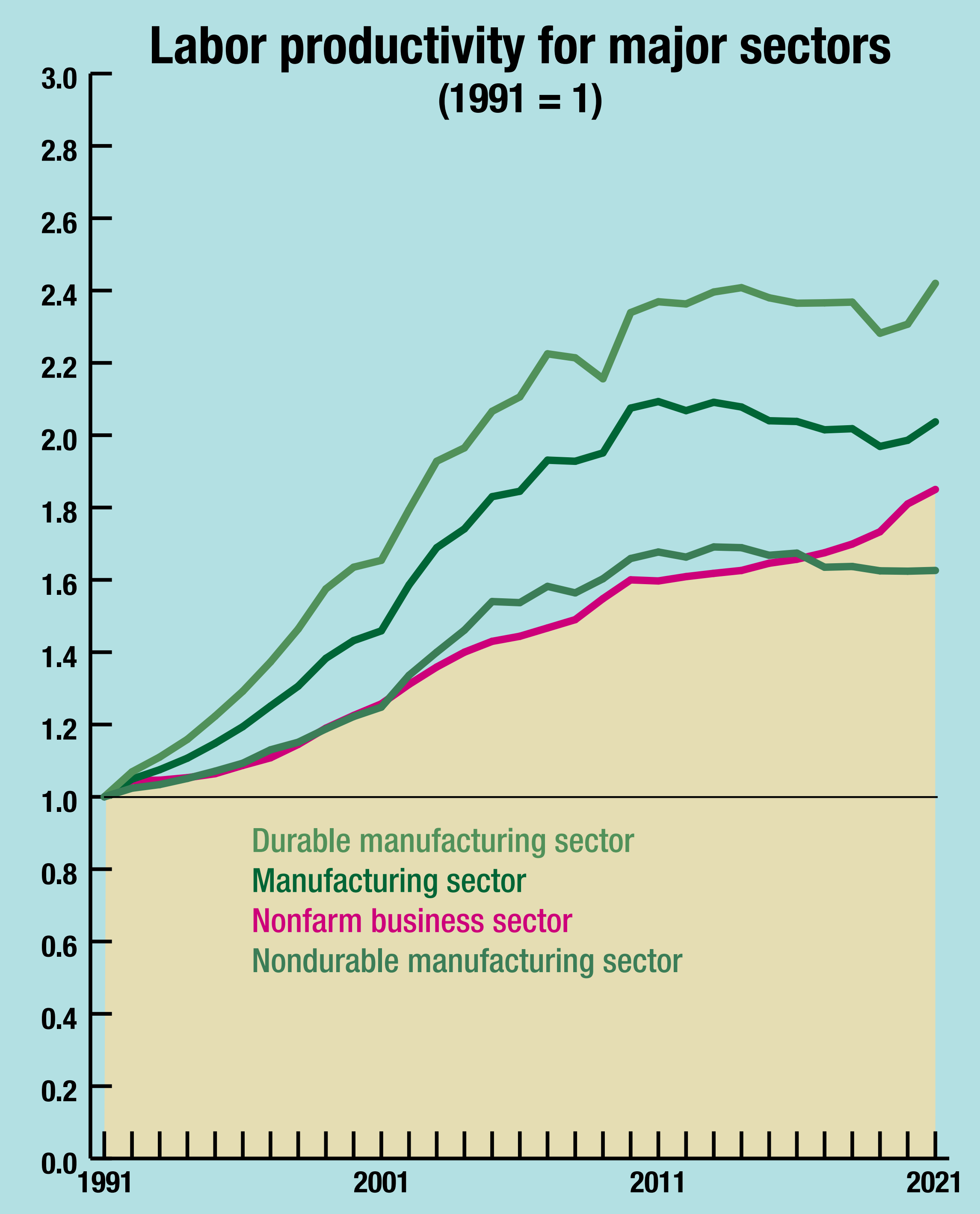
BY THE NUMBERS:

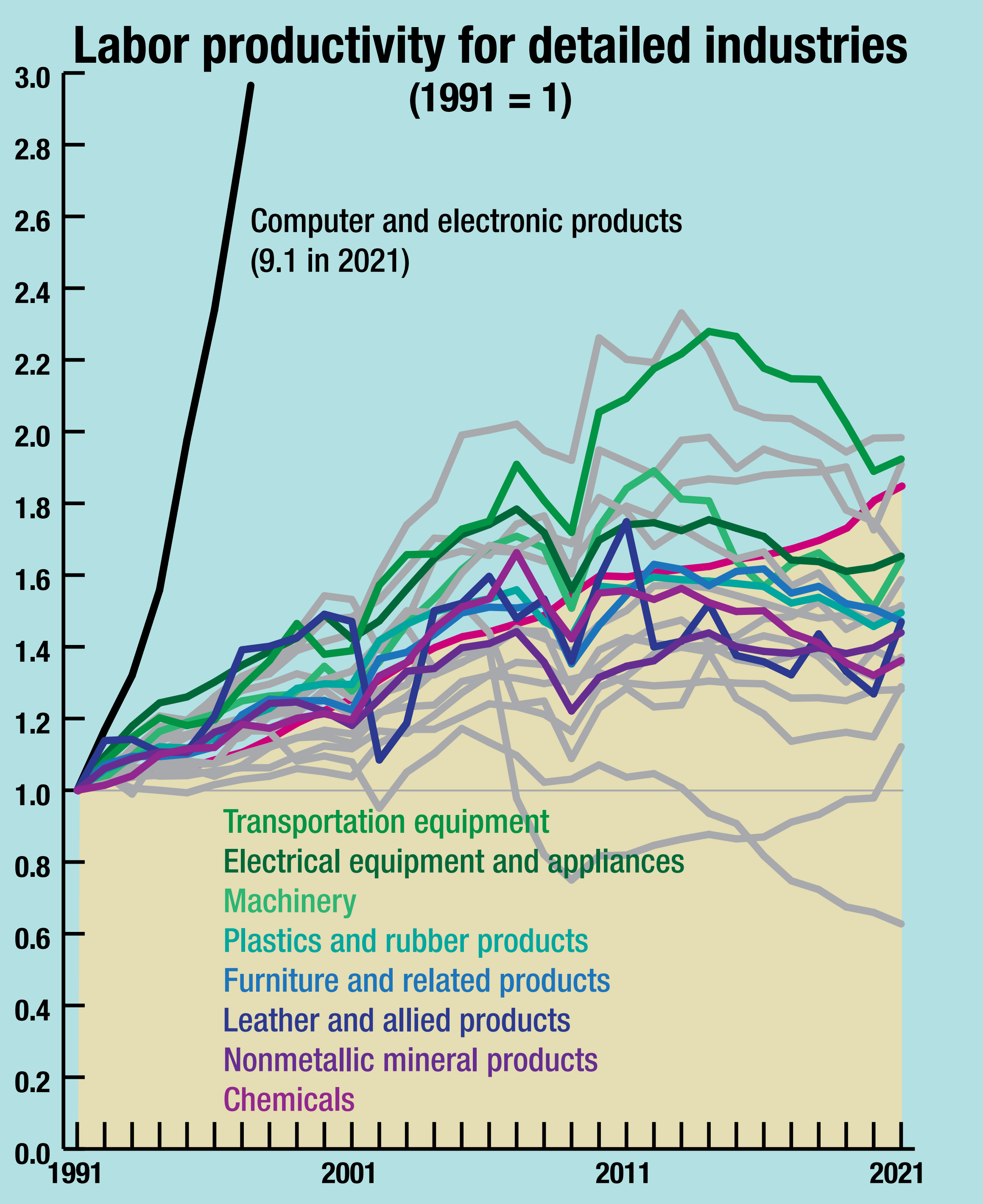
LABOR PRODUCTIVITY SLOWDOWN

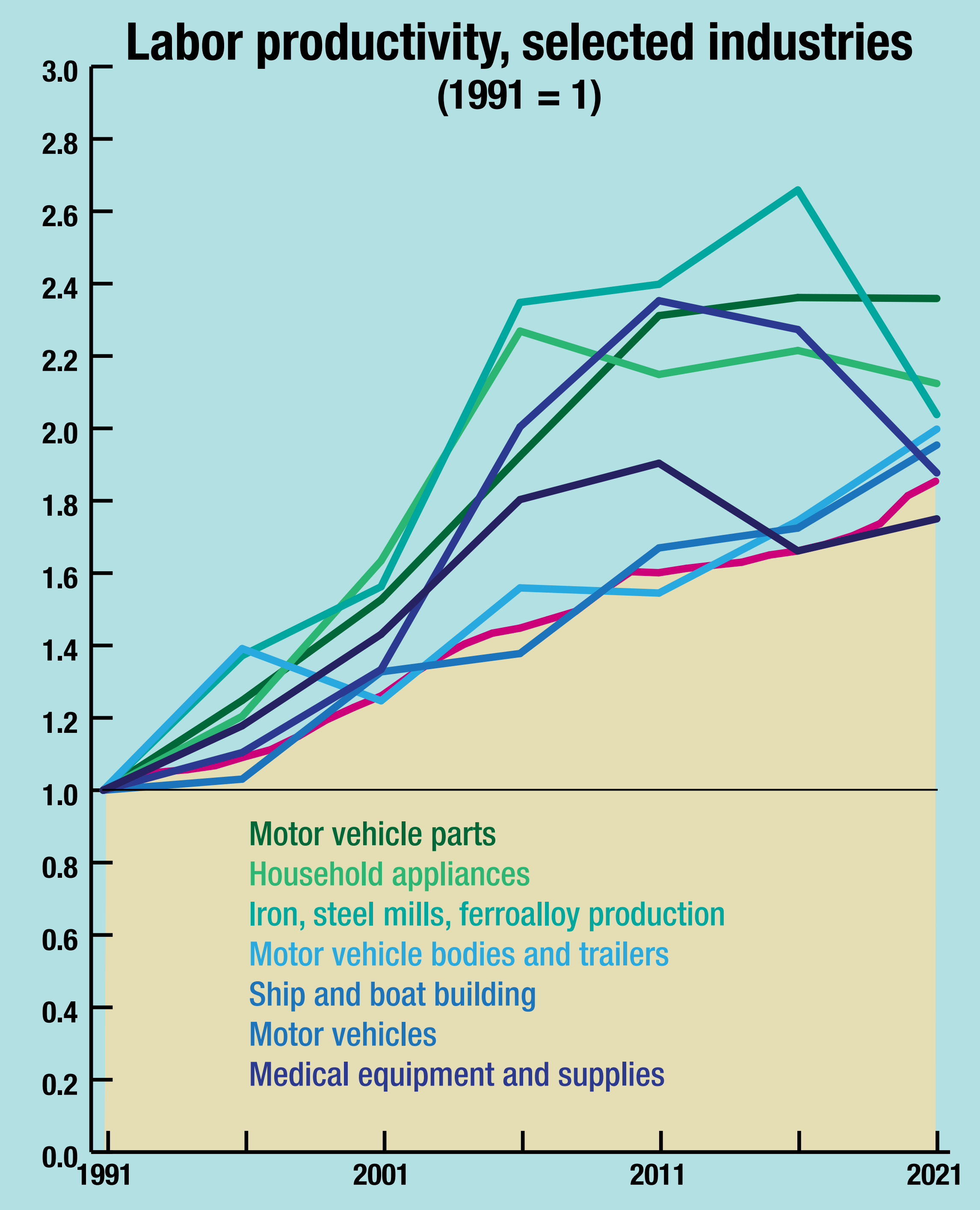
American factories are producing more goods than ever, but not every industry is gaining efficiency. BY JEFFREY WINTERS

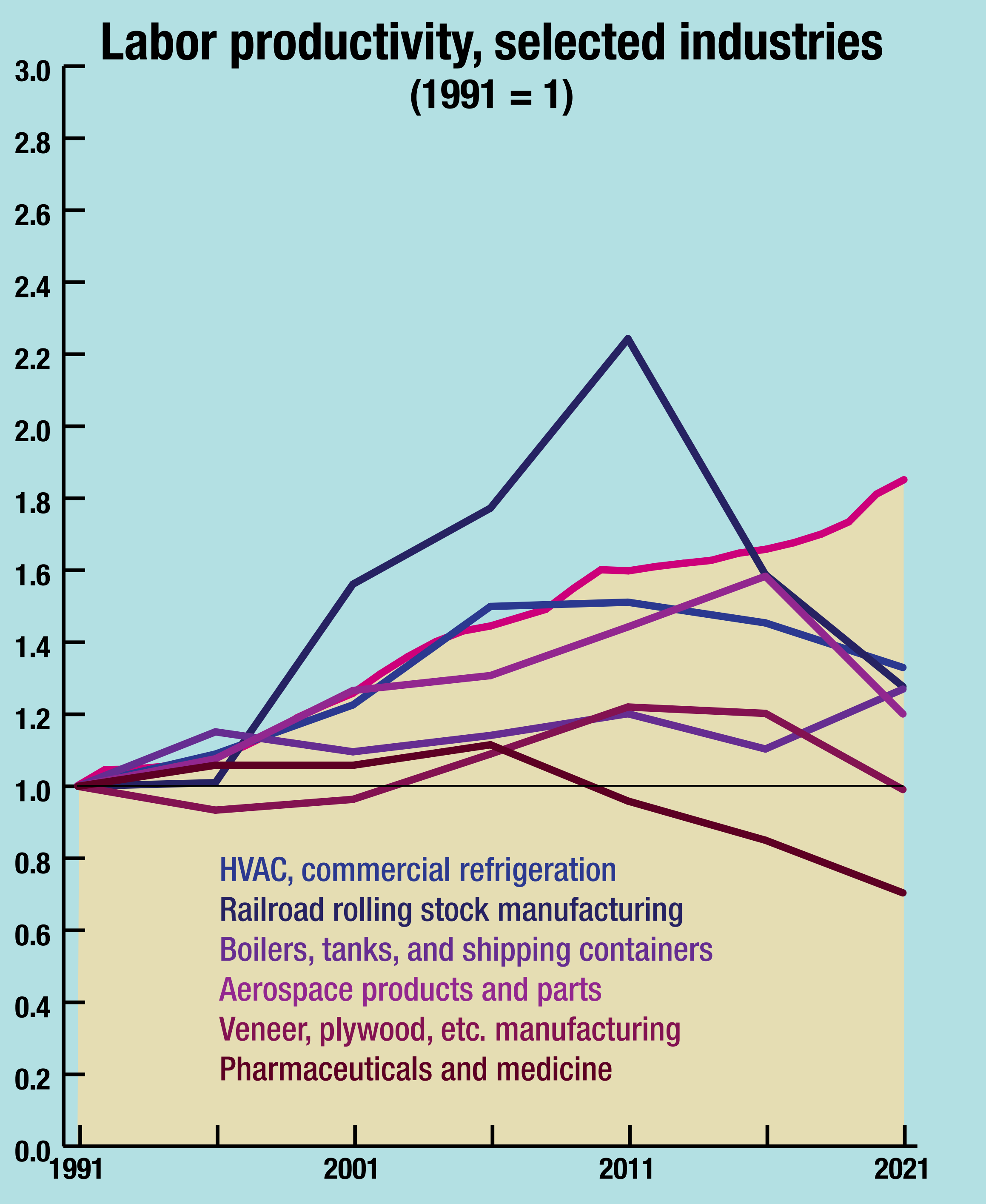
The U.S. Bureau of Labor Statistics tracks labor productivity across all goods-producing and service industries. While labor productivity shot up across the board in the 1990s and 2000s, outpacing the gains for the economy as a whole, the picture has been much less positive over the past 15 years. The Global Financial Crisis and the recession was a short but sharp shock. Since 2015, however, labor productivity has fallen across virtually all sectors of manufacturing. Heavy industries such as railroad rolling stock manufacturing, industrial machinery, and forging and stamping certainly saw hits to labor productivity. But so did the manufacturing of soap, fabric, and beverages.

The decline in productivity could be a sign that manufacturing has likely squeezed all the juice it can from the technologies associated with the internet boom of the 1990s. The challenge is figuring out how to bring new tools, including artificial intelligence, to manufacturing workers.









Source: Bureau of Labor Statistics, https://www.bls.gov/productivity/