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Gross Domestic Product (GDP) by Industry for 2001:
Continued Growth in Service Sector Despite
Significant Declines in Manufacturing

The 2001 economic slowdown was mild by historical standards because of strong growth in real GDP for private services-producing industries that helped to offset sharp declines in real GDP for private goods-producing industries, according to a report released by the Bureau of Economic Analysis (BEA) of the U.S. Department of Commerce. In 2001, real GDP for private services-producing industries increased 1.7 percent, while private goods-producing industries dropped 4.2 percent, primarily reflecting a 6.0-percent drop in manufacturing (table 1).

Real GDP grew 0.3 percent in 2001, though growth rates varied widely among industries. Growth was led by such large private services-producing industries as communications (12.3 percent); retail trade (4.6 percent); finance, insurance, and real estate (FIRE) (2.8 percent); and services (0.9 percent).

Declines, particularly in the manufacturing industries, were steep. Durable-goods manufacturing decreased 5.2 percent, and nondurable-goods manufacturing decreased 7.1 percent.

Growth rates in some industries--mainly in services but also some in manufacturing--remained strong, partly reflecting reductions in unit labor costs and unit capital costs achieved by increases in productivity.

Other highlights of the newly released estimates include:

Real GDP growth decelerated for several services-producing industries in 2001, but remained relatively strong. Growth in retail trade decelerated to 4.6 percent in 2001 from 7.5 percent in 2000, FIRE decelerated to 2.8 percent from 6.2 percent, and services decelerated to 0.9 percent from 3.3 percent. Growth in communications was 12.3 percent in both 2001 and 2000.

Within FIRE, double-digit growth was reported for nondepository institutions (including credit-card companies, motor vehicle finance leasing companies, and mortgage banking firms) and for security and commodity brokers (table 2).

Performance of information technology (IT)-related industries was mixed in 2001. Real GDP in the industrial machinery and equipment industry and in the instruments and related products industry decreased sharply. In contrast, real GDP in the communications industry and in the electronic and other electric equipment industry increased strongly; in the face of falling prices in both industries and falling demand in the electronic and other electric equipment industry, these industries were able to lower their unit labor costs and unit capital costs by increases in productivity, and thus, they were able to increase their real GDP (value-added) growth.

Declines in real GDP in the transportation-by-air industry and in the hotels and other lodging places industry lowered overall real GDP growth by 0.1 percentage point, partly reflecting sharp reductions in business air travel and tourism-related services after the terrorist attacks on September 11, 2001.

The GDP-by-Industry estimates are value-added measures that are based on the NIPA components of Gross Domestic Income. They are used to measure the contribution of each private industry and of government to the Nation's GDP. BEA prepares estimates of GDP by Industry for 62 private industries and for 4 government classifications including Federal general government, Federal government enterprises, State and local general government, and State and local government enterprises.

The GDP-by-Industry Accounts provide annual estimates. They include estimates of current-dollar and real GDP by Industry, gross output by industry, and intermediate inputs by

industry. In addition, they include estimates of prices, unit costs, and contributions by industry. These data are available on BEA's Web site:

www.bea.gov/bea/dn2/gpo.htm

More information about the GDP-by-Industry Accounts can be found in the November 2002 issue of the Survey of Current Business, BEA's monthly journal. Information on how to obtain the Survey of Current Business is provided below.

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BEA's major national, international, regional, and industry estimates; the Survey of Current Business; and BEA news releases are available without charge on BEA's Web site:

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Most of BEA's estimates and analyses appear in the Survey of Current Business, BEA's monthly journal. Subscriptions and single copies of the printed Survey are for sale by the Superintendent of Documents, U.S. Government Printing Office. Internet: bookstore.gpo.gov; phone: (202) 512-1800; fax: (202) 512-2250; mail: Stop SSOP, Washington, DC 20402-0001.

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Table 1.--Percent Changes in Real Gross Domestic Product by Industry Group

	1999	2000	2001	average annual rate of change 1995-2000
Gross domestic product ...	4.1	3.8	0.3	4.0
Private industries.....	4.8	3.9	0.4	4.6
Private goods-producing industries ...	4.6	3.6	-4.2	4.1
Agriculture, forestry, and fishing.....	6.3	7.9	-1.7	6.2
Mining.....	-4.2	-11.2	4.8	-2.0
Construction.....	5.4	2.8	-1.6	4.8
Manufacturing.....	4.8	4.7	-6.0	4.3
Durable goods.....	6.3	10.0	-5.2	7.9
Nondurable goods.....	2.8	-2.2	-7.1	-0.4
Private services-producing industries ...	5.0	5.4	1.7	5.3
Transportation and public utilities....	7.2	6.8	-0.2	4.3
Transportation.....	4.1	5.2	-4.3	4.6
Communications.....	10.4	12.3	12.3	7.2
Electric, gas, and sanitary service	7.8	2.4	-9.1	0.6
Wholesale trade.....	6.8	5.9	-0.2	9.2
Retail trade.....	5.8	7.5	4.6	7.2
Finance, insurance, and real estate....	4.1	6.2	2.8	5.2
Services.....	4.1	3.3	0.9	3.9
Government.....	1.3	2.6	1.7	1.4

Table 2.--Percent Changes in Real Gross Domestic Product by Industry

Line	1999	2000	2001	Average annual rate of change 1995-2000
1 Gross domestic product	4.1	3.8	0.3	4.0
2 Private industries	4.8	3.9	0.4	4.6
3 Private goods-producing industries	4.6	3.6	-4.2	4.1
4 Agriculture, forestry, and fishing	6.3	7.9	-1.7	6.2
5 Farms	7.8	11.5	-5.1	7.1
6 Agricultural services, forestry, and	4.0	3.0	3.1	4.8
7 Mining	-4.2	-11.2	4.8	-2.0
8 Metal mining	16.8	-11.3	19.9	7.6
9 Coal mining	13.3	-12.3	17.5	3.3
10 Oil and gas extraction	-8.3	-14.0	3.4	-4.5
11 Nonmetallic minerals, except fuels	-1.4	14.0	1.1	6.1
12 Construction	5.4	2.8	-1.6	4.8
13 Manufacturing	4.8	4.7	-6.0	4.3
14 Durable goods	6.3	10.0	-5.2	7.9
15 Lumber and wood products	1.9	2.3	-6.8	0.1
16 Furniture and fixtures	3.5	1.7	-7.4	3.1
17 Stone, clay, and glass products	2.1	-0.6	-8.9	2.5
18 Primary metal industries	4.6	-1.6	-4.6	2.5
19 Fabricated metal products	1.2	5.2	-10.2	2.5
20 Industrial machinery and equipment	5.5	20.6	-10.7	14.8
21 Electronic and other electric equip	18.2	25.1	7.5	19.4

22	Motor vehicles and equipment	3.0	2.0	-7.5	2.6
23	Other transportation equipment	9.0	-2.0	2.5	4.1
24	Instruments and related products	-3.0	7.1	-9.6	-0.6
25	Miscellaneous manufacturing industr	10.0	14.5	-9.1	6.1
26	Nondurable goods	2.8	-2.2	-7.1	-0.4
27	Food and kindred products	7.5	-7.7	-4.1	-3.6
28	Tobacco products	-42.8	-9.8	-19.2	-17.0
29	Textile mill products	-4.7	0.8	-10.7	-2.2
30	Apparel and other textile products	-9.2	1.5	-4.2	-3.6
31	Paper and allied products	-0.1	-5.3	-6.4	0.4
32	Printing and publishing	5.7	-0.4	-10.3	0.2
33	Chemicals and allied products	3.5	1.4	-3.1	1.9
34	Petroleum and coal products	33.3	-15.1	-17.9	2.2
35	Rubber and miscellaneous plastics p	3.6	6.3	-7.1	5.5
36	Leather and leather products	-16.4	12.6	-14.4	-7.3
37	Private services-producing industri	5.0	5.4	1.7	5.3
38	Transportation and public utilities	7.2	6.8	-0.2	4.3
39	Transportation	4.1	5.2	-4.3	4.6
40	Railroad transportation	-2.0	11.8	0.0	1.9
41	Local and interurban passenger tran	8.5	2.4	0.0	5.5
42	Trucking and warehousing	4.9	3.2	-3.9	3.6
43	Water transportation	-8.9	12.0	-0.9	3.5
44	Transportation by air	5.1	5.1	-7.7	6.2
45	Pipelines, except natural gas	3.2	-2.3	-6.1	5.0
46	Transportation services	7.3	8.5	-3.6	6.7
47	Communications	10.4	12.3	12.3	7.2
48	Telephone and telegraph	13.2	15.3	12.3	9.9
49	Radio and television	2.3	3.8	12.4	-0.6
50	Electric, gas, and sanitary service	7.8	2.4	-9.1	0.6
51	Wholesale trade	6.8	5.9	-0.2	9.2
52	Retail trade	5.8	7.5	4.6	7.2
53	Finance, insurance, and real estate	4.1	6.2	2.8	5.2
54	Depository institutions	7.2	4.5	1.1	3.5
55	Nondepository institutions	14.1	20.7	16.4	18.8
56	Security and commodity brokers	7.1	24.0	13.1	23.2
57	Insurance carriers	-1.5	9.7	-3.2	2.4
58	Insurance agents, brokers, and serv	5.4	-5.0	3.1	0.8
59	Real estate	3.9	3.5	0.5	3.6
60	Nonfarm housing services	4.0	2.7	0.4	2.2
61	Other real estate	3.9	5.8	0.9	7.6
62	Holding and other investment office	-34.9	36.9	65.6	6.8
63	Services	4.1	3.3	0.9	3.9
64	Hotels and other lodging places	1.9	6.1	-4.1	1.8
65	Personal services	-0.3	-1.2	0.7	1.9
66	Business services	9.5	2.3	-0.1	7.9
67	Auto repair, services, and parking	8.9	3.7	3.2	5.2
68	Miscellaneous repair services	-7.9	5.0	-15.2	-1.4
69	Motion pictures	1.0	-2.1	5.8	3.4
70	Amusement and recreation services	-2.3	0.0	-1.5	2.7
71	Health services	2.1	3.7	2.7	1.9
72	Legal services	3.4	5.2	2.9	2.1
73	Educational services	2.1	2.6	3.9	1.8
74	Social services	3.0	4.0	4.1	2.6
75	Membership organizations	-0.4	-0.6	-2.6	-0.5
76	Other services	4.8	5.5	1.2	5.7
77	Private households	-11.6	2.2	-15.6	-0.4
78	Government	1.3	2.6	1.7	1.4
79	Federal	-0.3	2.5	-1.2	0.0
80	General government	-0.4	1.5	0.7	-0.7
81	Government enterprises	0.0	7.4	-9.9	3.6
82	State and local	2.1	2.7	3.1	2.0
83	General government	1.7	2.4	2.7	1.9
84	Government enterprises	6.0	6.5	7.2	3.2