

TABLE 6.—Percent changes in prices, component costs per unit, gross margins,¹ and output in manufacturing,² 1948-56

	Percent change in price per unit	Percent change in component costs per unit		Percent change in output	Percent change in gross margin	Demand rise relative to average ³	Labor cost increase relative to average ³	Direction of change of gross margin	Preliminary classification ⁴	Corrected classification ⁴
		Labor	Gross business income							
Total manufacturing.....	23	24	18	40	-4	G	G	+	U	I
Primary metals.....	57	44	96	26	24	G	G	+	U	O
Fabricated metals, ordnance.....	31	40	2	35	-22	G	G	+	U	O
Nonelectrical machinery.....	34	31	44	35	8	G	G	+	U	O
Electrical machinery.....	10	10	20	91	-12	G	L	+	U	O
Transportation equipment.....	26	29	9	45	9	G	S	+	U	O
Stone, clay, glass.....	37	25	64	72	40	G	L	+	U	O
Lumber and products.....	11	17	-6	61	-15	L	L	+	U	O
Furniture and fixtures.....	16	13	23	39	7	L	L	+	U	O
Miscellaneous manufacturing.....	9	13	-5	16	-13	G	L	+	U	O
Instruments.....	38	27	80	41	32	G	L	+	U	O
Textiles.....	-16	-5	-43	35	-33	L	L	+	U	O
Apparel.....	7	12	-20	22	-25	L	L	+	U	O
Rubber.....	40	31	106	29	46	S	L	+	I	O
Leather, leather products.....	4	12	-31	13	-34	L	L	+	I	O
Paper and allied products.....	22	20	23	53	1	G	L	+	I	O
Printing and publishing.....	26	28	18	63	-7	S	L	+	I	O
Chemicals and allied products.....	4	6	12	86	-2	G	L	+	I	O
Food and kindred products.....	13	24	-13	21	-23	L	L	+	I	O
Tobacco.....	20	46	74	10	38	L	G	+	I	O

¹ Gross margin is the percent of value added contributed by gross business income. For example, the gross margin in the food and kindred products industry in 1948 was 25.3 percent and in 1956, 19.0 percent. The percent change in these 2 figures was therefore -25.

² Excludes petroleum and coal products.

³ G—relative increase greater than average; S—relative increase about the same as average; L—relative increase less than average.

⁴ C—behavior consistent with expected behavior; U—behavior uncertain with respect to expected behavior; I—behavior inconsistent with expectations. For the explanation of these classifications see text.