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 523-0810 (Personal Income)

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 523-0819 (Personal Outlays)

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Personal Income and Outlays - May 1984

Personal income increased \$17.8 billion in May to a seasonally adjusted annual rate of \$2,978.8 billion, according to the Commerce Department's Bureau of Economic Analysis. Personal outlays increased \$24.9 billion to \$2,415.3 billion. In April, personal income increased \$17.2 billion and personal outlays increased \$36.6 billion, based on revised estimates.

	1984		
	Mar.	Apr.	May.
	(Percent change from preceding month)		
Personal income, current dollars	0.5	0.6	0.6
Disposable personal income:			
Current dollars	.6	.6	.5
Constant dollars	.2	.4	--
Personal consumption expenditures:			
Current dollars	.2	1.6	1.1
Constant dollars	-.2	1.4	--
Implicit price deflator	.4	.1	--

Wages and salaries

Wages and salaries increased \$8.7 billion in May, compared with \$21.5 billion in April. Commodity-producing industries' payrolls increased \$2.6 billion, compared with \$8.0 billion. Distributive industries' payrolls increased \$3.6 billion, compared with \$5.1 billion. Service industries' payrolls increased \$0.9 billion, compared with \$7.0 billion. Government wages and salaries increased \$1.5 billion, compared with \$1.4 billion.

Manufacturing payrolls increased \$0.6 billion in May, compared with \$5.7 billion in April. Employment and hourly earnings increased and weekly hours decreased.

Nonwage income

Farm proprietors' income declined \$0.4 billion in May, compared with a decline of \$15.3 billion in April. The decline in both months reflected the return to a normal level following several months of unusually large government subsidy payments to farmers under the Payment-in-Kind Program. Nonfarm proprietors' income increased \$0.6 billion, compared with \$1.7 billion. Personal interest income increased \$5.3 billion, compared with \$5.5 billion. Transfer payments increased \$1.7 billion, compared with \$1.8 billion. All other nonwage income increased \$2.5 billion, compared with \$3.2 billion.

Personal taxes and disposable personal income

Personal tax and nontax payments increased \$4.5 billion in May, compared with \$2.8 billion in April. Disposable personal income -- personal income less personal tax and nontax payments -- increased \$13.3 billion, compared with \$14.4 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 \$24.9 billion in May, compared with \$36.6 billion in April.

Personal consumption expenditures (PCE) increased \$24.4 billion in May, compared with \$36.1 billion in April. Purchases of durable goods increased \$13.6 billion, compared with \$7.1 billion; the larger increase in May was due to a large increase in automobile purchases, which had decreased slightly in April. Purchases of nondurable goods increased \$4.0 billion, compared with \$20.2 billion; the larger increase in April was due to a large increase in food purchases, which had no change in May. Purchases of services increased \$6.9 billion, compared with \$8.8 billion.

Personal saving -- disposable personal income less outlays -- was \$133.4 billion in May, compared with \$145.1 billion in April.

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

Constant-dollar disposable personal income -- disposable personal income adjusted to remove price changes -- increased \$5.0 billion in April, compared with \$2.3 billion in March.

Constant-dollar personal consumption expenditures -- PCE adjusted to remove price changes -- increased \$15.0 billion in April, compared with a decline of \$1.7 billion in March. The implicit price deflator for PCE increased 0.1 percent, compared with 0.4 percent.

May 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 through April. 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>	<u>Revised</u>	<u>Previous estimate</u>	<u>Revised</u>	<u>Previous estimate</u>	<u>Revised</u>	<u>Previous estimate</u>	<u>Revised</u>	
	<u>(Percent)</u>		<u>(Billions of current dollars at annual rates)</u>						
1984:									
Jan.	1.6	1.7	46.9	47.2	49.4	47.5	-7.0	-4.7	
Feb.	.7	.7	20.9	21.1	-23.0	-20.6	41.3	38.9	
Mar.	.5	.5	14.9	15.8	8.8	6.1	4.6	8.9	
Apr.	.5	.6	14.8	17.2	26.4	36.6	-16.3	-22.2	
			*	*	*				

Details of personal income and outlays for May 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]

	1982	1983	Seasonally adjusted at annual rates					May 84p
			Dec 83	Jan 84r	Feb 84r	Mar 84r	Apr 84r	
Personal income.....	2,578.6	2,742.1	2,859.6	2,906.8	2,928.0	2,943.7	2,961.0	2,978.8
Wage and salary disbursements.....	1,568.1	1,664.6	1,726.0	1,748.7	1,757.1	1,763.4	1,784.9	1,793.5
Commodity-producing industries..	509.2	529.7	552.9	564.0	568.5	569.0	577.0	579.6
Manufacturing.....	383.8	402.8	421.6	429.7	433.6	435.7	441.4	442.0
Distributive industries.....	373.8	397.2	411.8	414.3	414.6	417.0	422.1	425.7
Service industries.....	374.1	411.5	427.6	432.7	434.8	436.6	443.6	444.5
Government and government enterprises.....	306.0	326.2	333.7	337.7	339.3	340.7	342.2	343.6
Other labor income.....	156.6	173.4	184.9	186.9	189.0	191.1	193.2	195.2
Proprietors' income with inventory valuation and capital consumption adjustments.....	109.0	128.5	145.4	167.5	171.3	169.0	155.4	155.6
Farm.....	21.5	20.9	30.4	47.6	49.5	46.5	31.2	30.8
Nonfarm.....	87.4	107.6	115.0	119.9	121.8	122.5	124.2	124.8
Rental income of persons with capital consumption adjustment.....	47.9	54.8	56.5	56.7	57.0	57.2	57.4	57.7
Personal dividend income.....	65.4	70.5	73.4	74.1	75.1	76.2	77.0	77.3
Personal interest income.....	366.2	366.3	384.0	389.9	396.2	402.9	408.4	413.7
Transfer payments.....	374.5	403.6	412.4	411.3	411.1	413.1	414.9	416.5
Old-age, survivors, disability, and health insurance benefits..	204.5	222.8	231.8	233.2	232.7	234.7	236.2	237.1
Government unemployment insurance benefits.....	24.8	25.6	21.4	18.1	17.2	17.0	16.8	16.6
Other.....	145.2	155.3	159.2	160.1	161.1	161.4	161.9	162.9
Less: Personal contributions for social insurance.....	112.0	119.5	122.9	128.3	128.7	129.0	130.2	130.8
Addenda:								
Total nonfarm income.....	2,527.6	2,691.5	2,799.2	2,829.1	2,848.2	2,866.8	2,899.0	2,916.8
Total farm income ^{1/}	51.0	50.6	60.5	77.8	79.8	76.9	62.0	61.9

^{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]

	1982	1983	Seasonally adjusted at annual rates					
			Dec 83	Jan 84r	Feb 84r	Mar 84r	Apr 84r	May 84p
Personal income.....	2,578.6	2,742.1	2,859.6	2,906.8	2,928.0	2,943.7	2,961.0	2,978.8
Less: Personal tax and nontax payments.....	402.1	405.5	414.7	419.2	422.0	422.8	425.5	430.1
Equals: Disposable personal income..	2,176.5	2,335.6	2,444.9	2,487.7	2,506.0	2,521.0	2,535.4	2,548.7
Less: Personal outlays.....	2,051.1	2,221.9	2,320.7	2,368.2	2,347.7	2,353.7	2,390.3	2,415.3
Personal consumption expenditures.	1,991.9	2,153.0	2,252.1	2,299.0	2,277.1	2,282.5	2,318.6	2,343.1
Interest paid by consumers to business.....	58.1	62.8	67.2	67.6	68.9	69.6	70.2	70.7
Personal transfer payments to foreigners (net).....	1.1	1.2	1.4	1.6	1.6	1.6	1.5	1.5
Equals: Personal saving.....	125.4	113.7	124.2	119.4	158.4	167.3	145.1	133.4
Addenda:								
Disposable personal income:								
Total, billions of 1972 dollars ^{1/} ..	1,060.2	1,094.6	1,129.4	1,142.9	1,150.3	1,152.6	1,157.6	.....
Per capita:								
Current dollars.....	9,379	9,969	10,390	10,565	10,635	10,692	10,746	10,796
1972 dollars.....	4,569	4,572	4,800	4,854	4,882	4,888	4,906	4,931
Population (millions).....	232.1	234.3	235.3	235.5	235.6	235.8	235.9	236.1
Personal saving as percentage of disposable personal income ^{2/}	5.8	4.9	5.1	5.4	5.9	6.2	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]

	1982	1983	Seasonally adjusted at annual rates					
			Dec 83	Jan 84r	Feb 84r	Mar 84r	Apr 84r	May 84p
Personal income.....	143.6	163.5	26.1	47.2	21.1	15.8	17.2	17.8
Wage and salary disbursements.....	74.9	96.5	10.7	22.8	8.4	6.2	21.5	8.7
Other labor income.....	13.1	16.7	2.2	2.0	2.1	2.1	2.1	2.0
Proprietors' income with inventory valuation and capital consumption adjustments.....	-11.2	19.5	7.3	22.1	3.7	-2.2	-13.6	-.2
Farm.....	-8.9	-.6	6.6	17.2	1.9	-3.0	-15.3	-.4
Nonfarm.....	-2.3	20.1	.7	4.9	1.9	.7	1.7	.6
Rental income of persons with capital consumption adjustment.....	8.5	4.9	.2	.2	.2	.2	.2	.2
Personal dividend income.....	3.6	4.1	.5	.7	1.0	1.0	.9	.3
Personal interest income.....	24.9	.2	3.1	5.9	6.3	6.7	5.5	5.3
Transfer payments.....	37.4	29.1	2.6	-1.1	-.2	2.0	1.8	1.7
Less: Personal contributions for social insurance.....	7.5	7.5	.6	5.4	.4	.3	1.2	.5
Less: Personal tax and nontax payments.....	14.7	4.4	3.7	4.5	2.8	.8	2.8	4.5
Equals: Disposable personal income..	128.9	159.1	22.4	42.8	18.4	15.0	14.4	13.3
Less: Personal outlays.....	138.7	170.9	26.4	47.5	-20.6	6.1	36.6	24.9
Equals: Personal saving.....	-9.8	-11.8	-4.0	-4.7	38.9	8.9	-22.2	-11.7
Addendum:								
Disposable personal income, billions of 1972 dollars.....	5.5	34.4	7.9	13.5	7.4	2.3	5.0	.....

r = revised p = preliminary

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

Table 4. Personal Consumption Expenditures by Major Type of Product

	1982	1983	Seasonally adjusted at annual rates					
			Dec 83	Jan 84r	Feb 84r	Mar 84r	Apr 84r	May 84p
Billions of current dollars								
Personal consumption expenditures...	1,991.9	2,153.0	2,252.1	2,299.0	2,277.1	2,282.5	2,318.6	2,343.1
Durable goods.....	244.5	279.4	312.2	322.1	312.7	310.7	317.8	331.4
Nondurable goods.....	761.0	804.1	821.6	852.5	839.6	837.4	857.6	861.6
Services.....	986.4	1,074.5	1,118.4	1,124.4	1,124.9	1,134.5	1,143.3	1,150.1
Billions of constant (1972) dollars								
Personal consumption expenditures...	970.2	1,011.4	1,040.3	1,056.2	1,045.2	1,043.6	1,058.6	.....
Durable goods.....	139.8	156.3	172.4	177.7	172.7	171.8	175.5	.....
Nondurable goods.....	364.2	376.1	380.3	391.2	386.8	384.0	393.8	.....
Services.....	466.2	479.0	487.6	487.3	485.7	487.9	489.4	.....
Implicit price deflators (Index numbers, 1972=100)								
Personal consumption expenditures...	205.3	213.4	216.5	217.7	217.9	218.7	219.0	.....
Durable goods.....	174.8	178.7	181.1	181.2	181.1	180.9	181.1	.....
Nondurable goods.....	209.0	213.8	216.0	217.9	217.1	218.1	217.8	.....
Services.....	211.6	224.3	229.4	230.8	231.6	232.5	233.6	.....
Change from preceding period								
Billions of current dollars								
Personal consumption expenditures...	134.7	165.1	25.0	46.9	-21.9	5.4	36.1	24.4
Durable goods.....	8.4	34.9	18.3	9.9	-9.4	-2.0	7.1	13.6
Nondurable goods.....	27.1	43.1	-6.2	31.0	-13.0	-2.2	20.2	4.0
Services.....	99.3	83.1	12.9	5.9	.5	9.6	8.8	6.9
Billions of constant (1972) dollars								
Personal consumption expenditures...	13.4	41.2	9.3	15.9	-11.0	-1.7	15.0	.....
Durable goods.....	-1.4	16.5	9.7	5.3	-5.0	-.9	3.7	.....
Nondurable goods.....	1.7	11.9	-4.4	10.9	-4.4	-2.8	9.8	.....
Services.....	13.1	12.8	4.1	-.4	-1.5	2.1	1.5	.....

r = revised p = preliminary

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