

BUSINESS NEWS REPORTS

PERSONAL INCOME -- June 1959

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OBE 59-55

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Personal income in June was at a seasonally adjusted annual rate of \$383 billion, \$1½ billion higher than in May, the Office of Business Economics, U. S. Department of Commerce announced today. The rise reflected in large part a further advance in wage and salary disbursements.

Estimates for May and prior months contained in this release and its attached table represent statistical revisions of previously published data. They incorporate the results of the usual annual detailed accounting of the national income, national product, and related series which OBE completes each year in July. These estimates, covering 1956 and later years, will be presented in comprehensive form in the July 1959 National Income Number of the Survey of Current Business, monthly magazine of the Office of Business Economics.

Higher manufacturing payrolls in June, contributing half of the advance in wages and salaries, resulted chiefly from increased employment. The largest gains in payrolls were in the metals, machinery, and stone-clay-glass industries. Among nonmanufacturing industries, increases occurred mainly in wholesale trade and State and local government.

Government transfer payments were somewhat lower than in May, chiefly because of declines under both the Temporary Unemployment Compensation Act and regular State unemployment programs. Other types of income were little changed from the previous month.

Personal income in the first half of 1959 was at an annual rate of \$376½ billion, \$23 billion or 6 percent higher than in the corresponding period of 1958. On a per capita basis and corrected for price change the gain was 4 percent. Wage and salary disbursements accounted for \$20 billion of the dollar increase, interest for \$1½ billion, and transfer payments for nearly \$1 billion. Higher receipts for business and professional entrepreneurs were partially offset by reductions in farm proprietors' income.

Details of personal income in June 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

(Seasonally adjusted annual rates in billions of dollars)

| | June 1959 | May 1959 | April 1959 | March 1959 | Feb. 1959 | Jan. 1959 | 1st 6 months 1959 | 1st 6 months 1958 | Full Year 1958 |
|---|--------------|-------------|---------------|---------------|--------------|--------------|----------------------|----------------------|-------------------|
| TOTAL PERSONAL INCOME..... | 382.9 | 381.3 | 379.0 | 375.4 | 371.0 | 369.0 | 376.4 | 353.6 | 359.0 |
| Wage and salary disbursements, total..... | 261.1 | 259.8 | 257.3 | 254.0 | 250.1 | 248.7 | 255.1 | 235.0 | 239.4 |
| Commodity-producing industries..... | 110.4 | 109.8 | 108.6 | 106.3 | 103.5 | 102.8 | 106.9 | 96.0 | 97.8 |
| Manufacturing only..... | 87.2 | 86.7 | 85.4 | 83.8 | 81.7 | 80.9 | 84.3 | 75.4 | 76.7 |
| Distributive industries..... | 67.8 | 67.5 | 66.9 | 66.6 | 66.0 | 65.6 | 66.7 | 63.2 | 63.8 |
| Service industries..... | 37.2 | 37.1 | 36.8 | 36.4 | 36.0 | 35.6 | 36.5 | 34.0 | 34.6 |
| Government..... | 45.7 | 45.4 | 45.0 | 44.8 | 44.7 | 44.6 | 45.0 | 41.7 | 43.2 |
| Other labor income..... | 10.0 | 9.9 | 9.9 | 9.8 | 9.7 | 9.6 | 9.8 | 9.3 | 9.3 |
| Proprietors' income: | | | | | | | | | |
| Business and professional..... | 34.6 | 34.5 | 34.3 | 34.0 | 33.7 | 33.5 | 34.1 | 31.8 | 32.4 |
| Farm..... | 12.1 | 12.0 | 12.2 | 12.9 | 13.2 | 13.5 | 12.7 | 14.2 | 14.2 |
| Rental income of persons..... | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 12.0 | 11.8 | 11.8 |
| Dividends..... | 13.1 | 13.0 | 12.9 | 12.8 | 12.8 | 12.7 | 12.9 | 12.6 | 12.4 |
| Personal interest income..... | 22.2 | 22.0 | 21.8 | 21.6 | 21.3 | 21.1 | 21.7 | 20.2 | 20.4 |
| Transfer payments ^{1/} | 26.2 | 26.4 | 26.9 | 26.6 | 26.4 | 26.1 | 26.4 | 25.5 | 26.1 |
| Less: Personal contributions for social insurance..... | 8.4 | 8.3 | 8.3 | 8.2 | 8.1 | 8.1 | 8.2 | 6.9 | 7.0 |
| Total nonagricultural income ^{2/} | 366.9 | 365.3 | 362.7 | 358.5 | 353.8 | 351.6 | 359.8 | 335.8 | 341.1 |
| Total agricultural income..... | 16.0 | 16.0 | 16.3 | 16.9 | 17.2 | 17.4 | 16.6 | 17.8 | 17.9 |

1. Consist mainly of social insurance benefits and veterans' payments.

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