

BUSINESS NEWS REPORTS

PERSONAL INCOME - FEBRUARY 1962

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Personal income in February was at a seasonally adjusted annual rate of \$433 billion, the Office of Business Economics, U.S. Department of Commerce announced today. This was \$2-3/4 billion higher than in January and nearly \$30 billion above the recession low of February a year ago.

The February advance erased the small loss sustained in January and carried income \$4 billion at annual rates above the fourth quarter of 1961.

The rise from January to February centered in wage and salary disbursements which rose \$2-1/2 billion. Other income components showed only small changes.

Half of the total payroll advance -- nearly \$1 1/2 billion -- occurred in manufacturing. Gains in hours worked per week and in employment each contributed to the rise in factory payrolls with the largest part -- nearly two-thirds -- attributable to the longer work week.

Within manufacturing, the largest advances were made in the durable-goods industries. Significant gains occurred in the nonautomotive transportation equipment, metal-working, and machinery-producing groups. Somewhat smaller increases were registered by industries related to building-- lumber, furniture, and stone, clay and glass.

The apparel, paper and printing industries accounted for most of the advance in nondurable-goods manufacturing payrolls.

In durable goods industries generally, employment increases and a longer work week contributed in roughly equal proportions to the payroll rise. Longer hours worked was the dominant factor in nondurable goods manufacturing as total employment rose only slightly because of declines in the food and textile industries.

Contract construction payrolls were up by \$1/2 billion at an annual rate as employment recovered from the more than seasonal decline in January due in part to unusually bad weather throughout much of the country.

Among other nonmanufacturing industries, small payroll gains were shown for retail trade, the service industries, military, and State and local governments.

Nonwage-and-salary incomes on balance showed little change from the January figure. Small increases in supplementary labor income, nonfarm proprietors' earnings, and interest income offset small declines in dividend payments and in farm proprietors' income.

Personal income includes wages and salaries, the net income of proprietorships -- farm and nonfarm, dividends, interest, net rents, 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 February and other recent periods are shown in the following table.

MONTHLY PERSONAL INCOME IN THE UNITED STATES
(Seasonally adjusted annual rates in billions of dollars)

	Feb. 1962	Jan. 1962	Dec. 1961	Feb. 1961	Jan. 1961	Dec. 1960	Full year 1961 1960	
TOTAL PERSONAL INCOME	432.8	430.1	431.8	403.1	403.6	404.0	416.7	402.2
Wage and salary disbursements, total	292.8	290.2	290.7	269.5	269.6	269.6	279.7	271.3
Commodity-producing industries	116.0	114.3	115.6	105.6	106.2	106.2	111.2	110.4
Manufacturing only	91.9	90.6	91.4	83.5	83.8	84.0	87.8	87.4
Distributive industries	76.0	75.7	75.4	71.8	71.8	71.8	73.4	71.8
Service industries	45.4	45.2	45.1	41.7	41.6	41.7	43.1	40.7
Government	55.4	55.0	54.6	50.4	50.0	49.8	51.9	48.4
Other labor income	12.0	11.8	11.7	10.7	11.0	11.3	11.1	10.9
Proprietors' income:								
Business and professional	37.6	37.4	37.4	35.8	36.0	36.0	36.5	36.2
Farm	12.8	13.1	13.5	12.9	12.8	12.8	13.1	12.0
Rental income of persons	11.5	11.5	11.5	11.5	11.6	11.6	11.5	11.7
Dividends	14.8	14.9	15.5	14.2	14.2	14.1	14.4	14.1
Personal interest income	28.7	28.5	28.2	26.8	26.8	26.7	27.3	26.2
Transfer payments ^{1/}	33.1	33.1	33.4	31.1	31.1	31.0	32.9	29.1
Less: Personal contributions for social insurance	10.4	10.3	10.1	9.4	9.6	9.2	9.7	9.3
Total nonagricultural income ^{2/}	415.3	412.3	413.6	386.2	386.8	387.2	399.4	386.2
Total agricultural income	17.4	17.7	18.2	16.9	16.8	16.8	17.3	16.1

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.