

BUSINESS NEWS REPORTS

PERSONAL INCOME - August 1957

FOR IMMEDIATE RELEASE, TUESDAY, SEPTEMBER 17, 1957

OBE 57-83

Marilyn J. Young: STerling 3-9200
Ext. 2222

Personal income in August was at a seasonally adjusted annual rate of \$347½ billion, \$1 billion higher than in July, the Office of Business Economics, U. S. Department of Commerce announced today.

Approximately half of the increase was in salary disbursements, with

Payrolls continued to rise from July to August in most private industries and in government. Somewhat lower disbursements in manufacturing, construction, and mining, however, limited the overall increase.

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.

The annual rate of personal income in August, the middle month of the third quarter, was \$5 billion above that of the second quarter of this year. About two-thirds of this gain took place in wages and salaries in nonmanufacturing industries where, in general, both employment and wage rates continued to advance. Payrolls in manufacturing remained unchanged, as declining employment and hours offset the effects of rising wage rates.

Nonfarm proprietors' income was at a higher rate in August than in the second quarter, reflecting larger sales in retail trade and the services. Farm proprietors' income also moved up, with the rise stemming largely from higher livestock prices.

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

(Over)

Comm--DC--6644

OBE BUSINESS NEWS REPORTS REGULARLY AVAILABLE —

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

	Aug.	July		Aug.	July	June	First eight		Full
	1957	1957		1956	1956	1956	months		year
				1957	1956	1956	1957	1956	1956
TOTAL PERSONAL INCOME.....	347.3	346.2		329.3	325.6	326.8	341.9	323.2	326.9
Wage and salary disbursements, total.....	241.5	240.9		228.8	225.7	227.3	238.2	224.4	227.2
Commodity-producing industries <u>1/</u>	102.7	103.0		98.6	96.3	98.1	102.4	96.8	98.3
Distributive industries <u>1/</u>	65.0	64.5		60.5	60.2	60.3	63.4	59.5	60.1
Service industries <u>1/</u>	33.6	33.4		31.5	31.2	31.0	32.9	30.6	31.1
Government.....	40.2	40.0		38.2	38.0	37.9	39.5	37.5	37.9
Other labor income.....	8.0	7.9		7.6	7.5	7.5	7.8	7.4	7.5
Proprietors' and rental income.....	52.0	51.6		50.1	49.9	49.7	50.9	49.6	49.9
Personal interest income and dividends.....	31.5	31.4		29.9	29.7	29.5	31.1	29.2	29.5
Transfer payments <u>2/</u>	21.2	21.3		18.7	18.5	18.5	20.7	18.2	18.5
Less personal contributions for social insurance <u>3/</u> ..	6.9	6.9		5.8	5.7	5.7	6.8	5.7	5.7
Total nonagricultural income <u>4/</u>	331.3	330.5		314.1	310.7	312.0	326.5	308.2	311.7
Total agricultural income.....	16.0	15.7		15.2	14.9	14.8	15.4	15.0	15.2

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.