

BUSINESS NEWS REPORTS

PERSONAL INCOME, APRIL 1950

FOR RELEASE - Monday A.M., June 12, 1950

OBE-373

Personal income in April--other than the special insurance dividend payments to veterans--was at an annual rate of \$212.8 billion, as compared with \$212.2 billion for March, the Office of Business Economics, U. S. Department of Commerce, announced today.

The Department's series measuring total personal income, which includes the N.S.L.I. disbursements, declined from \$222.8 billion in March to \$216.9 billion in April. The N.S.L.I. dividend payments declined in April to \$345 million from a total of \$887 million in March. Expressed at annual rates to make them comparable with other personal income data, the payments amounted to \$4.1 billion in April as against \$10.6 billion in March. By the end of April almost 90 percent of the \$2.8 billion veterans' dividend had actually been paid out.

The March-April rise of \$.6 billion in personal income, exclusive of the special payments to veterans from the National Service Life Insurance Fund, reflected an expansion in pay rolls that was largely offset by declines in proprietors' income and transfer payments.

Personal income estimates include wage and salary receipts, the net incomes of proprietorships and partnerships--farm and nonfarm--as well as dividends and interest, net rents received by landlords, and other types of individual income. The annual rates, which are used to facilitate comparison with previous annual totals, represent the seasonally adjusted dollar totals for each month multiplied by 12.

Total wage and salary receipts in April rose to an annual rate of \$136.7 billion, \$1.8 billion higher than in March. The rise stemmed primarily from increased activity in the durable-goods manufacturing industries. Higher employment and a longer work week in factories producing transportation equipment, machinery, and other fabricated metal products were mainly responsible for the advance of total wages in durable-goods manufacturing.

Nondurable-goods factory wages in April were about the same as in March. From November through April wages in this sector of manufacturing were approximately stable. As a result of the increases in durable-goods wages, however, total manufacturing wages in April were higher than in any of the previous 15 months.

Transfer payments declined from a \$24.1 billion annual rate in March to \$16.9 billion in April. As noted above, \$6.5 billion of this decline was due

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to the decrease in N.S.L.I. dividend payments. In addition, State unemployment compensation benefits were at an annual rate \$.6 billion lower than in March.

The decline in proprietors' income--\$.7 billion at annual rates-- occurred largely in farm income as livestock marketing receipts decreased contraseasonally. The net income of farm operators for the first four months of 1950 was about one-fifth less than in the same period of last year.

Details of personal income in April 1950, April 1949 and other recent periods are shown in the following table.

Monthly Personal Income in the United States
(Seasonally adjusted annual rates in billions of dollars)

	April 1950	March 1950	Feb. 1950	April 1949	March 1949	Feb. 1949	First four months 1950	1949	Full year 1949
Total personal income	216.9	222.8	219.1	210.5	210.2	211.3	219.1	211.7	209.8
Wage and salary receipts	136.7	134.9	133.1	133.9	132.3	134.0	134.6	134.1	133.5
Total employer disbursements	139.4	137.7	135.8	136.0	134.6	136.3	137.3	136.3	135.7
Commodity-producing industries ^{1/} ..	59.4	58.2	56.5	57.4	57.4	59.4	57.8	58.7	57.3
Distributive industries ^{1/}	40.5	40.1	39.9	40.7	39.4	39.5	40.1	40.0	40.2
Service industries ^{1/}	17.8	17.8	17.8	17.3	17.3	17.0	17.3	17.2	17.2
Government	21.7	21.6	21.6	20.6	20.5	20.4	21.6	20.4	21.0
Less employee contributions for social insurance	2.7	2.8	2.7	2.1	2.3	2.3	2.8	2.2	2.2
Other labor income	2.4	2.4	2.2	2.1	2.1	2.1	2.3	2.1	2.1
Proprietors' and rental income	42.8	43.5	44.1	45.0	46.2	46.6	44.2	46.6	44.8
Personal interest income and dividends	18.1	17.9	17.6	17.1	17.0	17.0	17.7	17.0	17.3
Transfer payments ^{2/}	16.9	24.1	22.1	12.4	12.6	11.6	20.4	11.9	12.2
Total nonagricultural income ^{3/}	201.7	207.1	202.7	191.8	190.5	191.0	202.6	191.3	191.4
Total agricultural income	15.2	15.7	16.4	18.7	19.7	20.3	16.5	20.4	18.4

^{1/} "Commodity-producing industries" consists of agriculture, forestry and fisheries, mining, contract construction, and manufacturing. "Distributive industries" consists of wholesale and retail trade, transportation, and communications and public utilities. "Service industries" comprises finance, insurance, and real estate and services.

^{2/} Consists mainly of veterans' payments and social insurance benefits, including the National Service Life Insurance dividend.

^{3/} Equals personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net rents, agricultural net interest, and net dividends paid by agricultural corporations.