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Alexander B. Trowbridge, Secretary Washington, D.C.

Office of
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PERSONAL INCOME - JUNE 1967

Personal income advanced \$3-3/4 billion in June and reached a seasonally adjusted annual rate of \$622 billion, the U. S. Department of Commerce announced today.

The June gain was the largest since January of this year, and about equal to the average monthly increase in 1966, the Department's Office of Business Economics noted.

The rise in personal income in June was sparked by a \$2-3/4 billion gain in wages and salaries. During the two previous months, wages and salaries had increased by only \$1/2 billion. Non-wage incomes increased at a somewhat slower pace in June than in May, as the growth in transfer payments slowed.

The expansion in payrolls during June reflected a turnaround in the manufacturing industries, and an acceleration in nonmanufacturing pay. Factory payrolls in June moved ahead \$3/4 billion, at an annual rate, after having shown a downward drift since early in the year. Most manufacturing industries showed improvement as factory employment increased for the first time since January and hourly wage rates continued to advance.

Nondurable goods industries contributed most of this increase; total durable goods payrolls were dampened somewhat in total by a strike in the electrical equipment industry. The nondurables groups showing the largest gains in payrolls were food, printing, and chemicals.

Among nonmanufacturing industries, sizable gains occurred in wages and salaries paid by the service industries and by State and local governments as employment continued to expand. Trade payrolls were up strongly in June as the workweek lengthened and wage rates rose.

Except for farm proprietors' income, which was down slightly, other non-wage components moved up and in the aggregate increased total income \$1 billion.

[More]

Income in the First Half of 1967

Personal income was at a seasonally adjusted annual rate of \$616 billion in the first 6 months of 1967, \$43-1/3 billion or 7-1/2 percent above the \$572-1/2 billion recorded during the same period last year. All major components shared in this advance except farm proprietors' income, off \$2 billion at an annual rate.

Wage and salary disbursements contributed \$31 billion to the advance, reflecting higher employment and wage rates. In the commodity-producing industries payrolls were higher by \$9 billion, the service industries up by \$6 billion.

Transfer payments in the first 6 months of 1967 were \$9 billion, or 21 percent, above the same period a year ago. Benefit payments under the medicare program which began last July accounted for about half of this gain.

Personal income includes wages and salaries, the net income of proprietorships - 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.

Annual Revisions

Estimates for May and prior months contained in this release and in the attached table represent statistical revisions of previously published data. These estimates incorporate the results of the annual revision of the national income and product accounts OBE publishes each year in the July issue of the Survey of Current Business.

The Survey of Current Business is available from Field Offices of the Department of Commerce or from the Superintendent of Documents, U. S. Government Printing Office, Washington, D.C. 20402, at an annual subscription price of \$6.00, including weekly supplements; single copy 45 cents.

Details of personal income in June and other recent periods, as well as for the year 1966, are shown in the following table:

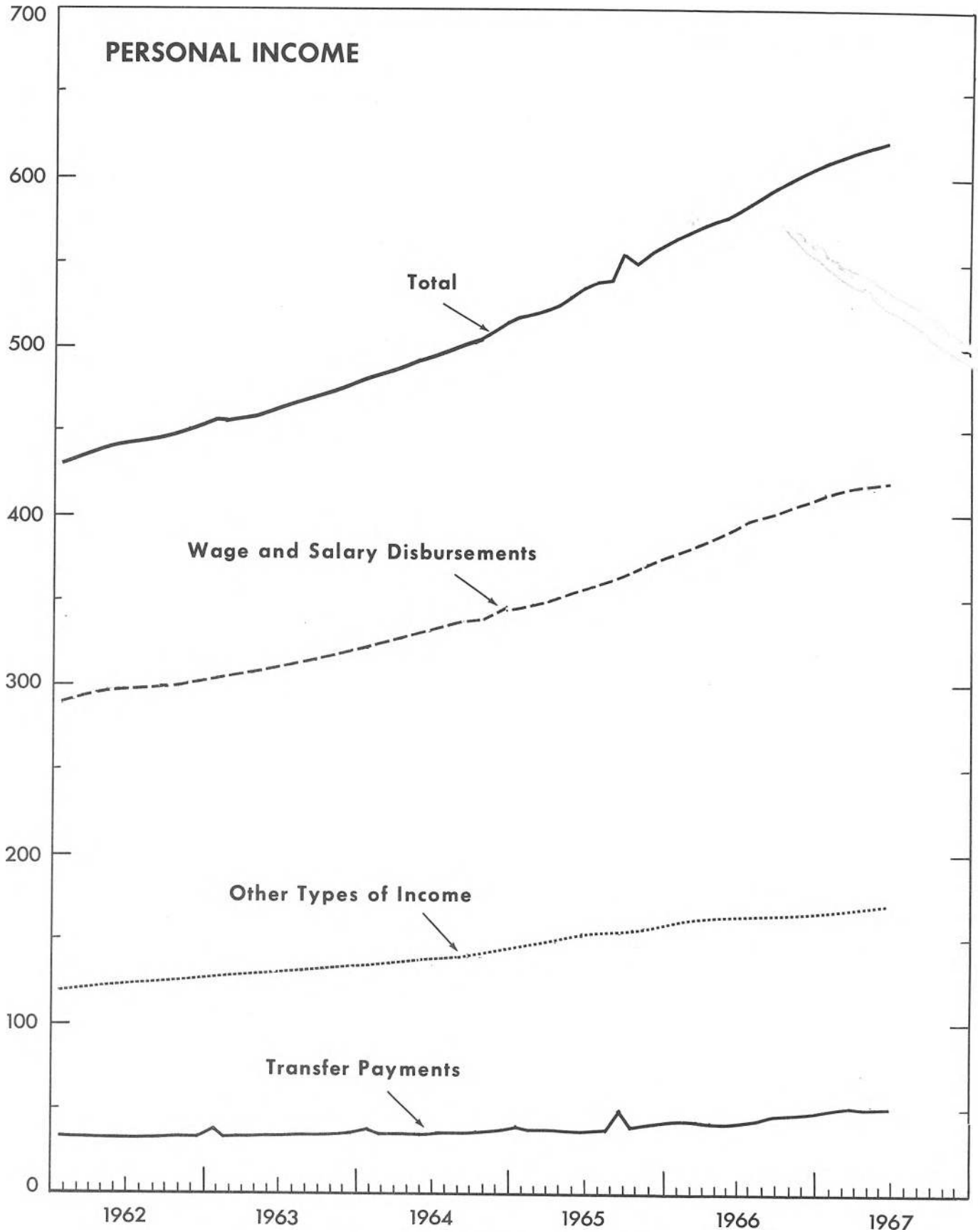
PERSONAL INCOME
(Seasonally adjusted annual rates in billions of dollars)

	June 1967	May 1967	April 1967	March 1967	February 1967	January 1967	June 1966	First 6 months		Full year 1966
								1967	1966	
TOTAL PERSONAL INCOME.....	621.9	618.2	616.5	615.6	612.6	610.4	581.1	615.9	572.6	584.0
Wage and salary disbursements, total	420.0	417.2	416.7	416.2	414.2	413.8	393.9	416.3	335.7	394.6
Commodity-producing industries	164.9	164.3	165.0	165.6	165.2	166.2	159.5	165.2	156.1	159.3
Manufacturing only	132.9	132.2	132.5	132.9	132.7	133.7	128.1	132.8	125.0	128.1
Distributive industries	100.2	99.3	99.1	99.1	98.6	98.4	93.7	99.1	92.1	93.9
Service industries	69.4	68.6	68.2	67.6	66.9	66.4	63.4	67.9	62.1	63.5
Government	85.5	85.0	84.5	84.0	83.4	82.7	77.3	84.2	75.4	77.9
Other labor income	23.1	22.8	22.6	22.4	22.2	22.1	20.7	22.6	20.2	20.8
Proprietors' income:										
Business and professional.....	43.5	43.4	43.3	43.1	43.2	43.3	43.5	43.3	43.1	43.2
Farm	14.3	14.4	14.4	14.3	14.6	15.0	15.6	14.5	16.6	16.1
Rental income of persons.....	20.1	20.0	20.0	19.9	19.8	19.7	19.3	19.9	19.2	19.4
Dividends	23.3	23.1	22.8	22.6	22.3	21.8	21.6	22.7	21.5	21.5
Personal interest income	46.2	46.0	45.8	45.5	45.2	45.0	42.2	45.6	41.3	42.4
Transfer payments ¹	51.7	51.5	51.0	51.7	51.1	49.7	41.8	51.1	42.1	43.9
Less: Personal contributions for social insurance	20.2	20.1	20.1	20.1	20.0	20.0	17.5	20.1	17.2	17.9
Total nonagricultural income².....	602.4	598.8	596.9	596.2	593.0	590.2	560.7	596.3	551.2	563.1
Total agricultural income	19.4	19.5	19.5	19.5	19.6	20.2	20.4	19.6	21.3	20.9

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

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

Billion \$



Monthly Totals, Seasonally Adjusted, at Annual Rates