

## **U.S. productivity up 2.9 percent in third quarter**

WASHINGTON, Dec. 5 (Xinhua)-- U.S. nonfarm business sector labor productivity increased at a 2.9 percent annual rate during the third quarter of 2012, according to the revised data from the U.S. Labor Department on Wednesday.

The increase in productivity reflects increases of 4.2 percent in output and 1.3 percent in hours worked, in the July-September quarter of this year. Over the past year, productivity rose 1.7 percent.

Unit labor costs, the ratio of hourly compensation to labor productivity, decreased 1.9 percent in the third quarter, while hourly compensation increased 0.9 percent. Unit labor costs rose 0.1 percent over the last four quarters.

From July to September, U.S. manufacturing sector productivity declined 0.7 percent as output dropped 0.7 percent and hours worked were unchanged. Over the last four quarters, manufacturing productivity increased 1.3 percent.

Productivity measures the amount of output per hour of work. Increasing productivity can slow job creation because it means companies can get more out of their current staff without hiring more workers.