

BUSINESS NEWS REPORTS

PERSONAL INCOME - February 1960

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Personal income in February was at a seasonally adjusted annual rate of \$393 billion, about the same as in January and \$1 billion higher than in December, the Office of Business Economics, U. S. Department of Commerce announced today. For the first two months of 1960 the income flow was up 6 percent, representing an almost similar gain in purchasing power as prices were only about 1 percent higher.

Aggregate wage and salary disbursements in February increased by $\frac{1}{2}$ billion to an annual rate of nearly \$269 billion, with the rise centered in the distributive and service industries. Advances in these industries resulted chiefly from increases in average weekly earnings, though employment after adjustment for seasonal factors was also higher than in January.

Wage and salary disbursements in mining were up in February following settlement of the strikes in the copper industry.

Manufacturing payrolls were down somewhat reflecting a reduction in hours of operation in the automobile industry and the resulting decline in overtime pay.

Moderate payroll advances for State and local governments accounted for the limited rise in government wages and salaries.

The increase in aggregate wage and salary disbursements was largely offset in the personal income total by a decrease in agricultural income. Cash receipts from farm marketings continued to edge down in February canceling some of the moderate gains experienced in the last quarter of 1959.

Other components of personal income showed little change from January.

Details of personal income in February 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)

	Feb. 1960	Jan. 1960	Dec. 1959	Feb. 1959	Jan. 1959	Dec. 1958	Full year 1959 1958	
TOTAL PERSONAL INCOME.....	393.0	392.8	392.1	371.0	369.0	366.9	380.2	359.0
Wage and salary disbursements, total.....	268.8	268.1	265.4	250.1	248.7	247.0	257.8	239.4
Commodity-producing industries.....	112.7	113.0	111.1	103.5	102.8	102.2	107.3	97.8
Manufacturing only.....	89.0	89.3	87.6	81.7	80.9	80.6	84.6	76.7
Distributive industries.....	70.1	69.5	68.8	66.0	65.6	64.7	67.6	63.8
Service industries.....	39.1	38.7	38.6	36.0	35.6	35.6	37.2	34.6
Government.....	47.0	46.9	46.9	44.7	44.6	44.4	45.7	43.2
Other labor income.....	10.4	10.4	10.3	9.7	9.6	9.4	10.0	9.3
Proprietors' income:								
Business and professional.....	35.3	35.4	35.2	33.7	33.5	33.4	34.5	32.4
Farm.....	11.0	11.6	12.6	13.2	13.5	14.2	11.8	14.2
Rental income of persons.....	12.2	12.1	12.0	12.0	12.0	11.9	12.0	11.8
Dividends.....	13.6	13.6	13.5	12.8	12.7	10.8	13.2	12.4
Personal interest income.....	24.3	24.1	23.8	21.3	21.1	21.0	22.4	20.4
Transfer payments <u>1</u> /.....	27.1	27.2	27.7	26.4	26.1	26.3	26.8	26.1
Less: Personal contributions for social insurance.....	9.7	9.7	8.5	8.1	8.1	7.1	8.3	7.0
Total nonagricultural income <u>2</u> /.....	377.9	377.1	375.4	353.8	351.6	348.8	364.4	341.1
Total agricultural income.....	15.1	15.7	16.7	17.2	17.4	18.1	15.8	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.

NOTE: These figures have not been adjusted to include Alaska and Hawaii.