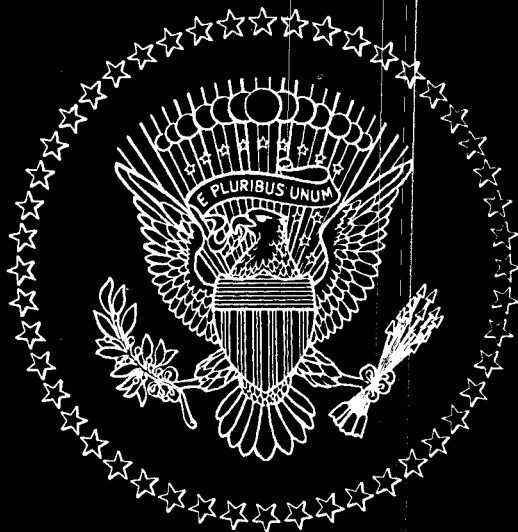


JANUARY 1961



Economic Report of the President

TRANSMITTED TO THE CONGRESS

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JANUARY 18, 1961



UNITED STATES GOVERNMENT PRINTING OFFICE
WASHINGTON : 1961

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LETTER OF TRANSMITTAL

THE WHITE HOUSE,
January 18, 1961.

To the Congress of the United States:

I present herewith my Economic Report, as required by Section 3(a) of the Employment Act of 1946.

The Report was prepared with the advice and assistance of the Council of Economic Advisers, who, in turn, have had the assistance of the heads of the executive departments and independent agencies directly concerned with the matters discussed. Pursuant to the requirements of the Employment Act, the Report summarizes the economic developments of the year and the policy actions taken to promote balanced growth of the economy, appraises the economic outlook, and puts forward a number of legislative proposals designed to help achieve the purposes of the Act. The Report also reviews the performance of the economy under the Employment Act, and particularly during the period of this Administration, and discusses policies for the future in the light of this experience.

The major conclusions and recommendations of the Report are set forth below, in part in the words of the Report itself.

As the year 1960 came to a close, the Nation was producing goods and services at an annual rate of \$503.5 billion, the same as in the third quarter of the year, though slightly less than in the second quarter. For the year as a whole, the total output of our economy, in dollars of constant buying power, was 2.6 percent greater than in 1959.

Production and employment declined in the latter part of 1960, and unemployment rose, owing in large measure to an inventory adjustment. In the first quarter, inventories were being built up at an annual rate of \$11.4 billion, but in the fourth quarter they were being reduced at an annual rate of \$4.0 billion. It is encouraging, however, that the declines in production and income were moderate. And it is especially important that final demands for goods and services—that is, the sum of the Nation's expenditures except those resulting in inventory change—rose without interruption during the year and in the final quarter reached the level of \$507.5 billion.

The achievement of a reasonable equilibrium in the Nation's international transactions continued to be a goal of our policies in 1960. The over-all deficit in the United States balance of payments last year remained close to that in each of the two preceding years, but the structure of the deficit

changed markedly. Short-term capital outflows accelerated, mainly in response to a widening of the margin by which interest rates abroad exceeded those in this country. But the deficit on all other transactions diminished greatly, as a result of a rapid rise in exports.

The underlying strength of our economy, manifested in final demand for goods and services, is a distinctly favorable element in appraising the economic outlook. So, also, is the fact that economic conditions today are free of maladjustments and imbalances which, to be corrected, would require prolonged contraction. Businessmen and consumers have kept their use of credit within reasonable limits, and speculative excesses have been generally avoided. Inflationary pressure has been restrained. While this may have affected inventory policies and, perhaps, other demands for goods and services, it has helped to prepare a solid foundation for a resumption of sustainable growth. Because action to maintain balance and to consolidate gains was taken in good time, we can look forward, provided public and private policies are favorable, to a period of sound economic growth from a firm base.

The Federal policies needed to promote balanced growth can, to a considerable extent, be applied under existing administrative authority. But there are certain areas in which legislative action is needed.

First, funds appropriated by the Congress for the fiscal year 1962 should be held within the limits of expected revenues. A budget conforming to this standard has been presented to the Congress. It makes certain suggestions for revenues to cover projected expenditures, including necessary extensions of taxes that would otherwise terminate or be reduced on July 1, 1961; an increase in the highway fuel tax to 4½ cents per gallon, to supply needed funds in the Highway Trust Fund; the rescinding by the Congress of action taken in 1959 which would divert funds from the general fund of the Treasury for road construction; and a rate increase to place the postal system on a self-supporting basis.

Second, Congress should give the Secretary of the Treasury authority to raise funds in the long-term capital market when, in his judgment, this is in the public interest, even if the cost of the funds is above 4¼ percent. The existing ceiling remains an important impediment to the Treasury's flexibility in achieving significant debt lengthening.

Third, as I have pointed out to the Congress each year since 1955, legislation is needed to enable the Federal Government to give constructive assistance to areas where there is high and persistent unemployment. The character of the legislation needed is described in the Economic Report, and an Administration proposal drafted to meet the standards indicated has been placed before the Congress.

Fourth, legislative needs in the areas of health, education and welfare, antitrust enforcement, long-term agricultural adjustment, unemployment compensation, and housing and community development are outlined in the Report. These are also described in the Budget Message.

Finally, I recommend again that Congress amend the Employment Act of 1946 to make reasonable price stability an explicit goal of national economic policy, coordinate with the goals of maximum employment, production, and purchasing power now stated in the Act. The amendment proposed is limited to a change in the language of the Act's declaration of policy and would accomplish its aim without placing restrictions on the effective operation of economic markets. It would strengthen the Employment Act which, as the Economic Report shows, has been a useful statute under which our citizens have made notable further advances in their welfare.

DWIGHT D. EISENHOWER.

CONTENTS

	<i>Page</i>
INTRODUCTION.....	xi
CHAPTER 1. Economic Developments and Policies in 1960.....	1
Principal Sectors of Demand.....	4
<i>Inventories</i>	4
<i>Plant and Equipment Expenditures</i>	6
<i>Residential Construction</i>	6
<i>Net Exports</i>	7
<i>Government Expenditures</i>	7
<i>Consumption and Income</i>	7
Employment and Unemployment.....	10
Prices.....	15
Agriculture.....	19
Monetary and Fiscal Areas.....	21
<i>Monetary and Credit Policy</i>	21
<i>Fiscal and Debt Management Policies</i>	28
Federal Housing and Home Financing and Aid for Highways..	32
International Economic Developments.....	33
<i>Economic Expansion Abroad</i>	35
<i>United States Payments Deficit</i>	36
<i>Policies for Reducing the Payments Deficit</i>	39
<i>International Economic Policies</i>	40
Outlook.....	41
CHAPTER 2. Experience Under the Employment Act of 1946.....	45
Background and Meaning of the Employment Act.....	45
Adjustment from Wartime to Peacetime Economy.....	47
Expansion of National Output.....	48
Growth of Resources for Production.....	49
Strengthening of Our Enterprise System.....	50
Improvement of Personal Security and Welfare.....	51
Greater Economic Stability.....	52
Lessons of Experience Under the Employment Act.....	53
CHAPTER 3. Policies for the Future.....	56
Government and Private Policies.....	57
<i>Maintenance of Price Stability</i>	58
<i>Tax Policy</i>	59
<i>Measures to Reduce Unemployment</i>	60
<i>Education and Health Services</i>	61
<i>International Responsibilities</i>	62
<i>Statistical Information</i>	63
Legislative Proposals.....	64

APPENDIXES

A. Report to the President on the Activities of the Council of Economic Advisers During 1960.....	Page 69
B. Some Recent Economic Developments.....	79
I. Employment and Earnings.....	81
II. Agriculture.....	93
III. United States Foreign Trade and Payments.....	107
C. Statistical Tables Relating to Income, Employment, and Production.....	121

LIST OF TABLES AND CHARTS

(Chapter 1 and Appendix B)

Tables

1. Gross National Product, 1958-60.....	2
2. Changes in Book Value of Manufacturing and Trade Inventories, 1959-60.....	4
3. Changes in Consumer Price Index, 1959 and 1960.....	16
4. Net Changes in Commercial Bank Holdings of Loans and Investments, 1955-60.....	25
5. Changes in Selected Liquid Assets Held by the Public, 1957-60..	27
6. Federal Budget Expenditures, 1959-62.....	28
7. Federal Budget Receipts, 1959-62.....	30
8. World Exports, 1959-60.....	36
B-1. Growth of the Labor Force, by Employment Status, 1959-60..	81
B-2. Growth of the Labor Force, by Sex and Age, 1950-60.....	82
B-3. Changes in Nonagricultural Employment, by Major Industry Groups, October 1959-December 1960.....	85
B-4. Industrial Structure of Nonagricultural Employment, 1929, 1947, and 1957-60.....	86
B-5. Civilian Nonagricultural Employment, by Major Occupational Groups, 1930, 1947, and 1957-60.....	86
B-6. Employees Receiving Wage Increases Under Major Labor Agreements, by Size of Increase, 1956-60.....	91
B-7. Farm Production, Prices, Assets, and Liabilities: Selected Data, 1953, 1956, and 1958-60.....	94
B-8. Net Farm Income of Selected Types of Commercial Family-Operated Farms, 1953, 1956, and 1958-60.....	96
B-9. Number of Farms, by Economic Class, 1950, 1954, and 1959..	97
B-10. Number of Farms, by Acreage Groups, 1950, 1954, and 1959..	99
B-11. Production Assets Used in Agriculture, 1940, 1950, and 1960..	100
B-12. Farmers' Cooperative Associations and Their Membership, by Type.....	101
B-13. Net Business Volume of Farmer Cooperative Associations Engaged in Marketing, Farm Supply, and Related Services, 1957-58.....	102

Tables

B-14. Acreage Reserve and Conservation Reserve Programs, 1956-60.....	Page 104
B-15. Conservation Reserve Program Acreage Under Contracts for Future Years, 1961-69.....	104
B-16. Total Population and Population in Low-Income Farming Areas, 1950 and 1960.....	106
B-17. United States Balance of Payments, 1959-60.....	107
B-18. United States Merchandise Exports, 1956-60.....	109
B-19. United States Merchandise Imports, 1956-60.....	110
B-20. Treasury Bill Rates in the United States, Canada, and the United Kingdom, 1958-60.....	113
B-21. Expenditures for Foreign Economic Assistance and Other Contributions to Less Developed Countries, 1956-59 Total.	115
B-22. Industrial Countries' Shares of Exports of Manufactures, 1938, 1950, and 1957-60.....	117
B-23. United States Merchandise Exports to Western Europe, 1956-60.....	118
B-24. Measures of Demand for United States Imports, Selected Years, 1929-60.....	119

Charts

1. Gross National Product.....	3
2. Growth of Credit.....	5
3. Personal Income, Spending, and Saving.....	9
4. Corporate Profits.....	10
5. Civilian Labor Force.....	11
6. Employment in Nonagricultural Establishments.....	13
7. Hours and Earnings in Manufacturing.....	14
8. Consumer Prices.....	17
9. Wholesale Prices.....	18
10. Indicators of Agricultural Conditions.....	20
11. Member Bank Reserves and Borrowings.....	22
12. Stock Prices and Stock Market Credit.....	23
13. Money Supply.....	24
14. Interest Rates and Bond and Mortgage Yields.....	26
15. Surplus or Deficit of the Federal Government.....	29
16. U.S. Balance of Payments.....	34
17. U.S. Merchandise Exports and Imports.....	37

INTRODUCTION

This Economic Report is the eighth prepared by this Administration pursuant to the provisions of Section 3(a) of the Employment Act of 1946. Since the eight Reports cover a period that embraces more than half of the lifetime of the Act, the present occasion seems an appropriate one for a brief survey of the performance of our economy since 1946 and an exploration of the challenges and opportunities of the years ahead. Accordingly, these topics are treated here, as well as the required review of 1960 and the examination of issues that will more immediately concern the new President and the new Congress.

The first chapter in the Report reviews the outstanding economic developments of 1960, describes the policies pursued by the Federal Government during the year to help achieve the purposes proclaimed in the Employment Act, and appraises the economic outlook for the next year. The second chapter considers the Nation's economic performance during the entire period since 1946, and in particular during the eight years spanned by the present Administration. In the light of this experience we can appreciate more fully the vigor of the American economy and its promise for further improvement of the welfare of our citizens. The third chapter identifies major problem areas to which attention should be directed in the future and for which effective policies and programs should be devised within our proven economic, political, and social framework. In addition, Chapter 3 presents proposals for the legislation needed to help achieve the purposes of the Employment Act. These include some items which were presented in last year's economic program of the Administration and on which action has not yet been taken; they merit renewed consideration in the current economic context.

It is not amiss here to mention an observation made several times in this Report: the history of the past 15 years offers a solid basis for confidence in the continued efficacy of the American system of complementary private and public endeavor. This concept of shared responsibility for economic growth and improvement, so clearly reflected in the declaration of policy of the Employment Act, points the way to sound achievement, in a changing domestic and international environment, of the common economic purposes of all Americans.

Chapter 1

Economic Developments and Policies in 1960

EMPLOYMENT, production, and income in the United States attained in 1960 levels well above those of 1959. The advances, however, were concentrated in the first half of the year; in the second half, production and employment declined and unemployment rose. For the year as a whole, the gross national product in current prices was 4.4 percent higher than in 1959; in constant prices, the increase was 2.6 percent.

The improvement in the first part of 1960 was an extension of the advance that had begun in the spring of 1958; this expansion had been aided by the fact that consumer income and outlays had fallen very little during the preceding contraction. Before mid-1958, personal income began to rise, and consumers increased their spending. These developments helped to restrain, and later to reverse, the severe inventory liquidation that had been in progress. Subsequent impulses came from an upward turn in outlays on residential construction followed by a renewed advance in plant and equipment expenditures. Throughout 1958, Government expenditures for goods and services continued to rise fairly steadily. With a substantial Federal deficit and an easing of monetary policy, the expansion of the economy proceeded vigorously, supported by steadily mounting consumption.

Expansionary forces continued to show strength in 1959, although they were distorted by the effects of the steel strike. As prices began to rise after a year of approximate stability and more serious inflationary pressures threatened, Federal Reserve authorities increased the degree of monetary and credit restraint that had been initially applied in the summer of 1958. Moreover, the gap between Federal cash receipts and expenditures (seasonally adjusted) was being steadily reduced in accordance with the program for a balanced budget.

In the early part of 1959, the rise in economic activity was accelerated by the anticipation of a steel strike and by the further build-up of inventories which this tended to promote. The long strike that marked the second half of 1959 reversed this process in some measure. Inventory investment dropped markedly, and employment and income declined. In response to these developments, the rise in final demands—the sum of the Nation's expenditures on goods and services except those resulting in inventory change—slackened during the second half of 1959. However, with continued strength in the underlying expansive forces, economic

activity fell less drastically than might have been expected in the face of this stoppage in one of the major industries of the Nation.

The halting of the steel strike by a Federal court injunction in November brought an upsurge in economic activity. Steel users rushed to rebuild depleted inventories, and automobile production was stepped up sharply. By the end of 1959, demands that had accumulated during the strike led to widespread expectations of a strong boom and further inflationary pressures.

Fears of inflation, however, were lessened by other developments. Monetary authorities had brought credit expansion under effective control. The budget proposed for the fiscal year 1961 showed a substantial surplus. The terms under which the steel strike had been halted were believed to be favorable to stable prices for steel and other products; and the competition from abroad that was felt by a widening range of American industries also served as a restraint on prices. Inventories were restored rapidly in early 1960, and industrial capacity generally was found to be ample.

As 1960 progressed and as stocks approached or exceeded the volume deemed appropriate to the sales actually experienced, the high rate of inventory investment declined. On the other hand, expenditures for fixed investment and for consumption, as well as the export balance, increased. In the second quarter, gains in final demand outweighed the drop in inventory investment, and gross national product (GNP) continued to advance, albeit more slowly than in the first quarter (Table 1 and Chart 1). Employment and income also showed good gains.

In the second half of the year, expenditures on business plant and equipment, as shown in the Securities and Exchange Commission—Department

TABLE 1.—*Gross national product, 1958-60*

[Billions of dollars, seasonally adjusted annual rates]

Period	Gross national product			Change in gross national product from preceding quarter		
	Total	Final purchases	Change in business inventories	Total	Final purchases	Change in business inventories
1958: First quarter.....	432.0	438.9	-6.9	-10.3	-4.6	-5.7
Second quarter.....	436.8	441.3	-4.5	4.8	2.4	2.4
Third quarter.....	447.0	448.6	-1.6	10.2	7.3	2.9
Fourth quarter.....	461.0	458.1	2.9	14.0	9.5	4.5
1959: First quarter.....	473.1	465.5	7.6	12.1	7.4	4.7
Second quarter.....	487.9	476.4	11.5	14.8	10.9	3.9
Third quarter.....	481.4	481.5	-.1	-6.5	5.1	-11.6
Fourth quarter.....	486.4	481.7	4.7	5.0	.2	4.8
1960: First quarter.....	501.3	489.9	11.4	14.9	8.2	6.7
Second quarter.....	505.0	499.7	5.3	3.7	9.8	-6.1
Third quarter.....	503.5	502.9	.6	-1.5	3.2	-4.7
Fourth quarter ¹	503.5	507.5	-4.0	.0	4.6	-4.6

¹ Preliminary estimates by Council of Economic Advisers.

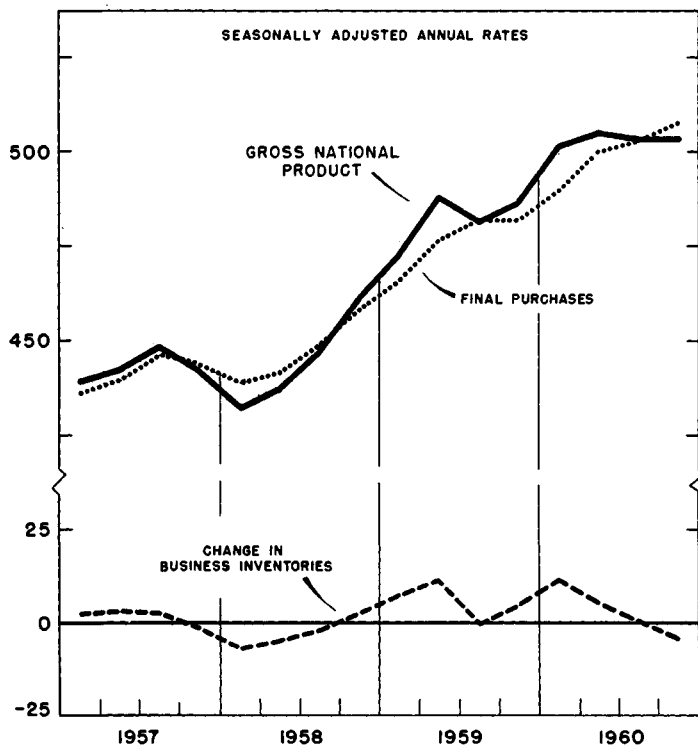
Source: Department of Commerce (except as noted).

CHART 1

Gross National Product

Final purchases advanced in 1960. Inventory accumulation was substantial early in the year but lessened thereafter and gave way to liquidation.

BILLIONS OF DOLLARS



SOURCES: DEPARTMENT OF COMMERCE AND COUNCIL OF ECONOMIC ADVISERS.

of Commerce survey, began to decline, reflecting adequate productive capacity, diminishing profits, and a slowing down in the growth of demand. The advance in consumer expenditures slackened despite a further, though more moderate, rise in disposable income, and the rate of saving increased accordingly. Housing activity continued the decline that had begun in the second half of 1959. Inventory expenditure continued to be a contractive force, as liquidation took place toward the end of the year. These negative factors outweighed the major positive elements of demand—rising exports and Government purchases—and GNP dropped slightly in the third quarter. In the final quarter of the year, however, GNP remained at its third quarter level.

PRINCIPAL SECTORS OF DEMAND

Inventories

The rapid restocking of inventories in the early part of 1960 and the subsequent reversal of this movement were the principal factors shaping the course of the economy during the year. In the first quarter, manufacturers of durable goods accounted for 60 percent of the total inventory accumulation of more than \$11 billion (annual rate), and automobile retailers accounted for another 25 percent (Tables 1 and 2). In the second quarter, the build-up continued, but the rate of accumulation was reduced to about \$5 billion, as producers found their needs more adequately covered. The steel industry, in particular, accumulated sizable supplies of finished steel and materials during that quarter.

TABLE 2.—*Changes in book value of manufacturing and trade inventories, 1959–60*

[Billions of dollars, seasonally adjusted annual rates]

Industry group	Change from preceding quarter ¹							
	1959				1960			
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter	Fourth quarter ²
Total.....	5.6	11.0	-0.4	0.8	11.7	4.7	-1.3	-1.3
Durable goods.....	6.0	8.2	-2.6	-7	10.3	3.1	-1.9	-2.3
Manufacturing.....	4.4	5.2	-1.6	1.1	6.7	1.8	-1.6	-3.2
Wholesale.....	.3	.9	-.3	.3	.9	.5	-.1	-.3
Retail.....	1.2	2.1	-.6	-2.1	2.7	.7	-.3	1.2
Automotive.....	1.7	1.9	-.9	-2.3	2.8	.8	-.3	1.4
Nondurable goods.....	-.4	2.8	2.1	1.5	1.4	1.6	.6	1.0
Manufacturing.....	.7	1.5	.7	1.1	.9	1.2	.0	.5
Wholesale.....	-.5	.8	1.0	.2	-.2	.3	.2	.9
Retail.....	-.6	.4	.5	.3	.6	.1	.3	-.4

¹ Change in book value of inventories at end of periods; differs from net change in business inventories component of GNP which relates to all industries and which includes an adjustment for inventory valuation.

² Change from end of third quarter to end of November.

NOTE.—Detail will not necessarily add to totals because of rounding.

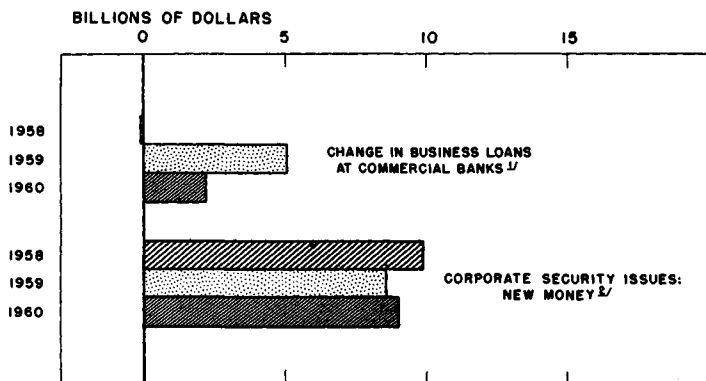
Source: Department of Commerce.

At midyear, total inventories in relation to sales were not large, measured by historical standards. They were more substantial for some durable goods manufacturers and for automobile retailers and relatively less so for many producers of nondurable goods. As early as midyear, there was evidence that manufacturers' inventories of purchased materials, notably steel, were being reduced. Meanwhile, businessmen's holdings of finished products increased further, a development which in part may not have been intended, especially with regard to consumer durable goods lines. As the year progressed, inventory policies in some lines of business underwent modification in response to declining sales, less optimistic expectations, and ample capacity of suppliers in many industries. The reduction in profits provided another incentive for more cautious inventory policies. Additional

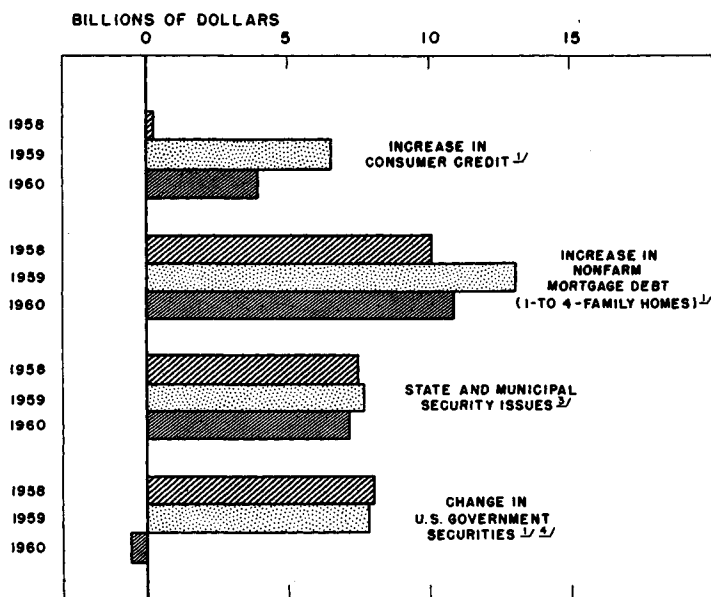
CHART 2

Growth of Credit

The growth in business loans slowed down in 1960, while new issues of securities increased slightly.



There was also less demand for credit by individuals and by various levels of government.



^{1/} CHANGE IN AMOUNT OUTSTANDING.

^{2/} NET PROCEEDS.

^{3/} PRINCIPAL AMOUNTS.

^{4/} EXCLUDES GUARANTEED SECURITIES.

SOURCES: VARIOUS GOVERNMENT AND PRIVATE AGENCIES.

contributing factors may have been the greater confidence in price stability and improving techniques of inventory control. As a result, inventory reductions developed in some industries during the third quarter and became more extensive in the final quarter of the year.

The changes in inventory policy were reflected in the business loans of banks (Chart 2). During the early months of the year, bank credit of this type increased more than seasonally, but subsequently, as businessmen slowed their inventory accumulation and later shifted to inventory liquidation, the expansion in credit was reduced markedly. Some easing occurred in the availability of credit, and in August the prime rate for bank loans was lowered from 5 percent to 4½ percent.

Plant and Equipment Expenditures

Outlays for business plant and equipment, as reported by the SEC-Commerce survey, which had started to advance in the fourth quarter of 1958, continued to rise in the first half of 1960, the most significant gain occurring in the manufacturing industries. Total outlays in the six-month period were 13 percent higher than in the first six months of 1959. During the second half of the year, however, these expenditures began to decline. For the year as a whole, they exceeded expenditures in 1959 and approached, but did not quite equal, the record level attained in 1957.

The financing in 1960 of the larger volume of plant and equipment expenditures by corporations proceeded in an environment of generally easing capital markets. Corporations other than sales finance companies relied somewhat less heavily upon new issues of securities than in 1959, although, in the aggregate, offerings were expanded. With lower interest rates, the volume of bond flotations rose substantially. Offerings of stocks, however, declined as stock prices fell. The flow of internal funds appears to have been slightly below that in 1959, because rising depreciation and amortization allowances were not fully sufficient to offset reduced profits. But the expanded capital outlays were met without strain, since requirements for funds to finance additions to inventories were less than in 1959 and liquid holdings of cash and Treasury obligations were used more intensively.

Residential Construction

Expenditures on residential construction in 1960 were 10 percent below those in 1959. The number of new starts dropped somewhat more sharply than expenditures, but the effect of this reduction upon the home building industry was mitigated by the improvement in the volume of activity in additions and alterations.

The decline in housing activity was tempered by an increase in the availability of mortgage credit and, to a much lesser extent, by lowered borrowing costs. Another favorable factor was the rise in income. However, the response to these stimuli was less than in 1958. Vacancy rates in rental units rose from 6.6 percent in the third quarter of 1959 to 7.6

percent in the third quarter of 1960. Reflecting developments in housing activity, outstanding mortgage debt on 1- to 4-family homes rose by \$11 billion in 1960, compared with a net increase of \$13 billion in 1959.

Net Exports

The mounting favorable export balance was an expansive factor throughout 1960. After showing an excess of imports over exports of \$2.2 billion (annual rate) in the second quarter of 1959, the Nation's export balance improved rapidly, and by the fourth quarter of 1960 it was \$4.0 billion. Exports of goods and services rose during the year while imports fell slightly. (The balance of payments is discussed in a later section of this chapter.)

Government Expenditures

Government expenditures on goods and services increased throughout the year, and in the final quarter they were \$5 billion (annual rate) higher than a year earlier. The rise reflected principally the steady advance in State and local expenditures following their brief decline late in 1959, which was occasioned in part by the impact of the steel strike upon public construction. Government transfer payments and interest, which are not included in expenditures on goods and services, rose from \$33.6 billion in the fourth quarter of 1959 to \$36.9 billion in the fourth quarter of 1960, thus making a very material contribution to final demand.

Federal expenditures, which had reached a peacetime high of \$54.3 billion (annual rate) in the fourth quarter of 1958, fell to \$51.7 billion in the second quarter of 1960. Smaller inventory acquisitions by the Commodity Credit Corporation and lower expenditures for defense accounted for most of this drop. However, Federal expenditures began to advance in the second half of the year, owing largely to a pay increase for Government employees and rising defense spending, and reached \$53.2 billion in the fourth quarter.

Consumption and Income

Consumer expenditures on services in 1960 continued the rise which has been uninterrupted during the years since the war. However, this long advance reflects in part pronounced and persistent price increases in this sector. Expenditures on nondurable goods were especially strong just prior to midyear, but weakened thereafter, as the rise in consumer income slackened. Outlays on consumer durable goods changed little in the first half of the year and declined in the second half. Sales of domestically produced new automobiles totaled 6.1 million for the year as a whole, a volume unequaled since 1955 though still below industry expectations expressed in the early months of 1960. The increase in volume, however, does not represent a fully proportionate gain in dollar value of sales; for the first time, a considerable part of the total—at least 25 percent—consisted

of lower-priced compact cars. Meanwhile, the demand for durable household goods exhibited weakness, reflecting in part the decline in the number of new homes built.

The rise in consumer expenditures was supported by the growth of personal income to a level 5 percent above that of 1959 (Chart 3). However, aggregate consumption in 1960 did not fully keep pace with the increase in individual incomes; consequently, saving increased, as a proportion of income, from 6.6 percent in the strike-affected second half of 1959 to 7.7 percent in the second half of 1960. This increase in the rate of personal saving was another important factor contributing to the declines in the economy during the second half of the year and was reflected in the larger accumulation of liquid assets by individuals, as well as in their more restricted use of credit.

The advance in personal income that accompanied the rise in economic activity during the early part of 1960 became less marked after the middle of the year. Labor income benefited from the rise in basic wage rates of approximately 3 percent per year, reflecting major collective bargaining settlements, deferred wage increases, and cost of living adjustments. However, labor income was adversely affected by a decline in employment which was especially marked in the more highly paid durable goods manufacturing industries, and by a lower average workweek of production workers. After the middle of the year, labor income as a whole rose more slowly and then declined, dropping more sharply as the year ended. Some other forms of personal income—notably interest and transfer payments—continued to increase during most of the year.

In the first half of the year, consumers made fairly extensive use of installment credit, causing the total debt outstanding to expand at a substantial rate. Thereafter, the marked slowing down of the rise (seasonally adjusted) was one of the factors that contributed to the increase in the saving rate; for 1960 as a whole, the growth in consumer credit was substantially less than in 1959. While the growth rate in automobile and certain other consumer goods paper fell off markedly from the first to the second half of the year, the rate of growth in personal loans was more nearly maintained.

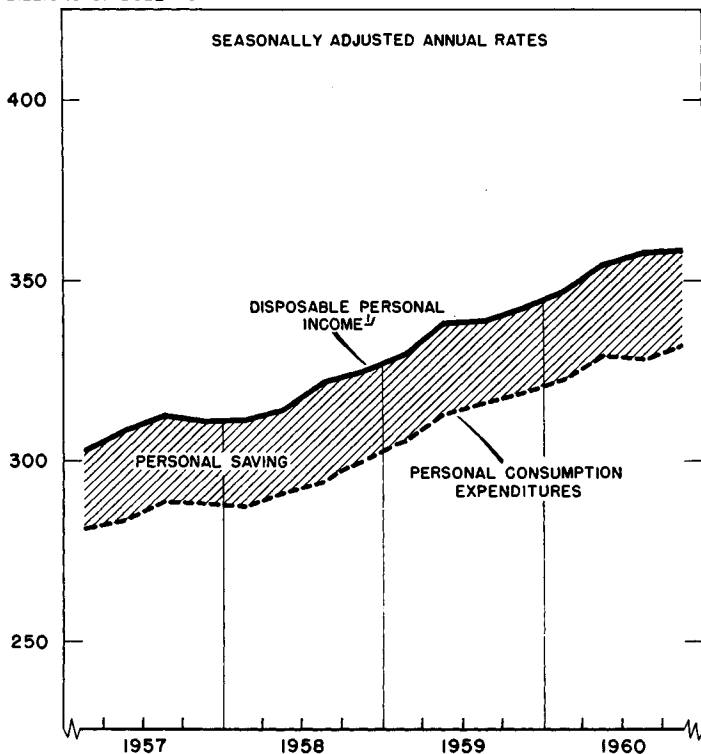
In contrast to personal income, corporate profits declined early in 1960 (Chart 4). In the first quarter, corporate profits before taxes were at an annual rate of \$48.8 billion, compared with the record figure of \$51.7 billion in the second quarter of 1959, and by the third quarter they had dropped to \$41.5 billion. A shift from profits to other forms of income can help sustain a high level of over-all demand in the short run, although over a longer period a shrinkage of profits relative to output may be expected to reduce both the means and the incentive for business investment. In the second half of 1960, however, the higher saving rate largely forestalled the favorable effect that such a shift might have had, through higher consumer income, upon consumer buying.

CHART 3

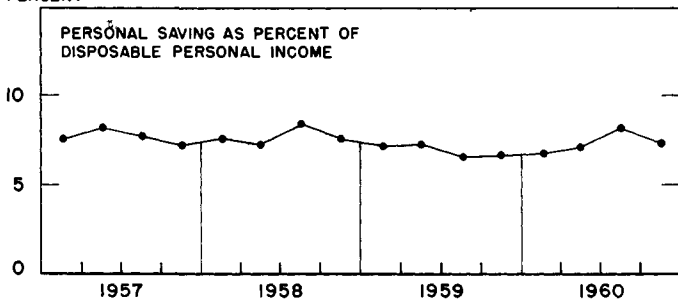
Personal Income, Spending, and Saving

Disposable personal income rose strongly during the first half of 1960 but more moderately thereafter. Since spending did not keep pace, personal saving tended to rise.

BILLIONS OF DOLLARS



PERCENT



✓ PERSONAL INCOME LESS TAXES.

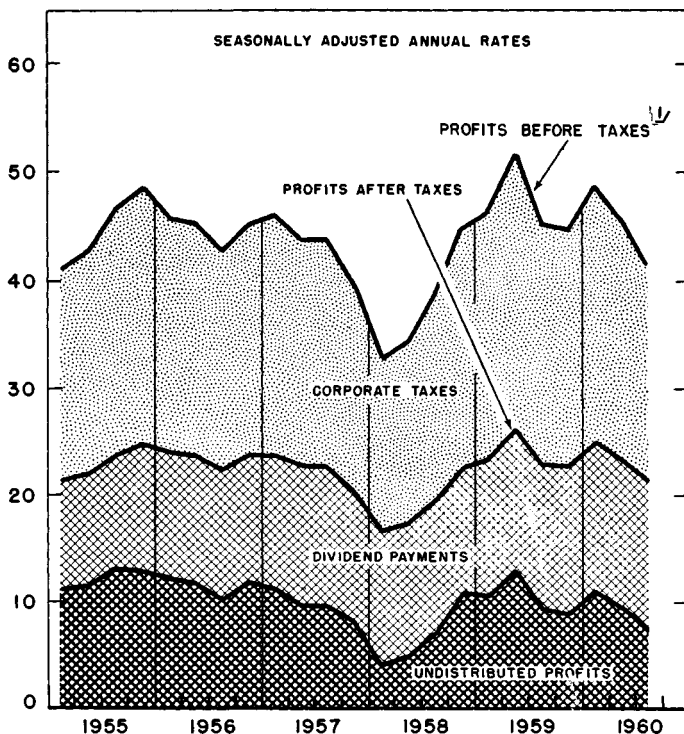
SOURCES: DEPARTMENT OF COMMERCE AND COUNCIL OF ECONOMIC ADVISERS.

CHART 4

Corporate Profits

Corporate profits declined sharply after early 1960. The reduction was absorbed by tax revenues and retained earnings, while dividend payments were increased.

BILLIONS OF DOLLARS



✓ WITHOUT ALLOWANCE FOR INVENTORY VALUATION ADJUSTMENT.
SOURCE: DEPARTMENT OF COMMERCE.

EMPLOYMENT AND UNEMPLOYMENT

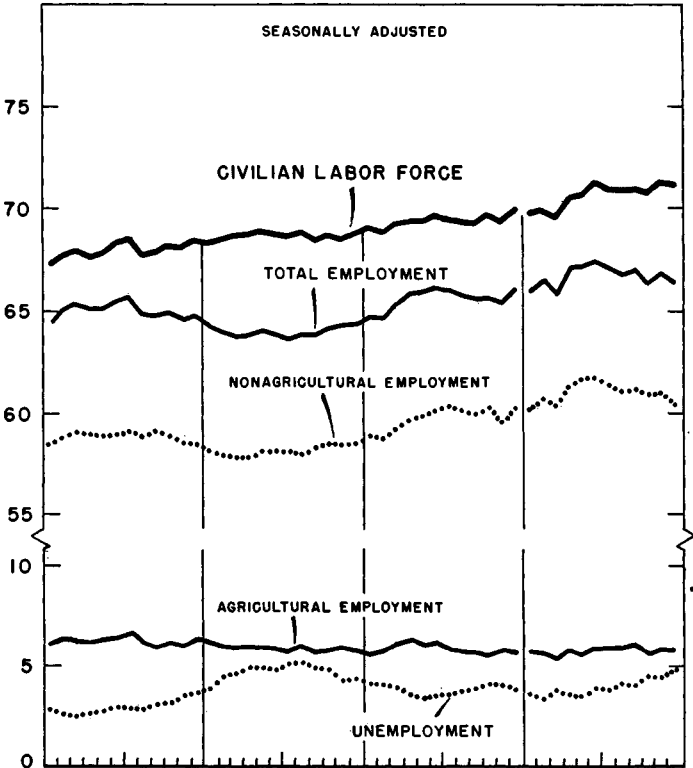
After the steel industry resumed operations in November 1959, total civilian employment expanded rapidly and by December had almost recovered to its pre-strike figure, seasonally adjusted, of 66.2 million (Chart 5). The expansion was largely in the employment of workers in durable goods producing industries; most of the increase in employment was reflected in a drop of unemployment, from 4.2 million in October 1959, when the strike was still in progress, to 3.8 million in December 1959. During the period of recovery from the strike, higher demand for labor also resulted in longer workweeks and increased overtime in durable goods industries.

CHART 5

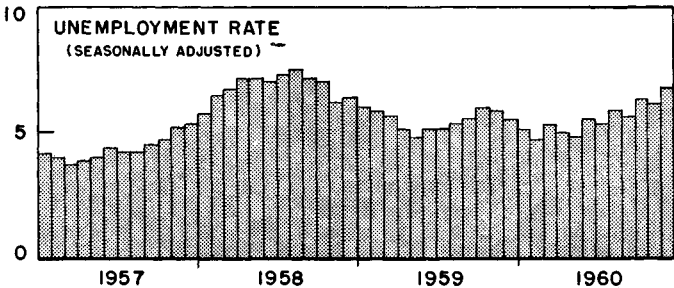
Civilian Labor Force

The labor force expanded substantially in 1960. Employment declined and unemployment increased during the second half of the year.

MILLIONS OF PERSONS *



PERCENT OF CIVILIAN LABOR FORCE



* 14 YEARS OF AGE AND OVER.

SOURCE: DEPARTMENT OF LABOR.

Civilian employment continued to expand with the increase in economic activity during the first half of 1960; by June, the seasonally adjusted figure was 67.4 million. Meanwhile, the civilian labor force also increased at about the same rate, so that the change in unemployment was minor.

For 1960 as a whole, employment averaged 66.7 million and the civilian labor force averaged 70.6 million. These were record numbers, representing gains above average 1959 levels, after allowance for the inclusion of Alaska and Hawaii.

Total payroll employment in nonagricultural establishments expanded moderately during the first half of the year and reached 53.4 million, seasonally adjusted, in June. Widely divergent trends appeared, however, in important industries. Total employment in manufacturing changed very little in the half year. Employment in durable goods industries decreased after February, as work forces were sharply reduced in industries producing primary metals and transportation equipment, but this decrease was largely offset by a moderate expansion in nondurable goods manufacturing. In nonmanufacturing industries, employment increased without significant interruption, especially in trade, finance, service, and government.

Total payroll employment began to decline in August as additional manufacturing industries curtailed work forces, the automobile industry shut down earlier than usual for its annual model changeover, and construction firms restricted operations. In most major industry groups except finance, services, and government, employment fell after midsummer (Chart 6). Declines in aggregate employment continued to the end of the year, with the declines being particularly marked in the final months. Through December 1960, the total reduction of payroll employment from the July peak amounted to about 951,000. Payroll employment in December 1960 totaled 52.5 million, compared with 52.9 million in December 1959.

The average workweek of production workers in manufacturing industries declined from 40.4 hours in January to 39.6 hours in April, both seasonally adjusted (Chart 7). This contraction was due, in part, to temporary and noneconomic factors. After a recovery to 40.1 hours in May, the average again fell as increasing numbers of workers in manufacturing industries went on part-time schedules.

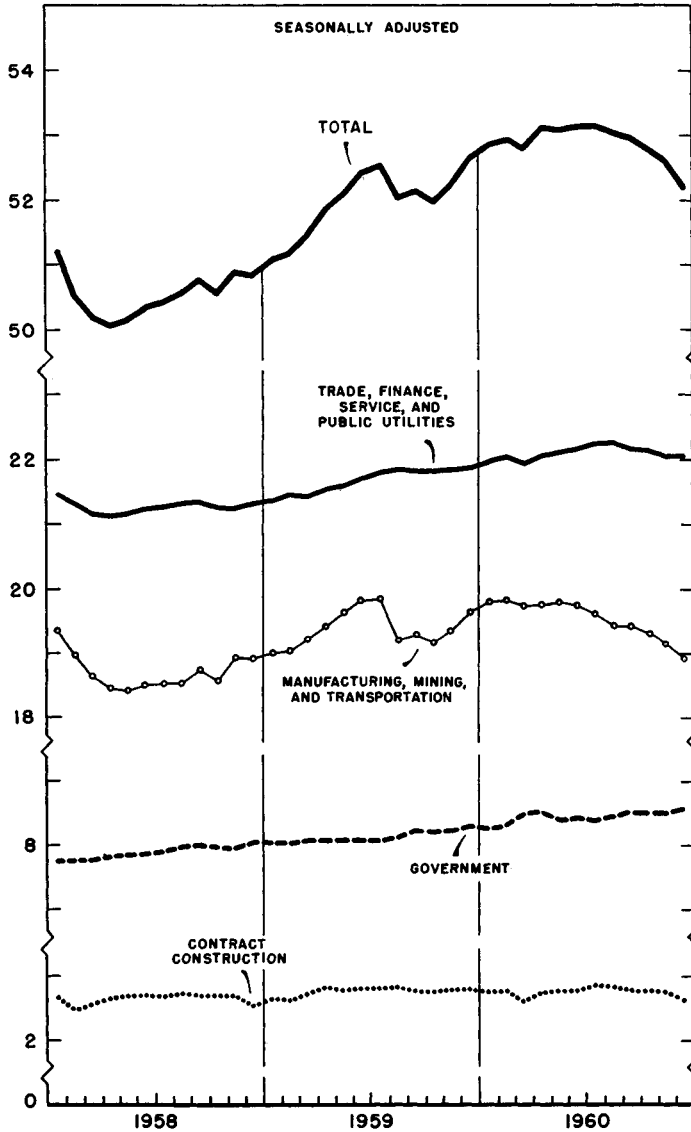
Unemployment, seasonally adjusted, declined to 3.5 million in May, but then rose over the remainder of the year, to 4.9 million, or 6.8 percent of the labor force, in December. Insured unemployment, which covers persons eligible to draw unemployment benefits, increased sharply, after seasonal adjustment, in the second half of the year.

CHART 6

Employment in Nonagricultural Establishments

Manufacturing, mining, and transportation accounted for nearly all of the decline in payroll employment after the middle of 1960.

MILLIONS OF PERSONS

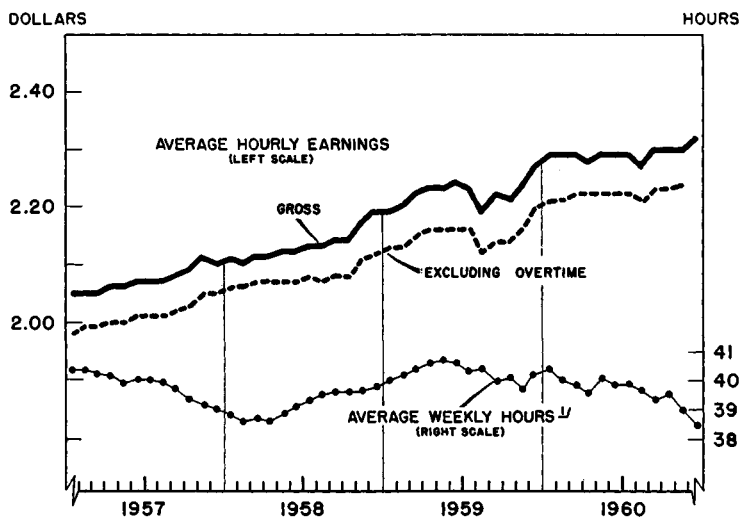


SOURCE: DEPARTMENT OF LABOR.

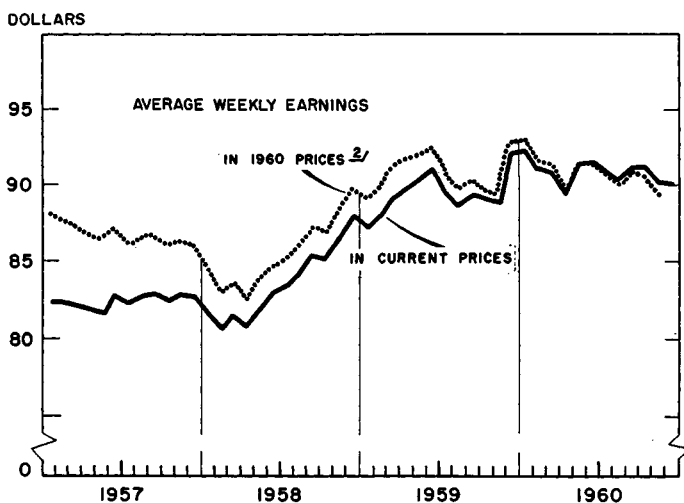
CHART 7

Hours and Earnings in Manufacturing

The workweek declined during 1960, but average hourly earnings increased slightly.



Average weekly earnings declined as the workweek was reduced.



^{1/} SEASONALLY ADJUSTED.

^{2/} CONSUMER PRICE INDEX USED AS DEFLATOR.

NOTE: DATA RELATE TO PRODUCTION WORKERS.

SOURCE: DEPARTMENT OF LABOR.

The turnover of the unemployed group remained high in 1960; during most months of the year, from two-fifths to one-half of the total number had been seeking work for less than 5 weeks. Nevertheless, long-term unemployment—the number of persons seeking work for 15 weeks or more—increased after May, and in December amounted to 1.2 million, after seasonal adjustment, compared with 1.0 million in December 1959. The unemployment rate for married men also increased during the second half of the year; for 1960 as a whole, however, it averaged 3.7 percent of their number in the labor force, about the same as in 1959.

The increase in unemployment was reflected in the Department of Labor's classification of the Nation's 147 major labor market areas according to adequacy of labor supply. In November 1960, 48 major areas were classified as having "substantial labor surpluses" (unemployment of 6 percent or more of the labor force), compared with 28 in January. A large proportion of total unemployment, and an even larger part of long-term unemployment, remains concentrated in the 19 major labor market areas having "substantial and persistent labor surpluses," most of which are located in the northeastern part of the country. In May 1960, before the downturn of total employment, the unemployment rate in these areas averaged 7.9 percent, compared with 4.7 percent for all the remaining areas.

Semiskilled, unskilled, and inexperienced workers were reported to be in surplus supply in nearly all sections of the country, but many labor market areas continued to report shortages of professional, technical, secretarial, clerical, and skilled workers.

PRICES

Prices in different sectors of the economy followed divergent trends in 1960. The net result of these movements was an increase in the consumer price index of 1.4 percent and an unchanged level for the index of wholesale prices.

The increase in the consumer price index was about the same as during 1959 (Table 3). This outcome conceals, however, an important difference between the two years in the role of consumer goods prices, both of durables and nondurables, which in the past have contributed importantly to upward movements. Whereas in 1959 both of these sectors showed noticeable advances, in 1960 the prices of nondurable goods, excluding food, rose only very moderately, while those of durable goods declined. Food prices, on the other hand, which tend to move partly in response to special factors, increased in 1960, while they had fallen in 1959. Prices of services advanced, as they have done in earlier years (Chart 8).

Investment goods prices also reflected an easing of upward pressures. Prices of producer finished goods rose until September 1959, but thereafter

TABLE 3.—Changes in consumer price index, 1959 and 1960

Item	Relative importance December 1959 (percent) ¹	Percentage change	
		December 1958 to November 1959	December 1959 to November 1960
All items.....	100.0	1.5	1.5
Commodities.....	64.1	.8	1.0
Food.....	28.0	-.7	2.8
Food at home.....	23.2	-1.5	3.0
Commodities less food.....	36.1	1.8	-.4
Nondurable commodities.....	22.5	2.4	1.0
Apparel.....	8.9	1.7	1.4
Shoes ²	1.4	7.4	.1
Durable commodities.....	13.6	1.1	-2.7
Cars, new.....	3.0	.5	-2.9
Cars, used.....	1.8	6.4	-14.2
Durables less cars.....	8.8	.2	-.5
Appliances ^{2 3}	3.1	.2	-1.1
Services.....	35.9	2.9	2.4
Rent.....	6.2	1.3	1.3
All services less rent.....	29.7	3.1	2.6

¹ Weights do not add to 100 because the miscellaneous category, not actually priced but imputed, is omitted.

² Comparisons are for December 1958 to December 1959 and December 1959 to September 1960.

³ Includes household appliances, radios, and television sets.

Source: Department of Labor.

fluctuated within a narrow range. Since the turn of 1960, construction costs have shown a similar stability.

Wholesale prices in general have remained steady since early 1958 (Chart 9). In the earlier part of the period, there was a moderate increase in industrial prices, but this was offset by lower prices of farm products and processed foods. The reverse was true in 1960, as prices of farm products and processed foods rose noticeably and industrial prices drifted down a little. However, prices of certain basic items, such as metals and their products, electrical machinery, and especially lumber, declined more markedly. Prices of crude industrial materials as a group fell considerably; but at intermediate stages of processing, declines in industrial prices have not been large.

The weakening in the upward tendency of prices reflected the combined impact of several factors. Monetary and fiscal policies served to avoid speculative excesses and pressures of demand upon capacity and helped to create attitudes on the part of businessmen and consumers favorable to price stability. As 1960 progressed, evidence of ample supplies and the slackening of the economic advance strengthened these attitudes and gave rise to keener competition as well as more careful buying habits. Wage increases of only moderate amount likewise contributed to greater price stability. Average hourly earnings of production workers in manufacturing,

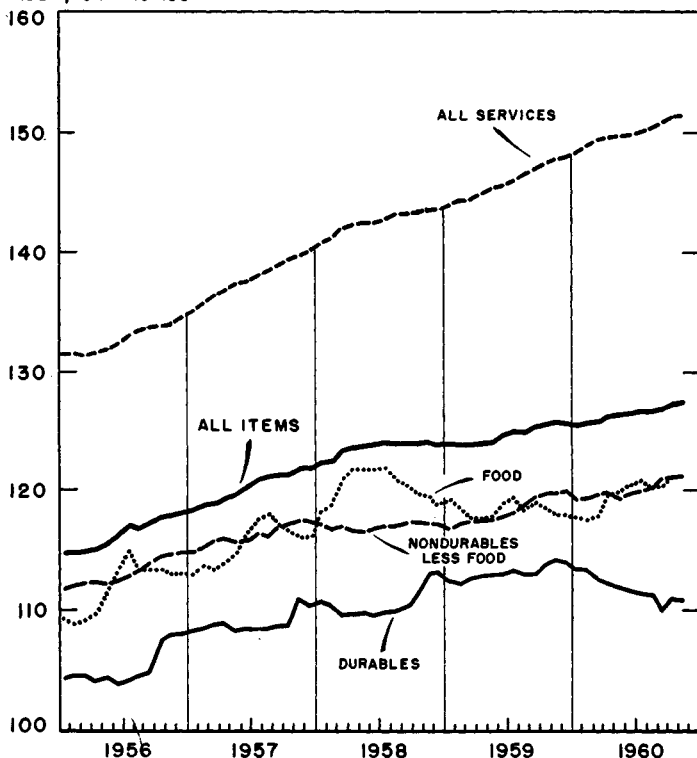
adjusted for interindustry shifts, which had advanced by more than 5 percent in 1956 and 1957, gained only 3.4 percent in 1959 and about the same amount in the past year. However, such increases in manufacturing and industries other than agriculture, viewed as part of the long-term trend in hourly wage rates, are still somewhat greater than the average annual improvement in productivity in the past decade.

CHART 8

Consumer Prices

The 1960 rise in consumer prices was due largely to an advance in food prices and to the continuing increase in prices of services. Prices of durable goods fell markedly.

INDEX, 1947-49=100



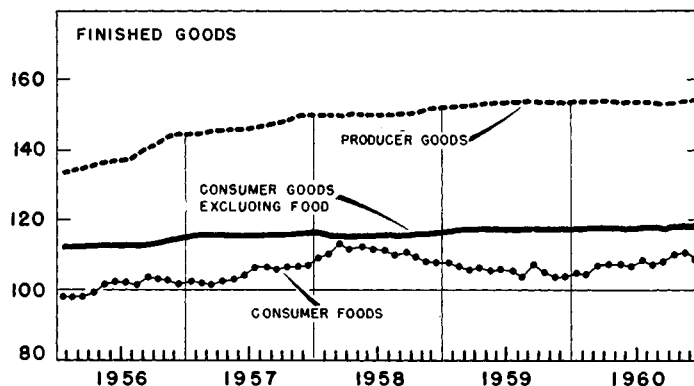
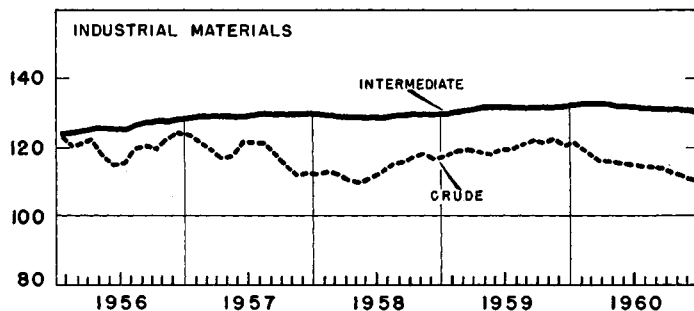
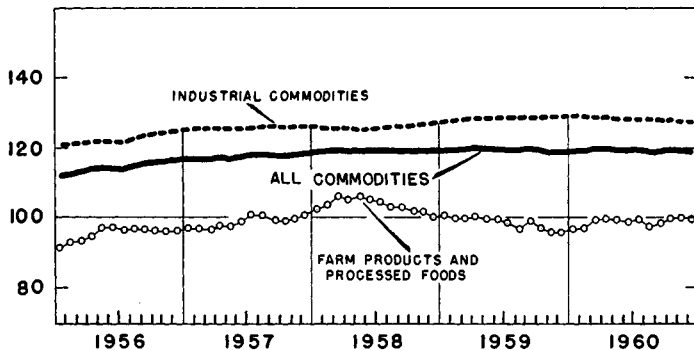
SOURCE: DEPARTMENT OF LABOR.

CHART 9

Wholesale Prices

The over-all wholesale price index continued steady in 1960, but prices of crude industrial materials declined substantially.

INDEX, 1947 = 49=100



SOURCE: DEPARTMENT OF LABOR.

AGRICULTURE

Agricultural output in 1960 reached a record high for the third year in succession. Output, especially of field crops, was stimulated by incentive price supports for several commodities, the more extensive use of fertilizers, and favorable weather. Production of corn and grain sorghums set new records, and output of wheat and soybeans was exceeded only in 1958. Total livestock production decreased slightly, as hog, poultry, and egg production declined early in the year in response to unsatisfactory prices prevailing toward the end of 1959, and cattle production continued the expansion phase of its typically long cycle.

Prices and incomes received by farmers, which had declined in late 1959, improved by mid-1960 with better market conditions. Later, substantial advances by the Commodity Credit Corporation (CCC) on loans on wheat, corn, and other price-supported crops from the 1960 harvests helped to sustain income. Gross income of farm operators, estimated at \$37.9 billion, was \$400 million larger than the 1959 income. Farm production expenses changed very little, as lower costs for expense items originating in the farm sector, notably feed and feeder livestock, all but offset the higher costs of certain other production goods and services. Tax and interest costs were substantially greater than in 1959. Farm wage rates were somewhat above those in 1959, but fewer workers were employed.

With their gross income slightly higher and production expenses nearly the same as in 1959, farm operators' net income from farming in 1960 was a little greater than in 1959 (Chart 10). Realized net income, which excludes inventory change, rose from \$11.3 billion in 1959 to an estimated \$11.6 billion in 1960. Whether reported exclusive or inclusive of inventory change, net income in 1960 was about the same as the average for the five preceding years; but, since the number of farms has decreased steadily, net income per farm in 1960 was about 5 percent higher than the 1955-59 average.

Hired farm workers living on farms received about \$1.8 billion in farm wages. Income of all farm people from nonfarm sources, including in particular wages earned from part-time work off the farm, was a little larger in 1960 than in 1959, rising to a record \$6.9 billion.

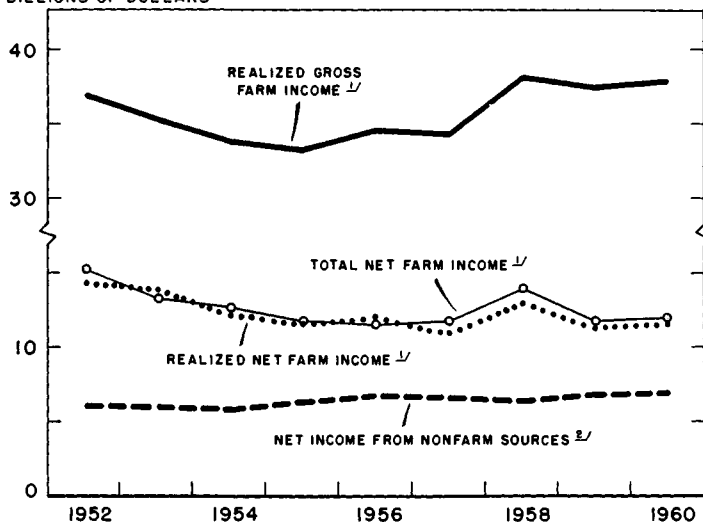
Market values of farm real estate leveled off and then receded a little during 1960 after an almost uninterrupted upward trend that started before World War II. There were moderate declines in the Corn Belt and Northern Plains, and further small increases occurred in most of the Southern, Mountain, and Pacific States. Total farm assets at the end of 1960 amounted to \$199.3 billion, 2 percent less than a year earlier. Farm indebtedness continued to increase. By the end of the year, indebtedness reached \$25.7 billion, or 13 percent of assets, leaving an equity in farm investment of \$173.6 billion, 3 percent less than the equity 12 months earlier.

CHART 10

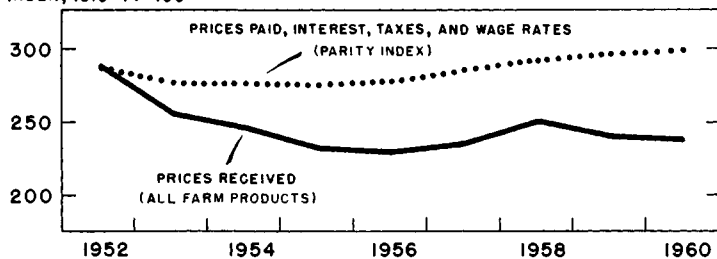
Indicators of Agricultural Conditions

Incomes of farmers, from farm and nonfarm sources, rose slightly in 1960. Farm proprietors' equities declined.

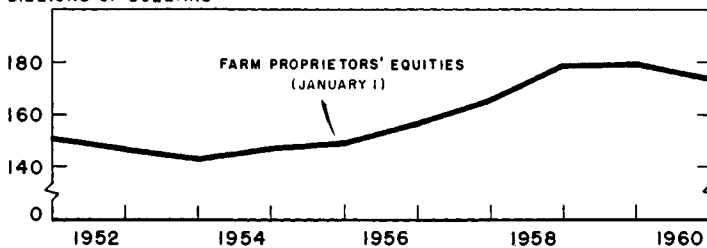
BILLIONS OF DOLLARS



INDEX, 1910-14 = 100



BILLIONS OF DOLLARS



✓ INCOME OF FARM OPERATORS, INCLUDING GOVERNMENT PAYMENTS

⌘ INCOME OF ALL FARM PEOPLE.

SOURCE: DEPARTMENT OF AGRICULTURE.

An outstanding feature of agricultural developments in 1960 was the strong expansion of exports of farm products. The volume of these exports reached a new high in the fiscal year 1960, and their value, at \$4.5 billion, was second only to the record \$4.7 billion attained in the fiscal year 1958. Since the major export crops are given Government price support, the large exports, which are partly subsidized, served chiefly to ease the financial burden on the Commodity Credit Corporation; however, they also helped to sustain farm income.

Despite extensive efforts in food distribution and other surplus removal activities, 1.8 billion bushels of corn, 1.5 billion bushels of wheat, 5.3 million bales of cotton, and substantial quantities of several other products remained in CCC inventory or under CCC loan at the end of 1960. Accumulated investment of the Corporation in price-supported commodities amounted to \$9.1 billion.

MONETARY AND FISCAL AREAS

Early in 1960, inflationary forces were being brought under control. Efforts to bring the budget into balance were meeting with success, and the emerging surplus, augmented by seasonal factors, permitted some debt retirement. Under these circumstances, the Federal Reserve authorities moved to reduce monetary restraint.

As the year proceeded, developments increasingly called for an extension of this policy, and the Federal Reserve accordingly took a variety of steps toward more positive promotion of monetary ease. At the same time, pressure upon corporate profits reduced prospective tax revenues from this source. The budget surplus for the fiscal year 1961, which had been estimated at \$4.2 billion in January, was revised to \$1.1 billion in the fall; an approximate balance is now estimated. The restraining effect of the budget on the economy diminished in this period. In view of the decline in residential construction, Federal housing programs were adjusted to provide additional stimulus. Advantage was taken of the possibility of accelerating the Federal highway program, as well as some other Federal programs.

Monetary and Credit Policy

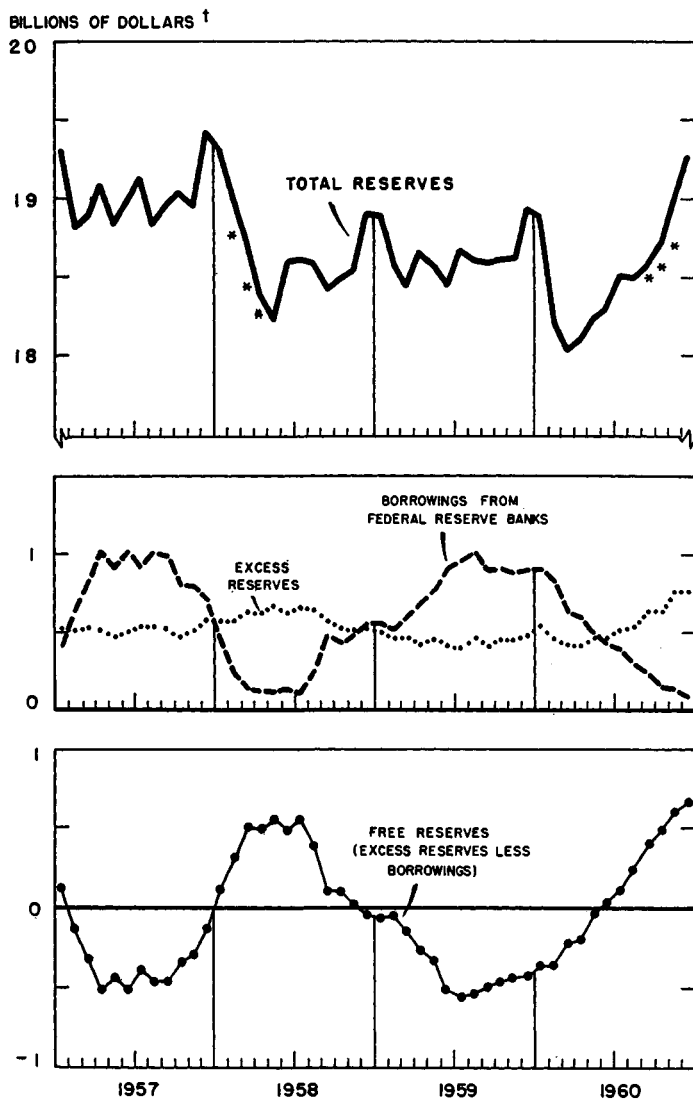
As the year began, interest rates on Treasury bills were just reaching a peak, although net borrowed reserves had passed their high point in early August 1959. The money supply (demand deposits and currency, seasonally adjusted) had been declining since July 1959.

Demand for most forms of bank credit, however, began to slacken early in 1960. Business loans, which reflected the strong pace of inventory accumulation, were the major exception in this downturn. With the demands of the Federal Government on the financial markets also reduced, interest rates eased rapidly during the early months of the year. Total

CHART 11

Member Bank Reserves and Borrowings

Pressures on bank reserves eased during 1960. Beginning in the spring, total reserves rose.



loans and investments of commercial banks, as well as total bank reserves and the money supply, fell more than they normally do early in a year.

Through April, Federal Reserve open market operations had the effect of easing the position of the banks, although not on a scale sufficient to prevent a more than usual shrinkage in total reserves. By late spring, net borrowed reserves of banks approached zero (Chart 11) and the rate on three-month Treasury bills dropped below 3 percent. The demand for business loans meanwhile fell short of its increase in most recent years, as the rate of inventory accumulation diminished. The demand for other loans also reflected some slackening in economic activity. These developments were further highlighted by a general decline in stock prices (Chart 12). Thus, further monetary easing was clearly called for, and, accordingly, open market operations became more aggressive. Beginning in May, growing monetary ease was reflected in a greater than usual rise in total reserves of banks, and after midyear the downward trend in the money supply was reversed.

In June, the Federal Reserve Banks reduced discount rates from 4 percent to 3½ percent, and in August and early September rates were cut again,

CHART 12

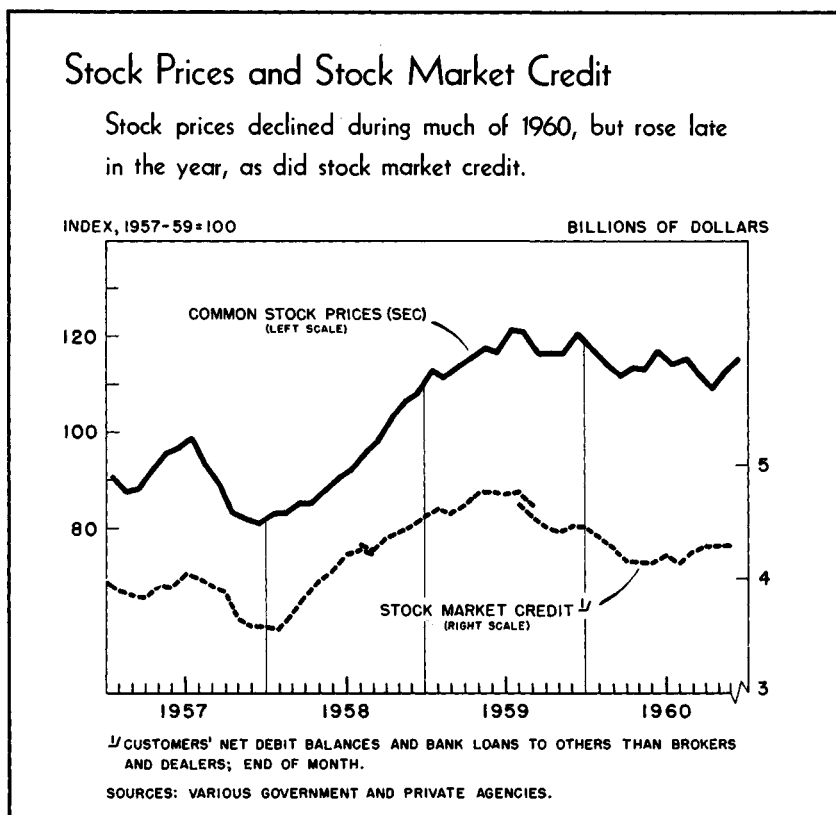
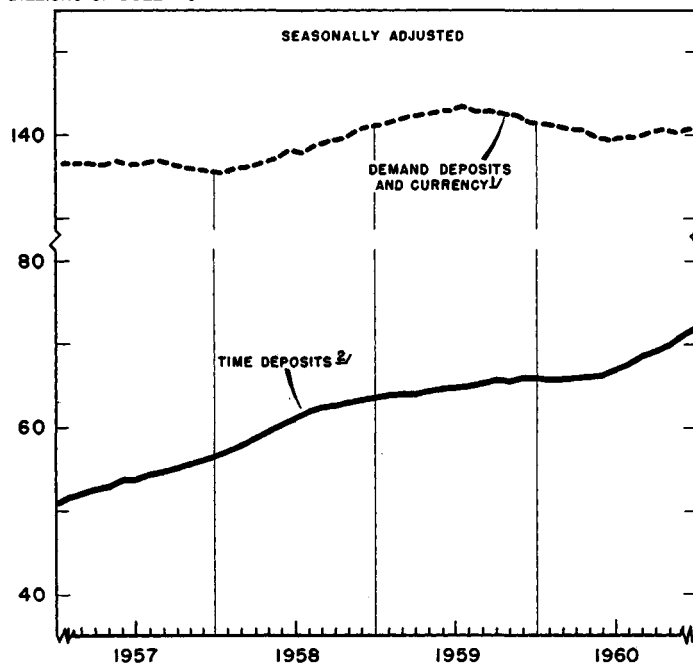


CHART 13

Money Supply

After mid-1960, demand deposits and currency rose somewhat and time deposits expanded rapidly.

BILLIONS OF DOLLARS



1/ DEMAND DEPOSITS AT ALL COMMERCIAL BANKS AND CURRENCY OUTSIDE BANKS; AVERAGES OF DAILY FIGURES.

2/ TIME DEPOSITS AT ALL COMMERCIAL BANKS; END OF MONTH.

SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

to 3 percent. In two successive steps taken in September and December, reserve requirements against demand deposits for central reserve city banks were reduced from 18 percent to 16½ percent. Most important, from the point of view of providing reserves, all vault cash was made available for meeting reserve requirements. As a partial offset, requirements for country banks were raised from 11 percent to 12 percent.

As the year progressed, the expansion of loans continued to be moderate. Funds supplied through Federal Reserve actions were used by banks primarily to purchase United States Government securities; such purchases from June through December amounted to \$7.1 billion. The expansion in bank loans and investments produced only a small rise in the money supply, because the resultant deposits predominantly took the form of time deposits.

Beginning in late October, Federal Reserve purchases of United States Government securities were extended to short-term securities other than Treasury bills for the first time since 1958. The action was considered appropriate in the light of the outflow of capital, stimulated in part by the sharply lower yield on short-term United States securities in comparison with the rate on equivalent securities in other countries.

For 1960 as a whole, the money supply decreased by \$1.0 billion, against a rise of \$600 million in 1959. Time deposits, however, increased much more than in 1959, the gain amounting to about \$5.9 billion (Chart 13). Bank credit rose by \$8.4 billion, moderately more than in 1959. But loans rose by only \$5.8 billion, against an increase of \$11.9 billion in the preceding year. The slower pace of bank lending, despite the larger volume of funds available, was due to the lessened demand for total credit by all major sectors of the economy. Banks, therefore, were able to add about \$2.4 billion to their holdings of United States Government securities, thus reversing the heavy liquidation of such securities that had taken place in 1959 (Table 4).

TABLE 4.—*Net changes in commercial bank holdings of loans and investments, 1955–60*

[Billions of dollars]

Loans and investments	1955	1956	1957	1958	1959 ¹	1960 ²
Loans (excluding interbank) and investments ³	4.6	4.2	4.9	15.1	4.0	8.4
Loans (excluding interbank) ³	11.6	7.6	3.5	4.3	11.9	5.8
Business.....	6.4	5.5	1.8	— .1	⁴ 5.1	⁵ 2.2
Real estate.....	2.4	1.7	.6	2.1	2.5	.7
Consumer.....	2.3	1.4	1.2	.2	2.8	1.4
Security.....	.6	— .8	— .1	.4	.2	.2
Agricultural.....	— .7	— .3	— .1	.9	(⁶)	.7
Nonbank financial institutions.....	(⁷)	(⁷)	(⁷)	(⁷)	(⁷)	— .1
All other.....	.9	.4	.3	1.0	⁴ 1.5	⁴ .6
Investments.....	— 7.0	— 3.5	1.3	10.8	— 7.9	2.7
U.S. Government securities.....	— 7.4	— 3.0	— .3	8.1	— 7.7	2.4
Other securities.....	.4	— .4	1.7	2.6	— .2	.3

¹ Structural changes in 1959 are excluded. On balance through August, these changes added almost \$1 billion in total credit; \$600 million in loans; \$300 million in U.S. Government securities; and \$100 million in other securities. Real estate loans increased about \$300 million; business loans, \$100 million; consumer loans, \$100 million; and other loans \$100 million.

² Preliminary estimates by Council of Economic Advisers.

³ Total loans are net of, and individual loans are gross of, valuation reserves.

⁴ Includes estimate of loans to nonbank financial institutions on December 31, 1959.

⁵ Excludes loans to nonbank financial institutions, shown separately, and is not strictly comparable with previous data.

⁶ Less than \$50 million.

⁷ Reported in business and "all other" loans prior to June 10, 1959, and estimated in business and "all other" loans on December 31, 1959.

NOTE.—Changes are based on amounts outstanding at end of year.

See Table C-41 for totals including interbank loans.

Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System (except as noted).

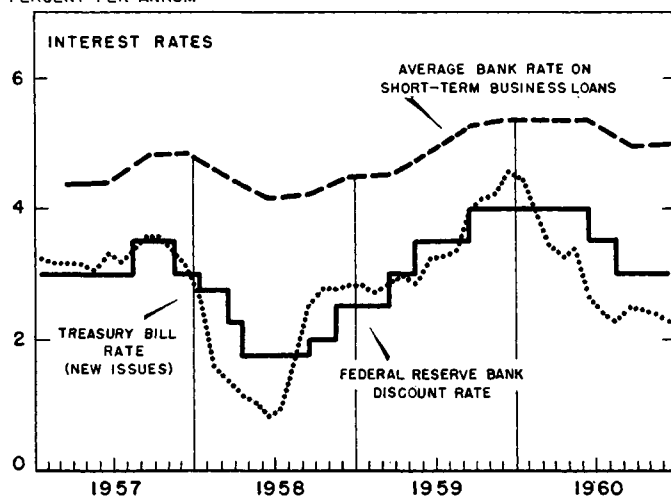
With both an easier monetary policy and reduced demands for credit, interest rates declined over the year. For United States Government bonds and municipal bonds, the declines were relatively substantial; they were less so for commercial bank loans and corporate bonds. Rates on mortgage loans declined very little (Chart 14).

CHART 14

Interest Rates and Bond and Mortgage Yields

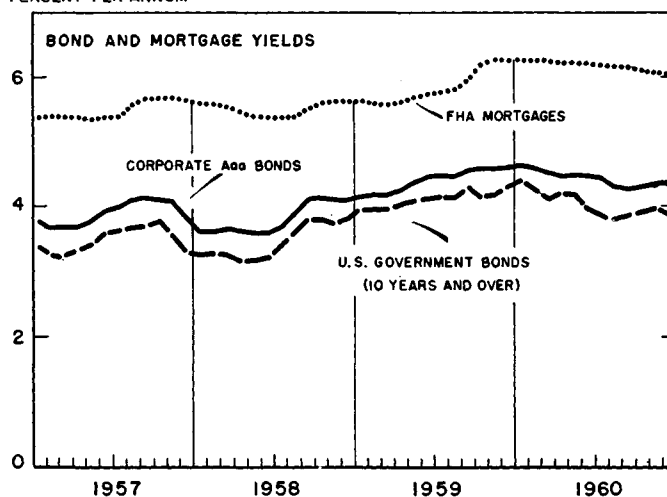
Short-term interest rates fell in 1960 after having risen sharply during 1959.

PERCENT PER ANNUM



Long-term interest rates also declined during 1960 after increasing during most of 1959.

PERCENT PER ANNUM



SOURCES: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, TREASURY DEPARTMENT, FEDERAL HOUSING ADMINISTRATION, AND MOODY'S INVESTORS SERVICE.

Total liquid assets, including the money supply, which had expanded at a relatively slow pace in late 1959, changed very little during the first half of 1960, if account is taken of seasonal factors. There was a decline in the money supply and some reduction in marketable United States Government securities maturing within one year. As the year progressed, however, purchases of consumer goods lagged, and personal type savings, such as time deposits and savings and loan shares, began to expand rapidly. Demand for these types of assets appears to have been stimulated also by more favorable returns available on them relative to those on marketable securities. As a result, total liquid assets expanded in the latter part of the year (Table 5).

TABLE 5.—*Changes in selected liquid assets held by the public, 1957–60*

[Billions of dollars]

Asset class	1957	1958	1959	1960 ¹
Money supply (demand deposits and currency outside banks).....	-0.9	5.5	0.6	-1.0
Personal type savings.....	8.5	14.2	7.2	13.9
Time deposits at commercial banks.....	5.5	7.1	2.4	5.9
Deposits at mutual saving banks.....	1.4	2.1	.8	1.3
Savings and loan shares.....	4.8	6.1	6.6	7.4
U.S. Government savings bonds.....	-3.2	-1.1	-2.6	- .7
U.S. Government securities maturing within one year..	4.2	-1.7	10.8	-5.3

¹ Preliminary estimates by Council of Economic Advisers.

NOTE.—Changes are based on amounts outstanding at end of year except changes in money supply, which are based on daily averages for December.

Sources: Board of Governors of the Federal Reserve System and Treasury Department (except as noted)

The response of the financial mechanism during 1960 to Federal Reserve policies was generally typical of a period in which a policy of restraint gives way to one of ease. The easing was first reflected in reduced net borrowed reserves and sharp declines in short-term interest rates, and only later in the expansion of total bank reserves, bank credit, and deposits. Commercial banks were inclined to reduce their high indebtedness to the Federal Reserve System before employing available reserve funds to expand credit further. The low return on Treasury bills in relation to the discount rate prevailing during the late winter and spring, as well as subsequently during the year, probably influenced banks in these decisions. The response of bank credit was also affected by the tendency for an especially large amount of excess reserves to be concentrated during the late summer and fall in country banks while other banks remained under pressure. Since country banks employ their surplus funds less actively, this factor may have impeded a more rapid response of total bank credit and the money supply to Federal Reserve action. The expansion of the money supply in turn tended to lag behind credit expansion because the latter reflected primarily an increase in time deposits.

A somewhat analogous development was observable with respect to the major types of savings institutions, including life insurance companies, savings and loan associations, and mutual savings banks. The larger flow of funds generally available to these institutions led to only a very gradual decline in interest rates on mortgages, and the yield on corporate bonds also was slow in being reduced. The behavior of lenders of long-term funds appeared to reflect the experience of earlier periods of declining interest rates, which were quickly followed by a return to higher levels.

Fiscal and Debt Management Policies

Fiscal policy during 1960 was oriented toward maintaining over-all stability in the economy in conjunction with the more flexible operations of the monetary authorities. For the fiscal year 1960, the Federal budget attained a surplus of \$1.2 billion. It is presently expected that the budget for the fiscal year 1961 will show a very close balance (Chart 15). The improvement in the budgetary outcome for 1960, following a deficit of \$12.4 billion in the preceding fiscal year, reflected increasing revenues as a result of the expansion of the economy and, to a lesser extent, a reduction in Federal expenditures.

Expenditures in the fiscal year 1960 were \$3.8 billion lower than expenditures in the fiscal year 1959 (Table 6), while budget receipts rose by \$9.9

TABLE 6.—*Federal budget expenditures, 1959–62*

[Fiscal years, billions of dollars]

Function	1959	1960	1961 (estimated)	1962 (estimated)
Total budget expenditures.....	80.3	76.5	78.9	80.9
Major national security.....	46.4	45.6	45.9	47.4
International affairs and finance.....	3.8	1.8	2.3	2.7
Commerce, housing, and space technology.....	3.4	2.8	3.8	3.4
Agriculture and agricultural resources.....	6.5	4.8	4.9	5.1
Natural resources.....	1.7	1.7	2.0	2.1
Labor and welfare.....	4.4	4.4	4.5	4.8
Veterans services and benefits.....	5.2	5.1	5.2	5.3
Interest.....	7.7	9.3	9.0	8.6
General government.....	1.6	1.7	2.0	2.1
Allowance for contingencies.....				.1
Deduct: Interfund transactions.....	.4	.7	.7	.7

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget.

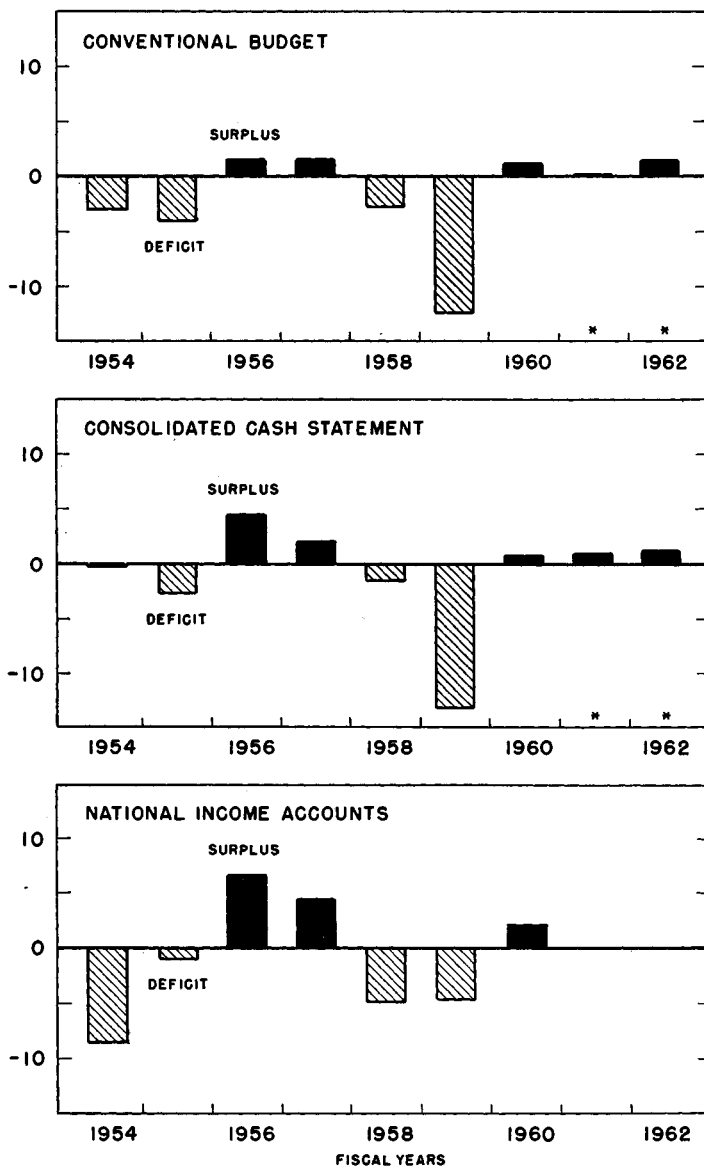
billion. The reduction in total expenditures was made possible in part by the termination of certain expenditures incurred for antirecession purposes in the previous year, as well as of some nonrecurring expenditures. Expenditures were lower for housing, owing to the termination of the special mortgage purchase program of the Federal National Mortgage Association authorized in 1958, and for international affairs and finance, because the 1959 expenditures had included nonrecurrent increases in the United States subscription to the International Monetary Fund. Farm income support expenditures also declined considerably in

CHART 15

Surplus or Deficit of the Federal Government

The Federal budget is expected to be in balance for fiscal year 1961 and to show a surplus in fiscal year 1962.

BILLIONS OF DOLLARS



the fiscal year 1960. The advances to States for financing the temporary extension of unemployment benefits were discontinued, and expenditures for military assistance diminished. On the other hand, there were increases in some expenditures, particularly those related to natural resources development, research, and space exploration. Interest payments on the public debt increased sharply as rates advanced during the first half of the fiscal year.

The sharp increase in Federal receipts in the fiscal year 1960 reflected the strong sensitivity of Federal revenues to fluctuations in the economy. Of the total increase, corporate income tax receipts accounted for \$4.2 billion and individual income taxes for \$4.0 billion (Table 7).

TABLE 7.—Federal budget receipts, 1959–62

[Fiscal years, billions of dollars]

Source	1959	1960	1961 (estimated)	1962 (estimated)
Total budget receipts.....	67.9	77.8	79.0	82.3
Individual income taxes.....	36.7	40.7	43.3	45.5
Corporation income taxes.....	17.3	21.5	20.4	20.9
Excise taxes.....	8.5	9.1	9.3	9.7
Employment taxes.....	.3	.3		
Estate and gift taxes.....	1.3	1.6	1.9	2.0
Customs.....	.9	1.1	1.1	1.1
Miscellaneous receipts.....	3.2	4.1	3.7	3.8
Deduct: Interfund transactions.....	.4	.7	.7	.7

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget.

For the fiscal year 1961, budget expenditures are estimated as \$2.4 billion higher than in the preceding fiscal year. Outlays for all major functions except interest payments on the public debt are expected to rise. The increases are attributable in varying degree to new legislation, primarily the pay raise to Federal civilian employees; to increases in relatively uncontrollable expenditures, such as grants to States for public assistance and payments for veterans' compensation, pensions, and medical care; to past commitments for such purposes as water resources projects, space exploration, and civilian aviation; and to higher Congressional appropriations for defense and other programs.

The increase in revenues in fiscal 1961 is now estimated at \$1.2 billion, substantially less than the expected increase in expenditures. Most of this rise is due to an increase, estimated at \$2.6 billion, in receipts from individual income taxes, reflecting higher personal incomes. Corporate tax receipts, however, are expected to decline. Receipts from excise taxes will probably increase, but a decline in all other receipts is foreseen, partly because of the transfer of Federal unemployment tax receipts from general revenues to the unemployment trust fund, in accordance with the Social Security Act Amendments of 1960.

A number of tax revenue measures were recommended by the President last January and acted upon by the Congress. Both the corporation income tax rates and certain excise tax rates scheduled for reduction or repeal on July 1, 1960 were extended for one year. The Congress also enacted legislation that had been recommended in order to prevent unintended and excessive deductions in the computation of depletion allowances on certain mineral products. On the other hand, the Congress again failed to take action on a number of revenue recommendations, but enacted certain unrecommended measures that will reduce 1961 revenues by at least \$100 million.

The change in the Federal budgetary picture between the fiscal years 1959 and 1960 is even more striking if the transactions are considered on a consolidated cash basis, which includes the trust funds. Following a consolidated cash deficit of \$13.1 billion in the fiscal year 1959, there was a cash surplus of \$800 million in the fiscal year 1960. A cash surplus of \$1.1 billion is expected in fiscal 1961.

The effect upon economic conditions of changes in the financial position of the Federal Government during the fiscal year 1960 becomes clearer when stated in terms of the national income accounts, which reflect tax liabilities as they are incurred and present the Government's activities in terms more directly related to the over-all level of economic activity. In these terms, there was a surplus of \$5.2 billion (seasonally adjusted) in the second half of the fiscal year 1960. In recent months, however, the surplus has been considerably reduced. The restraining effect of the budget on the economy thus was substantially lessened in the course of 1960.

At the State and local level, receipts during fiscal 1960 continued their advance, which over the past decade has proceeded at a faster rate than the gain in Federal revenues. State tax collections increased by \$2.2 billion, more than twice their growth in 1959. This reflected both the strength in underlying economic conditions and a number of legislative changes in the base, rate, or collection-timing of particular major taxes. These enactments were exceptionally numerous in 1959 and became effective mainly in fiscal 1960.

State and local expenditures also continued to rise during the fiscal year 1960, and somewhat more than receipts. The increase was mostly in payrolls. Expenditures for new construction remained fairly stable for the fiscal year as a whole, but they have been increasing recently. Long-term borrowing by State and local governments during the first half of the calendar year 1960 was about 10 percent less than in the corresponding period of 1959, but the pace quickened in the third quarter.

For the calendar year 1960, the surplus in the Federal budget permitted a reduction of \$425 million in the public debt, in contrast to the rise of \$7.9 billion in 1959. This, along with the easing in credit markets, facilitated the Treasury's management of the public debt. The Treasury's ability to lengthen the average maturity of the outstanding debt was still limited,

however—especially in the first half of the year—by the legal $4\frac{1}{4}$ percent interest ceiling on securities of more than 5 years' maturity.

The Treasury continued to develop new techniques of debt management in order to improve the marketing of United States Government securities and to contribute toward achievement of the broader goals of economic growth and stability. A considerable amount of short-term borrowing was put on a regular basis, thus minimizing the impact of refunding short-term issues on the credit markets. The Treasury also used, for the first time, the provisions of a law passed in September 1959 that makes possible the exchange of securities under advance refunding without the immediate recognition of any gain or loss for Federal income tax purposes. The use of this provision, a major improvement in debt management, lessens the market impact of long-term debt offerings and provides an incentive for present owners of United States securities to retain them. As a result in part of advance refunding, the average maturity, which had been 4 years and 4 months in December 1959, was extended to 4 years and 7 months in December 1960.

FEDERAL HOUSING AND HOME FINANCING AND AID FOR HIGHWAYS

Further policy actions bearing on the level of economic activity were taken in the areas of housing and highways. Residential construction, which had started to decline in the final quarter of 1959, was aided by several administrative measures in 1960. In February, the Federal Housing Administration (FHA) announced new procedures designed to facilitate the sale of existing houses traded in on the purchase of new homes; in April, the downpayments required on FHA-insured home loans were reduced to the minimum permitted by law; and in July, the purchase of FHA-insured loans by the general public was authorized under new procedures. The Veterans Administration increased by more than \$100 million the amount of direct home loans made to veterans in rural areas and small communities during 1960; in July, legislation was enacted continuing for two years both the eligibility of World War II veterans to obtain guaranteed home loans and the availability of direct home loans.

The Federal National Mortgage Association (FNMA) raised the prices paid for loans purchased through its secondary market operations as the availability of mortgage funds in private markets improved. Two price increases of $\frac{1}{2}$ point were announced, the first in July and the second in August. The maximum size loan per dwelling eligible for purchase under the secondary market program was raised by FNMA from \$15,000 to \$20,000 in January; and in October the issuance of stand-by commitments for the purchase of existing houses was authorized.

Interest rates charged by the Federal Home Loan Banks on advances to member institutions were lowered during the year. The latter generally took advantage of an increase in share deposits to reduce their outstand-

ing advances from the Federal Home Loan Banks coincident with a slackening in the demand for mortgage credit. In the context of the college housing program, priority was given to loan applications for construction that could be commenced quickly. Administrative procedures were inaugurated in connection with urban renewal activities to aid localities in expediting the planning, execution, and completion of their projects.

After being relatively low in the early months of 1960, highway construction was increased in the second half of the year, as higher revenues resulting from the one cent per gallon increase in the tax on motor fuels made possible, first, the avoidance of a deficit in the Highway Trust Fund in consequence of legislation passed in 1958, and, thereafter, the apportionment to the States of the full amounts permitted by legislation and the more rapid obligation by the States of the apportioned funds.

Earlier-than-usual enactment of enabling legislation made possible an acceleration of procurement contract awards, and steps were taken to start at once Federal construction projects for which funds were made available at a relatively early date.

INTERNATIONAL ECONOMIC DEVELOPMENTS

The over-all deficit in the United States balance of payments in 1960 remained close to that in each of the two preceding years. The structure of the deficit, however, changed markedly (Chart 16). Short-term capital outflows accelerated, mainly in response to the widening of the margin by which interest rates abroad exceeded those in this country. The deficit on all other transactions, on the other hand, diminished greatly, as a result of a rapid rise in exports. In the first half of the year, the over-all payments deficit was relatively low; it became sharply higher in the third quarter; and in the last quarter it appears to have declined again (omitting one large transfer of private direct investment capital), as the surplus on goods and services increased further and outflows of liquid capital seem to have decreased. The decline in the United States gold stock, which had slowed down in the first half of the year, accelerated in the second half, along with the increase in the over-all payments deficit.

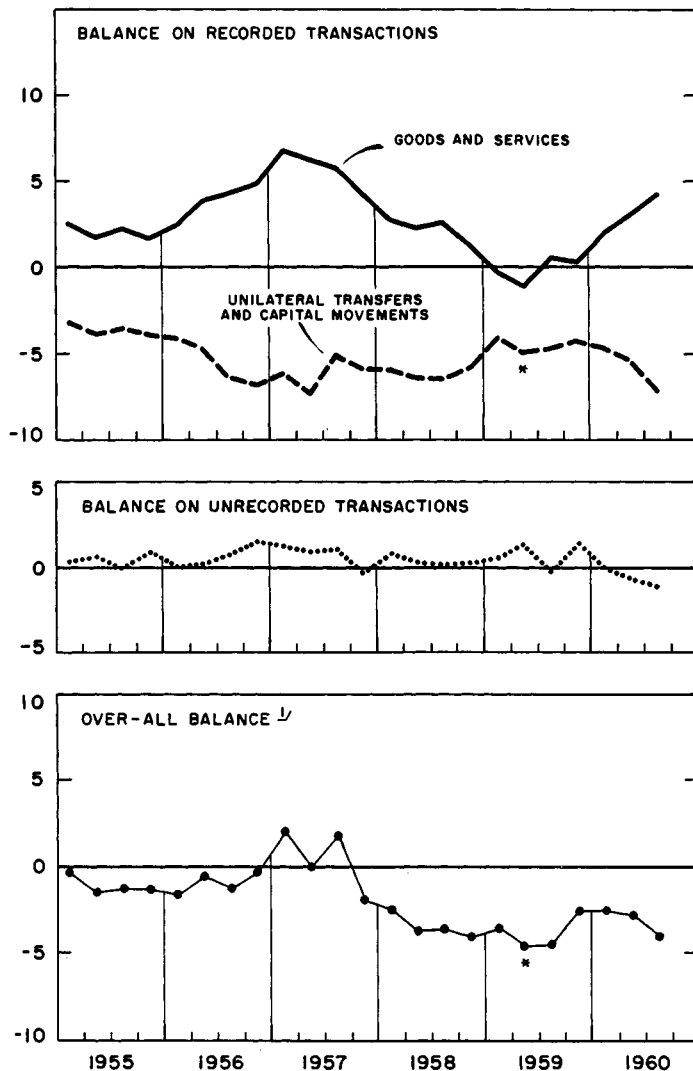
The year's improvement in the balance on transactions other than movements of liquid capital was, in part, the result of high economic activity in Western Europe and Japan, which stimulated exports, and of the slackening of activity in the United States, which tended to limit imports. This divergence of economic conditions likewise accounted for the enlarged differential between the relatively high interest rates abroad and the relatively low rates in the United States, which led to outflows of liquid funds. The achievement of a reasonable equilibrium in United States international transactions on the average over a period of years continued to be a goal of this country's policies, domestic and international, in 1960.

CHART 16

U. S. Balance of Payments

The surplus on goods and services increased sharply in 1960, but the over-all payments deficit remained large as recorded and unrecorded capital outflows rose.

BILLIONS OF DOLLARS [†]



[†] SEASONALLY ADJUSTED ANNUAL RATES.

* EXCLUDES \$1,375 MILLION INCREASE IN IMF SUBSCRIPTION.

[‡] CHANGE IN U.S. GOLD HOLDINGS AND RECORDED LIQUID LIABILITIES.

SOURCE: DEPARTMENT OF COMMERCE.

Economic Expansion Abroad

The United States balance of payments in 1960 was heavily influenced by developments abroad. As foreign barriers to international transactions have been reduced and as Western Europe and Japan have regained their earlier positions in the world economy, the links among the major economies of the free world have become much closer than in earlier years.

The boom that got under way abroad in 1959 continued in varying degree during 1960 in most industrial countries outside North America. However, during the year some slowing down was noticeable—in a number of countries because of capacity limitations—and scattered soft spots appeared. Some countries on the European Continent which continued to experience boom conditions nevertheless had sizable export surpluses that were not offset by long-term capital outflows. Economic activity in Canada, which is the largest individual market for United States exports and which had been one of the first industrial countries to recover from the 1957–58 recession, turned down after the first of the year.

Economic policies in Western Europe and Japan were in general directed toward restraining excess demand throughout 1960; exceptions were France and Italy, where mild expansionary measures (including a reduction in the discount rate in France) were instituted in the second half of the year. Restraint was exerted mainly through monetary and credit policies, and interest rates rose in a number of countries; there were particularly sharp increases in short-term rates in the United Kingdom up to August and in Germany until October. In continental Europe, the authorities of several countries were faced with the problem of dealing with inflows of funds from abroad, which helped to enlarge bank liquidity. Special restrictions on such inflows were introduced during the summer in Germany and in Switzerland (which had attracted funds despite its relatively low interest rates). In November, the German central bank reduced its discount rate in a further effort to stem the inflow. Discount rates were also reduced in Japan (in August) and in the United Kingdom (in October and December); the economic policies of these countries remained otherwise unchanged. Short-term market rates tended to reflect these discount rate reductions, and the gap between United States short-term interest rates and those abroad was reduced in the last months of the year.

With the slowing down of the expansion in the industrial countries, the rise of world trade also slowed down. While exports of the United States and Japan continued to rise, those of other industrial countries declined somewhat in the second quarter and rose only moderately thereafter (Table 8). Exports of the nonindustrial countries in the aggregate remained at about the level reached in the second half of 1959, and many of these countries continued to be seriously affected by the price weaknesses of many primary commodities—both agricultural and mineral products—which became more pronounced in the second half of the year. At the same

TABLE 8.—*World exports, 1959-60*

[Billions of dollars]

Country or area	1959				1960		
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter ¹
	Seasonally adjusted annual rates						
World total ²	94.2	97.9	103.5	106.0	111.0	110.8	111.5
United States ³	15.6	15.8	17.2	16.8	18.6	19.6	19.9
All other countries.....	78.6	82.1	86.3	89.2	92.4	91.2	91.6
Other industrial countries.....	48.2	51.1	52.8	55.7	59.1	57.4	58.3
Continental OEEC countries ⁴	30.9	32.3	33.7	35.7	38.4	37.7	38.0
United Kingdom.....	9.1	9.7	9.7	10.2	10.6	10.3	10.1
Canada.....	5.1	5.7	5.8	6.1	6.4	5.4	5.9
Japan.....	3.1	3.4	3.6	3.7	3.7	4.0	4.3
Nonindustrial countries.....	30.4	31.0	33.5	33.5	33.3	33.8	33.3
	Unadjusted annual rates						
Nonindustrial countries.....	30.6	32.8	32.2	34.8	33.7	33.6	32.2
Sterling area, excluding United Kingdom.....	12.5	13.3	13.3	14.7	14.7	¹ 14.2	(⁵)
Latin American Republics.....	8.3	8.4	8.4	7.9	18.2	18.4	8.2
All other.....	9.8	11.1	10.5	12.2	110.8	111.0	(⁵)

¹ Preliminary.² Excludes Soviet Area and Communist China.³ Excludes military-aid shipments.⁴ Excludes Spain.⁵ Not available.

Note.—Detail will not necessarily add to totals because of rounding.

Sources: International Monetary Fund, and Department of Commerce.

time, however, comprehensive economic stabilization programs helped to put the economies of many of the nonindustrial countries on a sounder footing and thus to assure better balanced growth. The United States continued to participate actively in international studies of the trade problems of these countries.

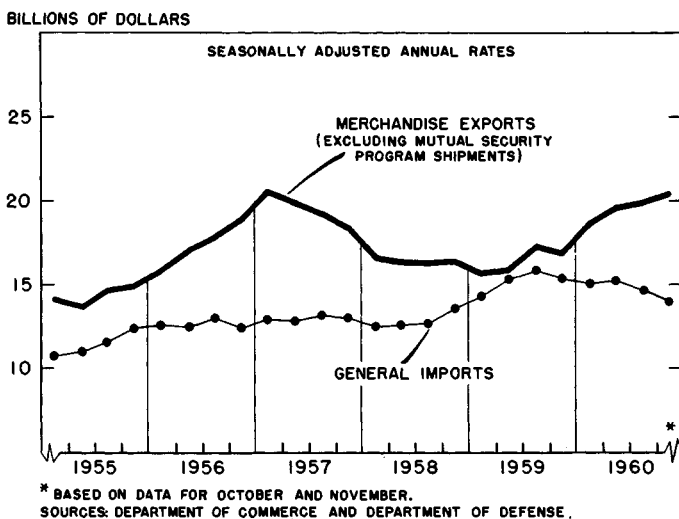
United States Payments Deficit

After showing sluggishness in 1958 and the early part of 1959, United States exports staged a rapid comeback in 1960. By the third quarter, merchandise exports reached an annual rate of \$20 billion (seasonally adjusted), 30 percent above their early 1959 low, and the high rate continued in October and November (Chart 17). Imports declined in the third quarter to an annual rate of less than \$15 billion and fell further in the closing months of the year. Much of the increase in the merchandise trade surplus reflected the high level of economic activity in Western Europe and Japan and the slowing down in this country. Exports, in addition, received a temporary stimulus from special demand conditions relating to jet aircraft and to cotton in the first part of the year. Export and import trends indicate that many United States manufacturers are successfully

CHART 17

U.S. Merchandise Exports and Imports

The trade position improved markedly during 1960 as exports rose and imports declined slightly.



adjusting the prices and designs of their products to meet foreign competition. (For a more detailed discussion of United States Foreign Trade and Payments, see Appendix B.)

The United States continued its generally nonrestrictive import policy in 1960. Only one restrictive action was taken under the safeguarding provisions of our trade agreements legislation, and the Tariff Commission disposed of eight other cases without finding of injury. At the close of the year, final decisions had not yet been taken on two cases in which the Tariff Commissioners were equally divided in their findings. The United States also announced a new set of tariffs on wool fabrics, to replace a tariff quota system, and extended for three years the existing quota on imports of tung oil and tung nuts. Preparations were made for United States participation in the general round of tariff negotiations to be held in 1961 under the auspices of the General Agreement on Tariffs and Trade (GATT).

In contrast to the rapid improvement of the merchandise trade surplus, the net deficit on service transactions in the first three quarters of 1960 changed little from the \$1 billion rate of both 1958 and 1959, although both payments and receipts continued to grow. Net outflows of Government loans, grants and pensions, private remittances, and United States private long-term capital, which together have ranged from \$5 billion to \$6

billion a year since 1956, changed little in the aggregate between the first three quarters of 1959 and of 1960.

Government assistance to the less developed countries retained its high priority. During the 12 months ended September 1960, dollar disbursements under the Mutual Security Program for economic and technical assistance totaled \$1.6 billion. Of this amount, \$200 million was disbursed by the Development Loan Fund, which at the end of the period had undisbursed commitments of \$1.2 billion. Under Public Law 480, agricultural surpluses were disposed of against local currencies to the amount of \$740 million, and, in addition, grants amounting to \$170 million were made. The Export-Import Bank disbursed \$407 million in loans and committed \$495 million, while receiving repayments of \$656 million. The United States also paid \$80 million in June 1960 on its subscription to the newly established Inter-American Development Bank, and \$74 million in November 1960 on its subscription to the new International Development Association.

Flows of liquid funds shifted dramatically against the United States in 1960. This change was reflected in both recorded outflows and unrecorded transactions, so-called "errors and omissions"; for the year as a whole, it appears to have offset much of the improvement in United States trade accounts. The outflow, which increased after midyear as interest rate differentials widened further, took various forms, including short-term investments, bank loans, and repatriation by foreigners of liquid holdings in the United States. Some of the bank loans, however, were not related so much to changing money market conditions in major centers abroad as to needs of certain less developed countries for balance of payments support. Some United States and foreign funds moved into longer-term interest-bearing securities abroad, particularly after the first months of the year. There also were shifts of funds invested in equities, in response to changing market conditions on the two sides of the Atlantic. The flows of some funds were influenced, during the summer and fall, by heightened uncertainties in the political situation in some areas and in world economic conditions. Much of the year's outflow of liquid funds went to the United Kingdom and several countries in continental Europe, which hold a large proportion of their official reserves in gold, and thus increased the pressure on the gold supply of the United States.

Short-term capital outflows enlarged the payments deficit only to the extent that these outflows were exports of short-term funds by United States residents. The repatriation by nonresidents of recorded short-term foreign funds held in the United States did not increase the recorded payments deficit, but by adding to foreign official dollar balances it swelled the demand for United States gold. Outflows of United States owned short-term funds increased the payments deficit, even though they were matched by a rise in United States liquid claims on other countries. Under United States balance of payments accounting, the payments deficit is measured by the increase in liquid dollar liabilities and the decline in the gold stock.

Policies for Reducing the Payments Deficit

To help speed the attainment of a reasonable equilibrium in the United States balance of payments, the Administration in 1960 intensified policies instituted earlier when the recovery by the once war-devastated nations of their competitive strength had become evident. The effort centered on measures to increase United States exports and to reduce the balance of payments impact of Government military and economic programs abroad in a manner consistent with our responsibilities and long-standing policies. Underlying these steps were equally important policies relating to the domestic economy. Fiscal and monetary policies had as one of their major objectives the maintenance of confidence in the dollar as a sound and reliable currency. In this connection, the Administration continued to emphasize the importance of appropriate action by management and labor to insure the competitiveness of United States goods at home and abroad.

To support the efforts of private business in enlarging sales abroad, the Federal Government, with the cooperation of private business, instituted early in 1960 a National Export Expansion Program—a series of coordinated measures to improve and expand Government services in private industry. Measures were adopted to gain the help of existing national and local business groups, to assist and encourage businessmen newly entering the export field, and to strengthen contacts with business groups abroad. To place United States exporters on a more equal basis with exporters in other industrial countries, the Export-Import Bank introduced a new program of guarantees of noncommercial risks for short-term credits and expanded its existing facilities for medium-term export credits and guarantees. The United States also continued to urge other countries—particularly the economically and financially strong ones—to eliminate remaining discriminatory restrictions on United States goods and services and to lower tariffs and other barriers to trade.

Toward the end of the year, the United States initiated a number of coordinated measures designed to obtain substantial foreign exchange savings in its Government expenditures abroad without reducing its military strength or impairing its international commitments. Steps were formulated to reduce gradually and then limit the number of dependents abroad of Defense Department personnel, particularly in the highly industrialized countries with strong currencies, and to cut back Defense Department procurement of foreign goods and services and other expenditures abroad. Other departments and agencies which have personnel abroad and which engage in procurement abroad were instructed to institute similar programs. In addition, the question of the cost of the United States troops in Germany came under discussion by the United States and German Governments. To minimize the balance of payments effects of our economic aid programs, the International Cooperation Administration was instructed to place primary emphasis on financing goods and services of United States

origin in all of its foreign aid activities, and as far as practicable to discontinue offshore procurement in 19 countries with strong currencies. Similarly, the Development Loan Fund, which had adopted a similar policy in October 1959, was instructed to reduce procurement outside of the United States to the lowest possible figure.

In addition, efforts were increased to ensure that sales under the agricultural surplus disposal and related programs do not reduce cash dollar sales of United States products. International institutions were urged to use currencies other than dollars as fully as possible, and other strong countries were encouraged to permit borrowing in their capital markets by these institutions and by other borrowers, where appropriate. On January 14, the regulations that have been in force for a number of years prohibiting the holding of gold in the United States were uniformly extended to holdings of gold abroad by persons and business organizations subject to the jurisdiction of the United States.

International Economic Policies

Most countries continued in 1960 to move toward the free and multilateral trade and payments system which has been the goal of the United States since the end of the war and for which the United States has pressed with particular vigor in the last few years. By now, discrimination against United States exports has diminished very substantially; the major remaining quantitative trade restrictions on United States exports are against agricultural products, particularly in Western Europe. Foreign restrictions on capital transactions, however, continue to be considerable. The United States Government expects that there will be continued progress in the dismantling of restrictions on world trade and payments. In particular, the great economic strength of the countries belonging to the European Economic Community and the European Free Trade Association should facilitate a significant lowering of tariff barriers during the forthcoming Geneva GATT negotiations.

The institutional framework of world finance was improved in 1960 through the establishment of the International Development Association and the Inter-American Development Bank. The United States announced new aid programs for Latin America, and further advances were made in the area of *ad hoc* multilateral cooperative efforts for development, most notably the Indus River Basin project.

The United States continued to stress the need for a strengthened determination by all the industrial countries to share in providing funds to the less developed parts of the free world. At the initiative of the United States, the major industrial countries early in 1960 formed a Development Assistance Group to discuss methods for providing such aid. It is planned to incorporate the work of this group in the Organization for Economic Cooperation and Development (OECD), the successor organization to the Organization for European Economic Cooperation (OEEC), which

is scheduled to come into existence in 1961, following ratification of its convention, and which is to comprise the 18 Western European members of the reconstituted OEEC together with Canada and the United States. The objectives of this organization will be to achieve the highest sustainable economic growth in member countries, to contribute to sound economic expansion in countries in the process of development, and to contribute to the expansion of world trade.

Along with these advances, the problem of shifts of short-term funds from one international center to another came to the fore during 1960. Now that freedom for international short-term capital movements has been substantially enlarged, and the economies of the major countries abroad have been greatly strengthened, it appears that interest rate considerations may have an increasing influence on short-term capital flows. However, the international financial mechanism today seems strong and flexible enough to allow solutions to the resulting difficulties to be worked out.

International payments, other than short-term capital movements, also have continued to show an imbalance. As a result of this over-all lack of balance in world payments, the substantial increases of international reserves of recent years continued to be concentrated in a small number of countries, particularly in continental Europe. Originally, this inflow was justified by the extremely low level of reserves of these war-devastated countries, but today the reserves of most of them, by and large, seem ample.

The United States has many responsibilities in the world economy. These include keeping the dollar strong, in view of its key role in international trade and payments, maintaining liberal commercial relationships with other countries, contributing to the defense of the free world, and supplying a share of the capital resources needed by less developed countries. The United States can meet these responsibilities because of its resourceful and flexible economy and its international reserves which, with an available gold stock of about \$17½ billion, are large. But the United States cannot play its part fully unless other industrialized nations pursue policies required by their positions in the world economy. This fact is now increasingly recognized. A helpful start has been made in the sharing of development costs and other burdens and in the cooperative reduction of existing payments imbalances, but further efforts are needed if the international financial mechanism is to work properly and the free world's economy is to move ahead steadily.

OUTLOOK

As pointed out in this chapter, economic activity continues high as the year 1961 begins, despite the declines in production and employment that have occurred since the middle of 1960. The Nation's total output of goods and services is below the level reached in the second quarter of 1960, but the difference, in constant prices, is only slightly more than 1 percent. And the decline is less than the effect on gross national product accounts produced by inventory changes; final demand for goods and services, which is

the total of expenditures in the economy exclusive of inventory adjustment, has continued to move upward. It rose \$4.6 billion, on an annual rate basis, in the last quarter of 1960, to a total of \$507.5 billion.

There have been production declines in a wide range of industries, but the greatest declines have been in those industries affected by inventory changes, which were in part a result of the extended steel strike of 1959. Thus, while total industrial production in December 1960 was 7 percent below the January high, output of iron and steel was 45 percent lower, and the decline in industries other than steel was less than 5 percent. After midyear, employment also declined, as did wage and salary disbursements. These tendencies became more pronounced in December, and unemployment rose sharply. Total income payments to individuals, which had been relatively well maintained, declined in December.

The fact that aggregate output has been fairly steady despite the large inventory adjustment—from accumulation at the annual rate of \$11.4 billion in the first quarter of 1960 to liquidation at the rate of \$4.0 billion in the fourth quarter of the year—reflects the underlying strength of the current situation and is a distinctly favorable factor in the economic outlook at this time. It is also favorable to the outlook that major maladjustments which, to be corrected, would require prolonged contraction have not been created in the period of advance that began in 1958, or in recent months when activity has been either stable or moderately declining. Businessmen and consumers have kept their use of credit within reasonable limits and appear to have avoided commitments that might lead to significant corrective changes. Inflationary pressure has been restrained; while this restraint may, for a time, have affected inventory policies and perhaps other demands for goods and services, it has helped prepare a solid foundation for a resumption of sustainable growth.

The principal adjustment still in process is in the inventory area. Further reductions will probably occur during the early part of 1961; but if consumer expenditures are well maintained in the coming months, as they typically have been during recent periods of business hesitancy, the rate at which this inventory reduction is carried forward should soon diminish. A return to inventory accumulation may take somewhat longer, but stocks in some lines already appear low and, even with a reduced rate of liquidation of existing holdings, an increase in production would be required.

The export balance may continue for some time to add strength to the economy. It showed an additional increase in the final quarter of 1960, but the impulses emanating from the boom in Europe and Japan are not likely to continue indefinitely without some slackening.

Government outlays may be expected to rise materially during 1961. Federal budgetary expenditures proposed for the fiscal year 1962 are \$1.9 billion higher than for fiscal 1961; and State and local expenditures are likely to continue their rise in response to the needs of our growing population.

Housing expenditures, which tended to level off toward the end of 1960 from a decline that began in 1959, should become an expansive factor in 1961. The volume of construction has benefited from an easier availability of credit, but not substantially, so far, from a cheapening of its cost. Recently, however, the flow of funds into major savings institutions has materially increased, which should eventually lower borrowing costs and exert an expansive influence on all aspects of construction.

It is unlikely that business expenditures for fixed investment will contribute to an increase in demand and production in the immediate future. Capacity is being utilized at less than optimum rates in many industries and, what is of major importance, the trend of corporate profits has not been favorable. Surveys of business capital investment plans and of appropriations for such investment suggest that, for a while, these expenditures may continue to decline moderately from the near-record levels reached in 1960. But they will rise as advances occur in other sectors of the economy and as accelerating activity in research and development creates new opportunities for enterprise.

Consumer outlays may be expected to increase as the factors of expansion raise personal income, and especially if the prices of consumer goods remain free from inflationary pressures.

An increase in general economic activity should not, accordingly, be long delayed. It will be aided by actions already taken in areas of public policy. Credit conditions have been eased materially by the Federal Reserve authorities. A number of steps have been taken by the Executive Branch to stimulate home building. And prompt legislative action on appropriations in 1960 made possible an acceleration of Federal construction and procurement generally. Highway construction was also accelerated. An increase in production, to which these actions contribute, may well become evident prior to a resumption of gains in employment and reductions in unemployment.

The outlook for the United States balance of payments has become dependent not only on changes in exports and imports, but also, in considerable measure, upon the movement of liquid capital. In the balance of trade, some further improvement may be ahead, at least in the early part of 1961. Exports of manufactured products are expected to rise moderately, in response partly to the strong demand in many industrial economies abroad, some of which are operating close to full capacity. Greater domestic procurement under our economic aid programs should also be reflected before long in export gains. At the same time, however, exports of some materials for which demand was particularly strong in the middle of 1960 may continue to decline. An easing in economic activity in the industrial countries abroad would, of course, react unfavorably upon United States exports.

Merchandise imports may be expected to reflect developments in the domestic economy and to increase with a resumption of our general economic advance—though perhaps with some lag. Circumstances that tended to

limit imports of automobiles, petroleum, and foodstuffs in 1960 may continue to exert a restraining influence upon total imports in 1961.

Although the measures taken to curtail United States military expenditures abroad point to a further decline in these outlays, the net deficit on services is unlikely to be much reduced, owing to compensating changes under other headings. Private capital transactions, particularly those of a short-term character, may well show considerable improvement, provided inflationary developments are avoided. Direct investments abroad may be lower than in 1960, and an advance in the domestic economy may attract equity funds to the United States. Most importantly, a resumption of advancing activity here may reduce the margin by which short-term interest rates in leading foreign centers exceed those in this country. Although some of the favorable factors may not continue throughout the year, present prospects favor a reduction in the over-all balance of payments deficit in 1961 as a whole.

As expansion is resumed, there is a good chance to realize more fully our economy's potential for growth. The basis for advance has been laid in recent years in the enlargement and improvement of our productive capacity and in policies that have brought the forces of inflation under control. Some temporary acceleration of growth might have been achieved if expectations of price increases had been allowed to persist and to become firmly rooted. But the unsustainable nature of such growth would now be confronting the economy with the need for far-reaching and painful correction. Because action to maintain stability and balance and to consolidate gains was taken in good time, the economy can now look forward, provided public and private policies are favorable, to a period of sound growth from a firm base.

Chapter 2

Experience Under the Employment Act of 1946

THE REVIEW of developments in our economy is extended in this chapter to the whole period covered by the Employment Act, and particularly to the interval spanned by this Administration. In this connection, it is appropriate to recall the background and meaning of the Employment Act, and to point to some of the lessons that may be drawn from experience in administering it.

BACKGROUND AND MEANING OF THE EMPLOYMENT ACT

From its beginning, the United States economy has been organized on the basis of maximum opportunity for private competitive enterprise and the widest possible latitude for personal choice in making a living and spending one's income. Any narrowing of the horizons for individual initiative is alien to the nature of our enterprise system; and when controls and unusual restrictions on personal action have had to be introduced during an emergency, their abandonment at the end of the temporary period of crisis has been awaited impatiently.

In this tradition, the Nation approached cautiously the problem of Federal intervention respecting employment and the maintenance of economic activity generally. Appeals for such intervention were resisted, for example, during the sharp economic downturn in 1921, when occasional depressions were still regarded as inevitable and the belief that they could be significantly moderated through governmental action had not taken hold. But a step taken that year was important for later developments: the President's Conference on Unemployment was established to make studies that would increase understanding of the operation of our economy and thus help to avoid the recurrence of widespread joblessness. The work of this Conference, which made its final report only shortly before the Great Depression began, was reflected in the Employment Stabilization Act of 1931, which sought to provide for "advance planning and regulated construction of public works, for the stabilization of industry, and for aiding in the prevention of unemployment during periods of business depression."

Despite a series of countermeasures, the heavy unemployment of the 1930's persisted until the tremendous increase in production required in World War II and the service of 11½ million persons in the Armed Forces reduced it to a minimum and created even a degree of overemployment. With the

turn in the tide of war, however, memory of deep depression in the 1930's and the expected demobilization of the Armed Forces heightened concern for the Nation's economic future and aroused a keen interest in measures to help avoid the widespread unemployment that it was feared would result from demobilization and reduced spending on arms.

It was in this atmosphere of concern that the Congress turned its attention to legislative measures to cope with unemployment, should it emerge as a serious postwar problem. Congressional staff committees made comprehensive studies of the incidence and duration of unemployment and of possible methods for dealing with it. Extensive hearings were held, and a bill, the Full Employment Act of 1945, was introduced in Congress, providing for a considerably broader attack on unemployment than the public works program envisioned in the Employment Stabilization Act of 1931. The bill failed of enactment, but subsequently a revised version, the Employment Act of 1946, was passed overwhelmingly with bipartisan support in both houses of the Congress.

At the time it was approved, the Employment Act represented a major extension of our traditional concept of shared private and public responsibility for the Nation's economic growth and improvement. It gave explicit expression to a continuing interest on the part of the Federal Government in aspects of economic life that, outside the sphere of monetary policy, had previously received deliberate Federal attention only in such emergency conditions as depression and war.

It is useful to recall the language of the Act's declaration of policy: "The Congress declares that it is the continuing policy and responsibility of the Federal Government to use all practicable means consistent with its needs and obligations and other essential considerations of national policy, with the assistance and cooperation of industry, agriculture, labor, and State and local governments, to coordinate and utilize all its plans, functions, and resources for the purpose of creating and maintaining, in a manner calculated to foster and promote free competitive enterprise and the general welfare, conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment, production, and purchasing power."

Thus, the Employment Act states that it shall be the policy of the Federal Government to promote conditions under which there will be afforded employment opportunities by methods that are consistent with the traditional American philosophy of individual freedom and competitive enterprise. Although the Act enlarges the area of explicit Federal concern to include the quality of our current and expected economic accomplishment, it does so without diminishing the scope of private, State, and local responsibility. Far from seeking to centralize economic decision-making in the Federal Government, or even to confer predominant respon-

sibility for economic growth and improvement on the Federal Government, the law explicitly acknowledges the multiple sources of economic strength in private individuals and groups and at the several levels of government. The theme of the Act is captured in a phrase used in the Economic Report of 1960 and in the present one: "shared responsibility for economic growth and improvement." This principle, manifest in our economic life as in other aspects of the American way, has carried us to the highest material well-being ever achieved, without hobbling the human spirit and without impairing our political freedoms.

The framers of the Act proposed high standards of economic achievement. They wisely omitted, however, any requirement that economic goals be publicly stated as fixed quantitative targets, although this fact gives no ground for indifference to failure to attain the best levels of production, employment, and income that are feasible and sustainable for any period. Such a requirement could invite broad, irreversible intervention by the Federal Government if the projected targets were not reached. The Act instead contemplates a framework in which the mainsprings of private individual initiative continue to function in behalf of brisk economic activity, and in which the individual retains a wide freedom of choice. In our economic system, the level of achievement is everyone's responsibility and cannot be guaranteed by the Federal Government acting alone.

It should be noted, also, that the Act states that the Nation's economic objectives should be pursued with due regard to other Federal objectives and obligations, which must include a stable currency and protection of the value of the dollar. The goals of economic policy, furthermore, are not ranked. They have to be pursued coordinately; emphasis on one to the neglect of others would soon prove self-defeating.

ADJUSTMENT FROM WARTIME TO PEACETIME ECONOMY

When the Employment Act was passed in 1946, our economy was making the extensive readjustments required of a Nation in transition from war to peace. A year earlier, economic resources were still extensively committed to war and defense. Of the Nation's total output of about \$215 billion, expressed in current values, roughly one-third was for military purposes; and 11½ million Americans, nearly one out of every twelve in our population, were in the Armed Forces. Within a year's time, the proportion of our national output devoted to defense had been cut to less than 10 percent, and 8 million men and women had been demobilized.

Although this sweeping readjustment was not made without difficulty, it was completed with but a small rise in unemployment and with a relatively small drop in the Nation's output of goods and services. Sharp increases in the production of consumer goods and services, a quadrupling of the rate of expenditures on home building, and a great surge of investment by businessmen in new productive capacity and in the rebuilding of depleted inventories came close to offsetting the large cutback in defense

output. The year 1946, in which the Employment Act was passed, marks the beginning, therefore, of a period in which the central economic problem has been that of sustaining stable, inflation-free economic growth despite still large defense and defense-related burdens. It is, for this reason, a good starting point from which to review the performance of our economy against the standards implicit in the Employment Act.

EXPANSION OF NATIONAL OUTPUT

The postwar years have witnessed an enormous expansion of the Nation's annual output. Measured in current prices, the value of goods and services produced—gross national product—expanded from \$234 billion in 1947 to more than \$500 billion in 1960. After adjustment of these values to eliminate the effect of price rises, which were persistent and substantial during most of this period, it is seen that output rose by nearly 60 percent, or at an average rate of approximately $3\frac{1}{2}$ percent a year. By this broad measure, our economy's rate of expansion in the period of the Employment Act has exceeded by a significant degree the rate of growth from the beginning of this century to World War II.

All major components of output expanded at a high rate. Business fixed investment, which is largely for constructing and equipping new or improved productive facilities, increased rapidly as wartime deferrals were made up and extensive modernization programs were carried out. Nearly \$650 billion (in 1960 prices) was invested for these purposes in the 1946–60 period, equaling, in real terms, almost three times the investment of the previous 15 years. The output of consumption goods and services rose more than 50 percent. Home construction increased at a rate of about 7 percent per year; almost 20 million dwelling units were completed, a number equal to about half the supply of homes available when the war ended. By the end of the 15-year period, the housing shortage which had been so acute when war ended had been eliminated, and—what is especially important for the vitality and strength of our free institutions—some 60 percent of all dwelling units are now occupied by home owners.

Total purchases of goods and services for use by or through government also increased markedly. Federal, State, and local government purchases, as a total, almost tripled between 1946 and 1960; currently, they comprise almost one-fifth of the Nation's total output. In the years since 1952, State and local expenditures for education have more than doubled; and those for public health and sanitation, for highway construction, and for general government purposes have increased almost as rapidly.

Although the amount of the Nation's total output of goods and services that was directed to defense purposes remained high throughout the 15-year period, and especially after 1950, the proportion in 1960 was lower than in 1952; reflecting this, the output of goods and services for civilian use increased at a higher rate than total output. Thus, while total output increased from 1952 to 1960 by close to 25 percent, or at a rate of 2.7

percent per year, the use of goods and services for consumption, which includes private expenditures on education and medical care as well as all other consumer purchases, rose about 30 percent, or 3.6 percent a year. Expenditures on residential construction rose more than 40 percent, or 4.4 percent a year. Purchases of goods and services by State and local governments, through which community needs that cannot be met by private effort are traditionally satisfied, rose nearly 60 percent, or 5.9 percent a year, more rapidly than any other single major component of national output.

GROWTH OF RESOURCES FOR PRODUCTION

This impressive expansion of output illustrates the high and rising productive capability of our enterprise economy. Whether comparable or superior gains in real output occur in the future will depend in good part on the extent to which the resource base of our economy is maintained and strengthened through balanced growth. Therefore, it is a good augury for the future that significant increases and improvements in the quality of our productive resources have been registered in recent years.

First, our total labor force has increased at a rapid rate, substantially above what was expected when the Employment Act was passed; increases since 1946 have averaged about 850,000 a year. And there has been a marked improvement in the educational background and training of the labor force. In 1940, about 30 percent of the labor force 18 to 64 years of age had graduated from high school and 5 percent were college graduates; in 1959, the respective proportions were more than 50 percent and 10 percent. And in the age group 18 to 34, the representation of high school graduates rose during this period from 40 percent to 60 percent, and of college graduates from 5 percent to 10 percent. Since 1952, increases in school enrollments and in the numbers receiving college degrees have been especially large. The proportion of all persons 5 to 34 years of age enrolled in school rose from 47 percent in 1952 to 56 percent in 1960. As would be expected, educational enrollment increases were most rapid in the older age groups, reflecting the national trend toward wider participation in college and postgraduate studies. Also important has been the increasingly frequent establishment of on-the-job education and training programs by business firms, private trade schools, and labor organizations.

Second, as mentioned above, the Nation's stock of capital has been enlarged by substantial annual investments in new plant and in new machinery and equipment. As a result, the productive capacity of our economy has been greatly increased. This was especially true in the years immediately after World War II, when deficiencies that had developed during the war were made up, but the rate of increase has been high also in the past eight years. Increases since World War II in the capacity for producing steel, refining petroleum, and manufacturing paper range from 60 to 80 percent, and in other industries, such as aluminum, the growth

has been even more rapid. The capacity of our transportation system has likewise been greatly expanded.

Third, the Nation's intangible capital has been greatly augmented through heightened activity in research and development. Total expenditures for these purposes can be estimated only very roughly, but they are placed at about \$13.5 billion a year at the present time, having risen sharply from about \$1.8 billion in 1946. Even though somewhat more than one-half of this cost is Government financed and much of it is oriented toward military purposes, the benefits to private industry and to civilian objectives are real, persistent, and large.

Such increases in the Nation's stock of tangible and intangible capital, together with the improved skills of our working people and improved methods of business management, have been reflected in substantial improvements in productivity. Although there is no clear evidence that the rate of this improvement has accelerated in the years since 1946, it appears to have been higher, on the average, since the end of World War I than in the 30 years prior to 1919. The volume of output per man-hour of labor performed, one measure of productivity, continues on an upward trend, though year-to-year changes remain irregular and occasionally are downward.

STRENGTHENING OF OUR ENTERPRISE SYSTEM

The continuing vigor of the competitive enterprise system, which Government is called upon to foster and strengthen under the Employment Act, is clearly manifest in developments since 1946.

The rate of formation of new businesses was especially high in the closing years of World War II and the years immediately following, and it has continued high since then. Although the rate of discontinuance of businesses, including the termination of enterprises by failure, has tended to rise, the business population has made significant gains. The number of operating businesses has risen since 1946 by nearly 1.5 million, reaching more than 4.7 million in 1960. This rapid increase bespeaks the continuing openness of our enterprise system.

Two other sets of facts reflect the opportunity for entry into business, for innovation, and for success in business operation. First, recent studies have shown no clearly defined general tendency toward greater concentration in American industry, despite growth in the size of many individual concerns. While concentration has increased in some industries, the opposite trend is visible in others. Second, there has been a marked increase in the rate at which new products and new processes have been introduced, doubtless reflecting the greatly increased accent on research and development noted above. Large companies are in a good position to conduct research and development activities on an intensive basis, but small firms also play an important part in the introduction of new products and new technology, drawing on their independent research and development efforts

and, through licensing arrangements and participation in Government contract work, also on the research results of other firms. Companies of small and medium size have been aided in this connection, as well as in normal business operations, by the ready availability of private advisory and technical services and financing arrangements especially suited to their needs. Steps taken by Government in the last eight years to assist small businesses, and in this way to strengthen our enterprise economy, are described in the *Third Progress Report by the Cabinet Committee on Small Business*, issued in December 1960.

IMPROVEMENT OF PERSONAL SECURITY AND WELFARE

These advances in output and productive capability have made it possible to maintain the large military forces needed for our national security, to assist in the reconstruction of the war-ravaged countries of Europe and the Far East, and to aid in the peaceful development of the less industrialized nations of the world. They also have made possible remarkable improvements in the material well-being, culture, and economic security of the American people.

Since the passage of the Employment Act of 1946, the population of the United States has increased nearly 30 percent; in the same period, disposable personal income (in 1960 prices) has risen from \$231 billion to \$354 billion, or about 50 percent, and per capita disposable income (also in 1960 prices) from \$1,635 to \$1,969, or 20 percent. Since 1952, these increases in income have been 30 percent and 15 percent, respectively. Improvements in well-being are also reflected in changes in the distribution of families according to income in constant prices. Thus, 47 percent of all families had incomes of less than \$4,000 in 1947, but this proportion had dropped to 35 percent by 1959; at the upper end of the income scale, families with real incomes of \$8,000 and over increased during this period from 14 percent of the total to 24 percent.

Means for protecting income and personal financial security have been greatly strengthened. The number of life insurance policy holders rose from 77 million in 1946 to 94 million in 1952 and 118 million in 1960, and the amount of life insurance per family increased from \$3,600 to \$5,300 and \$10,200. Between 1952 and 1959, the number of shareowners in public corporations increased from 6.5 million to 12.5 million.

A rapid extension of private and public systems of insurance has broadened measures to provide personal security in old age and to meet emergencies caused by unemployment, ill health, and death. The number of workers (including farmers and other self-employed persons) covered by the Federal Government's system of old-age, survivors, and disability insurance increased from 36.7 million in 1946 to 50.2 million in 1952 and to 59.0 million in 1960, and the percentage of paid workers covered rose in these periods from 65 to 79 and 87. The total amount paid to those eligible for benefits was \$378 million in 1946, \$2.2 billion in 1952, and

\$11.3 billion in 1960. The number of beneficiaries, which had been 1.6 million in 1946 and 5.0 million in 1952, was nearly 15 million in 1960.

Private insurance to meet health emergencies has also been extended and improved at a rapid rate. The number of persons covered by hospital insurance rose from 42 million in 1946 to 132 million in 1960. At the beginning of this period, 18.6 million persons were insured under private systems for the coverage of surgical expenses and 6.4 million for regular medical expenses; at the end of the period, the coverage of these two types of health expenses was 120 million and 86 million, respectively. Private insurance for major medical expenses has shown the most spectacular increase—from 700,000 persons in 1952 to 25 million in 1960.

Finally, unemployment insurance coverage under the Federal-State system rose from 31.9 million persons in 1946 to 37.0 million in 1952 and 44.0 million in 1960, and the percentage of those employed in nonagricultural establishments who are covered increased from 77 in 1946 and in 1952 to 83 in 1960. Average weekly payments to those out of work were \$18.50 in 1946; the average for 1952 was \$22.79, and it increased to \$32.75 in 1960.

GREATER ECONOMIC STABILITY

Although personal security is strengthened by insurance systems both private and public, it depends primarily on a high level of employment, the development of job opportunities for our increasing labor force, and the avoidance of sharp fluctuations in production and employment. The persistence of unemployment in some areas and the recent increase in the total allow no room for complacency, but the record of the past 15 years also shows good performance in maintaining high employment and avoiding wide swings in economic activity.

A large increase in jobs has been achieved since 1946. Total civilian employment rose from 55 million in 1946 to 61 million in 1952 and increased further, to nearly 67 million, in 1960. The number of persons unemployed and the rate of unemployment were somewhat higher, however, in the peacetime years of the 1950's than in the late 1940's. The contractions in economic activity since the Employment Act was passed have proved to be relatively moderate when compared with earlier cyclical adjustments. For example, the contraction that began in August 1957 lasted only 9 months; and the two previous ones, beginning in December 1948 and in August 1953, were ended in 13 and 11 months, respectively. However, the principal improvement in this respect lies in the fact that the declines were less severe than on most earlier occasions. Thus, personal income dropped less than $\frac{1}{2}$ of 1 percent in the contractions beginning in 1953 and 1957, contrasting with declines of 11 percent and 50 percent in the downturns that began in May 1937 and August 1929, respectively. Declines in employment and production were also appreciably smaller than in most earlier cyclical downturns.

The mildness of recent contractions relative to earlier experience reflects, in part, the stabilizing features of our tax system, the automatic operation of governmental programs that help to sustain income when production and employment recede, and a shift in the pattern of employment toward jobs that are relatively less affected by recessionary tendencies. It also reflects deliberate steps taken by the Government to offset the declines, and the greater stability of business enterprises.

While this record presents evidence of good progress, the further moderation of economic fluctuations remains a major challenge to Government and industry. In the contraction that began in August 1957, for example, industrial production fell by 14 percent and total employment by about 2 million even though the decline in personal income was small. The best thought and most determined action are needed to find constructive ways to make further advances in reducing this persisting problem of the enterprise economy.

LESSONS OF EXPERIENCE UNDER THE EMPLOYMENT ACT

These developments in our economy and the experience gained in administering the Employment Act teach certain lessons that must be kept in mind continually as we strive to attain our national economic objectives.

First, although great strides have been made toward understanding and moderating the cyclical behavior of our economy, difficult problems of diagnosis and prescription remain. Experts disagree on the meaning of unfolding events, and action to counter adverse developments cannot be finely predetermined, either in kind or degree. Moreover, the repercussions of countermeasures cannot be accurately foretold. Experience underlines the importance of the close surveillance of economic developments that is a responsibility of the Council of Economic Advisers, created by the Employment Act. It also emphasizes the need for constant review of administrative actions and legislation, to determine their potential or actual impact on the growth and stability of our economy. In addition, this experience shows the need for up-to-date, accurate, and comprehensive facts on economic developments as a basis for wise policy decisions by private groups as well as government.

Second, a tendency for prices to rise has persisted in the period since World War II, even after prices reflected the inflationary pressures generated by war and even though our resources have not always been utilized to the full. To arrest this tendency, as we have largely succeeded in doing of late, and to attain our national economic goals in an atmosphere of reasonably stable prices must continue to be a major objective of private and public policy. Apart from the other adverse effects of inflation, its seriousness has been underlined by the growing recognition that reasonable stability of costs and prices is essential to balanced economic growth and to the maintenance of our competitive position in world markets.

Third, competing objectives must be taken into account in economic policy, and action in pursuit of any one goal must be taken with a recognition that to press it too far or too rapidly may prejudice other values that are in reach or in hand. Considerations of long-run benefit must be weighed against short-run advantage. The rate of economic growth cannot be properly evaluated without regard to its composition and balance or its sustainability. On the contrary, the unwholesome accompaniments of a forced, too-rapid expansion may impede further growth and even induce setbacks.

Fourth, it should be clear from the experience under the Employment Act, as it is from the longer history of our country, that Government action is not the principal, let alone the sole, determinant of the rate of economic growth. In our competitive enterprise system, growth requires that productive job opportunities be created in private employment. The creation of jobs, in turn, requires the presence of adequate incentives to private action and the availability of private capital and other needed resources, and it is heavily influenced by the state of demand, prices, and costs, and the desires and interests of the people. The Federal Government promotes economic growth mainly by the contributions that it makes to conditions favorable to the exercise of private, individual initiative and effort, and by facilitating and encouraging the execution of their respective responsibilities by private individuals and groups and by State and local governments.

Fifth, the language of the Act affords a fair degree of flexibility in its administration, which our experience shows to be necessary if economic policy is to accommodate new priorities and meet new challenges. Routine diagnosis and administration have no place in economic policy for growth and stability. The policy appropriate in one situation is not necessarily suitable in a later one, even when the circumstances are alike in many respects. Thus, in 1954, when the economy was undergoing a contraction, it was possible to execute a substantial reduction of taxes, and thereby to increase the purchasing power of individuals and of business firms, because governmental expenditures, previously expanded as a result of the Korean conflict, were being cut back. In the contraction of 1958, on the other hand, different actions were called for and taken: monetary and credit policies were adjusted; Government expenditures were maintained and in some areas increased, at the same time that revenues declined, and a substantial deficit was incurred; administrative actions fostered a higher rate of home building; the Federal-aid highway program was accelerated; and unemployment benefits were extended.

Actions and policies adopted during the period of the Employment Act have not insured against economic contraction, but they have proved effective in moderating setbacks. The Act has fostered a keener awareness of approaching downturns and a determination to meet them by positive action rather than by passive acceptance. And this change in attitude on the

part of the Federal Government has created an atmosphere of public confidence which in itself has helped to arrest recessions before they have become cumulative downward spirals.

Sixth, the remarkable advance achieved in the welfare of our citizens provides a basis for confidence in the future growth and improvement of our economy. From this experience it is clear that the same diffusion of power for economic decision-making which would render foolhardy the sole reliance on Federal effort to achieve the Act's objectives assures the broad public and private cooperation needed to attain maximum practicable economic progress. While neither the public nor the private sector can guarantee the final outcome of their policies, the results of their efforts can provide a basis for improving future decisions and performance. Greater public understanding of economic issues, and a better appreciation of the consequences of past decisions and action, help the citizens of a democracy to evaluate proposals to promote the growth and stability of the economy. For the Federal Government, which is the agent of all the people, this evaluation may point to the need for new or revised laws. Also, fulfillment of the Federal role may often be aided by positive statements of principles, needed policies, and goals. For the achievement of the common economic aims of a democratic society, it would be as much a mistake to ignore the value of this manifestation of leadership as to rely upon it solely. Psychological factors should not be overlooked in the emphasis on automatic and deliberate stabilizing and stimulating policies and actions.

In sum, experience has proved the Employment Act to be a helpful instrument for achieving important common economic goals in a framework of free institutions. Confidence that the concepts of economic organization and action embodied in the Act will serve us well in the future has been strengthened. The Act is a living document, adaptable to changing circumstances. Though improvements might be made, as suggested in the next chapter, the Act, even without amendment, can provide a useful guide for policy and action in new and unforeseen circumstances.

Chapter 3

Policies for the Future

A RAPID growth of the labor force and a significant improvement in the Nation's productivity will provide the opportunity and also a challenge to raise output in the next decade at a still higher rate than has been experienced in the years since the Employment Act was passed. Success in accelerating production and providing the needed employment opportunities will depend, of course, on both private and public policies. The gains made in recent years in containing inflationary pressures and stabilizing prices and in avoiding the development of other imbalances in the economy provide a good foundation for achieving the desired rapid and sustainable economic advance. In some areas, however, new Government policies will be needed and existing legislative provisions will have to be strengthened.

It is impossible to say in advance how large the increase in the labor force will actually be, but it is clear that an unusually large number of younger persons will reach working age in the next decade. Indeed, the annual increase in the labor force may average as much as 1.4 million during the decade, compared with an annual growth of 850,000 in recent years. If it is assumed that in the next ten years the average unemployment rate will be equivalent to that for the past decade and that the size of the Armed Forces will remain unchanged, an annual increase of 1.4 million persons in the labor force would raise the number of persons in civilian employment in 1970 to more than 80 million, or 20 percent above the present employment figure.

A gain of this magnitude in employment would imply a still larger advance in output as productivity continues its historic upward course. Our output per man-hour is now substantially higher than that of any other industrialized economy in the world, and it has tended to increase at a long-term average annual rate of 2 percent or more. There are forces at work that could speed the actual gain in the next 10 years. The cost pressures of our enterprise system today and the intensive competition faced in world trade provide spurs to the more rapid achievement of greater productive efficiency. Continuing high expenditures on new plant and equipment and heavy emphasis on research and development are also favorable to a marked advance in productivity.

Fuller realization of our Nation's rising productivity potential could also be fostered by the elimination or reduction of arbitrary impediments of long standing. For example, many rules, codes, and practices that restrict

output and hinder the introduction of more efficient techniques deserve to be modified in the national interest, while providing reasonable safeguards for workers. The reduction of deterrents to productivity is an end to which labor and management, with the help of Government, if necessary, should work more intensively in the years ahead. The recent decision to establish a commission concerning railroad work practices has properly been hailed as a step in the right direction.

Although the signs are promising, the rate of economic growth cannot be predicted accurately, since the future size of the work force, the level of employment and hours of work, and the rate of actual productivity advance are themselves uncertain. However, if we succeed in the next 10 years in holding unemployment rates to their average in the 1950's, and if the long-term average rate of increase in productivity persists, the growth of national output would exceed by a significant margin the rate achieved since the Employment Act was passed. A more rapid advance of productivity would yield a still higher rate of growth. This is the opportunity inherent in the present position of our economy and in its longer-term prospects.

GOVERNMENT AND PRIVATE POLICIES

In our free economy, economic growth and the improvement of living standards depend not primarily on what government does but mainly on what is done by individuals and groups acting in their private capacities. In this system of shared responsibility, the tempo of economic activity is especially sensitive, for example, to the plans and actions of large firms and powerful labor organizations whose operations are national and international in scope.

Government makes its basic economic contribution not through the volume of its own expenditures but by promoting conditions favorable to the exercise of individual initiative and private effort. Accordingly, a dominant purpose of government at every level must be the preservation and invigoration of institutions that favor and support enterprise. In particular, the Federal Government should encroach no more than necessary on the province of private action. Indeed, it should expand as broadly as possible the opportunities for private decision-making; strengthen incentives for businessmen, workers, savers, and investors; and promote a vigorously competitive environment in domestic and international markets. And within the area of public action, the Federal Government must avoid encroachment on the province of State and local units. The expected increase in the demand for public investment and the emergence of new regional and area problems will require efforts on the part of State and local authorities and of citizens in general to render more effective the instruments of government located close to home. A proper sharing of governmental responsibility may require a strengthening of the capacity of State and local entities to meet their emerging and increasingly heavy burdens.

Maintenance of Price Stability

In administering fiscal and monetary affairs, the Federal Government makes a signal contribution to growth to the extent that it strengthens confidence in the stability of prices. The threat or experience of inflation tends to undermine thrift, even apart from the inequities inflicted and the hazards raised to sustainable growth of production. A steady and ample flow of savings and a growing volume of productive investment have been crucial to the development of our economy and will be needed more than ever in the years ahead if greatly increased numbers of workers are to be supplied with adequate tools and equipment.

Among Government efforts to maintain a reasonably stable price level, special importance must be assigned to the noninflationary conduct of Federal budgetary and fiscal affairs. Rising Government expenditures can put a direct upward pressure on costs and prices—especially when employment is already high—either because of their very magnitude or because they may concentrate demand on economic sectors in which personnel or supplies are relatively limited. Thus, inflationary pressures can be created throughout the economy, encouraging cost and price increases that do not appear directly traceable to Government action. A significantly large budgetary deficit, too, can impair the effectiveness of an anti-inflationary monetary and credit policy. Furthermore, the example set by Government in the conduct of budgetary and fiscal matters influences public attitudes and the psychology of the marketplace.

The second major Government instrument for controlling inflationary tendencies is monetary policy, for which the independent Federal Reserve System is responsible. Increases in credit, deposits, and currency are required to accommodate the rising volume of payments accompanying higher levels of production and employment, even when prices are generally stable. But these increases must be moderated so that they do not directly or indirectly contribute to the erosion of purchasing power.

The specific goals of monetary policy in particular situations and the best means for achieving them must be determined on the basis of long experience and a deep understanding of economic and financial developments at home and abroad. Experts may well differ on paramount short-term objectives, methods, and timing, especially since a wide variety of national interests have to be taken into account; but there should be no difference of opinion as to the unworkability of a policy of forcing interest rates to artificially low levels and keeping them there. Such a policy would be self-defeating, leading eventually to unbridled inflation or to a network of direct controls of wages, prices, and the use of credit.

Another factor bearing on the maintenance of price stability for sound economic growth is the control of unit production costs—a responsibility that in our free society rests primarily with private individuals and groups. An important aspect of cost control is the achievement and maintenance of a proper relationship between wage and productivity changes in the

economy as a whole. In general, if average increases in wages and salaries are inconsistent, over the long run, with average improvements in productivity, prices may be expected to trend upward. Wage settlements negotiated by management and labor should not preclude price reductions in parts of the economy where productivity rises especially rapidly. High wages provide a dependable source of increased economic demand only to the extent that they are justified by productivity performance. In the last analysis, the only way to assure that, for the economy as a whole, maximum employment and maximum production also mean maximum purchasing power is to keep wage improvements generally within the range of productivity advance.

The prolonged shutdown of the steel industry in the latter half of 1959 emphasizes another important implication of labor-management negotiations. Failure to achieve prompt, as well as reasonable and realistic, settlements of outstanding differences can lead to imbalances in production rates and inventories. These imbalances, and the attendant uncertainties and disappointments of expectations, can have a harmful effect on economic stability and on the general level of employment. It is important for labor and management to conduct their negotiations and settle their differences in a responsible manner and thus avoid inviting new Government controls and new limitations on their initiative.

The maintenance of price stability is significantly affected also by Government price and income support policies for agriculture. In this area, policies that would raise consumer food prices and tend to increase production costs through compensating wage adjustments must be avoided.

Tax Policy

Taxation is another major area in which Government can contribute significantly to the speed of economic growth. A tax system must, of course, provide the revenues needed to cover governmental expenditures over reasonable periods, though a balance is not required every year. A budgetary surplus in prosperous times helps curb inflationary pressures, and a deficit during a period of recession may help reverse the downturn. More positively, a selective revision of our tax structure is needed to promote incentives and to maintain the vigor of the enterprise system. But it is important that the full benefits of tax revision should not be jeopardized by the hasty improvisation of reductions in the hope of countering cyclical downturns in economic activity.

Opportunities for effective tax revision will be afforded more readily as tax revenues increase with the growth of the economy. Thus, economic expansion at a rate comparable to that achieved in the period since 1946 would yield several billion dollars of additional receipts annually within the existing tax structure. However, the full amount of these potential increases in tax revenues would not be available for new expenditure programs or tax relief, inasmuch as programs undertaken pursuant to legisla-

tion already enacted will require increasing outlays in the future. The large veteran population is aging and, under present laws, expenditures for pensions, compensation, and medical care may be expected to grow. The annual cost of the medical care program for the aged enacted in 1960 will take some time to reach a maximum. Many public works projects are still in the early stages of construction, and their annual costs have not yet reached a peak. The civilian space program is expanding, and current appropriations exceed current expenditures. Although anticipated increases in expenditures, such as those just outlined, may be offset by the reduction or termination of some programs, a continuing upward trend in Government spending is foreseen.

Clearly, tax relief depends not only upon the rapid growth of the private sector but also on continuing budgetary discipline; and the chief objective of such relief, with due regard to equity considerations, should be the acceleration of the growth of the national product, especially through the sharpening of incentives for private investment. Government must keep a constant watch over its expenditures and at the same time look for opportunities to effect tax changes that will provide both the greater means and a greater stimulus to economic growth. Many features of the tax revision enacted in 1954 were designed with this dual purpose in view.

Measures to Reduce Unemployment

As the opening section of this chapter implies, further advance toward moderating cyclical fluctuations in the volume of employment could contribute significantly to more rapid economic growth. Maintenance of reasonable price stability would give strong support to other efforts in this direction. Federal and State governments must be prepared to take positive steps to counteract or moderate the impact of declines. In addition to making prior provision for automatically cushioning economic contraction, they may have to enact emergency measures, if these are warranted, or to incur temporary budgetary deficits.

Steadier and fuller employment of the labor force, which presents the greatest and most complex challenge to public and private policy, is a problem that has structural as well as cyclical aspects. The problem cannot be resolved only by the moderation of fluctuations in economic activity as a whole; a continual, more effective matching of labor supply and demand in specific geographic areas, industries, and occupations is also required. Such matching must be as smooth as possible in order to overcome dislocations incident to technological change, the transition from agriculture to industry, long-term shifts in product demand and industry location, and international competition. While corrections of these conditions are found most readily in a stable and prosperous economy, special remedial measures also are required. Although the Federal Government cannot assume the major responsibility for such measures, it can participate effectively in a joint, many-sided program.

Above all, well directed local efforts must be made to develop new industries in areas of relatively high and persistent unemployment and underemployment. Technical assistance is currently available from the Federal Government, but legislative authority to extend and strengthen existing programs and to make available a new program of financial assistance is urgently needed.

The Economic Report of January 1960 pointed out that legislation to facilitate structural adjustments should meet several tests. It should be designed to stimulate and complement the efforts of local communities and citizens' groups to help themselves, promoting as much direct participation as possible on the part of private financial institutions and of State and local agencies. It should concentrate on areas in greatest need of assistance and avoid dispersing funds over wide regions with little lasting effect. It should encourage the creation of new job opportunities, not merely the transfer of jobs from one part of the country to another. It should include provision for technical aid in the economic diversification of rural low-income areas and of single-industry communities, as well as assistance for communities of a predominantly industrial character. And it should encourage programs of vocational training and retraining to upgrade the qualifications for new jobs of residents in areas of persistent unemployment and underemployment.

More general measures are needed to ease existing hardships and to limit the spread of distress to other areas not now affected. Thus, greater attention must be given to the change in the pattern of employment opportunities in the direction of occupations and professions requiring higher levels of education and training. The trend away from heavy, unskilled labor may be expected to continue or even quicken as our technology progresses. Therefore, maximum future employment depends in part on the timeliness and success of private and public efforts to adapt our labor force by improving job counseling and placement, by strengthening vocational education and training, by eliminating discrimination in the labor market, by raising standards of educational achievement, and by increasing the number of competent teachers.

Education and Health Services

Advances in education are, of course, important from more standpoints than the enhancement of employability. Along with improvements in health, they raise the Nation's productivity potential, provide a key to greater individual well-being and security, and add to the quality and diversity of social life.

Though standards and performance in the fields of education have steadily progressed, much remains to be accomplished. Our educational institutions must prepare for much greater numbers of high school, college, and graduate students. While enrollment in public elementary schools may rise by nearly 2.9 million, or 12 percent, over the next eight years, the

number of students in public secondary schools is expected to increase by 3.8 million, or about 30 percent. Furthermore, the number of students attending colleges and universities, now about 4.0 million, may increase by another 2.3 million, or nearly 60 percent.

This growth will require a huge expansion of the Nation's commitment to education. Primary responsibility for meeting the demand should remain with local and State governments and with private groups, as the Federal Government provides important supplements. Federal financial assistance to education will reach about \$1 billion in 1962, and this amount does not take into account educational benefits from Federal outlays of billions of dollars a year for research and development. Our educational institutions also derive large financial benefits from the tax treatment of contributions made to them.

Like education, health activities will provide both supports and outlets for accelerated economic advance. Basic studies of the emerging needs in these areas and of public and private roles in meeting them have been made under Government sponsorship. As the population continues to grow rapidly and living standards rise, the Nation's demands for health services will greatly expand. More than \$25 billion—three fourths from private sources—is being expended annually on health. Federal expenditures, including outlays of the National Institutes of Health for medical research and training and the medical program of the Veterans Administration, will amount to about \$2.2 billion in the fiscal year 1962, compared with \$2.0 billion in the current fiscal year and \$1.8 billion in fiscal 1960; within the 1962 total, Federal expenditures for hospital construction, mainly grants, are estimated at \$236 million, an increase of 7 percent over such expenditures in the current fiscal year. Important Government action was taken last year to improve health services for needy older people, but more remains to be done under private as well as public auspices. Especially, increasing attention has to be directed toward augmenting the number of doctors and dentists as the population expands. A new 5-year, \$100 million program of grants for the construction of medical and dental schools has been proposed.

Some improvements will be needed in Government programs of social insurance that supplement private provisions for protection against the hazards and hardships of income loss through unemployment, old age, disability, and death. In addition to their value in alleviating personal hardships, these programs have demonstrated their usefulness in helping achieve economic growth and stability. Minimum wage laws also, when carefully designed and administered, help safeguard wage standards for workers at the fringes of competitive labor markets and encourage the spread of more efficient productive techniques.

International Responsibilities

Economic growth requirements must be viewed in the light of our international responsibilities as well as our constant striving for domestic im-

provement. Despite the great contributions made toward the progress of the less developed countries, further vast efforts are required to help raise their living standards. We hope that, in the future, the nations we helped in their time of critical need and which have now regained their economic strength will participate more fully in bilateral and broader joint programs of investment, grants, and technical aid.

For our part, we can discharge our international obligations most effectively if we achieve sound as well as rapid economic growth. This means that public and private efforts to speed the expansion of our national product should avoid inflation, aim at solution of our balance of payments difficulties, maintain world confidence in the value of the dollar, and strengthen our competitive position in world markets. We may expect our allies to play a major role in the common defense and in the expansion of the world economy, but the principal burden of leadership in the quest for peace with justice will still be ours. To carry this burden, we must be prepared to follow policies, private and public, that will keep our economy strong and vigorous.

Statistical Information

In an economic and social system organized around the principle of shared responsibility, a need of a technical order arises, namely, to make reliable statistics and other information broadly available in order to facilitate private and governmental decision-making, forecasting, and action. The variety of our economic and social life and the very pace of change require constant re-examination, expansion, and revision of the body of statistical and nonstatistical information designed to meet current and anticipated needs. Consistently with the objectives of the Employment Act, the Council of Economic Advisers has, in statistical appendixes to the *Economic Report of the President* and in *Economic Indicators*, facilitated wider access to needed economic data. The Executive Branch in general, and also the Congress, have participated in numerous undertakings to extend, diversify, and renovate the Federal contribution to the supply of published statistics and basic reports. Further improvements that will be needed include strengthening the national economic accounts, particularly the development of better estimates in terms of constant dollars; achieving more comprehensive coverage, as well as speedier collection of certain key data in the balance of payments; increasing the number of weekly series, so important to the appraisal of economic conditions and outlook at critical points in the business cycle; providing better information on inventories, the importance of which was dramatically illustrated during the steel strike of 1959 and its aftermath; enlarging available information on new orders, businessmen's and consumers' intentions, and other indicators useful in appraising the economic outlook; and expanding the supply of regional and area information to facilitate the planning and administration of private and public activities.

LEGISLATIVE PROPOSALS

To a considerable extent, the Federal policies needed to help achieve sound and rapid economic growth can be applied administratively and require no legislative action by the Congress. However, there are important matters on which action is needed.

First, total funds appropriated by the next Congress for the fiscal year 1962 should be held within the limits of expected revenues. The budget presented to the Congress conforms to this standard and at the same time makes adequate provision for needed programs. It provides for an increase of \$1.5 billion for major national security programs, and an additional \$200 million for economic and financial assistance under the mutual security programs. It also provides for substantial increases in research and development activity and in other programs that have a significant bearing on the welfare of our citizens and on the rate and stability of economic growth: the development of natural resources, assistance to areas of high and persistent unemployment, the improvement of health and housing, and medical care for elderly persons.

Second, the budget for fiscal 1962 makes certain suggestions for revenues to cover these expenditures. It is recommended there that the present tax rates on corporation income, and the excise taxes scheduled for reduction or termination on July 1, 1961, be extended for another year. Unless these tax rates are extended, Federal Government revenues in the fiscal year 1962 will be \$2.6 billion less than estimated and \$3.7 billion less on a full year basis.

To obtain additional revenues in the coming fiscal year and later years, it is proposed that measures be enacted to charge users for special benefits which they derive from particular Government activities. Thus, the highway fuel tax should be raised to 4½ cents per gallon to provide funds in the Highway Trust Fund sufficient for construction of the interstate highway system on schedule; and the action taken by the Congress in 1959, which would divert funds from the general fund of the Treasury to build this road system, should be rescinded.

It is also recommended that Congress raise the excise tax rate on aviation gasoline from 2 cents to 4½ cents per gallon, impose the same tax on jet fuels, and retain the receipts from these taxes in the general fund to help defray the cost of the Federal airways system.

The request for a rate increase which will put the postal system on a self-supporting basis, apart from specified public services, is renewed. It is unreasonable that the system should operate at a deficit of nearly \$900 million a year. Those who use postal services should pay prices sufficient to avoid deficits on this scale.

Third, the request is again made that the Congress give the Secretary of the Treasury authority to raise funds in the long-term capital market when, in his judgment, this is in the public interest, even if the cost of the funds is above 4¼ percent. Some long-term borrowing may be possible

under current conditions without lifting this interest-rate ceiling, but the ceiling remains an important impediment to the Treasury's flexibility in achieving significant debt lengthening.

Fourth, the request for legislation to enable the Federal Government to assist areas that experience high and persistent unemployment is again repeated. The Administration's proposal is drafted to meet the standards described earlier in this chapter. Eligibility requirements for assistance under the proposed new program would direct funds to localities of greatest need and avoid spreading available Federal funds too thinly over a larger number of areas.

Fifth, it is again urged that steps be taken to promote long-term agricultural adjustment and to make effective use of accumulated agricultural surpluses. Specifically, the price support laws should be modified to reflect unit cost reductions resulting from increasing technological efficiency on commercial farms and thereby reduce budget expenditures for the stabilization of farm prices and support of farm income. Energetic administration of the Rural Development Program is the most promising means for assisting readjustment of that part of the farm population which has neither sufficient productive farm resources nor adequate employment opportunities off the farm. Maximum efforts should also be made to use more of our accrued agricultural surpluses in the Food-for-Peace Program.

Sixth, Congress failed last year to pass legislation to supplement the Federal Government's established programs for assisting education by aiding States and local communities and institutions of higher education to provide needed educational facilities. Legislative proposals which constitute a sound approach to this problem were put before the last Congress by the Administration; they are again recommended for favorable consideration.

Seventh, as proposed in earlier Economic Reports, the Congress should enact legislation to extend coverage of the unemployment compensation system to about 3 million additional workers, most of whom are employed in firms having fewer than four employees. With appropriate action by the States to raise the level and to increase the duration of benefits, this legislation would make the system more effective in helping to stabilize our economy during periods of rising unemployment and in alleviating personal hardship. The States are again urged to increase benefits to make the great majority of covered workers eligible for payments equal to at least half their regular earnings, and to increase the maximum duration of benefits to 26 weeks a year for all eligible workers who remain unemployed that long. Under our Federal-State system, primary responsibility for the level and duration of benefits rests with the States; however, in periods of especially high rates of unemployment that have been prolonged, the Congress should give consideration to a program which would temporarily supplement regular benefits in some such manner as was done with good effect in 1958.

Eighth, to enhance the progress being made for equalizing economic opportunity for all citizens, the Congress is again urged to establish a statutory commission on equal job opportunities under Government contracts and to enact legislation for carrying out the proposal of equal pay for equal work without discrimination because of sex.

Ninth, it is again recommended that the coverage of the Fair Labor Standards Act be extended to several million workers not now receiving its protection, and that a moderate adjustment be made in the minimum wage provided in the Act.

Tenth, the program under which Mexican workers are brought into the United States for agricultural work terminates at the end of 1961, unless extended. Legislation to extend this program should include improvement of the present law's provisions to ensure that employment of Mexican agricultural labor will not adversely affect the wages and employment opportunities of our own farm workers.

Eleventh, the Congress is also urged to remedy the serious defects in the legislation enacted in 1958 to protect the interests of the Nation's working men and women in private pension and welfare plans; and to revise the out-moded provisions of the 8-hour laws applying to Federal and certain federally assisted construction projects.

Twelfth, the last Congress enacted a program of Federal assistance for medical care for older persons under the regular old age assistance program and a new program of medical assistance for needy older people who are not recipients of public assistance. This voluntary program under Federal-State-local auspices is sound in principle. However, under the law enacted, many older people will not be able to obtain needed protection to cover major hospital and medical costs incurred because of serious illness. It is recommended that the Congress give further consideration to the recommendations made last spring by the Administration.

Thirteenth, existing programs for housing and community development are no longer experimental, and their successful operation in future years will be enhanced by the repeal of statutory termination dates and the removal of limitations on authorization amounts that can more properly be regulated through the normal appropriation process. Similarly, statutory maximum permissive interest rates should either be eliminated or adjusted to levels that will not bring about a restriction from time to time in the flow of investment funds. Permanency and flexibility in the basic housing programs will permit communities and industry to plan and regulate future activity without the burden of depending on, and adjusting to, the provisions of annual legislative enactments. To this end, the present authorization limitations should be removed on the amount of mortgages that can be insured by the Federal Housing Administration; similarly, legislative limits on grants for urban renewal projects should be removed and permanent authority for annual appropriations substituted. Also, the program to insure loans on home improvements should be made permanent. Present ceilings on

interest rates should be eliminated or substantially raised for loans made or guaranteed by the Veterans Administration and for mortgages insured by the Federal Housing Administration on rental housing, especially housing for the elderly, and on family housing built for occupancy by members of the armed services.

Fourteenth, suggestions made in previous years for amendment of the antitrust laws, to improve the competitive quality of our economy, are repeated: (1) Firms of significant size engaged in interstate commerce and proposing to merge should be required to notify the antitrust agencies of their intention. (2) The Federal Trade Commission should be given authority to seek a preliminary injunction in the case of mergers likely to violate the antitrust laws. (3) The Attorney General should be given the power to issue civil investigative demands for the necessary facts when civil procedures are contemplated in antitrust cases. This last recommendation, which passed the Senate in the 86th Congress, would simplify and greatly speed up all such proceedings.

Finally, the recommendation that the Congress amend the Employment Act of 1946 to make reasonable price stability an explicit goal of national economic policy is renewed. As pointed out in the Economic Report of January 1960, this goal already appears to be implied in the declared objectives of the Act, but an amendment such as the one proposed would increase public awareness of the price stability problem and strengthen the Government's hand in pursuing effective policies to help prevent inflation. The proposed amendment is limited to a change in the language of the Act's declaration of policy and would accomplish its aim without placing restrictions on the effective operation of economic markets.

These proposals, like others placed before the Congress by the Administration, have been designed to promote the sound growth of our economy on the principles set forth in this Economic Report. They indicate routes along which we may move ahead confidently within our system of shared responsibility, in a manner that fosters private competitive enterprise and recognizes the obligations of State and local government, to achieve the purposes proclaimed in the Employment Act.

Appendix A

REPORT TO THE PRESIDENT ON THE

ACTIVITIES OF THE COUNCIL

OF ECONOMIC ADVISERS

DURING 1960

Letter of Transmittal

DECEMBER 31, 1960.

The PRESIDENT.

SIR: The Council of Economic Advisers submits this Annual Report for calendar year 1960 in accordance with the requirements of Section 4(d) of the Employment Act of 1946.

Respectfully,

RAYMOND J. SAULNIER, *Chairman*
KARL BRANDT
HENRY C. WALLICH

Report to the President on the Activities of the Council of Economic Advisers During 1960

The year 1960 marked the eighth in which the Council of Economic Advisers has operated under Reorganization Plan No. 9 of 1953. It will be recalled that in the Appropriation Act for Fiscal Year 1953 the Congress provided funds sufficient for continuation of the Council only through March 1953; and that the Supplemental Appropriation Act approved at the end of that month provided for an Economic Adviser to the President and a small staff to perform the functions previously assigned to the Council. The functions remained with the new Economic Adviser until the end of July 1953, when they were restored to the Council as reconstituted under the Reorganization Plan transmitted by the President to the Congress on June 1. In accordance with this Plan, the Council has operated during the past 7½ years as a source of professional advice to the President and the Administration generally.

It is useful to recall also that the President's message to the Congress, which accompanied Reorganization Plan No. 9 of 1953, announced the establishment of an Advisory Board on Economic Growth and Stability, under the chairmanship of the Chairman of the Council of Economic Advisers. This Board, composed of high officials of those Federal departments and agencies having a major responsibility in economic matters, was designed to enhance the effectiveness of the Council at the top policy level of the Executive Branch by providing a forum for regularly scheduled interdepartmental discussion of economic policy questions. The Board has met weekly with the Council for this purpose; and for the past year and a half, it has included in one meeting each month the heads of all major Federal lending, loan insuring, and loan guaranteeing agencies. These monthly meetings have given the heads of Federal credit agencies, who are responsible for transacting financial business that runs into many billions of dollars annually and has a profound effect on the economy, an opportunity to exchange views with senior policy officials of other Federal departments on the state of the economy and on the most effective orientation of their agencies' policies.

Member agencies of the Advisory Board on Economic Growth and Stability are presently represented by the following officials:

Department of State—Edwin M. Martin, Assistant Secretary for Economic Affairs

Department of the Treasury—Julian B. Baird, Under Secretary

Department of Agriculture—True D. Morse, Under Secretary
Department of Commerce—Philip A. Ray, Under Secretary
Department of Labor—James T. O'Connell, Under Secretary
Department of Health, Education, and Welfare—Bertha Adkins,
Under Secretary
Board of Governors of the Federal Reserve System—Abbot L. Mills,
Member of the Board
Bureau of the Budget—Elmer B. Staats, Deputy Director
Export-Import Bank of Washington—Samuel C. Waugh, President
The White House Office—Don Paarlberg, Special Assistant to the
President
Council of Economic Advisers—Raymond J. Saulnier, Chairman

Council Activities

As prescribed in the Employment Act of 1946, the Council continued in 1960 to analyze economic developments for the President, reviewed and evaluated many different legislative proposals and administrative actions for their effect on the stability and growth of our economy, made recommendations from time to time to the President for policies that would help promote high levels of employment, production, and purchasing power, and assisted the President in the preparation of his annual Economic Report to the Congress.

The Chairman of the Council, accompanied by the other Council members, testified before the Joint Economic Committee of the Congress on the 1960 *Economic Report of the President*. At this Committee meeting, the character and effectiveness of economic policies in 1959 were reviewed, the economic prospects for 1960 were appraised, and the President's recommendations for policies to promote economic growth and price stability in 1960 were examined.

The Chairman, accompanied by the other members of the Council, also testified on S. 64, a bill which would have amended the Employment Act to make relative stability of prices an explicit aim of Federal economic policy, and on S. 2382 which would have amended the Employment Act to give the President authority to hold hearings on proposed price and wage increases and to report, and make recommendations, on such increases; in the testimony, the possible adverse consequences of the changes proposed in the latter bill were pointed out.

Participation in international meetings here and abroad continues to be an important part of the Council's activities. In the past year, two members of the Council and members of the Council's staff took part in meetings held in Paris under the auspices of the Organization for European Economic Cooperation (OEEC), and prepared, as in previous years, a report, for use in the OEEC's annual review, of economic conditions in the United States. All members of the Council participated in preparatory work for the new Organization for Economic Cooperation and Development. The Council and members of its staff received various visiting

groups of economists and officials from other countries and international organizations, and two members of the Council staff held a number of seminars for foreign businessmen, educators, students, and Government officials.

As the law prescribes, in performing these functions the Council drew heavily on the resources of the operating departments and agencies of the Federal Government and availed itself fully of the information and counsel of private individuals and groups. The Council met during the year with representatives of industrial, commercial, and financial concerns, and with university economists, representatives of agriculture, industry, and labor, and various other groups and individuals to consider business conditions, the economic outlook, and policies affecting the growth and stability of our economy. Throughout the year, Council staff members were in touch with experts in other Government departments and agencies and with private individuals and groups. Through its Chairman, the Council reported frequently to the President on current economic developments and their implication for the achievement of the objectives of the Employment Act.

Council Membership

The Council membership remained unchanged during the year.

Dr. Saulnier has served as Chairman of the Council since December 1956. He is on leave of absence from Barnard College, Columbia University, where he is Professor of Economics, and from the National Bureau of Economic Research.

Dr. Brandt, who has been a member of the Council since November 1958, is on leave of absence from Stanford University, where he is Professor of Economic Policy and Associate Director of the Food Research Institute.

Dr. Wallich has served as a member of the Council since April 1959. He is on leave of absence from Yale University, where he is Professor of Economics.

Council Staff

The Council is assisted by a staff of 12 senior economists and statisticians who are experts in their fields. Each staff member is responsible for obtaining the cooperation of other Government agencies and of business, labor, and other private groups in analyzing and evaluating economic developments in his assigned areas, and for keeping the Council advised of current and foreseeable developments. The full-time staff members are Bernard S. Beckler, Harold F. Breimyer, Henry W. Briefs (on leave from Georgetown University), Samuel L. Brown, Robert C. Colwell, Peter G. Fousek (on leave from the Federal Reserve Bank of New York), Frances M. James, Marshall A. Kaplan, David W. Lusher, Walter F. Stettner, and Collis Stocking, who is also Administrative Officer of the Council. Charles A. Taff, of the University of Maryland, serves as a Consultant to the Council. Irving H. Siegel, who served as a Consultant in the preparation of this Report, resigned

from the Council Staff in September 1960, to join the Operations Research Office of Johns Hopkins University. Hal B. Lary resigned from the Council staff in July 1960, to join the National Bureau of Economic Research as Associate Director of Research.

Committees and Task Forces

The Council members and staff participated during the year in the work of a number of important committees and task forces within the Government. The Chairman of the Council served as a member of the Cabinet Committee on Price Stability for Economic Growth, chaired by the Vice President of the United States. He also served as a member of the informal group which discussed problems of financial policy with the President; the other members were the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Special Assistant to the President with responsibilities in the economic area.

The Chairman of the Council regularly attended Cabinet meetings, special meetings on legislative matters, and meetings of the National Security Council at which economic matters were discussed. Members of the Council and its staff participated in the work of the Planning Board of the National Security Council.

The Chairman of the Council served as Chairman of the Cabinet Committee on Small Business, was a member of the Board of the Federal National Mortgage Association, represented the Council on the Civil and Defense Mobilization Board and on the President's Special Committee on Financial Policies for Postattack Operations, and served on the Interagency Task Force for Implementation of the Program for Increases in the Export Sales of the United States.

Dr. Brandt served as a member of the interdepartmental Committee for Rural Development Program, under the chairmanship of the Under Secretary of Agriculture, and as a member of the interagency work group on research and analysis of the Federal Council on Aging; on a panel of the Annual Outlook Conference of the Department of Agriculture; on a panel of the National Conference on Water Pollution called by the Surgeon General; and as Chairman of an interdepartmental working party of experts on long-term economic projections to assist the Department of State in formulating the United States position on this subject in the United Nations. He also attended regularly the meetings of the Council on Foreign Economic Policy.

Dr. Wallich participated in the work of the National Advisory Council, attended the first meeting of the Board of Governors of the Inter-American Development Bank in San Salvador, and participated in the negotiations with representatives of the German Government in Bonn in November 1960. He also served as a member of the interdepartmental Committee to Coordinate Federal Urban Area Assistance Programs, under the chairmanship of the Under Secretary of Commerce.

Publications Work

In keeping with its responsibilities under the Employment Act, the Council assisted the President in the preparation of his annual Economic Report to the Congress. Copies were distributed to members of the Joint Economic Committee, all other members of the Congress, departments and agencies of the Government, representatives of the press, and depository libraries throughout the country. There was a large demand for the 1960 Report. The Superintendent of Documents sold to the general public his entire supply of 21,000 copies.

The Council prepares *Economic Indicators*, a monthly compendium of current economic statistics published by the Joint Economic Committee of the Congress. During the year, the Council, in cooperation with the staff of the Joint Economic Committee, completed an extensive revision of *Economic Indicators*, to make greater use of seasonally adjusted data and present additional information on a number of topics, including unemployment and the balance of payments. Copies of *Economic Indicators* are distributed to all members of the Congress and to depository libraries. In addition, 10,000 copies of each monthly issue are sold by the Superintendent of Documents to subscribers and others.

The Council participated in the preparation of the *Third Progress Report by the Cabinet Committee on Small Business*. The Report was published and issued by the Council for the Committee.

Council Funds

For the fiscal year 1961, the Congress appropriated \$390,000 for the Council's activities. This total was \$5,000 less than the amount appropriated for the fiscal year 1960. Since the date of Congressional approval of the appropriation, there has been an additional annual cost of \$21,000 as a result of Public Law 86-568, which increased Federal employees' salaries. This amount is being included in a supplemental budget request to be presented to the Congress.

Appendix B

SOME RECENT ECONOMIC DEVELOPMENTS

I. Employment and Earnings

II. Agriculture

III. United States Foreign Trade and Payments

I. Employment and Earnings

Demand for labor was generally high during the first half of 1960, and in the second quarter of the year total civilian employment expanded to a record, seasonally adjusted figure of 66.9 million. For the year as a whole, employment averaged 66.4 million, nearly 800,000 above 1959. Growth of the labor force was about as large as the increase of employment, and unemployment, accordingly, averaged 5.6 percent of the civilian labor force for the year, approximately the same as in 1959 (Table B-1). (For comparability with earlier years, the 1960 data used here do not include the new States of Alaska and Hawaii.)

TABLE B-1.—*Growth of the labor force, by employment status, 1959-60*

(Millions of persons 14 years of age and over)

Employment status	1959	1960	1960			
			First quarter	Second quarter	Third quarter	Fourth quarter
			Seasonally adjusted			
Total labor force.....	71.9	72.8	72.0	73.0	73.0	73.2
Armed forces.....	2.5	2.5	2.5	2.5	2.5	2.5
Civilian labor force.....	69.4	70.3	69.5	70.5	70.5	70.7
Employment.....	65.6	66.4	65.9	66.9	66.7	66.2
Agricultural.....	5.8	5.7	5.5	5.7	5.9	5.7
Nonagricultural.....	59.7	60.7	60.2	61.3	60.9	60.4
Unemployment.....	3.8	3.9	3.6	3.6	4.0	4.6
Unemployment as percent of civilian labor force.....	5.5	5.6	5.2	5.1	5.7	6.5

NOTE.—For comparability with earlier periods, data for 1960 have been adjusted to exclude Alaska and Hawaii.

Detail will not necessarily add to totals because of rounding; in addition, seasonally adjusted totals may differ from sum of components because totals and components have been seasonally adjusted separately.

Source: Department of Labor.

After the middle of 1960, however, employment tended to decline. In the third quarter the average was 66.7 million, and in the fourth quarter it was 66.2 million; the December figure, after allowance for seasonal influences, was 66.0 million. Unemployment, seasonally adjusted, increased from 3.6 million, or 5.1 percent of the civilian labor force, in the second quarter to 4.6 million, or 6.5 percent of the labor force, in the fourth. Hours worked in manufacturing industries declined through the year, and the work-week averaged 39.7 hours, compared with 40.3 hours in 1959.

Hourly earnings of production workers in manufacturing industries increased slightly during the year, averaging \$2.32 in December, against \$2.27 in December 1959. Average weekly earnings, reflecting the reduced work-week and lower employment in the more highly paid metalworking industries, tended to decline slightly in the course of the year, and real weekly earnings, adjusted for the change of consumer prices, also were lower. Basic wage rates, however, rose by somewhat more than 3 percent per year, as wage increases were put into effect for about 7 million employees, nearly 90 percent of those covered by major collective bargaining agreements.

GROWTH OF THE LABOR FORCE

The labor force expanded markedly during the first half of 1960, paralleling the increase of civilian employment. As Table B-2 indicates, growth

TABLE B-2.—*Growth of the labor force, by sex and age, 1950-60*

[Thousands of persons 14 years of age and over]

Sex and age	Net change			
	1950-55 annual average	1955-60 annual average	1958 to 1959	1959 to 1960
Total labor force.....	829	785	662	874
Male.....	397	253	279	236
14-19 years.....	-13	86	91	90
20-24 years.....	-75	45	138	88
25-34 years.....	84	-116	-128	-98
35-64 years.....	386	286	234	191
65 years and over.....	15	-48	-57	-36
Female.....	432	532	383	638
14-19 years.....	1	82	80	146
20-24 years.....	-45	22	-26	86
25-34 years.....	32	-90	-105	13
35-64 years.....	404	434	419	324
65 years and over.....	39	25	14	70

NOTE.—For comparability with earlier years, data for 1960 have been adjusted to exclude Alaska and Hawaii.

Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

was larger than in 1959, and moderately above the average for the past ten years.

Over the past decade, important structural changes have taken place in the age and sex distribution of the working population, and even more significant changes are to be expected in the next ten years. The proportion of women in the labor force has been increasing continuously, and the average age of the working population has been rising. Of the total labor force growth of 8.1 million in the decade of the 1950's, 4.8 million were women, most of whom were 35 years of age or older. A large part of this change occurred during the great expansion of employment from 1954 to 1956, when nearly 2 million women entered the labor force, but increasing participation in the labor force by women has characterized the entire

decade. In 1960, nearly three-fourths of the increase of the Nation's work force consisted of women.

Important shifts have also occurred in recent years in the age structure of the labor force. The number of workers 20 to 24 years of age has declined, while the number of those 25 to 34 years of age has remained practically unchanged. This was due to the low level of births during the 1930's. Workers 35 to 44 years old increased by 2.4 million, or 17 percent, from 1950 to 1960, while the number of those 45 and older expanded by 5.3 million, or at a rate nearly twice that for the labor force as a whole. The proportion of workers under 35 years of age is now 40 percent, compared with 44 percent in 1950, and the number 45 or older is now 38 percent, compared with 34 percent in 1950. However, the number of teenage workers started to rise in 1955 as the more numerous generation of the 1940's began to reach working age. In 1960 about 240,000 teenagers were added to the labor force, compared with 170,000 in the preceding year.

Under favorable economic conditions, the rising tide of young people and high labor force participation among older women may expand the labor force by more than 13 million over the course of the next decade. This would represent the greatest numerical expansion in the history of our country. Although a larger proportion of young people are expected to be in school, the number of members of the working population under 25 may increase by 6 million. There may be an especially great inflow of teenagers into the labor force in the middle of the decade as the large numbers born in 1946 and 1947 become 18, the usual age of high school graduation. The number of older workers will also rise sharply. Those over 45 may increase by 5½ million despite further declines of labor force participation by men over 65. The highly productive group 35 to 44 years of age, on the other hand, may decline slightly, and a relatively small increase of the number 25 to 34 is expected.

Thus, workers under 25 years of age and those 45 years and over will probably account for almost 90 percent of the total growth of the labor force between 1960 and 1970. With nearly half of the total increase in the younger group, they will comprise 23 percent of the total labor force in 1970, compared with 19 percent in 1960. At the same time the proportion that will be 25 to 44 years old will decline from 43 percent to less than 39 percent in 1970. These impending changes constitute both an impressive challenge and a great opportunity for the maximum development and utilization of our human resources.

CHANGES OF EMPLOYMENT

The total number of employees on nonagricultural payrolls expanded rapidly after the end of the long steel strike in November 1959, and continued to grow at a more moderate rate during the first six months of 1960, reaching a record level of 53.1 million, seasonally adjusted, by the

middle of the year. Early in the year, however, divergent trends began to appear in various industries.

Employment in durable goods manufacturing turned downward in March, as work forces were reduced in the transportation equipment and primary metals industries. As the year progressed, work force reductions occurred in other durable goods sectors. Considered as a group, durable goods manufacturing industries registered employment declines, after February, in nearly every month of 1960. In the manufacture of nondurable goods, employment increased until June; but after midyear, declines appeared also in this sector. In the latter months of the year, reductions of work forces continued in most of the 21 major manufacturing industries. In the group of nonmanufacturing industries, employment continued to expand until September, but moderate declines appeared during the final months of the year.

In December, total payroll employment, seasonally adjusted, in nonagricultural industries amounted to 52.2 million, which was 920,000 below the crest at midyear and about 500,000 below the December 1959 figure. The decline of employment has been concentrated in manufacturing industries, while there have been some offsets in other industries, especially those producing services rather than goods (Table B-3).

Events in the labor market of 1960 are better understood in the light of the longer-term changes which have been taking place in the industrial and occupational structure of employment in the United States. Since the passage of the Employment Act of 1946, the growth of nonagricultural jobs has increased total employment by more than 11 million. Agricultural employment, on the other hand, has continued to decline, dropping from 8.3 million, or 15 percent of the total, in 1946 to 5.7 million, or 8½ percent of total employment, in 1960. This shrinking of employment on farms extends a long-run trend that began generations ago when the United States economy was almost exclusively agricultural. The decline has continued as more power and machinery have been introduced into agriculture in partial replacement of farm labor, and as the national trend toward specialization in enterprise has lifted more procurement and marketing functions out of agriculture.

Nearly all of the growth of employment since World War II is accounted for by the gain in service type activities and industries, including education, distribution, finance, and business and personal services. Employment in State and local governments has increased very sharply, with 55 percent of the expansion occurring in the school systems of the country. Trade, finance, and other services have also afforded expanding job opportunities. An interesting parallel to this trend is found within manufacturing industry, where the numbers of salaried or "nonproduction" employees engaged in service functions have increased in every major industry, while employment of production workers has fluctuated widely and shown a tendency to decline. These areas of expanding employment have continued to grow, or at least have remained relatively steady, even during periods of recession. Producing

TABLE B-3.—*Changes in nonagricultural employment, by major industry groups, October 1959–December 1960*

[Thousands of persons, seasonally adjusted data]

Major industry group	October 1959 to February 1960	February 1960 to June 1960	June 1960 to December 1960 ¹
Total nonagricultural employment.....	970	168	—916
Manufacturing	545	—69	—698
Durable goods.....	538	—168	—452
Transportation equipment.....	29	—113	13
Primary metal industries.....	452	—73	—129
Machinery (except electrical).....	13	—25	—82
Fabricated metal products.....	48	—7	—54
Electrical machinery.....	7	—3	—19
Instruments and related products.....	3	0	—12
Ordnance and accessories.....	5	0	1
Stone, clay, and glass products.....	3	2	—38
Lumber and wood products (except furniture).....	—7	9	—67
Furniture and fixtures.....	—1	16	—33
Miscellaneous manufacturing industries.....	—15	26	—32
Nondurable goods.....	7	99	—246
Rubber products.....	—3	—10	—12
Food and kindred products.....	51	—6	—23
Tobacco manufactures.....	3	—3	—4
Products of petroleum and coal.....	4	—3	—10
Leather and leather products.....	—11	5	—12
Paper and allied products.....	0	5	—15
Printing, publishing, and allied industries.....	6	6	6
Textile mill products.....	—36	19	—58
Chemicals and allied products.....	6	26	—19
Apparel and other finished textile products.....	—13	60	—99
Nonmanufacturing	425	237	—218
Transportation.....	37	—13	—101
Public utilities.....	—4	6	—3
Finance, insurance, and real estate.....	11	7	45
Contract construction.....	19	9	—166
Mining.....	48	9	—40
Service and miscellaneous.....	67	29	36
Wholesale and retail trade.....	149	85	—158
Government.....	98	105	169
Federal.....	—15	29	10
State and local.....	113	76	159

¹ Based on preliminary data for December.

NOTE.—These data represent employees in nonagricultural establishments. The figures for total nonagricultural employment will therefore differ from those shown in Tables B-5 and C-17. For explanation of differences, see footnote 1, Table C-22.

Figures exclude data for Alaska and Hawaii.

Source: Department of Labor.

services, they have been relatively immune to the employment impact of the wide inventory fluctuations which have characterized postwar business cycles. Consequently, the growing proportion of workers in service types of employment has strengthened the resistance of the economy to cumulative business downturns (Table B-4).

Analogous trends are clearly evident in the changing occupational structure of the employed labor force. "White-collar" occupations have grown in importance as manual occupations have relatively declined. The growing occupational groups have also been those in which employment has been relatively steady over the business cycle (Table B-5). It is perhaps even more important that developments of recent years have resulted in a general upgrading of the level of skill in the labor force. There has been

TABLE B-4.—*Industrial structure of nonagricultural employment, 1929, 1947, and 1957-60*

[Thousands of persons]

Industry	1929	1947	1957	1958	1959	1960 ¹
Total nonagricultural employment.....	31,041	43,462	52,162	50,543	51,975	52,895
Stable and growing.....	16,114	23,620	31,483	31,613	32,392	33,294
Trade.....	6,401	9,196	11,302	11,141	11,385	11,645
Government.....	3,066	5,474	7,626	7,893	8,126	8,455
Federal.....	534	1,892	2,217	2,191	2,198	2,236
State and local.....	2,532	3,582	5,409	5,702	5,928	6,219
Service and miscellaneous.....	3,127	4,783	6,336	6,395	6,525	6,637
Salaried employees in manufacturing.....	2,089	2,495	3,871	3,810	3,931	4,072
Finance, insurance, and real estate.....	1,431	1,672	2,348	2,374	2,425	2,485
Fluctuating or declining.....	14,927	19,842	20,679	18,930	19,582	19,603
Production employees in manufacturing.....	8,445	12,795	12,910	11,658	12,237	12,266
Contract construction.....	1,497	1,982	2,808	2,648	2,767	2,770
Transportation and public utilities.....	3,907	4,122	4,151	3,903	3,902	3,901
Mining.....	1,078	943	809	721	676	666
Stable and growing as percent of total.....	51.9	54.3	60.4	62.5	62.3	62.6

¹ Preliminary.

NOTE.—These data represent employees in nonagricultural establishments. The figures for total nonagricultural employment will therefore differ from those shown in Tables B-5 and C-17, which relate to nonagricultural employment of the civilian labor force. For explanation of differences, see footnote 1, Table C-22.

Data exclude Alaska and Hawaii.

Source: Department of Labor.

TABLE B-5.—*Civilian nonagricultural employment, by major occupational groups, 1930, 1947, and 1957-60*

[Thousands of persons 14 years of age and over]

Occupational group	1930 ¹	1947 ²	1957 ²	1958	1959	1960
Total nonagricultural.....	38,365	49,724	58,957	58,375	59,999	61,010
Stable and growing.....	19,092	26,169	34,083	34,865	35,838	36,906
Clerical workers.....	4,336	7,200	9,152	9,137	9,326	9,734
Service workers, including private household.....	4,772	5,986	7,632	7,809	8,040	8,306
Professional, technical, and kindred workers.....	3,311	3,794	6,468	6,961	7,143	7,437
Managers, officials, and proprietors, except farm.....	3,614	5,795	6,703	6,785	6,935	7,047
Sales workers.....	3,059	3,394	4,128	4,173	4,394	4,382
Fluctuating or declining.....	19,272	23,554	24,874	23,510	24,162	24,104
Operatives and kindred workers.....	7,691	12,274	12,530	11,441	11,858	11,938
Craftsmen and foremen.....	6,246	7,754	8,664	8,469	8,501	8,511
Laborers.....	5,335	3,526	3,680	3,600	3,743	3,655
Stable and growing as percent of total.....	49.8	52.6	57.8	59.7	59.7	60.5

¹ Data for 1930 pertain to the "economically active civilian population" 10 years of age and over and are similar, but not strictly comparable, to other annual data in this table.

² Figures shown for 1947 and 1957 are averages of data for January, April, July, and October since data prior to 1958 are available only for these months. These averages, therefore, will differ slightly from the annual averages shown in Table C-17.

NOTE.—These data represent nonagricultural employment of the civilian labor force. The figures for total nonagricultural employment will therefore differ from those shown in Tables B-4 and C-22. For explanation of differences, see footnote 1, Table C-22.

For comparability with earlier years, data for 1960 have been adjusted to exclude Alaska and Hawaii.

Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Department of Labor.

a trend away from jobs requiring heavy, arduous, unskilled labor and toward those which require broad education and training. For professional and technical workers, for example, employment opportunities have increased dramatically. Heavy expenditures in industry as well as in educational institutions for research and development, and rising demands for scientists, engineers, teachers, and technicians have strengthened this trend. Employment of unskilled or semiskilled manual workers, on the other hand, has expanded very little, or has actually declined, and has fluctuated with the business cycle. High and rising levels of education and training required for employment in the occupations where ample job opportunities are most likely to be found emphasize the great importance of good secondary and higher educations for the large numbers of young people who are entering the labor force. These occupational and industrial trends make more difficult the problem of unemployment for unskilled and semiskilled workers in fluctuating or declining industries.

UNEMPLOYMENT

For the year 1960 as a whole, unemployment amounted to 3.9 million persons or 5.6 percent of the civilian labor force, about the same as in 1959. This was lower than in the recession year of 1958, when unemployment reached a postwar peak of nearly 7 percent of the labor force, but higher than in the period 1955 to 1957, when it averaged a little over 4 percent.

In the course of the year 1960, unemployment changed markedly. With the recovery of employment after the long steel strike, unemployment declined from about 4 million in the closing months of 1959 to 3.5 million in the early part of 1960, or from about 6 to 5 percent of the civilian labor force, seasonally adjusted. When in the second half of the year employment declined, unemployment increased, reaching an average of 4 million in the third and of 4.6 million in the final quarter. In December 1960, unemployment amounted to 4.9 million, or 6.8 percent of the labor force, compared with 3.8 million, or 5.5 percent of the labor force, in December 1959. The increase during the second half of the year mainly affected adult men and women, reflecting job cutbacks in manufacturing and related industries.

The number of persons who normally work full time but for economic reasons are working only part time is a measure of one form of underemployment. In 1960 such part-time workers averaged 1.2 million, compared with 1 million in 1959 and 1.6 million in 1958. The rise of part-time employment in 1960 occurred mainly among factory workers, and was especially marked during the late months of the year. A second group of underemployed, those who work part time primarily because of inability to find full-time work, averaged 1.3 million in 1960, the same as in 1959, but about 375,000 higher than the average in 1956-57. Most of these were women and teenagers in the trade and service industries.

Characteristics of the Unemployed

The movement into and out of the unemployed group, or the turnover among persons without jobs, was comparatively large in 1960. Almost half of those unemployed in any month were no longer seeking work in the following month either because they had found jobs or had left the labor market. Consistent with this substantial turnover, persons seeking work for less than 5 weeks accounted for nearly half of total unemployment during 1960. This proportion was higher than in 1958 or 1959, but lower than in the years before the 1957-58 recession. Long-term unemployment, defined as persons seeking work for 15 weeks or more, averaged about 1 million in 1960. While this average was about the same as in 1959, it was nearly 500,000 lower than in the recession year of 1958, yet almost twice as high as in 1956-57. Long-term unemployment was reduced during the first half of 1960, but afterward increased. In December, the number of long-term unemployed amounted to 1.0 million, compared with 800,000 in December 1959. Extended periods of unemployment are most commonly found among the following groups: older persons; blue-collar workers generally; non-white workers; and workers laid off in industries manufacturing durable goods.

For most of the age-sex groups of the labor force, rates of unemployment in 1960 did not differ much from those in 1959, considering the year as a whole. Unemployment was, as usual, highest among teenage workers who are likely to change jobs more frequently than older persons. The rate of unemployment among married men living with their families, who account for about one-third of all unemployed persons, averaged 3.7 percent in 1960, about the same as in 1959; however, this rate was increasing during the second half of the year. For non-white men, the rate of unemployment averaged 11 percent, and it was as usual more than twice the rate for white male workers. Non-white workers are concentrated in unskilled and semiskilled occupations where unemployment rates are generally high. Unemployment in various occupations and industries also averaged about the same in 1960 as in 1959. Significant increases occurred, however, during the third and fourth quarters of 1960 in durable goods manufacturing and among the occupation groups important in this industry, such as metal craftsmen, semiskilled factory operatives, and factory laborers.

In the past decade there has been little change in the ranking of occupations by rates of unemployment. Highest rates prevail among laborers, followed by operatives and service workers. White-collar workers, in 1960 as in the past, were least affected by unemployment.

Trends in Major Labor Markets

Less vigorous demand for labor became apparent after the spring of 1960 in most of the Nation's 147 major labor market areas, which account for about 70 percent of all nonagricultural wage and salary employment

in the country. In January 1960, labor market surveys conducted by State employment security agencies for the Department of Labor found demand and supply of labor in reasonable balance in 118 of the major areas; in 93 of them, unemployment ranged between 3 and 6 percent of the local labor force, while in 25 areas unemployment was below 3 percent. The remaining areas had substantial labor surpluses, that is, unemployment rates of 6 percent or higher, for other than seasonal or temporary reasons. Through the year, the number of major labor markets having an unemployment rate of less than 6 percent gradually diminished to 99 in November 1960, 11 of which had a rate of less than 3 percent. At the same time, the number of areas having substantial labor surpluses increased to 48, compared with 29 a year earlier.

These changes in labor markets in 1960 mainly reflect lower employment in durable goods industries. Many places with substantial labor surpluses have, however, had persistent problems of unemployment for many years, although they are not, primarily, centers of durable goods production. In November 1960, 19 major labor markets in the United States were classified as areas having "substantial and persistent labor surpluses," that is, unemployment rates of 6 percent or higher for other than temporary reasons and jobless rates substantially above the national average for extended periods of time. All but 4 of these had had substantial labor surpluses in September 1957, before the effects of the 1957-58 recession. In only 6 of the 19 major areas were employment losses in durable goods manufacturing the cause of persistent problems of local unemployment. In the remaining areas, which are all located in the northeastern part of the country, long-term declines of the mining, textile and apparel manufacturing, and railroad equipment maintenance industries have caused chronic unemployment. At mid-1960, before the downturn of total employment, about 11 percent of the unemployment in major labor markets was accounted for by areas with chronic and persistent labor surpluses, although they have only 7 percent of the labor force. At that time, the average rate of unemployment in these areas was estimated at 7.9 percent, compared with 4.7 percent for the other major areas.

Despite higher unemployment during the latter months of 1960, continuing shortages of professional, technical, clerical, and skilled workers were still noted in most labor market areas. In many places, available workers were not considered by employers to be qualified for existing job openings with respect to the required training, experience, and skill. At the same time the semiskilled, the unskilled, and persons without work experience were reported in surplus supply in nearly all sections of the country.

Trends of Insured Unemployment

Insured unemployment, the number of persons out of work and eligible to receive unemployment benefits, declined slightly (seasonally adjusted) in the early months of 1960. Beginning in June, however, their number

began to increase, and in the later months of the year it was sharply higher. In December, the number of persons eligible for benefits averaged 2.8 million, compared with 2 million in December 1959. Most of the increase over the year resulted from job cutbacks in industries manufacturing durable goods. Payments of unemployment insurance benefits increased rapidly, and in December 1960 amounted to about \$350 million, compared with \$251 million in December 1959. These insurance payments, together with other government transfer payments, and augmented by the private supplements negotiated in collective bargaining in the steel and other industries, were a substantial support to labor income in 1960.

HOURS OF WORK AND EARNINGS

With moderately declining use of labor in many important industries, and more frequent adoption of reduced weekly work schedules, the average workweek of production workers in manufacturing industries tended downward in 1960 and reached 38.5 hours (seasonally adjusted) in December, compared with 40.2 hours in December 1959. Reduced workweeks and less overtime, together with lower employment in the more highly paid metalworking industries, meant that the general average of hourly earnings in manufacturing industries increased little in 1960, despite a continued rise of basic wage rates. Average hourly earnings were \$2.32 in December, compared with \$2.27 in December 1959. Average weekly earnings, reflecting the reduced workweek, receded slightly in the course of the year, and were \$90.02 in December, compared with \$92.16 in December 1959. When adjusted for the rise of consumer prices, weekly earnings in manufacturing showed a slightly larger decline; however, the annual average for real weekly earnings was practically unchanged from 1959. In nonmanufacturing industries, weekly earnings rose in 1960 by an average of about 3 percent. Salaries of civilian employees of the Federal Government were increased by legislative action. For employees of the postal service the increases averaged 8.4 percent; for other employees the average increase was 7.5 percent. By this action, total wage and salary payments were increased by about \$750 million annually.

Lower employment and earnings in several industries stemmed the increase of labor income in the latter months of 1960. After rising by \$10 billion from December through June, labor income was steady at an annual rate of \$286.2 billion through the third quarter of the year. During the fourth quarter, it declined to \$282.1 billion in December.

DEVELOPMENTS IN COLLECTIVE BARGAINING

Basic wage rates advanced in 1960 by somewhat more than 3 percent, about the same average rate of increase as in 1959. Wage increases, including cost of living adjustments and deferred increases negotiated in earlier years, were put into effect for about 7 million employees, nearly 90 percent of those covered by major labor agreements (Table B-6).

TABLE B-6.—*Employees receiving wage increases under major labor agreements, by size of increase, 1956-60*¹

Item	1956	1957	1958	1959	1960 ²
Employees receiving wage increases:					
Number (millions).....	7.5	7.6	7.2	7.0	7.0
Percentage distribution:	Percent				
Total.....	100	100	100	100	100
Under 5 cents.....	1	2	4	³ 26	5
5 and under 9 cents.....	19	21	23	26	38
9 and under 13 cents.....	62	30	32	39	46
13 and under 17 cents.....	8	38	22	6	5
17 cents and over.....	7	5	18	3	5
Not specified or computed.....	3	2	2	1	1

¹ Includes cost-of-living, deferred, and newly negotiated wage increases received under collective bargaining situations affecting 1,000 or more employees and coming to the attention of the Department of Labor. Excludes construction, services, finance, and government.

² Preliminary.

³ In 1959, 12 percent of employees receiving wage increases received less than 3 cents, and 14 percent received 3 cents to 5 cents.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

Major collective bargaining settlements were concluded in 1960 in the steel industry, railroads, electrical equipment manufacturing, aircraft, rubber, textiles, chemicals, and other manufacturing and nonmanufacturing industries. These agreements affected about 4.3 million workers, all but 3 percent of whom received or were scheduled to receive wage-rate increases within 12 months of the effective date of the contract. These negotiated wage adjustments most frequently averaged either 5 to 6 cents or 9 to 10 cents per hour. New or liberalized supplementary benefits were negotiated for 80 percent of employees covered by agreements concluded in 1960. Health and welfare plans, pensions, and vacations continued to be the most frequent kinds of supplementary benefits established or improved in bargaining negotiations.

In addition to wage and benefit improvements negotiated in 1960, about 2.7 million workers covered by major agreements received deferred wage increases, cost of living adjustments, or in the majority of cases both, as a result of contracts signed before 1960. Typical of these dual adjustments were those in the automobile and farm equipment industries, where deferred increases averaged 6 to 7 cents, supplemented by 4 cents more in automatic cost of living adjustments. Other industries in which deferred increases were put into effect included trucking and meatpacking (where workers also received cost of living increases), the cement industry, and various metalworking and chemical firms. Before renegotiation of agreements in the course of the year, cost of living adjustments were made in the railroad, aircraft, and electrical equipment industries. Cost of living escalator clauses were eliminated from important wage agreements in railroads and in electrical manufacturing, and were narrowly limited in their

operation in the steel and related industries. During the year, the number of workers covered by labor agreements containing such clauses was reduced from 4 million to less than 2.8 million.

In the construction trades, about 85 percent of union wage scales were increased in 1960, a slightly smaller proportion than during the preceding three years. The average increase for all scales was about 14 cents per hour, compared with 16 cents in 1959 and 15 cents in 1958 and in 1957.

Labor disputes were infrequent and generally of short duration in 1960. Both the number of employees involved in work stoppages and the number of man-days of idleness were very low, judged by the record of the years since World War II. There was evidence of increasing recognition of the need for constructive study and resolution of the serious economic issues being raised in negotiations by rapid technological change and by competitive pressures. In the railroad industry, the long-standing and complex dispute over changes in working rules was referred, by agreement of the parties, to a Presidential commission for study, recommendations, and mediatory assistance in the resolution of the issues. The commission's study and recommendations, which will not be binding upon the parties, are to be completed by December 1, 1961. Study groups and committees were also established in the steel and construction industries and by national labor and business groups.

II. Agriculture

Agriculture in the United States consists of two parts that are becoming more and more distinct: (1) commercial farm enterprises and (2) non-commercial holdings, many of which are little more than farm living units. Each is composed of numerous types. Commercial farms vary in area under operation from small vegetable farms to very large western cattle ranches; noncommercial units comprise backyard cow-and-garden farms, farms of retired and semiretired people, part-time farms, and others.

The distinctions between the two broad parts are real and meaningful for any attempt at weighing the economic and social problems of agriculture. Commercial and noncommercial agriculture differ in economic status, in the nature of their problems, and in the trends they exhibit. Commercial farms outnumber the noncommercial holdings in a ratio of almost two to one; the two groups together total roughly 3.7 million units, most of them family operated.

Commercial agriculture produces more than nine-tenths of all farm output, earns the major part of all net farm income, and holds most of agriculture's proprietary assets. Aggregate statistical measures, which seldom distinguish between commercial and noncommercial agriculture, must therefore be interpreted as pertaining chiefly to the commercial portion. Because of the differences in the economic performance of the two types of farms and their changing relative numbers, a conversion of aggregate totals into averages per farm tends to be misleading.

Since commercial agriculture contributes so much of all market supplies of farm products and absorbs even more of the capital resources used, its problems are essentially those of commodity markets. National concern with adjustment problems of underdeveloped and underemployed human resources in agriculture is associated with low income farms—those in noncommercial agriculture and the smallest-sized fringe of commercial agriculture.

PRODUCTION AND INCOME IN 1960

The commercial part of agriculture accounted for the rapid expansion in farm output during the last few years and for the record high production in 1960—a record attained despite the reduction of the planted acreage, brought about chiefly by the Conservation Reserve Program, to the smallest area since 1916. While the index of livestock production dropped 1 point, to 129 (1947-49=100), the index of crop production rose to a new high

of 122 and caused a rise of 3 points, to 129, in the all-products index (Table B-7).

TABLE B-7.—*Farm production, prices, assets, and liabilities: Selected data, 1953, 1956, and 1958-60*

Item	1953	1956	1958	1959	1960 ¹
Millions of acres					
Planted acreage, 59 crops.....	360	345	330	335	329
Index, 1947-49=100					
Output.....	109	114	124	126	129
Crops.....	103	106	118	117	122
Livestock.....	114	122	124	130	129
Inputs.....	103	102	101	103	103
Labor.....	83	72	66	66	63
Real estate.....	105	105	106	107	108
All other.....	124	133	137	143	145
Index, 1910-14=100					
Prices received by farmers.....	255	230	250	240	238
Prices paid by farmers (all items, interest, taxes, and wage rates).....	277	278	293	297	299
Family living items.....	269	274	287	288	290
Production items.....	256	250	264	266	264
Interest.....	117	150	176	194	213
Taxes (real estate).....	365	421	470	496	536
Wage rates.....	513	536	574	612	631
Billions of dollars					
Income of farm population from all sources ²	21.1	20.1	22.2	20.4	20.7
Gross farm income.....	35.3	34.6	38.2	37.5	37.9
Production expenses.....	21.4	22.6	25.2	26.2	26.3
Realized net farm income.....	13.9	12.0	13.0	11.3	11.6
Balance sheet of agriculture: ³					
Assets.....	159.7	176.3	202.3	203.6	199.3
Real estate.....	94.7	109.5	125.1	129.1	125.0
Other.....	65.0	66.8	77.2	74.5	74.3
Liabilities.....	17.1	19.5	23.3	24.3	25.7
Proprietors' equities.....	142.6	156.8	179.0	179.3	173.6

¹ Preliminary.

² Includes farm wages received by farm resident workers, net change in farm inventories, and all income received from nonfarm sources.

³ As of December 31.

Source: Department of Agriculture.

During the course of the year there was relative improvement in agricultural prices and incomes. Both had declined late in 1959 to their lowest points in several years; by December 1959, the index of prices received by farmers for all commodities had fallen to 230 (1910-14=100), from 244 in the first quarter of that year. The same factors responsible for that decline, principally a cyclical change in output of poultry products and hogs, were also responsible for the rise. As production of both decreased in

early 1960 their prices improved, lending strength to the average of all-product prices; by April the price index had risen to 242. Small declines after April were followed by a new recovery, and the index in December was again 242.

Price advances underpinned a rise in gross income in agriculture to an appreciably higher level in the second quarter of 1960 than in the second half of 1959 and first quarter of 1960. The increased income of the second quarter was sustained later by the harvest of large crops of price-supported grains. The movement of wheat into Commodity Credit Corporation loans in the fall of 1960 was greater than a year earlier, and the loan advances were an addition to gross income. For the entire year, gross farm income exceeded the \$37.5 billion of 1959 by \$0.4 billion, according to preliminary data.

Production expenses in 1960 were about the same as in 1959. Their near-stability ended a steady and marked 4-year rise, and was due largely to lower prices for feed and feeder livestock. Prices of most commodities bought from nonfarm sources were as high as in 1959, or slightly higher, and interest, taxes, and wage rates increased substantially.

As gross income was up and expenses of production were almost unchanged, realized net income of farm operators from farming increased a little—from \$11.3 billion in 1959 to \$11.6 billion (preliminary) in 1960. Income received from nonfarm sources, which has increased to about a third of the total income of the farm population, was up slightly in 1960, to a new record of \$6.9 billion. Total net income received by the farm population from all sources, which also includes the \$1.8 billion of farm wages received by workers who live on farms and the net change in value of farm inventories, rose to \$20.7 billion, from \$20.4 billion in 1959.

The previous uptrend in values of farm land came to a halt during 1960. As a consequence, total assets in agriculture were reduced by 2 percent during the year, to \$199 billion on December 31, 1960. Several of the factors that had sustained the previous uptrend in land values had run their course, as values reached or exceeded a historical ratio to current income. Moreover, rising taxes on the increased capital value, and higher interest charges on new mortgages, contributed to the downturn in values. Farm debts continued to rise slowly during 1960; yet at \$25.7 billion on December 31, they were only 13 percent of assets.

Current indebtedness in agriculture appears especially small in relation to the very sizable rise in the value of assets that has taken place during the last 20–25 years. Since 1940, for instance, assets in agriculture have increased three times, or by \$146 billion. While these values include farm assets held by nonfarm landlords, the larger part of the rise has accrued to operators of commercial farms. Capital gains have been one of the major elements of financial strength of commercial agriculture during the last quarter century.

NET INCOME OF SELECTED COMMERCIAL FARM TYPES

Although reported data on total farm income unfortunately do not distinguish between commercial and noncommercial agriculture, statistical series have been developed by the Department of Agriculture to describe trends in organization and income on typical commercial family-operated farms of 32 selected types. Preliminary data presented in Table B-8 for

TABLE B-8.—*Net farm income of selected types of commercial family-operated farms, 1953, 1956, and 1958-60*

[Dollars per farm]

Type of farm	1953	1956	1958	1959	1960 ¹
Wheat farms, Southern Plains.....	5,423	3,768	13,283	9,033	11,439
Cattle ranches, Intermountain Region.....	5,324	5,728	13,124	12,327	9,044
Hog-dairy farms, Corn Belt.....	6,067	5,176	7,453	6,003	5,338
Wheat-small grain-livestock farms, Northern Plains.....	3,758	6,970	6,445	2,876	4,684
Dairy farms, Central Northeast.....	3,175	3,824	4,337	4,364	4,208
Tobacco-cotton farms, Coastal Plains, North Carolina.....	3,240	3,674	3,394	2,718	3,290
Peanut-cotton farms, Southern Coastal Plains.....	2,660	2,743	3,467	2,437	2,837
Cotton farms, Black Prairie, Texas.....	3,530	899	3,035	2,483	2,110

¹ Preliminary.

NOTE.—Figures in this table were computed by applying reported prices to data on the organization of typical farms.

Source: Department of Agriculture.

eight of these types illustrate the wide variation between different types of farming—both in size of income and in fluctuations in income from year to year. In 1960, for instance, net farm income for half of the eight types was higher than in 1959; for the other half, it was lower. Bumper crops of wheat in 1960 which sold at or near support prices boosted the income of wheat farms. A moderate cyclical decline in the price of cattle reduced the income of cattle ranches from the very favorable level of the preceding two years. Recovery in prices of hogs during 1960 did not fully restore the previous year's income to hog-dairy farms of the Corn Belt. Dairy farms of the Northeast apparently experienced a small decline in income. The stability of dairy incomes in the Northeast, in comparison with the sharp variability for some other types of farm income, is brought out by the data in Table B-8.

It should be noted that net farm income as reported in Table B-8 includes returns on both capital and family labor. Large differences between farm types in the amount of capital invested, as well as in the amount of family labor utilized, account for a part of the differences in the amount of net income.

INCREASING IMPORTANCE OF COMMERCIAL FARMS

The proportion of all farms that are operating on a commercial scale, and the share of such farms in the national output of farm products, are increasing. Also, commercial farms are employing an increasing percentage of all persons engaged in agriculture. Hence commercial farming

represents a growing part of United States agriculture as a whole. In 1959, the Census of Agriculture reported that about 2.1 million commercial farms had sales of \$2,500 or more. This number was almost the same as in 1950 and 1954, and was 56 percent of all farms reported in 1959. Comparisons of this relative proportion with earlier censuses are complicated by a new definition of a farm introduced in the 1959 Census. In that year, approximately 232,000 units then in existence which would have been counted as farms according to the 1954 definition were excluded by the more restrictive new definition. If, for purposes of comparison, the 1954 definition is applied to the 1959 Census, commercial farms with sales of \$2,500 or more would have constituted 52.5 percent of all farms in 1959, a gain of 14 percent from 1950 (Table B-9).

TABLE B-9.—Number of farms, by economic class, 1950, 1954, and 1959

Economic class	Number of farms				Percent of total farms			Per-centage change in number of farms, 1950 to 1959 ¹
	1954 definition			1959 (new definition) ¹	1954 definition		1959 (new definition) ¹	
	1950	1954	1959 ¹		1950	1959 ¹		
	Thousands				Percent			
Total farms.....	5,382	4,782	3,936	² 3,704	100.0	100.0	100.0	-26.9
Sales \$2,500 and over (com-mercial).....	2,087	2,101	2,065	2,065	38.8	52.5	55.8	-1.1
Sales \$2,500 to \$4,999.....	882	811	617	617	16.4	15.7	16.7	-30.0
Sales \$5,000 to \$9,999.....	721	707	654	654	13.4	16.6	17.7	-9.3
Sales \$10,000 and over.....	484	583	794	794	9.0	20.2	21.4	64.0
Sales less than \$2,500.....	3,295	2,681	1,871	² 1,639	61.2	47.5	44.2	-43.2
Commercial.....	1,619	1,226	(³)	² 348	30.1	(⁴)	9.4	(⁴)
Noncommercial.....	1,676	1,455	(⁴)	² 1,291	31.1	(⁴)	34.8	(⁴)
Part-time.....	(⁴)	(⁴)	(⁴)	883	(⁴)	(⁴)	23.8	(⁴)
Part-retirement.....	(⁴)	(⁴)	(⁴)	405	(⁴)	(⁴)	10.9	(⁴)
Miscellaneous.....	(⁴)	(⁴)	(⁴)	3	(⁴)	(⁴)	.1	(⁴)

¹ Preliminary.

² Based on 1954 definition.

³ Not comparable with data for 1950 and 1954.

⁴ Not available.

NOTE.—The number of farms in this table is as reported in the Census of Agriculture. The total is smaller than that estimated annually by the Department of Agriculture (Table C-70) because of adjustments for underenumeration.

Sources: Department of Commerce and Department of Agriculture.

Moreover, within the 2.1 million commercial farms having sales of \$2,500 or more, those with sales of \$10,000 or more have increased as those with sales of less than \$10,000 have decreased. In 1959, 800,000 farms were in the larger category—64 percent more than in 1950. Those with sales of \$2,500–\$5,000 decreased by 30 percent, and those in the \$5,000–\$10,000 class decreased by 9 percent.

Above-average growing conditions during 1959 contributed somewhat to the increased number of farms achieving a higher sales volume.

Although expenses of production have been rising gradually, so that gross sales are not an exact measure of relative net income, it nevertheless seems likely that more and more commercial farms have succeeded in increasing their business to a volume that improves the chances of returning a satisfactory net income to the farm family. The 10-year increase of almost two-thirds in the number of farms having sales of \$10,000 or more is evidence that this is true.

All these data apply to commercial farms selling farm products valued at \$2,500 or more during the Census year. They omit those farms selling less than \$2,500 of products that are technically classed as commercial owing to lack of any other sizable income. This classification of farms was chosen both because farms selling less than \$2,500 of products are clearly inadequate as sources of farm income, and in order to facilitate statistical comparisons between Censuses.

DECREASE IN NUMBER OF SMALL FARMS

According to the Census of 1959, there were 1,639,000 farms in the United States which sold less than \$2,500 worth of farm products. This number included 348,000 so-called "midget" commercial farms—those for which the small volume of sales of farm products nevertheless was the primary source of family income. It also included 883,000 part-time and 405,000 part-retirement farms. The total of 1,639,000 was 44 percent of all farms, as enumerated according to the new definition.

All the farms omitted in the 1959 Census because of a more restrictive definition were small farms—those with less than \$2,500 of sales. When these omissions are added, in order to make comparisons with data of earlier Censuses, the number of small farms becomes 1.9 million, a substantial reduction from the 2.7 million of 1954 and 3.3 million of 1950 (Table B-9).

These reductions in numbers of small farms doubtless reflect some amelioration of the problem of low-income farms. Progress has been made in either enlarging the production resources on small farms, or in supplementing the farm income from sources off the farm. Yet also evident in recent trends is a gradual disappearance of units that have qualified as farms only by virtue of sideline "backyard" farming, a time-consuming occupation yielding minimum returns to labor.

On the other hand, the Conservation Reserve has probably shifted a number of farms of sizable acreage into the small-farms category, because of the small value of products now sold from their idled acreage.

DECLINE IN TOTAL NUMBER OF FARMS

The total number of all farms reported in the 1959 Census, according to preliminary data, was 3.7 million. By use of the same definition as in 1954, the number in 1959 would have been reported as 3.9 million, compared with 4.8 million in 1954 and 5.4 million in 1950 (Table B-9).

This 10-year decrease amounts to no less than 27 percent, and occurred, as noted above, exclusively in small farms—those selling less than \$2,500 worth of farm products per year. While a later revision of these Census data may increase the reported number of farms slightly, owing particularly to the inclusion of idled Conservation Reserve farms, it is unlikely that the basic changes as shown will be affected significantly.

INCREASE IN ACREAGE AND ASSETS OF FARMS

Year by year, commercial agriculture has become an increasingly technical enterprise demanding a high degree of managerial skill and requiring a larger acreage and investment base. Not only does the inventory of farm equipment and machinery on a typical farm now make it possible for each farmer to till more acres, but the accompanying heavy capital investment makes a larger acreage mandatory if efficiency in operation is to be achieved. The modern commercial farm uses capital in the same manner—and in larger amount per person employed—as do nonfarm manufacturing enterprises.

Between 1950 and 1959, the number of farms in every size class below 500 acres decreased (Table B-10). The percentage reductions were greatest for the smaller farms; the number having 50–99 acres was reduced by 37 percent, and the 100–139 acre group by 32 percent. Farms above 500 acres in size increased in number—to 336,000 in 1959 from 303,000 in 1950.

The quantity of assets other than land used in agriculture has risen substantially—generally faster than have land assets. From 1940 to 1960,

TABLE B-10.—*Number of farms, by acreage groups, 1950, 1954, and 1959*

Size in acres	Number of farms				Percentage change ²	
	1954 definition			1959 (new definition) ¹	1950 to 1959 ¹	1954 to 1959 ¹
	1950	1954	1959 ¹			
	Thousands					
Total farms.....	5,382	4,782	3,936	3,704	-27	-18
0-10.....	485	484	(3)	241	(3)	(3)
10-49.....	1,478	1,213	(3)	811	(3)	(3)
50-99.....	1,048	864	658	658	-37	-24
100-139.....	579	491	394	394	-32	-20
140-179.....	523	462	378	378	-28	-18
180-219.....	275	257	226	226	-18	-12
220-259.....	212	206	189	189	-11	-8
260-499.....	478	482	471	471	-1	-2
500-999.....	182	192	200	200	11	4
1,000 and over.....	121	130	136	136	12	5

¹ Preliminary.

² Based on 1954 definition.

³ Not available.

NOTE.—The number of farms in this table is as reported in the Census of Agriculture. The total is smaller than that estimated annually by the Department of Agriculture (Table C-70) because of adjustments for underenumeration.

Detail will not necessarily add to totals because of rounding. Virtually all the farms excluded from the 1959 Census (new definition) because of more restrictive definition were smaller than 50 acres in size.

Source: Department of Commerce.

when improvements on land raised the physical real estate assets in agriculture by 22 percent, the amount of machinery employed increased by 151 percent. Although livestock inventories increased by only 19 percent, all other assets combined—primarily crop inventories and demand deposits in banks—increased by 46 percent. Total production assets in agriculture increased by 30 percent during the 20-year period. These are estimated quantities, valued at constant (1947-49) prices (Table B-11).

TABLE B-11.—*Production assets used in agriculture, 1940, 1950, and 1960*

Kind of asset	1940	1950	1960	Percentage change	
				1940 to 1960	1950 to 1960
	Billions of dollars, 1947-49 prices				
Total production assets.....	83.3	95.9	108.6	30	13
Farm real estate.....	58.2	63.4	71.1	22	12
Livestock.....	12.9	13.1	15.4	19	18
Machinery and motor vehicles.....	4.1	8.6	10.3	151	20
Other ¹	8.1	10.8	11.8	46	9
	Dollars, 1947-49 prices				
Per farm ²	13,118	16,979	23,921	82	41
Per farm worker.....	7,347	9,625	14,707	100	53

¹ Includes crop inventories held for livestock feed and the portion of demand deposits owned by farmers estimated as being held to meet farm production costs.

² Based on number of farms as reported by the Department of Agriculture, according to 1954 Census definition. (See footnote 1, Table C-70.)

Source: Department of Agriculture.

As the number of farms has decreased, real production assets per farm have increased considerably. Valued in constant dollars, assets per farm advanced 82 percent between 1940 and 1960. Assets per farm worker increased even more: their average doubled during the 20 years, to \$14,700 in 1960, valued in 1947-49 dollars. Valued in 1960 dollars, farm assets per farm worker in 1960 averaged \$21,300, considerably more than the average investment of \$15,900 per employee in manufacturing in the same year. Data on average assets per farm pertain to all farms, commercial and non-commercial, as reported by the Department of Agriculture according to the pre-1960 Census definition (see Table C-70); they doubtless overstate the rate of increase, but underreport the present average size, of assets held on commercial farms alone.

FARMER COOPERATIVES IN COMMERCIAL AGRICULTURE

Today's agriculture in all its complexity, particularly its commercial part, rests on three kinds of supporting services. One is technical and educational; it begins with public elementary and secondary education, including vocational training, and ends with the broad programs of

research and education carried out by the Land Grant Colleges, Agricultural Experiment Stations, and the Federal-State Extension Service. The second is the assistance provided by Government in fields ranging from aid in soil conservation to regulation of markets for farm products, and to certain assistance in maintaining prices and incomes of farmers.

The third supporting service, one also essential to agriculture of the 1950's and 1960's, is self-provided by agriculture—the joining of individual producers in many types of cooperative associations. Farmer cooperatives, designed in manifold ways for a multitude of purposes, are in many respects a bridge between the technological and management demands of modern commercial agriculture and its decentralized, small-unit, family-farm organizational structure. As a form of business enterprise, the cooperative associations perform for agriculture what is done by corporate organization in industry and commerce.

Farmers make wide use of cooperatives in obtaining essential services ranging from marketing of farm products to purchasing of farm supplies, and including organized mortgage and production credit, electric power, telephone service, medical service, insurance, irrigation, and dairy herd improvement. In 1957–58 farmers held over 3.8 million memberships in 6,102 marketing cooperatives, and 3.5 million in 3,381 farm supply associations. The 13 banks for cooperatives, in which farmers are developing substantial ownership equities, served cooperatives with farmer memberships totaling more than 3.6 million. Memberships and participants in rural electric cooperatives number over 4.4 million (Table B-12).

TABLE B-12.—*Farmers' cooperative associations and their membership, by type*¹

Type	Number of associations	Number of members or participants (thousands) ²
Marketing, supply, and service.....	9,716	7,485
Marketing.....	6,102	3,878
Purchasing.....	3,381	3,543
Miscellaneous service.....	233	64
Federal land bank associations.....	831	374
Production credit associations.....	494	508
Banks for cooperatives.....	13	3,650
Rural credit unions.....	550	150
Rural electric cooperatives.....	908	4,420
Rural Electrification Administration telephone cooperatives.....	210	405
Rural health cooperatives.....	19	66
Farmers' mutual fire insurance companies.....	1,625	3,000
Mutual irrigation companies.....	9,374	138
Dairy herd improvement associations.....	1,509	41
Dairy cattle artificial breeding associations.....	47	636

¹ Data apply to dates ranging from 1957 to 1960, except that mutual irrigation company data are for 1950.

² Estimated.

Source: Department of Agriculture.

Provisions of Federal law have long granted farmer cooperatives certain exemptions from the Federal corporate income tax. Under legislation enacted in 1951, the exemptions were narrowed and tightened. To qualify, a

cooperative must be farmer owned and controlled, must do virtually all of its business with farmers and a major part with members, and must meet several other criteria. About 60 percent of all cooperatives currently elect to take advantage of the right to exemption.

In 1957-58, the 9,700 marketing, farm supply, and service cooperatives did an aggregate business volume of \$10.7 billion, exclusive of intercooperative sales (Table B-13). The average volume of a little over \$1 million

TABLE B-13.—*Net business volume of farmer cooperative associations engaged in marketing, farm supply, and related services, 1957-58*

Item	Farmer cooperative associations ¹	
	Number	Net business (millions of dollars)
Total business.....	9,716	10,693
Products marketed for patrons.....	6,855	8,261
Dairy products.....	1,771	2,913
Grain, soybeans, soybean meal and oil.....	2,692	1,678
Livestock and poultry.....	(²)	1,644
Fruits and vegetables.....	759	787
Cotton and cotton products.....	613	413
All other products.....	(²)	826
Supplies purchased for patrons.....	7,339	2,185
Feed.....	4,523	808
Fertilizer.....	4,222	283
Seed.....	3,820	96
Petroleum products.....	2,784	552
Building materials.....	1,498	76
All other.....	(²)	370
Receipts for services.....	5,465	247

¹ Preliminary data as developed by Farmer Cooperative Service.

² Not available.

NOTE.—Detail does not add to totals because individual cooperatives may perform multiple services.

Source: Department of Agriculture.

per cooperative, however, masks the diversity in size and scope of individual associations; whereas some are small and localized, others are large nationwide federations. It is estimated that for each of more than 80 percent of all cooperatives the annual business volume is less than \$1 million. Yet for each of about 100 cooperatives the annual business exceeds \$20 million. A number of the larger cooperatives have resulted from mergers and consolidations. Many regional or national federations of cooperatives also have been established.

Recently, farmers have turned to cooperative action as a means of forestalling loss of management control of their farming through vertical integration. Vertical integration has increased in some sectors of agriculture, such as the production of commercial broilers.

Farmers have also found cooperatives helpful in connection with the adoption of marketing agreements under agricultural price support legislation and the operations authorized by them.

As of January 1, 1960, farmers had slightly over \$4 billion invested in marketing, farm supply, telephone, irrigation, insurance, and rural electric cooperatives, cooperative production credit associations, and the Federal land bank system.

ADJUSTMENT OF FARM PRODUCTION THROUGH THE CONSERVATION RESERVE PROGRAM

Programs of the Federal Government to support prices of farm products are of significance chiefly to commercial farmers. Small farmers benefit from them only in proportion to the volume of produce they have to sell, which invariably is small.

Price-support programs have been accompanied by an accumulation of huge stocks of wheat and corn and smaller quantities of cotton, small feed grains, tobacco, and other commodities by the Federal Government, despite aggressive efforts to make food available in distribution programs at home and in both distribution and sales programs abroad. In an effort to relieve the condition resulting from surpluses and the accumulation of stocks, Soil Bank programs were introduced beginning in 1956. About 12.2 million acres of cropland were placed in the Acreage Reserve of that year. Participation increased to 21 million in 1957, then declined to 17 million in 1958, the final year of the program (Table B-14).

The Acreage Reserve applied only to crops subject to acreage allotments, and only those farmers who complied with allotments were eligible to participate. The Conservation Reserve was originally a supplement to the Acreage Reserve, and later supplanted it. The Conservation Reserve is not confined to allotment crops; all cropland is eligible. In recent years emphasis has been placed on obtaining participation by entire farms. The leased land must be protected by adequate conservation practices, for which cost-sharing payments are made available under specified conditions. Participation increased to 28.7 million acres on 306,000 farms in 1960. The average rental per acre was \$11.85. Obligations for payments for both rental and cost-sharing practices were \$368 million in 1960.

Since the Congress did not authorize any further increase, the Conservation Reserve in 1961 will be confined to land already under contract. Because only about 100,000 acres of contracts are due to expire, 28.6 million acres will remain under Reserve. In the absence of new authority, the Reserve acreage would decline slowly until 1963, and more rapidly thereafter (Table B-15).

In 1960 a total of 17 million acres of land that would otherwise have grown wheat, corn, and small feed grains were removed from production by the Conservation Reserve contracts. This amounted to only 9 percent of the combined acreage of the three crops. Since the quality of land

TABLE B-14.—*Acreage Reserve and Conservation Reserve Programs, 1956-60*

Item	Acreage Reserve Program			Conservation Reserve Program				
	1956	1957	1958	1956	1957	1958	1959	1960
Thousands								
Number of contracts.....	548	914	1,049	16	80	126	246	306
Millions of acres								
Cropland acreage in the reserve.....	12.2	21.4	17.2	1.4	6.4	9.9	22.4	28.7
Whole farms.....				(1)	5.3	7.5	14.8	20.4
Part farms.....	12.2	21.4	17.2	(1)	1.1	2.4	7.6	8.3
Cropland acreage idled: ²								
Wheat.....	5.7	12.8	5.3	(1)	.5	.8	2.3	3.2
Corn.....	5.3	5.2	6.7	(1)	.9	1.5	3.5	4.6
Small feed grains.....				(1)	3.5	5.0	7.9	9.4
Rice.....	(1)	.2	.2	(1)	(1)	(1)	(1)	(1)
Cotton.....	1.1	3.0	4.9	(1)	.1	.2	.5	.7
Tobacco.....	(1)	.1	.1	(1)	(1)	(1)	(1)	(1)
All other crops ³				(1)	1.7	2.8	8.7	11.4
Millions of dollars								
Obligated payments.....	260	614	696	23	100	118	360	368
Rental.....	260	614	696	12	57	87	259	339
Cost-sharing in conservation practices ⁴				11	43	31	101	29

¹ Not available.

² Acreage of crop allotments idled under Acreage Reserve; estimated acreage under Conservation Reserve. Total acreage for Conservation Reserve exceeds Reserve acreage due to double-cropping and other multiple uses.

³ Less than 50,000 acres.

⁴ Includes acreage that had intermittently been idle, fallow, or a failure.

⁵ Payments obligated for any year will be distributed during several years.

Source: Department of Agriculture.

TABLE B-15.—*Conservation Reserve Program acreage under contracts for future years, 1961-69*

Year	Acreage (millions of acres)
1961.....	28.6
1962.....	26.4
1963.....	25.2
1964.....	17.6
1965.....	14.0
1966.....	13.4
1967.....	11.5
1968.....	10.1
1969.....	3.6

NOTE.—Data are for contracts in force December 31, 1960.

Source: Department of Agriculture.

under Conservation Reserve lease was somewhat below average, the actual adjustment achieved in output was less than 9 percent.

CHANGES IN LOW-INCOME FARMS

On the 1.6 million small farms reported in the 1959 Census (Table B-9), the income earned from farming alone is low by any standard. Persons living on those farms can be divided into three groups: (1) those of working age who receive an income from nonfarm sources that is satisfactory, either of itself or when combined with the net income earned on the farm; (2) those past working age whose income status depends in large measure on retirement income available to them, derived from social security, private retirement plans, or private investments; and (3) those of working age who depend principally for their income on the operation of units with very small economic resources.

This third group faces more serious economic problems than do the other two, and from the standpoint of the national economy it represents a pool of human resources that is partially wasted. This group is a principal focus of the Rural Development Program. Since 1955 that program has coordinated and directed the efforts of various departments and agencies of the Federal Government, in cooperation with State and local organizations, toward rural betterment. In addition to five departments of the Federal Government, the Small Business Administration has been particularly active in assisting development of low-income areas.

The primary objective of the Rural Development Program is to build up local economic resources of low-income areas and to provide job opportunities for rural people. In some low-income areas where local resources are inadequate or have not been developed sufficiently to alleviate serious underemployment or unemployment, regional decreases in population are taking place. The 1960 Census of Population shows that within the national pattern of geographic shifts in distribution of the population, resulting primarily from internal migration, a number of localities previously designated as low income have increased their population in the last decade, some at more than the national average rate, others at less than the national rate. Usually these increases reflected new opportunities that developed for local employment. In other low-income localities the resident population remained constant or declined.

The Atlantic Coast and Piedmont regions were the main ones with above-average population gains. There, vigorous industrial development or expanded military installations contributed to growing local employment. Regions in which the population decreased were primarily those of the upper Appalachian and the South Central areas extending from eastern Oklahoma and Texas to Mississippi.

The decade of the 1950's lowered, in general, the population density in the rural low-income areas relative to the rest of the country. As indicated by Table B-16, the total population of the Nation increased by 18.4 per-

TABLE B-16.—Total population and population in low-income farming areas, 1950 and 1960

Area classification	Population ¹				Percentage change 1950 to 1960 ²	
	Total		Nonmetropolitan		Total	Non- metro- politan
	1950	1960	1950	1960		
	Millions of persons					
Total population.....	150.7	178.5	66.2	72.6	18.4	9.7
Low-income farming areas ³	34.8	36.6	29.8	30.7	5.2	3.2
By income:						
Moderately low-income.....	12.3	13.1	10.7	11.3	6.4	5.6
Substantially low-income.....	8.4	9.2	7.1	7.6	10.2	7.3
Seriously low-income.....	14.2	14.4	11.9	11.8	1.3	-1.3
By location:						
Appalachian Mountain and border areas.....	12.1	12.1	9.7	9.5	-.5	-1.9
Southern Piedmont and Coastal Plains.....	9.6	11.1	8.1	9.0	15.2	11.8
Southeastern Hilly areas.....	3.4	3.4	3.2	3.1	-.6	-3.0
Mississippi Delta.....	2.3	2.4	2.2	2.2	3.7	1.8
Sandy Coastal Plains ⁴	2.2	2.1	2.2	2.1	-6.3	-6.3
Ozark-Ouachita Mountains and border areas.....	1.9	1.9	1.7	1.6	-2.1	-5.0
Northern Lake States.....	1.8	2.0	1.4	1.6	9.9	8.4
Northwestern New Mexico.....	.3	.5	.3	.5	58.1	58.1
Cascade and Rocky Mountain areas..	1.0	1.2	1.0	1.2	16.7	16.7

¹ As of April 1.

² Based on actual number of persons.

³ For description of areas, see *Development of Agriculture's Human Resources—A Report on Problems of Low-Income Farmers*, House Document No. 149, 84th Congress, 1st Session.

⁴ Plains of Arkansas, Louisiana, Oklahoma, and Texas.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Department of Agriculture.

cent from 1950 to 1960, while the increase in the low-income farming areas was only 5.2 percent. In the areas with serious social and economic problems, the increase was a mere 1.3 percent. The nonmetropolitan population of the Nation as a whole increased by 9.7 percent, but in all low-income farm areas it increased only 3.2 percent. In the serious problem areas, the nonmetropolitan population actually decreased by 1.3 percent. Data in Table B-16 are broad totals developed for areas as described in a special report prepared for the 84th Congress, published in 1955.

Of the low-income areas for which data are presented in Table B-16, only one, that surrounding the fast-growing city of Albuquerque, had a total population growth during the 1950's that exceeded the national average rate.

While notable improvement made it possible for a number of areas to retain their local population during the 1950-60 period of high level performance of the economy, there is still a problem of underemployment in many areas, i.e., an excessive potential supply of labor and a need for more opportunities for employment, particularly off the farm.

III. United States Foreign Trade and Payments

In 1960, the United States merchandise trade position improved substantially. This improvement, however, was largely offset by increased outflows of short-term capital, mainly in response to more attractive interest rates abroad. The over-all balance of payments thus showed a sizable deficit for the third consecutive year. As the capital outflow accelerated during the year, the over-all deficit in the balance of payments increased from a seasonally adjusted annual rate of \$2.6 billion in the last quarter of 1959 to a rate of \$4.1 billion in the third quarter of 1960 (Table B-17).

In the closing months of the year, the deficit—omitting one large transfer of private capital for direct investment abroad—appears, on the basis of incomplete data, to have diminished somewhat. The surplus on goods and services rose further. The outflows of liquid capital, which were

TABLE B-17.—*United States balance of payments, 1959-60*

[Billions of dollars, seasonally adjusted annual rates]

Payment or receipt	1959				1960		
	First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter ¹
United States payments ²	28.1	30.1	30.1	30.2	29.8	30.7	31.5
Merchandise imports.....	14.4	15.7	15.8	15.4	15.2	15.4	14.9
Services and military expenditures.....	8.1	8.1	8.3	8.4	8.6	8.7	8.7
Remittances and pensions.....	.7	.8	.8	.8	.8	.9	.9
Government grants and related capital outflows.....	2.5	2.4	2.5	2.5	2.5	3.0	2.5
United States private and other Government capital outflows.....	2.4	³ 3.1	2.6	3.2	2.8	2.7	4.6
United States receipts ²	23.9	24.1	25.8	26.2	27.3	28.4	28.5
Merchandise exports.....	15.3	15.8	17.3	16.5	18.4	19.5	20.0
Services and military transactions.....	7.1	7.0	7.3	7.5	7.5	7.7	7.8
Repayments on U.S. Government loans.....	1.2	.6	.6	1.7	.7	.6	.7
Foreign long-term investments in United States.....	.3	.8	.6	.5	.7	.6	(⁴)
Errors and omissions, net receipts or payments (-).....	.6	1.4	-3	1.4	-1	-6	-1.1
Total (balanced by decline in United States gold holdings and increase in recorded liquid liabilities).....	-3.6	³ -4.6	-4.5	-2.6	-2.6	-2.8	-4.1

¹ Preliminary.

² Transfers of military aid are excluded both from exports and from grants.

³ Excludes \$1,375 million for increase in United States subscription to the International Monetary Fund.

⁴ Less than \$50 million.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

still large in October, the time of the speculative flurry on the London gold market, seem to have fallen off following the reductions in short-term rates in several European countries and the announcement of various measures to reduce the payments deficit which confirmed United States determination to defend the dollar.

The increase in the over-all deficit in the balance of payments in the second half of the year was accompanied by a rise in foreign acquisitions of gold from the United States. The drop in the United States gold stock during 1960 amounted to \$1.7 billion, against \$2.3 billion in 1958 and \$1.1 billion in 1959. The 1960 reduction was moderated, as was that of 1959, by the sale of \$300 million of gold to the United States by the International Monetary Fund, designed to enlarge the income earning assets of the Fund. Despite its decrease during the year, the United States gold stock of \$17¾ billion at the end of 1960 was almost one-half of the total held by all countries of the free world.

IMPROVEMENT IN CURRENT ACCOUNT SURPLUS

The surplus of United States transactions on goods and services improved steadily throughout 1960. By the third quarter it reached a seasonally adjusted annual rate of over \$4 billion, a shift of more than \$5 billion from the sizable deficit recorded in the second quarter of 1959. The improvement occurred chiefly in the merchandise trade account; the combined movement in service transactions remained small. Among the service receipts, income on investments increased for the second consecutive year, following a small decrease in 1958. On the payments side, military expenditures abroad, which had already fallen somewhat in 1959, declined slightly, although they still were at an annual rate of about \$3 billion. Payments on transportation and travel, however, continued to rise rapidly.

The merchandise trade surplus rose to a seasonally adjusted annual rate of more than \$5 billion by the third quarter of 1960. Except during the 1956-57 period of the Suez crisis, the surplus had not been so large since the early postwar years, when Marshall Plan aid swelled exports. For 1960 as a whole, it probably exceeded \$4.5 billion, far above the \$0.9 billion of 1959.

Exports made the largest contribution to the improvement in the trade surplus. From an annual rate of \$15.3 billion in the first quarter of 1959 they rose to an annual rate of \$20.0 billion in the third quarter of 1960, and continued at a high rate in the fourth quarter. A higher export level had been achieved only in the Suez-crisis months of early 1957, when fuel exports were at a record annual rate, about \$1.5 billion above that for 1960. The near record rate of exports in the second half of 1960, moreover, was achieved despite weakness in two of our major export markets, Canada and Latin America.

The year's upsurge in exports covered a broad range of commodities, but the sharpest increases, on the whole, were recorded by a variety of crude

and semimanufactured materials (Table B-18). Coal was an exception, as import restrictions on coal continued to prevail in several countries of Western Europe. The advance in total exports was the result of a combination of circumstances: the boom in business activity in most industrial countries outside of North America; the removal of many foreign import restrictions on United States goods; an increase in sales of surplus farm products for foreign currencies; and, finally, some improvement in our competitive position in world markets.

TABLE B-18.—United States merchandise exports, 1956-60

[Millions of dollars]

Commodity	1956	1957	1958	January-October	
				1959	1960
				Annual rates	
Total exports, excluding "special category".....	16,901	18,868	15,823	15,502	18,550
Foodstuffs.....	2,423	2,325	2,223	2,386	2,586
Grains and preparations.....	1,342	1,370	1,297	1,418	1,618
Coal and related products.....	746	846	534	397	371
Petroleum and products.....	652	872	462	406	434
Cotton, unmanufactured.....	729	1,059	661	342	906
Oilseeds and crude vegetable oils.....	305	374	270	377	428
Rubber and manufactures.....	276	300	273	319	382
Wood, paper, and products.....	446	482	450	499	612
Textile semi- and finished manufactures.....	630	667	600	611	694
Iron and steel-making raw materials.....	362	432	138	184	306
Iron and steel-mill products.....	762	993	563	390	632
Nonferrous metals.....	407	440	341	280	691
Aluminum.....	47	46	47	67	175
Copper and copper-base alloys.....	276	304	230	137	376
Machinery.....	3,580	4,005	3,682	3,661	4,036
Industrial machinery.....	2,152	2,502	2,269	2,198	2,465
Tractors, parts, and accessories.....	390	380	311	366	394
Automobiles, parts, and accessories.....	1,359	1,309	1,087	1,146	1,207
Passenger cars and chassis, new.....	334	301	260	221	215
Aircraft and engines.....	184	267	217	133	570
Chemicals.....	1,239	1,379	1,343	1,460	1,672
All other, including reexports.....	2,802	3,118	2,975	2,911	3,023

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

In addition, increases from 1959 to 1960 in exports of four major categories of commodities reflected special circumstances that had depressed exports in 1959. Exports of raw cotton in 1960 were substantially larger than in 1959, when foreign purchasers awaited an increase in the United States Government export subsidy and a consequent lowering of price. However, the heavy volume of cotton exports in 1960 also reflected the boom abroad. Similarly, aircraft shipments, which had dropped in 1959 as deliveries of piston aircraft fell and production of jet aircraft was not

fully under way, mounted rapidly in 1960 as a result of an unusual backlog of orders for jet aircraft. In 1959, domestic stockpiling in anticipation of strikes in the steel and copper industries, and small output during the strikes, reduced supplies of those products available for export that year; in 1960, shipments were at a more normal level. The increase in steel and copper exports in 1960 also reflected the high economic activity in Western Europe and Japan, although these exports fell off somewhat after the third quarter, with the easing in demand pressures in some of these countries. In addition, the rise in copper exports in 1960 was in part a byproduct of the uncertainties surrounding supplies from African and Latin American sources.

The impact which the business upswing abroad had on United States exports in 1960 can be gauged by the geographical distribution of the year's export gains: three areas of the world experiencing the most pronounced industrial boom—Western Europe, Japan, and Australia—which took somewhat more than one-third of our exports in 1959 were responsible for over four-fifths of the rise in exports in the first 10 months of the year. On the other hand, exports to two of our other major markets—Canada and Latin America—which in 1959 absorbed almost one-half of our exports,

TABLE B-19.—*United States merchandise imports, 1956-60*

[Millions of dollars]

Commodity	1956	1957	1958	January-October	
				1959	1960
				Annual rates	
Total imports for consumption.....	12,516	12,951	12,786	14,753	14,782
Food:					
Meat products.....	146	184	337	406	337
Coffee.....	1,439	1,376	1,172	1,091	1,015
Sugar.....	437	459	523	542	524
Other food.....	1,182	1,274	1,427	1,400	1,424
Crude rubber ¹	398	349	248	373	334
Wool, unmanufactured.....	243	211	165	233	208
Sawmill products.....	306	243	264	346	322
Newsprint.....	688	657	614	648	678
Petroleum and products.....	1,286	1,548	1,636	1,517	1,501
Iron and steel-mill products ²	212	212	230	517	539
Nonferrous ores and metals.....	1,439	1,347	1,024	1,082	1,165
Copper.....	502	384	249	254	407
Textile semi- and finished manufactures.....	648	635	637	827	955
Machinery.....	355	424	472	636	707
Electrical.....	100	144	167	228	258
Industrial ⁴	139	152	130	169	215
Automobiles, except trucks, new.....	127	302	489	725	554
Chemicals and related products.....	274	276	282	344	359
All other.....	3,337	3,453	3,301	4,066	4,159

¹ Excludes \$34 million which is included in commodity data.

² Includes latex.

³ Excludes pig iron and scrap.

⁴ Excludes office appliances and printing machinery.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

declined slightly. Sales to Canada had expanded quite rapidly in 1958-59, but began to fall early in 1960, reflecting the dip in economic activity there. The small decline in total sales to Latin America in 1960, compared with 1959, was due to sharp drops in shipments to Cuba and Venezuela, caused by the political and foreign exchange crises in those two countries. Exports to most of the 18 other Latin American countries rose in 1960.

Changes on the import side of the trade accounts were less marked than those on the export side. Merchandise imports edged down from late 1959 and in the third quarter of 1960 were at an annual rate (seasonally adjusted) of just below \$15 billion, nearly \$1 billion less than a year earlier. All major economic categories accounted for this decrease. In the closing months of the year, total merchandise imports declined further. The year's slight change in the import total was the result of generally small changes, upward and downward, in the various import categories (Table B-19). Special nonrecurring factors worked in both directions. Imports of meat declined as domestic supplies of beef increased from the rather low levels obtaining in 1958 and 1959. On the other hand, the steel and copper strikes led to a temporary rise in imports of these commodities in the first part of the year. Changes in other import categories reflected the easing of domestic demand (declines in imports of some materials), the weakness of primary commodity prices (e.g., coffee and wool), and the shifting competitive position of manufactures (e.g., increases in imports of textile manufactures and the decline in automobile imports), which is discussed below.

SHARP INCREASE IN CAPITAL OUTFLOWS

The divergence between cyclical developments in most foreign industrial countries and in the United States, which contributed to the improvement in the United States trade position in 1960, also contributed to the sizable capital outflows that increased both the deficit in the over-all balance of payments and the drain on the United States gold stock. Some of this movement of capital reflected the attractiveness in 1960 of stock market investments in a number of Western European countries, compared with the United States. The greater part of it, however, appears to have resulted from the enlarged margin by which interest rates abroad, particularly in the short-term area, exceeded those in this country, and some of it was probably caused by increased international political and economic tensions.

The combined total of net outflows of Government loans and grants, of pensions and remittances, and of United States private long-term investment, on the other hand, changed little between the first three quarters of 1959 and of 1960. While the net outflow of Government loans and grants increased somewhat—because of smaller repayments (including repayments ahead of schedule) on United States Government loans, the \$80 million subscription to the new Inter-American Development Bank, and larger acquisitions of foreign currencies as payment for United States Govern-

ment sales of surplus agricultural commodities—the net recorded outflow of private long-term United States capital declined slightly.

The outflow of liquid capital funds gathered force slowly in 1960; in the third quarter, however, it reached sizable proportions as interest rates declined and monetary conditions eased further in the United States, while interest rate increases and monetary tightening abroad continued. Large-scale movements of liquid funds between international money centers in response to interest-rate changes have taken place in other recent years; but owing to a combination of circumstances resulting mainly from the economic recovery of industrial countries outside North America, this latest movement was much greater. The revived strength of Europe's major currencies, capped with the establishment of convertibility at the close of 1958, made it possible for private European holders in 1959 greatly to increase their short-term dollar assets. Monetary tightening in Europe and easing in the United States in 1960 then led to the repatriation of sizable amounts of these funds. At the same time, fear of a possible weakness of Europe's currencies and of an inability to repatriate funds because of foreign restrictions disappeared as a deterrent to United States corporations and other investors interested in taking advantage of higher interest rates abroad. Moreover, United States corporations, having become accustomed to investing temporarily surplus funds in United States Treasury bills and other marketable instruments, rather than just in bank deposits, had less hesitation than previously in purchasing higher-yielding foreign Treasury bills.

The resulting outflow of United States private capital in the second and third quarters of 1960 was considerably larger than in the first half of 1958, when interest-rate differentials also favored investment abroad but when the general climate was less favorable to such capital movements. However, in the recent period, the capital that moved was primarily of a short-term type. In 1958 there had been a relatively large outflow of funds resulting from the flotation in the United States of new bond issues of foreign and international borrowers. In 1960, this type of outflow was much smaller. Both the International Bank for Reconstruction and Development and various Canadian corporations, provinces, and municipalities, which in 1958 borrowed heavily in the United States, had less need to obtain funds in this country. More important perhaps, long-term United States interest rates did not decline in 1960 to the levels reached in early 1958. In addition, purchases of outstanding foreign bonds by United States investors in 1960 were probably motivated not only by considerations of yield but also by the expectation of capital gains, since long-term interest rates abroad were thought to be headed down again.

Another difference between 1960 and the earlier period—also related to reductions of fears about leading foreign currencies—appears to have been the relative importance attained by so-called uncovered movements of funds. Investors interested in taking advantage of higher short-term yields abroad can cover themselves, at the time they make the investment, from

the foreign exchange risk by entering a forward foreign exchange contract to sell the foreign currency that they purchase. Such covering usually involves a cost which may substantially reduce the incentive to invest short-term funds abroad. In 1960, this cost was quite high for short-term investment in several countries. At the same time, interest-rate differentials were frequently so large that some investors reportedly felt that the profit of uncovered movements of funds was sufficiently great to compensate for the risk of exchange losses. The fluctuations in the interest-rate incentive to invest short-term funds abroad—on both a covered and an uncovered basis—are indicated in Table B-20 in terms of Treasury bill rates for the United Kingdom, which appears to have been a major recipient of interest arbitrage funds from the United States in 1960, and for Canada, toward which the incentive shifted several times.

TABLE B-20.—*Treasury bill rates in the United States, Canada, and the United Kingdom, 1958-60*

[Percent per annum; weekly averages]

Period	3-month Treasury bill rates			Excess of foreign rate over United States rate			
				Without forward cover		With forward cover ¹	
	United States	Canada	United Kingdom	Canada	United Kingdom	Canada	United Kingdom
1958: First quarter.....	1.84	2.98	6.02	1.14	4.18	0.18	0.69
Second quarter.....	1.02	1.65	4.92	.63	3.90	.18	.44
Third quarter.....	1.71	1.54	3.87	-.17	2.16	-.26	.40
Fourth quarter.....	2.79	3.07	3.43	.28	.64	.17	.08
1959: First quarter.....	2.80	3.73	3.18	.93	.38	.41	.04
Second quarter.....	3.02	4.90	3.34	1.88	.32	.55	-.08
Third quarter.....	3.55	5.58	3.48	2.03	-.07	-.02	.08
Fourth quarter.....	4.30	4.98	3.48	.68	-.82	-.32	-.21
1960: First quarter.....	3.94	4.45	4.40	.51	.46	.12	.36
Second quarter.....	3.09	3.05	4.70	-.04	1.61	.09	.68
April.....	3.24	3.40	4.65	1.16	1.41	.19	.56
May.....	3.39	2.87	4.58	-.52	1.19	-.37	.44
June.....	2.64	2.87	4.89	.23	2.25	.46	1.04
Third quarter.....	2.39	2.53	5.56	.14	3.17	.21	1.07
July.....	2.40	3.13	5.58	.73	3.18	.58	1.13
August.....	2.29	2.59	5.58	.30	3.29	.30	1.29
September.....	2.49	1.88	5.53	-.61	3.04	-.26	.80
Fourth quarter.....	2.36	3.22	4.85	.86	2.49	.65	1.08
October.....	2.43	2.64	5.37	.21	2.94	.47	1.03
November.....	2.38	3.42	4.74	1.04	2.36	.73	.99
December.....	2.27	3.61	4.44	1.34	2.17	.76	1.21

¹ New York foreign exchange rates received through the Federal Reserve Bank of New York.

NOTE.—Because of significant rate fluctuations, averages of weekly rates often conceal wider differentials that may exist at one particular time. The figures presented above thus are at times only an approximate indication of actual yield differentials.

Sources: International Monetary Fund and Federal Reserve Bank of New York.

Interest-rate differentials in favor of foreign countries declined somewhat toward the close of 1960, and the outflow of funds appears to have diminished. While gaps in the collection of balance of payments data prevent the making of accurate estimates of many types of capital flows, the outflow of liquid capital in the third quarter may have been as high as \$1 billion, or

only slightly less than the over-all payments deficit in that quarter. Some of this outflow probably was recorded in the payments category of direct investments in Europe, the amount of which almost doubled between the second and third quarters of 1960. There are indications that this reflected in part increased short-term investments abroad by foreign affiliates of domestic corporations. A sizable part of the liquid capital outflow was not recorded as such because of deficiencies in the available data, but it appears in the balance of payments as "unrecorded transactions." In the third quarter of 1960, there was an outflow of almost \$300 million in these transactions, compared with an average quarterly inflow of \$150 million during the preceding five years. A large part of these unrecorded movements probably occurred in response to interest-rate differentials, and may include unrecorded shifts due to leads and lags in commercial payments.

It is noteworthy that, under the definition of the United States over-all balance of payments deficit, increases in our liquid liabilities to both private and official foreign holders enlarge the deficit, but increases in our liquid claims on foreigners do not reduce it; that is, outflows of short-term United States funds increase the payments deficit, even though they are matched by an increase in United States liquid assets. Since these assets are privately owned and are not necessarily available to meet the country's international obligations, they are not considered the equivalent of gold. Our liquid liabilities, on the other hand, are potentially, at least, alternatives to gold as a form in which foreign countries can keep their international assets; therefore, in measuring the United States deficit, their changes are included with changes in the United States gold stock.

It should also be pointed out that the recent large outflow under unrecorded transactions exaggerated the apparent size of the over-all payments deficit to the extent that the funds in question were foreign-owned short-term funds. If these funds had been recorded at the point in the past when they moved into the United States, they would have increased the recorded deficit at that time, instead of enlarging recorded receipts; their subsequent repatriation would have been registered merely as a shift in foreign ownership, mainly from private to official hands. This is, of course, what occurred in the case of recorded repatriation of short-term foreign funds. This repatriation did not affect the size of the total deficit, but added to official dollar balances and thereby enlarged the demand for United States gold.

UNITED STATES PAYMENTS IN LONGER PERSPECTIVE

Beginning in 1950, the United States balance of payments has been in deficit every year except 1957. In each of the last three years, moreover, the deficit was more than twice the average of the preceding seven deficit years. Initially, the deficit was related to United States efforts to speed the recovery of the war-shattered economies of the free world, and to help these countries rebuild their reserves. In the last few years, however, the continuation of a deficit on such a large scale could no longer be explained on those grounds.

It is extremely difficult to connect the deficit with any particular category of payments, since the interactions of the various components of the balance of payments are very complex. By and large, however, the deficit has reflected the postwar economic comeback of Western Europe and Japan together with continued large expenditures for defense and foreign aid which the United States has made in discharging its international responsibilities. Since the end of the war, the total of Government payments under military expenditures and nonmilitary grants and loans has changed relatively little, except for a sharp rise in 1947 and a moderate decline in the early 1950's; since the early postwar years, an increase in military expenditures abroad has been about as large as the decline in nonmilitary grants and loans, but it must be noted that the former have a greater impact on the deficit than the latter. Total United States economic assistance to foreign countries nevertheless remains large, and most of it is now directed to less developed countries. United States Government expenditures on economic assistance to less developed countries during 1956-59, as well as United States private loans and investments in these areas, are shown in Table B-21, together with such outlays by other industrial countries.

TABLE B-21.—*Expenditures for foreign economic assistance and other contributions to less developed countries, 1956-59 total*

[Billions of dollars]						
Contributing countries	Total	Official ¹	Private ²	Including reparations, export credits, and reinvested earnings		
				Total	Official	Private
Total	22.3	15.0	7.3	27.7	15.9	11.7
United States.....	12.8	8.9	3.9	14.1	8.9	5.2
Belgium.....	.3	.1	.2	.4	.1	.3
Canada.....	.3	.2	.1	.5	.2	.2
France ³	4.1	3.0	1.1	4.2	3.0	1.2
Germany.....	1.1	.9	.3	2.7	1.5	1.1
Italy.....	.3	.2	.1	.6	.3	.3
Japan.....	.3	.3	.1	.6	.5	.1
Netherlands.....	.3	.2	.1	.9	.2	.7
United Kingdom.....	2.2	1.1	1.1	3.1	1.1	2.0
Others ⁴.....	.4	.1	.3	.7	.1	.6

¹ Official net bilateral contributions (grants and loans, including assistance through sale of farm products for foreign currencies, i.e., currency claims acquired less currencies disbursed) and net contributions to multilateral agencies.

² Private net bilateral contributions (private lending and investment) and net contributions to multilateral agencies.

³ Data for France are minimum and provisional and do not include reinvested earnings.

⁴ Includes Austria, Denmark, Ireland, Luxembourg, Norway, Portugal, Sweden, and Switzerland.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Various national sources.

Among nongovernmental transactions, net private long-term capital outflows have risen substantially since the end of the war. At the same time, there has been an increase of about the same size in net earnings on services other than military transactions. Within this service total, net expenditure on travel has been rising, but net earnings on investments have increased by a greater amount. In the last two years, net private income on investments abroad has approximately equaled private United States long-

term investment abroad. The merchandise trade surplus has changed quite sharply from year to year during the postwar period, and the fluctuations in the over-all payments balance have roughly paralleled these swings, except in 1956 and in the last two years when capital movements also fluctuated sharply.

Although the increase in aggregate merchandise exports since the early postwar years has been uneven, the amount of the increase has been substantial. The total of almost \$19.5 billion estimated for 1960 compares with an annual average of \$13.3 billion in the first four postwar years when exports were boosted by heavy relief and aid shipments. In the whole period since the war, the advance in exports has been slower than the growth of GNP, but since the early 1950's exports have risen at about the same rate as GNP. In 1960, merchandise exports were equal to 3.9 percent of GNP, the same proportion as in 1950-52, but somewhat below the proportion of 1956 and 1957.

Agricultural exports have increased somewhat less rapidly than aggregate exports since the war, but in 1960, when they were at an estimated \$1 billion above the 1946-49 average, they still accounted for almost one-fourth of the export total. Shipments aided by Government subsidy or Government financing, including sales for foreign currencies, continue to be a significant part of total agricultural exports. In the fiscal year 1960, agricultural exports within the Public Law 480 and Mutual Security programs, under which the United States donates or exchanges farm products or sells them for local currencies which find only restricted use, amounted to \$1.3 billion, or 29 percent of total agricultural exports. Sales for dollars that were aided by export payments or similar programs, including Government loans, were another 29 percent of the total. It must not be forgotten, however, that United States agricultural exports still face stringent restrictions abroad.

Since the first postwar years, exports of finished manufactures have expanded by about the same rate as total exports, and those of industrial materials at a somewhat faster rate. In 1960, finished manufactures (excluding Mutual Security program shipments) accounted for about 55 percent of United States nonmilitary exports, and industrial materials for about 30 percent. Capital equipment and industrial supplies and materials, products that are very sensitive to business fluctuations abroad, accounted for more than 70 percent of total exports.

As was to be expected, the share of the United States in world exports of manufactures has declined from the very high level in the first postwar years. Since the economic recovery of Western Europe and Japan was a major goal of United States postwar foreign economic and mutual security policies, it was inevitable that, with the success of these policies, the countries whose exports had suffered most by the war and its aftermath would improve their position in world markets. Nevertheless, despite the persistence of some restrictions against our products, our share of world exports of manufactures remains above prewar (Table B-22).

TABLE B-22.—*Industrial countries' shares of exports of manufactures, 1938, 1950, and 1957-60*[Percent of total ¹]

Period	United States ²	United Kingdom	Germany ³	France	Japan	Others ⁴
1938.....	20.0	22.1	22.7	6.5	6.6	22.0
1950.....	27.3	25.5	7.3	9.9	3.4	26.6
1957.....	25.4	18.0	17.5	8.0	6.0	25.1
1958.....	23.3	17.8	18.5	8.6	6.0	25.7
1959: First quarter.....	23.1	18.4	18.3	8.7	6.2	25.4
Second quarter.....	21.9	17.8	18.6	9.5	6.4	25.8
Third quarter.....	21.1	16.8	19.5	8.8	6.9	26.8
Fourth quarter.....	19.3	16.6	19.9	9.8	7.1	27.4
1960: First quarter ⁵	20.7	17.1	18.8	10.6	6.1	26.7
Second quarter ⁵	22.9	16.5	18.5	9.6	6.5	26.0
Third quarter ⁵	22.0	15.3	19.2	9.0	7.4	27.1

¹ Percentages based on total exports from 11 industrial countries of goods in Sections 5 to 8 of the Standard International Trade Classification (excluding United States exports of special category goods).

² Excludes special category goods. Goods valued at approximately \$185 million were removed from the list of special category goods in 1957.

³ Prewar: all Germany; postwar: German Federal Republic. German Federal Republic's prewar exports were roughly two-thirds of those of the whole of Germany.

⁴ Comprises Belgium-Luxembourg, Canada, Italy, Netherlands, Sweden, and Switzerland.

⁵ Provisional.

NOTE.—Detail will not necessarily add to 100 percent because of rounding.

Sources: Department of Commerce; Board of Trade, United Kingdom; and National Institute of Economic and Social Research, London.

The postwar decline of the United States share of exports of manufactures reflects in the main the fact that manufactured products are once again available from our competitors in quantities and quality. During 1960, the United States share improved again, despite the weakness in the Canadian and Latin American markets where we are by far the largest supplier, in part because of the business upswing in Europe and Japan. A variety of products, but particularly metals and transport equipment, which had figured so prominently in the 1959 deterioration in our relative trading position, appear to have contributed to the improvement in our share. Exports of passenger cars, however, remained at about their 1959 level, considerably below exports in earlier years. This decline in passenger car exports appears in part related to the fact that United States production has not been geared more closely to the types of cars demanded abroad, although within the domestic market United States automobiles have improved their position relative to that of foreign cars.

The measures toward trade liberalization recently taken by a number of foreign nations undoubtedly contributed to the improved position of the United States in the market for manufactures. Exports of those consumer manufactures which were freed in 1959 from discriminatory quota restrictions abroad increased noticeably in 1960. The same appears to have been true of machinery exports. When the effects of liberalization are considered from the point of view of the geographical distribution of export gains, it is seen that exports to countries that had recently reduced or lifted discrimination against United States products (e.g., the United Kingdom) expanded, by and large, more rapidly than did exports to other countries

which also experienced high economic activity but had liberalized dollar imports much earlier (e.g., the Netherlands).

Now that much progress has been made in dismantling quota restrictions, with the principal exception of agricultural products, attention has focused on tariff barriers; in this regard United States manufactures still face relatively difficult obstacles in many countries abroad. For example, in 1960 the import duties on passenger cars in France were 29 percent, in Germany 13 percent, in Italy 32-41 percent, and in the United Kingdom 30 percent, compared with the tariff of only 8.5 percent in the United States.

The recent performance of United States exports to Western Europe deserves special attention. Between the first three-quarters of 1959 and the first three-quarters of 1960, our shipments to that area increased by more than 50 percent, against an increase of only 20 percent in the area's total imports. The 1960 upturn in United States exports to Western Europe was more broadly based than the previous rise to a peak in early 1957, at the time of the Suez crisis, as the commodity composition of sales to Europe indicates. Five commodities—raw cotton, steel scrap, iron and steel-mill products, copper, and aircraft—exports of which have fluctuated very sharply in recent years, had accounted for more than 70 percent of the rise between the first half of 1956 and of 1957 in exports to Europe (other than fuels, which were exceptionally large in 1957 and fell steeply thereafter). In the 1959-60 movement, in contrast, these five commodities accounted for less than half of the increase (Table B-23). Other exports, excluding fuel, to Europe rose by 33 percent in the latter period, but by only 7 percent in the earlier one.

Merchandise imports have increased at a higher rate than exports since the first postwar years. However, in relation to GNP, imports in 1960 re-

TABLE B-23.—United States merchandise exports to Western Europe, 1956-60

Commodity group	January-June					Percentage change		
	1956	1957	1958	1959	1960	1956 to 1957	1957 to 1959	1959 to 1960
	Millions of dollars							
Total merchandise exports ¹	2,471	3,270	2,336	2,110	3,167	32	-35	50
Excluding coal and petroleum ..	2,230	2,704	2,106	1,957	3,036	21	-28	55
Excluding coal, petroleum, and selected commodities.....	1,847	1,980	1,651	1,774	2,355	7	-10	33
Coal and petroleum.....	241	566	230	153	131	135	-73	-14
Selected commodities.....	383	724	455	183	681	89	-75	272
Raw cotton.....	99	378	235	73	264	282	-81	262
Steel scrap.....	69	84	37	4	31	22	-95	675
Iron and steel-mill products.....	95	84	56	35	93	-12	-58	166
Copper.....	91	115	69	60	111	26	-48	85
Aircraft.....	29	63	58	11	182	117	-83	1,555

¹ Excludes military aid and military sales.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

maintained below their prewar level (Table B-24). Since 1952, the ratio of total merchandise imports to GNP has held very close to 3 percent; in 1959, when the import ratio was 3.2 percent, total imports reflected very large imports of automobiles and strike-induced imports of steel. Imports of sup-

TABLE B-24.—*Measures of demand for United States imports, selected years, 1929-60*

[Percent]

Measure of demand	1929	1937	1949	1951	1955	1958	1959	1960 ¹
Imports of goods and services ² as percent of gross national product.....	5.6	4.6	3.5	4.2	3.6	4.0	4.2	4.1
Merchandise imports as percent of gross national product.....	4.3	3.5	2.7	3.4	2.9	2.9	3.2	3.0
Imports of foods and beverages as percent of personal expenditures on food.....	4.8	3.8	3.7	4.7	4.4	4.4	4.3	4.0
Imports of nonfood consumer goods as percent of disposable income.....	.6	.4	.2	.3	.4	.5	.7	.8
Imports of industrial supplies and materials for production of nondurable goods ³ as percent of nondurable goods output.....	3.5	1.9	1.0	1.8	1.0	.8	1.0	1.0
Imports of industrial supplies and materials for production of durable goods as percent of durable goods output.....	4.7	4.9	3.0	3.6	3.2	3.0	3.5	3.1

¹ January-September.

² Excludes military expenditures.

³ Excludes petroleum, newsprint, and paper base stocks.

Source: Department of Commerce.

plies and materials have shown a decline in relation to domestic output, compared with prewar years. Imports of finished manufactures, on the other hand, have increased in relation to domestic output and expenditure and to total imports; like the postwar reduction of the United States share in exports, this was, in part, a natural outcome of the economic recovery abroad and was facilitated by the lowering of United States tariffs under the reciprocal trade agreement legislation, even though on some products United States tariffs remain high, compared with foreign tariffs.

Imports of some foreign products—especially textile manufactures, rubber and leather goods, and various small electrical appliances—have continued to increase particularly rapidly. But in international trade, as in domestic trade, comparative advantage continually shifts from one product and producer to others. For many products, there are increasing signs that United States producers are successfully enlarging their efforts to hold domestic demand. The recent sharp drop in automobile imports (after mid-1960 these were running at one-half of the rate in comparable months of 1959), following the introduction of “compact” cars by United States manufacturers, is the most striking example.

In the domestic market, however, just as in the export field, United States industries must continue their efforts to keep their products competitive. As was pointed out in Chapter 1, the Administration has intensified its measures to support the efforts of private business to enlarge our sales abroad. The Administration has likewise undertaken vigorous measures on other fronts to help speed the achievement of a reasonable equilibrium in the United States balance of payments. This enterprise is a responsibility shared by both the public and the private sector of the economy.

Appendix C

**STATISTICAL TABLES RELATING TO INCOME,
EMPLOYMENT, AND PRODUCTION**

CONTENTS

	Page
National income or expenditure:	
C-1. Gross national product or expenditure, 1929-60.....	127
C-2. Gross national product or expenditure, in 1960 prices, 1929-60.....	128
C-3. Gross private and government product, in current and 1960 prices, 1929-60.....	130
C-4. Gross national product or expenditure, in 1954 prices, 1929-60.....	131
C-5. Implicit price deflators for gross national product, 1929-60.....	132
C-6. Gross national product: Receipts and expenditures by major economic groups, 1929-60.....	134
C-7. Personal consumption expenditures, 1929-60.....	136
C-8. Gross private domestic investment, 1929-60.....	137
C-9. National income by type of income, 1929-60.....	138
C-10. Relation of gross national product and national income, 1929-60....	139
C-11. Relation of national income and personal income, 1929-60.....	140
C-12. Sources of personal income, 1929-60.....	141
C-13. Disposition of personal income, 1929-60.....	142
C-14. Total and per capita disposable personal income and personal con- sumption expenditures, in current and 1960 prices, 1929-60.....	143
C-15. Financial saving by individuals, 1939-60.....	144
C-16. Sources and uses of gross saving, 1929-60.....	145
Employment and wages:	
C-17. Noninstitutional population and the labor force, 1929-60.....	146
C-18. Employment and unemployment, by age and sex, 1942-60.....	148
C-19. Employed persons not at work, by reason for not working, and special groups of unemployed persons, 1946-60.....	149
C-20. Unemployed persons, by duration of unemployment, 1946-60.....	150
C-21. Unemployment insurance programs, selected data, 1940-60.....	151
C-22. Number of wage and salary workers in nonagricultural establishments, 1929-60.....	152
C-23. Average weekly hours of work in selected industries, 1929-60.....	154
C-24. Average gross hourly earnings in selected industries, 1929-60.....	155
C-25. Average gross weekly earnings in selected industries, 1929-60.....	156
C-26. Average weekly hours and hourly earnings, gross and excluding over- time, in manufacturing industries, 1939-60.....	157
C-27. Average weekly earnings, gross and spendable, in manufacturing industries, in current and 1960 prices, 1939-60.....	158
C-28. Labor turnover rates in manufacturing industries, 1930-60.....	159
Production and business activity:	
C-29. Industrial production indexes, 1947-60.....	160
C-30. Business expenditures for new plant and equipment, 1939 and 1945-61..	162
C-31. New construction activity, 1929-60.....	163
C-32. New public construction activity, 1929-60.....	164
C-33. Housing starts and applications for financing, 1929-60.....	165
C-34. Sales and inventories in manufacturing and trade, 1939-60.....	166
C-35. Manufacturers' sales, inventories, and orders, 1939-60.....	167

Prices:	Page
C-36. Wholesale price indexes, 1929-60	168
C-37. Wholesale price indexes, by stage of processing, 1947-60	170
C-38. Consumer price indexes, by major groups, 1929-60	172
C-39. Consumer price indexes, by special groups, 1935-60	173
Money supply, credit, and finance:	
C-40. Money supply, 1947-60	174
C-41. Loans and investments of all commercial banks, 1929-60	175
C-42. Federal Reserve Bank credit and member bank reserves, 1929-60	176
C-43. Bond yields and interest rates, 1929-60	177
C-44. Short- and intermediate-term consumer credit outstanding, 1929-60	179
C-45. Instalment credit extended and repaid, 1946-60	180
C-46. Mortgage debt outstanding, by type of property and of financing, 1939-60	181
C-47. Net public and private debt, 1929-60	182
Government finance:	
C-48. U.S. Government debt, by kind of obligation, 1929-60	183
C-49. Estimated ownership of Federal obligations, 1939-60	184
C-50. Average length and maturity distribution of marketable interest-bear- ing public debt, 1946-60	185
C-51. Federal budget receipts and expenditures and the public debt, 1929-62	186
C-52. Federal budget receipts by source and expenditures by function, fiscal years 1946-62	187
C-53. Government cash receipts from and payments to the public, 1946-62	188
C-54. Government receipts and expenditures as shown in the national income accounts, 1955-60	189
C-55. Reconciliation of Federal Government receipts and expenditures in the conventional budget and the consolidated cash statement with receipts and expenditures in the national income accounts, fiscal years 1958-60	190
C-56. State and local government revenues and expenditures, selected fiscal years, 1927-59	191
Corporate profits and finance:	
C-57. Profits before and after taxes, all private corporations, 1929-60	192
C-58. Relation of profits before and after taxes to stockholders' equity and to sales, private manufacturing corporations, by asset size class, 1957-60	193
C-59. Relation of profits after taxes to stockholders' equity and to sales, private manufacturing corporations, by industry group, 1957-60	194
C-60. Sources and uses of corporate funds, 1949-60	196
C-61. Current assets and liabilities of United States corporations, 1939-60	197
C-62. State and municipal and corporate securities offered, 1934-60	198
C-63. Common stock prices and earnings and stock market credit, 1939-60	199
C-64. Business population and business failures, 1929-60	200
Agriculture:	
C-65. Income of the farm population, 1929-60	201
C-66. Indexes of prices received and prices paid by farmers, and parity ratio, 1929-60	202
C-67. Farm production indexes, 1929-60	204
C-68. Selected measures of farm resources and inputs, 1929-60	205
C-69. Farm population, employment, and productivity, 1929-60	206
C-70. Selected indicators of farming conditions, 1929-60	207
C-71. Comparative balance sheet of agriculture, 1929-61	208

International statistics:	Page
C-72. United States balance of payments, 1955-60.....	209
C-73. Major U.S. Government foreign assistance, by type and by area, total postwar period and fiscal years 1957-60.....	210
C-74. United States merchandise exports and imports, by economic cate- gory, 1949 and 1955-60.....	211
C-75. United States merchandise exports and imports, by area, 1949 and 1955-60.....	212
C-76. Estimated gold reserves and dollar holdings of foreign countries and international institutions, 1949 and 1956-60.....	213
C-77. Price changes in international trade, 1955-60.....	214

Data for Alaska and Hawaii are not included
in these tables unless specifically noted.

NATIONAL INCOME OR EXPENDITURE

TABLE C-1.—Gross national product or expenditure, 1929-60

(Billions of dollars)

Period	Total gross national product	Personal consumption expenditures ¹	Gross private domestic investment ²				Net exports of goods and services ³	Government purchases of goods and services					State and local
			Total	New construction	Producers' durable equipment	Net change in business inventories		Total	Federal				
									Total	National defense ⁴	Other	Less: Government sales	
1929.....	104.4	79.0	16.2	8.7	5.8	1.7	0.8	8.5	1.3	1.3		(⁵)	7.2
1930.....	91.1	71.0	10.3	6.2	4.5	-4	.7	9.2	1.4	1.4		(⁵)	7.8
1931.....	76.3	61.3	5.5	4.0	2.8	-1.3	.2	9.2	1.5	1.5		(⁵)	7.7
1932.....	58.5	49.3	.9	1.9	1.6	-2.6	.2	8.1	1.5	1.5		(⁵)	6.6
1933.....	56.0	46.4	1.4	1.4	1.6	-1.6	.2	8.0	2.0	2.0		(⁵)	6.0
1934.....	65.0	51.9	2.9	1.7	2.3	-1.1	.4	9.8	3.0	3.0		(⁵)	6.8
1935.....	72.5	56.3	6.3	2.3	3.1	.9	-1	10.0	2.9	2.9		(⁵)	7.1
1936.....	82.7	62.6	8.4	3.3	4.2	1.0	-1	11.8	4.8	4.8		(⁵)	7.0
1937.....	90.8	67.3	11.7	4.4	5.1	2.2	.1	11.7	4.6	4.6		(⁵)	7.2
1938.....	85.2	64.6	6.7	4.0	3.6	-9	1.1	12.8	5.3	5.3		(⁵)	7.5
1939.....	91.1	67.6	9.3	4.8	4.2	.4	.9	13.3	5.2	1.3	3.9	(⁵)	8.2
1940.....	100.6	71.9	13.2	5.5	5.5	2.2	1.5	14.1	6.2	2.2	4.0	(⁵)	7.9
1941.....	125.8	81.9	18.1	6.6	6.9	4.5	1.1	24.8	16.9	13.8	3.2	(⁵)	7.8
1942.....	159.1	89.7	9.9	3.7	4.3	1.8	-2	59.7	52.0	49.6	2.7	0.2	7.7
1943.....	192.5	100.5	5.6	2.3	4.0	-8	-2.2	88.6	81.2	80.4	1.5	.6	7.4
1944.....	211.4	109.8	7.1	2.7	5.4	-1.0	-2.1	96.5	89.0	88.6	1.6	1.2	7.5
1945.....	213.6	121.7	10.4	3.8	7.7	-1.1	-1.4	82.9	74.8	75.9	1.0	2.2	8.1
1946.....	210.7	147.1	28.1	11.0	10.7	6.4	4.9	30.5	20.6	18.8	4.5	2.7	9.9
1947.....	234.3	165.4	31.5	15.3	16.7	-5	9.0	28.4	15.6	11.4	5.4	1.1	12.7
1948.....	259.4	178.3	43.1	19.5	18.9	4.7	3.5	34.5	19.3	11.6	8.2	.5	15.2
1949.....	258.1	181.2	33.0	18.8	17.2	-3.1	3.8	40.2	22.2	13.6	8.9	.2	17.9
1950.....	284.6	195.0	50.0	24.2	18.9	6.8	.6	39.0	19.3	14.3	5.2	.1	19.7
1951.....	329.0	209.8	56.3	24.8	21.3	10.2	2.4	60.5	38.8	33.9	5.2	.3	21.7
1952.....	347.0	219.8	49.9	25.5	21.3	3.1	1.3	76.0	52.9	46.4	6.7	.3	23.2
1953.....	365.4	232.6	50.3	27.6	22.3	.4	-4	82.8	58.0	49.3	9.0	.3	24.9
1954.....	363.1	238.0	48.9	29.7	20.8	-1.6	1.0	75.3	47.5	41.2	6.7	.3	27.7
1955.....	397.5	256.9	63.8	34.9	23.1	5.8	1.1	75.6	45.3	39.1	6.6	.4	30.3
1956.....	419.2	269.9	67.4	35.5	27.2	4.7	2.9	79.0	45.7	40.4	5.7	.3	33.2
1957.....	442.8	285.2	66.1	36.1	28.5	1.6	4.9	86.5	49.7	44.4	5.7	.4	36.8
1958.....	444.2	293.5	56.0	35.4	23.1	-2.5	1.2	93.5	52.6	44.8	8.3	.5	40.8
1959.....	482.1	313.8	72.0	40.3	25.8	5.9	-1.0	97.1	53.3	46.0	7.8	.5	43.9
1960 ⁶	503.2	328.2	72.7	40.4	28.9	3.3	2.7	99.6	52.3	45.0	7.9	.6	47.3
Seasonally adjusted annual rates													
1958:													
First quarter.....	432.0	287.7	52.4	35.2	24.1	-6.9	1.7	90.1	50.6	44.4	6.8	.5	39.5
Second quarter.....	436.8	291.2	52.5	34.3	22.7	-4.5	1.3	91.9	51.8	44.6	7.8	.6	40.1
Third quarter.....	447.0	294.8	55.8	35.0	22.3	-1.6	1.6	94.8	53.7	44.9	9.1	.4	41.2
Fourth quarter.....	461.0	300.2	63.2	36.8	23.5	2.9	.4	97.1	54.3	45.5	9.4	.6	42.8
1959:													
First quarter.....	473.1	306.1	70.9	39.4	23.9	7.6	-1.0	97.1	53.3	45.9	7.9	.5	43.8
Second quarter.....	487.9	313.6	78.9	41.3	26.1	11.5	-2.2	97.7	53.7	46.4	7.8	.5	44.0
Third quarter.....	481.4	316.0	67.5	41.1	26.5	-1	-2	98.1	53.6	46.1	8.0	.5	44.5
Fourth quarter.....	486.4	319.6	70.8	39.4	26.8	4.7	-4	96.4	52.5	45.5	7.5	.5	43.9
1960:													
First quarter.....	501.3	323.3	79.3	40.8	27.1	11.4	1.2	97.5	51.8	44.9	7.5	.5	45.7
Second quarter.....	505.0	329.0	75.5	40.7	29.5	5.3	2.0	98.6	51.7	44.7	7.6	.6	46.9
Third quarter.....	503.5	328.3	70.8	40.5	29.7	.6	3.7	100.7	52.7	45.1	8.2	.6	48.0
Fourth quarter ⁶	503.5	332.0	65.8	40.4	29.4	-4.0	4.0	101.7	53.2	45.6	8.2	.6	48.5

¹ See Table C-7 for major components.

² See Table C-8 for more detail and explanation of components.

³ For 1929-45, net exports of goods and services and net foreign investment have been equated, since foreign net transfers by Government were negligible during that period.

⁴ This category corresponds closely to the major national security classification in the *Budget of the United States Government for the Fiscal Year ending June 30, 1962*. See Table C-52.

⁵ Less than \$50 million.

⁶ Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-2.—Gross national product or expenditure, in 1960 prices, 1929-60¹

[Billions of dollars, 1960 prices]

Period	Total gross national product	Personal consumption expenditures				Gross private domestic investment					
		Total	Durable goods	Non-durable goods	Services	Total	New construction			Producers' durable equipment	Change in business inventories
							Total	Residential (non-farm)	Other		
1929.....	207.1	141.3	15.8	70.0	55.6	42.3	25.3	10.1	15.2	13.6	3.4
1930.....	187.6	132.9	12.6	66.6	53.7	28.9	18.8	6.0	12.8	10.7	-.6
1931.....	173.4	128.8	10.9	66.2	51.7	17.9	13.2	4.9	8.2	7.2	-2.5
1932.....	147.5	117.2	8.2	61.0	47.9	5.1	7.3	2.4	4.9	4.3	-6.5
1933.....	144.1	114.4	8.0	59.2	47.3	5.7	5.6	1.8	3.7	4.5	-4.4
1934.....	133.0	120.3	9.2	63.1	48.0	9.9	6.2	2.2	4.0	6.1	-2.4
1935.....	173.2	127.7	11.3	66.6	49.7	18.7	8.1	3.6	4.5	8.2	2.3
1936.....	197.9	140.6	14.0	74.2	52.4	25.8	11.4	5.3	6.0	11.2	3.3
1937.....	208.2	145.6	14.6	76.8	54.2	31.6	13.7	5.8	7.9	12.7	5.3
1938.....	198.8	143.1	11.9	78.1	53.1	18.7	12.2	6.0	6.2	8.8	-2.3
1939.....	215.2	151.1	14.1	82.2	54.8	26.1	14.7	7.9	6.7	10.3	1.1
1940.....	233.8	159.2	16.3	86.0	56.9	34.5	16.4	8.5	7.8	13.3	4.9
1941.....	272.6	169.7	18.7	91.8	59.2	43.6	18.4	9.2	9.2	15.6	9.6
1942.....	311.4	166.1	11.5	93.6	60.9	22.3	9.4	4.2	5.2	9.0	3.9
1943.....	350.8	170.5	10.0	96.5	64.0	13.5	5.3	2.0	3.3	8.4	-.2
1944.....	376.3	176.6	9.1	100.8	66.7	15.0	5.9	1.7	4.2	11.2	-2.0
1945.....	369.1	188.9	10.4	108.7	69.7	20.8	8.1	2.1	6.0	15.5	-2.8
1946.....	321.7	211.6	20.6	115.4	75.7	50.7	21.0	8.5	12.4	19.6	10.2
1947.....	321.1	215.3	24.7	112.9	77.6	50.6	24.0	11.3	12.8	26.4	.2
1948.....	333.6	219.4	26.1	112.6	80.7	59.2	27.3	13.4	13.9	27.7	4.2
1949.....	334.2	225.0	27.9	114.0	83.1	47.2	26.9	13.1	13.8	24.1	-3.8
1950.....	362.3	238.7	34.1	117.1	87.5	66.7	32.9	18.2	14.8	25.9	7.9
1951.....	392.0	240.8	31.0	119.2	90.6	69.2	31.4	15.0	16.4	26.7	11.1
1952.....	406.8	247.0	30.2	123.3	93.6	60.7	31.3	15.0	16.3	26.5	2.9
1953.....	425.5	258.9	35.1	126.8	97.0	61.4	33.2	15.9	17.3	27.4	.8
1954.....	416.8	262.3	34.4	127.9	100.0	58.9	35.8	18.0	17.8	25.3	-2.2
1955.....	449.7	282.0	42.0	134.5	105.5	74.7	40.8	21.2	19.5	27.4	6.6
1956.....	459.2	291.3	40.4	139.7	111.2	74.3	39.0	19.0	20.0	30.3	5.0
1957.....	467.8	299.1	40.9	142.1	116.0	69.8	38.4	17.9	20.4	29.9	1.5
1958.....	459.7	302.0	37.8	143.3	120.9	58.2	37.4	18.9	18.5	23.6	-2.8
1959.....	490.6	319.3	43.4	149.3	126.6	72.9	41.3	22.7	18.6	25.9	5.8
1960 ¹	503.2	328.2	43.9	152.5	131.8	72.7	40.4	21.1	19.3	28.9	3.3
Seasonally adjusted annual rates											
1958:											
First quarter....	449.0	296.9	37.1	141.0	118.8	54.7	37.4	18.0	19.4	24.8	-7.4
Second quarter...	452.4	299.4	36.9	142.2	120.3	54.5	36.3	17.8	18.5	23.2	-5.0
Third quarter....	462.1	303.4	37.2	144.5	121.7	58.0	37.0	18.9	18.1	22.7	-1.7
Fourth quarter...	475.0	308.3	39.9	145.6	122.8	65.4	38.5	20.7	17.9	23.8	3.0
1959:											
First quarter....	485.1	313.3	41.7	147.2	124.3	72.6	40.8	22.5	18.3	24.1	7.8
Second quarter...	497.9	319.9	44.2	149.9	125.8	79.7	42.2	23.9	18.4	26.1	11.4
Third quarter....	488.5	320.9	43.8	149.6	127.6	68.0	42.0	22.9	19.1	26.3	-.4
Fourth quarter...	491.5	323.1	43.7	150.6	128.8	71.3	40.1	21.5	18.7	27.0	4.2
1960:											
First quarter....	504.8	325.3	44.4	151.3	129.7	79.5	40.9	21.4	19.5	27.2	11.4
Second quarter...	506.3	329.2	44.5	153.5	131.3	75.3	40.6	21.3	19.4	28.4	5.3
Third quarter....	501.7	327.8	42.7	152.5	132.6	70.6	40.5	21.1	19.4	29.6	.6
Fourth quarter ¹ ...	500.6	330.2	43.9	152.7	133.7	66.0	40.4	20.8	19.7	29.5	-4.0

See footnotes at end of table, p. 129.

TABLE C-2.—Gross national product or expenditure, in 1960 prices, 1929-60¹—Continued

(Billions of dollars, 1960 prices)

Period	Net exports of goods and services ²	Government purchases of goods and services				
		Total	Federal			State and local
			Total ³	National defense ^{3 4}	Other	
1929.....	0.8	22.7	3.7	(⁵)	(⁵)	19.0
1930.....	.7	25.1	4.2	(⁵)	(⁵)	20.9
1931.....	.2	26.5	4.6	(⁵)	(⁵)	21.8
1932.....	.1	25.2	4.9	(⁵)	(⁵)	20.3
1933.....	— .5	24.5	6.6	(⁵)	(⁵)	17.9
1934.....	— .2	28.1	8.7	(⁵)	(⁵)	19.3
1935.....	—1.5	28.4	8.4	(⁵)	(⁵)	19.9
1936.....	—1.7	33.2	12.9	(⁵)	(⁵)	20.3
1937.....	—1.1	32.1	12.1	(⁵)	(⁵)	20.0
1938.....	1.4	35.6	14.4	(⁵)	(⁵)	21.2
1939.....	.8	37.2	13.9	3.4	10.5	23.4
1940.....	1.6	38.5	16.5	5.9	10.6	22.0
1941.....	— .1	59.3	38.7	31.4	7.2	20.7
1942.....	—2.5	125.4	106.6	101.1	5.5	18.9
1943.....	—6.2	173.0	155.9	153.0	2.8	17.1
1944.....	—6.3	191.0	174.2	171.2	3.0	16.8
1945.....	—5.0	164.5	147.4	145.3	2.0	17.2
1946.....	4.7	54.7	35.5	27.8	7.7	19.2
1947.....	9.1	46.1	24.4	15.9	8.4	21.8
1948.....	2.8	52.3	28.8	16.5	12.3	23.5
1949.....	3.5	58.6	31.8	19.1	12.7	26.8
1950.....	1.1	55.9	27.2	19.9	7.3	28.7
1951.....	3.2	78.8	49.4	42.8	6.6	29.4
1952.....	2.2	96.9	67.0	58.5	8.5	29.9
1953.....	(⁶)	105.1	73.9	62.5	11.5	31.2
1954.....	1.9	93.7	59.8	51.4	8.4	33.8
1955.....	2.0	91.0	54.8	46.8	7.9	36.2
1956.....	3.8	89.8	52.4	45.9	6.5	37.4
1957.....	5.1	93.8	54.4	48.1	6.3	39.4
1958.....	1.0	98.5	56.0	47.2	8.8	42.5
1959.....	—1.2	99.5	54.9	46.9	8.0	44.7
1960 ⁷	2.7	99.6	52.3	44.5	7.9	47.3
Seasonally adjusted annual rates						
1958: First quarter.....	1.5	95.9	54.4	47.1	7.3	41.5
Second quarter.....	1.0	97.5	55.8	47.4	8.4	41.7
Third quarter.....	1.4	99.3	56.5	46.9	9.6	42.8
Fourth quarter.....	.1	101.2	57.1	47.2	9.9	44.1
1959: First quarter.....	—1.5	100.7	55.7	47.5	8.2	45.0
Second quarter.....	—2.6	100.9	55.9	47.8	8.1	45.0
Third quarter.....	— .4	99.9	54.7	46.6	8.1	45.2
Fourth quarter.....	— .2	97.4	53.2	45.6	7.6	44.2
1960: First quarter.....	1.2	98.8	52.6	45.0	7.6	46.1
Second quarter.....	2.1	99.7	52.6	44.9	7.7	47.1
Third quarter.....	3.7	99.6	51.8	43.7	8.1	47.8
Fourth quarter ⁷	4.0	100.4	52.3	44.2	8.1	48.1

¹ These estimates represent an approximate conversion of the Department of Commerce series in 1954 prices. (See Tables C-4 and C-5.) This was done by major components, using the implicit price indexes converted to a 1960 base. Although it would have been preferable to redeflate the series by minor components, this would not substantially change the results except possibly for the period of World War II, and for the series on change in business inventories.

For explanation of conversion of estimates in current prices to those in 1954 prices, see *U. S. Income and Output, A Supplement to the Survey of Current Business*, 1955.

² For 1929-45, net exports of goods and services and net foreign investment have been equated, since foreign net transfers by Government were negligible during that period.

³ Net of Government sales, which are not shown separately in this table. See Table C-1 for Government sales in current prices.

⁴ See footnote 4, Table C-1.

⁵ Less than \$50 million.

⁶ Not available separately.

⁷ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Council of Economic Advisers.

TABLE C-3.—Gross private and government product, in current and 1960 prices, 1929-60

[Billions of dollars]

Period	Current prices					1960 prices ⁴				
	Total gross national product	Gross private product ¹			Gross government product ²	Total gross national product	Gross private product ¹			Gross government product ²
		Total	Farm ³	Non-farm			Total	Farm ³	Non-farm	
1929.....	104.4	100.1	9.8	90.3	4.3	207.1	193.2	15.5	177.7	14.0
1930.....	91.1	86.6	7.7	78.8	4.5	187.6	173.0	14.2	158.8	14.7
1931.....	76.3	71.6	6.2	65.4	4.7	173.4	158.5	16.6	141.9	14.9
1932.....	58.5	54.0	4.4	49.6	4.4	147.5	133.0	15.5	117.4	14.6
1933.....	56.0	51.3	4.6	46.7	4.7	144.1	128.5	15.4	113.1	15.6
1934.....	65.0	59.4	4.3	55.1	5.6	158.0	140.0	12.7	127.3	18.1
1935.....	72.5	66.6	6.9	59.6	5.9	173.2	153.9	15.5	138.4	19.3
1936.....	82.7	75.5	6.3	69.2	7.3	197.9	175.3	13.2	162.0	22.6
1937.....	90.8	83.9	8.1	75.8	6.9	208.2	186.9	16.6	170.3	21.3
1938.....	85.2	77.6	6.7	70.9	7.6	198.8	175.7	16.7	159.0	23.1
1939.....	91.1	83.5	6.5	77.0	7.6	215.2	191.9	16.7	175.2	23.3
1940.....	100.6	92.8	6.8	86.0	7.8	233.8	209.8	16.4	193.4	24.0
1941.....	125.8	116.4	9.4	107.0	9.4	272.6	242.7	17.6	225.1	29.9
1942.....	159.1	144.0	13.4	130.6	15.1	311.4	267.0	19.2	248.7	43.5
1943.....	192.5	167.0	15.3	151.7	25.6	350.8	282.7	17.6	265.0	68.1
1944.....	211.4	179.2	15.7	163.5	32.2	376.3	297.6	18.1	279.5	78.8
1945.....	213.6	178.4	16.2	162.2	35.2	369.1	292.0	17.0	274.9	77.2
1946.....	210.7	189.9	19.3	170.7	20.7	321.7	281.3	17.3	264.0	40.4
1947.....	234.3	217.6	20.7	196.9	16.7	321.1	290.3	15.9	274.4	30.8
1948.....	259.4	242.0	23.8	218.2	17.4	333.6	302.7	18.1	284.6	30.9
1949.....	258.1	238.7	19.3	219.4	19.4	334.2	301.9	17.2	284.6	32.4
1950.....	284.6	263.8	20.5	243.2	20.8	362.3	328.8	18.2	310.6	33.6
1951.....	329.0	301.7	23.6	278.2	27.3	392.0	350.3	17.0	333.3	41.7
1952.....	347.0	316.0	22.8	293.2	31.0	406.8	361.9	17.7	344.2	45.0
1953.....	365.4	333.6	20.9	312.7	31.8	425.5	381.0	18.3	362.7	44.5
1954.....	363.1	330.8	20.3	310.5	32.3	416.8	373.1	19.1	354.0	43.8
1955.....	397.5	363.5	19.6	343.9	34.0	449.7	406.0	20.1	385.9	43.7
1956.....	419.2	382.8	19.3	363.5	36.4	459.2	414.9	19.6	395.3	44.3
1957.....	442.8	403.8	19.4	384.5	38.9	467.8	422.8	19.3	403.4	45.0
1958.....	444.2	402.3	21.8	380.4	42.0	459.7	414.4	20.2	394.2	45.3
1959.....	482.1	438.0	20.4	417.6	44.0	490.6	444.8	20.0	424.8	45.8
1960 ⁵	503.2	456.4	21.2	435.3	46.8	503.2	456.4	21.2	435.3	46.8

¹ Gross national product less compensation of general government employees, i. e., gross product accruing from domestic business, households, and institutions, and from the rest of the world.

² See *Survey of Current Business*, October 1958, for description of series and estimates in current and constant prices and implicit deflators for 1910-57.

³ Includes compensation of general government employees and excludes compensation of employees in government enterprises. Government enterprises are those agencies of government whose operating costs are at least to a substantial extent covered by the sale of goods and services, in contrast to the general activities of government which are financed mainly by tax revenues and debt creation. Government enterprises, in other words, conduct operations essentially commercial in character, even though they perform them under governmental auspices. The Post Office and public power systems are typical examples of government enterprises. On the other hand, State universities and public parks, where the fees and admissions cover only a nominal part of operating costs, are part of general government activities.

⁴ See footnote 1, Table C-2.

⁵ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Council of Economic Advisers.

TABLE C-4. —Gross national product or expenditure, in 1954 prices, 1929-60¹

[Billions of dollars, 1954 prices]

Period	Total gross national product	Personal consumption expenditures				Gross private domestic investment				Net exports of goods and services ²	Government purchases of goods and services			Gross private product ⁴
		Total	Durable goods	Nondurable goods	Services	Total	New construction	Producers' durable equipment	Change in business inventories		Total	Federal ³	State and local	
1929.....	181.8	128.1	14.9	65.3	48.0	35.0	20.9	11.1	3.0	0.2	18.5	2.9	15.6	171.5
1930.....	164.5	120.3	11.8	62.1	46.4	23.6	15.4	8.8	— .7	— .2	20.5	3.4	17.1	153.7
1931.....	153.0	116.6	10.3	61.8	44.6	15.0	10.9	5.9	—1.8	— .3	21.6	3.7	17.9	142.0
1932.....	150.1	106.0	7.8	56.9	41.4	3.9	6.0	3.5	—5.6	— .3	20.5	3.9	16.6	119.4
1933.....	126.6	103.5	7.5	55.2	40.8	4.0	4.6	3.7	—4.2	— .8	19.9	5.3	14.6	115.0
1934.....	138.5	108.9	8.6	58.8	41.5	7.4	5.1	5.0	—2.8	— .6	22.8	6.9	15.8	125.1
1935.....	152.9	115.8	10.7	62.1	42.9	16.1	6.7	6.7	2.6	—1.9	23.0	6.7	16.3	138.7
1936.....	173.3	127.7	13.1	69.2	45.3	21.0	9.4	9.2	2.4	—2.2	26.9	10.3	16.6	156.6
1937.....	183.5	132.1	13.8	71.6	46.8	27.0	11.3	10.5	5.2	—1.6	26.0	9.6	16.4	167.8
1938.....	175.1	129.9	11.2	72.8	45.9	15.5	10.1	7.3	—1.8	— .3	28.8	11.4	17.4	158.0
1939.....	189.3	137.3	13.3	76.7	47.2	21.6	12.2	8.5	1.0	— .3	30.1	11.0	19.1	172.1
1940.....	205.8	144.6	15.3	80.2	49.1	29.0	13.6	10.9	4.5	1.1	31.1	13.1	18.0	188.1
1941.....	238.1	154.3	17.6	85.6	51.1	36.7	15.3	12.9	8.6	— .6	47.7	30.7	16.9	216.0
1942.....	266.9	150.8	10.9	87.3	52.6	18.8	7.8	7.4	3.6	—2.9	100.1	84.7	15.4	234.8
1943.....	296.7	154.6	9.4	90.0	55.2	10.7	4.4	6.9	— .6	—6.6	137.9	123.9	14.0	246.4
1944.....	317.9	160.2	8.6	94.0	57.6	12.3	4.8	9.2	—1.7	—6.7	152.2	138.4	13.8	259.8
1945.....	314.0	171.4	9.8	101.4	60.2	17.0	6.6	12.7	—2.4	—5.6	131.2	117.1	14.0	257.0
1946.....	282.5	192.3	13.4	107.6	65.3	42.4	17.3	16.1	9.0	— .6	47.7	30.7	16.9	252.7
1947.....	282.3	195.6	23.3	105.3	67.0	41.5	19.9	21.7	— .1	8.0	37.2	19.4	17.8	259.6
1948.....	293.1	199.3	24.6	105.1	69.6	49.8	22.7	22.8	4.4	2.0	42.1	22.9	19.2	270.3
1949.....	292.7	204.3	26.3	106.3	71.7	38.5	22.3	19.8	—3.6	2.6	47.2	25.3	21.9	268.7
1950.....	318.1	216.8	32.1	109.2	75.5	55.9	27.4	21.3	7.2	— .2	45.1	21.6	23.5	293.3
1951.....	341.8	218.5	29.2	111.2	78.2	57.7	26.0	22.0	9.7	2.2	63.3	39.3	24.1	311.1
1952.....	353.5	224.2	28.5	115.0	80.8	50.4	26.0	21.8	2.6	1.2	77.7	53.3	24.5	320.4
1953.....	369.0	235.1	33.1	118.3	83.7	50.6	27.6	22.5	— .5	— .9	84.3	58.8	25.5	336.2
1954.....	363.1	238.0	32.4	119.3	86.3	48.9	29.7	20.8	—1.6	1.0	75.3	47.5	27.7	330.8
1955.....	392.7	256.0	39.6	125.4	91.0	62.5	33.9	22.5	6.1	— .9	73.2	43.5	29.7	360.4
1956.....	400.9	264.3	38.0	130.3	96.0	61.7	32.3	25.0	4.5	2.5	72.3	41.7	30.6	368.2
1957.....	408.6	271.2	38.5	132.6	100.1	58.1	31.8	24.6	1.6	3.8	75.5	43.2	32.2	375.4
1958.....	401.0	273.6	35.6	133.7	104.3	48.3	31.0	19.4	—2.2	— .2	79.3	44.5	34.8	367.6
1959.....	428.0	289.4	40.8	139.3	109.3	60.9	34.4	21.3	5.2	—2.4	80.2	43.6	36.6	394.2
1960 ⁵	439.4	297.3	41.3	142.2	113.8	60.4	33.6	23.8	3.0	1.3	80.3	41.6	38.7	404.8
Seasonally adjusted annual rates														
1958:														
First quarter.....	391.6	269.0	34.9	131.5	102.6	45.1	31.0	20.4	—6.2	0.3	77.2	43.2	34.0	(⁶)
Second quarter.....	394.6	271.2	34.7	132.6	103.8	45.1	30.1	19.1	—4.1	— .2	78.5	44.4	34.1	(⁶)
Third quarter.....	403.1	274.8	35.0	134.8	105.0	48.1	30.7	18.7	—1.3	— .2	79.9	44.9	35.0	(⁶)
Fourth quarter.....	414.3	279.4	37.6	135.8	106.0	54.6	32.1	19.6	2.9	—1.1	81.5	45.3	36.1	(⁶)
1959:														
First quarter.....	422.9	283.9	39.3	137.3	107.3	60.6	33.9	19.8	6.8	—2.7	81.1	44.3	36.8	(⁶)
Second quarter.....	434.2	290.0	41.6	139.8	108.6	66.7	35.2	21.5	10.1	—3.8	81.2	44.4	36.8	(⁶)
Third quarter.....	426.3	290.8	41.2	139.5	110.1	56.7	35.0	21.7	(⁷)	—1.7	80.5	43.5	37.0	(⁶)
Fourth quarter.....	429.1	292.8	41.1	140.5	111.2	59.4	33.4	22.2	3.8	—1.5	78.5	42.3	36.2	(⁶)
1960:														
First quarter.....	440.5	294.8	41.8	141.1	112.0	66.2	34.0	22.4	9.8	— .1	79.6	41.8	37.8	(⁶)
Second quarter.....	442.2	298.3	41.9	143.2	113.3	62.8	33.8	24.2	4.8	— .7	80.3	41.8	38.6	(⁶)
Third quarter.....	438.0	296.9	40.2	142.3	114.4	58.6	33.6	24.4	— .6	2.2	80.3	41.2	39.1	(⁶)
Fourth quarter ⁸	437.3	299.1	41.3	142.4	115.4	54.7	33.6	24.3	—3.2	2.5	80.9	41.6	39.4	(⁶)

¹ For explanation of conversion of estimates in current prices to those in 1954 prices, see *U. S. Income and Output, A Supplement to the Survey of Current Business*, 1958. See Table C-5 for implicit price deflators.² For 1929-45, net exports of goods and services and net foreign investment have been equated, since foreign net transfers by Government were negligible during that period.³ Net of Government sales.⁴ Gross national product less compensation of general government employees.⁵ Preliminary estimates by Council of Economic Advisers.⁶ Not available.⁷ Less than \$50 million.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-5.—*Implicit price deflators for gross national product, 1929-60*

[Index numbers, 1954=100]

Period	Gross national product ¹	Personal consumption expenditures				Gross private domestic investment ¹			
		Total	Durable goods	Non-durable goods	Services	New construction			Producers' durable equipment
						Total	Residential non-farm	Other	
1929.....	57.4	61.6	62.0	57.7	66.8	41.7	41.8	41.6	52.5
1930.....	55.4	59.0	60.5	54.8	64.2	40.0	40.8	39.7	50.5
1931.....	49.9	52.6	53.5	46.9	60.3	36.5	37.1	36.2	47.9
1932.....	44.9	46.5	47.0	40.0	55.3	31.1	30.1	31.7	45.5
1933.....	44.2	44.8	46.1	40.3	50.7	31.2	29.8	31.9	43.1
1934.....	46.9	47.6	48.8	45.3	50.7	33.3	33.1	33.4	45.9
1935.....	47.4	48.6	47.9	47.2	50.9	34.1	32.6	35.4	45.6
1936.....	47.7	49.1	47.9	47.4	51.9	34.8	34.3	35.2	45.4
1937.....	49.5	50.9	50.3	49.1	53.8	39.0	37.8	39.9	48.7
1938.....	48.7	49.8	50.8	46.7	54.5	39.1	39.2	39.1	50.2
1939.....	48.1	49.2	50.2	45.8	54.5	39.0	39.5	38.4	49.4
1940.....	48.9	49.7	50.7	46.4	54.8	40.1	40.9	39.1	50.6
1941.....	52.9	53.1	54.8	50.5	56.8	43.4	44.6	42.2	54.0
1942.....	59.6	59.5	64.2	58.8	59.8	47.6	47.7	47.6	58.5
1943.....	64.9	65.0	70.3	65.8	62.8	53.0	51.4	54.0	58.4
1944.....	66.5	68.6	78.7	69.5	65.5	56.3	56.2	56.3	59.3
1945.....	68.0	71.0	82.8	72.2	67.1	57.8	60.0	56.9	60.0
1946.....	74.6	76.5	82.0	78.8	71.1	63.7	65.3	62.6	66.7
1947.....	83.0	84.6	88.4	88.7	76.8	76.6	78.4	74.8	76.8
1948.....	88.5	89.5	92.4	94.0	81.7	85.9	88.6	83.1	83.1
1949.....	88.2	88.7	93.5	90.9	83.6	84.3	85.9	82.6	87.0
1950.....	89.5	89.9	94.6	91.4	85.9	88.3	90.9	85.1	89.0
1951.....	96.2	96.0	101.1	99.0	89.8	95.3	97.5	93.1	96.8
1952.....	98.1	98.0	102.2	100.1	93.6	98.4	100.3	96.5	97.5
1953.....	99.0	99.0	99.4	99.7	97.7	100.1	101.3	98.9	99.0
1954.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1955.....	101.2	100.4	100.1	99.5	101.7	103.1	103.0	103.2	102.6
1956.....	104.6	102.1	101.3	100.9	104.1	109.8	109.0	110.7	109.0
1957.....	108.4	105.1	104.7	103.9	107.0	113.5	111.2	115.7	115.7
1958.....	110.8	107.3	104.9	106.2	109.5	114.1	111.7	116.8	119.0
1959.....	112.6	108.4	106.2	106.0	112.4	117.2	115.2	119.7	121.3
1960 ²	114.5	110.4	106.3	107.2	115.9	120.3	117.0	124.1	121.6
1958: First quarter.....	110.3	107.0	104.7	106.2	108.7	113.6	111.1	116.1	118.2
Second quarter.....	110.7	107.4	104.7	106.6	109.2	113.9	111.1	116.8	118.9
Third quarter.....	110.9	107.3	104.8	106.1	109.6	114.1	111.6	116.8	119.2
Fourth quarter.....	111.3	107.5	105.4	105.8	110.3	114.9	112.7	117.5	119.6
1959: First quarter.....	111.9	107.8	105.8	105.8	111.1	116.1	114.0	118.6	120.7
Second quarter.....	112.4	108.1	106.6	105.6	111.9	117.3	115.1	120.1	121.6
Third quarter.....	112.9	108.7	106.8	106.1	112.7	117.4	115.3	120.0	122.1
Fourth quarter.....	113.3	109.2	105.7	106.5	113.8	117.9	115.9	120.2	120.9
1960: First quarter.....	113.8	109.7	105.8	106.7	114.9	120.0	117.2	123.4	121.1
Second quarter.....	114.2	110.3	106.4	107.2	115.5	120.4	117.2	124.2	122.0
Third quarter.....	115.0	110.6	106.3	107.3	116.1	120.5	117.0	124.6	122.0
Fourth quarter ²	115.1	111.0	106.5	107.6	116.8	120.3	116.8	124.1	121.0

See footnotes at end of table, p. 133.

TABLE C-5.—*Implicit price deflators for gross national product, 1929-60—Continued*

[Index numbers, 1954=100]

Period	Exports and imports of goods and services ¹		Government purchases of goods and services		
	Exports	Imports	Total	Federal	State and local
1929.....	63.1	57.3	45.8	44.5	46.1
1930.....	55.0	48.9	44.9	41.8	45.5
1931.....	43.2	39.7	42.7	41.7	43.0
1932.....	36.2	32.3	39.4	38.2	39.7
1933.....	35.2	29.3	40.3	38.3	41.1
1934.....	43.0	33.8	42.9	43.2	42.8
1935.....	44.7	36.0	43.4	43.7	43.3
1936.....	46.0	36.9	44.0	46.9	42.2
1937.....	48.9	41.1	45.1	47.3	43.8
1938.....	46.5	38.0	44.5	46.1	43.4
1939.....	46.9	38.6	44.2	46.8	42.7
1940.....	51.2	40.9	45.2	47.0	43.9
1941.....	56.1	43.0	51.9	55.1	46.2
1942.....	64.9	48.9	59.6	61.4	49.8
1943.....	68.1	51.3	64.3	65.6	52.7
1944.....	73.3	53.3	63.4	64.3	54.6
1945.....	75.3	57.4	63.2	63.9	57.4
1946.....	80.8	65.5	69.4	73.0	63.0
1947.....	93.4	79.7	76.4	80.8	71.5
1948.....	98.6	86.3	82.0	84.4	79.3
1949.....	92.7	82.0	85.1	88.0	81.7
1950.....	90.3	87.8	86.5	89.6	83.7
1951.....	103.3	102.8	95.5	98.7	90.2
1952.....	103.0	102.8	97.8	99.2	94.8
1953.....	101.0	98.2	98.3	98.6	97.5
1954.....	100.0	100.0	100.0	100.0	100.0
1955.....	100.7	99.9	103.3	104.1	102.2
1956.....	103.4	101.8	109.2	109.7	108.6
1957.....	107.4	103.2	114.6	114.9	114.2
1958.....	105.9	99.2	117.9	118.2	117.4
1959.....	104.5	98.1	121.2	122.1	120.0
1960 ¹	105.4	99.9	124.0	125.8	122.1
1958: First quarter.....	107.1	100.4	116.7	117.1	116.2
Second quarter.....	106.3	99.6	117.1	116.8	117.4
Third quarter.....	105.0	98.8	118.6	119.4	117.6
Fourth quarter.....	105.1	98.1	119.2	119.8	118.4
1959: First quarter.....	105.1	97.4	119.7	120.3	119.0
Second quarter.....	104.4	97.5	120.2	120.9	119.5
Third quarter.....	104.0	97.7	121.9	123.3	120.2
Fourth quarter.....	104.6	99.9	122.8	124.1	121.3
1960: First quarter.....	105.6	99.9	122.4	123.7	120.9
Second quarter.....	104.9	99.9	122.7	123.6	121.6
Third quarter.....	105.6	99.9	125.4	128.0	122.7
Fourth quarter ²	105.6	99.9	125.6	127.9	123.2

¹ Separate deflators are not available for total gross private domestic investment, change in business inventories, and net exports of goods and services.

For explanation of conversion of estimates in current prices to those in 1954 prices, see *U.S. Income and Output, A Supplement to the Survey of Current Business, 1958*.

² Preliminary estimates by Council of Economic Advisers.

Source: Department of Commerce (except as noted).

TABLE C-6.—Gross national product: Receipts and expenditures by major economic groups, 1929-60

[Billions of dollars]

Period	Persons			Business			International				
	Dis- pos- able per- sonal income	Per- sonal con- sump- tion ex- pendi- tures	Per- sonal saving or dis- saving (-)	Gross re- tained earn- ings ¹	Gross private domestic invest- ment	Excess of re- ceipts or in- vest- ment (-)	For- eign net trans- fers by gov- ernment ²	Net exports of goods and services ²			Excess of trans- fers or net ex- ports (-)
								Net exports	Ex- ports	Im- ports	
1929.....	83.1	79.0	4.2	11.5	16.2	-4.7	(³)	0.8	7.0	6.3	-0.8
1930.....	74.4	71.0	3.4	8.8	10.3	-1.5	(³)	.7	5.4	4.8	-.7
1931.....	63.8	61.3	2.5	5.2	5.5	-.3	(³)	.2	3.6	3.4	-.2
1932.....	48.7	49.3	-.6	2.7	.9	1.8	(³)	.2	2.5	2.3	-.2
1933.....	45.7	46.4	-.6	2.6	1.4	1.2	(³)	.2	2.4	2.3	-.2
1934.....	52.0	51.9	.1	4.9	2.9	2.0	(³)	.4	3.0	2.5	-.4
1935.....	58.3	56.3	2.0	6.3	6.3	.1	(³)	-.1	3.3	3.3	.1
1936.....	66.2	62.6	3.6	6.5	8.4	-1.9	(³)	-.1	3.5	3.6	.1
1937.....	71.0	67.3	3.7	7.8	11.7	-4.0	(³)	.1	4.6	4.5	-.1
1938.....	65.7	64.6	1.1	7.8	6.7	1.2	(³)	1.1	4.3	3.2	-1.1
1939.....	70.4	67.6	2.9	8.3	9.3	-1.0	(³)	.9	4.4	3.5	-.9
1940.....	76.1	71.9	4.2	10.4	13.2	-2.8	(³)	1.5	5.4	3.8	-1.5
1941.....	93.0	81.9	11.1	11.5	18.1	-6.6	(³)	1.1	6.0	4.8	-1.1
1942.....	117.5	89.7	27.8	14.1	9.9	4.3	(³)	-.2	4.9	5.1	.2
1943.....	133.5	100.5	33.0	16.3	5.6	10.7	(³)	-2.2	4.5	6.8	2.2
1944.....	146.8	109.8	36.9	17.2	7.1	10.1	(³)	-2.1	5.4	7.5	2.1
1945.....	150.4	121.7	28.7	15.6	10.4	5.2	(³)	-1.4	7.4	8.8	1.4
1946.....	160.6	147.1	13.5	13.1	28.1	-15.1	0.3	4.9	12.8	7.9	-4.6
1947.....	170.1	165.4	4.7	18.9	31.5	-12.6	.1	9.0	17.9	8.9	-8.9
1948.....	189.3	178.3	11.0	26.6	43.1	-16.5	1.6	3.5	14.5	11.0	-1.9
1949.....	189.7	181.2	8.5	27.6	33.0	-5.4	3.2	3.8	14.0	10.2	-.5
1950.....	207.7	195.0	12.6	27.7	50.0	-22.3	2.8	.6	13.1	12.5	2.2
1951.....	227.5	209.8	17.7	31.5	56.3	-24.8	2.1	2.4	17.9	15.5	-.2
1952.....	238.7	219.8	18.9	33.2	49.9	-16.6	1.5	1.3	17.4	16.1	.2
1953.....	252.5	232.6	19.8	34.3	50.3	-16.0	1.6	-.4	16.6	17.0	2.0
1954.....	256.9	238.0	18.9	35.5	48.9	-13.4	1.4	1.0	17.5	16.5	.4
1955.....	274.4	256.9	17.5	42.1	63.8	-21.8	1.5	1.1	19.4	18.3	.4
1956.....	292.9	269.9	23.0	43.0	67.4	-24.3	1.5	2.9	23.1	20.2	-1.5
1957.....	308.8	285.2	23.6	45.6	66.1	-20.5	1.5	4.9	26.2	21.3	-3.5
1958.....	317.9	293.5	24.4	44.6	56.0	-11.4	1.3	1.2	22.7	21.5	.1
1959.....	337.3	313.8	23.4	50.5	72.0	-21.6	1.5	-1.0	22.9	23.8	2.5
1960 ⁴	354.2	328.2	26.0	⁵ 52.3	72.7	⁵ -20.4	1.6	2.7	26.5	23.8	-1.1
Seasonally adjusted annual rates											
1958: First quarter...	311.4	287.7	23.7	42.0	52.4	-10.4	1.2	1.7	22.5	20.8	-0.5
Second quarter...	314.0	291.2	22.8	43.6	52.5	-8.9	1.3	1.3	22.7	21.4	(⁶)
Third quarter...	321.9	294.8	27.1	43.7	55.8	-12.1	1.2	1.6	22.9	21.4	-.4
Fourth quarter...	324.9	300.2	24.7	48.6	63.2	-14.6	1.6	.4	22.7	22.3	1.1
1959: First quarter...	329.6	306.1	23.6	49.1	70.9	-21.8	1.5	-1.0	21.8	22.8	2.5
Second quarter...	338.3	313.6	24.8	51.8	78.9	-27.1	1.4	-2.2	22.2	24.4	3.6
Third quarter...	338.5	316.0	22.5	49.6	67.5	-17.9	1.2	-.2	24.0	24.2	1.5
Fourth quarter...	342.4	319.6	22.8	51.0	70.8	-19.8	1.9	-.4	23.5	23.9	2.4
1960: First quarter...	347.0	323.3	23.7	52.4	79.3	-26.9	1.6	1.2	25.2	23.9	.3
Second quarter...	354.1	329.0	25.2	52.1	75.5	-23.4	1.7	2.0	26.4	24.4	-.3
Third quarter...	357.5	328.3	29.2	51.6	70.8	-19.2	1.4	3.7	27.3	23.5	-2.3
Fourth quarter ⁴ ...	358.1	332.0	26.1	(⁷)	65.8	(⁷)	1.7	4.0	27.3	23.3	-2.3

See footnotes at end of table, p. 135.

TABLE C-6.—Gross national product: Receipts and expenditures by major economic groups, 1929-60—Continued

[Billions of dollars]

Period	Government							Total income or receipts	Statistical discrepancy	Gross national product or expenditure
	Receipts			Expenditures			Surplus or deficit (—) on income and product account			
	Net receipts	Tax and non-tax receipts or accruals	Transfers, interest, and subsidies ³	Purchases of goods and services	Total expenditures	Transfers, interest, and subsidies ³				
1929.....	9.5	11.3	1.7	8.5	10.2	1.7	1.0	104.2	0.3	104.4
1930.....	8.9	10.8	1.8	9.2	11.0	1.8	— 3	92.1	—1.0	91.1
1931.....	6.4	9.5	3.1	9.2	12.3	3.1	—2.8	75.4	.8	76.3
1932.....	6.4	8.9	2.5	8.1	10.6	2.5	—1.7	57.7	.8	58.5
1933.....	6.7	9.3	2.6	8.0	10.7	2.6	—1.4	55.0	.9	56.0
1934.....	7.4	16.5	3.1	9.8	12.8	3.1	—2.4	64.2	.7	65.0
1935.....	8.0	11.4	3.4	10.0	13.3	3.4	—2.0	72.7	—2	72.5
1936.....	8.9	12.9	4.1	11.8	15.9	4.1	—3.0	81.6	1.1	82.7
1937.....	12.3	15.4	3.1	11.7	14.8	3.1	.6	91.0	—2	90.8
1938.....	11.2	15.0	3.8	12.8	16.6	3.8	—1.6	84.8	.5	85.2
1939.....	11.2	15.4	4.2	13.3	17.5	4.2	—2.1	89.9	1.2	91.1
1940.....	13.3	17.7	4.4	14.1	18.5	4.4	—7	99.8	.8	100.6
1941.....	21.0	25.0	4.0	24.8	28.8	4.0	—3.8	125.4	.4	125.8
1942.....	28.3	32.6	4.3	59.7	64.0	4.3	—31.4	160.0	—8	159.1
1943.....	44.4	49.2	4.8	88.6	93.4	4.8	—44.2	194.2	—1.7	192.5
1944.....	44.6	51.2	6.5	96.5	103.1	6.5	—51.9	208.6	2.8	211.4
1945.....	43.1	53.2	10.1	82.9	92.9	10.1	—39.7	209.1	4.5	213.6
1946.....	34.6	51.1	16.5	30.5	47.0	16.5	4.1	208.6	2.1	210.7
1947.....	41.6	57.1	15.4	28.4	43.8	15.4	13.3	230.7	3.5	234.3
1948.....	42.8	59.2	16.5	34.5	51.0	16.5	8.2	260.3	—8	259.4
1949.....	37.0	56.4	19.4	40.2	59.5	19.4	—3.1	257.5	.5	258.1
1950.....	47.2	69.3	22.1	39.0	61.1	22.1	8.2	285.3	—7	284.6
1951.....	66.6	85.5	18.9	60.5	79.4	18.9	6.1	327.7	1.2	329.0
1952.....	72.2	90.6	18.4	76.0	94.4	18.4	—3.9	345.6	1.4	347.0
1953.....	75.7	94.9	19.2	82.8	102.0	19.2	—7.1	364.1	1.3	365.4
1954.....	68.5	90.0	21.5	75.3	96.7	21.5	—6.7	362.3	.9	363.1
1955.....	78.4	101.4	23.0	75.6	98.6	23.0	2.9	396.5	1.0	397.5
1956.....	84.2	109.5	25.3	79.0	104.3	25.3	5.2	421.6	—2.4	419.2
1957.....	87.5	116.3	28.7	86.5	115.3	28.7	1.0	443.4	—6	442.8
1958.....	82.1	115.2	33.1	93.5	126.6	33.1	—11.4	445.9	—1.7	444.2
1959.....	94.6	129.1	34.5	97.1	131.6	34.5	—2.5	483.9	—1.8	482.1
1960 ⁴	⁵ 99.9	⁵ 137.3	37.4	99.6	137.0	37.4	.3	⁵ 508.0	⁵ —4.8	⁵ 503.2
Seasonally adjusted annual rates										
1958: First quarter.....	79.8	111.0	31.2	90.1	121.3	31.2	—10.3	434.5	—2.5	432.0
Second quarter.....	79.2	112.6	33.4	91.9	125.3	33.4	—12.7	438.0	—1.3	436.8
Third quarter.....	82.3	116.3	34.1	94.8	128.9	34.1	—12.5	449.0	—2.1	447.0
Fourth quarter.....	86.6	120.9	34.4	97.1	131.6	34.4	—10.6	461.5	—7	461.0
1959: First quarter.....	92.6	126.3	33.8	97.1	130.8	33.8	—4.5	472.9	.1	473.1
Second quarter.....	97.3	131.3	34.0	97.7	131.6	34.0	—4	488.8	—1.0	487.9
Third quarter.....	94.9	129.0	34.1	98.1	132.2	34.1	—3.2	484.3	—3.0	481.4
Fourth quarter.....	93.6	129.7	36.1	96.4	132.4	36.1	—2.8	488.9	—2.6	486.4
1960: First quarter.....	101.4	137.3	35.9	97.5	133.4	35.9	3.9	502.3	—1.1	501.3
Second quarter.....	100.8	137.9	37.0	98.6	135.6	37.0	2.3	508.7	—3.9	505.0
Third quarter.....	98.9	136.3	37.4	100.7	138.1	37.4	—1.8	509.4	—5.8	503.5
Fourth quarter ⁴	(7)	(7)	39.1	101.7	140.7	39.1	(7)	(7)	(7)	503.5

¹ Undistributed corporate profits, corporate inventory valuation adjustment, capital consumption allowances, and excess of wage accruals over disbursements.

² For 1929-45, foreign net transfers by Government were negligible; therefore, for that period, net exports of goods and services and net foreign investment have been equated.

³ Government transfer payments to persons, foreign net transfers by Government, net interest paid by government, and subsidies less current surplus of government enterprises.

⁴ Preliminary estimates by Council of Economic Advisers.

⁵ Data for corporate profits are approximations for the year as a whole; they do not derive from, nor imply, specific estimates for the quarters. All other data incorporating or derived from these figures are correspondingly approximate.

⁶ Less than \$50 million.

⁷ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-7.—Personal consumption expenditures, 1929-60

[Billions of dollars]

Period	Total personal consumption expenditures	Durable goods				Nondurable goods				Services					
		Total	Automobiles and parts	Furniture and household equipment	Other	Total	Food excluding alcoholic beverages ¹	Clothing and shoes ²	Gasoline and oil	Other	Total	Housing ³	Household operation	Transportation	Other
1929.....	79.0	9.2	3.2	4.8	1.2	37.7	19.5	9.4	1.8	7.0	32.1	11.4	4.0	2.6	14.0
1930.....	71.0	7.2	2.2	3.9	1.1	34.0	18.0	8.0	1.7	6.3	29.8	11.0	3.9	2.2	12.7
1931.....	61.3	5.5	1.6	3.1	.9	28.9	14.7	6.9	1.5	5.7	26.9	10.3	3.5	1.9	11.2
1932.....	49.3	3.6	.9	2.1	.6	22.8	11.4	5.1	1.5	4.8	22.9	9.0	3.0	1.6	9.3
1933.....	46.4	3.5	1.1	1.9	.5	22.3	10.9	4.6	1.5	5.3	20.7	7.9	2.8	1.5	8.5
1934.....	51.9	4.2	1.4	2.2	.6	26.7	12.2	5.7	1.6	7.2	21.0	7.6	3.0	1.6	8.8
1935.....	56.3	5.1	1.9	2.6	.7	29.3	13.6	6.0	1.7	7.9	21.9	7.6	3.2	1.7	9.4
1936.....	62.6	6.3	2.3	3.2	.8	32.8	15.2	6.6	1.9	9.1	23.5	7.9	3.4	1.9	10.3
1937.....	67.3	6.9	2.4	3.6	1.0	35.2	16.4	6.8	2.1	9.8	25.1	8.4	3.7	2.0	11.1
1938.....	64.6	5.7	1.6	3.1	.9	34.0	15.6	6.8	2.1	9.5	25.0	8.8	3.6	1.9	10.7
1939.....	67.6	6.7	2.2	3.5	1.0	35.1	15.7	7.1	2.2	10.1	25.8	9.0	3.8	2.0	11.0
1940.....	71.9	7.8	2.7	3.9	1.1	37.2	16.7	7.4	2.3	10.8	26.9	9.3	4.0	2.1	11.4
1941.....	81.9	9.7	3.4	4.9	1.4	43.2	19.4	8.8	2.6	12.3	29.0	10.0	4.3	2.4	12.3
1942.....	89.7	7.0	.7	4.7	1.6	51.3	23.7	11.0	2.1	14.5	31.5	10.8	4.8	2.7	13.1
1943.....	100.5	6.6	.8	3.9	1.9	59.3	27.8	13.4	1.3	16.7	34.7	11.3	5.2	3.4	14.7
1944.....	109.8	6.8	.8	3.8	2.2	65.4	30.6	14.6	1.4	18.7	37.7	11.9	5.9	3.7	16.3
1945.....	121.7	8.1	1.0	4.6	2.5	73.2	34.1	16.5	1.8	20.8	40.4	12.4	6.4	4.0	17.5
1946.....	147.1	15.9	3.9	8.7	3.3	84.8	40.7	18.2	3.0	22.9	46.4	13.8	6.7	5.1	20.8
1947.....	165.4	20.6	6.3	11.0	3.4	93.4	45.8	18.9	3.6	25.2	51.4	15.6	7.4	5.5	23.0
1948.....	178.3	22.7	7.4	11.9	3.4	98.7	48.2	20.1	4.4	26.0	56.9	17.6	7.9	6.0	25.4
1949.....	181.2	24.6	9.8	11.5	3.3	96.6	46.4	19.3	5.0	25.9	60.0	19.3	8.4	6.1	26.2
1950.....	195.0	30.4	13.0	14.0	3.4	99.8	47.4	19.6	5.4	27.4	64.9	21.2	9.3	6.3	28.1
1951.....	209.8	29.5	11.6	14.2	3.7	110.1	53.4	21.1	6.0	29.5	70.2	23.2	10.1	6.9	29.9
1952.....	219.8	29.1	11.0	14.1	3.9	115.1	55.8	21.9	6.7	30.7	75.6	25.4	10.8	7.4	32.0
1953.....	232.6	32.9	14.0	14.7	4.1	118.0	56.6	21.9	7.5	31.8	81.8	27.5	11.7	8.0	34.6
1954.....	238.0	32.4	13.4	14.8	4.3	119.3	57.7	21.9	8.0	31.7	86.3	29.1	12.1	7.9	37.1
1955.....	256.9	39.6	18.3	16.6	4.8	124.8	59.2	23.4	8.8	33.4	92.5	30.7	13.5	8.3	39.9
1956.....	269.9	38.5	15.8	17.4	5.3	131.4	62.2	24.5	9.6	35.2	100.0	32.7	14.8	8.6	43.8
1957.....	285.2	40.4	17.1	17.4	5.8	137.7	65.2	25.4	10.4	36.7	107.1	35.2	15.8	9.0	47.0
1958.....	293.5	37.3	13.9	17.4	6.0	142.0	67.6	25.7	10.6	38.1	114.2	38.0	16.9	9.2	50.2
1959.....	313.8	43.4	17.9	18.8	6.6	147.6	68.6	27.4	11.1	40.5	122.8	40.5	18.0	9.9	54.5
1960 ⁴	328.2	43.9	18.4	18.6	6.9	152.5	70.9	27.9	11.6	42.0	131.8	42.8	19.2	10.5	59.3
Seasonally adjusted annual rates															
1958:															
First quarter.....	287.7	36.5	13.5	17.2	5.9	139.7	66.9	25.0	10.3	37.3	111.5	36.9	16.5	9.0	49.1
Second quarter.....	291.2	36.4	13.5	17.0	5.9	141.4	67.9	25.4	10.5	37.7	113.4	37.6	16.8	9.1	49.9
Third quarter.....	294.8	36.7	13.2	17.6	6.0	143.0	67.6	26.2	10.8	38.4	115.1	38.4	17.0	9.2	50.5
Fourth quarter.....	300.2	39.6	15.7	17.8	6.1	143.8	67.9	26.2	10.8	38.8	116.9	39.1	17.2	9.4	51.2
1959:															
First quarter.....	306.1	41.6	17.2	18.1	6.3	145.3	68.1	26.5	10.9	39.7	119.2	39.7	17.6	9.5	52.4
Second quarter.....	313.6	44.4	18.9	19.0	6.6	147.7	68.6	27.8	11.1	40.3	121.4	40.2	17.6	9.7	53.9
Third quarter.....	316.0	44.0	18.2	19.1	6.7	148.0	68.4	27.6	11.2	40.8	124.1	40.8	18.1	10.1	55.1
Fourth quarter.....	319.6	43.5	17.4	19.2	6.8	149.6	69.3	27.8	11.3	41.2	126.6	41.3	18.5	10.1	56.6
1960:															
First quarter.....	323.3	44.2	18.5	18.9	6.7	150.5	69.7	27.8	11.4	41.6	128.6	41.9	18.9	10.3	57.5
Second quarter.....	329.0	44.5	18.9	18.7	6.9	153.5	71.3	28.3	11.7	42.2	130.9	42.5	19.1	10.5	58.8
Third quarter.....	328.3	42.7	17.5	18.3	6.9	152.7	70.8	28.2	11.7	42.0	132.9	43.1	19.3	10.5	60.0
Fourth quarter ⁴	332.0	44.0	18.5	18.5	6.9	153.3	71.8	27.5	11.7	42.3	134.8	43.7	19.5	10.6	61.0

¹ Quarterly data are estimates by Council of Economic Advisers.² Includes standard clothing issued to military personnel.³ Includes imputed rental value of owner-occupied dwellings.⁴ Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-8.—Gross private domestic investment, 1929-60

[Billions of dollars]

Period	Total gross private domestic investment	Nonfarm producers' plant and equipment			Farm equipment and construction			Residential construction (non-farm)	Other private construction ¹	Net change in business inventories		
		Total ²	Equip-ment ³	Con-struction ⁴	Total ⁵	Equip-ment	Con-struction			Total ⁶	Non-farm ⁷	Farm ⁸
1929.....	16.2	9.5	5.2	4.2	0.9	0.6	0.3	3.6	0.5	1.7	1.8	-0.2
1930.....	10.3	7.4	4.0	3.4	.7	.5	.2	2.1	.5	-.4	-.1	-.3
1931.....	5.5	4.5	2.6	1.9	.4	.3	.1	1.6	.4	-1.3	-1.6	.3
1932.....	9	2.5	1.4	1.0	.2	.1	(?)	.6	.2	-2.6	-.7	(?)
1933.....	1.4	2.3	1.5	.8	.2	.1	(?)	.5	.1	-1.6	-1.4	-.3
1934.....	2.9	3.0	2.1	.9	.3	.3	.1	.6	.1	-1.1	.2	-1.3
1935.....	6.3	3.8	2.7	1.1	.5	.4	.1	1.0	.1	.9	.4	.5
1936.....	8.4	5.1	3.6	1.4	.7	.5	.2	1.6	.1	1.0	2.1	-1.1
1937.....	11.7	6.6	4.5	2.1	.8	.6	.2	1.9	.2	2.2	1.7	.5
1938.....	6.7	4.7	3.1	1.6	.7	.5	.2	2.0	.2	-.9	-1.0	.1
1939.....	9.3	5.3	3.7	1.6	.7	.5	.2	2.7	.2	.4	.3	.1
1940.....	13.2	7.0	4.9	2.0	.8	.6	.2	3.0	.2	2.2	1.9	.3
1941.....	18.1	8.7	6.1	2.6	1.1	.8	.3	3.5	.2	4.5	4.0	.5
1942.....	9.9	5.3	3.7	1.6	.9	.7	.3	1.7	.1	1.8	.7	1.2
1943.....	5.6	4.6	3.5	1.1	.8	.6	.3	.9	(?)	-.8	-.6	-.2
1944.....	7.1	6.3	4.7	1.5	1.0	.7	.3	.8	.1	-1.0	-.6	-.4
1945.....	10.4	9.3	6.9	2.3	1.0	.7	.3	1.1	.1	-1.1	-.6	-.5
1946.....	28.1	14.8	9.8	5.0	1.8	.9	.9	4.8	.4	6.4	6.4	(?)
1947.....	31.5	20.7	14.9	5.8	3.2	1.8	1.4	7.5	.5	-.5	1.3	-1.8
1948.....	43.1	23.3	16.4	6.9	4.1	2.6	1.5	10.1	.9	4.7	3.0	1.7
1949.....	33.0	21.0	14.4	6.6	4.4	2.9	1.5	9.6	1.1	-3.1	-2.2	-.9
1950.....	50.0	23.4	16.2	7.2	4.4	2.7	1.6	14.1	1.3	6.8	6.0	.8
1951.....	56.3	27.4	18.4	9.1	4.8	2.9	1.8	12.5	1.4	10.2	9.1	1.2
1952.....	49.9	28.1	18.6	9.5	4.6	2.7	1.9	12.8	1.3	3.1	2.1	.9
1953.....	50.3	30.2	19.5	10.7	4.5	2.8	1.7	13.8	1.4	.4	1.1	-.6
1954.....	48.9	29.5	18.5	11.0	4.0	2.3	1.6	15.4	1.7	-1.6	-2.1	.5
1955.....	63.8	33.4	20.6	12.8	4.1	2.5	1.6	18.7	1.8	5.8	5.5	.3
1956.....	67.4	39.4	25.0	14.4	3.8	2.2	1.6	17.7	1.9	4.7	5.1	-.4
1957.....	66.1	41.4	26.2	15.2	3.9	2.3	1.6	17.0	2.2	1.6	.8	.8
1958.....	56.0	33.7	20.3	13.4	4.3	2.8	1.5	18.0	2.5	-2.5	-3.6	1.0
1959.....	72.0	36.7	23.0	13.6	4.6	2.8	1.8	22.3	2.6	5.9	5.4	.5
1960 ⁹	72.7	41.3	26.3	15.1	4.1	2.6	1.5	21.1	2.8	3.3	3.0	.4
Seasonally adjusted annual rates												
1958:												
First quarter....	52.4	35.8	21.5	14.3	4.0	2.5	1.5	17.1	2.3	-6.9	-8.0	1.1
Second quarter....	52.5	33.4	19.9	13.5	4.2	2.7	1.5	16.9	2.4	-4.5	-5.7	1.2
Third quarter....	55.8	32.5	19.5	13.0	4.3	2.8	1.5	18.0	2.5	-1.6	-2.6	1.0
Fourth quarter....	63.2	33.2	20.3	12.9	4.7	3.2	1.5	19.9	2.5	2.9	2.0	.8
1959:												
First quarter....	70.9	34.4	21.0	13.4	4.5	2.9	1.6	21.9	2.5	7.6	6.9	.7
Second quarter....	78.9	36.7	23.2	13.5	4.6	2.9	1.7	23.5	2.5	11.5	11.0	.5
Third quarter....	67.5	37.7	23.7	14.0	4.6	2.8	1.8	22.6	2.6	-.1	-.5	.5
Fourth quarter....	70.8	37.7	24.1	13.6	4.6	2.7	1.9	21.3	2.6	4.7	4.3	.4
1960:												
First quarter....	79.3	39.7	24.7	15.0	4.0	2.4	1.6	21.4	2.8	11.4	11.0	.4
Second quarter....	75.5	41.9	26.9	15.0	4.2	2.6	1.6	21.3	2.8	5.3	5.0	.3
Third quarter....	70.8	42.3	27.1	15.2	4.1	2.6	1.5	21.1	2.8	.6	.3	.3
Fourth quarter ⁹	65.8	42.1	26.6	15.5	4.2	2.8	1.4	20.7	2.8	-4.0	-4.4	.4

¹ Items for nonfarm producers' plant and equipment are not comparable with those shown in Table C-30 principally because the latter exclude equipment and construction outlays charged to current expense and also investment by nonprofit organizations and professional persons.

² Total producers' durable equipment less farm machinery and equipment and farmers' purchases of tractors and business motor vehicles.

³ Industrial buildings, public utilities, gas- and oil-well drilling, warehouses, office and loft buildings, stores, restaurants, garages, miscellaneous nonresidential construction, and all other private construction.

⁴ Farm construction (residential and nonresidential) plus farm machinery and equipment and farmers' purchases of tractors and business motor vehicles. (See footnote 2.)

⁵ Includes religious, educational, social and recreational, and hospital and institutional.

⁶ After inventory valuation adjustment.

⁷ Less than \$50 million.

⁸ Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-9.—National income by type of income, 1929-60

[Billions of dollars]

Period	Total national income ¹	Compensation of employees ²	Business and professional income and inventory valuation adjustment			Income of farm proprietors ³	Rental income of persons	Corporate profits and inventory valuation adjustment			Net interest
			Total	Income of unincorporated enterprises	Inventory valuation adjustment			Total	Corporate profits before taxes ⁴	Inventory valuation adjustment	
1929.....	87.8	51.1	8.8	8.6	0.1	6.0	5.4	10.1	9.6	0.5	6.4
1930.....	75.7	46.8	7.4	6.7	.8	4.1	4.8	6.6	3.3	3.3	6.0
1931.....	59.7	39.7	5.6	5.0	.6	3.2	3.8	1.6	-.8	2.4	5.8
1932.....	42.5	31.1	3.4	3.1	.3	1.9	2.7	-2.0	-3.0	1.0	5.4
1933.....	40.2	29.5	3.2	3.7	-.5	2.4	2.0	-2.0	.2	-2.1	5.0
1934.....	49.0	34.3	4.6	4.6	-.1	2.4	1.7	1.1	1.7	-.6	4.9
1935.....	57.1	37.3	5.4	5.4	(⁵)	5.0	1.7	2.9	3.1	-.2	4.8
1936.....	64.9	42.9	6.5	6.6	-.1	4.0	1.8	5.0	5.7	-.7	4.7
1937.....	73.6	47.9	7.1	7.1	(⁵)	5.6	2.1	6.2	6.2	(⁵)	4.7
1938.....	67.6	45.0	6.8	6.6	.2	4.3	2.6	4.3	3.3	1.0	4.6
1939.....	72.8	48.1	7.3	7.5	-.2	4.3	2.7	5.7	6.4	-.7	4.6
1940.....	81.6	52.1	8.4	8.5	(⁵)	4.6	2.9	9.1	9.3	-.2	4.5
1941.....	104.7	64.8	10.9	11.5	-.6	6.5	3.5	14.5	17.0	-2.5	4.5
1942.....	137.7	85.3	13.9	14.3	-.4	10.0	4.5	19.7	20.9	-1.2	4.3
1943.....	170.3	109.6	16.8	17.0	-.2	11.4	5.1	23.8	24.6	-.8	3.7
1944.....	182.6	121.3	18.0	18.1	-.1	11.5	5.1	23.0	23.3	-.3	3.3
1945.....	181.2	123.2	19.0	19.1	-.1	11.8	5.6	18.4	19.0	-.6	3.2
1946.....	180.9	117.7	21.3	23.0	-1.7	15.3	6.2	17.3	22.6	-5.3	3.1
1947.....	198.2	128.8	19.9	21.4	-1.5	15.5	6.5	23.6	29.5	-5.9	3.8
1948.....	223.5	141.0	22.4	22.8	-.4	17.8	7.3	30.8	33.0	-2.2	4.2
1949.....	217.7	140.8	22.7	22.2	.5	12.9	8.3	28.2	26.4	1.9	4.8
1950.....	241.9	154.2	23.5	24.6	-1.1	14.0	9.0	35.7	40.6	-5.0	5.5
1951.....	279.3	180.3	26.0	26.3	-.3	16.3	9.4	41.0	42.2	-1.2	6.3
1952.....	292.2	195.0	26.9	26.7	.2	15.3	10.2	37.7	36.7	1.0	7.1
1953.....	305.6	208.8	27.4	27.6	-.2	13.3	10.5	37.3	38.3	-1.0	8.2
1954.....	301.8	207.6	27.8	27.8	(⁵)	12.7	10.9	33.7	34.1	-.3	9.1
1955.....	330.2	223.9	30.4	30.6	-.2	11.8	10.7	43.1	44.9	-1.7	10.4
1956.....	350.8	242.5	32.1	32.6	-.5	11.6	10.9	42.0	44.7	-2.7	11.7
1957.....	366.9	255.5	32.7	33.0	-.3	11.8	11.9	41.7	43.2	-1.5	13.4
1958.....	367.7	257.0	32.3	32.4	-.1	14.0	12.2	37.4	37.7	-.2	14.7
1959.....	390.6	277.8	34.7	34.8	-.1	11.8	12.4	46.6	47.0	-.5	16.4
1960 ⁶	418.4	294.4	35.9	36.0	-.1	12.0	12.5	45.0	45.0	(⁵)	18.7
Seasonally adjusted annual rates											
1958: First quarter.....	357.6	252.5	31.5	31.6	-0.1	14.7	12.1	32.6	32.8	-0.2	14.1
Second quarter.....	360.4	253.4	32.0	32.1	-.1	13.9	12.1	34.7	34.4	.3	14.4
Third quarter.....	370.8	258.8	32.6	32.5	.1	14.0	12.2	38.5	38.8	-.2	14.8
Fourth quarter.....	381.9	263.4	33.3	33.4	-.1	13.5	12.2	44.0	44.9	-.9	15.4
1959: First quarter.....	390.9	270.4	33.8	33.9	-.1	13.0	12.3	45.5	46.4	-.9	15.9
Second quarter.....	405.4	279.7	34.8	35.2	-.4	12.0	12.4	50.4	51.7	-1.3	16.2
Third quarter.....	399.4	279.5	35.0	35.2	-.2	11.1	12.4	44.9	45.3	-.4	16.5
Fourth quarter.....	402.8	281.6	35.1	35.0	.1	11.2	12.5	45.5	44.8	.7	16.9
1960: First quarter.....	414.4	290.2	35.4	35.7	-.3	10.6	12.5	48.0	48.8	-.8	17.8
Second quarter.....	419.4	295.0	36.0	36.0	(⁵)	12.1	12.5	45.3	45.7	-.4	18.5
Third quarter.....	419.3	297.2	36.1	36.0	.1	12.2	12.5	42.2	41.5	.7	19.1
Fourth quarter ⁶	(⁵)	295.2	35.9	36.0	-.1	12.8	12.5	(⁵)	(⁵)	.5	19.4

¹ National income is the total net income earned in production. It differs from gross national product mainly in that it excludes depreciation charges and other allowances for business and institutional consumption of durable capital goods, and indirect business taxes. See Table C-10.

² Wages and salaries and supplements to wages and salaries (employer contributions for social insurance; employer contributions to private pension, health, and welfare funds; compensation for injuries; directors' fees; pay of the military reserve; and a few other minor items).

³ Excludes income resulting from net reductions of farm inventories and gives credit in computing income to net additions to farm inventories during the period. Data for 1929-45 differ from those shown in Table C-65 because of revisions by the Department of Agriculture not yet incorporated into the national income accounts.

⁴ See Table C-57 for corporate tax liability (Federal and State income and excess profits taxes) and corporate profits after taxes.

⁵ Less than \$50 million.

⁶ Preliminary estimates by Council of Economic Advisers.

⁷ Data for corporate profits are approximations for the year as a whole; they do not derive from, nor imply, specific estimates for the quarters. All other data incorporating or derived from these figures are correspondingly approximate.

⁸ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-10.—*Relation of gross national product and national income, 1929-60*

[Billions of dollars]

Period	Gross national product	Less: Capital consumption allowances			Equals: Net national product	Plus: Subsidies less current surplus of government enterprises	Less:					Equals: National income
		Total	Depreciation charges	Other ¹			Indirect business tax			Business transfer payments	Statistical discrepancy	
							Total	Federal	State and local			
1929.....	104.4	8.6	7.7	0.9	95.8	-0.1	7.0	1.2	5.8	0.6	0.3	87.8
1930.....	91.1	8.5	7.7	.8	82.6	-.1	7.2	1.0	6.1	.5	-1.0	75.7
1931.....	76.3	8.2	7.6	.6	68.1	(2)	6.9	.9	6.0	.6	.8	59.7
1932.....	58.5	7.6	7.0	.6	50.9	(2)	6.8	.9	5.8	.7	.8	42.5
1933.....	56.0	7.2	6.7	.5	48.8	(2)	7.1	1.6	5.4	.7	.9	40.2
1934.....	65.0	7.1	6.6	.5	57.9	.3	7.8	2.2	5.6	.6	.7	49.0
1935.....	72.5	7.2	6.7	.6	65.3	.4	8.2	2.2	6.0	.6	-.2	57.1
1936.....	82.7	7.5	6.7	.8	75.2	(2)	8.7	2.3	6.4	.6	1.1	64.9
1937.....	90.8	7.7	6.9	.8	83.0	.1	9.2	2.4	6.8	.6	-.2	73.6
1938.....	85.2	7.8	6.9	.8	77.4	.2	9.2	2.2	6.9	.4	.5	67.6
1939.....	91.1	7.8	7.1	.7	83.3	.5	9.4	2.3	7.0	.5	1.2	72.8
1940.....	100.6	8.1	7.3	.8	92.5	.4	10.0	2.6	7.4	.4	.8	81.6
1941.....	125.8	9.0	8.1	1.0	116.8	.1	11.3	3.6	7.7	.5	.4	104.7
1942.....	159.1	10.2	9.2	1.0	149.0	.2	11.8	4.0	7.7	.5	-.8	137.7
1943.....	192.5	10.9	9.9	1.0	181.6	.2	12.7	4.9	7.8	.5	-1.7	170.3
1944.....	211.4	12.0	10.8	1.2	199.4	.7	14.1	6.2	8.0	.5	2.8	182.6
1945.....	213.6	12.5	11.2	1.3	201.0	.8	15.5	7.1	8.4	.5	4.5	181.2
1946.....	210.7	10.7	9.0	1.7	200.0	.9	17.3	7.9	9.4	.6	2.1	180.9
1947.....	234.3	13.0	11.1	2.0	221.3	-.2	18.6	7.9	10.8	.7	3.5	198.2
1948.....	259.4	15.5	13.1	2.4	244.0	-.2	20.4	8.1	12.3	.7	-.8	223.5
1949.....	258.1	17.3	15.1	2.2	240.8	-.2	21.6	8.2	13.5	.8	.5	217.7
1950.....	284.6	19.1	16.5	2.6	265.5	.2	23.7	9.0	14.7	.8	-.7	241.9
1951.....	329.0	22.0	18.8	3.2	307.0	.2	25.6	9.5	16.1	1.0	1.2	279.3
1952.....	347.0	24.0	20.9	3.1	323.0	-.2	28.1	10.5	17.6	1.2	1.4	292.2
1953.....	365.4	26.5	23.1	3.5	338.9	-.4	30.2	11.2	19.0	1.4	1.3	305.6
1954.....	363.1	28.8	25.2	3.6	334.3	-.2	30.2	10.1	20.1	1.3	.9	301.8
1955.....	397.5	32.0	27.9	4.0	365.5	(2)	32.9	11.0	21.8	1.5	1.0	330.2
1956.....	419.2	34.4	30.5	3.9	384.8	.9	35.7	11.6	24.1	1.6	-2.4	350.8
1957.....	442.8	37.4	33.4	4.0	405.3	1.0	38.2	12.2	26.0	1.8	-.6	366.9
1958.....	444.2	38.1	35.1	3.1	406.1	1.1	39.4	11.9	27.5	1.8	-1.7	367.7
1959.....	482.1	40.5	37.2	3.3	441.6	.6	42.6	12.9	29.6	1.8	-1.8	399.6
1960 ³	503.2	43.2	39.6	3.6	460.0	.5	45.1	13.8	31.3	1.8	-4.8	418.4
Seasonally adjusted annual rates												
1958:												
First quarter....	432.0	37.7	(2)	(2)	394.3	1.0	38.4	11.7	26.7	1.8	-2.5	357.6
Second quarter....	436.8	37.9	(2)	(2)	398.9	1.2	39.2	12.0	27.2	1.8	-1.3	360.4
Third quarter....	447.0	38.2	(2)	(2)	408.8	1.2	39.4	11.7	27.7	1.8	-2.1	370.8
Fourth quarter....	461.0	38.7	(2)	(2)	422.2	1.2	40.4	12.1	28.3	1.8	-.7	381.9
1959:												
First quarter....	473.1	39.5	(2)	(2)	433.6	.8	41.5	12.6	28.9	1.8	.1	390.9
Second quarter....	487.9	40.2	(2)	(2)	447.7	.7	42.2	12.8	29.4	1.8	-1.0	405.4
Third quarter....	481.4	40.7	(2)	(2)	440.7	.5	43.0	13.1	29.9	1.8	-3.0	399.4
Fourth quarter....	486.4	41.4	(2)	(2)	445.0	.5	43.5	13.3	30.2	1.8	-2.6	402.8
1960:												
First quarter....	501.3	42.2	(2)	(2)	459.1	.5	44.4	13.6	30.8	1.8	-1.1	414.4
Second quarter....	505.0	43.0	(2)	(2)	462.0	.6	45.3	14.1	31.2	1.8	-3.9	419.4
Third quarter....	503.5	43.6	(2)	(2)	460.0	.5	45.1	13.8	31.4	1.8	-5.8	419.3
Fourth quarter ⁴	503.5	44.1	(2)	(2)	459.3	.5	45.6	13.9	31.7	1.8	(2)	(2)

¹ Accidental damage to fixed capital and capital outlays charged to current account.² Less than \$50 million.³ Preliminary estimates by Council of Economic Advisers.⁴ Data for corporate profits are approximations for the year as a whole; they do not derive from, nor imply, specific estimates for the quarters. All other data incorporating or derived from these figures are correspondingly approximate.⁵ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-11.—*Relation of national income and personal income, 1929-60*

(Billions of dollars)

Period	National income	Less:			Plus:				Equals:
		Corporate profits and inventory valuation adjustment	Contributions for social insurance	Excess of wage accruals over disbursements	Government transfer payments to persons	Net interest paid by government	Dividends	Business transfer payments	
1929.....	87.8	10.1	0.2	-----	0.9	1.0	5.8	0.6	85.8
1930.....	75.7	6.6	.3	-----	1.0	1.0	5.5	.5	76.9
1931.....	59.7	1.6	.3	-----	2.1	1.1	4.1	.6	65.7
1932.....	42.5	-2.0	.3	-----	1.4	1.1	2.6	.7	50.1
1933.....	40.2	-2.0	.3	-----	1.5	1.2	2.1	.7	47.2
1934.....	49.0	1.1	.3	-----	1.6	1.2	2.6	.6	53.6
1935.....	57.1	2.9	.3	-----	1.8	1.1	2.9	.6	60.2
1936.....	64.9	5.0	.6	-----	2.9	1.1	4.5	.6	68.5
1937.....	73.6	6.2	1.8	-----	1.9	1.2	4.7	.6	73.9
1938.....	67.6	4.3	2.0	-----	2.4	1.2	3.7	.4	68.6
1939.....	72.8	5.7	2.1	-----	2.5	1.2	3.8	.5	72.9
1940.....	81.6	9.1	2.3	-----	2.7	1.3	4.0	.4	78.7
1941.....	104.7	14.5	2.8	-----	2.6	1.3	4.5	.5	96.3
1942.....	137.7	19.7	3.5	-----	2.6	1.5	4.3	.5	123.5
1943.....	170.3	23.8	4.5	0.2	2.5	2.1	4.5	.5	151.4
1944.....	182.6	23.0	5.2	- .2	3.1	2.8	4.7	.5	165.7
1945.....	181.2	18.4	6.1	-----	5.6	3.7	4.7	.5	171.2
1946.....	180.9	17.3	6.0	-----	10.9	4.5	5.8	.6	179.3
1947.....	198.2	23.6	5.7	-----	11.1	4.4	6.5	.7	191.6
1948.....	223.5	30.8	5.2	-----	10.5	4.5	7.2	.7	210.4
1949.....	217.7	28.2	5.7	-----	11.6	4.7	7.5	.8	208.3
1950.....	241.9	35.7	6.9	-----	14.3	4.8	9.2	.8	228.5
1951.....	279.3	41.0	8.2	.1	11.6	5.0	9.0	1.0	256.7
1952.....	292.2	37.7	8.6	-----	12.0	5.0	9.0	1.2	273.1
1953.....	305.6	37.3	8.7	- .1	12.9	5.2	9.2	1.4	288.3
1954.....	301.8	33.7	9.7	-----	15.0	5.4	9.8	1.3	289.8
1955.....	330.2	43.1	11.0	-----	16.0	5.4	11.2	1.5	310.2
1956.....	350.8	42.0	12.6	-----	17.2	5.7	12.1	1.6	332.9
1957.....	366.9	41.7	14.5	-----	20.1	6.2	12.6	1.8	351.4
1958.....	367.7	37.4	14.8	-----	24.5	6.2	12.4	1.8	360.3
1959.....	399.6	46.6	17.3	-----	25.2	7.1	13.4	1.8	383.3
1960 ¹	* 418.4	* 45.0	20.2	-----	27.2	8.0	14.0	1.8	404.2
Seasonally adjusted annual rates									
1958: First quarter.....	357.6	32.6	14.6	0.6	22.8	6.1	12.7	1.8	353.2
Second quarter.....	360.4	34.7	14.6	.6	25.0	6.1	12.6	1.8	355.9
Third quarter.....	370.8	38.5	15.0	-1.3	25.6	6.1	12.6	1.8	364.7
Fourth quarter.....	381.9	44.0	15.2	-----	25.3	6.4	12.0	1.8	368.1
1959: First quarter.....	390.9	45.5	16.9	-----	24.8	6.6	13.0	1.8	374.7
Second quarter.....	405.4	50.4	17.4	-----	25.0	6.9	13.2	1.8	384.5
Third quarter.....	399.4	44.9	17.4	-----	25.0	7.3	13.6	1.8	384.8
Fourth quarter.....	402.8	45.5	17.5	-----	26.0	7.6	13.8	1.8	389.0
1960: First quarter.....	414.4	48.0	19.9	-----	26.1	7.8	13.9	1.8	396.2
Second quarter.....	419.4	45.3	20.2	-----	26.7	8.0	13.9	1.8	404.2
Third quarter.....	419.3	42.2	20.4	-----	27.3	8.2	14.0	1.8	408.0
Fourth quarter ¹	(?)	(?)	20.1	-----	28.7	8.2	14.1	1.8	408.5

¹ Preliminary estimates by Council of Economic Advisers.² Data for corporate profits are approximations for the year as a whole; they do not derive from, nor imply, specific estimates for the quarters. All other data incorporating or derived from these figures are correspondingly approximate.³ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-12.—*Sources of personal income, 1929-60*

[Billions of dollars]

Period	Total personal income	Labor income (wage and salary disbursements and other labor income) ¹	Proprietors' income ²		Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Non-agricultural personal income ⁴
			Farm ³	Business and professional						
1929.....	85.8	51.0	6.0	8.8	5.4	5.8	7.4	1.5	0.1	77.7
1930.....	76.9	46.7	4.1	7.4	4.8	5.5	6.9	1.5	.1	70.8
1931.....	65.7	39.6	3.2	5.6	3.8	4.1	6.9	2.7	.2	60.9
1932.....	50.1	30.9	1.9	3.4	2.7	2.6	6.6	2.2	.2	46.9
1933.....	47.2	29.4	2.4	3.2	2.0	2.1	6.2	2.1	.2	43.6
1934.....	53.6	34.1	2.4	4.6	1.7	2.6	6.1	2.2	.2	49.8
1935.....	60.2	37.2	5.0	5.4	1.7	2.9	5.9	2.4	.2	53.9
1936.....	68.5	42.5	4.0	6.5	1.8	4.5	5.8	3.5	.2	63.2
1937.....	73.9	46.7	5.6	7.1	2.1	4.7	5.9	2.4	.6	67.0
1938.....	68.6	43.6	4.3	6.8	2.6	3.2	5.8	2.8	.6	62.8
1939.....	72.9	46.6	4.3	7.3	2.7	3.8	5.8	3.0	.6	67.1
1940.....	78.7	50.5	4.6	8.4	2.9	4.0	5.8	3.1	.7	72.6
1941.....	96.3	62.8	6.5	10.9	3.5	4.5	5.8	3.1	.8	88.0
1942.....	123.5	83.0	10.0	13.9	4.5	4.3	5.8	3.1	1.2	111.5
1943.....	151.4	106.7	11.4	16.8	5.1	4.5	5.8	3.0	1.8	137.6
1944.....	165.7	118.5	11.5	18.0	5.4	4.7	6.2	3.6	2.2	151.6
1945.....	171.2	119.4	11.8	19.0	5.6	4.7	6.9	6.2	2.3	156.8
1946.....	179.3	113.8	15.3	21.3	6.2	5.8	7.6	11.4	2.0	161.2
1947.....	191.6	125.2	15.5	19.9	6.5	6.5	8.2	11.8	2.1	172.8
1948.....	210.4	137.9	17.8	22.4	7.3	7.2	8.7	11.3	2.2	189.2
1949.....	208.3	137.4	12.9	22.7	8.3	7.5	9.4	12.4	2.2	192.1
1950.....	228.5	150.2	14.0	23.5	9.0	9.2	10.3	15.1	2.9	211.3
1951.....	256.7	175.5	16.3	26.0	9.4	9.0	11.2	12.6	3.4	237.0
1952.....	273.1	190.2	15.3	26.9	10.2	9.0	12.1	13.2	3.8	254.3
1953.....	288.3	204.1	13.3	27.4	10.5	9.2	13.4	14.3	3.9	271.5
1954.....	289.8	202.5	12.7	27.8	10.9	9.8	14.6	16.2	4.6	273.8
1955.....	310.2	218.0	11.8	30.4	10.7	11.2	15.8	17.5	5.2	295.0
1956.....	332.9	235.7	11.6	32.1	10.9	12.1	17.5	18.8	5.8	317.9
1957.....	351.4	247.7	11.8	32.7	11.9	12.6	19.6	21.9	6.7	336.1
1958.....	360.3	249.1	14.0	32.3	12.2	12.4	20.8	26.4	6.8	342.6
1959.....	383.3	268.3	11.8	34.7	12.4	13.4	23.5	27.0	7.8	367.6
1960 ⁵	404.2	283.5	12.0	35.9	12.5	14.0	26.8	29.0	9.3	388.1
Seasonally adjusted annual rates										
1958:										
First quarter.....	353.2	244.1	14.7	31.5	12.1	12.7	20.2	24.6	6.8	335.0
Second quarter.....	355.9	244.9	13.9	32.0	12.1	12.6	20.4	26.8	6.7	338.3
Third quarter.....	364.7	252.1	14.0	32.6	12.2	12.6	20.9	27.4	7.0	346.9
Fourth quarter.....	368.1	255.1	13.5	33.3	12.2	12.0	21.8	27.1	6.9	350.7
1959:										
First quarter.....	374.7	261.2	13.0	33.8	12.3	13.0	22.6	26.6	7.7	357.8
Second quarter.....	384.5	270.1	12.0	34.8	12.4	13.2	23.1	26.8	7.8	368.6
Third quarter.....	384.8	270.0	11.1	35.0	12.4	13.6	23.8	26.8	7.9	370.0
Fourth quarter.....	389.0	272.0	11.2	35.1	12.5	13.8	24.5	27.8	7.9	373.7
1960:										
First quarter.....	396.2	279.4	10.6	35.4	12.5	13.9	25.6	27.9	9.2	381.4
Second quarter.....	404.2	284.0	12.1	36.0	12.5	13.9	26.5	28.5	9.3	387.7
Third quarter.....	408.0	286.1	12.2	36.1	12.5	14.0	27.3	29.1	9.4	391.6
Fourth quarter ⁶	408.5	284.3	12.8	35.9	12.5	14.1	27.6	30.5	9.2	391.6

¹ The total of wage and salary disbursements and other labor income differs from compensation of employees in Table C-9 in that it excludes employer contributions for social insurance and excludes the excess of wage accruals over wage disbursements.

² Excludes income resulting from net reductions of inventories and gives credit in computing income to net additions to inventories during the period.

³ Data for 1929-45 differ from those in Table C-65 because of revisions by the Department of Agriculture not yet incorporated into the national income accounts.

⁴ Nonagricultural income is personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

⁵ Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

SOURCE: Department of Commerce (except as noted).

TABLE C-13.—Disposition of personal income, 1929-60

Period	Personal income	Less: Personal taxes ¹	Equals: Disposable personal income	Less: Personal consumption expenditures	Equals: Personal saving	Saving as percent of disposable personal income (percent)
Billions of dollars						
1929.....	85.8	2.6	83.1	79.0	4.2	5.1
1930.....	76.9	2.5	74.4	71.0	3.4	4.6
1931.....	65.7	1.9	63.8	61.3	2.5	3.9
1932.....	50.1	1.5	48.7	49.3	— .6	—1.2
1933.....	47.2	1.5	45.7	46.4	— .6	—1.3
1934.....	53.6	1.6	52.0	51.9	.1	.2
1935.....	60.2	1.9	58.3	56.3	2.0	3.4
1936.....	68.5	2.3	66.2	62.6	3.6	5.4
1937.....	73.9	2.9	71.0	67.3	3.7	5.2
1938.....	68.6	2.9	65.7	64.6	1.1	1.7
1939.....	72.9	2.4	70.4	67.6	2.9	4.1
1940.....	78.7	2.6	76.1	71.9	4.2	5.5
1941.....	96.3	3.3	93.0	81.9	11.1	11.9
1942.....	123.5	6.0	117.5	89.7	27.8	23.7
1943.....	151.4	17.8	133.5	100.5	33.0	24.7
1944.....	165.7	18.9	146.8	109.8	36.9	25.1
1945.....	171.2	20.9	150.4	121.7	28.7	19.1
1946.....	179.3	18.7	160.6	147.1	13.5	8.4
1947.....	191.6	21.5	170.1	165.4	4.7	2.8
1948.....	210.4	21.1	189.3	178.3	11.0	5.8
1949.....	208.3	18.7	189.7	181.2	8.5	4.5
1950.....	228.5	20.8	207.7	195.0	12.6	6.1
1951.....	256.7	29.2	227.5	209.8	17.7	7.8
1952.....	273.1	34.4	238.7	219.8	18.9	7.9
1953.....	288.3	35.8	252.5	232.6	19.8	7.8
1954.....	289.8	32.9	256.9	238.0	18.9	7.4
1955.....	310.2	35.7	274.4	256.9	17.5	6.4
1956.....	332.9	40.0	292.9	269.9	23.0	7.9
1957.....	351.4	42.6	308.8	285.2	23.6	7.6
1958.....	360.3	42.4	317.9	293.5	24.4	7.7
1959.....	383.3	46.0	337.3	313.8	23.4	6.9
1960 ²	404.2	50.0	354.2	328.2	26.0	7.3
Seasonally adjusted annual rates						
1958: First quarter.....	353.2	41.8	311.4	287.7	23.7	7.6
Second quarter.....	355.9	41.9	314.0	291.2	22.8	7.3
Third quarter.....	364.7	42.8	321.9	294.8	27.1	8.4
Fourth quarter.....	368.1	43.2	324.9	300.2	24.7	7.6
1959: First quarter.....	374.7	45.1	329.6	306.1	23.6	7.2
Second quarter.....	384.5	46.2	338.3	313.6	24.8	7.3
Third quarter.....	384.8	46.3	338.5	316.0	22.5	6.6
Fourth quarter.....	389.0	46.5	342.4	319.6	22.8	6.7
1960: First quarter.....	396.2	49.2	347.0	323.3	23.7	6.8
Second quarter.....	404.2	50.0	354.1	329.0	25.2	7.1
Third quarter.....	408.0	50.5	357.5	328.3	29.2	8.2
Fourth quarter ²	408.5	50.4	358.1	332.0	26.1	7.3

¹ Includes also such items as fines and penalties.² Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-14.—*Total and per capita disposable personal income and personal consumption expenditures, in current and 1960 prices, 1929-60*

Period	Total disposable personal income (billions of dollars)		Per capita disposable personal income (dollars)		Total personal consumption expenditures (billions of dollars)		Per capita personal consumption expenditures (dollars)		Population (thousands) ⁴
	Current prices	1960 prices ¹	Current prices	1960 prices ¹	Current prices	1960 prices ²	Current prices	1960 prices ²	
1929.....	83.1	148.7	682	1,220	79.0	141.3	648	1,159	121,875
1930.....	74.4	139.3	604	1,131	71.0	132.9	576	1,079	123,188
1931.....	63.8	134.0	514	1,080	61.3	128.8	494	1,037	124,149
1932.....	48.7	115.7	390	926	49.3	117.2	395	938	124,949
1933.....	45.7	112.6	364	897	46.4	114.4	369	910	125,690
1934.....	52.0	120.6	411	954	51.9	120.3	410	951	126,485
1935.....	58.3	132.2	458	1,039	56.3	127.7	442	1,003	127,362
1936.....	66.2	148.8	516	1,160	62.6	140.6	488	1,097	128,181
1937.....	71.0	153.7	551	1,193	67.3	145.6	522	1,129	128,961
1938.....	65.7	145.7	506	1,122	64.6	143.1	497	1,101	129,969
1939.....	70.4	157.5	537	1,201	67.6	151.1	516	1,153	131,028
1940.....	76.1	168.4	576	1,274	71.9	159.2	544	1,205	132,122
1941.....	93.0	192.5	697	1,443	81.9	169.7	614	1,272	133,402
1942.....	117.5	217.6	871	1,613	89.7	166.1	665	1,232	134,860
1943.....	133.5	226.7	976	1,657	100.5	170.5	735	1,247	136,739
1944.....	146.8	236.0	1,061	1,706	109.8	176.6	793	1,276	138,397
1945.....	150.4	233.5	1,075	1,669	121.7	188.9	870	1,350	139,928
1946.....	160.6	231.1	1,136	1,635	147.1	211.6	1,040	1,467	141,389
1947.....	170.1	221.5	1,180	1,536	165.4	215.3	1,148	1,494	144,126
1948.....	189.3	232.8	1,291	1,588	178.3	219.4	1,216	1,496	146,631
1949.....	189.7	235.7	1,272	1,580	181.2	225.0	1,215	1,508	149,188
1950.....	207.7	254.2	1,369	1,676	195.0	238.7	1,286	1,574	151,683
1951.....	227.5	261.2	1,474	1,692	209.8	240.8	1,359	1,560	154,360
1952.....	238.7	268.2	1,520	1,708	219.8	247.0	1,400	1,573	157,028
1953.....	252.5	281.2	1,582	1,762	232.6	258.9	1,457	1,622	159,636
1954.....	256.9	283.2	1,582	1,744	238.0	262.3	1,465	1,615	162,417
1955.....	274.4	301.2	1,660	1,822	256.9	282.0	1,554	1,706	165,270
1956.....	292.9	316.0	1,742	1,879	269.9	291.3	1,605	1,732	168,176
1957.....	308.8	323.7	1,804	1,891	285.2	299.1	1,666	1,747	171,198
1958.....	317.9	327.1	1,826	1,879	293.5	302.0	1,696	1,735	174,054
1959.....	337.3	343.1	1,905	1,938	313.8	319.3	1,772	1,803	177,080
1960 ³	354.2	354.2	1,969	1,969	328.2	328.2	1,824	1,824	179,922
Seasonally adjusted annual rates									
1958:									
First quarter.....	311.4	321.4	1,800	1,858	287.7	296.9	1,663	1,716	173,041
Second quarter....	314.0	322.7	1,808	1,858	291.2	299.4	1,676	1,724	173,703
Third quarter.....	321.9	331.2	1,845	1,898	294.8	303.4	1,690	1,739	174,464
Fourth quarter....	324.9	333.6	1,854	1,903	300.2	308.3	1,713	1,759	175,287
1959:									
First quarter.....	329.6	337.4	1,873	1,917	306.1	313.3	1,739	1,780	176,012
Second quarter....	338.3	345.2	1,914	1,953	313.6	319.9	1,775	1,810	176,714
Third quarter.....	338.5	343.7	1,907	1,936	316.0	320.9	1,780	1,808	177,493
Fourth quarter....	342.4	346.2	1,920	1,941	319.6	323.1	1,793	1,812	178,291
1960:									
First quarter.....	347.0	349.1	1,939	1,951	323.3	325.3	1,807	1,818	178,938
Second quarter....	354.1	354.5	1,972	1,974	329.0	329.2	1,832	1,833	179,576
Third quarter.....	357.5	356.8	1,983	1,979	328.3	327.8	1,821	1,818	180,309
Fourth quarter ⁵ ..	358.1	356.3	1,977	1,967	332.0	330.2	1,833	1,823	181,100

¹ Estimates in current prices divided by the implicit price deflator for personal consumption expenditures on a 1960 base.

² See Table C-2 for explanation.

³ Total expenditures in 1960 prices divided by population.

⁴ Population of the United States excluding Alaska and Hawaii; includes armed forces abroad. Annual data are for July 1; quarterly data are for middle of period. (Population of United States including Alaska for 1959 was 177,261,000 and including Alaska and Hawaii for 1960 was 180,670,000.)

⁵ Preliminary estimates by Council of Economic Advisers.

Sources: Department of Commerce and Council of Economic Advisers.

TABLE C-15.—Financial saving by individuals, 1939-60¹

[Billions of dollars]

Period	Total	Cur- rency and bank de- posits	Sav- ings shares ²	Securities				Pri- vate insur- ance re- serves ⁴	Non- in- sured pen- sion funds	Gov- ern- ment insur- ance and pen- sion re- serves ⁵	Less: Increase in debt		
				Total	U. S. sav- ings bonds	Other gov- ern- ment ³	Cor- porate and other				Mort- gage debt ⁶	Con- sumer debt ⁷	Secu- rities loans ⁸
1939.....	4.2	3.0	0.1	-0.8	0.7	-0.9	-0.6	1.7	0.1	1.3	0.5	0.8	-0.2
1940.....	4.2	2.9	.3	-.4	.9	-.8	-.4	1.8	.1	1.3	.8	1.0	-.2
1941.....	10.5	4.8	.4	2.6	2.8	.4	-.5	2.1	.1	1.9	.8	.7	-.1
1942.....	29.3	10.9	.3	10.3	8.0	2.3	(⁹)	2.5	.1	2.6	.1	-3.0	.3
1943.....	38.7	16.2	.6	14.1	11.1	3.2	-.3	2.8	.2	3.9	-.4	-1.0	.6
1944.....	41.4	17.5	.8	15.7	11.8	4.6	-.7	3.2	.6	5.0	-.1	.1	1.4
1945.....	37.3	19.0	1.1	9.9	6.8	4.2	-1.2	3.5	.9	5.1	.2	.5	1.5
1946.....	14.1	10.6	1.2	-1.4	1.0	-2.4	(⁹)	3.4	.3	3.6	3.6	2.3	-2.3
1947.....	6.5	2.0	1.3	2.4	2.0	-.3	.7	3.6	.3	3.5	4.6	2.8	-.8
1948.....	2.8	-1.8	1.3	3.1	1.6	.4	1.1	3.8	.4	3.6	4.7	2.4	.4
1949.....	2.2	-1.4	1.6	2.4	1.5	.2	.7	3.7	.6	2.3	4.1	2.6	.3
1950.....	.8	3.5	1.7	.9	.2	-.1	.7	3.9	.9	1.1	7.3	3.6	.2
1951.....	11.1	5.9	2.3	.5	-.5	-.4	1.4	4.1	1.4	4.2	6.6	1.0	-.3
1952.....	13.1	7.0	3.3	3.5	.1	1.3	2.2	4.8	1.5	4.4	6.5	4.4	.6
1953.....	10.9	4.7	4.0	3.4	.2	2.0	1.2	5.0	1.8	3.2	7.3	3.6	.4
1954.....	9.5	5.4	4.8	.4	.6	-.9	.7	5.2	1.9	2.6	9.0	1.0	.9
1955.....	7.1	3.3	5.2	6.4	.3	3.9	2.2	5.5	2.1	3.1	11.8	6.1	.6
1956.....	14.1	4.7	5.4	5.2	-.1	3.3	2.0	5.5	2.4	3.6	10.3	3.1	-.8
1957.....	15.7	4.9	5.2	4.6	-1.9	3.8	2.8	5.1	2.9	3.2	7.8	2.5	-.1
1958.....	16.0	10.3	6.5	.8	-.5	-1.1	2.5	5.4	3.0	.6	9.8	.3	.4
1959.....	13.9	3.5	7.3	11.6	-1.8	12.2	1.2	5.4	3.4	2.2	13.4	6.1	.2
1960 ¹⁰	12.0	3.8	8.1	2.6	-.4	1.5	1.6	5.1	3.8	3.3	10.8	3.7	.4
1958:													
First quarter....	5.0	.7	1.4	.6	-.1	-.2	.9	1.2	1.0	-.1	1.6	-1.8	(⁹)
Second quarter...	.9	.6	1.9	-.3	-.1	-.6	.4	1.2	.5	.7	2.2	.4	1.0
Third quarter....	6.1	5.4	1.0	-.9	-.2	-1.5	.8	1.3	.6	.2	2.9	.1	-1.5
Fourth quarter...	3.9	3.6	2.2	1.5	-.2	1.2	.4	1.6	.9	-.1	3.1	1.6	.9
1959:													
First quarter....	4.9	.2	1.4	2.9	-.2	2.8	.4	1.2	.9	.1	2.9	-.3	-.6
Second quarter...	2.9	.3	2.4	2.5	-.4	2.7	.3	1.4	.8	1.5	3.6	2.2	.1
Third quarter....	4.2	2.7	1.2	2.8	-.5	3.0	.3	1.3	.8	.9	3.8	1.8	(⁹)
Fourth quarter...	2.0	.3	2.2	3.3	-.6	3.7	.2	1.5	.9	-.3	3.0	2.4	.6
1960:													
First quarter....	4.0	-2.0	1.6	2.6	-.2	2.6	.1	1.2	1.0	.3	2.4	-.5	-1.3
Second quarter...	1.3	-.3	2.3	-.1	-.1	-.2	.2	1.2	.9	2.1	2.7	1.9	.1
Third quarter....	3.5	2.9	1.4	.5	(⁹)	-.2	.7	1.4	1.0	1.0	3.1	.7	.8
Fourth quarter ¹⁰	3.2	3.3	2.8	-.3	-.1	-.8	.6	1.4	.9	(⁹)	2.6	1.5	.8

¹ Individuals' saving, in addition to personal holdings, covers saving of unincorporated business, trust funds, and nonprofit institutions in the forms specified.

² Includes shares in savings and loan associations and shares and deposits in credit unions.

³ "Other government" includes U.S. Government issues (except savings bonds), State and local government securities, and beginning 1951, nonguaranteed Federal agency issues, which are included in "corporate and other" for years prior to 1951.

⁴ Includes insured pension reserves.

⁵ Includes Social Security funds, State and local retirement systems, etc.

⁶ Mortgage debt to institutions on one- to-four family nonfarm dwellings.

⁷ Consumer debt owed to corporations, largely attributable to purchases of automobiles and other durable consumer goods, although including some debt arising from purchases of consumption goods. Policy loans on Government and private life insurance have been deducted from those items of saving.

⁸ Change in bank loans made for the purpose of purchasing or carrying securities.

⁹ Less than \$50 million.

¹⁰ Preliminary.

NOTE.—Figures beginning 1957 have been revised since the *Economic Report of the President*, January 1963.

In addition to the concept of saving shown above, there are other concepts of individuals' saving, with varying degrees of coverage, currently in use. The personal saving estimates of the Department of Commerce are derived as the difference between disposable personal income and expenditures. Conceptually, Commerce saving includes the following items not included in Securities and Exchange Commission saving: Housing, farm and unincorporated business investment in inventories and plant and equipment, net of depreciation, and increase in debt. Government insurance is excluded from the Commerce saving series. For a reconciliation of the two series, see Securities and Exchange Commission *Statistical Bulletin*, July 1960, and *Survey of Current Business*, July 1960.

The Federal Reserve Board's flow-of-funds system of accounts includes capital investments as well as financial components of saving and covers saving of Federal, State and local governments, businesses, financial institutions and consumers. While the Federal Reserve Board's estimates of consumer saving in financial form are similar to the Securities and Exchange Commission estimates of individuals' saving, there are some statistical and conceptual differences in the two sets of data.

Revisions for 1947-56 in the consumer credit statistics of the Board of Governors of the Federal Reserve System have not yet been incorporated into these estimates.

Data for Alaska and Hawaii included for all periods.

Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

TABLE C-16.—Sources and uses of gross saving, 1929-60

(Billions of dollars)

Period	Gross private saving and government surplus or deficit on income and product transactions							Gross investment			Statistical discrepancy
	Total	Private saving			Government surplus or deficit (-)			Total	Gross private domestic investment	Net foreign investment ¹	
		Total	Personal saving	Gross business saving	Total	Federal	State and local				
1929	16.7	15.7	4.2	11.5	1.0	1.2	-0.1	17.0	16.2	0.8	0.3
1930	11.9	12.2	3.4	8.8	-3.3	.3	-5.5	11.0	10.3	.7	-1.0
1931	4.9	7.7	2.5	5.2	-2.8	-2.1	-7.7	5.7	5.5	.2	.8
1932	.3	2.0	-6.6	2.7	-1.7	-1.5	-2.2	1.1	.9	.2	.8
1933	.6	1.9	-6.6	2.6	-1.4	-1.3	(2)	1.5	1.4	.2	.9
1934	2.6	5.0	.1	4.9	-2.4	-2.9	.5	3.3	2.9	.4	.7
1935	6.4	8.4	2.0	6.3	-2.0	-2.6	.6	6.2	6.3	-1.1	-2.2
1936	7.2	10.1	3.6	6.5	-3.0	-3.5	.5	8.3	8.4	-1.1	1.1
1937	12.1	11.5	3.7	7.8	.6	-.2	.7	11.8	11.7	.1	-.5
1938	7.3	8.9	1.1	7.8	-1.6	-2.0	.4	7.8	6.7	1.1	.2
1939	9.0	11.2	2.9	8.3	-2.1	-2.2	.1	10.2	9.3	.9	1.2
1940	13.9	14.6	4.2	10.4	-.7	-1.4	.7	14.7	13.2	1.5	.8
1941	18.8	22.6	11.1	11.5	-3.8	-5.1	1.3	19.2	18.1	1.1	.4
1942	10.5	41.9	27.8	14.1	-31.4	-33.2	1.8	9.7	9.9	-.2	-.8
1943	5.1	49.3	33.0	16.3	-44.2	-46.7	2.5	3.4	5.6	-2.2	-1.7
1944	2.3	54.2	36.9	17.2	-51.9	-54.6	2.7	5.0	7.1	-2.1	2.8
1945	4.5	44.3	28.7	15.6	-39.7	-42.3	2.6	9.0	10.4	-1.4	4.5
1946	30.6	26.5	13.5	13.1	4.1	2.2	1.9	32.7	28.1	4.6	2.1
1947	36.8	23.6	4.7	18.9	13.3	12.2	1.1	40.4	31.5	8.9	3.5
1948	45.9	37.6	11.0	26.6	8.2	8.0	.3	45.0	43.1	1.9	-.8
1949	33.0	36.1	8.5	27.6	-3.1	-2.5	-.6	33.5	33.0	.5	.5
1950	48.5	40.3	12.6	27.7	8.2	9.2	-1.0	47.8	50.0	-2.2	-.7
1951	55.3	49.2	17.7	31.5	6.1	6.4	-.3	56.6	56.3	.2	1.2
1952	48.3	52.2	18.9	33.2	-3.9	-3.9	.1	49.7	49.9	-.2	1.4
1953	47.0	54.1	19.8	34.3	-7.1	-7.4	.3	48.3	50.3	-2.0	1.3
1954	47.6	54.4	18.9	35.5	-6.7	-5.8	-.9	48.5	48.9	-.4	.9
1955	62.4	59.6	17.5	42.1	2.9	3.8	-1.0	63.4	63.8	-.4	1.0
1956	71.3	66.1	23.0	43.0	5.2	5.7	-.5	68.8	67.4	1.5	-2.4
1957	70.2	69.2	23.6	45.6	1.0	2.0	-1.0	69.6	66.1	3.5	-.6
1958	57.6	69.0	24.4	44.6	-11.4	-9.3	-2.0	56.0	56.0	-.1	-1.7
1959	71.4	73.9	23.4	50.5	-2.5	-1.4	-1.1	69.5	72.0	-2.5	-1.8
1960 ²	78.6	78.3	26.0	52.3	1.3	3.2	-2.9	73.8	72.7	1.1	-4.8
Seasonally adjusted annual rates											
1958:											
First quarter	55.5	65.8	23.7	42.0	-10.3	-8.1	-2.2	52.9	52.4	0.5	-2.5
Second quarter	53.7	66.4	22.8	43.6	-12.7	-10.9	-1.8	52.5	52.5	(2)	-1.3
Third quarter	58.3	70.8	27.1	43.7	-12.5	-10.6	-1.9	56.1	55.8	.4	-2.1
Fourth quarter	62.7	73.3	24.7	48.6	-10.6	-8.2	-2.3	62.0	63.2	-1.1	-7.7
1959:											
First quarter	68.3	72.8	23.6	49.1	-4.5	-2.5	-2.0	68.4	70.9	-2.5	.1
Second quarter	76.2	76.6	24.8	51.8	-.4	1.0	-1.3	75.2	78.9	-3.6	-1.0
Third quarter	68.9	72.1	22.5	49.6	-3.2	-2.0	-1.2	66.0	67.5	-1.5	-3.0
Fourth quarter	71.0	73.8	22.8	51.0	-2.8	-2.2	-.6	68.5	70.8	-2.4	-2.6
1960:											
First quarter	80.0	76.1	23.7	52.4	3.9	5.6	-1.7	79.0	79.3	-.3	-1.1
Second quarter	79.6	77.3	25.2	52.2	2.3	4.7	-2.5	75.7	75.5	.3	-3.9
Third quarter	79.0	80.8	29.2	51.6	-1.8	1.6	-3.4	73.1	70.8	2.3	-5.8
Fourth quarter ³	(5)	(5)	26.1	(5)	(5)	(5)	(5)	68.1	65.8	2.3	(5)

¹ Net exports of goods and services less foreign net transfers by Government. For 1929-45, net foreign investment and net exports of goods and services have been equated, since foreign net transfers by Government were negligible during that period.

² Less than \$50 million.

³ Preliminary estimates by Council of Economic Advisers.

⁴ Data for corporate profits are approximations for the year as a whole; they do not derive from, nor imply, specific estimates for the quarters. All other data incorporating or derived from these figures are correspondingly approximate.

⁵ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

EMPLOYMENT AND WAGES

TABLE C-17.—Noninstitutional population and the labor force, 1929-60

Period	Noninstitutional population ¹	Total labor force (including armed forces) ¹	Armed forces ¹	Civilian labor force					Total labor force as percent of noninstitutional population	Unemployment as percent of civilian labor force	
				Total	Employment ²			Unemployment ²			
					Total	Agricultural	Non-agricultural				
Thousands of persons 14 years of age and over										Percent	
Old definitions: ³											
1929.....	(*)	49,440	260	49,180	47,630	10,450	37,180	1,550	(*)	3.2	
1930.....	(*)	50,080	260	49,820	45,480	10,340	35,140	4,340	(*)	8.7	
1931.....	(*)	50,680	260	50,420	42,400	10,290	32,110	8,020	(*)	15.9	
1932.....	(*)	51,250	250	51,000	38,940	10,170	28,770	12,060	(*)	23.6	
1933.....	(*)	51,840	250	51,590	38,760	10,090	28,670	12,830	(*)	24.9	
1934.....	(*)	52,490	260	52,230	40,890	9,900	30,990	11,340	(*)	21.7	
1935.....	(*)	53,140	270	52,870	42,260	10,110	32,150	10,610	(*)	20.1	
1936.....	(*)	53,740	300	53,440	44,410	10,000	34,410	9,030	(*)	16.9	
1937.....	(*)	54,320	320	54,000	46,300	9,820	36,480	7,700	(*)	14.3	
1938.....	(*)	54,950	340	54,610	44,220	9,690	34,530	10,390	(*)	19.0	
1939.....	(*)	55,600	370	55,230	45,750	9,610	36,140	9,480	(*)	17.2	
1940.....	100,380	56,180	540	55,640	47,520	9,540	37,980	8,120	56.0	14.6	
1941.....	101,520	57,530	1,620	55,910	50,350	9,100	41,250	5,560	56.7	9.9	
1942.....	102,610	60,390	3,970	56,410	53,750	9,250	44,500	2,660	58.8	4.7	
1943.....	103,660	64,560	9,020	55,540	54,470	9,080	45,390	1,070	62.3	1.9	
1944.....	104,630	66,040	11,410	54,630	53,960	8,950	45,010	670	63.1	1.2	
1945.....	105,520	65,290	11,430	53,860	52,820	8,580	44,240	1,040	61.9	1.9	
1946.....	106,520	60,970	3,450	57,520	55,250	8,320	46,930	2,270	57.2	3.9	
1947.....	107,608	61,758	1,590	60,168	58,027	8,266	49,761	2,142	57.4	3.6	
New definitions: ³											
1947.....	107,608	61,758	1,590	60,168	57,812	8,256	49,557	2,356	57.4	3.9	
1948.....	108,632	62,898	1,456	61,442	59,117	7,960	51,156	2,325	57.9	3.8	
1949.....	109,773	63,721	1,616	62,105	58,423	8,017	50,406	3,682	58.0	5.9	
1950.....	110,929	64,749	1,650	63,099	59,748	7,497	52,251	3,351	58.4	5.3	
1951.....	112,075	65,983	3,097	62,884	60,784	7,048	53,736	2,099	58.9	3.3	
1952.....	113,270	66,560	3,594	62,966	61,035	6,792	54,243	1,932	58.8	3.1	
1953.....	115,094	67,362	3,547	63,815	61,945	6,555	55,390	1,870	58.5	2.9	
1954.....	116,219	67,818	3,350	64,468	60,890	6,495	54,395	3,578	58.4	5.6	
1955.....	117,388	68,896	3,048	65,848	62,944	6,718	56,225	2,904	58.7	4.4	
1956.....	118,734	70,387	2,857	67,530	64,708	6,572	58,135	2,822	59.3	4.2	
1957.....	120,445	70,744	2,797	67,946	65,011	6,222	58,789	2,936	58.7	4.3	
1958.....	121,950	71,284	2,637	68,647	63,966	5,844	58,122	4,681	58.5	6.8	
1959.....	123,366	71,946	2,552	69,394	65,581	5,836	59,745	3,813	58.3	5.5	
1960.....	124,878	72,820	2,514	70,306	66,392	5,696	60,697	3,913	58.3	5.6	
1960 (including Alaska and Hawaii) ⁴	125,368	73,126	2,514	70,612	66,681	5,723	60,958	3,931	58.3	5.6	
1959: January.....	122,724	70,027	2,597	67,430	62,706	4,693	58,013	4,724	57.1	7.0	
February.....	122,832	70,062	2,591	67,471	62,722	4,692	58,030	4,749	57.0	7.0	
March.....	122,945	70,768	2,579	68,189	63,828	5,203	58,625	4,362	57.6	6.4	
April.....	123,059	71,210	2,571	68,639	65,012	5,848	59,163	3,627	57.9	5.3	
May.....	123,180	71,955	2,550	69,405	66,016	6,408	59,608	3,389	58.4	4.9	
June.....	123,296	73,862	2,538	71,324	67,342	7,231	60,111	3,982	59.9	5.6	
July.....	123,422	73,875	2,537	71,338	67,594	6,825	60,769	3,744	59.9	5.2	
August.....	123,549	73,204	2,537	70,667	67,241	6,357	60,884	3,426	59.3	4.8	
September.....	123,659	72,109	2,532	69,577	66,347	6,242	60,105	3,230	58.3	4.6	
October.....	123,785	72,629	2,526	70,103	66,831	6,124	60,707	3,272	58.7	4.7	
November.....	123,908	71,839	2,529	69,310	65,640	5,601	60,040	3,670	58.0	5.3	
December.....	124,034	71,808	2,532	69,276	65,699	4,811	60,888	3,577	57.9	5.2	

See footnotes at end of table, p. 147.

TABLE C-17.—Noninstitutional population and the labor force, 1929-60—Continued

Period	Noninstitutional population ¹	Total labor force (including armed forces) ¹	Armed forces ¹	Civilian labor force					Total labor force as percent of noninstitutional population	Unemployment as percent of civilian labor force		
				Total	Employment ²			Unemployment ²				
					Total	Agricultural	Nonagricultural					
Thousands of persons 14 years of age and over											Percent	
New definitions: ³												
1960: January ⁴	124,606	70,689	2,521	68,168	64,020	4,611	59,409	4,149	56.7	6.1		
February	124,716	70,970	2,521	68,449	64,520	4,619	59,901	3,931	56.9	5.7		
March	124,839	70,993	2,520	68,473	64,267	4,565	59,702	4,206	56.9	6.1		
April	124,917	72,331	2,512	69,819	66,159	5,393	60,765	3,660	57.9	5.2		
May	125,033	73,171	2,504	70,667	67,208	5,837	61,371	3,459	58.5	4.9		
June	125,162	75,499	2,497	73,002	68,579	6,856	61,722	4,423	60.3	6.1		
July	125,288	75,215	2,509	72,706	68,689	6,885	61,805	4,017	60.0	5.5		
August	125,499	74,551	2,481	72,070	68,282	6,454	61,828	3,788	59.4	5.3		
September	125,717	73,672	2,517	71,155	67,767	6,588	61,179	3,388	58.6	4.8		
October	125,936	73,592	2,523	71,069	67,490	6,247	61,244	3,579	58.4	5.0		
November	126,222	73,746	2,533	71,213	67,182	5,666	61,516	4,031	58.4	5.7		
December	126,482	73,079	2,530	70,549	66,009	4,950	61,059	4,540	57.8	6.4		
Seasonally adjusted ⁵												
1959: January				69,000	64,700	5,600	58,800	4,100		6.0		
February				68,800	64,700	5,700	58,800	4,100		5.9		
March				69,300	65,300	6,000	59,200	3,900		5.7		
April				69,300	65,900	6,200	59,600	3,500		5.1		
May				69,300	66,000	6,000	59,900	3,400		4.9		
June				69,700	66,200	6,100	60,100	3,500		5.1		
July				69,500	66,000	5,800	60,300	3,600		5.1		
August				69,400	65,700	5,700	60,100	3,800		5.4		
September				69,300	65,600	5,700	60,000	3,800		5.6		
October				69,700	65,600	5,500	60,300	4,200		6.0		
November				69,300	65,300	5,800	59,500	4,100		5.9		
December				69,900	66,100	5,700	60,300	3,800		5.5		
1960: January ⁴				69,800	66,100	5,700	60,300	3,600		5.2		
February				69,800	66,500	5,600	60,700	3,400		4.8		
March				69,600	65,800	5,300	60,300	3,800		5.4		
April				70,500	67,100	5,800	61,300	3,600		5.0		
May				70,600	67,100	5,500	61,700	3,500		4.9		
June				71,300	67,400	5,800	61,700	3,900		5.5		
July				70,800	67,100	5,800	61,400	3,800		5.4		
August				70,800	66,700	5,800	61,000	4,200		5.9		
September				70,900	67,000	6,000	61,100	4,000		5.7		
October				70,600	66,300	5,600	60,800	4,500		6.4		
November				71,200	66,800	5,800	61,000	4,500		6.3		
December				71,200	66,400	5,800	60,500	4,900		6.8		

¹ Data for 1940-52 revised to include about 150,000 members of the armed forces who were outside the United States in 1940 and who were, therefore, not enumerated in the 1940 Census and were excluded from the 1940-52 estimates.

² See Note.

³ Not available.

⁴ Beginning January 1960, monthly figures include data for Alaska and Hawaii.

⁵ Seasonally adjusted totals may differ from the sum of components because totals and components have been seasonally adjusted separately.

NOTE.—Civilian labor force data beginning with May 1956 are based on a 330-area sample. For January 1954-April 1956 they are based on a 230-area sample; for 1946-53 on a 68-area sample; for 1940-45 on a smaller sample; and for 1929-39 on sources other than direct enumeration.

Effective January 1957, persons on layoff with definite instructions to return to work within 30 days of layoff and persons waiting to start new wage and salary jobs within the following 30 days are classified as unemployed. Such persons had previously been classified as employed (with a job but not at work). The combined total of the groups changing classification has averaged about 200,000 to 300,000 a month in recent years. The small number of persons in school during the survey week and waiting to start new jobs are classified as not in the labor force instead of employed, as formerly. Persons waiting to open new businesses or start new farms within 30 days continue to be classified as employed.

Beginning July 1955, monthly data are for the calendar week ending nearest the 15th of the month; previously, for week containing the 8th. Annual data are averages of monthly figures.

For the years 1940-52, estimating procedures made use of 1940 Census data; for subsequent years, 1950 Census data were used. For the effects of this change on the historical comparability of the data, see *Annual Report on the Labor Force, 1964*, Series P-50, No. 59, April 1955, p. 12.

Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

TABLE C-18.—*Employment and unemployment, by age and sex, 1942-60*

[Thousands of persons 14 years of age and over]

Period	Total civilian labor force	Employed						Unemployed					
		Total em- ployed	14-19 years	20-44 years		45 years and over		Total unem- ployed	14-19 years	20-44 years		45 years and over	
				Male	Fe- male	Male	Fe- male			Male	Fe- male	Male	Fe- male
Old definitions: ¹													
1942.....	56,410	53,750	5,770	20,790	9,400	14,160	3,630	2,660	510	670	520	770	190
1943.....	55,540	54,470	6,350	17,550	11,050	15,160	4,360	1,070	290	180	260	240	100
1944.....	54,630	53,960	6,050	16,380	11,280	15,480	4,770	670	200	140	170	110	50
1945.....	53,860	52,820	5,480	15,830	11,140	15,520	4,850	1,040	190	330	270	200	50
1946.....	57,520	55,250	4,550	21,170	9,870	15,280	4,380	2,270	290	1,200	280	410	90
1947.....	60,168	58,027	4,717	23,409	9,828	15,474	4,600	2,142	425	920	303	396	99
1948.....	61,442	59,378	4,841	23,842	10,098	15,677	4,924	2,064	415	757	353	414	127
1949.....	62,105	58,710	4,512	23,483	10,087	15,491	5,138	3,395	595	1,329	559	719	194
1950.....	63,099	59,957	4,564	23,833	10,376	15,666	5,517	3,142	543	1,119	552	697	232
1951.....	62,884	61,005	4,614	23,594	10,833	16,144	5,819	1,879	356	515	419	402	190
1952.....	62,966	61,293	4,530	23,372	10,917	16,345	6,130	1,673	362	495	344	345	127
1953.....	63,815	62,213	4,514	23,715	10,953	16,725	6,306	1,602	312	512	300	363	116
1954.....	64,468	61,238	4,285	23,178	10,730	16,649	6,395	3,230	515	1,158	617	684	256
1955.....	65,848	63,193	4,446	23,768	11,000	16,878	7,101	2,654	471	854	502	606	222
1956.....	67,530	64,979	4,764	24,051	11,271	17,294	7,598	2,551	510	784	491	530	239
New definitions: ¹													
1957.....	67,946	65,011	4,719	23,992	11,247	17,247	7,803	2,936	574	936	566	605	254
1958.....	68,647	63,966	4,511	23,374	11,028	17,036	8,015	4,681	757	1,715	850	965	392
1959.....	69,394	65,581	4,789	23,952	11,080	17,316	8,443	3,813	727	1,233	708	789	356
1960 ²	70,612	66,681	5,033	24,064	11,282	17,478	8,823	3,931	790	1,276	730	782	348
1959:													
January.....	67,430	62,706	3,932	23,177	10,752	16,766	8,078	4,724	607	1,761	897	1,089	369
February.....	67,471	62,722	4,000	23,083	10,813	16,782	8,043	4,749	586	1,831	851	1,095	386
March.....	68,189	63,828	4,062	23,460	10,989	16,991	8,324	4,362	606	1,604	785	974	393
April.....	68,639	65,012	4,268	23,950	11,058	17,283	8,454	3,627	648	1,145	655	787	392
May.....	69,405	66,016	4,523	24,094	11,287	17,452	8,660	3,389	690	1,009	634	679	375
June.....	71,324	67,342	5,782	24,328	11,099	17,534	8,602	3,982	1,312	1,064	662	596	347
July.....	71,338	67,594	6,307	24,471	10,868	17,539	8,407	3,744	1,007	1,023	675	669	370
August.....	70,667	67,241	6,102	24,451	10,839	17,496	8,354	3,426	791	1,003	674	646	312
September.....	69,577	66,347	4,793	24,241	11,188	17,564	8,565	3,230	598	1,032	646	629	324
October.....	70,103	66,831	4,731	24,276	11,564	17,579	8,684	3,272	605	939	696	692	341
November.....	69,310	65,640	4,437	23,912	11,288	17,404	8,599	3,670	624	1,212	697	808	326
December.....	69,276	65,699	4,538	23,978	11,229	17,398	8,553	3,577	660	1,173	627	797	320
1960: ²													
January.....	68,168	64,020	4,064	23,659	10,821	17,124	8,350	4,149	635	1,484	723	934	373
February.....	68,449	64,520	4,187	23,732	10,944	17,159	8,499	3,931	607	1,402	708	904	308
March.....	68,473	64,267	4,104	23,606	10,988	17,108	8,463	4,206	698	1,531	675	923	380
April.....	69,819	66,159	4,522	23,957	11,420	17,482	8,775	3,660	658	1,267	633	755	346
May.....	70,667	67,208	4,808	24,225	11,582	17,625	8,968	3,459	765	1,059	656	680	299
June.....	73,002	68,579	6,224	24,410	11,438	17,654	8,854	4,423	1,569	1,133	751	653	316
July.....	72,706	68,689	6,827	24,380	11,239	17,567	8,676	4,017	1,020	1,193	784	670	348
August.....	72,070	68,282	6,439	24,439	11,148	17,529	8,730	3,788	805	1,179	747	710	345
September.....	71,155	67,767	5,015	24,376	11,499	17,687	9,191	3,388	665	1,035	734	668	285
October.....	71,069	67,490	4,961	24,250	11,534	17,694	9,053	3,579	663	1,077	737	727	373
November.....	71,213	67,182	4,729	24,070	11,479	17,684	9,221	4,031	685	1,310	850	777	412
December.....	70,549	66,009	4,522	23,679	11,303	17,420	9,087	4,540	728	1,648	772	989	403

¹ See Note, Table C-17 for explanation of differences between the old and new definitions.² Beginning January 1960, data for Alaska and Hawaii are included.NOTE.—Data are not available prior to 1942 for all the age/sex groups above.
See Note, Table C-17 for information on area sample used and reporting periods.
Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

TABLE C-19.—*Employed persons not at work, by reason for not working, and special groups of unemployed persons, 1946-60*

[Thousands of persons 14 years of age and over]

Period	Employed persons not at work, by reason for not working						Special groups of un- employed persons ²	
	Total	Bad weather	Indus- trial dispute	Vacation	Illness	All other reasons ¹	Tempo- rary layoff ³	New wage and salary job ⁴
New definitions: ⁵								
1946.....	2,103	(⁶)	(⁶)	662	819	(⁶)	97	58
1947.....	2,260	211	95	834	847	273	123	92
1948.....	2,490	197	97	1,044	844	308	141	121
1949.....	2,243	110	79	1,044	719	291	185	101
1950.....	2,440	151	85	1,137	718	349	92	116
1951.....	2,459	111	57	1,073	782	436	117	103
1952.....	2,555	68	164	1,130	775	418	142	117
1953.....	2,529	96	73	1,171	827	362	167	101
1954.....	2,688	73	53	1,361	776	425	221	127
1955.....	2,683	103	61	1,268	835	416	133	117
1956.....	2,888	109	76	1,346	901	456	124	147
1957.....	3,017	139	45	1,447	962	425	150	110
1958.....	3,076	182	59	1,479	882	474	166	120
1959.....	3,161	115	160	1,494	907	484	128	134
1960 ⁷	3,231	168	40	1,576	942	505	147	119
1959: January.....	2,086	322	36	290	952	486	139	90
February.....	2,212	367	41	316	1,008	480	144	96
March.....	2,101	171	41	332	1,083	473	112	128
April.....	2,017	90	68	437	1,021	401	99	124
May.....	2,007	31	66	661	918	331	104	123
June.....	3,436	28	73	2,028	774	533	104	298
July.....	7,085	79	196	5,141	880	789	138	150
August.....	6,812	28	426	4,778	828	752	189	171
September.....	3,575	39	399	1,907	841	389	139	144
October.....	2,644	55	382	975	847	384	84	95
November.....	2,064	74	128	622	871	369	142	122
December.....	1,893	99	64	442	867	421	144	73
1960: January ¹	2,343	351	47	334	1,144	466	133	85
February.....	2,730	302	50	398	1,466	514	130	95
March.....	2,791	826	57	324	1,121	464	112	76
April.....	2,243	32	39	868	856	448	140	120
May.....	2,086	88	48	645	873	431	146	79
June.....	3,772	19	58	2,293	767	634	126	272
July.....	7,291	23	38	5,692	783	756	185	134
August.....	6,924	29	26	5,293	842	736	200	154
September.....	2,630	30	34	1,339	817	410	140	123
October.....	2,063	26	64	815	810	348	150	98
November.....	1,913	38	12	543	889	431	114	102
December.....	1,989	253	7	374	934	420	188	89

¹ Includes persons waiting to open new businesses or start new farms within 30 days.

² Under the old definitions of employment and unemployment, these groups were included in the "employed but not at work" category.

³ Persons on layoff with definite instructions to return to work within 30 days of the layoff.

⁴ Persons scheduled to start new wage and salary jobs within 30 days. Under the old definitions, the "new job or business" group included these persons as well as persons waiting to open new businesses or start new farms within 30 days (see "all other" category in this table) and persons in school during the survey week and waiting to start new jobs (these are now classified as "not in the labor force").

⁵ See Note, Table C-17 for explanation.

⁶ Not available.

⁷ Beginning January 1960, data for Alaska and Hawaii are included.

NOTE.—See Note, Table C-17 for information on area sample used and reporting periods. Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

TABLE C-20.—Unemployed persons, by duration of unemployment, 1946-60

Period	Total un- employed	Duration of unemployment				Average duration of unem- ployment (weeks)
		4 weeks and under	5-14 weeks	15-26 weeks	Over 26 weeks	
Thousands of persons 14 years of age and over						
Old definitions: ¹						
1946	2,270	(²)	(²)	(²)	141	(³)
1947	2,142	1,041	704	234	164	9.8
1948	2,064	1,087	669	193	116	8.6
1949	3,395	1,517	1,195	427	256	10.0
1950	3,142	1,307	1,055	425	357	12.1
1951	1,879	1,003	574	166	137	9.7
1952	1,673	925	517	148	84	8.3
1953	1,602	910	482	132	79	8.1
1954	3,230	1,303	1,115	495	317	11.7
1955	2,654	1,138	815	367	336	13.2
1956	2,551	1,214	805	301	232	11.3
New definitions: ¹						
1957	2,936	1,485	890	321	239	10.4
1958	4,681	1,833	1,397	785	667	13.8
1959	3,813	1,658	1,113	469	571	14.5
1960 ⁴	3,931	1,799	1,176	502	454	12.8
1958: First quarter	4,955	1,902	1,900	799	354	11.1
Second quarter	5,154	2,024	1,377	1,126	626	13.5
Third quarter	4,701	1,785	1,322	683	911	15.3
Fourth quarter	3,915	1,620	986	533	776	15.9
1959: First quarter	4,612	1,609	1,542	684	777	15.9
Second quarter	3,666	1,687	831	526	623	15.2
Third quarter	3,467	1,626	1,062	311	468	13.6
Fourth quarter	3,506	1,712	1,021	357	417	12.8
1960: First quarter ⁴	4,095	1,634	1,432	563	467	13.3
Second quarter	3,847	1,957	910	545	435	12.5
Third quarter	3,731	1,741	1,171	403	416	12.3
Fourth quarter	4,050	1,862	1,190	499	499	13.0

¹ See Note, Table C-17 for explanation of differences between the old and new definitions.² For duration of less than 6 months, data are available only for under 3 months (1,568,000) and 3 to 6 months (564,000).³ Not available.⁴ Beginning January 1960, data for Alaska and Hawaii are included.

NOTE.—See Note, Table C-17 for information on area sample used and reporting periods. Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

TABLE C-21.—Unemployment insurance programs, selected data, 1940–60

Period	All programs			State programs						
	Covered employment ¹	Insured unemployment (weekly average) ^{2, 3}	Total benefits paid (millions of dollars) ³	Insured unemployment ⁴	Initial claims	Exhaustions ⁵	Insured unemployment as percent of covered employment		Benefits paid	
							Unadjusted	Seasonally adjusted	Total (millions of dollars)	Average weekly check (dollars)
Thousands	Weekly average, thousands	Percent								
1940.....	24, 291	1, 331	534. 7	1, 282	214	50	5. 6	-----	518. 7	10. 56
1941.....	28, 136	842	358. 8	814	164	30	3. 0	-----	344. 3	11. 06
1942.....	30, 819	661	350. 4	649	122	21	2. 2	-----	344. 1	12. 66
1943.....	32, 419	149	80. 5	147	36	4	. 5	-----	79. 6	13. 84
1944.....	31, 714	111	67. 2	105	29	2	. 4	-----	62. 4	15. 90
1945.....	30, 087	720	574. 9	589	116	5	2. 1	-----	445. 9	18. 77
1946.....	31, 856	2, 804	2, 878. 5	1, 295	189	38	4. 3	-----	1, 094. 9	18. 50
1947.....	33, 876	1, 805	1, 785. 0	1, 009	187	24	3. 1	-----	775. 1	17. 83
1948.....	34, 646	1, 468	1, 328. 7	1, 002	210	20	3. 0	-----	789. 9	19. 03
1949.....	33, 098	2, 479	2, 269. 8	1, 979	322	37	6. 2	-----	1, 736. 0	20. 48
1950.....	34, 308	1, 605	1, 467. 6	1, 503	236	36	4. 6	-----	1, 373. 1	20. 76
1951.....	36, 334	1, 000	862. 9	969	208	16	2. 8	-----	840. 4	21. 09
1952.....	37, 006	1, 069	1, 043. 5	1, 024	215	18	2. 9	-----	998. 2	22. 79
1953.....	38, 072	1, 065	1, 050. 6	995	218	15	2. 8	-----	962. 2	23. 58
1954.....	36, 617	2, 048	2, 291. 8	1, 865	303	34	5. 2	-----	2, 026. 9	24. 93
1955.....	40, 014	1, 395	1, 560. 2	1, 254	226	25	3. 5	-----	1, 350. 3	25. 04
1956.....	42, 758	1, 318	1, 540. 6	1, 212	226	20	3. 2	-----	1, 380. 7	27. 02
1957.....	43, 447	1, 567	1, 913. 0	1, 450	268	23	3. 6	-----	1, 733. 9	28. 17
1958.....	44, 501	2, 766	3, 892. 5	2, 509	370	50	6. 4	-----	3, 512. 7	30. 58
1959.....	45, 727	1, 856	2, 651. 7	1, 682	281	33	4. 4	-----	2, 279. 0	30. 41
1960 ⁶	46, 600	2, 068	3, 020. 7	1, 915	332	31	4. 8	-----	2, 726. 0	32. 75
1959: January.....	43, 962	2, 739	310. 4	2, 489	493	48	6. 3	4. 9	274. 7	30. 50
February.....	43, 974	2, 596	280. 2	2, 368	316	45	6. 0	4. 6	251. 0	30. 52
March.....	44, 529	2, 282	279. 6	2, 077	255	44	5. 3	4. 3	250. 6	30. 38
April.....	45, 226	1, 936	235. 0	1, 768	247	41	4. 5	3. 9	213. 7	30. 02
May.....	45, 803	1, 593	182. 3	1, 464	209	35	3. 8	3. 6	162. 0	29. 45
June.....	46, 509	1, 414	174. 6	1, 298	221	30	3. 4	3. 5	142. 9	29. 23
July.....	46, 609	1, 477	171. 5	1, 333	267	27	3. 5	3. 7	142. 5	29. 10
August.....	46, 433	1, 451	170. 6	1, 291	241	25	3. 4	4. 1	133. 4	29. 76
September.....	46, 455	1, 370	177. 6	1, 203	213	25	3. 1	4. 1	141. 8	30. 49
October.....	46, 151	1, 479	171. 5	1, 309	272	23	3. 4	4. 8	136. 9	30. 81
November.....	46, 194	1, 853	199. 5	1, 677	357	23	4. 4	5. 5	168. 3	32. 21
December.....	46, 873	2, 008	250. 8	1, 541	358	27	4. 8	4. 8	219. 5	31. 91
1960: January.....	45, 446	2, 359	264. 4	2, 180	386	29	5. 6	4. 3	235. 2	31. 90
February.....	45, 409	2, 326	274. 6	2, 157	301	30	5. 5	4. 2	247. 8	32. 26
March.....	45, 389	2, 370	314. 6	2, 209	301	33	5. 7	4. 6	287. 1	32. 39
April.....	(7)	2, 078	259. 6	1, 939	293	35	4. 9	4. 2	237. 4	32. 50
May.....	(7)	1, 801	223. 0	1, 682	264	31	4. 3	4. 1	204. 9	32. 24
June.....	(7)	1, 700	216. 8	1, 588	272	31	4. 0	4. 2	198. 9	32. 33
July.....	(7)	1, 826	198. 7	1, 686	339	29	4. 3	4. 6	183. 8	32. 37
August.....	(7)	1, 804	229. 7	1, 657	306	28	4. 2	5. 1	206. 3	32. 99
September.....	(7)	1, 781	230. 8	1, 598	274	27	4. 0	5. 3	201. 8	33. 54
October.....	(7)	1, 839	214. 9	1, 678	332	29	4. 2	5. 9	189. 9	33. 73
November.....	(7)	2, 226	258. 6	2, 039	396	31	5. 1	6. 5	231. 1	34. 01
December ⁶	(7)	2, 845	350. 0	2, 639	500	36	6. 6	6. 5	302. 0	34. 20

¹ Includes persons under the State, Federal employee (UCFE) (effective January 1955), and Railroad Retirement Board (RR) programs; beginning October 1953, also includes members of the armed forces, covered under the program of unemployment compensation for ex-servicemen (UCX).

² Includes State, UCFE, RR, UCX, UCV (unemployment compensation for veterans, October 1952-January 1960), and SRA (Servicemen's Readjustment Act, September 1944-September 1951) programs.

³ Covered workers who have completed at least 1 week of unemployment.

⁴ Individuals receiving final payments in benefit year.

⁵ For total unemployment only.

⁶ Preliminary.

⁷ March 1960 is latest month for which data are available for all programs combined; workers covered by State programs account for about 87 percent of the total.

NOTE.—Data for Alaska and Hawaii included for all periods.

Source: Department of Labor.

TABLE C-22.—*Number of wage and salary workers in nonagricultural establishments, 1929-60*¹

(Thousands of employees)

Period	Total wage and salary workers	Manufacturing			Mining	Contract construction	Transportation and public utilities	Wholesale and retail trade ²	Finance, insurance, and real estate	Service and miscellaneous ³	Government (Federal, State, and local)
		Total	Durable goods	Non-durable goods							
1929.....	31,041	10,534	(*)	(*)	1,078	1,497	3,907	6,401	1,431	3,127	3,066
1930.....	29,143	9,401	(*)	(*)	1,000	1,372	3,675	6,064	1,398	3,084	3,149
1931.....	26,383	8,021	(*)	(*)	864	1,214	3,243	5,531	1,333	2,913	3,264
1932.....	23,377	6,797	(*)	(*)	722	970	2,804	4,907	1,270	2,682	3,225
1933.....	23,466	7,258	(*)	(*)	735	809	2,659	4,999	1,225	2,614	3,167
1934.....	25,699	8,346	(*)	(*)	874	862	2,736	5,552	1,247	2,784	3,298
1935.....	26,792	8,907	(*)	(*)	888	912	2,771	5,692	1,262	2,883	3,477
1936.....	28,802	9,653	(*)	(*)	937	1,145	2,956	6,076	1,313	3,060	3,662
1937.....	30,718	10,606	(*)	(*)	1,006	1,112	3,114	6,543	1,355	3,233	3,749
1938.....	28,902	9,253	(*)	(*)	882	1,055	2,840	6,453	1,347	3,196	3,876
1939.....	30,311	10,078	4,683	5,394	845	1,150	2,912	* 6,612	1,399	* 3,321	3,995
1940.....	32,058	10,780	5,337	5,443	918	1,294	3,013	6,940	1,436	3,477	4,202
1941.....	36,220	12,974	6,845	6,028	947	1,790	3,248	7,416	1,480	3,705	4,660
1942.....	39,779	15,051	8,804	6,247	983	2,170	3,433	7,333	1,469	3,857	5,483
1943.....	42,106	17,381	11,077	6,304	917	1,507	3,619	7,189	1,435	3,919	6,080
1944.....	41,534	17,111	10,858	6,253	883	1,094	3,798	7,260	1,409	3,934	6,043
1945.....	40,037	15,302	9,079	6,222	828	1,132	3,872	7,522	1,428	4,011	5,944
1946.....	41,287	14,461	7,739	6,722	852	1,661	4,023	8,602	1,619	4,474	5,595
1947.....	43,462	15,290	8,372	6,918	943	1,982	4,122	9,196	1,672	4,783	5,474
1948.....	44,448	15,321	8,312	7,010	982	2,169	4,141	9,519	1,741	4,925	5,650
1949.....	43,315	14,178	7,473	6,705	918	2,165	3,949	9,513	1,765	4,972	5,856
1950.....	44,738	14,967	8,085	6,882	889	2,333	3,977	9,645	1,824	5,077	6,026
1951.....	47,347	16,104	9,080	7,024	916	2,603	4,166	10,012	1,892	5,264	6,389
1952.....	48,303	16,334	9,340	6,994	885	2,634	4,185	10,281	1,967	5,411	6,609
1953.....	49,681	17,238	10,105	7,133	882	2,622	4,221	10,527	2,038	5,538	6,645
1954.....	48,431	15,995	9,122	6,873	777	2,593	4,009	10,520	2,122	5,664	6,751
1955.....	50,056	16,563	9,549	7,014	777	2,759	4,062	10,846	2,219	5,916	6,914
1956.....	51,766	16,903	9,835	7,068	807	2,929	4,161	11,221	2,308	6,160	7,277
1957.....	52,162	16,782	9,821	6,961	809	2,808	4,151	11,302	2,348	6,336	7,626
1958.....	50,543	15,468	8,743	6,725	721	2,648	3,903	11,141	2,374	6,395	7,893
1959.....	* 51,975	16,168	9,290	6,878	676	2,767	3,902	11,385	2,425	6,525	8,127
1960 ⁴	* 52,895	16,338	9,432	6,906	664	2,770	3,901	11,645	2,485	6,637	8,455
Seasonally adjusted											
1958: January.....	51,223	15,965	9,155	6,810	766	2,652	4,045	11,305	2,368	6,368	7,754
February.....	50,575	15,648	8,895	6,753	747	2,455	3,990	11,235	2,367	6,367	7,766
March.....	50,219	15,389	8,717	6,672	733	2,573	3,930	11,116	2,360	6,330	7,788
April.....	50,054	15,243	8,566	6,677	723	2,624	3,890	11,050	2,356	6,352	7,816
May.....	50,147	15,202	8,498	6,704	718	2,698	3,877	11,087	2,370	6,360	7,835
June.....	50,315	15,275	8,556	6,719	713	2,698	3,888	11,105	2,367	6,392	7,877
July.....	50,411	15,312	8,596	6,716	709	2,693	3,877	11,121	2,363	6,433	7,903
August.....	50,570	15,330	8,605	6,725	701	2,711	3,867	11,175	2,377	6,420	7,989
September.....	50,780	15,529	8,801	6,728	707	2,698	3,858	11,151	2,392	6,440	8,005
October.....	50,582	15,358	8,625	6,733	708	2,698	3,887	11,154	2,392	6,399	7,986
November.....	50,877	15,693	8,937	6,756	708	2,690	3,875	11,119	2,386	6,426	7,980
December.....	50,844	15,701	8,956	6,745	709	2,550	3,859	11,143	2,385	6,448	8,049

See footnotes at end of table, p. 153.

TABLE C-22.—*Number of wage and salary workers in nonagricultural establishments, 1929-60*¹—
Continued

[Thousands of employees]

Period	Total wage and salary workers	Manufacturing			Mining	Contract construction	Transportation and public utilities	Wholesale and retail trade ¹	Finance, insurance, and real estate	Service and miscellaneous ²	Government (Federal, State, and local)
		Total	Durable goods	Non-durable goods							
Seasonally adjusted											
1959: January.....	51,086	15,764	9,007	6,757	704	2,650	3,894	11,216	2,387	6,443	8,028
February.....	51,194	15,819	9,049	6,770	693	2,626	3,880	11,279	2,395	6,462	8,040
March.....	51,456	16,006	9,192	6,814	688	2,719	3,885	11,263	2,398	6,441	8,056
April.....	51,887	16,182	9,319	6,863	701	2,829	3,886	11,333	2,403	6,479	8,074
May.....	52,125	16,372	9,462	6,910	708	2,787	3,917	11,363	2,413	6,486	8,079
June.....	52,407	16,527	9,573	6,954	709	2,799	3,928	11,425	2,418	6,525	8,076
July.....	52,558	16,580	9,635	6,945	714	2,800	3,920	11,465	2,426	6,570	8,083
August.....	52,023	16,037	9,094	6,943	633	2,814	3,893	11,529	2,437	6,549	8,131
September.....	52,154	16,141	9,214	6,927	617	2,776	3,899	11,464	2,452	6,584	8,221
October.....	52,002	16,022	9,129	6,893	621	2,762	3,900	11,478	2,453	6,549	8,217
November.....	52,253	16,174	9,266	6,908	657	2,792	3,902	11,452	2,450	6,593	8,233
December.....	52,674	16,436	9,542	6,894	665	2,800	3,917	11,486	2,450	6,613	8,307
1960: January.....	52,880	16,562	9,655	6,907	658	2,775	3,941	11,594	2,454	6,606	8,290
February.....	52,972	16,567	9,667	6,900	669	2,781	3,933	11,627	2,464	6,616	8,315
March.....	52,823	16,509	9,603	6,906	666	2,601	3,920	11,595	2,456	6,577	8,499
April.....	53,128	16,527	9,552	6,975	684	2,752	3,924	11,652	2,463	6,611	8,515
May.....	53,105	16,540	9,537	7,003	684	2,783	3,927	11,675	2,469	6,618	8,409
June.....	53,140	16,498	9,499	6,999	678	2,790	3,926	11,712	2,471	6,645	8,420
July.....	53,145	16,417	9,452	6,965	658	2,858	3,910	11,736	2,480	6,682	8,404
August.....	53,046	16,265	9,338	6,927	665	2,835	3,892	11,764	2,499	6,662	8,474
September.....	52,998	16,275	9,391	6,884	660	2,800	3,879	11,665	2,515	6,665	8,539
October.....	52,809	16,132	9,266	6,866	656	2,804	3,879	11,668	2,514	6,632	8,524
November ¹	52,588	16,081	9,194	6,837	645	2,789	3,853	11,575	2,511	6,662	8,522
December ²	52,224	15,800	9,047	6,753	638	2,624	3,822	11,554	2,516	6,681	8,589

¹ Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked during, or received pay for, any part of the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and unpaid family workers. Not comparable with estimates of nonagricultural employment of the civilian labor force (Table C-17) which include proprietors, self-employed persons, domestic servants, and unpaid family workers; which count persons as employed when they are not at work because of industrial disputes, bad weather, etc., and which are based on a sample survey of households, whereas the estimates in this table are based on reports from employing establishments.

² Beginning with 1939, data are not strictly comparable with data shown for earlier years because of the shift of the automotive repair service industry from the trade to the service division.

³ Not available.

⁴ Including data for Alaska and Hawaii, the number of wage and salary workers in 1959 was 52,205,000 and in 1960, 53,135,000. Monthly data, seasonally adjusted, for 1960 are (in thousands):

January.....	53,108	April.....	53,362	July.....	53,407	October.....	53,047
February.....	53,201	May.....	53,344	August.....	53,304	November.....	52,822
March.....	53,052	June.....	53,388	September.....	53,242	December.....	52,456

⁵ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

TABLE C-23.—Average weekly hours of work in selected industries, 1929–60

Period	Manufacturing			Build- ing con- struc- tion	Retail trade (except eating and drink- ing places)	Whole- sale trade	Bitumi- nous coal mining	Class I rail- roads ¹	Tele- phone ²	Laun- dries
	Total	Durable goods	Non- durable goods							
1929.....	44.2	(3)	(3)	(3)	(3)	(3)	38.4	(3)	(3)	(3)
1930.....	42.1	(3)	(3)	(3)	(3)	(3)	33.5	(3)	(3)	(3)
1931.....	40.5	(3)	(3)	(3)	(3)	(3)	28.3	(3)	(3)	(3)
1932.....	38.3	32.6	41.9	(3)	(3)	(3)	27.2	(3)	(3)	(3)
1933.....	38.1	34.8	40.0	(3)	(3)	(3)	29.5	(3)	(3)	(3)
1934.....	34.6	33.9	35.1	28.9	(3)	(3)	27.0	(3)	(3)	39.4
1935.....	36.6	37.3	36.1	30.1	(3)	41.3	26.4	(3)	(3)	41.0
1936.....	39.2	41.0	37.7	32.8	(3)	42.6	28.8	(3)	(3)	42.7
1937.....	38.6	40.0	37.4	33.4	(3)	42.8	27.9	(3)	38.8	42.6
1938.....	35.6	35.0	36.1	32.1	(3)	42.2	23.5	(3)	38.9	41.6
1939.....	37.7	38.0	37.4	32.6	42.7	41.7	27.1	43.7	39.1	41.8
1940.....	38.1	39.3	37.0	33.1	42.5	41.2	28.1	44.3	39.5	41.8
1941.....	40.6	42.1	38.9	34.8	42.1	41.0	31.1	45.8	40.1	42.1
1942.....	42.9	45.1	40.3	36.4	41.1	41.3	32.9	47.0	40.5	42.2
1943.....	44.9	46.6	42.5	38.4	40.3	42.2	36.6	48.7	41.9	42.9
1944.....	45.2	46.6	43.1	39.6	40.4	42.9	43.4	48.9	42.3	42.9
1945.....	43.4	44.1	42.3	39.0	40.3	42.7	42.3	48.5	41.7	42.8
1946.....	40.4	40.2	40.5	38.1	40.7	41.5	41.6	46.0	39.4	42.9
1947.....	40.4	40.6	40.1	37.6	40.3	41.0	40.7	46.4	37.4	42.6
1948.....	40.1	40.5	39.6	37.3	40.3	40.9	38.0	46.2	39.2	41.9
1949.....	39.2	39.5	38.8	36.7	40.4	40.7	32.6	43.7	38.5	41.5
1950.....	40.5	41.2	39.7	36.3	40.5	40.7	35.0	40.8	38.9	41.2
1951.....	40.7	41.6	39.5	37.2	40.2	40.7	35.2	41.0	39.1	41.1
1952.....	40.7	41.5	39.6	38.1	39.9	40.6	34.1	40.6	38.5	41.1
1953.....	40.5	41.3	39.5	37.0	39.2	40.5	34.4	40.6	38.7	40.5
1954.....	39.7	40.2	39.0	36.2	39.1	40.4	32.6	40.8	38.9	40.1
1955.....	40.7	41.4	39.8	36.2	39.0	40.6	37.6	41.9	39.6	40.3
1956.....	40.4	41.1	39.5	36.4	38.6	40.4	37.8	41.7	39.5	40.3
1957.....	39.8	40.3	39.1	36.1	38.1	40.2	36.6	41.7	39.0	39.7
1958.....	39.2	39.5	38.8	35.7	38.1	40.1	33.9	41.6	38.4	39.2
1959.....	40.3	40.8	39.6	35.8	38.1	40.3	36.4	41.9	39.2	39.7
1960 ³	39.7	40.1	39.1	35.6	37.6	40.2	36.1	41.8	39.5	39.5
Seasonally adjusted						Unadjusted				
1959: January.....	40.0	40.6	39.5	35.5	38.2	40.2	36.3	41.6	38.3	39.3
February.....	40.2	40.6	39.6	35.5	38.1	40.0	35.6	42.4	38.9	39.0
March.....	40.4	40.8	39.7	35.6	38.1	40.2	35.2	41.5	38.4	39.4
April.....	40.6	41.1	40.1	36.2	38.1	40.1	35.2	42.1	38.4	39.9
May.....	40.7	41.2	40.1	35.9	38.1	40.3	36.7	41.3	38.8	40.4
June.....	40.6	41.2	39.8	36.1	38.1	40.5	38.8	42.8	39.0	40.1
July.....	40.3	40.8	39.6	35.6	38.2	40.6	32.5	42.6	39.4	39.5
August.....	40.4	40.8	39.8	36.0	38.0	40.5	36.7	40.7	39.2	39.6
September.....	40.0	40.6	39.4	35.1	38.1	40.5	35.2	41.8	40.6	39.8
October.....	40.1	40.8	39.3	35.3	37.9	40.5	37.9	41.6	39.9	39.8
November.....	39.7	39.9	39.5	35.6	37.9	40.4	35.8	41.1	40.7	39.3
December.....	40.2	40.6	39.5	36.7	37.9	40.5	40.9	42.8	39.2	39.7
1960: January.....	40.4	41.2	39.6	35.1	37.5	40.0	38.7	41.0	38.8	39.2
February.....	40.0	40.7	39.2	35.8	37.6	39.8	37.3	42.7	39.2	39.1
March.....	39.9	40.3	39.0	34.8	37.6	39.9	38.8	42.9	39.1	38.9
April.....	39.6	40.1	39.1	36.0	37.9	40.1	37.4	41.6	38.9	40.0
May.....	40.1	40.5	39.7	35.4	37.6	40.2	36.4	41.7	39.2	39.9
June.....	39.9	40.2	39.5	35.6	37.6	40.3	37.1	42.8	39.4	39.9
July.....	39.9	40.2	39.4	36.0	37.6	40.6	37.3	41.0	39.8	39.8
August.....	39.7	40.0	39.2	35.8	37.7	40.5	35.0	42.6	39.5	39.4
September.....	39.3	39.7	38.7	35.3	37.6	40.4	33.2	40.6	40.8	39.4
October.....	39.5	40.1	38.8	35.9	37.6	40.3	34.1	40.9	40.0	39.7
November ⁴	39.0	39.4	38.7	35.2	37.9	40.3	32.0	(3)	40.2	39.0
December ⁵	38.5	38.8	37.9	(3)	(3)	(3)	(3)	(3)	(3)	(3)

¹ Averages are based upon monthly data (exclusive of switching and terminal companies) summarized in the M-300 report by the ICC and relate to all employees who received pay during the month, except executives, officials, and staff assistants (ICC Group I). Beginning September 1949, data reflect a reduction in the basic workweek from 48 to 40 hours.

² Prior to April 1945, data relate to all employees except executives: from April 1945 to May 1949, mainly to employees subject to the Fair Labor Standards Act; and beginning June 1949, to nonsupervisory employees only.

³ Not available.

⁴ Data beginning with January of year noted are not comparable with those for earlier periods.

⁵ Nine-month average, April through December, because of new series started in April 1945.

⁶ Preliminary.

NOTE.—Data are for production workers in manufacturing and mining, construction workers in building construction, and for nonsupervisory employees in other industries (except as noted). Data are for pay period ending nearest the 15th of the month.

The annual figures for 1960 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on employment. See Table C-26 for unadjusted average weekly hours in manufacturing.

Source: Department of Labor.

TABLE C-24.—Average gross hourly earnings in selected industries, 1929-60

Period	Manufacturing			Build- ing con- struction	Retail trade (except eating and drinking places)	Whole- sale trade	Bitu- minous coal mining	Class I rail- roads ¹	Tele- phone ²	Laun- dries	Agriculture ³
	Total	Dura- ble goods	Non- dura- ble goods								
1929.....	\$0.566	(4)	(4)	(4)	(4)	(4)	\$0.681	(4)	(4)	(4)	\$0.241
1930.....	.552	(4)	(4)	(4)	(4)	(4)	.684	(4)	(4)	(4)	.226
1931.....	.515	(4)	(4)	(4)	(4)	(4)	.647	(4)	(4)	(4)	.172
1932.....	.446	\$0.497	\$0.420	(4)	(4)	(4)	.520	(4)	(4)	(4)	.129
1933.....	.442	.472	.427	(4)	(4)	(4)	.501	(4)	(4)	(4)	.115
1934.....	.532	.556	.515	\$0.795	(4)	(4)	.673	(4)	(4)	\$0.378	.129
1935.....	.550	.577	.530	.815	(4)	\$0.648	.745	(4)	(4)	.376	.142
1936.....	.556	.586	.529	.824	(4)	.667	.794	(4)	(4)	.378	.152
1937.....	.624	.674	.577	.903	(4)	.698	.856	(4)	\$0.774	.395	.172
1938.....	.627	.686	.584	.908	(4)	1.700	.878	(4)	.816	.414	.166
1939.....	.633	.698	.582	.932	\$0.542	.715	.886	\$0.730	.822	.422	.166
1940.....	.661	.724	.602	.958	.553	.739	.883	.733	.827	.429	.169
1941.....	.729	.808	.640	1.010	.580	.793	.963	.743	.820	.444	.206
1942.....	.853	.947	.723	1.148	.626	.860	1.059	.837	.843	.482	.268
1943.....	.961	1.059	.803	1.252	.679	.933	1.139	.852	.870	.538	.353
1944.....	1.019	1.117	.861	1.319	.731	.985	1.186	.948	.911	.605	.423
1945.....	1.023	1.111	.904	1.379	.783	1.029	1.240	.955	1.962	.648	.472
1946.....	1.086	1.156	1.015	1.478	.893	1.150	1.401	1.087	1.124	.704	.515
1947.....	1.237	1.292	1.171	1.681	1.009	1.268	1.636	1.186	1.197	.767	.547
1948.....	1.350	1.410	1.278	1.848	1.088	1.359	1.898	1.301	1.248	.817	.580
1949.....	1.401	1.469	1.325	1.935	1.137	1.414	1.941	1.271	1.345	.843	.559
1950.....	1.465	1.537	1.378	2.031	1.176	1.483	2.010	1.572	1.398	.861	.561
1951.....	1.59	1.67	1.48	2.19	1.26	1.58	2.21	1.73	1.49	.92	.625
1952.....	1.67	1.77	1.54	2.31	1.32	1.67	2.29	1.83	1.59	.94	.661
1953.....	1.77	1.87	1.61	2.48	1.40	1.77	2.48	1.88	1.68	.98	.672
1954.....	1.81	1.92	1.66	2.60	1.45	1.83	2.48	1.93	1.76	1.00	.661
1955.....	1.88	2.01	1.71	2.66	1.50	1.90	2.56	1.96	1.82	1.01	.675
1956.....	1.98	2.10	1.80	2.80	1.57	2.01	2.81	2.12	1.86	1.05	.705
1957.....	2.07	2.20	1.88	2.96	1.64	2.10	3.02	2.26	1.95	1.09	.728
1958.....	2.13	2.28	1.94	3.10	1.70	2.17	3.02	2.44	2.05	1.13	.757
1959.....	2.22	2.38	2.01	3.22	1.76	2.24	3.25	2.54	2.18	1.17	.798
1960 ⁷	2.29	2.45	2.08	3.36	1.81	2.30	3.27	2.60	2.26	1.22	.818
1959: January.....	2.19	2.35	1.98	3.19	1.74	2.20	3.16	2.54	2.11	1.15	.865
February.....	2.20	2.36	1.98	3.18	1.74	2.20	3.17	2.58	2.12	1.15	.....
March.....	2.22	2.38	2.00	3.17	1.74	2.22	3.19	2.63	2.13	1.16	.....
April.....	2.23	2.39	2.00	3.17	1.75	2.23	3.26	2.62	2.15	1.16	.718
May.....	2.23	2.40	2.00	3.17	1.76	2.24	3.27	2.54	2.17	1.17	.....
June.....	2.24	2.40	2.00	3.17	1.77	2.25	3.26	2.53	2.18	1.17	.....
July.....	2.23	2.39	2.01	3.20	1.77	2.26	3.23	2.52	2.19	1.17	.796
August.....	2.19	2.35	2.00	3.23	1.77	2.26	3.29	2.54	2.19	1.17	.....
September.....	2.22	2.37	2.03	3.26	1.78	2.27	3.29	2.54	2.20	1.18	.....
October.....	2.21	2.36	2.02	3.27	1.78	2.26	3.26	2.53	2.22	1.18	.806
November.....	2.23	2.38	2.03	3.28	1.77	2.27	3.30	2.60	2.21	1.18	.....
December.....	2.27	2.43	2.04	3.30	1.73	2.27	3.31	2.57	2.23	1.19	.....
1960: January.....	2.29	2.46	2.05	3.32	1.79	2.27	3.29	2.60	2.22	1.20	.896
February.....	2.29	2.45	2.05	3.33	1.79	2.27	3.27	2.61	2.23	1.20	.....
March.....	2.29	2.45	2.06	3.38	1.79	2.29	3.28	2.56	2.24	1.20	.....
April.....	2.28	2.44	2.06	3.32	1.79	2.29	3.27	2.58	2.22	1.20	.751
May.....	2.29	2.44	2.07	3.34	1.81	2.30	3.27	2.58	2.24	1.22	.....
June.....	2.29	2.45	2.08	3.34	1.82	2.31	3.28	2.58	2.24	1.22	.....
July.....	2.29	2.45	2.08	3.37	1.82	2.32	3.26	2.62	2.26	1.22	.812
August.....	2.27	2.43	2.07	3.37	1.81	2.31	3.26	2.59	2.26	1.22	.....
September.....	2.30	2.46	2.09	3.40	1.82	2.33	3.26	2.64	2.34	1.23	.....
October.....	2.30	2.46	2.09	3.42	1.83	2.33	3.27	2.65	2.30	1.23	.820
November ⁷	2.30	2.46	2.10	3.41	1.82	2.32	3.24	(4)	2.30	1.23	.....
December ⁷	2.32	2.47	2.11	(4)	(4)	(4)	(4)	(4)	(4)	(4)	.....

¹ Averages are based upon monthly data (exclusive of switching and terminal companies) summarized in the M-300 report by the ICC and relate to all employees who received pay during the month, except executives, officials, and staff assistants (ICC group I). Beginning September 1949, data reflect a wage rate increase and reduction in the basic workweek from 48 to 40 hours.

² Prior to April 1945, data relate to all employees except executives; from April 1945 to May 1949, mainly to employees subject to the Fair Labor Standards Act; and beginning June 1949, to nonsupervisory employees only.

³ Weighted average of all farm wage rates on a per hour basis.

⁴ Not available.

⁵ Data beginning with January of year noted are not comparable with those for earlier periods.

⁶ Nine-month average, April through December, because of new series started in April 1945.

⁷ Preliminary.

NOTE.—Data are for production workers in manufacturing and mining, construction workers in building construction, and for all nonsupervisory employees in other industries (except as noted). Data are for pay period ending nearest the 15th of the month.

The annual figures for 1960 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on man-hours.

Sources: Department of Labor and Department of Agriculture.

TABLE C-25.—Average gross weekly earnings in selected industries, 1929–60

Period	Manufacturing			Building con- struction	Retail trade (except eating and drink- ing places)	Whole- sale trade	Bitu- minous coal mining	Class I rail- roads ¹	Tele- phone ²	Laun- dries
	Total	Dura- ble goods	Non- durable goods							
1929.....	\$25.03	\$27.22	\$22.93	(3)	(3)	(3)	\$25.72	(3)	(3)	(3)
1930.....	23.25	24.77	21.84	(3)	(3)	(3)	22.21	(3)	(3)	(3)
1931.....	20.87	21.28	20.50	(3)	(3)	(3)	17.69	(3)	(3)	(3)
1932.....	17.05	16.21	17.57	(3)	(3)	\$27.72	13.91	(3)	(3)	(3)
1933.....	16.73	16.43	16.89	(3)	(3)	26.11	14.47	(3)	(3)	(3)
1934.....	18.40	18.87	18.05	\$22.97	(3)	26.37	18.10	(3)	(3)	\$14.89
1935.....	20.13	21.52	19.11	24.51	(3)	26.76	19.58	(3)	(3)	15.42
1936.....	21.78	24.04	19.94	27.01	(3)	28.41	22.71	(3)	(3)	16.14
1937.....	24.05	26.91	21.53	30.14	(3)	29.87	23.84	(3)	\$30.03	16.83
1938.....	22.30	24.01	21.05	29.19	(3)	29.54	20.80	(3)	31.74	17.22
1939.....	23.86	26.50	21.78	30.39	\$23.14	29.82	23.88	\$31.90	32.14	17.64
1940.....	25.20	28.44	22.27	31.70	23.50	30.45	24.71	32.47	32.67	17.93
1941.....	29.58	34.04	24.92	35.14	24.42	32.51	30.86	34.03	32.88	18.69
1942.....	36.65	42.73	29.13	41.80	25.73	35.52	35.02	39.34	34.14	20.34
1943.....	43.14	49.30	34.12	48.13	27.36	39.37	41.62	41.49	36.45	23.08
1944.....	46.08	52.07	37.12	52.18	29.53	42.26	51.27	46.36	38.54	25.95
1945.....	44.39	49.05	38.29	53.73	31.55	43.94	52.25	46.32	40.12	27.73
1946.....	43.82	46.49	41.14	56.24	36.35	47.73	58.03	50.00	44.29	30.20
1947.....	49.97	52.46	46.96	63.30	40.66	51.99	66.59	55.03	44.77	32.71
1948.....	54.14	57.11	50.61	68.85	43.85	55.58	72.12	60.11	48.92	34.23
1949.....	54.92	58.03	51.41	70.95	45.93	57.55	63.28	62.36	51.78	34.98
1950.....	59.33	63.32	54.71	73.73	47.63	60.36	70.35	64.14	54.38	35.47
1951.....	64.71	69.47	58.46	81.47	50.65	64.31	77.79	70.93	58.26	37.81
1952.....	67.97	73.46	60.98	88.01	52.67	67.80	78.09	74.30	61.22	38.63
1953.....	71.69	77.23	63.60	91.76	54.88	71.69	85.31	76.33	65.02	39.69
1954.....	71.86	77.18	64.74	94.12	56.70	73.93	80.85	78.74	68.46	40.10
1955.....	76.52	83.21	68.06	96.29	58.50	77.14	96.26	82.12	72.07	40.70
1956.....	79.99	86.31	71.10	101.92	60.60	81.20	106.22	88.40	73.47	42.32
1957.....	82.39	88.66	73.51	106.86	62.48	84.42	110.53	94.24	76.05	43.27
1958.....	83.50	90.06	75.27	110.67	64.77	87.02	102.38	101.50	78.72	44.30
1959.....	89.47	97.10	79.60	115.28	67.06	90.27	118.30	106.43	85.46	46.45
1960 ³	90.91	98.25	81.33	119.62	68.06	92.46	118.05	108.68	89.27	48.19
1959: January.....	87.38	94.94	77.81	111.65	66.29	88.44	114.71	105.66	80.81	45.20
February.....	88.00	95.11	78.01	108.12	65.95	88.00	112.85	109.39	82.47	44.85
March.....	89.24	97.10	79.00	110.95	65.95	89.24	112.29	105.00	81.79	45.70
April.....	89.87	97.75	79.00	114.44	66.33	89.42	114.75	106.09	82.66	46.28
May.....	90.32	98.64	79.40	115.39	66.70	90.27	120.01	104.90	84.20	47.27
June.....	91.17	99.36	79.60	116.66	67.79	91.13	126.49	108.28	85.02	46.92
July.....	89.65	96.80	80.00	116.16	68.68	91.76	104.98	107.35	86.29	46.22
August.....	88.70	95.88	80.20	119.19	68.32	91.53	120.74	103.38	85.85	46.33
September.....	89.47	96.70	80.79	116.71	67.82	91.94	115.81	106.17	88.32	46.96
October.....	89.06	96.52	79.79	117.72	67.11	91.53	123.55	105.25	88.58	46.96
November.....	88.98	95.44	80.39	114.14	66.38	91.71	118.14	106.86	89.95	46.37
December.....	92.16	99.87	81.19	119.13	66.09	91.94	135.38	110.00	87.42	47.24
1960: January.....	92.29	100.86	80.77	114.87	66.95	90.80	127.32	106.60	86.14	47.04
February.....	91.14	98.98	79.95	114.22	66.95	90.35	121.97	111.45	87.42	46.92
March.....	90.91	98.74	79.93	115.60	66.95	91.37	127.26	109.82	87.58	46.68
April.....	89.60	97.36	79.52	119.19	67.48	91.83	122.30	107.33	86.36	48.00
May.....	91.37	98.58	81.35	119.91	67.69	92.46	119.03	107.59	87.81	48.68
June.....	91.60	98.98	82.16	121.24	68.80	93.09	121.69	110.42	88.26	48.68
July.....	91.14	97.76	82.37	123.68	69.52	94.19	121.60	107.42	89.95	48.56
August.....	90.35	97.20	81.77	123.68	69.32	93.56	114.10	110.33	89.27	48.07
September.....	91.08	98.15	81.72	122.40	68.43	94.13	108.23	107.18	95.47	48.46
October.....	91.31	98.89	81.51	125.17	68.44	93.90	111.51	108.39	92.00	48.83
November.....	90.16	97.42	81.48	117.30	68.25	93.50	103.68	(3)	92.46	47.97
December ⁴	90.02	97.07	80.60	(3)	(3)	(3)	(3)	(3)	(3)	(3)

¹ Averages are based upon monthly data (exclusive of switching and terminal companies) summarized in the M-300 report by the ICC and relate to all employees who received pay during the month, except executives, officials, and staff assistants (ICC group I). Beginning September 1949, data reflect a wage rate increase and reduction in the basic workweek from 48 to 40 hours.

² Prior to April 1945, data relate to all employees except executives; from April 1945 to May 1949, mainly to employees subject to the Fair Labor Standards Act; and beginning June 1949, to nonsupervisory employees only.

³ Not available.

⁴ Data beginning with January of year noted are not comparable with those for earlier periods.

⁵ Nine-month average, April through December, because of new series started in April 1945.

⁶ Preliminary.

NOTE.—Data are for production workers in manufacturing and mining, construction workers in building construction, and for nonsupervisory employees in other industries (except as noted). Data are for pay period ending nearest the 15th of the month.

The annual figures for 1960 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on man-hours.

Source: Department of Labor.

TABLE C-26.—Average weekly hours and hourly earnings, gross and excluding overtime, in manufacturing industries, 1939-60

Period	All manufacturing industries				Durable goods manufacturing industries				Nondurable goods manufacturing industries			
	Average weekly hours		Average hourly earnings		Average weekly hours		Average hourly earnings		Average weekly hours		Average hourly earnings	
	Gross	Excluding overtime	Gross	Excluding overtime	Gross	Excluding overtime	Gross	Excluding overtime	Gross	Excluding overtime	Gross	Excluding overtime
1939.....	37.7	(1)	\$0.633	(1)	38.0	(1)	\$0.698	(1)	37.4	(1)	\$0.582	(1)
1940.....	38.1	(1)	.661	(1)	39.3	(1)	.724	(1)	37.0	(1)	.602	(1)
1941.....	40.6	(1)	.729	\$0.702	42.1	(1)	.808	\$0.770	38.9	(1)	.640	\$0.625
1942.....	42.9	(1)	.853	.805	45.1	(1)	.947	.881	40.3	(1)	.723	.698
1943.....	44.9	(1)	.961	.894	46.6	(1)	1.059	.976	42.5	(1)	.803	.763
1944.....	45.2	(1)	1.019	.947	46.6	(1)	1.117	1.029	43.1	(1)	.861	.814
1945.....	43.4	(1)	1.023	1.963	44.1	(1)	1.111	1.042	42.3	(1)	.904	1.858
1946.....	40.4	(1)	1.086	1.051	40.2	(1)	1.156	1.122	40.5	(1)	1.015	.981
1947.....	40.4	(1)	1.237	1.198	40.6	(1)	1.292	1.250	40.1	(1)	1.171	1.133
1948.....	40.1	(1)	1.350	1.310	40.5	(1)	1.410	1.366	39.6	(1)	1.278	1.241
1949.....	39.2	(1)	1.401	1.367	39.5	(1)	1.469	1.434	38.8	(1)	1.325	1.292
1950.....	40.5	(1)	1.465	1.415	41.2	(1)	1.537	1.480	39.7	(1)	1.378	1.337
1951.....	40.7	(1)	1.59	1.53	41.6	(1)	1.67	1.60	39.5	(1)	1.48	1.43
1952.....	40.7	(1)	1.67	1.61	41.5	(1)	1.77	1.70	39.6	(1)	1.54	1.49
1953.....	40.5	(1)	1.77	1.71	41.3	(1)	1.87	1.80	39.5	(1)	1.61	1.56
1954.....	39.7	(1)	1.81	1.76	40.2	(1)	1.92	1.86	39.0	(1)	1.66	1.61
1955.....	40.7	(1)	1.88	1.82	41.4	(1)	2.01	1.93	39.8	(1)	1.71	1.66
1956.....	40.4	37.6	1.98	1.91	41.1	38.1	2.10	2.03	39.5	37.0	1.80	1.75
1957.....	39.8	37.4	2.07	2.01	40.3	37.9	2.20	2.14	39.1	36.7	1.88	1.83
1958.....	39.2	37.2	2.13	2.08	39.5	37.6	2.28	2.23	38.8	36.6	1.94	1.89
1959.....	40.3	37.6	2.22	2.15	40.8	38.1	2.38	2.30	39.6	36.9	2.01	1.94
1960 ¹	39.7	37.3	2.29	2.22	40.1	37.7	2.45	2.38	39.1	36.7	2.08	2.01
1959: January.....	39.9	37.6	2.19	2.13	40.4	38.1	2.35	2.29	39.3	36.9	1.98	1.92
February.....	40.0	37.6	2.20	2.13	40.3	37.9	2.36	2.29	39.4	37.0	1.98	1.92
March.....	40.2	37.6	2.22	2.15	40.8	38.2	2.38	2.31	39.5	36.9	2.00	1.93
April.....	40.3	37.7	2.23	2.16	40.9	38.3	2.39	2.31	39.5	37.0	2.00	1.94
May.....	40.5	37.8	2.23	2.16	41.1	38.3	2.40	2.32	39.7	37.1	2.00	1.94
June.....	40.7	37.8	2.24	2.16	41.4	38.4	2.40	2.32	39.8	37.1	2.00	1.94
July.....	40.2	37.5	2.23	2.16	40.5	37.8	2.39	2.31	39.8	37.0	2.01	1.95
August.....	40.5	37.6	2.19	2.12	40.8	37.8	2.35	2.27	40.1	37.2	2.00	1.93
September.....	40.3	37.3	2.22	2.14	40.8	37.8	2.37	2.28	39.8	36.8	2.03	1.95
October.....	40.3	37.5	2.21	2.14	40.9	38.1	2.36	2.28	39.5	36.7	2.02	1.95
November.....	39.9	37.3	2.23	2.16	40.1	37.6	2.38	2.31	39.6	36.9	2.03	1.96
December.....	40.6	37.9	2.27	2.20	41.1	38.4	2.43	2.35	39.8	37.1	2.04	1.97
1960: January.....	40.3	37.5	2.29	2.21	41.0	38.1	2.46	2.37	39.4	36.8	2.05	1.98
February.....	39.8	37.2	2.29	2.21	40.4	37.7	2.45	2.37	39.0	36.5	2.05	1.99
March.....	39.7	37.2	2.29	2.22	40.3	37.8	2.45	2.38	38.8	36.4	2.06	2.00
April.....	39.3	37.2	2.28	2.22	39.9	37.8	2.44	2.38	38.6	36.4	2.06	2.01
May.....	39.9	37.5	2.29	2.22	40.4	38.0	2.44	2.37	39.3	36.8	2.07	2.01
June.....	40.0	37.5	2.29	2.22	40.4	38.1	2.45	2.38	39.5	37.0	2.08	2.01
July.....	39.8	37.4	2.29	2.22	39.9	37.6	2.45	2.38	39.6	37.0	2.08	2.02
August.....	39.8	37.4	2.27	2.21	40.0	37.7	2.43	2.37	39.5	37.0	2.07	2.01
September.....	39.6	37.1	2.30	2.23	39.9	37.4	2.46	2.39	39.1	36.5	2.09	2.02
October.....	39.7	37.2	2.30	2.23	40.2	37.8	2.46	2.39	39.0	36.5	2.09	2.03
November ²	39.2	37.0	2.30	2.24	39.6	37.6	2.46	2.39	38.8	36.5	2.10	2.04
December ³	38.8	36.8	2.32	(1)	39.3	37.4	2.47	(1)	38.2	36.1	2.11	(1)

¹ Not available.

² Eleven-month average; August 1945 excluded because of VJ Day holiday period.

³ Preliminary.

NOTE.—Data relate to production workers and are for pay period ending nearest the 15th of the month.

The annual figures for 1960 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on employment (in the case of hours) and man-hours (in the case of earnings).

See Table C-23 for seasonally adjusted average gross weekly hours.

Source: Department of Labor.

TABLE C-27.—Average weekly earnings, gross and spendable, in manufacturing industries, in current and 1960 prices, 1939-60

Period	Average gross weekly earnings		Average spendable weekly earnings ²			
			Worker with no dependents		Worker with three dependents	
	Current prices	1960 prices ¹	Current prices	1960 prices ¹	Current prices	1960 prices ¹
1939.....	\$23.86	\$50.77	\$23.58	\$50.17	\$23.62	\$50.26
1940.....	25.20	53.16	24.69	52.09	24.95	52.64
1941.....	29.58	59.40	28.05	56.33	29.28	58.80
1942.....	36.65	66.52	31.77	57.66	36.28	65.84
1943.....	43.14	73.74	36.01	61.56	41.39	70.75
1944.....	46.08	77.45	38.29	64.35	44.06	74.05
1945.....	44.39	73.01	36.97	60.81	42.74	70.30
1946.....	43.82	66.39	37.72	57.15	43.20	65.45
1947.....	49.97	66.10	42.76	56.56	48.24	63.81
1948.....	54.14	66.59	47.43	58.34	53.17	65.40
1949.....	54.92	68.22	48.09	59.74	53.83	66.87
1950.....	59.33	72.98	51.09	62.84	57.21	70.37
1951.....	64.71	73.70	54.04	61.55	61.28	69.79
1952.....	67.97	75.69	55.66	61.98	63.62	70.85
1953.....	71.69	79.22	58.54	64.69	66.58	73.57
1954.....	71.86	79.14	59.55	65.58	66.78	73.55
1955.....	76.52	84.46	63.15	69.70	70.45	77.76
1956.....	79.99	87.04	65.86	71.66	73.22	79.67
1957.....	82.39	86.64	67.57	71.05	74.97	78.83
1958.....	83.50	85.47	68.46	70.07	75.88	77.67
1959.....	89.47	90.74	72.83	73.86	80.36	81.50
1960 ³	90.91	90.91	73.50	73.50	81.05	81.05
1959: January.....	87.38	89.25	71.20	72.73	78.70	80.39
February.....	88.00	89.89	71.69	73.23	79.19	80.89
March.....	89.24	91.15	72.65	74.21	80.18	81.90
April.....	89.87	91.70	73.14	74.63	80.68	82.33
May.....	90.32	92.07	73.49	74.91	81.03	82.60
June.....	91.17	92.56	74.15	75.28	81.71	82.95
July.....	89.65	90.74	72.97	73.86	80.50	81.48
August.....	88.70	89.87	72.23	73.18	79.75	80.80
September.....	89.47	90.28	72.83	73.49	80.36	81.09
October.....	89.06	89.69	72.51	73.02	80.03	80.59
November.....	88.98	89.52	72.45	72.89	79.97	80.45
December.....	92.16	92.81	74.92	75.45	82.50	83.08
1960: January.....	92.29	93.03	74.56	75.16	82.14	82.80
February.....	91.14	91.69	73.67	74.11	81.23	81.72
March.....	90.91	91.46	73.49	73.93	81.05	81.54
April.....	89.60	89.78	72.48	72.63	80.01	80.17
May.....	91.37	91.46	73.85	73.92	81.41	81.49
June.....	91.60	91.51	74.03	73.96	81.59	81.51
July.....	91.14	90.96	73.67	73.52	81.23	81.07
August.....	90.35	90.17	73.06	72.91	80.61	80.45
September.....	91.08	90.81	73.62	73.40	81.18	80.94
October.....	91.31	90.68	73.80	73.29	81.36	80.79
November ³	90.16	89.44	72.91	72.33	80.46	79.82
December ³	90.02	(4)	72.81	(4)	80.35	(4)

¹ Estimates in current prices divided by the consumer price index on a 1960 base (using 11-month average).

² Average gross weekly earnings less social security and income taxes.

³ Preliminary.

⁴ Not available.

NOTE.—Data relate to production workers and are for pay period ending nearest the 15th of the month. The annual figures for 1960 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on man-hours.

Source: Department of Labor.

TABLE C-28.—Labor turnover rates in manufacturing industries, 1930-60

[Rates per 100 employees]

Period	Accession rates		Separation rates		
	Total ¹	New hires	Total ²	Quits	Layoffs
1930.....	3.1	(³)	5.0	1.6	3.0
1931.....	3.1	(³)	4.0	.9	2.9
1932.....	3.3	(³)	4.4	.7	3.5
1933.....	5.4	(³)	3.8	.9	2.7
1934.....	4.7	(³)	4.1	.9	3.0
1935.....	4.2	(³)	3.6	.9	2.5
1936.....	4.4	(³)	3.4	1.1	2.1
1937.....	3.6	(³)	4.4	1.3	3.0
1938.....	3.8	(³)	4.1	.6	3.4
1939.....	4.1	(³)	3.1	.8	2.2
1940.....	4.4	(³)	3.4	.9	2.2
1941.....	5.4	(³)	3.9	2.0	1.3
1942.....	7.6	(³)	6.5	3.8	1.1
1943.....	7.5	(³)	7.3	5.2	.6
1944.....	6.1	(³)	6.8	5.1	.6
1945.....	6.3	(³)	8.3	5.1	2.3
1946.....	6.7	(³)	6.1	4.3	1.2
1947.....	5.1	(³)	4.8	3.4	1.0
1948.....	4.4	(³)	4.6	2.8	1.3
1949.....	3.5	(³)	4.3	1.5	2.4
1950.....	4.4	(³)	3.5	1.9	1.1
1951.....	4.4	3.4	4.4	2.4	1.2
1952.....	4.4	3.3	4.1	2.3	1.1
1953.....	3.9	3.0	4.3	2.3	1.3
1954.....	3.0	1.6	3.5	1.1	1.9
1955.....	3.7	2.4	3.3	1.6	1.2
1956.....	3.4	2.3	3.5	1.6	1.5
1957.....	2.9	1.8	3.6	1.4	1.7
1958.....	3.0	1.3	3.6	.9	2.3
1959.....	3.6	2.0	3.4	1.3	1.6
1960 ⁴	3.1	1.7	3.6	1.1	1.9
1959: January.....	3.3	1.5	3.1	.9	1.7
February.....	3.3	1.7	2.6	.8	1.3
March.....	3.6	1.9	2.8	1.0	1.3
April.....	3.5	2.0	3.0	1.1	1.3
May.....	3.6	2.2	2.9	1.3	1.1
June.....	4.4	3.0	2.8	1.3	1.0
July.....	3.3	2.2	3.3	1.3	1.4
August.....	3.9	2.5	3.7	1.8	1.4
September.....	3.9	2.6	4.3	2.2	1.5
October.....	3.1	2.0	4.7	1.4	2.8
November.....	3.0	1.5	4.1	1.0	2.6
December.....	3.8	1.3	3.1	.9	1.7
1960: January.....	3.6	1.9	2.9	1.0	1.3
February.....	2.9	1.7	3.0	1.0	1.5
March.....	2.7	1.5	3.7	1.0	2.2
April.....	2.8	1.4	3.6	1.1	2.0
May.....	3.2	1.7	3.3	1.1	1.6
June.....	3.9	2.3	3.3	1.1	1.7
July.....	2.9	1.7	3.6	1.1	2.0
August.....	3.8	1.9	4.3	1.5	2.2
September.....	3.8	1.9	4.4	1.9	2.0
October.....	2.8	1.5	3.8	1.0	2.2
November ⁵	2.1	.9	3.7	.7	2.5

¹ Includes rehires and other accessions, not published separately.² Includes discharges and miscellaneous separations, not published separately.³ Not available.⁴ January-November average.⁵ Preliminary.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

TABLE C-29.—*Industrial production indexes, 1947-60*

[1957=100]

Period	Total industrial production ¹	Industry groupings								
		Manufacturing								
		Durable manufactures								
		Total	Total	Primary metals	Fabricated metal products	Machinery	Transportation equipment	Instruments and related products	Clay, glass, and lumber	Furniture and miscellaneous
1947.....	65.3	66.1	61.8	80.8	74.9	62.6	40.3	54.8	77.7	75.3
1948.....	68.0	68.6	64.4	84.1	76.2	63.8	44.0	56.4	81.8	79.3
1949.....	64.3	64.8	58.5	70.8	68.8	56.7	44.2	50.3	74.1	73.4
1950.....	74.5	75.5	71.3	89.1	84.2	69.7	52.9	58.5	89.9	85.8
1951.....	80.8	81.5	80.3	96.9	90.0	79.6	59.0	67.1	94.3	82.1
1952.....	83.8	84.8	85.1	88.5	87.8	88.4	68.6	79.7	91.6	84.4
1953.....	90.8	92.1	96.0	100.3	98.8	96.4	86.2	87.0	95.1	91.9
1954.....	85.4	85.8	85.0	81.3	88.8	84.3	78.7	84.7	92.0	89.0
1955.....	96.0	96.7	97.9	105.5	96.9	92.6	95.9	90.5	103.3	100.3
1956.....	99.3	99.5	100.0	103.7	97.4	102.8	91.5	97.3	104.7	103.5
1957.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1958.....	92.9	92.4	86.8	78.0	91.6	85.2	84.2	94.1	96.5	95.6
1959.....	104.9	105.3	101.5	89.5	103.9	102.8	97.8	112.2	111.3	111.7
1960 ²	108.0	108.2	104.3	90.5	106.0	106.4	101.7	118.8	108.5	116.1
Seasonally adjusted										
1959: January.....	100.3	100.0	96.2	91.9	99.3	92.3	95.0	102.7	103.3	105.6
February.....	101.9	101.9	98.3	101.7	99.3	94.1	95.9	103.5	103.6	105.6
March.....	103.6	103.9	101.5	109.3	101.4	95.9	98.8	104.8	107.8	106.7
April.....	106.6	107.1	104.9	113.5	104.2	99.6	101.9	106.2	112.5	109.7
May.....	109.2	109.9	109.1	121.9	109.3	103.6	104.5	109.5	114.2	112.5
June.....	109.6	110.4	109.8	117.5	111.6	106.6	104.6	114.0	114.1	113.8
July.....	107.6	108.4	105.2	80.7	110.6	108.2	105.5	115.4	117.6	116.2
August.....	103.6	104.1	97.8	46.8	106.3	106.8	101.5	115.9	114.2	113.9
September.....	103.2	103.7	96.9	45.2	105.8	107.8	98.4	117.0	112.4	113.0
October.....	102.0	102.2	95.5	43.9	99.1	106.7	97.8	118.2	111.3	113.6
November.....	102.6	102.4	95.8	79.3	95.3	104.4	78.9	118.6	110.5	114.1
December.....	108.8	109.2	106.7	113.8	105.1	108.2	93.0	120.0	112.5	115.5
1960: January.....	111.0	111.8	110.9	115.4	108.6	109.7	107.5	118.4	111.6	116.3
February.....	109.6	110.3	109.4	109.8	108.1	108.0	106.9	117.3	111.6	115.3
March.....	109.1	109.6	107.8	105.7	106.6	108.4	103.9	118.6	107.6	115.2
April.....	108.8	109.1	106.0	99.0	103.8	106.8	102.3	117.0	111.7	117.2
May.....	109.8	110.3	107.1	93.6	107.9	108.5	106.4	119.5	110.7	119.3
June.....	109.4	109.8	105.3	87.5	108.4	108.6	101.6	120.6	112.1	120.1
July.....	109.5	109.9	105.6	85.1	108.7	110.0	101.5	121.4	113.0	120.3
August.....	108.4	108.4	103.7	82.8	107.7	107.2	101.3	122.0	108.6	118.0
September.....	106.8	106.7	101.9	79.8	105.8	105.4	101.5	118.2	109.6	113.8
October.....	106.3	106.2	100.8	78.3	105.4	102.0	102.5	118.6	105.5	114.9
November.....	104.6	104.2	98.2	73.8	101.5	102.3	96.9	118.5	102.7	112.9
December ²	103.1	102.5	96.0	71.0	100.0	100.0	93.0	116.0	101.0	110.0

See footnotes at end of table, p. 161.

TABLE C-29.—*Industrial production indexes, 1947-60—Continued*

[1957=100]

Period	Industry groupings							Market groupings					
	Manufacturing					Min- ing	Util- ities	Final products				Equip- ment, includ- ing defense	Ma- terials
	Nondurable manufactures							Total	Consumer goods				
	Total	Text- tile, ap- parel, and leather products	Paper and print- ing	Chem- ical, petro- leum, and rubber products	Foods, bever- ages, and to- bacco				Total	Total	Auto- motive products		
1947.....	70.0	83.5	68.1	50.6	83.4	76.4	38.9	64.8	69.6	66.0	53.0	65.8	
1948.....	72.3	87.1	70.9	54.1	82.7	80.3	43.4	67.3	71.8	69.0	55.7	68.9	
1949.....	71.1	83.1	70.8	52.7	83.6	71.2	46.3	65.1	71.4	68.4	49.7	63.6	
1950.....	79.1	91.9	78.4	64.7	86.5	79.5	52.7	73.5	81.5	86.1	53.9	75.4	
1951.....	81.7	90.1	81.1	71.8	88.3	87.3	60.1	79.3	80.6	76.2	75.0	82.2	
1952.....	83.3	92.2	79.4	74.5	90.2	86.5	65.2	85.2	82.5	68.6	90.0	82.7	
1953.....	86.9	93.6	84.5	80.2	91.2	88.8	71.1	90.7	88.1	86.8	96.1	90.8	
1954.....	86.9	89.6	86.9	79.3	92.8	86.2	76.5	86.5	87.2	80.8	85.0	84.4	
1955.....	95.0	98.4	94.6	91.8	96.2	94.8	85.4	94.6	96.5	112.5	90.9	97.1	
1956.....	98.9	101.1	99.3	96.3	99.8	100.1	93.6	98.9	98.7	93.0	99.1	99.7	
1957.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	
1958.....	99.9	99.2	99.2	98.8	102.1	91.4	104.5	95.1	99.0	82.5	87.3	91.0	
1959.....	110.3	115.2	107.6	112.7	106.5	95.3	115.0	106.5	110.0	102.8	99.5	103.5	
1960 ²	113.5	115.1	111.6	117.8	109.4	96.8	123.9	110.7	114.7	117.1	102.8	105.6	
Seasonally adjusted													
1959: January.....	105.0	109.1	102.4	105.7	103.4	97.0	111.0	101.6	106.2	104.2	92.4	99.1	
February.....	106.7	109.4	104.6	107.7	105.3	95.8	111.5	102.1	106.7	100.6	93.0	101.6	
March.....	107.2	110.9	104.1	109.8	104.4	95.6	112.0	103.1	107.3	105.9	94.7	104.2	
April.....	110.0	115.6	107.2	110.1	108.3	97.9	112.5	106.1	110.6	108.2	96.9	107.6	
May.....	110.8	117.8	107.6	111.2	108.1	99.5	114.1	107.7	111.3	109.5	100.4	110.2	
June.....	111.1	118.6	106.7	114.9	105.5	97.8	116.1	108.2	111.4	113.1	101.9	110.2	
July.....	112.7	120.2	109.2	117.2	105.7	93.6	116.4	109.4	112.3	115.6	103.5	105.9	
August.....	112.7	117.3	109.8	115.9	108.3	91.1	115.5	108.9	112.1	105.3	102.5	98.1	
September.....	112.8	116.0	110.6	117.0	108.0	90.6	116.8	108.7	111.8	98.4	102.6	98.7	
October.....	111.3	115.1	110.0	114.5	106.2	91.4	116.6	108.6	111.6	105.3	102.6	96.7	
November.....	111.3	116.2	108.5	114.1	107.2	96.0	117.5	106.3	108.9	72.5	101.1	100.4	
December.....	112.4	117.3	110.5	115.1	107.8	98.4	119.8	109.1	112.6	99.2	102.4	108.8	
1960: January.....	113.1	116.4	111.3	116.3	109.0	97.8	120.2	111.7	116.0	127.3	103.0	110.3	
February.....	111.5	114.3	110.4	114.8	107.2	96.0	120.7	109.7	113.4	122.2	102.3	109.4	
March.....	112.0	115.1	109.6	115.6	108.0	95.8	123.6	110.0	113.2	114.0	103.5	108.2	
April.....	113.2	116.1	110.3	117.9	108.5	97.8	123.1	110.8	115.1	117.2	102.3	107.5	
May.....	114.7	118.3	112.1	119.1	109.7	96.8	122.0	112.3	116.5	120.5	104.1	107.3	
June.....	115.8	118.9	112.0	122.4	109.8	97.2	123.6	112.2	116.8	121.2	103.2	106.4	
July.....	115.6	118.7	112.3	122.0	109.6	97.5	124.5	112.0	115.9	113.7	104.3	106.2	
August.....	114.8	117.1	112.2	120.2	109.7	98.0	125.8	111.1	115.1	115.4	103.1	105.1	
September.....	113.1	112.1	112.3	117.5	109.9	96.4	126.6	110.3	114.0	116.5	103.0	103.7	
October.....	113.4	112.1	112.8	117.1	111.1	96.9	125.5	110.7	114.8	121.1	102.7	102.9	
November.....	112.3	111.3	112.0	116.2	109.2	96.9	125.8	109.6	113.2	111.8	102.4	101.1	
December ²	111.5	110.0	112.0	115.0	109.0	96.0	126.0	108.0	112.0	104.0	100.0	99.5	

¹ Annual indexes for 1929-46 are, respectively: 33, 32, 26, 21, 24, 26, 31, 36, 40, 31, 38, 44, 56, 69, 82, 81, 70, and 59.

² Preliminary.

Source: Board of Governors of the Federal Reserve System.

TABLE C-30.—Business expenditures for new plant and equipment, 1939 and 1945-61

[Billions of dollars]

Period	Total ¹	Manufacturing			Mining	Transportation		Public utilities	Commercial and other ²
		Total	Durable goods	Non-durable goods		Rail-road	Other		
1939.....	5.51	1.94	0.76	1.19	0.33	0.28	0.36	0.52	2.08
1945.....	8.69	3.98	1.59	2.39	.38	.55	.57	.50	2.70
1946.....	14.85	6.79	3.11	3.68	.43	.58	.92	.79	5.33
1947.....	20.61	8.70	3.41	5.30	.69	.89	1.30	1.54	7.49
1948.....	22.06	9.13	3.48	5.65	.88	1.32	1.28	2.54	6.90
1949.....	19.28	7.15	2.59	4.56	.79	1.35	.89	3.12	5.98
1950.....	20.60	7.49	3.14	4.36	.71	1.11	1.21	3.31	6.78
1951.....	25.64	10.85	5.17	5.68	.93	1.47	1.49	3.66	7.24
1952.....	26.49	11.63	5.61	6.02	.98	1.40	1.50	3.89	7.09
1953.....	28.32	11.91	5.65	6.26	.99	1.31	1.56	4.55	8.00
1954.....	26.83	11.04	5.09	5.95	.98	.85	1.51	4.22	8.23
1955.....	28.70	11.44	5.44	6.00	.96	.92	1.60	4.31	9.47
1956.....	35.08	14.95	7.62	7.33	1.24	1.23	1.71	4.90	11.05
1957.....	36.96	15.96	8.02	7.94	1.24	1.40	1.77	6.20	10.40
1958 ³	30.53	11.43	5.47	5.96	.94	.75	1.50	6.09	9.82
1959 ³	32.54	12.07	5.77	6.29	.99	.92	2.02	5.67	10.88
1960 ^{3 4}	35.74	14.45	7.20	7.25	1.01	1.02	1.94	5.74	11.59
Seasonally adjusted annual rates									
1958: First quarter.....	32.41	13.20	6.58	6.62	1.00	1.02	1.69	5.87	9.63
Second quarter.....	30.32	11.53	5.57	5.96	.92	.77	1.40	5.97	9.73
Third quarter.....	28.61	10.86	5.16	5.70	.88	.63	1.29	6.10	9.85
Fourth quarter.....	28.97	10.58	4.86	5.72	.97	.58	1.62	6.26	9.96
1959: First quarter.....	30.60	11.20	5.25	5.95	.95	.65	1.70	5.80	10.35
Second quarter.....	32.50	11.80	5.75	6.05	.95	1.00	2.10	5.80	10.85
Third quarter.....	33.35	12.25	5.85	6.40	1.00	1.30	2.15	5.60	11.05
Fourth quarter.....	33.60	12.85	6.15	6.70	1.05	.85	2.15	5.50	11.20
1960: First quarter.....	35.15	14.10	7.15	6.95	1.00	1.00	2.00	5.75	11.35
Second quarter.....	36.30	14.70	7.40	7.30	1.05	1.10	2.15	5.70	11.60
Third quarter.....	35.90	14.65	7.35	7.30	1.00	1.00	1.90	5.60	11.75
Fourth quarter ⁴	35.6	14.3	6.9	7.4	1.0	1.0	1.8	5.9	11.7
1961: First quarter ⁴	34.9	14.3	7.1	7.2	1.0	.7	1.6	5.7	11.7

¹ Excludes agriculture.² Commercial and other includes trade, service, finance, communications, and construction.³ Annual total is the sum of unadjusted quarterly expenditures; it does not necessarily coincide with the average of seasonally adjusted figures. See footnote 4.⁴ Estimates for fourth quarter 1960 and first quarter 1961 based on anticipated capital expenditures reported by business in late October and November 1960. The quarterly anticipations include adjustments, when necessary, for systematic tendencies in anticipatory data.

NOTE.—These figures do not agree precisely with the plant and equipment expenditures included in the gross national product estimates of the Department of Commerce. The main difference lies in the inclusion in the gross national product of investment by farmers, professionals, and institutions, and of certain outlays charged to current account.

This series is not available for years prior to 1939 and for 1940 to 1944.

Detail will not necessarily add to totals because of rounding.

Sources: Securities and Exchange Commission and Department of Commerce.

TABLE C-31.—*New construction activity, 1929-60*
[Value put in place, millions of dollars]

Period	Total new construction	Private construction							Public construction
		Total ¹	Residential building (non-farm)	Nonresidential building and other construction					
				Total	Commercial ²	Industrial	Public utility	Other ³	
1929.....	10,793	8,307	3,625	4,682	1,135	949	1,578	1,020	2,486
1930.....	8,741	5,883	2,075	3,808	893	532	1,527	856	2,858
1931.....	6,427	3,768	1,565	2,203	454	221	946	582	2,659
1932.....	3,538	1,676	630	1,046	223	74	467	282	1,862
1933.....	2,879	1,231	470	761	130	176	261	194	1,648
1934.....	3,720	1,509	625	884	173	191	326	194	2,211
1935.....	4,232	1,999	1,010	989	211	158	363	257	2,233
1936.....	6,497	2,981	1,565	1,416	290	266	518	342	3,516
1937.....	6,999	3,903	1,875	2,028	387	492	705	444	3,096
1938.....	6,980	3,560	1,990	1,570	285	232	605	448	3,420
1939.....	8,198	4,389	2,680	1,709	292	254	683	480	3,809
1940.....	8,682	5,054	2,985	2,069	348	442	771	508	3,628
1941.....	11,957	6,206	3,510	2,696	409	801	872	614	5,751
1942.....	14,075	3,415	1,715	1,700	155	346	786	413	10,660
1943.....	8,301	1,979	885	1,094	33	156	570	335	6,322
1944.....	5,259	2,186	815	1,371	56	208	725	382	3,073
1945.....	5,809	3,411	1,276	2,135	203	642	827	463	2,398
1946.....	12,627	10,396	4,752	5,644	1,153	1,689	1,374	1,428	2,231
1947.....	17,901	14,582	7,535	7,047	957	1,702	2,338	2,050	3,319
1948.....	23,243	18,539	10,122	8,417	1,397	1,397	3,043	2,580	4,704
1949.....	24,183	17,914	9,642	8,272	1,182	972	3,323	2,795	6,269
1950.....	29,947	23,081	14,100	8,981	1,415	1,062	3,330	3,174	8,866
1951.....	32,700	23,447	12,529	10,918	1,498	2,117	3,729	3,574	9,253
1952.....	34,670	23,889	12,842	11,047	1,137	2,320	4,043	3,547	10,781
1953.....	37,019	25,783	13,777	12,006	1,791	2,229	4,475	3,511	11,236
1954.....	39,362	27,684	15,379	12,305	2,212	2,030	4,289	3,774	11,678
1955.....	44,164	32,440	18,705	13,735	3,218	2,399	4,363	3,755	11,724
1956.....	45,779	33,067	17,677	15,390	3,631	3,084	4,893	3,782	12,712
1957.....	47,795	33,778	17,019	16,759	3,564	3,557	5,414	4,224	14,017
1958.....	48,903	33,491	18,047	15,444	3,589	2,382	5,105	4,368	15,412
1959.....	54,322	38,131	22,309	15,822	3,908	2,102	5,033	4,779	16,191
New series: ⁴									
1959.....	56,206	39,949	24,469	15,480	3,930	2,106	5,052	4,392	16,257
1960 ⁵	55,017	38,956	22,067	16,889	4,064	2,861	5,312	4,652	16,061
Seasonally adjusted annual rates (New series ⁴)									
1959:									
January.....	55,540	37,933	23,233	14,700	3,644	1,886	4,989	4,181	17,607
February.....	54,893	37,776	23,009	14,767	3,698	1,887	5,029	4,153	17,117
March.....	55,924	38,413	23,606	14,807	3,680	1,881	5,073	4,173	17,511
April.....	56,830	39,462	24,507	14,955	3,765	1,901	5,072	4,217	17,368
May.....	57,470	40,309	24,996	15,313	3,986	1,986	5,043	4,298	17,161
June.....	58,046	40,914	25,204	15,710	4,095	2,093	5,125	4,397	17,132
July.....	57,893	41,403	25,415	15,988	4,159	2,196	5,136	4,497	16,490
August.....	57,449	41,483	25,290	16,193	4,148	2,289	5,152	4,604	15,966
September.....	55,767	40,596	24,983	15,613	3,948	2,184	5,040	4,441	15,171
October.....	54,909	39,890	24,507	15,383	3,876	2,208	4,872	4,427	14,919
November.....	54,346	39,702	24,016	15,686	3,888	2,316	4,980	4,502	14,644
December.....	55,436	40,127	23,901	16,226	4,020	2,448	5,184	4,574	15,309
1960:									
January.....	54,726	39,894	23,244	16,650	4,140	2,556	5,232	4,722	14,832
February.....	54,889	39,709	22,536	17,173	4,356	2,748	5,292	4,777	15,180
March.....	54,419	39,263	22,392	16,871	4,116	2,772	5,232	4,751	15,156
April.....	54,166	38,722	21,930	16,792	4,056	2,772	5,256	4,708	15,444
May.....	55,260	38,916	22,180	16,736	3,960	2,760	5,316	4,700	16,344
June.....	55,189	39,103	22,362	16,741	3,881	2,788	5,405	4,667	16,086
July.....	55,390	39,035	22,308	16,727	3,870	2,868	5,364	4,625	16,355
August.....	55,298	38,660	21,783	16,877	3,922	2,934	5,406	4,615	16,638
September.....	55,325	38,697	21,716	16,981	4,036	3,041	5,285	4,619	16,628
October.....	54,736	38,331	21,228	17,103	4,133	3,084	5,261	4,625	16,405
November ⁶	55,011	38,665	21,496	17,169	4,198	3,036	5,282	4,653	16,346
December ⁶	54,835	38,884	21,978	16,906	4,214	2,982	5,320	4,390	15,951

¹ Excludes construction expenditures for crude petroleum and natural gas well drilling, and therefore does not agree with the new construction expenditures included in the gross national product. (See Table C-1.)

² Office buildings, warehouses, stores, restaurants, and garages.

³ Farm, institutional, and all other.

⁴ New series beginning January 1959 not comparable with prior data. In addition to major differences between old and new series, data for Alaska and Hawaii are included beginning January 1959. For details, see *Construction Activity*, C 30-13, Bureau of the Census, August 1960.

⁵ Preliminary.

Source: Department of Commerce.

TABLE C-32.—*New public construction activity, 1929-60*

[Value put in place, millions of dollars]

Period	Total new public construction ¹				Major types of new public construction						
	All public sources	Federal		State and local	High-way	Educa-tional	Hos-pital and institu-tional	Sewer and water and miscel-laneous public service	Con-serva-tion and de-velop-ment	Mili-tary facilities	All other public ²
		Direct	Federal aid								
1929.....	2,486	155	80	2,251	1,266	389	101	404	115	19	192
1930.....	2,858	209	104	2,545	1,516	364	118	500	137	29	194
1931.....	2,659	271	235	2,153	1,355	285	110	479	156	40	234
1932.....	1,862	333	111	1,418	958	130	83	291	150	34	216
1933.....	1,648	516	286	846	847	52	49	160	359	36	145
1934.....	2,211	626	721	864	1,000	148	51	228	518	47	219
1935.....	2,233	814	567	852	845	153	38	246	700	37	214
1936.....	3,516	797	1,566	1,153	1,362	366	74	509	658	29	518
1937.....	3,096	776	1,117	1,203	1,226	253	73	445	605	37	457
1938.....	3,420	717	1,320	1,383	1,421	311	97	492	551	62	486
1939.....	3,809	759	1,377	1,673	1,381	468	127	507	570	125	631
1940.....	3,628	1,182	946	1,500	1,302	156	54	469	528	385	734
1941.....	5,751	3,751	697	1,303	1,066	158	42	393	500	1,620	1,972
1942.....	10,660	9,313	475	872	734	128	35	254	357	5,016	4,136
1943.....	6,322	5,609	268	445	446	63	44	156	285	2,550	2,778
1944.....	3,073	2,505	126	442	362	41	58	125	163	837	1,487
1945.....	2,398	1,737	99	562	398	59	85	152	130	690	884
1946.....	2,231	870	244	1,117	764	101	85	278	260	188	555
1947.....	3,319	840	409	2,070	1,344	287	77	492	424	204	491
1948.....	4,704	1,177	417	3,110	1,661	618	213	699	670	158	685
1949.....	6,269	1,488	461	4,320	2,015	934	458	803	852	137	1,070
1950.....	6,866	1,625	465	4,776	2,134	1,133	499	819	942	177	1,162
1951.....	9,253	2,981	479	5,793	2,353	1,513	527	959	912	887	2,102
1952.....	10,781	4,185	620	5,976	2,679	1,619	495	958	900	1,387	2,743
1953.....	11,236	4,134	713	6,389	3,015	1,714	369	1,050	892	1,290	2,906
1954.....	11,678	3,418	730	7,530	3,680	2,134	333	1,171	773	1,003	2,584
1955.....	11,724	2,777	778	8,169	3,861	2,442	300	1,318	701	1,287	1,815
1956.....	12,712	2,728	911	9,073	4,395	2,556	300	1,659	826	1,360	1,616
1957.....	14,017	2,991	1,385	9,641	4,892	2,825	354	1,737	971	1,287	1,951
1958.....	15,412	3,419	2,244	9,749	5,500	2,875	390	1,838	1,019	1,402	2,388
1959 ³	16,257	3,842	2,790	9,625	5,916	2,656	428	2,018	1,130	1,488	2,621
1960 ⁴	16,061	3,619	2,361	10,081	5,685	2,820	400	2,139	1,230	1,324	2,463

¹ For expenditures classified by ownership, combine "Federal aid" and "State and local" columns to obtain State and local ownership. "Direct" column stands as it is for Federal ownership.

² Includes nonresidential building other than educational and hospital and institutional (industrial, commercial, public administration, social and recreational, and miscellaneous), public residential buildings, and publicly owned parks and playgrounds, memorials, etc.

³ Beginning with 1959, data include estimates for Alaska and Hawaii. Comparability with earlier data is not seriously affected since these two States accounted for less than one-half of one percent of total new public construction in 1959.

⁴ Preliminary.

Source: Department of Commerce.

TABLE C-33.—*Housing starts and applications for financing, 1929-60*
[Thousands of units]

Period	Total housing starts (farm and nonfarm)		Nonfarm housing starts				Private housing starts, seasonally adjusted annual rates		Proposed home construction ²	
	Total private and public ¹	Private	Total private and public ¹	Private		Total farm and non-farm	Non-farm	FHA applications	VA appraisal requests	
				Total	Government programs					
					FHA					VA
1929.....			509.0	509.0						
1930.....			330.0	330.0						
1931.....			254.0	254.0						
1932.....			134.0	134.0						
1933.....			93.0	93.0						
1934.....			126.0	126.0						
1935.....			221.0	215.7	14.0			20.6		
1936.....			319.0	304.2	49.4			47.8		
1937.....			336.0	332.4	60.0			49.8		
1938.....			406.0	399.3	118.7			131.1		
1939.....			515.0	458.4	158.1			179.8		
1940.....			602.6	529.6	180.1			231.2		
1941.....			706.1	619.5	220.4			288.5		
1942.....			356.0	301.2	165.7			238.5		
1943.....			191.0	183.7	146.2			144.4		
1944.....			141.8	138.7	93.3			62.9		
1945.....			209.3	208.1	41.2	48.8		56.6	(5)	
1946.....			670.5	662.5	69.0	91.8		121.7	(9)	
1947.....			849.0	845.6	229.0	160.3		286.4	(9)	
1948.....			931.6	913.5	294.1	71.1		293.2	(9)	
1949.....			1,025.1	988.8	363.8	90.8		327.0	(9)	
1950.....			1,396.0	1,352.2	486.7	191.2		397.7	(5)	
1951.....			1,091.3	1,020.1	263.5	148.6		192.8	164.4	
1952.....			1,127.0	1,068.5	279.9	141.3		267.9	226.3	
1953.....			1,103.8	1,068.3	252.0	156.5		253.7	251.4	
1954.....			1,220.4	1,201.7	276.3	307.0		338.6	535.4	
1955.....			1,328.9	1,309.5	276.7	392.9		306.2	620.8	
1956.....			1,118.1	1,093.9	189.3	270.7		197.7	401.5	
1957.....			1,041.9	992.8	168.4	128.3		198.8	159.4	
1958.....			1,209.4	1,141.5	295.4	102.1		341.7	234.2	
1959.....	(5)	(5)	1,378.5	1,342.8	332.5	109.3		369.7	234.0	
New series ⁴										
1959.....	1,553.5	1,516.8	1,531.3	1,494.6	332.5	109.3		369.7	234.0	
1960 ⁷	1,285.5	1,248.2	1,261.9	1,224.6	261.0	74.6		242.4	142.9	
1959: January.....	99.2	96.2	98.3	95.3	19.8	6.9	1,533	1,517	25.5	17.9
February.....	100.0	99.0	99.0	98.0	20.0	6.2	1,546	1,529	29.5	21.0
March.....	130.7	127.7	129.4	126.4	30.0	9.7	1,598	1,580	38.9	23.2
April.....	155.9	150.7	154.3	149.1	33.5	11.0	1,613	1,599	39.1	18.9
May.....	156.0	152.5	154.3	150.8	34.4	10.3	1,597	1,580	38.2	20.7
June.....	153.4	147.8	152.1	146.5	34.8	11.0	1,577	1,563	60.2	27.2
July.....	149.7	148.1	146.7	145.1	31.7	10.6	1,578	1,546	29.0	26.0
August.....	142.4	138.2	142.0	137.8	31.3	9.9	1,450	1,446	25.6	21.2
September.....	140.0	136.3	136.1	132.4	29.8	10.0	1,509	1,468	25.5	17.9
October.....	123.3	120.0	121.2	117.9	26.8	9.4	1,378	1,354	24.1	16.7
November.....	106.5	104.7	104.3	102.5	20.3	7.9	1,356	1,328	16.1	12.2
December.....	96.4	95.6	93.6	92.8	20.0	6.4	1,451	1,401	18.2	11.1
1960: January.....	88.4	87.1	84.3	83.0	15.9	4.1	1,366	1,291	16.3	11.2
February.....	90.2	87.9	88.8	86.5	17.6	4.8	1,367	1,347	21.1	12.9
March.....	93.3	90.2	92.3	89.2	21.9	5.2	1,112	1,098	27.4	12.9
April.....	125.2	123.5	123.4	121.7	25.4	7.3	1,327	1,307	22.5	13.7
May.....	130.0	127.3	128.2	125.5	25.2	6.9	1,335	1,316	22.4	14.4
June.....	127.3	122.2	125.7	120.6	26.5	7.7	1,302	1,285	23.7	15.2
July.....	114.9	111.1	113.2	109.4	23.6	7.4	1,132	1,164	19.6	8.5
August.....	129.6	124.8	127.5	122.7	26.3	8.2	1,292	1,273	22.9	12.4
September.....	102.3	96.7	100.3	94.7	21.9	6.8	1,066	1,044	20.1	11.6
October ⁵	112.0	109.2	108.9	106.1	22.6	5.9	1,253	1,217	18.3	10.0
November ⁶	97.3	95.7	96.3	94.7	20.2	5.5	1,235	1,221	14.8	10.3
December ⁷	75.0	72.5	73.0	70.5	13.9	4.8	1,100	1,076	13.2	10.0

¹ Military housing starts, including those financed with mortgages insured by FHA under Section 803 of the National Housing Act, are included in total private and public starts but excluded from total private starts and from FHA starts.

² Units in mortgage applications for new home construction.

³ FHA program approved in June 1934; all 1934 activity included in 1935.

⁴ Monthly estimates for September 1945-May 1950 were prepared by Housing and Home Finance Agency.

⁵ Not available.

⁶ In addition to major differences between old and new series arising from revisions in sources and methods, new series includes data for Alaska and Hawaii. For details, see *Housing Starts*, C20-11 (Supplement), Bureau of the Census, May 1960.

⁷ Preliminary: December and year 1960 estimated by Council of Economic Advisers.

Sources: Department of Commerce, Federal Housing Administration (FHA), Veterans Administration (VA), and Housing and Home Finance Agency (except as noted).

TABLE C-34.—Sales and inventories in manufacturing and trade, 1939-60

[Amounts in billions of dollars]

Period	Total manufacturing and trade ¹			Manufacturing			Wholesale trade ¹			Retail trade ¹		
	Sales ²	Inventories ³	Ratio ⁴	Sales ²	Inventories ³	Ratio ⁴	Sales ²	Inventories ³	Ratio ⁴	Sales ²	Inventories ³	Ratio ⁴
1939.....	10.8	20.1	1.77	5.1	11.5	2.11	2.2	3.1	1.34	3.5	5.5	1.53
1940.....	12.1	22.2	1.72	5.9	12.8	2.06	2.4	3.2	1.30	3.9	6.1	1.49
1941.....	15.8	28.8	1.58	8.2	17.0	1.78	3.0	4.0	1.20	4.6	7.8	1.48
1942.....	18.6	31.1	1.66	10.4	19.3	1.77	3.4	3.8	1.19	4.8	8.0	1.76
1943.....	21.9	31.3	1.40	12.8	20.1	1.51	3.8	3.7	.97	5.3	7.6	1.43
1944.....	23.8	31.1	1.33	13.8	19.5	1.45	4.2	3.9	.94	5.9	7.6	1.31
1945.....	23.9	30.9	1.30	12.9	18.4	1.49	4.5	4.6	.91	6.5	7.9	1.21
1946.....	27.2	42.9	1.33	12.6	24.5	1.66	6.0	6.6	.90	8.5	11.9	1.13
1947.....	33.2	50.5	1.43	15.9	28.9	1.71	7.3	7.6	1.01	10.0	14.1	1.27
1948.....	36.1	55.4	1.48	17.6	31.7	1.72	7.5	7.9	1.01	10.9	15.8	1.40
1949.....	34.5	51.8	1.56	16.4	28.9	1.86	7.2	7.6	1.07	10.9	15.3	1.43
1950.....	39.7	62.8	1.39	19.3	34.3	1.57	8.4	9.1	.96	12.0	19.3	1.40
1951.....	44.7	73.8	1.58	22.3	42.8	1.77	9.4	9.7	1.05	13.0	21.2	1.65
1952.....	45.9	75.4	1.61	22.8	43.8	1.90	9.6	10.0	1.01	13.5	21.6	1.55
1953.....	48.4	78.6	1.61	24.5	45.4	1.84	9.8	10.5	1.06	14.1	22.7	1.59
1954.....	47.4	75.5	1.62	23.5	43.0	1.86	9.7	10.4	1.07	14.1	22.1	1.59
1955.....	52.3	81.7	1.49	26.3	46.4	1.68	10.6	11.4	1.02	15.3	23.9	1.50
1956.....	54.8	89.1	1.56	27.7	52.3	1.79	11.3	13.0	1.08	15.8	23.9	1.50
1957.....	56.3	90.7	1.61	28.4	53.5	1.89	11.3	12.7	1.13	16.7	24.5	1.44
1958.....	54.0	85.1	1.61	26.2	49.2	1.93	11.1	12.0	1.10	16.7	24.0	1.44
1959.....	60.0	89.4	1.47	29.7	52.4	1.72	12.3	12.6	1.00	18.0	24.3	1.36
1960 ⁵	60.8	92.8	1.52	30.5	54.0	1.78	12.4	13.2	1.05	18.3	25.5	1.37
Seasonally adjusted												
1959: January.....	57.4	85.5	1.49	28.1	49.5	1.76	11.8	11.9	1.01	17.5	24.2	1.39
February.....	58.0	86.0	1.48	28.5	49.9	1.75	11.9	11.9	1.00	17.6	24.1	1.37
March.....	59.2	86.6	1.46	29.1	50.5	1.73	12.2	12.0	.98	17.9	24.2	1.35
April.....	60.6	87.6	1.44	30.3	51.1	1.69	12.4	12.1	.97	18.0	24.5	1.36
May.....	61.5	88.3	1.44	30.7	51.6	1.68	12.5	12.2	.97	18.2	24.5	1.35
June.....	62.0	89.3	1.44	31.2	52.1	1.67	12.6	12.4	.98	18.2	24.8	1.36
July.....	61.7	89.9	1.46	30.9	52.2	1.69	12.5	12.5	1.00	18.3	25.1	1.37
August.....	59.6	89.5	1.50	29.3	52.1	1.78	12.2	12.6	1.03	18.1	24.8	1.37
September.....	60.1	89.2	1.48	29.8	51.9	1.74	12.5	12.5	1.00	17.8	24.8	1.39
October.....	59.7	88.7	1.49	29.4	51.5	1.75	12.0	12.5	1.04	18.3	24.7	1.35
November.....	59.1	88.4	1.49	29.0	51.6	1.78	12.3	12.6	1.02	17.8	24.2	1.36
December.....	60.9	89.4	1.47	30.8	52.4	1.70	12.7	12.6	1.00	17.5	24.3	1.39
1960: January.....	61.6	90.5	1.47	31.1	53.3	1.71	12.4	12.7	1.02	18.1	24.5	1.35
February.....	62.2	91.4	1.47	31.6	53.9	1.71	12.5	12.7	1.02	18.1	24.8	1.37
March.....	61.3	92.3	1.51	30.8	54.3	1.76	12.2	12.8	1.05	18.2	25.1	1.38
April.....	62.6	92.6	1.48	31.0	54.7	1.76	12.6	12.9	1.02	18.9	25.0	1.32
May.....	61.9	93.2	1.51	31.0	55.0	1.77	12.4	13.1	1.05	18.5	25.2	1.36
June.....	61.8	93.5	1.51	30.8	55.1	1.79	12.5	13.0	1.04	18.5	25.3	1.37
July.....	60.9	93.4	1.53	30.4	54.9	1.80	12.3	13.0	1.06	18.1	25.4	1.40
August.....	60.7	93.3	1.54	30.1	55.0	1.82	12.3	13.1	1.06	18.2	25.2	1.39
September.....	60.3	93.1	1.54	30.1	54.7	1.82	12.2	13.1	1.08	18.1	25.3	1.40
October.....	60.3	92.9	1.54	29.6	54.4	1.84	12.2	13.2	1.09	18.5	25.4	1.37
November ⁶	59.8	92.8	1.55	29.2	54.0	1.85	12.2	13.2	1.09	18.4	25.5	1.39
December ⁶										18.2		

¹ The series beginning in 1948 are not comparable with the previous years because of changes in definition for the wholesale series. Beginning in 1951, the estimates of retail sales and inventories are based on a new method of estimation adopted by the Bureau of the Census.

² Monthly average shown for year and total for month.

³ Seasonally adjusted, end of period.

⁴ Inventory/sales ratio. For annual periods, ratio of weighted average inventories to average monthly sales; for monthly data, ratio of inventories at end of month to sales for month.

⁵ Where December data not available, data for year calculated on basis of no change from November.

⁶ Preliminary.

⁷ Beginning January 1960, retail sales include data for Alaska and Hawaii.

NOTE.—For a description of the series and their comparability, see *Survey of Current Business*, September and November 1952, January 1954, and June 1957 for retail, and August 1957 for manufacturing and wholesale.

The inventory figures in this table do not agree with the estimates of change in business inventories included in the gross national product since these figures cover only manufacturing and trade rather than all business, and show inventories in terms of current book value without adjustment for revaluation.

Source: Department of Commerce.

TABLE C-35.—Manufacturers' sales, inventories, and orders, 1939-60

[Billions of dollars]

Period	Sales ¹		Inventories ²						New orders ¹			Un-filled orders (unad-justed) ³
	Durable goods industries	Non-durable goods industries	Durable goods industries			Nondurable goods industries			Total	Durable goods industries	Non-durable goods industries	
			Pur-chased materials	Goods in process	Fin-ished goods	Pur-chased materials	Goods in process	Fin-ished goods				
1939-----	1.9	3.2	1.8	1.5	2.1	2.4	0.8	2.9	5.4	2.2	3.2	7.0
1940-----	2.5	3.4	2.1	2.0	2.2	2.6	.9	3.0	6.8	3.4	3.4	18.4
1941-----	3.8	4.4	3.1	3.2	2.3	4.0	1.2	3.2	9.8	5.3	4.5	37.9
1942-----	5.2	5.3	3.7	4.6	2.2	4.3	1.2	3.3	13.3	8.0	5.3	72.9
1943-----	6.9	6.0	3.9	5.2	2.1	4.5	1.4	3.0	12.7	6.8	5.9	71.5
1944-----	7.3	6.4	3.3	5.0	2.1	4.7	1.4	3.0	11.9	5.5	6.4	49.0
1945-----	6.3	6.6	3.2	3.5	2.1	4.9	1.5	3.2	10.5	3.9	6.6	20.9
1946-----	5.0	7.6	4.5	4.6	2.9	6.5	1.8	4.2	13.7	5.9	7.8	33.8
1947-----	6.7	9.2	5.1	5.2	4.0	7.2	2.2	5.2	15.6	6.4	9.3	30.3
1948-----	7.6	10.0	5.6	5.4	4.7	7.3	2.2	6.5	17.4	7.5	9.9	26.9
1949-----	7.1	9.3	4.6	4.7	4.7	6.5	2.1	6.3	15.9	6.6	9.3	20.8
1950-----	8.8	10.5	6.1	6.0	4.7	8.4	2.5	6.6	21.0	10.3	10.7	41.1
1951-----	10.4	11.9	7.4	8.6	6.8	9.1	2.7	8.2	24.5	12.7	11.8	67.6
1952-----	10.9	11.9	7.3	10.2	6.9	8.6	2.7	8.1	23.6	11.7	11.9	76.3
1953-----	12.4	12.1	7.4	10.7	8.1	8.1	2.7	8.4	23.1	11.0	12.1	59.5
1954-----	11.2	12.3	6.5	9.8	7.7	7.9	2.6	8.4	22.5	10.2	12.3	46.9
1955-----	13.1	13.3	7.4	11.1	8.2	8.1	2.8	8.8	27.2	13.9	13.3	56.9
1956-----	13.8	13.9	8.7	12.8	9.2	8.5	3.0	10.1	28.3	14.4	13.9	64.2
1957-----	14.2	14.2	8.3	12.7	10.1	8.8	3.1	10.5	27.3	13.1	14.2	50.7
1958-----	12.4	13.8	7.5	11.3	9.0	8.6	3.0	9.8	25.9	12.0	13.9	46.8
1959-----	14.5	15.2	8.3	12.1	9.7	8.9	3.0	10.4	30.1	14.9	15.3	51.5
1960 ⁴ -----	14.8	15.8	8.0	12.1	10.9	8.9	3.1	11.0	30.0	14.3	15.7	45.5
Seasonally adjusted												
1959:												
January-----	13.5	14.6	7.7	11.4	9.0	8.6	3.0	9.8	28.5	13.9	14.6	47.7
February-----	13.9	14.6	7.8	11.4	9.2	8.6	3.0	9.9	29.7	14.9	14.8	49.1
March-----	14.4	14.7	8.1	11.5	9.3	8.6	3.0	9.9	30.2	15.3	14.9	50.4
April-----	15.2	15.1	8.3	11.7	9.3	8.7	3.0	10.0	31.2	15.8	15.4	50.5
May-----	15.5	15.2	8.5	11.8	9.4	8.8	3.0	10.0	30.5	15.2	15.3	50.1
June-----	15.8	15.5	8.9	11.9	9.5	9.0	3.0	9.9	31.4	16.1	15.3	50.4
July-----	15.4	15.5	8.9	11.9	9.5	9.0	3.1	9.8	30.8	15.5	15.3	50.6
August-----	14.0	15.3	8.7	11.9	9.5	9.0	3.1	9.9	29.0	14.0	15.0	50.6
September-----	14.1	15.7	8.3	12.0	9.5	8.9	3.1	10.1	30.6	14.7	15.8	51.1
October-----	14.0	15.3	8.0	11.8	9.4	9.0	3.1	10.2	30.4	15.1	15.4	51.5
November-----	13.5	15.5	8.1	11.8	9.4	8.9	3.1	10.3	29.2	13.7	15.5	51.5
December-----	15.0	15.8	8.3	12.1	9.7	8.9	3.0	10.4	30.7	14.8	16.0	51.5
1960:												
January-----	15.4	15.7	8.6	12.3	9.9	9.0	3.0	10.5	29.8	14.2	15.6	50.9
February-----	15.7	15.9	8.7	12.5	10.1	9.1	3.0	10.5	30.6	14.8	15.8	50.2
March-----	15.2	15.7	8.8	12.7	10.4	9.1	3.0	10.5	30.3	14.6	15.7	49.5
April-----	15.0	16.0	8.8	12.6	10.5	9.1	3.1	10.5	30.4	14.5	15.9	48.4
May-----	15.1	15.9	8.8	12.7	10.6	9.1	3.1	10.6	30.5	14.7	15.8	47.8
June-----	14.9	15.9	8.7	12.8	10.7	9.1	3.1	10.6	30.1	14.3	15.8	47.7
July-----	14.7	15.7	8.6	12.6	10.8	9.1	3.2	10.6	29.2	13.8	15.4	47.7
August-----	14.4	15.7	8.6	12.6	10.9	9.0	3.2	10.7	30.0	14.4	15.6	47.5
September-----	14.4	15.7	8.4	12.4	11.0	8.9	3.1	10.9	30.4	14.6	15.8	47.5
October-----	14.1	15.5	8.3	12.2	10.9	8.9	3.1	11.0	29.2	13.7	15.5	46.4
November ⁵ -----	13.8	15.5	8.0	12.1	10.9	8.9	3.1	11.0	29.0	13.5	15.5	45.5

¹ Monthly average for year and total for month.² Book value, seasonally adjusted, end of period.³ End of period.⁴ Based on data through November.⁵ Preliminary.

NOTE.—See Table C-34 for total sales and inventories of manufacturers.

Source: Department of Commerce.

PRICES

TABLE C-36.—Wholesale price indexes, 1929-60

[1947-49=100] ¹

Period	All commodities	Farm products	Processed foods	All commodities other than farm products and foods				
				Total	Textile products and apparel	Chemicals and allied products	Rubber and rubber products	Lumber and wood products
1929.....	61.9	58.6	58.5	65.5	64.2	(?)	83.5	31.9
1930.....	56.1	49.3	53.3	60.9	57.1	(?)	73.0	29.4
1931.....	47.4	36.2	44.8	53.6	47.1	(?)	62.0	23.8
1932.....	42.1	26.9	36.5	50.2	29.0	(?)	53.8	20.3
1933.....	42.8	28.7	36.3	50.9	46.0	51.2	56.8	24.2
1934.....	48.7	36.5	42.6	56.0	51.8	53.7	65.8	28.5
1935.....	52.0	44.0	52.1	55.7	50.4	56.0	66.4	27.4
1936.....	52.5	45.2	50.1	56.9	50.8	56.4	71.7	28.7
1937.....	56.1	48.3	52.4	61.0	54.2	59.0	84.4	33.7
1938.....	51.1	38.3	45.6	58.4	47.4	55.9	82.7	30.8
1939.....	50.1	36.5	43.3	58.1	49.5	55.8	86.3	31.6
1940.....	51.1	37.8	43.6	59.4	52.4	56.6	80.2	35.2
1941.....	56.8	46.0	50.5	63.7	60.3	61.6	86.5	41.8
1942.....	64.2	59.2	59.1	68.3	68.9	69.3	100.6	45.4
1943.....	67.0	68.5	61.6	69.3	69.2	69.5	103.3	48.0
1944.....	67.6	68.9	60.4	70.4	69.9	70.2	102.0	51.9
1945.....	68.8	71.6	60.8	71.3	71.1	70.6	98.9	52.5
1946.....	78.7	83.2	77.6	78.3	82.6	76.3	99.4	60.3
1947.....	96.4	100.0	98.2	95.3	100.1	101.4	99.0	93.7
1948.....	104.4	107.3	106.1	103.4	104.4	103.8	102.1	107.2
1949.....	99.2	92.8	95.7	101.3	95.5	94.8	98.9	99.2
1950.....	103.1	97.5	99.8	105.0	99.2	96.3	120.5	113.9
1951.....	114.8	113.4	111.4	115.9	110.6	110.0	148.0	123.9
1952.....	111.6	107.0	108.8	113.2	99.8	104.5	134.0	120.3
1953.....	110.1	97.0	104.6	114.0	97.3	105.7	125.0	120.2
1954.....	110.3	95.6	105.3	114.5	95.2	107.0	126.9	118.0
1955.....	110.7	89.6	101.7	117.0	95.3	106.6	143.8	123.6
1956.....	114.3	88.4	101.7	122.2	95.3	107.2	145.8	125.4
1957.....	117.6	90.9	105.6	125.6	95.4	109.5	145.2	119.0
1958.....	119.2	94.9	110.9	126.0	93.5	110.4	145.0	117.7
1959.....	119.5	89.1	107.0	128.2	95.0	109.9	144.5	125.8
1960 ²	119.6	88.8	107.7	128.3	96.1	110.2	144.8	121.3
1959: January.....	119.5	91.5	108.7	127.5	93.3	110.2	145.2	120.5
February.....	119.5	91.1	107.6	127.8	93.7	109.9	145.4	122.5
March.....	119.6	90.8	107.2	128.1	93.9	109.8	146.0	124.2
April.....	120.0	92.4	107.2	128.3	94.1	110.0	146.7	126.3
May.....	119.9	90.8	107.7	128.4	94.5	110.0	148.0	128.2
June.....	119.7	89.8	108.1	128.2	94.9	110.0	146.2	128.9
July.....	119.5	88.4	107.5	128.4	95.3	109.9	146.0	128.3
August.....	119.1	87.1	105.8	128.4	95.7	109.7	140.5	128.5
September.....	119.7	88.9	107.8	128.4	95.9	109.9	141.6	127.2
October.....	119.1	86.5	106.4	128.4	95.9	110.0	141.9	126.2
November.....	118.9	85.4	104.9	128.5	96.3	110.0	144.4	124.3
December.....	118.9	85.9	104.7	128.6	96.7	110.0	142.0	124.8
1960: January.....	119.3	86.5	105.6	128.8	96.6	109.9	143.1	125.1
February.....	119.3	87.0	105.7	128.7	96.5	110.0	144.6	124.9
March.....	120.0	90.4	107.3	128.6	96.3	110.1	144.7	124.5
April.....	120.0	91.1	106.8	128.7	96.3	110.2	144.7	124.3
May.....	119.7	90.4	107.3	128.2	96.3	110.2	146.3	123.7
June.....	119.5	89.0	107.6	128.2	96.3	110.2	146.7	122.4
July.....	119.7	88.9	108.9	128.2	96.3	110.4	146.9	121.5
August.....	119.2	86.6	107.8	128.2	96.1	110.5	145.3	119.6
September.....	119.2	87.7	108.1	127.9	95.9	110.4	144.9	118.7
October.....	119.6	89.5	109.0	128.0	95.8	110.3	144.7	117.7
November.....	119.6	89.9	109.1	127.9	95.4	110.3	143.6	116.9
December ³	119.5	88.7	109.3	127.9	95.2	110.4	141.8	116.7

See footnotes at end of table, p. 169.

TABLE C-36.—Wholesale price indexes, 1929-60—Continued

[1947-49=100] ¹

Period	All commodities other than farm products and foods (continued)								
	Hides, skins, leather, and leather products	Fuel, power, and lighting materials	Pulp, paper, and allied products	Metals and metal products	Machinery and motive products	Furniture and other household durables	Non-metallic minerals (structural)	Tobacco manufactures and bottled beverages	Miscellaneous products
1929.....	59.3	70.2	(2)	67.0	(2)	69.3	72.6	86.6	(2)
1930.....	54.4	66.5	(2)	60.3	(2)	68.2	72.4	87.1	(2)
1931.....	46.8	57.2	(2)	54.1	(2)	62.8	67.6	84.6	(2)
1932.....	39.7	59.5	(2)	49.9	(2)	55.4	63.4	81.4	(2)
1933.....	44.0	56.1	(2)	50.9	(2)	55.5	66.9	72.8	(2)
1934.....	47.1	62.0	(2)	56.2	(2)	60.2	71.6	76.0	(2)
1935.....	48.7	62.2	(2)	56.2	(2)	59.8	71.6	75.9	(2)
1936.....	51.9	64.5	(2)	57.3	(2)	60.6	71.7	75.8	(2)
1937.....	56.9	65.7	(2)	65.6	(2)	67.2	73.4	76.5	(2)
1938.....	50.5	64.7	(2)	63.1	(2)	65.6	71.1	76.4	(2)
1939.....	52.0	61.8	(2)	62.6	65.3	65.4	69.5	76.4	(2)
1940.....	54.8	60.7	(2)	62.8	66.2	66.8	69.7	77.3	(2)
1941.....	58.9	64.5	(2)	64.0	68.6	71.2	71.3	78.1	(2)
1942.....	64.0	66.4	(2)	64.9	71.2	76.8	74.1	79.1	(2)
1943.....	63.9	68.4	(2)	64.8	71.0	76.4	74.5	83.0	(2)
1944.....	63.4	70.3	(2)	64.8	71.0	78.4	75.9	83.4	(2)
1945.....	64.2	71.1	(2)	65.9	71.6	78.6	79.1	85.8	(2)
1946.....	74.6	76.2	(2)	73.9	80.3	83.0	84.2	89.7	(2)
1947.....	101.0	90.9	98.6	91.3	92.5	95.6	93.9	97.2	100.8
1948.....	102.1	107.1	102.9	103.9	100.9	101.4	101.7	100.5	103.1
1949.....	96.9	101.9	98.5	104.8	106.6	103.1	104.4	102.3	96.1
1950.....	104.6	103.0	100.9	110.3	108.6	105.3	106.9	103.5	96.6
1951.....	120.3	106.7	119.6	122.8	119.0	114.1	113.6	109.4	104.9
1952.....	97.2	106.6	116.5	123.0	121.5	112.0	113.6	111.8	108.3
1953.....	98.5	109.5	116.1	126.9	123.0	114.2	118.2	115.4	97.8
1954.....	94.2	108.1	116.3	128.0	124.6	115.4	120.9	120.6	102.5
1955.....	93.8	107.9	119.3	136.6	128.4	115.9	124.2	121.6	92.0
1956.....	99.3	111.2	127.2	148.4	137.8	119.1	129.6	122.3	91.0
1957.....	99.4	117.2	129.6	151.2	146.1	122.2	134.6	126.1	89.6
1958.....	100.6	112.7	131.0	150.4	149.8	123.2	136.0	128.2	94.2
1959.....	114.3	112.7	132.2	153.6	153.0	123.4	137.7	131.4	94.5
1960 ²	110.2	113.8	133.2	153.8	153.3	123.1	138.0	131.8	92.1
1959: January.....	104.1	113.9	131.5	152.9	151.8	123.3	137.2	128.6	100.8
February.....	105.4	114.8	131.7	153.4	152.0	123.3	137.5	128.9	98.5
March.....	108.5	115.0	132.0	153.6	152.2	123.5	137.7	132.1	97.0
April.....	117.8	114.0	132.2	152.8	152.1	123.4	138.3	132.2	98.8
May.....	118.5	113.4	132.0	153.0	152.5	123.5	138.4	132.2	95.2
June.....	118.9	111.2	132.3	153.3	153.0	123.6	137.4	132.2	91.0
July.....	119.3	111.1	132.4	152.7	153.6	123.8	137.5	132.2	92.9
August.....	119.7	112.2	132.3	152.8	153.8	123.5	137.4	131.9	92.0
September.....	119.1	111.9	132.4	153.8	153.9	123.4	137.5	131.8	88.6
October.....	116.2	111.4	132.5	154.5	153.7	123.3	137.5	131.7	91.8
November.....	111.7	111.2	132.3	155.8	153.6	123.3	137.7	131.7	93.7
December.....	112.3	111.7	132.4	155.2	153.7	123.2	137.8	131.7	94.2
1960: January.....	112.7	111.9	133.7	155.5	153.8	123.4	138.4	131.7	95.3
February.....	112.0	112.0	133.2	155.3	153.9	123.5	138.2	131.7	93.4
March.....	111.8	112.3	133.1	154.5	153.9	123.7	138.2	131.7	94.0
April.....	112.1	112.2	133.1	154.5	154.0	123.5	138.3	131.7	95.4
May.....	111.2	110.8	133.4	154.2	153.5	123.2	137.9	131.7	91.1
June.....	110.3	112.3	133.5	153.8	153.4	123.0	137.8	131.7	90.9
July.....	110.1	113.8	133.5	153.4	153.2	123.1	137.8	131.8	90.8
August.....	108.7	115.3	133.0	153.6	153.2	122.9	137.8	132.0	89.9
September.....	108.1	116.1	133.0	153.5	151.3	122.8	138.0	132.0	91.1
October.....	108.5	116.2	133.4	152.8	152.8	122.7	138.1	132.0	90.3
November.....	108.5	116.1	133.1	152.3	153.5	122.6	137.9	132.0	90.6
December ³	108.9	116.2	132.3	152.2	153.6	122.5	137.9	132.1	92.4

¹ This does not replace the former index (1926=100) as the official index prior to January 1952. Data beginning January 1947 represent the revised sample and weighting pattern. Prior to January 1947 they are based on the month-to-month movement of the former index.

² Not available.

³ Preliminary.

Source: Department of Labor.

TABLE C-37.—Wholesale price indexes, by stage of processing, 1947-60

[1947-49=100]

Period	All commodities	Crude materials				Intermediate materials, supplies, and components ¹						
		Total	Food-stuffs and feed-stuffs	Non-food materials, except fuel	Fuel	Total	Materials and components for manufacturing					Materials and components for construction
							Total	Materials for food manufacturing	Materials for non-durable manufacturing	Materials for durable manufacturing	Components for manufacturing	
1947.....	96.4	98.6	100.7	96.0	89.4	96.2	96.4	102.8	99.2	91.2	94.4	93.3
1948.....	104.4	108.0	108.8	106.8	105.6	104.0	104.0	106.0	105.0	103.0	101.9	103.2
1949.....	99.2	93.4	90.5	97.2	105.0	99.9	99.6	91.2	95.8	105.8	103.8	103.5
1950.....	103.1	101.8	97.0	111.0	104.6	104.3	104.5	94.9	100.5	111.9	107.6	108.9
1951.....	114.8	116.9	112.3	128.1	106.5	116.9	118.4	105.7	116.5	124.3	122.2	119.1
1952.....	111.6	107.4	105.7	110.9	107.2	113.5	113.4	101.5	104.8	124.6	122.5	118.3
1953.....	110.1	99.2	94.6	106.2	111.0	114.1	115.2	101.8	104.0	130.1	124.7	120.2
1954.....	110.3	98.3	94.7	104.2	106.0	114.8	115.4	100.9	102.3	133.1	125.3	120.9
1955.....	110.7	94.5	85.7	110.1	105.8	117.0	118.2	97.7	102.7	139.7	130.9	125.6
1956.....	114.3	95.0	84.0	114.2	113.3	122.1	123.7	98.0	104.3	148.5	142.9	132.0
1957.....	117.6	97.2	87.7	112.5	119.7	125.1	126.9	99.9	105.7	153.2	148.3	132.9
1958.....	119.2	99.4	92.8	108.4	121.2	125.3	127.2	102.2	104.7	154.3	149.5	132.9
1959.....	119.5	96.7	86.8	112.2	123.4	127.0	129.0	98.5	106.4	157.9	151.5	136.5
1960 ⁴	119.6	94.4	85.7	107.5	124.4	127.0	128.9	99.3	106.4	158.1	150.5	135.6
1959:												
January.....	119.5	98.1	89.7	110.5	126.1	126.3	127.7	99.2	104.5	156.6	150.6	134.5
February.....	119.5	98.0	89.0	111.3	126.4	126.5	128.0	98.5	104.8	157.1	150.8	135.3
March.....	119.6	98.9	89.8	112.7	125.4	126.7	128.2	97.7	105.2	157.6	150.9	135.7
April.....	120.0	99.6	91.1	112.6	120.3	127.2	128.6	97.4	106.4	157.7	150.7	136.5
May.....	119.9	98.5	89.7	112.3	120.3	127.4	129.3	99.0	106.8	158.1	151.7	137.2
June.....	119.7	98.1	88.7	113.1	120.3	127.1	129.5	99.5	106.8	158.5	152.0	137.4
July.....	119.5	96.4	86.3	112.6	119.7	127.2	129.4	99.3	107.0	157.8	151.9	137.0
August.....	119.1	95.6	85.2	112.1	122.5	127.0	129.1	98.6	107.0	157.6	151.1	137.1
September.....	119.7	95.9	85.3	112.7	124.2	126.9	129.4	99.1	107.2	158.2	151.3	137.0
October.....	119.1	94.4	83.2	112.3	124.2	127.1	129.4	98.5	106.9	158.5	151.6	136.9
November.....	118.9	93.6	81.8	112.8	125.2	127.3	129.5	97.8	106.8	159.0	152.4	136.7
December.....	118.9	93.4	82.1	111.4	125.7	127.3	129.4	97.0	107.0	158.6	152.5	136.9
1960:												
January.....	119.3	94.6	83.7	111.7	126.0	127.5	129.5	97.4	106.9	159.0	152.1	137.2
February.....	119.3	94.8	84.7	110.5	125.5	127.4	129.5	97.2	106.9	159.0	152.4	137.1
March.....	120.0	96.4	88.0	108.8	125.7	127.5	129.4	97.9	106.8	158.9	152.0	136.9
April.....	120.0	96.3	88.0	108.8	122.0	127.6	129.5	98.3	106.9	159.0	152.0	136.7
May.....	119.7	96.0	87.5	108.9	120.7	127.1	129.2	98.6	106.8	158.8	150.8	136.4
June.....	119.5	95.3	86.8	108.2	121.5	127.0	129.1	99.0	106.8	158.4	150.3	135.8
July.....	119.7	94.8	86.1	107.7	122.7	127.0	129.0	100.1	106.9	158.1	149.6	135.3
August.....	119.2	92.7	83.8	105.9	124.1	126.8	128.7	99.8	106.5	157.8	149.6	134.8
September.....	119.2	92.9	83.9	106.1	126.1	126.8	128.5	100.0	106.2	157.7	149.4	134.6
October.....	119.6	93.3	85.1	104.8	126.0	126.6	128.4	100.7	105.9	157.2	149.4	134.2
November.....	119.6	93.0	85.1	104.1	126.2	126.5	128.1	101.7	105.5	156.7	149.2	133.9
December ⁴	119.5	93.3	85.5	104.1	126.4	126.4	127.9	101.3	105.2	156.6	149.0	133.7

See footnotes at end of table, p. 171.

TABLE C-37.—*Wholesale price indexes, by stage of processing, 1947-60—Continued*

[1947-49=100]

Period	Finished goods						Special groups of industrial products		
	Total	Consumer finished goods				Pro-ducer finished goods	Crude materials ¹	Inter-mediate materials, supplies, and components ²	Con-sumer finished goods ex-cluding foods
		Total	Foods	Other non-durable goods	Du-rable goods				
1947.....	95.9	96.8	97.0	97.4	94.8	92.8	92.9	95.3	96.6
1948.....	103.5	104.1	105.8	103.5	101.3	101.1	108.5	103.7	102.8
1949.....	100.6	99.2	97.2	99.2	104.0	106.1	98.6	101.0	100.6
1950.....	102.4	100.9	99.2	100.8	105.0	108.7	109.9	105.7	102.1
1951.....	112.1	110.3	111.3	108.5	112.1	119.3	120.8	118.5	109.6
1952.....	111.5	109.0	110.4	105.9	113.0	121.3	109.3	114.7	108.0
1953.....	110.4	107.1	104.6	106.9	113.8	123.1	108.5	116.2	108.9
1954.....	110.7	107.1	103.8	107.2	114.7	124.7	103.3	116.7	109.4
1955.....	110.9	106.4	101.1	107.8	115.9	128.5	113.4	120.1	110.2
1956.....	114.0	108.0	101.0	109.9	119.7	138.1	120.0	126.0	112.8
1957.....	118.1	111.1	104.5	112.4	123.3	146.7	118.3	129.3	115.7
1958.....	120.8	113.5	110.5	111.7	125.0	150.3	113.7	129.1	115.8
1959.....	120.6	112.5	105.5	113.4	126.5	153.2	120.0	131.2	117.3
1960 ⁴	121.5	113.6	107.7	114.1	126.1	153.7	115.3	131.7	117.8
1959: January.....	120.8	113.1	107.8	112.7	126.4	152.2	117.7	129.9	116.9
February.....	120.7	112.9	106.8	113.1	126.4	152.4	118.8	130.4	117.2
March.....	120.6	112.7	105.6	113.7	126.5	152.8	119.5	130.7	117.6
April.....	120.8	112.9	106.2	113.6	126.5	152.9	119.0	131.2	117.5
May.....	120.6	112.6	105.5	113.5	126.6	153.2	118.2	131.6	117.5
June.....	120.5	112.4	105.6	112.8	126.7	153.5	119.6	131.6	117.1
July.....	120.5	112.4	105.4	113.1	126.7	153.6	119.8	131.6	117.2
August.....	120.2	111.8	103.6	113.4	126.7	153.6	121.0	131.5	117.5
September.....	121.4	113.4	107.2	113.5	126.6	153.8	122.0	131.6	117.5
October.....	120.5	112.3	105.0	113.5	126.2	153.6	121.7	131.5	117.3
November.....	120.0	111.7	103.5	113.6	126.1	153.6	122.6	131.6	117.4
December.....	120.1	111.9	103.6	113.8	126.2	153.5	120.8	131.7	117.6
1960: January.....	120.6	112.4	104.8	113.9	126.4	153.8	121.4	132.1	117.7
February.....	120.5	112.3	104.7	113.8	126.4	153.8	119.2	132.2	117.6
March.....	121.4	113.4	107.4	113.8	126.5	153.9	116.8	132.2	117.6
April.....	121.4	113.4	107.5	113.7	126.5	153.9	116.2	132.2	117.6
May.....	121.2	113.2	107.5	113.2	126.3	153.6	116.0	131.9	117.2
June.....	121.1	113.1	106.9	113.6	126.2	153.7	115.2	131.8	117.4
July.....	121.8	113.9	108.4	114.1	126.3	153.6	114.8	131.7	117.8
August.....	121.5	113.6	107.1	114.6	126.2	153.7	114.4	131.6	118.1
September.....	121.5	113.7	108.2	114.8	123.6	152.6	114.2	131.5	117.6
October.....	122.4	114.7	110.1	114.8	125.7	153.5	112.7	131.3	118.1
November.....	122.7	114.9	110.4	114.7	126.5	154.1	111.8	131.0	118.2
December ⁴	122.3	114.4	109.0	114.7	126.5	154.3	111.0	130.9	118.2

¹ Includes, in addition to subgroups shown, processed fuels and lubricants, containers, and supplies.² Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.³ Excludes intermediate materials for food manufacturing and manufactured animal feeds.⁴ Preliminary.NOTE.—For a listing of the commodities included in each sector and their relative importance, see *Monthly Labor Review*, December 1955 and *Wholesale Prices and Price Indexes*, 1958 (BLS Bulletin No. 1257).

Source: Department of Labor.

TABLE C-38.—Consumer price indexes, by major groups, 1929-60

For city wage-earner and clerical-worker families

[1947-49=100]

Period	All items	Food	Housing		Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total	Rent						
1929.....	73.3	65.6	(1)	117.4	60.3	(1)	(1)	(1)	(1)	(1)
1930.....	71.4	62.4	(1)	114.2	58.9	(1)	(1)	(1)	(1)	(1)
1931.....	65.0	51.4	(1)	108.2	53.6	(1)	(1)	(1)	(1)	(1)
1932.....	58.4	42.8	(1)	97.1	47.5	(1)	(1)	(1)	(1)	(1)
1933.....	55.3	41.6	(1)	83.6	45.9	(1)	(1)	(1)	(1)	(1)
1934.....	57.2	46.4	(1)	78.4	50.2	(1)	(1)	(1)	(1)	(1)
1935.....	58.7	49.7	71.8	78.2	50.6	69.6	71.4	54.6	58.1	67.2
1936.....	59.3	50.1	72.8	80.1	51.0	70.2	71.6	55.3	59.1	67.0
1937.....	61.4	52.1	75.4	83.8	53.7	71.3	72.3	58.5	60.8	68.8
1938.....	60.3	48.4	76.6	86.5	53.4	71.9	72.5	59.8	62.9	69.4
1939.....	59.4	47.1	76.1	86.6	52.5	70.2	72.6	59.6	63.0	70.6
1940.....	59.9	47.8	76.4	86.9	53.2	69.8	72.7	59.5	64.1	72.8
1941.....	62.9	52.2	78.3	88.4	55.6	72.2	73.1	61.0	66.4	74.2
1942.....	69.7	61.3	81.8	90.4	64.9	78.5	75.1	66.9	69.5	76.3
1943.....	74.0	68.3	82.8	90.3	67.8	78.2	78.7	73.8	75.3	80.2
1944.....	75.2	67.4	84.7	90.6	72.6	78.2	81.2	79.0	83.4	82.4
1945.....	76.9	68.9	86.1	90.9	76.3	78.1	83.1	81.5	86.8	85.7
1946.....	83.4	79.0	88.3	91.4	83.7	82.1	87.7	87.4	89.7	88.6
1947.....	95.5	95.9	95.0	94.4	97.1	90.6	94.9	97.6	95.5	96.1
1948.....	102.8	104.1	101.7	100.7	103.5	100.9	100.9	101.3	100.4	100.5
1949.....	101.8	100.0	103.3	105.0	99.4	108.5	104.1	101.1	104.1	103.4
1950.....	102.8	101.2	106.1	108.8	98.1	111.3	106.0	101.1	103.4	105.2
1951.....	111.0	112.6	112.4	113.1	106.9	118.4	111.1	110.5	106.5	109.7
1952.....	113.5	114.6	114.6	117.9	105.8	126.2	117.2	111.8	107.0	115.4
1953.....	114.4	112.8	117.7	124.1	104.8	129.7	121.3	112.8	108.0	118.2
1954.....	114.8	112.6	119.1	128.5	104.3	128.0	125.2	113.4	107.0	120.1
1955.....	114.5	110.9	120.0	130.3	103.7	126.4	128.0	115.3	106.6	120.2
1956.....	116.2	111.7	121.7	132.7	105.5	128.7	132.6	120.0	108.1	122.0
1957.....	120.2	115.4	125.6	135.2	106.9	136.0	138.0	124.4	112.2	125.5
1958.....	123.5	120.3	127.7	137.7	107.0	140.5	144.6	128.6	116.7	127.2
1959.....	124.6	118.3	129.2	139.7	107.9	146.3	150.8	131.2	118.6	129.7
1960 ¹	126.4	119.6	131.5	141.7	109.3	146.2	156.0	133.3	121.4	132.2
1959: January.....	123.8	119.0	128.2	138.8	106.7	144.1	148.0	129.4	117.0	127.3
February.....	123.7	118.2	128.5	139.0	106.7	144.3	149.0	129.8	117.1	127.4
March.....	123.7	117.7	128.7	139.1	107.0	144.9	149.2	129.7	117.3	127.3
April.....	123.9	117.6	128.7	139.3	107.0	145.3	149.6	130.0	117.7	128.2
May.....	124.0	117.7	128.8	139.3	107.3	145.4	150.2	130.7	117.8	128.4
June.....	124.5	118.9	128.9	139.5	107.3	145.9	150.6	131.1	118.1	129.2
July.....	124.9	119.4	129.0	139.6	107.5	146.3	151.0	131.3	119.1	130.8
August.....	124.8	118.3	129.3	139.8	108.0	146.7	151.4	131.7	119.1	131.1
September.....	125.2	118.7	129.7	140.0	109.0	146.4	152.2	132.1	119.6	131.5
October.....	125.5	118.4	130.1	140.4	109.4	148.5	152.5	132.5	119.7	131.6
November.....	125.6	117.9	130.4	140.5	109.4	148.0	153.0	132.7	120.0	131.6
December.....	125.5	117.8	130.4	140.8	109.2	148.7	153.2	132.9	120.4	131.7
1960: January.....	125.4	117.6	130.7	140.9	107.9	147.6	153.5	132.7	120.3	131.8
February.....	125.6	117.4	131.2	141.0	108.4	147.5	154.7	132.6	120.6	131.8
March.....	125.7	117.7	131.3	141.2	108.8	146.5	155.0	132.7	120.9	131.7
April.....	126.2	119.5	131.4	141.4	108.9	146.1	155.5	132.9	121.1	131.9
May.....	126.3	119.7	131.2	141.4	108.9	145.6	155.9	133.2	121.4	131.9
June.....	126.5	120.3	131.3	141.6	108.9	145.8	156.1	133.2	121.1	132.0
July.....	126.6	120.6	131.3	141.8	109.1	145.9	156.4	133.4	121.6	132.2
August.....	126.6	120.1	131.5	141.9	109.3	146.2	156.7	133.8	121.9	132.4
September.....	126.8	120.2	132.0	142.1	110.6	144.7	156.9	133.9	122.1	132.7
October.....	127.3	120.9	132.2	142.5	111.0	146.1	157.3	134.0	121.9	132.7
November.....	127.4	121.1	132.1	142.7	110.7	146.5	157.9	133.9	122.5	132.7

¹ Not available.² January-November average.

Source: Department of Labor.

TABLE C-39.—Consumer price indexes, by special groups, 1935-60

For city wage-earner and clerical-worker families

[1947-49=100]

Period	All items	All items less food	All items less shelter	Commodities					Services		
				All commodities	Food	Commodities less food			All services	Rent	All services less rent
						All	Durables	Non-durables			
1935.....	58.7	65.8	55.5	52.0	49.7	57.3	53.3	57.1	75.6	78.2	72.6
1936.....	59.3	66.5	56.2	52.7	50.1	57.9	54.1	57.6	76.4	80.1	72.2
1937.....	61.4	68.9	58.0	54.7	52.1	60.4	57.5	59.9	78.7	83.8	72.9
1938.....	60.3	69.6	56.4	52.7	48.4	60.4	58.5	59.6	80.3	86.5	73.5
1939.....	59.4	69.1	55.4	51.6	47.1	59.4	57.3	58.7	80.4	86.6	73.5
1940.....	59.9	69.4	55.8	52.1	47.8	59.8	56.8	59.3	80.6	86.9	73.6
1941.....	62.9	71.4	59.1	55.7	52.2	62.7	60.7	61.8	81.6	88.4	74.5
1942.....	69.7	76.4	66.6	63.8	61.3	69.8	68.9	68.4	84.2	90.4	77.8
1943.....	74.0	78.5	71.6	69.4	68.3	72.7	71.2	71.3	85.8	90.3	81.3
1944.....	75.2	81.5	72.9	70.2	67.4	76.7	77.8	74.9	87.9	90.6	85.2
1945.....	76.9	83.4	74.8	72.3	68.9	79.7	83.7	77.6	89.0	90.9	87.0
1946.....	83.4	87.0	82.3	80.1	79.0	84.7	87.5	83.3	90.8	91.4	90.2
1947.....	95.5	95.1	95.6	96.3	95.9	95.7	94.9	95.7	94.5	94.4	94.7
1948.....	102.8	101.9	103.1	103.2	104.1	102.9	101.8	103.1	100.4	100.7	100.1
1949.....	101.8	103.0	101.3	100.6	100.0	101.5	103.3	101.1	105.1	105.0	105.2
1950.....	102.8	104.2	102.0	101.2	101.2	101.3	104.4	100.9	108.5	108.8	108.1
1951.....	111.0	110.8	110.5	110.3	112.6	108.9	112.4	108.5	114.1	113.1	114.6
1952.....	113.5	113.5	112.7	111.7	114.6	109.8	113.8	109.1	119.3	117.9	120.1
1953.....	114.4	115.7	113.1	111.3	112.8	110.0	112.6	110.1	124.2	124.1	124.6
1954.....	114.8	116.4	113.0	110.2	112.6	108.6	108.3	110.6	127.5	128.5	127.7
1955.....	114.5	116.7	112.4	109.0	110.9	107.5	105.1	110.6	129.8	130.3	130.1
1956.....	116.2	118.8	114.0	110.1	111.7	108.9	105.1	113.0	132.6	132.7	133.0
1957.....	120.2	122.8	117.8	113.6	115.4	112.3	108.8	116.1	137.7	135.2	138.6
1958.....	123.5	125.5	121.2	116.3	120.3	113.4	110.5	116.9	142.4	137.7	143.8
1959.....	124.6	127.9	122.2	116.6	118.3	115.1	113.0	118.3	145.8	139.7	147.5
1960.....	126.4	130.0	123.9	117.4	119.6	115.6	111.7	120.0	149.9	141.7	152.0
1959: January.....	123.8	126.4	121.5	116.2	119.0	114.0	112.4	116.7	143.9	138.8	145.4
February.....	123.7	126.7	121.4	116.0	118.2	114.2	112.2	117.1	144.2	139.0	145.7
March.....	123.7	126.9	121.4	115.9	117.7	114.4	112.5	117.4	144.4	139.1	145.9
April.....	123.9	127.1	121.5	115.9	117.6	114.5	112.6	117.5	144.8	139.3	146.4
May.....	124.0	127.3	121.6	115.9	117.7	114.5	112.7	117.5	145.2	139.3	146.9
June.....	124.5	127.5	122.2	116.6	118.9	114.7	112.8	117.8	145.4	139.5	147.1
July.....	124.9	127.9	122.7	117.0	119.4	115.1	113.1	118.1	145.8	139.6	147.5
August.....	124.8	128.2	122.4	116.6	118.3	115.3	112.8	118.6	146.3	139.8	148.1
September.....	125.2	128.7	122.9	117.0	118.7	115.7	112.8	119.3	146.9	140.0	148.7
October.....	125.5	129.2	123.2	117.3	118.4	116.3	113.6	119.8	147.3	140.4	149.1
November.....	125.6	129.5	123.1	117.2	117.9	116.5	114.1	119.8	147.6	140.5	149.5
December.....	125.5	129.5	123.1	117.1	117.8	116.4	113.8	119.9	147.8	140.8	149.7
1960: January.....	125.4	129.4	122.9	116.7	117.6	115.9	113.3	119.2	148.2	140.9	150.1
February.....	125.6	129.7	123.0	116.7	117.4	116.0	113.3	119.4	148.9	141.0	150.9
March.....	125.7	129.7	123.1	116.7	117.7	115.7	112.5	119.6	149.2	141.2	151.3
April.....	126.2	129.8	123.7	117.4	119.5	115.6	112.1	119.7	149.4	141.4	151.5
May.....	126.3	129.7	123.8	117.3	119.7	115.3	111.9	119.4	149.6	141.4	151.7
June.....	126.5	129.7	124.0	117.6	120.3	115.3	111.5	119.6	149.7	141.6	151.8
July.....	126.6	129.9	124.2	117.7	120.6	115.4	111.1	119.9	150.0	141.8	152.1
August.....	126.6	130.1	124.1	117.6	120.1	115.5	111.0	120.1	150.3	141.9	152.5
September.....	126.8	130.3	124.3	117.7	120.2	115.6	110.0	120.9	150.8	142.1	153.0
October.....	127.3	130.7	124.8	118.2	120.9	115.9	110.9	120.9	151.2	142.5	153.4
November.....	127.4	130.8	125.0	118.3	121.1	115.9	110.7	121.1	151.3	142.7	153.6

¹ January-November average.

Source: Department of Labor.

MONEY SUPPLY, CREDIT, AND FINANCE

TABLE C-40.—*Money supply, 1947-60*

[Averages of daily figures, billions of dollars]

Period	Money supply						Deposits at member banks (unadjusted) ¹		
	Seasonally adjusted			Unadjusted			Demand	Time	U.S. Government
	Total	Currency outside banks	Demand depos- its ^{1 2}	Total	Currency outside banks	Demand depos- its ^{1 2}			
1947: December.....	112.3	26.4	85.8	115.0	26.8	88.2	74.6	28.2	0.8
1948: December.....	110.7	25.8	84.9	113.3	26.1	87.2	73.9	28.6	1.6
1949: December.....	110.1	25.2	85.0	112.7	25.5	87.3	74.2	29.1	2.5
1950: December.....	115.3	25.0	90.3	118.1	25.4	92.7	79.0	29.4	2.1
1951: December.....	122.0	26.2	95.8	125.1	26.6	98.6	83.6	30.7	2.5
1952: December.....	126.5	27.4	99.1	129.8	27.8	102.0	86.2	33.1	4.6
1953: December.....	128.1	27.7	100.4	131.4	28.2	103.3	86.9	35.8	3.5
1954: December.....	131.8	27.4	104.4	135.0	27.9	107.1	90.5	39.1	4.6
1955: December.....	134.6	27.8	106.8	137.9	28.3	109.6	92.4	40.3	3.0
1956: December.....	136.5	28.2	108.3	139.7	28.7	111.0	93.2	41.7	3.0
1957: December.....	135.5	28.3	107.2	138.8	28.9	109.9	92.1	45.9	3.1
1958: December.....	140.8	28.6	112.2	144.3	29.2	115.1	96.0	52.7	3.4
1959: December.....	141.5	28.9	112.6	144.9	29.5	115.5	95.7	53.7	4.4
1960: December ³	140.4	29.0	111.4	143.9	29.5	114.3	94.2	58.1	4.1
1959: January.....	141.2	28.7	112.5	144.4	28.6	115.8	96.6	53.5	2.8
February.....	141.6	28.7	112.9	141.4	28.4	113.1	94.4	53.6	3.9
March.....	142.0	28.8	113.2	140.7	28.5	112.3	93.9	53.9	3.3
April.....	142.1	28.8	113.3	141.8	28.5	113.3	94.7	54.3	4.2
May.....	142.6	28.9	113.7	140.7	28.7	112.0	93.5	54.6	4.7
June.....	142.8	29.0	113.8	141.4	28.9	112.5	94.0	54.8	3.5
July.....	143.3	29.0	114.3	142.2	29.2	113.0	94.3	54.8	4.4
August.....	142.7	29.0	113.7	141.8	29.2	112.6	93.8	54.6	4.5
September.....	142.8	29.0	113.8	142.1	29.1	113.0	93.8	54.5	4.6
October.....	142.4	29.0	113.4	142.3	29.0	113.3	93.9	54.4	4.3
November.....	142.2	29.0	113.2	143.3	29.2	114.1	94.5	53.8	4.2
December.....	141.5	28.9	112.6	144.9	29.5	115.5	95.7	53.7	4.4
1960: January.....	141.3	29.0	112.3	144.4	28.8	115.6	95.6	53.7	3.6
February.....	141.0	29.0	112.1	140.8	28.6	112.2	92.8	53.5	3.6
March.....	140.6	29.0	111.6	139.3	28.7	110.6	91.6	53.8	3.8
April.....	140.5	29.1	111.4	140.1	28.8	111.4	92.3	54.2	3.3
May.....	139.9	29.0	110.9	138.0	28.8	109.2	90.4	54.5	5.8
June.....	139.4	28.9	110.5	138.0	29.0	109.1	90.4	54.9	5.7
July.....	139.6	28.9	110.7	138.7	29.1	109.6	90.7	55.5	6.0
August.....	139.7	28.9	110.8	138.9	29.0	109.8	91.0	56.2	5.5
September.....	140.4	29.0	111.5	139.7	29.1	110.7	91.6	56.9	4.8
October.....	140.6	29.0	111.6	140.6	29.1	111.5	92.0	57.4	5.1
November.....	140.2	29.0	111.2	141.4	29.2	112.2	92.3	57.6	5.2
December ³	140.4	29.0	111.4	143.9	29.5	114.3	94.2	58.1	4.1

¹ Demand deposits at all commercial banks (member and nonmember).

² Member banks are all national banks and those State banks which have taken membership in the Federal Reserve System.

³ Preliminary.

NOTE.—These are the new series as published in *Federal Reserve Bulletin*, October 1960. Between January and August 1959, the series were expanded to include data for all banks in Alaska and Hawaii.

Source: Board of Governors of the Federal Reserve System.

TABLE C-41.—*Loans and investments of all commercial banks, 1929-60*

[Billions of dollars]

End of period ¹	Total loans and investments	Loans		Investments		
		Total ²	Business loans ³	Total	U.S. Government obligations ⁴	Other securities
1929-June ⁵	49.4	35.7	(⁶)	13.7	4.9	8.7
1930-June ⁵	48.9	34.5	(⁶)	14.4	5.0	9.4
1931-June ⁵	44.9	29.2	(⁶)	15.7	6.0	9.7
1932-June ⁵	36.1	21.8	(⁶)	14.3	6.2	8.1
1933-June ⁵	30.4	16.3	(⁶)	14.0	7.5	6.5
1934-June ⁵	32.7	15.7	(⁶)	17.0	10.3	6.7
1935	36.1	15.2	(⁶)	20.9	13.8	7.1
1936	39.6	16.4	(⁶)	23.1	15.3	7.9
1937	38.4	17.2	(⁶)	21.2	14.2	7.0
1938	38.7	16.4	5.7	22.3	15.1	7.2
1939	40.7	17.2	6.4	23.4	16.3	7.1
1940	43.9	18.8	7.3	25.1	17.8	7.4
1941	50.7	21.7	9.3	29.0	21.8	7.2
1942	67.4	19.2	7.9	48.2	41.4	6.8
1943	85.1	19.1	7.9	66.0	59.8	6.1
1944	105.5	21.6	8.0	83.9	77.6	6.3
1945	124.0	26.1	9.6	97.9	90.6	7.3
1946	114.0	31.1	14.2	82.9	74.8	8.1
1947	116.3	38.1	18.2	78.2	69.2	9.0
1948	114.3	42.5	18.9	71.8	62.6	9.2
1949	120.2	43.0	17.1	77.2	67.0	10.2
1950	126.7	52.2	21.9	74.4	62.0	12.4
1951	132.6	57.7	25.9	74.9	61.5	13.3
1952	141.6	64.2	27.9	77.5	63.3	14.1
1953	145.7	67.6	27.2	78.1	63.4	14.7
1954	155.9	70.6	26.9	85.3	69.0	16.3
1955	160.9	82.6	33.2	78.3	61.6	16.7
1956	165.1	90.3	38.7	74.8	58.6	16.3
1957	170.1	93.9	40.5	76.2	58.2	17.9
1958	185.2	98.2	40.4	87.0	66.4	20.6
1959	190.3	110.8	40.2	79.4	58.9	20.5
1960 ⁸	200.3	118.2	42.4	82.1	61.3	20.8
1959: January	185.6	97.7	39.2	87.9	67.5	20.4
February	183.8	97.9	39.2	86.0	65.5	20.4
March	182.9	99.2	40.2	83.8	63.2	20.6
April	185.7	101.2	40.6	84.5	63.6	20.9
May	185.8	102.4	41.4	83.4	62.6	20.8
June	185.9	104.5	37.8	81.5	60.9	20.6
July	187.7	105.9	37.8	81.7	61.1	20.6
August	188.2	107.4	38.2	80.8	60.3	20.5
September	187.3	107.8	38.7	80.0	59.2	20.7
October	188.4	108.2	38.8	80.2	59.6	20.6
November	188.3	109.5	39.4	78.8	58.5	20.3
December	190.3	110.8	40.2	79.4	58.9	20.5
1960: January	187.8	109.6	39.4	78.2	58.0	20.3
February	186.5	110.3	39.3	76.3	56.2	20.1
March	185.7	111.4	40.9	74.3	54.2	20.1
April	188.8	113.0	40.9	75.9	55.8	20.0
May	188.6	113.6	41.3	75.0	55.1	19.8
June	188.9	114.8	41.9	74.1	54.2	19.9
July	190.9	114.2	41.2	76.7	56.7	20.0
August	191.2	114.7	41.2	76.6	56.6	20.0
September	193.3	115.4	41.8	77.8	57.7	20.2
October ⁹	195.7	114.8	41.7	80.9	60.5	20.4
November ⁹	195.7	115.0	42.1	80.7	60.4	20.3
December ⁹	200.3	118.2	42.4	82.1	61.3	20.8

¹ End-of-year figures (except 1960) are for call dates. Other data (including those for December 1960) are for the last Wednesday of the month.

² Data are shown net, i.e., after deduction of valuation reserves. Includes commercial and industrial, agricultural, security, real estate, bank, consumer, and other loans.

³ Beginning with 1948, data are shown gross of valuation reserves, instead of net as for previous years. Prior to June 1947 and for months other than June and December, data are estimated on the basis of reported data for all insured commercial banks and for weekly reporting member banks.

⁴ Figures in this table are based on book values and relate only to banks within the United States. Therefore, they do not agree with figures in Table C-49, which are on the basis of par values and include holdings of banks in United States Territories and possessions.

⁵ June data are used because complete end-of-year data are not available prior to 1935 for U.S. Government obligations and other securities.

⁶ Not available.

⁷ Beginning June 1959, business loans exclude loans to financial institutions.

⁸ Preliminary; December estimates by Council of Economic Advisers.

NOTE.—Between January and August 1959, this series was expanded to include data for all banks in Alaska and Hawaii.

Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE C-42.—Federal Reserve Bank credit and member bank reserves, 1929–60

[Averages of daily figures, millions of dollars]

Period	Reserve Bank credit outstanding				Member bank reserves			Member bank free reserves (excess reserves less borrowings)
	Total	U. S. Government securities	Member bank borrowings	All other, mainly float	Total	Required	Excess	
1929: December.....	1,643	446	801	396	2,395	2,347	48	-753
1930: December.....	1,273	644	337	292	2,415	2,342	73	-264
1931: December.....	1,950	777	763	410	2,069	2,009	60	-703
1932: December.....	2,192	1,854	281	57	2,435	1,909	526	245
1933: December.....	2,669	2,432	95	142	2,616	1,850	1,766	671
1934: December.....	2,472	2,430	10	32	4,037	2,289	1,748	1,738
1935: December.....	2,494	2,430	6	58	5,716	2,733	2,983	2,977
1936: December.....	2,498	2,434	7	57	6,665	4,619	2,046	2,039
1937: December.....	2,628	2,565	16	47	6,879	5,808	1,071	1,055
1938: December.....	2,618	2,564	7	47	8,745	5,519	3,226	3,219
1939: December.....	2,612	2,510	3	99	11,473	6,462	5,011	5,008
1940: December.....	2,305	2,188	3	114	14,049	7,403	6,646	6,643
1941: December.....	2,404	2,219	5	180	12,812	9,422	3,390	3,385
1942: December.....	6,035	5,549	4	483	13,152	10,776	2,376	2,372
1943: December.....	11,914	11,166	90	659	12,749	11,701	1,048	958
1944: December.....	19,612	18,693	265	654	14,168	12,884	1,284	1,019
1945: December.....	24,744	23,708	334	702	16,027	14,536	1,491	1,157
1946: December.....	24,746	23,767	157	821	16,517	15,617	900	743
1947: December.....	22,858	21,905	224	729	17,261	16,275	986	762
1948: December.....	23,978	23,002	134	842	19,990	19,193	797	663
1949: December.....	19,012	18,287	118	607	16,291	15,488	803	685
1950: December.....	21,696	20,345	142	1,119	17,391	16,364	1,027	885
1951: December.....	25,446	23,409	657	1,380	20,310	19,484	826	169
1952: December.....	27,299	24,400	1,593	1,306	21,180	20,457	723	-870
1953: December.....	27,107	25,639	441	1,027	19,920	19,227	693	252
1954: December.....	26,317	24,917	246	1,154	19,279	18,576	703	457
1955: December.....	26,853	24,602	839	1,412	19,240	18,646	594	-245
1956: December.....	27,156	24,765	688	1,703	19,535	18,883	652	-36
1957: December.....	26,186	23,982	710	1,494	19,420	18,843	577	-133
1958: December.....	28,412	26,312	557	1,543	18,899	18,383	516	-41
1959: December.....	29,435	27,036	906	1,493	18,932	18,450	482	-424
1960: December.....	29,065	27,248	94	1,723	19,283	18,515	768	674
1959: January.....	27,564	25,776	557	1,231	18,893	18,396	497	-60
February.....	27,059	25,632	508	1,019	18,577	18,117	460	-48
March.....	27,055	25,446	601	1,008	18,429	17,968	461	-140
April.....	27,323	25,661	676	986	18,664	18,247	417	-259
May.....	27,669	25,920	767	982	18,580	18,132	448	-319
June.....	27,937	25,963	921	1,053	18,451	18,043	408	-513
July.....	28,441	26,422	957	1,062	18,671	18,271	400	-557
August.....	28,509	26,588	1,007	914	18,613	18,141	472	-535
September.....	28,687	26,674	903	1,110	18,593	18,183	410	-493
October.....	28,563	26,517	905	1,141	18,610	18,164	446	-459
November.....	28,741	26,732	878	1,131	18,621	18,176	445	-433
December.....	29,435	27,036	906	1,493	18,932	18,450	482	-424
1960: January.....	28,236	25,934	905	1,397	18,878	18,334	544	-361
February.....	27,276	25,322	816	1,138	18,213	17,758	455	-361
March.....	27,048	25,310	635	1,103	18,027	17,611	416	-219
April.....	27,227	25,488	602	1,137	18,104	17,696	408	-194
May.....	27,393	25,818	502	1,073	18,239	17,770	469	-33
June.....	27,751	26,124	425	1,202	18,294	17,828	466	41
July.....	28,178	26,619	388	1,171	18,518	18,010	508	120
August.....	28,209	26,983	293	933	18,501	17,961	540	247
September.....	28,091	26,653	225	1,213	18,570	17,931	639	414
October.....	28,502	27,056	149	1,297	18,733	18,095	638	489
November.....	29,333	27,871	142	1,320	19,004	18,248	756	614
December.....	29,065	27,248	94	1,723	19,283	18,515	768	674

¹ Data from March 1933 through April 1934 are for licensed banks only.² Beginning December 1959, total reserves held include vault cash allowed.NOTE.—Data for Alaska and Hawaii included for all periods.
Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

TABLE C-43.—Bond yields and interest rates, 1929-60

[Percent per annum]

Period	U.S. Government securities			Corporate bonds (Moody's)		Common stock yields, 200 stocks (Moody's)	High-grade municipal bonds (Standard & Poor's)	Average rate on short-term bank loans to business—selected cities	Prime commercial paper, 4-6 months	Federal Reserve Bank discount rate
	3-month Treasury bills ¹	9-12 month issues ²	Taxable bonds ³	Aaa	Baa					
1929.....	(4)	(5)	.....	4.73	5.90	3.41	4.27	(6)	5.85	5.16
1930.....	(4)	(5)	.....	4.55	5.90	4.54	4.07	(6)	3.59	3.04
1931.....	1.402	(5)	.....	4.58	7.62	6.17	4.01	(6)	2.64	2.11
1932.....	.879	(5)	.....	5.01	9.30	7.36	4.65	(6)	2.73	2.82
1933.....	.515	(5)	.....	4.49	7.76	4.42	4.71	(6)	1.73	2.56
1934.....	.256	(5)	.....	4.00	6.32	4.11	4.03	(6)	1.02	1.54
1935.....	.137	(5)	.....	3.60	5.75	4.06	3.40	(6)	.75	1.50
1936.....	.143	(5)	.....	3.24	4.77	3.50	3.07	(6)	.75	1.50
1937.....	.447	(5)	.....	3.26	5.03	4.77	3.10	(6)	.94	1.33
1938.....	.053	(5)	.....	3.19	5.80	4.38	2.91	(6)	.81	1.00
1939.....	.023	(5)	.....	3.01	4.96	4.15	2.76	2.1	.59	1.00
1940.....	.014	(5)	.....	2.84	4.75	5.31	2.50	2.1	.56	1.00
1941.....	.103	(5)	.....	2.77	4.33	6.25	2.10	2.0	.53	1.00
1942.....	.326	(5)	2.46	2.83	4.28	6.67	2.36	2.2	.66	1.00
1943.....	.373	0.75	2.47	2.73	3.91	4.89	2.06	2.6	.69	1.00
1944.....	.375	.79	2.48	2.72	3.61	4.81	1.86	2.4	.73	1.00
1945.....	.375	.81	2.37	2.62	3.29	4.19	1.67	2.2	.75	1.00
1946.....	.375	.82	2.19	2.53	3.05	3.97	1.64	2.1	.81	1.00
1947.....	.594	.88	2.25	2.61	3.24	5.13	2.01	2.1	1.03	1.00
1948.....	1.040	1.14	2.44	2.82	3.47	5.78	2.40	2.5	1.44	1.34
1949.....	1.102	1.14	2.31	2.66	3.42	6.63	2.21	2.7	1.49	1.50
1950.....	1.218	1.26	2.32	2.62	3.24	6.27	1.98	2.7	1.45	1.59
1951.....	1.552	1.73	2.57	2.86	3.41	6.12	2.00	3.1	2.16	1.75
1952.....	1.766	1.81	2.68	2.96	3.52	5.50	2.19	3.5	2.33	1.75
1953.....	1.991	2.07	2.94	3.20	3.74	5.49	2.72	3.7	2.52	1.99
1954.....	.953	.92	2.55	2.90	3.51	4.78	2.37	3.6	1.58	1.60
1955.....	1.753	1.89	2.84	3.06	3.53	4.06	2.53	3.7	2.18	1.89
1956.....	2.658	2.83	3.08	3.36	3.88	4.07	2.93	4.2	3.31	2.77
1957.....	3.267	3.53	3.47	3.89	4.71	4.33	3.60	4.6	3.81	3.12
1958.....	1.839	2.09	3.43	3.79	4.73	4.05	3.56	4.3	2.46	2.16
1959.....	3.406	4.11	4.08	4.38	5.05	3.31	3.95	5.0	3.97	3.36
1960.....	2.928	3.55	4.02	4.41	5.19	3.60	3.73	5.2	3.85	3.53
1958: January.....	2.598	2.56	3.24	3.60	4.83	4.56	3.32	.....	3.49	2.94
February.....	1.562	1.93	3.28	3.59	4.66	4.62	3.37	.....	2.63	2.75
March.....	1.354	1.77	3.25	3.63	4.68	4.50	3.45	4.49	2.33	2.85
April.....	1.126	1.35	3.12	3.60	4.67	4.35	3.31	.....	1.90	2.03
May.....	1.046	1.21	3.14	3.67	4.62	4.27	3.25	.....	1.71	1.75
June.....	.881	.98	3.20	3.67	4.55	4.15	3.26	4.17	1.54	1.75
July.....	.962	1.34	3.36	3.67	4.53	3.97	3.45	.....	1.50	1.75
August.....	1.686	2.14	3.60	3.85	4.67	3.91	3.74	.....	1.96	1.75
September.....	2.484	2.84	3.75	4.09	4.87	3.72	3.96	4.21	2.93	1.91
October.....	2.793	2.83	3.76	4.11	4.92	3.64	3.94	.....	3.23	2.00
November.....	2.756	2.92	3.70	4.09	4.87	3.64	3.84	.....	3.08	2.40
December.....	2.814	3.24	3.80	4.08	4.85	3.34	3.84	4.50	3.33	2.50

See footnotes at end of table, p. 178.

TABLE C-43.—*Bond yields and interest rates, 1929-60—Continued*

[Percent per annum]

Period	U.S. Government securities			Corporate bonds (Moody's)		Common stock yields, 200 stocks (Moody's)	High-grade municipal bonds (Standard & Poor's)	Average rate on short-term bank loans to business—selected cities	Prime commercial paper, 4-6 months	Federal Reserve Bank discount rate
	3-month Treasury bills ¹	9-12 month issues ²	Taxable bonds ³	Aaa	Baa					
1929: January.....	2.837	3.26	3.91	4.12	4.87	3.36	3.87	-----	3.30	2.50
February.....	2.712	3.38	3.92	4.14	4.89	3.41	3.85	-----	3.26	2.50
March.....	2.852	3.56	3.92	4.13	4.85	3.43	3.76	4.51	3.35	2.92
April.....	2.960	3.66	4.01	4.23	4.86	3.29	3.84	-----	3.42	3.00
May.....	2.851	3.92	4.08	4.37	4.96	3.25	3.97	-----	3.56	3.05
June.....	3.247	3.97	4.09	4.46	5.04	3.28	4.04	4.87	3.83	3.50
July.....	3.243	4.30	4.11	4.47	5.08	3.18	4.04	-----	3.98	3.50
August.....	3.358	4.32	4.10	4.43	5.09	3.19	3.96	-----	3.97	3.50
September.....	3.998	4.80	4.26	4.52	5.18	3.34	4.13	5.27	4.63	3.83
October.....	4.117	4.65	4.11	4.57	5.28	3.36	3.99	-----	4.73	4.00
November.....	4.209	4.70	4.12	4.56	5.26	3.38	3.94	-----	4.67	4.00
December.....	4.572	4.98	4.27	4.58	5.28	3.28	4.05	5.36	4.88	4.00
1930: January.....	4.436	4.93	4.37	4.61	5.34	3.56	4.13	-----	4.91	4.00
February.....	3.954	4.58	4.22	4.56	5.34	3.53	3.97	-----	4.66	4.00
March.....	3.439	3.93	4.08	4.49	5.25	3.59	3.87	5.34	4.49	4.00
April.....	3.244	3.99	4.18	4.45	5.20	3.68	3.84	-----	4.16	4.00
May.....	3.392	4.19	4.16	4.46	5.28	3.60	3.85	-----	4.25	4.00
June.....	2.641	3.35	3.98	4.45	5.26	3.52	3.78	5.35	3.81	3.65
July.....	2.396	3.13	3.86	4.41	5.22	3.60	3.72	-----	3.39	3.50
August.....	2.286	2.89	3.79	4.28	5.08	3.50	3.53	-----	3.34	3.18
September.....	2.489	2.99	3.84	4.25	5.01	3.73	3.53	4.97	3.39	3.00
October.....	2.426	3.01	3.91	4.30	5.11	3.74	3.59	-----	3.30	3.00
November.....	2.384	2.99	3.93	4.31	5.08	3.60	3.46	-----	3.28	3.00
December.....	2.272	2.79	3.88	4.35	5.10	3.49	3.45	4.99	3.23	3.00

¹ Rate on new issues within period. Issues were tax exempt prior to March 1, 1941, and fully taxable thereafter. For the period 1934-37, series includes issues with maturities of more than 3 months.

² Includes certificates of indebtedness and selected note and bond issues (fully taxable).

³ First issued in 1941. Series includes bonds which are neither due nor callable before a given number of years as follows: April 1953 to date, 10 years; April 1952-March 1953, 12 years; October 1941-March 1952, 15 years.

⁴ Treasury bills were first issued in December 1929 and were issued irregularly in 1930.

⁵ Not available before August 1942.

⁶ Not available on same basis as for 1939 and subsequent years.

⁷ From October 30, 1942, to April 24, 1946, a preferential rate of 0.50 percent was in effect for advances secured by Government securities maturing or callable in 1 year or less.

⁸ Series revised to exclude loans to nonbank financial institutions.

NOTE.—Yields and rates computed for New York City, except for short-term bank loans.

Sources: Treasury Department, Board of Governors of the Federal Reserve System, Moody's Investors Service, and Standard & Poor's Corporation.

TABLE C-44.—Short- and intermediate-term consumer credit outstanding, 1929–60

[Millions of dollars]

End of period	Total	Instalment credit					Noninstalment credit		
		Total	Auto- mobile paper ¹	Other con- sumer goods paper ¹	Repair and modern- ization loans ²	Per- sonal loans	Total	Charge ac- counts	Other ³
1929.....	6,444	3,151	(⁴)	(⁴)	(⁴)	(⁴)	3,293	1,602	1,691
1930.....	5,767	2,687	(⁴)	(⁴)	(⁴)	(⁴)	3,080	1,476	1,604
1931.....	4,760	2,207	(⁴)	(⁴)	(⁴)	(⁴)	2,553	1,265	1,288
1932.....	3,567	1,521	(⁴)	(⁴)	(⁴)	(⁴)	2,046	1,020	1,026
1933.....	3,482	1,588	(⁴)	(⁴)	(⁴)	(⁴)	1,894	990	904
1934.....	3,904	1,871	(⁴)	(⁴)	(⁴)	(⁴)	2,033	1,102	931
1935.....	4,911	2,694	(⁴)	(⁴)	(⁴)	(⁴)	2,217	1,183	1,034
1936.....	6,135	3,623	(⁴)	(⁴)	(⁴)	(⁴)	2,512	1,300	1,212
1937.....	6,689	4,015	(⁴)	(⁴)	(⁴)	(⁴)	2,674	1,336	1,338
1938.....	6,338	3,691	(⁴)	(⁴)	(⁴)	(⁴)	2,647	1,362	1,285
1939.....	7,222	4,503	1,497	1,620	298	1,088	2,719	1,414	1,305
1940.....	8,338	5,514	2,071	1,827	371	1,245	2,824	1,471	1,353
1941.....	9,172	6,085	2,458	1,929	376	1,322	3,087	1,645	1,442
1942.....	5,983	3,166	742	1,195	255	974	2,817	1,444	1,373
1943.....	4,901	2,136	355	819	130	832	2,765	1,440	1,325
1944.....	5,111	2,176	397	791	119	869	2,935	1,517	1,418
1945.....	5,665	2,462	455	816	182	1,009	3,203	1,612	1,591
1946.....	8,384	4,172	981	1,290	405	1,496	4,212	2,076	2,136
1947.....	11,598	6,695	1,924	2,143	718	1,910	4,903	2,381	2,522
1948.....	14,447	8,996	3,018	2,901	853	2,224	5,451	2,722	2,729
1949.....	17,364	11,590	4,555	3,706	898	2,431	5,774	2,854	2,920
1950.....	21,471	14,703	6,074	4,799	1,016	2,814	6,768	3,367	3,401
1951.....	22,712	15,294	5,972	4,880	1,085	3,357	7,418	3,700	3,718
1952.....	27,520	19,403	7,733	6,174	1,385	4,111	8,117	4,130	3,987
1953.....	31,393	23,005	9,835	6,779	1,610	4,781	8,388	4,274	4,114
1954.....	32,464	23,568	9,809	6,751	1,616	5,392	8,896	4,485	4,411
1955.....	38,882	28,958	13,472	7,634	1,689	6,163	9,924	4,795	5,129
1956.....	42,511	31,897	14,459	8,580	1,895	6,963	10,614	4,995	5,619
1957.....	45,286	34,183	15,409	8,782	2,089	7,903	11,103	5,146	5,957
1958.....	45,544	34,057	14,237	8,923	2,327	8,570	11,487	5,060	6,427
1959.....	52,119	39,852	16,549	10,476	2,784	10,043	12,267	5,104	7,163
1960 ⁵	56,050	43,300	17,925	11,150	3,025	11,200	12,750	5,150	7,600
1959: January.....	45,098	34,021	14,268	8,837	2,314	8,602	11,077	4,648	6,429
February.....	44,798	34,044	14,332	8,747	2,316	8,649	10,754	4,149	6,605
March.....	44,980	34,274	14,485	8,720	2,337	8,732	10,706	4,040	6,666
April.....	45,726	34,814	14,795	8,787	2,371	8,861	10,912	4,145	6,767
May.....	46,635	35,429	15,112	8,925	2,434	8,958	11,206	4,341	6,865
June.....	47,528	36,222	15,545	9,083	2,489	9,105	11,306	4,386	6,920
July.....	48,054	36,869	15,897	9,192	2,547	9,233	11,185	4,320	6,865
August.....	48,870	37,648	16,256	9,364	2,609	9,419	11,222	4,281	6,941
September.....	49,425	38,165	16,443	9,500	2,664	9,558	11,260	4,288	6,972
October.....	49,944	38,659	16,626	9,667	2,713	9,653	11,285	4,378	6,907
November.....	50,503	39,024	16,633	9,864	2,754	9,773	11,479	4,459	7,020
December.....	52,119	39,852	16,549	10,476	2,784	10,043	12,267	5,104	7,163
1960: January.....	51,468	39,738	16,519	10,386	2,769	10,064	11,730	4,595	7,135
February.....	51,182	39,785	16,626	10,254	2,772	10,133	11,397	4,104	7,293
March.....	51,298	40,020	16,826	10,192	2,783	10,219	11,278	3,927	7,351
April.....	52,353	40,651	17,170	10,281	2,814	10,386	11,702	4,245	7,457
May.....	52,991	41,125	17,431	10,339	2,865	10,490	11,866	4,342	7,524
June.....	53,662	41,752	17,755	10,462	2,905	10,630	11,910	4,423	7,487
July.....	53,809	42,050	17,893	10,452	2,934	10,771	11,759	4,311	7,448
August.....	54,092	42,378	18,020	10,477	2,975	10,906	11,714	4,277	7,437
September.....	54,265	42,517	18,021	10,543	3,001	10,952	11,748	4,283	7,465
October.....	54,344	42,591	17,992	10,625	3,013	10,961	11,753	4,370	7,383
November.....	54,626	42,703	17,967	10,715	3,020	11,001	11,923	4,463	7,460
December ⁶	56,050	43,300	17,925	11,150	3,025	11,200	12,750	5,150	7,600

¹ Includes all consumer credit extended for the purpose of purchasing automobiles and other consumer goods and secured by the items purchased.² Includes only such loans held by financial institutions; those held by retail outlets are included in "other consumer goods paper."³ Single-payment loans and service credit.⁴ Not available.⁵ Preliminary estimates by Council of Economic Advisers.NOTE.—Series revised beginning 1958. For details, see *Federal Reserve Bulletin*, December 1960. Data for Alaska and Hawaii included beginning January and August 1959, respectively.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE C-45.—*Installment credit extended and repaid, 1946-60*

[Millions of dollars]

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	Ex- tended	Re- paid	Ex- tended	Re- paid	Ex- tended	Re- paid	Ex- tended	Re- paid	Ex- tended	Re- paid
1946.....	8,495	6,785	1,969	1,443	3,077	2,603	423	200	3,026	2,539
1947.....	12,713	10,190	3,692	2,749	4,498	3,645	704	391	3,819	3,405
1948.....	15,585	13,284	5,217	4,123	5,383	4,625	714	579	4,271	3,957
1949.....	18,108	15,514	6,967	5,430	5,865	5,060	734	689	4,542	4,335
1950.....	21,558	18,445	8,530	7,011	7,150	6,057	835	717	5,043	4,660
1951.....	23,576	22,985	8,956	9,058	7,485	7,404	841	772	6,294	5,751
1952.....	29,514	25,405	11,764	10,003	9,186	7,892	1,217	917	7,347	6,593
1953.....	31,558	27,956	12,981	10,879	9,227	8,622	1,344	1,119	8,006	7,336
1954.....	31,051	30,488	11,807	11,833	9,117	9,145	1,261	1,255	8,866	8,255
1955.....	39,039	33,649	16,745	13,082	10,634	9,751	1,398	1,315	10,272	9,501
1956.....	40,175	37,236	15,563	14,576	11,702	10,756	1,568	1,362	11,342	10,542
1957.....	42,545	40,259	16,545	15,595	11,747	11,545	1,660	1,466	12,593	11,653
1958.....	40,780	40,915	14,316	15,488	11,638	11,497	1,861	1,623	12,974	12,307
1959.....	49,045	43,407	17,941	15,698	13,837	12,307	2,201	1,751	15,066	13,651
1960 ¹	50,450	47,000	17,950	16,575	14,175	13,475	2,075	1,825	16,250	15,125
Unadjusted										
1959: January.....	3,385	3,446	1,250	1,230	930	1,022	126	140	1,079	1,054
February.....	3,319	3,296	1,262	1,198	877	967	132	130	1,048	1,001
March.....	3,855	3,625	1,488	1,335	1,006	1,033	163	142	1,198	1,115
April.....	4,093	3,553	1,591	1,281	1,095	1,028	181	147	1,226	1,097
May.....	4,118	3,503	1,577	1,260	1,137	999	205	142	1,199	1,102
June.....	4,483	3,690	1,774	1,341	1,183	1,025	204	149	1,322	1,175
July.....	4,355	3,708	1,713	1,361	1,130	1,021	207	149	1,305	1,177
August.....	4,240	3,593	1,618	1,317	1,152	997	209	153	1,261	1,126
September.....	4,137	3,620	1,516	1,329	1,166	1,030	203	148	1,252	1,113
October.....	4,249	3,755	1,557	1,374	1,235	1,068	202	153	1,255	1,160
November.....	4,029	3,664	1,312	1,305	1,233	1,036	193	152	1,291	1,171
December.....	4,782	3,954	1,283	1,367	1,693	1,081	176	146	1,630	1,360
1960: January.....	3,592	3,706	1,269	1,299	1,023	1,113	127	142	1,173	1,152
February.....	3,763	3,716	1,424	1,317	961	1,093	149	146	1,229	1,160
March.....	4,238	4,003	1,629	1,429	1,089	1,151	167	156	1,353	1,251
April.....	4,509	3,878	1,692	1,348	1,202	1,113	179	148	1,436	1,269
May.....	4,375	3,901	1,658	1,397	1,183	1,125	203	152	1,331	1,227
June.....	4,615	3,988	1,733	1,409	1,267	1,144	198	158	1,417	1,277
July.....	4,156	3,858	1,473	1,335	1,085	1,095	183	154	1,415	1,274
August.....	4,365	4,097	1,570	1,443	1,165	1,140	202	161	1,428	1,293
September.....	4,010	3,871	1,372	1,371	1,173	1,107	177	151	1,288	1,242
October.....	4,012	3,938	1,407	1,436	1,207	1,125	172	160	1,226	1,217
November.....	4,067	3,955	1,364	1,389	1,217	1,127	163	156	1,323	1,283
December ¹	4,750	4,150	1,350	1,400	1,600	1,150	150	150	1,650	1,450
Seasonally adjusted										
1959: January.....	3,793	3,442	1,396	1,242	1,075	984	154	141	1,168	1,075
February.....	3,921	3,523	1,449	1,284	1,121	1,002	164	135	1,187	1,102
March.....	3,926	3,487	1,464	1,276	1,115	997	178	140	1,169	1,074
April.....	4,011	3,545	1,510	1,288	1,145	1,015	181	146	1,175	1,096
May.....	4,122	3,623	1,529	1,312	1,147	1,015	197	147	1,249	1,149
June.....	4,119	3,588	1,544	1,296	1,154	1,005	188	144	1,233	1,143
July.....	4,171	3,632	1,538	1,332	1,177	1,020	190	144	1,266	1,136
August.....	4,172	3,659	1,542	1,332	1,159	1,024	194	154	1,277	1,149
September.....	4,244	3,686	1,554	1,324	1,161	1,059	190	147	1,339	1,156
October.....	4,262	3,722	1,595	1,333	1,155	1,058	185	151	1,327	1,180
November.....	4,185	3,727	1,465	1,327	1,198	1,057	193	156	1,329	1,187
December.....	4,119	3,773	1,355	1,352	1,230	1,071	187	146	1,347	1,204
1960: January.....	4,159	3,849	1,453	1,359	1,227	1,117	158	148	1,321	1,225
February.....	4,196	3,765	1,533	1,330	1,171	1,084	178	146	1,314	1,205
March.....	4,259	3,780	1,590	1,342	1,178	1,083	178	152	1,313	1,203
April.....	4,498	3,935	1,635	1,379	1,266	1,111	182	150	1,415	1,295
May.....	4,254	3,912	1,557	1,402	1,170	1,127	190	153	1,337	1,230
June.....	4,325	3,934	1,537	1,392	1,248	1,135	186	155	1,354	1,252
July.....	4,209	4,017	1,416	1,385	1,167	1,149	176	155	1,450	1,328
August.....	4,071	3,918	1,421	1,388	1,112	1,123	180	156	1,358	1,251
September.....	4,124	3,961	1,421	1,375	1,161	1,143	165	150	1,377	1,293
October.....	4,095	4,000	1,454	1,421	1,158	1,149	160	160	1,323	1,270
November.....	4,132	3,946	1,481	1,397	1,158	1,119	160	158	1,333	1,272
December ¹	4,125	4,000	1,425	1,400	1,175	1,150	150	150	1,375	1,300

¹ Preliminary; December by Council of Economic Advisers.

NOTE.—See also Table C-44.

Series revised beginning January 1958. For details, see *Federal Reserve Bulletin*, December 1960.

Data for Alaska and Hawaii included beginning January and August 1959, respectively. Therefore the difference between extensions and repayments for January and August 1959 and for the year 1959 does not equal the net change in credit outstanding.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE C-46.—*Mortgage debt outstanding, by type of property and of financing, 1939-60*

[Billions of dollars]

End of period	All prop- erties	Nonfarm properties						Farm prop- erties	
		Total	1- to 4-family houses				Multi- family and com- mer- cial prop- erties ²		
			Total	Government under- written					Con- ven- tional ¹
				Total	FHA in- sured	VA guar- anteed			
1939	35.5	28.9	16.3	1.8	1.8	-----	14.5	12.5	6.6
1940	36.5	30.0	17.4	2.3	2.3	-----	15.1	12.6	6.5
1941	37.6	31.2	18.4	3.0	3.0	-----	15.4	12.9	6.4
1942	36.7	30.8	18.2	3.7	3.7	-----	14.5	12.5	6.0
1943	35.3	29.9	17.8	4.1	4.1	-----	13.7	12.1	5.4
1944	34.7	29.7	17.9	4.2	4.2	-----	13.7	11.8	4.9
1945	35.5	30.8	18.6	4.3	4.1	0.2	14.3	12.2	4.8
1946	41.8	36.9	23.0	6.1	3.7	2.4	16.9	13.8	4.9
1947	48.9	43.9	28.2	9.3	3.8	5.5	18.9	15.7	5.1
1948	56.2	50.9	33.3	12.5	5.3	7.2	20.8	17.6	5.3
1949	62.7	57.1	37.6	15.0	6.9	8.1	22.6	19.5	5.6
1950	72.8	66.7	45.2	18.9	8.6	10.3	26.3	21.6	6.1
1951	82.3	75.6	51.7	22.9	9.7	13.2	28.8	23.9	6.7
1952	91.4	84.2	58.5	25.4	10.8	14.6	33.1	25.7	7.3
1953	101.3	93.6	66.1	28.1	12.0	16.1	38.0	27.5	7.8
1954	113.7	105.4	75.7	32.1	12.8	19.3	43.6	29.7	8.3
1955	129.9	120.9	88.2	38.9	14.3	24.6	49.3	32.6	9.1
1956	144.5	134.6	99.0	43.9	15.5	28.4	55.1	35.6	9.9
1957	156.6	146.1	107.6	47.2	16.5	30.7	60.4	38.5	10.5
1958	171.9	160.7	117.7	50.1	19.7	30.4	67.6	43.0	11.3
1959	191.1	178.8	130.8	53.8	23.8	30.0	77.0	47.9	12.3
1960 ³	206.4	193.3	141.7	56.3	26.6	29.7	85.4	51.6	13.1
1958: First quarter	159.1	148.5	109.1	47.7	17.1	30.6	61.4	39.3	10.6
Second quarter	162.8	151.9	111.5	48.3	17.7	30.6	63.2	40.4	10.9
Third quarter	167.1	156.0	114.5	49.1	18.6	30.5	65.4	41.5	11.1
Fourth quarter	171.9	160.7	117.7	50.1	19.7	30.4	67.6	43.0	11.3
1959: First quarter ³	175.9	164.4	120.5	51.3	20.9	30.4	69.2	43.9	11.5
Second quarter ³	181.5	169.5	124.3	52.1	21.8	30.3	72.2	45.2	11.9
Third quarter ³	186.7	174.5	128.6	53.1	22.9	30.2	74.9	46.6	12.2
Fourth quarter ³	191.1	178.8	130.8	53.8	23.8	30.0	77.0	47.9	12.3
1960: First quarter ³	194.4	181.9	133.2	54.5	24.6	29.9	78.7	48.7	12.5
Second quarter ³	198.5	185.7	136.1	55.0	25.2	29.8	81.1	49.7	12.8
Third quarter ³	202.8	189.8	139.1	55.8	26.0	29.8	83.3	50.7	13.0
Fourth quarter ³	206.4	193.3	141.7	56.3	26.6	29.7	85.4	51.6	13.1

¹ Derived figures.² Includes negligible amount of farm loans held by savings and loan associations.³ Preliminary; fourth quarter 1960 by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System, estimated and compiled from data supplied by various Government and private organizations (except as noted).

TABLE C-47.—*Net public and private debt, 1929-60*¹

[Billions of dollars]

End of period :	Total	Federal Government	State and local government :	Private									
				Total	Corporate			Individual and noncorporate					
					Total	Long-term	Short-term	Total	Farm :	Nonfarm			
										Total	Mort-gage	Com-mercial and finan-cial :	Con-sumer
1929.....	190.9	16.5	13.2	161.2	88.9	47.3	41.6	72.3	12.2	60.1	31.2	22.4	6.4
1930.....	191.0	16.5	14.1	160.4	89.3	51.1	38.2	71.1	11.8	59.4	32.0	21.6	5.8
1931.....	181.9	18.5	15.5	147.9	83.5	50.3	33.2	64.4	11.1	53.3	30.9	17.6	4.8
1932.....	174.6	21.3	16.6	136.7	80.0	49.2	30.8	56.7	10.1	46.6	29.0	14.0	3.6
1933.....	168.5	24.3	16.7	127.5	76.9	47.9	29.1	50.6	9.1	41.5	26.3	11.7	3.5
1934.....	171.4	30.4	15.9	125.1	75.5	44.6	30.9	49.6	8.9	40.7	25.5	11.2	3.9
1935.....	174.7	34.4	16.0	124.2	74.8	43.6	31.2	49.4	9.0	40.4	24.7	10.8	4.9
1936.....	180.3	37.7	16.2	126.4	76.1	42.5	33.5	50.3	8.6	41.7	24.4	11.2	6.1
1937.....	182.0	39.2	16.1	126.7	75.8	43.5	32.3	50.9	8.6	42.3	24.3	11.3	6.7
1938.....	179.6	40.5	16.0	123.1	73.3	44.8	28.4	49.8	9.0	40.9	24.5	10.1	6.3
1939.....	183.2	42.6	16.3	124.3	73.5	44.4	29.2	50.8	8.8	42.0	25.0	9.8	7.2
1940.....	189.9	44.8	16.5	128.6	75.6	43.7	31.9	53.0	9.1	43.9	26.0	9.5	8.3
1941.....	211.6	56.3	16.3	139.0	83.4	43.6	39.8	55.6	9.2	46.4	27.2	10.0	9.2
1942.....	239.0	101.7	15.8	141.5	91.6	42.7	49.0	49.9	8.9	41.0	26.8	8.1	6.0
1943.....	313.6	154.4	14.9	144.3	95.5	41.0	54.5	48.8	8.2	40.5	26.2	9.5	4.9
1944.....	370.8	211.9	14.1	144.8	94.1	39.8	54.3	50.7	7.7	43.0	26.1	11.8	5.1
1945.....	406.3	252.7	13.7	139.9	85.3	38.3	47.0	54.6	7.2	47.4	27.0	14.8	5.7
1946.....	397.4	229.7	13.6	154.1	93.5	41.3	52.2	60.6	7.6	53.0	32.5	12.1	8.4
1947.....	417.4	223.3	14.4	179.7	108.9	46.1	62.8	70.8	8.6	62.2	38.7	11.9	11.6
1948.....	433.6	216.5	16.2	200.9	117.8	52.5	65.3	83.1	10.8	72.3	45.1	12.9	14.4
1949.....	448.4	218.6	18.1	211.7	118.0	56.5	61.5	93.7	11.9	81.8	50.6	13.9	17.3
1950.....	490.3	218.7	20.7	250.9	142.1	60.1	81.9	108.8	12.2	96.6	59.4	15.8	21.4
1951.....	524.0	218.5	23.3	282.2	162.5	66.6	95.9	119.7	13.6	106.1	67.4	16.1	22.6
1952.....	555.2	222.9	25.8	306.5	171.0	73.3	97.7	135.5	15.1	120.3	75.2	17.8	27.4
1953.....	586.5	228.1	28.6	329.8	179.5	78.3	101.2	150.4	16.9	133.5	83.8	18.3	31.4
1954.....	612.0	230.2	33.4	348.4	182.8	82.9	100.0	165.5	17.6	147.9	94.6	20.8	32.5
1955.....	672.3	231.5	38.4	402.5	212.1	90.0	122.2	190.4	18.8	171.6	108.7	23.9	38.9
1956.....	707.5	225.4	42.7	439.4	231.7	100.1	131.7	207.7	19.5	188.1	121.2	24.4	42.5
1957.....	739.4	224.4	46.7	468.2	246.7	112.2	134.6	221.5	20.3	201.2	131.6	24.3	45.3
1958.....	779.8	232.7	50.9	496.1	255.7	121.6	134.1	240.4	23.3	217.1	144.6	26.9	45.6
1959.....	846.4	243.2	55.6	547.5	281.7	129.9	151.7	265.8	23.7	242.1	160.8	29.2	52.0
1960 ²	882.0	241.0	60.0	581.0	294.5	138.5	156.0	286.5	25.7	260.8	174.2	30.6	56.0

¹ Net public and private debt outstanding is a comprehensive aggregate of the indebtedness of borrowers after elimination of certain types of duplicating governmental and corporate debt. For a further explanation of the concept, see *Survey of Current Business*, October 1950.

² Data for State and local government debt are for June 30.

³ Farm mortgages and farm production loans. Farmers' financial and consumer debt is included in the nonfarm categories.

⁴ Financial debt is debt owed to banks for purchasing or carrying securities, customers' debt to brokers, and debt owed to life insurance companies by policyholders.

⁵ Preliminary estimates by Council of Economic Advisers.

NOTE.—Revisions beginning 1958 in the consumer credit data of the Board of Governors of the Federal Reserve System have not yet been incorporated into this series.

Detail will not necessarily add to totals because of rounding.

Sources: Department of Agriculture, Department of Commerce, Treasury Department, Board of Governors of the Federal Reserve System, Federal Savings and Loan Insurance Corporation, and Interstate Commerce Commission (except as noted).

GOVERNMENT FINANCE

TABLE C-48.—U.S. Government debt, by kind of obligation, 1929-60

[Billions of dollars]

End of period	Gross public debt and guaranteed issues ¹	Interest-bearing public debt					Special issues ⁴
		Marketable public issues		Nonmarketable public issues			
		Short-term issues ²	Treasury bonds	United States savings bonds	Treasury tax and savings notes	Investment bonds ³	
1929.....	16.3	3.3	11.3				0.6
1930.....	16.0	2.9	11.3				.8
1931.....	17.8	2.8	13.5				.4
1932.....	20.8	5.9	13.4				.4
1933.....	24.0	7.5	14.7				.4
1934.....	31.5	11.1	15.4				.6
1935.....	35.1	14.2	14.3	0.2			.7
1936.....	39.1	12.5	19.5	.5			.6
1937.....	41.9	12.5	20.5	1.0			2.2
1938.....	44.4	9.8	24.0	1.4			3.2
1939.....	47.6	7.7	26.9	2.2			4.2
1940.....	50.9	7.5	28.0	3.2			5.4
1941.....	64.3	8.0	33.4	6.1	2.5		7.0
1942.....	112.5	27.0	49.3	15.0	6.4		9.0
1943.....	170.1	47.1	67.9	27.4	8.6		12.7
1944.....	232.1	69.9	91.6	40.4	9.8		16.3
1945.....	278.7	78.2	120.4	48.2	8.2		20.0
1946.....	259.5	57.1	119.3	49.8	5.7		24.6
1947.....	257.0	47.7	117.9	52.1	5.4	1.0	29.0
1948.....	252.9	45.9	111.4	55.1	4.6	1.0	31.7
1949.....	257.2	50.2	104.8	56.7	7.6	1.0	33.9
1950.....	256.7	58.3	94.0	58.0	8.6	1.0	33.7
1951.....	259.5	65.6	76.9	57.6	7.5	13.0	35.9
1952.....	267.4	68.7	79.8	57.9	5.8	13.4	39.2
1953.....	275.2	77.3	77.2	57.7	6.0	12.9	41.2
1954.....	278.8	76.0	81.8	57.7	4.5	12.7	42.6
1955.....	280.8	81.3	81.9	57.9	(5)	12.3	43.9
1956.....	276.7	79.5	80.8	56.3	(5)	11.6	45.6
1957.....	275.0	82.1	82.1	52.5	(5)	10.3	45.8
1958.....	283.0	92.2	83.4	51.2	(5)	9.0	44.8
1959.....	290.9	103.5	84.8	48.2	(5)	7.6	43.5
1960.....	290.4	109.2	79.8	47.2	(5)	6.2	44.3
1959: January.....	285.9	95.6	84.1	51.0	(5)	8.9	43.9
February.....	285.2	95.1	84.2	51.0	(5)	8.8	43.9
March.....	282.2	92.1	84.2	51.0	(5)	8.7	43.9
April.....	285.5	95.8	84.8	50.8	(5)	8.5	43.3
May.....	286.4	96.1	84.8	50.7	(5)	8.4	44.2
June.....	284.8	93.2	84.8	50.5	(5)	8.4	44.8
July.....	288.8	98.2	84.8	50.2	(5)	8.3	44.1
August.....	290.5	99.6	84.8	50.0	(5)	8.3	44.7
September.....	288.4	98.2	84.8	49.7	(5)	8.1	44.4
October.....	291.4	102.6	84.8	49.4	(5)	7.8	43.6
November.....	290.7	102.1	84.8	49.3	(5)	7.7	43.6
December.....	290.9	103.5	84.8	48.2	(5)	7.6	43.5
1960: January.....	291.2	105.1	84.7	47.9	(5)	7.5	42.6
February.....	290.7	104.6	84.7	47.8	(5)	7.4	42.8
March.....	287.0	100.7	84.7	47.8	(5)	7.2	43.3
April.....	288.9	103.0	85.1	47.6	(5)	7.0	42.8
May.....	289.5	102.5	85.1	47.6	(5)	6.9	43.9
June.....	286.5	102.5	81.2	47.5	(5)	6.8	44.9
July.....	288.5	105.6	81.2	47.4	(5)	6.7	44.2
August.....	288.8	103.9	82.3	47.3	(5)	6.6	45.2
September.....	288.6	104.0	82.3	47.3	(5)	6.5	45.0
October.....	290.6	107.0	82.3	47.4	(5)	6.3	44.3
November.....	290.6	109.1	79.7	47.4	(5)	6.2	44.6
December.....	290.4	109.2	79.8	47.2	(5)	6.2	44.3

¹ Total includes non-interest-bearing debt, fully guaranteed securities (except those held by the Treasury), Postal Savings bonds, prewar bonds, adjusted service bonds, depositary bonds, and armed forces leave bonds, not shown separately. Not all of total shown is subject to statutory debt limitation.

² Bills, certificates of indebtedness, and notes.

³ Series A bonds and, beginning April 1951, Series B convertible bonds.

⁴ Issued to U.S. Government investment accounts. These accounts also held \$10.7 billion of public marketable and nonmarketable issues on December 31, 1960.

⁵ Less than \$50 million.

⁶ The last series of Treasury savings notes matured in April 1956.

Source: Treasury Department.

TABLE C-49.—Estimated ownership of Federal obligations, 1939-60

[Par values,¹ billions of dollars]

End of period	Gross public debt and guaranteed issues ²									
	Total	Held by U.S. Government investment accounts	Held by others							
			Total	Federal Reserve banks	Commercial banks ³	Mutual savings banks and insurance companies	Other corporations ⁴	State and local governments ⁵	Individuals ⁶	Miscellaneous investors ⁷
1939.....	47.6	6.5	41.1	2.5	15.9	9.4	2.2	0.4	10.1	0.7
1940.....	50.9	7.6	43.3	2.2	17.3	10.1	2.0	.5	10.6	.7
1941.....	64.3	9.5	54.7	2.3	21.4	11.9	4.0	.7	13.6	.9
1942.....	112.5	12.2	100.2	6.2	41.1	15.8	10.1	1.0	23.7	2.3
1943.....	170.1	16.9	153.2	11.5	59.9	21.2	16.4	2.1	37.6	4.4
1944.....	232.1	21.7	210.5	18.8	77.7	28.0	21.4	4.3	53.3	7.0
1945.....	278.7	27.0	251.6	24.3	90.8	34.7	22.2	6.5	64.1	9.1
1946.....	259.5	30.9	228.6	23.3	74.5	36.7	15.3	6.3	64.2	8.1
1947.....	257.0	34.4	222.6	22.6	68.7	35.9	14.1	7.3	65.7	8.4
1948.....	252.9	37.3	215.5	23.3	62.5	32.7	14.8	7.9	65.5	8.9
1949.....	257.2	39.4	217.8	18.9	66.8	31.5	16.8	8.1	66.3	9.4
1950.....	256.7	39.2	217.5	20.8	61.8	29.6	19.7	8.8	66.3	10.5
1951.....	259.5	42.3	217.2	23.8	61.6	26.3	20.7	9.6	64.6	10.6
1952.....	267.4	45.9	221.6	24.7	63.4	25.5	19.9	11.1	65.2	11.7
1953.....	275.2	48.3	226.9	25.9	63.7	25.1	21.5	12.7	64.8	13.2
1954.....	278.8	49.6	229.2	24.9	69.2	24.1	19.2	14.4	63.4	13.9
1955.....	280.8	51.7	229.1	24.8	62.0	23.1	23.5	15.1	65.0	15.6
1956.....	276.7	54.0	222.7	24.9	59.5	21.3	19.1	16.1	65.7	16.1
1957.....	275.0	55.2	219.8	24.2	59.5	20.2	18.6	17.0	63.7	16.6
1958.....	283.0	54.4	228.6	26.3	67.5	19.9	19.6	16.7	62.0	16.6
1959.....	290.9	53.7	237.3	26.6	60.3	19.3	23.5	17.7	67.8	22.1
1960 ⁸	290.4	55.1	235.3	27.4	62.1	18.0	20.5	17.0	66.8	23.5
1960: January.....	285.9	53.5	232.4	25.7	68.3	20.3	21.3	17.0	63.0	16.8
February.....	285.2	53.6	231.6	25.3	66.4	20.1	21.6	16.9	63.7	17.4
March.....	282.2	53.7	228.4	25.5	63.3	20.0	21.0	16.8	64.4	17.4
April.....	285.5	53.1	232.4	25.7	64.8	20.0	22.4	16.9	64.6	18.0
May.....	286.4	54.2	232.2	25.9	63.4	20.0	22.9	16.8	64.8	18.4
June.....	284.8	54.6	230.2	26.0	61.5	19.9	21.5	16.7	64.9	19.7
July.....	288.8	54.1	234.7	26.5	62.1	19.9	23.4	17.1	65.2	20.6
August.....	290.5	54.6	235.9	26.7	61.1	20.0	24.4	17.3	65.5	20.8
September.....	288.4	54.2	234.2	26.6	60.3	19.9	22.9	17.4	66.0	21.2
October.....	291.4	53.6	237.8	26.6	60.8	19.6	24.1	17.5	67.1	21.9
November.....	290.7	53.8	236.9	26.9	59.5	19.4	24.2	17.6	67.2	22.1
December.....	290.9	53.7	237.3	26.6	60.3	19.3	23.5	17.7	67.8	22.1
1960: January.....	291.2	53.2	238.0	25.5	59.1	19.4	25.4	17.8	68.5	22.3
February.....	290.7	53.2	237.5	25.2	57.1	19.3	26.2	18.0	68.7	22.9
March.....	287.0	53.7	233.3	25.3	54.9	19.1	23.4	18.2	69.5	22.9
April.....	288.9	53.2	235.7	25.6	57.0	18.9	24.1	18.0	68.8	23.3
May.....	289.5	54.4	235.1	26.0	56.2	18.7	24.7	18.0	68.5	22.9
June.....	286.5	55.3	231.1	26.5	55.6	18.4	21.7	18.1	68.2	22.5
July.....	288.5	54.8	233.6	26.9	57.7	18.4	22.1	17.9	67.9	22.8
August.....	288.8	55.9	232.9	26.8	57.9	18.4	21.4	17.7	67.7	23.1
September.....	288.6	55.5	233.0	27.0	59.1	18.3	20.3	17.4	67.9	22.9
October.....	290.6	55.0	235.6	27.4	61.9	18.1	20.1	17.3	67.6	23.2
November.....	290.6	55.4	235.2	27.5	61.8	18.1	20.6	17.2	67.4	22.6
December ⁸	290.4	55.1	235.3	27.4	62.1	18.0	20.5	17.0	66.8	23.5

¹ United States savings bonds, series A-F and J, are included at current redemption value.² Excludes guaranteed securities held by the Treasury. Not all of total shown is subject to statutory debt limitation.³ Includes commercial banks, trust companies, and stock savings banks in the United States and Territories and possessions; figures exclude securities held in trust departments. Since the estimates in this table are on the basis of par values and include holdings of banks in United States Territories and possessions, they do not agree with the estimates in Table C-41, which are based on book values and relate only to banks within the United States.⁴ Exclusive of banks and insurance companies.⁵ Includes trust, sinking, and investment funds of State and local governments and their agencies, and of Territories and possessions.⁶ Includes partnerships and personal trust accounts.⁷ Includes savings and loan associations, nonprofit institutions, corporate pension trust funds, dealers and brokers, and investments of foreign balances and international accounts in this country. Beginning with December 1946, the international accounts include investments by the International Bank for Reconstruction and Development, the International Monetary Fund, and the International Development Association in special non-interest-bearing notes issued by the U.S. Government. Beginning with June 30, 1947, includes holdings of Federal land banks.⁸ Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Treasury Department (except as noted).

TABLE C-50.—Average length and maturity distribution of marketable interest-bearing public debt, 1946-60

End of period	Amount out- standing	Maturity class					Average length	
		Within 1 year	1 to 5 years	5 to 10 years	10 to 20 years	20 years and over		
Millions of dollars							Years	Months
Fiscal year:								
1946.....	189,606	61,974	24,763	41,807	17,461	43,599	9	1
1947.....	168,702	51,211	21,851	35,562	18,597	41,481	9	5
1948.....	160,346	48,742	21,630	32,264	16,229	41,481	9	2
1949.....	155,147	48,130	32,562	16,746	22,821	34,888	8	9
1950.....	155,310	42,338	51,292	7,792	28,035	25,853	8	2
1951.....	137,917	43,908	46,526	8,707	29,979	8,797	0	7
1952.....	140,407	46,367	47,814	13,933	25,700	6,594	5	8
1953.....	147,335	65,270	36,161	15,651	28,662	1,592	5	4
1954.....	150,354	62,734	29,866	27,515	28,634	1,606	5	6
1955.....	155,206	49,703	39,107	34,253	28,613	3,530	5	10
1956.....	154,953	58,714	34,401	28,908	28,578	4,351	5	4
1957.....	155,705	71,952	40,669	12,325	26,407	4,349	4	9
1958.....	166,675	67,782	42,557	21,476	27,652	7,208	5	3
1959.....	178,027	72,958	58,304	17,052	21,625	8,088	4	7
1960.....	183,845	70,467	72,844	20,246	12,630	7,658	4	4
1959: January.....	179,816	73,210	56,650	17,167	24,786	8,004	4	8
February.....	179,308	71,191	61,986	13,312	24,779	8,039	4	9
March.....	176,293	68,025	62,117	13,312	24,771	8,068	4	9
April.....	180,709	70,115	63,811	13,311	25,383	8,089	4	8
May.....	180,993	75,954	58,265	13,311	25,375	8,088	4	7
June.....	178,027	72,958	58,304	17,052	21,625	8,088	4	7
July.....	183,057	77,970	58,331	17,052	21,617	8,088	4	5
August.....	184,463	75,158	62,556	17,051	21,611	8,087	4	6
September.....	183,057	73,656	62,660	17,051	21,604	8,087	4	5
October.....	187,433	75,836	64,864	18,326	20,321	8,086	4	4
November.....	186,957	77,947	62,284	18,325	20,316	8,085	4	4
December.....	188,269	79,941	61,609	22,139	16,494	8,085	4	4
1960: January.....	189,856	81,455	61,691	22,138	16,489	8,084	4	2
February.....	189,384	76,735	72,849	15,240	17,365	7,194	4	3
March.....	185,437	72,721	72,934	19,931	12,659	7,193	4	4
April.....	188,147	72,807	75,133	19,930	12,649	7,629	4	3
May.....	187,735	74,335	73,184	19,928	12,641	7,648	4	3
June.....	183,845	70,467	72,844	20,246	12,630	7,658	4	4
July.....	186,915	73,479	72,911	20,245	12,625	7,655	4	3
August.....	186,294	73,892	70,819	21,314	12,617	7,653	4	3
September.....	186,366	76,148	68,646	21,312	12,610	7,650	4	2
October.....	189,358	79,203	68,595	17,332	12,601	11,627	4	7
November.....	188,840	75,324	70,755	18,544	13,235	10,982	4	8
December.....	189,015	75,315	70,812	18,684	13,224	10,979	4	7

NOTE.—All issues classified to final maturity except partially tax-exempt bonds, which are classified to earliest call date.

Source: Treasury Department.

TABLE C-51.—Federal budget receipts and expenditures and the public debt, 1929-62

[Millions of dollars]

Period	Net budget receipts ¹	Budget expendi- tures	Surplus or deficit (—)	Public debt at end of year ²
Fiscal year:				
1929.....	3,861	3,127	734	16,931
1930.....	4,058	3,320	738	16,185
1931.....	3,116	3,577	-462	16,801
1932.....	1,924	4,659	-2,735	19,487
1933.....	2,021	4,623	-2,602	22,539
1934.....	3,064	6,694	-3,630	27,053
1935.....	3,730	6,521	-2,791	28,701
1936.....	4,069	8,493	-4,425	33,779
1937.....	4,979	7,756	-2,777	36,425
1938.....	5,615	6,792	-1,177	37,165
1939.....	4,996	8,858	-3,862	40,440
1940.....	5,144	9,062	-3,918	42,968
1941.....	7,103	13,262	-6,159	48,961
1942.....	12,555	34,046	-21,490	72,422
1943.....	21,987	79,407	-57,420	136,696
1944.....	43,635	95,059	-51,423	201,003
1945.....	44,475	98,416	-53,941	258,682
1946.....	39,771	60,448	-20,676	269,422
1947.....	39,786	39,032	754	258,286
	New basis ³			
1948.....	41,375	32,955	8,419	252,292
1949.....	37,663	39,474	-1,811	252,770
1950.....	36,422	39,544	-3,122	257,357
1951.....	47,480	43,970	3,510	255,222
1952.....	61,287	65,303	-4,017	259,105
1953.....	64,671	74,120	-9,449	266,071
1954.....	64,420	67,537	-3,117	271,260
1955.....	60,209	64,389	-4,180	274,374
1956.....	67,850	66,224	1,626	272,751
1957.....	70,562	68,966	1,596	270,527
1958.....	68,550	71,369	-2,819	276,343
1959.....	67,915	80,342	-12,427	284,706
1960.....	77,763	76,539	1,224	286,331
1961 ⁴	79,024	78,945	79	284,900
1962 ⁴	82,333	80,865	1,468	283,400

¹ Gross receipts less refunds of receipts and transfers of tax receipts to the old-age and survivors insurance trust fund, the disability insurance trust fund, the railroad retirement account, and the highway trust fund.

² Excludes guaranteed obligations; therefore, differs from total shown in Tables C-48 and C-49. The change in the public debt from year to year reflects not only the budget surplus or deficit but also changes in the Treasury's cash balances, the effect of certain trust fund transactions, and direct borrowing from the public by certain Government enterprises.

³ Beginning with fiscal year 1948, net budget receipts and budget expenditures have been adjusted to exclude certain interfund transactions. The change does not affect the budget surplus or deficit. (Figures for calendar years have not yet been adjusted to exclude interfund transactions, and therefore are not shown in this table.)

⁴ Estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget.

TABLE C-52.—Federal budget receipts by source and expenditures by function, fiscal years 1946–62

[Millions of dollars]

Fiscal year	Budget receipts by source					Budget expenditures by function						Budget surplus or deficit (—)
	Total	Individual income taxes	Corporation income taxes	Excise taxes	All other receipts ¹	Total	Major national security	Veterans' services and benefits	Agriculture and agricultural resources	Interest	All other expenditures ²	
1946..	39,771	16,157	11,833	6,999	4,782	60,448	43,176	4,415	747	4,816	7,294	-20,676
1947..	39,786	17,835	8,569	7,207	6,175	39,032	14,368	7,381	1,243	5,012	11,026	754
1948 ³ ..	41,375	19,305	9,678	7,356	5,037	32,955	11,771	6,653	575	5,248	8,708	8,419
1949..	37,663	15,548	11,195	7,502	3,418	39,474	12,908	6,725	2,512	5,445	11,884	-1,811
1950..	36,422	15,745	10,448	7,549	2,679	39,544	13,009	6,646	2,783	5,817	11,288	-3,122
1951..	47,480	21,643	14,106	8,648	3,083	43,970	22,444	5,342	650	5,714	9,819	3,510
1952..	61,287	27,913	21,225	8,851	3,298	65,303	43,976	4,863	1,045	5,934	9,486	-4,017
1953..	64,671	30,108	21,238	9,868	3,456	74,120	50,363	4,298	2,936	6,583	9,941	-9,449
1954..	64,420	29,542	21,101	9,945	3,833	67,537	46,904	4,256	2,557	6,470	7,350	-3,117
1955..	60,209	28,747	17,861	9,131	4,469	64,389	40,626	4,457	4,388	6,438	8,480	-4,180
1956..	67,850	32,188	20,880	9,929	4,854	66,224	40,641	4,756	4,867	6,846	9,114	1,626
1957..	70,562	35,620	21,167	9,055	4,721	68,966	43,270	4,793	4,525	7,308	9,070	1,596
1958..	68,550	34,724	20,074	8,612	5,141	71,369	44,142	5,026	4,389	7,689	10,123	-2,819
1959..	67,915	36,719	17,309	8,504	5,384	80,342	46,426	5,174	6,529	7,671	14,542	-12,427
1960..	77,763	40,715	21,494	9,137	6,418	76,539	45,627	5,060	4,838	9,266	11,748	1,224
1961 ⁴ ..	79,024	43,300	20,400	9,322	6,002	78,945	45,930	5,227	4,936	8,993	13,859	79
1962 ⁴ ..	82,333	45,500	20,900	9,725	6,208	80,865	47,392	5,296	5,101	8,593	14,484	1,468

¹ Includes employment taxes, estate and gift taxes, customs revenues, and miscellaneous receipts. See also footnote 3.

² Includes expenditures for international affairs and finance (including defense support under the mutual security program), labor and welfare, natural resources, commerce, housing, and space technology, and general government; also includes adjustment to daily Treasury statement (for actuals) and allowance for contingencies (for estimates). See also footnote 3.

³ Beginning with 1948, net budget receipts and budget expenditures have been adjusted to exclude certain interfund transactions. The adjustment was made in the totals and the "all other" categories. The change does not affect the budget surplus or deficit.

⁴ Estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget.

TABLE C-53.—Government cash receipts from and payments to the public, 1946-62

(Billions of dollars)

Period	Total			Federal ¹			State and local ²		
	Cash receipts	Cash payments	Excess of receipts or of payments (—)	Cash receipts	Cash payments	Excess of receipts or of payments (—)	Cash receipts	Cash payments	Excess of receipts or of payments (—)
Fiscal year:									
1946.....	54.2	70.2	-16.0	43.5	61.7	-18.2	10.7	8.5	2.2
1947.....	55.6	47.5	8.1	43.5	36.9	6.6	12.1	10.6	1.5
1948.....	59.6	50.2	9.4	45.4	36.5	8.9	14.2	13.7	.5
1949.....	57.6	56.3	1.3	41.6	40.6	1.0	16.0	15.7	.3
1950.....	58.2	61.5	-3.3	40.9	43.1	-2.2	17.3	18.4	-1.1
1951.....	72.5	65.2	7.3	53.4	45.8	7.6	19.1	19.4	-.3
1952.....	88.7	88.9	-.2	68.0	68.0	(³)	20.7	20.9	-.2
1953.....	93.9	99.1	-5.2	71.5	76.8	-5.3	22.4	22.3	.1
1954.....	95.6	96.1	-.4	71.6	71.9	-.2	24.0	24.2	-.2
1955.....	93.5	97.5	-4.0	67.8	70.5	-2.7	25.7	27.0	-1.3
1956.....	105.8	101.6	4.2	77.1	72.6	4.5	28.7	29.0	-.3
1957.....	113.5	111.8	1.7	82.1	80.0	2.1	31.4	31.8	-.4
1958.....	115.0	118.2	-3.2	81.9	83.4	-1.5	33.1	34.8	-1.7
1959.....	117.2	132.7	-15.5	81.7	94.8	-13.1	35.5	37.9	-2.4
1960.....	133.5	133.5	(³)	95.1	94.3	.8	38.4	39.2	-.8
1961 ⁴				99.0	97.9	1.1			
1962 ⁵				103.1	101.8	1.3			
Calendar year:									
1946.....	52.9	50.9	2.0	41.4	41.4	(³)	11.4	9.5	1.9
1947.....	57.4	50.7	6.7	44.3	38.6	5.7	13.1	12.1	1.0
1948.....	60.0	51.8	8.2	44.9	36.9	8.0	15.1	14.9	.2
1949.....	57.9	59.8	-1.8	41.3	42.6	-1.3	16.6	17.1	-.5
1950.....	60.4	61.1	-.6	42.4	42.0	.5	18.0	19.1	-1.1
1951.....	79.1	78.3	.9	59.3	58.0	1.2	19.9	20.2	-.4
1952.....	93.0	93.6	-.6	71.3	72.0	-.6	21.7	21.6	.1
1953.....	93.5	100.4	-6.9	70.2	77.4	-7.2	23.2	23.0	.3
1954.....	93.3	95.3	-2.0	68.6	69.7	-1.1	24.7	25.6	-.9
1955.....	98.4	100.2	-1.8	71.4	72.2	-.7	26.9	28.0	-1.1
1956.....	110.2	105.2	5.0	80.3	74.8	5.5	29.9	30.4	-.5
1957.....	116.8	116.6	.2	84.5	83.3	1.2	32.3	33.3	-1.0
1958.....	115.9	125.2	-9.3	81.7	89.0	-7.3	34.2	36.2	-2.0
1959.....	124.5	133.7	-9.2	87.6	95.6	-8.0	36.9	38.1	-1.2
1960 ⁵				97.8	94.3	3.5			

¹ For derivation of Federal cash receipts and payments, see *Budget of the United States Government for the Fiscal Year ending June 30, 1962*, and Table C-55.

² Estimated by Council of Economic Advisers from receipts and expenditures in the national income accounts. Cash receipts consist of personal tax and nontax receipts, indirect business tax and nontax accruals, and corporate tax accruals adjusted to a collection basis. Cash payments are total expenditures less Federal grants-in-aid and less contributions for social insurance. (Federal grants-in-aid are therefore excluded from State and local receipts and payments and included only in Federal payments.) See Table C-54.

³ Less than \$50 million.

⁴ Estimate.

⁵ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department, Bureau of the Budget, Department of Commerce, and Council of Economic Advisers.

TABLE C-54.—Government receipts and expenditures as shown in the national income accounts, 1955-60

[Calendar years, billions of dollars]

Receipts or expenditures	1955	1956	1957	1958	1959	1960 ¹	1958		1959		1960	
							First half	Second half	First half	Second half	First half	Second half ¹
							Seasonally adjusted annual rates					
Total government												
Receipts.....	101.4	109.5	116.3	115.2	129.1	² 137.3	111.8	118.6	128.8	129.3	137.7	(³)
Expenditures.....	98.6	104.3	115.3	126.6	131.6	137.0	123.3	130.2	131.2	132.2	134.6	139.6
Excess of receipts or of expenditures (—).....	2.9	5.2	1.0	—11.4	—2.5	² 1.3	—11.5	—11.5	—2.4	—3.0	3.0	(³)
Federal Government⁴												
Receipts.....	72.8	77.5	81.7	78.6	89.5	² 95.4	76.0	81.2	89.8	89.2	96.1	(³)
Personal tax and non-tax receipts.....	31.5	35.2	37.3	36.7	39.8	43.4	36.2	37.2	39.6	40.1	43.0	43.7
Corporate profits tax accruals.....	20.9	20.2	19.9	17.6	22.0	² 20.8	15.7	19.6	22.9	21.0	21.8	(³)
Indirect business tax and nontax accruals.....	11.0	11.6	12.2	11.9	12.9	13.8	11.8	11.9	12.7	13.2	13.9	13.8
Contributions for social insurance.....	9.3	10.6	12.2	12.4	14.7	17.4	12.2	12.6	14.6	14.8	17.4	17.5
Expenditures.....	68.9	71.8	79.7	87.9	90.9	92.2	85.4	90.7	90.5	91.2	90.9	93.6
Purchases of goods and services.....	45.3	45.7	49.7	52.6	53.3	52.3	51.2	54.0	53.5	53.0	51.7	52.9
Transfer payments.....	14.0	14.9	17.4	21.3	22.0	23.9	20.6	22.2	21.6	22.4	23.2	24.6
To persons.....	12.5	13.5	16.0	20.0	20.5	22.3	19.4	20.8	20.2	20.8	21.5	23.0
Foreign (net).....	1.5	1.5	1.5	1.3	1.5	1.6	1.2	1.4	1.4	1.6	1.6	1.6
Grants-in-aid to State and local governments.....	3.0	3.3	4.1	5.4	6.6	6.1	5.1	5.8	6.6	6.6	6.2	6.1
Net interest paid.....	4.9	5.2	5.7	5.6	6.4	7.2	5.6	5.6	6.1	6.8	7.1	7.4
Subsidies less current surplus of Government enterprises.....	1.6	2.7	2.8	3.0	2.6	2.6	3.0	3.0	2.6	2.5	2.6	2.6
Excess of receipts or of expenditures (—).....	3.8	5.7	2.0	—9.3	—1.4	² 3.2	—9.5	—9.4	—8	—2.1	5.2	(³)
State and local governments												
Receipts.....	31.7	35.2	38.6	42.1	46.2	² 48.0	41.0	43.2	45.7	46.8	47.8	(³)
Personal tax and non-tax receipts.....	4.2	4.8	5.3	5.7	6.2	6.7	5.6	5.8	6.0	6.2	6.6	6.8
Corporate profits tax accruals.....	1.0	1.0	1.0	1.0	1.2	² 1.2	.9	1.1	1.3	1.2	1.2	(³)
Indirect business tax and nontax accruals.....	21.8	24.1	26.0	27.5	29.6	31.3	27.0	28.0	29.2	30.0	31.0	31.5
Contributions for social insurance.....	1.7	2.0	2.3	2.5	2.6	2.8	2.4	2.5	2.6	2.6	2.7	2.
Federal grants-in-aid.....	3.0	3.3	4.1	5.4	6.6	6.1	5.1	5.8	6.6	6.6	6.2	6.
Expenditures.....	32.7	35.7	39.6	44.1	47.4	50.9	43.0	45.3	47.4	47.6	49.9	51.9
Purchases of goods and services.....	30.3	33.2	36.8	40.8	43.9	47.3	39.8	42.0	43.9	44.2	46.3	48.3
Transfer payments.....	3.5	3.7	4.1	4.5	4.7	4.9	4.5	4.6	4.8	4.8	4.9	5.0
Net interest paid.....	.5	.5	.5	.6	.7	.8	.6	.6	.7	.7	.8	.8
Less: Current surplus of Government enterprises.....	1.6	1.7	1.8	1.9	2.0	2.1	1.9	1.9	1.9	2.0	2.0	2.1
Excess of receipts or of expenditures (—).....	—1.0	—5	—1.0	—2.0	—1.1	² —2.9	—2.0	—2.1	—1.6	—9	—2.1	(³)

¹ Preliminary estimates by Council of Economic Advisers.

² Approximation for the year as a whole. See footnote 4, Table C-57.

³ Not available.

⁴ These accounts, like the cash budget, include the transactions of the trust accounts. Unlike both the conventional budget and the cash statement, they exclude certain capital and lending transactions. In general, they do not use the cash basis for transactions with business. Instead, corporate profits taxes are included in receipts on an accrual instead of a cash basis; expenditures are timed with the delivery instead of the payment for goods and services; and CCC guaranteed price-support crop loans financed by banks are counted as expenditures when the loans are made, not when CCC redeems them.

NOTE.—Federal grants-in-aid to State and local governments are reflected in Federal expenditures and State and local receipts and expenditures. Total government receipts and expenditures have been adjusted to eliminate this duplication.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-55.—Reconciliation of Federal Government receipts and expenditures in the conventional budget and the consolidated cash statement with receipts and expenditures in the national income accounts, fiscal years 1958–60

[Billions of dollars]

Receipts or expenditures	Fiscal years		
	1958	1959	1960
RECEIPTS			
Budget receipts.....	68.6	67.9	77.8
Less: Intragovernmental transactions.....	2.9	3.3	4.1
Receipts from exercise of monetary authority.....	.1	.0	.1
Plus: Trust fund receipts.....	16.3	17.1	21.4
Equals: Federal receipts from the public (consolidated cash receipts).....	81.9	81.7	95.1
Less: Adjustment for agency coverage:			
District of Columbia revenues.....	.2	.2	.2
Plus: Adjustments for netting and consolidation:			
Federal Government contributions to:			
Employee retirement funds.....	.7	.8	.8
Veterans' life insurance funds.....	.0	.0	.0
Federal Government employee contributions to employee retirement funds.....	.7	.8	.8
Interest, dividends, and other earnings.....	-.9	-.8	-1.4
Adjustments for timing:			
Excess of taxes included in national income accounts over cash collections:			
Personal.....	.2	.2	-.3
Corporate profits.....	-2.8	3.7	.0
Other.....	-.2	.0	.0
Miscellaneous.....	-.4	.5	-.3
Less: Adjustments for capital transactions:			
Realization upon loans and investments.....	.3	.6	.4
Proceeds from sale of Government property.....	.3	.3	.4
Recoveries and refunds.....	.5	.4	.1
Equals: Receipts—national income accounts.....	77.9	85.3	93.5
EXPENDITURES			
Budget expenditures.....	71.4	80.3	76.5
Less: Intragovernmental transactions.....	2.9	3.3	4.1
Accrued interest and other noncash expenditures (net).....	.5	2.1	.4
Plus: Trust fund expenditures.....	16.1	18.6	21.8
Government-sponsored enterprise expenditures (net).....	-.6	1.3	.5
Equals: Federal payments to the public (consolidated cash expenditures).....	83.4	94.8	94.3
Less: Adjustment for agency coverage:			
District of Columbia expenditures.....	.2	.3	.3
Plus: Adjustments for netting and consolidation:			
Federal Government contributions to:			
Employee retirement funds.....	.7	.8	.8
Veterans' life insurance funds.....	.0	.0	.0
Federal Government employee contributions to employee retirement funds.....	.7	.8	.8
Interest received and proceeds of Government sales.....	-.7	-.6	-.9
Adjustments for timing:			
Accrued interest on savings bonds and Treasury bills.....	.3	.9	.6
Commodity Credit Corporation guaranteed non-recourse loans (net change).....	.1	-.2	-.1
Increase in clearing account.....	.6	-.1	-.4
Miscellaneous.....	-.3	-.4	-.9
Less: Adjustments for capital transactions:			
Loans and other adjustments:			
Federal National Mortgage Association secondary market operations.....	.1	.1	1.0
Other.....	1.1	5.1	.7
Purchase of land and existing assets.....	.1	.0	.1
Trusts and deposit fund expenditures.....	.0	1.6	1.1
Redemption of International Monetary Fund notes.....	.4	-1.4	-.3
Equals: Expenditures—national income accounts.....	82.8	90.1	91.3

NOTE.—See also Table C-51.

Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department, Bureau of the Budget, and Department of Commerce.

CORPORATE PROFITS AND FINANCE

TABLE C-57.—Profits before and after taxes, all private corporations, 1929-60

[Billions of dollars]

Period	Corporate profits (before taxes) and inventory valuation adjustment						Corporate profits before taxes	Corporate tax liability ¹	Corporate profits after taxes		
	All indus- tries	Manufacturing		Transporta- tion, commu- nication, and public utilities	All other indus- tries	Total			Divi- dend pay- ments	Undis- tributed profits	
		Total	Dura- ble goods indus- tries								Non- durable goods indus- tries
1929.....	10.1	5.1	2.6	2.5	2.0	3.0	9.6	1.4	8.3	5.8	2.4
1930.....	6.6	3.9	1.5	2.4	1.2	1.5	3.3	.8	2.5	5.5	-3.0
1931.....	1.6	1.3	(2)	1.3	.6	-.2	-.8	.5	-1.3	4.1	-5.4
1932.....	-2.0	-.6	-1.1	.4	.2	-1.5	-3.0	.4	-3.4	2.6	-6.0
1933.....	-2.0	-.5	-.5	(2)	.1	-1.5	.2	.5	-.4	2.1	-2.4
1934.....	1.1	.9	.2	.7	.4	-.2	1.7	.7	1.0	2.6	-1.6
1935.....	2.9	2.0	.9	1.1	.5	.5	3.1	1.0	2.2	2.9	-.7
1936.....	5.0	3.1	1.7	1.4	.7	1.2	5.7	1.4	3.3	4.5	-.2
1937.....	6.2	3.6	1.7	2.0	.8	1.8	6.2	1.5	4.7	4.7	(2)
1938.....	4.3	2.2	.7	1.4	.6	1.5	3.3	1.0	2.3	3.2	-.9
1939.....	5.7	3.2	1.6	1.5	1.0	1.5	6.4	1.4	5.0	3.8	1.2
1940.....	9.1	5.4	3.0	2.3	1.3	2.4	9.3	2.8	6.5	4.0	2.4
1941.....	14.5	9.3	6.3	3.0	2.0	3.2	17.0	7.6	9.4	4.5	4.9
1942.....	19.7	11.7	7.1	4.5	3.5	4.5	20.9	11.4	9.5	4.3	5.2
1943.....	23.8	13.7	8.0	5.6	4.4	5.7	24.6	14.1	10.5	4.5	6.0
1944.....	23.0	13.0	7.3	5.7	3.9	6.1	23.3	12.9	10.4	4.7	5.7
1945.....	18.4	9.5	4.5	5.0	2.8	6.1	19.0	10.7	8.3	4.7	3.6
1946.....	17.3	8.4	2.1	6.3	1.8	7.1	22.6	9.1	13.4	5.8	7.7
1947.....	23.6	12.8	5.3	7.4	2.1	8.7	29.5	11.3	18.2	6.5	11.7
1948.....	30.8	16.8	7.4	9.4	2.9	11.2	33.0	12.5	20.5	7.2	13.3
1949.....	28.2	15.3	7.9	7.4	2.9	10.1	26.4	10.4	16.0	7.5	8.5
1950.....	35.7	20.4	12.0	8.4	4.0	11.3	40.6	17.9	22.8	9.2	13.6
1951.....	41.0	24.4	13.5	10.9	4.5	12.0	42.2	22.4	19.7	9.0	10.7
1952.....	37.7	21.1	11.8	9.3	4.8	11.8	36.7	19.5	17.2	9.0	8.3
1953.....	37.3	21.4	12.1	9.3	4.9	11.0	38.3	20.2	18.1	9.2	8.9
1954.....	33.7	18.4	10.1	8.3	4.4	11.0	34.1	17.2	16.8	9.8	7.0
1955.....	43.1	25.0	14.2	10.8	5.4	12.8	44.9	21.8	23.0	11.2	11.8
1956.....	42.0	23.5	12.6	10.9	5.6	12.9	44.7	21.2	23.5	12.1	11.3
1957.....	41.7	22.9	13.1	9.8	5.5	13.3	43.2	20.9	22.3	12.6	9.7
1958.....	37.4	18.8	9.2	9.6	5.4	13.2	37.7	18.6	19.1	12.4	6.7
1959.....	46.6	24.8	12.8	12.0	6.3	15.5	47.0	23.2	23.8	13.4	10.5
1960 ^{2,4}	45.0	23.7	11.9	11.8	6.4	14.9	45.0	22.0	23.0	14.0	9.0
Seasonally adjusted annual rates											
1958: First quarter....	32.6	16.1	7.7	8.4	4.9	11.6	32.8	16.2	16.6	12.7	3.9
Second quarter....	34.7	16.5	7.8	8.7	5.2	13.0	34.4	17.0	17.4	12.6	4.8
Third quarter....	38.5	19.6	9.2	10.4	5.6	13.3	38.8	19.1	19.6	12.6	7.0
Fourth quarter....	44.0	22.9	11.9	10.9	6.1	15.0	44.9	22.1	22.7	12.0	10.8
1959: First quarter....	45.5	24.3	12.6	11.7	6.2	15.0	46.4	22.9	23.5	13.0	10.5
Second quarter....	50.4	28.1	15.8	12.3	6.5	15.8	51.7	25.5	26.2	13.2	12.9
Third quarter....	44.9	23.8	11.5	12.2	6.1	15.0	45.3	22.3	22.9	13.6	9.3
Fourth quarter....	45.5	23.2	11.3	12.0	6.3	16.0	44.8	22.1	22.7	13.8	8.9
1960: First quarter....	48.0	26.2	13.6	12.6	6.5	15.3	48.8	23.8	25.0	13.9	11.0
Second quarter....	45.3	23.5	11.6	11.9	6.4	15.5	45.7	22.3	23.4	13.9	9.5
Third quarter....	42.2	21.6	10.5	11.1	6.4	14.2	41.5	20.3	21.3	14.0	7.3
Fourth quarter ³	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	14.1	(5)

¹ Federal and State corporate income and excess profits taxes.

² Less than \$50 million.

³ Preliminary estimates by Council of Economic Advisers.

⁴ Data for corporate profits are approximations for the year as a whole; they do not derive from, nor imply, specific estimates for the quarters. All other data incorporating or derived from these figures are correspondingly approximate.

⁵ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE C-56.—State and local government revenues and expenditures, selected fiscal years, 1927-59

[Millions of dollars]

Fiscal year ¹	Revenues by source ²							Expenditures by function ³				
	Total	Property taxes	Sales and gross receipts taxes	Individual income taxes	Corporation net income taxes	Revenue from Federal Government	All other revenue ⁴	Total	Education	Highways	Public welfare	All other ⁴
1927.....	7,271	4,730	470	70	92	116	1,793	7,210	2,235	1,809	151	3,015
1932.....	7,267	4,487	752	74	79	232	1,643	7,765	2,311	1,741	444	3,269
1934.....	7,678	4,076	1,008	80	49	1,016	1,449	7,181	1,831	1,509	889	2,952
1936.....	8,395	4,093	1,484	153	113	948	1,604	7,644	2,177	1,425	827	3,215
1938.....	9,228	4,440	1,794	218	165	800	1,811	8,757	2,491	1,650	1,069	3,547
1940.....	9,609	4,430	1,982	224	156	945	1,872	9,229	2,638	1,573	1,156	3,862
1942.....	10,418	4,537	2,351	276	272	858	2,123	9,190	2,586	1,490	1,225	3,889
1944.....	10,908	4,604	2,289	342	451	954	2,269	8,863	2,793	1,200	1,133	3,737
1946.....	12,356	4,986	2,986	422	447	855	2,661	11,028	3,356	1,672	1,409	4,591
1948.....	17,250	6,126	4,442	543	592	1,861	3,685	17,684	5,379	3,036	2,099	7,170
1950.....	20,911	7,349	5,154	788	593	2,486	4,541	22,787	7,177	3,803	2,940	8,867
1952.....	25,181	8,652	6,357	998	846	2,566	5,763	26,098	8,318	4,650	2,788	10,340
1953.....	27,307	9,375	6,927	1,065	817	2,870	6,252	27,910	9,390	4,987	2,914	10,619
1954.....	29,012	9,967	7,276	1,127	778	2,966	6,897	30,701	10,557	5,527	3,060	11,557
1955.....	31,073	10,735	7,643	1,237	744	3,131	7,584	33,724	11,907	6,452	3,168	12,197
1956.....	34,667	11,749	8,691	1,538	890	3,335	8,465	36,711	13,220	6,953	3,139	13,399
1957.....	38,164	12,864	9,467	1,754	984	3,843	9,250	40,375	14,134	7,816	3,404	15,020
1958.....	41,219	14,047	9,829	1,759	1,018	4,865	9,699	44,851	15,919	8,567	3,729	16,635
1959 ⁵	45,306	14,983	10,437	1,994	1,001	6,377	10,516	48,887	17,283	9,592	4,019	17,994

¹ Fiscal years not the same for all governments.² Excludes revenues or expenditures of publicly owned utilities and liquor stores, and of insurance-trust activities. Intergovernmental receipts and payments between governments in these categories are also excluded.³ Includes licenses and other taxes and charges and miscellaneous revenues.⁴ Includes expenditures for health, hospitals, police, local fire protection, natural resources, sanitation, housing and community redevelopment, local recreation, general control, interest on general debt, and other and unallocable expenditures.⁵ Includes data for Alaska.

NOTE.—Data are not available for intervening years.

See Table C-47 for net debt of State and local governments.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (Bureau of the Census).

TABLE C-58.—*Relation of profits before and after taxes to stockholders' equity and to sales, private manufacturing corporations, by asset size class, 1957-60*

Period	Asset size class (millions of dollars)											
	All asset sizes		Under 1		1 to 10		10 to 100		100 to 1,000		1,000 and over	
	Ratio of profits (annual rate) to stockholders' equity—percent											
	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes
BASED ON 1945 SIC ¹												
1957:												
First quarter.....	22.5	11.9	15.6	7.8	18.6	8.7	21.4	10.5	22.2	11.6	27.3	16.0
Second quarter.....	21.6	11.6	19.3	10.4	20.2	9.8	21.4	10.7	21.4	11.2	23.1	14.0
Third quarter.....	19.1	10.5	19.6	10.4	19.1	9.3	20.1	10.0	19.7	10.2	17.7	11.8
Fourth quarter.....	16.8	9.8	6.7	1.9	13.0	6.0	17.0	8.9	18.2	10.2	19.3	13.7
1958:												
First quarter.....	12.9	6.8	5.5	.4	9.8	3.5	13.1	6.4	14.2	7.4	14.3	9.5
Second quarter.....	13.9	7.8	11.4	5.4	13.3	6.1	14.4	7.2	15.7	8.4	12.3	8.8
Third quarter.....	15.9	9.0	16.4	9.3	17.1	8.3	16.9	8.5	17.9	9.4	12.3	9.1
Fourth quarter.....	18.8	10.8	7.8	2.5	14.9	7.3	18.5	9.7	20.3	11.3	21.4	14.2
BASED ON 1957 SIC ¹												
1958:												
First quarter.....	12.9	6.8	5.5	.4	9.8	3.5	13.0	6.3	14.2	7.4	14.3	9.5
Second quarter.....	13.9	7.8	11.4	5.4	13.3	6.0	14.4	7.2	15.7	8.3	12.3	8.8
Third quarter.....	15.9	9.0	16.5	9.3	17.1	8.3	16.9	8.5	17.8	9.4	12.3	9.1
Fourth quarter.....	18.8	10.7	7.8	2.5	14.9	7.3	18.5	9.7	20.2	11.2	21.4	14.2
1959:												
First quarter.....	18.7	10.0	12.5	5.7	15.1	6.9	17.5	8.7	19.2	10.1	21.7	12.9
Second quarter.....	23.1	12.4	20.4	11.7	20.2	10.1	22.4	11.4	23.8	12.5	24.5	14.3
Third quarter.....	17.1	9.6	21.1	12.4	19.8	9.9	20.7	10.5	17.6	9.4	12.1	8.6
Fourth quarter.....	16.8	9.6	8.8	3.3	14.6	7.0	19.0	10.0	18.4	10.4	15.9	10.7
1960:												
First quarter.....	18.4	9.8	11.7	5.0	14.1	6.3	17.1	8.4	18.5	9.8	21.9	13.0
Second quarter.....	18.0	9.9	15.2	8.0	16.4	7.6	17.9	9.0	18.3	10.1	19.0	11.5
Third quarter.....	15.4	8.7	16.7	9.0	14.6	6.9	16.3	8.2	16.9	9.1	13.3	9.1
Profits per dollar of sales—cents												
	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes	Before taxes	After taxes
BASED ON 1945 SIC ¹												
1957:												
First quarter.....	9.7	5.1	3.5	1.8	6.6	3.1	9.3	4.6	10.4	5.4	15.4	9.0
Second quarter.....	9.4	5.0	4.2	2.2	6.9	3.3	9.3	4.6	10.0	5.2	14.3	8.6
Third quarter.....	8.5	4.7	4.2	2.2	6.6	3.2	8.9	4.4	9.4	4.9	11.9	7.9
Fourth quarter.....	7.6	4.4	1.5	.4	4.5	2.1	7.7	4.0	8.8	4.9	12.6	9.0
1958:												
First quarter.....	6.4	3.4	1.3	.1	3.8	1.4	6.5	3.2	7.5	3.9	10.6	7.0
Second quarter.....	6.8	3.8	2.5	1.2	5.0	2.3	7.0	3.5	8.0	4.3	9.7	6.9
Third quarter.....	7.7	4.4	3.6	2.1	6.1	2.9	8.1	4.0	8.9	4.7	10.4	7.7
Fourth quarter.....	8.6	4.9	1.6	.5	5.3	2.6	8.5	4.5	9.8	5.4	14.9	9.9
BASED ON 1957 SIC ¹												
1958:												
First quarter.....	6.4	3.4	1.3	.1	3.8	1.4	6.5	3.1	7.5	3.9	10.6	7.0
Second quarter.....	6.8	3.8	2.5	1.2	5.0	2.3	7.0	3.5	8.0	4.2	9.7	6.9
Third quarter.....	7.7	4.4	3.6	2.1	6.1	2.9	8.1	4.0	8.9	4.7	10.4	7.7
Fourth quarter.....	8.6	4.9	1.6	.5	5.3	2.6	8.5	4.5	9.7	5.4	14.9	9.9
1959:												
First quarter.....	8.9	4.7	2.8	1.3	5.4	2.5	8.4	4.2	9.6	5.0	15.2	9.0
Second quarter.....	10.2	5.5	4.2	2.4	6.6	3.3	9.9	5.0	10.9	5.7	16.4	9.6
Third quarter.....	8.2	4.6	4.3	2.5	6.7	3.4	9.5	4.8	8.8	4.7	10.2	7.3
Fourth quarter.....	7.9	4.5	1.8	.7	4.9	2.4	8.7	4.5	9.1	5.1	12.2	8.2
1960:												
First quarter.....	8.7	4.7	2.6	1.1	5.0	2.2	8.1	4.0	9.3	4.9	14.5	8.6
Second quarter.....	8.4	4.6	3.2	1.6	5.6	2.6	8.2	4.1	9.0	5.0	13.2	8.0
Third quarter.....	7.6	4.3	3.5	1.9	5.1	2.4	7.7	3.9	8.7	4.7	10.6	7.3

¹ Standard Industrial Classification.

NOTE.—Data on a comparable basis are not available for earlier periods. For details concerning compilation of the series, see *Quarterly Financial Reports for U.S. Manufacturing Corporations*, Federal Trade Commission and Securities and Exchange Commission.

Data for Alaska and Hawaii included for all periods.

Sources: Federal Trade Commission and Securities and Exchange Commission.

TABLE C-59.—Relation of profits after taxes to stockholders' equity and to sales, private manufacturing corporations, by industry group, 1957-60

Period	Durable goods industries												
	All private manufacturing corporations	Lumber and wood products (except furniture)	Furniture and fixtures	Stone, clay, and glass products	Primary iron and steel industries	Primary non-ferrous metal industries	Fabricated metal products	Machinery (except electrical)	Electrical machinery, equipment, and supplies	Motor vehicles and equipment	Other transportation equipment	Instruments and related products	Miscellaneous manufacturing (including ordnance)
Ratio of profits after Federal taxes (annual rate) to stockholders' equity—percent													
BASED ON 1945 SIC ¹													
1957:													
First quarter....	11.9	2.0	7.3	10.0	13.8	12.4	9.5	12.3	13.9	18.8	14.8	10.6	6.9
Second quarter....	11.6	6.2	9.2	13.7	13.0	9.7	10.9	13.0	12.9	15.3	16.4	12.4	7.5
Third quarter....	10.5	6.5	9.7	13.8	9.9	8.1	11.0	10.1	11.5	9.2	13.9	11.6	10.4
Fourth quarter....	9.8	4.1	7.8	11.9	8.9	7.1	5.8	7.5	11.9	13.6	13.8	13.2	5.8
1958:													
First quarter....	6.8	.2	2.0	4.0	5.3	5.7	4.9	5.7	8.5	8.3	11.0	6.9	1.6
Second quarter....	7.8	3.1	3.4	11.1	6.5	4.6	7.3	7.7	9.2	5.9	9.9	9.3	6.9
Third quarter....	9.0	11.0	8.7	14.9	6.5	5.6	8.8	7.2	10.3	1.6	10.1	12.1	14.7
Fourth quarter....	10.8	8.4	11.1	11.9	10.4	8.0	7.6	7.7	13.2	17.0	10.3	13.1	7.8
BASED ON 1957 SIC ¹													
1958:													
First quarter....	6.8	.2	2.0	3.4	5.3	5.7	5.0	5.6	8.3	8.3	11.6	7.0	3.6
Second quarter....	7.8	3.1	3.4	11.0	6.5	4.6	7.3	7.7	9.1	5.9	10.3	9.6	5.7
Third quarter....	9.0	11.0	8.6	14.7	6.5	5.6	8.8	7.1	9.9	1.5	10.3	12.2	13.7
Fourth quarter....	10.7	8.4	11.0	11.4	10.4	7.9	7.9	7.0	13.4	16.9	10.6	13.6	9.2
1959:													
First quarter....	10.0	6.1	6.2	8.0	11.7	8.2	5.9	7.1	10.7	19.1	7.8	10.8	7.2
Second quarter....	12.4	11.3	9.1	17.4	16.7	10.3	9.7	12.5	12.7	20.5	9.6	12.0	7.1
Third quarter....	9.6	12.9	11.7	15.7	-2.7	6.7	10.9	10.7	12.1	8.0	6.6	14.5	12.4
Fourth quarter....	9.6	7.0	8.3	9.8	6.3	6.7	5.6	8.5	14.3	10.8	6.7	14.8	10.2
1960:													
First quarter....	9.8	3.3	5.5	6.7	12.1	8.0	5.3	8.2	10.4	18.5	6.7	11.6	4.8
Second quarter....	9.9	6.2	5.8	13.1	8.0	8.2	6.9	9.7	10.0	16.1	7.8	12.1	7.6
Third quarter....	8.7	4.6	8.2	11.9	4.0	6.8	7.2	6.9	9.1	6.1	5.3	11.9	11.3
Profits after taxes per dollar of sales—cents													
BASED ON 1945 SIC ¹													
1957:													
First quarter....	5.1	1.0	2.3	6.6	7.1	8.1	3.7	5.3	4.5	6.3	3.2	5.3	2.4
Second quarter....	5.0	2.9	2.8	8.1	7.0	6.6	4.1	5.5	4.3	5.7	3.3	5.8	2.4
Third quarter....	4.7	3.1	3.1	7.8	6.1	6.0	4.2	4.7	4.0	4.0	3.1	5.7	3.2
Fourth quarter....	4.4	2.1	2.4	7.4	5.8	5.5	2.3	3.7	4.0	5.4	2.9	6.0	1.9
1958:													
First quarter....	3.4	.1	.7	3.1	4.2	4.8	2.2	3.1	3.2	3.7	2.6	3.7	.6
Second quarter....	3.8	1.6	1.2	7.3	5.0	3.9	3.1	3.9	3.5	2.9	2.3	4.8	2.3
Third quarter....	4.4	5.0	2.8	8.9	5.0	4.4	3.5	3.9	3.9	1.0	2.5	6.2	4.7
Fourth quarter....	4.9	3.8	3.3	7.6	7.2	5.8	3.0	4.1	4.5	6.8	2.5	6.0	2.6
BASED ON 1957 SIC ¹													
1958:													
First quarter....	3.4	.1	.7	2.7	4.2	4.7	2.3	3.0	3.2	3.7	2.7	3.8	1.5
Second quarter....	3.8	1.6	1.2	7.2	4.9	3.8	3.2	3.9	3.5	2.9	2.3	5.0	2.2
Third quarter....	4.4	5.0	2.8	8.8	5.0	4.4	3.6	3.9	3.9	1.0	2.4	6.3	4.8
Fourth quarter....	4.9	3.8	3.2	7.3	7.1	5.8	3.2	3.7	4.7	6.8	2.5	6.3	3.3
1959:													
First quarter....	4.7	3.0	2.0	5.7	7.1	6.0	2.6	3.8	4.0	7.4	2.0	5.7	2.9
Second quarter....	5.5	4.7	2.8	9.8	8.1	7.0	3.8	5.8	4.5	7.8	2.2	6.0	2.6
Third quarter....	4.6	5.4	3.4	9.1	-3.1	5.1	4.1	5.3	4.4	4.2	1.5	7.3	4.6
Fourth quarter....	4.5	3.2	2.4	6.4	4.8	5.0	2.3	4.3	4.8	5.0	1.5	6.8	3.7
1960:													
First quarter....	4.7	1.7	1.9	5.0	7.0	5.9	2.4	4.2	3.9	6.9	1.6	6.0	2.0
Second quarter....	4.6	2.7	1.9	8.2	5.3	6.0	2.9	4.6	3.6	6.6	1.8	6.2	3.0
Third quarter....	4.3	2.1	2.6	7.4	3.2	5.2	3.0	3.7	3.5	3.5	1.3	6.2	4.1

See footnotes at end of table, p. 195.

TABLE C-59.—*Relation of profits after taxes to stockholders' equity and to sales, private manufacturing corporations, by industry group, 1957-60—Continued*

Period	Nondurable goods industries										
	Food and kindred products	Tobacco manufactures	Textile mill products	Apparel and related products	Paper and allied products	Printing and publishing (except newspapers)	Chemicals and allied products	Petroleum refining	Products of petroleum and coal (except petroleum refining)	Rubber products	Leather and leather products
Ratio of profits after Federal taxes (annual rate) to stockholders' equity—percent											
BASED ON 1945 SIC ¹											
1957:											
First quarter.....	7.4	10.3	4.4	6.7	10.2	12.3	13.7	14.4	4.3	11.5	6.6
Second quarter.....	8.4	11.9	4.4	5.9	9.0	14.8	13.9	11.8	8.2	11.6	6.5
Third quarter.....	10.4	13.9	4.8	9.7	8.7	11.9	13.1	11.1	10.8	10.9	6.9
Fourth quarter.....	8.3	13.8	3.4	3.0	7.8	8.0	12.3	12.5	7.6	10.6	8.0
1958:											
First quarter.....	6.9	11.8	.9	3.4	6.8	8.3	9.9	8.9	— .8	6.7	4.1
Second quarter.....	8.6	13.3	2.7	1.3	7.6	9.3	11.3	8.2	6.2	8.1	3.2
Third quarter.....	9.9	14.5	5.2	9.5	7.4	11.5	12.0	10.4	9.8	11.3	8.4
Fourth quarter.....	9.7	14.3	6.0	5.5	8.7	6.5	13.0	12.3	7.1	12.1	7.0
BASED ON 1957 SIC ¹											
1958:											
First quarter.....	6.8	11.8	.6	3.3	7.0	8.4	9.8	8.9	— 2.4	5.3	4.1
Second quarter.....	8.5	13.3	2.5	1.5	7.9	9.4	11.0	8.2	8.3	8.7	3.2
Third quarter.....	9.8	14.5	5.1	9.4	7.9	11.5	11.8	10.4	12.4	11.5	8.3
Fourth quarter.....	9.7	14.3	5.8	5.5	9.3	6.6	12.8	12.3	6.2	10.8	6.9
1959:											
First quarter.....	7.8	12.0	5.9	8.6	8.5	9.8	13.0	10.1	4.0	10.0	6.9
Second quarter.....	9.5	14.2	8.1	7.5	10.2	12.0	15.6	9.4	13.6	13.1	8.9
Third quarter.....	10.4	14.4	7.6	10.1	9.6	14.9	14.1	9.7	19.3	11.1	8.7
Fourth quarter.....	9.4	12.8	8.6	8.1	9.6	8.8	11.9	10.1	7.2	9.9	9.2
1960:											
First quarter.....	7.6	12.0	6.6	5.2	8.5	11.3	12.5	9.8	.9	9.8	10.4
Second quarter.....	8.8	13.6	6.1	6.9	9.3	10.2	13.6	8.8	8.3	10.5	6.2
Third quarter.....	9.8	13.7	5.7	11.9	8.2	11.8	12.1	10.3	22.1	8.2	3.6
Profits after taxes per dollar of sales—cents											
BASED ON 1945 SIC ¹											
1957:											
First quarter.....	2.0	4.7	2.0	1.4	5.7	4.0	7.8	11.0	2.1	4.4	1.8
Second quarter.....	2.2	4.9	2.0	1.2	4.9	4.8	7.9	10.2	3.6	4.3	1.9
Third quarter.....	2.6	5.5	2.2	1.8	4.9	3.8	7.6	9.8	4.4	4.0	2.0
Fourth quarter.....	2.1	5.4	1.5	.6	4.5	2.5	7.3	11.3	3.4	4.1	2.4
1958:											
First quarter.....	1.8	5.1	.4	.7	4.1	2.8	6.4	8.2	— .5	3.0	1.3
Second quarter.....	2.2	5.2	1.3	.3	4.5	3.3	6.7	8.2	2.9	3.4	1.0
Third quarter.....	2.5	5.5	2.4	1.7	4.3	4.0	7.0	9.9	3.9	4.5	2.4
Fourth quarter.....	2.4	5.6	2.5	1.0	5.0	2.2	7.5	11.3	3.6	4.5	1.9
BASED ON 1957 SIC ¹											
1958:											
First quarter.....	1.8	5.1	.3	.7	4.3	2.9	6.4	8.2	— 1.5	2.2	1.3
Second quarter.....	2.2	5.2	1.2	.3	4.8	3.4	6.7	8.2	3.5	3.3	1.0
Third quarter.....	2.5	5.5	2.3	1.7	4.6	4.1	7.1	9.9	4.2	4.4	2.4
Fourth quarter.....	2.4	5.6	2.4	1.0	5.3	2.3	7.6	11.3	2.9	3.9	1.9
1959:											
First quarter.....	2.1	5.2	2.5	1.6	5.0	3.6	7.7	9.3	1.9	3.9	1.9
Second quarter.....	2.5	5.5	3.2	1.4	5.5	4.2	8.5	9.4	5.7	4.4	2.4
Third quarter.....	2.7	5.6	3.0	1.8	5.2	5.1	8.1	9.5	7.1	4.1	2.2
Fourth quarter.....	2.5	5.2	3.3	1.4	5.2	2.9	7.2	9.9	3.3	3.7	2.4
1960:											
First quarter.....	2.1	5.2	2.8	1.0	4.9	4.0	7.6	9.4	.5	3.8	2.7
Second quarter.....	2.4	5.4	2.5	1.3	5.4	3.6	7.8	8.9	3.2	3.9	1.6
Third quarter.....	2.6	5.5	2.5	2.0	4.8	3.9	7.4	10.2	6.4	3.3	.9

¹ Standard Industrial Classification.

NOTE.—Data on a comparable basis are not available for earlier periods. For explanatory notes concerning compilation of the series, see *Quarterly Financial Reports for U.S. Manufacturing Corporations*, Federal Trade Commission and Securities and Exchange Commission.

Data for Alaska and Hawaii included for all periods.

Sources: Federal Trade Commission and Securities and Exchange Commission.

TABLE C-60.—*Sources and uses of corporate funds, 1949-60*¹

[Billions of dollars]

Source or use of funds	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960 ²
Total uses	16.8	36.5	36.8	27.3	28.2	24.0	45.1	39.5	37.8	31.8	45.3	40.0
Plant and equipment outlays.....	16.3	16.9	21.6	22.4	23.9	22.4	24.2	29.9	32.7	26.4	27.7	31.0
Inventories (book value).....	-3.6	9.8	9.8	1.3	1.8	-1.6	6.7	7.6	2.1	-3.3	5.3	2.0
Customer net receivables ³.....	.9	5.0	2.0	3.1	.7	2.4	6.4	3.3	2.1	4.3	4.3	5.5
Cash and U.S. Government securities.....	3.2	4.5	2.8	.1	1.8	(⁴)	5.0	-4.3	-.3	3.5	3.8	-3.5
Other assets.....	(⁴)	.3	.6	.4	(⁴)	.8	2.8	3.0	1.3	.9	4.2	5.0
Total sources	15.8	35.4	36.9	28.1	30.0	22.4	44.8	42.4	40.1	32.2	46.8	41.0
Internal sources	14.9	20.8	19.0	17.8	19.7	19.8	26.6	27.8	28.0	26.3	30.6	29.5
Retained profits and depletion allowances.....	7.8	13.0	10.0	7.4	7.9	6.3	10.9	10.5	8.9	6.1	9.1	⁵ 6.5
Depreciation and amortization allowances.....	7.1	7.8	9.0	10.4	11.8	13.5	15.7	17.3	19.1	20.2	21.5	23.0
External sources.....	.9	14.6	17.9	10.3	10.3	2.6	18.2	14.6	12.2	6.0	16.1	11.5
Federal income tax liability..	-2.2	7.3	4.3	-3.1	.6	-3.1	3.8	-1.7	-2.2	-2.4	2.4	-1.5
Other liabilities.....	.5	1.0	1.9	2.4	2.2	.4	2.1	3.0	2.1	-.1	1.9	1.5
Bank loans and mortgage loans.....	-2.3	2.6	5.4	3.1	.4	-6	5.4	5.4	1.7	-1.0	3.8	3.5
Net new issues.....	4.9	3.7	6.3	7.9	7.1	5.9	6.9	7.9	10.6	9.5	8.0	8.0
Discrepancy (uses less sources)	1.0	1.1	-.1	-.8	-1.8	1.6	.3	-2.9	-2.3	-.5	-1.5	-1.0

¹ Excludes banks and insurance companies.² Preliminary estimates.³ Receivables are net of payables, which are therefore not shown separately.⁴ Less than \$50 million.⁵ Preliminary estimate by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce based on Securities and Exchange Commission and other financial data (except as noted).

TABLE C-61.—Current assets and liabilities of United States corporations, 1939-60¹

[Billions of dollars]

End of period	Current assets						Current liabilities					Net working capital	
	Total	Cash on hand and in banks	U.S. Government securities	Receivables from U.S. Government ¹	Other notes and accounts receivable	Inventories	Other current assets ²	Total	Advances and prepayments, U.S. Government ²	Other notes and accounts payable	Federal income tax liabilities		Other current liabilities
1939.....	54.5	10.8	2.2	-----	22.1	18.0	1.4	30.0	-----	21.9	1.2	6.9	24.5
1940.....	60.3	13.1	2.0	0.1	23.9	19.8	1.5	32.8	0.6	22.6	2.5	7.1	27.5
1941.....	72.9	13.9	4.0	.6	27.4	25.6	1.4	40.7	.8	25.6	7.1	7.2	32.3
1942.....	83.6	17.6	10.1	4.0	23.3	27.3	1.3	47.3	2.0	24.0	12.6	8.7	36.3
1943.....	93.8	21.6	16.4	5.0	21.9	27.6	1.3	51.6	2.2	24.1	16.6	8.7	42.1
1944.....	97.2	21.6	20.9	4.7	21.8	26.8	1.4	51.7	1.8	25.0	15.5	9.4	45.6
1945.....	97.4	21.7	21.1	2.7	23.2	26.3	2.4	45.8	.9	24.8	10.4	9.7	51.6
1946.....	108.1	22.8	15.3	.7	30.0	37.6	1.7	51.9	.1	31.5	8.5	11.8	56.2
1947.....	123.6	25.0	14.1	38.3	-----	44.6	1.6	61.5	37.6	-----	10.7	13.2	62.1
1948.....	133.0	25.3	14.8	42.4	-----	48.9	1.6	64.4	39.3	-----	11.5	13.5	68.6
1949.....	133.1	26.5	16.8	43.0	-----	45.3	1.4	60.7	37.5	-----	9.3	14.0	72.4
1950.....	161.5	28.1	19.7	1.1	55.7	55.1	1.7	79.8	.4	47.9	16.7	14.9	81.6
1951.....	179.1	30.0	20.7	2.7	58.8	64.9	2.1	92.6	1.3	53.6	21.3	16.5	86.5
1952.....	186.2	30.8	19.9	2.8	64.6	65.8	2.4	96.1	2.3	57.0	18.1	18.7	90.1
1953.....	190.6	31.1	21.5	2.6	65.9	67.2	2.4	98.9	2.2	57.3	18.7	20.7	91.8
1954.....	194.6	33.4	19.2	2.4	71.2	65.3	3.1	99.7	2.4	59.3	15.5	22.5	94.9
1955.....	224.0	34.6	23.5	2.3	86.6	72.8	4.2	121.0	2.3	73.8	19.3	25.7	103.0
1956.....	237.9	34.8	19.1	2.6	95.1	80.4	5.9	130.5	2.4	81.5	17.6	29.0	107.4
1957.....	244.7	34.9	18.6	2.8	99.4	82.2	6.7	133.1	2.3	84.3	15.4	31.1	111.6
1958.....	246.4	37.3	19.6	2.8	102.1	77.5	7.0	126.7	1.7	81.0	13.0	31.0	119.7
1959.....	268.3	37.2	23.5	2.9	112.7	83.6	8.3	139.5	1.7	89.4	15.4	32.9	128.8
1958:													
First quarter.....	237.5	32.5	17.4	2.7	96.5	81.4	7.0	124.3	2.1	79.5	12.2	30.4	113.2
Second quarter.....	235.5	34.4	15.3	2.6	97.8	78.3	7.1	120.7	1.9	78.2	9.6	30.8	114.8
Third quarter.....	240.4	35.4	16.3	2.7	101.7	77.2	7.2	123.5	1.8	79.4	11.1	31.2	116.9
Fourth quarter.....	246.4	37.3	19.6	2.8	102.1	77.5	7.0	126.7	1.7	81.0	13.0	31.0	119.7
1959:													
First quarter.....	249.8	34.5	21.0	2.8	103.8	80.0	7.8	127.6	1.7	81.5	12.6	31.9	122.2
Second quarter.....	257.6	35.8	21.5	2.7	107.7	81.7	8.3	132.4	1.7	84.3	13.5	32.9	125.3
Third quarter.....	262.1	35.5	22.9	2.7	110.6	82.1	8.4	135.2	1.7	85.8	14.4	33.3	126.9
Fourth quarter.....	268.3	37.2	23.5	2.9	112.7	83.6	8.3	139.5	1.7	89.4	15.4	32.9	128.8
1960:													
First quarter.....	270.2	33.8	23.4	2.9	113.6	87.2	9.4	139.6	1.8	89.8	14.0	34.0	130.7
Second quarter.....	271.5	34.5	21.7	2.9	115.6	87.4	9.5	140.3	1.8	91.0	13.0	34.6	131.2
Third quarter.....	273.9	35.0	20.3	2.9	118.2	87.8	9.6	141.4	1.8	91.3	13.4	34.9	132.5

¹ All United States corporations, excluding banks, savings and loan associations, and insurance companies. Year-end data through 1957 are based on *Statistics of Income* (Treasury Department), covering virtually all corporations in the United States. *Statistics of Income* data may not be strictly comparable from year to year because of changes in the tax laws, basis for filing returns, and processing of data for compilation purposes. All other figures shown are estimates based on data compiled from many different sources, including data on corporations registered with the Securities and Exchange Commission. As more complete information becomes available, estimates are revised.

² Receivables from and payables to U.S. Government do not include amounts offset against each other on the corporation's books or amounts arising from subcontracting which are not directly due from or to the U.S. Government. Wherever possible, adjustments have been made to include U.S. Government advances offset against inventories on the corporation's books.

³ Includes marketable securities other than U.S. Government.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

TABLE C-62.—State and municipal and corporate securities offered, 1934-60¹

[Millions of dollars]

Period	State and municipal securities offered for cash (principal amounts)	Corporate securities offered for cash ²									
		Gross proceeds ³				Proposed uses of net proceeds ⁴					
		Total	Common stock	Preferred stock	Bonds and notes	Total	New money			Retirement of securities	Other purposes
							Total	Plant and equipment	Working capital		
1934.....	939	397	19	6	371	384	57	32	26	231	95
1935.....	1,232	2,332	22	86	2,225	2,266	208	111	96	1,865	193
1936.....	1,121	4,572	272	271	4,029	4,431	858	380	478	3,368	204
1937.....	908	2,310	285	406	1,618	2,239	991	574	417	1,100	148
1938.....	1,108	2,155	25	86	2,044	2,110	681	504	177	1,206	222
1939.....	1,128	2,164	87	98	1,980	2,115	325	170	155	1,695	95
1940.....	1,238	2,677	108	183	2,386	2,615	569	424	145	1,854	192
1941.....	956	2,667	110	167	2,390	2,623	868	661	207	1,583	172
1942.....	524	1,062	34	112	917	1,043	474	287	187	396	173
1943.....	435	1,170	56	124	990	1,147	308	141	167	739	100
1944.....	661	3,202	163	369	2,669	3,142	657	252	405	2,389	96
1945.....	795	6,011	397	758	4,855	5,902	1,080	638	442	4,555	267
1946.....	1,157	6,900	891	1,127	4,882	6,757	3,279	2,115	1,164	2,868	610
1947.....	2,324	6,577	779	762	5,036	6,466	4,591	3,409	1,182	1,852	524
1948.....	2,690	7,078	614	492	5,973	6,959	5,929	4,221	1,708	307	722
1949.....	2,907	6,052	736	425	4,890	5,959	4,606	3,724	882	401	952
1950.....	3,532	6,361	811	631	4,920	6,261	4,006	2,966	1,041	1,271	984
1951.....	3,189	7,741	1,212	838	5,691	7,607	6,531	5,110	1,421	496	589
1952.....	4,401	9,534	1,369	564	7,601	9,380	8,180	6,312	1,868	664	537
1953.....	5,558	8,898	1,326	489	7,083	8,755	7,960	5,647	2,313	260	535
1954.....	6,969	9,516	1,213	816	7,488	9,365	6,780	5,110	1,670	1,875	709
1955.....	5,977	10,240	2,185	635	7,420	10,049	7,957	5,333	2,624	1,227	864
1956.....	5,446	10,939	2,801	636	8,002	10,749	9,663	6,709	2,954	364	721
1957.....	6,958	12,884	2,516	411	9,957	12,661	11,784	9,040	2,744	214	663
1958.....	7,449	11,558	1,534	571	9,653	11,372	9,907	7,792	2,115	549	915
1959.....	7,681	9,748	2,027	531	7,190	9,527	8,578	6,084	2,494	135	814
1960 ⁵	7,212	10,248	1,675	388	8,184	10,015	9,014	5,804	3,210	262	739
1958:											
First quarter...	2,206	3,318	289	182	2,846	3,273	3,066	2,566	501	134	73
Second quarter...	2,228	2,898	216	154	2,528	2,848	2,281	1,933	347	225	342
Third quarter...	1,688	2,910	345	104	2,461	2,862	2,535	1,900	635	101	225
Fourth quarter...	1,347	2,432	484	131	1,818	2,389	2,025	1,393	633	89	275
1959:											
First quarter...	2,157	2,282	518	142	1,622	2,232	1,899	1,367	531	28	306
Second quarter...	2,504	2,665	639	173	1,854	2,603	2,414	1,712	702	36	153
Third quarter...	1,500	2,062	333	63	1,666	2,016	1,817	1,096	721	37	162
Fourth quarter...	1,520	2,739	537	154	2,048	2,675	2,448	1,909	539	33	195
1960:											
First quarter...	1,885	2,283	429	100	1,753	2,233	2,020	1,184	835	82	132
Second quarter...	2,252	2,521	578	95	1,848	2,451	2,184	1,424	760	84	183
Third quarter...	1,764	2,518	330	112	2,076	2,467	2,262	1,499	763	41	164
Fourth quarter ⁵ ...	1,311	2,926	338	81	2,507	2,863	2,548	1,696	852	55	260

¹ These data cover substantially all new issues of State, municipal, and corporate securities offered for cash sale in the United States in amounts over \$100,000 and with terms to maturity of more than 1 year.

² Excludes notes issued exclusively to commercial banks, intercorporate transactions, sales of investment company issues, and issues to be sold over an extended period, such as offerings under employee-purchase plans.

³ Number of units multiplied by offering price.

⁴ Net proceeds represents the amount received by the issuer after payment of compensation to distributors and other costs of flotation.

⁵ Preliminary.

NOTE.—Data for Alaska and Hawaii included for all periods.

Detail will not necessarily add to totals because of rounding.

Sources: Securities and Exchange Commission, *The Commercial and Financial Chronicle*, and *The Bond Buyer*.

TABLE C-63.—Common stock prices and earnings and stock market credit, 1939-60

Period	Common stock prices index, 1957-59=100 (SEC) ¹	Common stock price/earnings ratio—industrials (Standard & Poor's) ²	Stock market credit			
			Customer credit (excluding U.S. Government securities)			Bank loans to brokers and dealers ³
			Total	Net debit balances ⁴	Bank loans to "others" ⁴	
Millions of dollars						
1939.....	26.8	12.17	(⁵)	(⁵)	(⁵)	715
1940.....	25.3	11.03	(⁵)	(⁵)	(⁵)	584
1941.....	23.0	9.65	(⁵)	(⁵)	(⁵)	535
1942.....	20.1	10.14	(⁵)	(⁵)	(⁵)	850
1943.....	26.6	17.58	(⁵)	(⁵)	(⁵)	1,328
1944.....	29.0	16.95	(⁵)	(⁵)	353	2,137
1945.....	35.2	22.99	1,374	942	432	2,782
1946.....	40.1	11.01	976	473	503	1,471
1947.....	35.1	9.14	1,032	517	515	784
1948.....	35.6	5.86	968	499	469	1,331
1949.....	34.3	6.76	1,249	821	428	1,608
1950.....	41.4	7.51	1,798	1,237	561	1,742
1951.....	49.6	9.62	1,826	1,253	573	1,419
1952.....	52.3	10.22	1,980	1,332	648	2,002
1953.....	51.9	9.68	2,445	1,665	780	2,248
1954.....	61.7	12.17	3,436	2,388	1,048	2,688
1955.....	81.8	12.65	4,030	2,791	1,239	2,852
1956.....	92.6	13.54	3,984	2,823	1,161	2,214
1957.....	89.8	12.91	3,576	2,482	1,094	2,190
1958.....	93.2	17.71	4,537	3,285	1,252	2,569
1959.....	116.7	19.79	4,454	3,280	1,174	2,579
1960.....	113.9	-----	-----	-----	1,184	2,610
1959: January.....	112.5	-----	4,597	3,297	1,300	2,146
February.....	111.1	-----	4,569	3,253	1,316	1,939
March.....	113.9	16.08	4,636	3,305	1,331	1,852
April.....	115.8	-----	4,764	3,401	1,363	2,226
May.....	117.7	-----	4,758	3,385	1,373	2,075
June.....	116.7	15.82	4,734	3,388	1,346	2,017
July.....	121.3	-----	4,648	3,374	1,274	2,106
August.....	120.7	-----	4,528	3,269	1,259	2,103
September.....	116.3	19.06	4,443	3,250	1,193	2,061
October.....	116.3	-----	4,401	3,210	1,191	2,115
November.....	116.5	-----	4,460	3,273	1,187	2,087
December.....	120.5	19.79	4,454	3,280	1,174	2,579
1960: January.....	117.6	-----	4,365	3,198	1,167	1,917
February.....	114.1	-----	4,274	3,129	1,145	1,811
March.....	112.1	15.87	4,158	3,028	1,130	1,479
April.....	113.5	-----	4,153	3,037	1,116	1,812
May.....	113.2	-----	4,132	3,021	1,111	1,588
June.....	117.0	17.80	4,214	3,082	1,132	1,665
July.....	114.5	-----	4,133	3,004	1,129	1,658
August.....	115.6	-----	4,243	3,109	1,134	1,860
September.....	112.1	18.17	4,282	3,137	1,145	2,058
October.....	109.1	-----	4,294	3,133	1,161	1,957
November.....	112.6	-----	4,294	3,141	1,153	1,851
December.....	115.2	-----	-----	-----	1,184	2,610

¹ Based on 300 stocks.² Based on 50 stocks for 1939-56 and 425 stocks beginning 1957. Ratio is obtained by dividing the stock price index as of the end of the period by the seasonally adjusted annual rate of earnings for the quarter then ending.³ As reported by member firms of the New York Stock Exchange carrying margin accounts. Includes net debit balances of all customers (other than general partners in the reporting firm and member firms of national exchanges) whose combined accounts net to a debit. Balances secured by U.S. Government obligations are excluded. Data are for end of period.⁴ Loans by weekly reporting member banks to others than brokers and dealers for purchasing or carrying securities except U.S. Government obligations. From 1953 through June 1959, loans for purchasing or carrying U.S. Government securities were reported separately only by New York and Chicago banks. Accordingly, for that period any loans for purchasing or carrying such securities at other reporting banks are included. Series also revised beginning July 1946, March 1953, and July 1958. Data are for last Wednesday of period. For details, see *Federal Reserve Bulletin*, August 1959.⁵ Loans by weekly reporting member banks for purchasing or carrying securities, including U.S. Government obligations. Series revised beginning July 1946, January 1952, July 1958, and July 1959. Data are for last Wednesday of period. For details, see *Federal Reserve Bulletin*, August 1959.⁶ Not available.

Sources: Securities and Exchange Commission, Board of Governors of the Federal Reserve System, Standard & Poor's Corporation, and New York Stock Exchange.

TABLE C-64.—Business population and business failures, 1929-60

Period	Operating businesses and business turnover (thousands of firms) ¹			New business incorporations (number) ²	Business failures ^{3,4}						
	Operating businesses ²	New businesses ²	Discontinued businesses ²		Business failure rate ⁴	Number of failures			Amount of current liabilities (millions of dollars)		
						Total	Liability size class		Total	Liability size class	
							Under \$100,000	\$100,000 and over		Under \$100,000	\$100,000 and over
1929.....	3,029	(⁵)	(⁵)	(⁵)	103.9	22,909	22,165	744	483.3	261.5	221.8
1930.....	2,994	(⁵)	(⁵)	(⁵)	121.6	26,355	25,408	947	668.3	303.5	364.8
1931.....	2,916	(⁵)	(⁵)	(⁵)	133.4	28,285	27,230	1,055	736.3	354.2	382.2
1932.....	2,828	(⁵)	(⁵)	(⁵)	154.1	31,822	30,197	1,625	928.3	432.6	495.7
1933.....	2,782	(⁵)	(⁵)	(⁵)	100.3	19,859	18,880	979	457.5	215.5	242.0
1934.....	2,884	(⁵)	(⁵)	(⁵)	61.1	12,091	11,421	670	334.0	138.5	195.4
1935.....	2,992	(⁵)	(⁵)	(⁵)	61.7	12,244	11,691	553	310.6	135.5	175.1
1936.....	3,070	(⁵)	(⁵)	(⁵)	47.8	9,607	9,285	322	203.2	102.8	100.4
1937.....	3,136	(⁵)	(⁵)	(⁵)	45.9	9,490	9,203	287	183.3	101.9	81.4
1938.....	3,074	(⁵)	(⁵)	(⁵)	61.1	12,836	12,553	283	246.5	140.1	106.4
1939.....	3,222	(⁵)	(⁵)	(⁵)	69.6	14,768	14,541	227	182.5	132.9	49.7
1940.....	3,319	275	318	(⁵)	63.0	13,619	13,400	219	166.7	119.9	46.8
1941.....	3,276	290	271	(⁵)	54.5	11,848	11,685	163	136.1	100.7	35.4
1942.....	3,295	121	386	(⁵)	44.6	9,405	9,282	123	100.8	80.3	20.5
1943.....	3,030	146	337	(⁵)	16.4	3,221	3,155	66	45.3	30.2	15.1
1944.....	2,839	331	175	(⁵)	6.5	1,222	1,176	46	31.7	14.5	17.1
1945.....	2,995	423	176	(⁵)	4.2	809	759	50	30.2	11.4	18.8
1946.....	3,242	617	209	132,916	5.2	1,129	1,002	127	67.3	15.7	51.6
1947.....	3,651	461	239	112,638	14.3	3,474	3,103	371	204.6	63.7	140.9
1948.....	3,873	393	282	96,101	20.4	5,250	4,853	397	234.6	93.9	140.7
1949.....	3,984	331	306	85,491	34.4	9,246	8,708	538	308.1	161.4	146.7
1950.....	4,009	348	290	92,925	34.3	9,162	8,746	416	248.3	151.2	97.1
1951.....	4,067	327	276	83,649	30.7	8,058	7,626	432	259.5	131.6	128.0
1952.....	4,118	346	278	92,819	28.7	7,611	7,081	530	283.3	131.9	151.4
1953.....	4,188	352	299	102,545	33.2	8,862	8,075	787	394.2	167.5	226.6
1954.....	4,240	366	319	117,164	42.0	11,086	10,226	860	462.6	211.4	251.2
1955.....	4,287	408	314	139,651	41.6	10,969	10,113	856	449.4	206.4	243.0
1956.....	4,381	431	342	140,775	48.0	12,686	11,615	1,071	562.7	239.8	322.9
1957.....	4,471	398	335	136,697	51.7	13,739	12,547	1,192	615.3	267.1	348.2
1958.....	4,533	397	347	150,280	55.9	14,964	13,499	1,465	728.3	297.6	430.7
1959.....	4,583	423	347	193,070	51.8	14,053	12,707	1,346	692.8	278.9	413.9
1960.....	4,659	-----	-----	182,443	57.0	15,445	13,650	1,795	938.6	327.2	611.4
1959: January.....	4,595	-----	-----	18,842	51.1	1,273	1,136	137	73.6	23.9	49.7
February.....	-----	-----	-----	15,791	50.9	1,161	1,047	114	58.6	21.6	37.0
March.....	-----	-----	-----	18,176	50.4	1,263	1,143	120	65.1	25.4	39.7
April.....	4,615	-----	-----	17,615	52.0	1,292	1,153	139	71.9	24.4	47.5
May.....	-----	-----	-----	16,721	48.3	1,135	1,036	99	50.9	22.6	28.3
June.....	-----	-----	-----	16,208	53.8	1,244	1,147	97	49.2	25.8	23.4
July.....	4,635	-----	-----	16,650	49.2	1,071	962	109	51.2	22.8	28.4
August.....	-----	-----	-----	14,406	53.3	1,135	1,048	87	54.5	22.2	32.3
September.....	-----	-----	-----	14,664	58.4	1,144	1,026	118	54.7	22.3	32.5
October.....	4,655	-----	-----	14,526	50.5	1,125	1,044	81	50.4	23.4	27.0
November.....	-----	-----	-----	13,015	55.4	1,130	1,020	110	53.2	23.5	29.7
December.....	-----	-----	-----	16,456	49.6	1,080	945	135	59.6	21.1	38.4
1960: January.....	4,670	-----	-----	18,189	51.0	1,181	1,055	126	53.7	24.6	29.0
February.....	-----	-----	-----	14,669	50.7	1,214	1,091	123	60.9	24.4	36.6
March.....	-----	-----	-----	17,437	51.1	1,335	1,172	163	70.2	27.0	43.2
April.....	4,690	-----	-----	15,446	54.9	1,370	1,235	135	69.2	28.9	40.3
May.....	-----	-----	-----	15,530	64.1	1,273	1,153	120	73.3	27.8	45.5
June.....	-----	-----	-----	16,676	57.2	1,334	1,157	177	126.4	26.5	100.0
July.....	4,710	-----	-----	14,676	54.8	1,146	1,008	138	61.7	23.1	38.6
August.....	-----	-----	-----	14,993	59.6	1,315	1,137	178	97.6	27.4	70.2
September.....	-----	-----	-----	14,007	65.2	1,269	1,118	151	80.6	28.6	52.0
October.....	4,785	-----	-----	13,760	63.5	1,344	1,192	152	81.5	28.6	52.9
November.....	-----	-----	-----	12,412	62.0	1,311	1,126	185	84.5	28.9	55.6
December.....	-----	-----	-----	14,648	63.4	1,353	1,206	147	79.0	31.5	47.5

¹ Excludes firms in the fields of agriculture and professional services. Includes self-employed person only if he has either an established place of business or at least one paid employee. Series revised beginning 1951.

² Data through 1939 are averages of end-of-quarter estimates centered at June 30. Beginning 1940, data are for beginning of period. Quarterly data shown here are seasonally adjusted.

³ Total for period.

⁴ Commercial and industrial failures only. Excludes failures of banks and railroads and, beginning 1933, of real estate, insurance, holding, and financial companies, steamship lines, travel agencies, etc.

⁵ Failure rate per 10,000 listed enterprises. Monthly data are seasonally adjusted.

⁶ Not available.

⁷ Series revised; not strictly comparable with earlier data.

⁸ Beginning January 1959, data for Hawaii are included. Total for 1958 including Hawaii is 150,781.

⁹ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Dun & Bradstreet, Inc.

AGRICULTURE

TABLE C-65.—*Income of the farm population, 1929-60*

Period	Income received by total farm population				Income received by farm operators from farming						Net income per farm including net inventory change ⁴		Income from all sources per person ⁷
	From all sources	From agricultural sources		From non-agricultural sources	Realized gross		Production expenses	Net					
		Total ¹	Farm wages ²		Total ³	Cash receipts from marketing		Excluding inventory change	Including net inventory change ⁵				
										Current prices	1960 prices ⁶		
	Billions of dollars									Dollars			
1929.....	(⁵)	7.0	0.9	(⁵)	13.9	11.3	7.6	6.3	6.1	943	1,779	(⁵)	
1930.....	(⁵)	5.1	.8	(⁵)	11.4	9.1	6.9	4.5	4.3	650	1,300	(⁵)	
1931.....	(⁵)	4.0	.6	(⁵)	8.4	6.4	5.5	2.9	3.3	506	1,177	(⁵)	
1932.....	(⁵)	2.5	.5	(⁵)	6.4	4.7	4.4	1.9	2.0	305	824	(⁵)	
1933.....	(⁵)	3.0	.4	(⁵)	7.1	5.3	4.3	2.8	2.6	382	1,032	(⁵)	
1934.....	5.3	3.4	.5	1.9	8.5	6.4	4.7	3.9	2.9	434	1,033	165	
1935.....	7.9	5.9	.6	2.0	9.7	7.1	5.1	4.6	5.3	778	1,809	244	
1936.....	7.3	5.0	.6	2.3	10.7	8.4	5.6	5.1	4.3	643	1,495	228	
1937.....	9.3	6.8	.7	2.5	11.3	8.9	6.1	5.2	6.0	911	2,070	296	
1938.....	7.4	5.1	.7	2.3	10.1	7.7	5.8	4.3	4.4	675	1,607	239	
1939.....	7.7	5.2	.7	2.5	10.6	7.9	6.2	4.4	4.5	697	1,700	249	
1940.....	8.0	5.3	.7	2.7	11.0	8.4	6.7	4.3	4.6	720	1,714	262	
1941.....	10.6	7.5	.9	3.1	13.8	11.1	7.7	6.2	6.6	1,044	2,320	349	
1942.....	14.9	11.1	1.2	3.8	18.8	15.6	9.9	8.8	9.9	1,600	3,137	509	
1943.....	17.4	13.2	1.4	4.2	23.4	19.6	11.5	11.9	11.8	1,942	3,407	654	
1944.....	17.8	13.4	1.5	4.4	24.4	20.5	12.2	12.2	11.8	1,967	3,278	696	
1945.....	18.2	14.0	1.6	4.2	25.8	21.7	12.9	12.8	12.4	2,080	3,302	720	
1946.....	21.4	17.0	1.8	4.3	29.7	24.8	14.5	15.2	15.3	2,574	3,677	806	
1947.....	22.4	17.5	1.9	4.9	34.4	29.6	17.0	17.3	15.5	2,648	3,229	825	
1948.....	24.9	19.8	2.0	5.1	34.9	30.2	18.9	16.1	17.8	3,065	3,523	962	
1949.....	19.9	14.7	1.8	5.2	31.8	27.8	18.0	13.8	12.9	2,259	2,689	767	
1950.....	21.0	15.7	1.7	5.3	32.5	28.5	19.3	13.2	14.0	2,479	2,916	838	
1951.....	23.7	18.1	1.8	5.6	37.3	33.0	22.2	15.2	16.3	2,951	3,208	983	
1952.....	23.4	17.3	1.9	6.1	37.0	32.6	22.6	14.4	15.3	2,829	3,042	962	
1953.....	21.1	15.1	1.8	6.0	36.3	31.1	21.4	13.9	13.3	2,502	2,690	931	
1954.....	20.2	14.4	1.8	5.8	33.9	30.0	21.7	12.2	12.7	2,440	2,624	916	
1955.....	19.8	13.5	1.7	6.3	33.3	29.6	21.9	11.5	11.8	2,313	2,487	883	
1956.....	20.1	13.4	1.7	6.7	34.6	30.6	22.6	12.0	11.6	2,338	2,487	897	
1957.....	20.2	13.6	1.8	6.6	34.4	29.8	23.4	11.0	11.8	2,426	2,501	933	
1958.....	22.2	15.8	1.8	6.4	38.2	33.5	25.2	13.0	14.0	2,982	2,982	1,039	
1959.....	20.4	13.6	1.8	6.8	37.5	33.1	26.2	11.3	11.8	2,548	2,574	966	
1960 ⁸	20.7	13.8	1.8	6.9	37.9	33.7	26.3	11.6	12.0	2,640	2,640	(⁵)	
Seasonally adjusted annual rates													
1959:													
First quarter.....	(⁵)	(⁵)	(⁵)	(⁵)	38.5	34.0	26.2	12.3	13.0	2,800	2,830	(⁵)	
Second quarter.....	(⁵)	(⁵)	(⁵)	(⁵)	37.8	33.5	26.3	11.5	12.0	2,590	2,620	(⁵)	
Third quarter.....	(⁵)	(⁵)	(⁵)	(⁵)	36.7	32.4	26.1	10.6	11.1	2,390	2,410	(⁵)	
Fourth quarter.....	(⁵)	(⁵)	(⁵)	(⁵)	36.9	32.7	26.1	10.8	11.2	2,410	2,410	(⁵)	
1960:													
First quarter.....	(⁵)	(⁵)	(⁵)	(⁵)	36.5	32.3	26.3	10.2	10.6	2,330	2,330	(⁵)	
Second quarter.....	(⁵)	(⁵)	(⁵)	(⁵)	38.3	34.1	26.5	11.8	12.1	2,670	2,670	(⁵)	
Third quarter.....	(⁵)	(⁵)	(⁵)	(⁵)	38.1	34.0	26.2	11.9	12.2	2,690	2,690	(⁵)	
Fourth quarter.....	(⁵)	(⁵)	(⁵)	(⁵)	38.6	34.3	26.2	12.4	12.8	2,820	2,820	(⁵)	

¹ Net income of farm operators from farming (including net inventory change) and farm wages as shown.

² Farm wages received by farm resident workers.

³ Cash receipts from marketings, Government payments, and nonmoney income furnished by farms.

⁴ Includes net change in inventory of crops and livestock valued at the average price for the year. Data prior to 1946 differ from farm proprietors' income shown in Tables C-9 and C-12 because of revisions by the Department of Agriculture not yet incorporated into the national income accounts of the Department of Commerce.

⁵ Based on estimated number of farms as reported by the Department of Agriculture according to 1954 Census definition (see footnote 1, Table C-70).

⁶ Income in current prices divided by the index of prices paid by farmers for family living items on a 1960 base.

⁷ Based on farm population as defined in 1950 Census of Population. See footnote 1, Table C-69.

⁸ Not available.

⁹ Preliminary.

Note.—Detail will not necessarily add to totals because of rounding.

Source: Department of Agriculture.

TABLE C-66.—Indexes of prices received and prices paid by farmers, and parity ratio, 1929-60

[1910-14=100]

Period	Prices received by farmers											
	All farm products ¹	Crops							Livestock and products			
		All crops ¹	Food grains	Feed grains and hay		Cotton	Tobacco	Oil-bearing crops	All live-stock and products ¹	Meat animals	Dairy products	Poultry and eggs
				Total	Feed grains							
1929.....	148	135	116	118	124	150	171	143	159	155	166	161
1930.....	125	115	93	106	109	104	140	111	134	133	142	128
1931.....	87	75	56	74	71	64	98	73	98	91	111	98
1932.....	65	57	44	48	44	49	84	44	72	63	86	81
1933.....	70	71	66	57	57	68	107	57	70	59	87	74
1934.....	90	98	90	95	97	101	156	103	81	68	101	89
1935.....	109	103	97	107	112	98	171	127	114	115	114	116
1936.....	114	108	108	103	110	99	163	120	119	118	125	115
1937.....	122	118	120	125	135	94	200	129	126	130	131	111
1938.....	97	80	75	71	73	70	173	95	112	113	115	110
1939.....	95	82	72	72	72	74	152	96	107	110	110	96
1940.....	100	90	84	85	86	83	134	103	109	108	120	98
1941.....	124	108	97	92	94	111	157	138	138	143	140	122
1942.....	159	145	120	115	117	156	247	183	171	186	163	152
1943.....	193	187	148	152	156	167	319	202	198	203	198	191
1944.....	197	199	166	172	175	172	348	222	196	190	222	177
1945.....	207	202	172	167	168	179	360	228	211	207	229	198
1946.....	236	228	201	202	212	238	376	260	242	248	268	201
1947.....	276	263	271	256	275	274	374	363	288	329	273	223
1948.....	287	255	250	258	273	272	380	351	315	361	301	242
1949.....	250	224	218	177	176	246	398	242	272	311	252	221
1950.....	258	233	224	193	198	282	402	276	280	340	249	186
1951.....	302	265	243	226	237	336	436	339	336	409	286	228
1952.....	288	267	244	234	242	310	432	296	306	353	303	206
1953.....	255	240	234	206	212	268	433	279	268	288	267	221
1954.....	246	242	232	203	209	274	443	304	249	283	246	178
1955.....	232	231	228	183	187	272	437	249	234	246	247	191
1956.....	230	235	224	182	186	268	452	255	226	235	255	176
1957.....	235	225	225	166	169	263	466	244	244	275	259	162
1958.....	250	223	208	154	156	253	482	225	273	335	254	169
1959.....	240	221	202	156	157	266	506	219	256	313	256	142
1960.....	238	221	203	151	150	253	496	214	252	296	258	158
1959:												
January.....	244	213	199	152	153	239	499	218	271	330	284	160
February.....	243	216	202	154	155	243	505	221	266	324	258	158
March.....	244	219	205	155	157	258	505	223	265	329	250	153
April.....	244	223	205	161	164	267	508	225	262	336	241	136
May.....	244	228	205	163	167	272	508	230	258	338	233	125
June.....	242	229	199	163	168	277	509	228	253	330	231	125
July.....	241	226	199	161	164	289	508	222	253	316	242	140
August.....	239	220	201	159	161	281	511	214	255	314	252	139
September.....	240	220	198	156	157	280	511	204	257	308	267	143
October.....	235	218	203	149	148	274	509	208	250	292	277	136
November.....	231	217	206	150	149	280	499	216	243	276	280	139
December.....	230	218	206	149	146	254	494	215	240	268	273	148
1960:												
January.....	232	220	206	151	148	248	484	216	242	279	266	144
February.....	233	218	208	153	150	237	494	216	245	287	261	142
March.....	241	222	210	153	150	238	494	213	257	309	256	153
April.....	242	225	209	158	155	244	494	216	257	310	244	163
May.....	241	228	209	158	158	248	494	218	252	310	237	153
June.....	236	221	199	158	159	251	494	216	248	305	234	148
July.....	238	226	194	156	158	265	493	213	249	302	244	148
August.....	234	218	196	152	153	273	479	211	247	290	254	152
September.....	237	222	197	152	153	271	502	208	251	285	269	162
October.....	240	220	200	147	146	267	508	209	258	288	278	175
November.....	241	218	204	136	132	254	502	213	261	289	281	180
December.....	242	217	204	141	137	243	520	217	263	296	278	178

See footnotes at end of table, p. 203.

TABLE C-66.—Indexes of prices received and prices paid by farmers, and parity ratio, 1929-60—Continued

[1910-14=100]

Period	Prices paid by farmers										Parity ratio ⁵	
	All items, interest, taxes, and wage rates (parity index)	Commodities and services							Inter-est ²	Taxes ³		Wage rates ⁴
		All items	Family living items	Production items								
				All production items ¹	Feed	Motor vehicles	Farm machinery	Fertilizer				
1929.....	160	150	154	146	136	148	153	130	213	279	186	92
1930.....	151	140	144	135	122	144	152	126	206	281	177	83
1931.....	130	119	124	113	86	143	150	114	197	277	139	67
1932.....	112	102	106	99	64	141	142	100	185	254	104	58
1933.....	109	104	108	99	73	140	138	93	164	220	88	64
1934.....	120	118	122	114	103	148	144	105	147	188	99	75
1935.....	124	123	124	122	106	150	148	104	135	178	107	88
1936.....	124	123	124	122	109	157	150	98	125	180	114	92
1937.....	131	130	128	132	124	162	153	103	117	181	129	93
1938.....	124	122	122	122	93	172	158	102	110	187	130	78
1939.....	123	121	120	121	93	165	155	101	106	185	127	77
1940.....	124	122	121	123	100	163	153	98	102	189	129	81
1941.....	133	130	130	130	108	172	155	98	98	187	151	93
1942.....	152	149	149	148	132	186	164	109	94	189	197	105
1943.....	171	165	165	164	156	195	170	116	84	185	262	113
1944.....	182	174	175	173	173	211	174	118	79	185	318	108
1945.....	190	179	182	176	172	218	176	120	75	192	359	109
1946.....	208	197	202	191	200	224	182	121	74	213	387	113
1947.....	240	230	237	224	236	260	206	134	76	237	419	115
1948.....	260	250	251	250	250	291	240	146	78	276	442	110
1949.....	251	240	243	238	206	320	270	150	82	298	430	100
1950.....	256	246	246	246	210	320	275	144	89	320	425	101
1951.....	282	271	268	273	236	342	297	152	98	335	470	107
1952.....	287	273	271	274	251	358	308	156	108	350	503	100
1953.....	277	261	269	256	227	355	311	157	117	365	513	92
1954.....	277	262	270	255	226	355	312	158	126	381	510	89
1955.....	276	259	270	251	211	358	312	155	136	394	516	84
1956.....	278	260	274	250	206	367	326	152	150	421	536	83
1957.....	286	267	282	257	201	395	342	153	163	440	558	82
1958.....	293	273	287	264	198	412	357	153	176	470	574	85
1959.....	297	275	288	266	199	426	372	152	194	496	612	81
1960 ⁷	299	275	290	264	194	419	382	152	213	536	631	80
1959:												
January.....	298	276	287	268	202	429	-----	-----	194	496	610	82
February.....	297	275	288	266	202	-----	-----	-----	194	496	-----	82
March.....	297	275	287	267	200	427	365	-----	194	496	-----	82
April.....	298	276	287	269	203	-----	-----	151	194	496	620	82
May.....	298	276	287	268	202	-----	-----	-----	194	496	-----	82
June.....	298	276	288	267	199	424	371	-----	194	496	-----	81
July.....	297	275	288	266	199	420	-----	-----	194	496	618	81
August.....	297	275	288	266	198	-----	-----	-----	194	496	-----	80
September.....	296	274	288	264	195	418	377	152	194	496	-----	81
October.....	296	275	289	264	194	-----	-----	-----	194	496	602	79
November.....	296	275	290	264	195	425	-----	-----	194	496	-----	78
December.....	296	275	291	264	195	440	377	-----	194	496	-----	78
1960:												
January.....	299	275	290	265	197	432	-----	-----	213	536	632	78
February.....	299	276	289	266	197	-----	-----	-----	213	536	-----	78
March.....	300	276	289	267	197	427	379	-----	213	536	-----	80
April.....	302	278	291	268	199	-----	-----	152	213	536	649	80
May.....	301	277	291	267	198	-----	-----	-----	213	536	-----	80
June.....	299	275	290	265	196	420	381	-----	213	536	-----	79
July.....	298	275	290	263	195	420	-----	-----	213	536	631	80
August.....	298	274	290	262	193	-----	-----	-----	213	536	-----	79
September.....	298	274	290	263	193	414	385	153	213	536	-----	80
October.....	297	274	290	262	191	403	-----	-----	213	536	613	81
November.....	297	274	291	262	188	-----	-----	-----	213	536	-----	81
December.....	298	275	290	264	189	-----	-----	-----	213	536	-----	81

¹ Includes items not shown separately.

² Interest payable per acre on farm real estate debt.

³ Farm real estate taxes payable per acre (levied in preceding year).

⁴ Monthly data are seasonally adjusted.

⁵ Percentage ratio of prices received for all farm products to parity index.

⁶ Includes wartime subsidy payments.

⁷ Preliminary.

Source: Department of Agriculture.

TABLE C-67.—*Farm production indexes, 1929-60*

[1947-49=100]

Period	Farm out- put ¹	Crops									Livestock and products			
		Total ²	Feed grains	Hay and forage	Food grains	Vege- tables	Fruits and nuts	Cot- ton	To- bacco	Oil bear- ing crops	Total ³	Meat ani- mals	Dairy prod- ucts	Poul- try and eggs
1929...	74	79	83	88	66	78	76	104	75	21	77	77	82	63
1930...	72	76	73	75	72	79	75	98	81	23	78	78	84	65
1931...	79	84	84	79	76	80	94	119	76	23	80	82	86	63
1932...	76	80	95	86	62	80	76	91	49	21	81	83	86	63
1933...	70	71	73	79	45	77	77	91	68	18	82	86	87	62
1934...	60	58	48	67	44	84	72	68	54	21	75	73	85	59
1935...	72	76	80	96	53	85	91	75	65	34	72	66	86	59
1936...	65	64	53	74	52	80	72	87	58	27	77	74	87	63
1937...	82	88	87	87	72	86	95	133	78	30	76	71	86	63
1938...	79	83	84	98	75	86	85	84	69	36	79	77	89	65
1939...	79	82	83	93	61	85	101	83	93	47	85	88	90	70
1940...	82	85	85	105	67	88	96	88	72	56	87	89	92	70
1941...	85	87	91	106	76	89	102	75	63	61	92	94	96	77
1942...	96	97	104	115	80	95	101	90	70	92	102	108	100	89
1943...	94	91	96	109	69	103	87	80	69	98	110	120	99	102
1944...	97	96	100	108	85	98	101	86	96	82	105	108	101	102
1945...	95	93	97	112	89	100	92	63	98	88	104	103	103	106
1946...	98	98	106	104	92	111	110	61	114	84	101	101	102	99
1947...	95	93	81	102	108	97	104	83	104	91	100	100	101	98
1948...	104	106	116	99	103	103	95	105	98	109	97	97	98	96
1949...	101	101	103	99	89	100	101	112	98	100	103	103	101	106
1950...	101	97	104	106	83	102	101	70	101	115	107	109	101	111
1951...	104	99	97	110	82	95	103	106	116	106	112	117	100	116
1952...	108	104	103	106	105	96	100	106	112	104	112	117	100	117
1953...	109	103	101	109	96	101	101	115	102	103	114	116	105	120
1954...	109	101	106	108	85	98	102	96	111	116	117	121	107	125
1955...	113	105	112	115	80	102	102	103	109	128	120	127	108	123
1956...	114	106	112	109	84	109	107	93	108	152	122	123	110	136
1957...	114	106	122	122	79	104	103	77	83	147	121	119	111	137
1958...	124	118	135	122	117	108	109	80	86	180	124	124	111	145
1959...	126	117	140	116	93	104	116	102	89	159	130	134	111	150
1960 ⁴ ...	129	122	144	124	111	107	109	101	97	172	129	132	112	149

¹ Farm output measures the annual volume of farm production available for eventual human use through sales from farms or consumption in farm households. Total excludes production of feed for horses and mules.

² Includes production of feed for horses and mules and certain items not shown separately.

³ Includes certain items not shown separately.

⁴ Preliminary.

Source: Department of Agriculture.

TABLE C-68.—Selected measures of farm resources and inputs, 1929-60

Year	Cropland harvested (millions of acres) ¹		Live-stock breeding units (1947-49=100) ²	Man-hours of farm work (billions)	Index numbers of inputs (1947-49=100)						
	Total	Exclusive of use for feed for horses and mules			Total	Farm labor	Farm real estate ³	Mechanical power and machinery	Fertilizer and lime	Feed, seed, and live-stock purchases ⁴	Miscellaneous
1929.....	365	298	92	23.2	98	138	98	53	36	38	96
1930.....	369	304	92	22.9	97	137	96	55	36	37	96
1931.....	365	303	93	23.4	96	140	94	52	28	32	99
1932.....	371	311	95	22.6	93	135	91	48	19	34	100
1933.....	340	281	98	22.6	91	135	92	44	21	34	97
1934.....	304	247	98	20.2	86	121	91	44	25	33	88
1935.....	345	289	86	21.1	88	126	93	45	29	32	84
1936.....	323	269	90	20.4	89	122	94	48	35	43	87
1937.....	347	295	87	22.1	94	132	95	52	41	40	86
1938.....	349	301	87	20.6	91	123	96	55	39	42	89
1939.....	330	285	93	20.7	94	123	97	55	41	52	92
1940.....	339	296	95	20.5	97	122	98	58	48	63	93
1941.....	342	302	94	20.0	97	120	98	61	52	65	94
1942.....	346	307	104	20.6	101	123	96	66	58	80	95
1943.....	356	319	117	20.3	101	121	94	69	66	88	97
1944.....	361	325	114	20.2	101	120	93	70	75	90	97
1945.....	354	322	108	18.8	99	113	93	74	78	101	97
1946.....	351	322	107	18.1	99	108	96	80	92	97	98
1947.....	354	328	103	17.2	99	103	98	89	97	102	99
1948.....	356	332	98	16.3	100	100	101	100	98	101	97
1949.....	360	338	99	16.2	101	97	101	111	105	97	104
1950.....	345	326	102	15.1	101	90	103	118	118	101	108
1951.....	344	326	103	15.2	104	91	104	127	126	112	112
1952.....	349	334	102	14.4	104	86	105	133	139	113	112
1953.....	348	335	100	13.9	103	83	105	134	143	112	115
1954.....	346	335	104	13.1	102	78	106	135	152	115	115
1955.....	340	330	106	12.8	102	76	106	136	156	120	120
1956.....	326	317	104	12.1	102	72	105	137	158	128	124
1957.....	326	318	102	11.4	100	68	105	138	163	130	122
1958.....	328	321	100	11.1	101	66	106	137	167	141	127
1959.....	332	326	104	11.0	103	66	107	141	188	145	133
1960 ⁵	328	322	102	10.5	103	63	106	(⁶)	(⁶)	(⁶)	(⁶)

¹ Acreage harvested (excluding duplication) plus acreages in fruits, tree nuts, and farm gardens.² Animal units of breeding livestock, excluding horses and mules.³ Includes buildings and improvements on land.⁴ Nonfarm inputs associated with farmers' purchases.⁵ Preliminary.⁶ Not available.

Source: Department of Agriculture.

TABLE C-69.—Farm population, employment, and productivity, 1929-60

Period	Farm population (April 1) ¹		Net migration to and from farms (thou- sands) ³	Farm employment (thousands) ⁴			Farm output				Crop pro- duction per acre ⁵	Live- stock pro- duction per breed- ing unit
	Num- ber (thou- sands)	As per- cent of total popu- lation ²		Total	Family workers	Hired workers	Per unit of total input	Per man-hour				
								Total	Crops	Live- stock		
Index, 1947-49=100												
1929....	30,580	25.1	-477	12,763	9,360	3,403	76	54	51	76	79	84
1930....	30,529	24.8	-61	12,497	9,307	3,190	74	53	50	76	75	85
1931....	30,845	24.8	156	12,745	9,642	3,103	82	56	54	75	83	86
1932....	31,388	25.1	607	12,816	9,922	2,894	82	56	55	75	79	85
1933....	32,393	25.8	-463	12,739	9,874	2,865	77	52	50	73	71	84
1934....	32,305	25.5	-527	12,627	9,765	2,862	70	50	48	69	59	77
1935....	32,161	25.3	-799	12,733	9,855	2,878	82	57	57	70	76	84
1936....	31,737	24.8	-834	12,331	9,350	2,981	73	53	50	73	65	86
1937....	31,266	24.2	-661	11,978	9,054	2,924	87	62	60	73	88	87
1938....	30,980	23.8	-545	11,622	8,815	2,807	87	64	63	76	85	91
1939....	30,840	23.5	-703	11,338	8,611	2,727	84	64	63	79	85	91
1940....	30,547	23.1	-633	10,979	8,300	2,679	85	67	67	80	88	92
1941....	30,273	22.7	-1,424	10,669	8,017	2,652	88	71	71	82	90	98
1942....	29,234	21.7	-2,975	10,504	7,949	2,555	95	78	78	88	99	98
1943....	26,681	19.5	-1,563	10,446	8,010	2,436	93	78	76	92	92	94
1944....	25,495	18.4	-564	10,219	7,988	2,231	96	81	79	90	96	92
1945....	25,295	18.1	864	10,000	7,881	2,119	96	84	85	91	95	96
1946....	26,483	18.7	151	10,295	8,106	2,189	99	91	92	94	101	94
1947....	27,124	18.8	-1,686	10,382	8,115	2,267	96	92	91	97	95	97
1948....	25,903	17.7	-371	10,363	8,026	2,337	104	104	104	99	106	99
1949....	25,954	17.4	-1,314	9,964	7,712	2,252	100	104	105	104	99	104
1950....	25,058	16.5	-1,302	9,926	7,597	2,329	100	112	114	107	97	105
1951....	24,160	15.7	-271	9,546	7,310	2,236	100	114	112	114	98	109
1952....	24,283	15.5	-1,996	9,149	7,005	2,144	104	126	125	117	104	110
1953....	22,679	14.2	-962	8,864	6,775	2,089	106	131	129	120	103	114
1954....	22,099	13.6	-25	8,639	6,579	2,060	107	140	138	124	101	112
1955....	22,438	13.6	-435	8,364	6,347	2,017	111	149	148	130	106	113
1956....	22,362	13.3	-1,134	7,820	5,899	1,921	112	158	161	136	109	117
1947....	21,606	12.6	-576	7,577	5,682	1,895	114	168	180	138	112	119
1958....	21,388	12.3	-548	7,525	5,570	1,955	123	188	203	144	126	124
1959....	21,172	12.0	(⁶)	7,384	5,459	1,925	122	191	203	151	122	125
1960 ⁷ ..	(⁶)	(⁶)	(⁶)	7,118	5,249	1,869	125	205	218	155	130	126

¹ Farm population as defined by Department of Agriculture and Department of Commerce, i.e., civilian population living on farms, both urban and rural, regardless of occupation, according to concept in use prior to 1960.

² Total population of United States as of July 1, excluding Alaska and Hawaii; includes armed forces abroad.

³ Net change for year beginning in April, estimated by Department of Agriculture. For 1940 and subsequent years, includes inductions and enlistments into the armed forces, and persons returning from the armed forces. For all years, includes persons who have not moved but who are in and out of the farm population because agricultural operations have begun or have ceased on the place where they are living.

⁴ Includes persons doing farm work on all farms. These data, published by the Department of Agriculture, Agricultural Marketing Service, differ from those on agricultural employment by the Department of Labor (see Table C-17) because of differences in the method of approach, in concepts of employment, and in time of month for which the data are collected. For further explanation, see monthly report on *Farm Labor*, September 10, 1958.

⁵ Computed from variable weights for individual crops produced each year.

⁶ Not available.

⁷ Preliminary.

Sources: Department of Agriculture and Department of Commerce.

TABLE C-70.—Selected indicators of farming conditions, 1929-60

Year	Number of farms (thousands) ¹	Value of production assets (dollars) ²				Investment during year in farm plant and equipment (millions of dollars)		Real estate debt as percent of value (percent) ⁴	Foreclosure rate per 1,000 farms ⁵	Percent of all farms having central station electrical service ⁶
		Current prices		1947-49 prices		Gross	Net ³			
		Per farm ¹	Per farm-worker	Per farm ¹	Per farm-worker					
1929-----	6,512	(?)	(?)	(?)	(?)	966	50	20.3	15.7	(?)
1930-----	6,546	(?)	(?)	(?)	(?)	717	-238	20.1	18.7	(?)
1931-----	6,608	(?)	(?)	(?)	(?)	408	-448	21.5	28.4	(?)
1932-----	6,687	(?)	(?)	(?)	(?)	194	-540	24.5	38.8	(?)
1933-----	6,741	(?)	(?)	(?)	(?)	189	-455	27.5	28.0	(?)
1934-----	6,776	(?)	(?)	(?)	(?)	376	-274	23.9	21.0	(?)
1935-----	6,814	(?)	(?)	(?)	(?)	560	-104	22.8	20.3	10.9
1936-----	6,739	(?)	(?)	(?)	(?)	756	28	21.7	18.1	12.3
1937-----	6,636	(?)	(?)	(?)	(?)	903	107	20.3	14.3	15.8
1938-----	6,527	(?)	(?)	(?)	(?)	685	-148	19.8	13.4	19.1
1939-----	6,441	(?)	(?)	(?)	(?)	774	-7	19.9	12.5	22.1
1940-----	6,350	6,094	3,413	13,118	7,347	872	76	19.6	10.4	30.4
1941-----	6,293	6,340	3,634	13,444	7,706	1,199	325	18.9	6.1	34.9
1942-----	6,202	7,449	4,330	14,076	8,183	1,202	-168	17.0	4.3	38.3
1943-----	6,089	8,934	5,179	14,748	8,549	918	-485	14.3	3.0	40.3
1944-----	6,003	10,328	5,935	15,042	8,644	1,488	25	11.2	1.9	42.2
1945-----	5,967	11,346	6,625	15,100	8,817	1,533	193	9.2	1.5	45.7
1946-----	5,926	12,435	7,370	15,151	8,980	2,035	811	7.8	1.1	54.3
1947-----	5,871	14,154	8,072	15,364	8,762	3,245	1,641	7.2	1.0	61.0
1948-----	5,803	15,906	8,890	15,509	8,678	4,316	2,257	6.9	1.2	68.6
1949-----	5,722	17,144	9,466	16,480	9,100	4,492	2,064	6.9	1.4	78.2
1950-----	5,648	16,979	9,625	16,979	9,625	4,594	1,858	7.4	1.5	77.2
1951-----	5,535	20,434	11,394	17,742	9,893	4,825	1,599	7.0	1.6	84.2
1952-----	5,421	23,206	13,178	18,428	10,465	4,696	1,297	7.0	1.3	88.1
1953-----	5,308	22,946	13,313	19,009	11,029	4,785	1,265	7.5	1.7	90.8
1954-----	5,201	22,592	13,256	19,631	11,519	4,230	614	8.2	2.0	92.3
1955-----	5,087	23,806	14,018	20,306	11,957	4,229	507	8.4	2.3	93.4
1956-----	4,969	25,055	14,886	21,091	12,530	3,863	141	8.8	2.0	94.2
1957-----	4,856	27,183	16,880	21,520	13,363	3,955	70	9.1	1.7	94.8
1958-----	4,749	29,522	18,477	22,068	13,831	4,526	565	9.0	1.6	95.4
1959-----	4,641	33,398	20,598	23,185	14,299	4,878	753	9.0	1.6	96.0
1960 ⁸ -----	4,540	34,648	21,303	23,921	14,707	(?)	(?)	9.5	(?)	97.0

¹ Number of farms as estimated by the Department of Agriculture according to the 1954 Census definition, with adjustment for Census underenumeration. The number of farms as reported by the Census for 1950, 1954, and 1959 is found in Table B-9. For further explanation of the difference between the two series, see *Census of Agriculture, 1954*, Volume II.

² Farm real estate less value of dwellings; livestock; crops held for feed; machinery; farm share of value of automobiles; and demand deposits used for production. Data are for January 1.

³ Gross investment less depreciation and other capital consumption.

⁴ Data are for January 1.

⁵ Data are for year ending March 15 of the year following that indicated.

⁶ Data are for June 30, except for Census of Agriculture years: 1935 (January 1), 1940 (April 1), 1945 (January 1), and 1950 (April 1).

⁷ Not available.

⁸ Preliminary.

Source: Department of Agriculture.

TABLE C-71.—Comparative balance sheet of agriculture, 1929-61

(Billions of dollars)

Beginning of period	Assets								Claims				
	Total	Real estate	Other physical assets				Financial assets			Total	Real estate debt	Other debt	Proprietors' equities
			Live-stock	Ma-chinery and motor vehicles	Crops ¹	House-hold fur-nishings and equip-ment ²	Deposits and cur-rency	U. S. savings bonds	Invest-ment in co-operatives				
1929.....	(3)	48.0	6.6	3.2	(3)	(3)	(3)	(3)	(3)	(3)	9.8	(3)	(3)
1930.....	68.4	47.9	6.5	3.3	2.5	4.0	3.6	(4)	0.6	68.4	9.6	5.0	53.8
1931.....	(3)	43.7	4.9	3.2	(3)	(3)	(3)	(3)	(3)	(3)	9.4	(3)	(3)
1932.....	(3)	37.2	3.6	2.9	(3)	(3)	(3)	(3)	(3)	(3)	9.1	(3)	(3)
1933.....	(3)	30.8	3.0	2.5	(3)	(3)	(3)	(3)	(3)	(3)	8.5	(3)	(3)
1934.....	(3)	32.2	3.2	2.2	(3)	(3)	(3)	(3)	(3)	(3)	7.7	(3)	(3)
1935.....	(3)	33.3	3.5	2.2	(3)	(3)	(3)	(3)	(3)	(3)	7.6	(3)	(3)
1936.....	(3)	34.3	5.2	2.4	(3)	(3)	(3)	(3)	(3)	(3)	7.4	(3)	(3)
1937.....	(3)	35.2	5.1	2.6	(3)	(3)	(3)	(3)	(3)	(3)	7.2	(3)	(3)
1938.....	(3)	35.2	5.0	3.0	(3)	(3)	(3)	(3)	(3)	(3)	7.0	(3)	(3)
1939.....	(3)	34.1	5.1	3.0	(3)	(3)	(3)	(3)	(3)	(3)	6.8	(3)	(3)
1940.....	53.0	33.6	5.1	3.1	2.7	4.3	3.2	0.2	.8	53.0	6.6	3.4	43.0
1941.....	55.1	34.4	5.3	3.3	3.0	4.3	3.5	.4	.9	55.1	6.5	3.9	44.7
1942.....	62.5	37.5	7.1	4.0	3.8	4.5	4.2	.5	.9	62.5	6.4	4.1	52.0
1943.....	73.3	41.6	9.6	4.9	5.1	4.6	5.4	1.1	1.0	73.3	6.0	4.0	63.3
1944.....	83.8	48.2	9.7	5.3	6.1	4.6	6.6	2.2	1.1	83.8	5.4	3.5	74.9
1945.....	93.1	53.9	9.0	6.3	6.7	4.7	7.9	3.4	1.2	93.1	4.9	3.4	84.8
1946.....	102.0	61.0	9.7	5.2	6.3	4.8	9.4	4.2	1.4	102.0	4.8	3.2	94.0
1947.....	113.9	68.5	11.9	5.1	7.1	5.4	10.2	4.2	1.5	113.9	4.9	3.6	105.4
1948.....	125.2	73.7	13.3	7.0	9.0	6.2	9.9	4.4	1.7	125.2	5.1	4.2	115.9
1949.....	132.1	76.6	14.4	9.4	8.6	7.0	9.6	4.6	1.9	132.1	5.3	6.1	120.7
1950.....	130.8	75.3	12.9	11.3	7.6	7.8	9.1	4.7	2.1	130.8	5.6	6.9	118.3
1951.....	149.6	86.8	17.1	13.0	7.9	8.7	9.1	4.7	2.3	149.6	6.1	7.0	136.5
1952.....	165.6	96.0	19.5	15.2	8.8	9.5	9.4	4.7	2.5	165.6	6.7	7.9	151.0
1953.....	162.9	96.6	14.8	15.6	9.0	10.2	9.4	4.6	2.7	162.9	7.3	8.8	146.8
1954.....	159.7	94.7	11.7	16.3	9.2	10.8	9.4	4.7	2.9	159.7	7.8	9.3	142.6
1955.....	164.7	98.8	11.2	16.2	9.6	11.4	9.4	5.0	3.1	164.7	8.3	9.5	146.9
1956.....	168.1	102.7	10.7	16.5	8.3	11.9	9.5	5.2	3.3	168.1	9.1	9.8	149.2
1957.....	176.3	109.5	11.1	17.1	8.3	12.4	9.4	5.1	3.4	176.3	9.9	9.6	156.8
1958.....	186.0	116.3	14.1	17.0	7.6	12.8	9.5	5.1	3.6	186.0	10.5	9.7	165.8
1959.....	202.3	125.1	18.1	17.7	9.3	13.1	10.0	5.2	3.8	202.3	11.3	12.0	179.0
1960.....	203.6	129.1	16.2	18.4	8.0	13.5	9.1	5.2	4.1	203.6	12.3	12.0	179.3
1961 ⁴	199.3	125.0	(3)	(3)	(3)	(3)	(3)	(3)	(3)	199.3	13.1	12.6	173.6

¹ Includes all crops held on farms for whatever purpose and crops held off farms as security for Commodity Credit Corporation loans. The latter on January 1, 1960, totaled \$499 million.

² Estimated valuation for 1940, plus purchases minus depreciation since then.

³ Not available.

⁴ Preliminary.

Source: Department of Agriculture.

INTERNATIONAL STATISTICS

TABLE C-72.—United States balance of payments, 1955-60¹

[Millions of dollars]

Type of transaction	1955	1956	1957	1958	1959	January-September	
						1959	1960
<u>Recorded transactions other than changes in monetary gold stock and in liquid liabilities:</u>							
United States payments: Total.....	21,944	25,846	27,374	27,206	28,621	21,460	22,485
Imports of goods and services: Total..	17,937	19,829	20,923	21,053	23,560	17,598	17,832
Merchandise, adjusted.....	11,527	12,804	13,291	12,951	15,315	11,329	11,233
Transportation.....	1,204	1,408	1,569	1,636	1,784	1,361	1,501
Travel.....	1,153	1,275	1,372	1,460	1,610	1,287	1,436
Miscellaneous services.....	728	807	873	918	931	703	668
Military expenditures.....	2,823	2,955	3,165	3,412	3,090	2,338	2,290
Income on investments:							
Private.....	408	426	452	537	549	395	440
Government.....	94	154	201	139	281	185	264
Unilateral transfers, net: Total.....	2,486	2,398	2,318	2,338	2,402	1,739	1,813
Government grants.....	1,901	1,733	1,616	1,616	1,623	1,163	1,196
Remittances and pensions.....	585	665	702	722	779	576	617
United States capital, net: Total.....	1,521	3,619	4,133	3,815	² 2,659	² 2,123	2,840
Private, net: Total.....	1,211	2,990	3,175	2,844	2,301	1,528	2,093
Direct investments, net.....	779	1,859	2,058	1,094	1,310	945	911
New issues.....	128	453	507	955	624	406	436
Redemptions.....	-190	-174	-179	-85	-94	-69	-69
Other long-term, net.....	303	324	441	574	372	301	202
Short-term, net.....	191	528	258	306	89	-145	613
Government, net: Total.....	310	629	958	971	² 358	² 595	747
Long-term capital, outflow....	383	545	993	1,176	² 1,018	² 771	795
Repayments.....	-416	-479	-659	-544	-1,013	-531	-436
Short-term, net.....	343	563	624	339	353	355	388
United States receipts: Total.....	20,349	24,235	27,094	23,349	24,012	17,516	20,229
Exports of goods and services: Total..	20,003	23,705	26,733	23,325	23,464	17,096	19,893
Merchandise, adjusted.....	14,280	17,379	19,390	16,263	16,225	11,897	14,277
Transportation.....	1,420	1,642	1,999	1,672	1,649	1,240	1,323
Travel.....	654	705	785	825	902	704	765
Miscellaneous services.....	1,001	1,210	1,306	1,347	1,343	1,008	1,003
Military transactions.....	204	158	372	296	297	222	293
Income on investments:							
Direct investments.....	1,912	2,120	2,313	2,198	2,235	1,492	1,656
Other private.....	258	297	363	417	467	342	374
Government.....	274	194	205	307	346	191	202
Foreign long-term investments in the United States, net.....	346	530	361	24	548	420	336
Balance on recorded transactions [net receipts or net payments (-)].....	-1,595	-1,611	-280	-3,857	-4,609	-3,944	-2,256
<u>Unrecorded transactions—errors and omissions [net receipts or net payments(-)].....</u>	446	643	748	380	783	557	-339
Increase in liquid liabilities to foreign countries and international institutions.....	1,108	1,274	330	1,202	² 3,095	² 2,728	1,814
United States gold sales or purchases (-)....	41	-306	-798	2,275	² 731	² 659	781

¹ Excludes transfers of goods and services under military grant programs.

² Excludes \$1,375 million for increase in United States subscription to the International Monetary Fund, of which \$344 million was paid in gold and \$1,031 million in non-interest-bearing notes.

Source: Department of Commerce.

TABLE C-73.—Major U.S. Government foreign assistance, by type and by area, total postwar period and fiscal years 1957-60

[Fiscal years, billions of dollars]

Period	Total	Western Europe (excluding Greece and Turkey)	Near East (including Greece and Turkey) and South Asia	Other Africa	Far East and Pacific	American Republics	International organiza- tions and unspecified areas
Total, net							
Total postwar ¹	80.0	39.6	11.1	0.5	17.9	3.0	8.0
1957.....	4.7	1.5	1.1	.1	1.7	.2	.1
1958.....	4.8	1.1	1.3	.1	1.7	.4	.2
1959.....	6.0	.7	1.5	.1	1.5	.6	1.6
1960.....	4.2	.4	1.5	.2	1.5	.3	.3
Investment in four international financial institutions ²							
Total postwar ¹	4.9						4.9
1957.....	(3)						(3)
1958.....							
1959.....	1.4						1.4
1960.....	.1						.1
Under assistance programs, net							
Total postwar ¹	75.1	39.6	11.1	.5	17.9	3.0	3.1
1957.....	4.7	1.5	1.1	.1	1.7	.2	.1
1958.....	4.8	1.1	1.3	.1	1.7	.4	.2
1959.....	4.6	.7	1.5	.1	1.5	.6	.2
1960.....	4.1	.4	1.5	.2	1.5	.3	.2
Net grants of military supplies and services							
Total postwar ¹	26.5	14.2	4.2	(3)	7.2	.5	.3
1957.....	2.3	1.2	.4	(3)	.7	.1	(3)
1958.....	2.3	.8	.6	(3)	.8	.1	(3)
1959.....	2.2	.7	.5	(3)	.8	.1	(3)
1960.....	2.0	.8	.4	(3)	.7	(3)	(3)
Other aid, net							
Total postwar ¹	48.6	25.4	6.9	.5	10.6	2.5	2.8
1957.....	2.4	.3	.7	(3)	1.1	.2	.1
1958.....	2.5	.4	.7	.1	.9	.3	.2
1959.....	2.4	(3)	.9	.1	.7	.6	.2
1960.....	2.1	-.3	1.1	.2	.7	.2	.2
Net grants (less conversions)							
Total postwar ¹	34.0	16.9	4.3	.2	9.6	.8	2.2
1957.....	1.7	.3	.3	(3)	.8	.1	.1
1958.....	1.5	.2	.3	(3)	.8	.1	.1
1959.....	1.6	.1	.5	.1	.7	.1	.1
1960.....	1.6	.1	.4	.1	.7	.1	.1
Net credits (including conversions)							
Total postwar ¹	12.1	7.8	1.4	.3	.8	1.5	.4
1957.....	-.2	-.3	(3)	(3)	.1	(3)	(3)
1958.....	.6	.2	.1	(3)	.1	.2	(3)
1959.....	.6	-.1	.2	(3)	.1	.5	(3)
1960.....	.1	-.4	.3	(3)	(3)	.1	(3)
Other assistance (through net accumulation of foreign currency claims) ⁴							
Total postwar ¹	2.6	.6	1.2	(3)	.3	.2	.2
1957.....	.9	.3	.4		.2	(3)	
1958.....	.3	(3)	.2	(3)	(3)	(3)	.1
1959.....	.2	(3)	.2	(3)	(3)	(3)	.1
1960.....	.4	-.1	.3	(3)	(3)	.1	.1

¹ Fiscal years 1946-60.

² Inter-American Development Bank, International Bank for Reconstruction and Development, International Finance Corporation, and International Monetary Fund.

³ Less than \$50 million.

⁴ Other assistance (net) represents the transfer of United States farm products in exchange for foreign currencies, less the U.S. Government's disbursements of the currencies as grants, credit, or for purchases.

Source: Department of Commerce.

TABLE C-74.—United States merchandise exports and imports, by economic category, 1949 and 1955-60

[Millions of dollars]

Category	1949	1955	1956	1957	1958	1959	January-September	
							1959	1960
Domestic exports: Total ¹	11,789	14,165	17,183	19,316	16,185	16,156	11,861	14,260
Agricultural.....	3,578	3,198	4,170	4,506	3,854	3,951	2,765	3,404
Nonagricultural.....	8,211	10,967	13,013	14,810	12,331	12,205	9,096	10,856
Food and drugs.....	2,504	2,285	2,966	3,030	2,833	3,080	2,270	2,444
Agricultural foodstuffs.....	2,259	2,014	2,708	2,704	2,517	2,751	2,027	2,210
Nonagricultural foodstuffs.....	48	44	42	42	38	44	30	29
Drugs and medicinals.....	197	227	246	284	278	285	213	205
Industrial supplies and materials.....	4,850	6,068	7,361	8,630	6,418	6,161	4,449	5,812
Cotton, tobacco, and other agricultural.....	1,319	1,184	1,462	1,802	1,337	1,200	738	1,192
Nonagricultural industrial materials.....	3,531	4,884	5,899	6,828	5,081	4,961	3,711	4,620
Capital equipment.....	3,379	4,242	5,242	5,906	5,255	5,260	3,915	4,695
Machinery and related items.....	2,289	2,818	3,523	3,986	3,590	3,599	2,691	2,966
Commercial transportation equipment.....	926	1,213	1,470	1,643	1,427	1,371	1,015	1,391
Special category ²	164	211	249	277	238	290	209	338
Consumer goods, nonfood.....	851	1,247	1,274	1,287	1,243	1,255	925	938
Government military sales and unclassified.....	205	323	310	463	436	400	302	371
General imports: Total.....	6,622	11,384	12,615	12,982	³ 12,834	15,212	11,250	11,174
Industrial supplies and materials.....	3,727	6,522	7,299	7,201	6,588	8,026	5,880	5,832
Petroleum and products.....	485	1,034	1,282	1,534	1,612	1,532	1,146	1,125
Newsprint and paper base stocks.....	670	984	1,093	1,032	989	1,087	793	814
Materials associated with non-durable goods output.....	991	1,275	1,321	1,301	1,163	1,549	1,162	1,158
Selected building materials (excluding metals).....	143	493	487	407	435	603	459	425
All other industrial supplies and materials (associated mainly with durable goods output).....	1,438	2,736	3,116	2,927	2,389	3,255	2,320	2,310
Food and beverages.....	2,004	3,018	3,086	3,175	3,354	3,362	2,602	2,424
Materials associated with farm production.....	286	350	365	380	366	369	283	272
Consumer goods, nonfood.....	410	1,064	1,260	1,524	1,701	2,425	1,731	1,860
Capital equipment (including agricultural machinery).....	107	256	368	412	481	614	447	466
All other and unclassified.....	88	174	237	290	377	416	307	320

¹ Excludes military aid shipments of supplies and equipment under the Mutual Security Program, 1955-60; in 1949, excludes military shipments under the Greek-Turkey and the China military aid programs.

² Excludes Government military cash sales.

³ Total adjusted to exclude \$33 million of the value reported by economic category.

Source: Department of Commerce.

TABLE C-75.—United States merchandise exports and imports, by area, 1949 and 1955-60

[Millions of dollars]

Area	1949	1955	1956	1957	1958	1959	January-October	
							1959	1960
Exports (including reexports):								
Total ¹	11,560	13,838	16,901	18,868	15,823	15,779	12,918	15,458
Canada.....	1,928	3,235	4,016	3,913	3,422	3,727	3,133	3,116
Other Western Hemisphere..	2,820	3,403	3,993	4,830	4,318	3,744	3,112	3,135
Western Europe.....	3,980	4,187	5,173	5,697	4,466	4,488	3,562	5,118
Other Europe.....	65	11	17	91	117	96	81	154
Asia.....	1,997	2,121	2,781	3,375	2,648	2,729	2,213	2,920
Oceania.....	176	270	245	280	243	322	251	385
Africa.....	594	612	677	683	610	673	566	631
General imports: Total	6,622	11,384	12,615	12,982	² 12,834	15,212	12,452	12,331
Canada.....	1,512	2,653	2,894	2,907	2,685	3,041	2,461	2,432
Other Western Hemisphere..	2,483	3,609	3,962	4,141	4,050	4,040	3,353	3,336
Western Europe.....	909	2,391	2,890	3,078	3,297	4,523	3,661	3,514
Other Europe.....	72	62	73	69	68	84	73	70
Asia.....	1,184	1,876	1,996	1,985	1,997	2,596	2,139	2,284
Oceania.....	125	174	203	216	209	338	288	238
Africa.....	338	619	598	587	561	590	478	457

¹ Excludes special category items.² Total adjusted to exclude \$33 million of the value reported by area.

Source: Department of Commerce.

TABLE C-76.—*Estimated gold reserves and dollar holdings of foreign countries and international institutions, 1949 and 1956-60*

[Millions of dollars; end of period]

Area and country	1949	1956	1957	1958	1959	1960
						Sep- tember ¹
Total.....	18,677	32,489	32,565	36,543	42,232	45,342
Continental Western Europe.....	6,101	14,008	14,683	17,244	19,255	20,408
Austria.....	92	377	460	612	630	523
Belgium.....	820	1,054	1,053	1,391	1,279	1,247
France.....	713	1,557	944	1,294	1,980	2,290
Germany.....	149	3,343	4,113	4,407	4,640	6,013
Italy.....	564	1,270	1,533	2,209	3,118	² 3,015
Netherlands.....	370	983	957	1,399	1,634	1,660
Scandinavian countries (Sweden, Norway, Denmark, and Finland).....	394	882	980	1,121	1,119	963
Switzerland.....	2,067	2,643	2,813	2,853	2,991	2,863
Other.....	932	1,899	1,830	1,958	1,864	1,834
United Kingdom.....	2,027	3,015	3,080	3,917	3,813	4,865
Canada.....	1,516	2,986	3,180	3,438	3,611	3,984
Latin America.....	3,078	4,314	4,544	4,123	4,016	3,754
Argentina.....	418	370	263	210	393	455
Brazil.....	510	550	457	464	479	461
Chile.....	101	138	116	140	228	179
Colombia.....	138	210	215	241	288	242
Cuba.....	463	514	525	452	296	171
Mexico.....	270	604	569	565	587	500
Peru.....	82	119	88	96	111	97
Uruguay.....	236	260	236	262	242	245
Venezuela.....	517	1,061	1,556	1,215	934	800
Other.....	343	488	519	478	458	604
Asia.....	2,008	3,400	2,937	3,251	4,002	4,268
Japan.....	356	1,149	716	1,095	1,566	1,986
Other.....	1,652	2,251	2,221	2,156	2,436	2,282
All other countries.....	679	1,231	1,222	1,199	1,309	1,264
International institutions.....	3,268	3,535	2,919	3,371	6,226	6,799

¹ Preliminary.

² Includes latest available figure (July 31) for gold reserves.

NOTE. Includes gold reserves and dollar holdings of all foreign countries with the exception of gold reserves of U.S.S.R., other Eastern European countries, and Communist China, and of international institutions (International Bank for Reconstruction and Development, International Monetary Fund, United Nations and others). Holdings of the Bank for International Settlements and the European Payments Union/European Fund and the Tripartite Commission for Restitution of Monetary Gold are included under "other" Continental Western Europe.

Source: Board of Governors of the Federal Reserve System.

TABLE C-77.—Price changes in international trade, 1955-60

[1953=100] ¹

Area or commodity class	1955	1956	1957	1958	1959		1960		
					First quarter	Third quarter	First quarter	Second quarter	Third quarter
<u>Area:</u>									
Developed areas:									
Exports.....	98	101	104	101	99	99	101	100	100
Terms of trade ¹	98	99	98	102	103	104	104	105	105
Underdeveloped areas:									
Exports.....	102	101	101	97	94	93	95	95	94
Terms of trade ²	105	102	98	98	97	96	97	96	95
Latin America:									
Exports.....	99	99	96	90	85	83	85	84	84
Terms of trade ²	103	99	94	90	86	84	85	84	84
Latin America excluding petro- leum:									
Exports.....	97	97	94	85	79	79	80	80	79
Terms of trade ²	101	98	91	85	80	80	80	79	79
<u>Commodity class:</u> ³									
Manufactured goods.....	99	103	106	106	106	106	109	109	109
Nonferrous base metals.....	119	123	100	90	98	98	105	104	102
Primary commodities: Total.....	100	101	102	96	92	94	94	93	93
Excluding crude petroleum.....	99	100	101	94	91	93	94	93	92
Foodstuffs.....	96	97	98	94	89	89	87	86	89
Coffee, tea, cocoa.....	103	100	97	94	81	80	76	75	77
Cereals.....	87	86	83	82	81	79	79	78	78
Other agricultural commodities.....	102	101	101	90	89	95	98	98	93
Fats, oils, oilseeds.....	92	99	95	94	99	94	99	93	93
Textiles.....	95	92	97	78	70	77	81	82	77
Wool.....	86	87	98	69	62	79	77	77	69
Minerals.....	102	109	114	108	105	102	102	101	101
Metal ores.....	103	110	107	100	99	99	101	101	101

¹ Data shown for area groups and for manufactured goods are unit value indexes. All others are price indexes.

² Terms of trade indexes are unit value indexes of exports divided by unit value indexes of imports.

³ Manufactured goods indexes are for exports. Primary commodities indexes are for exports and imports combined.

NOTE.—Data exclude trade of Soviet area and Communist China.

Source: United Nations.

