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PERSONAL INCOME - AUGUST 1970

Personal income advanced \$4 billion in August to a seasonally adjusted annual rate of \$807-1/2 billion, the Commerce Department's Office of Business Economics announced today. This compares with a revised July increase of \$5 billion and an average monthly rise of about \$3-1/2 billion so far this year.

Wage and salary disbursements rose \$2-1/2 billion, less than the \$3-1/2 billion July increase but larger than the \$1-3/4-billion average monthly gain for the first 8 months in 1970. The August increase was due to higher hourly earnings as employment dropped and the average workweek was unchanged.

Distributive industries advanced \$1-1/4 billion, the same as in July, and accounted for about half of the August payroll gain; service industries rose \$1/2 billion, following a \$1-billion gain in July; and commodity-producing industries moved up slightly.

In the government sector, State and local payrolls continued to advance with increased employment and higher pay rates. Federal civilian payrolls were up \$1/4 billion, as higher pay rates for postal employees affected disbursements for part of August. The retroactive portion of the rise back to mid-April and the first full monthly increase on a regular basis will appear in September personal income.

Manufacturing payrolls, at \$160-1/4 billion in August, were unchanged as increases in hourly earnings were offset by declines in employment and average weekly hours. While there were increases in primary metals, transportation equipment, and food, decreases were recorded for fabricated metals, electrical equipment, and apparel.

Among the nonwage items, interest income rose \$3/4 billion, a minor stepup from last month. Transfer payments advanced \$1/2 billion, the same as last month, and other items showed little change.

Total personal income in the first 8 months of 1970 averaged \$795 billion -- \$56 billion or 7-1/2 percent above the comparable period in 1969. That was slower than the 9-percent over-the-year advance shown for the first 8 months of 1969.

Details of personal income in August and selected recent periods are shown in the accompanying table; additional data appear each month in the Survey of Current Business, the monthly magazine 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)

	First 8 months		June	July	August	June	July	August
	1969	1970	1969	1969	1969	1970	1970	1970
TOTAL PERSONAL INCOME.....	739.0	795.2	746.2	752.7	758.5	798.2	803.3	807.4
Wage and salary disbursements, total.....	501.6	537.5	506.9	512.3	516.9	538.1	541.5	544.0
Commodity-producing industries.....	195.2	202.1	197.5	198.7	200.0	201.3	202.1	202.3
Manufacturing only.....	155.9	160.1	157.6	158.7	159.9	159.5	160.1	160.2
Distributive industries.....	118.0	127.3	119.7	120.1	121.6	127.9	129.1	130.3
Service industries.....	86.3	95.3	87.4	88.1	88.6	95.7	96.8	97.2
Government.....	102.2	112.8	102.4	105.4	106.7	113.2	113.5	114.2
Other labor income.....	27.2	29.9	27.5	27.7	27.9	30.3	30.6	30.8
Proprietors' income:								
Business and professional.....	50.4	51.1	50.7	50.8	50.9	51.5	51.6	51.7
Farm.....	16.3	16.6	16.2	16.4	16.6	16.2	16.2	16.2
Rental income of persons.....	21.9	22.6	22.0	22.0	22.1	22.7	22.7	22.7
Dividends.....	24.4	25.2	24.6	24.8	24.9	24.7	25.2	25.3
Personal interest income.....	58.7	64.4	59.5	59.7	60.1	64.8	65.3	66.0
Transfer payments ¹	64.3	75.6	64.8	65.2	65.5	77.6	78.1	78.6
Less: Personal contributions for social insurance.....	25.7	27.6	26.0	26.2	26.4	27.6	27.8	28.0
Addenda:								
Total nonagricultural income ²	717.0	772.4	724.3	730.5	736.1	775.7	780.9	785.1
Total agricultural income.....	22.0	22.8	21.8	22.2	22.4	22.4	22.4	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.