

BUSINESS NEWS REPORTS

PERSONAL INCOME - August 1958

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Personal income in August was at a seasonally adjusted annual rate of \$355½ billion, the Office of Business Economics, U. S. Department of Commerce announced today. This was about \$1½ billion higher than the July figure exclusive of the lump-sum retroactive salary payments to Federal employees, and was \$3½ billion above the June total.

Wage and salary disbursements in August advanced by approximately \$1 billion after adjustment for the nonrecurring payments during July under the retroactive feature of the Federal pay increase. These payments -- an estimated \$380 million -- amounted to \$4½ billion when put on an annual rate basis to conform with other personal income data. Most of the remainder of the rise in personal income from July to August occurred in government transfer payments and nonfarm proprietors' income. Other income components showed little change.

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.

Higher manufacturing payrolls in August reflected advances in employment, particularly in the primary metals and machinery industries. Among nonmanufacturing industries, gains occurred mainly in retail trade and services.

The July-August increase in government transfer payments resulted from the additional unemployment benefits for workers made possible under the Temporary Unemployment Compensation Act. Benefits under the regular programs were down fractionally for the third consecutive month.

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

(Over)

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TOTAL MANUFACTURING AND TRADE INVENTORIES, Monthly
MANUFACTURERS' SALES AND INVENTORIES, Monthly

PERSONAL INCOME, Monthly
CASH DIVIDEND PAYMENTS, Monthly
NATIONAL INCOME AND PRODUCT, Quarterly

PLANT AND EQUIPMENT SURVEY, Quarterly
BALANCE OF INTERNATIONAL PAYMENTS, Quarterly

MONTHLY PERSONAL INCOME IN THE UNITED STATES

(Seasonally adjusted annual rates in billions of dollars)

	Aug.	July	June	Aug.	July	June	First eight		Full
	1958	1958	1958	1957	1957	1957	months		year
							1958	1957	1957
TOTAL PERSONAL INCOME.....	355.6	(354.2)* 358.8*	352.0	352.1	351.8	350.7	350.8	347.0	347.9
Wage and salary disbursements, total.....	238.4	242.2*	235.8	240.8	240.5	240.0	235.3	237.9	238.1
Commodity-producing industries 1/.....	97.4	97.1	96.6	103.1	103.3	103.4	96.3	102.7	102.2
Distributive industries 1/.....	63.6	63.5	63.3	64.2	64.0	63.9	63.1	63.0	63.3
Service industries 1/.....	33.8	33.7	33.6	32.9	32.8	32.6	33.4	32.4	32.6
Government.....	43.6	48.0*	42.4	40.6	40.4	40.2	42.4	39.8	40.1
Other labor income.....	9.1	9.0	8.9	9.1	9.1	9.0	9.0	8.8	8.9
Proprietors' and rental income.....	56.4	56.3	56.2	55.6	55.6	54.9	55.9	54.7	54.8
Personal interest income and dividends.....	31.9	31.8	31.8	31.8	31.7	31.6	31.8	31.2	31.1
Transfer payments 2/.....	26.7	26.5	26.0	21.5	21.7	21.8	25.5	21.0	21.5
Less personal contributions for social insurance 3/.....	6.8	7.0	6.7	6.7	6.7	6.6	6.7	6.6	6.6
Total nonagricultural income 4/.....	338.9	342.0*	335.1	336.6	336.2	335.6	334.1	331.7	332.7
Total agricultural income.....	16.7	16.8	16.9	15.5	15.6	15.1	16.7	15.3	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.

* Total in parenthesis excludes and other asterisked figures include lump-sum retroactive salary payments to Federal employees; disbursements of \$380 million multiplied by 12 (to put on annual rate basis) amounted to \$4.6 billion.