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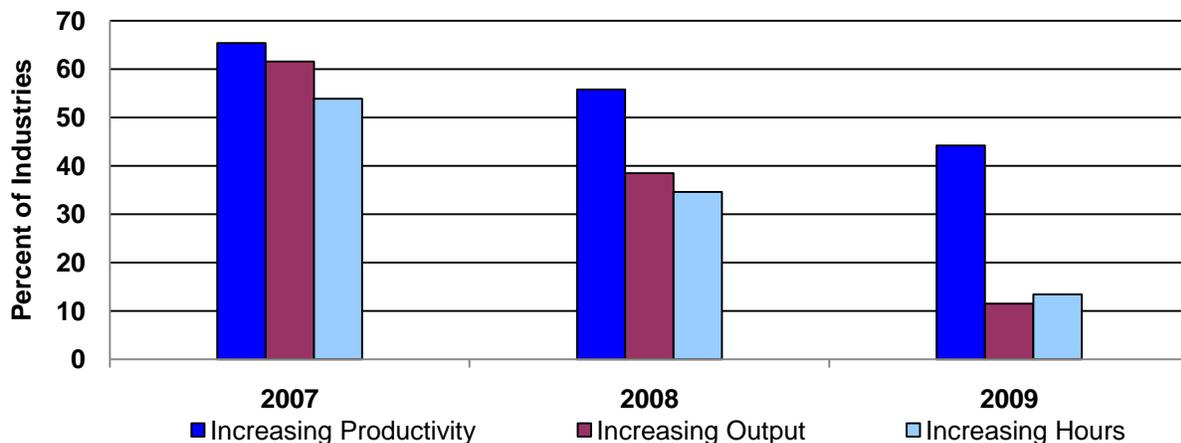
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**PRODUCTIVITY AND COSTS BY INDUSTRY:
SELECTED SERVICE-PROVIDING AND MINING INDUSTRIES, 2009**

Labor productivity – defined as output per hour – rose in 44 percent of the 52 detailed service-providing and mining industries studied in 2009, the U.S. Bureau of Labor Statistics reported today. This was down from 56 percent in 2008 and from 65 percent in 2007. **Unit labor costs**, which reflect the total labor costs required to produce a unit of output, declined in 33 percent of the industries in 2009, compared to 31 percent in 2008.

Output and hours also rose in fewer industries in 2009 than in the previous two years. (See chart 1.) Output rose in only 6 of the 52 service-providing and mining industries in 2009, while hours increased in 7. (See table 1.) In over one quarter of the industries studied, output and hours both declined at double-digit rates.

Chart 1. Percent of service-providing and mining industries with increases in productivity, output and hours, 2007-2009



Industry labor productivity measures are updated as data become available. Productivity measures for industries in other sectors can be accessed on the BLS Labor Productivity and Costs web site at www.bls.gov/lpc.

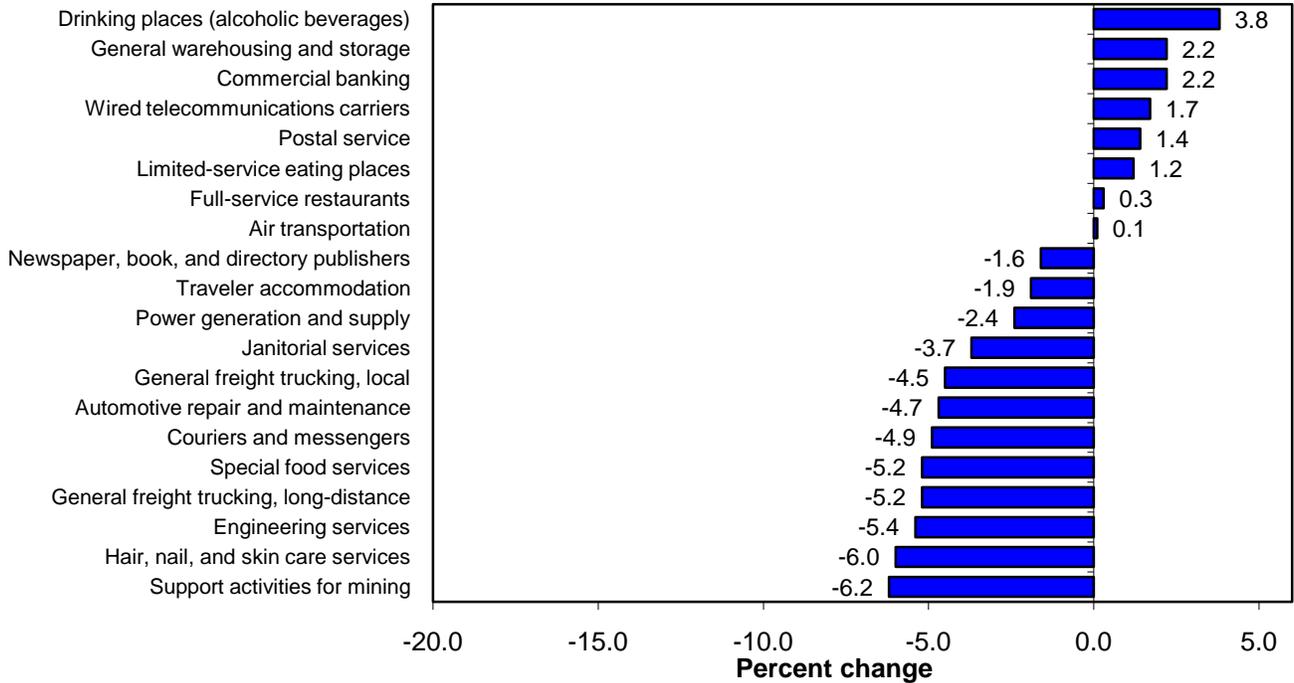
In 2009, output per hour increased in 21 of the 47 detailed service-providing industries and in two of the five detailed mining industries studied. (See table 1.) Although productivity changes varied widely among the service-providing and mining industries, almost all of the increases in productivity involved declines in hours. Of the 52 detailed industries studied, only medical laboratories produced productivity gains accompanied by an increase in hours.

Declining hours resulted in productivity increases in some industries where output was falling, as well as in industries where output was expanding. Productivity increased the most in photofinishing and in wireless telecommunications carriers. Output of wireless telecommunications carriers increased while output in photofinishing fell; however both industries posted double-digit declines in hours. Productivity declined the most in the truck, trailer and RV rental and leasing industry, where hours fell but output fell much more.

Productivity rose in the overall mining sector and in the oil and gas extraction and metal ore mining industries in 2009, but declined in coal mining, in nonmetallic mineral mining and quarrying, and in support activities for mining. Hours fell in all of the mining industries.

Chart 2 shows the change in productivity in the 20 largest (by employment) service-providing and mining industries. Among these industries, drinking places (alcoholic beverages) recorded the largest productivity increase, as hours fell more than twice as fast as output. Support activities for mining, where both output and hours fell by double digits, recorded the largest productivity decline.

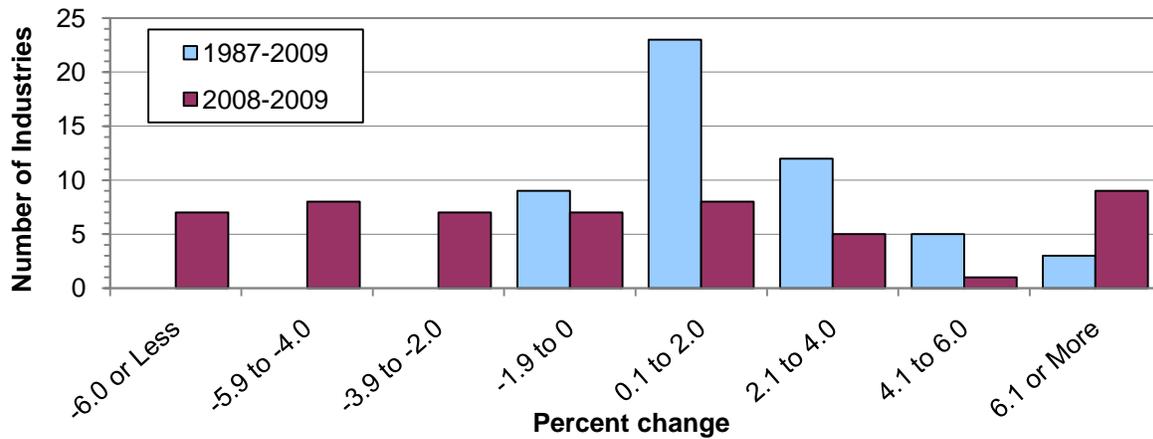
Chart 2. Percent change in output per hour in the largest (by employment) service-providing and mining industries, 2008-2009



Unit labor costs rose in 31 of 47 service-providing industries and in 3 of 5 mining industries in 2009. Unit labor costs declined the most in photofinishing and in oil and gas extraction.

The industry productivity performance in 2009 contrasts with the more positive industry productivity performance over the longer term. Between 1987 and 2009, labor productivity increased in 83 percent of the detailed service-providing and mining industries and unit labor costs declined in 19 percent of the industries. Chart 3 below shows a more negative distribution of productivity growth rates in 2009 compared to those for the longer-term period from 1987 to 2009.

Chart 3. Distribution of annual percent change in output per hour, 1987-2009 and 2008-2009: 52 industries in mining and services



With this release, productivity and cost measures are published for the first time for truck transportation. This industry includes both the general freight trucking industry and the specialized freight trucking industry. Trends in truck transportation are strongly affected by business cycles and the overall economic environment. Output per hour in the truck transportation industry rose at a moderate rate of about 1.0 percent per year on average between 2001 and 2007, but declined 4.5 percent in 2009.

Technical Note

Labor Productivity: The industry labor productivity measures describe the relationship between industry output and the labor time involved in its production. They show the changes from period to period in the amount of goods and services produced per hour. Although the labor productivity measures relate output to hours of all persons in an industry, they do not measure the specific contribution of labor or any other factor of production. Rather, they reflect the joint effects of many influences, including changes in technology; capital investment; utilization of capacity, energy, and materials; the use of purchased services inputs, including contract employment services; the organization of production; managerial skill; and the characteristics and effort of the workforce.

Output: Industry output is measured as an annual-weighted index of the changes in the various products (in real terms) provided for sale outside the industry. Real industry output is usually derived by deflating nominal sales or values of production using BLS price indexes, but for some industries it is measured by physical quantities of output.

Industry output measures are constructed primarily using data from the economic censuses and annual surveys of the U.S. Census Bureau, U.S. Department of Commerce, together with information on price changes primarily from BLS. Output measures for some mining and utilities industries are based on physical quantity data from the Energy Information Administration, U.S. Department of Energy, while output measures for some transportation industries are based on physical quantity data from the Bureau of Transportation Statistics, U.S. Department of Transportation. Other data sources for some industries include the U.S. Geological Survey, U.S. Department of the Interior; the U.S. Postal Service; the Postal Rate Commission; and the Federal Deposit Insurance Corporation.

Labor Hours: The primary source of industry employment and hours data is the BLS Current Employment Statistics (CES) survey. The CES provides monthly data on the number of total and nonsupervisory worker jobs held by wage and salary workers in nonfarm establishments, as well as data on the average weekly hours of nonsupervisory workers in those establishments. CES and CPS data are supplemented or further disaggregated for some industries using data from the BLS Quarterly Census of Employment and Wages (QCEW), the Census Bureau, or other sources. Data from the Current Population Survey (CPS) are used together with CES data to estimate the historical average weekly hours of supervisory workers for each industry. The CPS data are also used to estimate the employment and hours of self-employed and unpaid family workers in each industry. Other sources of employment and hours data for some service industries include the Association of American Railroads, the U.S. Department of Transportation, and the U.S. Postal Service. Hours of all workers in an industry are treated as homogeneous and are directly aggregated.

Unit Labor Costs: Unit labor costs represent the cost of labor required to produce one unit of output. The unit labor cost indexes are computed by dividing an index of industry labor compensation by an index of real industry output. Unit labor costs also describe the relationship between compensation per hour and real output per hour (labor productivity). Increases in hourly compensation increase unit labor costs; increases in labor productivity offset compensation increases and lower unit labor costs.

Compensation, defined as payroll plus supplemental payments, is a measure of the cost to the employer of securing the services of labor. Payroll includes salaries, wages, commissions, dismissal pay, bonuses, vacation and sick leave pay, and compensation in kind. Supplemental payments include legally required expenditures and payments for voluntary programs. The legally required portion consists primarily of Federal old age and survivors' insurance, unemployment compensation, and workers' compensation.

Payments for voluntary programs include all programs not specifically required by legislation, such as the employer portion of private health insurance and pension plans.

Revisions: This news release incorporates data from the 2009 Service Annual Survey (SAS) and the November 2010 Subject Series Revision of the 2007 Economic Census, both published by the Census Bureau. The labor productivity and output series for all industries have been revised for 2008 and earlier years as a result. This news release also incorporates the annual benchmark revision of the BLS Current Employment Statistics (CES) survey published in February 2011. The industries included in this release are classified according to the 2007 NAICS. All of the measures for 2009 in this release are preliminary and subject to revision.

Additional Information: While the rates of change reported by BLS in this news release are rounded to one decimal place, all industry productivity percent changes are calculated using index numbers rounded to three decimal places.

Year-to-year movements in industry productivity may be erratic, particularly in smaller industries. The annual measures based on sample data may differ from measures generated by a census of establishments in the industry. Annual changes in an industry's output and use of labor may reflect cyclical changes in the economy as well as long-term trends. As a result, long-term productivity trends tend to be more reliable indicators of industry performance than year-to-year changes.

Industry productivity and related indexes and rates of change can be accessed online by visiting the Labor Productivity and Costs web site at www.bls.gov/lpc. Levels of industry employment, hours, labor compensation, and value of production, and the implicit price deflator for output for these industries, are available by calling the Division of Industry Productivity Studies (202-691-5618) or by sending an e-mail to dipsweb@bls.gov. Information in this report will be made available to sensory-impaired individuals upon request. Voice phone: 202-691-5618; TDD message referral phone number: 1-800-877-8339.

To subscribe to the industry productivity program's electronic notification service, send an e-mail to dipsnews@bls.gov with the word "subscribe" in the subject line.

Table 1. Percent change in output per hour, output, hours, compensation, and unit labor costs, 2008-2009

NAICS code	Industry	2009 Employment (thousands)	Percent change, 2008-2009				
			Output per hour	Output	Hours	Labor compensation	Unit labor costs
Mining Industries							
21	Mining	661	14.2	0.4	-12.1	-11.1	-11.4
211	Oil and gas extraction	162	6.3	5.4	-0.9	-5.1	-10.0
2111	Oil and gas extraction	162	6.3	5.4	-0.9	-5.1	-10.0
212	Mining, except oil and gas	212	-2.4	-13.6	-11.5	-6.6	8.1
2121	Coal mining	82	-6.2	-8.8	-2.7	2.4	12.2
2122	Metal ore mining	35	11.0	-11.5	-20.3	-15.1	-4.1
2123	Nonmetallic mineral mining and quarrying	95	-6.8	-21.3	-15.5	-11.9	11.9
213	Support activities for mining	287	-6.2	-22.6	-17.5	-19.3	4.3
2131	Support activities for mining	287	-6.2	-22.6	-17.5	-19.3	4.3
Utilities							
2211	Power generation and supply	404	-2.4	-3.6	-1.3	2.7	6.6
2212	Natural gas distribution	109	-3.8	-2.1	1.8	5.4	7.7
Transportation and Warehousing							
481	Air transportation	399	0.1	-6.5	-6.6	-0.3	6.6
482111	Line-haul railroads	172	-3.9	-17.2	-13.8	-5.9	13.6
484	Truck Transportation	1501	-4.5	-14.4	-10.4	-11.7	3.1
4841	General freight trucking	1096	-5.0	-14.8	-10.3	-12.2	3.0
48411	General freight trucking, local	289	-4.5	-14.7	-10.7	-11.4	3.9
48412	General freight trucking, long-distance	807	-5.2	-14.8	-10.1	-12.5	2.7
48421	Used household and office goods moving	86	-0.3	-16.8	-16.6	-11.6	6.4
491	Postal service	703	1.4	-11.7	-12.9	-7.3	5.0
4911	Postal service	703	1.4	-11.7	-12.9	-7.3	5.0
492	Couriers and messengers	579	-4.9	-11.0	-6.3	-10.9	0.0
493	Warehousing and storage	645	1.4	-4.0	-5.4	-3.6	0.4
4931	Warehousing and storage	645	1.4	-4.0	-5.4	-3.6	0.4
49311	General warehousing and storage	538	2.2	-3.6	-5.7	-3.9	-0.3
49312	Refrigerated warehousing and storage	51	-8.4	-2.6	6.2	-1.4	1.2
Information							
511	Publishing	833	1.3	-8.0	-9.2	-6.1	2.1
5111	Newspaper, book, and directory publishers	576	-1.6	-14.2	-12.8	-10.1	4.8
5112	Software publishers	258	-0.8	-1.8	-1.0	-1.4	0.4
51213	Motion picture and video exhibition	134	6.6	1.3	-5.0	2.6	1.3
515	Broadcasting, except internet	316	1.7	-1.7	-3.3	-4.0	-2.4
5151	Radio and television broadcasting	227	-0.1	-4.1	-4.0	-7.9	-4.0
5152	Cable and other subscription programming	89	2.6	0.7	-1.8	6.8	6.1
5171	Wired telecommunications carriers	643	1.7	-2.9	-4.6	-0.5	2.5
5172	Wireless telecommunications carriers	192	24.3	6.4	-14.4	0.0	-6.0
Finance and Insurance							
52211	Commercial banking	1317	2.2	-0.6	-2.8	9.6	10.2
Real Estate and Rental and Leasing							
532111	Passenger car rental	106	-4.1	-16.0	-12.4	-13.0	3.6
53212	Truck, trailer and RV rental and leasing	58	-13.3	-14.3	-1.2	-6.6	9.1
53223	Video tape and disc rental	88	8.4	-15.9	-22.4	-16.2	-0.4
Professional and Technical Services							
541213	Tax preparation services	149	-2.3	-1.0	1.4	-4.8	-3.8
54131	Architectural services	194	-1.2	-20.1	-19.1	-20.7	-0.8
54133	Engineering services	917	-5.4	-11.9	-6.9	-2.8	10.4
54181	Advertising agencies	184	1.9	-5.6	-7.3	-8.3	-2.9
541921	Photography studios, portrait	74	-5.8	-4.7	1.2	-5.7	-1.1
Administrative and Waste Services							
561311	Employment placement agencies	219	0.3	-16.4	-16.7	-21.3	-5.9
56151	Travel agencies	100	2.8	-14.9	-17.2	-18.8	-4.6
56172	Janitorial services	1214	-3.7	-7.5	-4.0	-1.4	6.7
Health Care and Social Assistance							
6215	Medical and diagnostic laboratories	232	2.7	4.3	1.6	5.4	1.1
621511	Medical laboratories	155	5.0	6.7	1.6	4.8	-1.7
621512	Diagnostic imaging centers	76	-0.7	1.0	1.7	6.9	5.9
Arts, Entertainment, and Recreation							
71311	Amusement and theme parks	136	-7.8	-7.9	-0.1	-4.7	3.5
71395	Bowling centers	72	-2.9	-7.6	-4.8	-1.8	6.2

Table 1. Percent change in output per hour, output, hours, compensation, and unit labor costs, 2008-2009

NAICS code	Industry	2009 Employment (thousands)	Percent change, 2008-2009				
			Output per hour	Output	Hours	Labor compensation	Unit labor costs
Accommodation and Food Services							
72	Accommodation and food services	11412	-0.6	-4.9	-4.4	-3.5	1.5
721	Accommodation	1793	-1.6	-8.6	-7.1	-8.2	0.4
7211	Traveler accommodation	1719	-1.9	-9.0	-7.2	-8.4	0.6
722	Food services and drinking places	9619	0.3	-3.5	-3.8	-1.9	1.6
7221	Full-service restaurants	4511	0.3	-3.5	-3.8	-2.0	1.6
7222	Limited-service eating places	4098	1.2	-2.5	-3.6	-0.2	2.3
7223	Special food services	653	-5.2	-8.3	-3.2	-8.0	0.2
7224	Drinking places (alcoholic beverages)	358	3.8	-2.7	-6.3	0.0	2.8
Other Services							
8111	Automotive repair and maintenance	1074	-4.7	-9.2	-4.7	-3.6	6.1
81142	Reupholstery and furniture repair	22	-2.7	-15.6	-13.3	-13.9	2.0
81211	Hair, nail and skin care services	956	-6.0	-2.9	3.3	3.4	6.4
81221	Funeral homes and funeral services	104	1.6	-5.0	-6.5	-4.4	0.6
8123	Drycleaning and laundry services	340	10.1	-3.2	-12.1	-6.7	-3.6
81231	Coin-operated laundries and drycleaners	44	7.7	-4.0	-10.9	-12.1	-8.4
81232	Drycleaning and laundry services	167	11.6	-5.7	-15.5	-8.4	-2.8
81233	Linen and uniform supply	129	8.5	-0.9	-8.6	-4.3	-3.4
81292	Photofinishing	19	24.7	-5.6	-24.3	-17.2	-12.3

Table 2. Average annual percent change in output per hour, output, hours, compensation, and unit labor costs, 1987-2009

NAICS code	Industry	Average annual percent change, 1987-2009				
		Output per hour	Output	Hours	Labor compensation	Unit labor costs
Mining Industries						
21	Mining	0.2	-0.2	-0.4	4.6	4.8
211	Oil and gas extraction	0.7	-0.5	-1.2	5.2	5.7
2111	Oil and gas extraction	0.7	-0.5	-1.2	5.2	5.7
212	Mining, except oil and gas	1.8	0.2	-1.6	1.9	1.7
2121	Coal mining	2.0	-0.3	-2.3	0.7	1.1
2122	Metal ore mining	2.4	1.7	-0.7	4.0	2.2
2123	Nonmetallic mineral mining and quarrying	0.7	-0.5	-1.2	2.7	3.2
213	Support activities for mining	2.6	4.1	1.4	7.5	3.3
2131	Support activities for mining	2.6	4.1	1.4	7.5	3.3
Utilities						
2211	Power generation and supply	2.2	0.9	-1.3	2.8	1.9
2212	Natural gas distribution	2.5	1.1	-1.3	3.4	2.3
Transportation and Warehousing						
481	Air transportation	2.8	2.7	-0.1	2.8	0.1
482111	Line-haul railroads	4.0	1.4	-2.4	0.9	-0.5
484	Truck Transportation ^{1/}	0.1	1.2	1.1	2.4	1.2
4841	General freight trucking ^{1/}	0.8	1.8	1.0	3.2	1.4
48411	General freight trucking, local ^{1/}	2.3	3.1	0.7	3.8	0.7
48412	General freight trucking, long-distance	0.9	1.9	0.9	2.3	0.4
48421	Used household and office goods moving	-0.5	-1.0	-0.4	1.9	2.9
491	Postal service	1.0	0.1	-0.8	3.5	3.4
4911	Postal service	1.0	0.1	-0.8	3.5	3.4
492	Couriers and messengers	-0.4	1.6	2.0	4.2	2.6
493	Warehousing and storage ^{1/}	2.6	5.5	2.8	5.5	0.0
4931	Warehousing and storage ^{1/}	2.6	5.5	2.8	5.5	0.0
49311	General warehousing and storage ^{1/}	5.0	7.9	2.8	6.0	-1.7
49312	Refrigerated warehousing and storage ^{1/}	-0.6	2.8	3.4	4.4	1.6
Information						
511	Publishing	3.7	3.6	-0.1	5.2	1.5
5111	Newspaper, book, and directory publishers	-0.1	-1.6	-1.5	2.7	4.4
5112	Software publishers	13.9	20.9	6.2	11.7	-7.7
51213	Motion picture and video exhibition	1.6	2.0	0.4	3.6	1.6
515	Broadcasting, except internet	1.6	2.5	0.9	4.8	2.2
5151	Radio and television broadcasting	0.5	0.4	-0.1	3.6	3.2
5152	Cable and other subscription programming	3.5	7.9	4.2	10.7	2.6
5171	Wired telecommunications carriers	4.1	3.4	-0.7	2.5	-0.9
5172	Wireless telecommunications carriers	10.2	21.8	10.5	14.0	-6.3
Finance and Insurance						
52211	Commercial banking	3.6	3.5	-0.1	5.6	2.0
Real Estate and Rental and Leasing						
532111	Passenger car rental	1.8	2.2	0.4	4.7	2.5
53212	Truck, trailer and RV rental and leasing	2.9	2.1	-0.8	3.1	0.9
53223	Video tape and disc rental	4.3	3.2	-1.0	2.3	-0.9
Professional and Technical Services						
541213	Tax preparation services	0.4	2.9	2.5	4.2	1.3
54131	Architectural services	1.3	2.6	1.2	4.6	2.0
54133	Engineering services	1.2	3.0	1.8	6.4	3.3
54181	Advertising agencies	1.8	2.0	0.1	4.4	2.4
541921	Photography studios, portrait	-0.2	2.0	2.2	4.2	2.2
Administrative and Waste Services						
561311	Employment placement agencies ^{2/}	6.8	6.9	0.1	5.3	-1.5
56151	Travel agencies	5.5	3.6	-1.8	2.9	-0.6
56172	Janitorial services	1.9	3.6	1.7	5.6	1.9
Health Care and Social Assistance						
6215	Medical and diagnostic laboratories ^{2/}	3.7	6.7	2.8	6.1	-0.6
621511	Medical laboratories ^{2/}	3.3	5.8	2.4	5.4	-0.4
621512	Diagnostic imaging centers ^{2/}	4.1	8.2	4.0	7.7	-0.4
Arts, Entertainment, and Recreation						
71311	Amusement and theme parks	-0.3	2.5	2.7	6.0	3.5
71395	Bowling centers	0.2	-1.8	-2.0	1.2	3.0

Table 2. Average annual percent change in output per hour, output, hours, compensation, and unit labor costs, 1987-2009

NAICS code	Industry	Average annual percent change, 1987-2009				
		Output per hour	Output	Hours	Labor compensation	Unit labor costs
Accommodation and Food Services						
72	Accommodation and food services	0.8	2.1	1.2	5.0	2.9
721	Accommodation	1.5	2.3	0.8	4.6	2.2
7211	Traveler accommodation	1.6	2.4	0.8	4.6	2.2
722	Food services and drinking places	0.6	2.0	1.4	5.2	3.1
7221	Full-service restaurants	0.6	2.0	1.4	6.0	3.9
7222	Limited-service eating places	0.6	2.2	1.6	5.1	2.8
7223	Special food services	1.4	2.4	0.9	3.5	1.1
7224	Drinking places (alcoholic beverages)	-0.4	-0.8	-0.4	2.2	3.0
Other Services						
8111	Automotive repair and maintenance	0.7	1.1	0.4	3.7	2.6
81142	Reupholstery and furniture repair	-0.7	-3.2	-2.4	0.3	3.6
81211	Hair, nail and skin care services	1.9	2.9	0.9	5.3	2.3
81221	Funeral homes and funeral services	-0.6	-0.5	0.0	3.9	4.5
8123	Drycleaning and laundry services	1.3	0.4	-0.9	2.7	2.3
81231	Coin-operated laundries and drycleaners	2.1	0.3	-1.7	2.4	2.0
81232	Drycleaning and laundry services	1.0	-0.9	-1.9	1.3	2.2
81233	Linen and uniform supply	0.7	1.6	0.9	4.2	2.6
81292	Photofinishing	1.5	-5.0	-6.4	-3.0	2.1

^{1/} For NAICS industries 484, 4841, 48411, 493, 4931, 49311, and 49312, average annual percent changes are for 1992-2009.

^{2/} For NAICS industries 561311, 6215, 621511, and 621512, average annual percent changes are for 1994-2009.