

June 1965

# SURVEY OF CURRENT BUSINESS

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here, about 8 percent more than the year before. As in 1963, travel beyond the U.S. border area made up 28 percent of total travel receipts from Mexico, or about \$70 million.

## Overseas visitors pass 1-million mark

A 30-percent increase brought the number of overseas visitors to about 1,100,000 last year. They spent \$400 million or 20 percent more than in the year before. The rise in the number of visitors was largest in those groups that characteristically have relatively low per capita expenditures. For example, pleasure travel increased about 32 percent, while business travel—more likely to involve higher per capita spending—increased 24 percent. Travel from

Europe rose more than 30 percent, as compared with a 25-percent increase in travel from Latin America and the Caribbean region. Visitors from Europe tend to spend relatively little because a large proportion of them are guests of their U.S. friends and relatives.

The number of travelers from Europe and the Mediterranean area rose by 130,000 to 527,000. About 70 percent of them were on pleasure trips, the same proportion as in earlier years. Average outlays for all classes of visitors from Europe were higher than in 1963, but the relative increase in average expenditures did not match the increase in the number of visitors.

Total travel spending by Europeans here amounted to about \$160 million, a considerable rise over 1963 expenditures of \$115 million. British visitors ac-

counted for \$55 million last year, one-third of the area total.

Residents of South America, Central America, and the West Indies spent about \$157 million for travel in the United States, only moderately more than in 1963, although the number of arrivals here reached about 415,000, or 25 percent more than a year ago. Except for a minor rise among travelers in transit, the entire increase occurred among pleasure travelers. Over 50,000 travelers were from the Dominican Republic; their visits are often restricted to neighboring Puerto Rico and their expenditures are relatively small.

Approximately 160,000 visitors came from other overseas areas and spent just over \$80 million. Those from Japan spent about \$25 million here last year compared to \$20 million in 1963.

## National Income and Corporate Profits

Table 1.—National Income by Type of Income (I-8, I-9)

[Billions of dollars]								
	1962	1963	1964	1964				1965
				I	II	III	IV	I
				Seasonally adjusted at annual rates				
National income.....	455.6	478.5	510.1	498.4	507.1	514.5	520.6	534.5
Compensation of employees.....	323.1	340.3	361.7	352.5	358.6	364.8	370.6	378.3
Wages and salaries.....	297.1	312.1	331.6	323.2	328.7	334.4	339.9	347.2
Private.....	241.6	252.9	267.4	260.8	265.3	269.4	274.0	280.5
Military.....	10.8	10.9	11.8	11.7	11.7	11.8	11.9	11.9
Government civilian.....	44.7	483	52.4	50.7	51.7	53.2	54.0	54.9
Supplements to wages and salaries ..	25.9	28.2	30.1	29.4	29.9	30.4	30.7	31.1
Employer contributions for social insurance.....	13.6	15.1	16.0	15.7	15.9	16.2	16.2	16.4
Other labor income.....	12.3	13.1	14.1	13.7	14.0	14.2	14.5	14.7
Employer contributions to private pension and welfare funds.....	9.7	10.4	-----	-----	-----	-----	-----	-----
Other.....	2.6	2.7	-----	-----	-----	-----	-----	-----
Proprietors' income.....	49.8	50.6	52.0	51.2	51.7	52.1	52.8	52.7
Business and professional.....	36.6	37.6	39.3	38.6	39.1	39.6	39.9	40.4
Income of unincorporated enterprises.....	36.6	37.6	39.3	-----	-----	-----	-----	-----
Inventory valuation adjustment.....	0	0	0	-----	-----	-----	-----	-----
Farm.....	13.2	13.0	12.7	12.6	12.6	12.6	12.9	12.2
Rental income of persons.....	12.2	12.3	12.4	12.4	12.4	12.4	12.5	12.5
Corporate profits and inventory valuation adjustment.....	48.4	50.8	57.4	56.4	57.9	58.1	57.0	62.9
Profits before tax.....	48.2	51.3	57.6	56.6	57.9	58.0	57.7	64.3
Profits tax liability.....	23.2	24.6	25.8	25.4	26.0	26.0	25.9	27.7
Profits after tax.....	25.0	26.7	31.8	31.2	31.9	32.0	31.9	36.6
Dividends.....	16.5	18.0	19.8	19.4	19.8	20.0	20.2	20.5
Undistributed profits.....	8.5	8.7	11.9	11.8	12.1	12.0	11.7	16.1
Inventory valuation adjustment.....	.3	-.4	-.2	-.2	-.1	.1	-.7	-1.4
Net interest.....	22.1	24.4	26.8	25.9	26.5	27.1	27.6	28.2

Table 2.—National Income by Industry Division (I-11)

[Billions of dollars]								
	1962	1963	1964	1964				1965
				I	II	III	IV	I
				Seasonally adjusted at annual rates				
All industries, total.....	455.6	478.5	510.1	498.4	507.1	514.5	520.6	535.5
Agriculture, forestry, and fisheries.....	18.9	18.9	18.6	18.5	18.6	18.6	18.7	18.0
Manufacturing.....	130.8	137.4	147.3	144.2	147.4	148.5	149.0	158.0
Durable goods industries.....	78.5	82.9	89.0	87.0	88.8	90.0	90.2	97.3
Nondurable goods industries.....	52.3	54.4	58.3	57.1	58.6	58.5	58.9	60.6
Wholesale and retail trade.....	73.8	77.4	82.1	80.2	81.5	82.8	83.8	86.2
Finance, insurance, and real estate.....	46.3	48.7	51.2	50.3	50.8	51.3	52.2	53.0
Transportation.....	18.8	19.5	20.3	19.7	20.1	20.6	20.8	20.8
Communications and public utilities.....	18.6	19.3	20.5	19.8	20.1	20.9	21.2	21.0
Services.....	55.6	59.5	64.1	62.2	63.7	64.5	65.8	66.8
Government and government enterprises.....	60.3	64.5	70.0	68.0	69.1	70.8	71.9	72.8
Other.....	32.4	33.4	36.2	35.6	35.8	36.4	37.1	37.9

Table 3.—Corporate Gross Product

	[Billions of dollars]							
	1962	1963	1964	1964				1965
I				II	III	IV	I	
Seasonally adjusted at annual rates								
Corporate gross product <sup>1</sup> .....	309.0	323.9	345.5	337.4	343.7	348.6	352.3	364.4
Indirect taxes.....	32.9	34.6	36.7	35.8	36.5	37.1	37.4	38.2
Capital consumption allowances.....	30.5	31.8	33.7	33.0	33.4	33.8	34.4	34.8
Income originating in corporate business <sup>1</sup> .....	245.7	257.5	275.2	268.6	273.8	277.7	280.5	291.4
Compensation of employees.....	198.9	208.5	220.0	214.7	218.3	221.8	225.3	230.8
Net interest.....	.9	.7	.8	.7	.8	.8	.8	.8
Profits before tax, including inventory valuation adjustment <sup>1</sup> .....	45.9	48.3	54.3	53.1	54.8	55.1	54.4	59.8

1. Excludes profits originating in the rest of the world.