

Cybert
BUSINESS NEWS REPORTS**PERSONAL INCOME - February 1956**

FOR RELEASE TO A.M.'S, MONDAY, APRIL 9, 1956

OBE 56-26

Personal income in February was at an annual rate of \$313 billion, little changed from January, the Office of Business Economics, U. S. Department of Commerce announced today. Changes in the various components of personal income were small and approximately offsetting.

The annual rate of personal income in February was \$1½ billion above that for the fourth quarter of 1955. It was 7 percent higher than in February 1955 when the rate of personal income flow was \$293 billion.

Personal income estimates include wages and salaries, the net income 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.

Wage and salary disbursements, which comprise about two-thirds of total personal income, were at an annual rate of \$216 billion in February, the same as in January. A decline in payrolls in the automobile industry was offset in the total by scattered gains in other industries.

In the aggregate, wage and salary disbursements showed a small rise -- about \$3/4 billion -- over the three-month period from November to February. The annual rate of disbursements in the auto industry declined by about \$1 billion from its November peak. During the same period payrolls in other manufacturing industries were generally stable, with some shortening of the average work week being offset by rising wage rates. Outside of manufacturing, most industries showed moderate payroll gains. In all nonmanufacturing industries combined, disbursements rose by an annual rate of about \$1-3/4 billion.

Details of personal income in February and other recent periods are shown in the following table.

(OVER)

OBE BUSINESS NEWS REPORTS REGULARLY AVAILABLE —TOTAL MANUFACTURING AND TRADE INVENTORIES, Monthly
WHOLESALESALE'S SALES AND INVENTORIES, Monthly
MANUFACTURERS' SALES AND INVENTORIES, MonthlyPERSONAL INCOME, Monthly
CASH DIVIDEND PAYMENTS, Monthly
NATIONAL INCOME AND PRODUCT, QuarterlyPLANT AND EQUIPMENT SURVEY, Quarterly
FOREIGN GRANTS AND CREDITS, Quarterly
BALANCE OF INTERNATIONAL PAYMENTS, Quarterly

MONTHLY PERSONAL INCOME IN THE UNITED STATES*
(Seasonally adjusted annual rates in billions of dollars)

| | Feb. 1956 | Jan. 1956 | Dec. 1955 | Nov. 1955 | Oct. 1955 | Feb. 1955 | <u>Full year</u> 1955 1954 | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|-------------------------------|-------|
| Total personal income..... | 313.1 | 312.7 | 314.3 | 311.5 | 308.7 | 293.2 | 303.2 | 287.6 |
| Wage and salary disbursements, total..... | 216.0 | 216.2 | 215.8 | 215.3 | 213.3 | 200.3 | 208.5 | 196.2 |
| Commodity-producing industries <u>1/</u> | 93.8 | 94.1 | 94.1 | 94.0 | 92.8 | 86.3 | 90.5 | 84.2 |
| Distributive industries <u>1/</u> | 57.3 | 57.3 | 56.9 | 56.8 | 56.4 | 53.0 | 55.1 | 52.3 |
| Service industries <u>1/</u> | 28.7 | 28.6 | 28.7 | 28.5 | 28.2 | 26.7 | 27.6 | 25.9 |
| Government..... | 36.2 | 36.2 | 36.1 | 36.0 | 35.9 | 34.3 | 35.3 | 33.8 |
| Other labor income..... | 7.2 | 7.2 | 7.2 | 7.1 | 7.1 | 6.8 | 7.0 | 6.8 |
| Proprietors' and rental income..... | 49.5 | 49.2 | 49.4 | 49.7 | 49.3 | 48.8 | 48.9 | 48.4 |
| Personal interest income and dividends..... | 28.3 | 28.1 | 29.9 | 27.6 | 27.4 | 25.3 | 26.8 | 24.7 |
| Transfer payments <u>2/</u> | 17.8 | 17.7 | 17.4 | 17.1 | 16.9 | 17.0 | 17.2 | 16.2 |
| Less personal contributions for social insurance <u>3/</u> | 5.7 | 5.7 | 5.4 | 5.3 | 5.3 | 5.0 | 5.2 | 4.5 |
| Total nonagricultural income <u>4/</u> | 298.8 | 298.6 | 299.9 | 296.6 | 294.4 | 277.7 | 288.4 | 271.9 |
| Total agricultural income..... | 14.3 | 14.1 | 14.4 | 14.9 | 14.3 | 15.5 | 14.8 | 15.7 |

* In accordance with usual policy, this table includes revisions of the preliminary January 1956 figures issued last month. In addition, the estimates for October, November, and December of 1955 have been revised to incorporate later information on farm income.

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.

3/ Data since January of 1952 represent contributions of both employees and self-employed persons.

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