

# BUSINESS NEWS REPORTS

PERSONAL INCOME - January 1958

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Personal income in January was at a seasonally adjusted annual rate of \$34 $\frac{1}{2}$  billion, unchanged from December, the Office of Business Economics, U. S. Department of Commerce announced today. The January income total was \$7 $\frac{1}{2}$  billion, or 2 percent, above that for the same month of 1957. It was down 1 percent from the August high of \$34 $\frac{1}{2}$  billion (annual rate).

The absence of change in total personal income from December to January reflects the unusual movement of dividends over the year-end, rather than the underlying flow of income arising from current production. Personal income excluding dividends declined by an annual rate of \$2 billion from December to January.

Dividend disbursements returned to the November level after falling off in December because of a less-than-usual volume of year-end extra and special payments. Total dividends in the 3 months November-January, OBE noted, were about the same as outlays in the same period a year ago, and averaged below August 1957 when total personal income was at a peak.

As a result of the continuing production decline, aggregate wages and salaries in the economy registered a further drop from December to January. This was offset in part by an increase in transfer payments centering in unemployment benefits.

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.

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Total wage and salary disbursements were at an annual rate of \$236½ billion in January, off about \$2 billion from the previous month and \$5 billion from the high of last August. The December-January decline was concentrated in manufacturing, mainly the durable goods industries. The bulk of the change in factory payrolls was attributable to lower employment, although there was also some further shortening in the length of the workweek. Average hourly earnings in manufacturing remained stable.

Outside of manufacturing, January payrolls were little changed in total. Increases occurred in retail trade and communications, while disbursements were lower in construction, mining, and transportation. Total wages and salaries in distributive and service industries remained at about the level of the previous month, near the high point reached last summer.

Total payrolls and other major income flows in January were all above the same month a year ago.

Details of personal income in January 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)

	Jan. 1958	Dec. 1957	Nov. 1957	Oct. 1957	Sept. 1957	Aug. 1957	Jan. 1957	Full year	
								1957	1956
TOTAL PERSONAL INCOME.....	343.6	343.6	346.2	346.8	347.2	347.3	336.3	343.4	326.9
Wage and salary disbursements, total.....	236.7	238.8	239.5	240.1	241.5	241.7	234.5	238.8	227.2
Commodity-producing industries.....	97.7	99.8	100.9	101.3	102.2	102.8	101.4	102.0	98.3
Distributive industries.....	64.6	64.4	64.2	64.3	64.8	64.7	62.0	63.7	60.1
Service industries.....	34.1	34.2	34.1	34.0	33.9	33.7	32.2	33.3	31.1
Government.....	40.3	40.4	40.3	40.5	40.6	40.5	38.9	39.8	37.9
Other labor income.....	7.9	8.0	8.0	8.0	8.0	8.0	7.7	7.9	7.5
Proprietors' and rental income.....	50.8	50.9	51.2	51.7	51.7	51.7	50.6	51.2	49.9
Personal interest income and dividends.....	31.7	29.7	31.7	31.7	31.6	31.6	30.7	31.0	29.5
Transfer payments.....	23.3	23.0	22.6	22.1	21.2	21.2	19.5	21.2	18.5
Less personal contributions for social insurance.	6.8	6.8	6.8	6.8	6.8	6.9	6.7	6.8	5.7
Total nonagricultural income.....	327.7	327.6	330.3	331.0	331.3	331.3	320.7	327.5	311.7
Total agricultural income.....	15.9	16.0	15.9	15.8	15.9	16.0	15.6	15.8	15.2