will rise. Table 12 gives a summary comparison of changes in compensation per employee, changes in output per employee man-hour, and the resultant change in unit labor costs for the period 1948–56.

TABLE 12.—*Percent changes in compensation per employee, output per man-hour, and unit labor costs, manufacturing industries, 1948–56*

	Percent change in compensation per employee [1]	Percent change in output per man-hour [2]	Percent change in unit labor costs
All manufacturing	56	26	24
Primary metals	70	18	44
Fabricated metal products	61	15	40
Nonelectrical machinery	53	17	31
Electrical machinery	50	36	10
Transportation equipment	65	28	29
Stone, clay, and glass	59	27	25
Lumber and products	50	28	17
Furniture and fixtures	46	29	13
Miscellaneous	49	32	13
Instruments	66	31	27
Textiles	29	36	−5
Apparel	28	14	12
Rubber	39	21	31
Leather	19	6	12
Paper	54	28	20
Printing	47	15	28
Chemicals	65	57	5
Petroleum and coal products	60	32	21
Food and kindred products	53	23	24
Tobacco	86	26	48

[1] Estimated by dividing total employee compensation (Department of Commerce) by total man-hours of employment assuming average hours of work by nonproduction workers to be 40 hours per week.
[2] Man-hours derived as explained in footnote 1.

Sources: BLS, U.S. Department of Commerce, and table 5.

As we noted earlier, there is substantial variation among the different industries in the percentage rise in unit labor costs. An analysis of the data indicates that, with several important exceptions, differences in productivity behavior were more important than differences in wage and salary changes in producing this variation in unit labor cost changes. If we rank industries by the magnitude of their wage and salary increase over the period, we notice two industries—tobacco and primary metals—with very large wage and salary increases, 86 and 70 percent, respectively, and three industries—textiles, apparel, and leather—with very small increases, 29, 28, and 19 percent, respectively. The other 20 industries form a middle group with wages and salary increases ranging from 46 to 66 percent. Among the middle group of industries, differences in the magnitude of productivity gains accounted for the largest part of the variation in unit labor costs. If we rank this middle group of industries by the size of their increases in unit labor costs, we find that the five industries with the largest unit labor cost increases had productivity gains averaging only 20 percent. Industries with the lowest increase in unit labor costs, on the other hand, had productivity gains averaging 36 percent. The differences in wage rate increases between these two groups of industries was much smaller, 52 percent versus 57 percent. In other words among the 15 industries, those with the lowest increases in unit labor costs had wage increases almost as large as those industries with the smallest increase in unit labor costs.