

Comment on “Service Industries and the U.S. Productivity Acceleration

- Introduction
- Speedup in services productivity:
Interpretation, pervasiveness
- Measurement issues
- Concluding remarks

Private Nonfarm Business, Productivity Growth, 1973-1999

(Average annual rates of change)

Category	1973-95	1995-99	Acceleration
Output per hour	1.4%	2.4%	1.0%
Capital's contribution ^a	0.7	1.0	0.3
IPES component	0.4	0.8	0.5
Other capital	0.3	0.1	-0.2
Labor Composition	0.3	0.3	0.0
MFP	0.4	1.1	0.7
Domar contribution from production of industrial and electrical machinery	0.3	0.7	0.4

^aGrowth rate in capital services per hour times capital's share of current dollar costs.

Source: Bureau of Labor Statistics, July 11, 2002

Manufacturing Productivity Growth, 1973-1999

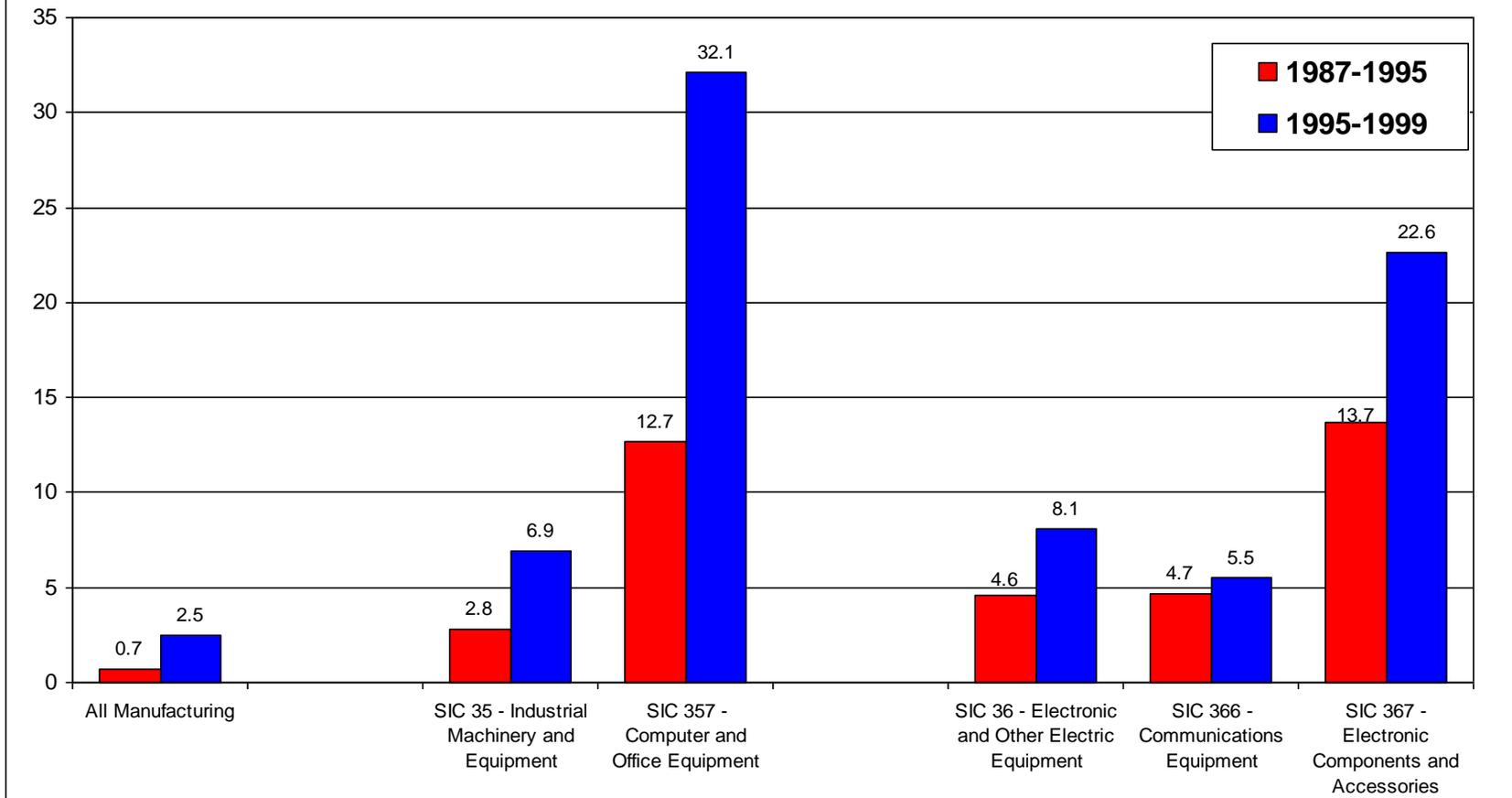
(Average annual rates of change)

Category	1973-95	1995-99	Acceleration
Output per hour	2.6%	4.4%	1.8%
Contribution of input intensity ^a			
Capital	0.6	0.7	0.1
Intermediates	1.2	1.1	-0.1
MFP	0.7	2.5	1.8
Domar contribution from production of industrial and electrical machinery	0.6	1.7	1.1

^aGrowth rate in input per hour times input's share of current dollar costs

Source: Bureau of Labor Statistics, July 11, 2002

Multifactor Productivity Growth in Selected Industries



Source: Bureau of Labor Statistics, July 11, 2002