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BUSINESS NEWS REPORTS

1961

Personal Income -- January 1961

FOR RELEASE IN FRIDAY A.M. PAPERS. FEBRUARY 17, 1961

OBE 61-8

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Personal income in January was at a seasonally adjusted annual rate of \$406-1/3 billion, as compared with \$407 billion in December, the Office of Business Economics, U. S. Department of Commerce announced today. The January income total was \$10½ billion, or 2½ percent, higher than the same month last year.

Wage and salary disbursements declined by nearly \$½ billion in January to an annual rate of \$271 billion, \$4 billion below the 1960 mid-year peak. The largest reductions from December to January occurred in manufacturing. The industries most affected were primary and fabricated metals, electrical and nonelectrical machinery, and transportation equipment. Payrolls in other manufacturing industries showed little change. For nonmanufacturing industries as a whole payrolls continued at the December seasonally corrected volume.

Other major components of personal income showed little change from December to January.

Personal income includes 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.

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

(Over)

MONTHLY PERSONAL INCOME

(Seasonally adjusted annual rates in billions of dollars)

	Jan. 1961	Dec. 1960	Nov. 1960	Jan. 1960	Dec. 1959	Nov. 1959	Full year	
							1960	1959
TOTAL PERSONAL INCOME	406.3	406.9	409.0	395.7	393.9	388.7	404.2	383.3
Wage and salary disbursements, total	271.0	271.4	273.6	268.2	265.0	260.8	272.5	258.2
Commodity-producing industries	106.9	107.3	109.5	112.6	110.4	107.0	111.4	107.2
Manufacturing only	84.2	84.6	86.2	89.4	87.6	84.5	88.0	84.7
Distributive industries	72.0	72.3	72.5	69.9	69.4	69.1	71.9	68.2
Service industries	42.1	42.0	42.0	39.4	39.1	38.8	41.0	37.5
Government	50.0	49.8	49.6	46.3	46.1	46.0	48.2	45.3
Other labor income	11.0	11.0	11.1	10.6	10.5	10.5	11.0	10.1
Proprietors' income:								
Business and professional	35.5	35.7	35.9	35.5	35.2	35.1	35.9	34.7
Farm	12.9	12.9	12.9	11.3	12.3	11.2	12.0	11.8
Rental income of persons	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.4
Dividends	14.0	14.0	14.1	13.9	13.6	13.8	14.0	13.4
Personal interest income	27.7	27.7	27.6	25.2	24.8	24.5	26.8	23.5
Transfer payments <u>1/</u>	31.0	30.9	30.5	27.7	27.9	28.2	29.0	27.0
Less: Personal contributions for social insurance	9.3	9.2	9.2	9.2	8.0	7.9	9.3	7.8
Total nonagricultural income <u>2/</u>	389.5	390.1	392.1	380.2	377.4	373.5	388.1	367.6
Total agricultural income	16.8	16.8	16.9	15.5	16.5	15.2	16.1	15.7

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.