	1,787	2,282	1,718	2,162	69	120	3.9	5.3
40 years and over	949	1,159	800	1,006	774	974	26	32	3.2	3.2
NONVETERANS										
Total, 25 to 39 years	15,215	16,095	14,399	15,272	13,568	14,268	831	1,004	5.8	6.6
25 to 29 years	6,965	7,314	6,566	6,874	6,102	6,331	464	543	7.1	7.9
30 to 34 years	4,450	5,051	4,239	4,838	4,028	4,560	211	278	5.0	5.7
35 to 39 years	3,800	3,730	3,594	3,560	3,438	3,377	156	183	4.3	5.1

NOTE: Vietnam-era veterans are males who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are males who have never served in the Armed Forces; published data are limited to those 25 to 39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population. Data for 20-to-24-year-old veterans are no longer shown on the table, because the group is rapidly disappearing (into the 25-29 age category) and the numbers remaining are not large enough to warrant their continued publication.

Table A-11. Persons not in labor force by reason, sex, and race, quarterly averages

(In thousands)

Reason, sex, and race	Not seasonally adjusted		Seasonally adjusted				
	1980	1981	1980				1981
	I	I	I	II	III	IV	I
TOTAL							
Total not in labor force	59,950	60,659	58,999	59,111	59,493	59,906	59,820
Do not want a job now	54,227	54,574	53,573	53,851	54,231	54,521	53,998
Current activity: Going to school	7,679	7,708	6,038	6,185	6,594	6,224	6,068
Ill, disabled	4,638	4,074	4,627	4,446	4,124	4,293	4,071
Keeping house	28,038	27,934	28,376	28,688	28,646	28,842	28,296
Retired	10,609	11,280	10,578	10,538	10,917	10,938	11,252
Other	3,263	3,578	3,954	3,994	3,950	4,224	4,311
Want a job now	5,724	6,085	5,548	5,431	5,605	5,586	5,905
Reason not looking: School attendance	1,698	1,776	1,453	1,461	1,517	1,466	1,521
Ill health, disability	796	846	771	728	759	710	817
Home responsibilities	1,272	1,231	1,335	1,195	1,235	1,179	1,290
Think cannot get a job	967	1,132	949	921	961	1,055	1,115
Job-market factors[1]	592	847	603	626	669	697	876
Personal factors[2]	375	285	345	294	292	358	239
Other reasons[3]	990	1,099	1,040	1,127	1,133	1,176	1,162
Men							
Total not in labor force	17,996	18,520	17,296	17,344	17,607	17,795	17,947
Do not want a job now	16,159	16,449	15,570	15,663	15,942	16,081	15,925
Want a job now	1,837	2,071	1,710	1,753	1,825	1,827	1,921
Reason not looking: School attendance	812	926	699	745	765	720	795
Ill health, disability	336	397	324	338	338	307	379
Think cannot get a job	364	391	347	31[4]	367	370	372
Other reasons[4]	325	356	340	351	355	430	374
Women							
Total not in labor force	41,955	42,139	41,702	41,769	41,886	42,111	41,873
Do not want a job now	38,068	38,125	38,003	38,188	38,288	38,441	38,073
Want a job now	3,886	4,014	3,838	3,678	3,780	3,759	3,984
Reason not looking: School attendance	886	850	754	716	751	746	726
Ill health, disability	460	449	447	390	421	403	437
Home responsibilities	1,272	1,231	1,335	1,195	1,235	1,179	1,290
Think cannot get a job	603	741	602	601	594	685	743
Other reasons	665	743	700	776	778	746	788
White							
Total not in labor force	51,896	52,308	51,138	51,182	51,594	51,870	51,709
Do not want a job now	47,513	47,843	46,874	47,198	47,545	47,744	47,198
Want a job now	4,382	4,465	4,259	4,094	4,139	4,124	4,328
Reason not looking: School attendance	1,221	1,274	1,051	1,087	1,086	1,059	1,095
Ill health, disability	570	586	559	533	514	513	574
Home responsibilities	1,040	911	1,104	940	957	907	967
Think cannot get a job	709	794	673	611	681	686	756
Other reasons	842	901	871	923	903	960	936
Black and other							
Total not in labor force	8,054	8,351	7,870	7,918	7,912	8,036	8,169
Do not want a job now	6,713	6,730	6,544	6,581	6,449	6,642	6,558
Want a job now	1,342	1,621	1,322	1,315	1,526	1,402	1,642
Reason not looking: School attendance	477	502	400	357	461	406	427
Ill health, disability	226	261	228	205	228	187	270
Home responsibilities	232	320	243	239	285	269	342
Think cannot get a job	258	339	296	292	293	354	395
Other reasons	148	199	155	221	258	186	209

[1] Job market factors include "could not find job" and "thinks no job available."

[2] Personal factors include "employers think too young or old," "lacks education or training," and "other personal handicap."

[3] Includes small number of men not looking for work because of home responsibilities.

HOUSEHOLD DATA

Table A-12. Employment status of the noninstitutional population for the ten largest States

[Numbers in thousands]

State and employment status	Not seasonally adjusted *			Seasonally adjusted					
	Mar. 1980	Feb. 1981	Mar. 1981	Mar. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981
California									
Civilian noninstitutional population[1]	17,007	17,314	17,335	17,007	17,236	17,264	17,290	17,314	17,335
Civilian labor force	11,113	11,292	11,311	11,145	11,312	11,204	11,346	11,352	11,345
Employed	10,403	10,384	10,470	10,454	10,497	10,470	10,493	10,493	10,523
Unemployed	710	908	840	691	815	734	853	859	822
Unemployment rate	6.4	8.0	7.4	6.2	7.2	6.6	7.5	7.6	7.2
Florida									
Civilian noninstitutional population[1]	6,904	7,093	7,108	6,904	7,044	7,061	7,077	7,093	7,108
Civilian labor force	3,898	4,015	4,021	3,884	4,023	4,038	3,938	4,035	4,002
Employed	3,709	3,763	3,761	3,674	3,799	3,819	3,698	3,766	3,721
Unemployed	189	252	259	210	224	219	240	269	281
Unemployment rate	4.9	6.3	6.4	5.4	5.6	5.4	6.1	6.7	7.0
Illinois									
Civilian noninstitutional population[1]	8,300	8,357	8,359	8,300	8,345	8,349	8,353	8,357	8,359
Civilian labor force	5,374	5,396	5,447	5,427	5,491	5,481	5,441	5,453	5,504
Employed	4,974	4,921	4,938	5,043	5,001	4,969	4,954	5,002	5,010
Unemployed	400	475	510	384	490	512	487	451	494
Unemployment rate	7.5	8.8	9.4	7.1	8.9	9.3	9.0	8.3	9.0
Massachusetts									
Civilian noninstitutional population[1]	4,400	4,439	4,442	4,400	4,430	4,434	4,437	4,438	4,442
Civilian labor force	2,837	2,947	2,942	2,852	2,964	2,968	2,917	2,968	2,954
Employed	2,687	2,759	2,759	2,707	2,811	2,822	2,764	2,797	2,777
Unemployed	150	188	183	145	153	146	153	171	177
Unemployment rate	5.3	6.4	6.2	5.1	5.2	4.9	5.2	5.8	6.0
Michigan									
Civilian noninstitutional population[1]	6,775	6,848	6,852	6,775	6,830	6,837	6,843	6,848	6,852
Civilian labor force	4,248	4,251	4,258	4,269	4,296	4,293	4,293	4,259	4,281
Employed	3,773	3,647	3,695	3,820	3,718	3,726	3,736	3,685	3,742
Unemployed	475	604	564	449	578	567	557	574	539
Unemployment rate	11.2	14.2	13.2	10.5	13.5	13.2	13.0	13.5	12.6
New Jersey									
Civilian noninstitutional population[1]	5,545	5,595	5,597	5,545	5,584	5,588	5,592	5,595	5,597
Civilian labor force	3,544	3,525	3,585	3,598	3,554	3,560	3,583	3,531	3,636
Employed	3,302	3,254	3,277	3,350	3,284	3,276	3,316	3,288	3,324
Unemployed	243	270	308	248	270	284	267	243	312
Unemployment rate	6.8	7.7	8.6	6.9	7.6	8.0	7.5	6.9	8.6
New York									
Civilian noninstitutional population[1]	13,303	13,332	13,329	13,303	13,328	13,330	13,332	13,332	13,329
Civilian labor force	7,929	8,073	8,015	7,954	7,972	7,920	8,002	8,110	8,040
Employed	7,347	7,408	7,337	7,392	7,379	7,335	7,395	7,492	7,382
Unemployed	582	665	678	562	593	585	607	618	658
Unemployment rate	7.3	8.2	8.5	7.1	7.4	7.4	7.6	7.6	8.2
Ohio									
Civilian noninstitutional population[1]	7,960	8,019	8,022	7,960	8,006	8,010	8,015	8,019	8,022
Civilian labor force	4,942	4,941	5,054	5,019	5,067	5,018	5,048	5,031	5,134
Employed	4,611	4,445	4,584	4,705	4,578	4,542	4,558	4,558	4,677
Unemployed	331	496	470	314	489	476	490	473	457
Unemployment rate	6.7	10.0	9.3	6.3	9.7	9.5	9.7	9.4	8.9
Pennsylvania									
Civilian noninstitutional population[1]	8,934	8,985	8,987	8,934	8,974	8,978	8,982	8,985	8,987
Civilian labor force	5,345	5,324	5,420	5,352	5,401	5,343	5,402	5,370	5,427
Employed	4,935	4,867	4,993	4,979	4,973	4,913	4,933	4,942	5,036
Unemployed	410	456	426	373	428	430	469	428	391
Unemployment rate	7.7	8.6	7.9	7.0	7.9	8.0	8.7	8.0	7.2
Texas									
Civilian noninstitutional population[1]	9,673	9,874	9,889	9,673	9,822	9,840	9,858	9,874	9,889
Civilian labor force	6,307	6,562	6,597	6,356	6,481	6,457	6,577	6,612	6,648
Employed	5,948	6,252	6,284	5,985	6,119	6,114	6,237	6,320	6,326
Unemployed	360	310	312	371	362	343	340	292	322
Unemployment rate	5.7	4.7	4.7	5.8	5.6	5.3	5.2	4.4	4.8

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

* These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

Table B-1. Employees on nonagricultural payrolls by industry

[In thousands]

Industry	Not seasonally adjusted				Seasonally adjusted					
	Mar. 1980	Jan. 1981	Feb. 1981 p	Mar. 1981 p	Mar. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981 p	Mar. 1981 p
TOTAL	90,316	90,082	90,236	90,759	91,144	90,961	91,125	91,481	91,644	91,645
GOODS-PRODUCING	25,939	25,304	25,206	25,438	26,476	25,811	25,892	26,041	25,987	25,978
MINING	996	1,069	1,072	1,079	1,009	1,054	1,072	1,086	1,094	1,093
CONSTRUCTION	4,150	4,080	3,987	4,137	4,529	4,475	4,508	4,610	4,520	4,516
MANUFACTURING	20,793	20,155	20,147	20,222	20,938	20,282	20,312	20,345	20,373	20,369
Production workers	14,727	14,049	14,045	14,129	14,850	14,179	14,195	14,221	14,238	14,255
DURABLE GOODS	12,647	12,110	12,078	12,136	12,707	12,146	12,160	12,188	12,193	12,197
Production workers	8,909	8,342	8,314	8,377	8,961	8,381	8,386	8,410	8,408	8,427
Lumber and wood products	716.9	668.1	667.7	670.5	737	683	688	693	692	690
Furniture and fixtures	494.1	475.0	477.0	478.2	494	469	472	475	477	478
Stone, clay, and glass products	679.0	637.4	632.4	641.5	700	661	660	663	661	662
Primary metal industries	1,203.7	1,125.5	1,125.1	1,127.5	1,209	1,119	1,133	1,133	1,133	1,133
Fabricated metal products	1,703.8	1,598.6	1,596.7	1,605.5	1,711	1,606	1,608	1,608	1,610	1,612
Machinery, except electrical	2,539.9	2,491.3	2,500.3	2,504.5	2,530	2,475	2,480	2,484	2,493	2,495
Electric and electronic equipment	2,167.7	2,140.1	2,140.9	2,146.6	2,176	2,120	2,135	2,147	2,152	2,155
Transportation equipment	2,005.6	1,872.0	1,833.4	1,854.7	2,006	1,901	1,868	1,866	1,858	1,857
Instruments and related products	703.6	700.6	699.1	698.1	705	701	701	702	701	700
Miscellaneous manufacturing	432.9	401.5	405.5	408.9	439	411	415	417	416	415
NONDURABLE GOODS	8,146	8,045	8,069	8,086	8,231	8,136	8,152	8,157	8,180	8,172
Production workers	5,818	5,707	5,731	5,752	5,889	5,798	5,809	5,811	5,830	5,828
Food and kindred products	1,641.1	1,625.0	1,616.9	1,612.2	1,704	1,686	1,684	1,680	1,684	1,674
Tobacco manufacturers	64.4	72.0	70.2	67.9	68	71	70	70	71	71
Textile mill products	886.9	852.5	853.5	855.2	888	856	857	858	857	857
Apparel and other textile products	1,318.4	1,266.2	1,284.7	1,293.6	1,316	1,291	1,291	1,289	1,292	1,291
Paper and allied products	701.8	687.9	688.2	688.6	708	692	693	694	696	695
Printing and publishing	1,272.1	1,281.7	1,288.0	1,290.8	1,274	1,278	1,284	1,284	1,291	1,293
Chemicals and allied products	1,118.1	1,106.3	1,109.3	1,112.9	1,123	1,108	1,112	1,115	1,118	1,117
Petroleum and coal products	153.1	207.6	206.6	208.7	157	209	210	213	213	214
Rubber and misc. plastics products	746.5	708.9	710.9	715.0	749	705	711	713	716	718
Leather and leather products	243.4	237.1	240.3	241.3	244	240	240	241	242	242
SERVICE-PRODUCING	64,377	64,778	65,030	65,321	64,668	65,150	65,233	65,440	65,657	65,667
TRANSPORTATION AND PUBLIC UTILITIES	5,143	5,075	5,080	5,096	5,202	5,132	5,137	5,142	5,147	5,153
WHOLESALE AND RETAIL TRADE	20,226	20,555	20,397	20,478	20,610	20,660	20,638	20,762	20,886	20,915
WHOLESALE TRADE	5,269	5,278	5,277	5,300	5,301	5,297	5,302	5,315	5,330	5,332
RETAIL TRADE	14,957	15,277	15,120	15,178	15,309	15,363	15,336	15,447	15,556	15,583
FINANCE, INSURANCE, AND REAL ESTATE	5,085	5,226	5,232	5,247	5,115	5,225	5,245	5,268	5,274	5,279
SERVICES	17,478	17,788	17,953	18,107	17,580	17,969	18,068	18,133	18,189	18,216
GOVERNMENT	16,445	16,134	16,368	16,393	16,161	16,164	16,145	16,135	16,161	16,104
FEDERAL	2,869	2,773	2,767	2,769	2,886	2,790	2,789	2,801	2,787	2,786
STATE AND LOCAL	13,576	13,361	13,601	13,624	13,275	13,374	13,356	13,334	13,374	13,318

p=preliminary.

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Mar. 1980	Jan. 1981	Feb. 1981[p]	Mar. 1981[p]	Mar. 1980	Nov. 1980	Dec. 1980	Jan. 1981	Feb. 1981[p]	Mar. 1981[p]
TOTAL PRIVATE	35.2	35.1	35.0	35.2	35.4	35.4	35.4	35.5	35.3	35.4
MINING	43.4	43.5	43.2	42.5	[2]	[2]	[2]	[2]	[2]	[2]
CONSTRUCTION	36.2	36.4	35.0	37.2	36.6	37.2	37.1	38.5	36.3	37.6
MANUFACTURING	39.8	39.9	39.5	40.0	39.8	39.9	40.1	40.4	39.9	40.0
Overtime hours	3.0	2.9	2.8	2.8	3.1	2.9	3.1	3.1	2.9	2.9
DURABLE GOODS	40.3	40.4	39.9	40.6	40.3	40.5	40.6	40.9	40.2	40.6
Overtime hours	3.1	2.9	2.8	2.9	3.2	3.0	3.2	3.1	2.9	3.0
Lumber and wood products	38.3	38.8	38.4	39.1	38.7	39.3	39.4	40.1	38.9	39.5
Furniture and fixtures	38.5	38.1	38.3	39.0	38.5	38.0	38.6	38.9	38.9	39.0
Stone, clay, and glass products	40.7	40.4	39.7	40.8	40.9	41.1	41.3	41.6	40.7	41.0
Primary metal industries	40.7	41.1	40.7	41.3	40.7	40.9	41.4	41.2	40.8	41.3
Fabricated metal products	40.6	40.4	40.1	40.5	40.7	40.6	40.6	40.7	40.5	40.6
Machinery, except electrical	41.5	41.2	40.8	41.3	41.3	41.0	41.0	41.3	40.8	41.1
Electric and electronic equipment	40.0	40.1	39.6	39.9	40.0	40.0	40.2	40.4	39.7	39.9
Transportation equipment	40.4	40.9	40.0	41.2	40.4	41.4	41.3	41.9	40.4	41.2
Instruments and related products	40.6	40.6	40.5	40.9	40.4	40.5	40.5	41.0	40.6	40.7
Miscellaneous manufacturing	38.8	38.6	38.4	38.9	38.6	38.6	39.0	39.0	38.8	38.7
NONDURABLE GOODS	38.9	39.1	38.9	39.1	39.0	39.0	39.3	39.7	39.3	39.2
Overtime hours	2.9	2.9	2.8	2.8	3.0	2.9	3.0	3.1	3.0	2.9
Food and kindred products	39.0	40.0	39.4	39.2	39.3	39.8	39.8	40.3	40.0	39.6
Tobacco manufacturers	37.7	38.5	38.7	37.6	37.7	38.9	37.2	39.7	39.7	37.6
Textile mill products	40.9	39.9	39.9	40.0	40.8	40.0	40.3	40.5	40.2	39.9
Apparel and other textile products	35.4	35.2	35.2	35.9	35.3	35.0	35.6	36.0	35.7	35.8
Paper and allied products	42.4	42.8	42.4	42.5	42.6	42.6	43.0	43.1	42.9	42.8
Printing and publishing	37.2	37.1	37.0	37.2	37.2	36.8	37.4	37.7	37.4	37.2
Chemicals and allied products	41.7	41.5	41.5	41.6	41.8	41.7	41.7	41.8	41.8	41.6
Petroleum and coal products	39.4	42.6	42.6	43.4	39.7	43.2	43.2	43.4	43.6	43.7
Rubber and misc. plastics products	40.0	40.9	40.2	40.6	39.9	40.8	40.9	41.3	40.2	40.5
Leather and leather products	36.4	36.6	36.6	36.8	36.9	36.2	36.6	37.1	37.0	37.3
TRANSPORTATION AND PUBLIC UTILITIES	39.5	39.4	39.5	39.5	[2]	[2]	[2]	[2]	[2]	[2]
WHOLESALE AND RETAIL TRADE	32.0	31.7	31.7	31.9	32.3	32.2	32.1	32.3	32.2	32.2
WHOLESALE TRADE	38.4	38.5	38.3	38.5	38.5	38.6	38.7	38.8	38.7	38.6
RETAIL TRADE	29.9	29.5	29.6	29.8	30.3	30.2	30.0	30.2	30.2	30.2
FINANCE, INSURANCE, AND REAL ESTATE	36.3	36.3	36.4	36.3	[2]	[2]	[2]	[2]	[2]	[2]
SERVICES	32.5	32.5	32.6	32.6	32.7	32.7	32.6	32.7	32.8	32.8

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employment on private nonagricultural payrolls.

[2] This series is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Mar. 1980	Jan. 1981	Feb. 1981 p	Mar. 1981 p	Mar. 1980	Jan. 1981	Feb. 1981 p	Mar. 1981 p
TOTAL PRIVATE	$6.51	$7.03	$7.06	$7.10	$229.15	$246.75	$247.10	$249.92
Seasonally adjusted	6.51	7.02	7.05	7.10	230.45	249.21	248.87	251.34
MINING	8.95	9.78	9.86	9.88	388.43	425.43	425.95	419.90
CONSTRUCTION	9.68	10.43	10.40	10.40	350.42	379.65	364.00	386.88
MANUFACTURING	7.06	7.73	7.74	7.79	280.99	308.43	305.73	311.60
DURABLE GOODS	7.54	8.25	8.26	8.32	303.86	333.30	329.57	337.79
Lumber and wood products	6.35	6.82	6.84	6.83	243.21	264.62	262.66	267.05
Furniture and fixtures	5.37	5.70	5.73	5.76	206.75	217.17	219.46	224.64
Stone, clay, and glass products	7.27	7.87	7.90	7.95	295.89	317.95	313.63	324.36
Primary metal industries	9.45	10.36	10.53	10.60	384.62	425.80	428.57	437.78
Fabricated metal products	7.24	7.87	7.89	7.97	293.94	317.95	316.39	322.79
Machinery, except electrical	7.76	8.59	8.62	8.66	322.04	353.91	351.70	357.66
Electric and electronic equipment	6.78	7.42	7.46	7.48	271.20	297.54	295.42	298.45
Transportation equipment	9.04	9.98	9.92	10.04	365.22	408.18	396.80	413.65
Instruments and related products	6.63	7.19	7.21	7.25	269.18	291.91	292.01	296.53
Miscellaneous manufacturing	5.34	5.81	5.80	5.81	207.19	224.27	222.72	226.01
NONDURABLE GOODS	6.30	6.94	6.95	6.98	245.07	271.35	270.36	272.92
Food and kindred products	6.68	7.21	7.24	7.27	260.52	288.40	285.26	284.98
Tobacco manufacturers	7.57	8.42	8.48	8.49	285.39	324.17	328.18	319.22
Textile mill products	4.92	5.34	5.34	5.34	201.23	213.07	213.07	213.60
Apparel and other textile products	4.49	4.89	4.87	4.94	158.95	172.13	171.42	177.35
Paper and allied products	7.55	8.27	8.27	8.31	320.12	353.96	350.65	353.18
Printing and publishing	7.34	7.92	7.97	8.02	273.05	293.83	294.89	298.34
Chemicals and allied products	8.05	8.73	8.77	8.80	335.69	362.30	363.96	366.08
Petroleum and coal products	9.29	11.06	11.33	11.33	366.03	471.16	482.66	491.72
Rubber and misc. plastics products	6.27	6.96	6.93	6.99	250.80	284.66	279.39	283.79
Leather and leather products	4.51	4.85	4.87	4.89	164.16	177.51	178.24	179.95
TRANSPORTATION AND PUBLIC UTILITIES	8.62	9.35	9.44	9.41	340.49	368.39	372.88	371.70
WHOLESALE AND RETAIL TRADE	5.40	5.80	5.83	5.85	172.80	183.86	184.81	186.62
WHOLESALE TRADE	6.83	7.33	7.38	7.44	262.27	282.21	282.65	286.44
RETAIL TRADE	4.81	5.18	5.20	5.20	143.82	152.81	153.92	154.96
FINANCE, INSURANCE, AND REAL ESTATE	5.68	6.10	6.20	6.22	206.18	221.43	225.68	225.79
SERVICES	5.75	6.22	6.27	6.30	186.88	202.15	204.40	205.38

[1] See footnote 1, table B-2.

p=preliminary.

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls by industry division, seasonally adjusted

[1967=100]

Industry	MAR. 1980	OCT. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. P 1981	MAR. P 1981	Percent change from— MAR. 1980–MAR. 1981	Percent change from— FEB. 1981–MAR. 1981
TOTAL PRIVATE NONFARM:									
Current dollars	245.2	257.9	260.9	261.9	264.4	266.3	268.5	9.5	0.8
Constant (1967) dollars	102.1	101.4	101.5	100.8	101.0	100.8	N.A.	(2)	(3)
MINING	280.9	294.4	298.7	302.3	306.6	308.9	311.0	10.7	.7
CONSTRUCTION	232.2	241.6	243.0	245.3	247.8	247.8	249.2	7.3	.6
MANUFACTURING	250.2	266.6	268.9	270.4	272.6	274.4	276.5	10.5	.8
TRANSPORTATION AND PUBLIC UTILITIES	265.9	280.2	283.4	284.1	285.9	288.8	290.7	9.3	.6
WHOLESALE AND RETAIL TRADE	237.8	247.7	250.9	250.9	254.6	256.4	258.7	8.8	.9
FINANCE, INSURANCE, AND REAL ESTATE	225.7	234.8	239.3	238.0	240.2	243.8	246.8	9.3	1.3
SERVICES	242.7	254.2	258.5	259.4	261.3	263.6	265.8	9.5	.8

1 SEE FOOTNOTE 1, TABLE B-2.
2 PERCENT CHANGE WAS -1.4 FROM FEBRUARY 1980 TO FEBRUARY 1981, THE LATEST MONTH AVAILABLE.
3 PERCENT CHANGE WAS -.2 FROM JANUARY 1981 TO FEBRUARY 1981, THE LATEST MONTH AVAILABLE.

N.A. = not available.
P=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry, seasonally adjusted

[1967=100]

Industry division and group	1980										1981		
	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.P	Mar.P
TOTAL PRIVATE	126.0	124.8	123.4	122.5	121.9	123.0	123.7	124.5	125.2	125.5	126.8	126.2	126.5
GOODS-PRODUCING	107.3	105.2	102.2	100.3	98.5	100.0	101.5	102.3	103.7	104.4	106.4	103.9	104.8
MINING	162.9	161.7	163.2	166.4	158.7	162.4	166.7	168.0	170.4	175.6	175.4	175.1	172.9
CONSTRUCTION	126.9	124.7	124.3	123.7	120.6	120.5	124.7	124.5	126.0	126.8	135.3	124.6	128.6
MANUFACTURING	101.8	99.8	96.1	93.8	92.5	94.2	95.2	96.1	97.4	98.0	98.9	97.8	98.2
DURABLE GOODS	105.0	101.6	96.6	94.0	92.4	94.1	95.5	96.6	98.5	98.9	99.8	98.2	99.2
Lumber and wood products	106.5	95.3	90.4	89.6	91.5	95.3	96.8	97.0	99.4	100.7	103.0	99.6	100.6
Furniture and fixtures	106.9	106.1	99.0	94.6	91.0	94.8	98.4	99.0	99.5	101.9	103.2	104.0	104.0
Stone, clay, and glass products	108.0	103.5	99.4	96.7	95.1	96.5	99.3	99.5	101.0	101.3	102.4	99.8	100.7
Primary metal industries	91.8	89.9	82.4	77.4	73.4	75.4	77.7	80.5	84.3	86.6	86.3	85.5	86.4
Fabricated metal products	104.6	102.1	95.3	92.5	89.9	92.3	94.5	95.1	96.5	96.7	96.8	96.4	97.1
Machinery, except electrical	116.9	116.1	114.1	110.8	108.8	108.6	110.1	110.2	111.0	110.8	112.1	111.2	112.6
Electric and electronic equipment	109.4	108.1	103.8	100.1	98.5	99.8	100.5	102.1	103.3	104.8	105.9	104.4	105.1
Transportation equipment	93.0	85.0	79.1	79.6	79.8	82.4	82.5	84.7	88.2	85.7	87.1	83.4	85.3
Instruments and related products	128.7	128.4	126.0	125.1	123.8	124.1	123.8	124.2	125.7	126.0	127.2	125.1	125.7
Miscellaneous manufacturing industry	96.9	95.8	91.6	88.5	89.0	88.5	88.9	87.6	88.2	90.3	90.9	89.9	89.9
NONDURABLE GOODS	97.3	97.2	95.4	93.5	92.5	94.3	94.7	95.4	95.8	96.7	97.6	97.1	96.8
Food and kindred products	94.6	94.4	95.1	93.2	93.9	94.8	93.2	93.7	94.6	94.4	95.4	95.0	93.4
Tobacco manufacturers	70.2	72.4	73.8	72.1	73.0	68.1	71.1	74.9	75.1	70.5	75.3	76.7	72.6
Textile mill products	91.0	89.4	86.4	82.2	80.5	83.3	84.5	85.3	85.6	86.4	86.7	86.1	85.4
Apparel and other textile products	89.2	89.3	87.2	86.7	86.1	87.2	87.3	87.3	86.7	88.1	89.0	88.5	88.6
Paper and allied products	101.6	100.4	96.7	94.7	93.6	95.0	96.5	97.3	98.6	99.9	100.3	100.0	100.0
Printing and publishing	105.1	104.8	103.6	103.1	102.9	103.8	103.8	104.1	103.8	106.2	106.9	106.7	106.7
Chemicals and allied products	108.0	107.4	106.0	104.4	102.1	102.4	103.9	104.1	105.5	105.7	106.5	106.8	106.3
Petroleum and coal products	71.4	91.6	113.8	113.3	113.9	114.8	116.1	117.2	117.5	118.4	120.7	122.1	122.4
Rubber and misc. plastics products	141.4	139.9	128.5	123.6	119.2	127.5	130.1	132.8	135.1	137.0	138.8	135.6	137.3
Leather and leather products	65.6	66.0	63.6	63.3	59.5	63.9	63.7	64.2	63.7	64.1	65.3	65.4	66.0
SERVICE-PRODUCING	139.0	138.3	138.1	137.9	138.2	139.0	139.2	139.9	140.2	140.2	140.9	141.6	141.6
TRANSPORTATION AND PUBLIC UTILITIES	113.9	113.5	112.6	112.6	112.8	112.6	112.7	113.5	112.8	113.8	111.9	112.3	112.3
WHOLESALE AND RETAIL TRADE	131.8	130.4	130.3	129.1	128.9	130.4	130.9	131.4	131.6	130.9	132.3	133.0	133.0
WHOLESALE TRADE	134.5	134.1	133.7	130.8	131.0	131.9	133.3	133.6	134.0	134.5	135.0	134.9	134.7
RETAIL TRADE	130.7	128.9	129.0	128.5	128.0	129.8	130.0	130.6	130.6	129.4	131.3	132.3	132.4
FINANCE, INSURANCE, AND REAL ESTATE	149.6	149.4	149.7	151.2	151.1	151.8	151.1	152.4	152.6	153.2	153.7	154.2	153.8
SERVICES	157.6	157.6	157.4	157.8	159.1	159.4	159.3	160.0	161.2	161.4	162.4	163.4	163.5

1 See footnote 1, table B-2.

P=preliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1978				
January	68.6	80.8	82.3	79.7
February	68.6	77.3	82.8	82.3
March	71.8	80.2	79.9	81.1
April	69.8	74.7	74.7	84.6
May	61.9	73.0	75.3	83.7
June	64.2	66.6	74.7	82.6
July	61.0	68.0	73.3	81.1
August	67.7	70.1	77.6	79.9
September	67.2	74.1	80.5	79.1
October	68.0	78.2	82.0	74.1
November	75.3	81.1	79.1	76.7
December	74.7	81.7	78.2	74.4
1979				
January	66.9	75.9	74.7	73.3
February	66.3	70.3	71.8	70.6
March	62.2	64.0	64.0	69.2
April	49.7	60.2	60.5	67.7
May	58.1	54.7	53.8	63.4
June	57.8	59.9	51.5	58.4
July	57.0	53.8	58.1	59.6
August	54.4	52.0	55.5	54.9
September	52.9	57.6	55.2	50.6
October	65.1	61.9	59.3	46.5
November	55.2	61.9	63.1	39.5
December	53.5	57.3	56.4	37.8
1980				
January	60.2	57.6	45.3	33.4
February	54.9	52.6	36.9	33.1
March	45.9	39.2	32.3	35.2
April	34.6	29.1	24.7	33.1
May	28.8	25.0	26.7	35.5
June	30.2	23.8	25.6	35.8
July	36.3	34.9	32.3	33.4
August	62.8	54.4	46.8	34.0p
September	62.8	68.9	68.6	36.9p
October	64.0	74.1	78.8	
November	66.9	71.2	76.5p	
December	64.0	73.0	74.1p	
1981				
January	64.5	67.7p		
February	57.8p	62.8p		
March	51.5p			
April				
May				
June				
July				
August				
September				
October				
November				
December				

[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.
p = preliminary.

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PRODUCER PRICE INDEXES--MARCH 1981

The Producer Price Index for Finished Goods moved up 1.3 percent on a seasonally adjusted basis from February to March, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The March advance followed increases of 0.8 percent in February and 0.9 percent in January. Prices for intermediate materials climbed 1.1 percent, far more than in February but about the same as in January. Crude material

Table A. Percent changes from preceding month in selected stage-of-processing price indexes, seasonally adjusted*

Month	Finished goods			Intermediate goods			Crude goods		
	Total	Consumer foods	Other	Total	Foods and feeds1/	Other	Total	Foodstuffs and feedstuffs	Other
Mar. 1980	1.1	1.0	1.2	0.7	-2.1	0.9	-2.3	-3.0	-1.3
Apr.	.8	-1.3	1.5	.3	-1.8	.4	-1.8	-3.5	.4
May	.5	.4	.5	.6	4.8	.4	1.1	1.8	0
June	.8	.6	.9	.7	.5	.8	.8	1.7	-.4
July	1.7	3.7	1.1	.9	4.1	.7	5.3	7.5	2.4
Aug.	1.2	2.7	.7	1.0	6.0	.7r	4.6	6.1	2.4
Sept.....	.3	.5	.2	.5	.7	.5	1.4	.7	2.3
Oct.	.9	.7	1.1	.8	5.2	.6r	1.7	1.5	1.9
Nov.	.7r	.3r	.8r	.9r	1.5r	.9r	1.1r	.2	2.4r
Dec.	.2r	-.1r	.3r	1.1r	-6.2r	1.6r	-1.6r	-2.6	-.3r
Jan. 1981	.9	0	1.1	1.2	.1	1.3	-1.0	-1.1	-.8
Feb.	.8	-.6	1.3	.4	-3.0	.6	2.9	-3.3	11.5
Mar.	1.3	.8	1.4	1.1	-2.6	1.3	-1.3	-2.0	-.4

1/ Intermediate materials for food manufacturing and feeds.
* Data for November 1980 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.
r= revised.

prices decreased 1.3 percent, the third decline in the last 4 months. (See table A.)

The 6.1 percent surge in the index for finished energy goods accounted for a little more than half of the rise in the Finished Goods Price Index in March. The consumer foods index also accelerated sharply in March, moving up 0.8 percent after falling 0.6 percent in the preceding month. The indexes for both capital equipment and consumer goods other than foods and energy, however, increased considerably less than in the first 2 months of the year.

Before seasonal adjustment, the Producer Price Index for Finished Goods moved up 1.1 percent to 265.3 (1967=100). From March 1980 to March 1981, this index rose 10.5 percent. The finished energy goods index climbed 22.9 percent over the year, the consumer foods index increased 7.8 percent, the index for finished consumer goods other than foods and energy rose 8.3 percent, and capital equipment prices advanced 11.0 percent. The Producer Price Index for intermediate goods rose 9.9 percent since March 1980, and crude material prices were 13.4 percent higher than a year ago.

Finished goods

Finished consumer goods. The Producer Price Index for finished consumer goods advanced 1.4 percent in March on a seasonally adjusted basis, following a rise of 0.8 percent in February. Price increases for energy goods accelerated sharply, and food

Table B. Percent changes in finished goods price indexes, selected periods*

Month	Changes from preceding month, seasonally adjusted						Change in finished goods from 12 months ago (unadj.)
	Finished goods	Capital equipment	Finished consumer goods	Finished consumer goods excluding foods			
				Total	Durables	Nondurables	
Mar. 1980	1.1	0.9	1.2	1.3	-0.7	2.5	13.9
Apr.	.8	1.6	.5	1.4	.3	2.0	13.7
May	.5	.3	.5	.5	.1	.7	13.5
June	.8	.7	.9	1.0	1.5	.7	13.8
July	1.7	1.2	1.9	1.0	1.5	.8	14.6
Aug.	1.2	1.0	1.2	.6	.8	.5	14.8
Sept.....	.3	.1	.3	.2	-.1	.4	13.1
Oct.	.9	1.7	.8	.8	1.5	.4	13.1
Nov.	.7r	.6r	.7r	.9r	.5r	1.2r	12.4r
Dec.	.2r	.4r	.2r	.3r	-.4r	.8	11.7
Jan. 1981	.9	1.0	.8	1.2	0	1.7	10.8
Feb.	.8	1.1	.8	1.3	.5	1.8	10.4
Mar.	1.3	.7	1.4	1.6	.1	2.4	10.5

* Data for November 1980 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.

r= revised.

prices turned up after several months of stable or slightly falling prices.

Finished energy prices rose 6.1 percent, the fifth consecutive large monthly advance. This upward movement reflected the impact of the lifting of controls on the price of domestic crude oil earlier in the year, as well as the continued passthrough of the latest round of imported oil price increases. (Because prices of refined petroleum products are lagged one month, the March indexes for these products reflect February price movements.) Gasoline prices were up 7.5 percent, compared with a 4.7 percent rise in February. Home heating oil prices increased 9.0 percent, after advancing 6.5 percent a month earlier.

The index for consumer finished foods increased 0.8 percent, after a decline of 0.6 percent in February. Prices turned up after falling during the 3 preceding months for pork and fresh fruits, and price increases accelerated sharply for fresh and dried vegetables and fish. Prices for beef and veal and processed poultry continued to fall, but much less than in February. On the other hand, prices fell more sharply than in February for refined sugar and eggs. Prices for Florida oranges declined 10.7 percent following a 57 percent surge in February. Prices rose less than in the previous month for all types of orange juice.

The index for finished consumer goods other than foods and energy rose 0.4 percent, compared with a 0.7 percent increase in February. Smaller increases were registered for passenger cars, alcoholic beverages, sanitary papers, electric lamps and bulbs, and newspaper publishing. Prices turned down in March after rising in the previous month for household flatware and cosmetics. Jewelry prices fell for the third consecutive month. On the other hand, price increases accelerated for household furniture, soaps and detergents, luggage and small leather goods, and mobile homes. Prices for tires and tubes advanced almost as much as in February.

Capital equipment. The Producer Price Index for capital equipment moved up 0.7 percent in March, somewhat less than in February (1.1 percent). Prices for heavy motor trucks edged down after rising a month earlier. Price increases slowed for a broad range of capital goods, notably food products machinery, railroad equipment, plastic and rubber industry machinery, commercial furniture, and agricultural machinery. In contrast, prices for machine tools, transformers and power regulators, and aircraft advanced considerably more than in February. Prices for industrial material handling equipment turned up markedly after edging down in February.

Intermediate materials

The Producer Price Index for Intermediate Materials, Supplies, and Components rose 1.1 percent on a seasonally adjusted basis from February to March, considerably more than the 0.4 percent increase in February. Most of the March advance was caused by a steep climb in the intermediate energy goods index. Prices for intermediate goods other than foods and energy rose somewhat more than in February, but less than in either January or December.

The index for intermediate energy goods moved up 4.3 percent over the month, following increases of just under 3 percent in both January and February. Prices for most major kinds of refined petroleum products used by businesses advanced about 7 or 8 percent. Electric power prices, however, decreased slightly.

The index for intermediate foods and feeds dropped 2.6 percent in March, almost as much as in February. Prices for refined sugar for food manufacturing fell 8.7 percent, after decreasing 2.7 percent in the previous month. Prices for feeds, flour, and crude

vegetable oils also continued to decline, although not as sharply as in February.

The index for intermediate materials other than foods and energy increased 0.6 percent, after edging up 0.2 percent in the preceding month. The indexes for durable manufacturing materials and construction materials both turned up in March following February decreases. Higher steel prices more than offset lower prices for a broad range of nonferrous metals, notably cobalt, silver, gold, and copper; the result was a 0.3 percent rise in the durable manufacturing materials index, which had fallen 1.4 percent in February. After declining 0.3 percent in February, the construction materials index advanced 0.9 percent in March. Prices for bituminous paving materials, fabricated structural metal products, and paper boxes moved up considerably more than in February, and asphalt roofing and plywood prices turned up following February declines. Softwood lumber prices, however, continued to drop.

The nondurable manufacturing materials index rose 0.7 percent for the second consecutive month. Prices for leather and processed yarns turned up after falling in February, and synthetic fiber prices rose considerably more than in the previous month. Synthetic rubber and industrial chemical prices continued to increase rapidly, although not as fast as in February. On the other hand, prices for finished fabrics and phosphates turned down following February advances. Prices for gray fabrics, paper, paint materials, and pharmaceutical materials showed little or no change after substantial February increases.

Among other intermediate goods, prices for metal containers, ball and roller bearings, notions, mixed fertilizers, pesticides, and plastic film and sheeting turned down after registering large upward movements in February. Prices for motor vehicle parts and tractor parts rose much less than in the preceding month. In contrast, prices for electronic components and machine tool parts advanced considerably more than in February.

Crude materials

The Producer Price Index for Crude Materials for Further Processing fell 1.3 percent in March on a seasonally adjusted basis, after rising 2.9 percent in February. Prices declined for both crude foodstuffs and nonfood materials excluding energy, while crude energy prices rose much less than in the previous month.

The index for crude foodstuffs and feedstuffs moved down 2.0 percent, the fourth consecutive monthly decrease. Cattle prices moved down for the seventh consecutive month, and hog prices dropped for the fourth consecutive month. Sugar prices fell even more (13.1 percent) than in February (12.2 percent). Prices for soybeans and live poultry also dropped more than in February. Although the grains index also continued to move down, the March decline was smaller than in February. On the other hand, cocoa bean prices rose for the third consecutive month after decreasing rapidly for the 10 months ended in December.

The index for crude nonfood materials less energy decreased 2.1 percent, somewhat less than in either of the 2 previous months. Prices for nonferrous scrap moved down for the fourth consecutive month, although the decline was much less than in any of the preceding 3 months. Prices for natural rubber and wastepaper declined more than in the previous month. Prices for iron and steel scrap and raw cotton rose, however, following substantial decreases in January and February.

The crude energy materials index edged up 0.3 percent, following a 20.0 percent jump in February. Crude petroleum prices were unchanged after soaring in February, when the cumulative impact of several months of deregulation moves was reflected. Natural gas

prices, which had been unchanged in February, increased 1.3 percent.

Producer Price Indexes Will Shift to New Base Next Year

Beginning with the release of January 1982 data in February 1982, most Producer Price Indexes will shift to a new base year. All indexes currently expressed on a base of 1967=100, or any other base through December 1976, will be rebased to 1977=100. Only indexes with a base later than December 1976 will keep their current base. Rebasing of PPI data is part of a comprehensive rebasing of indexes published by the Federal Government. (See Technical Note, "Federal agencies updating base year of indexes to 1977," in the February 1981 issue of Monthly Labor Review.) The last previous rebasing of PPI data occurred in January 1971, when the current 1967 base was substituted for the former 1957-59 base.

Historical data for each PPI series on the new base will be available from BLS on request.

To convert any continuous index series on the 1967 base to a new continuous series on the 1977 base, divide each index value on the former base by the index value for the new base period and multiply by 100. For example, the August 1980 index for steel mill products was 301.0 (1967=100). To convert that index to a base of 1977=100, divide 301.0 by the 1977 annual average for steel mill products on a 1967=100 base, which was 229.9. The August 1980 index for steel mill products on a base of 1977=100 thus becomes:

$$(301.0/229.9) \times 100 = 130.9$$

Rebasing an index does not affect the calculation of percent changes over time, except for possible rounding differences, so long as all calculations are performed with indexes expressed on the same base. Long-term business contracts with escalation clauses which make changes in selling or buying prices dependent on percent changes in specified PPI series should, therefore, not be substantively affected by the rebasing next year. However, contracts with escalation clauses which make price changes dependent on changes in index points may be greatly affected by rebasing. (See "Escalation and Producer Price Indexes: A Guide for Contracting Parties," BLS Report 570, available on request.)

Brief Explanation of Producer Price Indexes

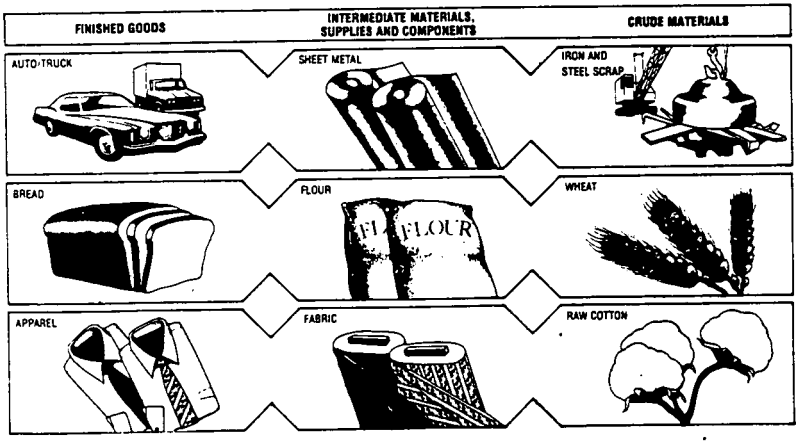
Producer Price Indexes measure average changes in prices received in primary markets of the United States by producers of commodities in all stages of processing. These data were previously presented as the Wholesale Price Index. The name "Producer Price Indexes" is now being used to reflect more accurately the coverage of the data. The sample used for calculating these indexes continues to contain nearly 2,800 commodities and about 10,000 quotations selected to represent the movement of prices of all commodities produced in the manufacturing, agriculture, forestry, fishing, mining, gas and electricity, and public utilities sectors. The universe includes all commodities produced or imported for sale in commercial transactions in primary markets in the United States.

Producer Price Indexes can be organized by stage of processing or by commodity. The stage of processing structure organizes products by degree of fabrication (i.e., finished goods, intermediate or semifinished goods, and crude materials). The commodity structure organizes products by similarity of end-use or material composition.

Finished goods are commodities that will not undergo further processing and are ready for sale to the ultimate user, either an individual consumer or a business firm. Capital equipment (formerly called producer finished goods) includes commodities such as motor trucks, farm equipment, and machine tools. Finished consumer goods include foods and other types of goods eventually purchased by retailers and used by consumers. Consumer foods include unprocessed foods such as eggs and fresh vegetables, as well as processed foods such as bakery products and meats. Other finished consumer goods include durables such as automobiles, household furniture, and jewelry, and nondurables such as apparel and gasoline.

Intermediate materials, supplies, and components are commodities that have been processed but require further processing before they become finished goods. Examples of such semifinished goods include flour, cotton yarns, steel mill products, belts and belting, lumber, liquefied petroleum gas, paper boxes, and motor vehicle parts.

Crude materials for further processing include products entering the market for the first time which have not been manufactured or fabricated but will be processed before becoming finished goods. Scrap materials are also included. Crude foodstuffs and feedstuffs include items such as grains and livestock. Examples of crude nonfood materials include raw cotton, crude petroleum, natural gas, hides and skins, and iron and steel scrap.



For analysis of general price trends, stage of processing indexes are more useful than commodity grouping indexes. This is because commodity grouping indexes sometimes produce exaggerated or misleading signals of price changes by reflecting the same price movement through various stages of processing. For example, suppose that a price rise for steel scrap results in an increase in the price of steel sheet and then an advance in prices of automobiles produced from that steel. The All Commodities Price Index and the Industrial Commodities Price Index would reflect the same price movement three times—once for the steel scrap, once for the steel sheet, and once for the automobiles. This multiple counting occurs because the weighting structure for the All Commodities Index uses the total shipment values for all commodities at all stages of processing. On the other hand, the Finished Goods Price Index would reflect the change in automobile prices, the Intermediate Materials Price Index would reflect the steel sheet price change, and the Crude Materials Price Index would reflect the rise in the price of steel scrap. (See illustration.)

To the extent possible, prices used in calculating Producer Price Indexes apply to the first significant commercial transaction in the United States, from the production or central marketing point. Price data are generally collected monthly, primarily by mail questionnaire. Respondents are asked to provide net prices or to provide all applicable discounts. BLS attempts to base Producer Price Indexes on actual transaction prices; however, list or book prices are used if transaction prices are not available. Most prices are obtained directly from producing companies on a voluntary and confidential basis, but some prices are taken from trade publications or from other Government agencies. Prices generally are reported for the Tuesday of the week containing the 13th day of the month.

In calculating Producer Price Indexes, price changes for the various commodities are averaged together with weights representing their importance in the total net selling value of all commodities as of 1972. The detailed data are aggregated to obtain indexes for stage of processing groupings, commodity groupings, durability of product groupings, and a number of special composite groupings. Each index measures price changes from a reference period which equals 100.0 (usually 1967, as designated by the Office of Management and Budget). An increase of 85 percent from the reference period in the Finished Goods Price Index, for example, is shown as 185.0. This change can also be expressed in dollars, as follows: "The price of a representative sample of finished goods sold in primary markets in the United States has risen from $100 in 1967 to $185."

A Note about Calculating Index Changes

Movements of price indexes from one month to another are usually expressed as percent changes rather than changes in index points because index point changes are affected by the level of the index in relation to its base period, while percent changes are not. The box below shows the computation of index point and percent changes.

Percent changes for 3-month and 6-month periods are expressed as annual rates that are computed according to the standard formula for compound growth rates. These data indicate what the percent change would be if the current rate were maintained for a 12-month period.

Index Point Change	
Finished Goods Price Index	185.5
less previous index	184.5
equals index point change	1.0
Index Percent Change	
Index point change	1.0
divided by the previous index	184.5
equals	0.005
result multiplied by 100	0.005 x 100
equals index percent change	0.5

A Note on Seasonally Adjusted Data

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred because they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and marketing cycles, model changeovers, seasonal discounts, and holidays. For this reason, seasonally adjusted data more clearly reveal the underlying cyclical trends. Seasonally adjusted data are subject to revision when seasonal factors are revised each year.

The unadjusted data are of primary interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

Table 1. Producer price indexes and percent changes by stage of processing

(1967=100)

Grouping	Relative importance Dec. 1988 1/	Unadjusted index Nov. 1988 2/	Unadjusted index Feb. 1989 2/	Unadjusted index Mar. 1989 2/	Unadjusted percent change to Mar. 1989 from: Mar. 1988	Unadjusted percent change to Mar. 1989 from: Feb. 1989	Seasonally adjusted percent change from: Dec. to Jan.	Seasonally adjusted percent change from: Jan. to Feb.	Seasonally adjusted percent change from: Feb. to Mar.
Finished goods	100.000	256.2	262.4	265.3	10.5	1.1	0.9	0.8	1.3
Finished consumer goods	79.666	257.9	264.8	267.3	10.6	1.3	.8	.8	1.4
Finished consumer foods	23.032	248.9	250.9	251.8	7.8	.4	0	-.6	.8
Crude	1.973	258.5	265.0	279.1	21.8	5.3	-2.8	1.2	8.2
Processed	21.059	246.7	247.6	247.3	6.6	-.1	.4	-.8	.1
Finished consumer goods, excluding foods	56.634	259.5	267.3	271.7	11.4	1.6	1.2	1.3	1.6
Nondurable goods less foods	37.161	293.9	307.1	314.7	14.2	2.5	1.7	1.8	2.4
Durable goods	19.473	213.1	213.9	213.7	6.4	-.1	0	.5	-.1
Capital equipment	20.334	250.2	256.3	257.8	11.0	.6	1.0	1.1	.7
Manufacturing industries	6.244	265.8	272.4	274.2	11.2	.7	1.2	1.0	.8
Nonmanufacturing industries	14.090	241.8	247.3	248.6	10.9	.5	.8	1.1	.7
Intermediate materials, supplies, and components	100.000	289.1	297.8	301.4	9.9	1.2	1.2	.4	1.1
Materials and components for manufacturing	52.778	273.9	279.7	281.0	8.2	.5	1.0	-.1	.3
Materials for food manufacturing	4.545	299.0	273.8	267.9	9.9	-2.2	.3	-2.3	-2.3
Materials for nondurable manufacturing	16.485	266.7	275.8	278.7	10.4	1.1	2.0	.7	.7
Materials for durable manufacturing	15.559	303.8	305.5	306.5	7.4	.3	.1	-1.4	.3
Components for manufacturing 3/	16.169	238.3	251.7	253.5	12.8	.7	1.1	1.1	.7
Materials and components for construction	15.361	274.0	280.2	282.4	6.3	.8	.5	1.3	.9
Processed fuels and lubricants	14.841	521.5	568.3	595.8	21.6	4.8	2.9	2.6	6.3
Manufacturing industries	5.886	445.2	481.5	501.6	22.9	4.2	2.8	2.5	3.2
Nonmanufacturing industries	8.955	583.3	644.8	678.7	21.7	5.3	2.9	2.7	4.9
Containers	4.172	259.5	268.0	270.6	9.4	1.0	1.5	1.3	.5
Supplies	12.849	255.2	257.5	258.6	8.0	.4	.7	-.3	.1
Manufacturing industries 3/	3.908	238.7	244.6	246.7	9.4	.9	1.1	1.0	.9
Nonmanufacturing industries	8.948	263.8	264.3	265.0	7.5	.3	.6	.7	.2
Feeds	1.843	259.2	238.1	232.2	6.1	-2.5	-.4	-4.8	-3.5
Other supplies 3/	7.105	261.3	267.6	270.1	7.7	.9	1.1	1.0	.9
Crude materials for further processing	100.000	324.6	335.5	333.0	13.4	-.7	-1.8	2.9	-1.3
Foodstuffs and feedstuffs	50.229	277.1	267.1	262.8	6.3	-1.9	-1.1	-3.3	-2.8
Nonfood materials	41.771	424.9	481.7	484.8	23.1	.6	-.8	11.5	-.4
Nonfood materials except fuel 3/	38.153	363.9	428.1	438.6	24.8	.6	-1.4	15.9	-.9
Manufacturing 3/	28.313	376.1	445.7	448.2	25.6	.6	-1.7	16.9	-1.8
Construction	1.848	246.5	257.9	265.2	13.2	.9	.4	1.1	.8
Crude fuel 3/ 3/	11.618	664.9	679.0	685.2	18.2	.9	1.1	.2	.9
Manufacturing industries 3/	6.078	755.8	773.1	781.4	21.3	1.1	1.2	.1	1.1
Nonmanufacturing industries 3/	5.548	695.2	618.8	621.5	15.1	.8	1.0	.5	.8
Special groupings									
Finished goods, excluding foods	4/ 76.968	257.8	264.4	268.8	11.4	1.4	1.1	1.3	1.4
Intermediate materials less foods and feeds	5/ 93.592	c289.3	c300.6	304.7	10.9	1.4	1.3	.4	1.3
Intermediate foods and feeds	6/ 6.408	285.7	261.9	256.0	8.8	-2.3	-.1	-3.0	-2.6
Crude materials less agricultural products 3/ 3/	38.094	c473.8	c543.7	547.5	24.7	.7	-.6	12.9	-.5
Finished energy goods	4/ 11.975	c731.4	c784.8	832.1	22.9	6.1	2.7	3.6	6.1
Finished goods less energy	4/ 88.025	c230.3	c234.3	235.5	8.9	.4	.4	.5	.6
Finished consumer goods less energy	4/ 67.691	c225.5	c228.9	229.8	8.2	.4	.5	.3	.5
Finished goods less foods and energy	4/ 44.993	c224.2	c228.8	229.8	9.2	.4	.8	.8	.5
Finished consumer goods less foods and energy	4/ 44.659	c210.7	c214.6	215.4	8.5	.4	.8	.7	.4
Consumer nondurable goods less foods and energy	4/ 25.186	c196.9	c203.8	204.5	9.8	.7	1.3	.9	.3
Intermediate energy goods	7/ 16.187	c382.7	c346.7	372.5	21.5	4.7	2.6	2.9	4.3
Intermediate materials less energy	7/ 83.813	c273.3	c278.6	280.0	7.7	.5	.9	-.1	.4
Intermediate materials less foods and energy	7/ 77.405	c267.6	c275.3	277.5	7.7	.7	.9	.2	.6
Crude energy materials 3/ 8/	8/ 26.172	c632.8	c774.8	777.5	48.8	.3	2.2	28.0	.3
Crude materials less energy	8/ 73.828	c271.7	c262.6	259.4	4.3	-1.2	-2.1	-3.4	-2.1
Crude nonfood materials less energy 3/	8/ 15.599	c277.2	c271.2	274.8	-2.4	1.3	-5.8	-3.4	-2.1

1/ Comprehensive relative importance figures are computed once each year in December.

2/ Data for Nov. 1988 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.

3/ Not seasonally adjusted.

4/ Includes crude petroleum.

5/ Excludes crude petroleum.

c corrected.

6/ Percent of total finished goods.

7/ Percent of total intermediate materials.

8/ Formerly titled "Crude materials for further processing, excluding crude foodstuffs and foodstuffs, plant and animal fibers, oilseeds, and leaf tobacco."

9/ Percent of total crude materials.

Indexes for most Special Groupings by Stage of Processing have been corrected to remove an error made when these indexes were revised February 13. Although this error caused each monthly index from January 1976 forward to be at an incorrect level, it did not affect the calculation of percent changes based on these indexes, except for possible rounding differences. Corrected historical data for the Special Groupings by Stage of Processing are available without charge on request to the Division of Industrial Prices and Price Indexes, Bureau of Labor Statistics, 600 E Street, N.W., Room 5210, Washington, D.C. 20212, telephone Area Code 202-272-5113.

Table 2. Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance Dec. 1980 1/	Unadjusted index Feb. 1981 2/	Unadjusted index Mar. 1981 2/	Unadjusted percent change to Mar. 1981 from: Mar. 1980	Unadjusted percent change to Mar. 1981 from: Feb. 1981	Seasonally adjusted percent change from: Dec. to Jan.	Seasonally adjusted percent change from: Jan. to Feb.	Seasonally adjusted percent change from: Feb. to Mar.
	FINISHED GOODS	100.000	262.4	265.3	10.5	1.1	0.9	0.8	1.3
	FINISHED CONSUMER GOODS	79.666	264.0	267.3	10.4	1.3	.8	.8	1.4
	FINISHED CONSUMER FOODS	23.032	250.9	251.8	7.8	.4	0	-.6	.8
01-11	Fresh fruits	2.081	211.6	217.0	-8.7	2.6	-4.9	-1.1	1.8
01-13	Fresh and dried vegetables	.720	298.6	332.3	82.0	11.3	-.5	5.2	19.4
01-7	Eggs	.468	184.8	180.4	-2.1	-2.4	-5.5	-.3	-4.1
02-11	Bakery products	2.257	262.7	262.9	7.9	.1	1.0	.2	.3
02-12-02	Flour base mixes and doughs	.170	233.3	232.0	7.2	-.6	-.1	.4	-.6
02-13	Milled rice	.066	289.7	298.0	15.5	2.9	6.0	-2.0	2.6
02-14	Other cereals	.439	270.1	271.4	2.0	.5	.6	1.2	.4
02-21-01	Beef and veal	2.783	246.1	243.8	-6.5	-.9	-1.5	-5.4	-2.0
02-21-04	Pork	1.488	208.7	204.[illegible]	12.2	-2.3	-4.0	-4.4	2.6
02-22	Processed poultry	.764	209.6	205.3	17.5	-2.1	-3.5	-1.9	-.9
02-23	Fish	.930	371.5	382.0	-4.6	2.8	3.7	.3	4.0
02-3	Dairy products	3.125	245.5	245.5	10.1	0	1.4	.8	-.2
02-4	Processed fruits and vegetables	1.476	244.1	251.8	12.6	3.2	.6	3.1	3.3
02-53-01	Refined sugar, consumer size packages (Dec. 1977=100) 3/	.223	214.0	181.2	2.6	-15.3	0	-7.0	-15.3
02-55	Confectionery and products (Dec. 1977=100) 3/	.879	120.7	120.7	6.5	0	0	0	0
02-62	Soft drinks	1.515	290.8	290.8	18.4	0	4.9	.4	0
02-63-01	Roasted coffee	.825	325.7	325.7	-14.0	0	-2.6	2.5	-.3
02-74	Vegetable oil and products	.364	240.7	240.7	3.7	0	.6	1.8	-1.6
02-8	Miscellaneous processed foods 3/	2.345	248.0	249.2	10.9	.5	1.5	1.6	.5
	FINISHED CONSUMER GOODS EXCLUDING FOODS	56.634	267.3	271.7	11.4	1.6	1.2	1.3	1.6
02-61	Alcoholic beverages 3/	1.681	185.2	186.4	8.8	.6	.3	1.9	.6
03-81	Apparel	5.274	179.3	180.1	7.2	.4	.4	.5	.6
03-82	Textile housefurnishings 3/	.760	225.4	225.4	12.0	0	2.5	.7	0
04-3	Footwear	1.056	240.8	240.5	3.8	-.1	.2	.5	-.5
04-41	Luggage and small leather goods	.298	187.2	196.3	16.0	4.9	1.0	2.5	4.2
05-31	Natural gas 3/	2.182	967.4	979.5	25.9	1.3	1.4	0	1.3
05-71	Gasoline	6.806	684.3	737.6	21.7	7.8	2.5	4.7	7.5
05-73-02-01	Fuel oil No. 2 (Feb. 1973=100)	1.695	815.1	885.9	31.1	8.7	5.7	6.5	9.0
05-76	Finished lubricants 3/	.197	331.2	335.2	16.2	1.2	.7	1.3	1.2
06-35	Pharmaceutical preparations, ethical (Prescription)	.677	164.7	167.4	11.8	1.6	1.2	1.7	1.6
06-36	Pharmaceutical preparations, proprietary (Over-the-counter)	.327	221.8	222.0	13.8	.1	.5	1.0	-.2
06-71	Soaps and synthetic detergents 3/	.683	228.3	235.4	10.6	3.1	0	.5	3.1
06-75	Cosmetics and other toilet preparations	.987	210.1	206.7	16.1	-1.6	1.2	2.0	-2.2
07-12	Tires and tubes	.721	243.1	248.2	7.2	2.1	-1.4	2.0	1.7
07-13-01	Rubber footwear	.193	218.5	219.2	5.8	.3	0	.8	.6
07-27	Disposable plastic dinnerware and tableware (June 1978=100) 3/	.185	132.5	132.6	1.9	.1	0	0	.1
07-28	Consumer and commercial plastics,not elsewhere classified (June 1978=100) 3/	.367	124.4	126.3	10.3	1.5	.7	1.3	1.5
09-15-01	Sanitary papers and health products 3/	.780	347.3	347.9	10.7	.2	0	1.1	.2
09-31	Newspaper publishing (Dec. 1980=100) 3/	5.433	106.1	107.1	(4)	.9	3.4	2.6	.9
09-32	Periodical publishing (Dec. 1980=100) 3/	1.861	103.0	103.6	(4)	.6	2.1	.9	.6
09-33	Book publishing (Dec. 1980=100) 3/	1.046	101.5	101.8	(4)	.3	1.1	.4	.3
11-77	Electric lamps and bulbs	.215	264.5	265.9	8.6	.5	-.8	2.4	.7
12-1	Household furniture	1.609	212.1	214.4	7.8	1.1	.1	.7	1.5
12-3	Floor coverings	.605	172.4	174.0	8.2	.9	.4	.3	.9
12-4	Household appliances 3/	1.301	182.3	183.0	7.7	.4	1.6	.7	.4
12-5	Home electronic equipment 3/	.633	91.7	91.3	0	-.4	0	.8	-.4
12-6	Other household durable goods	.929	280.2	277.6	-3.7	-.9	-3.7	1.0	-.3
14-11-01	Passenger cars	6.984	199.2	198.5	8.7	-.4	.5	.7	.3
14-11-02-71	Light motor trucks 3/	1.022	239.6	239.7	13.9	0	2.0	0	0
15-1	Toys, sporting goods, small arms, etc	1.134	209.5	210.4	8.2	.4	-.8	.9	.5
15-2	Tobacco products 3/	1.500	255.3	255.4	7.6	0	0	.4	0
15-51	Mobile homes 3/	.871	152.5	154.4	5.0	1.2	-.1	.1	1.2
15-94-02	Jewelry, platinum & karat gold (Dec. 1978=100) 3/	1.124	200.0	191.3	-8.8	-4.4	-6.0	-4.6	-4.4
15-94-03	Other precious metal jewelry 3/	.239	173.1	171.9	5.9	-.7	-.3	-.5	-.7
15-94-04	Costume jewelry (Dec. 1978=100) 3/	.333	112.7	113.4	6.6	.6	-2.5	0	.6
	CAPITAL EQUIPMENT	20.334	256.3	257.8	11.0	.6	1.0	1.1	.7
11-1	Agricultural machinery and equipment	1.198	277.2	278.7	10.6	.5	1.7	1.6	.7
11-2	Construction machinery and equipment 3/	1.304	308.4	311.3	11.4	.9	1.3	1.1	.9
11-32-03	Power driven hand tools, electrical (Dec. 1976=100)	.057	136.7	138.9	14.1	1.6	1.4	1.3	1.6
11-34	Industrial process furnaces and ovens 3/	.155	317.0	322.7	13.9	1.8	2.7	.9	1.8
11-37	Metal cutting machine tools	.488	334.9	338.4	12.6	1.0	1.1	.5	1.3
11-38	Metal forming machine tools	.273	370.5	373.5	11.9	.8	1.5	.2	1.0
11-41	Pumps, compressors, and equipment	.421	312.9	315.2	13.4	.7	1.1	1.9	.5
11-44	Industrial material handling equipment	.731	265.9	269.3	9.0	1.3	1.6	-.2	1.5
11-47	Fans and blowers except portable	.126	308.8	312.1	8.9	1.1	.3	0	1.2
11-6	Special industry machinery and equipment 3/	2.220	299.3	300.9	13.3	.5	1.4	1.4	.5
11-72	Integrating and measuring instruments	.202	189.8	192.5	6.4	1.4	-.2	-.2	1.6
11-73-02	Generators and generator set	.499	320.4	320.5	19.0	0	2.0	.1	.1
11-74	Transformers and power regulators 3/	.443	193.9	202.6	15.6	4.5	.8	.7	4.5
11-91	Oilfield machinery and tools 3/	.168	374.9	378.8	19.5	1.0	1.9	2.5	1.0
11-92	Mining machinery and equipment	.142	324.7	327.6	11.4	.9	-.1	.4	1.1
11-93	Office and store machines and equipment 3/	1.251	145.8	146.1	4.7	.2	.8	.6	.2
12-2	Commercial furniture 3/	.769	251.2	253.2	8.8	.8	1.5	2.1	.8
14-11-01	Passenger cars	2.262	199.2	198.5	8.7	-.4	.5	.7	.3
14-11-02-71	Light motor trucks 3/	1.355	239.6	239.7	13.9	0	2.0	0	0
14-11-02-81	Heavy motor trucks 3/	1.054	269.4	268.8	12.3	-.2	1.5	1.4	-.2
14-14	Truck trailers (June 1980=100) 3/	.279	102.4	103.5	(4)	1.1	.2	.4	1.1
14-21-11	Fixed wing, utility aircraft (Dec. 1968=100)	.917	273.3	275.0	19.3	.6	-.1	.4	1.1
14-4	Railroad equipment	.446	334.4	335.8	11.2	.4	0	2.3	.6
15-41	Photographic equipment	.466	126.9	129.2	5.5	1.8	.1	2.3	2.0

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance Dec. 1980 1/	Unadjusted index Feb. 1981 2/	Unadjusted index Mar. 1981 2/	Unadjusted percent change to Mar. 1981 from: Mar. 1980	Unadjusted percent change to Mar. 1981 from: Feb. 1981	Seasonally adjusted percent change from: Dec. to Jan.	Seasonally adjusted percent change from: Jan. to Feb.	Seasonally adjusted percent change from: Feb. to Mar.
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS	100.000	297.8	301.4	9.9	1.2	1.2	0.4	1.1
	INTERMEDIATE FOODS AND FEEDS	6.408	261.9	256.0	8.8	-2.3	.1	-3.0	-2.6
02-12-01	Flour	.268	196.1	193.2	6.4	-1.5	2.3	-2.8	-.6
02-53-02	Refined sugar for use in food manufacturing (Dec. 1977=100) 3/	1.814	219.4	208.4	19.9	-8.7	1.9	-2.7	-8.7
02-54	Confectionery materials (Dec. 1977=100) 3/	.286	174.1	172.8	26.6	-.7	-2.6	-.4	-.7
02-71	Animal fats and oils	.078	284.6	289.9	6.7	1.9	1.6	.1	1.8
02-72	Crude vegetable oils	.209	187.5	191.2	-2.6	2.0	.6	-8.9	-1.9
02-73	Refined vegetable oils 3/	.073	203.3	202.2	20.3	0	-2.5	-6.5	0
02-9	Prepared animal feeds	1.848	235.3	231.5	6.9	-1.6	-.5	-3.2	-.5
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS	93.592	308.4	304.7	10.0	1.4	1.3	.6	1.3
03-1	Synthetic fibers (Dec. 1975=100)	.693	147.8	149.6	15.9	1.2	3.2	.4	1.6
03-2	Processed yarns and threads (Dec. 1975=100)	.921	129.6	133.9	12.2	3.3	1.2	-.4	2.8
03-3	Gray fabrics (Dec. 1975=100)	1.171	143.1	144.0	5.3	.6	0	1.4	.3
03-4	Finished fabrics (Dec. 1975=100)	1.699	122.2	122.5	8.2	.2	2.5	.4	-.6
04-2	Leather	.279	310.0	322.5	5.7	4.0	-4.4	-7.8	3.2
05-2	Coke	.163	438.6	438.6	0	0	-.4	-.4	0
05-32	Liquefied petroleum gas 3/	.771	786.0	789.4	11.3	.5	3.2	.3	.5
05-4	Electric power	4.854	345.6	350.4	14.7	1.4	1.6	.7	-.2
05-71	Gasoline	3.234	684.3	737.6	21.7	7.8	2.5	4.7	7.5
05-72-02-01	Kerosene (Feb. 1973=100)	.187	784.5	851.6	31.1	8.5	5.6	5.7	8.1
05-72-03-01	Commercial jet fuel (Feb. 1973=100) 3/	1.353	812.2	866.2	22.9	6.6	1.6	3.8	6.6
05-73-03-01	Diesel fuel (Feb. 1973=100) 3/	1.459	788.5	848.9	26.8	7.7	4.4	4.3	7.7
05-74	Residual fuel	2.514	1237.6	1345.1	33.5	8.7	3.8	2.8	7.2
05-75	Lubricating oil materials 3/	.608	836.5	836.5	20.3	0	5.6	0	0
06-1	Industrial chemicals 3/	4.396	349.4	352.5	12.5	.9	2.5	1.9	.9
06-21	Prepared paint 3/	.810	246.9	246.9	8.0	0	.7	1.5	0
06-22	Paint materials	.682	286.4	288.5	7.8	.7	1.3	1.3	0
06-31	Drugs and pharmaceutical materials 3/	.220	222.1	222.1	11.7	0	2.5	1.1	0
06-4	Fats and oils, inedible	.233	289.7	295.7	-1.4	2.1	-.1	-10.3	-2.2
06-51	Mixed fertilizers	.309	260.4	262.3	9.6	.7	2.3	3.7	-.1
06-52-01	Nitrogenates	.277	281.9	287.5	7.3	2.0	1.9	1.9	1.1
06-52-02	Phosphates	.325	288.9	298.1	9.5	3.4	-.1	2.5	11.2
06-53	Pesticides	.283	375.5	381.9	1.5	1.8	.6	1.2	-.1
06-6	Plastic resins and materials	1.277	276.1	278.3	1.4	.8	.1	.8	.6
06-79	Miscellaneous chemical products 3/	1.102	281.5	282.2	17.2	.3	7.4	.4	.3
07-11-02	Synthetic rubber	.284	277.3	288.7	16.1	1.2	5.0	1.8	1.6
07-12	Tires and tubes	.753	243.1	248.2	7.2	2.1	-1.4	2.0	1.7
07-13-04	Other miscellaneous rubber products	.716	242.8	246.9	12.6	1.7	2.4	.9	1.2
07-21	Plastic construction products (Dec. 1969=100)	.272	153.4	154.9	1.2	1.0	-.5	-.3	.4
07-22	Unsupported plastic film and sheeting (Dec. 1970=100)	.488	194.6	194.7	4.7	.1	.3	1.2	-.3
07-23	Laminated plastic sheets (Dec. 1978=100)	.132	188.3	188.3	9.9	0	6.3	-1.1	.1
07-24	Foamed plastic products (June 1978=100) 3/	.182	132.5	133.3	9.1	.6	-.3	-.5	.6
07-25	Plastic packaging and shipping products (June 1978=100) 3/	.349	127.0	128.6	4.7	1.3	.1	0	1.3
07-26	Plastic parts and components for manufacturing (June 1978=100) 3/	.691	130.8	138.1	6.2	.1	2.1	.7	.1
08-11	Softwood lumber	1.739	348.2	343.9	-3.1	-1.2	-.2	-2.8	-2.5
08-12	Hardwood lumber	.408	250.3	251.0	-2.9	.3	.6	-.8	0
08-2	Millwork	1.404	273.8	275.7	5.1	.7	-.6	-1.9	-.1
08-3	Plywood	.742	248.4	244.7	-2.8	-1.5	-6.1	2.4	1.1
08-4	Other wood products	.330	238.1	239.3	-1.6	.5	.9	-1.2	.1
09-11	Woodpulp	.454	392.4	392.6	10.0	0	-1.0	.5	0
09-13	Paper	1.541	273.1	274.0	9.5	.3	-.2	.9	-.1
09-16	Paperboard	.701	253.2	255.9	12.5	1.1	4.2	.5	.5
09-15-03	Paper bags and containers	1.855	233.8	238.2	8.8	1.9	1.5	1.1	2.0
09-2	Building paper and board	.242	225.2	227.3	14.4	.9	.4	2.2	-.3
10-13-01	Semifinished steel mill products	.394	348.5	348.5	9.3	0	1.0	-.7	.6
10-13-02	Finished steel mill products	6.120	321.5	327.4	11.4	1.9	2.1	.2	2.0
10-15	Foundry and forge shop products	1.897	321.7	321.9	5.8	.1	.8	-.5	-.6
10-16	Pig iron and ferroalloys	.274	310.6	310.6	.7	0	1.5	-.1	.6
10-22	Primary nonferrous metal refinery shapes 3/	2.159	336.6	328.9	-18.2	-2.6	-2.4	-2.9	-2.6
10-24	Secondary nonferrous metal and alloy basic shapes	.529	274.8	273.1	-15.8	-.3	-1.0	-6.7	-1.5
10-25	Nonferrous mill shapes	1.707	296.7	297.2	.9	.2	.2	.3	-.9
10-26	Nonferrous wire and cable 3/	.822	289.6	284.8	-12.0	-1.7	-1.4	-2.7	-1.4
10-3	Metal containers	1.982	313.8	314.1	8.9	.1	3.2	1.0	-2.1
10-4	Hardware	.875	256.0	256.5	10.8	.2	1.0	1.3	.5
10-5	Plumbing fixtures and brass fittings	.338	259.2	259.2	6.9	0	.7	.5	.1
10-6	Heating equipment 3/	.350	216.1	217.6	7.4	.7	1.3	.3	.7
10-7	Fabricated structural metal products	3.018	285.1	289.4	9.2	1.5	1.2	.6	1.2
10-8	Miscellaneous metal products	3.281	264.0	265.7	8.8	.6	1.3	1.2	.5
11-11-51	Tractor parts 3/	.116	198.1	200.3	13.8	1.1	1.2	6.7	1.1
11-12-51	Parts for farm machinery ex. tractors	.149	223.1	224.9	11.2	.8	1.9	-.4	1.2
11-35	Cutting tools and accessories 3/	.418	243.2	248.5	11.1	2.2	.9	.2	2.2
11-36	Abrasive products	.334	268.7	271.3	11.8	1.0	.3	1.4	1.1

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance	Unadjusted index		Unadjusted percent change to Mar. 1981 from		Seasonally adjusted percent change from		
		Dec. 1980 1/	Feb. 1981 2/	Mar. 1981 2/	Mar. 1980	Feb. 1981	Dec. to Jan.	Jan. to Feb.	Feb. to Mar.
	INTERMEDIATE MATERIALS, ETC - Continued								
11-37-51	Parts for metal cutting machine tools 3/	.121	323.4	329.3	16.5	1.8	1.8	0.2	1.8
11-38-51	Parts for metal forming machine tools	.079	302.6	302.6	12.9	0	3.6	.6	.9
11-43	Fluid power equipment	.287	214.5	215.0	12.3	.2	1.5	-.3	.5
11-45	Mechanical power transmission equipment	.415	284.7	284.9	12.5	.1	1.6	.6	.4
11-48-02	Unitary air conditioners (Dec. 1977=100) 3/	.263	126.3	126.3	5.6	0	.7	.2	0
11-48-04	Refrigerant compressors and compressor units (Dec. 1977=100) 3/	.318	127.8	127.8	4.4	0	0	0	0
11-49-01	Valves and fittings	.588	300.4	304.2	8.4	1.3	.2	.7	1.1
11-49-03	Ball and roller bearings	.332	293.1	293.3	17.1	0	2.6	2.9	-1.1
11-71	Wiring devices	.639	288.5	292.5	12.8	1.4	2.9	1.5	1.0
11-73-01	Electric motors	.521	265.5	266.1	7.5	.2	2.7	1.1	.6
11-75	Switchgear, switchboard, etc., equipment 3/	.689	242.9	243.1	4.8	.1	2.0	1.3	.1
11-78	Electronic components and accessories	1.581	164.1	166.4	10.1	1.4	.6	.2	1.4
11-81	Environmental controls (June 1980=100) 3/	.555	102.9	103.4	(4)	.5	0	-2.9	.5
11-92-53-01	Parts for mining machinery and equipment	.882	319.4	322.3	10.5	.9	-4.1	1.1	1.1
11-94	Internal combustion engines	.746	285.6	290.2	11.9	1.6	.5	.6	1.6
13-11	Flat glass 3/	.513	284.3	284.8	7.0	.2	.4	.2	.2
13-22-01-31	Portland cement	.555	319.0	321.2	4.9	.7	-1.5	.6	1.6
13-3	Concrete products	1.759	284.6	286.9	6.6	.1	.1	.2	.5
13-4	Structural clay products, ex refractories 3/	.221	240.4	245.2	6.0	2.0	2.5	.2	2.0
13-5	Refractories	.187	296.4	297.1	17.0	.9	3.7	4.4	1.3
13-6	Asphalt roofing	.355	389.3	400.7	3.1	2.9	2.9	-3.7	2.3
13-7	Gypsum products 3/	.172	257.3	257.6	-3.7	.1	2.7	-.9	.1
13-8	Glass containers	.637	311.5	311.5	13.6	0	.4	.5	.6
13-9	Other nonmetallic minerals	1.147	426.7	441.7	14.1	4.0	-.2	.5	3.9
14-12	Motor vehicle parts	3.869	311.2	311.6	29.2	.1	1.7	2.1	.3
15-3	Motion	.179	247.3	247.3	19.4	0	-1.2	9.3	-.3
15-42	Photographic supplies 3/	.604	272.0	272.5	-7.6	.2	.2	.4	.2
15-94-05	Jewelers' materials and findings (Dec. 1978=100) 3/	.278	196.3	186.4	-13.5	-5.0	-8.9	-7.0	-5.0
	CRUDE MATERIALS FOR FURTHER PROCESSING	80.000	335.5	333.0	13.4	-.7	-1.0	2.9	-1.3
	CRUDE FOODSTUFFS AND FEEDSTUFFS	58.229	267.1	262.0	6.3	-1.9	-1.1	-3.5	-2.0
01-1	Fresh and dried fruits and vegetables	1.589	276.4	291.6	53.5	7.8	-1.8	.8	12.8
01-21	Wheat	2.926	264.7	255.3	4.0	-3.6	7.9	-6.5	-1.9
01-22-02-05	Corn 3/	5.687	266.9	264.6	31.7	-.9	4.3	-3.4	-.9
01-31	Cattle	18.269	247.1	246.7	-7.7	-.2	-3.8	-3.5	-3.5
01-32	Hogs	4.751	208.1	187.6	11.5	-9.9	-11.6	-1.5	-3.8
01-4	Live poultry	2.610	220.8	213.5	18.5	-3.3	-6.3	-1.4	-1.9
01-6	Fluid milk	9.563	289.5	289.5	10.8	0	.1	1.2	1.5
01-81-01-01	Hay	1.211	297.7	273.9	35.3	-8.0	-7.4	0	-8.0
01-83	Oilseeds	4.225	296.4	294.2	35.2	-.7	3.3	-5.8	-5.9
01-91-01	Green coffee 3/	1.976	483.8	482.5	-13.1	-.1	2.5	-1.5	-.1
01-91-02	Cocoa beans	.273	398.1	407.7	-26.4	4.5	2.8	9.2	2.9
02-52-01-01	Cane sugar, raw 3/	2.713	366.1	318.8	15.6	-13.1	3.7	-12.2	-13.1
	CRUDE NONFOOD MATERIALS	41.771	481.7	484.8	23.1	.6	-.8	11.5	-.4
01-51-01-01	Raw cotton 3/	1.744	277.2	279.2	6.5	.7	-5.6	-6.0	.7
01-92-01-01	Leaf tobacco	1.755	234.5	(4)	(4)	(4)	(4)	(4)	(4)
04-1	Hides and skins	.658	367.3	(4)	(4)	(4)	-8.2	-2.7	(4)
05-1	Coal	3.952	488.8	481.3	4.2	-.1	.5	1.0	-.4
05-31	Natural gas 3/	8.278	967.4	979.5	-25.9	1.3	1.4	0	1.3
05-61	Crude petroleum 3/	13.932	842.9	843.0	61.2	0	5.2	37.0	0
06-52-03	Potash	.191	264.2	267.5	16.1	1.2	5.8	-4.5	-1.2
07-11-01	Crude natural rubber	.394	329.1	310.1	-11.7	-5.8	-2.0	-4.6	-6.6
09-12	Wastepaper	.397	186.1	185.1	-17.7	-.5	1.2	-2.0	-2.9
10-11	Iron ore 3/	.692	269.8	269.8	9.6	0	0	8.7	0
10-12	Iron and steel scrap	3.262	342.5	357.6	-2.8	4.4	-7.4	-8.3	1.0
10-23	Nonferrous scrap	2.680	250.5	251.6	-25.9	.4	-8.3	-7.8	-1.8
13-21	Sand, gravel, and crushed stone	2.746	258.0	260.3	13.2	.9	.5	1.3	.7

1/ Comprehensive relative importance figures are computed once each year in December. Data shown are expressed as a percent of total finished goods, total intermediate materials, or total crude materials. Data shown will not add up to 100.000 because not all commodity components of each stage-of-processing (SOP) index are shown; relative importance figures shown account for about 91 percent of total finished goods, about 88 percent of total intermediate materials, and about 96 percent of total crude materials. For each commodity component of the Finished Goods Index which is allocated to both capital equipment and finished consumer goods excluding foods, the relative importance figure shown reflects only the share allocated to the SOP grouping under which it is listed. For example, the relative importance figure shown for household furniture under the SOP grouping for finished consumer goods excluding foods includes the share allocated to that SOP grouping but not the share allocated to capital equipment.

2/ All data are subject to revision 4 months after original publication.

3/ Not seasonally adjusted.

4/ Not available.

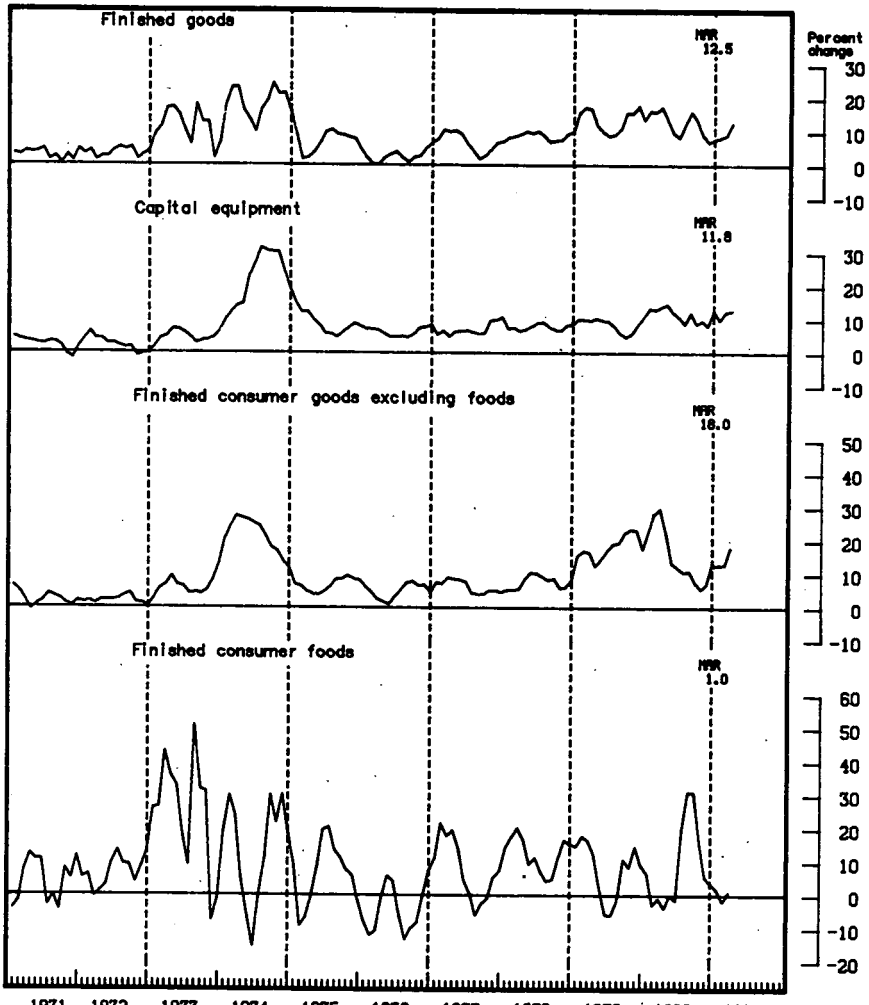
Table 3. Producer price indexes for selected commodity groupings
(1967=100)

Commodity code	Grouping	Unadjusted index	
		Nov. 1980 1/	March 1981 1/
	All Commodities	279.1	289.6
	All Commodities (1957-59=100)	296.1	307.3
	MAJOR COMMODITY GROUPS		
	Farm products and processed foods and feeds	260.5	253.1
01	Farm products	264.9	260.6
02	Processed foods and feeds	257.2	248.1
	Industrial commodities	283.4	298.9
03	Textile products and apparel	189.6	196.5
04	Hides, skins, leather, and related products	255.4	262.4
05	Fuels and related products and power 2/	600.2	692.2
06	Chemicals and allied products 2/	266.7	279.4
07	Rubber and plastic products	223.4	228.8
08	Lumber and wood products	293.4	293.6
09	Pulp, paper, and allied products	255.0	268.4
10	Metals and metal products	291.1	296.1
11	Machinery and equipment	248.3	256.9
12	Furniture and household durables	191.5	195.4
13	Nonmetallic mineral products	288.7	301.2
14	Transportation equipment (Dec..1968=100)	217.8	228.5
15	Miscellaneous products	263.6	262.4
	Industrial commodities less fuels and related products and power	250.3	258.2
	OTHER COMMODITY GROUPINGS		
01-2	Grains	270.9	261.8
01-3	Livestock	254.8	239.3
01-5	Plant and animal fibers	287.2	270.1
01-8	Hay, hayseeds, and oilseeds	298.3	289.5
01-9	Other farm products	296.6	295.9
02-1	Cereal and bakery products	245.3	251.9
02-2	Meats, poultry, and fish	250.9	242.0
02-5	Sugar and confectionery	409.0	302.6
02-6	Beverages and beverage materials	240.6	242.8
02-63	Packaged beverage materials	330.4	314.4
02-7	Fats and oils	238.0	230.0
04-4	Other leather and related products	222.6	243.4
05-3	Gas fuels 2/	825.5	867.6
05-7	Refined petroleum products 2/	697.6	822.4
06-3	Drugs and pharmaceuticals	181.1	189.1
06-5	Agricultural chemicals and products	261.1	274.8
06-7	Other chemicals and allied products	232.4	247.8
07-1	Rubber and rubber products	245.0	253.0
07-11	Crude rubber	271.0	280.6
07-13	Miscellaneous rubber products	233.3	246.5
08-1	Lumber	324.9	324.7
09-1	Pulp, paper, and products, excluding building paper and board	256.2	266.9
09-15	Converted paper and paperboard products	243.5	255.1
10-1	Iron and steel	312.7	328.0
10-13	Steel mill products	309.4	328.7
10-2	Nonferrous metals	302.1	285.5
11-3	Metalworking machinery and equipment	283.9	294.7
11-4	General purpose machinery and equipment	274.3	281.3
11-7	Electrical machinery and equipment	207.5	215.9
11-9	Miscellaneous machinery and equipment	238.5	245.4
13-2	Concrete ingredients	279.1	291.9
14-1	Motor vehicles and equipment	218.6	229.9
14-11-02	Motor trucks	249.1	251.2
15-4	Photographic equipment and supplies	206.7	211.1
15-9	Other miscellaneous products	367.0	346.7

1/ Data for Nov. 1980 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.

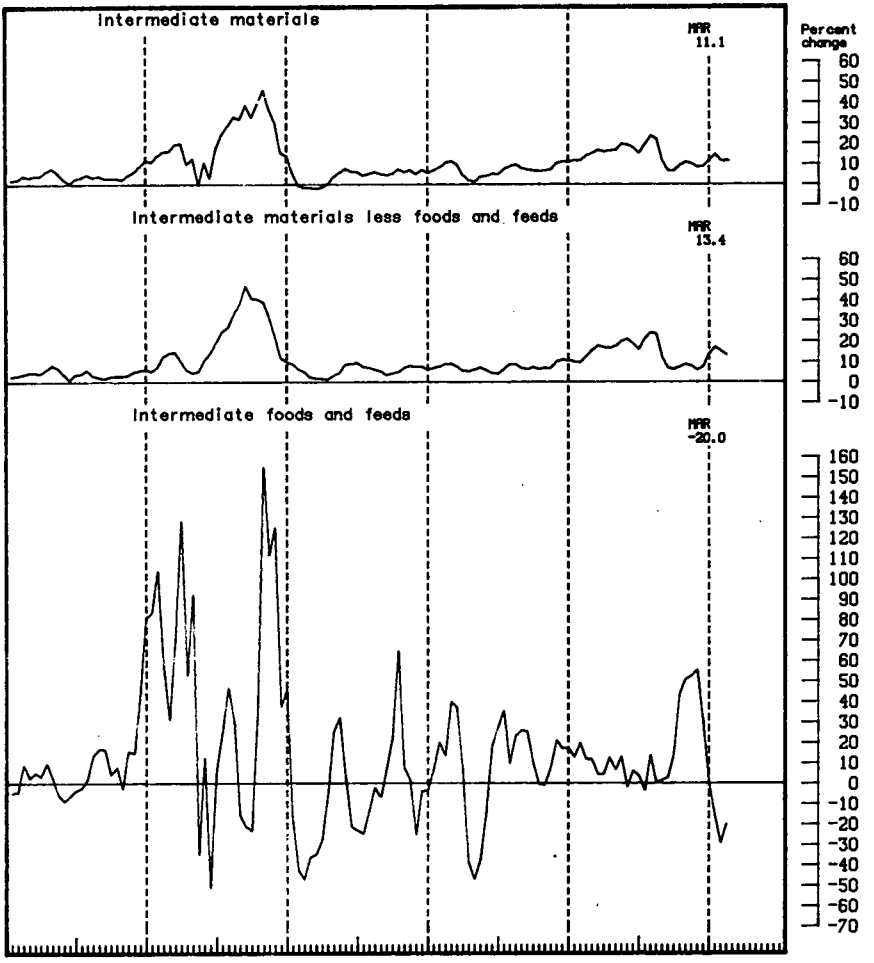
2/ Prices of some items in this grouping are lagged 1 month.

Chart 1
Finished Goods Price Index and its components
1971 – 81
3-month annual rates of change
(Seasonally adjusted)



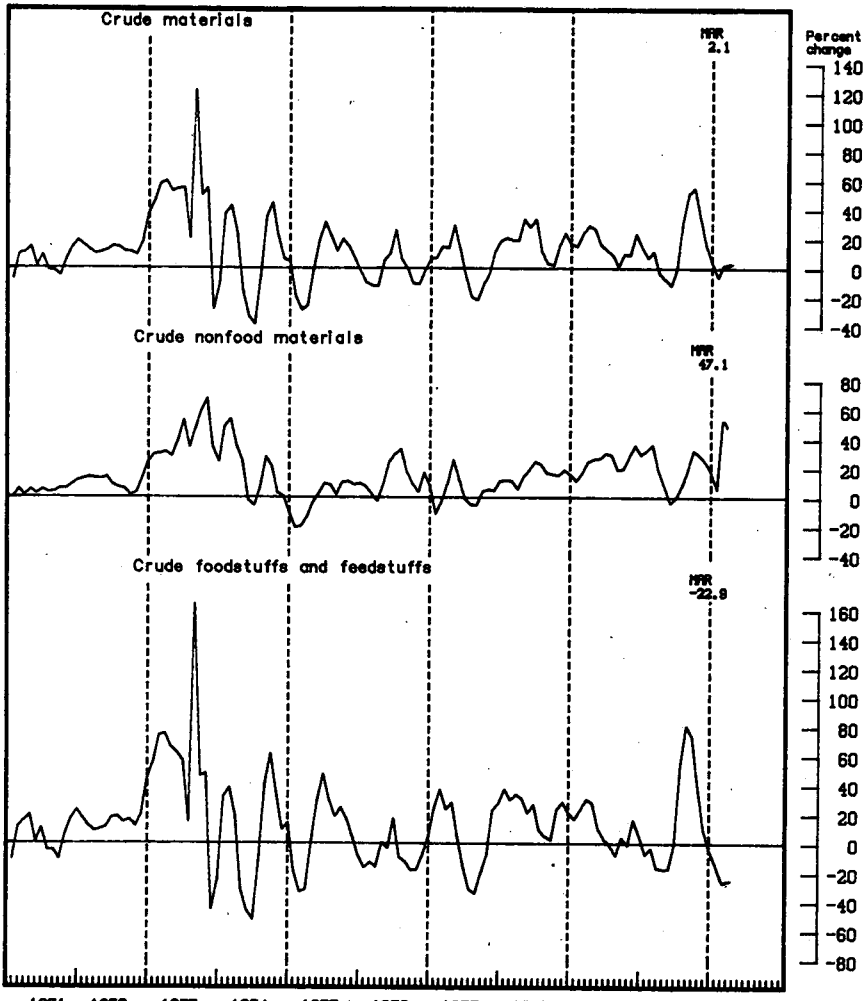
SOURCE: Bureau of Labor Statistics

Chart 2
Intermediate Materials Price Index and its components
1971 – 81
3-month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Chart 3
Crude Materials Price Index and its components
1971 – 81
3–month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Representative REUSS. Thank you very much, Commissioner Norwood.

As I indicated, I find the 16.8-percent annualized rate of increase of the producer price index for finished goods very disturbing. I realize the difficulties of gazing into the future, but purely on a professional level, perhaps you would answer this question.

Do you think this very disturbing March Producer Price Indexes price increase is a once-and-for-all price increase? Will we get it out of our system, and will things be better again?

Or is it likely, to a degree, that the producer prices will become ratcheted in, to reflect itself in wage demands and the prices of other goods?

In short, will it be a pebble thrown on the pond, which produces outward ripples?

Ms. NORWOOD. Well, Mr. Chairman, as you quite rightly point out, there has been a very large increase in producer finished goods this month.

We need to look at where that's coming from. In the case of food, as you know, the Agriculture Department and many agricultural economists have been forecasting shortages of supply. It is not clear whether that is true or not, and we don't know what will happen in the future. But there clearly has been a turn-around in food prices. Fruits and vegetables—vegetables in particular—went up, and pork, fish, and many of the consumer food items which had been declining in the last months, or had been relatively stable, have turned around.

The other very important element was energy prices. As we discussed last month, refined petroleum products in the Producer Price Indexes cover the entire month, and, as a result, the refined petroleum products are lagged a month. So, what we are reporting here are essentially the price increases that took place in February.

There seem to be some indications from the newspapers and from other reports that the energy price surge may not be continuing. It certainly should not continue to increase at those levels. But that is something we will have to wait for a few months to see.

Representative REUSS. What caused food prices to turn around, if you know?

Mr. LAYNG. Basically, in two primary components of finished foods. Fresh fruits and vegetables—particularly fresh vegetables—jumped close to 19.5 percent. That was one factor, and a large part of that had to do with the weather in Florida and Mexico, which affected the supplies of these products. In addition to that, pork prices at the finished level increased where they had been going down. Those were two of the big factors.

Representative REUSS. Well, if I heard right, you said price increases in peanuts, fresh fruits, vegetables, and pork were to blame? Is that right?

Mr. LAYNG. No peanuts; I don't know what happened to peanuts.

Ms. NORWOOD. Vegetables.

The big ones really were pork, vegetables, and fish.

Representative REUSS. Well, I hate to be pessimistic. But, if the prices of your fish, pork, and fresh vegetables—all the contents of your wok—have turned around, aren't they going to keep turning?

I don't like to be a doom-and-gloomer, but aren't the contents of that wok going to keep on costing more?

Ms. NORWOOD. It, of course, is a function both of the weather and, for meats in particular, of the supply.

We just don't know.

There had been quite a decline in food prices, and they have turned around. We have had large declines for beef and veal, pork, poultry, for example, over the last couple of months. And some of those—not all of them, but pork and fish, certainly—have turned around.

Mr. LAYNG. Certainly, compared with a year ago, food prices were only up 7.8 percent at the producer level, which is a relatively moderate increase, compared to other things.

Representative REUSS. Well, what I hear is that food prices have turned around in the wrong direction. They have gone up and none of you are able to assure me that they are going to turn down again very soon.

That is so, isn't it?

Ms. NORWOOD. That's right. That is certainly correct.

Representative REUSS. What effect do you think the energy increases and the food price increases, both in March and possibly in the future, are going to have on wage pressures?

Unit labor costs are now going up on the order of 10 percent, and energy and food are two of the things that wage earners consume a lot of. Indeed, they make up together close to half of the lower income budget, I believe.

Will they justify the wage increases and feed the inflationary spiral, in the absence of an income policy such as in Austria or the Netherlands, which moderates these movements?

Ms. NORWOOD. I think that the big question will be how quickly, if at all, these increases at the producer level are passed through to the consumer level.

And, as you know, we have discussed many times the problems of tracking price changes through the various stages of production and consumer markets.

The food price situation is certainly very worrying.

In the case of energy, which had contributed almost half, or about half, of the increase in finished goods this month, I think that what we have seen is an accumulation of the decontrols, some of which had been put into effect by President Carter; and then, the amendment by President Reagan of full decontrol in January.

And in February, we had a big surge, a 6.1-percent increase in energy in general, and an even larger increase in some of the smaller components under energy.

As I have said, it is hard to know what will happen to those energy price increases. But clearly, there are some indications, in the press, at least, that those large increases will not continue. We don't know, and we always prefer to wait until we've got good, accurate BLS data to go by.

Representative REUSS. As to the existing price increases, in not only food and energy, but in the whole spectrum reported in this month's dismal statistics, are they not going to be passed through at some point to the consumer?

It's too much to expect that industry will absorb them, and take them out of its profits. Does that not follow, as the night the day?

Ms. NORWOOD. Well, I think we can say clearly that the energy prices have already passed through. There is no question about that.

The point that I was making about energy was that there seems to be some indication that, since there appears to be adequate supply at the moment, those energy prices are beginning to level off or turn down.

In the case of food, when consumer food at the producer level goes up, we should be concerned about the passthrough or possible passthrough of that into the supermarkets. But there are a lot of stages between, and a lot of costs between, the producer level of pricing and the consumer or foodstore level.

So, we can't be certain exactly how much of that will be passed through.

But, I think you are quite right, it is a matter of great concern.

Representative REUSS. Well, isn't it a fact that costs—in whatever you call the food that is reflected in the producer price indexes—what is the word?

Mr. LAYNG. That's consumer finished food. It's ready to go to retail stores and wholesalers.

Representative REUSS. Very often, those cost increases not only get passed through to the consumer, but they get passed through, and then some, don't they?

Aren't they frequently used as the basis for markups, which are figured on a larger base, to sock the consumer budgets at the supermarket even more? Is that not true?

Ms. NORWOOD. There has, in the past, frequently been a relationship—though it is not always dollar for dollar—that is passed through. Frequently, the amplitude, the difference, is less at the retail level than at the producer level.

But that, again, depends upon a lot of other conditions, including transportation costs.

Representative REUSS. Sometimes the difference is less, and the dollar of increase at the producer level is not, happily, reflected in a dollar of increase at the consumer level.

But is it not equally true that sometimes the passthrough is greater, and that $1 of price increase at the producer level is reflected in more than $1 price increase to the consumer?

Mr. LAYNG. Typically, you have greater amplitudes; and when prices go up at the producer level, they go up less at the retail level, and when they go down, they go down by less.

So, if you look at a chart of percent changes, the amplitudes will be greater, the more raw the commodity. If you're looking at live cattle, the amplitudes of price movement for those will be much greater than for slaughtered cattle, and retail beef prices.

Representative REUSS. So the poor consumer loses when the price indexes win—when producers' prices go down? That's tough on the consumer. He doesn't benefit.

Mr. LAYNG. The market tends to work that way. It shaves the tops and the bottoms. Basically, prices don't go up as much and they don't go down as much. They tend to be more stable at the more finished level.

Representative REUSS. Very interesting; and very sad.

I would like to ask about unemployment. And, again, 7.3 percent in itself is a great cause for concern. But, added to that, even though the percentage of actual unemployed is not up, the number of discouraged workers is apparently growing.

And I gather that would-be workers are saying now that they are discouraged, because there are no jobs.

Sometimes they're discouraged for non-job-related reasons.

That suggests to me that this unemployment figure, already outrageous, may get worse in the months ahead.

Can you allay my fears?

Ms. NORWOOD. As I said in my statement, there has been an increase in discouraged workers, persons who say they are not looking for work because they think they cannot get a job.

I also referred to the seven unemployment measures U–1—U–7 [1] that we publish on a regular basis.

The one at the bottom, U–7,[1] is at 10.5 percent in the first quarter, and includes, in addition to the unemployed, two other groups, one of which is discouraged workers.

That measure held level. All of the others declined some over the last quarter.

Representative REUSS. Commissioner Norwood and gentlemen, thank you very much for your usual responsive assistance to this committee.

We will see you again in a few more weeks.

Ms. NORWOOD. Thank you, sir.

Representative REUSS. Thank you very much.

Now, we are very pleased to hear from Mr. William A. Cox, acting chief economist of the U.S. Department of Commerce, and a distinguished alumnus of the Joint Economic Committee.

Bill, we are glad to see you back. You have always given the Joint Economic Committee excellent advice, and we have always followed it. I'm sure that you are continuing to give the executive branch excellent advice. And I can only conclude that it is too bad they haven't been following it.

But, anyway, you are very welcome here. And perhaps you can throw some light on where we are heading in the months ahead.

I think you were asked to present some thoughts to us on rather a short-term focus. But whatever you're going to tell us will be welcome.

STATEMENT OF WILLIAM A. COX, ACTING CHIEF ECONOMIST, OFFICE OF THE INSPECTOR GENERAL, DEPARTMENT OF COMMERCE, ACCOMPANIED BY THEODORE TORDA, SENIOR ECONOMIST

Mr. COX. Thank you, very much, Chairman Reuss. It is for me a special pleasure to view the committee's proceedings from this side of the rostrum after having spent about 6 years of my life viewing it from the row behind you.

I will deal with the recent past, the first quarter and the near-term future to the extent that my foggy crystal ball will serve to do that.

[1] See table A–4, p. 164.

We need a crystal ball even for the near past because we don't have full data on the first quarter as yet.

With me, incidentally, is Theodore Torda, senior economist in my office in the Commerce Department, who, I'm sure, can answer any questions that I don't have the answers for on the tip of my tongue.

Preliminary estimates of gross national product and its components for the first quarter will not be available until April 20, which is 2 weeks from next Monday. My comments today reflect my own assessment of the first quarter based upon limited data that are presently available.

The first quarter's GNP expressed in constant dollars appears to have risen at an annual rate of more than 5 percent. This estimate is based almost entirely on an estimated increase in final sales. Liquidation of business inventories was assumed to have continued about the fourth quarter's pace, and I should mention that we don't have very complete data on inventories at this stage. I will come back to what we do have in a few minutes.

During the second half of 1980 a reduction in inventories detracted about 1 percentage point from the annual rate of growth in real GNP. Real final sales recovered at an annual rate of 4.2 percent during the last two quarters of 1980. While this is a relatively restrained pace for an initial recovery from recession, it appears to have continued or even to have accelerated slightly in the first quarter of 1981. If inventory liquidation turns out to be less than it was late last year, this would add to GNP in the first quarter.

I should emphasize that much of the first quarter's growth reflects the upward momentum during last year's fourth quarter, and its continuation into January. That is, the level of total output in January already was well above the average of the fourth quarter. Some softening in the tenor of economic activity during February and even a decline in March still could leave the first-quarter average considerably above that of the previous period. Now, based upon today's employment data, I would not expect a decline to set in, in March, as some of our other measures of activity during March are related to some extent to the employment data.

Some of the strength in January's economic performance was due to the relatively mild weather in most parts of the Nation during that month. Since January, there have been some signs of slower increases in the output of certain major sectors, and actual declines in others, such as construction.

In my judgment, the immediate outlook is for a significant slowdown in the economy's recent relatively rapid rate of growth with little or no further expansion on balance for much of the rest of this year. I would not rule out the possibility of one or maybe even two quarters of moderate decline in real GNP during that period. Slower growth or some decline in real consumer spending and a marked decline in residential construction are likely to be the major restraining factors contributing to the economic slowdown.

The personal savings rate has declined steadily since the end of the recession and was at a very low level in the first quarter. Substantial further declines from this level seem unlikely. Personal income is expected to grow more slowly than it did during the earlier phase of the

recovery and consumers' spendable income is being eroded even from that base in addition by price increases and by the rising tax burden. The housing industry, after defying many predictions of weakness since last summer, finally now appears to be flagging seriously under the impacts of high interest rates and reduced flows of funds into thrift institutions.

Real residential construction expenditures probably will begin to decline in the second quarter following the recent plunge in housing starts, and they can be expected to continue to drop in the third quarter I should suppose. On the other hand, some factors sustaining economic growth may help to offset these potential sources of restraint. The lean inventory situation would seem to preclude the need for any severe inventory liquidation in the near future even if, as I expect, real final sales grow more slowly or decline.

This is a major stabilizing factor in the current economic picture, and suggests that a sharp decline in GNP in the second quarter is unlikely. A sustained recovery in capital spending, as indicated by recent spending plans of business reported by the Bureau of Economic Analysis, also would lend some support to the economy during the remainder of the year.

Now, let me briefly review the behavior of major economic sectors during the first quarter.

Total consumer spending in constant dollars appears to have risen almost as rapidly as in the fourth quarter, and accounted for almost three-fourths of the overall gain in real GNP in the first quarter. Nearly half of the rise in first quarter's consumer purchases came in motor vehicles and parts and in furniture and equipment. It should be emphasized that the gains in real outlays for consumer durable goods in the fourth and first quarters were at annual rates in excess of 20 percent, clearly an unsustainable rate of increase. Growth in consumer purchases of nondurable goods continued at a fairly brisk pace in the first quarter despite no significant increase in the real consumption of oil products, while real purchases of services showed only a small increase, partly because of reduced consumption of electricity and natural gas for home heating because of the weather in February and March or January and March.

The personal savings rate has declined about 2 percentage points since the second quarter of 1980. That is a precipitous drop and half of that drop seems to have occurred during the latest quarter. Real business fixed investment continued to recover in the first quarter. Business purchases of motor vehicles posted a strong gain, while outlays for other types of producers' durable equipment and nonresidential structures rose at moderate rates. The Bureau of Economic Analysis reported last month that business managers intend to increase fixed investment at a gradually accelerating rate in the second half of this year.

Real residential construction outlays may have risen moderately in the first quarter. Multifamily building showed a relatively strong gain, reflecting the large rise in starts in this category from September to January. Other types of residential construction expenditures, including single family homebuilding and brokers' commissions on the

sale of homes, may have leveled off or declined a bit during this period.

And now turning to inventories. Real business inventories, according to fragmentary data, may have declined in the first quarter. We know definitely that a significant reduction in retail automotive stocks occurred in January and February, and it almost certainly continued during March. This has reduced retail auto inventories, incidentally, to a very low level by historical comparisons. In the fourth quarter things have been largely the other way around. Auto stocks had risen while other inventories were reduced substantially. I am assuming in this forecast that nonautomotive inventories changed little in the first quarter although this component is very hazardous to forecast. At the end of 1980, the ratio of real nonfarm inventories to final business sales had declined to the lowest level since early 1973. That lean inventory to sales ratio appears to have been maintained or perhaps reduced even further in early 1981. As as I say, this is an element of reassurance in the economic picture against a precipitous weakening.

The price deflator for personal consumption expenditures is likely to have risen at an annual rate of 9 percent in the first quarter. An accelerated rise in consumer energy prices more than offset the moderating effects of a slower rise in food prices. Apart from food and energy, the rise in consumer prices seems to have slowed a bit.

I have limited my statement primarily to what we believe at the moment about recent developments in the national income and product accounts. I would remind you in closing that quarterly averages may disguise what is going on within the quarter. In the first quarter of 1980, for example, we had a respectable rate of growth in real GNP, yet a recession was underway well before the end of that quarter. Now, that comment sounds a little more ominous than I wanted to make it. I don't believe that developments during the first quarter of 1981 were comparable to those during 1980, but the economy probably ended the quarter with somewhat less momentum than it began with.

With that we would be pleased to try to respond to your questions. Thank you very much.

[The prepared statement of Mr. Cox follows:]

PREPARED STATEMENT OF WILLIAM A. COX

I am pleased to be here this morning to discuss the performance of the economy in the first quarter. Preliminary estimates of Gross National Product (GNP) and its components will not be available until April 20. My comments today reflect my own assessment of the first quarter based on limited data that are presently available.

First quarter's GNP, expressed in constant dollars, appears to have risen at an annual rate of more than 5 percent. This estimate is based almost entirely on an estimated increase in final sales. Liquidation of business inventories was assumed to have continued at about the fourth quarter's pace.

During the second half of 1980, a reduction in inventories detracted about one percentage point from the annual rate of growth in real GNP. Real final sales recovered at an annual rate of 4.2 percent during the last two quarters of 1980. While this is a relatively restrained pace for an initial recovery from recession, it appears to have continued or even have accelerated slightly in the first quarter of 1981. If inventory liquidation was less than it was late last year, this would add to GNP in the first quarter.

I should emphasize that much of the first quarter's growth reflected the upward momentum during last year's fourth quarter, which continued into January. That is, the level of total output in January already was well above the average

of the fourth quarter. Some softening in the tenor of economic activity during February and even a decline in March still could leave the first-quarter average considerably above that of the previous period. Some of the strength in January's economic performance was due to relatively mild weather in most parts of the Nation. Since January, there have been signs of slower increases in the output of certain major sectors and actual declines in others.

In my judgment, the immediate outlook is for a significant slowdown from the economy's recent rate of growth with little or no further expansion on balance for much of the rest of this year. I would not rule out the possibility of one or even two quarters of moderate decline in real GNP during the near term. Slower growth or some decline in real consumer spending and a marked decline in residential construction are likely to be major restraining factors contributing to the economic slowdown.

The personal saving rate has declined steadily since the end of the recession and was at a very low level in the first quarter; substantial further declines from this level seem unlikely. Personal income is expected to grow more slowly than it did during the earlier phase of the recovery, and consumers' spendable income is being eroded in addition by price increases and a rising tax burden. The housing industry, after defying many predictions of weakness since last summer, finally appears to be flagging seriously under the impacts of high interest rates and reduced flows of funds into thrift institutions. Real residential construction expenditures probably will begin to decline in the second quarter following the recent plunge in housing starts.

On the other hand, some factors sustaining economic growth may help to offset potential sources of restraint. The lean inventory situation would seem to preclude the need for any severe inventory liquidation in the near term even if, as I expect, real final sales grow more slowly or decline. This is a major stabilizing factor in the current picture and suggests that a sharp decline in GNP in the second quarter may be unlikely. A sustained recovery in capital spending, based on recent spending plans of business, also would lend support to the economy during the remainder of the year.

I would like to discuss briefly the behavior of major economic sectors in the first quarter.

Total consumer spending, in constant dollars, appears to have risen almost as rapidly as in the fourth quarter and accounted for about three-fourths of the overall gain in real GNP. Nearly half of the rise in first quarter's consumer purchases came in motor vehicles and parts and in furniture and equipment. It should be emphasized that the gains in real outlays for consumer durable goods in the fourth and first quarters were at annual rates in excess of 20 percent, clearly an unsustainable rate of increase. Growth in consumer purchases of nondurable goods continued at a fairly brisk pace in the first quarter, despite no significant increase in real consumption of oil products, while real purchases of services showed only a small increase, partly because of reduced consumption of electricity and natural gas for home heating. The personal saving rate has declined about 2 percentage points since the second quarter of 1980, and half of that drop seems to have occurred in the last quarter.

Real business fixed investment continued to recover in the first quarter. Business purchases of motor vehicles posted a strong gain, while outlays for other types of producers' durable equipment and nonresidential structures rose at moderate rates. The overall increase in first quarter's capital spending appears to be in line with business plans for new plant and equipment expenditures, as reported by the Bureau of Economic Analysis last month. The Bureau reported that business managers intend to increase fixed investment at a gradually accelerating rate in the second half of this year.

Real residential construction outlays may have risen moderately in the first quarter. Multi-family building showed a relatively strong gain, reflecting the large rise in starts in this category from September to January. Other types of residential construction expenditures, including single family homebuilding and brokers' commissions on the sale of homes, may have leveled off or declined a bit.

Real business inventories, according to fragmentary data, may have declined in the first quarter. We know definitely that a significant reduction in retail automotive stocks occurred in January and February, and it almost certainly continued in March. In the fourth quarter, auto stocks had risen while other inventories were reduced substantially. I am assuming that nonautomotive inventories changed little in the first quarter, although only about half of the

quarter's data are in, and this component is very hazardous to forecast. At the end of 1980, the ratio of real nonfarm inventories to final business sales had declined to the lowest level since early 1973. That lean inventory-sales ratio appears to have been maintained or reduced even further in early 1981.

Net exports of goods and services, in constant dollars, probably changed little from the fourth quarter to the first. Federal Government purchases, in constant dollars, increased somewhat in the first quarter. Most of the increase was due to grain purchases by the Commodity Credit Corporation. State and local government purchases appear to have held roughly steady.

Among other major economic developments in the first quarter, growth of real disposable personal income slowed to an annual rate of about 1 percent, according to our advance projection, following a 3½ percent rate of increase during the second half of 1980. The deceleration was due partly to higher social security taxes imposed in January. The price deflator for personal consumption expenditures is likely to have risen at an annual rate of about 9 percent. An accelerated rise in consumer energy prices more than offset the moderating effect of a slower rise in food prices. Apart from food and energy, the rise in consumer prices slowed a bit.

I have limited my statement to the Committee primarily to what we believe at the moment about recent developments in the National Income and Product Accounts. I would like to remind you in closing that quarterly averages may disguise trends within the quarter. In the first quarter of 1980, for instance, we had a respectable rate of growth in real GNP, yet a recession was under way well before the quarter ended. I do not believe that developments during the first quarter of 1981 were comparable to that earlier period, but the economy probably ended the quarter with less momentum than at the start. I would be pleased to answer any questions.

Representative REUSS. Well, I want to congratulate you, Mr. Cox, on an extraordinarily helpful and dispassionate analysis of where we are. I am struck by your saying that it looks as if there's going to be a slowdown ahead and that it is possible that we are actually going to have one, or even two, quarters of decline in real GNP, and that is a distinct possibility for the rest of 1981. You also, at other points in your prepared statement, point out cheerier signs. But you certainly are only doing your duty when you point out that real disposable income, which advanced at the rate of 3½ percent during the second half of last year, got a very severe wound on January 1. That was when Congress, in its unwisdom, upped—and the word is mine, not yours—the payroll tax on every worker and thus is largely responsible for reducing his real disposable personal income to a rate of less than a third of what it was last year. In other words, about 1 percent instead of 3½ percent.

Suppose that that which you fear comes true and that there are, in the rest of this year, a couple of quarters of actual decline in real GNP, brought about by a decline in real consumer spending: What effect would you expect that to have on unemployment in this country taking into account, of course, all of the other factors of which you are aware, the elimination of CETA, for example, and other elements of the President's program. What is the likely unemployment figure by the end of this year? It is 7.3 percent now.

Mr. COX. Mr. Chairman, the new administration's forecast which was published a month, or a little more than a month ago, included the possibility of a quarter, possibly two quarters, of stagnation or relatively limited decline in GNP, and that forecast contained a projection of unemployment for the fourth quarter of this year of 7.7 percent, which comprises a significant increase from today's levels.

Representative REUSS. That's almost half a million men and women who would otherwise have jobs who would be thrown out of work through these inexorable economic forces.

Mr. Cox. A little less than half a million, right.

Representative REUSS. We are also aware of the administration's tax cut plans which include a tax cut of about $9 billion for the remainder of fiscal 1981 and then a further reduction for fiscal 1982 of around $55 billion. Then when you get out to 1984, I believe, the revenue reduction is on the order of roughly $145 billion. That is the view of the administration, and it is the view of Senate and House Republicans quite generally, and even Democrats envisage a very considerable tax cut. From what one reads about what one Mr. Rostenkowski says, he may not go along with the $54 billion Reagan tax cut for fiscal 1982, but he would go along with a $30 or $35 billion cut. My point is simply that there will be tax cuts.

I now come to my point. If we are going to have these tax cuts hoped for by the administration and others by midyear, with the inevitable congressional process that will result from the administration and the congressional Democrats apparently being so far apart, it might take somewhat longer than midyear. But since there will be a tax cut ultimately, why not have one now? If it is done at all, why not do it quickly in order to forestall some of the tragic human effects on these almost half a million people who otherwise will be jobless.

If we let things go on as they are, these people are likely to be thrown out of a job. For example, it would be very, very easy for the administration and the House Democrats to agree tomorrow on a quick phase I tax cut which offset, let's say, the $16 billion tax increase of the payroll tax, which seems to be the cause of the trouble which has just been presented us, and another $8 or $9 billion of business-oriented supply side liberalized depreciation tax cuts. That could be passed very fast, with the much more difficult question of Kemp-Roth, et cetera, left to some future date. Such a tax cut, in my judgment, if the principals agreed, could be passed in a matter of days and the withholding tax brackets could reflect it in a matter of weeks. Since something like that is going to happen anyway—since in the enormous administration tax cuts the equivalent of these few little reductions given to moderate income people would be absolutely lost—wouldn't it be a good idea to act right now?

Wouldn't that action save the jobs of men and women who were otherwise going to lose their jobs? Just to make it specific, suppose we all came to our senses and climbed down off our high horses and presented the Nation on April 15 with a Presidentially signed modest tax reduction measure on the order of $25 billion as I outlined, effective immediately.

Wouldn't that inevitably repair the very deficit in consumer spending which, as you say, Congress and the administration imposed on consumers on January 1, and, by undoing the harm we have done, save those jobs?

Mr. Cox. Well, Mr. Chairman, consumer spending has been remarkably strong. Even since January 1 it has been remarkably strong, and throughout the last several years it has quite consistently surprised

most of the experts. I, of course, am not an official with responsibilities for tax policy at the present time, so I'm a little bit circumspect about commenting too extensively on the specifics of a tax proposal. I think it does have to be brought into this consideration, however, that we have a continuing inflation problem which has gotten progressively worse for many years now, and many people including me feel that we must roll that back.

I think there is a chance to bring inflation under control more effectively than we have in the past. It is my personal hunch that we will not have further massive manifold increases in oil prices in the future that we have seen in the past, or at least that there is a better chance that this will not take place in the 1980's, and that has bedeviled our efforts to control or reduce the rate of inflation during the seventies. I think another very encouraging factor is the general popular consensus at this stage, reflected also in the Congress, that now is the time when we absolutely must take effective action to control this problem, and I think the administration's tax package is put together certainly with that mind and, of course, the intentions of the Federal Reserve are likewise based heavily on that urgent necessity.

I would say, nonetheless, that I certainly believe we need a tax cut. I think whether we get it in less than 2 weeks, by April 15, which would be a miracle, or whether we get it a couple of months later, is not a matter of enormous moment in moving the economy on its long-term future course. But I do think that a tax cut during this year is necessary for the reasons you have suggested, and I am glad to see that a consensus exists.

Representative REUSS. I wasn't talking in the long term, nor was I trying to express a judgment as to whether a tax cut makes any sense now, in our inflationary world.

I take it as given, though, that since the administration is hot and heavy on an enormous tax cut, and since the Democrats—while not actually trying to outdo the Republicans—are a pretty good pale imitation, we are going to have a tax cut. You are thus going to have to swallow whatever doubts you may have about whether a tax cut of those dimensions is really a good way to fight inflation. But, putting that to one side and being a good soldier, and saying that, yes, we're going to have a tax cut, then we come to my question, which is:

Why, instead of the long, drawn out process that now looms with the administration saying that it is going to veto a Democratic tax bill—or at least that it won't pronounce on whether it's going to veto it until it sees it—and with the inevitable knock-down/drag-out fight that is going to occur under the present scenario, I would have thought that it might be possible to reach some sort of a quick compromise on a tax cut which—whatever inflationary factors it might have—at least would make contact with the grave human problem you're talking about of half a million men and women being thrown out of the jobs in a few months as a result of increased taxes through the payroll tax.

Can't we undo, in effect, the crime we have committed, and thus prevent this unemployment? Can't you rev up the consumer purchasing power, which has fallen in this past quarter to less than one-third of what it was—and I am talking about disposable income, less than

one-third of what it was—in the last half of 1980? Can't we repair that demand-side gap in a modest way?

I'm sure that if the President asked Congress for that tomorrow, it could be passed, and the bill could be signed, and the withholding brackets could begin to bite by April 15.

I have no doubt whatever. I have seen what happened to the Kennedy program after the martyrdom of President Kennedy, and these things have electric effects on Congress.

So, let's just assume that could be done. If the cause of our oncoming short-term unemployment troubles this year is a shortfall of consumer spending power induced by an act of Congress, the payroll tax increase, why don't we—by some appropriate income tax reduction method—repair that grievous sin we have committed, and thus save the men and women from being fired?

That is my question.

Mr. Cox. Well, Mr. Chairman, I would simply point out that consumer spending during the first quarter grew by a good deal more than 5—at an annual rate of a good deal more than 5 percent.

We don't know what it will do in the near future. It looks as though the conditions for further growth of consumer spending are weak, but that weakness has not shown up yet.

Another element of the weakness in the economy is the residential construction sector, which is being depressed, heavily depressed, by interest rates which reflect inflation rates. To the extent that we aggravate expectations about future inflation, I think the residential construction sector, which is the most cyclically sensitive sector in the GNP accounts, is likely to suffer more, not less.

So I think those factors have to be borne in mind. Nonetheless, I will agree with you that, shall we say, an early tax cut would be a good thing, and I surmise that an early tax cut would be hard to stamp out, in fact, much before July 1, or the start of the new fiscal year. But I would agree that an early tax cut would be a good thing.

Representative Reuss. My difficulty with your position of a moment ago—that consumer spending might not be all that bad and that we all have been surprised before by how much of a boost it can be—is that it could not work out as you suggest. It may well. But, if that is so, it seems to me we surely need in this country an incomes policy, and we surely need a balanced budget, because that spells the reawakening of real inflationary pressures.

I think the difficulty of our dialog is that I am not sure that you really accept the notion of an overall big tax cut. An overall big tax cut has inflationary consequences, and it would seem to me to have more inflationary consequence than a little tax cut, which is what I am talking about.

But anyway, it has been a pleasure to fence with you about it.

Let me now turn to defense spending, in which the administration's budget provides for sharp increases in defense outlays. It could raise total Government purchases by as much as 13 or 14 percent this year. In addition, it is calling for about 13 percent real growth in defense expenditures in 1982.

Can you tell us what some of the consequences of these increased military expenditures might be for various sectors of the economy? Are there likely to be manpower shortages in certain sectors? Are there likely to be material shortages, either, which would lead to inflationary consequences?

Mr. Cox. Mr. Chairman, that is a very interesting question. I would respond by saying that in terms of the increases you mentioned for this year, and next year, I would not expect widespread bottlenecks to appear in the defense industries.

Over the longer term of the programed increase defense procurements, I think that question has to be studied very carefully. I might mention, by way of information, that the Bureau of Industrial Economics in the Department of Commerce, which is under the Chief Economist's office there, has a fairly ambitious study in progress. I think we have been in touch with members of your staff on this project, which will prepare us to answer those questions in some detail in the not-too-distant future.

Representative Reuss. Recently, the national income accounts data were revised, and there were thus produced substantially higher figures than we all had assumed on business fixed investment.

What is the current percentage of business fixed investment as a percentage of GNP, both before the revision and after the revision?

Mr. Cox. Chairman Reuss, I don't have the precise numbers under my nose here. But it is my belief, from having looked at those figures a few weeks ago, that the revisions increased the fraction of GNP going to business fixed investment from perhaps about 10 percent to about 11 percent. And I might consult my colleague on my left——

Representative Reuss. In other words, about a 10-percent increase?

Mr. Cox. In the share; that's right. There was somewhat more than 10-percent increase, I believe, in the fixed investment numbers for recent years.

Representative Reuss. Is it possible that this upward revision of the share of GNP going to fixed business investment can have a helpful effect on productivity?

Mr. Cox. Yes, a long term, somewhat attenuated effect, I would expect that it would have a helpful effect. I think it is a little difficult to trace these effects statistically, and one wouldn't expect to see a relatively moderate increase in this year's investment, which augments an already standing capital stock, to have an immediately discernible impact on productivity performance.

Representative Reuss. Mr. Cox, we are very grateful to you for your help this morning, and that of your associate. Thank you very much. We now stand in adjournment.

[Whereupon, at 11:05 a.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT–UNEMPLOYMENT

FRIDAY, MAY 8, 1981

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 10:02 a.m., in room 2318, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representative Reuss.

Also present: James K. Galbraith, executive director; and Mary E. Eccles, William Keyes, and Mark R. Policinski, professional staff members.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. The Joint Economic Committee will be in session for its inquiry into the employment situation in 1981.

We have Ms. Norwood, accompanied by her associates. We have your Department of Labor release on the subject. And we would appreciate it, Ms. Norwood, if you would proceed in your usual helpful way, perhaps introducing for the record your associates.

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND JOHN E. BREGGER, CHIEF, DIVISION OF CURRENT EMPLOYMENT AND UNEMPLOYMENT ANALYSIS

Ms. NORWOOD. Thank you, Mr. Chairman.

On my right is John Layng, Associate Commissioner for Prices and Living Conditions. And on my left, Mr. Jack Bregger, who is in charge of the Employment Statistics.

The April labor market indicators were quite similar to those in March. Once again, the level of unemployment was unchanged, while the two major employment series showed divergent developments.

The overall unemployment rate was 7.3 percent, the same as in February and March. There was, however, some improvement in the rate for certain categories of workers. For example, the jobless rate for full-time workers and manufacturing workers edged down over the month. The rate for married men also declined, but the rate for

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married women and for women who maintain families remained near their highs of last summer.

The April results of the two surveys of employment were similar to those in March. Payroll employment, as measured by the business survey was little changed over the month, after allowing for the effect of the labor dispute in the coal industry. The household survey, on the other hand, showed continued strength.

As I have mentioned before, the two surveys often show disparate monthly movements, but they tend to track together over the longer term. Thus, since last summer, the increase registered by each survey is in the neighborhood of 1.8 million.

Because the two surveys have shown somewhat different results for the past 2 months, it might be useful to review some of the factors which affect the trends in the two series differently. Employment, as defined in the household survey, includes private household workers, self-employed persons, unpaid family workers, and agricultural workers, as well as the nonfarm wage and salary workers who are covered in the establishment survey.

Persons with two or more jobs are counted only once in the household series, but are counted by each employer in the payroll series. Persons on unpaid leave from their jobs—whether on strike, vacation, or because of illness, or any other temporary reason—are counted as employed in the household survey but not in the payroll count.

Because these components do not always move in tandem, we should not be surprised when the two surveys suggest differing movements, particularly in the short run. This is sometimes exacerbated after adjustment for seasonality.

I think that it is important to look at the results of both surveys because they supplement each other, each providing information that the other cannot supply. Demographic and family characteristics, for example, can best be obtained from households, whereas detailed industrial classifications are most accurately provided by employers.

The payroll survey registered a decline of 220,000 in April, 160,000 of which occurred as a result of the coal strike. Construction employment was also down over the month, and is now close to the level of 1 year ago. In contrast, the number of manufacturing jobs continued to rise in April. There was little change in the service-producing sector, as a large decline in retail trade was nearly offset by increases elsewhere, particularly in services.

The overall workweek has held about steady since February, while factory hours have risen 0.3 hour over the same period, returning to the level prevailing at the end of 1980.

PRICES

The producer price index for finished goods decelerated sharply from March to April. Finished goods prices rose 0.8 percent in April, following a 1.3-percent rise in March and increases of 0.7 to 0.8 percent in both January and February. The April slowdown came primarily in the energy area. The rate of increase in energy prices dropped to 1.6 percent in April from 6.1 percent in March, as price increases for both gasoline and home heating oil slowed noticeably.

Another moderating influence on the index was food prices, which were unchanged in April, following an increase of 0.8 percent in March.

In contrast to food and energy, producer prices of other finished goods increased 1.0 percent in April—double the rate in March. Prices of both consumer durable and nondurable goods, other than food and energy, rose more in April than in March.

Passenger car prices moved up 1.4 percent following several months of small price increases. In the nondurable area, producer prices increased for a variety of items, particularly tobacco products, apparel, books, plastic products, and prescription drugs. In addition, capital equipment prices continued to rise.

At the intermediate or semifinished stage of production, prices in April rose at the same rate as in March, 1.1 percent. Although prices of energy products used in the production process slowed markedly, large price increases occurred for many industrial materials. Construction materials advanced 1.5 percent, the largest rise in over a year.

Prices moved up substantially for several items made from petroleum feedstocks, such as industrial chemicals and plastics. Prices also rose for materials used in the manufacture of durable goods.

Prices of crude materials for further processing rose 1.5 percent in April, reversing last month's 1.3-percent drop. Prices of crude energy items increased moderately for the second consecutive month, but prices of other crude materials turned up following 4 months of steep price declines. Crude foodstuffs rose 1.5 percent as prices of cattle, hogs, wheat, and soybeans increased sharply. Prices of other crude materials rose 3 percent after falling 11.5 percent from November through March.

In summary, the labor market data for April released this morning continue the trends apparent in March. During the first 4 months of this year, the unemployment rate has remained stable, employment has grown, and the labor force has increased.

Producer finished goods prices moderated in April. Although energy prices continued to rise, the April change was much lower than the increases which occurred earlier in the year. As in the early months of this year, April consumer food prices at the producer level continued to exert a moderating influence on the finished goods index. Producer prices for finished nonfood and nonenergy goods accelerated in April, however, as manufacturers withdrew rebate programs for car and truck sales, and prices of other items rose.

Mr. Chairman, we would be glad to answer any questions you might have.

[The table attached to Ms. Norwood's statement, together with the press releases referred to, follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X-11 ARIMA method					X-11 method (former official method)	Range (cols. 2-7)
		Official	Concurrent	Stable	Total	Residual		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1980:								
April	6.6	6.9	6.9	6.9	6.9	6.9	6.9	
May	7.0	7.6	7.6	7.7	7.7	7.3	7.6	0.4
June	7.8	7.5	7.5	7.4	7.4	7.3	7.6	.3
July	7.9	7.6	7.6	7.8	7.6	7.5	7.8	.3
August	7.5	7.6	7.6	7.7	7.5	7.5	7.7	.2
September	7.1	7.4	7.4	7.4	7.3	7.3	7.5	.2
October	7.1	7.6	7.6	7.6	7.5	7.5	7.6	.1
November	7.1	7.5	7.5	7.5	7.5	7.5	7.5	
December	6.9	7.4	7.4	7.4	7.4	7.4	7.3	.1
1981:								
January	8.2	7.4	7.5	7.4	7.5	7.6	7.4	.2
February	8.0	7.3	7.4	7.2	7.4	7.6	7.2	.4
March	7.7	7.3	7.4	7.2	7.3	7.7	7.2	.5
April	7.0	7.3	7.3	7.3	7.3	7.3	7.3	

Explanation of Column Heads

(1) Unadjusted rate.—Unemployment rate not seasonally adjusted.

(2) Official rate (X-11 ARIMA method).—The published seasonally adjusted rate. Each of the 3 major labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16-19 and 20 years and over—are seasonally adjusted independently using date from January 1967 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (autoregreesive, integrated, moving average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X-11 portion of the X-11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted with the multiplicative model. A prior adjustment for trend is applied to the extended series for adult male unemployment before seasonal adjustment. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end or each year. Extrapolated factors for January–June are computed at the beginning of each year; extrapolated factors for July–December are computed in the middle of the year after the June data become available. Each set of 6-month factors is published in advance, in the January and July issues, respectively, or "Employment and Earnings."

(3) Concurrent (X-11 ARIMA method).—The procedure for computation of the official rate using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X-11 ARIMA program each month as the most recent data become available. Rates for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example, the rate for January 1980 would be based, during 1980, on the adjustment of data from the period January 1967 through January 1989. Since the revision pattern and procedure for computation of the rate are identical to the official procedure, the results of this method will be identical to the official rate at the end of each year when the most recent observation is December.

(4) Stable (X-11 ARIMA method).—Each of the 12 labor force componenets is extended using ARIMA models as in the official procedure and then run through the X-11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year-to-year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-month intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure.

(5) Total (X-11 ARIMA method).—This is one alternative aggregation procedure, in which total unemployment and labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X-11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent of seasonally adjusted total civilian labor force. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(6) Residual (X-11 ARIMA method). This is another alternative aggregation method, in which total employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(7) X-11 method (former official method).—The procedure for computation of the official rate is used except that the series are not extended with ARIMA models and the factors are projected in 12-mo intervals. The standard X-11 program is used to perform the seasonal adjustment.

Methods of adjustment.—The X-11 ARIMA method was developed at Statistics Canada by the seasonal adjustment and times series staff under the direction of Estela Bee Dagum. The method is described in the "X-11 ARIMA Seasonal Adjustment Method," by Estela Bee Dagum. Statistics Canada Catalog No. 12-564E, February 1980.

The standard X-11 method is described in "X-11 Variant of the Census Method II Seasonal Adjustment Program," by Julius Shiskin, Alan Young, and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

Source: U.S. Department of Labor, Bureau of Labor Statistics, May 1981.

News United States Department of Labor

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TRANSMISSION OF MATERIAL IN THIS RELEASE IS EMBARGOED UNTIL 9:00 A.M. (EDT), FRIDAY, MAY 8, 1981

THE EMPLOYMENT SITUATION: APRIL 1981

Unemployment remained unchanged in April, while for the second month in a row there were contrasting movements in the two major employment series, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The Nation's unemployment rate was 7.3 percent, the same as it was in both February and March.

The series on total employment--derived from the monthly survey of households--showed an increase of 560,000 in April. In contrast, the series on nonfarm payroll employment--derived from the monthly survey of establishments--declined by 220,000 over the month, though most of this drop resulted from a strike in the mining industry.

Unemployment

Unemployment declined in line with seasonal expectations in April, and, after adjustment for seasonality, both the number of unemployed workers, 7.7 million, and the unemployment rate, 7.3 percent, were unchanged from their March levels. Indeed, both have been relatively stable since December. In April, the overall jobless rate and the rates for most of the major worker groups were down somewhat from their 1980 highs but remained well above pre-recession levels. Unemployment rates for adult men (5.8 percent), adult women (6.6 percent), teenagers (19.1 percent), whites (6.5 percent), and black and other workers (13.2 percent) were all about unchanged from March to April. In contrast, joblessness among married men (3.8 percent), full-time workers (6.9 percent), Hispanics (9.1 percent), and workers in manufacturing (7.4 percent) were down over the month. The unemployment rate for factory workers has declined 2.4 percentage points since July. (See tables A-1, A-2, A-5, and A-9.)

The number of job losers (persons on layoff and those permanently separated from their jobs) was unchanged in April at 3.8 million and has hovered around that mark since the turn of the year. The number of unemployed persons who left their last job voluntarily and the number who became unemployed as a result of entry into the labor market have also been little changed since January. (See table A-7.)

Although the number of workers with very long-term unemployment (27 weeks or longer) declined in April, the average (mean) duration of unemployment was about unchanged, at 13.7 weeks. However, the median duration of unemployment, which is little affected by changes in very long-term joblessness, increased 0.7 week to 7.7 weeks. (See table A-6.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Mar. - Apr. change
	1980		1981	1981			
	I	IV	I	Feb.	Mar.	Apr.	
HOUSEHOLD DATA							
	Thousands of persons						
Civilian labor force	104,217	105,173	105,800	105,681	106,177	106,722	545
Total employment	97,718	97,276	98,012	97,927	98,412	98,976	564
Unemployment	6,499	7,897	7,788	7,754	7,764	7,746	-18
Not in labor force	58,999	59,906	59,820	59,946	59,598	59,219	-379
Discouraged workers	949	1,055	1,115	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	6.2	7.5	7.4	7.3	7.3	7.3	0
Adult men	4.8	6.3	6.0	6.0	5.9	5.8	-0.1
Adult women	5.8	6.7	6.6	6.5	6.6	6.6	0
Teenagers	16.4	18.3	19.1	19.3	19.1	19.1	0
White	5.5	6.6	6.6	6.6	6.5	6.5	0
Black and other	11.8	14.1	13.2	13.1	13.7	13.2	-0.5
Hispanic origin	9.3	10.2	11.3	12.0	10.7	9.1	-1.6
Full-time workers	5.8	7.3	7.1	7.1	7.1	6.9	-0.2
ESTABLISHMENT DATA							
	Thousands of jobs						
Nonfarm payroll employment	91,120	90,932	91,616p	91,652	91,714p	91,494p	-220p
Goods-producing industries	26,605	25,780	26,013p	25,987	26,010p	25,831p	-179p
Service-producing industries	64,516	65,152	65,603p	65,665	65,704p	65,663p	-41p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.5	35.4	35.4p	35.3	35.3p	35.3p	0p
Manufacturing	40.1	39.9	40.1p	39.8	40.0p	40.1p	0.1p
Manufacturing overtime	3.1	2.9	2.9p	2.9	2.8p	2.9p	0.1p

p=preliminary. N.A.=not available.

The number of involuntary part-time workers who usually work full time decreased by 120,000 in April. (See table A-3.) At 1.5 million, they totaled nearly half a million less than the 1980 high.

Total Employment and the Labor Force

Total employment grew by 560,000 over the month (after adjustment for seasonality) and numbered 99.0 million in April. As in March, adult men were the biggest job gainers, but there were also advances among adult women and teenagers. Since April 1980, total employment has advanced by 1.8 million, with over half of the increase attributable to adult women. Teenage employment declined by 240,000 over the year. (See table A-1.)

The civilian labor force rose by nearly 550,000 in April. Gains were registered by all three major worker groups. As in the case of employment, adult women have accounted for most of the labor force growth over the past year. The civilian labor force participation rate reached an all-time high of 64.3 percent in April.

Industry Payroll Employment

Nonfarm payroll employment was 91.5 million in April, down 220,000 from March, after seasonal adjustment. Most of this decline, however, was accounted for by the coal miners' strike. (See table B-1.) Prior to March, total payroll employment had increased for 7 consecutive months.

Construction jobs declined by 80,000 in April but were still 100,000 above last July's recession low. Manufacturing employment edged up over the month. While the number of factory jobs has increased considerably since the July low, the April level was still below pre-recession levels. Industries showing improvement over the month included fabricated metals, electrical equipment, transportation equipment, and rubber and plastic products.

There was little employment change in the service-producing industries, as a large decline in retail trade was nearly offset by increases elsewhere in the sector, most notably in services. Since April 1980, jobs in the service-producing industries have increased by 900,000.

Hours of Work

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls was unchanged from March at 35.3 hours. Hours in manufacturing were up a tenth of an hour to 40.1 hours, returning to the December level. Overtime in manufacturing, at 2.9 hours, was also up 0.1 hour. (See table B-2.)

The index of aggregate weekly hours of production or nonsupervisory workers on private nonagricultural payrolls fell 0.3 percent to 126.0 (1967=100) in April. The manufacturing index rose 0.6 percent over the month; it was 6.8 percent above last July's low. (See table B-5.)

Hourly and Weekly Earnings

Both average hourly and weekly earnings of production or nonsupervisory workers on private nonagricultural payrolls increased 0.3 percent over the month (seasonally adjusted). Before adjustment for seasonality, average hourly earnings edged up by 1 cent in April to $7.11, 58 cents above the year-earlier level. Average weekly earnings were $249.56, little different from March but $21.01 higher than in April 1980.

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 269.2 (1967=100) in April, 0.3 percent higher than in March. The Index was 9.3 percent above April a year ago. In dollars of constant purchasing power, the Index decreased 1.0 percent during the 12-month period ended in March. (See table B-4.)

Chart 1. Civilian labor force and employment
(Seasonally adjusted)

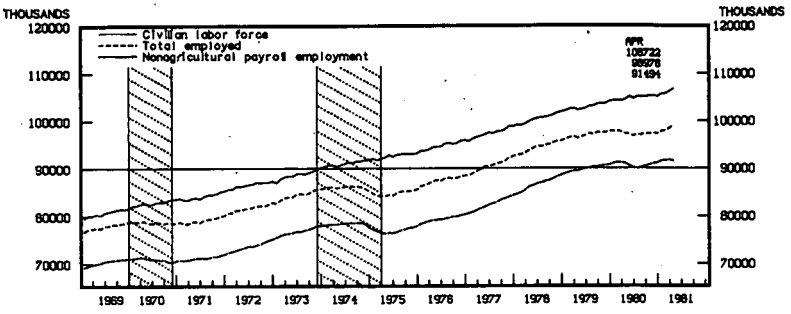


Chart 2. Unemployment rate—all civilian workers

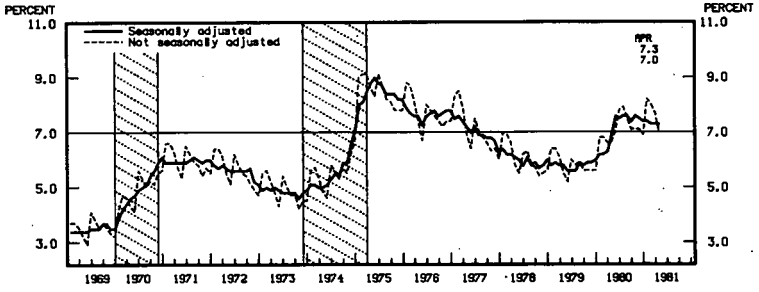
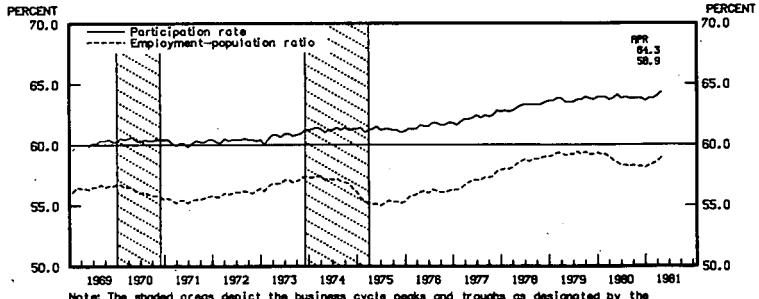


Chart 3. Civilian labor force participation rate
and total employment-population ratio
(Seasonally adjusted)



Note: The shaded areas depict the business cycle peaks and troughs as designated by the National Bureau of Economic Research.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 65,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 166,000 establishments employing about 35 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed,* regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

----The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

----The household survey includes people on unpaid leave among the employed; the establishment survey does not;

----The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

----The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings,* published each month by BLS. It is available for $2.75 per issue or $22.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables B through J of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables M, P, Q, and R of that publication.

HOUSEHOLD DATA

Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Apr. 1980	Mar. 1981	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
TOTAL									
Total noninstitutional population[1]	165,693	167,902	168,071	165,693	167,396	167,585	167,787	167,902	168,071
Armed Forces[1]	2,092	2,128	2,129	2,092	2,124	2,125	2,121	2,128	2,129
Civilian noninstitutional population[1]	163,601	165,774	165,941	163,601	165,272	165,460	165,627	165,774	165,941
Civilian labor force	103,412	105,405	105,678	104,427	105,067	105,543	105,681	106,177	106,722
Participation rate	63.2	63.6	63.7	63.8	63.6	63.8	63.8	64.0	64.3
Employed	96,566	97,318	98,202	97,225	97,282	97,696	97,927	98,412	98,976
Employment-population ratio[2]	58.3	58.0	58.5	58.7	58.1	58.3	58.4	58.6	58.9
Agriculture	3,081	2,905	3,257	3,262	3,394	3,403	3,281	3,276	3,463
Nonagricultural industries	93,485	94,413	95,026	93,963	93,888	94,294	94,646	95,136	95,513
Unemployed	6,846	8,087	7,396	7,202	7,785	7,847	7,754	7,764	7,746
Unemployment rate	6.6	7.7	7.0	6.9	7.4	7.4	7.3	7.3	7.3
Not in labor force	60,188	60,368	60,263	59,174	60,205	59,917	59,946	59,598	59,219
Men, 16 years and over									
Total noninstitutional population[1]	79,382	80,415	80,492	79,382	80,183	80,272	80,346	80,415	80,492
Armed Forces[1]	1,935	1,954	1,955	1,935	1,959	1,954	1,950	1,954	1,955
Civilian noninstitutional population[1]	77,447	78,461	78,537	77,447	78,224	78,318	78,396	78,461	78,537
Civilian labor force	59,397	60,101	60,237	60,040	60,254	60,366	60,338	60,628	60,893
Participation rate	76.7	76.6	76.7	77.5	77.0	77.1	77.0	77.3	77.5
Employed	55,458	55,379	56,070	56,050	55,920	56,012	56,045	56,383	56,688
Employment-population ratio[2]	69.9	68.9	69.7	70.6	69.7	69.8	69.8	70.1	70.4
Unemployed	3,939	4,722	4,166	3,990	4,334	4,353	4,293	4,245	4,205
Unemployment rate	6.6	7.9	6.9	6.7	7.2	7.2	7.1	7.0	6.9
Men, 20 years and over									
Total noninstitutional population[1]	70,988	72,155	72,249	70,988	71,875	71,980	72,070	72,155	72,249
Armed Forces[1]	1,659	1,673	1,675	1,659	1,677	1,660	1,657	1,673	1,675
Civilian noninstitutional population[1]	69,329	70,481	70,574	69,329	70,198	70,320	70,413	70,481	70,574
Civilian labor force	54,882	55,692	55,733	55,127	55,470	55,483	55,445	55,816	56,013
Participation rate	79.1	79.0	79.0	79.5	79.0	78.8	78.7	79.2	79.4
Employed	51,605	51,898	52,411	51,935	52,045	52,091	52,134	52,511	52,750
Employment-population ratio[2]	72.7	71.9	72.5	73.2	72.4	72.4	72.3	72.8	73.0
Agriculture	2,255	2,135	2,322	2,334	2,331	2,378	2,289	2,296	2,409
Nonagricultural industries	49,350	49,763	50,090	49,601	49,714	49,713	49,844	50,215	50,342
Unemployed	3,236	3,794	3,321	3,192	3,425	3,392	3,312	3,305	3,262
Unemployment rate	5.9	6.8	6.0	5.8	6.2	6.0	6.0	5.9	5.8
Women, 16 years and over									
Total noninstitutional population[1]	86,311	87,487	87,578	86,311	87,213	87,313	87,402	87,487	87,578
Armed Forces[1]	157	174	174	157	165	171	170	174	174
Civilian noninstitutional population[1]	86,154	87,313	87,404	86,154	87,048	87,142	87,231	87,313	87,404
Civilian labor force	44,015	45,304	45,441	44,379	44,813	45,178	45,343	45,549	45,829
Participation rate	51.1	51.9	52.0	51.5	51.5	51.8	52.0	52.2	52.4
Employed	41,108	41,940	42,212	41,171	41,362	41,684	41,882	42,029	42,288
Employment-population ratio[2]	47.6	47.9	48.2	47.7	47.4	47.7	47.9	48.0	48.3
Unemployed	2,907	3,365	3,229	3,208	3,451	3,493	3,461	3,519	3,541
Unemployment rate	6.6	7.4	7.1	7.2	7.7	7.7	7.6	7.7	7.7
Women, 20 years and over									
Total noninstitutional population[1]	78,110	79,415	79,522	78,110	79,097	79,212	79,315	79,415	79,522
Armed Forces[1]	129	145	145	129	137	141	140	145	145
Civilian noninstitutional population[1]	77,981	79,271	79,377	77,981	78,959	79,071	79,175	79,271	79,377
Civilian labor force	40,111	41,411	41,472	43,098	40,570	40,982	41,090	41,293	41,481
Participation rate	51.4	52.2	52.2	51.4	51.4	51.8	51.9	52.1	52.3
Employed	37,787	38,762	38,939	37,597	37,820	38,191	38,410	38,567	38,760
Employment-population ratio[2]	48.4	48.8	49.0	48.1	47.8	48.2	48.4	48.6	48.7
Agriculture	516	497	552	560	665	621	615	606	603
Nonagricultural industries	37,273	38,265	38,386	37,037	37,155	37,570	37,794	37,961	38,157
Unemployed	2,324	2,649	2,533	2,501	2,750	2,750	2,680	2,725	2,721
Unemployment rate	5.8	6.4	6.1	6.2	6.8	6.7	6.5	6.6	6.6
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,595	16,331	16,300	16,595	16,424	16,393	16,362	16,331	16,300
Armed Forces[1]	306	310	310	308	310	324	323	310	310
Civilian noninstitutional population[1]	16,291	16,022	15,991	16,291	16,114	16,069	16,039	16,022	15,991
Civilian labor force	8,960	8,303	8,474	9,202	9,027	9,158	9,146	9,068	9,228
Participation rate	54.9	51.8	53.0	56.5	56.0	57.0	57.0	56.6	57.7
Employed	7,174	6,659	6,932	7,693	7,417	7,414	7,384	7,334	7,465
Employment-population ratio[2]	43.2	40.8	42.5	46.4	45.2	45.2	45.1	44.9	45.8
Agriculture	311	273	383	368	398	404	376	378	451
Nonagricultural industries	6,863	6,385	6,549	7,325	7,019	7,010	7,008	6,960	7,014
Unemployed	1,786	1,644	1,541	1,509	1,610	1,744	1,762	1,734	1,763
Unemployment rate	15.2	19.8	18.2	16.4	17.8	19.0	19.3	19.1	19.1

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

Table A-2. Employment status of the population by race, sex, and age

(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	Apr. 1980	Mar. 1981	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
WHITE									
Total noninstitutional population[1]	144,870	146,515	146,640	144,870	146,140	146,284	146,403	146,515	146,640
Armed Forces[1]	1,616	1,633	1,634	1,616	1,640	1,633	1,629	1,633	1,634
Civilian noninstitutional population[1]	143,254	144,882	145,006	143,254	144,500	144,651	144,774	144,882	145,006
Civilian labor force	91,245	92,814	93,029	92,044	92,383	92,832	93,035	93,313	93,860
Participation rate	63.7	64.1	64.2	64.3	63.9	64.2	64.3	64.4	64.7
Employed	85,886	86,456	87,262	86,389	86,377	86,620	86,980	87,291	87,791
Employment-population ratio[2]	59.3	59.0	59.5	59.6	59.1	59.2	59.4	59.6	59.9
Unemployed	5,359	6,360	5,767	5,655	6,006	6,213	6,095	6,022	6,069
Unemployment rate	5.9	6.9	6.2	6.1	6.5	6.7	6.6	6.5	6.5
Men, 20 years and over									
Civilian labor force	48,955	49,632	49,708	49,192	49,449	49,426	49,420	49,695	49,947
Participation rate	79.7	79.6	79.6	80.1	79.6	79.4	79.3	79.7	80.0
Employed	46,377	46,560	47,046	46,651	46,728	46,704	46,757	47,030	47,330
Employment-population ratio[2]	73.9	73.2	73.8	74.4	73.7	73.6	73.6	73.9	74.3
Unemployed	2,578	3,072	2,662	2,541	2,721	2,722	2,664	2,664	2,618
Unemployment rate	5.3	6.2	5.4	5.2	5.5	5.5	5.4	5.4	5.2
Women, 20 years and over									
Civilian labor force	34,658	35,740	35,759	34,606	34,910	35,313	35,423	35,529	35,727
Participation rate	50.9	51.7	51.7	50.8	50.7	51.2	51.3	51.4	51.7
Employed	32,921	33,774	33,881	32,710	32,858	33,180	33,421	33,539	33,679
Employment-population ratio[2]	48.3	48.8	48.9	48.0	47.7	48.1	48.4	48.5	48.6
Unemployed	1,737	1,966	1,878	1,896	2,052	2,133	2,002	1,990	2,048
Unemployment rate	5.0	5.5	5.3	5.5	5.9	6.0	5.7	5.6	5.7
Both sexes, 16-19 years									
Civilian labor force	7,632	7,442	7,562	8,246	8,024	8,093	8,191	8,089	8,186
Participation rate	55.5	55.3	56.3	60.0	59.2	59.9	60.7	60.1	60.9
Employed	6,589	6,120	6,336	7,028	6,791	6,735	6,762	6,721	6,782
Employment-population ratio[2]	47.2	44.7	46.4	50.3	49.2	48.9	49.2	49.1	49.6
Unemployed	1,043	1,322	1,227	1,218	1,233	1,358	1,429	1,368	1,404
Unemployment rate	13.7	17.8	16.2	14.8	15.4	16.8	17.4	16.9	17.2
Men	14.1	19.5	16.5	15.0	16.4	17.9	18.2	18.0	17.2
Women	13.1	15.8	15.9	14.5	14.2	15.5	16.6	15.7	17.1
BLACK AND OTHER									
Total noninstitutional population[1]	20,822	21,387	21,431	20,822	21,255	21,301	21,344	21,387	21,431
Armed Forces[1]	476	495	495	476	484	492	491	495	495
Civilian noninstitutional population[1]	20,346	20,892	20,936	20,346	20,771	20,809	20,853	20,892	20,936
Civilian labor force	12,168	12,591	12,649	12,401	12,668	12,684	12,598	12,765	12,899
Participation rate	59.8	60.3	60.4	61.0	61.0	61.0	60.4	61.1	61.6
Employed	10,680	10,865	11,020	10,838	10,895	11,051	10,942	11,020	11,193
Employment-population ratio[2]	51.3	50.8	51.4	52.1	51.3	51.9	51.3	51.5	52.2
Unemployed	1,487	1,727	1,629	1,563	1,773	1,634	1,655	1,745	1,706
Unemployment rate	12.2	13.7	12.9	12.6	14.0	12.9	13.1	13.7	13.2
Men, 20 years and over									
Civilian labor force	5,886	6,060	6,025	5,934	6,015	5,996	6,007	6,072	6,081
Participation rate	74.4	74.4	73.8	75.0	74.4	73.9	73.9	74.6	74.5
Employed	5,228	5,338	5,366	5,291	5,315	5,367	5,355	5,414	5,437
Employment-population ratio[2]	63.2	62.6	62.8	64.0	62.8	63.3	63.0	63.5	63.6
Unemployed	658	722	659	643	700	628	651	658	644
Unemployment rate	11.2	11.9	10.9	10.8	11.6	10.5	10.8	10.8	10.6
Women, 20 years and over									
Civilian labor force	5,853	5,671	5,713	5,495	5,654	5,638	5,645	5,708	5,764
Participation rate	55.1	55.6	55.9	55.5	55.9	55.6	55.5	56.0	56.4
Employed	4,867	4,988	5,058	4,884	4,956	5,016	4,976	4,988	5,083
Employment-population ratio[2]	49.0	48.7	49.3	49.2	48.8	49.3	48.7	48.7	49.6
Unemployed	586	683	655	611	698	621	669	720	681
Unemployment rate	10.8	12.0	11.5	11.1	12.3	11.0	11.9	12.6	11.8
Both sexes, 16-19 years									
Civilian labor force	828	861	911	972	999	1,051	986	985	1,054
Participation rate	32.5	33.6	35.6	38.2	39.0	41.2	37.1	38.5	41.2
Employed	585	539	597	663	624	667	611	618	673
Employment-population ratio[2]	22.3	20.5	22.7	25.3	23.7	25.3	23.2	23.5	25.6
Unemployed	243	322	315	309	375	384	335	367	381
Unemployment rate	29.3	37.4	34.6	31.8	37.5	36.5	35.4	37.3	36.1
Men	27.7	34.6	37.3	29.1	38.8	39.2	35.5	33.5	37.5
Women	31.2	40.5	31.3	34.8	36.1	33.3	35.3	41.4	34.6

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

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Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	Apr. 1980	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
CHARACTERISTIC								
Total employed, 16 years and over	96,566	99,282	97,225	97,282	97,695	97,927	98,412	99,976
Married men, spouse present	38,227	38,356	38,373	38,231	38,182	38,113	38,365	38,510
Married woman, spouse present	23,218	23,647	23,094	23,063	23,352	23,356	23,513	23,529
Women who maintain families	4,682	4,991	4,661	4,716	4,787	4,852	4,878	4,971
OCCUPATION								
White collar workers	50,474	51,784	50,465	51,065	51,534	51,690	51,746	51,801
Professional and technical	15,775	16,022	15,526	15,810	15,965	15,813	15,827	15,754
Managers and administrators, except farm	10,552	11,204	10,773	11,009	11,263	11,188	11,565	11,448
Sales workers	6,036	6,120	6,048	6,175	6,265	6,271	6,220	6,145
Clerical workers	18,111	18,439	18,116	18,071	18,001	18,125	18,135	18,457
Blue-collar workers	30,550	30,572	31,120	30,373	30,338	30,446	30,598	31,156
Craft and kindred workers	12,581	12,498	12,713	12,337	12,306	12,386	12,605	12,624
Operatives, except transport	10,221	10,282	10,450	10,194	10,331	10,199	10,199	10,528
Transport equipment operatives	3,469	3,384	3,495	3,402	3,322	3,341	3,363	3,411
Nonfarm laborers	4,280	4,408	4,462	4,440	4,380	4,309	4,437	4,596
Service workers	13,915	13,264	13,009	12,982	12,945	13,070	13,279	14,255
Farm workers	2,527	2,654	2,682	2,804	2,737	2,662	2,679	2,034
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,297	1,431	1,377	1,411	1,461	1,336	1,338	1,524
Self-employed workers	1,529	1,569	1,602	1,655	1,615	1,610	1,615	1,648
Unpaid family workers	355	257	287	305	284	326	312	290
Nonagricultural industries:								
Wage and salary workers	86,358	87,739	86,789	86,513	87,125	87,236	87,870	88,195
Government	15,825	15,831	15,635	15,653	15,738	15,589	15,685	15,628
Private industries	70,533	71,908	71,154	70,860	71,387	71,647	72,195	72,567
Private households	1,095	1,196	1,151	1,110	1,197	1,176	1,215	1,241
Other industries	69,438	70,712	70,003	69,750	70,190	70,471	70,969	71,327
Self-employed workers	6,745	6,965	6,808	6,973	6,839	6,923	6,996	7,021
Unpaid family workers	382	322	363	396	422	371	354	306
PERSONS AT WORK[1]								
Nonagricultural industries	88,242	89,300	88,041	89,468	89,499	89,841	89,583	89,202
Full-time schedules	71,592	72,324	71,986	72,131	72,807	72,945	72,875	72,761
Part time for economic reasons	3,542	3,743	3,803	4,218	4,474	4,145	4,227	4,044
Usually work full time	1,665	1,509	1,680	1,847	1,698	1,622	1,638	1,517
Usually work part time	1,877	2,239	2,123	2,571	2,776	2,523	2,589	2,527
Part time for noneconomic reasons	13,108	13,224	12,252	12,119	12,218	12,351	12,481	12,397

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial disputes.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measures	Quarterly averages					Monthly data		
	1980				1981	1981		
	I	II	III	IV	I	Feb.	Mar.	Apr.
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.3	1.6	2.0	2.2	2.1	2.1	2.1	2.0
U-2 Job losers as a percent of the civilian labor force	2.9	3.9	4.1	4.0	3.7	3.7	3.6	3.6
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	4.3	5.2	5.5	5.4	5.2	5.1	5.2	5.0
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	5.8	7.0	7.3	7.3	7.1	7.1	7.1	6.9
U-5 Total unemployed as a percent of the civilian labor force (official measure)	6.2	7.3	7.5	7.5	7.4	7.3	7.3	7.3
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	7.9	9.2	9.6	9.6	9.4	9.4	9.4	9.1
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	8.8	10.1	10.5	10.5	10.5	N.A.	N.A.	N.A.

N.A. = not available.

Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rates					
	Apr. 1980	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
CHARACTERISTIC								
Total, 16 years and over	7,202	7,746	6.9	7.4	7.4	7.3	7.3	7.3
Men, 20 years and over	3,192	3,262	5.8	6.2	6.0	6.0	5.9	5.8
Women, 20 years and over	2,501	2,723	6.2	6.8	6.7	6.5	6.6	6.6
Both sexes, 16-19 years	1,509	1,763	16.4	17.8	19.0	19.3	19.1	19.1
Married men, spouse present	1,619	1,507	4.0	4.3	4.2	4.1	4.1	3.8
Married women, spouse present	1,396	1,477	5.7	5.8	6.2	5.8	6.0	5.9
Women who maintain families	459	542	9.0	10.4	10.5	9.6	9.4	9.8
Full-time workers	5,825	6,293	6.5	7.3	7.1	7.1	7.1	6.9
Part-time workers	1,352	1,429	8.8	8.2	9.2	9.1	9.0	9.0
Labor force time lost[1]	--	--	7.6	8.2	8.2	8.1	8.1	8.2
OCCUPATION[2]								
White-collar workers	1,920	2,156	3.7	4.0	3.9	3.7	3.9	4.0
Professional and technical	387	518	2.4	2.6	2.8	2.6	2.7	3.2
Managers and administrators, except farm	282	282	2.6	2.5	2.4	2.4	2.6	2.4
Sales workers	285	254	4.5	4.7	4.4	4.0	3.8	4.0
Clerical workers	966	1,102	5.1	5.8	5.7	5.3	5.9	5.6
Blue-collar workers	3,302	3,320	9.6	10.5	10.2	10.1	9.8	9.6
Craft and kindred workers	882	914	6.5	7.1	6.8	7.2	7.1	6.8
Operatives, except transport	1,369	1,365	11.6	12.9	12.1	11.9	11.3	11.5
Transport equipment operatives	321	302	8.4	8.8	9.1	8.3	9.3	8.1
Nonfarm laborers	730	739	14.1	14.8	15.0	14.9	14.1	13.8
Service workers	1,101	1,230	7.8	7.8	8.0	8.7	8.1	8.5
Farm workers	136	110	4.8	4.0	5.0	4.7	5.1	3.7
INDUSTRY[2]								
Nonagricultural private wage and salary workers[3]	5,373	5,629	7.0	7.7	7.5	7.5	7.3	7.2
Construction	738	737	14.5	13.8	13.3	13.2	14.7	14.4
Manufacturing	1,837	1,694	7.9	8.8	8.4	8.4	8.0	7.9
Durable goods	1,157	996	8.3	9.0	8.3	8.5	7.9	7.3
Nondurable goods	680	698	7.3	8.5	8.5	8.2	8.3	7.6
Transportation and public utilities	261	318	4.7	4.9	5.8	5.5	6.4	5.7
Wholesale and retail trade	1,316	1,436	7.0	8.3	7.6	7.6	7.3	7.3
Finance and service industries	1,173	1,398	5.1	5.5	5.8	6.0	5.6	5.9
Government workers	708	811	4.3	4.1	4.8	4.3	4.6	4.9
Agricultural wage and salary workers	182	153	11.7	10.6	11.5	12.1	11.9	9.1

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	Apr. 1980	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
DURATION								
Less than 5 weeks	2,872	2,717	3,258	3,115	3,259	3,203	3,209	3,074
5 to 14 weeks	2,004	2,083	2,373	2,237	2,264	2,328	2,356	2,162
15 weeks and over	1,970	2,596	1,599	2,378	2,358	2,250	2,192	2,105
15 to 26 weeks	1,228	1,368	931	1,231	1,079	992	1,013	1,001
27 weeks and over	742	1,228	668	1,147	1,279	1,257	1,179	1,104
Average (mean) duration, in weeks	12.7	15.5	11.2	13.5	13.4	13.4	13.0	13.7
Median duration, in weeks	6.8	8.9	5.9	7.3	7.4	6.9	7.0	7.7
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	42.0	36.7	45.1	40.4	41.3	41.2	41.4	40.2
5 to 14 weeks	29.3	28.2	32.8	28.8	28.7	29.9	30.4	32.2
15 weeks and over	28.8	35.1	22.1	30.8	29.9	28.9	28.3	27.6
15 to 26 weeks	17.9	18.5	12.9	16.0	13.7	12.8	13.1	13.1
27 weeks and over	10.8	16.6	9.2	14.9	16.2	16.2	15.2	14.5

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Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	Apr. 1980	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
NUMBER OF UNEMPLOYED								
Lost last job	3,687	3,985	3,581	4,226	3,887	3,896	3,846	3,819
On layoff	1,415	1,285	1,422	1,470	1,258	1,267	1,299	1,280
Other job losers	2,272	2,660	2,159	2,756	2,590	2,629	2,547	2,539
Left last job	823	780	905	813	907	884	863	854
Reentered labor force	1,705	1,805	1,909	1,869	2,039	1,970	2,040	2,017
Seeking first job	631	865	752	868	1,000	928	986	987
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	53.9	53.4	50.1	54.3	49.4	50.7	49.7	49.7
On layoff	20.7	17.4	19.9	18.9	16.1	16.5	16.8	16.7
Other job losers	33.2	36.0	30.2	35.4	33.2	34.2	32.9	33.1
Job leavers	12.0	10.5	12.7	10.5	11.6	11.5	11.2	11.1
Reentrants	24.9	24.4	26.7	24.0	26.2	25.7	26.4	26.3
New entrants	9.2	11.7	10.5	11.2	12.8	12.1	12.7	12.9
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	3.6	3.7	3.4	4.0	3.6	3.7	3.6	3.6
Job leavers	.8	.7	.9	.8	.9	.9	.8	.8
Reentrants	1.6	1.7	1.8	1.8	1.9	1.9	1.9	1.9
New entrants	.6	.8	.7	.8	.9	.9	.9	.9

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rates					
	Apr. 1980	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
Total, 16 years and over	7,202	7,786	6.9	7.4	7.4	7.3	7.3	7.3
16 to 24 years	3,240	3,653	13.2	14.0	14.5	14.6	14.4	14.7
16 to 19 years	1,509	1,763	16.4	17.8	19.0	19.3	19.1	19.1
16 to 17 years	718	838	19.0	19.9	21.0	21.4	21.3	22.0
18 to 19 years	788	929	14.5	15.9	17.5	17.9	17.7	17.2
20 to 24 years	1,731	1,890	11.3	11.7	11.9	11.8	11.7	12.1
25 years and over	3,961	4,101	5.0	5.3	5.3	5.1	5.2	5.0
25 to 54 years	3,456	3,587	5.3	5.8	5.7	5.5	5.5	5.4
55 years and over	487	496	3.3	3.5	3.5	3.6	3.7	3.3
Men, 16 years and over	3,998	4,205	6.7	7.2	7.2	7.1	7.0	6.9
16 to 24 years	1,819	2,040	13.8	14.9	15.6	15.4	15.4	15.6
16 to 19 years	802	983	16.3	19.0	20.3	20.1	19.5	19.3
16 to 17 years	385	455	18.8	20.5	23.0	22.1	21.1	22.7
18 to 19 years	411	485	14.4	17.8	18.5	18.7	18.6	17.0
20 to 24 years	1,017	1,097	12.3	12.5	12.8	12.7	13.0	13.2
25 years and over	2,178	2,175	4.7	4.9	4.9	4.8	4.7	4.6
25 to 54 years	1,857	1,878	4.9	5.4	5.2	5.2	5.1	4.9
55 years and over	300	280	3.3	3.3	3.4	3.4	3.2	3.1
Women, 16 years and over	3,208	3,581	7.2	7.7	7.7	7.6	7.7	7.7
16 to 24 years	1,421	1,613	12.5	13.0	13.3	13.6	13.3	13.9
16 to 19 years	707	820	16.5	16.5	17.5	18.4	18.7	18.9
16 to 17 years	333	379	19.3	19.3	18.7	20.5	21.6	21.1
18 to 19 years	377	444	14.8	14.8	16.4	17.0	16.5	17.4
20 to 24 years	714	793	10.1	10.8	10.8	10.8	10.1	10.9
25 years and over	1,783	1,926	5.4	5.9	5.8	5.6	5.9	5.6
25 to 54 years	1,599	1,712	5.8	6.3	6.3	5.9	6.2	6.0
55 years and over	187	216	3.3	3.9	3.6	3.9	4.5	3.7

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Table A-9. Employment status of the black and Hispanic-origin population

(Numbers in thousands)

Employment status	Not seasonally adjusted		Seasonally adjusted					
	Apr. 1980	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
BLACK[1]								
Civilian noninstitutional population	17,331	17,723	17,331	17,610	17,636	17,667	17,698	17,723
Civilian labor force	10,310	10,678	10,511	10,693	10,725	10,646	10,763	10,888
Participation rate	59.5	60.2	60.6	60.7	60.8	60.3	60.8	61.4
Employed	8,966	9,180	9,089	9,072	9,234	9,129	9,154	9,310
Unemployed	1,343	1,499	1,422	1,621	1,491	1,516	1,608	1,578
Unemployment rate	13.0	14.0	13.5	15.2	13.9	14.2	14.9	14.5
Not in labor force	7,021	7,044	6,820	6,917	6,911	7,021	6,931	6,835
HISPANIC ORIGIN[2]								
Civilian noninstitutional population	8,362	8,804	8,362	8,764	8,843	8,835	8,724	8,804
Civilian labor force	5,317	5,636	5,375	5,668	5,817	5,827	5,547	5,691
Participation rate	63.6	64.0	64.3	64.7	65.8	66.0	63.6	64.6
Employed	4,795	5,126	4,846	5,114	5,170	5,128	4,956	5,173
Unemployed	522	511	529	554	648	699	592	519
Unemployment rate	9.8	9.1	9.8	9.8	11.1	12.0	10.7	9.1
Not in labor force	3,045	3,168	2,987	3,096	3,026	3,008	3,177	3,113

[1] Data relate to black workers only. In the 1970 census, they constituted about 89 percent of the "black and other" population group.

[2] Data on persons of Hispanic ethnicity are collected independently of racial data. In the 1970 census, approximately 98 percent of their population was white.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	Apr. 1980	Apr. 1981	Apr. 1980	Apr. 1981	Apr. 1980	Apr. 1981	Apr. 1980	Apr. 1981	Apr. 1980	Apr. 1981
VETERANS										
Total, 25 years and over	8,206	8,507	7,783	8,071	7,353	7,607	430	464	5.5	5.7
25 to 39 years	7,243	7,325	6,952	7,041	6,543	6,608	409	433	5.9	6.1
25 to 29 years	1,763	1,535	1,646	1,417	1,493	1,285	153	132	9.3	9.3
30 to 34 years	3,595	3,396	3,481	3,282	3,303	3,095	178	187	5.1	5.7
35 to 39 years	1,885	2,394	1,825	2,342	1,747	2,228	78	114	4.3	4.9
40 years and over	963	1,182	831	1,030	810	999	21	31	2.5	3.0
NONVETERANS										
Total, 25 to 39 years	15,288	16,159	14,496	15,335	13,579	14,420	917	915	6.3	6.0
25 to 29 years	7,000	7,332	6,601	6,897	6,061	6,393	540	504	8.2	7.3
30 to 34 years	4,887	5,113	4,287	4,890	4,044	4,657	243	233	5.7	4.8
35 to 39 years	3,801	3,714	3,608	3,548	3,474	3,370	134	178	3.7	5.0

NOTE: Vietnam-era veterans are males who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are males who have never served in the Armed Forces; published data are limited to those 25 to 39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population. Data for 20-to-24-year-old veterans are no longer shown on the table, because the group is rapidly disappearing (into the 25-29 age category) and the numbers remaining are not large enough to warrant their continued publication.

Table A-11. Employment status of the noninstitutional population for the ten largest States

(Numbers in thousands)

State and employment status	Not seasonally adjusted*			Seasonally adjusted					
	Apr. 1980	Mar. 1981	Apr. 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981
California									
Civilian noninstitutional population[1]	17,034	17,335	17,360	17,034	17,264	17,290	17,318	17,335	17,360
Civilian labor force	11,107	11,311	11,358	11,208	11,204	11,346	11,352	11,365	11,462
Employed	10,329	10,470	10,546	10,426	10,470	10,493	10,493	10,523	10,647
Unemployed	778	840	813	782	734	853	859	822	815
Unemployment rate	7.0	7.4	7.2	7.0	6.6	7.5	7.6	7.2	7.1
Florida									
Civilian noninstitutional population[1]	6,920	7,108	7,124	6,920	7,061	7,077	7,093	7,108	7,124
Civilian labor force	3,923	4,021	4,018	3,915	4,038	3,938	4,035	4,002	4,005
Employed	3,732	3,761	3,800	3,694	3,819	3,698	3,766	3,721	3,757
Unemployed	192	259	218	221	219	240	269	281	248
Unemployment rate	4.9	6.4	5.4	5.6	5.4	6.1	6.7	7.0	6.2
Illinois									
Civilian noninstitutional population[1]	8,305	8,359	8,363	8,305	8,349	8,353	8,357	8,359	8,363
Civilian labor force	5,373	5,447	5,468	5,481	5,481	5,441	5,453	5,504	5,539
Employed	4,984	4,938	5,021	5,030	4,969	4,954	5,002	5,010	5,069
Unemployed	388	510	447	413	512	487	451	494	470
Unemployment rate	7.2	9.4	8.2	7.6	9.3	9.0	8.3	9.0	8.5
Massachusetts									
Civilian noninstitutional population[1]	4,403	4,442	4,444	4,403	4,434	4,437	4,439	4,442	4,444
Civilian labor force	2,831	2,942	2,876	2,860	2,968	2,917	2,968	2,954	2,904
Employed	2,690	2,759	2,726	2,706	2,822	2,764	2,797	2,777	2,741
Unemployed	141	183	150	154	146	153	171	177	163
Unemployment rate	5.0	6.2	5.2	5.4	4.9	5.2	5.8	6.0	5.6
Michigan									
Civilian noninstitutional population[1]	6,781	6,852	6,858	6,781	6,837	6,843	6,848	6,852	6,858
Civilian labor force	4,232	4,258	4,327	4,272	4,293	4,293	4,259	4,281	4,371
Employed	3,710	3,695	3,799	3,757	3,726	3,736	3,685	3,742	3,851
Unemployed	522	564	528	515	567	557	574	539	520
Unemployment rate	12.3	13.2	12.2	12.1	13.2	13.0	13.5	12.6	11.9
New Jersey									
Civilian noninstitutional population[1]	5,549	5,597	5,601	5,549	5,588	5,592	5,595	5,597	5,601
Civilian labor force	3,513	3,585	3,561	3,587	3,560	3,583	3,531	3,636	3,639
Employed	3,287	3,277	3,294	3,343	3,276	3,316	3,288	3,324	3,351
Unemployed	226	308	268	244	284	267	243	312	288
Unemployment rate	6.4	8.6	7.5	6.8	8.0	7.5	6.9	8.6	7.9
New York									
Civilian noninstitutional population[1]	13,304	13,329	13,330	13,304	13,330	13,332	13,332	13,329	13,330
Civilian labor force	7,815	8,015	8,026	7,837	7,920	8,032	8,110	8,060	8,050
Employed	7,269	7,337	7,391	7,253	7,335	7,395	7,492	7,382	7,375
Unemployed	545	678	636	584	585	607	618	658	675
Unemployment rate	7.0	8.5	7.9	7.5	7.4	7.6	7.6	8.2	8.4
Ohio									
Civilian noninstitutional population[1]	7,964	8,022	8,025	7,964	8,010	8,015	8,019	8,022	8,025
Civilian labor force	4,971	5,054	5,076	5,068	5,018	5,048	5,031	5,134	5,175
Employed	4,600	4,584	4,691	4,682	4,542	4,558	4,558	4,677	4,776
Unemployed	372	470	385	386	476	490	473	457	399
Unemployment rate	7.5	9.3	7.6	7.6	9.5	9.7	9.4	8.9	7.7
Pennsylvania									
Civilian noninstitutional population[1]	8,938	8,987	8,990	8,938	8,978	8,982	8,985	8,987	8,990
Civilian labor force	5,301	5,420	5,384	5,363	5,383	5,402	5,370	5,427	5,409
Employed	4,921	4,993	4,975	4,956	4,913	4,933	4,942	5,036	5,013
Unemployed	381	426	370	407	430	469	428	391	396
Unemployment rate	7.2	7.9	6.9	7.6	8.0	8.7	8.0	7.2	7.3
Texas									
Civilian noninstitutional population[1]	9,690	9,889	9,905	9,690	9,840	9,858	9,874	9,889	9,905
Civilian labor force	6,266	6,597	6,621	6,380	6,457	6,577	6,612	6,648	6,699
Employed	5,959	6,284	6,342	6,001	6,114	6,237	6,320	6,326	6,389
Unemployed	307	312	280	339	343	340	292	322	310
Unemployment rate	4.9	4.7	4.2	5.3	5.3	5.2	4.4	4.8	4.6

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

* These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

Table B-1. Employees on nonagricultural payrolls by industry

[In thousands]

Industry	Not seasonally adjusted				Seasonally adjusted					
	Apr. 1980	Feb. 1981	Mar. p 1981	Apr. p 1981	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. p 1981	Apr. p 1981
TOTAL	90,761	90,245	90,828	91,365	90,951	91,125	91,481	91,652	91,714	91,494
GOODS-PRODUCING	25,850	25,207	25,471	25,560	26,121	25,892	26,041	25,987	26,010	25,831
MINING	1,006	1,073	1,088	944	1,012	1,072	1,086	1,095	1,102	950
CONSTRUCTION	4,311	3,985	4,129	4,271	4,467	4,508	4,610	4,518	4,508	4,426
MANUFACTURING	20,533	20,149	20,254	20,345	20,642	20,312	20,345	20,374	20,400	20,455
Production workers	14,466	14,046	14,138	14,228	14,550	14,195	14,219	14,240	14,266	14,311
DURABLE GOODS	12,414	12,082	12,165	12,234	12,442	12,160	12,188	12,196	12,226	12,264
Production workers	8,672	8,317	8,389	8,461	8,686	8,386	8,408	8,411	8,441	8,476
Lumber and wood products	678.4	667.8	670.2	676.2	689	688	693	692	690	687
Furniture and fixtures	488.7	476.9	477.4	481.2	491	472	475	477	477	483
Stone, clay, and glass products	675.5	632.9	642.2	654.6	680	660	663	661	663	659
Primary metal industries	1,193.8	1,125.7	1,129.5	1,133.7	1,193	1,133	1,133	1,134	1,135	1,133
Fabricated metal products	1,671.4	1,596.8	1,605.2	1,614.1	1,678	1,608	1,608	1,610	1,612	1,621
Machinery, except electrical	2,523.5	2,498.2	2,505.1	2,506.1	2,518	2,480	2,484	2,491	2,495	2,501
Electric and electronic equipment	2,156.2	2,138.5	2,148.1	2,160.3	2,167	2,135	2,147	2,149	2,157	2,171
Transportation equipment	1,891.1	1,840.8	1,878.5	1,897.4	1,885	1,868	1,866	1,865	1,880	1,892
Instruments and related product	702.2	697.9	699.6	698.3	703	701	702	700	702	699
Miscellaneous manufacturing	433.0	406.3	409.1	412.3	438	415	417	417	415	418
NONDURABLE GOODS	8,119	8,067	8,089	8,111	8,200	8,152	8,157	8,178	8,174	8,191
Production workers	5,794	5,729	5,749	5,767	5,864	5,809	5,811	5,829	5,825	5,835
Food and kindred products	1,626.2	1,617.3	1,609.0	1,605.7	1,690	1,684	1,680	1,685	1,671	1,669
Tobacco manufacturers	62.9	70.4	68.0	66.3	69	70	70	71	72	73
Textile mill products	882.1	853.0	853.5	856.0	884	857	858	856	855	858
Apparel and other textile products	1,304.2	1,284.6	1,299.6	1,306.9	1,302	1,291	1,289	1,292	1,297	1,304
Paper and allied products	698.8	687.9	689.0	690.7	702	693	694	696	695	694
Printing and publishing	1,270.4	1,286.8	1,291.9	1,292.5	1,272	1,284	1,284	1,289	1,294	1,294
Chemicals and allied products	1,120.6	1,108.8	1,113.1	1,114.9	1,123	1,112	1,115	1,118	1,116	1,117
Petroleum and coal products	173.6	206.6	208.5	209.9	175	210	213	213	213	212
Rubber and misc. plastics products	737.2	711.2	714.5	722.8	740	711	713	716	717	726
Leather and leather products	243.3	239.9	241.4	244.9	243	240	241	242	242	244
SERVICE-PRODUCING	64,911	65,038	65,357	65,805	64,830	65,233	65,440	65,665	65,704	65,663
TRANSPORTATION AND PUBLIC UTILITIES	5,147	5,089	5,101	5,114	5,178	5,137	5,142	5,156	5,158	5,145
WHOLESALE AND RETAIL TRADE	20,373	20,396	20,494	20,710	20,531	20,638	20,762	20,885	20,932	20,808
WHOLESALE TRADE	5,265	5,275	5,295	5,321	5,286	5,302	5,315	5,328	5,327	5,342
RETAIL TRADE	15,108	15,121	15,199	15,389	15,245	15,336	15,447	15,557	15,605	15,466
FINANCE, INSURANCE, AND REAL ESTATE	5,104	5,235	5,253	5,284	5,119	5,245	5,268	5,277	5,285	5,300
SERVICES	17,636	17,945	18,107	18,296	17,618	18,068	18,133	18,181	18,216	18,278
GOVERNMENT	16,651	16,373	16,402	16,401	16,384	16,145	16,135	16,166	16,113	16,132
FEDERAL	3,103	2,774	2,772	2,776	3,115	2,789	2,801	2,794	2,789	2,787
STATE AND LOCAL	13,548	13,599	13,630	13,625	13,269	13,356	13,334	13,372	13,324	13,345

p=preliminary.

ESTABLISHMENT DATA

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	Apr. 1980	Feb. 1981	Mar. 1981 p	Apr. 1981 p	Apr. 1980	Dec. 1980	Jan. 1981	Feb. 1981	Mar. 1981 p	Apr. 1981 p
TOTAL PRIVATE	35.0	34.9	35.2	35.1	35.3	35.4	35.5	35.3	35.3	35.3
MINING	42.8	42.8	42.1	43.0	[2]	[2]	[2]	[2]	[2]	[2]
CONSTRUCTION	36.7	35.0	37.2	36.8	36.7	37.1	38.5	36.3	37.6	36.8
MANUFACTURING	39.4	39.5	39.9	39.7	39.8	40.1	40.4	39.8	40.0	40.1
Overtime hours	2.7	2.8	2.8	2.6	3.0	3.1	3.1	2.9	2.8	2.9
DURABLE GOODS	39.9	39.9	40.5	40.2	40.3	40.6	40.9	40.2	40.5	40.7
Overtime hours	2.7	2.8	2.8	2.7	3.0	3.2	3.1	2.9	2.9	3.0
Lumber and wood products	37.1	38.4	39.1	39.1	37.3	39.4	40.1	38.9	39.5	39.3
Furniture and fixtures	37.9	38.2	38.8	38.1	38.5	38.6	38.9	38.8	38.8	38.7
Stone, clay, and glass products	40.4	39.6	40.7	40.7	40.6	41.3	41.6	40.6	40.9	40.9
Primary metal industries	40.6	40.7	41.1	40.9	40.6	41.4	41.2	40.8	41.1	40.9
Fabricated metal products	40.2	40.0	40.5	40.2	40.8	40.6	40.7	40.4	40.6	40.8
Machinery, except electrical	41.0	40.8	41.2	40.8	41.5	41.0	41.3	40.8	41.0	41.3
Electric and electronic equipment	39.6	39.6	40.2	39.9	39.9	40.2	40.4	39.7	40.2	40.2
Transportation equipment	39.8	40.1	41.1	41.1	40.5	41.3	41.9	40.5	41.1	41.9
Instruments and related products	40.4	40.5	40.6	39.9	40.7	40.5	41.0	40.6	40.4	40.2
Miscellaneous manufacturing	38.4	38.4	38.9	38.3	38.5	39.0	39.0	38.8	38.7	38.4
NONDURABLE GOODS	38.7	38.8	39.0	38.8	39.1	39.3	39.7	39.3	39.1	39.2
Overtime hours	2.7	2.8	2.7	2.6	3.0	3.0	3.1	3.0	2.8	2.9
Food and kindred products	38.9	39.3	39.2	39.4	39.6	39.8	40.3	39.9	39.6	40.1
Tobacco manufacturers	38.2	38.4	37.2	37.0	38.2	37.2	39.7	39.4	37.2	37.0
Textile mill products	39.9	39.8	40.0	39.5	40.3	40.3	40.5	40.1	39.9	39.9
Apparel and other textile products	35.3	35.3	35.8	35.0	35.8	35.6	36.0	35.8	35.7	35.5
Paper and allied products	42.2	42.3	42.4	42.4	42.5	43.0	43.1	42.8	42.7	42.7
Printing and publishing	36.8	36.8	37.0	36.8	37.2	37.4	37.7	37.2	37.0	37.2
Chemicals and allied products	41.6	41.5	41.5	41.4	41.5	41.7	41.8	41.8	41.5	41.3
Petroleum and coal products	41.1	42.5	42.5	43.1	41.1	43.2	43.4	43.5	42.8	43.1
Rubber and misc. plastics products	39.7	40.1	40.7	40.4	40.1	40.9	41.3	40.1	40.6	40.8
Leather and leather products	36.7	36.6	37.0	36.5	37.3	36.6	37.1	37.0	37.5	37.1
TRANSPORTATION AND PUBLIC UTILITIES	39.5	39.5	39.4	39.3	[2]	[2]	[2]	[2]	[2]	[2]
WHOLESALE AND RETAIL TRADE	31.8	31.7	31.8	32.0	32.0	32.1	32.3	32.2	32.1	32.2
WHOLESALE TRADE	38.4	38.3	38.5	38.5	38.5	38.7	38.8	38.7	38.6	38.6
RETAIL TRADE	29.7	29.6	29.7	29.9	30.0	30.0	30.2	30.2	30.1	30.2
FINANCE, INSURANCE, AND REAL ESTATE	36.2	36.4	36.3	36.1	[2]	[2]	[2]	[2]	[2]	[2]
SERVICES	32.4	32.6	32.6	32.6	32.6	32.6	32.7	32.8	32.8	32.8

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employment on private nonagricultural payrolls.

[2] This series is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	Apr. 1980	Feb. 1981	Mar. 1981 p	Apr. 1981 p	Apr. 1980	Feb. 1981	Mar. 1981 p	Apr. 1981 p
TOTAL PRIVATE	$6.53	$7.07	$7.10	$7.11	$228.55	$246.74	$249.92	$249.56
Seasonally adjusted	6.54	7.06	7.10	7.12	230.86	249.22	250.63	251.34
MINING	9.10	9.87	9.86	9.71	389.48	422.44	415.11	417.53
CONSTRUCTION	9.69	10.42	10.43	10.44	355.62	364.70	388.00	384.19
MANUFACTURING	7.09	7.74	7.79	7.86	279.35	305.73	310.82	312.04
DURABLE GOODS	7.56	8.27	8.33	8.39	301.64	329.97	337.37	337.28
Lumber and wood products	6.28	6.84	6.81	6.86	232.99	262.66	266.27	268.23
Furniture and fixtures	5.39	5.73	5.76	5.81	204.28	218.89	223.49	221.36
Stone, clay, and glass products	7.34	7.89	7.92	8.03	296.54	312.44	322.34	326.82
Primary metal industries	9.53	10.56	10.55	10.68	386.92	429.79	433.61	436.81
Fabricated metal products	7.27	7.90	7.98	8.03	292.25	316.00	323.19	322.81
Machinery, except electrical	7.81	8.63	8.66	8.71	320.21	352.10	356.79	355.37
Electric and electronic equipment	6.79	7.45	7.49	7.53	268.88	295.02	301.10	300.45
Transportation equipment	9.04	9.94	10.09	10.14	359.79	398.59	414.70	416.75
Instruments and related products	6.63	7.20	7.24	7.28	267.85	291.60	293.94	290.47
Miscellaneous manufacturing	5.37	5.81	5.84	5.89	206.21	223.10	227.18	225.59
NONDURABLE GOODS	6.36	6.95	6.98	7.04	246.13	269.66	272.22	273.15
Food and kindred products	6.75	7.25	7.30	7.37	262.58	284.93	286.16	290.38
Tobacco manufacturers	7.79	8.47	8.54	8.76	297.58	325.25	317.69	324.12
Textile mill products	4.91	5.34	5.35	5.34	195.91	212.53	214.00	210.93
Apparel and other textile products	4.46	4.87	4.94	4.97	157.44	171.91	176.85	173.95
Paper and allied products	7.63	8.28	8.29	8.37	321.99	350.24	351.50	354.89
Printing and publishing	7.34	7.96	8.02	8.02	270.11	292.93	296.74	295.14
Chemicals and allied products	8.12	8.79	8.81	8.90	337.79	364.79	365.62	368.46
Petroleum and coal products	9.83	11.32	11.20	11.28	404.01	481.10	476.00	486.17
Rubber and misc. plastics products	6.30	6.95	6.98	7.07	250.11	278.70	284.09	285.63
Leather and leather products	4.52	4.87	4.89	4.90	165.88	178.24	180.93	178.85
TRANSPORTATION AND PUBLIC UTILITIES	8.71	9.46	9.42	9.52	344.05	373.67	371.15	374.14
WHOLESALE AND RETAIL TRADE	5.40	5.84	5.85	5.86	171.72	185.13	186.03	187.52
WHOLESALE TRADE	6.87	7.39	7.43	7.44	263.81	283.04	286.06	286.44
RETAIL TRADE	4.80	5.20	5.20	5.22	142.56	153.92	154.44	156.08
FINANCE, INSURANCE, AND REAL ESTATE	5.68	6.21	6.18	6.12	205.62	226.04	224.33	220.93
SERVICES	5.75	6.28	6.29	6.29	186.30	204.73	205.05	205.05

[1] See footnote 1, table B-2.

p=preliminary.

ESTABLISHMENT DATA

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls by industry division, seasonally adjusted

(1967=100)

Industry	APR. 1980	NOV. 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. P 1981	APR. P 1981	Percent change from— APR. 1980–APR. 1981	Percent change from— MAR. 1981 APR. 1981
TOTAL PRIVATE NONFARM:									
Current dollars	246.2	260.9	261.9	264.4	266.6	268.5	269.2	9.3	0.3
Constant (1967) dollars	101.5	101.5	100.8	101.0	100.9	101.0	N.A.	(2)	(3)
MINING	283.7	298.7	302.3	306.6	309.2	311.0	309.1	8.9	-.6
CONSTRUCTION	233.0	243.0	245.3	247.8	248.1	249.8	250.2	7.4	.2
MANUFACTURING	252.4	268.9	270.4	272.6	274.6	276.7	279.2	10.6	.9
TRANSPORTATION AND PUBLIC UTILITIES	267.2	283.4	284.1	285.9	289.6	291.1	292.7	9.6	.5
WHOLESALE AND RETAIL TRADE	238.0	250.9	250.9	254.6	256.7	258.6	258.4	8.6	-.1
FINANCE, INSURANCE, AND REAL ESTATE	224.9	239.3	238.0	240.2	244.1	245.2	241.9	7.5	-1.4
SERVICES	243.0	258.5	259.4	261.3	263.9	265.7	265.6	9.3	(4)

1 SEE FOOTNOTE 1, TABLE B-2.
2 PERCENT CHANGE WAS -1.0 FROM MARCH 1980 TO MARCH 1981, THE LATEST MONTH AVAILABLE.
3 PERCENT CHANGE WAS .1 FROM FEBRUARY 1981 TO MARCH 1981, THE LATEST MONTH AVAILABLE.
4 LESS THAN 0.05 PERCENT.
N.A. = NOT AVAILABLE.
P=PRELIMINARY.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of changes that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry, seasonally adjusted

(1967=100)

Industry division and group	1980 Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	1981 Dec.	Jan.	Feb.	Mar.P	Apr.P
TOTAL PRIVATE	124.8	123.4	122.5	121.9	123.0	123.7	124.5	125.2	125.5	126.8	126.1	126.4	126.0
GOODS-PRODUCING	105.2	102.2	100.3	98.5	100.0	101.5	102.3	103.7	104.4	106.4	103.8	104.8	103.7
MINING	161.7	163.2	166.4	158.7	162.4	166.7	168.0	170.4	175.6	175.4	173.7	172.7	149.3
CONSTRUCTION	124.7	124.3	123.7	120.6	120.5	124.7	124.5	126.0	126.8	135.3	124.6	128.6	122.4
MANUFACTURING	99.8	96.1	93.8	92.5	94.2	95.2	96.1	97.4	98.0	98.9	97.7	98.2	98.8
DURABLE GOODS	101.6	96.6	94.0	92.4	94.1	95.5	96.6	98.5	98.9	99.8	98.2	99.3	100.1
Lumber and wood products	95.3	90.4	89.6	91.5	95.3	96.8	97.0	99.4	100.7	103.0	99.4	100.6	99.9
Furniture and fixtures	106.1	99.0	94.6	91.0	94.8	98.4	99.0	99.5	101.9	103.2	103.7	103.5	104.6
Stone, clay, and glass products	103.5	99.4	96.7	95.1	96.5	99.3	99.5	101.0	101.3	102.4	99.8	100.5	99.9
Primary metal industries	89.9	82.4	77.4	73.4	75.4	77.7	80.5	84.3	86.6	86.3	85.5	86.1	85.6
Fabricated metal products	102.1	95.3	92.5	89.9	92.3	94.5	95.1	96.3	96.7	96.8	96.2	97.0	97.9
Machinery, except electrical	116.1	114.1	110.8	108.8	108.6	110.1	110.2	111.0	110.8	112.1	111.1	112.0	112.9
Electric and electronic equipment	108.1	103.8	100.1	98.5	99.8	100.5	102.1	103.3	104.8	105.9	104.3	106.2	107.0
Transportation equipment	85.0	79.1	79.6	79.8	82.4	82.5	84.7	88.2	85.7	86.9	83.9	86.2	89.2
Instruments and related products	128.4	126.0	125.1	123.8	124.1	123.8	124.2	125.7	126.0	127.2	125.1	125.1	124.2
Miscellaneous manufacturing industry	95.8	91.6	88.5	89.0	88.5	88.9	87.6	88.2	90.3	90.9	90.2	89.6	89.5
NONDURABLE GOODS	97.2	95.4	93.5	92.5	94.3	94.7	95.4	95.8	96.7	97.6	97.0	96.5	96.9
Food and kindred products	94.4	95.1	93.2	93.9	94.8	93.2	93.7	94.6	94.4	95.4	94.7	93.2	94.1
Tobacco manufacturers	72.4	73.8	72.1	73.0	68.1	71.1	74.9	75.1	70.5	75.3	76.1	71.8	74.1
Textile mill products	89.4	86.4	82.2	80.5	83.3	84.5	85.3	85.6	86.4	86.7	85.8	85.2	85.5
Apparel and other textile products	89.3	87.2	86.7	86.1	87.2	87.3	87.5	86.7	88.1	89.0	88.6	88.7	88.5
Paper and allied products	100.4	96.7	94.7	93.6	95.0	96.5	97.3	98.6	99.9	100.3	99.6	99.6	99.4
Printing and publishing	104.8	103.6	103.1	102.9	103.8	103.8	104.1	103.8	106.2	106.9	106.0	105.7	105.8
Chemicals and allied products	107.4	106.0	104.4	102.1	102.4	103.9	104.1	105.5	105.7	106.5	107.0	106.4	106.0
Petroleum and coal products	91.6	113.8	113.3	113.9	114.8	116.1	117.2	117.5	118.4	120.7	121.9	119.9	119.0
Rubber and misc. plastics products	139.9	128.5	123.6	119.2	127.5	130.1	132.8	135.1	137.0	138.8	135.5	137.2	139.8
Leather and leather products	66.0	63.6	63.3	59.5	63.9	63.7	64.2	63.7	64.1	65.3	65.4	66.3	66.3
SERVICE-PRODUCING	138.3	138.1	137.9	138.2	139.0	139.2	139.9	140.2	140.2	140.9	141.6	141.5	141.5
TRANSPORTATION AND PUBLIC UTILITIES	113.5	112.6	112.6	112.8	112.6	112.7	113.5	112.8	113.8	111.9	112.5	112.0	111.6
WHOLESALE AND RETAIL TRADE	130.4	130.3	129.1	128.9	130.4	130.9	131.4	131.6	130.9	132.3	132.8	132.7	132.3
WHOLESALE TRADE	134.1	133.7	130.8	131.0	131.9	133.3	133.6	134.0	134.5	135.0	134.9	134.5	135.0
RETAIL TRADE	128.9	129.0	128.5	128.0	129.8	130.0	130.6	130.6	129.4	131.3	132.1	132.0	131.3
FINANCE, INSURANCE, AND REAL ESTATE	149.4	149.7	151.2	151.1	151.8	151.1	152.4	152.6	153.2	153.7	154.3	154.0	153.8
SERVICES	157.6	157.4	157.8	159.1	159.4	159.3	160.0	161.2	161.4	162.4	163.3	163.5	164.4

[1] See footnote 1, table B-2.

pepreliminary.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1978				
January	68.6	80.8	82.3	79.7
February	68.6	77.3	82.8	82.3
March	71.8	80.2	79.9	81.1
April	69.8	74.7	74.7	84.6
May	61.9	73.0	75.3	83.7
June	64.2	66.6	74.7	82.6
July	61.0	68.0	73.3	81.1
August	67.7	70.1	77.6	79.9
September	67.2	74.1	80.5	79.1
October	68.0	78.2	82.0	74.1
November	75.3	81.1	79.1	76.7
December	74.7	81.7	78.2	74.4
1979				
January	66.9	75.9	74.7	73.3
February	66.3	70.3	71.8	70.6
March	62.2	64.0	64.0	69.2
April	49.7	60.2	60.5	67.7
May	58.1	54.7	53.8	63.4
June	57.8	59.9	51.5	58.4
July	57.0	53.8	58.1	59.6
August	54.4	52.0	55.5	54.9
September	52.9	57.6	55.2	50.6
October	65.1	61.9	59.3	46.5
November	55.2	61.9	63.1	39.5
December	53.5	57.3	56.4	37.8
1980				
January	60.2	57.6	45.3	33.4
February	54.9	52.6	36.9	33.1
March	45.9	39.2	32.3	35.2
April	34.6	29.1	24.7	33.1
May	28.8	25.0	26.7	35.5
June	30.2	23.8	25.6	35.8
July	36.3	34.9	32.3	33.4
August	62.8	54.4	46.8	32.6
September	62.8	68.9	68.6	36.3p
October	64.0	74.1	78.8	44.5p
November	66.9	71.2	76.7	
December	64.0	73.0	75.0p	
1981				
January	64.5	67.4	70.6p	
February	56.7	64.0p		
March	54.4p	61.3p		
April	56.7p			
May				
June				
July				
August				
September				
October				
November				
December				

[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.
p = preliminary.

News
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PRODUCER PRICE INDEXES -- APRIL 1981

The Producer Price Index for Finished Goods moved up 0.8 percent on a seasonally adjusted basis from March to April, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. Although this was considerably less than the 1.3 percent advance in March, it was about the same as in both January and February. Prices for intermediate materials climbed 1.1 percent for the fourth time in the last 5 months. Crude material prices advanced 1.5 percent, after falling 1.3 percent in the previous month. (See table A.)

Table A. Percent changes from preceding month in selected stage-of-processing price indexes, seasonally adjusted*

Month	Finished goods			Intermediate goods			Crude goods		
	Total	Consumer foods	Other	Total	Foods and feeds1/	Other	Total	Foodstuffs and feedstuffs	Other
Apr. 1980	0.8	-1.3	1.5	0.3	-1.8	0.4	-1.8	-3.5	0.4
May	.5	.4	.5	.6	4.8	.4	1.1	1.8	0
June	.8	.6	.9	.7	.5	.8	.8	1.7	-.4
July	1.7	3.7	1.1	.9	4.1	.7	5.3	7.5	2.4
Aug.	1.2	2.7	.7	1.0	6.0	.7	4.6	6.1	2.4
Sept.....	.3	.5	.2	.5	.7	.5	1.4	.7	2.3
Oct.	.9	.7	1.1	.8	5.2	.6	1.7	1.5	1.9
Nov.	.7	.3	.8	.9	1.5	.9	1.1	.2	2.4
Dec.	.4r	0r	.4r	1.1	-5.6r	1.6	-.8r	-2.6	1.8r
Jan. 1981	.7r	-.1r	1.0r	1.1r	-.5r	1.2r	-1.8r	-1.1	-2.8r
Feb.	.8	-.6	1.3	.4	-3.0	.6	2.9	-3.3	11.5
Mar.	1.3	.8	1.4	1.1	-2.6	1.3	-1.3	-2.0	-.4
Apr.	.8	0	1.0	1.1	.5	1.1	1.5	1.5	1.4

1/ Intermediate materials for food manufacturing and feeds.
* Data for December 1980 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.
r= revised.

The deceleration in the Finished Goods Price Index from the unusually high March advance was caused primarily by a considerably slower increase in finished energy prices. Another moderating influence was the consumer foods index, which showed no change following a 0.8 percent rise in March. On the other hand, prices for finished goods other than food and energy moved up 1.0 percent, twice as much as in March.

Before seasonal adjustment, the Producer Price Index for Finished Goods moved up 0.9 percent to 267.7 (1967=100). From April 1980 to April 1981, this index rose 10.6 percent. The finished energy goods index climbed 21.0 percent over the year, the consumer foods index increased 9.3 percent, the index for finished consumer goods other than food and energy rose 8.4 percent, and capital equipment prices advanced 10.3 percent. The Producer Price Index for intermediate goods rose 10.8 percent since April 1980, and crude material prices were 17.1 percent higher than a year ago.

Finished goods

Finished consumer goods. The Producer Price Index for finished consumer goods rose 0.8 percent, much slower than the 1.4 percent advance in March, but about the same as in both January and February. Finished energy prices increased 1.6 percent, after advancing

Table B. Percent changes in finished goods price indexes, selected periods*

Month	Changes from preceding month, seasonally adjusted						Change in finished goods from 12 months ago (unadj.)
	Finished goods	Capital equipment	Finished consumer goods	Finished consumer goods excluding foods			
				Total	Durables	Nondurables	
Apr. 1980	0.8	1.6	0.5	1.4	0.3	2.0	13.7
May	.5	.3	.5	.5	.1	.7	13.5
June	.8	.7	.9	1.0	1.5	.7	13.8
July	1.7	1.2	1.9	1.0	1.5	.8	14.6
Aug.	1.2	1.0	1.2	.6	.8	.5	14.8
Sept.....	.3	.1	.3	.2	-.1	.4	13.1
Oct.	.9	1.7	.8	.8	1.5	.4	13.1
Nov.	.7	.6	.7	.9	.5	1.2	12.4
Dec.	.4r	.4	.3r	.4r	-.2r	.9r	11.8r
Jan. 1981	.7r	.9r	.7r	1.1r	-.2r	1.6r	10.8
Feb.	.8	1.1	.8	1.3	.5	1.8	10.4
Mar.	1.3	.7	1.4	1.6	.1	2.4	10.5
Apr.	.8	.9	.8	1.1	.7	1.2	10.6

* Data for December 1980 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.

r= revised.

6.1 percent in March. Prices for gasoline rose 1.3 percent in April, compared with 7.5 percent in the previous month; home heating oil prices increased 1.7 percent, compared with 9.0 percent in March. On the other hand, natural gas prices rose more rapidly in April (2.0 percent) than in March (1.3 percent). Price increases for finished lubricants also accelerated.

The index for consumer finished foods was unchanged from March to April, as large increases for some items were offset by declines for other foods. The largest increases occurred for eggs, pork, bakery products, fresh fruits, and orange juice. The largest declines were for fresh and dried vegetables, processed poultry, refined sugar, roasted coffee, milled rice, and whole black pepper. Beef prices also fell but much less than in any of the 3 preceding months.

The index for finished consumer goods other than foods and energy rose 0.9 percent, compared with 0.4 percent in March. Prices rose 1.4 percent for passenger cars, after a 0.3 percent increase in the previous month. Tobacco product prices climbed 5.1 percent, following a year of generally small increases. Prices also rose more than in March for apparel, books, and alcoholic beverages. Gold jewelry prices were unchanged after falling rapidly for several months.

Capital equipment. The Producer Price Index for capital equipment moved up 0.9 percent in April, following a 0.7 percent rise in March. Motor truck prices rose nearly 2 percent, considerably more than in the previous month. Prices were also higher for most other capital goods; some of the largest increases included food industry machinery, construction machinery, agricultural machinery, oilfield machinery, office and store machines, and generators.

Intermediate materials

The Producer Price Index for Intermediate Materials, Supplies, and Components advanced 1.1 percent in April on a seasonally adjusted basis, the same as in March. Although energy price increases slowed markedly, large upward movements occurred for many industrial materials, partly reflecting the pass-through of the surge in petroleum prices which took place earlier in the year.

The index for intermediate materials less foods and energy rose 1.0 percent, more than in any of the 3 preceding months. The construction materials index advanced 1.5 percent, the largest jump in over a year. Large increases were registered for such oil-based products as bituminous paving materials and asphalt roofing. In addition, price increases accelerated for plywood and fabricated structural metal products. Prices turned up after declining in March for softwood lumber, plumbing fixtures and brass fittings, and building paper and board.

The nondurable manufacturing materials index increased 1.0 percent, following rises of 0.7 percent in both February and March. Prices moved up substantially for several goods made from petroleum feedstocks, including industrial chemicals, plastic resins, synthetic fibers, and synthetic rubber. Advances also occurred for rosin, nitrogenates, paint materials, leather, and inedible fats and oils.

The index for durable manufacturing materials registered a 1.2 percent increase; this index had shown very little net change over the previous 5 months. Prices were higher for flat glass, lead, and zinc; in addition, copper, gold, and jewelers' material prices were virtually unchanged after declining for several months. Prices for tin and silver continued to drop, but not as much as in most other recent months.

Among manufacturing components, prices rose for diesel engines, electric motors, and mechanical power transmission equipment. Within other categories of intermediate goods, there were large increases for unsupported plastic film, paper boxes and containers, glass containers, cutting tools, tractor parts, and explosives. In contrast, prices declined for metal containers, pesticides, and laminated plastic sheets.

The intermediate energy index moved up 1.6 percent, following a 4.3 percent surge in the previous month. Increases slowed considerably for diesel fuel and kerosene, and prices for residual fuel decreased slightly. On the other hand, commercial jet fuel prices rose nearly as much as in March, and the index for electric power turned up following a small decline the month before. Prices also increased for liquefied petroleum gas and lubricating oil materials.

The index for intermediate foods and feeds moved up 0.5 percent, after declining during each of the previous 4 months. Prices were substantially higher for feeds, flour, honey, and crude and refined vegetable oils. These increases were largely offset by sharply lower prices for refined sugar used in food manufacturing. Prices for corn syrup and animal fats and oils also decreased.

Crude materials

The Producer Price Index for Crude Materials for Further Processing rose 1.5 percent in April on a seasonally adjusted basis, after falling 1.3 percent in March. Although energy prices rose less than 1 percent for the second consecutive month, prices turned up for other crude materials following 4 months of steep declines.

The index for crude foodstuffs and feedstuffs rose 1.5 percent; during the 4 months ended in March, in contrast, this index had registered an average monthly decline of 2.3 percent. An upturn in prices of cattle and hogs following several months of falling prices caused much of this turnaround. Prices for wheat and soybeans also turned up dramatically after falling markedly in February and March. Cocoa bean prices moved up substantially for the fourth consecutive month after decreasing steeply during most of 1980. On the other hand, raw cane sugar prices fell more than 12 percent for the third consecutive month, and live poultry prices declined even more than in the 3 preceding months.

After decreasing an average of 3.8 percent each month in the first quarter, the index for crude nonfood materials less energy increased 3.0 percent in April. Price increases accelerated for iron and steel scrap and raw cotton, both of which had fallen rapidly in January and February. On the other hand, prices for crude natural rubber moved down sharply for the fifth consecutive month. Prices for nonferrous scrap and wastepaper also fell but considerably less than in most other recent months.

The crude energy materials index rose 0.6 percent, following a 0.3 percent increase in March. Natural gas prices rose somewhat more than in other recent months. Coal prices continued to rise slowly, and crude petroleum prices were unchanged for the second consecutive month after a substantial advance in February.

Producer Price Indexes Will Shift to New Base Next Year

Beginning with the release of January 1982 data in February 1982, most Producer Price Indexes will shift to a new base year. All indexes currently expressed on a base of 1967=100, or any other base through December 1976, will be rebased to 1977=100. Only

indexes with a base later than December 1976 will keep their current base. Rebasing of PPI data is part of a comprehensive rebasing of indexes published by the Federal Government. (See Technical Note, "Federal agencies updating base year of indexes to 1977," in the February 1981 issue of Monthly Labor Review.) The last previous rebasing of PPI data occurred in January 1971, when the current 1967 base was substituted for the former 1957-59 base.

Historical data for each PPI series on the new base will be available from BLS on request.

To convert any continuous index series on the 1967 base to a new continuous series on the 1977 base, divide each index value on the former base by the index value for the new base period and multiply by 100. For example, the August 1980 index for steel mill products was 301.0 (1967=100). To convert that index to a base of 1977=100, divide 301.0 by the 1977 annual average for steel mill products on a 1967=100 base, which was 229.9. The August 1980 index for steel mill products on a base of 1977=100 thus becomes:

$$(301.0/229.9) \times 100 = 130.9$$

Rebasing an index does not affect the calculation of percent changes over time, except for possible rounding differences, so long as all calculations are performed with indexes expressed on the same base. Long-term business contracts with escalation clauses which make changes in selling or buying prices dependent on percent changes in specified PPI series should, therefore, not be substantively affected by the rebasing next year. However, contracts with escalation clauses which make price changes dependent on changes in index points may be greatly affected by rebasing. (See "Escalation and Producer Price Indexes: A Guide for Contracting Parties," BLS Report 570, available on request.)

Brief Explanation of Producer Price Indexes

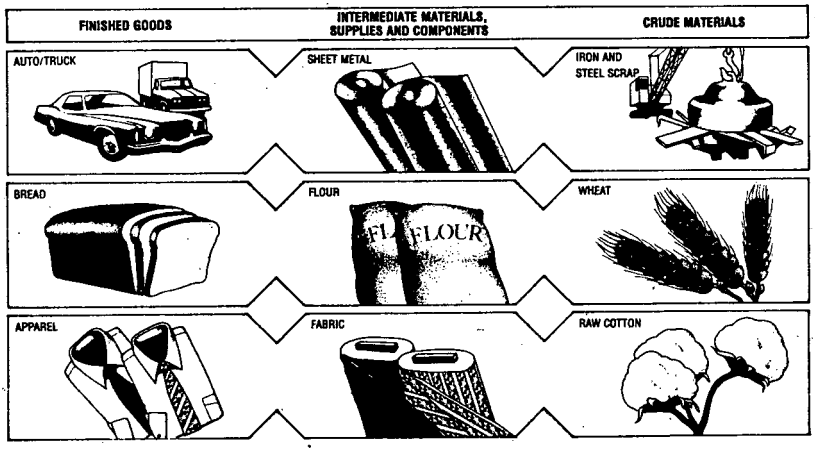
Producer Price Indexes measure average changes in prices received in primary markets of the United States by producers of commodities in all stages of processing. These data were previously presented as the Wholesale Price Index. The name "Producer Price Indexes" is now being used to reflect more accurately the coverage of the data. The sample used for calculating these indexes continues to contain nearly 2,800 commodities and about 10,000 quotations selected to represent the movement of prices of all commodities produced in the manufacturing, agriculture, forestry, fishing, mining, gas and electricity, and public utilities sectors. The universe includes all commodities produced or imported for sale in commercial transactions in primary markets in the United States.

Producer Price Indexes can be organized by stage of processing or by commodity. The stage of processing structure organizes products by degree of fabrication (i.e., finished goods, intermediate or semifinished goods, and crude materials). The commodity structure organizes products by similarity of end-use or material composition.

Finished goods are commodities that will not undergo further processing and are ready for sale to the ultimate user, either an individual consumer or a business firm. Capital equipment (formerly called producer finished goods) includes commodities such as motor trucks, farm equipment, and machine tools. Finished consumer goods include foods and other types of goods eventually purchased by retailers and used by consumers. Consumer foods include unprocessed foods such as eggs and fresh vegetables, as well as processed foods such as bakery products and meats. Other finished consumer goods include durables such as automobiles, household furniture, and jewelry, and nondurables such as apparel and gasoline.

Intermediate materials, supplies, and components are commodities that have been processed but require further processing before they become finished goods. Examples of such semifinished goods include flour, cotton yarns, steel mill products, belts and belting, lumber, liquefied petroleum gas, paper boxes, and motor vehicle parts.

Crude materials for further processing include products entering the market for the first time which have not been manufactured or fabricated but will be processed before becoming finished goods. Scrap materials are also included. Crude foodstuffs and feedstuffs include items such as grains and livestock. Examples of crude nonfood materials include raw cotton, crude petroleum, natural gas, hides and skins, and iron and steel scrap.



For analysis of general price trends, stage of processing indexes are more useful than commodity grouping indexes. This is because commodity grouping indexes sometimes produce exaggerated or misleading signals of price changes by reflecting the same price movement through various stages of processing. For example, suppose that a price rise for steel scrap results in an increase in the price of steel sheet and then an advance in prices of automobiles produced from that steel. The All Commodities Price Index and the Industrial Commodities Price Index would reflect the same price movement three times—once for the steel scrap, once for the steel sheet, and once for the automobiles. This multiple counting occurs because the weighting structure for the All Commodities Index uses the total shipment values for all commodities at all stages of processing. On the other hand, the Finished Goods Price Index would reflect the change in automobile prices, the Intermediate Materials Price Index would reflect the steel sheet price change, and the Crude Materials Price Index would reflect the rise in the price of steel scrap.

To the extent possible, prices used in calculating Producer Price Indexes apply to the first significant commercial transaction in the United States, from the production or central marketing point. Price data are generally collected monthly, primarily by mail questionnaire. Respondents are asked to provide net prices or to provide all applicable discounts. BLS attempts to base Producer Price Indexes on actual transaction prices; however, list or book prices are used if transaction prices are not available. Most prices are obtained directly from producing companies on a voluntary and confidential basis, but some prices are taken from trade publications or from other Government agencies. Prices generally are reported for the Tuesday of the week containing the 13th day of the month.

In calculating Producer Price Indexes, price changes for the various commodities are averaged together with weights representing their importance in the total net selling value of all commodities as of 1972. The detailed data are aggregated to obtain indexes for stage of processing groupings, commodity groupings, durability of product groupings, and a number of special composite groupings. Each index measures price changes from a reference period which equals 100.0 (usually 1967, as designated by the Office of Management and Budget). An increase of 85 percent from the reference period in the Finished Goods Price Index, for example, is shown as 185.0. This change can also be expressed in dollars, as follows: "The price of a representative sample of finished goods sold in primary markets in the United States has risen from $100 in 1967 to $185."

A Note about Calculating Index Changes

Movements of price indexes from one month to another are usually expressed as percent changes rather than changes in index points because index point changes are affected by the level of the index in relation to its base period, while percent changes are not. The following example illustrates the computation of index point and percent changes. (See box.)

Percent changes for 3-month and 6-month periods are expressed as annual rates that are computed according to the standard formula for compound growth rates. These data indicate what the percent change would be if the current rate were maintained for a 12-month period.

Index Point Change	
Finished Goods Price Index	185.5
less previous index	184.5
equals index point change	1.0
Index Percent Change	
Index point change	1.0
divided by the previous index	184.5
equals	0.005
result multiplied by 100	0.005 x 100
equals index percent change	0.5

A Note on Seasonally Adjusted Data

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred because they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and marketing cycles, model changeovers, seasonal discounts, and holidays. For this reason, seasonally adjusted data more clearly reveal the underlying cyclical trends. Seasonally adjusted data are subject to revision when seasonal factors are revised each year.

The unadjusted data are of primary interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

Table 1. Producer price indexes and percent changes by stage of processing

(1967=100)

Grouping	Relative importance Dec. 1980 1/	Unadjusted index Dec. 1980 2/	Unadjusted index Mar. 1981 2/	Unadjusted index Apr. 1981 2/	Unadjusted percent change to Apr. 1981 from: Apr. 1980	Unadjusted percent change to Apr. 1981 from: Mar. 1981	Seasonally adjusted percent change from: Jan. to Feb.	Seasonally adjusted percent change from: Feb. to Mar.	Seasonally adjusted percent change from: Mar. to Apr.
Finished goods	100.000	257.2	265.3	267.7	10.6	0.9	0.8	1.3	0.8
Finished consumer goods	79.666	258.9	267.3	269.6	10.6	.9	.8	1.4	.8
Finished consumer foods	23.032	249.3	251.8	251.5	9.3	-.1	-.4	.8	0
Crude	1.973	254.8	279.1	278.8	24.4	-.1	1.2	8.2	-1.4
Processed	21.059	246.7	247.3	247.0	8.0	-.1	-.8	.1	.2
Finished consumer goods, excluding foods	56.634	260.9	271.7	275.1	11.1	1.3	1.3	1.4	1.1
Nondurable goods less foods	37.161	296.2	314.7	318.8	13.5	1.3	1.8	2.4	1.2
Durable goods	19.473	213.5	213.7	216.2	6.9	1.2	.5	.1	.7
Capital equipment	20.334	250.9	257.8	260.5	10.3	1.0	1.1	.7	.9
Manufacturing industries	6.244	266.8	274.2	276.7	10.8	.9	1.0	.8	.6
Nonmanufacturing industries	14.090	242.1	248.6	251.4	10.5	1.1	1.1	.7	1.1
Intermediate materials, supplies, and components	100.000	291.9	301.4	305.4	10.8	1.3	.4	1.1	1.1
Materials and components for manufacturing	52.778	275.7	281.0	283.9	8.9	1.0	-.1	.3	.6
Materials for food manufacturing	4.565	279.6	267.9	264.0	9.3	-1.5	-2.3	-2.3	-1.1
Materials for nondurable manufacturing	16.485	268.5	278.7	283.8	10.8	1.8	.7	.7	1.0
Materials for durable manufacturing	15.559	304.3	306.5	310.2	4.8	1.2	-1.4	.3	1.2
Components for manufacturing 3/	16.169	246.3	253.5	255.2	12.1	.7	1.1	.7	.7
Materials and components for construction	15.361	276.6	282.6	287.7	8.4	1.8	-.3	.9	1.5
Processed fuels and lubricants	14.841	539.4	595.8	607.0	22.2	1.9	2.6	4.3	1.3
Manufacturing industries	5.886	457.9	501.6	506.9	22.1	1.1	2.5	3.2	.8
Nonmanufacturing industries	8.955	611.4	678.7	695.2	22.7	2.4	2.7	4.9	1.7
Containers	4.172	268.6	270.6	274.2	8.3	1.3	1.3	.5	.5
Supplies	12.849	255.0	258.6	262.1	9.3	1.4	.3	.1	1.4
Manufacturing industries 3/	3.908	239.5	244.7	250.3	9.3	1.5	1.0	.9	1.5
Nonmanufacturing industries	8.948	263.0	265.0	268.4	9.4	1.3	-.7	-.2	1.4
Feeds	1.863	251.5	232.2	239.5	16.7	3.1	-4.8	-3.5	4.9
Other supplies 3/	7.105	262.4	270.1	272.4	7.7	.9	1.0	.9	.9
Crude materials for further processing	100.000	323.5	333.0	335.2	17.1	.7	2.9	-1.5	1.5
Foodstuffs and feedstuffs	58.229	271.6	262.0	263.4	11.7	.5	-3.3	-2.0	1.5
Nonfood materials	41.771	433.8	484.8	485.8	24.3	.8	11.5	-.4	1.4
Nonfood materials except fuel 4/	30.153	373.5	430.6	432.7	26.5	.5	15.9	-.9	1.2
Manufacturing 5/	28.513	386.5	448.2	450.4	27.4	.5	16.9	-1.0	1.3
Construction	1.849	247.4	260.2	262.3	12.9	.8	1.3	.8	.6
Crude fuel 3/ 3/	11.618	679.2	685.2	697.2	17.9	1.8	.2	.9	1.8
Manufacturing industries 3/	6.070	762.9	781.4	795.9	20.8	1.9	.1	1.1	1.9
Nonmanufacturing industries 3/	5.548	608.9	621.5	631.6	15.8	1.6	.3	.8	1.6
Special groupings									
Finished goods, excluding foods	6/ 76.968	258.2	268.0	271.2	10.9	1.2	1.3	1.4	1.0
Intermediate materials less foods and feeds	7/ 93.592	293.5	304.7	309.0	10.7	1.4	.6	1.3	1.1
Intermediate foods and feeds	7/ 6.408	270.0	256.0	255.6	11.4	-.2	-3.0	-2.6	.5
Crude materials less agricultural products 3/ 8/	3/ 38.094	482.8	547.5	551.9	26.1	.8	12.9	-.5	1.4
Finished energy goods	6/ 11.975	741.8	832.1	848.4	21.0	2.0	3.6	6.1	1.6
Finished goods less energy	6/ 88.025	230.8	235.3	237.0	9.2	.7	.5	.6	.7
Finished consumer goods less energy	6/ 67.691	226.0	229.8	231.3	8.8	.7	.3	.5	.6
Finished goods less foods and energy	6/ 64.993	224.8	229.8	232.3	9.1	1.1	.8	.5	1.0
Finished consumer goods less foods and energy	6/ 44.659	211.2	215.4	217.7	8.4	1.1	.7	.4	.9
Consumer nondurable goods less foods and energy	6/ 25.186	197.6	204.5	206.5	9.5	1.0	.9	.5	1.0
Intermediate energy goods	7/ 16.187	519.0	572.5	583.3	21.8	1.9	2.9	4.3	1.6
Intermediate materials less energy	7/ 83.813	274.9	280.0	283.4	8.7	1.2	-.1	.4	1.0
Intermediate materials less foods and energy	7/ 77.405	270.6	277.3	280.9	8.5	1.3	.2	.6	1.0
Crude energy materials 3/ 9/	9/ 26.172	652.2	777.5	782.5	38.9	.6	20.0	.3	.6
Crude materials less energy	9/ 73.828	267.5	259.4	261.1	9.4	.7	-3.4	-2.1	1.9
Crude nonfood materials less energy 9/	9/ 15.599	277.9	274.8	278.1	2.0	1.2	-3.4	-2.1	3.0

1/ Comprehensive relative importance figures are computed once each year in December.
2/ Data for Dec. 1980 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.
3/ Not seasonally adjusted.
4/ Includes crude petroleum.
5/ Excludes crude petroleum.
6/ Percent of total finished goods.
7/ Percent of total intermediate materials.
8/ Formerly titled "Crude materials for further processing, excluding crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco."
9/ Percent of total crude materials.

Table 2. Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance Dec. 1980 1/	Unadjusted index Mar. 1981 2/	Unadjusted index Apr. 1981 2/	Unadjusted percent change to Apr. 1981 from: Apr. 1980	Unadjusted percent change to Apr. 1981 from: Mar. 1981	Seasonally adjusted percent change from: Jan. to Feb.	Seasonally adjusted percent change from: Feb. to Mar.	Seasonally adjusted percent change from: Mar. to Apr.
	FINISHED GOODS	100.000	265.5	267.7	10.6	0.9	0.8	1.3	0.8
	FINISHED CONSUMER GOODS	71.666	267.3	269.6	10.6	.9	.8	1.4	.8
	FINISHED CONSUMER FOODS	23.032	251.8	251.5	9.3	-.1	-.6	.8	0
01-11	Fresh fruits	.454	217.8	221.3	-3.7	2.0	-1.1	1.8	2.1
01-13	Fresh and dried vegetables	.720	332.3	317.0	40.3	-4.6	5.2	19.4	-11.2
01-7	Eggs	.468	180.4	196.2	28.0	8.8	-.3	-4.1	19.0
02-11	Bakery products	2.257	262.9	264.1	7.8	.5	.2	.3	.8
02-12-02	Flour base mixes and doughs	.170	232.0	238.9	9.5	2.1	.4	-.6	2.5
02-13	Milled rice	.066	298.0	301.0	15.5	1.0	-2.0	2.6	-4.7
02-14	Other cereals	.439	271.4	271.4	9.3	0	1.2	.4	.6
02-21-01	Beef and veal	2.783	245.8	244.6	-2.4	-.5	-3.4	-2.0	-.2
02-21-04	Pork	1.488	284.0	280.5	23.5	-1.2	-4.4	2.6	4.9
02-22	Processed poultry	.764	285.3	288.1	13.5	0.4	-1.9	-.9	-6.9
02-23	Fish	.930	382.6	387.1	.3	1.3	.3	4.0	.1
02-3	Dairy products	3.125	245.5	245.8	8.0	.1	.8	-.2	-.6
02-4	Processed fruits and vegetables	1.476	251.8	258.7	15.2	2.7	3.1	3.3	2.8
02-53-01	Refined sugar, consumer size packages (Dec. 1977=100) 3/	.223	181.2	166.6	.3	-8.1	-7.0	-15.3	-8.1
02-55	Confectionery and products (Dec. 1977=100) 3/	.879	120.7	120.7	6.5	0	0	0	0
02-62	Soft drinks	1.515	290.8	290.8	16.8	0	.4	0	0
02-63-01	Roasted coffee	.825	325.7	325.7	-13.9	0	2.5	-.3	-1.3
02-74	Vegetable oil end products	.364	240.7	241.6	5.3	.4	1.8	-1.6	-.5
02-8	Miscellaneous processed foods 3/	2.345	249.2	249.9	11.0	.3	1.6	.5	.3
	FINISHED CONSUMER GOODS EXCLUDING FOODS	56.634	271.7	275.1	11.1	1.3	1.3	1.6	1.1
02-61	Alcoholic beverages 3/	1.681	186.4	188.1	9.2	.9	1.9	.6	.9
03-81	Apparel	5.274	180.1	182.1	7.1	1.1	.5	.6	.9
03-82	Textile housefurnishings 3/	.760	225.4	226.3	12.3	.4	.7	0	.4
04-3	Footwear	1.056	240.5	241.1	4.0	.2	.5	-.5	.1
04-41	Luggage and small leather goods	.298	194.3	196.3	16.9	1	2.5	4.2	.6
05-31	Natural gas 3/	2.182	979.5	999.4	25.1	2.0	0	1.3	2.0
05-71	Gasoline	6.886	737.4	752.0	18.7	2.0	4.7	7.5	1.5
05-73-02-01	Fuel oil No. 2 (Feb. 1973=100)	1.695	885.9	903.9	30.4	2.0	6.5	9.0	1.7
05-76	Finished lubricants 3/	.197	335.2	340.5	11.6	1.6	1.3	1.2	1.6
06-35	Pharmaceutical preparations, ethical (Prescription)	.677	167.4	169.3	10.9	1.1	1.7	1.6	1.3
06-36	Pharmaceutical preparations, proprietary (Over-the-counter)	.327	222.0	224.7	11.2	1.2	1.0	-.2	1.2
06-71	Soaps and synthetic detergents 3/	.683	235.4	238.5	11.7	1.3	.5	1.1	1.3
06-75	Cosmetics and other toilet preparations	.987	284.7	289.9	9.8	1.1	2.0	-2.2	.9
07-12	Tires and tubes	.721	248.2	250.3	8.8	.8	2.0	1.7	1.0
07-13-01	Rubber footwear	.193	215.2	215.2	5.8	0	.8	.6	.3
07-27	Disposable plastic dinnerware and tableware (June 1978=100) 3/	.185	132.6	136.5	.9	2.9	0	.1	2.9
07-28	Consumer and commercial plastics,not elsewhere classified (June 1978=100) 3/	.367	126.3	127.2	10.7	.7	1.3	1.5	.7
09-15-01	Sanitary papers and health products 3/	.780	347.9	347.9	9.0	0	1.1	.2	0
09-31	Newspaper publishing (Dec. 1980=100) 3/	5.433	107.1	107.6	(4)	.5	2.6	.9	.5
09-32	Periodical publishing (Dec. 1980=100) 3/	1.861	103.6	103.8	(4)	.2	.9	.6	.2
09-33	Book publishing (Dec. 1980=100) 3/	1.166	101.8	104.7	(4)	2.8	.4	.3	2.8
11-77	Electric lamps and bulbs	.215	265.9	268.9	9.5	1.1	2.4	.7	1.4
12-1	Household furniture	1.609	214.4	216.9	8.3	1.2	.7	1.5	1.2
12-3	Floor coverings	.405	174.3	176.2	8.6	1.3	.3	.9	1.2
12-4	Household appliances 3/	1.381	183.8	185.8	7.4	1.1	.7	.4	1.4
12-5	Home electronic equipment 3/	.633	91.3	91.3	-.1	0	.8	-.4	0
12-6	Other household durable goods	.929	277.6	276.2	3.3	-.5	1.0	-.3	.8
14-11-01	Passenger cars	6.984	198.5	202.0	7.3	1.8	.7	.3	1.4
14-11-02-71	Light motor trucks 3/	1.022	239.7	246.5	14.9	2.8	0	0	2.8
15-1	Toys, sporting goods, small arms, etc.	1.134	210.4	211.7	8.3	.6	.9	.5	.7
15-2	Tobacco products 3/	1.500	255.4	268.4	12.7	5.1	.4	0	5.1
15-51	Mobile homes 3/	.871	154.4	155.2	3.9	.5	.1	1.2	.5
15-96-02	Jewelry, platinum & karat gold (Dec. 1978=100) 3/	1.124	191.3	191.3	-.6	0	-4.6	-6.6	0
15-96-03	Other precious metal jewelry 3/	.259	171.9	162.8	-6.8	-5.3	-.5	-.7	-5.3
15-96-04	Costume jewelry (Dec. 1978=100) 3/	.333	113.4	118.3	7.5	4.3	0	.6	4.3
	CAPITAL EQUIPMENT	28.334	257.8	260.5	10.3	1.0	1.1	.7	.9
11-1	Agricultural machinery and equipment	1.190	278.7	281.2	10.5	.9	1.6	.7	1.1
11-2	Construction machinery and equipment 3/	1.304	311.3	314.7	10.7	1.1	1.1	.9	1.1
11-32-03	Power driven hand tools, electrical (Dec. 1976=100)	.057	138.9	139.0	13.1	.1	1.3	1.6	.1
11-36	Industrial process furnaces and ovens 3/	.155	322.7	328.2	12.5	1.7	.9	1.8	1.7
11-37	Metal cutting machine tools	.488	338.4	341.1	10.7	.8	.5	1.3	.4
11-38	Metal forming machine tools	.273	373.5	375.0	10.2	.4	.2	1.0	.2
11-41	Pumps, compressors, and equipment	.421	315.2	315.9	11.4	.2	1.9	.5	0
11-44	Industrial material handling equipment	.733	269.7	270.9	8.5	.6	-.2	1.5	.6
11-47	Fans and blowers except portable	.126	312.1	314.2	7.2	.7	0	1.2	0
11-6	Special industry machinery and equipment 3/	2.228	300.9	303.8	11.7	1.0	1.4	.5	1.0
11-72	Integrating and measuring instruments	.202	192.9	193.9	6.7	.7	-.2	1.6	.9
11-73-02	Generators and generator set	.499	320.5	324.3	17.3	1.2	.1	.1	1.5
11-74	Transformers and power regulators 3/	.443	282.1	284.4	15.8	.9	.7	4.5	.9
11-91	Oilfield machinery and tools 3/	.168	378.8	385.0	17.8	1.6	2.5	1.0	1.6
11-92	Mining machinery and equipment	.142	327.6	331.7	9.1	1.3	.4	1.1	1.3
11-93	Office and store machines and equipment 3/	1.251	146.1	146.9	4.0	.5	.6	.2	.5
12-2	Commercial furniture 3/	.769	253.2	254.3	8.9	.4	2.1	.8	.4
14-11-01	Passenger cars	2.262	198.5	202.0	7.3	1.8	.7	.3	1.4
14-11-02-71	Light motor trucks 3/	1.355	239.7	246.5	14.9	2.8	0	0	2.8
14-11-02-81	Heavy motor trucks 3/	1.054	268.8	278.2	18.6	3.5	1.6	.2	3.5
14-14	Aircraft engines (June 1980=100) 3/	.279	103.5	103.9	(4)	.4	.4	1.1	.4
14-21-11	Fixed wing, utility aircraft (Dec. 1968=100)	.917	275.0	275.7	18.3	.3	.4	1.1	.7
14-4	Railroad equipment	.446	335.8	341.8	10.3	1.8	2.3	.6	1.2
15-41	Photographic equipment	.466	129.2	130.0	5.3	.6	2.3	2.0	.8

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance	Unadjusted index		Unadjusted percent change to Apr. 1981 from:		Seasonally adjusted percent change from:		
		Dec. 1980 1/	Mar. 1981 2/	Apr. 1981 2/	Apr. 1980	Mar. 1981	Jan. to Feb.	Feb. to Mar.	Mar. to Apr.
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS	100.000	301.4	305.4	10.8	1.3	0.4	1.1	1.1
	INTERMEDIATE FOODS AND FEEDS	6.488	256.0	255.6	11.4	-.2	-3.0	-2.6	.5
02-12-01	Flour	.268	193.2	195.3	11.2	1.1	-2.8	-.6	3.2
02-53-02	Refined sugar, for use in food manufacturing (Dec. 1977=100) 3/	1.014	200.4	188.1	10.6	-6.1	-2.7	-8.7	-6.1
02-54	Confectionery materials (Dec. 1977=100) 3/	.286	172.8	167.7	12.4	-3.0	-.6	-.7	-3.0
02-71	Animal fats and oils	.070	289.9	298.9	9.4	3.1	.1	-.8	-4.1
02-72	Crude vegetable oils	.209	191.2	193.6	7.1	1.3	-8.9	-1.9	2.3
02-73	Refined vegetable oils 3/	.073	202.2	209.6	38.8	3.7	-4.5	0	3.7
02-9	Prepared animal feeds	1.860	231.5	237.8	16.0	2.7	-3.2	-.3	3.0
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS	93.592	304.7	309.0	10.7	1.4	.6	1.3	1.1
03-1	Synthetic fibers (Dec. 1975=100)	.693	149.6	151.6	16.3	1.3	.6	1.4	1.3
03-2	Processed yarns and threads (Dec. 1975=100)	.921	133.9	134.6	10.2	.5	-.4	2.8	.2
03-3	Gray fabrics (Dec. 1975=100)	1.171	144.8	145.7	6.4	1.2	1.4	.3	.6
03-4	Finished fabrics (Dec. 1975=100)	1.699	122.5	124.1	8.4	1.3	.4	-.6	1.0
04-2	Leather	.279	322.5	337.8	13.5	4.7	-7.8	3.2	3.1
05-2	Coke	.143	430.6	430.6	0	0	-.4	0	-.5
05-52	Liquefied petroleum gas 3/	.771	709.4	722.0	13.8	1.8	.3	.5	1.8
05-6	Electric power	6.856	550.4	555.8	14.7	1.5	.7	-.2	1.2
05-71	Gasoline	3.224	737.6	752.0	18.7	2.0	4.7	7.5	1.3
05-72-02-01	Kerosene (Feb. 1973=100)	.197	851.4	867.6	29.4	1.9	5.7	8.1	1.9
05-72-03-01	Commercial jet fuel (Feb. 1973=100) 3/	.553	866.2	904.3	24.1	4.4	3.8	6.6	4.4
05-73-03-01	Diesel fuel (Feb. 1973=100) 3/	1.459	848.9	870.2	26.1	2.5	6.3	7.7	2.5
05-74	Residual fuel	2.514	1305.1	1315.2	40.9	.8	2.8	7.2	-.7
05-75	Lubricating oil materials 3/	.600	836.5	854.9	16.4	2.2	0	0	2.2
06-1	Industrial chemicals 3/	4.396	352.5	360.8	12.0	2.4	1.9	.9	2.4
06-21	Prepared paint 3/	.810	244.9	248.5	7.3	1.6	1.5	0	.6
06-22	Paint materials	.682	288.5	295.2	8.5	2.4	1.3	0	1.3
06-31	Drugs and pharmaceutical materials 3/	.220	222.1	223.2	11.3	.5	1.1	0	.5
06-4	Fats and oils, inedible	.233	295.2	312.7	7.9	5.7	-10.3	-2.2	3.8
06-51	Mixed fertilizers	.389	262.3	263.2	7.9	.3	3.7	-.1	-.2
06-52-01	Nitrogenates	.277	207.5	218.1	11.5	5.1	1.9	1.1	4.2
06-52-02	Phosphates	.323	290.1	287.7	7.7	-.8	2.3	-1.2	-.8
06-53	Pesticides	.283	381.9	381.9	1.5	0	1.2	-.1	-2.1
06-6	Plastic resins and materials	1.277	278.3	285.4	-.8	2.6	.8	.4	1.2
06-79	Miscellaneous chemical products 3/	1.102	282.2	299.6	20.1	6.2	.6	.3	6.2
07-11-02	Synthetic rubber	.284	280.7	284.4	11.6	1.3	1.8	1.6	1.2
07-12	Tires and tubes	.333	248.2	250.3	8.0	.8	2.0	1.7	1.0
07-13-04	Other miscellaneous rubber products	.716	246.9	247.3	12.3	.2	.9	1.2	0
07-21	Plastic construction products (Dec. 1969=100)	.272	154.9	155.0	1.9	.1	-.3	.4	.5
07-22	Unsupported plastic film and sheeting (Dec. 1970=100)	.488	194.7	207.4	11.1	6.5	1.2	-.3	6.6
07-23	Laminated plastic sheets (Dec. 1970=100)	.132	188.5	183.1	6.3	-2.8	-1.1	.1	-3.5
07-24	Foamed plastic products (June 1978=100) 3/	.182	133.3	133.3	8.5	0	-.5	.6	0
07-25	Plastic packaging and shipping products (June 1978=100) 3/	.349	128.6	129.5	5.4	.7	0	1.3	.7
07-26	Plastic parts and components for manufacturing (June 1978=100) 3/	.691	130.1	130.3	5.4	.2	.7	.1	.2
08-11	Softwood lumber	1.739	363.9	352.5	9.8	2.5	-2.8	-2.5	3.3
08-12	Hardwood lumber	.488	251.8	251.4	-1.2	.2	-.8	6	.2
08-2	Millwork	1.484	275.7	276.5	7.4	.3	-1.9	-.1	.6
08-3	Plywood	.742	246.7	254.4	15.7	3.1	-1.4	1.1	4.1
08-4	Other wood products	.338	239.3	238.2	-1.4	-.5	-1.2	.1	-.4
09-11	Woodpulp	.654	392.6	396.6	2.9	1.0	.5	0	-.2
09-13	Paper	1.541	274.8	275.5	8.7	.3	.9	-.1	0
09-14	Paperboard	.701	255.9	257.8	11.1	.7	.5	.5	-.2
09-15-03	Paper boxes and containers	1.855	238.1	241.8	9.1	1.5	1.1	2.0	1.2
09-2	Building paper and board	.242	227.3	231.9	15.2	2.0	2.2	-.3	1.7
10-13-01	Semifinished steel mill products	.396	348.5	349.9	8.6	.4	-.7	.4	-1.0
10-13-02	Finished steel mill products	6.120	327.4	330.6	9.1	1.0	.2	2.8	.3
10-15	Foundry and forge shop products	1.897	321.9	323.5	5.8	.5	.5	-.6	.2
10-16	Pig iron and ferroalloys	.074	310.6	312.8	7	.5	.3	.6	.3
10-22	Primary nonferrous metal refinery shapes 3/	2.159	328.6	327.1	-4.6	0	-2.9	-2.6	0
10-24	Secondary nonferrous metal and alloy basic shapes	.529	273.1	279.1	-11.1	2.2	-6.7	-1.5	.1
10-25	Nonferrous mill shapes	1.707	297.2	301.1	1.8	1.3	-.3	-.9	.2
10-26	Nonferrous wire and cable 3/	.822	298.8	299.3	-7.2	.2	-.7	-.4	.2
10-3	Metal containers	1.082	314.1	314.1	4.3	0	1.0	-2.1	-1.3
10-4	Hardware	.675	256.5	256.4	8.8	0	1.3	.5	-.4
10-5	Plumbing fixtures and brass fittings	.338	259.2	265.2	6.8	2.3	.5	-.1	2.0
10-6	Heating equipment 3/	.358	217.6	218.8	7.1	.6	.3	.7	.6
10-7	Fabricated structural metal products	3.010	289.4	293.5	9.1	1.4	.6	1.2	1.4
10-8	Miscellaneous metal products	3.281	265.7	268.1	8.9	.9	1.2	.5	1.0
11-11-51	Tractor parts 3/	.116	280.3	289.3	16.9	4.5	6.7	1.1	4.5
11-12-51	Parts for farm machinery ex. tractors	.149	224.9	225.8	9.8	.4	.4	1.2	.6
11-35	Cutting tools and accessories 3/	.418	248.5	255.6	11.4	2.9	.2	2.2	2.9
11-36	Abrasive products	.334	271.3	272.8	8.6	.6	1.4	1.1	.6

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance	Unadjusted index		Unadjusted percent change to Apr. 1981 from:		Seasonally adjusted percent change from:		
		Dec. 1980 1/	Mar. 1981 2/	Apr. 1981 2/	Apr. 1980	Mar. 1981	Jan. to Feb.	Feb. to Mar.	Mar. to Apr.
	INTERMEDIATE MATERIALS, ETC - Continued								
11-37-51	Parts for metal cutting machine tools 3/	.121	329.3	327.4	9.9	-0.6	0.2	1.8	-0.6
11-38-51	Parts for metal forming machine tools	.079	302.6	304.4	12.9	.6	.6	.9	1.3
11-43	Fluid power equipment	.287	215.0	216.4	10.0	.7	-.3	.5	.1
11-45	Mechanical power transmission equipment	.415	284.9	289.3	12.0	1.5	.6	.4	1.6
11-45-02	Unitary air conditioners (Dec. 1977=100) 3/	.263	126.3	126.6	5.0	.2	.2	0	.2
11-48-04	Refrigerant compressors and compressor units (Dec. 1977=100) 3/	.318	127.8	127.9	4.5	.1	0	0	.1
11-49-01	Valves and fittings	.588	304.2	307.8	6.8	1.2	.7	1.1	1.1
11-49-05	Ball and roller bearings	.332	293.3	293.3	13.8	0	2.9	-1.1	.2
11-71	Wiring devices	.639	292.5	294.8	13.0	.8	1.5	1.0	.5
11-73-01	Electric motors	.521	266.1	269.7	8.6	1.4	1.1	.6	1.8
11-75	Switchgear, switchboard, etc., equipment 3/	.689	263.1	265.7	4.6	1.1	1.3	.1	1.1
11-78	Electronic components and accessories	1.581	166.4	166.2	8.3	-.1	.2	1.4	-.1
11-81	Environmental controls (June 1980=100) 3/	.055	103.4	101.9	(4)	-1.5	-2.9	.5	-1.5
11-92-53-01	Parts for mining machinery and equipment	.082	322.3	328.5	5.4	1.9	1.1	1.1	.6
11-94	Internal combustion engines	.746	290.2	295.3	12.2	1.8	.6	1.6	2.1
13-11	Flat glass 3/	.513	204.8	208.1	6.6	1.6	.2	.2	1.6
13-22-01-31	Portland cement	.555	321.2	328.9	5.2	2.4	.6	1.4	.7
13-3	Concrete products	1.759	286.9	289.5	6.1	.9	.2	.5	.8
13-4	Structural clay products, ex refractories 3/	.221	245.2	245.6	4.5	.2	.2	2.0	.2
13-5	Refractories	.187	297.1	297.3	13.6	.1	4.4	1.3	.2
13-6	Asphalt roofing	.355	400.7	416.3	1.8	3.9	-3.7	2.3	2.1
13-7	Gypsum products 3/	.172	257.6	256.8	-2.7	-.3	-.9	.1	-.3
13-8	Glass containers	.637	311.5	326.0	10.8	4.7	.5	.8	2.1
13-9	Other nonmetallic minerals	1.147	441.7	479.9	20.1	8.6	.5	3.9	8.2
14-12	Motor vehicle parts	3.869	311.6	313.5	28.4	.6	2.1	.3	-.1
15-3	Motion	.179	247.3	248.4	14.6	.4	9.3	-.3	.3
15-42	Photographic supplies 3/	.604	272.5	272.5	-2.9	0	.4	.2	0
15-94-05	Jewelers' materials and findings (Dec. 1978=100) 3/	.270	186.4	186.4	-4.9	0	-7.0	-5.0	0
	CRUDE MATERIALS FOR FURTHER PROCESSING	100.000	333.0	335.2	17.1	.7	2.9	-1.3	1.5
	CRUDE FOODSTUFFS AND FEEDSTUFFS	58.229	262.0	263.4	11.7	.5	-3.3	-2.0	1.5
01-1	Fresh and dried fruits and vegetables	1.509	291.6	285.2	27.8	-2.2	.8	12.8	-6.4
01-21	Wheat	2.926	255.3	262.6	15.5	2.9	-6.5	-1.9	8.0
01-22-02-05	Corn 3/	5.607	264.6	267.1	33.8	.9	-3.4	-.9	.9
01-31	Cattle	18.269	246.7	254.4	1.6	3.1	-3.5	-3.5	1.4
01-32	Hogs	4.751	187.6	191.3	41.2	2.0	-1.5	-3.8	9.8
01-4	Live poultry	2.610	213.5	195.4	13.7	-8.5	-1.4	-1.9	-6.5
01-6	Fluid milk	9.363	289.5	287.2	8.2	-.8	1.2	1.5	.1
01-81-81-01	Hay	1.211	273.9	273.9	53.4	0	0	-8.0	0
01-83	Oilseeds	4.225	296.2	302.4	44.8	2.8	-5.8	-5.9	2.9
01-91-01	Green coffee 3/	1.978	482.5	481.1	-10.6	-.3	-1.5	-.1	-.3
01-91-02	Cocoa beans	.273	487.7	489.6	-20.9	.5	9.2	2.9	4.1
02-52-01-01	Cane sugar, raw 3/	2.713	318.0	274.9	-13.9	-13.6	-12.2	-13.1	-13.6
	CRUDE NONFOOD MATERIALS	41.771	484.8	488.8	24.3	.8	11.5	-.4	1.4
01-51-01-01	Raw cotton 3/	1.744	279.2	284.0	2.9	1.7	-6.0	.7	1.7
01-92-01-01	Leaf tobacco	1.755	(4)	235.0	7.8	(4)	1.4	(4)	(4)
04-1	Hides and skins	.658	(4)	(4)	(4)	(4)	(4)	(4)	(4)
05-1	Coal	3.952	481.3	486.4	4.6	1.1	1.0	.4	.3
05-31	Natural gas 3/	8.278	979.5	999.4	25.1	2.0	0	1.3	2.0
05-61	Crude petroleum 3/	13.932	843.0	842.6	57.8	0	37.0	0	0
06-52-03	Potash	.191	267.5	269.2	16.8	.6	-4.5	-1.2	1.7
07-11-01	Crude natural rubber	.394	310.1	282.5	-17.1	-8.9	-6.6	-6.6	-7.6
09-12	Wastepaper	.397	185.1	184.2	-24.0	-.5	-2.0	-2.9	-.3
10-11	Iron ore 3/	.692	269.8	269.8	9.6	0	8.7	0	0
10-12	Iron and steel scrap	3.262	357.6	362.5	2.7	1.4	-8.3	1.0	1.7
10-23	Nonferrous scrap	2.688	251.6	263.0	-10.3	4.5	-7.8	-1.8	-.6
13-21	Sand, gravel, and crushed stone	2.746	268.3	262.4	12.9	.8	1.3	.7	.6

1/ Comprehensive relative importance figures are computed once each year in December. Data shown are expressed as a percent of total finished goods, total intermediate materials, or total crude materials. Data shown will not add up to 100.000 because not all commodity components of each stage-of-processing (SOP) index are shown; relative importance figures shown account for about 91 percent of total finished goods, about 88 percent of total intermediate materials, and about 96 percent of total crude materials. For each commodity component of the Finished Goods Index which is allocated to both capital equipment and finished consumer goods excluding foods, the relative importance figure shown reflects only the share allocated to the SOP grouping under which it is listed. For example, the relative importance figure shown for household furniture under the SOP grouping for finished consumer goods excluding foods includes the share allocated to that SOP grouping but not the share allocated to capital equipment.

2/ All data are subject to revision 4 months after original publication.

3/ Not seasonally adjusted.

4/ Not available.

Table 3. Producer price indexes for selected commodity groupings

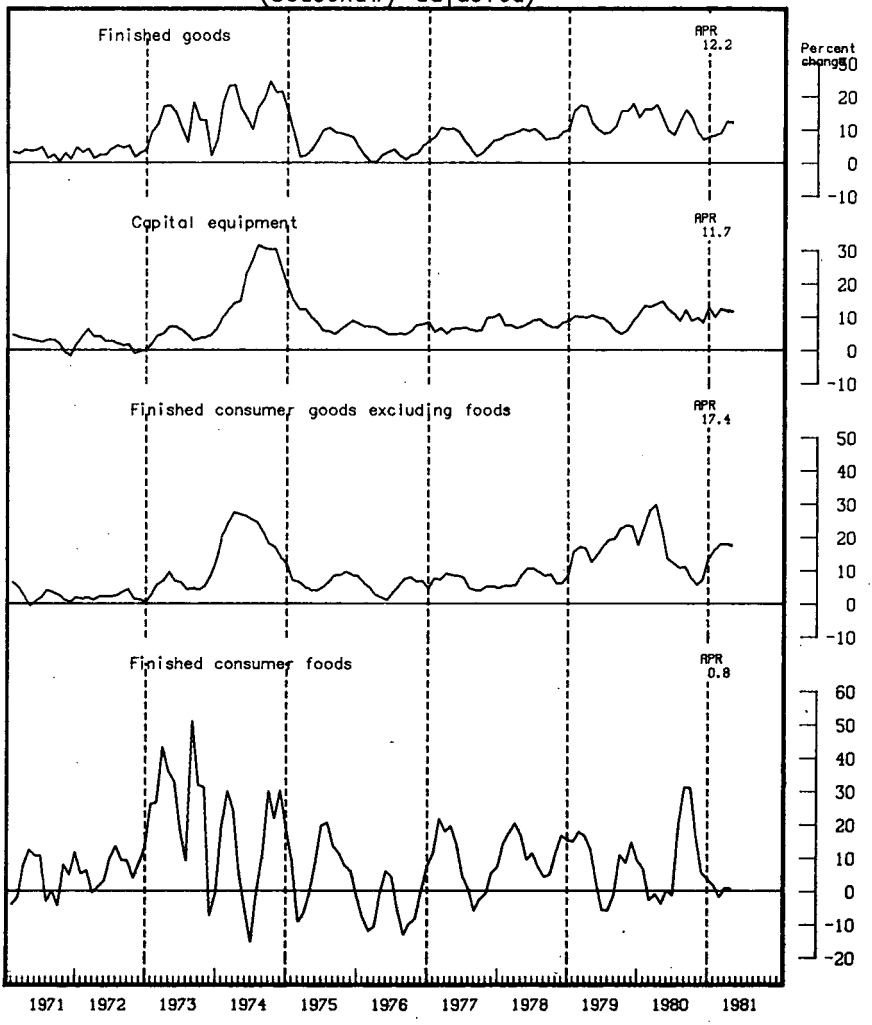
(1967=100)

Commodity code	Grouping	Unadjusted index	
		Dec. 1980 1/	April 1981 1/
	All Commodities	280.8	292.8
	All Commodities (1957-59=100)	297.9	310.7
	MAJOR COMMODITY GROUPS		
	Farm products and processed foods and feeds	257.0	253.6
01	Farm products	265.3	263.2
02	Processed foods and feeds	251.5	247.4
	Industrial commodities	286.6	302.8
03	Textile products and apparel	190.4	196.5
04	Hides, skins, leather, and related products	256.9	264.9
05	Fuels and related products and power 2/	615.7	703.8
06	Chemicals and allied products 2/	268.1	285.8
07	Rubber and plastic products	223.3	230.9
08	Lumber and wood products	299.4	298.1
09	Pulp, paper, and allied products	256.7	270.6
10	Metals and metal products	290.6	298.7
11	Machinery and equipment	249.8	259.2
12	Furniture and household durables	193.1	196.4
13	Nonmetallic mineral products	291.2	310.2
14	Transportation equipment (Dec.1968=100)	224.3	231.5
15	Miscellaneous products	265.3	265.5
	Industrial commodities less fuels and related products and power	252.3	261.4
	OTHER COMMODITY GROUPINGS		
01-2	Grains	265.2	264.7
01-3	Livestock	251.4	246.6
01-5	Plant and animal fibers	294.1	274.2
01-8	Hay, hayseeds, and oilseeds	310.2	296.3
01-9	Other farm products	296.0	295.9
02-1	Cereal and bakery products	248.7	253.5
02-2	Meats, poultry, and fish	248.1	239.2
02-5	Sugar and confectionery	339.8	286.0
02-6	Beverages and beverage materials	240.5	243.4
02-63	Packaged beverage materials	325.7	314.4
02-7	Fats and oils	234.1	232.6
04-4	Other leather and related products	225.3	243.5
05-3	Gas fuels 2/	844.3	884.5
05-7	Refined petroleum products 2/	717.0	839.1
06-3	Drugs and pharmaceuticals	182.6	190.9
06-5	Agricultural chemicals and products	263.3	277.3
06-7	Other chemicals and allied products	234.1	256.4
07-1	Rubber and rubber products	244.9	253.9
07-11	Crude rubber	268.5	279.1
07-13	Miscellaneous rubber products	234.0	246.8
08-1	Lumber	333.0	331.3
09-1	Pulp, paper, and products, excluding building paper and board	257.9	269.1
09-15	Converted paper and paperboard products	244.7	257.4
10-1	Iron and steel	316.4	330.9
10-13	Steel mill products	313.7	331.8
10-2	Nonferrous metals	293.4	288.0
11-3	Metalworking machinery and equipment	285.7	298.1
11-4	General purpose machinery and equipment	275.6	283.1
11-7	Electrical machinery and equipment	208.9	217.8
11-9	Miscellaneous machinery and equipment	239.6	248.1
13-2	Concrete ingredients	279.7	296.4
14-1	Motor vehicles and equipment	226.2	235.2
14-11-02	Motor trucks	246.9	255.7
15-4	Photographic equipment and supplies	206.6	211.6
15-9	Other miscellaneous products	370.5	347.8

1/ Data for Dec. 1980 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.

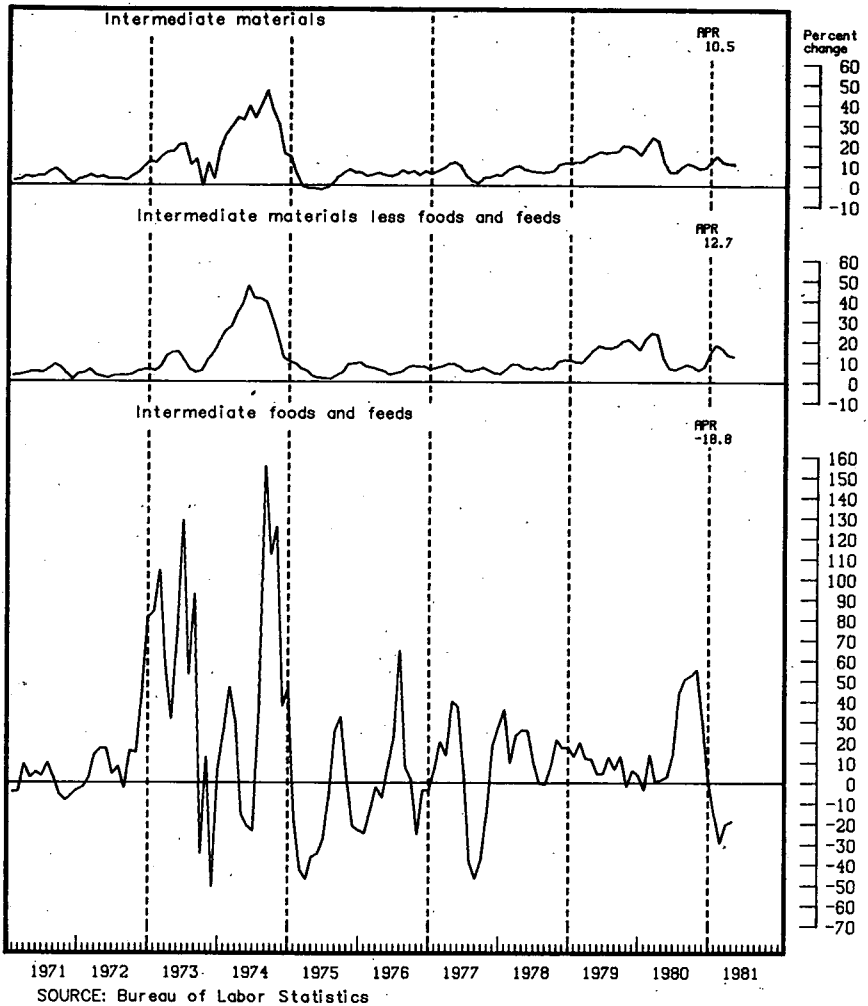
2/ Prices of some items in this grouping are lagged 1 month.

Chart 1
Finished Goods Price Index and its components
1971 – 81
3-month annual rates of change
(Seasonally adjusted)



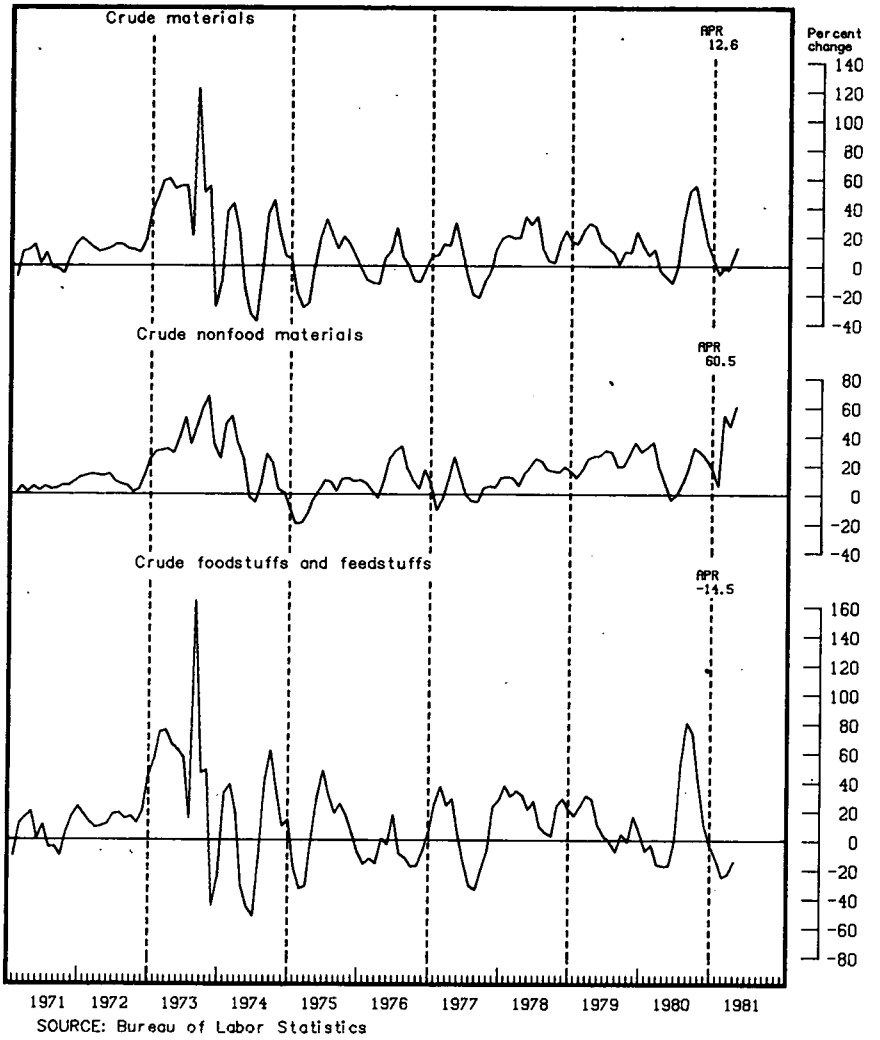
SOURCE: Bureau of Labor Statistics

Chart 2
Intermediate Materials Price Index and its components
1971 – 81
3–month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Chart 3
Crude Materials Price Index and its components
1971 – 81
3-month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Representative REUSS. Thank you very much, Commissioner Norwood.

Let's talk about automobiles. You have had recent announcements of new price increases by the American auto industry. The rebate programs of February are over and done with and sales have accordingly stopped. The average General Motors car now costs over $10,000. Some models have gone up by as much as $1,000 since last fall. And on top of this is a so-called voluntary agreement with the Japanese, which imported car dealers in this country tell us will simply result in premiums being charged on Toyotas, et cetera, rather than discounts that have more recently been the case.

On top of all this, as noted in your statement, we have rather sharp increases in material prices, including those materials and components which go into automobiles.

What do you think the result of all this might be on American motorcar sales? It will have a negative effect on sales, will it not?

Ms. NORWOOD. The figures which you mentioned are the prices of automobiles, particularly domestic automobiles before quality adjustment. The quality adjusted prices in the index are somewhat lower.

The important thing, however, is that the rebates have been withdrawn. I am sure the domestic industry is going to watch future sales with great care.

As I understand it, the supply—today's supply of automobiles—is relatively low because the rebate program has worked well. As the automobile industry moves through the summer months, it will have to look at whether those sales were anticipatory, that is, sales which might normally have been expected in the spring or whether they need further stimulation in the coming months because sales slow down.

In the case of imported vehicles it is rather difficult to know what effect the restrictions will have on prices. I have read many of the articles you referred to in the newspapers, and I guess that depends upon consumer resistance to price change.

Representative REUSS. Consumers have been showing admirable acumen in recent years, the poor souls, as they have been forced by the inflationary squeeze.

In the light of your statement there is a possibility that consumers are going to lay off buying these overpriced automobiles and wait for another orgy of discounts; is there not?

Ms. NORWOOD. That is certainly what happened before, and that is, I assume, why American manufacturers had the rebate program in the last several months.

Representative REUSS. Might this not be a self-defeating tactic on the part of the American motorcar industry? They are very adverse to lowering prices. They raise prices, but they wait until rigor mortis sets in and then discount for a while. But that isn't all that great for them because they go through a lot of agonies before they finally have to discount.

Would you recommend that in their innercouncils, they consider changing their price policy?

Ms. NORWOOD. Mr. Chairman, I would have to say that I could not suggest how manufacturers should handle their pricing policies. I think it is clear, however, that the American manufacturers over the

last several months have found it necessary to reduce prices, and they chose a rebate mechanism. They have now withdrawn those rebates and we will have to wait a bit to see whether they find it necessary to reinstitute them.

Representative REUSS. Turning to another part of the motorcar, gasoline and energy problem, you were quite right in your testimony a month or two ago that the main impact of the decontrol of oil would be reflected in the February and March figures; and that for April, the increase would be considerably smaller. That is exactly what has happened; is it not?

Ms. NORWOOD. Yes, sir.

Representative REUSS. Do you, in the months ahead, see any supply movements which might stir up price increases of gasoline again, now that there is a relatively abundant supply and everybody is happy. Is that going to continue, or are we going to have an end to this?

Ms. NORWOOD. As I understand it, there is an adequate supply of oil on the world markets. We have also gone through by now our own decontrol process in this country. I would think, therefore, that the upward pressures on energy for the coming months would mitigate.

Representative REUSS. A couple of days ago Treasury Secretary Regan, noting the very alarming increase in interest rates, both short term and long term, predicted that matters are going to get even worse, and it might cause a downturn in the economy. If the Treasury's outlook comes to pass, what do you think that would mean for the administration's projected unemployment figure for, say, the fourth quarter of this year?

I think their projection was that the unemployment rate would be 7.7 percent, which is three-tenths of 1 percent over the present level.

Ms. NORWOOD. There are many aspects to that question. What we seem to have had since July is an increase in employment. We have had increases in services employment most of the year until this month, and we have had a return of employment in manufacturing, particularly durable manufacturing—automobiles and so on.

I do not know exctly how interest rates will affect the production process. You know, interest rates have always been very difficult to forecast. I think most people who have tried have been wrong. Interest rates are very high now. There is some evidence, I think, on the price front of nonfood, nonenergy price pressure, materials prices and others, which could have some effect on the employment situation.

Representative REUSS. An "ungood" effect.

Ms. NORWOOD. "Ungood," that's right.

Representative REUSS. Thank you very much. As always, you have been most helpful. We appreciate your associates' readiness to pitch in also, and we will see you in a month.

Ms. NORWOOD. Thank you.

Representative REUSS. And now we would like Ms. Isabel Sawhill to come forward. Ms. Sawhill has had a distinguished career in her profession and is currently program director of employment and labor policy at the Urban Institute. We have asked her to come and instruct us on some of the employment implications of the President's program, which got such a rousing, bipartisan endorsement from Congress yesterday.

Ms. Sawhill, you have a prepared statement, which under the rule and without objection, we place into the record. Would you now proceed in whatever way is convenient?

STATEMENT OF ISABEL V. SAWHILL, PROGRAM DIRECTOR, EMPLOYMENT AND LABOR POLICY, THE URBAN INSTITUTE, WASHINGTON, D.C.

Ms. SAWHILL. The approach I will take is to try to provide the highlights of what is in my prepared statement, and then leave some time for possible questions and discussion.

In looking at the employment implications of the administration's economic program I considered each of the four elements of that program: Budget cuts, tax cuts, monetary restraint, and regulatory reform. And to ask in each case, what is the likely impact on employment and on the labor market? I will not discuss the fourth element of the package, which is regulatory reform, in part because the administration has not made its final decisions there. But I will look at each of the other three areas.

I have also tried to give special attention to the impacts on women, minorities, and lower income families. Let me now try to summarize my overall conclusions.

First of all, I believe that the macroeconomic impacts are likely to swamp the impact of specific budget cuts on employment and family income. These macroeconomic impacts remain uncertain at the present time because monetary and fiscal policy are on a collision course. However, if we do end up using monetary restraint to curb inflation, as Budget Director Stockman keeps emphasizing, the losses in output and employment would be very high.

To reduce inflation by 3 percentage points, for example, would necessitate that unemployment rise to about 12 percent and that we sacrifice roughly $400 billion in output, or about $6,000 per year per family. There is very interesting new evidence, based on a large sample of families whose income and employment experiences were tracked over a 12-year period, which shows that these losses are much more severe for poor than for nonpoor families. And within each income class, they are much more severe for families headed by black males.

The impacts for female-headed families are not as severe as they are for male-headed families. However, we know from other research, that the major impact of economic slack on women is a big increase in hidden unemployment or work force discouragement. For these reasons, I argue that it is imperative that we find more effective and equitable means of controlling inflation.

While an incomes policy is probably not politically feasible at the current time, we should at least be examining the options for the future and building the political consensus which will be needed to put such measures in place.

I also recommend that more consideration be given to counter-inflationary tax cuts, such as reductions in the payroll tax and possibly a new employment tax credit.

Next, I believe we should be concerned about the supply side or the productive potential of the economy. In this area my analysis leads to the following conclusions.

First, we should have some targeted tax cuts which will provide some incentives for investment. However, I don't think we should be putting all of our eggs in this one basket. This strategy needs to be complemented with human resource investments, especially more skill training for both blue collar workers and for the disadvantaged. While the rate of return on a college education has been falling, several recent sophisticated evaluations of training programs suggest that the rates of returns on these programs are very, very high indeed.

One which I mention in my testimony is the Job Corps. The rate of return to an investment in that program is 45 percent. The other program which I mention is the supported work demonstration program for AFDC recipients. A recently released study on that demonstration shows a rate of return of 200 percent.

Those rates of return are sensitive to what is assumed about the projection of increased earnings for the participants throughout their lifetime. However, the findings are quite robust; that is, even if the specific numbers I have just quoted are not correct, because one uses different assumptions, the rate of return is still high.

Next I want to mention that if we are concerned about the supply side, we should try harder to lessen economic dependency by reducing disincentives to work. These disincentives are particularly significant for women. For middle class women this takes the form of the so-called marriage penalty. In my prepared statement I point out that in Sweden, when they went from joint to individual income tax filing, that the participation rate of women in the labor force increased by 10 percentage points. This was a very surprising result.

For lower income women these disincentives mainly take the form of high benefit reduction rates in income transfer programs. And the recent changes in this area suggest that we are going to be making the situation still worse than it is now. At present about 30 cents of every extra dollar earned is kept by a working welfare mother. Under the new proposals she would get to keep perhaps a penny or two, and we know what she is likely to do under those circumstances.

For both groups of women this problem is exacerbated by a lack of child care facilities and job opportunities, both of which are being cut back. In my prepared statement I mention the PSE cutbacks and the number of former welfare recipients who will possibly be thrown back onto the income transfer system, as a result of those cutbacks.

That concludes my summary, Mr. Chairman, and I would be happy to elaborate on anything you would like.

[The prepared statement of Ms. Sawhill follows:]

PREPARED STATEMENT OF ISABEL V. SAWHILL

Mr. Chairman and members of the committee, I am very pleased to have the opportunity to appear here today to discuss some of the likely impacts of the Administration's economic program on employment, and especially on opportunities for women, minorities, and the poor. Let me emphasize that these are my own views and do not represent the position of any organization with which I am currently affiliated.

A recent CBO study of the impact of the Administration's tax and some of its budget proposals on lower income families shows that 68 percent of families who will experience a drop of more than 5 percent in their "spendable incomes" are headed by women and that 39 percent are headed by nonwhites. I cite these findings because I believe they are important, but I also want to note that they largely reflect the impact of changes in taxes and transfers on family income and give less attention to employment and earnings. I have chosen to focus on the latter. One of the conclusions of my analysis will be that the macroeconomic effects of the proposed economic program on employment, earnings, and family income completely swamp the first-round budget impacts.

As you know, there are four elements in the Administration's program—budget cuts, tax cuts, monetary restraint, and regulatory reform. My approach will be to look at the major proposals in each of the first three areas and to ask what is their likely impact on the labor market. I will not cover regulatory reform, in part because final decisions have not yet been made in this area.

BUDGET CUTS

The proposed reduction in outlays for employment and training during FY 1982 are $4.8 billion. This is about 11 percent of the total budget cuts, and parenthetically about equal to what could be accomplished by a modest change in the indexing of Social Security benefits.

The biggest savings come from eliminating about 300,000 CETA public service jobs. The rationale is that training, especially on-the-job training, has proven to be more effective as a way of improving long-term opportunities for disadvantaged workers. (There is some evidence suggesting this is true. For example, preliminary evidence from the Continuous Longitudinal Manpower Survey shows that participants in CETA–OJT programs experience substantially larger net gains in earnings after leaving the program than participants in other types of CETA programs, such as work experience, classroom training, or public service employment.)

However, because the public service jobs program is targeted on hard-to-employ groups who traditionally have high unemployment rates, in the short run these groups are probably going to have fewer job opportunities. In FY 1979, about two thirds of PSE participants were poor, virtually all were near-poor, and a little over half were members of a minority group. Moreover, about 20 percent were former AFDC or public assistance recipients. Thus, the elimination of this program is not only going to have disproportionate impacts on the poor and on minorities but is also likely to increase welfare dependency, reducing budget savings by about 10 to 15 percent.

For the longer-term, these proposed changes are consistent with some reorientation of manpower programs toward developing human resources (i.e., focusing on the supply side rather than the demand side of the labor market). However, as yet, there are no proposals to reprogram these dollars to provide serious training or retraining either to disadvantaged workers such as innercity youth or structurally dislocated workers such as those being laid off in the automobile or steel industry. A good case can be made that private industry underinvests in training because it cannot capture the full benefits from such investments when workers are free to move among employers. Yet, unlike some European countries, we have never provided significant resources to private firms for this purpose.

Studies by Edward Denison and others indicate that investments in education and training have been even more important than investments in plant and equipment as a source of productivity growth historically. While there is some evidence that the rate of return on a college education has declined in recent years and that the growth of the capital stock has not kept pace with the growth of the labor force, there is no reason to believe that investments in basic education and skill training are less beneficial to society than investments in more tangible forms of capital. In fact, recent sophisticated evaluations of the Job Corps and of the Supported Work Demonstration Program for AFDC recipients show that the social rates of return on the public investments in these two programs are 45 percent and over 200 percent, respectively. Any venture capitalist would be delighted with similar results. Yet the current Administration plans to spend $86 billion on accelerated depreciation over the next decade but only a few billion on basic education and training.

A second big chunk of savings in the employment and training budget comes from eliminating a number of youth programs on the grounds that youth can be equally well served in the regular adult training programs. This is in sharp contrast to the last Administration which had proposed a major new youth initiative costing about $2 billion, and there is no question that services for youth are going to be curtailed as a result. In keeping with its belief in private sector solutions to the problem of unemployment, one might hope that the Administration would support a reauthorization of the current employment tax credit targeted on low-income youth. Alternatively, it may support a subminimum wage for youth. Both hold out the promise of providing more employment opportunities for youth but probably at the expense of fewer opportunities for low-skilled adults. The TJTC, unlike the subminimum wage, can be targeted on low-income areas or individuals.

The third and last important set of program cuts involves reducing the benefits provided to the unemployed in the form of unemployment insurance and trade adjustment assistance. One important proposal is to institute a stricter work test for UI recipients, in which they would be required to accept a job at a significantly lower wage after 13 weeks of search. Another proposal is to substantially reduce the number of people who will be eligible to receive benefits beyond the 26 weeks of coverage normally provided. A third proposal in this area is to sharply curtail trade adjustment assistance payments for workers displaced by import competition.

The Administration's objective in each case is to eliminate "entitlements" for those who do not really need them and to encourage workers to adjust more rapidly to economic change. The likely impact on the labor market will be some very modest reduction in unemployment associated with the reduced benefits and the stricter work test but probably a reduction in the efficiency of job-worker matches as well. If the work test can be effectively administered, for example, we may see more college professors working as shoe clerks and more laid-off automobile workers selling McDonald's hamburgers.

For the longer-term, these proposals raise three broader issues:

(1) They suggest the need for fundamental reassessment of the whole unemployment insurance system. It was originally put in place at a time when most families had only one earner and when there were few safety nets around should a breadwinner lose his job.

(2) Assuming that some type of assistance for unemployed workers is desirable, we think to rethink the rationale for discriminating between workers laid off as a result of import competition and workers who lose their jobs for other reasons.

(3) Finally, we are going to need to decide whether such assistance should be conditional upon willingness to engage in intensive job search, to retrain, to relocate, or to accept a lower-paid job or whether it should take the form of a no-strings-attached entitlement to an income cushion over a short period of time. Some consideration might be given to using some portion of future payroll tax revenues to provide training opportunities rather than unemployment benefits during periods of economic slack.

TAX CUTS

As is well known by now, the Administration's program calls for a three-year, 30 percent across-the-board cut in personal incomes taxes plus more rapid depreciation to encourage investment. These cuts will stimulate both demand and supply simultaneously.

On the demand side, the impact of the tax and spending cuts on the economy are close to a wash so there is no significant or easily predictable employment-generating fiscal stimulus to discuss, at least for the next couple of years. However, fiscal stimulus and monetary restraint appear to be on a collision course as discussed in more detail in the next section.

On the supply side, the cuts are intended to stimulate more saving, investment, and work effort. What are their likely impacts on work? A priori, we can't even predict the direction of the effect. Some people will work harder because their take-home pay is higher and others will work less because they can accumulate the same amount of after-tax income as before with less effort. The evidence suggests that, on balance, the net effects on work effort are positive but small. For

someone with an income of $15–20,000 per year, the tax cut would increase take-home pay by about two percent by the end of 1982. A two percent increase in pay would, in turn, increase hours worked by perhaps one-half of a percent or 5 hours per year. Some of the increased hours would be worked by people already employed, but the group most likely to work more would be nonworking married women—the group that the "new right" would prefer to keep at home. In fact, if one was serious about encouraging work effort, a much better way to do it would be to give two-earner families a special tax credit or deduction, especially since the current tax system discriminates against them. Nancy Barrett has noted that the labor force participation of Swedish women increased by about ten percentage points following a shift from joint to individual income tax filing for married couples. Prior to the reform, Sweden didn't allow couples to split their incomes, so the marriage penalty was even larger there and the impact of a shift to individual filing correspondingly greater. Nevertheless, the magnitude of the response was surprising.

Finally, at the very bottom end of the income distribution, there is going to be less and not more work effort. As recent studies reported in the press have shown, the Reagan budget cuts for AFDC, food stamps, and other transfer programs have reduced incentives to work. While a welfare mother could previously retain about 30 cents of every dollar earned, she will now get to keep a penny or two at most. The Administration plans to get around this problem by substituting a work requirement for these financial incentives. Under the so-called "workfare" proposal, all able-bodied people on welfare would be required to work at least 20 hours a week, with the exception of mothers with children under 2, or with children under 6 for whom no day care is available.

In fact, there will be less day care for those who need it. Day care programs now separately funded under Title XX are to be folded into a social services block grant. More importantly, the Administration proposes to cap the child care disregard under AFDC to $50 per month per child which is one-fourth of what the average family spends for this purpose. A number of different studies have suggested that the availability of "affordable" day care discourages 15 to 20 percent of nonemployed mothers from working. Thus, an effective supply-side policy would provide more, and not less, funds for child care.

MONETARY RESTRAINT

According to Budget Director Stockman, monetary policy is the linchpin in the program to reduce inflation. While supply-side economics has sometimes been sold as the cure for inflation, its ability to do so is already being questioned on Wall Street and will eventually become a concern on Main Street as well. The part of the supply-side story that makes some sense is the investment part. Yet this Administration has chosen to concentrate its tax cuts on individuals rather than on business. Even if a larger proportion of the cuts was targeted on investment, this would make only a modest contribution to reducing inflation. An investment-oriented tax cut of $25 billion per year could improve the rate of productivity growth by about one-fifth of a percentage point within a few years and this, in turn, could shave perhaps half a point off the rate of inflation, currently stuck at around 10 or 11 percent a year. Thus, monetary restraint is the key; the inflation battle will be won by Mr. Volcker or it will not be won at all.

What the Administration assumes in this area is a steady reduction in the growth of the money supply so that by 1986, the growth rate will have fallen to half what it is at present. As you know, there is much disagreement within the economics profession about the effects of such a policy. The controversy centers not around whether slower growth in the money supply can reduce the growth of total spending but rather on how the reductions will be split between lower wages and prices, on the one hand, and lower employment and output, on the other. The historical evidence suggests that the major impact (perhaps 70 percent of it according to Robert Gordon) would be on employment and output rather than on wages and prices over the next few years, but committed monetarists contend that the historical evidence is irrelevant because it ignores people's expectations which are, in turn, believed to be conditioned by government policy itself and especially the credibility of the government's commitment to reducing inflation.

My own view is that sticky wages have very little to do with psychology and a lot to do with multi-year contracts, cost-of-living adjustments, and other

institutional realities in the labor market which keep the momentum of an inherited inflation going and produce layoffs in preference to wage cuts in a slack market. We are seeing some wage concessions in the automobile industry right now, but it took a depression in the industry to get them. A counterexample is provided by the mine workers who recently received a 36 percent increase over three years.

The implications of the "sticky-wages" view are that monetary restraint strong enough to have a major impact on inflation would also produce massive losses in employment and output. Moreover, these impacts could be expected to totally swamp any of the other employment impacts discussed earlier. Simply to reduce inflation from its present rate of 11 percent to the 8.3 percent predicted by the Administration for 1982, by demand restraint alone, would require letting the unemployment rate rise to about 12 percent. This would entail a loss of $400 billion in output and real income or about $6,000, per family.

How would these losses be distributed by race, sex, and family income level? Earlier work done by Ralph Smith (some of it for the Joint Economic Committee) has showed that economic slack has a much greater impact on black than on white unemployment rates. On the other hand, where males and females are concerned, recessions tend to be "equal opportunity disemployers" because women's lesser seniority is offset by the fact that they are more heavily concentrated in cyclically stable occupations and industries. However, Smith found that women attempting to enter the labor force during periods of slack tend to become discouraged and join the ranks of the hidden unemployed.

A more recent study by Edward Gramlich and Deborah Swift for the National Commission for Employment Policy tends to confirm and elaborate these earlier results. These authors' preliminary findings are that the chance of being unemployed during a recession varies with race, sex, and a family's "normal" or average income. Among white male family heads, for example, the probability of experiencing unemployment is twice as great in poor families as it is in middle class families. Within each income class, black male family heads suffer more unemployment during recessions than white males and both fare worse than female heads. Associated with these recession-induced rises in unemployment are losses in family income which are only partially compensated for by unemployment insurance and other charges in transfers and taxes. Gramlich and Swift find that these losses are also unevenly distributed. In short, those drafted to fight the war against inflation in our society tend to be those who can least afford to pay the costs.

It is unlikely, of course, that such a full-blown version of Thatcherism will be tried in America. The current Administration was elected on a mandate to get the economy moving again, and in fact their forecasts are for lower rather than higher unemployment rates over the next few years.

What they need is an anti-inflation policy which is consistent with this growth agenda, and the simple fact is that there may not be one. My own view is that some rethinking of the basic strategy will have to occur. It could involve some combination of demand restraint, an incomes policy, targeted investment incentives to improve productivity, and various measures to control and contain inflationary shocks.

Most importantly, if we are going to cut taxes, we should do so in ways which are counterinflationary. Returning much of the fiscal burden for social programs to the states may require them to raise (or maintain) sales and property taxes with inflationary results. As a partial offset for this and other sources of inflation, I would favor a reduction in payroll taxes. This would stimulate employment, reduce business costs and prices, and make the tax structure more equitable. Alternatively, some consideration might be given to an expanded employment tax credit for businesses which are increasing the size of their work force. If properly designed and implemented, I believe that such a program could be an effective way to increase output and job opportunities in a noninflationary way.

Representative REUSS. Thank you, Ms. Sawhill.

Let's start out with the astounding point you were making, that under the Reagan program for the working poor, people at the bottom end of the income distribution, the cutbacks in various benefit programs proposed by the administration and ordained by the House yesterday in its budget vote, will raise the marginal tax rates on the earn-

ings of welfare recipients to the level of 98 or 99 percent. There is a lot of talk now about how awful the 70-percent rate on rich people for their unearned income is, and that it ought to be reduced.

Do I undersand you right? Under the Reagan program the effective marginal tax rate for working poor would be 99 percent?

Ms. SAWHILL. I believe, on the average, it is close to 100 percent. I believe there is quite a bit of variation around that average, depending upon the particular circumstances of the family.

I base this finding in large measure on the study that was done by the Center for the Study of Social Welfare at the University of Chicago, which has been much reported in the press. However, I did make a phone call to the relevant experts in the Department of Health and Human Services to try to pin down those numbers more carefully. And although they gave me lots of caveats about the variability around the average and about how the results might be different for the first 4 months than for subsequent periods, they did not believe that this was too far off base. However, I would be happy to try to pin that down further, if that would be helpful.

Representative REUSS. You have done a good job of pinning it down. Because of food stamps and similar transfer programs, a member of the working poor—a working mother, let us say—is now able to keep about 30 cents of every dollar. When you cut the food stamp program and other transfer programs, she will be able to keep only a penny or two, which means a marginal tax rate of 98 or 99 percent.

Can you envision circumstances in which the tax rate for a working poor person might be completely confiscatory—100 percent or over?

Ms. SAWHILL. Definitely. The other thing I would like to——

Representative REUSS. Could you construct such a case? It would be a mother with, let us say, two or three very young children, who currently is able to find day care facilities and work at a job in a motel or hotel in domestic service; is that what we're talking about?

Ms. SAWHILL. Yes.

Representative REUSS. Can you fill out that outline a little bit?

Ms. SAWHILL. I think that is the prototypical case. Someone earning perhaps close to the minimum wage in a low-level job, who has, perhaps, multiple benefits, not only AFDC but food stamps, medicaid, and so forth, and who, once you do all of the arithmetic on how much better off they are if they go to work, based on the kind of benefits that they are going to lose, and based on the fact that they have certain work-related expenses, including day care, then I think the bottom line is that that individual is not necessarily very much better off, and could, in some cases, actually be worse off as a result of having gone to work.

Now, when the administration is asked why they are not concerned about this, their response seems to be that—

> We are going to have a work fare type program in which people are simply going to be required to work, to earn their welfare benefits. And therefore, one does not need these financial incentives.

It has occurred to me, a little bit tongue in cheek, but I think there is an element of seriousness to it, that at the top of the income scale, where we also seem to be concerned about marginal tax rates of 70

percent—that one possibility would be to create a requirement for saving, perhaps as a quid pro quo for a certain amount of tax cut.

Representative REUSS. What would you think of work fare for coupon clippers, that is, let's say, the earners of unearned income who, under even the Democratic program, would have their income tax marginal rate cut from 70 percent to 50 percent?

And this is unearned income, meaning they don't have to do anything more than to open an envelope for their stock dividend, or clip the coupon on the bond. Do you think they should be subjected to the same work fare requirements that the administration is subjecting the working poor to?

Ms. SAWHILL. From each according to his ability; to each according to his needs. And I think the ability at the top end of the income scale is to provide greater savings, which can then flow into investment. I do not know what kinds of work skills exist amongst the leisured class. They may not be very great.

But we do know they have the capacity to provide the financing for the increased investment that we are going to need both for defense purposes, for energy purposes, and in general to make our economy more internationally competitive. And we could ask them to make some contribution in that area.

Representative REUSS. Getting back to the nature of these work fare jobs that are supposed to be offered welfare recipients, how are they likely to compare in their educational contributions with, say, the CETA jobs, which are being completely phased out?

Ms. SAWHILL. As you know, in the last reauthorization of CETA, there was a requirement for a certain amount of training in at least the structural component of the PSE program. I think that was definitely a step in the right direction.

And the work fare proposal moves away from that, again. The jobs would likely not have an educational or a training component. For one thing, I don't believe there is any provision for any administrative or supervisory expenses. And if you go out into the field and hold hearings with local program operators—and I have been involved in a large number of such hearings—one of their constant complaints is that the cost of providing supervision and training are much higher than the Federal Government is normally willing to finance.

And when work fare was tried in California, my understanding is that local officials did not want to have anything to do with the program, because it was very hard to find jobs for these welfare recipients, particularly since they were not given any funding of this sort.

Representative REUSS. You, in your testimony, mentioned that the Federal Government compared with certain European countries has not done very much to subsidize training by private firms. Can you refer to any specific foreign programs that you think have some applicability in this country?

Ms. SAWHILL. We had a visit just recently from the Deputy Director of the Institute of Management in Berlin, who gave a seminar on their employment and training programs.

In 1979, they actually introduced what they call the 500 million deutsche mark program. It was so oversubscribed in the first month

that they ended up spending twice that much on it. It was a combination of employment and training activities, but a major activity was simply providing subsidies to private firms to train and retrain workers in what I would call blue collar skills.

There are any number of other examples of where European countries have done something similar. And it has always seemed ironical to me that in a country in the world that considers itself more capitalist than any other we have been afraid to subsidize training or employment in the private sector for fear that this will provide great windfall gains for business; whereas in Europe, they have no hesitation about doing this at all.

And when you talk to them and you ask them about this problem, their whole attitude is: Well, of course there are going to be some windfall gains. There wouldn't be any incentive for private sector firms to participate if there wasn't some benefit. And besides, there is no way to prevent it entirely. Moreover, you have tremendous windfall gains when you provide subsidies for capital investment. But we do not seem to worry about it quite as much in that case.

Representative REUSS. Turning to our system of vocational education in this country, can you suggest any changes or improvements in that which would better prepare workers for jobs that will actually exist in the decade ahead?

Ms. SAWHILL. Our current vocational education efforts at the secondary school level do not appear to have been very successful.

Their impact on labor market prospects for young men appear to be virtually nil relative to people who go through a general academic curriculum. For young women, they seem to have somewhat more impact, but that is because young women are being trained in clerical skills, which are general enough to be marketed almost anywhere. The problem in this case is that vocational education perpetuates occupational segregation by sex.

The programs at the postsecondary level, particularly in some community colleges and some proprietary training programs, seem to be somewhat more effective. I think the general problem has been that these programs have not been sufficiently linked to the jobs that are available. At the secondary level, they are being taught by people who may be out of touch with what is going on in the labor market and with the most recent equipment and techniques.

There are a number of ways in which I think the program could be improved. I think we ought to have more discussion and debate about using some sort of voucher system, similar to the GI bill, in which you provide individuals with training vouchers and then let them choose what they think best meets their needs, perhaps with some protections in the way of certification of training programs provided by the Government.

Representative REUSS. When you take the entire administration program, the social spending cuts, the military spending increases, the monetary policy and the proposed tax cut, does that affect women in any way differently from the population as a whole? Better or worse.

Ms. SAWHILL. It is hard to come up with a global assessment. I believe I have tried to mention a number of areas where they might be impacted somewhat differently. I guess the most general comment one

can make is that the poverty population in this country is overwhelmingly female. About half, I believe, of all families in poverty are headed by women. So any budget cuts or tax cuts which have a regressive impact are going to disproportionately hurt both women and minorities. I think we know that both the tax and budget changes are somewhat regressive.

Representative REUSS. You point out in your prepared statement that reducing inflation from its present rate of 11 percent to 8.3 percent predicted by the administration for 1982, by demand restraint alone, would require letting the unemployment rate rise to about 12 percent. It is demand restraint alone, is it not, which is the administration's anti-inflationary program?

Ms. SAWHILL. I added the caveat, because we could be lucky. We could have some favorable supply shocks, which would bring the inflation rate down, without any demand restraint. The thing I always worry about in cases like that is that the public will assume a causal relationship when it was not necessarily the demand restraint that improved the inflation picture.

Representative REUSS. I do not believe that the administration, in reaching its 8.3 inflation prediction for 1982, predicated that prediction on any exogenous pieces of good luck. They assumed that outside shocks would be about as they have been.

So you are saying that if we have just about the same amount of outside inflationary shocks that we have had, no more and no less, with the economic policy of a very large tax cut, considerable increases in military spending and decreases in social spending of the orders mentioned in the budget resolution yesterday, and with the rate of new money creation such as one would have at the present level over the next 4 or 5 years, you see 12-percent unemployment instead of that predicted by the administration.

Ms. SAWHILL. I don't find the projections for inflation and unemployment consistent with each other. My 12 percent is a hypothetical figure. I certainly am not arguing that it is necessarily going to happen; I am simply pointing out that is what it would take to get the inflation rate down by that much without some favorable effects from somewhere else.

Now, there is one footnote that I would like to add here, since you have raised the issue. It does seem to me that the economy has a lot of slack right now and that if we do begin to move toward a fuller employment economy, that could reduce unit labor costs if we got the normal cyclical improvement in productivity that we have come to expect. A cyclical upturn in productivity could help a little bit on the inflation front.

So in a more elaborate story, I guess I would weave in that possible impact as well. In other words, I do think there is some possible help coming from the supply side. I just don't think the improvements in productivity are going to come mainly from cuts in marginal tax rates and increases in the size of the labor force and investment spending, 3 and 4 years from now.

Representative REUSS. Speaking of productivity increases, there was a pleasant one in the first 3 months of this year, on the order of 3 percent, to everyone's surprise.

That, obviously, was not the result of anything that the Reagan administration did, because it had just come into power.

I would be sufficiently bipartisan to say that it was not the result of anything that the Carter administration did either.

Regardless, it is great. Can you suggest what may have caused it so that we can do some more of it?

My best thought is that the economy was a little stronger than people had thought. And an extraordinarily good way of getting better productivity is to operate at a better rate of plant utilization, which did occur, to everyone's surprise.

Ms. SAWHILL. I don't really know what caused that. I have only read the newspaper stories about it and have gotten the impression that there might have been some flukes in the data for that quarter. I am afraid I have not got any particular wisdom on the topic.

Representative REUSS. You have made a very considerable contribution to our studies here.

And the sad news, of course, of your testimony is that you have refined and pinpointed what was already known here in a general way, that if you have a policy that adds to unemployment, blacks, women, and poor are going to get hurt most.

You have also enlightened us a good deal on the true marginal tax rate on very-low-income people and the fact that, under the administration's program, their marginal tax rate is going to be something like 100 percent, in what then becomes a so-called work incentive.

You have been most helpful, and we are grateful.

Ms. SAWHILL. Thank you very much, Mr. Chairman.

Representative REUSS. We now stand adjourned.

[Whereupon, at 10:52 a.m., the committee adjourned, subject to the call of the Chair.]

EMPLOYMENT-UNEMPLOYMENT

FRIDAY, JUNE 5, 1981

CONGRESS OF THE UNITED STATES,
JOINT ECONOMIC COMMITTEE,
Washington, D.C.

The committee met, pursuant to notice, at 10:02 a.m., in room 2154, Rayburn House Office Building, Hon. Henry S. Reuss (chairman of the committee) presiding.

Present: Representative Reuss.

Also present: James K. Galbraith, executive director; and William R. Buechner, Mary E. Eccles, William Keyes, and Mark R. Policinski, professional staff members.

OPENING STATEMENT OF REPRESENTATIVE REUSS, CHAIRMAN

Representative REUSS. Good morning. The Joint Economic Committee will be in order for its monthly inquiry into the state of the labor market.

We are grateful again to Ms. Janet Norwood, Commissioner of the Bureau of Labor Statistics, who is before us with the figures and an explanation therefor.

Commissioner Norwood, welcome. And would you introduce again your two associates, and then tell us what you have to tell us.

STATEMENT OF HON. JANET L. NORWOOD, COMMISSIONER, BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR, ACCOMPANIED BY W. JOHN LAYNG, ASSOCIATE COMMISSIONER, OFFICE OF PRICES AND LIVING CONDITIONS; AND JOHN E. BREGGER, CHIEF, DIVISION OF CURRENT EMPLOYMENT AND UNEMPLOYMENT ANALYSIS

Ms. NORWOOD. Thank you, Mr. Chairman. On my right is John Layng, who is Associate Commissioner of the Bureau of Labor Statistics for Prices and Living Conditions. And on my left is Jack Bregger, who heads our work on unemployment and employment analysis.

I am of course, as always, happy to be here this morning to offer the Joint Economic Committee a few brief comments to supplement the employment situation and producer price indexes press releases issued by the Bureau of Labor Statistics this morning at 9 a.m.

After holding steady for several months, unemployment rose in May. The overall jobless rate moved from 7.3 to 7.6 percent, with in-

creases registered for adult men and women, full- and part-time workers, and persons of Hispanic origin. The rates for teenagers and blacks remained essentially unchanged over the month.

The civilian labor force continued the rapid growth that has been evident over the past few months. Over the past year, the labor force has grown by 2.3 million. Total employment, as measured in the household survey, grew more than expected at this time of year and, after seasonal adjustment, was up 260,000, with most of the gain occurring among adult women. The proportion of the population 16 years and older with jobs reached 59.0 percent in May.

The number of employees on the payrolls of nonfarm businesses, after seasonal adjustment, was unchanged at 91.5 million. An employment decline in the construction industry was about offset by increases in services and retail trade. The jobless rate for workers in the construction industry rose to 16.3 percent, the highest since last August. The May employment increase in retail trade returned that industry to its February level, while services continued the pattern of growth in recent months. Employment in the services industry was up 700,000 from last summer.

Employment in manufacturing was about unchanged over the month, with small, generally offsetting movements occurring among the specific industries. The factory workweek edged up another one-tenth of an hour to 40.2 hours, and overtime rose from 2.9 to 3.1 hours.

Thus, the household survey showed an increase in employment and the establishment survey showed little change. The two major employment series, therefore, did not agree this month. We now have some preliminary evidence to show that, when the customary annual revision of the establishment data is completed next Monday—adjustment for a more recent benchmark or comprehensive count of employment and updated seasonal factors—the employment data from this survey will probably show a somewhat different trend for the last few months. I anticipate that the revised establishment series will show a sustained period of slow growth since the series low in July.

WHO ARE THE UNEMPLOYED?

Whatever the levels of unemployment, there is always concern about the characteristics of the jobless. In May, 43 percent of the unemployed were adult men, 35 percent were adult women, and the remaining 22 percent were teenagers. While the female share of unemployment has been generally rising over time as women's labor force participation has increased, the 1980 cutbacks in the goods-producing sector caused a relatively greater increase in joblessness among men. Thus, women today comprise a somewhat smaller share of unemployment than they did in the 1977–79 period.

Half of the unemployed in May had lost their last job. Of these, about one-third were on layoff expecting to be recalled at some future date, and the other two-thirds had been permanently separated from their former employer. Persons who had voluntarily left their last job, "job leavers," comprised about 12 percent of the unemployed and persons newly entering or reentering the labor force, 38 percent.

In terms of duration, nearly 15 percent of the unemployed had been jobless for more than 26 weeks and another 13 percent for a period of 15 to 26 weeks. At the other end of the spectrum, about 40 percent of the unemployed had been jobless for less than 5 weeks.

As the duration distribution suggests, there is considerable turnover in the ranks of the unemployed from month to month. Typically, in any given month, about half of the unemployed are new to that situation. Some of them have just entered the labor force in search of a job, while others have lost or left a job they had held in the previous month. Similarly, of the total number of persons who had been unemployed in that previous month, a little more than a quarter will have found employment, and a little less than a quarter will have left the labor force, perhaps to attend school, devote full time to homemaking, or go into retirement.

PRICES

Both the Consumer Price Index and Producer Price Indexes have shown substantial improvement in recent months. The CPI for April increased 0.4 percent as retail energy prices slowed, and food prices continued to show little or no change. The PPI for May, which was released this morning, showed improvement for the second month in a row. The May increase—0.4 percent—was only half as large as the April rise and was the smallest increase so far this year. Prices of finished energy goods at the producer level dropped 0.5 percent, and prices of consumer nondurable goods other than food and energy increased 0.3 percent. Nevertheless, prices of consumer durable goods and capital equipment continued to rise sharply.

The slowdown in finished goods prices in May was accompanied by moderation at the intermediate and crude stages of processing. Prices of intermediate materials rose 0.5 percent in May, considerably less than in most recent months. Price increases moderated for a variety of materials such as construction materials, energy products used in the production of goods and services, and some materials and components used in manufacturing.

Nevertheless, large price increases continued to occur for some products, particularly those derived from petroleum. Large price increases were recorded for industrial chemicals, fibers and yarns, paint materials, and fertilizers. In addition, prices of materials used in the manufacture of durable goods continued to increase sharply in May.

At the crude stage of production, prices declined 0.5 percent and prices of crude foodstuffs and feedstuffs fell 2.2 percent. The decrease in crude food and feed items was the fifth seasonally adjusted decrease in the last 6 months. Prices declined for many items including coffee and cocoa beans, raw sugar, cattle, hogs, wheat, and corn. Prices of other crude materials, however, continued to rise in May. Prices of crude petroleum and coal edged down, but natural gas and most nonenergy crude materials increased.

WAGES AND PRODUCTIVITY

Last week, the BLS released productivity and wage data covering the first quarter of 1981. The Employment Cost Index showed a

marked acceleration in employee compensation—wages, salaries, and employers costs of worker benefits. In addition to increases in wage and salary rates, the acceleration reflected the change in the minimum wage as well as the increase in employer payments for employees' social security. Wages and salaries for nonunion workers rose at about twice the rate for the unionized sector.

Productivity data, revised on the basis of the latest estimates of GNP, showed a substantial increase in the first quarter of 1981. The latest measures show a productivity increase of 4.3 percent in the private business sector. This productivity gain reflected the very large first-quarter increase in output. Since employment and hours in April and May have changed little from the first quarter, the outlook for productivity in the coming months will depend largely on what happens to output.

In summary, the data released by BLS today show that employment is continuing to grow but at a relatively slow pace. The labor force, which increased very little in 1980, has grown rapidly over the last few months. Employment in May did not keep up with the pace of labor force growth, and unemployment rose.

Prices at both the producer and consumer level have improved substantially in recent months. This trend was evident in the May Producer Price Indexes. Although prices of capital equipment continued to rise, food prices showed little change and energy prices declined sharply.

My colleagues and I will now be glad to answer any questions you may have, Mr. Reuss.

[The table attached to Ms. Norwood's statement, together with the press releases referred to, follows:]

UNEMPLOYMENT RATES BY ALTERNATIVE SEASONAL ADJUSTMENT METHODS

Month and year	Unadjusted rate	X-11 ARIMA method					X-11 method (former official method)	Range (cols. 2-7)
		Official	Concurrent	Stable	Total	Residual		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1980:								
May	7.0	7.6	7.6	7.7	7.7	7.3	7.6	0.4
June	7.8	7.5	7.5	7.4	7.4	7.3	7.6	.3
July	7.9	7.6	7.6	7.8	7.6	7.5	7.8	.3
August	7.5	7.6	7.6	7.7	7.5	7.5	7.7	.2
September	7.1	7.4	7.4	7.4	7.3	7.3	7.5	.2
October	7.1	7.6	7.6	7.6	7.5	7.5	7.6	.1
November	7.1	7.5	7.5	7.5	7.5	7.5	7.5	----------
December	6.9	7.4	7.4	7.4	7.4	7.4	7.3	.1
1981:								
January	8.2	7.4	7.5	7.4	7.5	7.6	7.4	.2
February	8.0	7.3	7.4	7.2	7.4	7.6	7.2	.4
March	7.7	7.3	7.4	7.2	7.3	7.7	7.2	.5
April	7.0	7.3	7.3	7.3	7.3	7.3	7.3	----------
May	7.1	7.6	7.5	7.7	7.8	7.4	7.7	.4

Explanation of Column Heads

(1) Unadjusted rate.—Unemployment rate not seasonall adjustedy.

(2) Official rate (X-11 ARIMA method).—The published seasonally adjusted rate. Each of the 3 major labor force components—agricultural employment, nonagricultural employment and unemployment—for 4 age-sex groups—males and females, ages 16 to 19 and 20 yr and over—are seasonally adjusted independently using data from January 1967 forward. The data series for each of these 12 components are extended by a year at each end of the original series using ARIMA (autoregressive, integrated, moving average) models chosen specifically for each series. Each extended series is then seasonally adjusted with the X-11 portion of the X-11 ARIMA program. The 4 teenage unemployment and nonagricultural employment components are adjusted with the additive adjustment model, while the other components are adjusted

with the multipilcative model. A prior adjustment for trend is applied to the extended series for adult male unemployment before seasonal adjustment. The unemployment rate is computed by summing the 4 seasonally adjusted unemployment components and calculating that total as a percent of the civilian labor force total derived by summing all 12 seasonally adjusted components. All the seasonally adjusted series are revised at the end of each year. Extrapolated factors for January-June are computed at the beginning of each year; extrapolated factors for July-December are computed in the middle of the year after the June data become available. Each set of 6-mo factors are published in advance, in the January and July issues, respectively, of "Employment and earnings."

(3) Concurrent (X-11 ARIMA method).—The procedure for computation of the official rate using the 12 components is followed except that extrapolated factors are not used at all. Each component is seasonally adjusted with the X-11 ARIMA program each month as the most recent data become available. Rates for each month of the current year are shown as first computed; they are revised only once each year, at the end of the year when data for the full year become available. For example the rate for January 1980 would be based, during 1980, on the adjustment of data from the period January 1967 through January 1980. Since the revision pattern and procedure for computation of the rate are identical to the official procedure, the results of this method will be identical to the official rate at the end of each year when the most recent observation is December.

(4) Stable (X-11 ARIMA method).—Each of the 12 labor force components is extended using ARIMA models as in the official procedure and then run through the X-11 part of the program using the stable option. This option assumes that seasonal patterns are basically constant from year-to-year and computes final seasonal factors as unweighted averages of all the seasonal-irregular components for each month across the entire span of the period adjusted. As in the official procedure, factors are extrapolated in 6-mo intervals and the series are revised at the end of each year. The procedure for computation of the rate from the seasonally adjusted components is also identical to the official procedure.

(5) Total (X-11 ARIMA method).—This is one alternative aggregation procedure, in which total unemployment and labor force levels are extended with ARIMA models and directly adjusted with multiplicative adjustment models in the X-11 part of the program. The rate is computed by taking seasonally adjusted total unemployment as a percent or seasonally adjusted total civilian labor force. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(6) Residual (X-11 ARIMA method).—This is another alternative aggregation method, in which total employment and civilian labor force levels are extended using ARIMA models and then directly adjusted with multiplicative adjustment models. The seasonally adjusted unemployment level is derived by subtracting seasonally adjusted employment from seasonally adjusted labor force. The rate is then computed by taking the derived unemployment level as a percent of the labor force level. Factors are extrapolated in 6-mo intervals and the series revised at the end of each year.

(7) X-11 method (former official method).—The procedure for computation of the official rate is used except that the series are not extended with ARIMA models and the factors are projected in 12-mo intervals. The standard X-11 program is used to perform the seasonal adjustment.

Methods of adjustment.—The X-11 ARIMA method was developed at Statistics Canada by the seasonal adjustment and times series staff under the direction of Estela Bee Dagum. The method is described in the "X-11 ARIMA Seasonal Adjustment Method," by Estela Bee Dagum. Statistics Canada Catalog No. 12-564E, February 1980.

The standard X-11 method is described in "X-11 Variant of the Census Method II Seasonal Adjustment Program," by Julius Shiskin, Alan Young, and John Musgrave (Technical Paper No. 15, Bureau of the Census, 1967).

Source: U.S. Department of Labor, Bureau of Labor Statistics, June 1981.

News
United States Department of Labor
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THE EMPLOYMENT SITUATION: MAY 1981

Unemployment rose in May, while the two major employment series showed differing movements, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. The jobless rate in May, at 7.6 percent, was up from the 7.3 percent registered during the prior 3 months.

The series on total employment--derived from the monthly survey of households--increased by 260,000 in May. In contrast, the series on nonfarm payroll employment--derived from the monthly survey of establishments--was unchanged over the month. Although developments in the two series have been dissimiliar in recent months, both have shown strength over the past year.

Unemployment

The number of unemployed workers rose by 425,000 on a seasonally adjusted basis to 8.2 million in May. Increases occurred among persons on layoff and those permanently separated from their last jobs (job losers), workers who voluntarily left their last jobs, and those who reentered the labor force after a period of absence. (See tables A-1 and A-7.)

The overall unemployment rate was 7.6 percent in May, 0.3 percentage point above the February-April level. This increase followed 5 months of relative stability and returned the rate to the 1980 peak last recorded in October. Jobless rate increases were registered among most worker groups. The rate for adult men (6.3 percent), which had been edging down over the past few months, returned to its late-1980 level; the increase was especially sharp among 20-24 year olds. Jobless increases for women were among those 25-54 years of age. Rates for whites (6.8 percent) and Hispanics (10.2 percent) rose in May, and substantial increases also occurred

for full-time workers (7.[illegible] percent) and for workers in the construction (16.3 percent) and trade industries (8.4 percent). On the other hand, unemployment rates for teenagers (19.5 percent) and black and other workers (13.6 percent) were little changed over the month. (See tables A-2, A-5, and A-9.)

As usually occurs with a rise in unemployment, the number of persons out of work for less than 5 weeks also increased. As a result of this movement, the average (mean) duration of unemployment fell half a week to 13.2 weeks, its lowest level since last September. The median duration of joblessness followed suit, dropping to 7.1 weeks. (See table A-6.)

Table A. Major indicators of labor market activity, seasonally adjusted

Category	Quarterly averages			Monthly data			Apr. - May change
	1980		1981	1981			
	I	IV	I	Mar.	Apr.	May	
HOUSEHOLD DATA							
	Thousands of persons						
Civilian labor force	104,217	105,173	105,800	106,177	106,722	107,406	684
Total employment	97,718	97,276	98,012	98,412	98,976	99,235	259
Unemployment	6,499	7,897	7,788	7,764	7,746	8,171	425
Not in labor force	58,999	59,906	59,820	59,598	59,219	58,739	-480
Discouraged workers	949	1,055	1,115	N.A.	N.A.	N.A.	N.A.
	Percent of labor force						
Unemployment rates:							
All workers	6.2	7.5	7.4	7.3	7.3	7.6	0.3
Adult men	4.8	6.3	6.0	5.9	5.8	6.3	0.5
Adult women	5.8	6.7	6.6	6.6	6.6	6.8	0.2
Teenagers	16.4	18.3	19.1	19.1	19.1	19.5	0.4
White	5.5	6.6	6.6	6.5	6.5	6.8	0.3
Black and other	11.8	14.1	13.2	13.7	13.2	13.6	0.4
Hispanic origin	9.3	10.2	11.3	10.7	9.1	10.2	1.1
Full-time workers	5.8	7.3	7.1	7.1	6.9	7.3	0.4
ESTABLISHMENT DATA							
	Thousands of jobs						
Nonfarm payroll employment	91,120	90,932	91,613	91,705	91,490p	91,474p	-16p
Goods-producing industries	26,605	25,780	26,013	26,010	25,830p	25,678p	-152p
Service-producing industries	64,516	65,152	65,600	65,695	65,660p	65,796p	136p
	Hours of work						
Average weekly hours:							
Total private nonfarm	35.5	35.4	35.4	35.4	35.4p	35.3p	-0.1p
Manufacturing	40.1	39.9	40.1	40.0	40.1p	40.2p	0.1p
Manufacturing overtime	3.1	2.9	3.0	2.9	2.9p	3.1p	0.2p

p=preliminary. N.A.=not available.

Total Employment and the Labor Force

Total employment rose by 260,000 in May (after adjustment for seasonal variation) to 99.2 million. Adult women accounted for most of this increase. Since May 1980, total employment has grown by 2.1 million, with adult women comprising two-thirds of the gain. (See table A-1.)

The civilian labor force grew by 680,000 over the month to 107.4 million. This increase was attributable to both adult men and women. At 64.6 percent, the labor force participation rate for all workers surpassed its previous all-time high.

Industry Payroll Employment

Nonfarm payroll employment rose in line with normal seasonal expectations in May and, after adjustment for seasonality, was unchanged from the April level of 91.5 million. There were some offsetting movements, however, as employment rose markedly in both the trade and services industries, while there were reductions in construction and government. (See table B-1.)

The decline in construction jobs totaled 125,000, and, while in part a result of strike activity, it primarily reflected a continuing deterioration in the industry. After posting increases throughout the last half of 1980, construction employment has decreased steadily since January of this year.

Manufacturing employment was basically unchanged over the month. Movements among the individual industries were generally small and offsetting, with machinery employment posting the largest gain--about 15,000--and transportation equipment the biggest decline--also 15,000. Over the longer term, machinery and electrical equipment have shown consistent growth since their low points of last summer.

Employment in mining remained at the April level of 950,000. Employment was off by about 160,000 in both months as a result of the coal miners' strike.

Job growth continued in the services industry, as employment rose by 90,000 over the month. Retail trade employment increased by 75,000, recouping most of the job loss posted between March and April. Elsewhere in the service-producing sector, there was a small gain in finance, insurance, and real estate, while employment in government edged down.

Hours of Work

The average workweek of production or nonsupervisory workers on private nonagricultural payrolls edged down a tenth of an hour in May to 35.3 hours, while the manufacturing workweek, at 40.2 hours, was up a tenth. Factory overtime rose 0.2 hour to 3.1 hours. (See table B-2.) There has been little change in total private hours since last October, while manufacturing hours have generally continued to rise.

Reflecting the slight decline in the average workweek, the index of aggregate weekly hours of production or nonsupervisory workers on private nonfarm payrolls decreased 0.3 percent in May to 125.9 (1967=100). The manufacturing index was little changed over the month. The two indexes were up by 2.0 and 2.8 percent, respectively, over the past year. (See table B-5.)

Hourly and Weekly Earnings

Average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls rose 0.6 percent over the month (seasonally adjusted). Average weekly earnings were up 0.3 percent from April. Before adjustment for seasonality, average hourly earnings increased 3 cents in May to $7.16, 59 cents above the year-earlier level. Average weekly earnings were $252.03, up $1.05 from April and $22.08 from May 1980. (See table B-3.)

The Hourly Earnings Index

The Hourly Earnings Index--earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries--was 271.5 (1967=100) in May, 0.6 percent higher than in April. The Index was 9.4 percent above May a year ago. In dollars of constant purchasing power, the Index decreased 0.4 percent during the 12-month period ended in April. (See table B-4.)

Revisions of Establishment-Based Series for June 1981

The establishment-based series on employment, hours, and earnings in next month's Employment Situation release of June data will reflect the annual revisions to new benchmark levels and updated seasonal adjustment factors. At the same time, the indexes of aggregate hours and hourly earnings will be converted to a 1977 base year.

Chart 1. Civilian labor force and employment
(Seasonally adjusted)

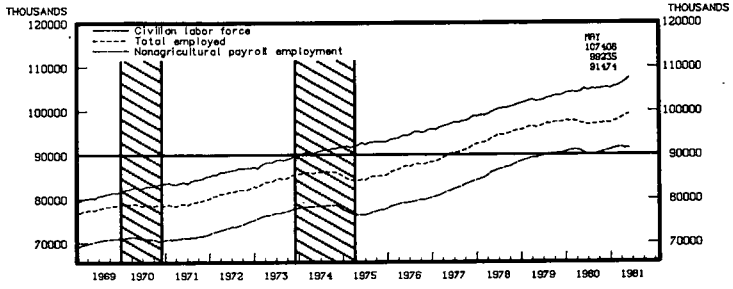


Chart 2. Unemployment rate--all civilian workers

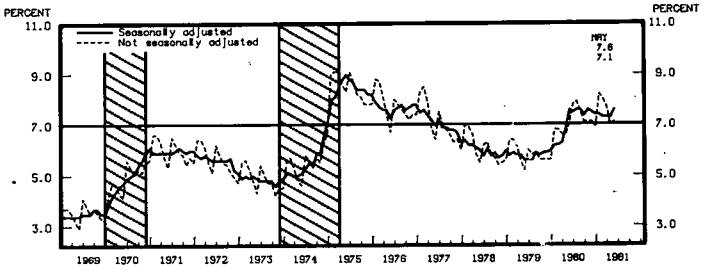
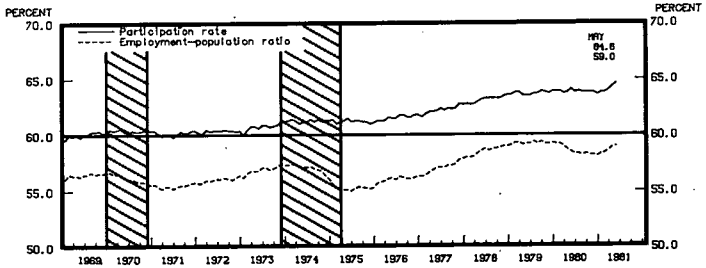


Chart 3. Civilian labor force participation rate
and total employment-population ratio
(Seasonally adjusted)



Note: The shaded areas depict the business cycle peaks and troughs as designated by the National Bureau of Economic Research.

Explanatory Note

This news release presents statistics from two major surveys, the Current Population Survey (household survey) and the Current Employment Statistics Survey (establishment survey). The household survey provides the information on the labor force, total employment, and unemployment that appears in the A tables, marked HOUSEHOLD DATA. It is a sample survey of about 60,000 households that is conducted by the Bureau of the Census with most of the findings analyzed and published by the Bureau of Labor Statistics (BLS).

The establishment survey provides the information on the employment, hours, and earnings of workers on nonagricultural payrolls that appears in the B tables, marked ESTABLISHMENT DATA. This information is collected from payroll records by BLS in cooperation with State agencies. The sample includes approximately 166,000 establishments employing about 35 million people.

For both surveys, the data for a given month are actually collected for and relate to a particular week. In the household survey, unless otherwise indicated, it is the calendar week that contains the 12th day of the month, which is called the survey week. In the establishment survey, the reference week is the pay period including the 12th, which may or may not correspond directly to the calendar week.

The data in this release are affected by a number of technical factors, including definitions, survey differences, seasonal adjustments, and the inevitable variance in results between a survey of a sample and a census of the entire population. Each of these factors is explained below.

Coverage, definitions and differences between surveys

The sample households in the household survey are selected so as to reflect the entire civilian noninstitutional population 16 years of age and older. Each person in a household is classified as employed, unemployed, or not in the labor force. Those who hold more than one job are classified according to the job at which they worked the most hours.

People are classified as *employed* if they did any work at all as paid civilians; worked in their own business or profession or on their own farm; or worked 15 hours or more in an enterprise operated by a member of their family, whether they were paid or not. People are also counted as employed if they were on unpaid leave because of illness, bad weather, disputes between labor and management, or personal reasons.

People are classified as *unemployed,* regardless of their eligibility for unemployment benefits or public assistance, if they meet all of the following criteria: They had no employment during the survey week; they were available for work at that time; and they made specific efforts to find employment sometime during the prior 4 weeks. Also included among the unemployed are persons not looking for work because they were laid off and waiting to be recalled and those expecting to report to a job within 30 days.

The *civilian labor force* equals the sum of the number employed and the number unemployed. The *unemployment rate* is the percentage of unemployed people in the civilian labor force. Table A-4 presents a special grouping of seven measures of unemployment based on varying definitions of unemployment and the labor force. The definitions are provided in the table. The most restrictive definition yields U-1, and the most comprehensive yields U-7. The official unemployment rate is U-5.

Unlike the household survey, the establishment survey only counts wage and salary employees whose names appear on the payroll records of nonagricultural firms. As a result, there are many differences between the two surveys, among which are the following:

---The household survey, although based on a smaller sample, reflects a larger segment of the population; the establishment survey excludes agriculture, the self-employed, unpaid family workers, and private household workers;

---The household survey includes people on unpaid leave among the employed; the establishment survey does not;

---The household survey is limited to those 16 years of age and older; the establishment survey is not limited by age;

---The household survey has no duplication of individuals, because each individual is counted only once; in the establishment survey, employees working at more than one job or otherwise appearing on more than one payroll would be counted separately for each appearance.

Other differences between the two surveys are described in "Comparing Employment Estimates from Household and Payroll Surveys," which may be obtained from the BLS upon request.

Seasonal adjustment

Over a course of a year, the size of the Nation's labor force and the levels of employment and unemployment undergo sharp fluctuations due to such seasonal events as changes in weather, reduced or expanded production, harvests, major holidays, and the opening and closing of schools. For example, the labor force increases by a large number each June, when schools close and many young people enter the job market. The effect of such seasonal variation can be very large; over the course of a year, for example, seasonality may account for as much as 95 percent of the month-to-month changes in unemployment.

Because these seasonal events follow a more or less regular pattern each year, their influence on statistical trends can be eliminated by adjusting the statistics from month to month. These adjustments make nonseasonal developments, such as declines in economic activity or

increases in the participation of women in the labor force, easier to spot. To return to the school's-out example, the large number of people entering the labor force each June is likely to obscure any other changes that have taken place since May, making it difficult to determine if the level of economic activity has risen or declined. However, because the effect of students finishing school in previous years is known, the statistics for the current year can be adjusted to allow for a comparable change. Insofar as the seasonal adjustment is made correctly, the adjusted figure provides a more useful tool with which to analyze changes in economic activity.

Measures of civilian labor force, employment, and unemployment contain components such as age and sex. Statistics for all employees, production workers, average weekly hours, and average hourly earnings include components based on the employer's industry. All these statistics can be seasonally adjusted either by adjusting the total or by adjusting each of the components and combining them. The second procedure usually yields more accurate information and is therefore followed by BLS. For example, the seasonally adjusted figure for the civilian labor force is the sum of eight seasonally adjusted employment components and four seasonally adjusted unemployment components; the total for unemployment is the sum of the four unemployment components; and the official unemployment rate is derived by dividing the resulting estimate of total unemployment by the estimate of the civilian labor force.

The numerical factors used to make the seasonal adjustments are recalculated regularly. For the household survey, the factors are calculated for the January-June period and again for the July-December period. The January revision is applied to data that have been published over the previous 5 years. For the establishment survey, updated factors for seasonal adjustment are calculated only once a year, along with the introduction of new benchmarks which are discussed at the end of the next section.

Sampling variability

Statistics based on the household and establishment surveys are subject to sampling error, that is, the estimate of the number of people employed and the other estimates drawn from these surveys probably differ from the figures that would be obtained from a complete census, even if the same questionnaires and procedures were used. In the household survey, the amount of the differences can be expressed in terms of standard errors. The numerical value of a standard error depends upon the size of the sample, the results of the survey, and other factors. However, the numerical value is always such that the chances are 68 out of 100 that an estimate based on the sample will differ by no more than the standard error from the results of a complete census. The chances are 90 out of 100 that an estimate based on the sample will differ by no more than 1.6 times the standard error from the results of a complete census. At the 90-percent level of confidence--the confidence limits used by BLS in its analyses--the error for the monthly change in total employment is on the order of plus or minus 279,000; for total unemployment it is 194,000; and, for the overall unemployment rate, it is 0.19 percentage point. These figures do not mean that the sample results are off by these magnitudes but, rather, that the chances are 90 out of 100 that the "true" level or rate would not be expected to differ from the estimates by more than these amounts.

Sampling errors for monthly surveys are reduced when the data are cumulated for several months, such as quarterly or annually. Also, as a general rule, the smaller the estimate, the larger the sampling error. Therefore, relatively speaking, the estimate of the size of the labor force is subject to less error than is the estimate of the number unemployed. And, among the unemployed, the sampling error for the jobless rate of adult men, for example, is much smaller than is the error for the jobless rate of teenagers. Specifically, the error on monthly change in the jobless rate for men is .24 percentage point; for teenagers, it is 1.06 percentage points.

In the establishment survey, estimates for the 2 most current months are based on incomplete returns; for this reason, these estimates are labeled preliminary in the tables. When all the returns in the sample have been received, the estimates are revised. In other words, data for the month of September are published in preliminary form in October and November and in final form in December. To remove errors that build up over time, a comprehensive count of the employed is conducted each year. The results of this survey are used to establish new benchmarks—comprehensive counts of employment—against which month-to-month changes can be measured. The new benchmarks also incorporate changes in the classification of industries and allow for the formation of new establishments.

Additional statistics and other information

In order to provide a broad view of the Nation's employment situation, BLS regularly publishes a wide variety of data in this news release. More comprehensive statistics are contained in *Employment and Earnings,* published each month by BLS. It is available for $2.75 per issue or $22.00 per year from the U.S. Government Printing Office, Washington, D.C. 20204. A check or money order made out to the Superintendent of Documents must accompany all orders.

Employment and Earnings also provides approximations of the standard errors for the household survey data published in this release. For unemployment and other labor force categories, the standard errors appear in tables B through J of its "Explanatory Notes." Measures of the reliability of the data drawn from the establishment survey and the actual amounts of revision due to benchmark adjustments are provided in tables M, P, Q, and R of that publication.

HOUSEHOLD DATA

HOUSEHOLD DATA

Table A-1. Employment status of the population by sex and age

(Numbers in thousands)

Employment status, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	May 1980	Apr. 1981	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
TOTAL									
Total noninstitutional population[1]	165,886	168,071	168,272	165,886	167,585	167,747	167,902	168,071	168,272
Armed Forces[1]	2,088	2,129	2,127	2,088	2,125	2,121	2,128	2,129	2,127
Civilian noninstitutional population[1]	163,799	165,941	166,145	163,799	165,460	165,627	165,774	165,941	166,145
Civilian labor force	104,028	105,678	106,347	105,060	105,543	105,681	106,177	106,722	107,406
Participation rate	63.5	63.7	64.0	64.1	63.8	63.8	64.0	64.3	64.6
Employed	96,709	98,282	98,803	97,116	97,696	97,927	98,412	98,976	99,235
Employment-population ratio[2]	58.3	58.5	58.7	58.5	58.3	58.4	58.6	58.9	59.0
Agriculture	3,436	3,257	3,435	3,352	3,403	3,281	3,276	3,463	3,353
Nonagricultural industries	93,273	95,026	95,367	93,764	94,294	94,646	95,136	95,513	95,882
Unemployed	7,319	7,396	7,545	7,944	7,847	7,754	7,764	7,746	8,171
Unemployment rate	7.0	7.0	7.1	7.6	7.4	7.3	7.3	7.3	7.6
Not in labor force	59,771	60,263	59,798	58,739	59,917	59,946	59,598	59,219	58,739
Men, 16 years and over									
Total noninstitutional population[1]	79,472	80,492	80,588	79,472	80,272	80,346	80,415	80,492	80,588
Armed Forces[1]	1,931	1,955	1,953	1,931	1,954	1,950	1,954	1,955	1,953
Civilian noninstitutional population[1]	77,541	78,537	78,635	77,541	78,318	78,396	78,461	78,537	78,635
Civilian labor force	59,901	60,237	60,671	60,457	60,366	60,338	60,628	60,893	61,245
Participation rate	77.3	76.7	77.2	78.0	77.1	77.0	77.3	77.5	77.9
Employed	55,750	56,070	56,528	55,914	56,012	56,045	56,383	56,688	56,718
Employment-population ratio[2]	70.2	69.7	70.1	70.4	69.8	69.8	70.1	70.4	70.4
Unemployed	4,151	4,166	4,143	4,543	4,353	4,293	4,245	4,205	4,527
Unemployment rate	6.9	6.9	6.8	7.5	7.2	7.1	7.0	6.9	7.4
Men, 20 years and over									
Total noninstitutional population[1]	71,083	72,249	72,359	71,083	71,980	72,070	72,155	72,249	72,359
Armed Forces[1]	1,655	1,675	1,673	1,655	1,660	1,657	1,673	1,675	1,673
Civilian noninstitutional population[1]	69,428	70,574	70,687	69,428	70,320	70,413	70,481	70,574	70,687
Civilian labor force	55,156	55,733	56,095	55,440	55,443	55,485	55,816	56,013	56,395
Participation rate	79.4	79.0	79.4	79.9	78.8	78.7	79.2	79.4	79.8
Employed	51,834	52,411	52,790	51,871	52,091	52,134	52,511	52,750	52,889
Employment-population ratio[2]	72.9	72.5	73.0	73.0	72.4	72.3	72.8	73.0	73.0
Agriculture	2,422	2,322	2,391	2,377	2,378	2,289	2,296	2,409	2,349
Nonagricultural industries	49,412	50,090	50,399	49,494	49,713	49,844	50,215	50,342	50,500
Unemployed	3,322	3,321	3,305	3,569	3,352	3,352	3,305	3,262	3,506
Unemployment rate	6.0	6.0	5.9	6.4	6.0	6.0	5.9	5.8	6.3
Women, 16 years and over									
Total noninstitutional population[1]	86,414	87,578	87,684	86,414	87,313	87,402	87,487	87,578	87,684
Armed Forces[1]	156	174	174	156	171	170	174	174	174
Civilian noninstitutional population[1]	86,258	87,404	87,510	86,258	87,142	87,231	87,313	87,404	87,510
Civilian labor force	48,126	45,441	45,676	48,603	45,178	45,343	45,549	45,829	46,161
Participation rate	51.2	52.0	52.2	51.7	51.8	52.0	52.2	52.4	52.7
Employed	40,959	42,212	42,275	41,202	41,684	41,882	42,029	42,288	42,517
Employment-population ratio[2]	47.4	48.2	48.2	47.7	47.7	47.9	48.0	48.3	48.5
Unemployed	3,168	3,229	3,401	3,401	3,493	3,461	3,519	3,541	3,644
Unemployment rate	7.2	7.1	7.4	7.6	7.7	7.6	7.7	7.7	7.9
Women, 20 years and over									
Total noninstitutional population[1]	78,219	79,522	79,642	78,219	79,212	79,315	79,415	79,522	79,642
Armed Forces[1]	129	145	145	129	141	140	145	145	145
Civilian noninstitutional population[1]	78,090	79,377	79,498	78,090	79,071	79,175	79,271	79,377	79,498
Civilian labor force	39,970	41,472	41,616	40,193	40,982	41,090	41,293	41,481	41,852
Participation rate	51.2	52.2	52.3	51.5	51.8	51.9	52.1	52.3	52.6
Employed	37,559	38,939	38,974	37,600	38,191	38,410	38,567	38,760	39,018
Employment-population ratio[2]	48.0	49.0	48.9	48.1	48.2	48.4	48.6	48.7	49.0
Agriculture	635	552	620	598	621	615	606	603	583
Nonagricultural industries	36,923	38,386	38,358	37,002	37,570	37,796	37,961	38,157	38,431
Unemployed	2,411	2,533	2,642	2,593	2,750	2,680	2,725	2,721	2,838
Unemployment rate	6.0	6.1	6.3	6.5	6.7	6.5	6.6	6.6	6.8
Both sexes, 16-19 years									
Total noninstitutional population[1]	16,588	16,300	16,270	16,588	16,393	16,362	16,331	16,300	16,270
Armed Forces[1]	304	310	309	304	324	323	310	310	309
Civilian noninstitutional population[1]	16,281	15,991	15,961	16,281	16,069	16,039	16,022	15,991	15,961
Civilian labor force	8,902	8,474	8,637	9,427	9,158	9,146	9,068	9,228	9,159
Participation rate	54.7	53.0	54.1	57.9	57.0	57.0	56.6	57.7	57.4
Employed	7,317	6,932	7,039	7,645	7,414	7,384	7,334	7,465	7,372
Employment-population ratio[2]	44.1	42.5	43.3	46.1	45.2	45.1	44.9	45.8	45.3
Agriculture	378	383	424	377	404	376	378	451	421
Nonagricultural industries	6,939	6,549	6,615	7,268	7,010	7,008	6,960	7,014	6,951
Unemployed	1,585	1,541	1,597	1,782	1,744	1,762	1,734	1,763	1,787
Unemployment rate	17.8	18.2	18.5	18.9	19.0	19.3	19.1	19.1	19.5

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

Table A-2. Employment status of the population by race, sex, and age

(Numbers in thousands)

Employment status, race, sex, and age	Not seasonally adjusted			Seasonally adjusted					
	May 1980	Apr. 1981	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
WHITE									
Total noninstitutional population[1]	145,016	146,640	146,793	145,016	146,284	146,403	146,515	146,640	146,793
Armed Forces[1]	1,613	1,634	1,632	1,613	1,633	1,629	1,633	1,634	1,632
Civilian noninstitutional population[1]	143,403	145,006	145,160	143,403	144,651	144,774	144,882	145,006	145,160
Civilian labor force	91,698	93,029	93,670	92,501	92,832	93,035	93,313	93,860	94,506
Participation rate	63.9	64.2	64.5	64.5	64.2	64.3	64.4	64.7	65.1
Employed	85,980	87,262	87,781	86,251	86,620	86,940	87,291	87,791	88,083
Employment-population ratio[2]	59.3	59.5	59.8	59.5	59.2	59.4	59.6	59.9	60.0
Unemployed	5,719	5,767	5,889	6,250	6,213	6,095	6,022	6,069	6,422
Unemployment rate	6.2	6.2	6.3	6.8	6.7	6.6	6.5	6.5	6.8
Men, 20 years and over									
Civilian labor force	49,253	49,708	49,986	49,483	49,426	49,420	49,695	49,947	50,227
Participation rate	80.1	79.6	80.0	80.5	79.4	79.3	79.7	80.0	80.4
Employed	46,597	47,046	47,380	46,627	46,704	46,757	47,030	47,330	47,427
Employment-population ratio[2]	74.2	73.8	74.3	74.3	73.6	73.6	73.9	74.3	74.3
Unemployed	2,656	2,662	2,606	2,856	2,722	2,664	2,664	2,618	2,799
Unemployment rate	5.4	5.4	5.2	5.8	5.5	5.4	5.4	5.2	5.6
Women, 20 years and over									
Civilian labor force	34,481	35,759	35,975	34,641	35,313	35,423	35,529	35,727	36,149
Participation rate	50.6	51.7	51.9	50.8	51.2	51.3	51.4	51.7	52.2
Employed	32,682	33,881	33,987	32,679	33,180	33,421	33,539	33,679	33,987
Employment-population ratio[2]	47.9	48.9	49.0	47.9	48.1	48.4	48.5	48.6	49.0
Unemployed	1,799	1,878	1,987	1,962	2,133	2,002	1,990	2,048	2,162
Unemployment rate	5.2	5.3	5.5	5.7	6.0	5.7	5.6	5.7	6.0
Both sexes, 16-19 years									
Civilian labor force	7,964	7,562	7,708	8,377	8,093	8,191	8,089	8,186	8,130
Participation rate	58.0	56.3	57.5	61.0	59.9	60.7	60.1	60.9	60.7
Employed	6,700	6,336	6,413	6,985	6,735	6,762	6,721	6,782	6,669
Employment-population ratio[2]	48.8	46.4	47.0	49.8	48.9	49.2	49.1	49.6	48.9
Unemployed	1,264	1,227	1,295	1,432	1,358	1,429	1,368	1,404	1,461
Unemployment rate	15.9	16.2	16.8	17.1	16.8	17.4	16.9	17.2	18.0
Men	15.9	16.5	16.5	17.8	17.9	18.2	18.0	17.2	18.4
Women	15.9	15.9	17.1	16.3	15.5	16.6	15.7	17.1	17.5
BLACK AND OTHER									
Total noninstitutional population[1]	20,870	21,831	21,879	20,870	21,301	21,344	21,387	21,431	21,879
Armed Forces[1]	475	495	494	475	492	491	495	495	494
Civilian noninstitutional population[1]	20,395	20,936	20,985	20,395	20,809	20,853	20,892	20,936	20,985
Civilian labor force	12,329	12,649	12,678	12,546	12,684	12,598	12,765	12,899	12,895
Participation rate	60.5	60.4	60.4	61.5	61.0	60.4	61.1	61.6	61.4
Employed	10,729	11,020	11,022	10,842	11,051	10,942	11,020	11,193	11,138
Employment-population ratio[2]	51.4	51.4	51.3	52.0	51.9	51.3	51.5	52.2	51.9
Unemployed	1,600	1,629	1,656	1,704	1,634	1,655	1,745	1,706	1,757
Unemployment rate	13.0	12.9	13.1	13.6	12.9	13.1	13.7	13.2	13.6
Men, 20 years and over									
Civilian labor force	5,902	6,025	6,109	5,944	5,996	6,007	6,072	6,081	6,153
Participation rate	74.4	73.8	74.7	75.0	73.9	73.9	74.6	74.5	75.2
Employed	5,237	5,366	5,409	5,289	5,367	5,355	5,414	5,437	5,425
Employment-population ratio[2]	63.1	62.8	63.2	63.3	63.3	63.0	63.5	63.6	63.3
Unemployed	665	659	699	695	628	651	658	644	727
Unemployment rate	11.3	10.9	11.4	11.7	10.5	10.8	10.8	10.6	11.8
Women, 20 years and over									
Civilian labor force	5,489	5,713	5,681	5,570	5,638	5,685	5,708	5,764	5,724
Participation rate	55.3	55.9	55.1	56.2	55.6	55.5	56.0	56.4	55.9
Employed	4,876	5,058	4,986	4,925	5,016	4,976	4,988	5,083	5,036
Employment-population ratio[2]	49.0	49.3	48.5	49.5	49.3	48.7	48.7	49.6	49.0
Unemployed	613	655	694	645	621	669	720	681	688
Unemployment rate	11.2	11.5	11.6	11.6	11.0	11.9	12.6	11.8	12.0
Both sexes, 16-19 years									
Civilian labor force	938	911	928	1,032	1,051	946	985	1,054	1,018
Participation rate	36.8	35.6	36.3	40.5	41.2	37.1	38.5	41.2	39.8
Employed	616	597	626	668	667	611	618	673	676
Employment-population ratio[2]	23.4	22.7	23.8	25.4	25.3	23.2	23.5	25.6	25.7
Unemployed	322	315	302	364	384	335	367	381	342
Unemployment rate	34.3	34.6	32.6	35.3	36.5	35.4	37.3	36.1	33.6
Men	31.3	37.3	32.8	32.9	39.2	35.5	33.5	37.5	34.3
Women	37.7	31.3	32.3	37.9	33.3	35.3	41.4	34.6	32.8

[1] The population and Armed Forces figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and seasonally adjusted columns.

[2] Civilian employment as a percent of the total noninstitutional population (including Armed Forces).

Table A-3. Selected employment indicators

(In thousands)

Category	Not seasonally adjusted		Seasonally adjusted					
	May 1980	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
CHARACTERISTIC								
Total employed, 16 years and over	96,709	98,803	97,116	97,696	97,927	98,412	98,976	99,235
Married men, spouse present	38,147	38,821	38,197	38,182	38,112	38,365	38,510	38,498
Married women, spouse present	23,086	23,760	23,145	23,352	23,356	23,513	23,529	23,831
Women who maintain families	8,702	8,973	8,647	8,787	8,852	8,878	8,971	8,918
OCCUPATION								
White-collar workers	50,386	51,694	50,627	51,594	51,698	51,746	51,801	51,967
Professional and technical	15,691	15,885	15,580	15,965	15,813	15,827	15,754	15,688
Managers and administrators, except farm	10,751	11,125	10,877	11,363	11,488	11,565	11,448	11,260
Sales workers	5,992	6,371	6,072	6,265	6,271	6,220	6,185	6,861
Clerical workers	17,952	18,353	18,138	18,001	18,125	18,135	18,457	18,557
Blue-collar workers	30,623	31,164	30,800	30,338	30,446	30,594	31,156	31,373
Craft and kindred workers	12,460	12,641	12,551	12,306	12,386	12,605	12,624	12,743
Operatives, except transport	10,222	10,429	10,379	10,331	10,390	10,189	10,524	10,609
Transport equipment operatives	3,465	3,393	3,458	3,322	3,361	3,363	3,411	3,390
Nonfarm laborers	4,477	4,701	4,412	4,380	4,309	4,037	4,596	4,632
Service workers	12,890	13,163	12,987	12,946	13,070	13,279	13,255	13,213
Farm workers	2,810	2,782	2,730	2,737	2,662	2,679	2,834	2,707
MAJOR INDUSTRY AND CLASS OF WORKER								
Agriculture:								
Wage and salary workers	1,430	1,502	1,396	1,465	1,336	1,338	1,524	1,464
Self-employed workers	1,668	1,665	1,682	1,615	1,610	1,615	1,648	1,684
Unpaid family workers	382	268	292	284	325	312	290	231
Nonagricultural industries:								
Wage and salary workers	85,891	88,005	86,722	87,125	87,236	87,870	88,195	88,877
Government	15,910	15,714	15,720	15,738	15,589	15,685	15,628	15,512
Private industries	69,981	72,291	71,002	71,387	71,647	72,185	72,567	73,365
Private households	1,169	1,136	1,197	1,197	1,176	1,235	1,281	1,164
Other industries	68,812	71,155	69,805	70,190	70,471	70,949	71,327	72,201
Self-employed workers	6,907	6,964	6,698	6,839	6,923	6,896	7,021	6,761
Unpaid family workers	476	398	406	422	371	358	306	338
PERSONS AT WORK[1]								
Nonagricultural industries	89,103	91,007	87,974	89,499	89,441	89,583	89,202	89,870
Full-time schedules	71,798	73,668	71,501	72,807	72,945	72,875	72,761	73,375
Part time for economic reasons	4,113	3,986	4,276	4,478	4,145	4,227	4,044	4,143
Usually work full time	1,963	1,604	1,998	1,698	1,622	1,638	1,517	1,630
Usually work part time	2,150	2,382	2,278	2,776	2,523	2,589	2,527	2,513
Part time for noneconomic reasons	13,196	13,353	12,197	12,218	12,351	12,481	12,397	12,352

[1] Excludes persons "with a job but not at work" during the survey period for such reasons as vacation, illness, or industrial disputes.

Table A-4. Range of unemployment measures based on varying definitions of unemployment and the labor force, seasonally adjusted

(Percent)

Measure	Quarterly averages					Monthly data		
	1980				1981	1981		
	I	II	III	IV	I	Mar.	Apr.	May
U-1 Persons unemployed 15 weeks or longer as a percent of the civilian labor force	1.3	1.6	2.0	2.2	2.1	2.1	2.0	2.0
U-2 Job losers as a percent of the civilian labor force	2.9	3.9	4.1	4.0	3.7	3.6	3.6	3.8
U-3 Unemployed persons 25 years and over as a percent of the civilian labor force 25 years and over	4.3	5.2	5.5	5.4	5.2	5.2	5.0	5.3
U-4 Unemployed full-time jobseekers as a percent of the full-time labor force	5.8	7.0	7.3	7.3	7.1	7.1	6.9	7.3
U-5 Total unemployed as a percent of the civilian labor force (official measure)	6.2	7.3	7.5	7.5	7.4	7.3	7.3	7.6
U-6 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons as a percent of the civilian labor force less ½ of the part-time labor force	7.9	9.2	9.6	9.6	9.4	9.4	9.1	9.6
U-7 Total full-time jobseekers plus ½ part-time jobseekers plus ½ total on part time for economic reasons plus discouraged workers as a percent of the civilian labor force plus discouraged workers less ½ of the part-time labor force	8.8	10.1	10.5	10.5	10.5	N.A.	N.A.	N.A.

N.A. = not available.

Table A-5. Major unemployment indicators, seasonally adjusted

Category	Number of unemployed persons (in thousands)		Unemployment rates					
	May 1980	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
CHARACTERISTIC								
Total, 16 years and over	7,984	8,171	7.6	7.4	7.3	7.3	7.3	7.6
Men, 20 years and over	3,569	3,586	6.4	6.0	6.0	5.9	5.8	6.3
Women, 20 years and over	2,593	2,838	6.5	6.7	6.5	6.6	6.6	6.8
Both sexes, 16-19 years	1,782	1,787	18.9	19.0	19.3	19.1	19.1	19.5
Married men, spouse present	1,836	1,683	4.6	4.2	4.1	4.1	3.8	4.1
Married women, spouse present	1,504	1,487	6.1	6.2	5.8	6.0	5.9	5.9
Women who maintain families	818	563	8.3	10.5	9.6	9.4	9.8	10.3
Full-time workers	6,586	6,690	7.3	7.1	7.1	7.1	6.9	7.3
Part-time workers	1,387	1,522	9.0	9.2	9.1	9.0	9.0	9.7
Labor force time lost[1]	--	--	8.6	8.2	8.1	8.1	8.2	8.6
OCCUPATION[2]								
White-collar workers	1,991	2,202	3.8	3.9	3.7	3.9	4.0	4.1
Professional and technical	408	469	2.6	2.8	2.6	2.7	3.2	2.9
Managers and administrators, except farm	292	312	2.6	2.4	2.4	2.6	2.4	2.7
Sales workers	279	311	4.4	4.6	4.0	3.8	4.0	4.6
Clerical workers	1,012	1,109	5.3	5.7	5.3	5.9	5.6	5.6
Blue-collar workers	3,774	3,493	10.9	10.2	10.1	9.8	9.6	10.0
Craft and kindred workers	1,021	1,060	7.5	6.8	7.2	7.1	6.8	7.7
Operatives, except transport	1,654	1,432	13.7	12.1	11.9	11.3	11.5	11.9
Transport equipment operatives	328	302	8.7	9.1	8.3	9.3	8.1	8.2
Nonfarm laborers	771	699	14.9	15.0	14.9	14.1	13.8	13.1
Service workers	1,155	1,373	8.2	8.0	8.7	8.1	8.5	9.4
Farm workers	134	154	4.7	5.0	4.7	5.1	3.7	5.4
INDUSTRY[3]								
Nonagricultural private wage and salary workers[4]	6,163	6,209	8.0	7.5	7.5	7.3	7.2	7.8
Construction	879	882	16.6	13.3	13.2	14.7	14.4	16.3
Manufacturing	2,264	1,864	9.7	8.4	8.4	8.0	7.4	7.9
Durable goods	1,462	1,034	10.4	8.3	8.5	7.9	7.3	7.3
Nondurable goods	802	829	8.6	8.5	8.2	8.3	7.6	8.9
Transportation and public utilities	281	338	5.0	5.8	5.5	6.4	5.7	5.9
Wholesale and retail trade	1,409	1,646	7.5	7.6	7.6	7.3	7.3	8.4
Finance and service industries	1,285	1,451	5.6	5.8	6.0	5.6	5.9	5.9
Government workers	683	784	4.2	4.4	4.3	4.6	4.9	4.8
Agricultural wage and salary workers	180	183	11.4	11.5	12.1	11.9	9.1	11.1

[1] Aggregate hours lost by the unemployed and persons on part time for economic reasons as a percent of potentially available labor force hours.

[2] Unemployment by occupation includes all experienced unemployed persons, whereas that by industry covers only unemployed wage and salary workers.

[3] Includes mining, not shown separately.

Table A-6. Duration of unemployment

(Numbers in thousands)

Weeks of unemployment	Not seasonally adjusted		Seasonally adjusted					
	May 1980	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
DURATION								
Less than 5 weeks	3,427	3,120	3,714	3,259	3,203	3,209	3,074	3,369
5 to 14 weeks	2,044	2,049	2,589	2,268	2,328	2,356	2,462	2,581
15 weeks and over	1,848	2,376	1,686	2,358	2,250	2,192	2,105	2,168
15 to 26 weeks	1,100	1,160	980	1,079	992	1,013	1,001	1,022
27 weeks and over	749	1,216	706	1,279	1,257	1,179	1,104	1,146
Average (mean) duration, in weeks	11.7	14.6	10.6	14.4	14.8	14.0	13.7	13.2
Median duration, in weeks	5.8	7.1	5.8	7.4	6.9	7.0	7.7	7.1
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Less than 5 weeks	46.8	41.4	46.5	41.3	41.2	41.4	40.2	41.5
5 to 14 weeks	27.9	27.2	32.4	28.7	29.9	30.4	32.2	31.8
15 weeks and over	25.3	31.5	21.1	29.9	28.9	28.3	27.6	26.7
15 to 26 weeks	15.0	15.4	12.3	13.7	12.8	13.1	13.1	12.6
27 weeks and over	10.2	16.1	8.8	16.2	16.2	15.2	14.5	14.1

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Table A-7. Reason for unemployment

(Numbers in thousands)

Reason	Not seasonally adjusted		Seasonally adjusted					
	May 1980	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
NUMBER OF UNEMPLOYED								
Lost last job	3,824	3,761	4,164	3,847	3,896	3,846	3,819	4,084
On layoff	1,528	1,193	1,771	1,258	1,267	1,299	1,280	1,368
Other job losers	2,296	2,568	2,393	2,590	2,629	2,547	2,539	2,715
Left last job	826	901	930	907	884	863	854	1,009
Reentered labor force	1,864	1,990	1,975	2,039	1,970	2,040	2,017	2,126
Seeking first job	823	892	871	1,000	928	986	987	938
PERCENT DISTRIBUTION								
Total unemployed	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Job losers	52.3	49.8	52.8	49.4	50.7	49.7	49.7	50.1
On layoff	20.9	15.8	22.3	16.1	16.5	16.8	16.7	16.8
Other job losers	31.4	34.0	30.1	33.2	34.2	32.9	33.1	33.3
Job leavers	11.3	11.9	11.7	11.6	11.5	11.2	11.1	12.4
Reentrants	25.2	26.4	24.9	26.2	25.7	26.4	26.3	26.1
New entrants	11.3	11.8	11.0	12.8	12.1	12.7	12.9	11.5
UNEMPLOYED AS A PERCENT OF THE CIVILIAN LABOR FORCE								
Job losers	3.7	3.5	4.0	3.6	3.7	3.6	3.6	3.8
Job leavers	.8	.8	.9	.9	.8	.8	.8	.9
Reentrants	1.8	1.9	1.9	1.9	1.9	1.9	1.9	2.0
New entrants	.8	.8	.8	.9	.9	.9	.9	.9

Table A-8. Unemployment by sex and age, seasonally adjusted

Sex and age	Number of unemployed persons (in thousands)		Unemployment rates					
	May 1980	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
Total, 16 years and over	7,988	8,171	7.6	7.4	7.3	7.3	7.3	7.6
16 to 24 years	3,718	3,819	14.9	14.5	14.6	14.4	14.7	15.3
16 to 19 years	1,782	1,787	18.9	19.0	19.3	19.1	19.1	19.5
16 to 17 years	822	798	21.2	21.0	21.4	21.3	22.0	21.6
18 to 19 years	965	995	17.4	17.5	17.9	17.7	17.2	18.2
20 to 24 years	1,936	2,032	12.5	11.9	11.8	11.7	12.1	12.9
25 years and over	4,216	4,343	5.3	5.3	5.1	5.2	5.0	5.3
25 to 54 years	3,684	3,810	5.6	5.7	5.5	5.5	5.4	5.6
55 years and over	502	499	3.4	3.5	3.6	3.7	3.3	3.3
Men, 16 years and over	4,583	4,527	7.5	7.2	7.1	7.0	6.9	7.4
16 to 24 years	2,108	2,179	15.7	15.6	15.4	15.4	15.4	16.4
16 to 19 years	976	981	19.4	20.3	20.1	19.5	19.3	20.2
16 to 17 years	450	440	21.5	23.0	22.1	21.1	22.7	22.7
18 to 19 years	513	529	17.6	18.5	18.7	18.6	17.0	18.3
20 to 24 years	1,134	1,198	13.5	12.8	12.7	13.0	13.2	14.2
25 years and over	2,397	2,312	5.1	4.9	4.8	4.7	4.6	4.8
25 to 54 years	2,085	1,962	5.4	5.2	5.2	5.1	4.9	5.1
55 years and over	310	306	3.4	3.4	3.4	3.2	3.1	3.4
Women, 16 years and over	3,401	3,644	7.6	7.7	7.6	7.7	7.7	7.9
16 to 24 years	1,610	1,639	14.0	13.3	13.6	13.3	13.9	14.1
16 to 19 years	808	806	18.3	17.5	18.4	18.7	18.9	18.7
16 to 17 years	372	358	20.9	18.7	20.5	21.6	21.1	20.4
18 to 19 years	452	466	17.2	16.4	17.0	16.5	17.4	18.2
20 to 24 years	802	833	11.3	10.8	10.8	10.1	10.9	11.4
25 years and over	1,819	2,031	5.5	5.8	5.6	5.9	5.6	5.9
25 to 54 years	1,639	1,849	6.0	6.3	5.9	6.2	6.0	6.4
55 years and over	192	193	3.3	3.6	3.9	4.5	3.7	3.3

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Table A-9. Employment status of the black and Hispanic-origin population

(Numbers in thousands)

Employment status	Not seasonally adjusted		Seasonally adjusted					
	May 1980	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
BLACK[1]								
Civilian noninstitutional population	17,363	17,757	17,363	17,636	17,667	17,698	17,723	17,757
Civilian labor force	10,447	10,705	10,622	10,725	10,646	10,763	10,888	10,886
Participation rate	60.2	60.3	61.2	60.8	60.3	60.8	61.4	61.3
Employed	9,019	9,186	9,104	9,238	9,129	9,154	9,310	9,278
Unemployed	1,428	1,518	1,518	1,491	1,516	1,608	1,578	1,608
Unemployment rate	13.7	14.2	14.3	13.9	14.2	14.9	14.5	14.8
Not in labor force	6,916	7,052	6,741	6,911	7,021	6,931	6,835	6,871
HISPANIC ORIGIN[2]								
Civilian noninstitutional population	8,525	8,892	8,525	8,843	8,835	8,724	8,806	8,892
Civilian labor force	5,631	5,741	5,668	5,817	5,827	5,547	5,691	5,787
Participation rate	63.7	64.6	63.9	65.8	66.0	63.6	64.6	64.6
Employed	4,898	5,184	4,886	5,170	5,128	4,956	5,173	5,163
Unemployed	533	557	562	648	699	592	519	584
Unemployment rate	9.8	9.7	10.3	11.1	12.0	10.7	9.1	10.2
Not in labor force	3,094	3,152	3,077	3,026	3,008	3,177	3,113	3,105

[1] Data relate to black workers only. In the 1970 census, they constituted about 89 percent of the "black and other" population group.

[2] Data on persons of Hispanic ethnicity are collected independently of racial data. In the 1970 census, approximately 98 percent of their population was white.

Table A-10. Employment status of male Vietnam-era veterans and nonveterans by age, not seasonally adjusted

(Numbers in thousands)

Veteran status and age	Civilian noninstitutional population		Civilian labor force							
			Total		Employed		Unemployed			
							Number		Percent of labor force	
	May 1980	May 1981	May 1980	May 1981	May 1980	May 1981	May 1980	May 1981	May 1980	May 1981
VETERANS										
Total, 25 years and over	8,232	8,526	7,834	8,085	7,385	7,647	449	438	5.7	5.4
25 to 29 years	7,255	7,323	6,994	7,060	6,574	6,637	420	403	6.0	5.7
25 to 29 years	1,742	1,516	1,639	1,422	1,489	1,289	150	133	9.2	9.4
30 to 34 years	3,589	3,368	3,485	3,255	3,290	3,080	195	175	5.6	5.4
35 to 39 years	1,924	2,439	1,870	2,363	1,795	2,268	75	95	4.0	4.0
40 years and over	977	1,203	840	1,065	811	1,010	29	35	3.5	3.3
NONVETERANS										
Total, 25 to 39 years	15,368	16,239	14,589	15,470	13,673	14,593	916	877	6.3	5.7
25 to 29 years	7,037	7,359	6,640	6,984	6,131	6,521	509	463	7.7	6.6
30 to 34 years	4,524	5,179	4,329	4,948	4,082	4,671	247	277	5.7	5.6
35 to 39 years	3,803	3,701	3,620	3,538	3,460	3,401	160	137	4.4	3.9

NOTE: Vietnam-era veterans are males who served in the Armed Forces between August 5, 1964 and May 7, 1975. Nonveterans are males who have never served in the Armed Forces; published data are limited to those 25 to 39 years of age, the group that most closely corresponds to the bulk of the Vietnam-era veteran population. Data for 20-to-24-year-old veterans are no longer shown on the table, because the group is rapidly disappearing (into the 25-29 age category) and the numbers remaining are not large enough to warrant their continued publication.

HOUSEHOLD DATA

Table A-11. Employment status of the noninstitutional population for the ten largest States

(Numbers in thousands)

State and employment status	Not seasonally adjusted*			Seasonally adjusted					
	May 1980	Apr. 1981	May 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981	May 1981
California									
Civilian noninstitutional population[1]	17,062	17,360	17,389	17,062	17,290	17,314	17,335	17,360	17,389
Civilian labor force	11,103	11,358	11,315	11,183	11,346	11,352	11,345	11,462	11,405
Employed	10,358	10,546	10,620	10,394	10,493	10,493	10,523	10,647	10,665
Unemployed	745	813	696	789	853	859	822	815	740
Unemployment rate	6.7	7.2	6.1	7.1	7.5	7.6	7.2	7.1	6.5
Florida									
Civilian noninstitutional population[1]	6,937	7,124	7,141	6,937	7,077	7,093	7,108	7,124	7,141
Civilian labor force	3,923	4,018	4,133	3,940	3,938	4,035	4,002	4,005	4,150
Employed	3,717	3,800	3,857	3,707	3,698	3,766	3,721	3,757	3,845
Unemployed	206	218	276	233	240	269	281	248	305
Unemployment rate	5.3	5.4	6.7	5.9	6.1	6.7	7.0	6.2	7.3
Illinois									
Civilian noninstitutional population[1]	8,310	8,363	8,368	8,310	8,353	8,357	8,359	8,363	8,368
Civilian labor force	5,402	5,468	5,473	5,469	5,441	5,453	5,504	5,539	5,542
Employed	5,009	5,021	5,028	5,039	4,954	5,002	5,010	5,069	5,060
Unemployed	393	447	446	430	487	451	494	470	482
Unemployment rate	7.3	8.2	8.1	7.9	9.0	8.3	9.0	8.5	8.7
Massachusetts									
Civilian noninstitutional population[1]	4,407	4,448	4,448	4,407	4,437	4,439	4,442	4,448	4,448
Civilian labor force	2,867	2,876	2,901	2,883	2,917	2,968	2,954	2,908	2,917
Employed	2,700	2,726	2,736	2,706	2,764	2,797	2,777	2,741	2,743
Unemployed	167	150	165	177	153	171	177	163	174
Unemployment rate	5.8	5.2	5.7	6.1	5.2	5.8	6.0	5.6	6.0
Michigan									
Civilian noninstitutional population[1]	6,787	6,858	6,864	6,787	6,843	6,848	6,852	6,858	6,864
Civilian labor force	4,293	4,327	4,391	4,340	4,293	4,259	4,281	4,371	4,416
Employed	3,690	3,799	3,887	3,719	3,736	3,685	3,742	3,851	3,917
Unemployed	602	528	504	601	557	574	539	520	499
Unemployment rate	14.0	12.2	11.5	13.9	13.0	13.5	12.6	11.9	11.3
New Jersey									
Civilian noninstitutional population[1]	5,554	5,601	5,606	5,554	5,592	5,595	5,597	5,601	5,606
Civilian labor force	3,552	3,561	3,614	3,608	3,583	3,531	3,636	3,639	3,674
Employed	3,265	3,294	3,327	3,321	3,316	3,288	3,324	3,351	3,388
Unemployed	286	268	287	287	267	243	312	288	286
Unemployment rate	8.1	7.5	7.9	8.0	7.5	6.9	8.6	7.9	7.8
New York									
Civilian noninstitutional population[1]	13,306	13,330	13,333	13,306	13,332	13,332	13,329	13,330	13,333
Civilian labor force	7,924	8,026	7,931	7,997	8,002	8,110	8,040	8,050	8,003
Employed	7,326	7,391	7,354	7,371	7,395	7,492	7,382	7,375	7,399
Unemployed	598	636	576	626	607	618	658	675	604
Unemployment rate	7.5	7.9	7.3	7.8	7.6	7.6	8.2	8.4	7.5
Ohio									
Civilian noninstitutional population[1]	7,970	8,025	8,031	7,970	8,015	8,019	8,022	8,025	8,031
Civilian labor force	5,035	5,076	5,187	5,076	5,048	5,031	5,134	5,175	5,229
Employed	4,607	4,691	4,773	4,628	4,558	4,558	4,677	4,776	4,798
Unemployed	428	385	414	448	490	473	457	399	431
Unemployment rate	8.5	7.6	8.0	8.8	9.7	9.4	8.9	7.7	8.2
Pennsylvania									
Civilian noninstitutional population[1]	8,942	8,990	8,994	8,942	8,982	8,985	8,987	8,990	8,994
Civilian labor force	5,285	5,384	5,398	5,362	5,402	5,370	5,427	5,409	5,475
Employed	4,914	4,975	4,979	4,935	4,933	4,942	5,036	5,013	5,001
Unemployed	371	370	419	427	469	428	391	396	474
Unemployment rate	7.0	6.9	7.8	8.0	8.7	8.0	7.2	7.3	8.7
Texas									
Civilian noninstitutional population[1]	9,709	9,905	9,924	9,709	9,858	9,874	9,889	9,905	9,924
Civilian labor force	6,271	6,621	6,673	6,360	6,577	6,612	6,648	6,699	6,764
Employed	5,965	6,382	6,328	6,015	6,237	6,320	6,326	6,389	6,403
Unemployed	327	280	345	345	340	292	322	310	361
Unemployment rate	5.2	4.2	5.2	5.4	5.2	4.4	4.8	4.6	5.3

[1] The population figures are not adjusted for seasonal variations; therefore, identical numbers appear in the unadjusted and the seasonally adjusted columns.

* These are the official Bureau of Labor Statistics' estimates used in the administration of Federal fund allocation programs.

Table B-1. Employees on nonagricultural payrolls, by industry

(In thousands)

Industry	Not seasonally adjusted				Seasonally adjusted					
	May 1980	Mar. 1981	Apr. p 1981	May p 1981	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. p 1981	May p 1981
TOTAL	90,849	90,817	91,363	91,860	90,468	91,481	c91,653	91,705	91,490	91,474
GOODS-PRODUCING	25,745	25,467	25,561	25,679	25,745	26,041	c25,988	26,010	25,830	25,678
MINING	1,024	1,086	943	952	1,023	1,086	1,095	1,100	949	951
CONSTRUCTION	4,471	4,135	4,286	4,350	4,436	4,610	4,518	4,514	4,441	4,315
MANUFACTURING	20,250	20,246	20,332	20,377	20,286	20,345	c20,375	20,396	20,440	20,412
Production workers	14,172	14,127	14,203	14,260	14,186	14,219	c14,241	14,255	14,286	14,273
DURABLE GOODS	12,150	12,159	12,230	12,248	12,140	12,188	12,196	12,222	12,259	12,238
Production workers	8,409	8,381	8,448	8,468	8,386	8,408	8,411	8,432	8,463	8,446
Lumber and wood products	654.8	671.4	679.4	691.3	654	693	692	691	690	691
Furniture and fixtures	469.1	477.5	482.7	484.1	472	475	477	478	485	487
Stone, clay, and glass products	668.1	641.3	654.2	657.4	663	663	661	662	659	652
Primary metal industries	1,149.8	1,129.1	1,136.0	1,133.9	1,144	1,133	1,134	1,135	1,135	1,128
Fabricated metal products	1,619.8	1,603.9	1,611.9	1,610.2	1,620	1,608	1,610	1,610	1,618	1,610
Machinery, except electrical	2,509.3	2,504.0	2,504.3	2,505.5	2,517	2,484	2,491	2,494	2,499	2,513
Electric and electronic equipment	2,120.2	2,146.0	2,158.9	2,165.5	2,127	2,147	2,149	2,155	2,170	2,172
Transportation equipment	1,835.1	1,876.9	1,887.1	1,882.5	1,819	1,866	1,865	1,879	1,881	1,866
Instruments and related products	699.4	699.5	702.1	702.9	700	702	700	702	703	704
Miscellaneous manufacturing	424.6	409.7	413.6	415.0	424	417	417	416	419	415
NONDURABLE GOODS	8,100	8,087	8,102	8,129	8,146	8,157	c8,179	8,174	8,181	8,174
Production workers	5,763	5,746	5,755	5,792	5,800	5,811	c5,830	5,823	5,823	5,827
Food and kindred products	1,638.5	1,609.7	1,605.4	1,616.2	1,691	1,680	1,685	1,672	1,669	1,668
Tobacco manufacturers	62.7	67.9	65.6	64.3	70	70	71	71	72	72
Textile mill products	870.6	853.0	855.2	853.5	869	858	856	855	857	852
Apparel and other textile products	1,299.0	1,299.8	1,304.8	1,316.8	1,291	1,289	c1,293	1,297	1,302	1,309
Paper and allied products	692.4	688.5	690.7	689.1	692	694	696	695	694	688
Printing and publishing	1,267.8	1,291.4	1,292.5	1,290.2	1,268	1,284	1,289	1,294	1,294	1,290
Chemicals and allied products	1,119.5	1,113.2	1,114.8	1,116.0	1,120	1,115	1,118	1,118	1,117	1,116
Petroleum and coal products	203.4	208.1	210.3	211.8	203	213	213	213	212	212
Rubber and misc. plastics products	702.4	714.1	719.6	724.0	703	713	716	717	722	725
Leather and leather products	243.2	240.9	242.7	246.6	239	241	242	242	242	242
SERVICE-PRODUCING	65,104	65,350	65,802	66,181	64,723	65,440	65,665	65,695	65,660	65,796
TRANSPORTATION AND PUBLIC UTILITIES	5,167	5,107	5,131	5,163	5,167	5,142	5,156	5,164	5,162	5,163
WHOLESALE AND RETAIL TRADE	20,497	20,480	20,710	20,899	20,487	20,762	20,885	20,917	20,808	20,888
WHOLESALE TRADE	5,263	5,294	5,317	5,337	5,268	5,315	5,328	5,326	5,338	5,342
RETAIL TRADE	15,234	15,186	15,393	15,562	15,219	15,447	15,557	15,591	15,470	15,546
FINANCE, INSURANCE, AND REAL ESTATE	5,137	5,252	5,281	5,307	5,137	5,268	5,277	5,284	5,297	5,307
SERVICES	17,747	18,103	18,293	18,458	17,659	18,133	18,181	18,212	18,273	18,366
GOVERNMENT	16,556	16,408	16,387	16,354	16,273	16,135	16,166	16,118	16,118	16,072
FEDERAL	2,963	2,769	2,775	2,782	2,960	2,801	2,794	2,786	2,786	2,779
STATE AND LOCAL	13,593	13,639	13,612	13,572	13,313	13,334	13,372	13,332	13,332	13,293

p=preliminary.
c=corrected.

NOTE: Data in this table will be revised next month. See note on page 4.

Table B-2. Average weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Not seasonally adjusted				Seasonally adjusted					
	May 1980	Mar. 1981	Apr. 1981 p	May 1981 p	May 1980	Jan. 1981	Feb. 1981	Mar. 1981	Apr. 1981 p	May 1981 p
TOTAL PRIVATE	35.0	35.2	35.2	35.2	35.1	35.5	35.3	35.4	35.4	35.3
MINING	42.7	42.2	43.5	43.7	([2])	([2])	([2])	([2])	([2])	([2])
CONSTRUCTION	36.9	37.2	36.9	36.9	36.8	38.5	36.3	37.6	36.9	36.8
MANUFACTURING	39.3	39.9	39.7	40.1	39.3	40.4	39.8	40.0	40.1	40.2
Overtime hours	2.5	2.8	2.6	3.0	2.6	3.1	2.9	2.9	2.9	3.1
DURABLE GOODS	39.7	40.5	40.3	40.7	39.7	40.9	40.2	40.5	40.7	40.7
Overtime hours	2.5	2.9	2.7	3.1	2.5	3.1	2.9	3.0	3.0	3.2
Lumber and wood products	37.6	39.0	39.0	39.5	37.5	40.1	38.9	39.4	39.2	39.3
Furniture and fixtures	37.3	38.8	38.2	38.3	37.6	38.9	38.8	38.8	38.6	38.6
Stone, clay, and glass products	40.6	40.7	40.9	41.4	40.3	41.6	40.6	40.9	41.1	41.1
Primary metal industries	39.3	41.1	41.3	41.2	39.2	41.2	40.8	41.1	41.3	41.1
Fabricated metal products	39.9	40.6	40.3	40.9	39.9	40.7	40.4	40.7	40.9	40.9
Machinery, except electrical	40.8	41.2	40.8	41.3	41.0	41.3	40.8	41.0	41.3	41.5
Electric and electronic equipment	39.3	40.2	39.8	40.1	39.5	40.4	39.7	40.2	40.1	40.3
Transportation equipment	39.9	41.1	41.0	41.7	39.7	41.9	40.5	41.1	41.8	41.5
Instruments and related products	40.3	40.6	39.9	40.2	40.3	41.0	40.6	40.4	40.2	40.2
Miscellaneous manufacturing	38.2	38.9	38.6	39.1	38.3	39.0	38.8	38.7	38.7	39.2
NONDURABLE GOODS	38.7	39.0	38.8	39.3	38.9	39.7	39.3	39.1	39.2	39.4
Overtime hours	2.5	2.7	2.5	2.9	2.6	3.1	3.0	2.8	2.8	3.0
Food and kindred products	39.7	39.2	39.3	39.6	39.9	40.3	39.9	39.6	40.0	39.8
Tobacco manufacturers	38.7	37.2	37.2	38.1	38.2	39.7	39.4	37.2	37.2	37.6
Textile mill products	39.8	40.0	39.4	40.4	39.7	40.5	40.1	39.9	39.8	40.3
Apparel and other textile products	35.3	35.8	35.2	36.1	35.3	36.0	35.7	35.7	35.7	36.1
Paper and allied products	41.6	42.4	42.4	42.7	41.7	43.1	42.8	42.7	42.7	42.8
Printing and publishing	36.9	37.0	36.9	37.2	37.1	37.7	37.2	37.0	37.3	37.4
Chemicals and allied products	41.3	41.6	41.6	41.9	41.3	41.8	41.8	41.6	41.5	41.9
Petroleum and coal products	42.3	42.6	43.2	42.8	42.5	43.4	43.5	42.9	43.2	43.1
Rubber and misc. plastics products	39.0	40.7	40.4	40.7	39.3	41.3	40.1	40.6	40.8	41.0
Leather and leather products	37.0	36.8	36.2	36.9	36.7	37.1	37.0	37.3	36.8	36.6
TRANSPORTATION AND PUBLIC UTILITIES	39.3	39.4	39.3	39.4	([2])	([2])	([2])	([2])	([2])	([2])
WHOLESALE AND RETAIL TRADE	31.9	31.9	32.1	32.0	32.1	32.3	32.2	32.2	32.4	32.2
WHOLESALE TRADE	38.5	38.5	38.5	38.6	38.6	38.8	38.7	38.6	38.6	38.7
RETAIL TRADE	29.9	29.8	30.1	30.0	30.1	30.2	30.2	30.2	30.4	30.2
FINANCE, INSURANCE, AND REAL ESTATE	36.1	36.3	36.3	36.2	([2])	([2])	([2])	([2])	([2])	([2])
SERVICES	32.3	32.6	32.6	32.4	32.5	32.7	32.8	32.8	32.8	32.6

[1] Data relate to production workers in mining and manufacturing; to construction workers in construction; and to nonsupervisory workers in transportation and public utilities; wholesale and retail trade; finance, insurance, and real estate; and services. These groups account for approximately four-fifths of the total employment on private nonagricultural payrolls.

[2] This series is not seasonally adjusted since the seasonal component is small relative to the trend-cycle and/or irregular components and consequently cannot be separated with sufficient precision.

p = preliminary.

NOTE: Data in this table will be revised next month. See note on page 4.

Table B-3. Average hourly and weekly earnings of production or nonsupervisory workers[1] on private nonagricultural payrolls by industry

Industry	Average hourly earnings				Average weekly earnings			
	May 1980	Mar. 1981	Apr. 1981 p	May 1981 p	May 1980	Mar. 1981	Apr. 1981 p	May 1981 p
TOTAL PRIVATE	$6.57	$7.10	$7.13	$7.16	$229.95	$249.92	$250.98	$252.03
Seasonally adjusted	6.57	7.11	7.13	7.17	230.61	251.69	252.40	253.10
MINING	9.08	9.86	9.72	9.70	387.72	416.09	422.82	423.89
CONSTRUCTION	9.77	10.45	10.44	10.54	360.51	388.74	385.24	388.93
MANUFACTURING	7.13	7.80	7.87	7.91	280.21	311.22	312.44	317.19
DURABLE GOODS	7.60	8.33	8.41	8.47	301.72	337.37	338.92	344.73
Lumber and wood products	6.40	6.82	6.84	6.88	240.64	265.98	266.76	271.76
Furniture and fixtures	5.42	5.76	5.79	5.82	202.17	223.49	221.18	222.91
Stone, clay, and glass products	7.45	7.94	8.10	8.14	302.47	323.16	331.29	337.00
Primary metal industries	9.61	10.52	10.78	10.80	377.67	432.37	445.21	444.96
Fabricated metal products	7.32	7.99	8.03	8.13	292.07	324.39	323.61	332.52
Machinery, except electrical	7.91	8.69	8.73	8.82	322.73	358.03	356.18	364.27
Electric and electronic equipment	6.78	7.49	7.52	7.56	266.45	301.10	299.30	303.16
Transportation equipment	9.06	10.10	10.16	10.27	361.49	415.11	416.56	428.26
Instruments and related products	6.72	7.23	7.24	7.32	270.82	293.54	288.88	294.26
Miscellaneous manufacturing	5.40	5.83	5.90	5.92	206.28	226.79	227.74	231.47
NONDURABLE GOODS	6.42	6.98	7.04	7.07	248.45	272.22	273.15	277.85
Food and kindred products	6.82	7.29	7.37	7.39	270.75	285.77	289.64	292.64
Tobacco manufacturers	7.64	8.54	8.79	8.91	295.67	317.69	326.99	339.47
Textile mill products	4.90	5.34	5.35	5.38	195.02	213.60	210.79	217.35
Apparel and other textile products	4.45	4.94	4.96	4.97	157.09	176.85	174.59	179.42
Paper and allied products	7.65	8.31	8.38	8.44	318.24	352.34	355.31	360.39
Printing and publishing	7.44	8.03	8.01	8.08	274.54	297.11	295.57	300.58
Chemicals and allied products	8.17	8.84	8.91	8.96	337.42	367.74	370.66	375.42
Petroleum and coal products	10.07	11.23	11.40	11.40	425.96	478.40	492.48	489.06
Rubber and misc. plastics products	6.34	6.99	7.06	7.12	247.26	284.49	285.22	289.78
Leather and leather products	4.53	4.89	4.92	4.97	167.61	179.95	178.10	183.39
TRANSPORTATION AND PUBLIC UTILITIES	8.72	9.43	9.54	9.58	342.70	371.54	374.92	377.45
WHOLESALE AND RETAIL TRADE	5.42	5.86	5.87	5.89	172.90	186.93	188.43	188.48
WHOLESALE TRADE	6.89	7.44	7.49	7.54	265.27	286.44	288.37	291.04
RETAIL TRADE	4.82	5.20	5.22	5.22	144.12	154.96	157.12	156.60
FINANCE, INSURANCE, AND REAL ESTATE	5.70	6.19	6.18	6.21	205.77	224.70	224.33	224.80
SERVICES	5.79	6.30	6.30	6.32	187.02	205.38	205.38	204.77

[1] See footnote 1, table B-2.

p=preliminary.

NOTE: Data in this table will be revised next month. See note on page 4.

Table B-4. Hourly earnings index for production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry division, seasonally adjusted

[1967=100]

Industry	MAY 1980	DEC. 1980	JAN. 1981	FEB. 1981	MAR. 1981	APR. P 1981	MAY P 1981	Percent change from— MAY 1980–MAY 1981	APR. 1981–MAY 1981
TOTAL PRIVATE NONFARM:									
Current dollars	248.3	261.9	264.4	266.6	268.6	269.8	271.5	9.4	0.6
Constant (1967) dollars	101.5	100.8	101.0	100.9	101.1	101.2	N.A.	(2)	(3)
MINING	284.2	302.3	306.6	309.2	311.0	311.0	311.8	9.7	.3
CONSTRUCTION	234.2	245.3	247.8	248.1	250.1	250.3	251.3	7.3	.4
MANUFACTURING	255.0	270.4	272.6	274.6	276.8	279.6	280.7	10.1	.4
TRANSPORTATION AND PUBLIC UTILITIES	268.7	284.1	285.9	289.6	291.3	293.4	296.0	10.2	.9
WHOLESALE AND RETAIL TRADE	239.8	250.9	254.6	256.7	258.7	259.2	261.1	8.9	.8
FINANCE, INSURANCE, AND REAL ESTATE	226.3	238.0	240.2	244.1	245.7	244.2	246.2	8.8	.8
SERVICES	245.7	259.4	261.3	263.9	265.8	266.0	268.2	9.2	.8

1 SEE FOOTNOTE 1, TABLE B-2.
2 PERCENT CHANGE WAS -.4 FROM APRIL 1980 TO APRIL 1981, THE LATEST MONTH AVAILABLE.
3 PERCENT CHANGE WAS .1 FROM MARCH 1981 TO APRIL 1981, THE LATEST MONTH AVAILABLE.

N.A. = not available.
p=preliminary.

NOTE: All series are in current dollars except where indicated. The index excludes effects of two types of change that are unrelated to underlying wage-rate developments: Fluctuations in overtime premiums in manufacturing (the only sector for which overtime data are available) and the effects of changes in the proportion of workers in high-wage and low-wage industries.

NOTE: Data in this table will be revised next month. See note on page 4.

Table B-5. Indexes of aggregate weekly hours of production or nonsupervisory workers[1] on private nonagricultural payrolls, by industry, seasonally adjusted

[1967=100]

Industry division and group	1980								1981				
	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.[p]	May [p]
TOTAL PRIVATE	123.4	122.5	121.9	123.0	123.7	124.5	125.2	125.5	126.8	126.1	126.4	126.3	125.9
GOODS-PRODUCING	102.2	100.3	98.5	100.0	101.5	102.3	103.7	104.4	106.4	103.8	104.7	103.8	103.3
MINING	163.2	166.4	158.7	162.4	166.7	168.0	170.4	175.6	175.4	173.7	172.3	150.6	150.4
CONSTRUCTION	124.3	123.7	120.6	120.5	124.7	124.5	126.0	126.8	135.3	124.6	128.8	123.5	119.2
MANUFACTURING	96.1	93.8	92.5	94.2	95.2	96.1	97.4	98.0	98.9	97.7	98.1	98.7	98.8
DURABLE GOODS	96.6	94.0	92.4	94.1	95.5	96.6	98.5	98.9	99.8	98.2	99.2	100.0	99.9
Lumber and wood products	90.4	89.6	91.5	95.3	96.8	97.0	99.4	100.7	103.0	99.4	100.5	100.2	100.3
Furniture and fixtures	99.0	94.6	91.0	94.8	98.4	99.0	99.5	101.9	103.2	103.7	103.5	105.4	105.3
Stone, clay, and glass products	99.4	96.7	95.1	96.5	99.3	99.5	101.0	101.3	102.4	99.8	100.3	100.4	99.2
Primary metal industries	82.4	77.4	73.4	75.4	77.7	80.5	84.3	86.6	86.3	85.5	86.1	86.5	85.6
Fabricated metal products	114.1	110.8	108.8	108.6	110.1	110.2	111.0	110.8	112.1	111.1	112.0	112.8	114.0
Machinery, except electrical	103.8	100.1	98.5	99.8	100.5	102.1	103.3	104.8	105.9	104.3	106.1	106.5	107.7
Electric and electronic equipment	79.1	79.6	79.8	82.4	82.5	84.7	88.2	85.7	86.9	83.9	85.8	87.9	86.2
Transportation equipment	126.0	125.1	123.8	124.1	123.8	124.2	123.7	126.0	127.2	125.1	125.1	124.8	123.4
Instruments and related products	91.6	88.5	89.0	88.5	88.9	87.6	88.2	90.3	90.9	90.2	89.6	90.2	90.2
Miscellaneous manufacturing industry													
NONDURABLE GOODS	95.4	93.5	92.5	94.3	94.7	95.4	95.8	96.7	97.6	[r]96.9	96.5	96.8	97.3
Food and kindred products	95.1	93.2	93.9	94.8	93.2	93.7	94.6	94.4	95.4	94.7	93.3	93.9	93.4
Tobacco manufacturers	73.8	72.1	73.0	68.1	71.1	74.9	73.1	70.5	73.3	76.1	71.8	73.1	73.9
Textile mill products	86.4	82.2	80.5	83.3	84.5	85.3	85.6	86.4	86.7	85.8	85.2	85.2	85.8
Apparel and other textile products	87.2	86.7	86.1	87.2	87.3	87.5	86.7	86.1	89.0	[r]88.5	88.8	88.8	90.2
Paper and allied products	96.7	94.7	93.6	95.0	96.5	97.3	98.6	99.9	100.3	99.6	99.4	99.2	98.6
Printing and publishing	103.6	103.1	102.9	103.8	103.8	104.1	103.8	106.2	106.9	106.0	105.4	106.1	106.2
Chemicals and allied products	106.0	104.4	102.1	102.4	103.9	104.1	105.5	105.7	106.5	107.0	106.6	106.6	108.4
Petroleum and coal products	113.8	113.5	113.9	114.8	116.1	117.2	117.5	118.4	120.7	121.9	120.2	118.4	119.9
Rubber and misc. plastics products	128.5	125.6	119.2	127.5	130.1	132.8	135.1	137.0	138.8	135.5	137.2	136.9	140.0
Leather and leather products	63.6	63.3	59.5	63.9	63.7	64.2	63.7	64.1	65.3	65.4	65.7	65.1	64.7
SERVICE-PRODUCING	138.1	137.9	138.2	139.0	139.2	139.9	140.2	140.2	140.9	141.6	141.5	141.9	141.7
TRANSPORTATION AND PUBLIC UTILITIES	112.6	112.6	112.8	112.6	112.7	113.5	112.8	113.8	111.9	112.5	112.2	111.9	112.1
WHOLESALE AND RETAIL TRADE	130.3	129.1	128.9	130.4	130.9	131.4	131.6	130.9	132.3	132.8	132.8	132.9	132.7
WHOLESALE TRADE	133.7	130.8	131.0	131.9	133.3	133.6	134.0	134.5	135.0	134.9	134.5	134.8	135.1
RETAIL TRADE	129.0	128.5	128.0	129.8	130.0	130.6	130.6	129.4	131.3	132.1	132.1	132.2	131.8
FINANCE, INSURANCE, AND REAL ESTATE	149.7	151.2	151.1	151.8	151.1	152.4	152.6	153.2	153.7	154.3	154.0	154.5	154.5
SERVICES	157.4	157.8	159.1	159.4	159.3	160.0	161.2	161.4	162.4	163.3	163.5	164.4	164.0

1 See footnote 1, table B-2.

NOTE: Data in this table will be revised next month. See note on page 4.

p=preliminary.
r=corrected.

Table B-6. Indexes of diffusion: Percent of industries in which employment[1] increased

Year and month	Over 1-month span	Over 3-month span	Over 6-month span	Over 12-month span
1978				
January	68.6	80.8	82.3	79.7
February	68.6	77.3	82.8	82.3
March	71.8	80.2	79.9	81.1
April	69.8	74.7	74.7	84.6
May	61.9	73.0	75.3	83.7
June	64.2	66.6	74.7	82.6
July	61.0	68.0	73.3	81.1
August	67.7	70.1	77.6	79.9
September	67.2	74.1	80.5	79.1
October	68.0	78.2	82.0	74.1
November	75.3	81.1	79.1	76.7
December	74.7	81.7	78.2	74.4
1979				
January	66.9	75.9	74.7	73.3
February	66.3	70.3	71.8	70.6
March	62.2	64.0	64.0	69.2
April	49.7	60.2	60.5	67.7
May	58.1	54.7	53.8	63.4
June	57.8	59.9	51.5	58.4
July	57.0	53.8	58.1	59.6
August	54.4	52.0	55.5	54.9
September	52.9	57.6	55.2	50.6
October	63.1	61.9	59.3	46.5
November	55.2	61.9	63.1	39.5
December	53.5	57.3	56.4	37.8
1980				
January	60.2	57.6	45.3	33.4
February	54.9	52.6	36.9	33.1
March	45.9	39.2	32.3	35.2
April	34.6	29.1	24.7	33.1
May	28.8	25.0	26.7	35.5
June	30.2	23.8	25.6	35.8
July	36.3	34.9	32.3	33.4
August	62.8	54.4	46.8	32.6
September	62.8	68.9	68.6	36.3
October	64.0	74.1	78.8	44.8p
November	66.9	71.2	76.7	60.2p
December	64.0	73.0	74.4	
1981				
January	64.5	67.4	71.8p	
February	56.7	64.2	66.3p	
March	54.9	61.3p		
April	57.0p	58.4p		
May	50.3p			
June				
July				
August				
September				
October				
November				
December				

[1] Number of employees, seasonally adjusted, on payrolls of 172 private nonagricultural industries.
p = preliminary.

NOTE: Data in this table will be revised next month. See note on page 4.

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PRODUCER PRICE INDEXES--MAY 1981

The Producer Price Index for Finished Goods moved up 0.4 percent on a seasonally adjusted basis from April to May, the Bureau of Labor Statistics of the U.S. Department of Labor reported today. This was only half as large as the April advance and was the smallest increase so far this year. Prices for intermediate materials rose 0.5 percent, much less than in most recent months. Crude material prices moved down 0.5 percent, following a 1.5 percent advance in April and a 1.3 percent drop in March. (See table A.)

Table A. Percent changes from preceding month in selected stage-of-processing price indexes, seasonally adjusted*

Month	Finished goods			Intermediate goods			Crude goods		
	Total	Consumer foods	Other	Total	Foods and feeds 1/	Other	Total	Foodstuffs and feedstuffs	Other
May 1980	0.5	0.4	0.5	0.6	4.8	0.4	1.1	1.8	0
June	.8	.6	.9	.7	.5	.8	.8	1.7	-.4
July	1.7	3.7	1.1	.9	4.1	.7	5.3	7.5	2.4
Aug.	1.2	2.7	.7	1.0	6.0	.7	4.6	6.1	2.4
Sept.	.3	.5	.2	.5	.7	.5	1.4	.7	2.3
Oct.	.9	.7	1.1	.8	5.2	.6	1.7	1.5	1.9
Nov.	.7	.3	.8	.9	1.5	.9	1.1	.2	2.4
Dec.	.4	0	.4	1.1	-5.6	1.6	-.8	-2.6	1.8
Jan. 1981	1.0r	.1r	1.2r	1.3r	.2r	1.4r	.2r	-1.1	2.0r
Feb.	.6r	-.8r	1.1r	.2r	-3.7r	.4r	.8r	-3.3	6.3r
Mar.	1.3	.8	1.4	1.1	-2.6	1.3	-1.3	-2.0	-.4
Apr.	.8	0	1.0	1.1	.5	1.1	1.5	1.5	1.4
May	.4	0	.5	.5	-.2	.6	-.5	-2.2	1.5

1/ Intermediate materials for food manufacturing and feeds.
* Data for January 1981 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.
r= revised.

The May slowdown in the Finished Goods Price Index was due to a decline in the index for finished energy goods and a moderation in advances for consumer nondurables other than foods and energy. The 0.5 percent drop in finished energy prices was the first decrease since February 1978. Consumer food prices were unchanged for the second consecutive month. Capital equipment prices, however, continued to rise rapidly.

Before seasonal adjustment, the Producer Price Index for Finished Goods moved up 0.4 percent to 268.9 (1967=100). From May 1980 to May 1981, this index rose 10.5 percent. The finished energy goods index was 19.1 percent higher over the year, the consumer foods index and the index for finished consumer goods other than foods and energy both rose 8.7 percent, and capital equipment prices increased 10.9 percent. The Producer Price Index for intermediate goods rose 10.7 percent since May 1980, and crude material prices were 15.2 percent higher than a year ago.

Finished goods

Finished consumer goods. The Producer Price Index for finished consumer goods moved up 0.2 percent in May, the smallest monthly increase since the summer of 1978. Prices for finished energy goods fell 0.5 percent, after rising very rapidly in the previous 6 months.

Table B. Percent changes in finished goods price indexes, selected periods*

	Changes from preceding month, seasonally adjusted						Change in finished goods from 12 months ago (unadj.)
				Finished consumer goods excluding foods			
Month	Finished goods	Capital equipment	Finished consumer goods	Total	Durables	Nondurables	
May 1980	0.5	0.3	0.5	0.5	0.1	0.7	13.5
June	.8	.7	.9	1.0	1.5	.7	13.8
July	1.7	1.2	1.9	1.0	1.5	.8	14.6
Aug.	1.2	1.0	1.2	.6	.8	.5	14.8
Sept.	.3	.1	.3	.	-.1	.4	13.1
Oct.	.9	1.7	.8	.8	1.5	.4	13.1
Nov.	.7	.6	.7	.9	.5	1.2	12.4
Dec.	.4	.4	.3	.4	-.2	.9	11.8
Jan. 1981	1.0r	1.1r	.9r	1.2r	.1r	1.7r	11.1r
Feb.	.6r	.9r	.6r	1.2r	.1r	1.7r	10.4
Mar.	1.3	.7	1.4	1.6	.1	2.4	10.5
Apr.	.8	.9	.8	1.1	.7	1.2	10.6
May	.4	.9	.2	.3	1.0	.1	10.5

* Data for January 1981 have been revised to reflect the availability of late reports and corrections by respondents. For this reason, some of the figures shown above and elsewhere in this release may differ from those previously reported.

r= revised.

Gasoline prices declined 1.8 percent and the index for home heating oil decreased 1.2 percent. On the other hand, the natural gas index rose more rapidly than in recent months.

The index for finished consumer goods other than foods and energy rose 0.6 percent, compared with a 0.9 percent increase in April. The passenger car index rose 1.2 percent, following a 1.4 percent advance in April. Price increases slowed markedly for books, soaps and detergents, household furniture, and alcoholic beverages. Prices for tobacco products, plastic dinnerware and tableware, and electric lamps and bulbs were unchanged, following substantial advances in the previous month. In contrast, prices for luggage and floor coverings moved up more than in April.

The index for finished consumer foods was unchanged for the second consecutive month. This index showed virtually no net change over the last 6 months. Decreases occurred for fresh and dried vegetables, pork, eggs, refined sugar, roasted coffee, vegetable oil end products, and milled rice. On the other hand, advances were registered for processed poultry, fish, soft drinks, and whole black pepper. Prices for beef and veal edged up, after declining at a rate of 22.7 percent in the 6 months ended in April.

Capital equipment. The Producer Price Index for capital equipment rose 0.9 percent, the same as in April. Price increases for heavy motor trucks accelerated considerably. Increases also occurred for most other capital goods; some of the largest advances were for agricultural machinery, construction machinery, chemical industry machinery, and commercial furniture.

Intermediate materials

The Producer Price Index for Intermediate Materials, Supplies, and Components rose 0.5 percent seasonally adjusted from April to May, considerably less than in most recent months. Although price moderation was exhibited by a wide variety of goods, large increases continued for some products, particularly those derived from petroleum.

The index for intermediate materials less foods and energy registered a 0.7 percent advance, following a 1.0 percent jump in the previous month. The sharpest slowdown within this grouping occurred for the construction materials index, which rose 0.6 percent compared with a 1.5 percent rise in April. Prices edged down after surging in the prior month for plywood, fabricated structural metal products, asphalt roofing, bituminous paving materials, valves and fittings, and switchgear and switchboards. On the other hand, large advances occurred for softwood lumber, heating equipment, building paper and board, structural clay products, and gypsum products.

The index for nondurable manufacturing materials rose 0.7 percent, less than in April but the same as in March. Prices for leather and inedible fats and oils turned down following advances in the previous month, and finished fabrics and plastic resins moved up only slightly after much larger advances in April. On the other hand, large increases were recorded for industrial chemicals, synthetic fibers, processed yarns, paint materials, paperboard, synthetic rubber, nitrogenates, and phosphates. Many of these advances reflected the pass-through of the substantial rise in crude petroleum prices earlier in the year.

The durable manufacturing materials index moved up 1.2 percent, the same as a month earlier. Prices advanced for nonferrous mill shapes, jewelers' materials, and primary zinc, copper, and gold. Tin and silver prices continued to fall, however, and prices for lead turned down following a 2-month upsurge.

Price movements for manufacturing components were generally moderate; however,

prices advanced sharply for foundry and forge shop products and fluid power equipment. Among other intermediate goods, there were increases for some plastic products, while prices for explosives turned down following a steep April rise.

The intermediate energy goods index edged up; in contrast, these prices had climbed at a 37.4 percent annual rate during the 6 preceding months. Diesel fuel and liquefied petroleum gas prices turned down following large increases in April. Residual fuel prices declined for the second consecutive month, and commercial jet fuel increases decelerated markedly. However, coke and lubricating oil material prices rose sharply. Electric power prices also continued to rise.

The intermediate foods and feeds index edged down 0.2 percent. Sharp decreases were registered for refined sugar used in food manufacturing, flour, and crude vegetable oils. In contrast, prices advanced substantially for feeds and animal fats and oils.

Crude materials

The Producer Price Index for Crude Materials for Further Processing decreased 0.5 percent in May on a seasonally adjusted basis, after increasing 1.5 percent in April. The index for crude foodstuffs and feedstuffs declined 2.2 percent, following a 1.5 percent rise in April and sharp decreases in each of the 4 months before that. Green coffee prices, which had been stable for several months, moved down almost 24 percent. Prices for raw cane sugar declined 18.4 percent, even more than in each of the preceding 3 months. Prices for cattle, hogs, wheat, and corn fell after turning up in April. Cocoa bean prices also decreased markedly after rising for 4 consecutive months. On the other hand, prices for live poultry turned up for the first time this year, and hay prices increased rapidly. Oilseed prices also rose, but much less than in April.

The index for crude nonfood materials other than energy moved up 3.2 percent, about the same as in April. Price increases for iron and steel scrap accelerated, and prices for nonferrous scrap and natural rubber turned up after falling for several months. Prices for sand and gravel, leaf tobacco, and potash also advanced. On the other hand, prices for raw cotton turned down sharply, and cattlehide prices decreased more than in April.

The crude energy materials index moved up 0.8 percent, slightly more than in April. The natural gas prices rose 3.5 percent, considerably more than in any recent month, but crude petroleum and coal prices edged down.

Producer Price Indexes Will Shift to New Base Next Year

Beginning with the release of January 1982 data in February 1982, most Producer Price Indexes will shift to a new base year. All indexes currently expressed on a base of 1967=100, or any other base through December 1976, will be rebased to 1977=100. Only indexes with a base later than December 1976 will keep their current base. Rebasing of PPI data is part of a comprehensive rebasing of indexes published by the Federal Government. (See Technical Note, "Federal agencies updating base year of indexes to 1977," in the February 1981 issue of Monthly Labor Review.) The last previous rebasing of PPI data occurred in January 1971, when the current 1967 base was substituted for the former 1957-59 base.

Historical data for each PPI series on the new base will be available from BLS on request.

To convert any continuous index series on the 1967 base to a new continuous series

on the 1977 base, divide each index value on the former base by the index value for the new base period and multiply by 100. For example, the August 1980 index for steel mill products was 301.0 (1967=100). To convert that index to a base of 1977=100, divide 301.0 by the 1977 annual average for steel mill products on a 1967=100 base, which was 229.9. The August 1980 index for steel mill products on a base of 1977=100 thus becomes:

$$(301.0/229.9) \times 100 = 130.9$$

Rebasing an index does not affect the calculation of percent changes over time, except for possible rounding differences, so long as all calculations are performed with indexes expressed on the same base. Long-term business contracts with escalation clauses which make changes in selling or buying prices dependent on percent changes in specified PPI series should, therefore, not be substantively affected by the rebasing next year. However, contracts with escalation clauses which make price changes dependent on changes in index points may be greatly affected by rebasing. (See "Escalation and Producer Price Indexes: A Guide for Contracting Parties," BLS Report 570, available on request.)

Brief Explanation of Producer Price Indexes

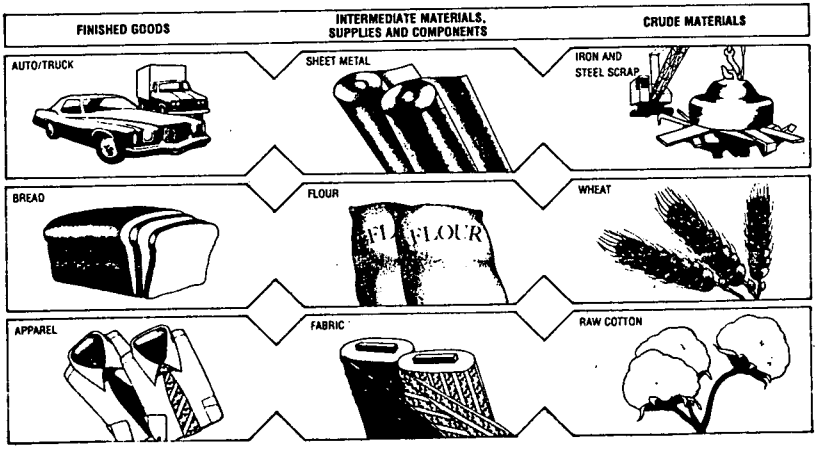
Producer Price Indexes measure average changes in prices received in primary markets of the United States by producers of commodities in all stages of processing. These data were previously presented as the Wholesale Price Index. The name "Producer Price Indexes" is now being used to reflect more accurately the coverage of the data. The sample used for calculating these indexes continues to contain nearly 2,800 commodities and about 10,000 quotations selected to represent the movement of prices of all commodities produced in the manufacturing, agriculture, forestry, fishing, mining, gas and electricity, and public utilities sectors. The universe includes all commodities produced or imported for sale in commercial transactions in primary markets in the United States.

Producer Price Indexes can be organized by stage of processing or by commodity. The stage of processing structure organizes products by degree of fabrication (i.e., finished goods, intermediate or semifinished goods, and crude materials). The commodity structure organizes products by similarity of end-use or material composition.

Finished goods are commodities that will not undergo further processing and are ready for sale to the ultimate user, either an individual consumer or a business firm. Capital equipment (formerly called producer finished goods) includes commodities such as motor trucks, farm equipment, and machine tools. Finished consumer goods include foods and other types of goods eventually purchased by retailers and used by consumers. Consumer foods include unprocessed foods such as eggs and fresh vegetables, as well as processed foods such as bakery products and meats. Other finished consumer goods include durables such as automobiles, household furniture, and jewelry, and nondurables such as apparel and gasoline.

Intermediate materials, supplies, and components are commodities that have been processed but require further processing before they become finished goods. Examples of such semifinished goods include flour, cotton yarns, steel mill products, belts and belting, lumber, liquefied petroleum gas, paper boxes, and motor vehicle parts.

Crude materials for further processing include products entering the market for the first time which have not been manufactured or fabricated but will be processed before becoming finished goods. Scrap materials are also included. Crude foodstuffs and feedstuffs include items such as grains and livestock. Examples of crude nonfood materials include raw cotton, crude petroleum, natural gas, hides and skins, and iron and steel scrap.



For analysis of general price trends, stage of processing indexes are more useful than commodity grouping indexes. This is because commodity grouping indexes sometimes produce exaggerated or misleading signals of price changes by reflecting the same price movement through various stages of processing. For example, suppose that a price rise for steel scrap results in an increase in the price of steel sheet and then an advance in prices of automobiles produced from that steel. The All Commodities Price Index and the Industrial Commodities Price Index would reflect the same price movement three times—once for the steel scrap, once for the steel sheet, and once for the automobiles. This multiple counting occurs because the weighting structure for the All Commodities Index uses the total shipment values for all commodities at all stages of processing. On the other hand, the Finished Goods Price Index would reflect the change in automobile prices, the Intermediate Materials Price Index would reflect the steel sheet price change, and the Crude Materials Price Index would reflect the rise in the price of steel scrap.

To the extent possible, prices used in calculating Producer Price Indexes apply to the first significant commercial transaction in the United States, from the production or central marketing point. Price data are generally collected monthly, primarily by mail questionnaire. Respondents are asked to provide net prices or to provide all applicable discounts. BLS attempts to base Producer Price Indexes on actual transaction prices; however, list or book prices are used if transaction prices are not available. Most prices are obtained directly from producing companies on a voluntary and confidential basis, but some prices are taken from trade publications or from other Government agencies. Prices generally are reported for the Tuesday of the week containing the 13th day of the month.

In calculating Producer Price Indexes, price changes for the various commodities are averaged together with weights representing their importance in the total net selling value of all commodities as of 1972. The detailed data are aggregated to obtain indexes for stage of processing groupings, commodity groupings, durability of product groupings, and a number of special composite groupings. Each index measures price changes from a reference period which equals 100.0 (usually 1967, as designated by the Office of Management and Budget). An increase of 85 percent from the reference period in the Finished Goods Price Index, for example, is shown as 185.0. This change can also be expressed in dollars, as follows: "The price of a representative sample of finished goods sold in primary markets in the United States has risen from $100 in 1967 to $185."

A Note about Calculating Index Changes

Movements of price indexes from one month to another are usually expressed as percent changes rather than changes in index points because index point changes are affected by the level of the index in relation to its base period, while percent changes are not. The following example illustrates the computation of index point and percent changes. (See box.)

Percent changes for 3-month and 6-month periods are expressed as annual rates that are computed according to the standard formula for compound growth rates. These data indicate what the percent change would be if the current rate were maintained for a 12-month period.

Index Point Change	
Finished Goods Price Index	185.5
less previous index	184.5
equals index point change	1.0
Index Percent Change	
Index point change	1.0
divided by the previous index	184.5
equals	0.005
result multiplied by 100	0.005 x 100
equals index percent change	0.5

A Note on Seasonally Adjusted Data

Because price data are used for different purposes by different groups, the Bureau of Labor Statistics publishes seasonally adjusted as well as unadjusted changes each month.

For analyzing general price trends in the economy, seasonally adjusted data usually are preferred because they eliminate the effect of changes that normally occur at about the same time and in about the same magnitude every year—such as price movements resulting from normal weather patterns, regular production and marketing cycles, model changeovers, seasonal discounts, and holidays. For this reason, seasonally adjusted data more clearly reveal the underlying cyclical trends. Seasonally adjusted data are subject to revision when seasonal factors are revised each year.

The unadjusted data are of primary interest to users who need information which can be related to the actual dollar values of transactions. Individuals requiring this information include marketing specialists, purchasing agents, budget and cost analysts, contract specialists, and commodity traders. Unadjusted data generally are used in escalating contracts such as purchase agreements or real estate leases.

Table 1. Producer price indexes and percent changes by stage of processing

(1967=100)

Grouping	Relative importance Dec. 1980 1/	Unadjusted index Jan. 1981 2/	Apr. 1981 2/	May 1981 2/	Unadjusted percent change to May 1981 from: May 1980	Apr. 1981	Seasonally adjusted percent change from: Feb. to Mar.	Mar. to Apr.	Apr. to May
Finished goods	100.000	260.4	267.7	268.9	10.5	0.4	1.3	0.8	0.4
Finished consumer goods	79.671	262.0	269.6	270.6	10.4	.4	1.4	.8	.2
Finished consumer foods	23.053	251.2	251.5	252.0	8.7	.2	.8	0	0
Crude	1.972	257.9	278.8	262.3	14.5	-5.9	8.2	-1.4	-2.5
Processed	21.080	248.6	247.0	249.1	8.2	.9	.1	.2	.2
Finished consumer goods, excluding foods	56.618	264.2	275.1	276.1	10.9	.4	1.6	1.1	.3
Nondurable goods less foods	37.125	301.5	318.8	319.6	12.5	.3	2.4	1.2	.1
Durable goods	19.494	214.5	216.2	217.7	7.8	.7	.1	.7	1.0
Capital equipment	20.329	256.5	260.5	262.6	10.9	.8	.7	.9	.9
Manufacturing industries	6.245	270.2	276.7	279.4	10.6	1.0	.8	.6	1.0
Nonmanufacturing industries	14.083	245.6	251.4	253.2	11.1	.7	.7	1.1	.8
Intermediate materials, supplies, and components	100.000	296.2	305.4	306.6	10.7	.4	1.1	1.1	.5
Materials and components for manufacturing	52.795	279.7	285.9	285.0	8.6	-.4	.3	.6	.6
Materials for food manufacturing	4.604	281.9	264.0	260.3	2.0	-1.4	-2.3	-1.1	-1.9
Materials for nondurable manufacturing	16.499	276.1	283.8	286.6	10.1	1.0	.7	1.0	.7
Materials for durable manufacturing	15.547	307.2	310.2	311.1	5.8	.3	.3	1.2	1.2
Components for manufacturing 3/	16.146	259.2	255.2	256.0	11.8	.3	.7	.7	.3
Materials and components for construction	15.358	279.3	287.7	288.3	8.7	.2	.9	1.5	.6
Processed fuels and lubricants	14.845	551.9	607.0	608.7	22.2	.3	4.3	1.3	.2
Manufacturing industries	5.890	469.5	506.9	510.9	21.4	.8	3.2	.8	.5
Nonmanufacturing industries	8.955	624.7	695.2	695.0	22.8	0	4.9	1.7	.1
Containers	4.161	264.4	274.2	276.0	8.5	.7	.5	.5	1.0
Supplies	12.841	257.5	262.1	263.8	9.9	.6	.1	1.4	1.2
Manufacturing industries 3/	3.897	242.4	250.3	251.7	9.2	.6	.9	1.5	.6
Nonmanufacturing industries	8.944	265.4	268.4	270.1	10.2	.6	-.2	1.4	1.4
Feeds	1.846	251.9	239.5	243.2	17.2	1.5	-3.5	4.9	3.8
Other supplies 3/	7.098	265.3	272.4	273.6	8.6	.4	.9	.9	.4
Crude materials for further processing	100.000	328.0	335.2	333.2	15.2	-.6	-1.3	1.5	-.5
Foodstuffs and feedstuffs	57.736	270.7	263.6	260.6	7.2	-1.1	-2.0	1.5	-2.2
Nonfood materials	42.264	430.1	488.8	488.6	26.1	0	-.4	1.4	1.5
Nonfood materials except fuel 4/	30.747	391.0	432.7	428.6	28.6	-.9	-.9	1.2	1.1
Manufacturing 4/	28.926	405.2	450.4	445.7	29.6	-1.0	-1.0	1.3	1.1
Construction	1.821	254.8	262.3	263.4	13.1	.4	.8	.6	.9
Crude fuel 3/ 5/	11.517	677.4	697.2	715.3	19.2	2.6	.9	1.8	2.6
Manufacturing industries 3/	6.017	771.9	795.9	819.7	22.3	3.0	1.1	1.9	3.0
Nonmanufacturing industries 3/	5.499	614.9	631.6	645.2	16.1	2.2	.8	1.6	2.2
Special groupings									
Finished goods, excluding foods	6/ 76.947	261.7	271.2	272.6	11.0	.5	1.6	1.0	.5
Intermediate materials less foods and feeds	7/ 93.550	298.0	309.0	310.5	11.1	.5	1.3	1.1	.6
Intermediate foods and feeds	7/ 6.458	271.1	255.6	254.1	6.0	-.6	-2.6	.5	-.2
Crude materials less agricultural products 8/ 9/	9/ 38.617	504.0	551.9	552.8	28.5	.2	-.5	1.4	1.8
Finished energy goods	6/ 11.969	758.1	848.4	848.5	19.1	0	6.1	1.6	-.5
Finished goods less energy	6/ 88.031	233.3	237.0	238.1	9.3	.5	.6	.7	.5
Finished consumer goods less energy	6/ 67.702	228.1	231.3	232.1	8.8	.3	.5	.4	.3
Finished goods less foods and energy	6/ 64.978	227.4	232.3	233.6	9.5	.6	.5	1.0	.6
Finished consumer goods less foods and energy	6/ 44.669	213.4	217.7	218.7	8.7	.5	.4	.9	.6
Consumer nondurable goods less foods and energy	6/ 25.156	200.6	206.5	207.1	9.2	.3	.5	1.0	.3
Intermediate energy goods	7/ 16.210	532.1	583.3	586.0	21.8	.5	4.3	1.6	.2
Intermediate materials less energy	7/ 83.790	278.4	283.4	284.6	8.7	.4	.4	1.0	.7
Intermediate materials less foods and energy	7/ 77.340	274.3	280.9	282.3	8.9	.5	.6	1.0	.7
Crude energy materials 3/ 4/	9/ 26.800	696.0	782.5	788.6	38.2	.8	.3	.6	.8
Crude materials less energy	9/ 73.200	266.0	261.1	257.9	7.0	-1.2	-2.1	1.9	-1.0
Crude nonfood materials less energy 3/	9/ 15.464	274.2	278.1	273.1	6.2	-1.8	-2.1	3.0	3.2

1/ Comprehensive relative importance figures are computed once each year in December.
2/ Data for Jan. 1981 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.
3/ Not seasonally adjusted.
4/ Includes crude petroleum.
5/ Excludes crude petroleum.
6/ Percent of total finished goods.
7/ Percent of total intermediate materials.
8/ Formerly titled "Crude materials for further processing, excluding crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco."
9/ Percent of total crude materials.

Note: Relative importance figures have been revised to reflect revisions in December 1980 indexes.

Table 2. Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance	Unadjusted index		Unadjusted percent change to May 1981 from:		Seasonally adjusted percent change from:		
		Dec. 1980 1/	Apr. 1981 2/	May 1981 2/	May 1980	Apr. 1981	Feb. to Mar.	Mar. to Apr.	Apr. to May
	FINISHED GOODS	100.000	267.7	268.9	10.5	0.4	1.3	0.8	0.4
	FINISHED CONSUMER GOODS	79.671	269.6	270.6	10.4	.4	1.4	.8	.2
	FINISHED CONSUMER FOODS	23.053	251.5	252.0	8.7	.2	.6	0	0
01-11	Fresh fruits	.455	221.3	227.7	-6.8	2.9	1.8	2.1	.3
01-13	Fresh and dried vegetables	.719	317.0	291.2	30.6	-8.1	19.4	-11.2	-5.8
01-7	Eggs	.467	196.2	165.0	17.4	-15.9	-4.1	19.0	-7.1
02-11	Bakery products	2.250	264.1	265.4	7.5	.5	.3	.8	.8
02-12-02	Flour base mixes and doughs	.170	234.9	236.3	6.2	-.3	-.6	2.5	.8
02-13	Milled rice	.066	301.0	300.4	18.0	-.2	2.6	-4.7	-2.7
02-14	Other cereals	.439	271.4	280.3	12.7	3.3	.4	.6	3.7
02-21-01	Beef and veal	2.780	244.6	251.9	-1.1	3.0	-2.0	-.2	.3
02-21-04	Pork	1.487	200.3	203.8	24.5	1.7	2.6	4.9	-2.3
02-22	Processed poultry	.763	188.1	197.5	19.1	5.0	-.9	-6.9	8.4
02-23	Fish	.958	387.1	386.4	8.9	-.2	4.0	.1	1.3
02-3	Dairy products	2.517	245.8	245.0	7.2	-.3	-.2	-.6	.4
02-4	Processed fruits and vegetables	1.472	258.7	260.1	15.4	.5	3.3	2.0	.7
02-53-01	Refined sugar, consumer size packages (Dec. 1977=100) 3/	.223	166.6	149.6	-32.5	-10.2	-15.3	-6.1	-10.2
02-55	Confectionery end products (Dec. 1977=100) 3/	.879	120.7	119.4	5.4	-1.1	0	0	-1.1
02-62	Soft drinks 3/	1.557	290.8	294.6	14.4	1.3	0	0	1.3
02-63-01	Roasted coffee	.824	325.7	325.7	-13.9	0	-.3	-1.3	-1.4
02-74	Vegetable oil end products	.363	241.6	238.6	4.6	-1.2	-1.6	-.5	-1.7
02-6	Miscellaneous processed foods 3/	2.344	249.9	251.1	12.2	.5	.5	.3	.5
	FINISHED CONSUMER GOODS EXCLUDING FOODS	56.618	275.1	276.1	10.9	.4	1.6	1.1	.3
02-61	Alcoholic beverages 3/	1.686	188.1	188.9	9.2	.4	.6	.9	.4
03-81	Apparel	5.283	182.1	182.4	7.2	.2	.6	.9	.6
03-82	Textile housefurnishings 3/	.745	226.3	231.1	14.1	2.1	0	.4	2.1
04-3	Footwear	1.055	241.1	241.1	4.0	0	-.5	.1	-.1
04-41	Luggage and small leather goods	.302	196.3	202.6	17.4	3.2	4.2	.6	2.2
05-31	Natural gas 3/	2.180	999.4	1034.5	26.8	3.5	1.3	2.0	3.5
05-71	Gasoline	6.803	752.0	747.6	16.1	-.6	7.5	1.3	-1.8
05-73-02-01	Fuel oil No. 2 (Feb. 1973=100)	1.692	903.9	889.0	27.6	-1.6	9.0	1.7	-1.2
05-76	Finished lubricants 3/	.191	340.5	341.8	11.2	.4	1.2	1.6	.4
06-35	Pharmaceutical preparations, ethical (Prescription)	.675	169.3	170.1	11.4	.5	1.6	1.3	.8
06-36	Pharmaceutical preparations, proprietary (Over-the-counter)	.326	224.7	229.1	12.9	2.0	-.2	1.2	2.1
06-71	Soaps and synthetic detergents 3/	.686	238.5	238.7	11.6	.1	3.1	1.3	.1
06-75	Cosmetics and other toilet preparations	.982	208.9	207.5	8.8	-.7	-2.2	.9	-.6
07-12	Tires and tubes	.722	250.3	250.8	7.5	.2	1.7	1.0	.4
07-13-01	Rubber footwear	.193	219.2	219.2	5.8	0	.6	.3	.5
07-27	Disposable plastic dinnerware and tableware (June 1978=100) 3/	.185	136.5	136.5	.2	0	.1	2.9	0
07-28	Consumer and commercial plastics, not elsewhere classified (June 1978=100) 3/	.366	127.2	127.4	8.2	.2	1.5	.7	.2
09-15-01	Sanitary papers and health products 3/	.777	347.9	349.2	8.4	.4	.2	0	.4
09-31	Newspaper publishing (Dec. 1980=100) 3/	5.416	107.6	108.1	(4)	.5	.9	.5	.5
09-32	Periodical publishing (Dec. 1980=100) 3/	1.855	103.8	104.3	(4)	.5	.6	.2	.5
09-33	Book publishing (Dec. 1980=100) 3/	1.043	104.7	104.9	(4)	.2	.3	2.8	.2
11-77	Electric lamps and bulbs	.215	268.9	268.5	9.8	-.1	.7	1.4	0
12-1	Household furniture	1.621	216.9	217.6	7.2	.3	1.5	1.2	.3
12-3	Floor coverings	.405	176.2	179.9	11.1	2.1	.9	1.2	2.3
12-4	Household appliances 3/	1.310	183.8	184.2	6.4	.2	.4	.4	.2
12-5	Home electronic equipment 3/	.633	91.3	91.0	-1.1	-.3	-.6	0	-.3
12-6	Other household durable goods	.938	276.2	277.6	4.5	.5	-.3	.8	1.0
14-11-01	Passenger cars	6.986	202.0	204.5	9.9	1.2	.3	1.4	1.2
14-11-02-71	Light motor trucks 3/	1.026	246.5	248.7	15.8	.9	0	2.8	.9
15-1	Toys, sporting goods, small arms, etc.	1.135	211.7	212.3	8.3	.3	.5	.7	.7
15-2	Tobacco products 3/	1.503	268.4	268.4	8.4	0	0	5.1	0
15-51	Mobile homes 3/	.874	155.2	155.3	3.3	.1	1.2	.5	.1
15-94-02	Jewelry, platinum & karat gold (Dec. 1978=100) 3/	1.112	191.3	191.8	-1.5	.3	-4.4	0	.3
15-94-03	Other precious metal jewelry 3/	.239	162.8	162.0	-1.3	-.5	-.7	-5.3	-.5
15-94-04	Costume jewelry (Dec. 1978=100) 3/	.333	118.3	118.3	9.7	0	.6	4.3	0
	CAPITAL EQUIPMENT	20.329	260.5	262.6	10.9	.8	.7	.9	.9
11-1	Agricultural machinery and equipment	1.199	281.2	284.4	10.9	1.1	.7	1.1	1.2
11-2	Construction machinery and equipment 3/	1.400	314.7	318.3	11.3	1.1	.9	1.1	1.1
11-32-03	Power driven hand tools, electrical (Dec. 1976=100)	.057	139.0	138.8	10.1	-.1	1.6	.1	-.1
11-36	Industrial process furnaces and ovens 3/	.156	328.2	330.5	13.1	.7	1.8	1.7	.7
11-37	Metal cutting machine tools	.488	341.1	341.9	9.5	.2	1.3	.4	0
11-38	Metal forming machine tools	.272	375.0	376.6	10.3	.4	1.0	.2	.8
11-41	Pumps, compressors, and equipment	.472	315.9	319.8	12.1	1.2	.5	0	1.1
11-44	Industrial material handling equipment	.732	270.9	276.8	9.6	2.2	1.5	.6	2.3
11-47	Fans and blowers except portable	.126	314.2	314.2	7.2	0	1.2	0	.5
11-6	Special industry machinery and equipment 3/	2.156	303.8	307.4	12.6	1.2	.5	1.0	1.2
11-72	Integrating and measuring instruments	.203	193.9	195.3	7.1	.7	1.6	.9	1.0
11-73-02	Generators and generator set	.479	324.3	324.3	17.3	0	.1	1.5	.2
11-74	Transformers and power regulators 3/	.443	204.6	206.5	15.6	1.0	4.5	.9	1.0
11-91	Oil field and gas field machinery 3/	.169	385.0	386.7	17.1	.4	1.0	1.6	.4
11-92	Mining machinery and equipment	.142	331.7	332.1	8.7	.1	1.1	.3	.4
11-93	Office and store machines and equipment 3/	1.249	146.9	147.1	4.7	.1	.2	.5	.1
12-2	Commercial furniture 3/	.768	254.3	256.9	9.8	1.0	.8	.4	1.0
14-11-01	Passenger cars	2.263	202.0	204.5	9.9	1.2	.3	1.4	1.2
14-11-02-71	Light motor trucks 3/	1.367	246.5	248.7	15.8	.9	0	2.8	.9
14-11-02-81	Heavy motor trucks 3/	1.052	270.2	275.8	11.8	2.1	-.2	.5	2.1
14-14	Truck trailers (June 1980=100) 3/	.268	103.9	104.5	(4)	.6	1.1	.4	.6
14-21-11	Fixed wing, utility aircraft (Dec. 1968=100)	.916	275.7	275.7	18.3	0	1.1	.7	.6
14-4	Railroad equipment	.446	341.8	337.1	8.6	-1.4	.6	1.2	-.8
15-41	Photographic equipment	.465	130.0	130.2	5.4	.2	2.0	.8	.8

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance Dec. 1980 1/	Unadjusted index Apr. 1981 2/	Unadjusted index May 1981 2/	Unadjusted percent change to May 1981 from: May 1980	Unadjusted percent change to May 1981 from: Apr. 1981	Seasonally adjusted percent change from: Feb. to Mar.	Seasonally adjusted percent change from: Mar. to Apr.	Seasonally adjusted percent change from: Apr. to May
	INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS...	100.000	385.4	386.6	10.7	0.4	1.1	1.1	0.5
	INTERMEDIATE FOODS AND FEEDS...	6.450	255.6	254.1	6.0	-.6	-2.6	.5	-.2
02-12-01	Flour...	.268	195.3	194.3	6.7	-.5	-.6	3.2	-2.5
02-53-02	Refined sugar, for use in food manufacturing (Dec. 1977=100) 1/...	1.057	188.1	171.7	-19.3	-8.7	-8.7	-6.1	-8.7
02-54	Confectionery materials (Dec. 1977=100) 1/...	.286	167.7	166.5	9.2	-.8	-.7	-3.0	-.8
02-71	Animal fats and oils...	.070	298.9	297.2	13.2	-.6	-.8	-4.1	4.2
02-72	Crude vegetable oils...	.209	193.6	187.0	5.1	-3.4	-1.9	2.3	-2.1
02-73	Refined vegetable oils 1/...	.072	209.6	207.5	37.9	-1.0	0	3.7	-1.0
02-9	Prepared animal feeds...	1.843	237.8	241.2	16.4	1.4	-.3	3.0	3.1
	INTERMEDIATE MATERIALS LESS FOODS AND FEEDS...	93.550	389.0	390.5	11.1	.5	1.3	1.1	.6
03-1	Synthetic fibers (Dec. 1975=100)...	.689	151.6	156.7	17.6	3.4	1.4	1.3	2.5
03-2	Processed yarns and threads (Dec. 1975=100)...	.924	134.6	137.1	10.4	1.9	2.8	.2	1.9
03-3	Gray fabrics (Dec. 1975=100)...	1.175	145.7	146.1	7.0	.3	-.3	.6	.3
03-4	Finished fabrics (Dec. 1975=100)...	1.699	124.1	124.7	8.2	.5	-.6	1.0	.2
04-2	Leather...	.278	337.8	337.0	16.0	-.2	3.2	3.1	-2.0
05-2	Coke...	.142	430.6	468.5	8.8	8.8	0	-.5	8.8
05-32	Liquefied petroleum gas 1/...	.779	722.0	721.0	10.7	-.1	.5	1.8	-.1
05-4	Electric power...	4.848	355.8	360.7	14.0	1.4	-.2	1.2	.9
05-71	Gasoline...	3.221	752.0	747.6	16.1	-.6	7.5	1.3	-1.8
05-72-02-01	Kerosene (Feb. 1973=100)...	.197	867.6	865.0	22.3	-.5	8.1	1.9	-.3
05-72-03-01	Commercial jet fuel (Feb. 1973=100) 1/...	1.353	904.3	909.3	23.5	.6	6.6	4.4	.6
05-73-03-01	Diesel fuel (Feb. 1973=100) 1/...	1.459	870.2	864.9	24.2	-.6	7.7	2.5	-.6
05-74	Residual fuel...	2.525	1315.2	1316.3	51.3	.1	7.2	.7	.1
05-75	Lubricating oil materials 1/...	.600	854.9	881.0	17.7	3.1	0	2.2	3.1
06-1	Industrial chemicals 1/...	4.338	360.8	366.6	11.6	1.6	.9	2.4	1.6
06-21	Prepared paint 1/...	.669	248.5	250.4	4.9	.8	0	.6	.8
06-22	Paint materials...	.681	295.2	300.1	9.6	1.7	0	1.3	1.6
06-31	Drugs and pharmaceutical materials 1/...	.226	223.2	223.2	11.3	0	0	.5	0
06-4	Fats and oils, inedible...	.237	312.7	312.1	5.9	-.2	-2.2	3.8	-1.6
06-51	Mixed fertilizers...	.311	263.2	265.4	8.8	.8	-.1	-.2	1.3
06-52-01	Nitrogenates...	.276	218.1	221.0	12.5	1.3	1.1	4.2	1.7
06-52-02	Phosphates...	.322	287.7	287.3	8.1	-.1	-1.2	-.8	1.2
06-53	Pesticides...	.284	381.9	381.9	1.5	0	-.1	-2.1	-.5
06-6	Plastic resins and materials...	1.285	285.4	287.9	-.2	.9	.6	1.2	.1
06-79	Miscellaneous chemical products 1/...	1.031	299.6	299.0	18.3	-.2	.3	6.2	-.2
07-11-02	Synthetic rubber...	.285	284.4	289.2	12.9	1.7	1.4	1.2	1.4
07-12	Tires and tubes...	.733	250.3	250.8	7.5	.2	1.7	1.0	.4
07-13-04	Other miscellaneous rubber products...	.702	247.3	249.5	12.1	.9	1.2	0	.8
07-21	Plastic construction products (Dec. 1969=100)...	.272	155.0	155.1	1.2	.1	.4	.5	.1
07-22	Unsupported plastic film and sheeting (Dec. 1970=100)...	.492	207.4	207.4	11.3	0	-.3	6.6	.2
07-23	Laminated plastic sheets (Dec. 1970=100)...	.131	183.1	186.9	8.0	2.1	.1	-3.5	1.8
07-24	Formed plastic products (June 1978=100) 1/...	.187	133.3	132.8	7.8	-.4	.6	0	-.4
07-25	Plastic packaging and shipping products (June 1978=100) 1/...	.347	129.5	131.3	6.4	1.4	1.3	.7	1.4
07-26	Plastic parts and components for manufacturing (June 1978=100) 1/...	.689	130.3	130.6	6.6	.2	.1	.2	.2
08-11	Softwood lumber...	1.736	352.5	356.4	14.0	1.1	-2.5	3.3	2.7
08-12	Hardwood lumber...	.409	251.4	253.9	.6	1.0	0	.2	.9
08-2	Millwork...	1.403	276.5	274.8	9.1	-.6	-.1	.6	-.7
08-3	Plywood...	.842	254.4	248.4	7.7	-2.4	1.1	4.1	-.3
08-4	Other wood products...	.330	238.2	238.1	-1.1	0	.1	-.4	-.4
09-11	Woodpulp...	.451	398.6	398.6	2.9	0	0	-.2	0
09-13	Paper...	1.537	275.5	276.1	7.8	.2	-.1	0	.4
09-14	Paperboard...	.697	257.8	262.3	11.4	1.7	.5	-.2	1.2
09-15-03	Paper boxes and containers...	1.852	241.8	242.9	8.9	.5	2.0	1.2	.5
09-2	Building paper and board...	.242	231.9	236.9	14.6	2.2	-.3	1.7	1.6
10-13-01	Semifinished steel mill products...	.398	349.9	348.7	7.6	-.3	.6	-1.0	0
10-13-02	Finished steel mill products...	6.116	330.6	330.9	8.8	.1	2.0	.3	.3
10-15	Foundry and forge shop products...	1.897	323.5	326.6	6.5	1.0	-.6	.2	1.3
10-16	Pig iron and ferroalloys...	.574	312.0	311.7	.8	-.1	.6	.3	-.7
10-22	Primary nonferrous metals 1/...	2.158	257.9	258.4	-1.9	.2	-2.6	0	.2
10-24	Secondary nonferrous metals...	.527	279.1	275.7	-5.2	-1.2	-1.5	.1	-.9
10-25	Nonferrous mill shapes...	1.673	301.1	302.5	-4.8	.5	-.9	.2	1.3
10-26	Nonferrous wire and cable 1/...	.815	209.3	209.2	-3.4	0	-.6	.2	0
10-3	Metal containers...	1.681	314.1	314.1	3.8	0	-2.1	-1.3	.8
10-4	Hardware...	.879	256.4	257.3	7.9	.4	.5	1.4	.5
10-5	Plumbing fixtures and brass fittings...	.539	263.2	265.6	7.3	.2	-.1	2.0	.2
10-6	Heating equipment 1/...	.352	218.8	221.7	8.7	1.3	.7	.6	1.3
10-7	Fabricated structural metal products...	3.240	293.5	294.3	9.0	.3	1.2	1.4	0
10-8	Miscellaneous metal products...	3.267	268.1	270.6	9.7	.9	.5	1.0	1.0
11-11-51	Tractor parts 1/...	.123	209.3	209.3	15.6	0	1.1	4.5	0
11-12-51	Parts for farm machinery ex. tractors...	.149	225.6	227.2	8.9	.6	1.2	.6	.2
11-35	Cutting tools and accessories 1/...	.410	255.6	256.4	9.5	.3	2.2	2.9	.3
11-36	Abrasive products...	.334	272.8	274.6	9.4	.7	1.1	.6	1.1

See footnotes at end of table.

Table 2. Continued—Producer price indexes and percent changes for selected commodity groupings by stage of processing

(1967=100 unless otherwise indicated)

Commodity code	Grouping	Relative importance Dec. 1980 1/	Unadjusted index Apr. 1981 2/	Unadjusted index May 1981 2/	Unadjusted percent change to May 1981 from: May 1980	Unadjusted percent change to May 1981 from: Apr. 1981	Seasonally adjusted percent change from: Feb. to Mar.	Seasonally adjusted percent change from: Mar. to Apr.	Seasonally adjusted percent change from: Apr. to May
	INTERMEDIATE MATERIALS, ETC - Continued								
11-37-51	Parts for metal cutting machine tools 3/	.121	327.4	327.9	9.8	0.2	1.8	-0.6	0.2
11-38-51	Parts for metal forming machine tools	.979	304.4	304.4	12.3	0	.9	1.3	.2
11-43	Fluid power equipment	.285	216.4	219.6	10.9	1.5	.5	.1	1.5
11-45	Mechanical power transmission equipment	.414	289.3	291.2	11.8	.7	.4	1.6	.1
11-48-02	Unitary air conditioners (Dec. 1977=100) 3/	.263	126.6	127.4	5.6	.6	0	.2	.6
11-48-04	Refrigerant compressors and compressor units (Dec. 1977=100) 3/	.318	127.9	128.1	4.7	.2	0	.1	.2
11-49-01	Valves and fittings	.610	307.8	308.3	6.6	.2	1.1	1.1	-.1
11-49-05	Ball and roller bearings	.332	293.3	293.3	10.8	0	-1.1	.2	-1.9
11-71	Wiring devices	.616	294.8	294.8	12.2	0	1.0	.5	.3
11-73-01	Electric motors	.527	269.7	269.9	8.6	.1	.6	1.8	.2
11-75	Switchgear, switchboard, etc., equipment 3/	.701	245.7	245.3	4.5	-.2	.1	1.1	-.2
11-78	Electronic components and accessories	1.581	166.2	166.3	7.1	.1	1.4	-.1	.2
11-81	Environmental controls (June 1980=100) 3/	.166	101.9	102.4	(4)	.5	.5	-1.5	.5
11-92-53-01	Parts for mining machinery and equipment	.082	328.5	328.5	5.4	0	1.1	.6	.5
11-96	Internal combustion engines	.697	295.3	295.3	11.8	0	1.6	2.1	.2
13-11	Flat glass 3/	.513	208.1	208.1	6.6	0	.2	1.6	0
13-22-01-31	Portland cement	.560	328.9	329.1	6.8	.1	1.4	.7	.6
13-3	Concrete products	1.767	289.5	290.7	5.6	.4	.5	.8	.7
13-4	Structural clay products, ex refractories 3/	.220	245.6	249.6	8.5	1.6	2.0	.2	1.6
13-5	Refractories	.187	297.3	304.2	15.1	2.3	1.3	.2	2.6
13-6	Asphalt roofing	.355	416.3	412.4	2.8	-.9	2.3	2.1	-.2
13-7	Gypsum products 3/	.172	256.8	261.1	1.8	1.7	.1	-.3	1.7
13-8	Glass containers	.636	326.0	334.5	13.7	2.6	.8	2.1	.4
13-9	Other nonmetallic minerals	1.154	479.9	477.6	19.2	-.5	3.9	8.2	.1
14-12	Motor vehicle parts	3.858	313.5	313.8	28.2	.1	.3	-.1	.7
15-3	Notions	.179	248.4	248.4	14.5	0	-.3	.3	0
15-42	Photographic supplies 3/	.602	272.5	274.9	7.3	.9	.2	0	.9
15-94-05	Jewelers' materials and findings (Dec. 1978=100) 3/	.268	186.4	189.2	-3.5	1.5	-5.0	0	1.5
	CRUDE MATERIALS FOR FURTHER PROCESSING	100.000	335.2	333.2	15.2	-.6	-1.3	1.5	-.5
	CRUDE FOODSTUFFS AND FEEDSTUFFS	57.736	263.4	260.6	7.2	-1.1	-2.0	1.5	-2.2
01-1	Fresh and dried fruits and vegetables	1.498	285.2	273.9	12.3	-4.0	12.8	-6.4	-2.2
01-21	Wheat	2.901	262.6	250.5	3.9	-4.6	-1.9	8.0	-8.1
01-22-02-05	Corn 3/	5.559	267.1	262.9	27.6	-1.6	-.9	.9	-1.6
01-31	Cattle	18.115	254.4	259.8	2.6	2.1	-3.5	1.4	-.9
01-32	Hogs	4.710	191.3	195.1	41.8	2.0	-3.8	9.8	-3.7
01-4	Live poultry	2.587	195.4	207.2	21.0	6.0	-1.9	-6.5	7.7
01-6	Fluid milk	9.481	287.2	283.6	6.9	-1.3	1.5	.1	-.1
01-91-01-01	Hay 3/	1.200	273.9	297.7	92.3	8.7	-8.0	0	8.7
01-83	Oilseeds	4.189	302.4	301.3	39.8	-.4	-5.9	2.9	-.5
01-91-01	Green coffee 3/	1.961	491.1	305.2	-35.4	-23.9	-.1	-.3	-23.9
01-91-02	Cocoa beans	.271	409.6	372.9	-21.7	-9.0	2.9	4.1	-6.2
02-52-01-01	Cane sugar, raw 3/	2.690	274.9	224.2	-50.7	-18.4	-13.1	-13.6	-18.4
	CRUDE NONFOOD MATERIALS	42.264	488.8	488.6	26.1	0	-.4	1.4	1.5
01-51-01-01	Raw cotton 3/	1.729	284.0	266.3	-5.8	-6.2	.7	1.7	-6.2
01-92-01-01	Leaf tobacco	1.740	235.0	235.7	(4)	.3	(4)	(4)	.7
04-11	Cattle hides	.485	386.4	377.7	43.8	-2.3	.2	-1.1	-4.0
05-1	Coal	3.926	486.4	487.7	4.5	.3	.4	.3	.4
05-31	Natural gas 3/	8.207	999.4	1034.5	26.8	3.5	1.3	2.0	3.5
05-61	Crude petroleum 3/	19.667	842.6	840.0	55.5	-.3	0	0	-.3
06-52-03	Potash	.189	269.2	269.2	16.0	0	-1.2	1.7	.7
07-11-01	Crude natural rubber	.391	282.5	282.9	-13.9	.1	-6.6	-7.6	1.2
09-12	Wastepaper	.393	184.2	182.7	-19.2	-.8	-2.9	-.3	-.1
10-11	Iron ore 3/	.687	269.8	269.8	9.6	0	0	0	0
10-12	Iron and steel scrap	3.232	362.5	348.3	15.5	-3.9	1.0	1.7	2.5
10-23	Nonferrous scrap	2.657	263.0	257.0	-1.4	-2.3	-1.8	-.6	1.9
13-21	Sand, gravel, and crushed stone	2.718	262.4	263.5	13.1	.4	.7	.6	.9

1/ Comprehensive relative importance figures are computed once each year in December. Data shown are expressed as a percent of total finished goods, total intermediate materials, or total crude materials. Data shown will not add up to 100.000 because not all commodity components of each stage-of-processing (SOP) index are shown; relative importance figures shown account for about 89 percent of total finished goods, about 88 percent of total intermediate materials, and about 96 percent of total crude materials. For each commodity component of the Finished Goods Index which is allocated to both capital equipment and finished consumer goods excluding foods, the relative importance figure shown reflects only the share allocated to the SOP grouping under which it is listed. For example, the relative importance figure shown for household furniture under the SOP grouping for finished consumer goods excluding foods includes the share allocated to that SOP grouping but not the share allocated to capital equipment.

2/ All data are subject to revision 4 months after original publication.

3/ Not seasonally adjusted.

4/ Not available.

Note: Relative importance figures have been revised to reflect revisions in December 1980 indexes.

Table 3. Producer price indexes for selected commodity groupings

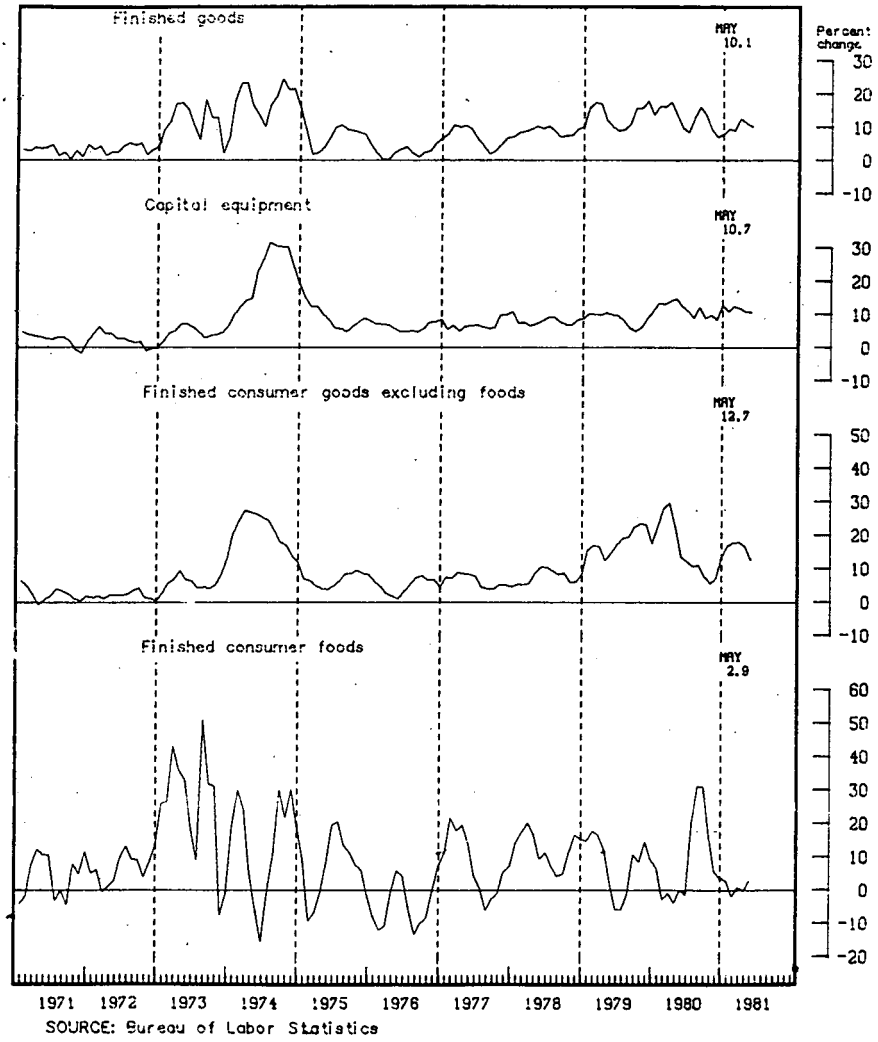
(1967=100)

Commodity code	Grouping	Unadjusted index	
		Jan. 1981 1/	May 1981 1/
	All Commodities	284.6	293.7
	All Commodities (1957-59=100)	302.0	311.6
	MAJOR COMMODITY GROUPS		
	Farm products and processed foods and feeds	258.0	252.6
01	Farm products	264.5	259.5
02	Processed foods and feeds	253.4	248.0
	Industrial commodities	291.2	304.1
03	Textile products and apparel	193.0	198.0
04	Hides, skins, leather, and related products	258.2	265.9
05	Fuels and related products and power 2/	634.6	706.0
06	Chemicals and allied products 2/	274.3	288.2
07	Rubber and plastic products	224.8	232.0
08	Lumber and wood products	296.6	297.8
09	Pulp, paper, and allied products	261.3	271.6
10	Metals and metal products	294.1	299.2
11	Machinery and equipment	253.2	260.6
12	Furniture and household durables	193.9	197.5
13	Nonmetallic mineral products	296.6	311.7
14	Transportation equipment (Dec. 1968=100)	227.4	233.2
15	Miscellaneous products	264.3	266.1
	Industrial commodities less fuels and related products and power	255.4	262.6
	OTHER COMMODITY GROUPINGS		
01-2	Grains	277.7	257.7
01-3	Livestock	244.3	251.8
01-5	Plant and animal fibers	284.1	258.3
01-8	Hay, hayseeds, and oilseeds	311.8	299.0
01-9	Other farm products	296.1	259.7
02-1	Cereal and bakery products	251.1	255.1
02-2	Meats, poultry, and fish	248.9	244.8
02-5	Sugar and confectionery	344.6	265.3
02-6	Beverages and beverage materials	243.0	245.0
02-63	Packaged beverage materials	314.4	314.5
02-7	Fats and oils	230.2	228.6
04-4	Other leather and related products	230.1	249.3
05-3	Gas fuels 2/	857.1	906.0
05-7	Refined petroleum products 2/	736.9	835.4
06-3	Drugs and pharmaceuticals	184.7	192.3
06-5	Agricultural chemicals and products	267.5	278.6
06-7	Other chemicals and allied products	244.2	255.8
07-1	Rubber and rubber products	246.2	255.3
07-11	Crude rubber	279.1	282.9
07-13	Miscellaneous rubber products	238.5	248.6
08-1	Lumber	331.6	334.9
09-1	Pulp, paper, and products, excluding building paper and board	260.9	270.4
09-15	Converted paper and paperboard products	246.6	258.6
10-1	Iron and steel	322.9	330.6
10-13	Steel mill products	322.6	332.0
10-2	Nonferrous metals	292.8	287.8
11-3	Metalworking machinery and equipment	289.6	299.5
11-4	General purpose machinery and equipment	278.6	285.3
11-7	Electrical machinery and equipment	211.9	218.0
11-9	Miscellaneous machinery and equipment	243.3	248.4
13-2	Concrete ingredients	290.0	297.2
14-1	Motor vehicles and equipment	228.9	235.3
14-11-02	Motor trucks	251.2	259.3
15-4	Photographic equipment and supplies	207.4	212.9
15-9	Other miscellaneous products	363.3	348.4

1/ Data for Jan. 1981 have been revised to reflect the availability of late reports and corrections by respondents. All data are subject to revision 4 months after original publication.

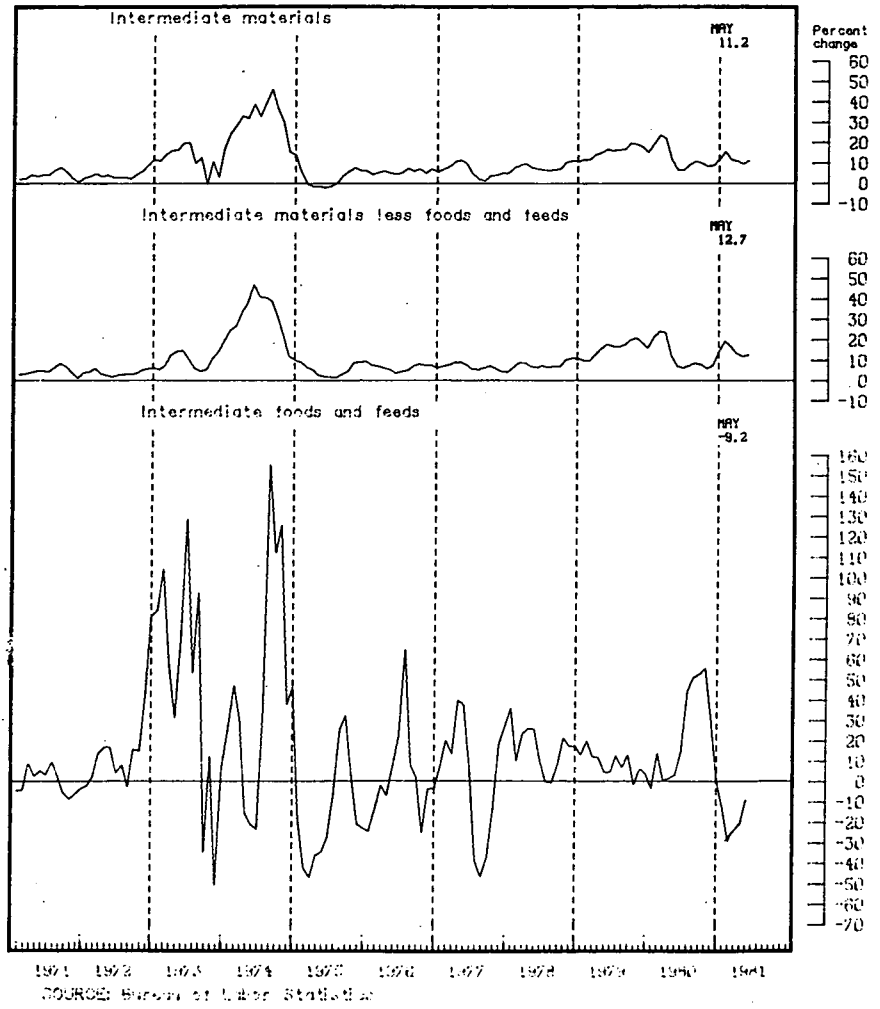
2/ Prices of some items in this grouping are lagged 1 month.

Chart 1
Finished Goods Price Index and its components
1971 – 81
3-month annual rates of change
(Seasonally adjusted)



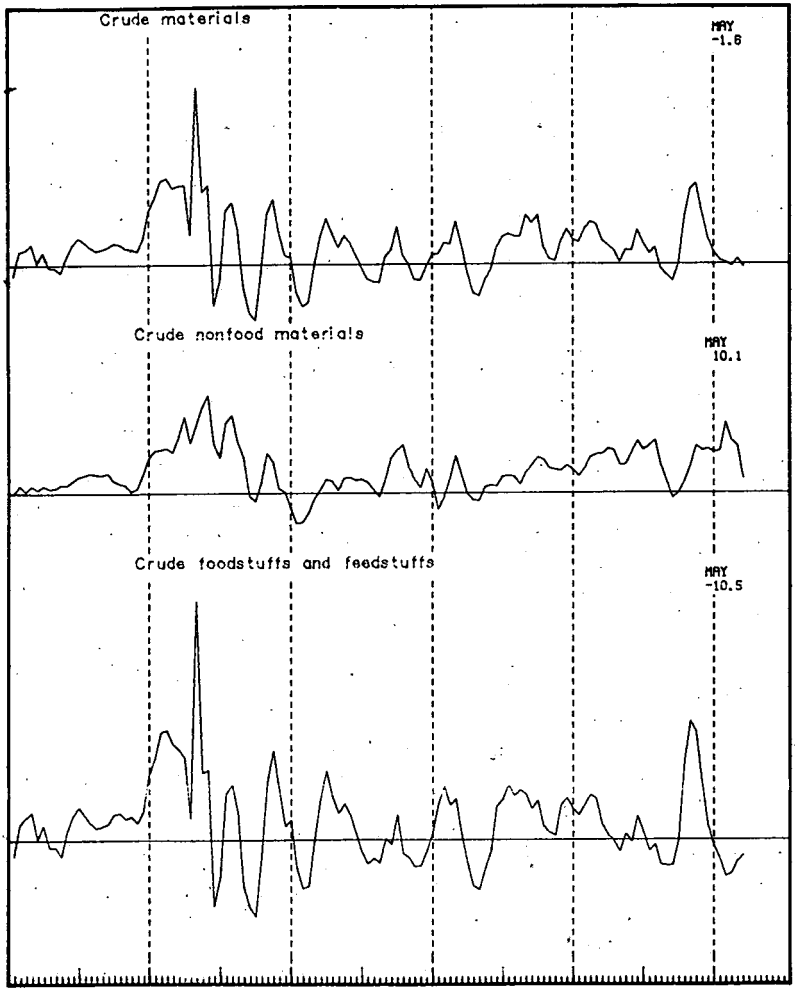
SOURCE: Bureau of Labor Statistics

Chart 2
Intermediate Materials Price Index and its components
1971 – 81
3–month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Chart 3
Crude Materials Price Index and its components
1971 – 81
3–month annual rates of change
(Seasonally adjusted)



SOURCE: Bureau of Labor Statistics

Representative REUSS. Thank you very much, Ms. Norwood. Certainly the increase in unemployment is significant.

Ms. NORWOOD. It is significant.

Representative REUSS. I want to try with you to see what has happened. Overall, jobs remained about the same, but construction industry fell off, and that was about offset by increases in services and retail trade. And then the increase in unemployment was due very largely to a lot of people, mostly women, entering the labor force, but not being able to find jobs.

So you had a larger total labor force and the same number of jobs, and obviously, when that happens, unemployment goes up. That is roughly the picture, is it not?

Ms. NORWOOD. Yes, sir. I believe so. Of course, most of the increase in unemployment this month was among men, not among women. That is in part——

Representative REUSS. A man loses a job in the construction industry, and a woman gets a job in the service or retail trade.

Ms. NORWOOD. Yes.

Representative REUSS. Trying to put this in human terms—you have got, let's say, Mr. and Mrs. Schultz. He is a construction worker, an electrician, 33 years old, four children. Mrs. Schultz is a homemaker and does not work outside the home. Schultz loses his job as an $11 an hour construction worker. He manages to get a job as a maintenance employee in a McDonald's restaurant at $5 or $6 an hour.

Mrs. Schultz, confronting the family budget, the huge mortgage payments on the home, the car, the trailer, the boat, the furniture, and the medical payments, doffs her kitchen implements and says, "I'm going out to work," and thus, at that moment, becomes a member of the work force. But she cannot find a job.

That is about what has happened, isn't it? We have more members in the work force but the same number of jobs. That results in misery for the Schultzes.

Ms. NORWOOD. Unemployment is an extremely difficult problem for any family. However, what happened in May was that the labor force growth, which had slowed during the economic downturn last year, has now resumed its vigorous growth.

About two-thirds of the growth in the labor force over the last year came from women workers either entering or reentering the labor force. Some of them, I am sure, were people who entered in accordance with your example, the Schultz family. Others, I believe, however, entered for other reasons.

The view that many have expressed—that the behavior of the male and female labor force components of the 1970's was going to end may not be here. I think these data are bringing that view into question. It is too soon to know whether this trend is going to continue, but I believe that the trend of vigorous labor force growth, especially for women, will continue in the future. The data here that we are releasing show that that is the case.

It is also true, as you point out, that the goods-producing sector, which has in the past tended to have a primarily male labor force, is growing very slowly. The service sector is growing faster.

Mr. BREGGER. I would like to add one more comment, referring to the Schultz family. In recent years, what we find to be a little more typical is that Mrs. Schultz has left the kitchen already and has gotten a job, perhaps on a part-time basis, but even more likely on a full-time basis, in the service-producing sector of the economy. And if Mr. Schultz loses his job, there is at least more of a cushion in the family than was previously the case. The situation that you described, of a family, whether there be two or four kids in it, in which there is only one worker, is not very typical any longer.

Representative REUSS. In your modification of the Schultz case history, as a part-time worker, Mrs. Schultz was a member of the labor force, wasn't she?

Mr. BREGGER. Yes.

Representative REUSS. How part time can you be and still be a member of the labor force? If you work 1 hour a week, are you a member of the labor force?

Mr. BREGGER. Yes.

But the 1-hour example is certainly not typical at all.

Ms. NORWOOD. I think it is important to recognize that 3 out of every 4 women who are working are working full time, and 3 out of every 4 women who are looking for work are looking for full-time work.

Representative REUSS. That is a very helpful addendum.

While the biggest single group of the 260,000 addition to the labor force was women, of course, that wasn't all. What part did teenagers seeking summer jobs have if any? May is a little early. But, what can you tell us about that?

Ms. NORWOOD. Mr. Chairman, we looked at the distribution of labor force change and unemployment change, by individual year of age, because we wondered whether perhaps there might have been a seasonal problem in that the academic year may have been shortened. But we found no evidence in the data to show that.

Representative REUSS. Though the unemployment rate was up significantly from 7.3 to 7.6, you point out that the rates for teenagers and blacks didn't go up.

Ms. NORWOOD. They are already rather high.

Representative REUSS. They are already tragically high. But I cannot remember offhand a period when there has been as steep a jump in the overall rate unaccompanied by any jump at all in the black and teenager rate. Can you? It is quite unusual.

Ms. NORWOOD. We can look that up and supply that information.

[The following information was subsequently supplied for the record:]

In April 1980, the national unemployment rate registered a significant increase, while the rates for blacks and teenagers did not.

Ms. NORWOOD. You are right that this change appears to be basically men and it appears to be basically goods producing. Manufacturing is flat. Construction has not been doing very well, for a variety of reasons. And that is where the male labor force has traditionally been. Now, much of that is changing as the economy in general is changing toward a service-producing economy.

Representative REUSS. You say manufacturing was flat—with some up-and-down movements to constitute the average. Can you give us some examples of the uppers and the downers, respectively?

Ms. NORWOOD. Yes; as you know, these movements are really not statistically significant. But durable manufacturing was down some.

Nonelectrical machinery had the biggest increase, followed by apparel and other textile products. The largest decline was in transportation equipment with smaller declines registered in fabricated metals, primary metals, and stone, clay, and glass products.

It is really a pretty stable situation in manufacturing.

Representative REUSS. Would you say that the reason why manufacturing was in general stable, whereas construction was again down, was due very largely to the extraordinarily high level of interest rates that we are now enjoying—or not enjoying?

Ms. NORWOOD. The high level of interest rates has to have an effect on the economy. It has an effect, really, in different ways. For employers, for example, it has an effect on their decisions on purchases of equipment. I believe, however, that producers tend to look at the real rate of interest, and the real rate of interest is considerably less than most people, so far, at least, have recognized.

Consumers, on the other hand, are affected a little differently. They are concerned about large purchases, durable goods, cars, washing machines, and houses. Their actions are affected by two issues: Their expectations of inflation in the future; and also their ability to cope with the large interest payments that they have to make.

There is some evidence that on the west coast, where housing, new house financing, has been, to a very large extent, with variable rate mortgages, that housing starts have been somewhat higher than in other parts of the country, and construction employment has been stronger than in other parts of the country.

Representative REUSS. I don't believe we saw the BLS release on wages and productivity last week. You say the Employment Cost Index showed a marked acceleration in employment compensation—wages, salaries, and employers' costs of worker benefits. We don't have that information before us.

Could you give us the highlights of that, if you have it available?

Ms. NORWOOD. The reason I included this is because I believe that the Employment Cost Index is a series that should be watched. There is evidence of upward pressure in the wage area. One would expect that because of declines in real wages that have occurred over a considerable period of time.

The Employment Cost Index is a relatively new series, an important one, we believe, because it combines a carefully designed approach to the collection of data on occupational wages and salaries with the cost to employers of the supplements to wages and salaries.

The last quarter, compared to a year earlier, has shown some really strong increases. That is not unexpected, as I said, after a period of real wage decline.

Representative REUSS. We have already jubilated about the splendid 4.3-percent productivity increase in the first quarter, which was obtained, really, from that simplest of all ways of getting productivity up; namely, have lots of growth and spread your unit costs,

your fixed costs, over more units of production—as any bright 3-year-old could figure out.

What is up ahead? We have had 2 months of the second quarter under our belt by now. Whether we had productivity increase, since we have about as many people working about the same number of hours, of the same luscious character as in the first quarter, depends on whether growth continues to expand. Any signs and portents in the first 2 months as to whether that might be true in the second quarter?

Ms. NORWOOD. In the first quarter, output grew 7½ percent. And that is very high. If one looks at the data on, for example, industrial output, they are still up, but they are slowing. Most of the economy seems to be giving evidence of a slowdown in production and activity. I would be surprised if that very vigorous growth of the first quarter were to continue. We will have to wait and see.

I should point out also, of course, that the GNP data are revised many times. This is very vigorous growth of the first quarter may still be revised.

Representative REUSS. Right; well, it was revised once, upward. The second revision showed it was even more vigorous than the first vigorous visit. Was anything done by way of revising the productivity growth factor? One would have thought, if growth went up on the second look, that productivity would have gone up even more splendidly, too.

Has there been a revisiting of that one, the 4.3 percent?

Ms. NORWOOD. Of course, the 4.3 percent compares to 3.9 percent, which was before the revision.

Representative REUSS. That is the doctored, fixed-up version.

Ms. NORWOOD. The revised version.

Representative REUSS. Legitimately doctored.

Ms. NORWOOD. Yes, sir.

Representative REUSS. Let's get back to the second quarter again. You have the same number of people working the same number of hours in the second quarter so far. One would think that they, overall, would have gotten more familiar with their jobs, and we read that everybody is feeling better about life under the new administration; that they would have put even more moxie into their daily work.

Therefore, I put it to you that there is every reason to hope that productivity increases in the second quarter will confound the skeptics, and look pretty good—unless it turns out that benevolent employers, a la Japan, have been retaining people they don't really need, which would be a change in the way things are done, of quite cosmic proportions, but it may be. What do you think?

Ms. NORWOOD. I come from a family that likes moxie. Let me just say that employers do keep employees on payrolls, as they move ahead. We need to see what really is going to happen to output before we can determine where productivity will be. I repeat that the first quarter output was exceedingly high. We will have to wait to see whether the second quarter can get anywhere near that.

Representative REUSS. How did it get so high, though, with the same number of workers working the same number of hours—workers who weren't as experienced, by definition, and who were not embued with confidence that they would be feeling better a year from today than

they do today? Whatever they were doing in the first quarter, I would love to find out, so we can do it again. So would you.

In reporting that energy prices have slowed substantially, you note large increases for some petroleum-based products. Do you envisage further ripples, or do you suppose that most of the oil price increase effects have now been passed through?

Ms. NORWOOD. There appears to be an adequate world supply of oil. We have had a surge in oil prices; now a decline. We still have some further passthrough, probably.

Perhaps Mr. Layng might like to add something.

Mr. LAYNG. Most of the passthrough has occurred. A lot will depend on the demand situation. If it is strong for those products, the opportunity to recoup cost increases of the past would be better. If demand is weak, then it would cut off the passthrough and make it less than it otherwise would be. But we have obviously had a substantial piece of it so far. There should not be a great deal more of it left out there.

Representative REUSS. Thank you very much, Commissioner Norwood and gentlemen. As usual, we are tremendously grateful for your contribution to our committee.

[Whereupon, at 10:40 a.m., the committee adjourned, subject to the call of the Chair.]

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