

# BUSINESS NEWS REPORTS

PERSONAL INCOME -- August 1959

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Personal income was at a seasonally adjusted annual rate of \$381½ billion in August, \$2½ billion below the record rate of June and July but higher than in any previous month, the Office of Business Economics, U. S. Department of Commerce announced today. The August decline stemmed from reductions in wage and salary disbursements -- mainly as a result of the steel strike -- and a drop in farm proprietors' income.

Payrolls were reduced in the primary metals industry, mining and transportation, and to a lesser extent in the fabricated metal and machinery industries. On the basis of information presently available, wage earnings in these five industries in August are estimated to have been at an annual rate nearly \$3 billion lower than in July, and about \$4½ billion below the June rate of \$36 billion. Other manufacturing industries showed no significant payroll changes between July and August except for a decline in the automobile industry occasioned by an employment cutback during the shift to new models.

In nonmanufacturing, increased employment resulted in payroll gains in trade, services, and government.

The decline in net farm income resulted chiefly from reduced receipts from marketings which reflected a smaller wheat crop and a continuation of the downward trend in farm prices.

Limited advances were recorded in dividends, interest, and transfer payments. The level of unemployment benefits has thus far been only mildly affected by secondary layoffs resulting from the work stoppage in the steel industry. Other types of income were unchanged from July.

Details of personal income in August 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)

	Aug. 1959	July 1959	June 1959	Aug. 1958	July 1958	June 1958	First 8 months 1959	8 months 1958	Full Year 1958
TOTAL PERSONAL INCOME.....	381.4	384.0	383.8	362.4	363.5	357.1	378.1	355.9	359.0
Wage and salary disbursements, total.....	258.9	261.5	261.7	241.3	243.2	237.9	256.5	236.8	239.4
Commodity-producing industries.....	106.7	109.9	110.9	97.9	97.2	96.7	107.3	96.4	97.8
Manufacturing only.....	83.9	86.9	87.7	76.7	76.1	75.7	84.6	75.6	76.7
Distributive industries.....	68.5	68.4	68.0	64.3	63.8	63.5	67.2	63.4	63.8
Service industries.....	37.6	37.3	37.2	35.0	34.8	34.6	36.8	34.2	34.6
Government.....	46.1	45.9	45.6	44.1	47.4	43.1	45.3	42.7	43.2
Other labor income.....	10.1	10.1	10.0	9.3	9.3	9.3	9.9	9.3	9.3
Proprietors' income:									
Business and professional.....	34.9	34.9	34.7	32.6	32.4	32.3	34.3	32.0	32.4
Farm.....	11.2	11.9	12.1	14.2	14.1	13.4	12.4	14.2	14.2
Rental income of persons.....	12.0	12.0	12.0	11.9	11.8	11.8	12.0	11.8	11.8
Dividends.....	13.4	13.2	13.1	12.6	12.6	12.6	13.0	12.6	12.4
Personal interest income.....	22.6	22.4	22.2	20.5	20.4	20.4	21.9	20.3	20.4
Transfer payments <sup>1/</sup> .....	26.6	26.3	26.4	27.2	26.8	26.4	26.5	25.9	26.1
Less: Personal contributions for social insurance.....	8.4	8.4	8.4	7.1	7.2	7.0	8.3	6.9	7.0
Total nonagricultural income <sup>2/</sup> .....	366.4	368.3	367.8	344.5	345.7	339.9	361.8	338.1	341.1
Total agricultural income.....	15.0	15.7	16.0	17.9	17.8	17.2	16.3	17.8	17.9

1. Consists 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.