

DEPARTMENT OF COMMERCE
Office of Business Economics

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Personal income in September rose to an annual rate \$4 billion higher than in August, even without including the additional \$11.5 billion gain derived in September from the cashing of terminal leave bonds, the Department of Commerce announced today.

Noting that the annual rate data represent the seasonally-adjusted monthly total multiplied by 12 -- to facilitate comparison with previous yearly totals -- the Office of Business Economics reported that the extraordinary September annual rate of \$210 billion, compared with the \$195 billion in August, resulted in the main from the bond settlement. However, exclusive of payments on terminal leave account the September annual rate of personal income was \$199 billion. Other increases in personal income were centered in wages and salaries and in proprietors' income.

Personal income includes wage and salary receipts, net income of proprietors and partnerships (farm and nonfarm), dividends and interest, net rents received by landlords, and other types of individual income.

Factory pay rolls, which increased in September to an annual rate of \$45 billion as employment expanded and average weekly earnings rose, now exceed the wartime highs reached in early 1945. Wage rate increases granted railroad workers contributed to the rise in wage and salary receipts.

With both prices and marketings of livestock increasing above August levels, farm income rose substantially. Nonagricultural proprietors' income also mounted, reflecting chiefly increases in manufacturers' shipments and retail sales.

The average level of personal income during the first 9 months of 1947 was at an annual rate of \$194.5 billion, the Department said, compared with the full-year total of \$177.2 billion in 1946.

Details of personal income for August and September 1947, September 1946, and for the first 9 months of 1940, 1946, and 1947 are shown in the following table: