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BUSINESS NEWS REPORTS

PERSONAL INCOME — MAY 1951

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Personal income in May was at the annual rate of \$249.5 billion, virtually unchanged from April, the Office of Business Economics, U. S. Department of Commerce announced today. The May total of personal income was about \$5½ billion higher, at an annual rate, than the average for the first quarter of this year.

Changes from April to May in the components of personal income were small and largely offsetting.

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.

Private industry wage and salary disbursements were at an annual rate of \$140 billion in May, about a billion dollars lower than in April. Manufacturing pay rolls — particularly in nondurable goods industries — were reduced slightly in May as employment and hours of work declined. Trade and construction pay rolls also declined slightly with lower employment. Government pay rolls were about half a billion dollars higher at an annual rate of \$28 billion, chiefly the result of expanded armed forces personnel.

Farm proprietors' income increased by about half a billion dollars, at an annual rate, from April to May, as the volume of farm products marketed increased. Farm proprietors' income for the first 5 months of 1951 — at an annual rate of \$16.5 billion was about one-third higher than in the corresponding period of 1950.

Transfer payments in May rose by half a billion dollars to an annual rate of \$12.7 billion. This increase reflected a full month's disbursement of the second National Service Life Insurance dividend payment to veterans, which began late in April. This year's NSLI dividend is expected to be spread rather uniformly through the rest of the year, in contrast to the heavy concentration of last year's \$2.7 billion payment within several months.

In the first 5 months of 1951 personal income was at the annual rate of \$246 billion, \$30 billion or 14 percent above the similar period of last year.

Details of the personal income estimates for April and May 1951 and for other recent periods are shown in the following table. The data for April 1951 and earlier

periods represent revisions of previously published estimates. Complete data on a revised basis, beginning with 1948, on personal income and related series on national income and gross national product will appear in a special National Income Supplement to the July 1951 Survey of Current Business, official monthly magazine of the Office of Business Economics.

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