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PERSONAL INCOME - JUNE 1970

Personal income declined \$1 billion in June to a seasonally adjusted annual rate of \$798-3/4 billion, the Commerce Department's Office of Business Economics announced today. The June decline reflected the fact that \$3-3/4 billion of the retroactive portion of the Federal pay raise, which had added to May income, did not figure in June income. Excluding this factor, personal income would have increased \$2-3/4 billion last month.

Private sector wages and salaries rose \$1-3/4 billion in June, following a negligible increase in the previous month and a decline of \$2 billion in April. More than \$1 billion of the June advance was in the distributive industries where increased employment and higher pay rates in the transportation industries accounted for most of the gain. Service payrolls were higher by \$1/2 billion, while payrolls of the commodity-producing industries moved up a little after declining \$1-1/2 billion in each of the previous two months.

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Payrolls in manufacturing, the largest component of the commodity-producing industries, recorded a slight gain after two months of substantial declines. Higher hourly earnings were responsible for the June increase, as employment dropped sharply and weekly hours were unchanged. The transportation equipment and rubber products industries were the only ones to register sizable gains. The rise in the rubber industry was due to a return of striking workers.

Federal wages and salaries fell \$4-1/4 billion last month, largely because of the \$3-3/4 billion decline that reflected the nonrecurring nature of the retroactive disbursement in May. The additional decline was partly due to the release of temporary workers employed for the 1970 Census. State and local payrolls increased \$1/2 billion as employment advanced about 35,000.

Dividend payments in June were down by about \$1/2 billion, largely due to the omission of extra dividend payments by some firms.

Transfer payments rose \$1 billion last month to a total of \$77-1/2 billion. Continued growth in social security benefits and increased unemployment insurance payments accounted for most of the gain.

#### PERSONAL INCOME IN FIRST HALF OF 1970

Personal income in the first 6 months of 1970 was at a seasonally adjusted annual rate of \$792 billion, \$58-1/2 billion or 8 percent above the \$733 billion rate in the first half of last year. All major components shared in the advance.

Wage and salary disbursements, at \$535-3/4 billion, were up \$38-1/2 billion or 8 percent. Transfer payments rose \$10-3/4 billion or 16-3/4 percent, and interest income moved up \$5-3/4 billion or 10 percent. Other nonwage components showed gains ranging from 1-1/2 percent in nonfarm proprietors' income to 10 percent in "other labor income."

#### ANNUAL REVISIONS

Estimates for May and prior months contained in this release represent revisions of previously published data. These estimates incorporate the results of the annual revisions of the national income and product accounts. The full set of revisions will be published in the July issue of the Survey of Current Business.

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Details of personal income in June and other recent periods are shown in the accompanying table; additional data appear each month in the Survey of Current Business, published by the Office of Business Economics.

The Survey is available from field offices of the Department of Commerce or from the Superintendent of Documents, U. S. Government Printing Office, Washington, D. C. 20402, at an annual subscription price of \$9, including weekly supplements; single copy, \$1.

PERSONAL INCOME  
(Seasonally adjusted annual rates in billions of dollars)

	Full Year 1969	1st 6 months		June 1969	Jan. 1970	Feb. 1970	Mar. 1970	April 1970	May 1970	June 1970
		1969	1970							
TOTAL PERSONAL INCOME	748.9	733.4	791.9	746.2	777.8	781.5	787.6	806.0	799.8	798.8
Wage and salary disbursements, total	509.0	497.2	535.8	506.9	529.5	531.1	535.0	539.9	540.6	538.7
Commodity-producing industries	197.5	193.8	202.1	197.5	202.2	202.0	203.9	202.3	200.9	201.2
Manufacturing only .....	157.5	154.8	160.1	157.6	160.8	160.0	161.3	160.0	159.2	159.5
Distributive industries .....	119.8	117.0	126.6	119.7	125.4	125.7	126.7	126.0	127.2	128.3
Service industries .....	87.7	85.6	94.7	87.4	93.1	94.1	94.6	95.1	95.5	96.0
Government .....	104.1	100.9	112.5	102.4	108.9	109.3	109.8	116.5	117.0	113.3
Other labor income.....	27.6	27.0	29.7	27.5	29.0	29.3	29.6	29.8	30.0	30.3
Proprietors' income:										
Business and professional ....	50.5	50.2	50.9	50.7	50.4	50.6	50.7	51.0	51.3	51.5
Farm .....	16.4	16.2	16.7	16.2	16.8	17.0	17.2	16.9	16.5	16.2
Rental income of persons .....	22.0	21.8	22.6	22.0	22.5	22.5	22.6	22.6	22.6	22.7
Dividends .....	24.7	24.3	25.1	24.6	25.1	25.2	25.2	25.2	25.3	24.7
Personal interest income .....	59.7	58.3	64.0	59.5	63.0	63.4	63.7	64.2	64.5	65.0
Transfer payments <sup>1</sup> .....	65.1	63.9	74.6	64.8	68.8	69.7	71.1	84.1	76.6	77.5
Less: Personal contributions for social insurance .....	26.0	25.5	27.5	26.0	27.3	27.3	27.5	27.7	27.7	27.7
Addenda:										
Total nonagricultural income <sup>2</sup> .....	726.7	711.5	769.0	724.3	755.0	758.4	764.3	783.0	777.1	776.5
Total agricultural income	22.2	21.9	22.9	21.8	22.8	23.1	23.3	23.0	22.7	22.3

1. Consist mainly of social insurance benefits and veterans' payments.

2. Equals personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

Source: U. S. Department of Commerce, Office of Business Economics.