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BUSINESS NEWS REPORTS

PERSONAL INCOME - February 1958

FOR IMMEDIATE RELEASE FRIDAY MARCH 14, 1958**OBE 58-20**

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Personal income in February was at a seasonally adjusted annual rate of \$342 billion, about \$2 billion lower than in January, the Office of Business Economics, U. S. Department of Commerce announced today. The February income total was \$3 $\frac{1}{2}$ billion, or 1 percent, above that for the same month of 1957. It was down 1 $\frac{1}{2}$ percent from the peak rate of \$347 $\frac{1}{2}$ billion reached last August.

The decline in personal income from January to February centered in wages and salaries. Other types of income were little changed.

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.

Total wages and salaries in February were at an annual rate of \$235 billion, compared with \$237 billion in January. The major part of this decline occurred in manufacturing industries, with contract construction also lower. Payroll changes in other industries were comparatively small, and were offsetting. Increases occurred in services, finance, and State and local governments, and decreases in transportation, mining, and wholesale trade.

The February change in manufacturing payrolls reflected the continuing downward trend in factory employment. As in the previous month, disbursements were lower in almost all durable goods and nondurable goods industries, with the largest declines in metals, machinery, and autos.

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

COMM-DC-6999

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

	Feb. 1958	Jan. 1958	Feb. 1957	Jan. 1957	First		Full year	
					two months 1958	1957	1957	1956
Total personal income.....	341.8	343.6	338.5	336.3	342.7	337.3	343.4	326.9
Wage and salary disbursements, total.....	234.8	237.0	235.9	234.5	235.9	235.2	238.8	227.2
Commodity-producing industries <u>1/</u>	95.2	97.6	102.0	101.4	96.4	101.7	102.0	98.3
Distributive industries <u>1/</u>	64.7	64.8	62.4	62.0	64.8	62.2	63.7	60.1
Service industries <u>1/</u>	34.4	34.2	32.4	32.2	34.3	32.3	33.3	31.1
Government.....	40.5	40.4	39.1	38.9	40.4	39.0	39.8	37.9
Other labor income.....	7.8	7.9	7.8	7.7	7.8	7.8	7.9	7.5
Proprietors' and rental income.....	50.7	50.5	51.0	50.6	50.6	50.8	51.2	49.9
Personal interest income and dividends.....	31.8	31.7	30.8	30.7	31.8	30.7	31.0	29.5
Transfer payments <u>2/</u>	23.5	23.3	19.7	19.5	23.4	19.6	21.2	18.5
Less personal contributions for social insurance <u>3/</u>	6.8	6.8	6.7	6.7	6.8	6.7	6.8	5.7
Total nonagricultural income <u>4/</u>	325.6	327.6	322.7	320.7	326.6	321.7	327.5	311.7
Total agricultural income.....	16.2	16.0	15.8	15.6	16.1	15.6	15.8	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.