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Pauline M. Cypert: 523-0832
 523-0810 (Personal Income)

Clinton P. McCully: 523-0836
 523-0819 (Personal Outlays)

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Personal Income and Outlays - July 1983

Personal income increased \$15.5 billion in July to a seasonally adjusted annual rate of \$2,751.0 billion, according to the Commerce Department's Bureau of Economic Analysis. Personal outlays increased \$8.8 billion to \$2,238.6 billion. In June, personal income increased \$13.3 billion and personal outlays increased \$10.2 billion, based on revised estimates.

	1983		
	May	June	July
	(Percent change from preceding month)		
Personal income, current dollars	1.2	0.5	0.6
Disposable personal income:			
Current dollars	.9	.4	1.7
Constant dollars	.5	.2	--
Personal consumption expenditures:			
Current dollars	1.7	.5	.4
Constant dollars	1.4	.3	--
Implicit price deflator	.3	.2	--

Wages and salaries

Wages and salaries increased \$12.2 billion in July, compared with \$8.9 billion in June. Commodity-producing industries' payrolls increased \$6.0 billion, compared with \$5.7 billion. Distributive industries' payrolls increased \$1.6 billion, compared with \$2.6 billion. Service industries' payrolls increased \$3.2 billion, compared with \$3.0 billion. Government wages and salaries increased \$1.4 billion, compared with a decrease of \$2.5 billion. The June decrease was mainly due to a retroactive wage payment of \$3.3 billion (at an annual rate) in May to Postal Service employees.

Manufacturing payrolls increased \$5.1 billion in July, compared with \$3.8 billion in June. Higher employment accounted for most of the increase. The payroll gains were primarily in the durable-goods industries, with nonelectrical machinery, primary and fabricated metals, and motor vehicles showing the largest gains.

Nonwage income

Farm proprietors' income declined \$1.1 billion in July, compared with a decline of \$0.7 billion in June. Nonfarm proprietors' income increased \$0.9 billion, compared with \$1.8 billion. Personal interest income increased \$1.8 billion in both months. Transfer payments declined \$0.7 billion in July, compared with a decline of \$0.2 billion in June. All other nonwage income increased \$3.0 billion, compared with \$2.4 billion.

Personal taxes and disposable personal income

Personal tax and nontax payments declined \$24.8 billion in July, compared with an increase of \$4.8 billion in June. The July decline reflected a reduction of about \$29.0 billion in federal personal income taxes as provided by the Economic Recovery Tax Act of 1981. Disposable personal income -- personal income less personal tax and nontax payments -- increased \$40.3 billion, compared with \$8.5 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 \$8.8 billion in July, compared with \$10.2 billion in June.

Personal consumption expenditures (PCE) increased \$8.6 billion in July, compared with \$10.1 billion in June. Purchases of durable goods declined \$0.1 billion, compared with an increase of \$7.0 billion. Purchases of nondurable goods increased \$4.8 billion, compared with \$0.1 billion. Purchases of services increased \$4.0 billion, compared with \$2.9 billion.

Personal saving -- disposable personal income less outlays -- was \$116.8 billion in July, compared with \$85.4 billion in June.

Constant-dollar estimates and the PCE implicit price deflator for June

Constant-dollar disposable personal income -- disposable personal income adjusted to remove price changes -- increased \$2.2 billion in June, compared with \$5.9 billion in May.

Constant-dollar personal consumption expenditures -- PCE adjusted to remove price changes -- increased \$3.0 billion in June, compared with \$13.8 billion in May. The implicit price deflator for PCE increased 0.2 percent, compared with 0.3 percent.

July 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 April through June. Changes in personal income, personal outlays, and personal saving -- revised and as published in last month's release -- are shown below.

Change from preceding month

	<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>		
1983:								
Apr.	0.8	0.7	20.4	19.1	38.1	36.8	-15.8	-16.4
May.	1.1	1.2	30.1	33.1	33.1	36.6	-16.4	-16.7
Jun.	.5	.5	13.4	13.3	21.3	10.2	-12.8	-1.8

* * *

Details of personal income and outlays for July 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 \$50.00 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					Jul 83p
			Feb 83	Mar 83	Apr 83r	May 83r	Jun 83r	
Personal income.....	2,435.0	2,578.6	2,650.5	2,670.1	2,689.1	2,722.3	2,735.6	2,751.0
Wage and salary disbursements.....	1,493.2	1,568.1	1,606.3	1,616.8	1,632.1	1,652.2	1,661.1	1,673.3
Commodity-producing industries..	509.5	509.2	507.4	510.0	517.1	522.0	527.7	533.8
Manufacturing.....	385.3	383.8	384.7	337.9	393.5	397.5	401.3	406.4
Distributive industries.....	361.6	378.8	384.2	388.4	390.7	394.8	397.4	399.0
Service industries.....	337.7	374.1	395.5	397.8	402.4	408.2	411.2	414.5
Government and government enterprises.....	284.4	306.0	319.2	320.6	321.9	327.1	324.7	326.1
Other labor income.....	143.5	156.6	164.2	166.0	168.1	170.1	172.2	174.3
Proprietors' income with inventory valuation and capital consumption adjustments.....	120.2	109.0	119.1	123.0	125.4	131.3	132.4	132.2
Farm.....	30.5	21.5	21.3	22.3	22.3	24.7	24.0	22.9
Nonfarm.....	89.7	87.4	97.8	100.8	103.1	106.6	108.5	109.3
Rental income of persons with capital consumption adjustment.....	41.4	49.9	54.1	54.3	54.6	54.8	55.0	55.3
Personal dividend income.....	62.8	66.4	68.9	68.9	69.0	69.4	69.5	70.2
Personal interest income.....	341.3	366.7	356.0	355.7	355.0	356.6	358.4	360.2
Transfer payments.....	337.2	374.5	398.1	402.0	402.7	406.7	406.4	405.7
Old-age, survivors, disability, and health insurance benefits..	182.0	204.5	216.7	219.1	220.0	221.2	221.9	223.2
Government unemployment insurance benefits.....	15.6	24.8	29.1	30.0	29.3	30.9	29.4	26.5
Other.....	139.6	145.2	152.3	152.9	153.3	154.5	155.1	156.0
Less: Personal contributions for social insurance.....	104.6	112.0	116.2	116.8	117.6	118.8	119.5	120.1
Addenda:								
Total nonfarm income.....	2,377.0	2,527.6	2,599.7	2,618.4	2,636.1	2,668.2	2,682.1	2,698.5
Total farm income ^{1/}	57.9	51.0	50.7	51.6	53.0	54.1	53.4	52.5

^{1/} 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					
			Feb 83	Mar 83	Apr 83r	May 83r	Jun 83r	Jul 83p
Personal income.....	2,435.0	2,578.6	2,650.5	2,670.1	2,689.1	2,722.3	2,735.6	2,751.0
Less: Personal tax and nontax payments.....	387.4	402.1	402.3	403.6	402.2	415.5	420.4	395.6
Equals: Disposable personal income..	2,047.6	2,176.5	2,248.2	2,266.5	2,286.9	2,306.8	2,315.2	2,355.5
Less: Personal outlays.....	1,912.4	2,051.1	2,129.3	2,146.2	2,183.0	2,219.5	2,229.8	2,238.6
Personal consumption expenditures.	1,857.2	1,991.9	2,068.3	2,034.6	2,121.0	2,157.1	2,167.2	2,175.8
Interest paid by consumers to business.....	54.3	58.1	60.0	60.6	60.9	61.3	61.5	61.7
Personal transfer payments to foreigners (net).....	.9	1.1	1.0	1.0	1.1	1.1	1.1	1.1
Equals: Personal saving.....	135.3	125.4	118.8	120.3	103.9	87.2	85.4	116.8
Addenda:								
Disposable personal income:								
Total, billions of 1972 dollars ^{1/} ..	1,054.7	1,060.2	1,070.3	1,077.2	1,077.9	1,083.8	1,085.9	.....
Per capita:								
Current dollars.....	8,908	9,379	9,628	9,700	9,781	9,859	9,888	10,051
1972 dollars.....	4,588	4,569	4,584	4,610	4,610	4,632	4,638	.....
Population (millions).....	229.9	232.1	233.5	233.7	233.8	234.0	234.2	234.3
Personal saving as percentage of disposable personal income ^{2/}	6.6	5.8	5.4	5.0	4.5	4.0	4.1	.....

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					
			Feb 83	Mar 83	Apr 83r	May 83r	Jun 83r	Jul 83p
Personal income.....	255.4	154.1	-2.1	19.6	19.1	33.1	13.3	15.5
Wage and salary disbursements.....	137.8	66.8	-2.7	10.5	15.3	20.1	8.9	12.2
Other labor income.....	13.2	13.3	1.5	1.8	2.0	2.0	2.0	2.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	8.4	-4.4	-.5	3.9	2.3	5.9	1.1	-.2
Farm.....	4.6	-5.0	-1.6	.9	.0	2.4	-.7	-1.1
Nonfarm.....	3.9	.5	1.1	3.0	2.3	3.5	1.8	.9
Rental income of persons with capital consumption adjustment.....	1.0	.3	.2	.2	.2	.2	.2	.2
Personal dividend income.....	6.6	4.5	.2	.0	.1	.4	.1	.7
Personal interest income.....	65.6	42.2	-4.0	-.3	-.7	1.6	1.8	1.8
Transfer payments.....	39.1	38.3	2.7	3.9	.7	4.0	-.2	-.7
Less: Personal contributions for social insurance.....	16.2	6.8	-.4	.6	.9	1.2	.7	.7
Less: Personal tax and nontax payments.....	50.4	10.5	2.9	1.3	-1.4	13.3	4.8	-24.8
Equals: Disposable personal income..	205.1	143.6	-5.0	18.3	20.4	19.8	8.5	40.3
Less: Personal outlays.....	181.1	131.6	2.2	16.8	36.8	36.6	10.2	8.8
Equals: Personal saving.....	24.0	12.0	-7.2	1.5	-16.4	-16.7	-1.8	31.4
Addendum:								
Disposable personal income, billions of 1972 dollars.....	25.0	11.7	-3.4	6.9	.6	5.9	2.2	.....

r = revised p = preliminary

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

Table 4. Personal Consumption Expenditures by Major Type of Product

	1981	1982	Seasonally adjusted at annual rates					Jul 83p
			Feb 83	Mar 83	Apr 83r	May 83r	Jun 83r	
Billions of current dollars								
Personal consumption expenditures...	1,857.2	1,991.9	2,068.3	2,084.6	2,121.0	2,157.1	2,167.2	2,175.8
Durable goods.....	236.1	244.5	256.9	259.6	270.6	278.3	285.3	285.2
Nondurable goods.....	733.9	761.0	774.5	780.1	786.6	803.9	804.1	808.9
Services.....	887.1	986.4	1,036.9	1,044.9	1,063.8	1,074.9	1,077.9	1,081.8
Billions of constant (1972) dollars								
Personal consumption expenditures...	956.8	970.2	984.7	990.8	999.7	1,013.5	1,016.5	.....
Durable goods.....	141.2	139.8	144.3	147.1	152.1	156.9	159.9	.....
Nondurable goods.....	362.5	364.2	368.9	370.0	370.0	376.0	376.5	.....
Services.....	453.1	466.2	471.5	473.7	477.6	480.6	480.1	.....
Implicit price deflators (Index numbers, 1972=100)								
Personal consumption expenditures...	194.1	205.3	210.0	210.4	212.2	212.8	213.2	.....
Durable goods.....	167.3	174.8	178.0	176.5	177.9	177.4	178.4	.....
Nondurable goods.....	202.5	209.0	209.9	210.9	212.6	213.8	213.6	.....
Services.....	195.8	211.6	219.9	220.6	222.8	223.7	224.5	.....
Change from preceding period								
Billions of current dollars								
Personal consumption expenditures...	189.1	134.7	2.2	16.3	36.4	36.1	10.1	8.6
Durable goods.....	21.4	8.4	-2.3	2.7	11.0	7.7	7.0	-1
Nondurable goods.....	65.1	27.1	-2.0	5.6	6.5	17.3	.1	4.8
Services.....	102.6	99.3	6.4	7.9	19.0	11.1	2.9	4.0
Billions of constant (1972) dollars								
Personal consumption expenditures...	25.0	13.4	.1	6.1	8.9	13.8	3.0	.....
Durable goods.....	3.7	-1.4	-1.8	2.8	5.0	4.8	3.0	.....
Nondurable goods.....	6.9	1.7	1.0	1.0	.1	6.0	.5	.....
Services.....	14.3	13.1	.9	2.2	3.9	3.1	-.5	.....

r = revised p = preliminary

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