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BUREAU OF  
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 523-0810 (Personal Income)

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 523-0819 (Personal Outlays)

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Personal Income and Outlays - March 1983

Personal income increased \$14.6 billion in March to a seasonally adjusted annual rate of \$2,658.9 billion, according to the Commerce Department's Bureau of Economic Analysis. Personal outlays increased \$7.8 billion to \$2,120.3 billion. In February, personal income increased \$2.6 billion and personal outlays declined \$0.1 billion, based on revised estimates.

The larger increase in personal income in March was due to wages and salaries, which increased \$9.0 billion, compared with a decline of \$2.0 billion in February. The increase reflected higher employment, weekly hours, and hourly earnings.

	1983		
	Jan.	Feb.	March
	(Percent change from preceding month)		
Personal income, current dollars	0.3	0.1	0.6
Disposable personal income:			
Current dollars	.5	-.1	.6
Constant dollars	.1	-.2	--
Personal consumption expenditures:			
Current dollars	.5	.0	.4
Constant dollars	.1	-.1	--
Implicit price deflator	.4	.1	--
<u>Wages and salaries</u>			

Wages and salaries increased \$9.0 billion in March, compared with a decline of \$2.0 billion in February. Commodity-producing industries' payrolls increased \$0.6 billion, compared with a decline of \$0.2 billion. Distributive

industries' payrolls increased \$5.0 billion, compared with a decline of \$2.5 billion. Service industries' payrolls increased \$2.2 billion, compared with a decline of \$0.5 billion. Government wages and salaries increased \$1.2 billion in both months.

Manufacturing payrolls increased \$2.6 billion in March, compared with \$2.2 billion in February. The payroll increases were widespread in both durable and nondurable goods industries.

#### Nonwage income

Farm proprietors' income declined \$0.5 billion in March, compared with a decline of \$0.8 billion in February. Nonfarm proprietors' income increased \$1.3 billion in both months. Interest income increased \$2.6 billion, compared with \$2.1 billion. Transfer payments increased \$1.5 billion, compared with \$0.5 billion. All other nonwage income increased \$1.1 billion, compared with \$1.3 billion.

#### Personal taxes and disposable personal income

Personal tax and nontax payments increased \$1.8 billion in March, compared with \$4.2 billion in February. Disposable personal income -- personal income less personal tax and nontax payments -- increased \$12.7 billion, compared with a decline of \$1.6 billion.

#### Personal outlays and personal saving

Personal outlays -- personal consumption expenditures, interest paid by consumers to business, and personal transfer payments to foreigners (net) -- increased \$7.8 billion in March, compared with a decline of \$0.1 billion in February.

Personal consumption expenditures (PCE) increased \$7.6 billion in March, compared with a decline of \$0.1 billion in February. Purchases of durable goods increased \$0.9 billion, compared with a decline of \$5.6 billion. Purchases of nondurable goods declined \$2.0 billion, compared with a decline of \$0.3 billion. Purchases of services increased \$8.7 billion, compared with \$5.8 billion.

Personal saving -- disposable personal income less outlays -- was \$134.6 billion in March, compared with \$129.7 billion in February.

#### Constant-dollar estimates and the PCE implicit price deflator for February

Constant-dollar disposable personal income -- disposable personal income adjusted to remove price changes -- declined \$1.6 billion in February, compared with an increase of \$1.2 billion in January.

Constant-dollar personal consumption expenditures -- PCE adjusted to remove price changes -- declined \$0.8 billion in February, compared with an increase of \$1.0 billion in January. The implicit price deflator for PCE increased 0.1 percent, compared with 0.4 percent.

March estimates of constant-dollar disposable income and PCE, and of the implicit price deflator will be available in next month's release.

Revisions

Estimates have been revised for January and February. Changes in personal income, personal outlays, and personal saving -- revised and as published in last month's release -- are shown below.

	<u>Change from preceding month</u>							
	<u>Personal Income</u>		<u>Personal outlays</u>		<u>Personal saving</u>			
	<u>Previous estimate</u> (Percent)	<u>Revised</u>	<u>Previous estimate</u> (Billions of current dollars at annual rates)	<u>Revised</u>	<u>Previous estimate</u> (Billions of current dollars at annual rates)	<u>Revised</u>	<u>Previous estimate</u> (Billions of current dollars at annual rates)	<u>Revised</u>
1983:								
Jan.	0.2	0.3	5.2	6.8	13.1	11.0	-5.8	0.5
Feb.	.1	.1	2.9	2.6	.9	-.1	-.5	-1.5

Details of personal income and outlays for March and other recent periods are shown in the accompanying tables. Additional data appear each month in the Survey of Current Business, a monthly journal of the Bureau of Economic Analysis.

The Survey of Current Business is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. First class mail: annual subscription \$55.00 domestic. Second class mail: annual subscription \$30.00 domestic, \$37.50 foreign; single issue \$4.75 domestic, \$5.95 foreign.

Table 1. Personal Income  
[Billions of dollars]

	1981	1982	Seasonally adjusted at annual rates					
			Oct 82	Nov 82	Dec 82	Jan 83r	Feb 83r	Mar 83p
Personal income.....	2,415.8	2,569.9	2,609.4	2,627.7	2,635.0	2,641.7	2,644.3	2,658.9
Wage and salary disbursements.....	1,493.9	1,560.7	1,571.5	1,572.2	1,579.9	1,596.1	1,594.1	1,603.1
Commodity-producing industries..	510.8	509.9	503.0	500.9	500.7	509.8	509.5	510.2
Manufacturing.....	386.4	382.6	377.2	375.5	374.5	380.7	382.9	385.6
Distributive industries.....	361.4	376.0	378.3	377.6	380.6	381.7	379.2	384.3
Service industries.....	338.6	372.5	382.7	384.5	387.7	392.7	392.1	394.3
Government and government enterprises.....	283.1	302.3	307.5	309.2	310.8	312.0	313.2	314.4
Other labor income.....	140.4	153.8	157.2	157.9	158.7	159.6	160.6	161.6
Proprietors' income with inventory valuation and capital consumption adjustments.....	124.7	120.3	121.3	133.0	132.4	127.8	128.3	129.2
Farm.....	24.0	19.0	17.1	27.7	27.5	19.1	18.3	17.8
Nonfarm.....	100.7	101.3	104.2	105.3	104.9	108.7	110.0	111.4
Rental income of persons with capital consumption adjustment.....	33.9	34.1	34.8	34.4	32.5	35.2	35.3	35.4
Personal dividend income.....	62.5	67.0	68.4	68.9	69.3	69.7	69.8	69.8
Personal interest income.....	329.0	371.2	376.0	374.0	373.8	375.3	377.4	380.0
Transfer payments.....	336.3	374.7	392.7	399.6	401.3	394.5	394.9	396.4
Old-age, survivors, disability, and health insurance benefits..	182.0	204.5	213.4	218.4	218.0	216.0	216.9	217.5
Government unemployment insurance benefits.....	15.4	24.9	31.6	32.0	31.7	28.1	27.5	27.9
Other.....	138.9	145.3	147.7	149.1	151.6	150.3	150.6	151.0
Less: Personal contributions for social insurance.....	104.9	111.7	112.4	112.4	112.8	116.4	116.2	116.7
Addenda:								
Total nonfarm income.....	2,364.1	2,518.8	2,559.4	2,567.0	2,574.4	2,589.4	2,592.6	2,607.6
Total farm income <sup>1/</sup> .....	51.7	51.2	50.0	60.7	60.6	52.4	51.7	51.3

<sup>1/</sup> Equals farm proprietors' income, farm wages, farm other labor income, and agricultural net interest.

r = revised    p = preliminary

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

Table 2. The Disposition of Personal Income  
[Billions of dollars]

	1981	1982	Seasonally adjusted at annual rates					
			Oct 82	Nov 82	Dec 82	Jan 83r	Feb 83r	Mar 83p
Personal income.....	2,415.8	2,569.9	2,609.4	2,627.7	2,635.0	2,641.7	2,644.3	2,658.9
Less: Personal tax and nontax payments.....	386.7	397.2	397.5	399.0	402.6	398.0	402.2	404.0
Equals: Disposable personal income..	2,029.1	2,172.7	2,211.9	2,228.7	2,232.3	2,243.8	2,242.2	2,254.9
Less: Personal outlays.....	1,898.9	2,030.5	2,075.3	2,095.8	2,101.5	2,112.5	2,112.5	2,120.3
Personal consumption expenditures.	1,843.2	1,971.1	2,015.5	2,035.9	2,041.1	2,051.5	2,051.4	2,059.0
Interest paid by consumers to business.....	55.1	58.6	59.0	59.2	59.6	60.0	60.1	60.3
Personal transfer payments to foreigners (net).....	.6	.8	.8	.8	.8	1.0	1.0	1.0
Equals: Personal saving.....	130.2	142.2	136.6	132.9	130.8	131.2	129.7	134.6
Addenda:								
Disposable personal income:								
Total, billions of 1972 dollars <sup>1/</sup> ..	1,043.1	1,054.8	1,053.5	1,061.1	1,062.6	1,063.8	1,062.2	.....
Per capita:								
Current dollars.....	8,827	9,363	9,504	9,568	9,575	9,616	9,602	9,650
1972 dollars.....	4,538	4,545	4,527	4,556	4,558	4,559	4,549	4,559
Population (millions).....	229.9	232.1	232.7	232.9	233.1	233.4	233.5	233.7
Personal saving as percentage of disposable personal income <sup>2/</sup> .....	6.4	6.5	6.2	6.0	5.9	5.8	5.9	.....

1/ Disposable personal income in 1972 dollars equals the current-dollar figure divided by the implicit price deflator for personal consumption expenditures.

2/ Monthly estimates equal the centered three-month moving average of personal saving as a percentage of the centered three-month moving average of disposable personal income.

r = revised      p = preliminary

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

Table 3. Personal Income and Its Disposition, Change From Preceding Period  
[Billions of dollars]

	1981	1982	Seasonally adjusted at annual rates					
			Oct 82	Nov 82	Dec 82	Jan 83r	Feb 83r	Mar 83p
Personal income.....	255.4	154.1	12.2	18.3	7.3	6.8	2.6	14.6
Wage and salary disbursements.....	137.8	66.8	1.4	.7	7.7	16.2	-2.0	9.0
Other labor income.....	13.2	13.3	.7	.8	.8	.9	1.0	1.0
Proprietors' income with inventory valuation and capital consumption adjustments.....	8.4	-4.4	2.8	11.7	-.6	-4.6	-.5	-.8
Farm.....	4.6	-5.0	1.1	10.6	-.2	-8.4	-.8	-.5
Nonfarm.....	3.9	.5	1.6	1.2	-.4	3.8	1.3	1.3
Rental income of persons with capital consumption adjustment.....	1.0	.3	-.1	-.5	-1.9	2.7	.1	-.1
Personal dividend income.....	6.6	4.5	-.7	-.6	-.3	-.4	-.2	-.0
Personal interest income.....	65.6	42.2	-2.8	-2.0	-.2	1.5	2.1	2.6
Transfer payments.....	39.1	38.3	9.4	6.9	1.7	-6.8	.5	1.5
Less: Personal contributions for social insurance.....	16.2	6.8	.0	.0	.5	3.5	-.2	-.5
Less: Personal tax and nontax payments.....	50.4	10.5	3.0	1.4	3.7	-4.7	4.2	1.8
Equals: Disposable personal income..	205.1	143.6	9.2	16.8	3.6	11.5	-1.6	12.7
Less: Personal outlays.....	181.1	131.6	12.2	20.5	5.7	11.0	-.1	7.8
Equals: Personal saving.....	24.0	12.0	-3.0	-3.7	-2.1	.5	-1.5	4.9
Addendum:								
Disposable personal income, billions of 1972 dollars.....	25.0	11.7	-2.6	7.6	1.5	1.2	-1.6	.....

r = revised p = preliminary

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

Table 4. Personal Consumption Expenditures by Major Type of Product

	Seasonally adjusted at annual rates							
	1981	1982	Oct 82	Nov 82	Dec 82	Jan 83r	Feb 83r	Mar 83p
Billions of current dollars								
Personal consumption expenditures...	1,843.2	1,971.1	2,015.5	2,035.9	2,041.1	2,051.5	2,051.4	2,059.0
Durable goods.....	234.6	242.7	240.7	255.6	259.1	259.8	254.2	255.1
Nondurable goods.....	734.5	762.1	777.2	773.9	776.1	777.3	777.0	775.0
Services.....	874.1	966.3	997.6	1,006.4	1,006.0	1,014.4	1,020.2	1,028.9
Billions of constant (1972) dollars								
Personal consumption expenditures...	947.6	956.9	960.0	969.3	971.6	972.7	971.8	.....
Durable goods.....	140.0	138.8	136.3	145.5	146.7	146.2	143.6	.....
Nondurable goods.....	362.4	365.0	367.4	366.4	368.9	369.3	370.2	.....
Services.....	445.2	453.1	456.2	457.5	456.0	457.1	458.0	.....
Implicit price deflators (Index numbers, 1972=100)								
Personal consumption expenditures...	194.5	206.0	210.0	210.0	210.1	210.9	211.1	.....
Durable goods.....	167.5	174.9	176.6	175.7	176.6	177.6	177.0	.....
Nondurable goods.....	202.7	208.8	211.5	211.2	210.4	210.5	209.9	.....
Services.....	196.3	213.3	218.7	220.0	220.6	221.9	222.8	.....
Change from preceding period								
Billions of current dollars								
Personal consumption expenditures...	176.0	127.9	12.3	20.4	5.2	10.4	-1	7.6
Durable goods.....	20.3	8.1	-6.9	14.9	3.5	.7	-5.6	.9
Nondurable goods.....	64.1	27.6	7.7	-3.3	2.2	1.2	-3	-2.0
Services.....	91.6	92.2	11.6	8.8	-4	8.4	5.8	8.7
Billions of constant (1972) dollars								
Personal consumption expenditures...	17.1	9.3	-4	9.3	2.3	1.0	-8	.....
Durable goods.....	2.9	-1.2	-3.7	9.2	1.2	-5	-2.6	.....
Nondurable goods.....	6.6	2.6	1.9	-1.0	2.5	.4	.9	.....
Services.....	7.6	7.9	1.3	1.3	-1.5	1.1	.9	.....

r = revised    p = preliminary

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