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PERSONAL INCOME - NOVEMBER 1972

Personal income rose \$8.7 billion in November to a seasonally adjusted annual rate of \$972.5 billion, according to the Bureau of Economic Analysis, an agency of the Social and Economic Statistics Administration of the U. S. Department of Commerce. The October increase was \$17.0 billion (revised) reflecting a 20 percent stepup in social security benefits (excluding the social security increase, the increase was \$9.0 billion).

Wage and salary disbursements rose \$4.6 billion in November (\$7.0 billion in October.) The slowdown in November payrolls was in the private sector. Commodity-producing industries increased \$2.3 billion as against \$3.2 billion in October. Distributive payrolls rose \$0.5 billion in November, compared with \$2.0 billion in the preceding month. Service payrolls increased \$0.5 billion, about one-half the October increase. Government wages and salaries rose \$1.3 billion in November, compared with \$0.7 billion in October.

Manufacturing payrolls rose \$2.2 billion in November. There were sizable increases in employment, average weekly hours and earnings in the durable goods industries. The largest payroll gains were in transportation equipment, machinery, primary and fabricated metals. Payrolls in most nondurable goods industries increased by small amounts.

Transfer payments increased \$3.3 billion in November, reflecting a speedup in the payment of veterans' educational benefits amounting to \$2.1 billion and a permanent increase in benefits of \$0.4 billion at an annual rate. The speedup resulted from recent legislation which authorized payments to be made at the beginning of the covered month rather than in the following month. As a result the November payments include benefits for both October and November. November transfer payments also include a 20 percent increase in railroad retirement annuities amounting to \$0.5 billion. Other types of nonwage income in the aggregate increased about \$0.8 billion.

Total personal income in the first 11 months of 1972 averaged \$931.2 billion--\$72.5 billion or 8.4 percent above the comparable period in 1971.

Details of personal income in November and other recent periods are shown in Table 1. Table 2 shows BEA estimates of the disbursements of retroactive pay increases approved by the Pay Board that are included in the wage and salary component of personal income. Additional data appear each month in the Survey of Current Business, published by the Bureau of Economic Analysis.

The Survey 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 \$9, including weekly supplements; single copy, \$1.

TABLE 1
PERSONAL INCOME
(Seasonally adjusted annual rates in billions of dollars)

	First 11 months		Sept.	Oct.	Nov.	Sept.	Oct.	Nov.
	1971	1972	1971	1971	1971	1972	1972	1972
TOTAL PERSONAL INCOME.....	858.7	931.2	872.2	874.8	879.4	946.8	963.8	972.5
Wage and salary disbursements, total.....	570.9	624.4	577.9	579.9	583.4	636.0	643.0	647.6
Commodity-producing industries.....	205.5	223.6	206.9	207.9	208.8	227.8	231.0	233.3
Manufacturing only.....	159.9	174.9	160.4	161.3	161.7	178.8	181.5	183.7
Distributive industries.....	137.7	150.9	140.2	140.4	140.8	153.0	155.0	155.5
Service industries.....	104.6	115.6	106.8	107.5	108.2	118.2	119.3	119.8
Government.....	123.1	134.3	124.0	124.0	125.5	137.0	137.7	139.0
Other labor income.....	36.4	40.1	37.5	37.8	38.0	41.1	41.4	41.8
Proprietors' income:								
Business and professional.....	52.5	55.4	53.4	53.6	53.8	56.7	57.0	57.1
Farm.....	17.3	19.1	17.9	18.0	18.1	19.5	19.7	20.0
Rental income of persons.....	24.5	25.5	24.9	24.9	25.0	26.5	27.0	26.7
Dividends.....	25.5	26.3	25.5	25.5	25.5	26.5	26.7	26.6
Personal interest income.....	69.5	72.7	70.5	70.5	70.6	73.3	73.7	74.3
Transfer payments ¹	93.2	103.1	96.1	96.2	96.8	103.2	111.6	114.9
Less: Personal contributions for social insurance.....	31.1	35.4	31.5	31.6	31.8	36.0	36.4	36.6
Addenda:								
Total nonagricultural income ²	834.7	905.1	847.6	850.0	854.5	920.3	937.1	945.5
Total agricultural income.....	24.1	26.1	24.7	24.8	24.9	26.5	26.7	27.0

1. Consist mainly of social insurance benefits, direct relief 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.

Source: U. S. Department of Commerce, Bureau of Economic Analysis.

Table 2. - Retroactive Disbursements 1/ Included in
 Personal Income
 (Annual rates in billions of dollars)

	First 11 months 1972	Sept. 1972	Oct. 1972	Nov. 1972
Wage and salary disbursements, total	1.5	.8	.3	.6
Commodity-producing industries	.5	.2	<u>2/</u>	.1
Manufacturing only	.5	.2	<u>2/</u>	.1
Distributive industries	.5	<u>2/</u>	.3	<u>2/</u>
Service industries	.1	.1	<u>2/</u>	<u>0</u>
Government	.4	.5	<u>2/</u>	.4

Addendum:

Month to month changes in
 total wages and salaries
 excluding retroactive
 disbursements

5.5 7.4 4.4

1/ These are estimates prepared by the Bureau of Economic Analysis of the disbursements of retroactive pay increases approved by the Pay Board. These estimates are included in the wage and salary component of personal income in the months in which the disbursements are made. The addendum shows the changes in wages and salaries if the retroactive "lump sum" payments are excluded.

2/ Less than \$50 million.

Source: U. S. Department of Commerce, Bureau of Economic Analysis

Billion Dollars

