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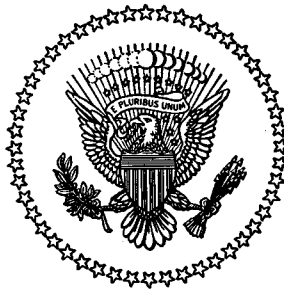
Economic Report

of the President

TRANSMITTED TO THE CONGRESS

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JANUARY 20, 1958



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LETTER OF TRANSMITTAL

THE WHITE HOUSE,
January 20, 1958.

To the Congress of the United States:

I present herewith my Economic Report, as required by Section 3 (a) of the Employment Act of 1946. In preparing this Report, I have received the assistance and advice of the Council of Economic Advisers. I have also had the advice of the heads of the executive departments and independent agencies of the Government.

I set forth below, in condensed form, what I consider to be the major conclusions and recommendations of the Report.

The Economy in 1957

The past year was a prosperous one, despite a decline in the closing months. Over 65 million people were employed, 300,000 more than in 1956. The Nation's output of goods and services totaled \$434 billion, and personal income was \$343 billion. Both were 5 percent larger than in the preceding year. A considerable part of these increases, however, reflected higher prices.

In the final quarter of the year, gross national product was about 1½ percent below the peak reached in the third quarter. Personal income after taxes declined one-half of 1 percent, and personal consumption expenditures somewhat less. In December, however, unemployment amounted to 5.2 percent of the civilian labor force, compared with 4.3 percent in September.

This change in economic conditions called for adjustments in economic policies. During much of the year, the task of restraining inflationary pressures was paramount, and policies were directed to this end. In the closing months of the year, and currently, the task has been to facilitate readjustments in the economy essential to the resumption of sustainable economic growth, but to do so without reviving inflationary pressures.

The Current Economic Situation and Outlook

As we look ahead in 1958, there are grounds for expecting that the decline in business activity need not be prolonged and that economic growth can be resumed without extended interruption. The policies of Government will be directed toward helping to assure this result.

The demand for goods and services for final use has been well maintained. A considerable adjustment in inventories has already taken place, and present holdings are generally not heavy. Personal income has fallen very little, and purchases by consumers are continuing at a high level. The confidence of business concerns in the economic future is evidenced by their long-range plans for the expansion and improvement of production facilities and the high rate at which they are carrying out these plans. The increasing amount of resources committed to research and development is further evidence of this confidence and assures the continued working of forces that make for expansion.

Financial conditions are increasingly favorable to resumption of economic growth. Credit is more readily available and its cost is lower. These conditions, together with the recent reduction in the cash investment required of prospective home buyers under Federal mortgage insurance programs, tend to promote increased home building. More ample and lower-cost credit also favors a continuation of the large and growing volume of capital expenditures by State and local governments, and should help moderate the decline in investment outlays by business concerns.

At the turn of the year, the economy was beginning to feel the effects of an acceleration of the placement of defense contract awards, prompted by the need to move forward quickly with programs essential to the strengthening of the Nation's defenses.

The Longer Perspective

At a time like the present, when the economy is adjusting to the large additions to productive capacity made in the past few years, it is well to view our economic prospects in a longer perspective and to consider some of the sources of our strength.

There are good reasons for confidence that a vigorous expansion of our economy can be sustained over the years. Our domestic market for goods and services has about doubled every quarter of a century, and we should do at least as well in the next 25 years. The needs and wants of our growing population will continue to enlarge markets for output. To keep pace with expanding requirements, State and local outlays must continue rising at some such rate as the recent \$3 billion a year. Research and technological developments are opening up vast new fields for profitable investment. World-wide economic development can enlarge foreign markets for our products. The annual personal savings of Americans, which are close to \$20 billion, and the strength of our financial institutions, will help attain the economic capacity necessary to meet these growing requirements.

The latest challenge of international communism will require a further increase in the economic claims of national security, which are already heavy. If we follow suitable private and public policies, this challenge can be met

without distorting our economy, or destroying the freedoms that we cherish. Whatever our national security requires, our economy can provide and we can afford to pay.

The Challenge to Economic Policies

A realistic appraisal of our economic prospects, though it warrants confidence, also requires that we acknowledge an unfavorable feature of recent economic developments. In 1957, our gross national product rose 5 percent, but four-fifths of this increase was accounted for by rising prices.

There are critical questions here for business and labor, as well as for Government. Business managements must recognize that price increases that are unwarranted by costs, or that attempt to recapture investment outlays too quickly, not only lower the buying power of the dollar, but also may be self-defeating by causing a restriction of markets, lower output, and a narrowing of the return on capital investment. The leadership of labor must recognize that wage increases that go beyond over-all productivity gains are inconsistent with stable prices, and that the resumption of economic growth can be slowed by wage increases that involve either higher prices or a further narrowing of the margin between prices and costs. Government, for its part, must use its powers to help keep our economy stable and to encourage sound economic growth with reasonably stable prices.

The resumption and maintenance of economic growth promise greater economic capability for meeting the Nation's needs. If this opportunity is to be fully realized, however, growth must take the form of increases in real output, accompanied by a stable price level. This can be achieved if weight is given to long-run as well as short-run considerations in policies and practices that affect our economic welfare. It can be guaranteed by a public opinion that is alert to the consequences of wrong policies and insists on policies which will yield economic growth without inflation.

Measures to Help Attain Economic Goals

A legislative program is presented in this Report to help solve urgent problems that confront the Nation today, foster a resumption of growth, and build stronger foundations for economic advances in the years ahead. Fiscal policies are recommended to meet, within the framework of a budget in which expected revenues are adequate to cover projected expenditures, the Nation's needs for strengthened defenses, for the improvement of our position in science and education, and for other essential activities. Legislation is proposed to increase the effectiveness of the Federal Government's credit programs and its programs for the insurance and guaranty of private credits; to widen and strengthen our economic ties with other nations; to foster adjustments intended to bring agricultural production into line with

commercial demands and reduce the fiscal burden of price-support programs; to give individuals greater protection against economic hardships, promote integrity in labor-management relationships, and improve industrial relations; to enhance the competitive character of our private enterprise system; and to strengthen the economic position of small businesses.

Favorable consideration of this program will materially enlarge the Nation's capacity to meet present challenges and to achieve sustainable economic growth and improvement in the years ahead.

DWIGHT D. EISENHOWER.

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Chapter 1

Economic Goals and Policies in a Free Society

DEVELOPMENTS IN 1957 illustrate how rapidly changes can occur in the problem of maintaining growth with reasonable stability of prices in a dynamic, free enterprise economy. Production, employment, and income were high, but tended to decline somewhat toward the year's end. During much of the year, a rise in the consumer price index accompanied a slowing down in the rate of growth of national output. Small increases in the price index continued even after industrial production and employment had turned downward and inflationary pressures had been substantially diminished. In recent months, fresh challenges have arisen: to strengthen our defenses; to improve our position in science and education; and to unite our efforts more effectively with those of other countries for the achievement of security, freedom, and improvements in material welfare.

These changes, compressed into a short time span, underscore the need for a balanced conception of national economic goals, if private and public policies and programs are to serve all our people and advance the long-run as well as the immediate interests of the Nation. We cannot say that we have only one goal, unless it is to advance the general welfare. Sustainable and balanced growth in our economy is needed to assure our defenses, to satisfy our growing wants, and to enable us to assist healthy expansion and improvement in other economies of the free world. Also, we seek to hold economic fluctuations within narrow limits, to maintain a reasonably stable price level, and to avoid deflationary as well as inflationary developments. And we insist on striving for these goals within a framework of free competitive institutions.

To achieve a proper balance among these sometimes conflicting objectives is a difficult task. Success requires an understanding by all of us of our national economic objectives and of private and public responsibilities for helping achieve them. Accordingly, this chapter is devoted to a statement of these objectives and a brief review of the steps taken during the year to attain them.

ECONOMIC GROWTH

Confidence that economic growth and improvement within a framework of free institutions are feasible national goals is evidenced by the stress which the Employment Act of 1946 places on "maximum production,

employment, and purchasing power.” The record of the 12 years that have elapsed since the Employment Act was passed has abundantly justified this confidence and clearly demonstrated the strength of the forces that make for growth in a free economy. A rising national output has enabled us to make up arrears that accumulated during the War. Most of the heavy requirements arising from the increase in our population and the persistently expanding needs and wants of our people are being met. We are also fulfilling greatly enlarged world responsibilities.

The aggregate of goods and services produced today is nearly one and a half times what it was when the Employment Act was passed. This is an average rate of economic growth of $3\frac{1}{2}$ percent a year. There are 10 million more civilian jobs now than there were in 1946. More than \$350 billion of private funds have been devoted since then to the expansion and modernization of productive facilities. In addition, huge investments have been made in housing, schools, hospitals, roads, and other private and public improvements.

The use of these vast resources to increase our productive capacity and our fixed public and private assets has been accompanied by a sustained advance in current consumption. The output of consumer goods and services is 40 percent higher today than it was in 1946. The increase over the period has averaged about 3 percent a year.

In short, our economy has exhibited a remarkable capacity for sustained and balanced growth. The American people and the free enterprise system have responded well to the challenges of our increasing requirements.

These challenges continue. In some important respects they have become greater. Despite our utmost efforts, international tensions persist. This hard fact emphasizes the need for a sound and growing economy to assure our defenses. The national security burden carried by our economy is a heavy one, claiming about 10 percent of our national output. We do not abandon hope for arrangements under which less of our own and of the rest of the world's resources can, with safety, be devoted to military preparedness. But pending measurable progress in these efforts, Americans will not shrink from the task of defending our freedoms, whatever the necessary cost.

A sound and growing economy is needed also to meet the requirements of our expanding population. There are 32 million more Americans now than at the end of World War II, and the number is increasing at the rate of about 3 million a year. Heavy economic requirements are implied by this increase. A huge expansion of educational personnel and physical facilities will be required to train increasing numbers of students for the higher level of technology on which our security and welfare depend. Our larger population will also require increased facilities for the production and distribution of goods and services, and for health and recreation. Production must expand as fast as population merely to maintain our

present consumption standards. Even higher rates will be necessary as these standards rise.

Apart from our civilian and defense requirements, economic growth is needed to help meet our expanded international responsibilities. These include the provision of public and private capital to assist economic development abroad, as well as military and economic aid to countries associated with us in the common defense effort.

Although the rate of economic growth that is best suited to the Nation's capacity and requirements cannot be stated precisely, the low current rate would clearly be unsatisfactory as a continuing condition. We must always be alert to question the adequacy of the rate of economic growth and to consider whether further encouragement and incentives are needed, and if so how best to provide them. Yet we must be continuously on guard against resort to measures that might provide a spurt in activity at the cost of impairing the long-run health of the economy.

ECONOMIC STABILITY

When the Employment Act was being considered in the Congress, fears were expressed that the transition from war to peace would entail serious economic dislocation and abnormally high unemployment. Actually, the transition was made with relatively little contraction in production, employment, or income, despite the large reductions in national security expenditures. The supporters of the legislation were also mindful of the waste of resources which economic fluctuations had occasioned in the past. The Council of Economic Advisers was accordingly directed by the Employment Act to develop and recommend to the President national economic policies "to avoid economic fluctuations or to diminish the effects thereof."

Economic stability as an aim of national policy clearly means more than fostering the maintenance of production, employment, and income at constant levels. Extended lapses from normal rates of growth must be resisted and their effects diminished where possible. And every effort should be made to moderate surges that go beyond rates of growth that can be sustained over longer periods. Such surges often involve increases in limited sectors of the economy that cannot be sustained and that may lead to serious imbalances. The proper objective of national economic policy, to the achievement of which private as well as public actions must contribute, is to strive to limit fluctuations in the rate of over-all economic growth to a relatively narrow range around a rising trend.

Because our economy responds to forces and conditions that are continually changing in intensity and character, economic growth will inevitably proceed at a somewhat uneven pace. The high rate of economic growth that occurs when ground lost during a recession is being recovered cannot continue indefinitely. When economic resources are close to being fully used, even though there may be slack in some sectors of the economy, expan-

sion normally proceeds at a slower pace. Efforts to accelerate growth under these conditions may succeed only in generating inflationary pressures.

When readjustments are being made, with some sectors of the economy remaining unchanged or contracting while others are expanding, over-all economic activity may show no growth for a time, or may even recede slightly. The establishment of a new balance which such a readjustment entails is often an essential phase in the operation of a dynamic enterprise system. It is the means by which the economy corrects previous excesses and prepares for resumption of over-all growth. Through its economic policies and programs, Government can help achieve this improved balance and speed the resumption of sound economic growth.

PRICE STABILITY

A clear responsibility rests on Government to pursue policies that will help prevent inflation. Although the harmful consequences of inflation spread widely through the economy, they fall with unequal severity on different individuals and on different economic sectors. Some persons may obtain an increase in money income that is greater than the increase in living costs, while others may fail to do so. Some industries may be in a better position than others to adjust prices promptly to rising costs. As a result, the relative economic positions of individuals and of different industries may be altered, sometimes in ways that harm the national welfare by lessening incentives to enter certain essential vocations and by impeding the flow of resources into important sectors of industry. Similarly, although the investment income of some individuals may rise during an inflationary period, that of others, and frequently the great majority of those who have only modest savings, does not increase at all. Consequently, persons in the latter group suffer a decline in the value of the income received and a diminished purchasing power of their savings when repaid. The effect is to reduce the incentive to save, which tends to dry up one of the major sources of capital upon which maximum employment and economic growth depend. Furthermore, price inflation directs activities into speculative channels and distorts private and public obligations and contracts that are expressed in fixed dollar amounts. Finally, changes in the value of money disrupt international trade and financial relations. In these and other ways, inflation weakens our capacity to achieve and sustain balanced economic growth.

The task of restraining price inflation is a continuing one for a free society experiencing high production, employment, and incomes over long periods. In such a society, pressure on prices may arise from a number of sources. One is the rapid increase and concentration of demands on scarce skills and resources and on output which is limited by capacity. Another is the exuberance, even imprudence, of some individuals and businesses during good times in making commitments that assume continual inflation in prices. Still another is the exercise of economic power by individuals and groups

favorable by temporary conditions or by their place in the Nation's productive system.

We must learn to conduct our economic affairs in ways that will harness the expansionary forces of our free economy for the increase of our national strength and well-being, and must prevent these forces from finding expression in a depreciation in the value of our money. This task entails heavy responsibilities for private individuals and groups, and for Government, to pursue policies that will assure that economic expansion provides an increase in real output and does not consist merely of larger money values reflecting higher prices. A strong and growing economy is needed for our national security, for meeting the needs of our expanding population, and for improving our level of living. Reasonable stability of prices is needed also, for reasons of equity and as a condition for sustaining economic growth. Failure to achieve these goals would court the danger of controls incompatible with our way of life which would eventually impede advances in our economic welfare.

FREE COMPETITIVE ENTERPRISE

The productiveness of the American economy derives from its reliance on private enterprise and on the incentives and opportunities which such a system supplies for the development and use of individual talents and energies. Initiative and efficiency are stimulated and rewarded through the market place; pressures are exerted to remedy inefficiencies; and economic resources tend to be used in accordance with the preferences of consumers. This way of organizing production and consumption both encourages vigorous economic growth and reinforces our freedoms in the political and social spheres. Thus, the strengthening of free competitive enterprise not only is a means for promoting economic growth but also is, in itself, a major objective of policy.

This view was held by the authors of the Employment Act, who made it explicit that Government, in seeking to achieve maximum production, employment, and purchasing power, should do so "in a manner calculated to foster and promote free competitive enterprise." Accordingly, in our efforts to achieve economic growth and at the same time to avoid price inflation, we place reliance on measures that involve a minimum of direct intervention in the affairs of individuals and private groups. The corollary of this reliance is that the policies and practices of individuals and private groups must contribute to, not hinder, the achievement of economic growth with reasonably stable prices. With such assistance toward making the joint effort a success, pressures for direct Government controls are averted.

ECONOMIC CHANGE AND SHIFTS IN THE EMPHASIS OF POLICY

No one goal alone provides a complete guide to public policy in economic matters. In an economy where changes are as rapid and far-reaching as those which occur in ours, the accent of policy shifts according to the logic

of events. At times the emphasis may be mainly on the containment and reduction of inflationary pressures, which has been the case during much of the period since 1955. At other times, as at present, the accent may properly be placed on encouraging orderly readjustment within the economy and facilitating the resumption of economic growth. At all times, policy must be capable of responding to unusual demands, such as those that have been felt recently as a result of international developments.

ECONOMIC POLICIES IN 1957

In 1957, policy had to cope with important changes in the economy. The paramount task during much of the year was to restrain inflationary tendencies. However, as the year developed, these tendencies diminished in strength. Current demand failed to keep pace with growing industrial capacity in a number of lines. Shortages of goods became fewer and were largely eliminated after the middle of the year. Prices of basic commodities began to decline in the early months, and the rise in prices of finished industrial commodities was moderated. The index of consumer prices, however, which had started to rise in April 1956, continued upward with only brief pauses. In the late summer, production, employment, and sales leveled off or declined in a number of lines; and as the year closed, indicators of over-all economic activity moved down in response to the using up of inventories and to somewhat lower domestic and foreign sales.

This shifting of economic forces called for adjustments in public policies. For the first three quarters of the year, Federal Reserve operations were designed to limit the expansion of bank credit and to hold down increases in the money supply. A partly seasonal reduction of \$1.6 billion in Federal Reserve holdings of Government securities kept the reserve position of member banks under continuous pressure. The pressure on reserves induced member banks, despite an increased discount rate, to borrow more heavily from the Federal Reserve System. From April through mid-October, member bank borrowings fluctuated around \$1 billion, and net free reserves (the difference between excess reserves and member bank borrowings) remained negative, at close to \$500 million.

These restrictive measures had a marked effect on the money supply and, jointly with the heavy demand for capital and credit, on interest rates. Demand deposits, the most important component of the money supply, were virtually the same at the end of 1957 as two years earlier. During the same period, the dollar volume of total output increased 7 percent. With demands for capital and credit continuing substantial, and the supply of funds under increasing pressure, interest rates rose sharply in the first half of 1957. In August and September, the costs of financing for corporations and State and local governments were well above anything experienced for many years. By mid-October, the yield on long-term Government securities had reached 3.78 percent, and the cost to the Federal Government of its shortest term borrowing had risen to 3.66 percent, the highest in 24 years.

Federal fiscal policies were also directed to restraining inflationary tendencies. Beginning early in the year, all Federal expenditure programs were closely reviewed to effect economies wherever such action was consistent with essential program objectives. No general reduction of taxes was undertaken, and reductions in specific taxes—certain excise taxes and the tax rate on corporate income—that were scheduled to occur on April 1, 1957 were postponed. The Federal budget was balanced during the calendar year 1957, and \$1.7 billion of debt was retired.

Treasury financing operations were designed to help sustain economic growth and at the same time to produce a better debt structure. More than \$10 billion of the Treasury's new marketable offerings had a maturity in excess of 1 year; Treasury notes varying in maturity from 3 to 5 years were offered on six different occasions; and more than \$500 million of long-term bonds were issued in October and again in December. The effective rates of interest to maturity on Series E and H Savings Bonds were raised to $3\frac{1}{4}$ percent, as of February 1, 1957, to encourage saving in these forms; sales of Series J and K Savings Bonds were discontinued on April 30, 1957, in view of the high rate of redemption of these fixed-interest securities.

A number of steps were taken to moderate the impact on specific sectors of the economy of the general measures to restrain inflationary tendencies. On March 29, 1957, in two moves designed to assist prospective home buyers, the Federal Housing Administration (FHA) reduced its minimum downpayment requirements to the limit then permitted by law, and the Federal Home Loan Bank System undertook to encourage greater mobility of mortgage funds among different areas of the country by authorizing insured member institutions to buy and sell participating interests of up to 50 percent in home mortgage loans. In May, the Veterans Administration (VA) began the immediate processing of direct loan applications for veterans living in localities where private lenders had restricted their participation in the VA Home Loan Guaranty Program. On August 6, FHA reduced downpayment requirements by the full amount authorized by the Housing Act of 1957 and, in order to attract additional funds into home financing, raised the maximum interest rate to $5\frac{1}{4}$ percent.

Other actions were taken by FHA to simplify and expedite the processing of home purchase applications in remote areas, and the insurance premium on repair and modernization loans was reduced. For the year as a whole, about \$1 billion of home mortgages were purchased by the Federal National Mortgage Association in its secondary market operations, in order to relieve particularly acute shortages of available funds.

Although business needs for credit were generally met well by banks and other private financial institutions, financing assistance from the Small Business Administration proved useful in helping to satisfy the special needs of many small concerns. During 1957, this agency approved \$162 million of loans, 33 percent above its 1956 volume.

The credit policy of the Federal Reserve authorities continued unchanged until mid-October. By that time, mainly because of a fall in the demand for loans, member bank borrowings at the Federal Reserve Banks began to decline, and the net deficiency of reserves gradually fell. All but one of the Federal Reserve Banks reduced their discount rates from 3½ percent to 3 percent between November 15 and November 29, initiating a decline in interest rates and bond yields. A further absorption of the net reserve deficiency occurred in December. In the last week of the year, excess reserves were greater than member bank borrowings by \$74 million. Interest rates and bond yields had returned to approximately the levels reached in late 1956 and early 1957.

Increasing the availability and lowering the cost of credit are measures that help moderate a decline in business investment. They also permit capital outlays by State and local governments that might not otherwise be feasible. Largely through their impact on the yields available on corporate securities and Government obligations, they widen the spread between the return on home mortgages and on competing uses of funds. They tend thereby to make financing more readily available for home construction and purchase and to promote a higher level of building activity. Their effectiveness in this connection was strengthened in January 1958 by actions taken by Federal housing and home financing agencies. The Federal Housing Administration announced the rescinding of a rule, adopted in April 1955 as an anti-inflationary measure, that prohibited the inclusion of closing costs in the maximum insurable amount of home mortgage loans. FHA also announced certain changes in the permissible discounts on insured mortgage loans, calculated to make funds more readily available in areas of the country still experiencing a relative scarcity and to bring the yield on insured mortgage investments more nearly into alignment with market rates in areas having more adequate supplies. At the same time, the prices at which the Federal National Mortgage Association buys mortgages were adjusted, also to increase the availability of funds for home construction and purchase.

In 1957, steps were taken to expedite activity in certain Federal construction programs involving no direct capital charge on the budget, and to accomplish a needed expansion of the military housing program. These moves were made with full realization of the fact that resources of labor and materials in some parts of the economy continued relatively short, particularly in construction, and that a sharp increase in demand might result in further increases in costs and prices. For this reason, they were taken cautiously, to avoid reviving inflationary pressures in the face of enlarged national security requirements. At the turn of the year, the economy was beginning to feel the effects of an acceleration of the placement of defense contract awards, prompted by the need to move forward quickly with programs essential to the strengthening of the Nation's defenses.

Events in 1957 show how important it is for private and public policies and practices to complement each other as we seek to achieve economic

growth with reasonable stability of prices. Decisions which give rise to wage increases generally in excess of improvements in productivity, or to price increases that typically go beyond increases in costs, make this task more difficult. If fiscal and credit policies are sufficiently stern to keep the price level from rising, there are risks of economic dislocation, an unnecessarily slow rate of economic growth, and extreme and inequitable pressures on some who are not themselves contributors to the inflation of costs and prices. On the other hand, if economically unwarranted increases in wage rates or prices are validated by credit and fiscal policies, a persistent decline in the value of the dollar results.

Neither of these is an acceptable alternative, and neither is consistent with sustainable expansion of the economy. The conclusion is inescapable that, if we are to have orderly and adequately rapid growth in the economy, our wage-making and price-making arrangements must produce results consistent with a reasonably stable price level. They must do so within a free competitive economy. Freedom, including economic freedom, requires self-discipline. If important groups ignore this truth, the alternatives are either an economy damaged by inflation or controls that are incompatible with our free competitive institutions.

Chapter 2

The American Economy in 1957

THE YEAR 1957 was a prosperous one, despite the decline in the final quarter. Economic expansion continued, though at a lower rate. Production, employment, and income again attained record levels. For the year as a whole, gross national product amounted to \$434 billion and personal income to \$343 billion, both some 5 percent above 1956. Civilian employment increased by 300,000, and the annual average of unemployment showed little change from 1956 (Table 1).

TABLE 1.—*Changes in employment, income, and production, 1955–57*

Item	1955	1956	1957 ¹	Percentage change	
				1955 to 1956	1956 to 1957 ¹
	Millions of persons				
EMPLOYMENT ²					
Civilian labor force ³	65.8	67.5	67.9	2.6	0.6
Employment.....	62.9	64.7	65.0	2.8	.5
Nonagricultural.....	56.2	58.1	58.8	3.4	1.1
Agricultural.....	6.7	6.6	6.2	-2.2	-5.3
Unemployment.....	2.9	2.8	2.9	-2.8	4.0
Employees in nonagricultural establishments ⁴	50.1	51.9	52.6	3.6	1.3
Manufacturing.....	16.6	16.9	16.8	2.1	-.6
Nonmanufacturing.....	33.5	35.0	35.8	4.4	2.2
	Billions of dollars				
INCOME					
Personal income disbursements ⁵	311.1	332.6	349.7	6.9	5.1
Disposable personal income ⁶	270.2	287.2	300.0	6.3	4.5
Corporate profits and depreciation.....	57.9	60.0	60.7	3.6	1.2
Corporate profits:					
Before taxes.....	42.5	43.0	42.0	1.2	-2.3
After taxes.....	21.0	21.0	20.6	.0	-1.9
PRODUCTION					
Gross national product (1957 prices).....	417.4	430.3	433.9	3.1	.8
	1947-49=100				
Industrial production.....	139	143	143	2.9	.0

¹ Preliminary.

² Percentage changes based on unrounded data.

³ Bureau of the Census data (new definitions). See Table F-17.

⁴ Bureau of Labor Statistics data. See Table F-22 for definition.

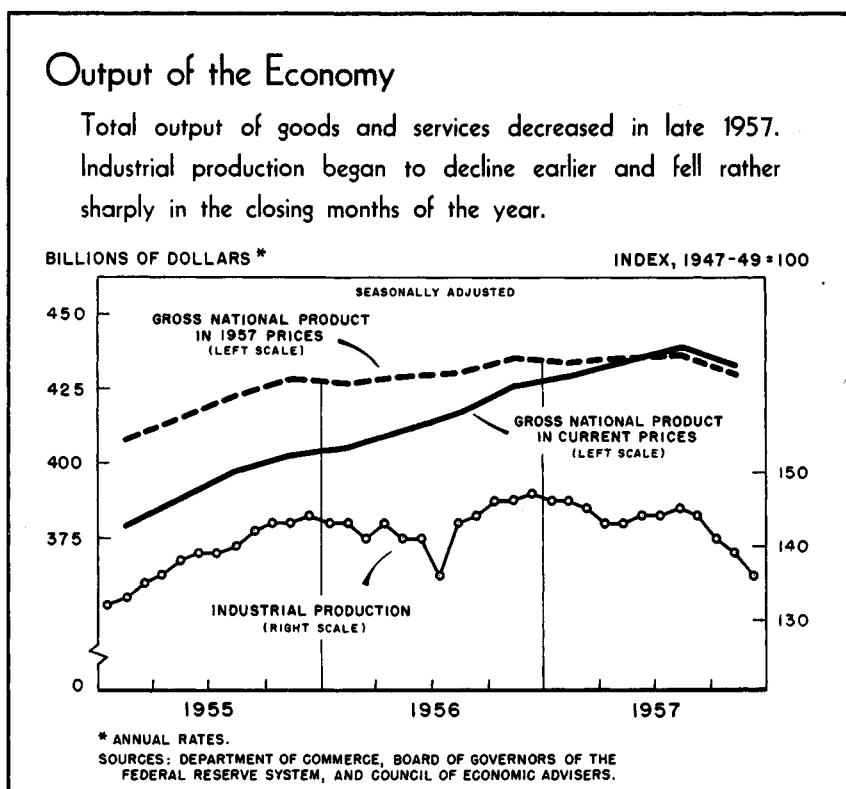
⁵ Total personal income plus personal contributions for social insurance.

⁶ Total personal income less personal taxes.

Sources: Department of Commerce, Department of Labor, Board of Governors of the Federal Reserve System, and Council of Economic Advisers.

The decline which became apparent in the last quarter of the year in our broadest measures of economic activity followed an unusually long period of expansion. Beginning in 1954, business activity was carried upward by large increases in demand, first in one part of the economy and then in another. The expansion was launched by rapidly increasing outlays for residential construction, and late in 1954 there was an upsurge of demand for new automobiles. As the force of these demands began to wane in mid-1955, an enormous increase in business expenditures for new plant and equipment emerged, reinforced by a heavy accumulation of inventories. In late 1956 and early 1957, as plant and equipment expenditures began to level off, national security expenditures increased, and exports rose sharply, sustaining the advance. But demands were being somewhat moderated by a reduction in the rate of increase of inventories, and the over-all rate of expansion was clearly slowing down. The rise of expenditures and incomes in the latter part of 1956 and most of 1957 was largely matched by an increase in prices. The physical output of goods and services rose only slightly, and throughout 1957 industrial output remained below the peak registered in December 1956 (Chart 1).

CHART 1



By mid-summer the balance of economic forces had shifted, though expenditures of State and local governments continued to increase and outlays on residential construction began to move upward. Business expenditures on plant and equipment declined slightly in the final quarter of the year. The sharp advance in national security outlays ended in the second quarter, and exports decreased. A curtailment of orders for new equipment and generally cautious business policies had reduced the accumulation of inventories to an annual rate of \$1 billion in the first three quarters of the year; in the final quarter inventories were being reduced, on balance, at an annual rate of \$3 billion, or possibly more, as the further decline in sales and the decrease in backlogs of unfilled orders led to curtailed production schedules. With employment and incomes reduced slightly, sales at retail leveled off and then declined. Reflecting these movements, gross national product was at a rate of \$433 billion in the fourth quarter of the year, about 1½ percent below the \$439 billion reached in the third quarter.

SHIFTS IN THE MAJOR COMPONENTS OF DEMAND

The pattern of economic developments during the year was shaped largely by the shifts in three major components of demand—business outlays on plant and equipment, exports, and government expenditures. Important changes occurred also in construction expenditures and the management of business inventories (Chart 2). These shifts in demand, through their impact on production and employment, and thus on incomes, in turn affected the expenditures of consumers, the ultimate demand in our economy.

Business Outlays on Plant and Equipment

The increase in business outlays on plant and equipment from the first quarter of 1955 to the third quarter of 1957 was of boom proportions, amounting to almost 50 percent. The gains in some industries were particularly large. Railroads more than doubled their capital outlays. Expenditures by manufacturers of durable goods increased by nearly 75 percent. New business was placed with producers of capital goods at such a pace that, even with production at capacity limits, backlogs of unfilled orders became extremely large. The pressure of demand in this sector of the economy was further increased as manufacturers of investment goods and their suppliers expanded their working inventories.

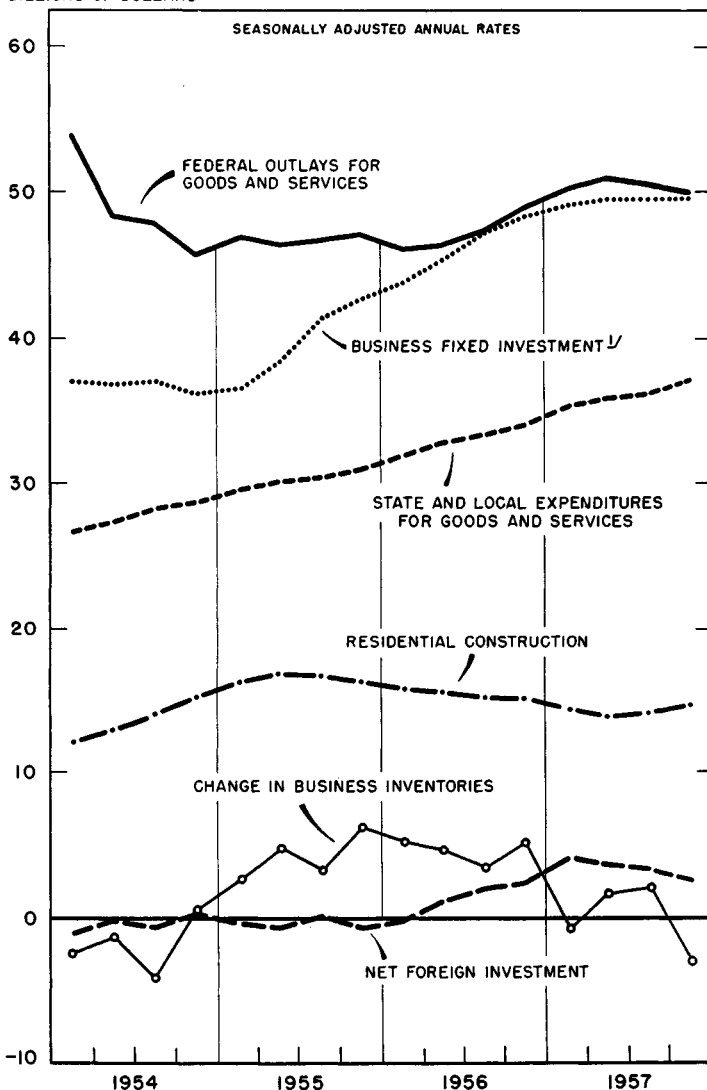
But in the second half of 1956 unfilled orders of producers of investment goods rose more slowly, and by the end of the year the major expansive influence of investment spending had subsided. New orders received and the volume of unfilled orders began to fall. Expenditures on capital goods by most industries continued to rise through the first three quarters of 1957, but they declined moderately toward the year's end. For the year as a

CHART 2

Shifts in Major Components of Demand

Business fixed investment leveled off in 1957, and the rate of inventory accumulation declined. Federal outlays, after rising for a year, were reduced in the second half of 1957.

BILLIONS OF DOLLARS



✓ PRODUCERS' DURABLE EQUIPMENT AND NONRESIDENTIAL CONSTRUCTION.

SOURCES: DEPARTMENT OF COMMERCE AND COUNCIL OF ECONOMIC ADVISERS.

whole, business expenditures for new plant and equipment were more than in any previous year and 6 percent more than in 1956. When adjustment is made for higher prices, however, it appears that there was no increase after the turn of the year in the rate of installation of plant and equipment.

Exports

Exports were a second major force in the expansion of the American economy to mid-1957, and also a contributor to the downward movement in the latter part of the year. Exports of goods and services increased swiftly from early 1956 to the first quarter of 1957, partly because of special circumstances, including the extra demand for United States petroleum generated by the temporary disruption of normal shipments via the Suez Canal. Later in the year, however, these special forces subsided. The demand for exports was also reduced by a slowing down in the rate of economic expansion abroad and by foreign exchange difficulties in a number of countries. As a result exports declined in the autumn. Imports, on the other hand, showed little change from the high level reached in 1956. Exports remained higher than imports, but by a reduced margin. By the end of the year, net foreign investment, which reflects mainly this relation, was \$1½-2 billion lower, at an annual rate, than at the beginning of the year.

Government Expenditures

A third major force affecting economic developments was a change in purchases of goods and services by Federal, State, and local governments. The total of these outlays rose \$7½ billion between mid-1956 and mid-1957, with 60 percent of the increase representing higher Federal spending for national security purposes. This increase in Federal expenditures was accompanied by a large rise in employment and inventories in the industries immediately affected, notably aircraft. After the middle of the year, however, military procurement outlays and awards of new contracts were reduced, and total Federal purchases declined moderately. A rise of about \$3 billion in the total of social security outlays, other transfer payments, and interest on the public debt further increased total Government cash outlays to the public in 1957 and supplemented consumer incomes.

State and local governments continued to increase their outlays on construction and on goods and services, adding \$3 billion in 1957 to their over-all rate of expenditures. Such outlays on construction, including work done with Federal assistance, were 9 percent more than in 1956. There were substantial increases in the construction of schools, highways, hospitals, and sewerage and water systems. These outlays were continuing upward at the end of the year.

Construction Expenditures

The long upward movement in total construction expenditures continued in 1957. Although there was some decline in outlays on residences in the first half of the year, continuing a movement which had started early in 1955, this trend was later reversed. Fewer dwelling units were started in

1957 than in 1956, but in the second half of the year home building was going forward at a rate only slightly below that of 1956. A considerable part of the upturn in residential building activity was in the construction of apartment dwellings, a sector of the industry that had been relatively inactive for a few years.

The year witnessed a sharp increase in private institutional building, for which outlays rose 14 percent. Hospital construction rose more than 50 percent, and there were substantial increases in the construction of religious, social, and recreational buildings.

Again, the rising trend of dollar outlays can be misleading. Actually, construction costs rose during the year somewhat more than expenditures, so that the physical volume of construction was a little less than in 1956. Prices of building materials were virtually unchanged, on the average, as reductions in prices of materials used principally in home building were roughly offset by increases in prices of other materials. For the industry as a whole, higher wage rates accounted for most of the rise in construction costs.

Inventories

In contrast to 1956, when business inventories were increased by \$4.6 billion, no further accumulation took place in 1957 (Table 2), and inventory holdings were sharply reduced in the final quarter of the year.

Retailers and wholesalers—with the exception of automobile dealers and wholesalers of certain durable goods—lowered their inventories in 1957. Reductions were particularly large in the first few months of the year, and for a while caused sharply decreased rates of production in a number of consumer goods industries. By the year end, stocks in many lines were still low relative to current retail sales.

Manufacturers' inventories, large parts of which are closely related to current and prospective levels of output, continued to rise in the first nine months of 1957, though at a much slower rate. Changes were particularly large in the machinery-producing and defense industries, where inventories had expanded in response to rising levels of production and, to some extent, in anticipation of further advances. The rate of accumulation in the machinery-producing industries, however, was reduced in late 1956, and especially in early 1957, as production declined. After the middle of the year, decreases in defense orders produced even larger adjustments in the holdings of the aircraft industry. Declining new orders and falling backlogs of unfilled orders caused, first, a further decline in the rate of accumulation, and later, in the final months of the year, an actual decrease in the inventory holdings of these industries. Many producers of consumer goods also reduced their inventory investment in the early part of 1957 and, after some increase in the summer, again in the late months of the year.

TABLE 2.—*Changes in gross national product and its major components, 1955–57*

[Billions of dollars]

Item	1957 ¹	Change			
		1955 to 1956		1956 to 1957 ¹	
		Current prices	1957 prices	Current prices	1957 prices
Gross national product or expenditure.....	433.9	23.0	12.9	19.2	3.6
Change in business inventories.....	.0	.4	.4	-4.6	-4.9
Final purchases.....	433.9	22.6	12.5	23.8	8.5
Personal consumption expenditures.....	280.4	12.8	9.1	13.2	4.8
Durable goods.....	35.1	-1.7	-1.9	1.2	.0
Nondurable goods.....	140.0	7.3	5.9	6.7	2.5
Services.....	105.4	7.1	5.0	5.5	2.4
Gross private fixed investment.....	63.6	5.0	2.3	2.2	-.5
Residential construction (nonfarm).....	14.2	-1.3	-1.8	-1.1	-1.4
Other construction.....	19.0	1.9	1.1	1.0	.2
Producers' durable equipment.....	30.4	4.4	3.0	2.3	.7
Net foreign investment.....	3.3	1.8	1.9	1.9	1.4
Exports of goods and services.....	26.3	3.5	2.9	2.8	2.0
Less: Imports of goods and services.....	20.6	1.9	1.5	.8	.6
Unilateral transfers.....	2.4	-.2	-.5	.1	.0
Government purchases of goods and services.....	86.6	3.1	-.7	6.4	2.7
Federal (excluding Government sales).....	50.5	.4	-2.1	3.3	1.3
National security.....	45.7	1.1	-1.0	3.3	1.5
State and local.....	36.0	2.7	1.5	3.0	1.2

¹ Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

As manufacturers of finished goods lowered their output and adjusted their stocks of purchased materials, sales and new orders of the primary metals industries fell. Production of these metals declined; producers' inventories nevertheless rose sharply during most of 1957. In the final months of the year, however, further decreases in output halted this accumulation. Rising inventories in a number of other industries also led to cutbacks in production during the final quarter of the year, notably among producers of petroleum products, chemicals, and apparel. Output in manufacturing industries as a whole declined sufficiently below the level of shipments to result in an over-all reduction of inventories. Total inventory investment, which had absorbed \$4.6 billion of output in 1956, dropped to an annual rate of \$1 billion in the first three quarters of 1957; and in the final quarter of the year inventories were being reduced at an annual rate of \$3 billion or possibly more.

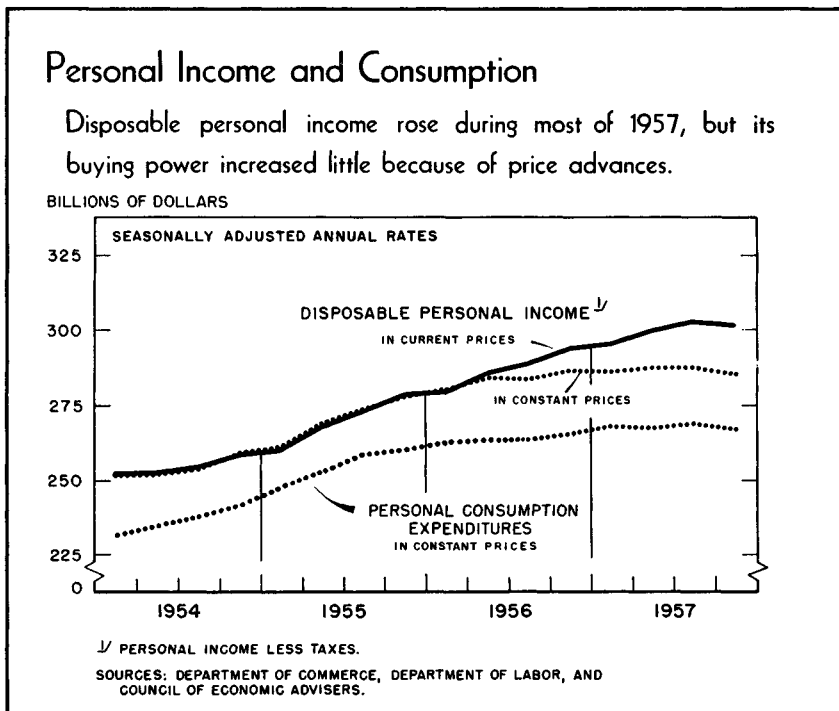
Consumer Expenditures

Increased incomes from production, augmented by substantial increases in pension, social security, and similar payments, provided a basis for higher levels of consumer expenditures during most of 1957. Consumer demand was supported also by a further moderate increase in consumer credit,

though there was no significant increase in spending on durable goods. Increases in spending were confined mainly to nondurable goods and services.

By the end of the summer, the expansion of consumer demand ceased. Personal income began to decline in September, and retail sales receded from the high levels of the summer. Purchases of services continued to rise, but total consumer spending declined one-half of 1 percent from the third to the final quarter of the year. For the year as a whole, consumer expenditures increased 5 percent, about the same as in 1956. However, the higher expenditures in 1957 reflected in large part increases in prices, and only a small increase in the volume of goods and services acquired (Chart 3).

CHART 3



EMPLOYMENT AND INCOMES

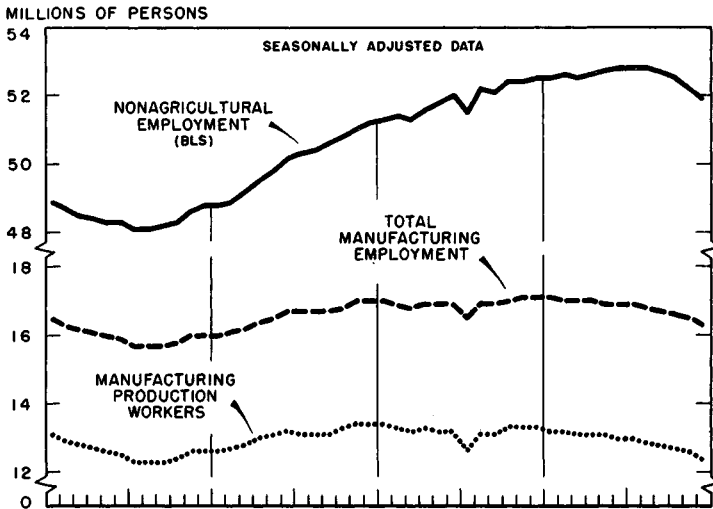
Employment and Earnings

After nearly three years of sizable gains, nonagricultural employment reached a peak in the summer of 1957 (Chart 4). A slowing down in the rate of growth had become apparent after mid-1956, and hours of work in manufacturing had turned downward somewhat earlier. In 1957, declines began to appear in employment in manufacturing industries, the most pronounced decreases occurring in durable goods, especially machinery, primary metals, and transportation equipment. The declines continued

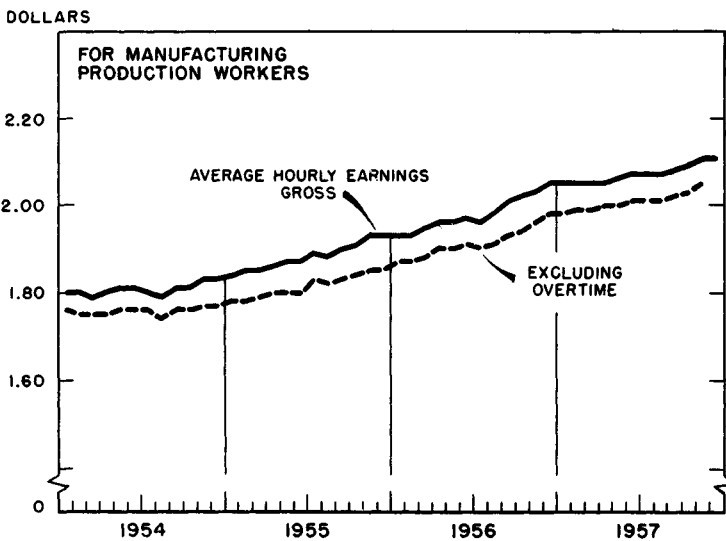
CHART 4

Employment and Income

Total nonagricultural employment, after rising until September 1957, declined in the closing months of the year.



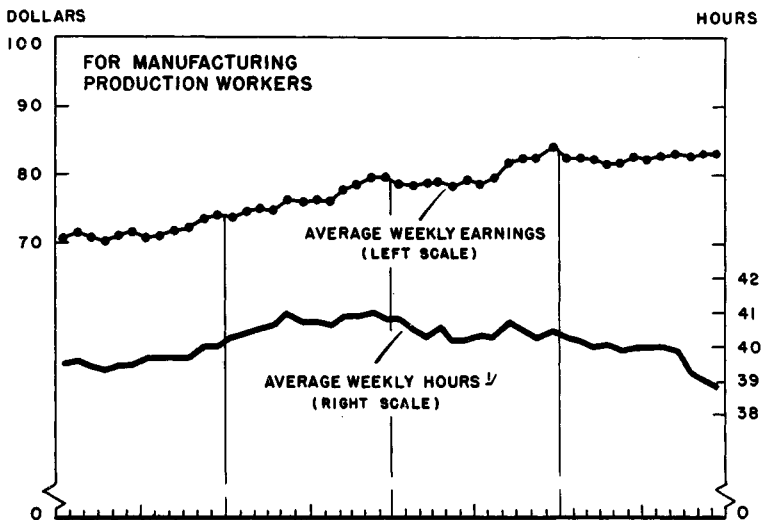
Basic wage rates rose moderately throughout the year . . .



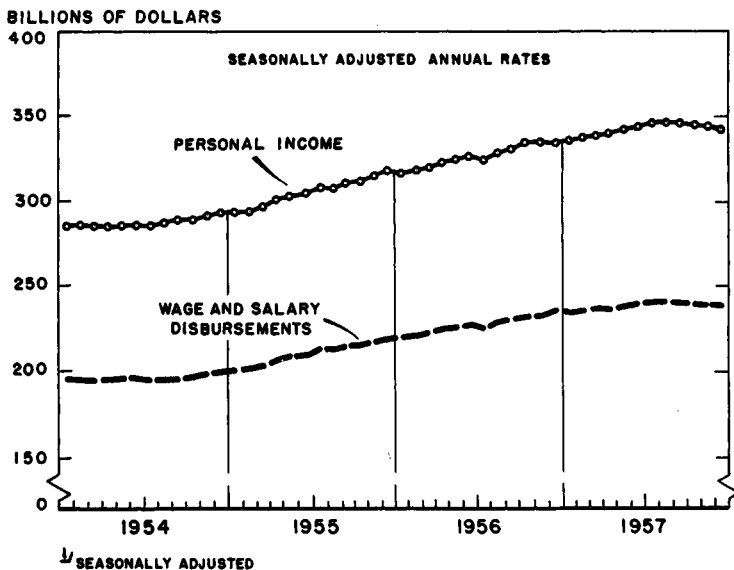
SOURCE: DEPARTMENT OF LABOR.

Employment and Income

... but hours of work were reduced and weekly earnings remained roughly constant.



Personal income reached a new high in the summer, and then declined slightly, reflecting changes in labor income.



SOURCES: DEPARTMENT OF LABOR, DEPARTMENT OF COMMERCE, AND NATIONAL BUREAU OF ECONOMIC RESEARCH.

throughout the year, accelerating in the autumn. Until September, gains in nonmanufacturing employment, especially in trade and services, more than offset the reductions in manufacturing (Table 3). But after the summer peak, lowered employment in construction, trade, and transportation, combined with sharper declines in manufacturing, reduced nonfarm employment by December to a level below that of December 1956.

TABLE 3.—*Changes in nonagricultural employment since December 1956*
[Thousands of persons, seasonally adjusted data]

Industry	December 1957	Change		
		December 1956 to August 1957	August 1957 to December 1957 ¹	December 1956 to December 1957 ¹
Employees in nonagricultural establishments.....	51,895	303	-949	-646
Manufacturing.....	16,281	-270	-555	-825
Durable goods industries.....	9,390	-191	-454	-645
Nondurable goods industries.....	6,891	-79	-101	-180
Nonmanufacturing.....	35,614	573	-394	179
Mining.....	816	20	-37	-17
Contract construction.....	2,906	-42	-126	-168
Transportation.....	2,665	-7	-97	-104
Public utilities.....	1,411	22	-11	11
Wholesale and retail trade.....	11,471	261	-198	63
Finance, insurance, and real estate.....	2,365	34	11	45
Service and miscellaneous.....	6,545	118	68	186
Government.....	7,435	167	-4	163
Federal.....	2,174	17	-60	-43
State and local.....	5,261	150	56	206

¹ Based on preliminary figures for December.

Source: Department of Labor.

The decline in employment during 1957 was accompanied by a slower growth of the civilian labor force. From 1954 to 1956, as job opportunities had increased rapidly, large numbers of people had entered the labor market and the civilian labor force had expanded by 3 million. The growth was due mainly to substantial increases in the number of teen-age persons and women over 35 desiring employment. By late 1956, however, and throughout 1957, the labor force was increasing more slowly; between the final quarters of 1956 and 1957, the increase amounted to about half a million.

Because the slower growth of employment was generally accompanied by smaller additions to the labor force, rates of unemployment remained roughly unchanged until October, at the low level prevailing since 1955. By December, however, the unemployment rate had risen, on a seasonally adjusted basis, to 5.2 percent, from 4.3 percent in September. For 1957 as a whole, unemployment averaged 4.3 percent of the labor force, about the same as in 1956.

Lower employment in manufacturing in 1957 was accompanied by reductions in hours of work, less overtime, and a distinct slowing down in gains in average hourly and weekly earnings. In December, the average work-

week was 39.3 hours and average overtime was 2.0 hours, compared with 41.0 hours and 3.1 hours, respectively, in December 1956. For 1957 as a whole, average hourly earnings rose 5 percent, and weekly earnings only 3 percent, above 1956. The rise above 1956 in weekly earnings was about equal to the rise in consumer prices. The same general experience with respect to hours of work and earnings was characteristic of industries other than manufacturing.

Collective Bargaining

Wage contract negotiations were relatively few in 1957, because of the large number of long-term contracts in existence that had been negotiated in earlier years. Labor disputes were infrequent, and idleness resulting from work stoppages was less than in any year since World War II. Wage increases were provided for in almost all the major contracts open for negotiation, except those in the men's apparel and northern textile industries.

The number of workers who received wage rate increases under major collective bargaining contracts in 1957 was about the same as in the previous year, but the increases tended to be somewhat larger than in 1956. Of the approximately 7.5 million workers who received increases under such major agreements, about 5 million obtained the adjustments as a result of settlements concluded prior to 1957 which specified "deferred" wage adjustments to go into effect in 1957 and, typically, also provided for cost-of-living escalator adjustments. About 2.5 million workers obtained wage increases under major contracts negotiated during the year.

TABLE 4.—*Distribution of employees receiving wage increases under major labor agreements, 1956-57*

Wage increase (cents per hour)	Percent of total workers receiving wage increases	
	1956	1957 ¹
All wage increases ²	100	100
Under 5 cents.....	1	2
5-8.9 cents.....	19	20
9-12.9 cents.....	62	36
13-16.9 cents.....	8	34
17 cents and over.....	7	6
Not specified.....	3	3

¹ Preliminary.

² Includes cost-of-living, deferred, and newly negotiated wage increases received under collective bargaining situations affecting 1,000 or more employees and coming to the attention of the Department of Labor. Excludes construction, services, finance, and government.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

In contrast to about 15 percent in 1956, about 40 percent of the employees whose rates of pay were raised under the terms of major labor agreements received increases averaging 13 cents or more per hour (Table 4). Three of every four agreements negotiated in 1957 specified improvements in the nonwage benefits of employees, notably in health and welfare plans, improved vacation and holiday schedules, and more liberal pensions. Cost-

of-living escalator clauses were more widely adopted. By the end of the year, about 4 million workers were covered by such clauses, compared with 3.5 million in late 1956.

Personal Income

For the year as a whole, total personal income reached \$343 billion, a new high level. But the change in production and employment during the year was evident in the flow of income payments. Personal income payments were at their highest rate in August; by the end of the year, they were 1 percent below this level. Continued increases in employment of non-production workers in manufacturing and gains elsewhere in the economy, combined with rising average hourly earnings, kept total wage and salary payments advancing through the first eight months of the year. As reductions in employment and in hours of work became more pronounced in manufacturing, and began to occur also in nonmanufacturing industries, total wage and salary payments declined from an annual rate of \$242 billion in August to \$239 billion in December.

The decline in total personal income after August was moderated by an increase in transfer payments, about half in unemployment insurance benefits. The extent of this stabilizing influence may be seen in the fact that between September and December, when wage and salary disbursements and other labor income declined by \$2.9 billion, on an annual rate basis, transfer payments rose by \$1.5 billion, also on an annual rate basis. The effect was to offset more than half of the impact on total personal income of lower wage and salary payments.

PRICES, COSTS, PROFITS, AND PRODUCTIVITY

The upward movement of consumer prices continued in 1957, though the circumstances which produced the increases were in many cases not closely related to current demand. The record was different in other areas of the economy, where prices are more responsive to changes in market conditions. The rapid advance of industrial prices at wholesale was halted, and prices of crude materials, which are especially sensitive, declined.

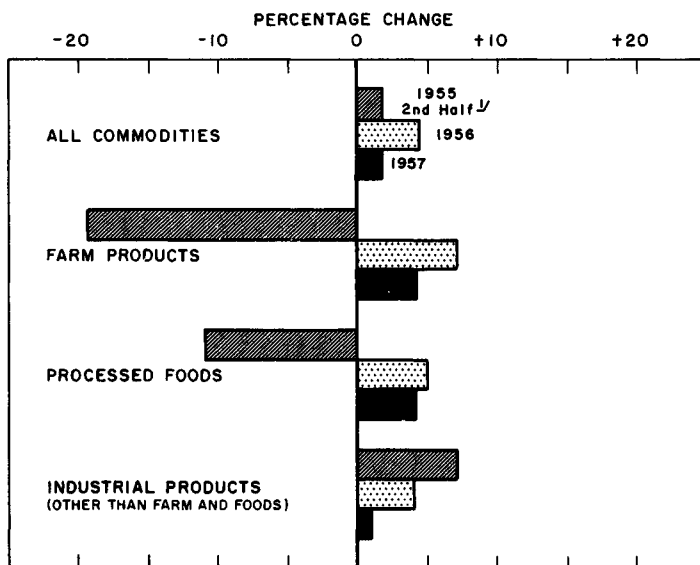
Wholesale Prices

Wholesale prices, particularly the prices of industrial commodities, advanced much less in 1957 than in 1956 (Chart 5). From December 1956 to December 1957, prices of crude industrial materials, which previously had risen sharply, fell 10 percent. The prices of almost all major crude materials declined; certain nonferrous metals—copper, lead, and zinc—were especially affected, as mounting stocks forced a series of price reductions. On the average, prices of construction materials changed little over the year, and prices of semifabricated materials and components for manufacturing rose only slightly, despite advances in

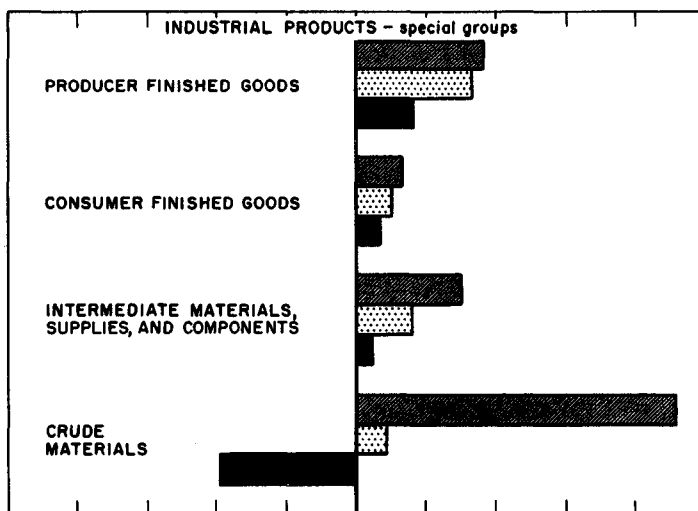
CHART 5

Wholesale Price Changes

Wholesale prices rose much less during 1957 than in 1956.



Among industrial products, prices of finished and intermediate goods increased more slowly, and those of crude materials declined.



↓ CHANGES AT ANNUAL RATES.

SOURCE: DEPARTMENT OF LABOR.

steel prices. Prices of producer finished goods continued to rise, but much less rapidly than during the previous 18 months. Prices of consumer finished goods also increased very gradually, except those for new automobiles, on which the increases were significant though smaller than in 1956. Reflecting changes in these various categories, the average of all industrial prices rose only 1 percent during the year, and the increase after February was negligible. Wholesale prices of farm products and of foods also advanced, but, like prices of industrial goods, by a smaller amount than during 1956.

The small advance in industrial prices reflected the slower rise in demand, growing industrial capacity, and a somewhat smaller increase than in 1956 in manufacturing labor costs per unit of output. Production-worker man-hours of employment in manufacturing declined relative to output during most of 1957, and the rate of rise in average hourly earnings slowed considerably; as a result, production-worker wage costs per unit of output advanced only slightly, and significantly less than in 1956. On the other hand, the employment of nonproduction workers, and salary payments to them, rose rapidly throughout the first eight months of 1957. The result was that total labor costs per unit, including both production and nonproduction workers, continued to advance in 1957, although the rise was less than in the preceding year.

Consumer Prices

The increase in the consumer price index, which had started in April 1956, about ten months after the first sharp rise in wholesale industrial prices, continued with virtually no interruption through 1957. By November, the index was 6 percent above the level of early 1956. About 70 percent of the rise was due to food and service prices, about 13 percent to durable goods, and 17 percent to nondurable commodities (Chart 6).

Among foods, the increases in prices of meat were the most important. As supplies of meat products fell below the large amounts available earlier, meat prices began to recover, and by the end of 1957 they were 12 percent above the low point of two years earlier. Other food prices rose mainly because of higher costs of processing and distribution, and because the products were in some cases more highly processed or of a better quality.

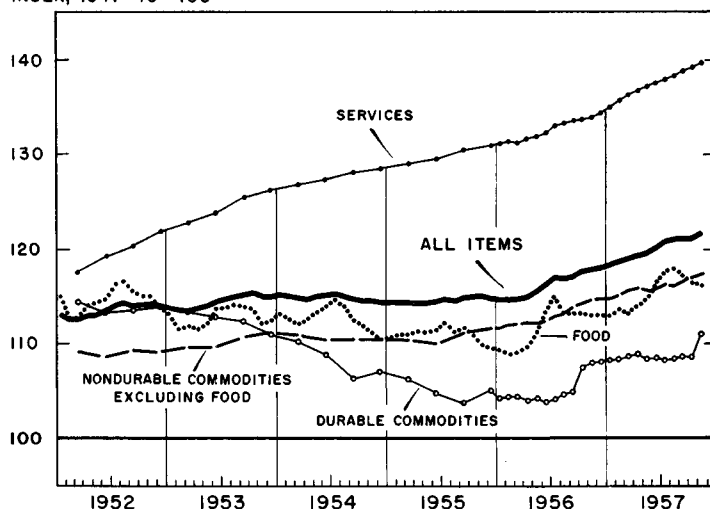
Prices of consumer durable goods have risen about 6 percent since March 1956, but on the average they are still below 1952 prices. Increases in prices of automobiles are mainly responsible for the recent changes. Prices of furniture and many other consumer durable goods rose moderately over the past 18 months, reflecting increased manufacturers' prices. Prices of appliances, on the other hand, fell slightly. Among nondurable goods other than food, the major contributors to the over-all price advance were gasoline, fuel, and drugs; prices of apparel rose only moderately.

Prices of services are subject to a wide variety of influences. Some services—such as those of the light, power, and communications industries—are produced on a highly industrialized basis; others are largely personal. Prices of most services in the first group have increased only moderately

Consumer Prices

After declining for several years, prices of commodities began to rise in 1956. Prices of services continued their postwar uptrend.

INDEX, 1947-49 = 100



SOURCE: DEPARTMENT OF LABOR.

over the past few years. On the other hand, the cost of personal services, in many of which the possibilities of gains in productivity are small, have increased by almost the full amount of the rise in earnings of service workers and self-employed professional people. Increases in the prices of these services in the past two years have been generally larger than in the preceding two years, when consumer prices were broadly stable. Rents have continued to rise of late, at a slightly faster rate than in 1954 and 1955.

The advance in consumer prices during 1957 was only in part an indication of current inflationary demand in retail markets. Adjustments of prices to cost increases that had occurred earlier, and special conditions affecting particular commodities and services, also played important roles. The decline in meat supplies is an example of such changes. Increases in prices of petroleum products reflected, at least in part, the diversion of oil supplies to Europe during the interruption of shipments via the Suez Canal. Service prices that are subject to the approval of public commissions normally adjust only slowly to changes in cost and market conditions. Rent increases, particularly those following the release of con-

trols, often reflect cost and demand conditions originating in earlier periods. And month-to-month changes in the consumer price index, especially as affected by changes in the prices of food, apparel, and automobiles, may reflect essentially seasonal variations. This factor was important in a number of month-to-month changes in the index during 1957. In view of the widespread interest in the movement of consumer prices, the nature and construction of the consumer price index are described in Appendix D of this Report.

Corporate Profits

Changes in industrial prices, costs, and production are the major factors determining the movement of corporate profits and their share in total income. During the expansion of activity that began in 1954, profits followed a course different from that of other forms of income. With both sales and margins increasing, profits rose rapidly throughout 1955. However, the increase was not extended into 1956; on the contrary, during that year and in the first half of 1957, corporate profits fluctuated around a level somewhat below that reached in the second half of 1955. This failure of profits to advance during 1956 and early 1957, while other incomes were rising, reflected a number of factors, including the incurrence of additional costs of many kinds and an increased allocation of gross earnings to depreciation accounts. The number of employees was rising, wage rates were increasing, and overhead expenditures were higher, in part as a result of the rapid increase in investment outlays. Although increases in prices covered most of the increases in unit costs of production, profit margins were slightly reduced. Output increased only moderately, and total profits failed to rise.

Profits of manufacturing corporations fell early in 1957, reflecting declines in production and sales in a number of important industries and a tendency for industrial prices to level off while some elements of cost continued to rise. The decline in profits was accelerated later in the year, as production and sales fell further. In most nonmanufacturing sectors of the economy, where activity continued to rise, profits in general were well maintained during the first part of 1957. Present indications are that the profits of these sectors also declined in the latter part of the year. The aggregate volume of corporate profits, in which the profits of manufacturing corporations are more important than all other types combined, fell slightly in the first half of 1957; and by the end of the year, they had declined significantly below the levels around which they had been moving earlier.

Productivity

Private nonagricultural output rose only slightly from 1956 to 1957, and man-hours of employment were virtually unchanged. The indicated gain in productivity accordingly was still small, though much larger than the gain from 1955 to 1956. In both instances, the increase was smaller than the long-term average annual increase of about 2 percent recorded for the past

few decades and the still higher average increase recorded for the whole period following World War II. The small extent of these gains, in comparison with increases in wage rates, maintained the upward pressure on unit costs and, therefore, on prices.

The small improvement in productivity indicated for 1956 and 1957 provides no basis for expecting the future long-term rate to fall below the average annual gain realized in recent decades. For one thing, productivity statistics generally show irregular year-to-year changes. Moreover, uncertainties about the concept, difficulties of measurement, and shortcomings of available information require a cautious interpretation of the yearly changes shown by available data (see Appendix E).

But more positive reasons may be cited for confidence that the long-term rate of gain in productivity will be higher than the rates for 1956 and 1957. A major reason for confidence is the huge investment made during recent years in new plant and equipment. Circumstances favorable to the full realization of the productivity potential of these facilities, namely, large gains in output in the industries concerned, have not yet been experienced. And large increases in certain types of expenditures also raise the productivity potential, even though they may depress the current level of productivity. Although the starting-up of new productive facilities, the expansion of research and development projects, and the training of personnel in new techniques tend to raise employment immediately, their beneficial effect on the output of goods and services is deferred.

FINANCIAL DEVELOPMENTS

The major demands for credit in 1957 were reflected in the long-term capital markets. State and local governments drew on these markets for \$6.9 billion of funds, \$1.4 billion more than in 1956 (Table 5). School construction expenditures accounted for more than 35 percent of the funds borrowed. Added to these demands of State and local governments were

TABLE 5.—*Security offerings, 1954–57*

[Millions of dollars]

Security	1954	1955	1956	1957 ¹
State and municipal securities (principal amounts).....	6,969	5,977	5,446	6,879
Corporate securities (gross proceeds).....	9,516	10,240	10,939	12,997
Manufacturing.....	2,268	2,994	3,647	4,275
Mining.....	539	415	456	329
Electric, gas, and water.....	3,713	2,464	2,529	3,942
Railroad.....	479	548	382	344
Other transportation.....	299	345	342	416
Communication.....	720	1,132	1,419	1,472
Financial and real estate (excluding investment companies).....	1,076	1,899	1,856	1,843
Commercial and other.....	422	443	307	377

¹ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

very heavy security flotations by corporations, amounting to \$13.0 billion, \$2.1 billion more than in 1956 (Chart 7). The issues of utility companies were especially important, reflecting the continued large programs of expansion and improvement in this industry. But manufacturing concerns were also heavy borrowers, despite the slowing down in their expansion programs after the strong upsurge of the past several years.

This heavy reliance of corporations on the securities markets reflected in part the culmination of a reduction in liquid assets which had been in progress since the end of 1955 and which had brought corporate liquidity to a new low for the postwar period (Chart 8). It also reflected a decline in the volume of additional funds available to business concerns from the commercial banking system. Bank loans to businesses increased only \$1.6 billion in 1957, compared with an increase of \$5.5 billion in 1956 (Table 6), though this difference doubtless reflected in part a decline in the demand for short-term credit arising from a substantially slower rate of accumulation of business inventories.

TABLE 6.—*Changes in commercial bank holdings of loans and investments, 1954–57*
[Billions of dollars]

Loans or investment	Net change during—			
	1954	1955	1956	1957 ¹
Loans (excluding interbank) and investments.....	10.2	4.6	4.2	4.3
Loans (excluding interbank).....	2.9	11.6	7.6	3.6
Business.....	— .3	6.4	5.5	1.6
Real estate.....	1.7	2.4	1.7	.7
Consumer.....	(2)	2.3	1.3	1.3
Security.....	.9	.6	— .8	(2)
Agricultural.....	.2	— .7	— .3	— .5
All other.....	.6	.9	.5	.3
Investments.....	7.2	—7.0	—3.5	.8
U. S. Government securities.....	5.6	—7.4	—3.0	— .6
Other securities.....	1.6	.4	— .4	1.3

¹ Preliminary estimates by Council of Economic Advisers.

² Less than 50 million dollars.

NOTE.—See Table F-41 for data including interbank loans. Detail will not necessarily add to totals because of rounding.

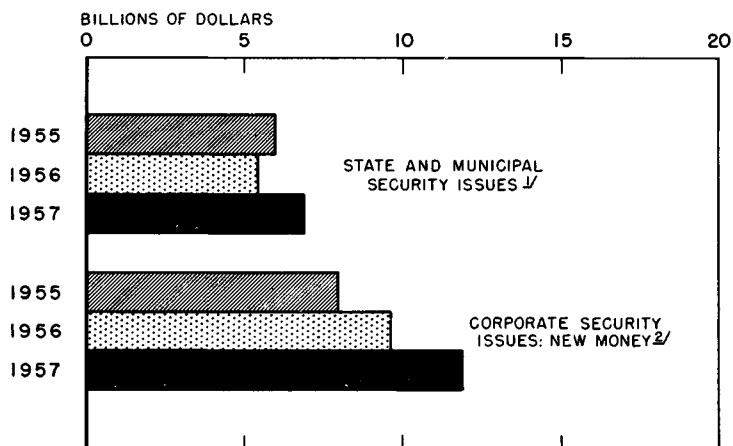
Source: Board of Governors of the Federal Reserve System (except as noted).

At the same time, credit demands from other sectors of the economy were somewhat more moderate than in earlier years. Total mortgage debt rose by only \$11 billion in 1957, compared with \$15 billion in 1956 and \$16 billion in 1955. This slower rate of growth was due in part to the fact that funds for investment in federally insured and guaranteed home mortgages were less readily available, since interest rates on these mortgages were less attractive to lenders than the yields available on other types of investments. The total amount of consumer credit out-

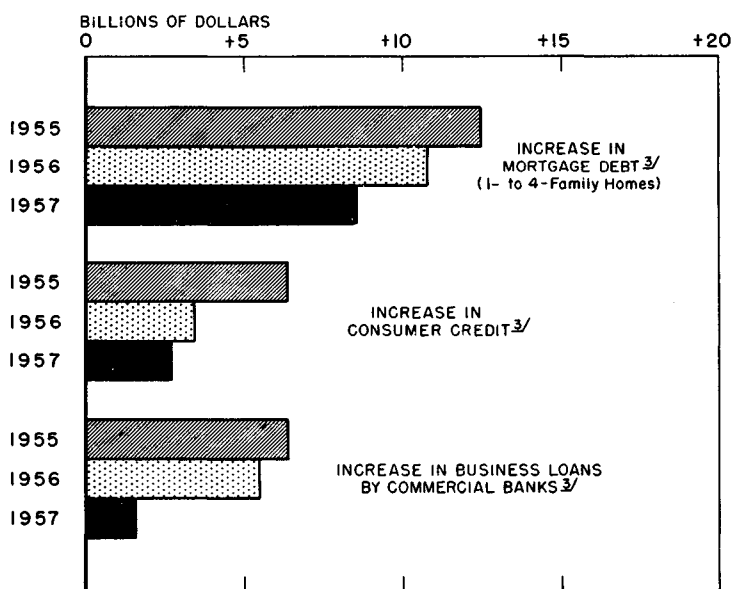
CHART 7

The Pattern of Credit Expansion

State and local governments marketed a near-record volume of securities in 1957, and corporate issues were at a new high . . .



. . . but growth in other forms of credit was greatly reduced.



1/ PRINCIPAL AMOUNTS.

2/ NET PROCEEDS.

3/ CHANGES IN AMOUNTS OUTSTANDING.

SOURCES: THE BOND BUYER, SECURITIES AND EXCHANGE COMMISSION, BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, AND COUNCIL OF ECONOMIC ADVISERS.

standing increased by only \$2.7 billion in 1957, compared with \$3.4 billion in 1956 and \$6.4 billion in 1955. The amount of instalment credit extended was actually above that in 1956; but since repayments were high, the increase in total instalment credit outstanding was held down.

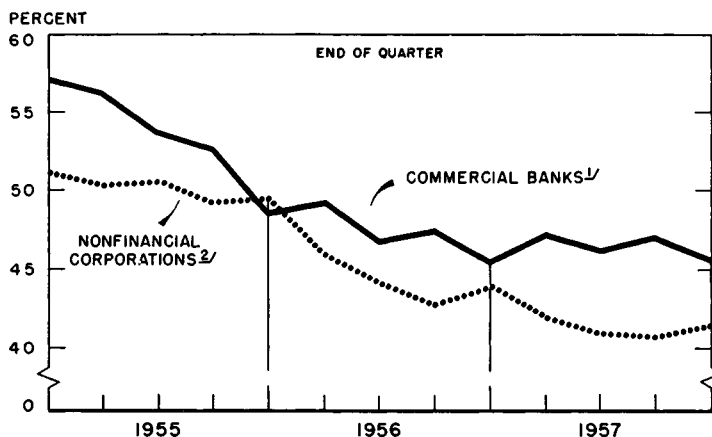
Significant changes also took place in the supply of funds during 1957. First, in most of the year the capacity of the commercial banking system to expand its loans and investments was more limited than in 1956. The volume of member bank reserves was held roughly unchanged by the monetary authorities, and the already sharp reductions in bank holdings of United States Government securities limited any further shifts out of these securities in order to expand loans (Chart 9). Commercial banks sold \$600 million of Government securities in 1957, compared with \$3 billion in 1956 and \$7.4 billion in 1955.

With the level of bank reserves unchanged, and a sharp increase in time deposits, there was no expansion in the money supply during 1957. Indeed, demand deposits and currency actually declined by \$1.5 billion, whereas the volume of money expenditures increased. The decline in the cash liquidity of businesses and individuals which is represented by this changed relation

CHART 8

Liquidity of Commercial Banks and Nonfinancial Corporations

Bank liquidity continued low in 1957. The liquidity of business concerns was further reduced.



1/ RATIO OF HOLDINGS OF U.S. GOVERNMENT SECURITIES (BOOK VALUE) TO DEMAND DEPOSITS.

2/ RATIO OF CASH ASSETS AND HOLDINGS OF U.S. GOVERNMENT SECURITIES (PAR VALUE) TO CURRENT LIABILITIES.

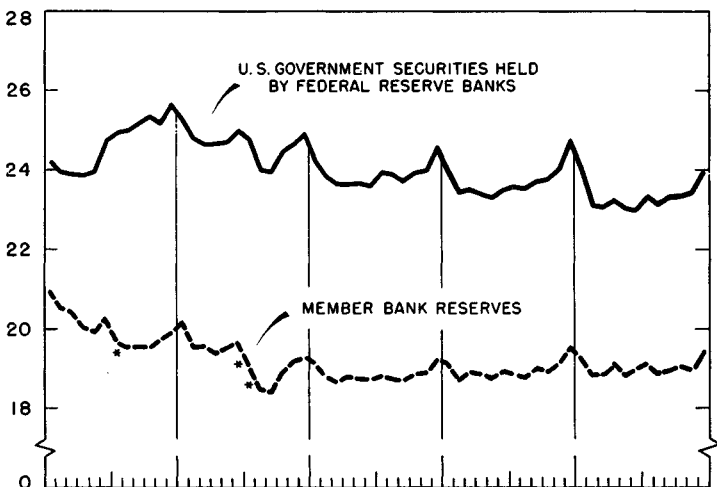
SOURCES: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, SECURITIES AND EXCHANGE COMMISSION, AND COUNCIL OF ECONOMIC ADVISERS.

CHART 9

Member Bank Reserves

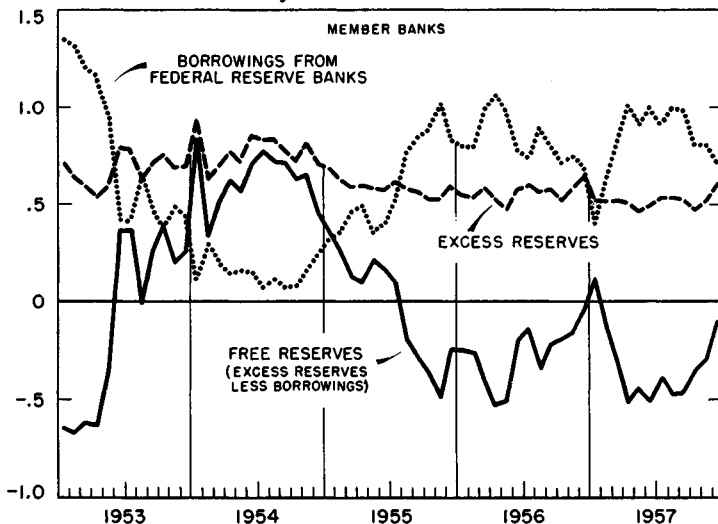
Member bank reserves changed little in 1957.

BILLIONS OF DOLLARS†



Free reserves were negative for most of the year but the deficiency was reduced in the closing months.

BILLIONS OF DOLLARS† (Enlarged scale)



† AVERAGES OF DAILY FIGURES.

* CHANGE IN RESERVE REQUIREMENTS.

SOURCE: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

between money supply and expenditures was one of the most significant financial developments of the year.

Second, there was a decline in the amount of new funds available from insurance companies, savings and loan associations, and mutual savings banks, resulting from the lower liquidity of these institutions and the smaller flow of new savings through them. Their purchases of State and local securities and corporate issues were somewhat greater than in 1956, but this was made possible only by a large reduction in their purchases of mortgages.

Third, despite a slightly smaller volume of total personal saving, direct purchases by individuals of corporate, State and local, and other marketable securities were almost \$3 billion larger in 1957 than in 1956. This was due partly to the attractiveness of yields on these securities for individuals. An important source of funds for these greatly enlarged purchases, though not a net addition to new savings, was a reduction of almost \$2 billion in individuals' holdings of United States Savings Bonds, primarily by investors sensitive to the higher yields generally available in the market.

Fourth, the Federal budget during the calendar year 1957 contributed less than during 1956 to making additional funds available to the securities markets through financial institutions and individuals. In 1956, a reduction of \$6.4 billion in the publicly held United States debt was an important factor in the ability of financial institutions and individuals to add to their loan and security portfolios. They did so by reducing their holdings of United States Government securities. In 1957, only \$2.9 billion of the publicly held debt was retired; thus the ability of this group of investors—especially financial institutions—to provide funds by further reducing their holdings of Government securities was decreased.

Reflecting the more limited supply of new funds relative to the demands for them in 1957, interest rates rose during much of the year (Chart 10). The rise was especially rapid in June and August, when money market pressures became unusually heavy. In August, the rate on Treasury bills was close to $3\frac{1}{2}$ percent, major banks raised their prime rate from 4 percent to $4\frac{1}{2}$ percent, and the Federal Reserve Banks raised the discount rate from 3 percent to $3\frac{1}{2}$ percent.

After the Federal Reserve Banks announced lower discount rates in November, interest rates and bond yields declined significantly, in many cases one-half of 1 percent or more. This reflected a reduction in demand for loans that had already been apparent and some easing of pressure on bank reserves. By the end of the year, credit in both the long-term and short-term sectors of the markets had eased appreciably, though the impact on certain sectors of the market, notably the mortgage market, was slow in developing.

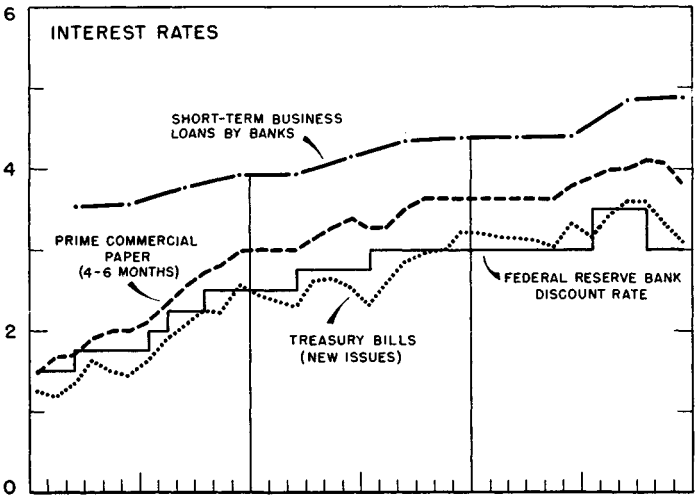
The rise in stock prices to July brought the average yield on common stocks to 4 percent, about the same as the yields then available on high-grade bonds.

CHART 10

Interest Rates and Bond Yields

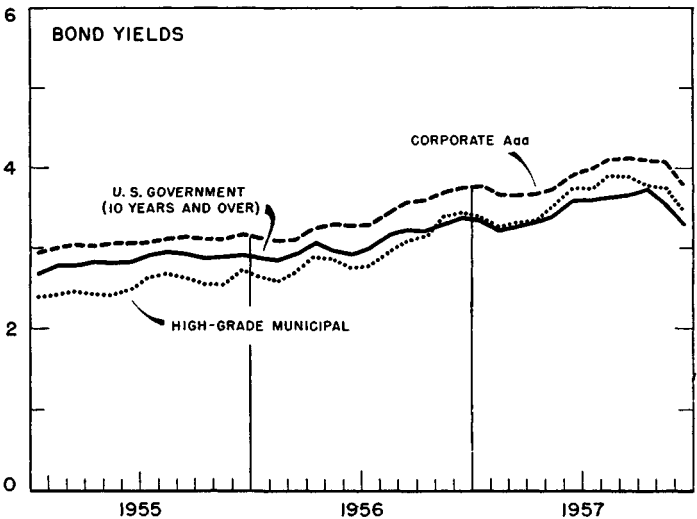
Short-term interest rates rose through most of 1957 but declined after mid-November.

PERCENT PER ANNUM



Long-term rates rose sharply in the spring and summer and declined at the year end.

PERCENT PER ANNUM



SOURCES: BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM, MOODY'S INVESTORS SERVICE, TREASURY DEPARTMENT, AND STANDARD & POOR'S CORPORATION.

With the large decline in stock prices after July, yields on common stocks were above 4½ percent at the close of the year, considerably above the much lower yields then available on high-grade bonds.

AGRICULTURE

There have been a number of favorable developments in agriculture in the past two years, though net income from farming has not changed significantly (Chart 11). Despite an over-all decline in crop prices, the live-stock market strengthened sufficiently to raise average prices received by farmers. Heavy export shipments have made a considerable reduction in surplus stocks. A long drought in the Southwest has ended. Land values and the equities of farm proprietors have climbed to new record levels. Realized gross farm income increased both in 1956 and in 1957, but rising production expenses offset most of the gains. Conditions in the rest of the economy have provided generally favorable opportunities for off-farm earnings, and per capita income of the farm population from all sources has been increasing. The revolution in farm technology is a continuing source of agricultural strength, though it complicates current problems of agricultural adjustment and public policy.

Livestock Sector

Prices of farm products, as well as cash receipts from farm marketings, have benefited from recent livestock developments. A peak in the hog cycle, coinciding with heavy supplies of fed steers, had seriously depressed live-stock markets late in 1955. With high slaughter rates continuing into the early months of 1956, and with forced marketing of cattle from drought areas that fall, both production and per capita consumption of red meat reached record levels. During 1956, however, the number of cattle on farms decreased for the first time since 1948, and a 2 percent decline in the 1957 calf crop further suggests that cattle numbers have entered a downward cyclical phase. Pig crops in the spring and fall of 1956 and in the spring of 1957 were reduced below the levels of the preceding year, though by successively narrower margins. Prices of meat animals were consequently about one-third higher by late 1957 than they had been two years earlier. Since prices of milk and dairy products were firm, cash receipts from marketings of livestock and livestock products were about 6 percent higher in 1957 than in 1956.

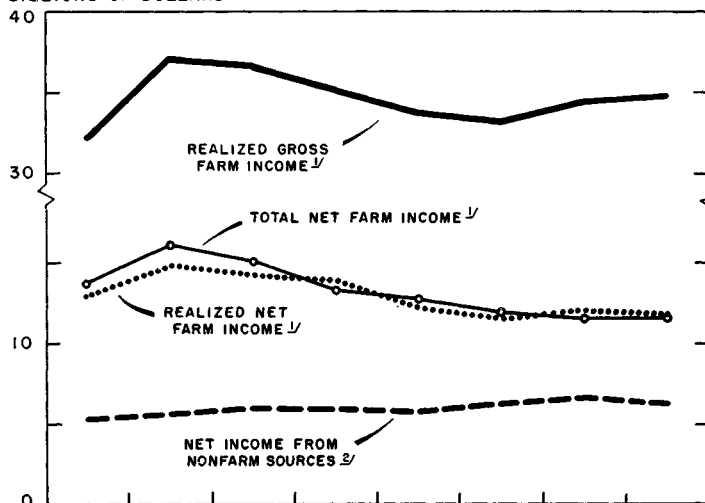
Exports and Stocks

The value of agricultural exports in fiscal 1957 reached \$4.7 billion, an increase of 17 percent over the previous record attained in 1952; and the volume of exports exceeded by 30 percent the record reached in 1919. Shipments financed through special Government programs (Chart 12)—mainly sales for foreign currencies under Public Law 480, barter transactions, and outright commodity donations—comprised fully 40 percent of the total. Of the remainder, a substantial portion moved under export subsidies in

Indicators of Agricultural Conditions

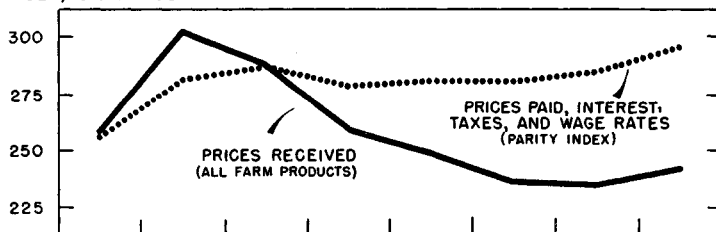
Net farm income has reflected little of the improvement in gross farm income since 1955.

BILLIONS OF DOLLARS



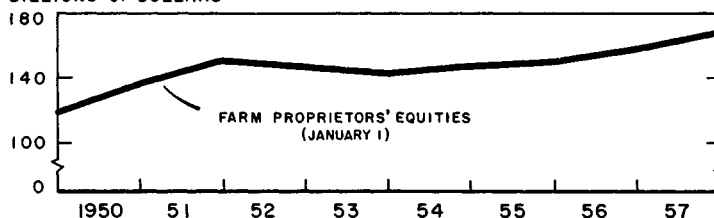
Farm product prices and the parity index increased in 1957.

INDEX, 1910-14=100



The value of proprietors' equities is higher than ever.

BILLIONS OF DOLLARS



1/ INCOME OF FARM OPERATORS, INCLUDING GOVERNMENT PAYMENTS.

2/ INCOME OF ALL FARM PEOPLE.

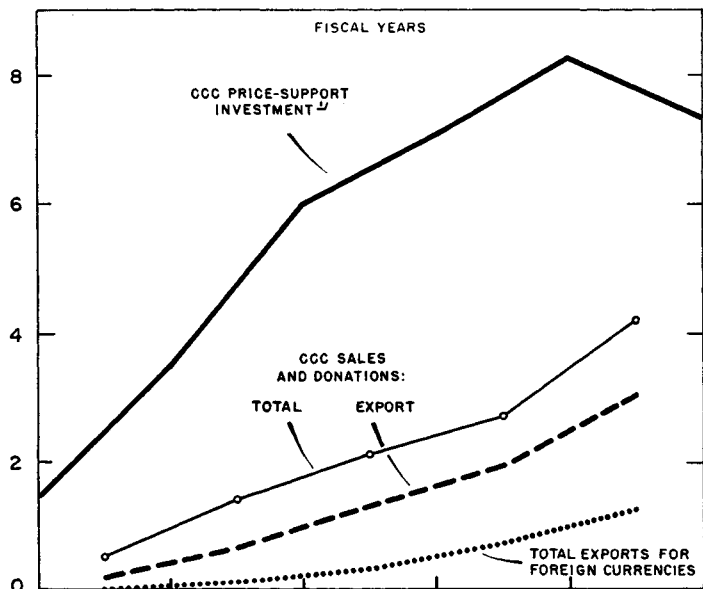
SOURCE: DEPARTMENT OF AGRICULTURE.

CHART 12

Federal Agricultural Programs

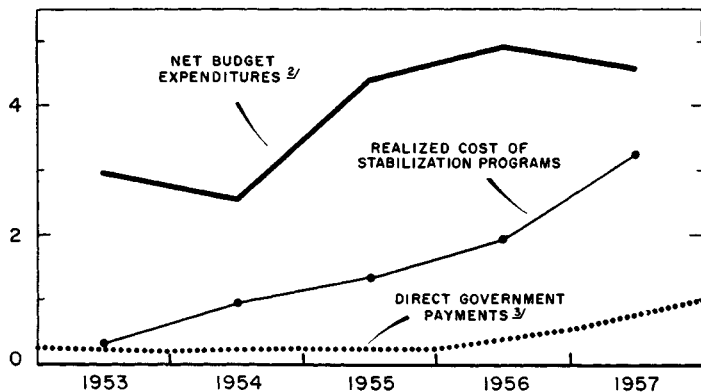
CCC price-support investment has been reduced by enlarged commodity disposals, particularly under special export programs.

BILLIONS OF DOLLARS



Net budget expenditures for agricultural programs remain high, and heavy losses are being realized on commodity operations.

BILLIONS OF DOLLARS



^{1/} LOANS AND INVENTORIES, JUNE 30.

^{2/} EXPENDITURES FOR AGRICULTURE AND AGRICULTURAL RESOURCES.

^{3/} PAYMENTS TO FARM OPERATORS AND LANDLORDS, CALENDAR YEARS

SOURCES: DEPARTMENT OF AGRICULTURE AND BUREAU OF THE BUDGET.

various forms. On dollar sales of wheat, the subsidy element averaged about 80 cents per bushel. Under the export program for raw cotton, initiated early in 1956 and continued in the current season, sales have been at competitive world prices, some 20 percent below the domestic price. Commodities valued in excess of \$600 million (CCC cost) were released to barter contractors during the fiscal year 1957, but activity declined sharply after new regulations were issued in May to help prevent displacement of normal dollar sales. Since August 1957, exports have been running below the very high monthly levels of the preceding year.

Under present circumstances, variations in the rate of export shipments exert their major influence on the level of commodity stocks, not on current crop prices or farm income. Carry-overs of cotton, wheat, and rice were reduced, and investment by the Commodity Credit Corporation (CCC) in price-support loans and inventories on November 30, 1957 was \$1.0 billion lower than a year earlier. However, a substantial rise in stocks of feed grains continues, and the grain surplus is world-wide. Despite a record volume of international trade in wheat during 1956-57, stocks of major coarse and bread grains in the four principal exporting countries as of July 1 reached a new high in 1957 for the fifth consecutive year. Tobacco stocks also increased in 1956-57, in part because newer high-yielding varieties found poor favor in domestic and export markets alike. All stocks of CCC-owned wool have now been sold.

Crop Production and Prices

Crop adjustments in 1957 were expected to reinforce the favorable export experience and further reduce burdensome surpluses. Over 25 million acres were placed in the Soil Bank; acreage allotments were at the minimum levels permitted by law; and total harvested acreage of wheat, cotton, and corn was about 25 percent lower than four years earlier. Soil-Bank withdrawals contributed to significant reductions in the output of wheat, cotton, rice, and tobacco. Excessive rainfall at harvest time adversely affected the quality of several crops and reduced cotton production sharply below early-season estimates. The all-crop production index nevertheless equaled the record-matching 106 (1947-49=100) of 1956, as drought was broken on the Great Plains, more acreage was diverted to soybeans and minor feed grains, and the upward trend in yields per acre continued. Total feed-grain output set a new record.

Farm prices have reflected these developments. Since September 1957, the index of crop prices has been lower than on corresponding dates in 1956. Because of improved prices for livestock and livestock products, however, the general index of prices received by farmers in 1957 averaged some 3 percent higher than in the two preceding years. Record supplies of feed concentrates and cheap feed relative to livestock prices are now encouraging expansion of hog production and heavy feeding of beef cattle.

Financial Position of Farmers

Realized gross farm income was 1 percent higher in 1957 than in 1956. However, higher cash receipts from livestock and an increase of nearly half a billion dollars in Soil-Bank payments were not sufficient to counteract reductions in crop marketings and increases in production expenses. Unusual weather conditions in the autumn lowered cash receipts from cotton, delayed marketings of hogs to allow feeding of wet corn, and thus adversely affected farm income in the fourth quarter. Net realized farm income, while higher than in 1955, declined from \$12.1 billion in 1956 to an estimated \$12.0 billion in 1957. After adjustment for net change in inventories, net farm income was the same as in 1956.

Most of the increase in total expenses was due to higher overhead costs—depreciation charges that reflect heavy capital investment in earlier years, tax payments, and interest. More expensive feeder livestock, motor vehicles, and farm machinery contributed to a 4 percent rise in the index of prices paid for all items (including interest, taxes, and wage rates) and held the statutory parity ratio at its 1956 level.

The over-all financial position of agriculture continues to show strength. The value of farm land per acre on November 1, 1957, was 7 percent higher than a year earlier and one-fourth higher than in 1951. This was the main factor lifting the value of proprietors' equities to an estimated \$168.4 billion as of January 1, 1958, about 7 percent above the previous peak. A further rise in real estate debt also occurred, but the ratio of total liabilities to proprietors' equities declined. Relatively few farms are being offered for sale, and foreclosures in 1957 were below the relatively low rate in 1956. Efforts to enlarge existing holdings in the interest of improved efficiency, demands for rural home sites, and other nonfarm uses for farm land in some regions all lend strength to farm land values. To some extent, these higher land prices also reflect the capitalized value of Government programs to sustain farm income and prices.

THE EXTENT OF THE OVER-ALL DECLINE

The decline in over-all economic activity that had taken place by the end of 1957 was moderate. The Nation's output of goods and services in the fourth quarter was less than 1½ percent below the total reached in the third quarter. Nonagricultural employment in December, adjusted for seasonal changes in the number of jobs, was about 2 percent below the summer peak, and personal income had declined by less than 1 percent.

Final purchases of goods and services were, in the aggregate, virtually unchanged—only \$1 billion less than in the third quarter—but inventories, which had been accumulating at the rate of \$2 billion annually in the third quarter of the year, were being used up in the fourth quarter at the rate of \$3 billion or more. Adjustments in inventory holdings, therefore, accounted for most of the declines in production, employment, and income which developed toward the year's end.

Because of the high level of private investment expenditures and of Government purchases, and the strength of consumer demand, labor income declined by only 1 percent between the third and the fourth quarters of the year. And since other forms of income, notably payments to individuals under various income-maintenance programs, increased in the fourth quarter, total personal income fell even less than 1 percent. Personal income after taxes fell by \$2 billion in the fourth quarter, and personal consumption expenditures by \$1 billion.

Thus, the over-all decline has been moderate, despite rather sharp reductions in inventories and in industrial production. Purchases of goods and services for final use have been well sustained; incomes have held up well; and the continuing high level of retail purchases attests to the confidence of consumers in their economic position.

Chapter 3

Foreign Developments and the American Economy

THE INTERACTION between economic developments in other countries and in the United States was again evident in 1957. In the early part of the year, foreign demand exerted a strongly expansive effect on the American economy. United States exports, which had already been rising rapidly with the growth in economic activity abroad, increased with unusual force as a result of demands arising from the closure of the Suez Canal and other temporary circumstances. These special demands subsided at the same time that the pace of economic expansion abroad slowed down, and United States exports declined from the record level of the first half of the year. United States imports varied only slightly, in total amount, from the 1956 level, though the demand for raw material imports declined in the latter part of the year, as a result of reduced industrial activity.

When economic activity contracted in 1953-54, United States demand for imports fell for a time. However, the outflow of dollars through capital investment and in other ways increased; this strengthened the foreign exchange positions of other countries and helped promote economic expansion. The continued rise in industrial production in Western Europe supported world trade and commodity prices and contributed to an upturn in economic activity in the United States.

In the months ahead, developments in the United States economy and in its external trade and financial relations will influence, and be influenced by, economic developments in other countries. It is important that policies pursued here and abroad promote economic growth and counteract strains that would lead to raising and hardening trade barriers among nations.

CHANGES IN PRODUCTION

Industrial production abroad (excluding output of countries in the Soviet bloc) averaged about 4 percent higher in 1957 than in 1956, and close to double the prewar output (Table 7). In most countries, the lead in the exceptionally rapid expansion since 1953 was taken by the metal and metal-fabricating industries, to meet strong home-investment and export demands. In the more developed countries, the demand for consumer durable goods also proved to be heavy, as incomes and levels of living rose; during 1956, textile manufactures, which had previously lagged, joined in the rise.

TABLE 7.—*World industrial production, 1955-57*

[Index, 1953=100]

Country	1955	1956	1957			
			First quarter	Second quarter	Third quarter	Fourth quarter
			Not seasonally adjusted			
World: ¹						
Including United States	110	² 115	119	120	³ 115	(⁴)
Excluding United States	118	² 125	129	133	³ 127	(⁴)
			Seasonally adjusted			
OEEC countries	119	125	130	131	131	⁵ 131
Austria	133	138	144	146	147	(⁴)
Belgium	116	122	127	125	⁶ 117	(⁴)
Denmark	112	111	118	116	113	(⁴)
France	117	⁶ 129	142	143	144	⁷ 151
Germany, Federal Republic	129	139	147	148	146	⁷ 146
Greece	130	134	142	145	149	(⁴)
Ireland	108	104	102	104	100	(⁴)
Italy	118	128	135	137	138	(⁴)
Netherlands	118	124	130	127	126	⁷ 124
Norway	117	122	123	128	128	⁷ 128
Sweden	111	114	118	120	119	(⁴)
United Kingdom	114	113	113	116	116	⁷ 115
Canada	107	114	117	115	114	⁷ 112
United States	104	107	109	107	107	104
			Not seasonally adjusted			
India	116	126	133	149	(⁴)	(⁴)
Japan	117	142	150	164	164	⁷ 159
Yugoslavia	132	145	150	165	170	(⁴)
Argentina	118	117	111	120	⁷ 131	(⁴)
Chile	102	104	95	(⁴)	(⁴)	(⁴)
Brazil	112	112	(⁴)	(⁴)	(⁴)	(⁴)
Mexico	119	130	(⁴)	(⁴)	(⁴)	(⁴)

¹ Excluding USSR and other members of the Soviet bloc.² Quarterly figures for 1956 are: for the world including United States, 114, 116, 112, 119; for the world excluding United States, 122, 128, 122, 130.³ Preliminary estimates by Council of Economic Advisers.⁴ Not available.⁵ Reflects July strike.⁶ Average of quarterly figures for 1956 would be 134.⁷ Partial data for quarter.

Sources: United Nations and Organization for European Economic Cooperation (except as noted).

These gains in industrial production were achieved in Western Europe generally by May 1957, and there appears to have been no further over-all increase since then. Production in the Federal Republic of Germany, after a pace-setting rise up to mid-1956 and a further vigorous increase in the first quarter of 1957, fell in the summer but turned upward again in the autumn. The revival in the United Kingdom's industrial output starting in the spring did not go much beyond the level reached at the end of 1955. In France, however, the industrial upsurge that began in 1954 continued during 1957; but it was accompanied by inflationary pressures and produced an imbalance in trade and a depletion of foreign exchange reserves.

Industrial output in Canada leveled off in the early months of 1957 and then receded. Japanese production, after a long and rapid increase, de-

clined after July. Industrial activity in India and Yugoslavia continued to expand rapidly, but this was not typical of less developed countries as a whole. In Latin America, the total volume of mining output expanded appreciably, but manufacturing appears to have been only moderately higher than in 1956.

Although the growth of demand slackened in some countries, a slower rate of increase in output was inevitable because, in a number of cases, industrial production had begun to crowd the physical limits set by existing plant capacity or by the supply of labor. Moreover, in response to the rise of prices and wages, the monetary authorities in most of the developed economies restricted credit, thereby restraining investment outlays. In several countries, loss of foreign exchange reserves as the result of trade deficits or speculative capital movements compelled policies of restraint.

THE COURSE OF WORLD TRADE

Total world exports (excluding those of the Soviet bloc) reached an annual rate close to \$100 billion during the first half of 1957. In physical terms, exports were 8 percent above those in the first half of 1956 and nearly 40 percent above the same period of 1953 (Chart 13). In recent months there has been little further expansion. Trade among the industrial countries accounted for most of the increase to mid-1957. In relative terms, however, some of the sharpest increases were in imports of certain of the less developed countries (Table 8). Most of this rise was in their trade with the United States and other industrially developed countries.

TABLE 8.—*Changes in world trade, 1955–57*

Area	Exports			Imports		
	July 1956–June 1957 (billions of dollars)	Percentage increase		July 1956–June 1957 (billions of dollars)	Percentage increase	
		First half 1955 to first half 1956	First half 1956 to first half 1957		First half 1955 to first half 1956	First half 1956 to first half 1957
World ¹	94.9	12.2	10.9	103.1	11.0	11.9
Northern North America ²	24.1	16.8	18.7	20.7	17.9	3.5
Latin America.....	8.6	10.6	2.1	8.3	2.7	14.4
Western Europe (OEEC countries).....	38.3	12.2	11.8	45.5	10.5	14.0
To or from other Western European countries.....	19.7	11.3	12.9	20.2	11.6	11.9
To or from other areas.....	18.6	13.0	10.7	25.3	9.7	15.7
Overseas territories of continental Western Europe.....	2.8	6.8	.7	3.7	2.5	18.0
Outer sterling area.....	12.0	5.9	4.5	12.8	7.1	7.3
Middle East ³	2.2	24.5	3.4	2.2	11.9	1.8
Far East ³	4.7	14.2	12.4	6.9	17.8	34.0
Other countries ³	2.2	2.2	8.4	3.0	9.3	12.1

¹ Excludes USSR and other members of the Soviet bloc.

² Exports exclude military aid shipments by United States and Canada.

³ Excludes countries belonging to the sterling area.

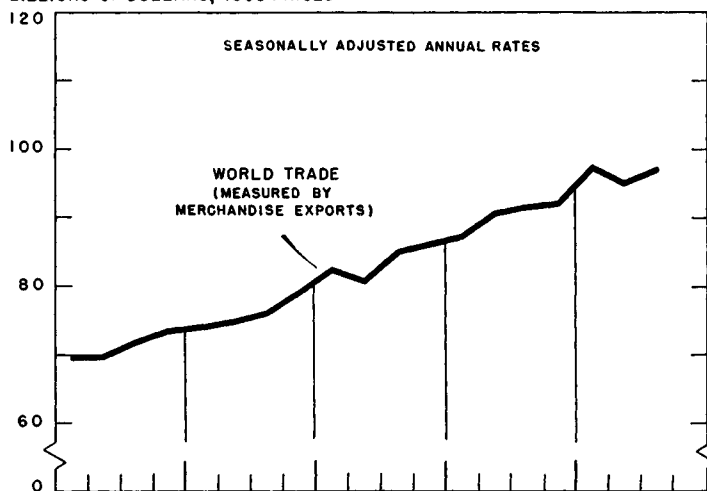
Sources: Department of Commerce, based on data from United Nations and Organization for European Economic Cooperation.

CHART 13

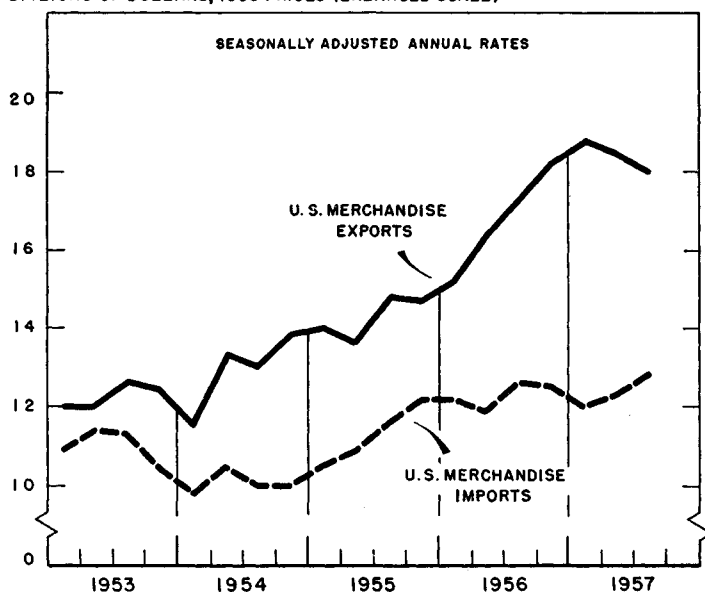
World and U. S. Foreign Trade

U. S. exports rose much faster than imports or total world trade from early 1956 to early 1957, but declined later in the year.

BILLIONS OF DOLLARS, 1953 PRICES



BILLIONS OF DOLLARS, 1953 PRICES (ENLARGED SCALE)



NOTE: DATA EXCLUDE U.S. MILITARY SHIPMENTS UNDER AID PROGRAMS AND EXPORTS OF USSR AND OTHER MEMBERS OF THE SOVIET BLOC.

SOURCES: COUNCIL OF ECONOMIC ADVISERS AND DEPARTMENT OF COMMERCE.

Purchases of American goods and services by foreign countries rose with exceptional vigor during the first quarter of 1957 to an annual rate of about \$27 billion, 25 percent higher than a year earlier (Chart 14). They maintained this rate during the second quarter and most of the third, but declined in the autumn.

Exports of three commodities—petroleum (and products), raw cotton, and wheat—together increased by \$850 million and accounted for nearly one-half of the increase in total United States merchandise exports between the first half of 1956 and the first half of 1957. The large rise in petroleum shipments resulted from the temporary disruption of traffic through the Suez Canal. Cotton shipments, which had been abnormally low in 1955–56 prior to the reduction in the United States export price to world market levels, rose to exceptionally high amounts as foreign stocks were rebuilt. Exports of wheat were unusually large, primarily because of the poor European harvest in 1956 and large special-program shipments to Asian countries.

In addition to these special circumstances, United States exports benefited from reductions achieved in trade barriers abroad and, until mid-1957, from the general buoyancy of foreign demand. Sales of both industrial materials and capital equipment rose as industrial activity expanded abroad (Table 9). Exports of many products, such as steel, scrap, and machinery,

TABLE 9.—*U. S. merchandise exports and imports, 1953–57*

Commodity group	[Millions of dollars]				
	1953–55	1956	1957		
	Quarterly average		First quarter	Second quarter	Third quarter
Domestic exports ¹	3, 248	4, 286	5, 043	5, 089	4, 437
Producers' supplies and materials:					
Cotton, tobacco, and other agricultural materials.....	305	366	531	433	378
Nonagricultural materials.....	1, 055	1, 474	1, 847	1, 847	1, 625
Capital equipment.....	1, 036	1, 326	1, 432	1, 643	1, 430
Consumer goods:					
Food.....	464	685	762	709	595
Other consumer goods.....	346	380	396	397	348
Miscellaneous.....	43	56	75	60	61
General imports.....	2, 706	3, 151	3, 237	3, 205	3, 197
Producers' supplies and materials:					
Petroleum and products.....	219	320	360	382	406
Other materials used in production of non-durable goods ²	514	570	580	560	518
Materials used in production of durable goods.....	756	918	834	884	873
Materials used in agriculture.....	94	84	94	101	85
Capital equipment ³	58	92	105	108	92
Consumer goods:					
Food, beverages, and drugs.....	797	793	879	737	747
Other consumer goods.....	228	318	332	359	414
Miscellaneous.....	40	55	53	74	62

¹ Excludes military aid, and motion picture films exported on a royalty basis.

² Includes newsprint and paper base stocks and tobacco.

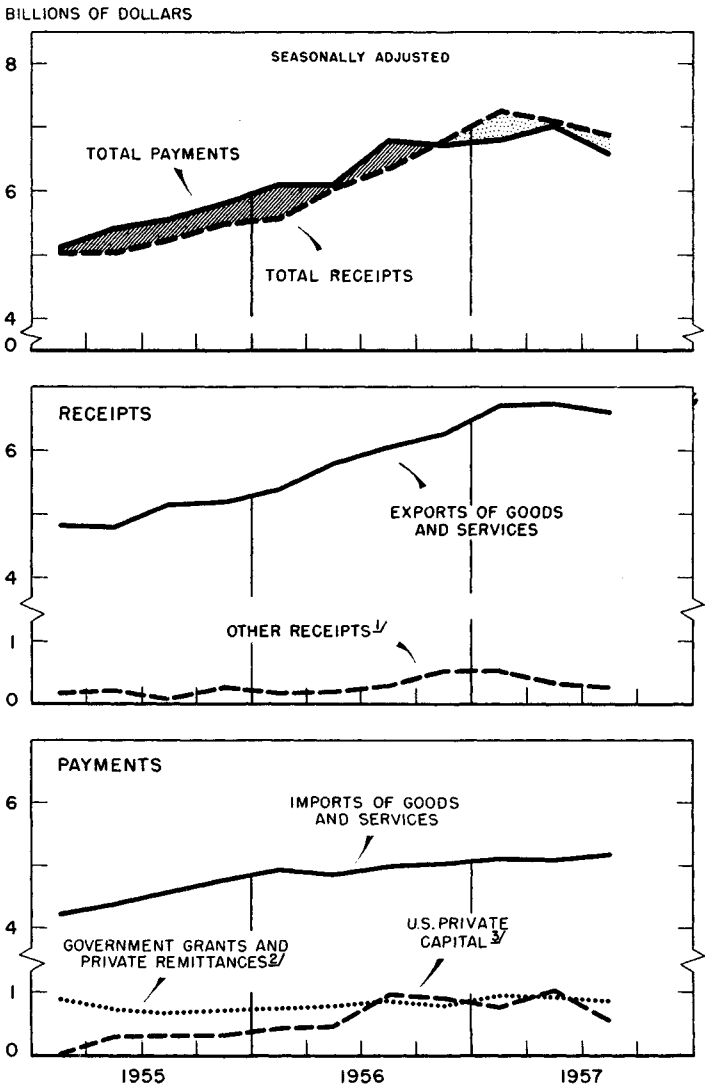
³ Includes agricultural machinery.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

U. S. Balance of Payments

The excess of U. S. receipts from other countries over payments to them led to reductions in foreign gold and dollar holdings in 1957.



1/ FOREIGN LONG-TERM CAPITAL PLUS ERRORS AND OMISSIONS.
2/ INCLUDES RELATED GOVERNMENT CAPITAL EXPORTS.
3/ INCLUDES EXPORT-IMPORT BANK LOANS.

NOTE: DATA EXCLUDE MILITARY GRANT-AID.

SOURCE: DEPARTMENT OF COMMERCE.

were facilitated by the possibility of obtaining delivery more rapidly from the United States than from other sources, though this entailed some additional upward pressure on United States prices of such goods. Exports of consumer finished goods, on the other hand, rose more slowly.

As the year progressed, foreign demand for United States output declined from the very high rate of the early months. Late in the year, the volume of exports had fallen to a level slightly below that of 12 months earlier and was at an annual rate markedly lower than in the first six months of 1957.

The expansion of imports into this country, though much smaller than the rise in exports, was fairly general and substantial from 1954 to 1956. Further growth of imports has been limited, with increases occurring chiefly in petroleum and products and consumer manufactures including automobiles (Table 9). Imports of industrial materials, other than petroleum, which had constituted nearly half of total imports in 1953-56, reflected the decline in domestic manufacturing production and showed some effect of reductions in prices.

INTERNATIONAL FINANCIAL DEVELOPMENTS

Disparities between movements in exports and in imports gave rise to some exceptionally large trade deficits and consequent difficulties in international payments. In India, heavy private and public demands generated by the program for economic development caused the trade deficit to increase by an annual rate of more than \$600 million from the first half of 1955 to the first half of 1957. Smaller increases occurred in some other less developed countries. Trade deficits also rose in some of the industrially more advanced countries over the same two-year period—by an annual rate of \$1,550 million in France, almost \$1,400 million in Japan, and \$640 million in the Netherlands. These changes had their counterpart in increased trade surpluses of a few other countries. That of the United States rose by an annual rate of \$4,500 million and that of Western Germany by a rate of \$600 million.

The deficits and surpluses arising in international trade in the recent past were to a large extent offset by capital movements. Much of the large increase in the excess of our exports over imports of goods and services in the last few years was made possible by a rapid growth in the outflow of United States private capital. Although private American investment abroad fell sharply in the third quarter of 1957, it was still relatively high. United States Government grants and credits remained close to previous levels and continue to contribute significantly to our export surplus (Chart 14).

In a number of countries, however, trade balances were not covered by capital movements; and in several cases capital outflows, particularly of a speculative nature, increased rather than alleviated these strains. The United Kingdom achieved a surplus on current account but experienced

a still larger outflow of capital. Much of this outflow was due to speculative operations, concentrated first during the period of the Suez crisis and again during the summer of 1957.

The net result of these movements on trade and capital account was a sharp fall in the gold and foreign exchange reserves of a number of countries, notably France, the United Kingdom, India, Japan, the Netherlands, and Belgium. In addition, heavy demands were made upon the resources of the International Monetary Fund, and further credits were obtained through the European Payments Union. Part of these gold and exchange resources were used in settlements with the United States. The net decline in the gold and dollar balances of foreign countries and of international institutions attributable to transactions with this country amounted to \$900 million during the year ended September 30, 1957. A substantial inflow of foreign private capital played a role in these movements; some of these assets are potential sources of additions to foreign currency reserves.

Certain foreign countries, however, added significantly to their gold and foreign exchange holdings during that period. The increase amounted to \$1,650 million in Western Germany. Other major increases were \$800 million in Venezuela and \$300 million in Canada, influenced in both cases by large capital inflows, chiefly from the United States. Australia's gold and foreign exchange holdings, mainly in sterling, rose by about \$500 million.

In several countries, notably the United Kingdom, the Netherlands, and Japan, exchange positions took a turn for the better before the end of 1957. Credit policy, operating externally on speculation and internally on investments and inventories, was the major corrective measure. France, however, responded to continued losses of exchange reserves by devaluing the franc and tightening trade controls. Within the French economy, the pressure of demand remained strong and consumer prices rose further, whereas in most European countries retail prices increased much less than in other recent years.

Western Germany's strong external position and some easing of domestic demand permitted a reduction in its central bank discount rate while other countries were raising theirs. Western Germany was also able to provide some direct relief to the international payments situation by prepayments on long-term debts and by new loans.

Demand in the nonindustrial countries has continued strong, as shown by the further rise in the imports of this group of countries in the third quarter of 1957. Thus, United States exports of machinery to Latin America in that period expanded further, although machinery exports to Canada and Western Europe declined. In a number of the less developed countries, the increases in imports reflected, in part, inflationary internal conditions and resulted in continued difficulties in international payments.

The foreign exchange earnings of a number of countries heavily dependent on the export of primary products have been reduced as the result of declines in prices of certain commodities—including minerals and metals

and some foodstuffs and fibres—as enlarged capacity and output encountered some slackening in export demand. The effective buying power of the primary producing countries has been further impaired by the rise in prices paid for imports of manufactured goods.

FUTURE PROBLEMS AND POLICIES

Although world production and trade are, for the time being, not rising at the rapid rate of recent years, the possibilities for further advance remain great. Potential demands abroad for consumer goods, for public facilities, and for other types of investments continue to be large. Most governments today recognize a responsibility for pursuing policies to promote high levels of economic activity. The industrially less developed countries are eager to push ahead with their economic development. Vigorous growth abroad will help fulfill universal aspirations for economic betterment and can result in a rising level of demand for United States goods and services.

The actual course of foreign economic developments will be influenced in significant measure by developments in our own economy and in our foreign and domestic policies. Whether potential external demands for our goods and services materialize will depend primarily upon foreign opportunities to earn dollars through exports to the United States or to obtain loans and investments. These opportunities have expanded swiftly ever since the end of the war, with only minor interruptions, and have played an essential role in world economic growth. If the outflow of dollar payments should cease to grow or should contract, the continuation of economic expansion abroad would become more difficult to achieve and measures aimed at restricting purchases from the United States might result, because of lack of dollars to pay for them. A continued rise in the outflow of dollar payments, on the other hand, would make for a mutually reinforcing economic expansion here and abroad.

The economic policies of the United States, both domestic and foreign, have an important bearing on these prospects. In the field of domestic economic policy, growth and stability are important objectives not only for this country's welfare but also for their effects on foreign countries through our imports and in other ways. In the field of foreign economic policy, our aims are expressed in programs of economic and technical assistance for promoting economic development abroad and in efforts to extend the liberalization of trade.

In all of this, we stand to benefit not only by the rise in foreign demand for our exports but also by the increase in foreign capacity to meet our import needs. The contribution made by imports to our welfare includes the satisfaction of certain essential requirements and a widening of the variety of goods available to our consumers and producers. These results are to the good of the Nation. It would be a grave loss to impede our access to needed imports or to isolate ourselves from the specializations and skills of other countries.

Chapter 4

Economic Opportunities and Challenges Ahead

AS WE ATTEMPT to evaluate the current economic situation and the outlook for the year ahead, we must be alert to the limitations of our information concerning many factors that will influence the outcome and, above all, to the uncertainties that attend any effort to chart beforehand the course that our free economy will take. However, it seems likely that, in the current year, changes in spending by business concerns on new facilities and equipment and by Government on defense procurement will significantly influence the magnitude and duration of the movement of inventories and, in conjunction with inventory changes, the course of over-all economic activity. Accordingly, attention may usefully be directed first to these important components of the demand for goods and services.

APPRAISAL OF THE CURRENT ECONOMIC SITUATION

Although an extension into 1958 of the decline in business expenditures on plant and equipment is suggested by data on new orders and contracts, and by information on businessmen's investment intentions, the magnitude of the decline and its duration are uncertain. Decisions regarding these expenditures are influenced by a variety of conditions that affect particular industries and firms and are subject to rapid change. The outcome will be especially affected by sales experience and expectations. A decline in investment spending seldom lasts only a few months; however, in some industries reductions began as early as 1956, and in many others they have been in progress during much of 1957. Also, certain conditions that tend to limit the decline may be noted. Pressures to reduce costs and to improve products continue and in some respects have been intensified. Research and development activities, which are cumulative in their results, continue at a high level and are certain to yield many practical suggestions for undertakings the financial feasibility of which will be enhanced by the greater availability and lower cost of capital and credit.

For other categories of investment expenditures, many evidences of strength are apparent. There are signs that the rise in residential construction outlays will continue, possibly at a faster pace. Well-maintained personal incomes, greater availability of mortgage credit, and recent moves to reduce the cash investment required for home purchase will help achieve this result. Expenditures for the construction of various types of private institutional buildings have been rising for several years. Growing needs for

such facilities and the improvement in financing conditions reinforce the evidence provided by contract awards that outlays on this type of construction should continue to rise moderately.

Foreign demand, on the other hand, is likely to exert a moderately contractive influence on economic activity for the time being. The reasons for this are discussed in Chapter 3. They include the passing of the special circumstances which accounted for part of the sharp increase in United States exports in 1956 and early 1957, some slowing down in economic expansion abroad, and pressure on the foreign exchange positions of certain nations abroad. While a reduction in some categories of United States import demand is also evident, exports seem likely to decline relative to imports. This development, in conjunction with other international economic transactions, would involve a further, though probably modest, reduction in net foreign investment and hence in the stimulus provided to production and employment from this quarter.

In view of the necessary acceleration of certain defense programs, and the steps already taken to give effect to this change, national security expenditures may be expected to increase during the year ahead. Insofar as business activity is affected by the award of procurement contracts, which are being placed at an increased rate, it may rise earlier and more strongly than the prospective increase in national security expenditures.

The growing need for public services, and particularly the further increase of highway construction, point to a continued high rate of increase in the expenditures of State and local governments. The outlook for more ample and lower-cost financing strengthens this expectation.

The uncertainties associated with estimating the movement of each of these major elements of demand remain, of course, when an attempt is made to strike a balance for them taken together. Though the decline in business outlays on new plant and equipment may outweigh the combined rise in other types of investment expenditures, this is likely to be offset by the necessarily larger outlays on certain defense procurement items and by the rising expenditures of State and local governments. And the rate of inventory reduction may not be substantially greater than it has been so far, if the balance between government expenditures and business capital outlays is favorable and if personal incomes and consumption expenditures are well maintained, as seems likely.

These considerations suggest that the decline in business activity need not be prolonged, and that economic growth can be resumed without extended interruption. The policies of Government will be directed toward helping to assure this result.

THE LONGER PERSPECTIVE

At a time like the present, when the economy is adjusting to the large increases in productive capacity created in the past few years, it is well to seek a longer perspective on our economic prospects and to consider some

of the sources of strength for the years ahead. There are good grounds for confidence not only that economic growth can be resumed without prolonged delay, but also that a vigorous expansion of our economy can be sustained over the years. Our domestic market for goods and services has about doubled every quarter of a century. There is every reason to believe that we shall do at least as well in the next 25 years.

The vigorous postwar growth of population is a basic and powerful force making for expansion in the American economy. Our numbers are increasing by some 3 million a year, and there is no reason to doubt a strong uptrend in the next quarter century. In our economy, an increase in population continues to mean new and enlarged markets for output. Over the last two decades, per capita consumption has increased by more than 50 percent, in spite of changes in the age composition of the population which have tended to lower basic needs per capita for consumer goods. After this year or the next, the number in the group aged 13 to 19, whose needs and wants are much greater than those of young children, will increase substantially for a decade or more.

The growth and changed age distribution of our population will require greatly expanded private facilities for the production, transportation, and distribution of goods and for services of many kinds, including education. The capital assets normally provided by Government must at least keep pace, and the expansion of some types of public assets will have to be at a faster rate to reduce backlogs and to supply services that will be required in especially increased amounts. The clearly indicated need for enlargement of the capacity of our public schools, colleges, and universities is a case in point. Large and growing sums will be spent by State and local governments to provide needed educational and other facilities and services. Large public and private outlays will also be required to develop and conserve our water, land, forest, mineral, and energy resources. Major undertakings have been launched in many cities, with Federal aid, looking to the renewal of urban areas, and many more are in the planning stages. State and local outlays have been rising at the rate of \$3 billion a year, and something like this rate of increase must continue, to keep pace with growing requirements.

Many activities of the Federal Government exert a growth-promoting influence. Grants to States for extending and modernizing our roads and highways will reach \$1.8 billion in the current fiscal year and \$2.4 billion in the next fiscal period. The program for providing the navigational aids necessary to jet air travel and otherwise modernizing our airways will grow in magnitude over the next several years. Major improvements will be called for in the great variety of physical facilities utilized by the Federal Government. Like the vast improvements in public assets being undertaken by State and local governments, these Federal programs are designed to keep pace with expanding public needs and to facilitate the long-term expansion of our private economy. These additions to the Nation's assets

will have an economic effect many times their direct cost through the new opportunities for profitable private investment which they will inevitably open up.

A further element of strength consists in the increase of knowledge and the improvement of technology which are being steadily fostered by a huge expansion of our educational system and of research and development. Billions of dollars are being spent each year by private industry and institutions on scientific and technical research, and additional billions by the Federal Government. These efforts, including many federally supported projects related to national defense, will lead to new products for civilian use and improved methods of production. Indeed, a large proportion of our output in 1957 consisted of products not in use a decade or so ago. There is every reason to expect continuation of these trends in the years ahead.

It can be safely anticipated that the momentum of economic development, which has been a notable feature of recent years in most of the advanced countries of the world and in several of the less advanced, will be resumed as readjustments now in progress are completed. The extent of international economic cooperation among the free nations of the world exceeds anything heretofore experienced, and recent steps toward greater economic integration in Western Europe hold out high promise. Almost everywhere, horizons have been extended and greatly enlarged economic potentials are recognized. In this perspective, the temporary strains now being felt in some countries and the more basic problems of others can be faced with more assurance.

Important developments in recent years have significantly improved the outlook for greater stability in our economy. Among these are the substantial progress of market and economic research by American businesses, and the more orderly and longer-range planning which they now undertake for the expansion and improvement of their productive facilities. Businesses can usefully intensify these activities. In large part because of them, it is less likely now than in earlier years that unsound projects will be launched in a boom psychology, or that projects needed for the long pull will be discontinued in a period of readjustment.

The stability of our economy is also enhanced by public and private arrangements, greatly extended in recent years, that help maintain incomes in an economic downturn. The Federal-State unemployment compensation system is functioning with enlarged coverage and somewhat liberalized benefits. The broadened coverage of old age, survivors, and disability insurance and the increasing volume of payments sustain the purchasing power of many millions of consumers. Benefits are also paid in an increasing volume to many millions of persons under private pension and welfare programs. Under our tax system, income tax liabilities vary directly with individual and corporate income, so that incomes change less after tax than before tax. Such stabilizers cushion the impact of an economic decline and improve the basis for early resumption of growth.

The strength of our financial institutions provides a basis for confidence both in immediate economic prospects and in the outlook for economic growth over the longer run. Speculative excesses have been notably rare in our recent experience. Though consumer debt is higher than ever before, it is not dangerously burdensome in a growing economy. The prevalence of regularly scheduled debt repayment, both on long-term mortgage indebtedness and on shorter-term obligations, reduces the risk of defaults. A far greater proportion than ever before of the assets of financial institutions is protected by governmental insurance or guaranty; and the guaranty of liabilities to depositors covers virtually all of our banks.

Assured of these continuing sources of economic and financial strength and stability, business concerns and consumers can make plans which will enable the Nation to move forward to new economic achievements.

The latest challenge of international communism will require a further increase in the economic claims of national security, which are already heavy. If we follow suitable private and public policies, this challenge can be met without distorting our economy, or destroying the freedoms that we cherish. Whatever our national security requires, our economy can provide and we can afford to pay.

THE CHALLENGE TO ECONOMIC POLICIES

Although a realistic appraisal of the present economic outlook warrants confidence, it also requires that we recognize an unfavorable feature of the recent performance of our economy. In 1957, the money value of gross national output rose by almost 5 percent, but in physical terms the increase was only about 1 percent. There was a good expansion in demand but, despite the existence of unused capacity in several important lines of industry, it was accompanied by an increase in prices and only a small increase in output. At the same time, the margin between business costs and prices narrowed, business profits were reduced, and at the end of the year production and employment were declining.

There is no simple explanation of recent economic developments and no easy solution to the problem of maintaining high employment, vigorous economic growth, and reasonably stable prices. But it is clear that the combination of policies and practices followed in the recent past by the various participants in our economic life has given results that in certain important respects are unfavorable.

There are critical questions here for the leadership of business and labor, as well as for Government. Business concerns must re-examine their policies and practices. Price increases that are unwarranted by costs or that attempt to recapture investment outlays too quickly not only lower the purchasing power of the dollar but may be self-defeating by causing a restriction of markets, lower output, under-utilization of capacity, and a narrowing of the return on capital investment. The leadership of labor must recognize that

wage increases that go beyond prospective productivity gains are inconsistent with a stable price level. The problem of inflation can only be aggravated by wage increases that are demanded and obtained on the assumption that living costs are going to rise; and the resumption of economic growth can only be slowed by wage demands that imply either an increase in prices or a further narrowing of the margin between prices and costs. Government's role is to follow policies that will help keep our economy stable and promote sound economic growth with reasonably stable prices.

The resumption and maintenance of economic growth which can be achieved through suitable private and public policies assure expanding economic strength with which to meet the Nation's needs, accomplished through an enterprise system that preserves individual freedoms. However, if this opportunity is to be fully realized, economic growth must take the form of increases in real output, accompanied by a stable price level. This can be achieved if weight is given to long-run as well as short-run considerations in policies and practices that affect our economic welfare. It can be guaranteed by a public opinion that is alert to the consequences of wrong policies and insists on those that will yield real economic growth without inflation.

Chapter 5

A Legislative Program To Help Achieve National Economic Goals

THE LEGISLATIVE PROGRAM for the coming year, which is presented here, is designed to help discharge the responsibilities of the Federal Government under the Employment Act of 1946. It takes account of present and foreseeable economic conditions and seeks to reach an appropriate balance among our national economic goals. The proposed measures would strengthen the foundations on which sustainable economic growth and national security are based, help moderate fluctuations in our economy, aid in countering a resurgence of inflationary pressures, and assist in the sound development of the free world economy.

First, the program recognizes the economic impact of the fiscal policies of Government. It takes particular note of the far-reaching effects of the activities under which the Federal Government makes loans directly to individuals, business concerns, local governments, and other groups, or insures or guarantees loans made to them by private lenders. Second, it proposes steps to improve our store of technical knowledge and productive skills, the better to meet the problems of our time. Third, it suggests measures to enhance the competitive character of our system of private enterprise, with emphasis on strengthening the economic position of small business concerns. Fourth, it suggests ways of giving to individuals greater protection against economic hardships, of promoting integrity in labor-management relationships, and of improving industrial relations. Fifth, it proposes the extension of certain agricultural laws and the revision of others, to facilitate long-needed adjustments. Sixth, it proposes means for widening and strengthening our economic ties with other nations. And, finally, it suggests measures for improving the economic information needed by private and public groups to follow and analyze economic developments and to provide a sounder basis for policy decisions.

GOVERNMENT FINANCES

The Federal Government's fiscal operations are of such size and character that the policies followed in these matters cannot fail to exert a powerful influence on economic conditions. Fiscal policies can contribute significantly to the attainment of national economic objectives or can impede their accomplishment. It is crucial, therefore, that they

be attuned to the times and so designed as to promote the long-run as well as the immediate economic welfare of the Nation.

The budget provides an integrated view of the planned fiscal operations of Government. It also provides a basis for considering the impact of fiscal operations on the economy. In determining budget policy, four objectives are uppermost: to make adequate provision for needed services; to provide these services efficiently; to promote suitable relationships among Federal, State, and local governments; and to make the maximum contribution to economic growth and stability.

Because the provision of services by Government requires that income be claimed that would otherwise be used privately, the first of these objectives means, in a broad sense, that the amount of income which is taken in taxes, the sources from which taxes are drawn, and the way tax receipts are spent should be such as to maximize Government's contribution to national welfare. Constant vigilance is needed to get the work of Government done at the lowest cost consistent with the desired level of performance, which is the essence of the second stated objective, but vigilance is needed also to assure that the income which Government takes in taxes makes a greater contribution to well-being when spent publicly than it would if used privately. Efficiency in this broad economic and social sense requires wise judgment in selecting the activities on which the revenues of Government are to be spent and in allocating the burden of taxation.

The third objective—a suitable relationship among the various levels of Government—has been affected by the increasing scope and complexity of our economic life, a desire to conduct various programs on a uniform basis, a succession of national emergencies, and the existence of a highly productive Federal revenue system. These circumstances have tended to direct more functions to the Federal Government, with the consequence that a continuing re-evaluation of the distribution of governmental functions and of the revenues for financing them is necessary.

During the past year, a Committee of ten Governors and seven Federal officials, including three Cabinet members, has been developing recommendations and plans under which certain functions now performed at the Federal level may be undertaken by the States, with an appropriate transfer of revenue sources presently used by the Federal Government. The first results of this constructive work are described in Progress Report No. 1 of the Joint Federal-State Action Committee, issued December 5, 1957. Where necessary, legislative proposals to carry out these recommendations will be transmitted to the Congress.

The continuing work of the Committee is expected to yield additional suggestions. Its efforts will also help establish clearer definitions of responsibility for emerging problems.

The balance between Federal budget expenditures and receipts in the calendar year 1957 was broadly favorable to the attainment of the fourth goal of fiscal policy, namely, to help create conditions conducive to economic

growth and stability. Although Federal expenditures were somewhat higher than in the preceding year, some surplus of receipts over outlays helped moderate inflationary pressures.

The need to accelerate important portions of our defense program requires that the Congress make certain supplemental appropriations early in the calendar year 1958 and authorize the Executive Branch to make certain transfers of funds under existing appropriations. The acceleration of our defense program, which these steps will facilitate, will result in some increase of Federal outlays in the fiscal year 1958. And readjustments currently taking place in the economy suggest that receipts will be somewhat lower than was estimated earlier. Present indications point, therefore, to a small excess of outlays over receipts for the fiscal year as a whole.

Budget estimates reflect the interaction between economic developments and the Federal Government's receipts. With the anticipated resumption of economic growth, receipts in the fiscal year 1959 are expected to be enough higher than in fiscal 1958 to provide a small surplus over the somewhat increased level of projected expenditures. The prospective surplus is a narrow one, however, and insufficient to permit the reductions in the corporate income tax rate and in the excise taxes on automobiles and parts, cigarettes, distilled spirits, wines, and beer scheduled to take effect on July 1, 1958. It is recommended, therefore, that these tax rates be extended by legislative action for an additional year.

The statutory limit on the public debt returned to \$275 billion at the beginning of the fiscal year 1958. At that time, the debt subject to this restriction was slightly over \$270 billion. The usual excess of cash payments over receipts in the first half of the fiscal year resulted in an increase in the public debt outstanding, and at the end of December the debt subject to limit was less than one-half billion dollars under the ceiling.

It has been possible to conduct the Federal Government's fiscal operations within this statutory restriction only by the most careful economy and by drawing down Treasury cash balances to uncomfortably low levels. This extremely narrow margin has imposed serious problems of fiscal administration on the Federal Government, not the least of which is the lack of flexibility needed for efficient management of the public debt. Financial demands upon the Treasury will be severe also during the second half of the calendar year 1958. The higher rate of expenditures dictated by our national security requirements, the seasonal pattern of Treasury receipts, and the need for greater operating flexibility requires a less restrictive debt limit. Legislation providing an appropriate temporary increase will be requested of the Congress.

FEDERAL CREDIT PROGRAMS

Increasing attention has been directed recently to the numerous programs under which the Federal Government lends money directly to individuals, local governments, business concerns, and other groups, or underwrites, either by insurance or by guarantee, credit extended to them by private

lenders. These Federal programs fall into four broad categories: programs under which direct loans and loan insurance are provided for housing; direct loan and loan insurance programs for farm people; programs of financial aid for business concerns; and programs under which loans are extended to foreign firms or governments and international agencies. Some programs were designed originally to fill gaps in private credit markets; others were created to achieve certain social objectives; and still others were designed to meet specific defense needs or to support the foreign policy of the United States.

All of these programs involve the credit of the Federal Government in one way or another. They also tend to swell Government expenditures, though they are by no means fully reflected in Federal budget totals. Insured and guaranteed loans do not appear in budget expenditures at all, except for the relatively minor administrative costs and the losses which have been associated with them; and, in most cases, direct loan programs result in net expenditures only to the extent that disbursements under new credits exceed repayments of loans previously made and by the amount of the administrative costs involved. But whether reflected in the budget or not, Federal credit programs, both individually and in the aggregate, have a significant and widely diffused impact on the economy. They influence the volume of credit extended, the uses for which it is available, and the interest rate and other terms on which it can be obtained. It is important, therefore, that the programs be administered in such a way that the burden which they place on the Federal budget is minimized, consistent with program objectives; that they supplement, rather than compete with, private credit agencies; and that they make their maximum contribution to the stability of the economy and to its capacity for sustainable growth.

Federal credit programs could fulfill their statutory objectives and promote the stability and growth of the economy more effectively if the heads of the various agencies had wider discretionary authority to set the terms on which funds are available to qualified borrowers under Federal insurance or guarantee of private loans. Congress should give favorable consideration to legislation that will accomplish this result. Existing statutory limitations are sometimes so restrictive as virtually to nullify program objectives. A prime example is the VA Home Loan Guaranty Program. Because of the currently uneconomic level of its statutory maximum interest rate, this program has been drastically curtailed before its scheduled expiration date, so far as new guaranty commitments are concerned. Home mortgage loans are not currently available from private sources at the statutory maximum of 4½ percent, in view of the higher yields that can be earned on other investments of comparable quality. Other programs that have been seriously retarded in obtaining necessary financing from private investors include the armed services housing, rental housing, and management-type cooperative

housing loans insured by the Federal Housing Administration. The National Housing Act should be amended to adjust the interest rate limitations in Sections 207, 213 and 803, which have become impediments to the intended operation of these programs.

Wider discretionary authority would make it possible to administer programs so as to encourage the use of private funds under loan insurance or guaranty arrangements, rather than to employ direct public funds. This would substantially reduce the burden of credit programs on the Federal budget and eliminate a type of subsidized public competition with private financial facilities. Also, the use of Federal insurance or guaranty programs, rather than those under which loans are extended directly, should be encouraged by the Congress through legislation making it explicit that Federal credit is available directly only when financing cannot be secured from private sources at reasonable rates.

Proposals will be made for the adjustment of the statutory maximum interest rates on certain direct loan programs. These adjustments are needed to reduce the burden which the programs involved place on the budget and to bring the charges available to qualified borrowers under the programs into reasonable alignment with rates that must be paid in private markets.

Much can be done to harmonize the policies of Federal credit programs with the general economic and credit policies of Government through exchanges of views among Federal credit agencies and other divisions of the Executive Branch. The Advisory Board on Economic Growth and Stability provides the nucleus of a group to facilitate interagency consultation on program policies and practices.

A number of specific proposals relating to housing and home financing should be enacted by the Congress. These proposals would increase the availability of funds to prospective home owners and would facilitate the construction of dwelling units both for sale and for rent. Thus, they would increase the effectiveness of Governmental programs in improving the Nation's housing resources.

The requirement that charges, fees, and discounts on federally insured or guaranteed home loans must be regulated by Government has proved to be a serious impediment to the free flow of funds into mortgage loan investments. This provision of the Housing Act of 1957 has served in practice to handicap the families it was designed to protect. It should be repealed.

The Congress should also eliminate the requirement that mortgages acquired by the Federal National Mortgage Association (FNMA) under its special assistance programs be purchased at par. This requirement, coupled with statutory maximum interest rates on insured and guaranteed loans that are lower than market rates on comparable investments, has forced FNMA to buy mortgages at unreasonably low yields and in amounts larger than would otherwise be necessary, with a corresponding burden on the Federal

budget. The par purchase requirement tends strongly to discourage private financing at present interest rates.

In view of the increased costs of homes, a proposal will be made to increase to \$30,000 the maximum size of loan that may be insured by the Federal Housing Administration (FHA) under Sections 203 and 220 of the National Housing Act. Favorable action on this proposal will make the already very useful FHA program even more effective in promoting wider home ownership and improved housing.

The increasing scale of activities of FHA in the home mortgage insurance programs will require a higher statutory limit on the amount of outstanding insured loans. This action should be taken well in advance of the exhaustion of FHA's insuring authority in order to assure the continuity of this important aid to home financing.

Finally, recommendations will be made to realign Federal, State, and local relations in the Urban Renewal Program in the light of experience gained during recent years.

SCIENCE AND EDUCATION

The security and well-being of our people depend upon timely and adequate investment not only in physical structures, equipment, and weapons, but also in knowledge and skills. Indeed, without satisfactory provision for the intangible capital accumulated through research and education, it would be impossible to design, to construct, or to use effectively the implements essential to our survival and progress.

Most of the scientific and educational needs of our dynamic economy are met routinely. However, new and stern challenges to the security of the free world, both immediate and long-run, call for greater efforts to strengthen the technical base of our military preparedness and to improve the quality of our school system. If we allow a gap to develop and persist in favor of the communist bloc, our influence in the struggle for peace may be seriously diminished. Our economy must be able to meet threats that are subtle and emerging, as well as those that are obvious and imminent. There is no cause for complacency in the fact that a rival power, making impressive contributions to science and technology, at the same time denies its people the common freedoms, adequate housing, and other basic amenities of life. On the contrary, the ability of a dictatorial regime consistently to subordinate the freedom and welfare of its population to the pursuit of military might and foreign economic penetration is a circumstance that requires vigilant attention.

Impatience to meet the Soviet challenge in its new dimensions of science and education should not blind us to the true nature of the threat or induce us to take inappropriate countermeasures. Our aim is to assure the continuing superiority of the free world's military and economic defenses, and to retain the confidence of uncommitted peoples. This aim can be achieved, not by distorting the Nation's scientific programs and educational system, but by promoting their rapid growth and improvement in needed

directions, without sacrificing either the balance necessary for the rounded life in a free society or the capacity to meet new contingencies that may arise.

Above all, it would be unwise and unrealistic to assume that the expanding Soviet challenge can be successfully met merely by enlarging Federal appropriations. Some additional funds are needed and are being requested. But it will be even more necessary to enlist the interest and to marshal the energies of individuals and private groups throughout the Nation. In a free society, an enlightened public attitude toward science and learning is essential if the quality and capacity of schools, colleges, and universities are to be improved. Broad remedial action must be taken by citizens, community organizations, schools, foundations, business firms, labor groups, professional societies, the press, and State and local governments.

Two Committees appointed by the President have been at work since April 1956 on problems of technical manpower and higher education. Their reports deserve the widest possible study.

One report, issued by the President's Committee on Scientists and Engineers in October 1957, emphasizes contributions that can be made by community and other essentially non-Federal programs. It indicates how the present corps of scientists and engineers may be utilized more effectively and how young people may be encouraged to prepare for scientific and engineering careers. It notes the importance of providing adequate technical and clerical assistance to professional workers, raising the quality of education in science and mathematics, and encouraging talented students to continue their studies. It also proposes measures for elevating the economic status of teachers, upgrading teacher qualifications, revising school curricula, providing better guidance and counseling services, improving college facilities, enlarging the contributions of junior colleges and intermediate technical institutes, and stimulating public interest in education.

The other report, issued by the President's Committee on Education Beyond the High School in July 1957, makes similar recommendations and certain additional ones. It stresses the need for making teaching careers more attractive, proposes assistance to capable students through scholarships and counseling, points to the importance of planning for the expansion and diversification of educational facilities at the college level, suggests modes of financing higher education, and sketches a role it deems appropriate for the Federal Government in the achievement of these objectives.

Science and education already receive considerable support from the Federal Government. Huge sums are devoted annually to research and development undertakings in many fields, including national defense, atomic energy, health, agriculture, and mineral resources. These funds, allocated to basic as well as applied research, benefit thousands of business firms, private and public institutions of higher learning, and other non-Federal organizations. As conventionally reckoned, they amounted to \$3 bil-

lion in the fiscal year 1957 and will exceed this total by a substantial amount in the current fiscal year. Moreover, when fuller account is taken of certain research-connected military expenditures, these sums are more than doubled. Thus, the funds programmed by the Department of Defense for the fiscal year 1958 for research and development, according to the usual definition, amounted to \$1.8 billion; but this figure is raised to well over \$5 billion when the definition is broadened to include supplementary items.

Federal encouragement of basic or general-purpose research is exemplified by the activities of the National Science Foundation, for which substantially enlarged appropriations are being requested for the fiscal year 1959. This agency makes grants to universities and other institutions for the conduct of fundamental investigations in mathematical, physical, medical, biological, engineering, and other sciences. It aids the training of scientific manpower through graduate fellowships and science-teacher institutes. It also finances experimentation to improve science teaching.

The Federal Government assists science and education in many other ways. It sponsors numerous activities to help establish a civilian atomic energy industry on a commercial basis. It trains groups to man private domestic projects and to aid the nuclear programs of friendly nations. The Defense Department conducts education and training programs that raise the technical qualifications of in-service personnel. Like research contracts, military procurement contracts make a large contribution toward raising the level of skills in the civilian labor force and increasing their variety.

In recent years, the Administration has sought legislation to help State and local agencies construct elementary and high schools. Although its proposals were not enacted, the effort underscored the national interest in providing an increasing number of classrooms. First reports for the 1956-57 school year indicate that the rate of construction of school buildings continued at a high level, and that the classroom shortage was reduced. It is not too early for our people to begin thinking of ways to accommodate the large numbers of students who will be entering the colleges and universities in the next few years.

Several legislative steps are needed to help improve the Nation's resources of knowledge and skills. The Congress is being asked to authorize funds that would be made available on a temporary basis to the States for the improvement of instruction in science and mathematics, for the identification and encouragement of able high school students through testing and improved counseling and guidance services, and for college scholarships. Other provisions of this temporary program include the strengthening of State departments of education in the fields of science and mathematics, broader support of graduate education, improvement and expansion of the teaching of foreign languages in colleges and universities, and improvement of State statistics on education.

The Congress is requested, as in last year's Economic Report, to authorize a temporary assistance program for the expansion and modernization of

medical and dental teaching facilities. These would complement the research facilities for which legislative provision has already been made. In the health field, it is not practicable to separate training from research.

SMALL BUSINESS AND THE COMPETITIVE SYSTEM

The variety of ways in which the Federal Government assists small business concerns is described in a report, "Federal Policies and Programs that Benefit Small Business," published on September 23, 1957. This report was prepared by the Cabinet Committee on Small Business, established by the President in 1956. The Committee's task is to follow the fortunes of small business concerns and to recommend legislative and administrative actions that would aid them.

In its First Progress Report, dated August 7, 1956, the Committee made recommendations in respect of taxation, financing, competition, procurement, technical assistance, and Government reports. These recommendations were described in last year's Economic Report. Those that could be given effect by the Executive Branch within the framework of present law—such as the elimination of certain administrative impediments to Government procurement from small business concerns—have been acted upon. Other proposals require changes in the law. Such changes were enumerated and recommended by the President in a letter to the Chairman of the Committee on Ways and Means of the House of Representatives, dated July 15, 1957. In the field of taxation, it was recommended that Congress extend accelerated depreciation formulas to purchases of used property up to \$50,000 in any one year; grant closely held corporations the option to elect the tax status of partnerships; grant taxpayers the option of paying estate taxes over periods of up to 10 years where an estate consists largely of investments in closely held businesses; and allow an ordinary loss deduction, up to some maximum amount, instead of a capital loss deduction, on original investments in the stock of small companies. A broad reduction of the tax burden carried by small concerns, whether incorporated or not, cannot be achieved until budgetary conditions warrant cutting taxes generally. Although such a cut cannot be proposed at present, the changes in our tax laws outlined above promise to remedy, with a minimum loss of revenue to the Government, important specific handicaps under which small business firms now operate, and the Congress is requested to act favorably on them.

The difficulties which small business concerns face in obtaining adequate financing on satisfactory terms would be lessened by favorable Congressional consideration of the proposal to increase, from \$300,000 to \$500,000, the maximum amount of a corporate security issue that is exempt from the full registration requirements of the Securities and Exchange Commission. Because of the Commission's power to limit or condition by appropriate rules the privileges of Regulation A filings, which would be extended by this proposal, this change could benefit small concerns without weakening the protections for the investor which our securities laws are designed to provide and which must continue unimpaired.

Legislation should be enacted to remove the limitation on the life of the Small Business Administration (SBA) and to increase suitably its authorization for making business loans and disaster loans. Business loans approved by the SBA totaled about \$160 million in the fiscal year 1957. In addition, SBA helps small concerns obtain procurement awards, and it offers important management counseling services. This work can be done most effectively by an agency having assured continuity of functions.

The Board of Governors of the Federal Reserve System is currently engaged in a study which should help assess the adequacy of existing private facilities for financing small business.

A further means by which Government can promote the proper interests of small business concerns, and of the community in general, is by eliminating barriers to open and fair competition. This requires vigorous enforcement of the antitrust laws. Certain improvements in these laws should be made.

The recommendation has been made in previous Economic Reports that notice to the antitrust agencies should be required when businesses of significant size that are engaged in interstate commerce propose to merge. Such a law would facilitate antitrust enforcement by providing an automatic notification to the responsible agencies of merger plans.

Other measures also are needed to strengthen the administration and enforcement of the antitrust laws and to foster a competitive environment: Federal regulation should be extended to bank mergers accomplished through the acquisition of assets; in antitrust cases, the Attorney General should be empowered to issue civil investigative demands for the production of necessary documents without the need of grand jury proceedings; cease-and-desist orders issued by the Federal Trade Commission for violations of the Clayton Act should be made final unless appealed to the courts; and the Federal Trade Commission should be authorized, in merger cases where it believes violation is likely, to seek a preliminary injunction.

Proposals for certain changes in our laws regarding labor-management relations are made in a later section of this chapter. These proposals would tend to eliminate practices that are inimical not only to the proper interests of the community generally, but also to the long-run interests of employees. Favorable action on these proposals by the Congress would yield significant benefits to small business concerns.

PERSONAL WELFARE

The primary means by which Government can help improve the welfare and security of the family and the individual is by following policies that foster stable economic growth. General prosperity has made it easier in recent years for our people to acquire homes and other property, and to protect themselves against the hazards of life through savings and insurance.

The capacity of the economy to provide opportunities for steady employment at good wages is promoted by Federal programs that strengthen labor

standards and help maintain the incomes of older people, of families bereft of breadwinners, and of persons experiencing unemployment or other severe personal misfortune. The improvement of these programs along lines set out in previous Economic Reports is desirable as a means of promoting general economic stability as well as personal welfare.

The Federal-State programs of unemployment compensation provide a major defense against personal hardship and an important means for helping sustain personal income, and thus consumption expenditures, during periods of economic readjustment. As pointed out in an earlier section of this Report, payments to individuals under unemployment insurance systems have helped significantly to cushion the impact on total personal income of the decline of wage and salary payments in the closing months of 1957.

The past four Economic Reports have recommended changes designed to strengthen unemployment insurance systems, and some progress has been made. More than 43 million people, or 83 percent of all nonagricultural wage and salary workers, are now covered by unemployment compensation, compared with only 37 million in 1954. In many States, weekly benefits have been increased and their duration extended; yet coverage, size of benefits, and duration still fall short of recommended standards. It is again suggested that the States increase maximum benefits so that the great majority of the covered workers will be eligible for payments equal to at least half their regular earnings, and that States which have not already done so lengthen the maximum term of benefits to 26 weeks for every person who qualifies for any benefit and who remains unemployed that long.

Recommendations made in last year's Economic Report are already pending before the Congress for legislation extending the coverage of unemployment insurance to employees of firms employing under 4 workers and to employees in Puerto Rico. This important means for sustaining personal incomes would be strengthened further if the States which have not yet done so would provide coverage for approximately 5 million State and local government employees who still lack protection under the system.

Unemployment insurance in the District of Columbia should measure up to the standards that are recommended for all States and have been adopted in several. Enactment of legislation to this end is requested.

Workmen's compensation systems, which are mainly the responsibility of the States, are a second means for safeguarding personal welfare. Occupational accidents result in about 2 million injuries and deaths a year, bringing tragedy and hardship to individuals and families and needlessly impairing the Nation's manpower resources. Efforts to develop and enforce adequate safety standards and to encourage safe practices should be intensified by State and local governments and by employers, and the States, where necessary, should improve workmen's compensation systems with respect to benefits, administration, and provision for rehabilitation. A special responsibility of the Federal Government in this area of personal welfare could be discharged more fully if legislation were

enacted enabling the Secretary of Labor to prescribe and enforce safety standards for longshoremen. Enactment of such a law is recommended.

Temporary disabilities not related to the work of employees often result in unusual expenses at the very time that income is cut off. Four States have insurance programs to deal with this problem, and health and welfare plans of employers have become increasingly numerous. Nevertheless, protection against this form of personal hardship is still inadequate. It is hoped that the remaining State and Territorial jurisdictions will establish programs to provide nonoccupational temporary disability insurance.

Another major safeguard of personal welfare is provided by the old age, survivors, and disability insurance programs, which now cover more than 90 percent of all employed persons in the Nation. The 1954 and 1956 amendments to the Social Security Act extended coverage under these programs to about 840,000 additional persons, liberalized the provisions governing the eligibility of older women for benefits, and provided benefits for totally and permanently disabled workers aged 50 or over. These changes, coupled with the increase in the number of persons eligible for benefits, account for the increase in payments to an annual rate of \$7.2 billion in 1957, from \$5.5 billion in 1956. Benefits because of permanent disability of persons 50 to 64 years of age are now being paid to 140,000 persons at an annual rate of more than \$120 million. More than 600,000 women aged 62 to 64 are drawing benefits amounting to about \$27 million a month at recent rates.

Recommendations in last year's Economic Report are already pending before the Congress for legislation extending the Fair Labor Standards Act to additional groups of workers needing its protection and to enact the principle of equal pay for equal work without discrimination on account of sex. Favorable consideration by the Congress is requested for legislation to strengthen the Federal 8-hour laws for the benefit of workers subject to Federal wage standards on Federal and federally assisted construction and other public works.

Earlier Economic Reports recommended a Federal program to stimulate sound economic development in areas of persistent unemployment. Legislation previously recommended to provide an Area Assistance Administration in the Department of Commerce, to extend loans, research grants, and technical assistance to such areas, should be enacted.

Labor-management relations and the trade unions through which workers bargain collectively with employers must be kept free of Government domination. Nonetheless, Government has a responsibility to maintain a framework of laws to protect the basic rights of the individual, promote integrity in labor-management relationships, and make for better industrial relations. In keeping with this responsibility, a program of legislation is being proposed to the Congress. This program will require, among other things, periodic public reports on private employee welfare and pension

funds, on financial dealings between employers and employee representatives and their agents, on general union finances, and on union organization and structure. It also calls for modifications of the law governing secondary boycotts and picketing, and provides that the States have jurisdiction in labor-management disputes in which the National Labor Relations Board declines to exercise authority.

AGRICULTURE

American agriculture is basically strong. The transformation in farm technology has been raising output per man-hour more rapidly in agriculture than in manufacturing. Family farms remain the dominant form of agricultural operation, and the proportion of farms that are owner-operated has never been higher. Although the average size of farm is rising, a key feature of modern technology is that it permits a larger enterprise to be successfully managed by a farm family. Electricity, the tractor, the automobile, and the truck have helped to lighten the burden of farm work and to relieve the isolation of rural living. Recent declines in the number of farms have been heaviest among those too small to provide an adequate level of living from agriculture alone. Greater mobility, and the movement of industry into the countryside, have widened the range of economic opportunities open to rural people. Farm families have notably improved their levels of living during the last decade and a half, and this improvement continued even when income from farming alone was declining.

Many of the Federal programs undertaken on behalf of farm people have made important contributions to this long-term progress. Gains in agricultural productivity owe much to research and extension services. The Rural Electrification Administration has played a major role in raising the proportion of farms having central station electricity service from 11 percent in 1935 to 95 percent today. A variety of credit facilities have been developed for farm operators; farmers own more than half the capital of the Farm Credit System and participate extensively in its management. In 1957 farm operators became eligible to receive benefits under old age, survivors, and disability insurance. The regulation of markets and dissemination of current market news serve the interests of producer and consumer alike. However, in three areas especially, farm programs are in need of reconsideration: the disposal of accumulated surpluses, the operation of agricultural price supports, and direct measures of production adjustment.

The high cost of carrying commodity stocks, and the persistent tendency for current production to outrun commercial demands, continue to require emphasis on programs for disposal of surplus stocks. During the past several years, an impressive volume of commodities has been successfully moved into consumption in this country and abroad. Although constructive ends have been incidentally served, surplus disposal on a large scale gives rise to serious dangers. When disposal is made overseas, damage to other exporting countries is an ever-present risk.

The Agricultural Trade Development and Assistance Act of 1954 has financed a large volume of agricultural exports. It has also furthered our foreign policy objectives. Title II of the Act has facilitated emergency food assistance to foreign countries. Sales for foreign currencies under Title I of the Act have contributed to mutual security and to economic development programs in underdeveloped countries. Titles I and II should be extended for one year beyond the current expiration date of June 30, 1958, and the present limit on permissible expenses and losses of the Commodity Credit Corporation under Title I should be raised by \$1.5 billion. Operations under this temporary legislation require frequent review. Carry-overs of certain commodities are already being reduced to levels that raise mandatory price supports through statutory escalator formulas even while supplies remain seriously out of balance with commercial requirements. Past and prospective shipments under various surplus disposal measures must not be allowed to stimulate the production of continuing surpluses.

Measures designed to direct our surpluses into domestic consumption outside commercial channels have also been helpful. Distributions to schools, institutions, and needy persons, together with direct financial grants for the school lunch and special milk programs, now amount to about \$400 million a year. The advantages of sustaining milk consumption among children of school age, especially in low-income communities, are of sufficient importance to warrant the extension of the special milk program beyond the present expiration date of June 30, 1958.

Government expenditures on agriculture and agricultural resources in fiscal 1958 are estimated at about \$5 billion—about one-quarter of the total for all purposes other than national security and interest on the public debt. The figure has doubled since 1954, largely because of mandatory price-support operations under existing legislation. Through June 30, 1957, direct price support had been extended by the Commodity Credit Corporation on \$3 billion worth of 1956 crops. This was 15 percent below the previous year's rate, but still involved one-half the rice produced, one-third of the upland cotton, and one-fourth of all wheat. In the past several years, and despite some reduction in support levels, new price-support acquisitions have been running about 20 percent as large as total farm marketings of all price-supported commodities. Losses realized in disposing of commodities during the fiscal years 1955–57 totaled \$4 billion, chiefly from operations in wheat, dairy products, cotton, and corn.

In a statement to the Chairman of the Senate Committee on Agriculture and Forestry on May 2, 1957, the Secretary of Agriculture made three key points: production controls have been ineffective in reducing over-all agricultural output; abundant agricultural products cannot successfully be priced as if they were scarce; and present legal formulas governing price supports and acreage allotments are proving obsolete. In view of agriculture's advancing productivity and the importance of enlarging commercial markets, changes are required in the method of determining price supports

on basic crops and dairy products. The rigid escalator formulas governing price supports at levels between 75 and 90 percent of parity, should be eliminated. Price supports for wheat, corn, cotton, rice, tobacco, peanuts, and dairy products should be determined administratively, within a range of from 60 to 90 percent of parity, in accordance with guidelines already established by law for almost all other agricultural commodities. It is also recommended that the National Wool Act be extended beyond March 31, 1959.

The achievement of statutory price objectives has been premised on appropriate adjustments of output by growers. Yet there is little support, among farmers or in the Congress, for controls that would be severe enough to implement current price objectives, except possibly for tobacco. Acreage allotments for corn have become largely inoperative and should be eliminated. Within the limits of general statutory principles, the Secretary should be given discretionary authority to increase allotments of other basic crops now governed by legal formulas.

The Acreage Reserve Program has temporarily contributed to a reduction of output of certain crops, by voluntary means, without loss of net income to growers but at a high cost to the Treasury. This Program should be permitted to expire at the end of the 1958 crop season. Longer-term contracts under the Conservation Reserve Program promise to be more useful in promoting agricultural adjustments and the conservation of natural resources. If we are to avoid moving toward tighter restraints on production, it is imperative that the stimulus to current output should be less than that now supplied by various Government programs. At the same time that the Conservation Reserve Program is strengthened, consideration should be given to further consolidation of the Federal Government's widespread activities in soil and water conservation.

The Commodity Credit Corporation Advisory Board should be enlarged; its members should require confirmation by the Senate; and its powers should extend to advising the Secretary of Agriculture in the exercise of the wider discretionary authority requested for determining both acreage allotments and price support levels, as well as related matters.

The Commission on Increased Industrial Use of Agricultural Products, appointed pursuant to Public Law 540 of the 84th Congress, made a number of useful suggestions for widening the markets for existing farm products and for developing new crops. While unrealizable hopes must be guarded against, more funds can usefully be diverted to research and promotion in this area within the limits of present statutory authority and without the creation of a new administrative agency in the Executive Branch.

The Federal Government assumes certain responsibilities in assisting farm people who are hit hard by natural disaster and those who are handicapped by chronically low incomes. Although drought in the Great Plains is no longer a matter of immediate concern, important recommendations conveyed in the Presidential Drought Message of March 5, 1957 should be

implemented at an early date. In particular, the distribution formula under Title I of the Bankhead-Jones Act should be revised so as to permit allocation of a larger amount of loan funds to areas in acute need; and States should be required to contribute at least 25 percent of disaster-relief costs in certain emergency programs.

The Rural Development Program is a long-range program. It enlists private and public cooperation to raise levels of living in low-income rural areas. Among these efforts are improved vocational education, more effective employment and public health services, and the encouragement of local industrialization as well as better farming. The soundness of this approach is widely accepted and the results being attained warrant continued support of this program by the Congress, but it requires no new legislation at this time.

FOREIGN ECONOMIC POLICY

Now more than ever the United States must ensure that its foreign economic policy is soundly conceived in the interest of the Nation as a whole and is adequate to the changing needs of the times. Gratifying gains have already been achieved in the scope and freedom of international trade and financial transactions. Important legislative steps remain to be taken in the field of foreign economic policy if we are to deal successfully with the problems confronting us.

The keystone of our foreign trade policy is the Trade Agreements Act, shortly up for renewal. Under that Act, as extended from time to time by the Congress, trade barriers against United States goods have been reduced on a wide front. The most important results are embodied in the General Agreement on Tariffs and Trade, to which 37 countries accounting for more than 80 percent of world trade are now signatories. Through the General Agreement we have secured conditions conducive to the increase of our exports. We have succeeded not only in reducing tariffs against our goods but also, owing in large part to the multilateral obligations provided by the General Agreement, in greatly reducing the quantitative controls abroad which were so prevalent before and, for a time, after the war.

While the national interest demands a growing two-way flow of trade, certain recognized safeguards have been established. These include "escape clause" relief for industries which have experienced, or are threatened with, serious injury as a result of tariff concessions on imports. To assist him in the consideration of Tariff Commission investigations in such cases, and to advise on the administration of the trade agreements program generally, the President has established the Trade Policy Committee at the Cabinet level with the Secretary of Commerce as Chairman.

The preservation and extension of the benefits obtained from widening the channels of world trade will depend heavily on the direction taken by American trade policy in the next year. The decisions made will have a significant bearing on the economic fortunes and policies of our trading

partners, and particularly on the success of the steps being taken toward closer integration in Western Europe through the Common Market now starting among six countries and through the Free Trade Area under negotiation for the region as a whole. It is basic to our interests and to those of the larger community of nations that these new groups pursue policies favoring the expansion of international trade and that they contribute effectively to the economic growth and unity of the free world.

To meet these needs, three major elements are required in our trade agreements program. First, the Trade Agreements Act should be extended for five years from the date of its expiration on June 30, 1958. This action would confirm our continued adherence to the principles which the Act embodies, and would enable the United States to carry on necessary negotiations in behalf of our export trade during the crucial formative period which lies ahead in Western Europe.

Second, additional authority is needed to make tariff concessions to enable us to conduct trade negotiations successfully. Congress will be requested to authorize the reduction of any duty existing on July 1, 1958, by 5 percent per year over a 5-year period, or by an equivalent total amount in not less than three stages with a maximum of 10 percent in any one year. The President would also be authorized, alternatively, to reduce any rate of duty by 3 percentage points *ad valorem*, without any yearly reduction exceeding 1 percentage point, or to reduce any rate to 50 percent *ad valorem*, if the existing duty is in excess of that amount, without any yearly reduction exceeding one-third of that difference. The negotiation of tariff reductions would remain subject to the safeguards now in the Act, and additional safeguards would be provided to permit prompter and more effective relief to domestic industries through escape clause proceedings.

Third, we need a formally constituted center to serve as the administrative organ for the General Agreement. Such a center would provide a more effective means for reviewing developments affecting trade and for considering disputes arising out of undertakings among signatories to the General Agreement. The Congress is requested to help constitute this center by enacting legislation authorizing United States membership in the Organization for Trade Cooperation.

In addition to the trade agreements program, the Congress will have before it certain other measures relating to our foreign trade. These include the extension of the Export Control Act, which expires on June 30 of this year; bills amending certain provisions concerning customs administration in the Tariff Act of 1930; and amendments to the Antidumping Act of 1921, designed to improve the administration of the Act, which have been approved by the House of Representatives and are awaiting action by the Senate. Favorable action is needed on all of these measures.

The various measures of United States assistance to, and cooperation with, other countries have played a significant role in strengthening national

economies abroad. Direct United States Government loans and grants and the investment guaranty program have assisted economic recovery and development abroad since the war. United States expenditures overseas for military and other purposes have increased the foreign exchange resources of many countries. Technical assistance to foreign countries has been provided by the United States, both through our own bilateral programs and through the United Nations. Some of the largest agreements under Public Law 480 have benefited industrially less-developed countries.

Much assistance has also been obtained from private sources and international agencies. Private capital has been invested abroad in increasing volume, carrying with it the benefit of American managerial and technical experience. Public and private funds have been channeled through the International Bank for Reconstruction and Development and its affiliate, the International Finance Corporation. The International Monetary Fund has played a key role in helping countries take actions to strengthen their currencies and in assisting them to overcome temporary foreign exchange difficulties.

Our Mutual Security Program is designed to strengthen the nations whose independence and welfare are essential to our own. This calls not only for military assistance but for economic support also, since some countries cannot, without such support, make the military effort needed in the common interest. Further, it would be illusory to aim only at strengthening military security in a narrow sense. A large part of the world's population—the most rapidly growing part—has so far experienced little improvement in material welfare. Many of these peoples are now emerging into political independence, and we should not lose the opportunity, through appropriate programs of assistance, to strengthen their confidence in the possibilities of economic growth under free institutions. Some other highly developed countries are able to participate in this endeavor. An additional reason for welcoming the new moves toward greater economic integration in Western Europe is that they should increase the foreign resources available for this purpose.

For the fiscal year 1959, an additional appropriation will be required for the Development Loan Fund which was authorized in 1957 to facilitate financing economic development projects in underdeveloped countries. The amount that will be requested is needed to permit effective operation of the Fund. Appropriations requested for technical assistance will include an increase in our contribution to the United Nations program in this field.

An increase is being requested in the lending authority of the Export-Import Bank. The Bank's activities in financing exports are directly helpful in promoting production and employment in the United States economy as well as in assisting the economic development of foreign countries. The Bank has the widespread support of our banking and foreign trade communities, and its funds are often loaned jointly with private capital, thus reducing the demand for public funds.

FEDERAL ECONOMIC STATISTICS

A well-coordinated system of Federal statistics is essential for recording the Nation's economic activity, correctly appraising its economic performance, and formulating appropriate public and private policies. Such a statistical system must provide timely and reasonably complete information on economic trends and interrelations. It must have continuity and be sufficiently flexible to take account of the changes that characterize a dynamic economy.

Taken as a whole, Federal economic statistics are good; but in view of the public and private needs for more and better information, numerous deficiencies in them should be remedied. Accordingly, the Congress will be asked to provide funds for the fiscal year 1959, for the first step of a program intended to make our economic information more nearly adequate to our growing and changing requirements. This first step is described in Appendix C to this Report. In designing it, use was made of the special studies prepared over a number of years by university, business, labor, Government, and other experts. The work of the Subcommittee on Economic Statistics of the Joint Economic Committee of the Congress has been especially helpful. The additional funds requested are small in comparison with the total cost of present statistical programs. Yet with these funds a significant contribution can be made toward improving existing statistics and filling gaps in our knowledge of the workings of our economy.

Appendix A

**SUMMARY OF RECOMMENDATIONS IN
THE ECONOMIC REPORT OF
THE PRESIDENT**

Summary of Recommendations in the Economic Report of the President

Including Recommendations to the Congress and Suggestions
to the States and Local Governments

I. GOVERNMENT FINANCES

- a) Extend the present tax rate on the income of corporations and the present excise rates on automobiles and parts, cigarettes, distilled spirits, wines, and beer for one year beyond July 1, 1958. [Page 57]
- b) Enact legislation temporarily increasing the statutory debt limit. [Page 57]

See also Recommendation IV (a).

II. FEDERAL CREDIT PROGRAMS

- a) Grant wider discretionary authority to heads of Executive agencies and departments to set terms on private loans insured or guaranteed by the Federal Government. [Page 58]
- b) Adjust interest rate limitations on certain FHA loan insurance programs (National Housing Act, Sections 207, 213, and 803) and on the VA Home Loan Guaranty Program. [Pages 58-59]
- c) Repeal the provisions of the Housing Act of 1957 requiring regulation of charges, fees, and discounts on federally insured or guaranteed home loans and the purchase of mortgages at par by the Federal National Mortgage Association under its special assistance programs. [Pages 59-60]
- d) Increase to \$30,000 the maximum size of home mortgage loan that may be insured by the Federal Housing Administration under Sections 203 and 220 of the National Housing Act. [Page 60]
- e) Increase the limit on outstanding insured loans of the Federal Housing Administration. [Page 60]

III. SCIENCE AND EDUCATION

- a) Provide funds on a temporary basis for grants to States to improve instruction and to strengthen State departments of education in the fields of science and mathematics, to identify and encourage able high school students, to provide college scholarships, and to improve State statistics on education; and funds for broader support of graduate education and the improvement and expansion of foreign language teaching in colleges and universities. [Page 62]

- b) Authorize a temporary program of assistance for the expansion and modernization of medical and dental teaching facilities. [Pages 62-63]

IV. SMALL BUSINESS AND THE COMPETITIVE SYSTEM

- a) Amend the tax laws to extend accelerated depreciation formulas to purchases of used property up to \$50,000 in any one year; to permit closely held corporations the option of electing the tax status of partnerships; to grant taxpayers the option of paying estate taxes over periods of up to 10 years where estates largely consist of investments in closely held businesses; and to allow losses on original investments in the stock of small companies to be treated as ordinary loss deductions rather than capital loss deductions. [Page 63]
- b) Permit the Securities and Exchange Commission to apply its simplified notification procedure to security issues in amounts up to \$500,000. [Page 63]
- c) Remove the limitation on the life of the Small Business Administration and suitably increase its authorization for making business and disaster loans. [Page 64]
- d) Require notification to the antitrust agencies of proposed mergers by businesses of significant size engaged in interstate commerce. [Page 64]
- e) Extend Federal regulation to bank mergers accomplished through the acquisition of assets. [Page 64]
- f) Empower the Attorney General in antitrust cases to issue civil investigative demands for the production of necessary documents without the need of grand jury proceedings. [Page 64]
- g) Make Federal Trade Commission cease-and-desist orders issued for violations of the Clayton Act final, unless appealed to the courts. [Page 64]
- h) Authorize the Federal Trade Commission to seek preliminary injunctions in merger cases where a violation may be likely. [Page 64]

V. PERSONAL WELFARE

- a) Amount and duration of unemployment insurance benefits; coverage of firms with one to three persons on their payrolls; coverage of employees in Puerto Rico; coverage of State and local government employees. (State and Federal responsibility) [Page 65]
- b) Bring the unemployment insurance provisions applicable to workers in the District of Columbia up to the standards recommended for the States. [Page 65]
- c) Intensify efforts to develop and enforce adequate occupational safety standards and to encourage safe practices. (State and local responsibility) [Page 65]
- d) Improve workmen's compensation laws with respect to benefits, administration, and provisions for rehabilitation. (State responsibility) [Page 65]

- e) Authorize the Secretary of Labor to prescribe and enforce safety standards for longshoremen. [Pages 65–66]
- f) Provide nonoccupational temporary disability insurance for employees in States and Territorial jurisdictions where programs have not been established. (State and Federal responsibility) [Page 66]
- g) Minimum wage legislation covering certain additional groups of workers; equal pay for equal work without discrimination on account of sex. [Page 66]
- h) Improve the 8-hour laws applicable to Federal and federally assisted construction projects. [Page 66]
- i) Establish an Area Assistance Administration in the Department of Commerce to extend loans, research grants and technical assistance in areas of persistent unemployment. [Page 66]
- j) Require periodic public reports on the status of private employee welfare and pension funds, on financial dealings between employers and employee representatives or their agents, on general union finances, and on union organization and structure. [Pages 66–67]
- k) Modify the law governing secondary boycotts and picketing, and provide that the States have jurisdiction in labor-management disputes in which the National Labor Relations Board declines to exercise authority. [Page 67]

VI. AGRICULTURE

- a) Extend Titles I and II of the Agricultural Trade Development and Assistance Act of 1954 for one year beyond June 30, 1958, and raise the present limit on permissible expenses and losses of the Commodity Credit Corporation under Title I by \$1.5 billion. [Page 68]
- b) Continue the special milk program beyond June 30, 1958. [Page 68]
- c) Eliminate the escalator clauses governing price supports on basic commodities under the Agricultural Act of 1949. [Pages 68–69]
- d) Authorize price supports for wheat, corn, cotton, rice, tobacco, peanuts, and dairy products to be determined administratively, within a range of from 60 to 90 percent of parity, in accordance with guidelines already established by law for almost all other agricultural commodities. [Page 69]
- e) Extend the National Wool Act beyond March 31, 1959. [Page 69]
- f) Eliminate acreage allotments for corn and provide discretionary authority to increase allotments of other crops. [Page 69]
- g) Permit the Acreage Reserve Program to expire at the end of the 1958 crop season; strengthen the Conservation Reserve Program; and consider further consolidation of Federal activities in soil and water conservation. [Page 69]
- h) Enlarge the Commodity Credit Corporation Advisory Board and assign it the role of advising the Secretary of Agriculture in the exercise of the wider discretionary authority requested in VI (d) and VI (f). [Page 69]

- i) Revise the distribution formula under Title I of the Bankhead-Jones Act to permit the allocation of a larger amount of loan funds to areas of acute need, and require States to contribute at least 25 percent of disaster-relief costs in certain emergency programs. [Page 70]

VII. FOREIGN ECONOMIC POLICY

- a) Extend the Trade Agreements Act for 5 years beyond June 30, 1958; permit the reduction of any duty existing on July 1, 1958 by 5 percent per year over a 5-year period, or by an equivalent total amount in not less than three stages with a maximum of 10 percent in any one year; also permit, alternatively, the reduction of any rate of duty by three percentage points *ad valorem* without any yearly reduction exceeding one percentage point, or the reduction of any rate to 50 percent *ad valorem*, if the existing duty is higher than that amount, without any yearly reduction exceeding one-third of that difference; and authorize United States membership in the Organization for Trade Cooperation. [Page 71]
- b) Extend the Export Control Act beyond its expiration on June 30, 1958; amend certain customs administration provisions in the Tariff Act of 1930; and approve amendments to the Antidumping Act of 1921 to improve its administration. [Page 71]
- c) Provide funds for the Development Loan Fund to finance economic development projects in underdeveloped countries, and for technical assistance under the United Nations program. [Page 72]
- d) Increase the lending authority of the Export-Import Bank. [Page 72]

VIII. FEDERAL ECONOMIC STATISTICS

- a) Provide funds for the improvement of Federal economic statistics programs. [Page 73]

Appendix B

**REPORT TO THE PRESIDENT ON THE
ACTIVITIES OF THE COUNCIL
OF ECONOMIC ADVISERS
DURING 1957**

Letter of Transmittal

DECEMBER 23, 1957.

THE PRESIDENT.

SIR: The Council of Economic Advisers submits this Annual Report for calendar year 1957 in accordance with the requirements of Congress, as set forth in Section 4 (d) of the Employment Act of 1946.

Respectfully,

RAYMOND J. SAULNIER, *Chairman*.

JOSEPH S. DAVIS.

PAUL W. MCCracken.

Report to the President on the Activities of the Council of Economic Advisers During 1957

The past year has been marked by important economic developments, in both the United States and the rest of the world. The rise in the consumer price index, which had begun early in 1956, was perhaps the center of interest. But with inflationary pressures substantially reduced by the middle of the year, attention shifted to the completion of adjustments within the economy on the basis of which growth with reasonably stable prices might be extended into the future. The progress of these developments and their implications for Government policy have been under continuous review by the Council.

Council Activities

The principal responsibility of the Council of Economic Advisers is to review and analyze developments in the United States economy and elsewhere in the world, and to evaluate their policy implications. Reports on these matters are made frequently to the President by the Chairman of the Council. The Chairman performs a similar function for the Cabinet.

A second responsibility of the Council is to review legislative proposals, and suggestions for administrative actions, for their possible effect on the stability of our economy and its capacity for balanced and sustainable growth. During the year, a large number of such proposals were reviewed by the Council.

Numerous other activities of the Council grow out of its membership in continuing or *ad hoc* committees. Among these are the Council on Foreign Economic Policy; the Defense Mobilization Board and the Emergency Resources Board; the Cabinet Committee on Small Business, of which the Chairman of the Council serves as Chairman; the *ad hoc* committee established in September 1957 by the Secretary of the Treasury for consideration of credit and related policies; and the Committee for Rural Development Program. Members of the staff have represented the Council on several technical interagency committees, including groups concerned with productivity measurements, health surveys, population and housing censuses, rural development, and employment statistics.

The Council cooperates with the Organization for European Economic Cooperation (OEEC) in its economic surveys and with the International Cooperation Administration (ICA) in its training programs for foreign specialists. During the year, the Council prepared a *Survey of Economic*

Developments in the United States for the annual review of the OEEC, and materials for response to the United Nations' annual questionnaire. A Council Member, assisted by a member of the staff, participated in the annual review of economic conditions conducted by the OEEC in Paris in September 1957. The Chairman attended a meeting of OEEC economic experts in October. Throughout the year, two staff members met frequently with ICA study teams.

The Council conferred frequently during the year with groups outside the Government. These groups included experts from universities and representatives of labor, agricultural, business, and financial organizations.

The Council assists the President each year in the preparation of the Economic Report which he transmits to the Congress. The Report reviews economic developments, assesses the outlook, and makes recommendations to the Congress and suggestions to States, communities, and private groups for actions and policies designed to achieve the goals set forth in the Employment Act. The Report is widely used as an authoritative review of developments in the United States economy; 35,000 copies of the January 1957 Report were published.

The Council also prepares *Economic Indicators*, a monthly compendium of current economic statistics, published by the Joint Economic Committee of the Congress. Copies of *Economic Indicators* are distributed to members of the Congress and to depository libraries; in addition, 6,500 copies are sent monthly to paying subscribers.

Council Membership

The Council has three members, appointed by the President and confirmed by the Senate. Raymond J. Saulnier has served as a member of the Council since April 4, 1955 and as Chairman since December 3, 1956. Joseph S. Davis has served as a member since May 2, 1955, and Paul W. McCracken since December 3, 1956.

Council Staff

The Council is assisted by a staff of 27 persons of whom 12 are senior economists selected for their skill and judgment in the objective analysis of economic problems. Each senior staff member is assigned an area for special attention and is responsible for eliciting the cooperation of Government agencies and business, labor, and other private groups in analyzing and evaluating economic developments. Most senior staff members are permanent employees of the Council; some are on leave of absence from university posts; others serve the Council on a consulting basis. Present members of the senior staff, including consultants, are Henry W. Briefs, Samuel L. Brown, Robert C. Colwell, Frances M. James, Marshall A. Kaplan, Hal B. Lary, David W. Lusher, Charles L. Schultze, Irving H. Siegel, Collis Stocking, Boris C. Swerling, and Philip E. Taylor.

Advisory Board on Economic Growth and Stability

Continuous assistance is received by the Council from the Advisory Board on Economic Growth and Stability, established by the President in 1953. The Board consists of policy-making officials of departments and agencies that have responsibility for important economic programs. The Chairman of the Council serves as Chairman of the Advisory Board. The present members of the Board are as follows:

Department of State—Thomas C. Mann, Assistant Secretary for Economic Affairs

Department of the Treasury—Julian B. Baird, Under Secretary

Department of Agriculture—True D. Morse, Under Secretary

Department of Commerce—Walter Williams, Under Secretary

Department of Labor—James T. O'Connell, Under Secretary

Department of Health, Education, and Welfare—John A. Perkins, Under Secretary

Board of Governors of the Federal Reserve System—Abbot L. Mills, Member of the Board

Bureau of the Budget—Percival F. Brundage, Director

The White House Office—Gabriel Hauge, Special Assistant to the President

Council of Economic Advisers—Raymond J. Saulnier, Chairman

Budget for Fiscal Years 1957 and 1958

For the fiscal year 1958, the Congress appropriated \$375,000 for the Council's activities. Contributions to the Government Retirement Fund, not previously required of Federal agencies, accounted for the increase from the \$365,700 appropriated for the fiscal year 1957.

Appendix C

**PROGRAM FOR IMPROVING FEDERAL
STATISTICS IN FISCAL YEAR 1959**

Program for Improving Federal Statistics in Fiscal Year 1959

Proposals for a significant step toward a more balanced and better integrated Federal statistics program are made in the budget for the fiscal year 1959. These proposals take account of the findings of special studies made in the past several years by university, business, labor, and other experts, together with Government technicians, and of extensive studies by the Subcommittee on Economic Statistics of the Joint Economic Committee of the Congress. Further steps should be taken in the fiscal year 1960 and thereafter, to carry into effect long-range plans for improving the scope and usefulness of Federal statistics.

IMPROVING SYSTEMS OF NATIONAL ACCOUNTS

Some of the requested funds would be devoted to bolstering the best known of the integrated national accounts—the system of statistics relating to national income and national product. Attention would also be directed toward improving other sets of national accounts that are valuable for the study of economic interrelations.

Statistics on National Income and Product

National income and product statistics are the most highly developed, widely used, and current of our economic accounts. Four projects are contemplated for the fiscal year 1959:

(1) Preparation and publication of quarterly estimates of gross national product and its major components, adjusted for price changes. The price data needed for this work would also be improved.

(2) Initiation of the measurement in constant dollars of net output for several major industry groups and for selected components of manufacturing. This will require the improvement of industry input data and of product price and quantity information.

(3) Initiation of work on an accounting of interindustry flows for 1958 (see below) for the major economic sectors identified in national income and product accounts.

(4) Establishment of a small research staff for work on problems of concept and estimation which cannot be adequately pursued by statisticians fully occupied with the preparation of current statistics, and for exploration of the interrelationships among the several types of economic accounts.

International Balance of Payments Accounts

These accounts, which assemble all transactions involving payments between the United States and foreign countries, enter national product estimates through the "net foreign investment" component. The 1959 program includes provision for beginning a comprehensive survey of United States direct private investments abroad.

Statistics on Savings

Plans for improving the data needed to estimate national savings are well under way, and definitive quarterly statistics on savings should become available by late 1959. Methods are already being developed for dovetailing savings and flow-of funds accounts (see below) with other types of national accounts.

Flow-of-Funds Accounts

Accounts showing the flow of funds corresponding to transactions between sectors of the economy are valuable for current analysis of financial flows. In addition to transactions that originate income, they include transactions in existing assets. Major improvements in the quality of the basic data are needed.

Sector Balance Sheet Accounts

Balance sheets should be developed to permit the study of the allocation of resources to the various industrial sectors, and of intersector claims. The flow-of-funds accounts, which show outstanding financial assets and liabilities for each sector, provide only partial balance sheets. Although no provision is made in the 1959 budget for the development of sector balance sheet accounts, they should eventually be included among, and integrated with, other types of national accounts.

Interindustry Accounts

Interindustry accounts are designed to show for a given period, through so-called input-output tables, the flow of goods and services between industries and to households. When constructed in detail, they are especially valuable for economic and technological analyses, market and investment planning by business firms, and mobilization planning by Government. The 1959 budget proposes initiation of an accounting of flows between major industry groups in 1958.

Broad Productivity Estimates

The development of estimates of real product originating in broad industry groups, proposed in the 1959 budget, would make it possible to derive consistent estimates of labor productivity for the economy as a whole and for the major industrial divisions. These estimates would be made in addition to measures for narrowly defined industries based on other available production data. On the input side, the chief immediate need is for improvement of data on employment and average hours worked in the

various divisions. Improvements in this direction too are contemplated in the 1959 budget proposal.

IMPROVING DATA FOR ECONOMIC ANALYSIS

Economic censuses provide comprehensive benchmark data that are essential for the analysis of industrial and regional developments and for the interpretation and adjustment of current statistics derived from interim surveys that are less complete than census reports. Several censuses covering 1958 are scheduled for 1959. Many improvements are planned in the scope of census data and in the variety and quality of statistics derived from other sources.

Census of Business

Margin and value-added data.—Data on retail margins are essential for establishing benchmarks in the national income accounts for expenditures on personal consumption and for investment in producers' durable goods. They are also necessary for constructing interindustry accounts. Collection and tabulation procedures for the Census of Business are expected to yield measures of "value added" in distribution, which would provide a basis for better estimates of trade margins.

Plant and equipment expenditures data.—On the basis of data to be provided by the 1958 Census of Business, estimates would be made of plant and equipment expenditures by retail trade, wholesale trade, and service trade establishments.

Annual surveys.—The 1959 budget program would also provide for developmental and preparatory work for later annual surveys of wholesale trade and selected services. Procedures would be devised for the future compilation of detailed sales or purchase data of commodities at wholesale, comparable with sales or shipments data obtained in the Census of Manufactures.

Census of Manufactures

Use of materials, products, and durable equipment.—Data showing the consumption of materials by individual industries are desirable for studying commodity flows throughout the economy and for mobilization planning. The 1958 Census of Manufactures will provide statistics on industrial purchases of producers' durable equipment.

Distribution of manufacturers' sales.—Information on the distribution of manufacturers' shipments by class of customer, including shipments to the Government, would also contribute to better estimates of commodity flow. Plans for the 1958 Census of Manufactures call for the collection of sales data by class of customer.

Census of Mineral Industries

The 1958 Census of Mineral Industries will have essentially the same scope as the 1954 Census. The inauguration of annual surveys of mineral

industries, analogous to those for manufactures, is planned; the first survey would refer to 1959 operations.

Employment and Hours Statistics

Estimates of man-hour productivity would be improved by changes contemplated in reports by establishments on hours of work. The 1959 program calls for the collection of information on hours *worked*, as well as on hours *paid for*, in manufacturing industries, and for the collection of data relating to so-called "nonproduction workers" in these industries. It also calls for the collection of data on hours for selected nonmanufacturing industries not now covered.

Price Statistics

Prices paid by the Government.—A major limitation of price statistics from the standpoint of national accounting is the lack of data on prices paid for goods, especially defense items, by the Government. Systematic efforts toward the preparation of appropriate price indexes in this field will be made.

Wholesale and retail prices.—Many durable goods and various services are not covered by existing price indexes. Plans for 1959 include the expansion of data on prices in primary markets and at retail. This expansion would improve current business indicators and lead to better estimates of real output, productivity, and inventories in constant prices.

Construction Statistics

The development of a sound, comprehensive program of construction statistics will require several years. The budget proposed for 1959 includes surveys designed to improve estimates of construction activity, including "additions and alterations" and "repairs and maintenance."

Plant and Equipment Expenditures

Two recommendations for improvement of data on plant and equipment expenditures are included in the 1959 program. First, in the 1958 Census of Business, data would be obtained from wholesale trade, retail trade, and service trade establishments. Second, the collecting agencies for the current Plant and Equipment Expenditures Survey would renew efforts to obtain separate information for plant and for equipment.

Producers' Durable Equipment

Efforts would be made under the 1959 proposal to remedy the chief deficiencies in statistics on equipment. In the 1958 Census of Manufactures, as already noted, data on manufacturers' sales of producers' durable equipment will be compiled by class of customer and type of equipment purchased. The collection of more detailed sales data by industry, in the Monthly Industry Survey, would permit improvement of the quarterly estimates of investment in producers' durable equipment.

Inventories

Separate stage-of-fabrication estimates are to be developed for all major industry groups in manufacturing and for significant subgroups. For selected subgroups, the estimates of inventories of finished goods would be subdivided into producers' equipment and consumer goods. Information is still needed on the proportion of manufacturers' inventories that is related to defense production. Improvements are planned in the monthly estimates of retail trade inventories by major "kind of business." Estimates would be provided for a limited number of commodities at both retail and wholesale levels.

Manufacturers' Sales, Inventories, and New Orders

Refinement of company data supplied in the Monthly Industry Survey and revision and enlargement of the sample would lead to better current economic indicators on manufacturers' sales, inventories, and new orders. Provision is made in the 1959 budget for these improvements.

Service Trade Receipts

Statistics on monthly receipts of service trades—such as hotels, barber and beauty shops, and auto-repair shops—are not available. A project to improve the estimates for selected service trades is included in the 1959 budget proposal.

Consumer Credit

The 1959 budget proposal includes the collection of monthly information on accounts receivable from a sample of retail trade establishments. This information would strengthen present estimates of consumer credit outstanding.

Corporate Profits and Income of Unincorporated Enterprises

Corporate profits.—The Business Indicators Series has been initiated to provide preliminary estimates derived for selected items from income tax returns within a year after the returns are filed. The 1959 budget proposes that this work be continued on a regular basis. Among other improvements that are essential is a regular Audit Control Study, preferably made once every five years, to provide factors for adjusting profits in the unaudited tax returns used in benchmark tabulations.

Current financial data on nonmanufacturing firms, by size, are not now available. The 1959 budget proposal calls for extension of the present Quarterly Financial Report program to include both small and large corporations in trade and mining industries.

Nonfarm unincorporated enterprises.—Selected income and balance-sheet items for sole proprietorships and partnerships, the dominant forms of "small business," would be tabulated annually as part of the Business Indicators Series. Data on sole proprietorships and partnerships should also be included in plans for the Audit Control Study, referred to above.

Attention is being directed to the need for accurate measures of monthly and quarterly changes in profits of unincorporated business. Consideration will also be given to the feasibility of regularly constructing financial reports from accessible operating information.

Survey of Farm Operators

After the Census of Agriculture for 1959 is completed, an annual sample survey of farm operators should be initiated to provide data on farm income, off-farm income, and farm production expenditures. The sample should make possible estimates for at least three categories—large commercial farms, small commercial farms, and all other farms.

State and Local Governments

The 1959 budget proposal includes the preparation of a quarterly report on State and local government finances, including revenues, capital outlays and current expenditures, indebtedness, and financial assets.

Appendix D
THE CONSUMER PRICE INDEX

The Consumer Price Index

Considerable public interest has been focused on the consumer price index as an indicator of price trends in the consumer sector of the economy, and because of its extensive use in wage adjustments. To afford a better understanding of the index, this Appendix briefly describes its essential features, some of the problems connected with its computation, and its limitations and uses.

CONSTRUCTING THE INDEX

The consumer price index in roughly its present form was first published by the United States Bureau of Labor Statistics (BLS) in 1921, and covered the period extending back to 1913. The last major revision was in 1953.

The present index is designed to measure changes in the prices of goods and services commonly purchased by wage-earner and clerical-worker families living in the 3,000 towns, cities, and suburbs of the United States that had a population of 2,500 or more in 1950. In general, the only families included are those whose major sources of income are earnings of craftsmen, factory workers, laborers, clerks, and sales and service workers. This group of families comprises about 64 percent of the urban, and 40 percent of the total, population.

An over-all consumer price index is published and also various subgroup indexes. The most familiar groupings are those in which commodities and services are classified by their end use, e. g., food, apparel, housing, reading and recreation, etc. More recently, the BLS has been publishing monthly what might be termed an "economic" classification: all commodities; all commodities other than food; durable goods; nondurable goods; and services. It also publishes indexes for three major groups: (1) food, (2) commodities other than food, and (3) services. As of December 1956, each of these three categories was of roughly equal relative importance in the index—29, 37, and 34 percent, respectively.

In essence, the consumer price index measures changes in the price of a fixed "market basket" of goods and services chosen to represent the customary spending pattern of wage-earner and clerical-worker families. In the computation of the index, prices of individual items or groups of items are assigned specific weights, based on their relative importance in the average family budget for a survey year. The price changes from the base period (1947-49) for all of the items, appropriately weighted, are then combined into the consumer price index—which expresses the change in the price of the

total market basket since the base period. There are thus two major elements in constructing the index: the *prices* of the specific goods and services included and the *weights* assigned to them.

Prices

The prices used in computing the index are obtained at 46 urban sampling points, selected as representative of the entire urban portion of the country. Most of the prices are obtained at regular intervals from a sample of stores and service establishments. In each city, a selection is made of establishments most frequently patronized by wage-earner and clerical-worker families, and which represent the important types of retail outlets, such as chain and independent stores, and department and specialty stores. Samples of rental units are chosen from block listings representative of the total rental housing market.

The price data, in general, are collected in personal visits by trained BLS field agents. In order to eliminate as far as possible the effect of significant changes in the quality of products, specifications are drawn up for use by the field agents in comparing prices. These specifications provide a detailed description of the article, including quality factors associated with price, and physical characteristics essential for identifying an item from store to store and from time to time. Product descriptions and other data are checked, and, wherever possible, prices posted for goods on display are recorded. If discounts or over allowances on trade-ins are known to be common, the agents obtain from the store manager the information needed for computing a realistic net price.

Prices obtained for each city are combined by means of expenditure weights described below. Prices for all 46 cities are then combined by means of population weights to form the national index. Separate indexes are published monthly for the 5 largest cities, and quarterly for the 15 next largest of the 46 cities.

Weights

The weights currently used were derived in the main from a comprehensive family expenditure survey made in 1950–51. This survey included data for nearly 12,000 families in 91 cities of various characteristics: size, climate, population density, income level, and, in the case of small cities, distance to market. Six additional cities surveyed earlier were also used.

In the 1953 revision of the index, the development of weights involved two principal steps: (1) averaging the different spending patterns reported by individual families, and (2) adjusting the survey data for price and income changes which had occurred between 1950 and January 1953, the first month of the revised index.

During 1950 and 1951, while the major study of consumer expenditures was under way, the BLS collected and studied prices for several hundred commodities and services. The individual items were classified into "price families," i. e., groups of commodities with similar characteristics as regards

physical properties, use, and price movements. Items of major importance were chosen from each "price family" to represent price changes for all items in the group. In the computation of the index, a specific item or set of items was assigned the total expenditure weight of the group which it was chosen to represent.

MAINTAINING THE INDEX

Periodically, the goods and services priced for the consumer price index are varied to take account of changes in patterns of family spending. But this is done infrequently, because spending patterns change slowly. The revision in 1953 incorporated the results of the 1950-51 expenditure survey. When a revision is made, it is done in a way that will preserve the character of the index as a measure of price change. Prices for comparable items are matched for each pair of successive months in the "linking-in" period. If, for example, the new index is to be introduced in January, both old and new indexes are computed for December. Percentage changes between November and December are based on the old index; and those between December and January are based on the new index. Thus month-to-month changes in the index continue to represent price change, not the difference between the price of one market basket and that of another.

The basic character of the index is determined by the requirement that the same market basket (in terms of quantity and quality of goods and services) be priced in the periods being compared. To achieve this comparability, the BLS has established statistical procedures for the collection of prices according to fixed specifications. But new items come onto the market and become popular, and others decline in favor or disappear. In addition, there are frequent changes in established products. Such changes cumulate and eventually produce shifts in buying habits that are so far reaching as to require revision of the fixed basket of goods. However, account is taken of many minor changes in the interval between major revisions.

When the characteristics of an item priced for the index have changed, the specifications reported call attention to the points of noncomparability and provide information for eliminating the measurable price effect of such changes. When these changes are definite improvements or recognizable additions to the old item, or the reverse, statistical adjustments can be made to reduce the prices to a comparable basis. However, when improvements in quality cannot be eliminated, the index reflects an upward bias in consumer prices; and the reverse is true when quality deterioration occurs.

The problem of adjustment for quality changes is particularly important in the pricing of appliances, household equipment, and automobiles, although variants of this problem appear in almost all components of the index, including the pricing of foods, services, and housing. When prices for exactly comparable items cannot be collected, the BLS procedures just

described are applied whenever possible. Thus, when a new automobile model or a new appliance model contains specific features which can be isolated as improvements or additions, the price comparison is adjusted to eliminate that part of the price change which can be ascribed to the change in model. Nevertheless, there are types of changes which it is not possible to take into account, even though there may be general agreement that these changes constitute improvements. For example, a change in the shape of the springs in an automobile may make for better riding, perhaps at no increase in cost; or a slight change in the composition of an automobile tire may make it safer and lengthen its life.

Other practices in pricing the fixed basket of goods may cause a downward bias in the index. For example, when items drop out of the market completely or, because of reduced sales, fail to qualify for continued inclusion as a "volume seller," they are replaced where possible by similar items of different specifications—often of a higher quality and price. The new prices are linked in without showing the price difference between the old and the new items. For consumers who would prefer to buy the original, lower-priced item, the change in market availability represents a real price increase.

For short periods of 2, 3, or 4 years, the amount of bias arising from quality changes that have not been eliminated is probably too small to affect the index very much. For periods of a decade or more, however, there is undoubtedly a significant effect upon the index values for some items, although the net effect on the total index cannot be determined.

In preparing a monthly index of prices with fixed weights, the Bureau of Labor Statistics must cope with items which are available on the market in volume only in particular seasons. Such items are represented in the market basket in accordance with their relative importance in annual consumption. Consequently, in off-season months the relative importance of such items is too great in the price comparisons. In the months when these items disappear from the market, their price movements must in effect be estimated by the price movements of other products in the same class of commodities. When such items reappear on the market, erratic jumps in the index may occur as seasonal prices are reintroduced. For year-to-year comparisons, this measurement of price changes is correct; but it may tend to exaggerate the magnitude of some month-to-month changes.

LIMITATIONS

Since the index represents changes in the prices of a fixed set of goods and services typically bought by a designated class of consumers, it does not measure changes in consumption levels or in total living costs. These are responsive to factors other than the changes in prices of the set of goods and services included in the index. Thus, a family's living costs will shift as the family grows, as its income rises or falls, as its tastes change, or for reasons

not related to price changes alone. The effects of such factors are ignored by the consumer price index.

Because the index is an average, it does not necessarily apply to any one family or to any small group of families. A careful housewife, by judicious shopping, may purchase many items at prices lower than the averages embodied in the index. A family which takes great care in budgeting its expenditures, a family faced with abnormal expenses for one reason or another, or a family in a position to make its purchases under particularly advantageous circumstances, would find that the index does not represent the movement of prices that it is called upon to pay. And, strictly speaking, the index is not an appropriate measure of prices paid by very low or very high income groups, or by single workers, elderly couples, or other groups whose living and manner of spending are different from those of wage-earner and clerical-worker families. On the other hand, when the index is applied to all city families or to the total urban population, the limitations are not considered to be serious, since the wage-earner and clerical-worker group constitutes nearly two-thirds of the population.

Although separate consumer price indexes are published for individual cities, they do not measure absolute differences in price levels. The fact that the index for city A is higher than the index for city B does not necessarily mean that prices are higher in city A; it means only that, since the base period, prices have risen more in city A. Indeed, the particular level of the consumer price index for the Nation as a whole, for an individual city, or for some specific group of consumer goods, represents only the magnitude of the change in prices since the base period, and has no meaning except with reference to that period.

SOME USES OF THE INDEX

Government has long recognized the importance of prices in the formulation of policies affecting wage rates. As early as 1780 an index, based on four commodities, was calculated by the State of Massachusetts to provide a basis for adjusting soldiers' pay. Although first published in 1921, the present index of consumer prices in the United States was developed by the Department of Labor in 1918 to serve as a guide for the adjustment of wage scales in the shipyards and other war production centers during World War I. In World War II and during the Korean conflict, the index was the basis of a number of strategic wage decisions.

The index has been the focus of Nation-wide attention in recent years, as wage contracts have been signed calling for periodic adjustments in wages if the consumer price index should move up or down beyond specified limits—the so-called “escalator clauses.” This form of wage contract spread rapidly throughout the automobile industry, and was extended to farm equipment, aircraft, and electrical manufacturing industries, and to the railroads. Most of the agreements are for a long term—2, 3, or 5 years—without reopening clauses on wages. By 1952, more than 3,500,000 workers

were employed under contracts containing escalator clauses. After some decline in the use of escalator clauses, they have recently become more widespread. It is estimated that at least 4,000,000 workers are now employed under labor-management contracts by which wages are adjusted according to changes in the consumer price index. As a rule, these clauses provide for wage adjustments of about two cents per hour for each change of one index point. At 40 hours a week for 50 weeks in the year, an increase of one point in the index raises the annual wage bill for these workers by about \$160 million.

The index has an indirect impact on wage rates even where formal escalator agreements are not in effect. Pay adjustments made under escalator contracts influence wage payments elsewhere, and the index is often explicitly considered by management and labor in formulating wage policies.

Appendix E
PRODUCTIVITY STATISTICS

Productivity Statistics

The terms "productivity" and "labor productivity" are commonly used to designate measures of output per unit of labor input. Productivity index numbers showing changes in output per employee or per man-hour are used in the discussion and study of various economic topics—e. g., wage-cost-price relationships, the rise of living standards, technological progress, and the outlook for production and employment.

PRODUCTIVITY ESTIMATES FOR THE PRIVATE ECONOMY, 1947–56

Table E-1 shows two sets of productivity index numbers (1947=100) computed by the Bureau of Labor Statistics from available Government data. These productivity measures, relating to the private economy (i. e., excluding Government) and its main components, are based on a common set of output estimates and two different sets of man-hour estimates covering both employers and employees. In one index, the man-hours refer to hours for which pay is received (plus the hours of unpaid family workers). In the other, the man-hours refer to hours worked. In other words, the first man-hour concept includes, and the second excludes, paid holidays, vacations, and sick leave. The output estimates, which are subject to further revision for much of the period, refer to portions of the gross national product adjusted to 1947 prices.

For the decade 1947–56, both productivity measures for the private economy as a whole show average annual rates of increase that exceed the long-term trend rates. According to one mode of computation used throughout this Appendix, the average annual increase in output per man-hour paid was 3.4 percent during the postwar decade, and the average for output per man-hour worked was 3.9 percent. These rates are much larger than the long-term rates of 2 percent or slightly more per year shown by various studies for periods covering several decades. Smaller excesses over long-term rates are indicated if the postwar interval is lengthened to 1945–56 or shortened to 1950–56.

Productivity advanced more rapidly in agriculture than in the rest of the private economy during 1947–56. The two average annual rates for agriculture, derived from an output series fitting into the national product accounts, were about 6 percent. For nonagricultural industries, on the other hand, output per man-hour paid increased at 2.8 percent per year (3.2 percent in the manufacturing sector and 2.6 percent in nonmanufactur-

TABLE E-1.—*Indexes of output per man-hour for the private economy, 1948-57*

[1947=100]

Year	Based on man-hours paid ¹					Based on man-hours worked ²		
	Total	Agri- culture ³	Nonagricultural industries			Total	Agri- culture ³	Nonagri- cultural in- dustries
			Total	Manu- factur- ing ⁴	Non- manufac- turing			
1948.....	104.9	123.4	102.5	102.5	102.8	104.2	123.7	101.7
1949.....	107.0	114.7	106.0	104.7	107.2	105.4	113.8	104.2
1950.....	115.6	131.8	112.7	113.1	112.8	114.5	131.4	111.5
1951.....	118.1	129.8	114.9	114.6	115.1	118.8	129.0	115.7
1952.....	121.7	138.7	117.5	116.4	118.1	123.2	138.0	119.2
1953.....	126.2	153.6	120.4	120.3	120.2	127.8	152.7	122.2
1954.....	129.0	167.1	122.4	123.7	121.9	131.5	166.3	125.1
1955.....	133.5	169.7	126.8	130.9	124.7	136.3	168.9	129.8
1956.....	134.6	175.8	127.1	131.4	125.1	137.9	175.0	130.6
1957 ⁵	137.0	183.8	128.6	132.4	127.1	140.9	183.4	132.6

¹ "Man-hours paid" were derived from Bureau of Labor Statistics figures for the nonagricultural component and Bureau of the Census information for the agricultural component. They include the hours of unpaid family workers in addition to wage and salaried workers and the self-employed. They cover paid holidays, vacations, and sick leave.

² "Man-hours worked" were derived from data of the Bureau of the Census, Department of Commerce. Like "man-hours paid," they include the hours of all persons, whether employees or employers. They incorporate adjustments designed to eliminate holidays, vacations, and sick leave.

³ Differs in concept from Department of Agriculture's productivity series based on requirements of equivalent adult man-hours.

⁴ Derived from a Bureau of Labor Statistics index of net output for 1947-53 extended with the aid of Office of Business Economics data.

⁵ Preliminary, subject to revision.

NOTE.—The indexes in this table were computed by Department of Labor, Bureau of Labor Statistics, from estimates of real product and man-hours. The real product estimates, referring to 1947 prices, are based primarily on national product statistics of the Department of Commerce, Office of Business Economics.

Source: Department of Labor (see note above).

ing). In the case of output per man-hour worked, the average nonagricultural productivity rise was 3.3 percent per year.

Both sets of productivity measures show uneven percentage changes from year to year. Although agriculture recorded an exceptionally high rate of gain for the decade as a whole, it experienced setbacks between 1948 and 1949 and between 1950 and 1951. Unusually small rises occurred in the private economy as a whole and in the nonagricultural sector between 1955 and 1956. For the private economy, output per man-hour paid advanced 8 percent between 1949 and 1950 as output increased sharply, and productivity in terms of man-hours worked advanced nearly 9 percent. Between 1955 and 1956, on the other hand, the two productivity indicators for the private sector rose only about 1 percent, and the two measures for the nonagricultural industries changed even less. For the same year, each agricultural measure showed a gain of 3.6 percent.

PRODUCTIVITY CHANGES IN 1957

Preliminary estimates indicate a generally better productivity performance in 1957 than in 1956. According to either man-hour concept, the productivity advance for the private economy apparently matched the long-term trend rate of about 2 percent. The two measures for agriculture approached

5 percent. Some improvement over the preceding year is suggested for the nonagricultural sector and its manufacturing and nonmanufacturing divisions, but the gains were still comparatively small. Thus, the nonagricultural productivity increases for 1957 over 1956 were 1.2 percent for man-hours paid and 1.6 percent for man-hours worked. The advances for the manufacturing and nonmanufacturing divisions, both referring to man-hours paid, were 0.8 percent and 1.6 percent, respectively.

PROBLEMS OF MEASUREMENT AND MEANING

The application and interpretation of available productivity index numbers must take account of many theoretical and practical difficulties of measurement. In principle, various acceptable productivity indicators can be constructed, each of which would be especially appropriate to a particular context or use. But limitations of data and other factors commonly make it impracticable to construct measures consistent with the desired concepts. The details of actual measurement affect the meaning and applicability of the results. Two or more productivity index numbers computed for a given industry occasionally differ significantly—in direction as well as in magnitude. Furthermore, tolerable agreement during a period of observation gives no assurance of similarity thereafter.

The problems of concept, technique, and data that are important for application and interpretation pertain not only to the productivity ratio proper but also to the production numerator and the labor denominator. Production measures often employ gross output concepts rather than preferred net concepts; incorporated weights may refer to a year other than the one desired; basic product data are commonly reported in crude units or broad classes, vary greatly in quality between census and other years, and lack continuity because of technological and other changes. For many industries (e. g., finance) and activities (e. g., research) that do not have uniform or directly measurable products, indirect and rough techniques of estimation have to be used (e. g., the adjustment of dollar values for price changes by means of price measures that may not be altogether pertinent), and these techniques yield results that are conceptually obscure. In labor input measures, employees and hours of different skill are typically treated as equivalent; statistics for hours remunerated often have to be used in lieu of hours actually worked; and the scope of the data frequently fails to coincide exactly with the scope of the production measure. Finally, productivity index numbers for specific industries may be combined in various ways, with results that sometimes differ significantly from ratios of composite production and labor input measures computed for the same group of industries.

Certain common misunderstandings of productivity measures should also be noted. Short-term changes provide no clear guide to the long-term productivity trend or to an alteration of this trend. Furthermore, short-term changes are influenced by, but do not closely reflect, the course of tech-

nological progress. The confinement of the denominator to labor input does not imply that labor is the sole contributor to the value of product or the sole input to be economized in the process of production.

Continual efforts are being made to improve productivity indicators and to extend measurement to additional sectors and industries. These efforts are reflected in the 1959 budget proposals described in Appendix C and in the establishment in January 1957 of an Interagency Committee on Productivity Estimates under the auspices of the Bureau of the Budget. This Committee has been making a systematic review of productivity concepts, methods, and data needs and of opportunities to fill the major statistical gaps.

Appendix F

**STATISTICAL TABLES RELATING TO INCOME,
EMPLOYMENT, AND PRODUCTION**

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NATIONAL INCOME OR EXPENDITURE

TABLE F-1.—Gross national product or expenditure, 1929-57

[Billions of dollars]

Period	Total gross national product	Personal consumption expenditures ¹	Gross private domestic investment ²						Net foreign investment	Government purchases of goods and services					
			Total	New construction			Producers' durable equipment	Net change in business inventories		Total	Federal				State and local
				Total	Residential (nonfarm)	Other					Total	National security ³	Other	Less: Government sales	
1929	104.4	79.0	16.2	8.7	3.6	5.1	5.8	1.7	0.8	8.5	1.3	(4)	(4)	(5)	7.2
1930	91.1	71.0	10.3	6.2	2.1	4.1	4.5	— .4	.7	9.2	1.4	(4)	(4)	(5)	7.8
1931	76.3	61.3	5.5	4.0	1.6	2.4	2.8	— 1.3	.2	9.2	1.5	(4)	(4)	(5)	7.7
1932	58.5	49.3	.9	1.9	.6	1.2	1.6	— 2.6	.2	8.1	1.5	(4)	(4)	(5)	6.6
1933	56.0	46.4	1.4	1.4	.5	1.0	1.6	— 1.6	.2	8.0	2.0	(4)	(4)	(5)	6.0
1934	65.0	51.9	2.9	1.7	.6	1.1	2.3	— 1.1	.4	9.8	3.0	(4)	(4)	(5)	6.8
1935	72.5	56.3	6.3	2.3	1.0	1.3	3.1	.9	— .1	10.0	2.9	(4)	(4)	(5)	7.1
1936	82.7	62.6	8.4	3.3	1.6	1.7	4.2	1.0	— .1	11.8	4.8	(4)	(4)	(5)	7.0
1937	90.8	67.3	11.7	4.4	1.9	2.5	5.1	2.2	.1	11.7	4.6	(4)	(4)	(5)	7.2
1938	85.2	64.6	6.7	4.0	2.0	2.0	3.6	— .9	1.1	12.8	5.3	(4)	(4)	(5)	7.5
1939	91.1	67.6	9.3	4.8	2.7	2.1	4.2	.4	.9	13.3	5.2	1.3	3.9	(5)	8.2
1940	100.6	71.9	13.2	5.5	3.0	2.5	5.5	2.2	1.5	14.1	6.2	2.2	4.0	(5)	7.9
1941	125.8	81.9	18.1	6.6	3.5	3.1	6.9	4.5	1.1	24.8	16.9	13.8	3.2	(5)	7.8
1942	159.1	89.7	9.9	3.7	1.7	2.0	4.3	1.8	— .2	59.7	52.0	49.6	2.7	0.2	7.7
1943	192.5	100.5	5.6	2.3	.9	1.4	4.0	— .8	— 2.2	88.6	81.2	80.4	1.5	.6	7.4
1944	211.4	109.8	7.1	2.7	.8	1.9	5.4	— 1.0	— 2.1	96.5	89.0	88.6	1.6	1.2	7.5
1945	213.6	121.7	10.4	3.8	1.1	2.7	7.7	— 1.1	— 1.4	82.9	74.8	75.9	1.0	2.2	8.1
1946	209.2	146.6	27.1	10.3	4.0	6.3	10.7	6.1	4.6	30.9	20.9	21.2	2.5	2.7	10.0
1947	232.2	165.0	29.7	14.0	6.3	7.7	16.7	— 1.0	8.9	28.6	15.8	13.3	3.8	1.3	12.8
1948	257.3	177.6	41.2	17.9	8.6	9.3	19.1	4.2	2.0	36.6	21.0	16.0	5.6	.5	15.6
1949	257.3	180.6	32.5	17.5	8.3	9.2	17.8	— 2.7	.5	43.6	25.4	19.3	6.6	.4	18.2
1950	285.1	194.0	51.2	22.7	12.6	10.1	21.1	7.4	— 2.2	42.0	22.1	18.5	3.9	.3	19.9
1951	328.2	208.3	56.9	23.3	11.0	12.4	23.2	10.4	.2	62.8	41.0	37.3	4.2	.4	21.8
1952	345.4	218.3	49.8	23.7	11.1	12.6	23.1	3.0	— .2	77.5	54.3	48.8	5.8	.4	23.2
1953	363.2	230.5	50.3	25.8	11.9	13.8	24.3	.3	— 2.0	84.4	59.5	51.5	8.4	.4	24.9
1954	361.2	236.6	48.4	27.8	13.5	14.3	22.5	— 1.9	— .4	76.6	48.9	43.1	6.2	.4	27.7
1955	391.7	254.4	60.6	32.7	16.6	16.1	23.7	4.2	— .4	77.1	46.8	41.3	5.9	.4	30.3
1956	414.7	267.2	65.9	33.3	15.3	18.0	28.1	4.6	1.4	80.2	47.2	42.4	5.2	.4	33.0
1957 ⁴	433.9	280.4	63.6	33.2	14.2	19.0	30.4	(5)	3.3	86.6	50.5	45.7	5.2	.4	36.0
Seasonally adjusted annual rates															
1955: First quarter...	379.0	247.4	55.6	31.6	16.3	15.3	21.3	2.7	— .4	76.5	46.9	41.8	5.5	.4	29.5
Second quarter...	387.7	252.1	59.7	32.7	16.8	15.9	22.4	4.6	— .7	76.6	46.5	41.3	5.6	.4	30.1
Third quarter...	397.0	258.3	61.4	32.9	16.7	16.2	25.2	3.3	.1	77.2	46.7	41.3	5.8	.4	30.5
Fourth quarter...	402.8	259.9	65.4	33.2	16.4	16.8	25.9	6.3	— .7	78.2	47.1	40.7	6.8	.4	31.1
1956: First quarter...	405.2	262.8	64.4	32.9	15.7	17.3	26.3	5.2	— .2	78.2	46.2	41.1	5.5	.4	32.0
Second quarter...	410.8	265.0	65.3	33.6	15.5	18.1	27.2	4.6	1.2	79.3	46.4	41.6	5.2	.4	32.9
Third quarter...	416.7	268.6	65.5	33.2	15.1	18.1	29.0	3.3	2.0	80.6	47.3	42.7	4.9	.4	33.3
Fourth quarter...	426.0	272.3	68.5	33.4	15.1	18.4	29.9	5.1	2.4	82.8	49.0	44.2	5.1	.4	33.9
1957: First quarter...	429.1	276.7	62.7	32.8	14.4	18.5	30.7	— .8	4.1	85.6	50.3	45.5	5.2	.4	35.3
Second quarter...	434.3	278.9	65.0	32.7	13.7	19.0	30.5	1.7	3.5	86.9	51.1	46.3	5.2	.4	35.8
Third quarter...	439.0	283.6	65.5	33.0	14.0	19.0	30.5	2.0	3.2	86.7	50.6	45.8	5.2	.4	36.1
Fourth quarter ⁴	433.0	282.5	61.0	34.0	14.5	19.5	30.0	— 3.0	2.5	87.0	50.0	45.2	5.2	.4	37.0

¹ See table F-7 for major components.

² See Table F-8 for more detail and explanation of components.

³ For 1947-57, national security expenditures include the items classified as such in the *Budget of the United States Government for the Fiscal Year ending June 30, 1954*. They are not comparable with the major national security category in the Budget for the fiscal year ending June 30, 1959, which corresponds more closely to national defense expenditures for goods and services. National defense expenditures since 1947 are as follows: 1947, 12.3 billion dollars; 1948, 11.6 billion; 1949, 13.6 billion; 1950, 14.3 billion; 1951, 33.9 billion; 1952, 43.4 billion; 1953, 49.3 billion; 1954, 41.2 billion; 1955, 39.1 billion; 1956, 40.4 billion; and 1957, 43.7 billion.

⁴ Not available separately.

⁵ Less than 50 million dollars.

⁶ Preliminary; fourth quarter by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-2.—Gross national product or expenditure, in 1957 prices, 1929–57¹

[Billions of dollars, 1957 prices]

Period	Total gross national product	Personal consumption expenditures				Gross private domestic investment					
		Total	Durable goods	Non-durable goods	Services	Total	New construction			Producers' durable equipment	Change in business inventories
							Total	Residential (non-farm)	Other		
1929.....	193.8	133.0	15.0	68.3	49.7	38.9	23.1	9.3	13.8	12.6	3.2
1930.....	175.7	125.3	12.1	64.9	48.3	26.6	17.1	5.5	11.7	10.0	— .6
1931.....	162.7	121.6	10.4	64.7	46.6	16.7	12.0	4.5	7.4	6.7	—2.0
1932.....	138.0	110.5	7.9	59.5	43.1	4.5	6.6	2.3	4.4	4.0	—6.2
1933.....	134.9	107.7	7.7	57.8	42.3	4.7	5.1	1.7	3.4	4.2	—4.6
1934.....	148.9	113.5	8.7	61.7	43.2	8.8	5.7	2.0	3.6	5.7	—2.6
1935.....	164.0	120.6	10.8	65.1	44.7	17.7	7.4	3.3	4.1	7.6	2.6
1936.....	186.3	133.0	13.3	72.6	47.1	23.5	10.4	4.9	5.5	10.4	2.7
1937.....	197.0	137.7	14.0	75.0	48.8	30.0	12.5	5.3	7.2	11.9	5.7
1938.....	188.5	135.7	11.5	76.3	47.9	17.2	11.1	5.5	5.6	8.2	—2.1
1939.....	203.5	143.5	13.6	80.5	49.4	23.9	13.3	7.3	6.0	9.6	1.0
1940.....	221.6	151.0	15.6	84.2	51.3	32.0	14.9	7.8	7.1	12.4	4.8
1941.....	256.8	161.1	17.9	89.7	53.5	40.6	16.8	8.4	8.4	14.5	9.3
1942.....	291.4	158.3	11.6	91.7	55.0	20.7	8.6	3.9	4.7	8.4	3.7
1943.....	323.9	162.5	10.0	94.9	57.6	11.8	4.8	1.8	3.0	7.7	— .7
1944.....	348.0	168.1	9.1	99.0	60.0	13.8	5.3	1.5	3.7	10.2	—1.7
1945.....	340.1	179.5	10.3	106.5	62.7	18.8	7.2	1.9	5.3	14.2	—2.7
1946.....	301.1	200.3	19.8	112.1	68.3	45.9	17.8	6.5	11.3	18.1	10.0
1947.....	300.5	203.5	23.7	109.4	70.5	44.7	20.1	8.5	11.5	24.6	.1
1948.....	314.0	207.5	24.5	109.6	73.5	53.7	22.9	10.4	12.6	26.1	4.8
1949.....	313.3	212.9	25.8	111.3	75.8	41.9	22.5	10.2	12.3	23.2	—3.8
1950.....	341.6	225.6	31.3	114.2	80.2	63.3	28.2	15.0	13.3	26.9	8.1
1951.....	367.6	227.2	27.9	116.3	83.0	64.9	27.1	12.2	14.9	27.2	10.6
1952.....	381.1	234.4	27.5	120.3	86.5	56.8	26.9	12.0	14.9	27.0	3.0
1953.....	397.0	244.3	30.7	123.9	89.7	56.6	28.3	12.7	15.6	28.0	.4
1954.....	389.7	248.8	31.0	125.0	92.9	54.1	30.5	14.5	16.0	25.9	—2.3
1955.....	417.4	266.5	37.0	131.6	98.0	66.3	35.1	17.4	17.7	26.7	4.5
1956.....	430.3	275.6	35.1	137.5	103.0	68.9	34.4	15.6	18.8	29.7	4.9
1957 ²	433.9	280.4	35.1	140.0	105.4	63.6	33.2	14.2	19.0	30.4	(³)

See footnotes at end of table.

TABLE F-2.—*Gross national product or expenditure, in 1957 prices, 1929-57*¹—Continued

[Billions of dollars, 1957 prices]

Period	Net foreign investment	Government purchases of goods and services				
		Total	Federal			State and local
			Total	National security ²	Other ³	
1929.....	1.1	20.8	3.4	(⁴)	(⁴)	17.4
1930.....	.8	23.1	3.9	(⁴)	(⁴)	19.2
1931.....	.2	24.2	4.2	(⁴)	(⁴)	20.0
1932.....	(⁵)	23.1	4.4	(⁴)	(⁴)	18.7
1933.....	-.4	22.9	6.2	(⁴)	(⁴)	16.7
1934.....	(⁵)	26.6	8.4	(⁴)	(⁴)	18.2
1935.....	-1.2	26.9	8.1	(⁴)	(⁴)	18.8
1936.....	-1.4	31.3	12.6	(⁴)	(⁴)	18.7
1937.....	-1.0	30.2	11.8	(⁴)	(⁴)	18.5
1938.....	1.6	33.9	14.4	(⁴)	(⁴)	19.6
1939.....	1.2	34.9	13.5	3.3	10.2	21.4
1940.....	1.9	36.7	16.4	5.9	10.5	20.3
1941.....	.4	54.7	35.6	29.0	6.7	19.1
1942.....	-2.1	114.5	97.1	92.5	5.0	17.4
1943.....	-5.8	155.4	139.6	138.1	2.5	15.8
1944.....	-5.7	171.8	156.3	155.7	2.7	15.5
1945.....	-4.5	146.3	130.5	132.5	1.8	15.8
1946.....	4.9	50.0	32.1	32.5	3.8	17.9
1947.....	9.5	42.7	22.4	19.0	5.3	20.3
1948.....	1.5	51.2	29.1	22.1	7.7	22.1
1949.....	(⁵)	58.5	33.6	25.4	8.7	24.9
1950.....	-2.3	55.0	28.2	23.6	5.0	26.7
1951.....	1.5	74.1	46.9	42.6	4.7	27.2
1952.....	.6	89.3	61.7	55.5	6.6	27.6
1953.....	-1.7	97.8	69.1	59.8	9.8	28.7
1954.....	.1	86.7	55.5	48.8	7.1	31.2
1955.....	(⁵)	84.6	51.3	45.2	6.5	33.3
1956.....	1.9	83.9	49.2	44.2	5.4	34.8
1957 ⁶	3.3	86.6	50.5	45.7	5.2	36.0

¹ These estimates represent an approximate conversion of the Department of Commerce series in 1947 prices. (See Table F-4.) This was done by major components, using the implicit price indexes converted to a 1957 base. Although it would have been preferable to redeflate the series by minor components, this would not substantially change the results except possibly for the period of World War II, and for the series on change in business inventories.

² Net of Government sales, which are not shown separately in this table. See Table F-1 for Government sales in current prices.

³ See Table F-1, footnote 3.

⁴ Not available separately.

⁵ Less than 50 million dollars.

⁶ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Council of Economic Advisers.

TABLE F-3.—*Gross private and government product, in current and 1957 prices, 1929-57*

[Billions of dollars]

Year	Current prices					1957 prices ⁴				
	Total gross national product	Gross private product ¹			Gross government product ³	Total gross national product	Gross private product ¹			Gross government product ³
		Total	Farm ²	Non-farm			Total	Farm ²	Non-farm	
1929.....	104.4	100.1	9.8	90.3	4.3	193.8	181.9	15.4	166.5	11.9
1930.....	91.1	86.6	7.7	78.8	4.5	175.7	163.3	14.3	149.0	12.5
1931.....	76.3	71.6	6.2	65.4	4.7	162.7	150.0	16.6	133.5	12.7
1932.....	58.5	54.0	4.4	49.6	4.4	138.0	125.6	15.6	110.0	12.4
1933.....	56.0	51.3	4.6	46.7	4.7	134.9	121.3	15.2	106.1	13.6
1934.....	65.0	59.4	4.3	55.1	5.6	148.9	132.9	12.7	120.3	16.0
1935.....	72.5	66.6	6.9	59.6	5.9	164.0	146.9	15.5	131.4	17.1
1936.....	82.7	75.5	6.3	69.2	7.3	186.3	166.2	13.0	153.1	20.2
1937.....	90.8	83.9	8.1	75.8	6.9	197.0	178.2	16.9	161.3	18.8
1938.....	85.2	77.6	6.7	70.9	7.6	188.5	168.0	16.7	151.3	20.5
1939.....	91.1	83.5	6.5	77.0	7.6	203.5	182.9	16.6	166.4	20.6
1940.....	100.6	92.8	6.8	86.0	7.8	221.6	200.3	16.1	184.1	21.4
1941.....	125.8	116.4	9.4	107.0	9.4	256.8	230.7	17.4	213.2	26.2
1942.....	159.1	144.0	13.4	130.6	15.1	291.4	253.5	19.0	234.5	37.8
1943.....	192.5	167.0	15.3	151.7	25.6	323.9	265.2	17.5	247.7	58.7
1944.....	211.4	179.2	15.7	163.5	32.2	348.0	280.8	18.0	262.8	67.2
1945.....	213.6	178.4	16.2	162.2	35.2	340.1	274.5	16.9	257.7	65.5
1946.....	209.2	188.5	18.8	169.7	20.7	301.1	266.6	17.6	249.0	34.5
1947.....	232.2	215.6	20.6	195.0	16.7	300.5	274.0	16.3	257.7	26.5
1948.....	257.3	240.0	23.7	216.2	17.4	314.0	287.4	18.9	268.6	26.6
1949.....	257.3	238.0	20.1	217.8	19.3	313.3	285.4	18.0	267.5	27.8
1950.....	285.1	264.3	21.1	243.1	20.8	341.6	312.8	18.7	294.1	28.8
1951.....	328.2	301.0	24.6	276.4	27.2	367.6	331.8	17.5	314.3	35.8
1952.....	345.4	314.5	22.7	291.8	31.0	381.1	342.7	17.7	325.0	38.4
1953.....	363.2	331.5	21.0	310.5	31.7	397.0	358.8	18.4	340.4	38.2
1954.....	361.2	328.9	20.5	308.4	32.2	389.7	352.2	19.4	332.8	37.5
1955.....	391.7	357.8	19.9	337.9	33.9	417.4	380.0	20.2	359.8	37.4
1956.....	414.7	378.6	19.6	359.0	36.1	430.3	392.5	19.9	372.6	37.9
1957 ⁴	433.9	395.5	19.2	376.3	38.3	433.9	395.5	19.2	376.3	38.3

¹ Gross national product less compensation of general government employees, i. e., gross product accruing from domestic business, households, and institutions, and from the rest of the world.

² See *Survey of Current Business*, August 1954 and June 1957, for description of series and estimates in current and constant prices and implicit deflators for 1910-56.

³ Includes compensation of general government employees and excludes compensation of employees in government enterprises. Government enterprises are those agencies of government whose operating costs are at least to a substantial extent covered by the sale of goods and services, in contrast to the general activities of government which are financed mainly by tax revenues and debt creation. Government enterprises, in other words, conduct operations essentially commercial in character, even though they perform them under governmental auspices. The Post Office and public power systems are typical examples of government enterprises. On the other hand, State universities and public parks, where the fees and admissions cover only a nominal part of operating costs, are part of general government activities.

⁴ See Table F-2, footnote 1.

⁵ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Council of Economic Advisers.

TABLE F-4.—Gross national product or expenditure, in 1947 prices, 1929-57 ¹

(Billions of dollars, 1947 prices)

Period	Total gross national product	Personal consumption expenditures				Gross private domestic investment				Net foreign investment	Government purchases of goods and services			Gross private product ³
		Total	Durable goods	Non-durable goods	Services	Total	New construction	Producers' durable equipment	Change in business inventories		Total	Federal ²	State and local	
1929.....	149.3	107.3	13.0	58.1	36.2	26.8	16.1	8.5	2.1	1.6	13.6	2.3	11.2	142.3
1930.....	135.2	100.9	10.5	55.2	35.2	17.9	11.8	6.8	-.7	1.2	15.1	2.7	12.5	127.8
1931.....	126.6	98.0	9.1	55.0	33.9	12.0	8.3	4.6	-.9	.6	15.9	2.9	13.0	119.1
1932.....	107.6	88.9	6.9	50.7	31.4	3.3	4.6	2.7	-4.1	.3	15.1	3.0	12.1	100.3
1933.....	103.7	86.6	6.7	49.2	30.8	2.1	3.5	2.9	-4.2	.1	14.9	4.3	10.6	95.6
1934.....	113.4	91.5	7.6	52.5	31.4	4.3	3.9	3.9	-3.5	.5	17.2	5.7	11.6	103.9
1935.....	127.8	97.3	9.4	55.4	32.5	13.6	5.2	5.2	3.2	-.5	17.4	5.4	11.9	117.6
1936.....	142.5	107.6	11.6	61.8	34.3	15.2	7.3	7.1	.9	-.7	20.3	8.3	12.0	130.3
1937.....	153.5	111.5	12.2	63.8	35.5	22.5	8.7	8.1	5.7	-.2	19.7	7.8	11.8	142.1
1938.....	145.9	109.8	10.0	64.9	34.9	12.1	7.8	5.6	-1.2	1.9	22.1	9.6	12.5	133.6
1939.....	157.5	116.3	11.8	68.5	36.0	16.8	9.4	6.5	.8	1.6	22.8	9.0	13.8	145.0
1940.....	171.6	122.5	13.5	71.6	37.4	22.8	10.6	8.4	3.9	2.2	24.1	11.0	13.0	158.6
1941.....	198.2	130.9	15.6	76.4	38.9	28.9	11.8	9.8	7.3	1.1	37.3	25.1	12.2	181.7
1942.....	223.6	128.1	10.1	78.0	40.1	14.7	6.0	5.7	3.0	-1.1	81.8	70.8	11.0	198.7
1943.....	248.9	131.4	8.7	80.8	42.0	7.4	3.4	5.2	-1.2	-4.1	114.2	104.3	9.9	209.0
1944.....	268.2	135.9	7.9	84.3	43.7	9.2	3.6	6.9	-1.3	-4.0	127.1	117.4	9.7	222.0
1945.....	263.1	145.2	8.9	90.6	45.6	13.0	5.0	9.7	-1.6	-2.9	107.8	97.9	9.9	218.0
1946.....	233.8	162.4	17.2	95.4	49.8	32.4	12.3	12.3	7.8	5.0	34.0	22.7	11.2	211.2
1947.....	232.2	165.0	20.6	93.1	51.3	29.7	14.0	16.7	-1.0	8.9	28.6	15.8	12.8	215.6
1948.....	243.9	168.0	21.3	93.3	53.5	38.8	16.1	17.7	5.1	2.1	34.9	20.8	14.0	227.3
1949.....	241.5	172.3	22.4	94.7	55.2	28.1	15.8	15.7	-3.5	.8	40.3	24.3	16.0	224.0
1950.....	264.7	182.8	27.2	97.2	58.4	45.3	20.0	18.3	7.0	-1.1	37.7	20.5	17.3	246.6
1951.....	282.9	183.6	24.2	99.0	60.4	45.2	19.0	18.4	7.8	2.3	51.8	34.2	17.5	259.9
1952.....	293.7	189.3	23.9	102.4	63.0	39.3	18.8	18.3	2.2	1.7	63.4	45.6	17.8	268.9
1953.....	305.3	197.4	26.7	105.4	65.3	38.5	19.8	19.0	-.3	-.3	69.6	51.1	18.5	280.7
1954.....	301.3	200.9	26.9	106.3	67.6	37.9	21.4	17.6	-1.0	1.2	61.2	41.0	20.2	277.3
1955.....	322.8	215.4	32.2	111.9	71.3	46.6	24.7	18.1	3.8	1.3	59.4	37.8	21.6	299.0
1956.....	332.0	222.5	30.5	117.0	75.0	47.6	24.1	20.1	3.4	3.0	58.9	36.3	22.5	308.0
1957 ⁴	334.7	226.3	30.5	119.0	76.7	43.6	23.2	20.7	-.3	4.2	60.7	37.4	23.3	310.5

¹ See *National Income, 1954 Edition, A Supplement to the Survey of Current Business*, for explanation of conversion of estimates in current prices to those in 1947 prices. See Table F-5 for implicit deflators.

² Net of Government sales.

³ Gross national product less compensation of general government employees.

⁴ Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-5.—Implicit price deflators for gross national product, 1929-57

(Index numbers, 1947=100)

Year	Gross national product ¹	Personal consumption expenditures				Gross private domestic investment ¹				Government purchases of goods and services			Gross government product ²	Gross private product ³
		Total	Durable goods	Non-durable goods	Services	New construction			Producers' durable equipment	Total	Federal	State and local		
						Total	Residential non-farm	Other						
1929	70.0	73.6	70.7	64.8	88.6	53.9	52.6	54.9	68.5	62.4	56.0	63.8	61.5	70.4
1930	67.4	70.3	67.9	61.6	84.8	52.2	51.3	52.6	65.8	60.7	52.8	62.4	61.3	67.7
1931	60.3	62.6	60.6	52.6	79.3	47.7	46.7	48.4	62.3	57.9	53.2	58.9	62.0	60.2
1932	54.3	55.4	53.0	44.9	73.0	40.8	37.7	42.5	58.8	53.4	48.9	54.5	60.5	53.9
1933	54.0	53.6	52.0	45.3	67.2	40.6	37.5	42.4	55.7	54.0	47.3	56.7	58.3	53.6
1934	57.3	56.7	55.4	50.8	66.9	43.4	41.7	44.4	59.3	56.7	52.9	58.6	58.7	57.2
1935	56.7	57.8	54.5	52.9	67.2	44.2	41.1	47.0	59.1	57.5	53.8	59.2	58.3	56.6
1936	58.1	58.2	54.5	53.2	68.4	45.0	43.2	46.8	59.0	58.3	58.3	58.4	59.7	57.9
1937	59.2	60.3	56.9	55.1	70.8	50.4	47.6	52.8	63.3	59.6	58.0	60.6	61.0	59.0
1938	58.4	58.9	57.0	52.3	71.6	50.7	49.2	52.3	65.4	57.9	55.1	60.1	61.8	58.1
1939	57.9	58.1	56.5	51.3	71.6	50.6	49.9	51.5	64.0	58.3	57.3	59.0	61.2	57.6
1940	58.6	58.7	57.4	52.0	72.0	51.7	51.5	51.9	66.0	58.5	55.9	60.7	59.9	58.5
1941	63.5	62.6	61.9	56.6	74.5	56.0	56.3	55.6	70.6	66.3	67.3	64.3	57.2	64.1
1942	71.2	70.0	69.2	65.8	78.5	61.6	59.9	63.1	76.4	73.0	73.4	70.0	60.9	72.5
1943	77.3	76.5	76.2	73.4	82.7	69.2	65.2	71.9	77.2	77.6	77.9	74.8	64.1	79.9
1944	78.8	80.8	85.6	77.6	86.3	74.7	71.6	76.1	78.3	76.0	75.8	77.8	69.7	80.7
1945	81.2	83.8	90.6	80.8	88.5	76.8	77.0	76.8	79.3	76.9	76.4	81.8	77.9	81.8
1946	89.5	90.3	92.2	88.6	92.9	83.3	83.4	83.3	87.4	91.0	92.2	88.8	91.9	89.2
1947	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1948	105.5	105.7	104.3	105.9	105.9	111.4	112.0	110.9	108.1	104.9	100.8	110.8	104.5	105.6
1949	106.6	104.8	105.1	102.3	108.9	110.7	109.2	112.0	113.3	108.2	104.6	113.6	111.0	106.2
1950	107.7	106.2	105.1	103.3	111.4	113.9	113.8	113.9	115.7	111.3	108.0	115.3	115.0	107.2
1951	116.0	113.5	112.0	112.2	116.1	122.8	121.6	123.9	125.7	121.3	119.9	124.3	118.3	115.8
1952	117.6	115.3	111.3	113.4	120.0	125.9	124.9	126.9	126.4	122.3	119.0	130.6	124.7	117.0
1953	119.0	116.8	111.7	112.9	125.0	130.1	127.4	132.4	127.8	121.2	116.3	134.6	128.9	118.1
1954	119.9	117.7	109.0	113.4	128.1	129.7	125.9	133.4	128.1	125.2	119.2	137.3	134.1	118.6
1955	121.3	118.1	110.7	112.5	130.1	132.2	129.0	135.6	130.9	129.7	123.6	140.3	142.3	119.7
1956	124.9	120.1	111.3	113.9	133.2	138.0	133.1	142.4	139.6	136.3	129.9	146.6	150.2	122.9
1957 ⁴	129.6	123.9	114.9	117.6	137.4	142.9	135.1	149.4	147.3	142.5	135.1	154.4	158.1	127.4

¹ Separate deflators are not available for total gross private domestic investment, change in business inventories, and net foreign investment. For explanation of conversion of estimates in current prices to those in 1947 prices, see *National Income, 1954 Edition, A Supplement to the Survey of Current Business*.

² For definition, see footnote 3, Table F-3.

³ Gross national product less compensation of general government employees.

⁴ Preliminary estimates by Council of Economic Advisers.

Source: Department of Commerce (except as noted).

TABLE F-6.—*The Nation's income, expenditure, and saving, 1955-57*

[Billions of dollars]

Economic group	1955			1956			1957 ¹		
	Re- ceipts	Ex- pend- itures	Excess of re- ceipts or ex- pend- itures (-)	Re- ceipts	Ex- pend- itures	Excess of re- ceipts or ex- pend- itures (-)	Re- ceipts	Ex- pend- itures	Excess of re- ceipts or ex- pend- itures (-)
Consumers:									
Disposable personal income	270.2			287.2			300.0		
Personal consumption expendi- tures		254.4			267.2			280.4	
Personal net saving			15.8			20.0			19.6
Business:									
Gross retained earnings	39.8			40.9			44.0		
Gross private domestic invest- ment		60.6			65.9			63.6	
Excess of investment (-)			-20.8			-25.0			-19.6
International:									
Net foreign investment		-4			1.4			3.3	
Excess of receipts or invest- ment (-)			.4			-1.4			-3.3
Government (Federal, State, and local):									
Tax and nontax receipts or ac- cruals	101.1			109.0			115.7		
Less: Transfers, interest, and subsidies (net)		21.5			24.0			27.5	
Net receipts	79.6			85.0			88.2		
Total government expenditures		98.6			104.2			114.1	
Less: Transfers, interest, and subsidies (net)			21.5			24.0			27.5
Purchases of goods and serv- ices		77.1			80.2			86.6	
Surplus or deficit (-) on income and prod- uct account			2.6			4.8			1.7
Statistical discrepancy	2.1		2.1	1.6		1.6	1.7		1.7
GROSS NATIONAL PRODUCT	391.7	391.7		414.7	414.7		433.9	433.9	

¹ Preliminary; fourth quarter by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Based on the national income and product statistics of the Department of Commerce (except as noted).

TABLE F-7.—Personal consumption expenditures, 1929–57

[Billions of dollars]

Period	Total personal consumption expenditures	Durable goods				Nondurable goods				Services					
		Total	Automobiles and parts	Furniture and household equipment	Other	Total	Food excluding alcoholic beverages ¹	Clothing and shoes ²	Gasoline and oil	Other	Total	Housing ³	Household operation	Transportation	Other
1929.....	79.0	9.2	3.2	4.8	1.2	37.7	19.5	9.4	1.8	7.0	32.1	11.4	4.0	2.6	14.0
1930.....	71.0	7.2	2.2	3.9	1.1	34.0	18.0	8.0	1.7	6.3	29.8	11.0	3.9	2.2	12.7
1931.....	61.3	5.5	1.6	3.1	.9	28.9	14.7	6.9	1.5	5.7	26.9	10.3	3.5	1.9	11.2
1932.....	49.3	3.6	.9	2.1	.6	22.8	11.4	5.1	1.5	4.8	22.9	9.0	3.0	1.6	9.3
1933.....	46.4	3.5	1.1	1.9	.5	22.3	10.9	4.6	1.5	5.3	20.7	7.9	2.8	1.5	8.5
1934.....	51.9	4.2	1.4	2.2	.6	26.7	12.2	5.7	1.6	7.2	21.0	7.6	3.0	1.6	8.8
1935.....	56.3	5.1	1.9	2.6	.7	29.3	13.6	6.0	1.7	7.9	21.9	7.6	3.2	1.7	9.4
1936.....	62.6	6.3	2.3	3.2	.8	32.8	15.2	6.6	1.9	9.1	23.5	7.9	3.4	1.9	10.3
1937.....	67.3	6.9	2.4	3.6	1.0	35.2	16.4	6.8	2.1	9.8	25.1	8.4	3.7	2.0	11.1
1938.....	64.6	5.7	1.6	3.1	.9	34.0	15.6	6.8	2.1	9.5	25.0	8.8	3.6	1.9	10.7
1939.....	67.6	6.7	2.2	3.5	1.0	35.1	15.7	7.1	2.2	10.1	25.8	9.0	3.8	2.0	11.0
1940.....	71.9	7.8	2.7	3.9	1.1	37.2	16.7	7.4	2.3	10.8	26.9	9.3	4.0	2.1	11.4
1941.....	81.9	9.7	3.4	4.9	1.4	43.2	19.4	8.8	2.6	12.3	29.0	10.0	4.3	2.4	12.3
1942.....	89.7	7.0	.7	4.7	1.6	51.3	23.7	11.0	2.1	14.5	31.5	10.8	4.8	2.7	13.1
1943.....	100.5	6.6	.8	3.9	1.9	59.3	27.8	13.4	1.3	16.7	34.7	11.3	5.2	3.4	14.7
1944.....	109.8	6.8	.8	3.8	2.2	65.4	30.6	14.6	1.4	18.7	37.7	11.9	5.9	3.7	16.3
1945.....	121.7	8.1	1.0	4.6	2.5	73.2	34.1	16.5	1.8	20.8	40.4	12.4	6.4	4.0	17.5
1946.....	146.6	15.9	3.9	8.7	3.3	84.5	40.4	18.2	3.0	22.8	46.2	13.6	6.7	5.1	20.8
1947.....	165.0	20.6	6.3	11.0	3.4	93.1	45.6	18.8	3.6	25.1	51.3	15.4	7.4	5.5	23.0
1948.....	177.6	22.2	7.3	11.5	3.4	98.7	49.4	19.6	4.3	25.5	56.7	17.5	8.0	5.9	25.2
1949.....	180.6	23.6	9.5	10.9	3.2	96.9	48.8	18.5	4.7	24.9	60.1	19.4	8.5	5.8	26.4
1950.....	194.0	28.6	12.4	12.9	3.3	100.4	51.0	18.5	5.0	25.9	65.0	21.4	9.4	5.8	28.5
1951.....	208.3	27.1	10.9	12.7	3.5	111.1	58.3	19.8	5.5	27.4	70.1	23.4	10.3	6.4	30.0
1952.....	218.3	26.6	10.4	12.5	3.7	116.1	61.4	20.1	6.0	28.6	75.6	25.6	11.1	6.8	32.1
1953.....	230.5	29.8	13.2	12.8	3.9	119.1	63.0	19.9	6.6	29.6	81.7	27.6	12.0	7.3	34.8
1954.....	236.6	29.4	12.6	12.9	3.9	120.6	64.3	19.7	6.9	29.7	86.6	29.5	12.6	7.3	37.2
1955.....	254.4	35.6	17.2	14.2	4.2	126.0	66.9	20.6	7.5	31.0	92.8	31.1	14.1	7.5	40.1
1956.....	267.2	33.9	14.6	14.8	4.5	133.3	71.3	21.8	8.0	32.2	99.9	32.8	15.5	7.7	43.8
1957 ⁴	280.4	35.1	15.7	14.7	4.7	140.0	75.4	22.3	8.6	33.7	105.4	34.5	16.3	7.9	46.6
Seasonally adjusted annual rates															
1955: First quarter.....	247.4	34.7	16.8	13.9	4.1	122.4	64.8	19.9	7.3	30.4	90.2	30.5	13.5	7.4	38.7
Second quarter.....	252.1	35.3	16.9	14.1	4.2	124.8	66.3	20.6	7.5	30.4	92.0	30.9	13.8	7.4	39.8
Third quarter.....	258.3	37.2	18.5	14.5	4.2	127.4	68.0	20.8	7.6	31.0	93.7	31.3	14.3	7.5	40.6
Fourth quarter.....	259.9	35.4	16.5	14.4	4.4	129.2	68.6	21.3	7.7	31.6	95.3	31.7	14.8	7.6	41.2
1956: First quarter.....	262.8	34.6	15.4	14.7	4.5	130.9	69.9	21.0	7.9	32.1	97.2	32.1	15.2	7.7	42.2
Second quarter.....	265.0	33.3	13.8	15.0	4.5	132.7	70.8	21.7	8.0	32.2	99.0	32.6	15.5	7.7	43.2
Third quarter.....	268.6	33.0	13.7	14.7	4.6	134.4	71.9	22.3	8.0	32.2	101.1	33.2	15.7	7.7	44.6
Fourth quarter.....	272.3	34.8	15.3	14.9	4.6	135.3	72.7	22.2	8.3	32.1	102.2	33.5	15.8	7.8	45.1
1957: First quarter.....	276.7	35.9	16.3	14.9	4.7	137.3	74.0	21.9	8.5	32.9	103.4	33.9	16.0	7.8	45.7
Second quarter.....	278.9	35.0	15.5	14.9	4.6	139.1	75.5	22.0	8.7	32.9	104.9	34.3	16.2	7.9	46.5
Third quarter.....	283.6	35.0	15.3	14.9	4.8	142.5	76.6	23.1	8.7	34.0	106.1	34.7	16.4	7.9	47.1
Fourth quarter ⁴	282.5	34.5	15.6	14.1	4.8	141.0	76.1	22.1	8.7	34.1	107.0	35.0	16.6	8.0	47.4

¹ Quarterly data are estimates by Council of Economic Advisers.² Includes standard clothing issued to military personnel.³ Includes imputed rental value of owner-occupied dwellings.⁴ Preliminary; fourth quarter by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-8.—*Gross private domestic investment, 1929-57*

[Billions of dollars]

Period	Total gross private domestic investment	Nonfarm producers' plant and equipment			Farm equipment and construction			Residential construction (non-farm)	Other private construction	Net change in business inventories		
		Total ¹	Equipment ²	Construction ³	Total ⁴	Equipment	Construction			Total	Non-farm ⁵	Farm
1929.....	16.2	9.3	5.2	4.1	0.9	0.6	0.3	3.6	0.7	1.7	1.8	-0.2
1930.....	10.3	7.2	4.0	3.3	.7	.5	.2	2.1	.7	-.4	-.1	-.3
1931.....	5.5	4.4	2.6	1.8	.4	.3	.1	1.6	.5	-1.3	-1.6	.3
1932.....	.9	2.4	1.4	1.0	.2	.1	(?)	.6	.2	-2.6	-2.6	(?)
1933.....	1.4	2.2	1.5	.8	.2	.1	(?)	.5	.1	-1.6	-1.4	-.3
1934.....	2.9	2.9	2.1	.9	.3	.3	.1	.6	.1	-1.1	.2	-1.3
1935.....	6.3	3.7	2.7	1.0	.5	.4	.1	1.0	.1	.9	.4	.5
1936.....	8.4	5.0	3.6	1.4	.7	.5	.2	1.6	.2	1.0	2.1	-1.1
1937.....	11.7	6.5	4.5	2.1	.8	.6	.2	1.9	.2	2.2	1.7	.5
1938.....	6.7	4.7	3.1	1.5	.7	.5	.2	2.0	.3	-.9	-1.0	.1
1939.....	9.3	5.3	3.7	1.6	.7	.5	.2	2.7	.3	.4	.3	.1
1940.....	13.2	6.9	4.9	2.0	.8	.6	.2	3.0	.3	2.2	1.9	.3
1941.....	18.1	8.6	6.1	2.5	1.1	.8	.3	3.5	.3	4.5	4.0	.5
1942.....	9.9	5.3	3.7	1.6	.9	.7	.3	1.7	.2	1.8	.7	1.2
1943.....	5.6	4.6	3.5	1.1	.8	.6	.3	.9	.1	-.8	-.6	-.2
1944.....	7.1	6.2	4.7	1.5	1.0	.7	.3	.8	.1	-1.0	-.6	-.4
1945.....	10.4	9.2	6.9	2.3	1.0	.7	.3	1.1	.2	-1.1	-.6	-.5
1946.....	27.1	14.8	10.0	4.8	1.6	.7	.9	4.0	.6	6.1	6.4	-.2
1947.....	29.7	20.7	15.0	5.7	3.0	1.6	1.4	6.3	.7	-1.0	1.3	-2.3
1948.....	41.2	23.5	16.8	6.7	3.9	2.3	1.5	8.6	1.0	4.2	3.0	1.1
1949.....	32.5	21.7	15.3	6.4	4.0	2.5	1.5	8.3	1.3	-2.7	-1.9	-.9
1950.....	51.2	25.5	18.5	7.0	4.2	2.6	1.6	12.6	1.5	7.4	6.4	.9
1951.....	56.9	29.1	20.4	8.8	4.7	2.8	1.8	11.0	1.7	10.4	9.0	1.4
1952.....	49.8	29.6	20.5	9.1	4.5	2.6	1.9	11.1	1.6	3.0	2.1	.9
1953.....	50.3	31.9	21.6	10.3	4.4	2.7	1.7	11.9	1.8	.3	.9	-.6
1954.....	48.4	30.5	20.0	10.5	4.1	2.5	1.6	13.5	2.1	-1.9	-2.4	.5
1955.....	60.6	33.3	21.2	12.1	4.1	2.5	1.6	16.6	2.3	4.2	4.0	.3
1956.....	65.9	39.5	25.7	13.8	4.0	2.4	1.6	15.3	2.6	4.6	5.0	-.5
1957 ⁸	63.6	42.0	27.6	14.4	4.4	2.9	1.6	14.2	3.0	(?)	.3	-.3
Seasonally adjusted annual rates												
1955:												
First quarter....	55.6	30.2	18.9	11.4	4.0	2.4	1.6	16.3	2.3	2.7	2.2	.5
Second quarter....	59.7	31.9	20.0	11.9	4.1	2.5	1.6	16.8	2.4	4.6	4.2	.4
Third quarter....	61.4	34.7	22.5	12.3	4.3	2.7	1.6	16.7	2.3	3.3	3.1	.2
Fourth quarter....	65.4	36.4	23.5	12.9	4.0	2.4	1.6	16.4	2.3	6.3	6.3	.0
1956:												
First quarter....	64.4	37.6	24.2	13.4	3.6	2.1	1.6	15.7	2.3	5.2	5.4	-.3
Second quarter....	65.3	39.0	25.0	14.0	3.8	2.2	1.6	15.5	2.5	4.6	5.0	-.4
Third quarter....	65.5	40.3	26.4	13.9	4.2	2.6	1.6	15.1	2.6	3.3	3.9	-.6
Fourth quarter....	68.5	41.2	27.2	14.0	4.3	2.7	1.6	15.1	2.8	5.1	5.7	-.6
1957:												
First quarter....	62.7	42.0	27.9	14.1	4.3	2.8	1.5	14.4	2.9	-.8	-.3	-.5
Second quarter....	65.0	42.0	27.6	14.4	4.6	3.0	1.6	13.7	3.0	1.7	2.2	-.5
Third quarter....	65.5	42.1	27.7	14.4	4.4	2.8	1.6	14.0	3.0	2.0	2.3	-.3
Fourth quarter ⁸	61.0	42.0	27.2	14.8	4.4	2.8	1.6	14.5	3.1	-3.0	-3.0	(?)

¹ Items for nonfarm producers' plant and equipment are not comparable with those shown in Table F-28 principally because the latter exclude equipment and construction outlays charged to current expense and also investment by nonprofit organizations and professional persons.

² Total producers' durable equipment less farm machinery and equipment, and farmers' purchases of tractors and business motor vehicles.

³ Industrial buildings, public utilities, gas- and oil-well drilling, warehouses, office and loft buildings, stores, restaurants, and garages.

⁴ Farm construction (residential and nonresidential) plus farm machinery and equipment, and farmers' purchases of tractors and business motor vehicles. (See footnote 2.)

⁵ Includes religious, educational, social and recreational, hospital and institutional, miscellaneous non-residential, and all other private construction.

⁶ After inventory valuation adjustment.

⁷ Less than 50 million dollars.

⁸ Preliminary; fourth quarter by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-9.—National income by distributive shares, 1929-57

[Billions of dollars]

Period	Total national income ¹	Compensation of employees ²	Business and professional income and inventory valuation adjustment			Income of farm proprietors ³	Rental income of persons	Corporate profits and inventory valuation adjustment			Net interest
			Total	Income of unincorporated enterprises	Inventory valuation adjustment			Total	Corporate profits before taxes ⁴	Inventory valuation adjustment	
1929.....	87.8	51.1	8.8	8.6	0.1	6.0	5.4	10.1	9.6	0.5	6.4
1930.....	75.7	46.8	7.4	6.7	.8	4.1	4.8	6.6	3.3	3.3	6.0
1931.....	59.7	39.7	5.6	5.0	.6	3.2	3.8	1.6	-.8	2.4	5.8
1932.....	42.5	31.1	3.4	3.1	.3	1.9	2.7	-2.0	-3.0	1.0	5.4
1933.....	40.2	29.5	3.2	3.7	-.5	2.4	2.0	-2.0	.2	-2.1	5.0
1934.....	49.0	34.3	4.6	4.6	-1.1	2.4	1.7	1.1	1.7	-.6	4.9
1935.....	57.1	37.3	5.4	5.4	(⁵)	5.0	1.7	2.9	3.1	-.2	4.8
1936.....	64.9	42.9	6.5	6.6	-1.1	4.0	1.8	5.0	5.7	-.7	4.7
1937.....	73.6	47.9	7.1	7.1	(⁵)	5.6	2.1	6.2	6.2	(⁵)	4.7
1938.....	67.6	45.0	6.8	6.6	-.2	4.3	2.6	4.3	3.3	1.0	4.6
1939.....	72.8	48.1	7.3	7.5	-.2	4.3	2.7	5.7	6.4	-.7	4.6
1940.....	81.6	52.1	8.4	8.5	(⁵)	4.6	2.9	9.1	9.3	-.2	4.5
1941.....	104.7	64.8	10.9	11.5	-.6	6.5	3.5	14.5	17.0	-2.5	4.5
1942.....	137.7	85.3	13.9	14.3	-.4	10.0	4.5	19.7	20.9	-1.2	4.3
1943.....	170.3	109.6	16.8	17.0	-.2	11.4	5.1	23.8	24.6	-.8	3.7
1944.....	182.6	121.3	18.0	18.1	-1.1	11.5	5.4	23.0	23.3	-.3	3.3
1945.....	181.2	123.2	19.0	19.1	-1.1	11.8	5.6	18.4	19.0	-.6	3.2
1946.....	179.6	117.7	21.3	23.0	-1.7	13.9	6.2	17.3	22.6	-5.3	3.1
1947.....	197.2	128.8	19.9	21.4	-1.5	14.5	6.5	23.6	29.5	-5.9	3.8
1948.....	221.6	140.9	21.6	22.1	-.4	16.7	7.2	30.6	32.8	-2.2	4.5
1949.....	216.2	140.9	21.4	21.0	.5	12.7	7.9	28.1	26.2	1.9	5.2
1950.....	240.0	154.3	22.9	24.0	-1.1	13.3	8.5	35.1	40.0	-4.9	5.9
1951.....	277.0	180.4	24.8	25.1	-.3	16.0	9.1	39.9	41.2	-1.3	6.8
1952.....	290.2	195.1	25.7	25.5	.2	15.1	9.9	36.9	35.9	1.0	7.4
1953.....	302.1	208.1	25.9	26.1	-.2	13.3	10.2	36.0	37.0	-1.0	8.7
1954.....	299.0	206.8	25.9	25.9	-1.1	12.7	10.6	33.1	33.5	-.3	9.8
1955.....	324.1	223.1	27.3	27.6	-.3	11.9	10.2	40.7	42.5	-1.7	10.9
1956.....	343.6	241.4	28.0	28.6	-.6	11.6	10.3	40.4	43.0	-2.6	11.9
1957 ⁶	358.5	254.3	28.7	28.9	-.3	11.6	10.4	40.6	42.0	-1.4	12.9
Seasonally adjusted annual rates											
1955: First quarter.....	311.4	214.0	26.7	26.8	-1.1	11.7	10.4	38.2	39.4	-1.2	10.5
Second quarter.....	321.5	221.3	27.3	27.6	-.3	12.1	10.2	39.9	40.7	-.9	10.7
Third quarter.....	328.3	226.1	27.6	27.9	-.2	11.9	10.1	41.6	43.6	-2.0	11.0
Fourth quarter.....	334.9	230.8	27.8	28.1	-.4	11.7	10.1	43.2	46.1	-2.9	11.3
1956: First quarter.....	335.8	234.5	27.7	28.3	-.6	11.4	10.2	40.5	43.3	-2.8	11.5
Second quarter.....	340.6	240.0	28.0	28.7	-.7	11.5	10.3	39.1	42.4	-3.2	11.7
Third quarter.....	344.5	242.7	28.2	28.5	-.4	11.5	10.4	39.8	40.8	-1.0	12.0
Fourth quarter.....	353.3	247.9	28.3	28.8	-.6	12.0	10.4	42.4	45.6	-3.2	12.3
1957: First quarter.....	355.1	251.1	28.4	28.9	-.5	11.5	10.4	41.2	43.9	-2.7	12.5
Second quarter.....	358.1	254.0	28.7	29.0	-.3	11.7	10.4	40.7	42.0	-1.3	12.7
Third quarter.....	362.2	257.0	29.1	29.2	-1.1	11.8	10.4	40.9	41.8	-.9	13.0
Fourth quarter ⁶	(⁷)	255.0	28.5	28.8	-.3	11.5	10.4	(⁷)	(⁷)	(⁷)	13.3

¹ National income is the total net income earned in production. It differs from gross national product mainly in that it excludes depreciation charges and other allowances for business and institutional consumption of durable capital goods, and indirect business taxes. See Table F-10.

² Wages and salaries and supplements to wages and salaries (employer contributions for social insurance; employer contributions to private pension, health, and welfare funds; compensation for injuries; directors' fees; pay of the military reserve; and a few other minor items).

³ Excludes income resulting from net reductions of farm inventories and gives credit in computing income to net additions to farm inventories during the period.

⁴ See Table F-56 for corporate tax liability (Federal and State income and excess profits taxes) and corporate profits after taxes.

⁵ Less than 50 million dollars.

⁶ Preliminary; fourth quarter by Council of Economic Advisers.

⁷ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-10.—*Relation of gross national product and national income, 1929-57*

[Billions of dollars]

Period	Gross national product	Less: Capital consumption allowances			Equals: Net national product	Plus: Subsidies less current surplus of government enterprises	Less:					Equals: National income
		Total	Depreciation charges	Other ¹			Indirect business tax			Business transfer payments	Statistical discrepancy	
							Total	Federal	State and local			
1929.....	104.4	8.6	7.7	0.9	95.8	-0.1	7.0	1.2	5.8	0.6	0.3	87.8
1930.....	91.1	8.5	7.7	.8	82.6	-1	7.2	1.0	6.1	.5	-1.0	75.7
1931.....	76.3	8.2	7.6	.6	68.1	(2)	6.9	.9	6.0	.6	.8	59.7
1932.....	58.5	7.6	7.0	.6	50.9	(2)	6.8	.9	5.8	.7	.8	42.5
1933.....	56.0	7.2	6.7	.5	48.8	(2)	7.1	1.6	5.4	.7	.9	40.2
1934.....	65.0	7.1	6.6	.5	57.9	.3	7.8	2.2	5.6	.6	.7	49.0
1935.....	72.5	7.2	6.7	.6	65.3	.4	8.2	2.2	6.0	.6	-.2	57.1
1936.....	82.7	7.5	6.7	.8	75.2	(2)	8.7	2.3	6.4	.6	1.1	64.9
1937.....	90.8	7.7	6.9	.8	83.0	.1	9.2	2.4	6.8	.6	-.2	73.6
1938.....	85.2	7.8	6.9	.8	77.4	.2	9.2	2.2	6.9	.4	.5	67.6
1939.....	91.1	7.8	7.1	.7	83.3	.5	9.4	2.3	7.0	.5	1.2	72.8
1940.....	100.6	8.1	7.3	.8	92.5	.4	10.0	2.6	7.4	.4	.8	81.6
1941.....	125.8	9.0	8.1	1.0	116.8	.1	11.3	3.6	7.7	.5	.4	104.7
1942.....	159.1	10.2	9.2	1.0	149.0	.2	11.8	4.0	7.7	.5	-.8	137.7
1943.....	192.5	10.9	9.9	1.0	181.6	.2	12.7	4.9	7.8	.5	-1.7	170.3
1944.....	211.4	12.0	10.8	1.2	199.4	.7	14.1	6.2	8.0	.5	2.8	182.6
1945.....	213.6	12.5	11.2	1.3	201.0	.8	15.5	7.1	8.4	.5	4.5	181.2
1946.....	209.2	11.7	10.0	1.7	197.6	.8	17.3	7.9	9.5	.6	.9	179.6
1947.....	232.2	14.1	12.2	2.0	218.1	-2	18.7	7.9	10.8	.7	1.4	197.2
1948.....	257.3	16.5	14.3	2.2	240.8	-2	20.4	8.1	12.3	.7	-2.1	221.6
1949.....	257.3	18.4	16.4	2.1	238.9	-2	21.6	8.2	13.5	.8	.1	216.2
1950.....	285.1	20.5	18.0	2.5	264.6	.2	23.7	9.0	14.7	.8	.2	240.0
1951.....	328.2	23.5	20.3	3.1	304.8	.2	25.6	9.5	16.1	1.0	1.3	277.0
1952.....	345.4	23.9	21.0	2.9	321.6	-1	28.1	10.5	17.6	1.2	2.0	290.2
1953.....	363.2	26.5	23.3	3.2	336.7	-4	30.2	11.2	19.0	1.4	2.6	302.1
1954.....	361.2	28.9	25.6	3.3	332.2	-2	30.1	10.1	20.1	1.3	1.7	299.0
1955.....	391.7	31.6	28.1	3.5	360.1	.2	32.9	11.0	21.8	1.3	2.1	324.1
1956.....	414.7	34.3	30.6	3.7	380.4	1.1	35.0	11.6	23.4	1.3	1.6	343.6
1957 ²	433.9	37.1	33.3	3.8	396.8	1.6	36.9	12.3	24.6	1.3	1.7	358.5
Seasonally adjusted annual rates												
1955:												
First quarter.....	379.0	30.6	(*)	(*)	348.4	.1	31.5	10.6	20.9	1.3	4.4	311.4
Second quarter.....	387.7	31.4	(*)	(*)	356.3	.7	32.8	11.3	21.5	1.3	1.4	321.5
Third quarter.....	397.0	32.0	(*)	(*)	365.0	0	33.2	11.0	22.2	1.3	2.3	328.3
Fourth quarter.....	402.8	32.6	(*)	(*)	370.2	.1	34.0	11.3	22.7	1.3	.1	334.9
1956:												
First quarter.....	405.2	33.3	(*)	(*)	371.9	.8	34.1	11.1	23.0	1.3	1.5	335.8
Second quarter.....	410.8	33.9	(*)	(*)	376.9	1.0	34.7	11.3	23.4	1.3	1.3	340.6
Third quarter.....	416.7	34.6	(*)	(*)	382.1	1.1	35.1	11.5	23.6	1.3	2.3	344.5
Fourth quarter.....	426.0	35.3	(*)	(*)	390.7	1.6	36.1	12.3	23.8	1.3	1.6	353.3
1957:												
First quarter.....	429.1	36.1	(*)	(*)	393.0	1.4	36.4	12.2	24.2	1.3	1.6	355.1
Second quarter.....	434.3	36.6	(*)	(*)	397.7	1.6	36.6	12.1	24.5	1.3	3.3	358.1
Third quarter.....	439.0	37.4	(*)	(*)	401.6	1.7	37.1	12.3	24.8	1.3	2.7	362.2
Fourth quarter ³	433.0	38.2	(*)	(*)	394.8	1.7	37.4	12.3	25.1	1.3	(*)	(*)

¹ Accidental damage to fixed capital and capital outlays charged to current account.² Less than 50 million dollars.³ Preliminary; fourth quarter by Council of Economic Advisers.⁴ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-11.—*Relation of national income and personal income, 1929-57*

[Billions of dollars]

Period	National income	Less:			Plus:				Equals: Personal income
		Corporate profits and inventory valuation adjustment	Contributions for social insurance	Excess of wage accruals over disbursements	Government transfer payments	Net interest paid by government	Dividends	Business transfer payments	
1929.....	87.8	10.1	0.2	-----	0.9	1.0	5.8	0.6	85.8
1930.....	75.7	6.6	.3	-----	1.0	1.0	5.5	.5	76.9
1931.....	59.7	1.6	.3	-----	2.1	1.1	4.1	.6	65.7
1932.....	42.5	-2.0	.3	-----	1.4	1.1	2.6	.7	50.1
1933.....	40.2	-2.0	.3	-----	1.5	1.2	2.1	.7	47.2
1934.....	49.0	1.1	.3	-----	1.6	1.2	2.6	.6	53.6
1935.....	57.1	2.9	.3	-----	1.8	1.1	2.9	.6	60.2
1936.....	64.9	5.0	.6	-----	2.9	1.1	4.5	.6	68.5
1937.....	73.6	6.2	1.8	-----	1.9	1.2	4.7	.6	73.9
1938.....	67.6	4.3	2.0	-----	2.4	1.2	3.2	.4	68.6
1939.....	72.8	5.7	2.1	-----	2.5	1.2	3.8	.5	72.9
1940.....	81.6	9.1	2.3	-----	2.7	1.3	4.0	.4	78.7
1941.....	104.7	14.5	2.8	-----	2.6	1.3	4.5	.5	96.3
1942.....	137.7	19.7	3.5	-----	2.6	1.5	4.3	.5	123.5
1943.....	170.3	23.8	4.5	0.2	2.5	2.1	4.5	.5	151.4
1944.....	182.6	23.0	5.2	- .2	3.1	2.8	4.7	.5	165.7
1945.....	181.2	18.4	6.1	-----	5.6	3.7	4.7	.5	171.2
1946.....	179.6	17.3	6.0	-----	10.9	4.5	5.8	.6	178.0
1947.....	197.2	23.6	5.7	-----	11.1	4.4	6.5	.7	190.5
1948.....	221.6	30.6	5.2	-----	10.5	4.4	7.2	.7	208.7
1949.....	216.2	28.1	5.7	-----	11.6	4.6	7.5	.8	206.8
1950.....	240.0	35.1	6.9	-----	14.3	4.7	9.2	.8	227.0
1951.....	277.0	39.9	8.2	.1	11.6	4.8	9.1	1.0	255.3
1952.....	290.2	36.9	8.6	-----	12.0	4.9	9.0	1.2	271.8
1953.....	302.1	36.0	8.7	- .1	12.9	5.0	9.3	1.4	286.0
1954.....	299.0	33.1	9.7	-----	15.0	5.2	9.9	1.3	287.4
1955.....	324.1	40.7	11.0	-----	16.1	5.2	11.0	1.3	305.9
1956.....	343.6	40.4	12.4	-----	17.2	5.7	11.9	1.3	326.9
1957 ¹	358.5	40.6	14.4	-----	19.9	6.0	12.3	1.3	342.9
Seasonally adjusted annual rates									
1955: First quarter.....	311.4	38.2	10.6	.1	15.7	5.2	10.2	1.3	294.8
Second quarter.....	321.5	39.9	10.8	.5	16.1	5.1	10.4	1.3	303.3
Third quarter.....	328.3	41.6	11.3	- .6	16.1	5.2	10.8	1.3	309.4
Fourth quarter.....	334.9	43.2	11.4	-----	16.2	5.3	12.0	1.3	315.2
1956: First quarter.....	335.8	40.5	12.0	-----	16.6	5.5	11.7	1.3	318.5
Second quarter.....	340.6	39.1	12.2	-----	17.1	5.7	12.0	1.3	325.3
Third quarter.....	344.5	39.8	12.5	-----	17.4	5.8	12.1	1.3	328.7
Fourth quarter.....	353.3	42.4	12.8	-----	17.7	5.9	11.5	1.3	334.5
1957: First quarter.....	355.1	41.2	14.2	-----	18.4	6.0	12.4	1.3	337.7
Second quarter.....	358.1	40.7	14.3	-----	20.0	6.0	12.5	1.3	342.8
Third quarter.....	362.2	40.9	14.6	-----	20.0	6.0	12.6	1.3	346.5
Fourth quarter ¹	(2)	(2)	14.5	-----	21.3	6.1	11.7	1.3	344.5

¹ Preliminary; fourth quarter by Council of Economic Advisers.² Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-12.—*Sources of personal income, 1929-57*

(Billions of dollars)

Period	Total personal income	Labor income (wage and salary disbursements and other labor income) ¹	Proprietors' income ²		Rental income of persons	Dividends	Personal interest income	Transfer payments	Less: Personal contributions for social insurance	Non-agricultural personal income ³
			Farm	Business and professional						
1929.....	85.8	51.0	6.0	8.8	5.4	5.8	7.4	1.5	0.1	77.7
1930.....	76.9	46.7	4.1	7.4	4.8	5.5	6.9	1.5	.1	70.8
1931.....	65.7	39.6	3.2	5.6	3.8	4.1	6.9	2.7	.2	60.9
1932.....	50.1	30.9	1.9	3.4	2.7	2.6	6.6	2.2	.2	46.9
1933.....	47.2	29.4	2.4	3.2	2.0	2.1	6.2	2.1	.2	43.6
1934.....	53.6	34.1	2.4	4.6	1.7	2.6	6.1	2.2	.2	49.8
1935.....	60.2	37.2	5.0	5.4	1.7	2.9	5.9	2.4	.2	53.9
1936.....	68.5	42.5	4.0	6.5	1.8	4.5	5.8	3.5	.2	63.2
1937.....	73.9	46.7	5.6	7.1	2.1	4.7	5.9	2.4	.6	67.0
1938.....	68.6	43.6	4.3	6.8	2.6	3.2	5.8	2.8	.6	62.8
1939.....	72.9	46.6	4.3	7.3	2.7	3.8	5.8	3.0	.6	67.1
1940.....	78.7	50.5	4.6	8.4	2.9	4.0	5.8	3.1	.7	72.6
1941.....	96.3	62.8	6.5	10.9	3.5	4.5	5.8	3.1	.8	88.0
1942.....	123.5	83.0	10.0	13.9	4.5	4.3	5.8	3.1	1.2	111.5
1943.....	151.4	106.7	11.4	16.8	5.1	4.5	5.8	3.0	1.8	137.6
1944.....	165.7	118.5	11.5	18.0	5.4	4.7	6.2	3.6	2.2	151.6
1945.....	171.2	119.4	11.8	19.0	5.6	4.7	6.9	6.2	2.3	156.8
1946.....	178.0	113.8	13.9	21.3	6.2	5.8	7.6	11.4	2.0	161.1
1947.....	190.5	125.2	14.5	19.9	6.5	6.5	8.2	11.8	2.1	172.8
1948.....	208.7	137.9	16.7	21.6	7.2	7.2	9.0	11.3	2.2	188.5
1949.....	206.8	137.4	12.7	21.4	7.9	7.5	9.8	12.4	2.2	190.8
1950.....	227.0	150.3	13.3	22.9	8.5	9.2	10.6	15.1	2.9	210.5
1951.....	255.3	175.6	16.0	24.8	9.1	9.1	11.6	12.6	3.4	235.7
1952.....	271.8	190.3	15.1	25.7	9.9	9.0	12.3	13.2	3.8	253.1
1953.....	286.0	203.4	13.3	25.9	10.2	9.3	13.7	14.3	3.9	269.2
1954.....	287.4	201.7	12.7	25.9	10.6	9.9	15.0	16.2	4.6	271.3
1955.....	305.9	217.3	11.9	27.3	10.2	11.0	16.1	17.4	5.2	290.6
1956.....	326.9	234.8	11.6	28.0	10.3	11.9	17.6	18.5	5.7	311.7
1957 ⁴	342.9	246.6	11.6	28.7	10.4	12.3	18.8	21.2	6.8	327.6
Seasonally adjusted annual rates										
1955: First quarter.....	294.8	208.3	11.7	26.7	10.4	10.2	15.6	17.0	5.0	279.7
Second quarter.....	303.3	215.2	12.1	27.3	10.2	10.4	15.8	17.4	5.1	287.7
Third quarter.....	309.4	220.7	11.9	27.6	10.1	10.8	16.2	17.4	5.3	294.0
Fourth quarter.....	315.2	224.7	11.7	27.8	10.1	12.0	16.7	17.5	5.3	300.0
1956: First quarter.....	318.5	228.2	11.4	27.7	10.2	11.7	17.0	17.9	5.6	303.4
Second quarter.....	325.3	233.6	11.5	28.0	10.3	12.0	17.4	18.4	5.7	310.2
Third quarter.....	328.7	235.9	11.5	28.2	10.4	12.1	17.8	18.7	5.7	313.6
Fourth quarter.....	334.5	241.0	12.0	28.3	10.4	11.5	18.2	18.9	5.9	318.9
1957: First quarter.....	337.7	243.6	11.5	28.4	10.4	12.4	18.5	19.7	6.7	322.6
Second quarter.....	342.8	246.4	11.7	28.7	10.4	12.5	18.7	21.3	6.8	327.4
Third quarter.....	346.5	249.2	11.8	29.1	10.4	12.6	19.0	21.3	6.9	331.0
Fourth quarter ⁴	344.5	247.3	11.5	28.5	10.4	11.7	19.3	22.6	6.8	329.4

¹ The total of wage and salary disbursements and other labor income differs from compensation of employees in Table F-9 in that it excludes employer contributions for social insurance and excludes the excess of wage accruals over wage disbursements.

² Excludes income resulting from net reductions of inventories and gives credit in computing income to net additions to inventories during the period.

³ Nonagricultural income is personal income exclusive of net income of unincorporated farm enterprises, farm wages, agricultural net interest, and net dividends paid by agricultural corporations.

⁴ Preliminary; fourth quarter by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-13.—Disposition of personal income, 1929–57

Period	Personal income	Less: Personal taxes ¹	Equals: Disposable personal income	Less: Personal consumption expenditures	Equals: Personal saving	Saving as percent of disposable personal income (percent) ²
Billions of dollars						
1929.....	85.8	2.6	83.1	79.0	4.2	5.0
1930.....	76.9	2.5	74.4	71.0	3.4	4.6
1931.....	65.7	1.9	63.8	61.3	2.5	3.9
1932.....	50.1	1.5	48.7	49.3	-.6	-1.3
1933.....	47.2	1.5	45.7	46.4	-.6	-1.4
1934.....	53.6	1.6	52.0	51.9	.1	.2
1935.....	60.2	1.9	58.3	56.3	2.0	3.5
1936.....	68.5	2.3	66.2	62.6	3.6	5.4
1937.....	73.9	2.9	71.0	67.3	3.7	5.3
1938.....	68.6	2.9	65.7	64.6	1.1	1.6
1939.....	72.9	2.4	70.4	67.6	2.9	4.1
1940.....	78.7	2.6	76.1	71.9	4.2	5.5
1941.....	96.3	3.3	93.0	81.9	11.1	11.9
1942.....	123.5	6.0	117.5	89.7	27.8	23.6
1943.....	151.4	17.8	133.5	100.5	33.0	24.7
1944.....	165.7	18.9	146.8	109.8	36.9	25.2
1945.....	171.2	20.9	150.4	121.7	28.7	19.1
1946.....	178.0	18.8	159.2	146.6	12.6	7.9
1947.....	190.5	21.5	169.0	165.0	4.0	2.4
1948.....	208.7	21.1	187.6	177.6	10.0	5.3
1949.....	206.8	18.7	188.2	180.6	7.6	4.0
1950.....	227.0	20.9	206.1	194.0	12.1	5.9
1951.....	255.3	29.3	226.1	208.3	17.7	7.8
1952.....	271.8	34.4	237.4	218.3	19.0	8.0
1953.....	286.0	35.8	250.2	230.5	19.7	7.9
1954.....	287.4	33.0	254.5	236.6	17.9	7.0
1955.....	305.9	35.8	270.2	254.4	15.8	5.8
1956.....	326.9	39.7	287.2	267.2	20.0	7.0
1957 ³	342.9	43.0	300.0	280.4	19.6	6.5
Seasonally adjusted annual rates						
1955: First quarter.....	294.8	34.7	260.1	247.4	12.7	4.9
Second quarter.....	303.3	35.5	267.8	252.1	15.7	5.9
Third quarter.....	309.4	36.2	273.2	258.3	14.9	5.5
Fourth quarter.....	315.2	36.6	278.6	259.9	18.7	6.7
1956: First quarter.....	318.5	38.9	279.6	262.8	16.8	6.0
Second quarter.....	325.3	39.5	285.8	265.0	20.8	7.3
Third quarter.....	328.7	39.8	288.8	268.6	20.3	7.0
Fourth quarter.....	334.5	40.5	294.0	272.3	21.7	7.4
1957: First quarter.....	337.7	42.2	295.5	276.7	18.9	6.4
Second quarter.....	342.8	42.9	299.9	278.9	21.0	7.0
Third quarter.....	346.5	43.6	302.9	283.6	19.3	6.4
Fourth quarter ³	344.5	43.5	301.0	282.5	18.5	6.1

¹ Includes also such items as fines, penalties, and donations.

² Annual percentages are based on data in millions of dollars, and may therefore differ slightly from percentages computed on the basis of figures shown in this table.

³ Preliminary; fourth quarter by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-14.—*Total and per capita disposable personal income and personal consumption expenditures, in current and 1957 prices, 1929-57*

Period	Total disposable personal income (billions of dollars)		Per capita disposable personal income (dollars)		Total personal consumption expenditures (billions of dollars)		Per capita personal consumption expenditures (dollars)		Population (thousands) ²
	Current prices	1957 prices ¹	Current prices	1957 prices ¹	Current prices	1957 prices ¹	Current prices	1957 prices ¹	
1929.....	83.1	136.0	682	1,116	79.0	129.2	648	1,061	121,875
1930.....	74.4	125.0	604	1,015	71.0	119.3	576	968	123,188
1931.....	63.8	117.8	514	948	61.3	113.2	494	911	124,149
1932.....	48.7	99.9	389	799	49.3	101.2	395	811	124,949
1933.....	45.7	99.2	364	790	46.4	100.6	369	800	125,690
1934.....	52.0	109.0	411	862	51.9	108.8	410	860	126,485
1935.....	58.3	119.3	458	937	56.3	115.1	442	904	127,362
1936.....	66.2	134.1	517	1,047	62.6	126.8	488	988	128,181
1937.....	71.0	138.7	551	1,076	67.3	131.4	522	1,020	128,961
1938.....	65.7	130.9	505	1,006	64.6	128.8	497	990	129,969
1939.....	70.4	142.3	538	1,087	67.6	136.5	516	1,042	131,028
1940.....	76.1	152.5	576	1,154	71.9	144.0	544	1,090	132,122
1941.....	93.0	177.4	697	1,330	81.9	156.2	614	1,172	133,402
1942.....	117.5	202.3	871	1,499	89.7	154.5	665	1,145	134,860
1943.....	133.5	216.4	977	1,583	100.5	163.0	735	1,191	136,739
1944.....	146.8	234.1	1,060	1,691	109.8	175.2	794	1,266	138,397
1945.....	150.4	234.6	1,075	1,677	121.7	189.9	870	1,357	139,928
1946.....	159.2	229.0	1,126	1,620	146.6	211.0	1,037	1,492	141,389
1947.....	169.0	212.3	1,173	1,474	165.0	207.3	1,145	1,438	144,126
1948.....	187.6	218.9	1,279	1,492	177.6	207.2	1,211	1,413	146,631
1949.....	188.2	221.9	1,261	1,487	180.6	213.0	1,211	1,428	149,188
1950.....	206.1	240.5	1,359	1,586	194.0	226.4	1,279	1,492	151,683
1951.....	226.1	244.4	1,465	1,584	208.3	225.2	1,350	1,459	154,360
1952.....	237.4	250.9	1,512	1,598	218.3	230.8	1,390	1,469	157,028
1953.....	250.2	262.6	1,568	1,645	230.5	241.9	1,444	1,515	159,636
1954.....	254.5	265.9	1,567	1,637	236.6	247.2	1,456	1,521	162,417
1955.....	270.2	283.2	1,635	1,714	254.4	266.7	1,539	1,613	165,270
1956.....	287.2	296.7	1,708	1,764	267.2	276.0	1,589	1,642	168,174
1957 ³	300.0	300.0	1,752	1,752	280.4	280.4	1,638	1,638	171,229
Seasonally adjusted annual rates									
1955: First quarter.....	260.1	273.2	1,583	1,663	247.4	259.9	1,506	1,582	164,288
Second quarter.....	267.8	281.3	1,624	1,706	252.1	264.8	1,528	1,605	164,934
Third quarter.....	273.2	285.8	1,649	1,725	258.3	270.2	1,559	1,631	165,662
Fourth quarter.....	278.6	290.8	1,674	1,747	259.9	271.3	1,561	1,629	166,452
1956: First quarter.....	279.6	292.8	1,673	1,752	262.8	275.2	1,572	1,646	167,150
Second quarter.....	285.8	297.1	1,703	1,770	265.0	275.5	1,579	1,641	167,824
Third quarter.....	288.8	296.2	1,713	1,757	268.6	275.5	1,593	1,634	168,594
Fourth quarter.....	294.0	299.4	1,735	1,767	272.3	277.3	1,607	1,636	169,416
1957: First quarter.....	295.5	299.1	1,737	1,758	276.7	280.1	1,626	1,646	170,158
Second quarter.....	299.9	300.5	1,755	1,759	278.9	279.5	1,632	1,635	170,859
Third quarter.....	302.9	300.5	1,765	1,751	283.6	281.3	1,652	1,639	171,650
Fourth quarter ³	301.0	297.4	1,746	1,725	282.5	279.2	1,638	1,619	172,440

¹ Dollar estimates in current prices divided by the consumer price index on a 1957 base. Personal consumption expenditures in this table therefore differ from the data in Table F-2.

² Population of the continental United States including armed forces overseas. Annual data are for July 1; quarterly data are for middle of period.

³ Preliminary; fourth quarter by Council of Economic Advisers.

NOTE.—Annual figures for total income and expenditures in 1957 prices and for per capita income and expenditures in current prices are computed from data in millions of dollars.

Sources: Department of Commerce, Department of Labor, and Council of Economic Advisers.

TABLE F-15.—*Financial saving by individuals, 1939-57*¹

[Billions of dollars]

Period	Total	Cur- rency and bank de- posits ²	Sav- ings and loan asso- cia- tions	Securities				Private in- surance and pension reserves		Gov- ern- ment in- surance and pen- sion re- serves	Less: Increase in debt		
				Total ³	U. S. sav- ings bonds	Other gov- ern- ment ⁴	Cor- porate and other	Insur- ance	Pen- sion		Mort- gage debt ⁵	Con- sumer debt ⁶	
Old series ¹													
1939.....	4.25	3.00	0.04	-0.53	0.66	-0.83	-0.36	1.72	(?)	1.30	0.50	0.78	
1940.....	4.24	2.88	.20	-.17	.86	-.81	-.22	1.85	(?)	1.30	.84	.97	
1941.....	10.52	4.80	.36	2.83	2.75	.44	-.36	2.14	(?)	1.86	.82	.66	
1942.....	29.30	10.95	.26	10.25	7.98	2.17	.09	2.49	(?)	2.55	.09	-2.89	
1943.....	38.71	16.18	.55	13.83	11.14	2.88	-.20	2.85	(?)	3.92	-.38	-1.01	
1944.....	41.41	17.55	.81	14.96	11.80	3.89	-.73	3.21	(?)	4.96	-.06	.14	
1945.....	37.39	19.06	1.06	9.36	6.85	3.43	-.92	3.46	(?)	5.14	.20	.48	
1946.....	13.74	10.56	1.18	.89	.90	-.65	.65	3.42	(?)	3.55	3.60	2.28	
1947.....	6.67	2.01	1.20	3.51	1.78	.89	.84	3.64	(?)	3.49	4.46	2.73	
1948.....	2.99	-1.84	1.21	3.22	2.13	-.43	1.52	3.75	(?)	3.57	4.61	2.31	
1949.....	2.86	-1.46	1.51	3.03	1.53	.52	.98	3.71	(?)	2.34	3.87	2.40	
1950.....	1.80	3.62	1.51	2.04	.55	.12	1.36	3.92	(?)	1.09	7.16	3.22	
1951.....	10.88	5.95	2.10	2.05	-.47	-.07	2.59	4.06	(?)	4.24	6.58	.94	
New series ¹													
1951 ¹	10.90	6.05	2.07	.71	-.47	-.34	1.53	3.11	2.30	4.24	6.60	.99	
1952.....	12.95	7.15	3.05	2.71	.09	.83	1.79	3.78	2.73	4.40	6.52	4.36	
1953.....	10.67	4.97	3.64	3.02	.20	1.74	1.09	3.92	2.84	3.24	7.30	3.65	
1954.....	9.02	5.44	4.45	-.69	.60	-1.20	-.08	4.21	3.11	2.63	9.17	.96	
1955.....	7.40	4.44	4.76	5.66	.27	3.24	2.15	4.20	3.35	3.09	12.01	6.09	
1956.....	14.41	4.71	5.08	6.72	-.10	3.80	3.02	4.28	3.61	3.68	10.59	3.08	
1955: First quarter...	2.00	-.55	1.12	1.67	.20	1.10	.37	1.07	.84	.45	2.72	-.12	
Second quarter...	-.66	-.25	1.42	1.14	.02	.84	.28	.85	.84	1.00	3.33	2.32	
Third quarter...	3.42	3.22	.67	1.79	-.01	1.19	.61	1.15	.84	.98	3.48	1.74	
Fourth quarter...	2.63	2.02	1.56	1.06	.06	.11	.89	1.13	.84	.67	2.48	2.15	
1956: First quarter...	5.04	-.08	1.12	3.32	.16	2.54	.62	.97	.90	.82	2.52	-.51	
Second quarter...	2.04	.24	1.61	.96	-.08	.49	.55	.95	.90	1.62	2.79	1.46	
Third quarter...	3.66	1.61	.68	1.72	-.08	.69	1.11	1.18	.90	.98	2.79	.63	
Fourth quarter...	3.67	2.94	1.67	.72	-.10	.08	.74	1.19	.90	.25	2.50	1.49	
1957: First quarter...	5.93	.21	1.01	3.34	-.58	2.17	1.75	.95	.98	.50	1.97	-.92	
Second quarter...	3.24	.53	1.64	1.65	-.46	.55	1.57	.85	.98	1.23	2.14	1.50	
Third quarter...	4.74	1.95	.51	2.43	-.49	1.77	1.15	1.23	.98	.59	2.20	.74	

¹ Individuals' saving, in addition to personal holdings, covers saving of unincorporated business, trust and pension funds, and nonprofit institutions in the forms specified. Prior to 1951, separate data on corporate pension fund investments are not available and are reflected in the various components of individuals' saving.

² Includes currency, demand deposits, and time and savings deposits.

³ Does not include net purchases by brokers and dealers or by other individuals financed by bank loans.

⁴ Includes armed forces leave bonds and other U. S. Government bonds (except savings bonds) and all securities issued by State and local governments.

⁵ Mortgage debt to institutions on 1- to 4-family nonfarm dwellings.

⁶ Largely attributable to purchases of automobiles and other durable consumer goods, although including some debt arising from purchases of other consumption goods. The other segments of individuals' debt have been allocated to the assets to which they pertain, viz., saving in insurance and securities.

⁷ Not available separately. See footnote 1.

NOTE.—In addition to the concept of saving shown above, there are other concepts of individuals' saving, with varying degrees of coverage, currently in use. The series with the most complete coverage, the personal saving estimates of the Department of Commerce, is derived as the difference between personal income and expenditures. Conceptually, Commerce saving includes the following items not included in Securities and Exchange Commission saving: Housing net of depreciation, and farm and unincorporated business investment in inventories and plant and equipment, net of depreciation and net of increases in mortgage and other debt to corporations and financial institutions. Government insurance is excluded from the Commerce saving series. For a reconciliation of the two series, see *Survey of Current Business*, July 1957.

Revisions for 1955-57 in the consumer credit statistics of the Board of Governors of the Federal Reserve System have not yet been incorporated into these estimates.

Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

TABLE F-16.—*Sources and uses of gross saving, 1929-57*

[Billions of dollars]

Period	Gross private saving and government surplus or deficit on income and product transactions							Gross investment			Statistical discrepancy
	Total	Private saving			Government surplus or deficit (—)			Total	Gross private domestic investment	Net foreign investment	
		Total	Personal saving	Gross business saving	Total	Federal	State and local				
1929.....	16.7	15.7	4.2	11.5	1.0	1.2	—0.1	17.0	16.2	0.8	0.3
1930.....	11.9	12.2	3.4	8.8	— .3	.3	— .5	11.0	10.3	.7	—1.0
1931.....	4.9	7.7	2.5	5.2	—2.8	—2.1	— .7	5.7	5.5	.2	.8
1932.....	.3	2.0	— .6	2.7	—1.7	—1.5	— .2	1.1	.9	.2	.8
1933.....	.6	1.9	— .6	2.6	—1.4	—1.3	(1)	1.5	1.4	.2	.9
1934.....	2.6	5.0	.1	4.9	—2.4	—2.9	.5	3.3	2.9	.4	.7
1935.....	6.4	8.4	2.0	6.3	—2.0	—2.6	.6	6.2	6.3	— .1	— .2
1936.....	7.2	10.1	3.6	6.5	—3.0	—3.5	.5	8.3	8.4	— .1	1.1
1937.....	12.1	11.5	3.7	7.8	.6	— .2	.7	11.8	11.7	.1	— .2
1938.....	7.3	8.9	1.1	7.8	—1.6	—2.0	.4	7.8	6.7	1.1	.5
1939.....	9.0	11.2	2.9	8.3	—2.1	—2.2	.1	10.2	9.3	.9	1.2
1940.....	13.9	14.6	4.2	10.4	— .7	—1.4	.7	14.7	13.2	1.5	.8
1941.....	18.8	22.6	11.1	11.5	—3.8	—5.1	1.3	19.2	18.1	1.1	.4
1942.....	10.5	41.9	27.8	14.1	—31.4	—33.2	1.8	9.7	9.9	— .2	— .8
1943.....	5.1	49.3	33.0	16.3	—44.2	—46.7	2.5	3.4	5.6	—2.2	—1.7
1944.....	2.3	54.2	36.9	17.2	—51.9	—54.6	2.7	5.0	7.1	—2.1	2.8
1945.....	4.5	44.3	28.7	15.6	—39.7	—42.3	2.6	9.0	10.4	—1.4	4.5
1946.....	30.8	26.6	12.6	14.0	4.2	2.2	2.0	31.7	27.1	4.6	.9
1947.....	37.3	24.0	4.0	20.0	13.3	12.2	1.0	38.6	29.7	8.9	1.4
1948.....	45.2	37.4	10.0	27.4	7.9	8.0	— .1	43.1	41.2	2.0	—2.1
1949.....	33.0	36.2	7.6	28.7	—3.2	—2.4	— .8	33.1	32.5	.5	.1
1950.....	48.8	40.7	12.1	28.6	8.1	9.2	—1.1	49.0	51.2	—2.2	.2
1951.....	55.8	49.6	17.7	31.9	6.2	6.5	— .4	57.1	56.9	.2	1.3
1952.....	47.7	51.0	19.0	32.0	—3.3	—3.4	(1)	49.6	49.8	— .2	2.0
1953.....	45.7	52.5	19.7	32.8	—6.8	—7.1	.2	48.3	50.3	—2.0	2.6
1954.....	46.3	52.7	17.9	34.8	—6.4	—5.4	—1.0	48.0	48.4	— .4	1.7
1955.....	58.1	55.5	15.8	39.8	2.6	3.6	—1.0	60.2	60.6	— .4	2.1
1956.....	65.7	60.9	20.0	40.9	4.8	6.2	—1.4	67.3	65.9	1.4	1.6
1957 ²	65.3	63.6	19.6	44.0	1.7	4.0	—2.2	66.9	63.6	3.3	1.7
Seasonally adjusted annual rates											
1955:											
First quarter.....	50.8	51.5	12.7	38.8	— .7	.9	—1.6	55.2	55.6	— .4	4.4
Second quarter.....	57.7	56.4	15.7	40.7	1.3	2.8	—1.5	59.0	59.7	— .7	1.4
Third quarter.....	59.3	55.0	14.9	40.1	4.3	4.6	— .4	61.5	61.4	.1	2.3
Fourth quarter.....	64.6	59.1	18.7	40.4	5.5	5.9	— .4	64.7	65.4	— .7	.1
1956:											
First quarter.....	62.8	56.8	16.8	40.0	6.0	7.3	—1.3	64.2	64.4	— .2	1.5
Second quarter.....	65.3	60.2	20.8	39.4	5.1	6.7	—1.7	66.5	65.3	1.2	1.3
Third quarter.....	65.2	61.7	20.3	41.4	3.5	4.5	—1.1	67.5	65.5	2.0	2.3
Fourth quarter.....	69.2	64.6	21.7	42.9	4.6	6.0	—1.4	70.9	68.5	2.4	1.6
1957:											
First quarter.....	65.2	61.4	18.9	42.5	3.8	6.1	—2.3	66.8	62.7	4.1	1.6
Second quarter.....	65.0	64.3	21.0	43.3	.7	3.1	—2.4	68.5	65.0	3.5	3.3
Third quarter.....	65.9	63.7	19.3	44.4	2.2	4.2	—1.9	68.7	65.5	3.2	2.7
Fourth quarter ²	(2)	(2)	18.5	(2)	(3)	(3)	(2)	63.5	61.0	2.5	(2)

¹ Less than 50 million dollars.² Preliminary; fourth quarter by Council of Economic Advisers.³ Not available.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

EMPLOYMENT AND WAGES

TABLE F-17.—Noninstitutional population and the labor force, 1929-1957

Period	Noninstitutional population ¹	Total labor force (including armed forces) ¹	Armed forces ¹	Civilian labor force					Total labor force as percent of noninstitutional population	Unemployment as percent of civilian labor force			
				Total	Employment ²			Unemployment ²		Unadjusted	Seasonally adjusted		
					Total	Agricultural	Nonagricultural						
Thousands of persons 14 years of age and over												Percent	
Old definitions ²													
1929.....	(3)	49,440	260	49,180	47,630	10,450	37,180	1,550	(3)	3.2	-----		
1930.....	(3)	50,080	260	49,820	45,480	10,340	35,140	4,340	(3)	8.7	-----		
1931.....	(3)	50,680	260	50,420	42,400	10,290	32,110	8,020	(3)	15.9	-----		
1932.....	(3)	51,250	250	51,000	38,940	10,170	28,770	12,060	(3)	23.6	-----		
1933.....	(3)	51,840	250	51,590	38,760	10,090	28,670	12,830	(3)	24.9	-----		
1934.....	(3)	52,490	260	52,230	40,890	9,900	30,990	11,340	(3)	21.7	-----		
1935.....	(3)	53,140	270	52,870	42,260	10,110	32,150	10,610	(3)	20.1	-----		
1936.....	(3)	53,740	300	53,440	44,410	10,000	34,410	9,030	(3)	16.9	-----		
1937.....	(2)	54,320	320	54,000	46,300	9,820	36,480	7,700	(3)	14.3	-----		
1938.....	(3)	54,950	340	54,610	44,220	9,690	34,530	10,390	(3)	19.0	-----		
1939.....	(3)	55,600	370	55,230	45,750	9,610	36,140	9,480	(3)	17.2	-----		
1940.....	100,380	56,180	540	55,640	47,520	9,540	37,980	8,120	56.0	14.6	-----		
1941.....	101,520	57,530	1,620	55,910	50,350	9,100	41,250	5,560	56.7	9.9	-----		
1942.....	102,610	60,380	3,970	56,410	53,750	9,250	44,500	2,660	58.8	4.7	-----		
1943.....	103,660	64,560	9,020	55,540	54,470	9,080	45,390	1,070	62.3	1.9	-----		
1944.....	104,630	66,040	11,410	54,630	53,960	8,950	45,010	670	63.1	1.2	-----		
1945.....	105,520	65,290	11,430	53,860	52,820	8,580	44,240	1,040	61.9	1.9	-----		
1946.....	106,520	60,970	3,450	57,520	55,250	8,320	46,930	2,270	57.2	3.9	-----		
1947.....	107,608	61,758	1,590	60,168	58,027	8,266	49,761	2,142	57.4	3.6	-----		
1948.....	108,632	62,898	1,456	61,442	59,378	7,973	51,405	2,064	57.9	3.4	-----		
1949.....	109,773	63,721	1,616	62,105	58,710	8,026	50,684	3,395	58.0	5.5	-----		
1950.....	110,929	64,749	1,650	63,099	59,957	7,507	52,450	3,142	58.4	5.0	-----		
1951.....	112,075	65,983	3,098	62,884	61,005	7,054	53,951	1,879	58.9	3.0	-----		
1952.....	113,270	66,560	3,594	62,966	61,293	6,805	54,488	1,673	58.8	2.7	-----		
1953.....	115,094	67,362	3,547	63,815	62,213	6,562	55,651	1,602	58.5	2.5	-----		
1954.....	116,220	67,818	3,350	64,468	61,238	6,504	54,734	3,230	58.4	5.0	-----		
1955.....	117,388	68,896	3,048	65,847	63,193	6,730	56,464	2,654	58.7	4.0	-----		
1956.....	118,734	70,387	2,857	67,530	64,979	6,585	58,394	2,551	59.3	3.8	-----		
1957.....	120,445	70,761	2,797	67,964	65,272	6,229	59,043	2,693	58.7	4.0	-----		
New definitions ²													
1947.....	107,608	61,758	1,590	60,168	57,812	8,256	49,557	2,356	57.4	3.9	-----		
1948.....	108,632	62,898	1,456	61,442	59,117	7,960	51,156	2,325	57.9	3.8	-----		
1949.....	109,773	63,721	1,616	62,105	58,423	8,017	50,406	3,682	58.0	5.9	-----		
1950.....	110,929	64,749	1,650	63,099	59,748	7,497	52,251	3,351	58.4	5.3	-----		
1951.....	112,075	65,983	3,098	62,884	60,784	7,048	53,736	2,099	58.9	3.3	-----		
1952.....	113,270	66,560	3,594	62,966	61,035	6,792	54,243	1,932	58.8	3.1	-----		
1953.....	115,094	67,362	3,547	63,815	61,945	6,555	55,390	1,870	58.5	2.9	-----		
1954.....	116,220	67,818	3,350	64,468	60,890	6,495	54,395	3,578	58.4	5.6	-----		
1955.....	117,388	68,896	3,048	65,848	62,944	6,718	56,225	2,904	58.7	4.4	-----		
1956.....	118,734	70,387	2,857	67,530	64,708	6,572	58,135	2,822	59.3	4.2	-----		
1957.....	120,445	70,744	2,797	67,946	65,011	6,222	58,789	2,936	58.7	4.3	-----		
Old definitions ²													
1956: January.....	118,080	68,691	2,916	65,775	62,891	5,635	57,256	2,885	58.2	4.4	3.7		
February.....	118,180	68,396	2,906	65,490	62,576	5,469	57,107	2,914	57.9	4.4	3.7		
March.....	118,293	68,506	2,893	65,613	63,078	5,678	57,400	2,834	58.2	4.3	3.8		
April.....	118,367	69,434	2,879	66,555	63,990	6,387	57,603	2,564	58.7	3.9	3.7		
May.....	118,537	70,711	2,865	67,846	65,238	7,146	58,092	2,608	59.7	3.8	4.1		
June.....	118,632	72,274	2,844	69,430	66,503	7,876	58,627	2,927	60.9	4.2	4.1		
July.....	118,762	72,325	2,836	69,489	66,655	7,700	58,955	2,833	60.9	4.1	4.0		
August.....	118,891	71,787	2,840	68,947	66,752	7,265	59,487	2,195	60.4	3.2	3.6		
September.....	119,047	70,896	2,827	68,069	66,071	7,388	58,683	1,998	59.6	2.9	3.4		
October.....	119,198	70,905	2,823	68,082	66,174	7,173	59,000	1,909	59.5	2.8	3.5		
November.....	119,344	70,560	2,828	67,732	65,269	6,192	59,076	2,463	59.1	3.6	4.0		
December.....	119,431	69,855	2,826	67,029	64,550	5,110	59,440	2,479	58.5	3.7	3.8		

See footnotes at end of table.

TABLE F-17.—Noninstitutional population and the labor force, 1929-57—Continued

Period	Nonin- stitutional population ¹	Total labor force (including armed forces) ¹	Armed forces ¹	Civilian labor force					Total labor force as percent of non- institutional population	Unemployment as percent of civilian labor force				
				Total	Employment ²			Unem- ployment ²		Unad- justed	Season- ally ad- justed			
					Total	Agri- cultural	Non- agri- cultural							
Thousands of persons 14 years of age and over												Percent		
Old definitions :														
1957: January	119,614	68,647	2,817	65,830	62,890	4,943	57,947	2,940	57.4	4.5	3.8			
February	119,745	69,130	2,817	66,313	63,434	5,199	58,235	2,881	57.7	4.3	3.6			
March	119,899	69,565	2,816	66,749	64,049	5,442	58,607	2,700	58.0	4.0	3.6			
April	120,057	69,773	2,820	66,953	64,472	5,758	58,714	2,481	58.1	3.7	3.6			
May	120,199	70,777	2,821	67,956	65,467	6,663	58,804	2,489	58.9	3.7	3.9			
June	120,383	72,742	2,819	69,923	66,892	7,547	59,345	3,030	60.4	4.3	4.2			
July	120,579	73,056	2,823	70,233	67,546	7,804	59,742	2,687	60.6	3.8	3.8			
August	120,713	71,838	2,839	68,999	66,619	6,827	59,792	2,380	59.5	3.4	3.9			
September	120,842	71,056	2,819	68,237	65,921	6,519	59,402	2,317	58.8	3.4	4.0			
October	120,983	71,303	2,786	68,517	66,240	6,838	59,402	2,277	58.9	3.3	4.2			
November	121,109	70,796	2,729	68,067	65,078	5,817	59,262	2,989	58.5	4.4	4.8			
December	121,221	70,480	2,688	67,792	64,652	5,391	59,262	3,140	58.1	4.6	4.8			
New definitions :														
1956: January	118,080	68,691	2,916	65,775	62,684	5,625	57,059	3,092	58.1	4.7	4.0			
February	118,180	68,397	2,906	65,491	62,354	5,463	56,891	3,136	57.9	4.8	4.0			
March	118,293	68,806	2,893	65,913	62,787	5,662	57,124	3,125	58.2	4.7	4.2			
April	118,367	69,434	2,879	66,555	63,799	6,386	57,410	2,755	58.7	4.1	4.0			
May	118,537	70,711	2,865	67,846	64,950	7,120	57,830	2,896	59.7	4.3	4.5			
June	118,632	72,274	2,844	69,430	66,027	7,859	58,166	3,403	60.9	4.9	4.6			
July	118,762	72,325	2,836	69,489	66,354	7,674	58,680	3,134	60.9	4.5	4.4			
August	118,891	71,787	2,840	68,947	66,420	7,237	59,184	2,527	60.4	3.7	4.1			
September	119,047	70,896	2,827	68,069	65,774	7,376	58,395	2,295	59.6	3.4	3.9			
October	119,198	70,905	2,823	68,082	65,955	7,168	58,785	2,127	59.5	3.1	3.9			
November	119,344	70,560	2,828	67,732	65,084	6,190	58,893	2,648	59.1	3.9	4.3			
December	119,481	69,855	2,826	67,029	64,306	5,105	59,199	2,723	58.5	4.1	4.2			
1957: January	119,614	68,638	2,817	65,821	62,578	4,935	57,643	3,244	57.4	4.9	4.2			
February	119,745	69,128	2,817	66,311	63,190	5,195	57,996	3,121	57.7	4.7	4.0			
March	119,899	69,562	2,816	66,746	63,865	5,434	58,431	2,882	58.0	4.3	3.9			
April	120,057	69,771	2,820	66,951	64,261	5,755	58,506	2,690	58.1	4.0	3.9			
May	120,199	70,714	2,821	67,893	65,178	6,659	58,519	2,715	58.9	4.0	4.2			
June	120,383	72,661	2,819	69,842	66,504	7,534	58,970	3,337	60.4	4.8	4.5			
July	120,579	73,051	2,823	70,228	67,221	7,772	59,449	3,007	60.6	4.3	4.2			
August	120,713	71,833	2,839	68,994	66,385	6,823	59,562	2,609	59.5	3.8	4.2			
September	120,842	71,045	2,819	68,226	65,674	6,518	59,156	2,552	58.8	3.7	4.3			
October	120,983	71,299	2,786	68,513	66,005	6,837	59,168	2,508	58.9	3.7	4.6			
November	121,109	70,790	2,729	68,061	64,873	5,817	59,057	3,188	58.5	4.7	5.1			
December	121,221	70,458	2,688	67,770	64,396	5,385	59,012	3,374	58.1	5.0	5.2			

¹ Data for 1940-52 revised to include about 150,000 members of the armed forces who were outside the continental United States in 1940 and who were, therefore, not enumerated in the 1940 Census and were excluded from the 1940-52 estimates.

² See Note.

³ Not available.

NOTE.—Civilian labor force data beginning with May 1956 are based on a 330-area sample. For January 1954-April 1956 they are based on a 230-area sample; for 1946-53 on a 68-area sample; for 1940-45 on a smaller sample; and for 1929-39 on sources other than direct enumeration.

Effective January 1957, persons on layoff with definite instructions to return to work within 30 days of layoff and persons waiting to start new wage and salary jobs within the following 30 days are classified as unemployed. Such persons had previously been classified as employed (with a job but not at work). The combined total of the groups changing classification has averaged about 200,000 to 300,000 a month in recent years. The small number of persons in school during the survey week and waiting to start new jobs are classified as not in the labor force instead of employed as formerly. Persons waiting to open new businesses or start new farms within 30 days will continue to be classified as employed. (New definitions series for periods prior to January 1957 are Census Bureau estimates under the old definitions adjusted by Council of Economic Advisers to the new definitions.)

Beginning July 1955, labor force data are for the calendar week containing the 12th of the month; previously, for week containing the 8th.

Annual population data are as of July 1; monthly data are as of the 1st of the month.

For the years 1940-52, estimating procedures made use of 1940 Census data; for subsequent years, 1950 Census data were used. For the effects of this change on the historical comparability of the data, see *Annual Report on the Labor Force, 1954*, Series P-50, No. 59, April 1955, p. 12.

Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce, Department of Labor (labor force, 1929-39), and Council of Economic Advisers.

TABLE F-18.—*Employment and unemployment, by age and sex, 1942-57*

[Thousands of persons 14 years of age and over]

Period	Total civilian labor force	Employed						Unemployed					
		Total em- ployed	14-19 years	20-44 years		45 years and over		Total unem- ployed	14-19 years	20-44 years		45 years and over	
				Male	Fe- male	Male	Fe- male			Male	Fe- male		
Old definitions ¹													
1942.....	56,410	53,750	5,770	20,790	9,400	14,160	3,630	2,660	510	670	520	770	190
1943.....	55,540	54,470	6,350	17,550	11,050	15,160	4,360	1,070	290	180	260	240	100
1944.....	54,630	53,960	6,050	16,380	11,280	15,480	4,770	670	200	140	170	110	50
1945.....	53,860	52,820	5,480	15,830	11,140	15,520	4,850	1,040	190	330	270	200	50
1946.....	57,520	55,250	4,550	21,170	9,870	15,280	4,380	2,270	290	1,200	280	410	90
1947.....	60,168	58,027	4,717	23,409	9,828	15,474	4,600	2,142	425	920	303	396	99
1948.....	61,442	59,378	4,841	23,842	10,098	15,677	4,924	2,064	415	757	353	414	127
1949.....	62,105	58,710	4,512	23,483	10,087	15,491	5,138	3,395	595	1,329	559	719	194
1950.....	63,099	59,957	4,564	23,833	10,376	15,666	5,517	3,142	543	1,119	552	697	232
1951.....	62,884	61,005	4,614	23,594	10,833	16,144	5,819	1,879	356	515	419	402	190
1952.....	62,966	61,293	4,530	23,372	10,917	16,345	6,130	1,673	362	495	344	345	127
1953.....	63,815	62,213	4,514	23,715	10,953	16,725	6,306	1,602	312	512	300	363	116
1954.....	64,468	61,238	4,285	23,178	10,730	16,649	6,395	3,230	515	1,158	617	684	256
1955.....	65,847	63,193	4,446	23,768	11,000	16,878	7,101	2,654	471	854	502	606	222
1956.....	67,530	64,979	4,764	24,051	11,271	17,294	7,598	2,551	510	784	491	530	239
New definitions ¹													
1957.....	67,946	65,011	4,720	23,993	11,247	17,246	7,804	2,936	574	935	566	606	255
Old definitions ¹													
1956: January.....	65,775	62,891	4,020	23,685	10,962	16,920	7,305	2,885	442	967	581	713	184
February.....	65,490	62,576	3,870	23,649	10,964	16,848	7,246	2,914	508	947	462	783	215
March.....	65,913	63,078	3,917	23,759	10,926	17,033	7,447	2,834	433	977	495	675	255
April.....	66,555	63,990	4,205	23,908	11,050	17,258	7,568	2,564	413	836	459	565	289
May.....	67,846	65,238	4,565	23,993	11,472	17,421	7,788	2,608	548	769	490	536	265
June.....	69,430	66,503	5,813	24,288	11,341	17,484	7,578	2,927	1,005	788	469	421	241
July.....	69,489	66,655	6,329	24,319	11,101	17,398	7,510	2,833	759	807	560	425	283
August.....	68,947	66,752	6,127	24,424	11,143	17,485	7,572	2,195	445	678	461	382	229
September.....	68,069	66,071	4,826	24,257	11,603	17,528	7,855	1,998	356	595	450	371	228
October.....	68,082	66,174	4,672	24,238	11,857	17,554	7,854	1,909	331	551	438	380	208
November.....	67,732	65,269	4,408	24,148	11,539	17,429	7,744	2,463	482	665	539	518	260
December.....	67,029	64,550	4,418	23,941	11,301	17,183	7,708	2,479	396	814	482	584	203
New definitions ¹													
1957: January.....	65,821	62,578	3,871	23,598	10,797	16,846	7,468	3,244	493	1,078	652	731	289
February.....	66,311	63,190	3,970	23,583	11,066	16,955	7,612	3,121	465	1,086	566	724	280
March.....	66,746	63,865	4,087	23,807	11,077	17,109	7,786	2,882	497	947	506	671	262
April.....	66,951	64,261	4,204	23,911	11,091	17,212	7,843	2,690	461	915	517	606	192
May.....	67,893	65,178	4,475	24,084	11,276	17,407	7,936	2,715	566	790	556	563	242
June.....	69,842	66,504	5,637	24,346	11,191	17,480	7,820	3,337	1,105	874	606	528	225
July.....	70,228	67,221	6,332	24,490	11,201	17,385	7,814	3,007	847	828	582	499	251
August.....	68,994	66,385	5,953	24,450	11,067	17,304	7,613	2,609	553	779	554	479	244
September.....	68,226	65,674	4,680	24,199	11,416	17,430	7,945	2,552	436	802	555	505	251
October.....	68,513	66,005	4,678	24,101	11,766	17,431	8,030	2,508	401	809	523	528	248
November.....	68,061	64,873	4,338	23,832	11,550	17,274	7,878	3,188	547	1,023	638	667	313
December.....	67,770	64,396	4,385	23,513	11,465	17,125	7,908	3,374	512	1,294	541	768	258

¹ See Note, Table F-17 for explanation of differences between the old and new definitions.

NOTE.—Data are not available prior to 1942 for all the age/sex groups above.

See Note, Table F-17 for information on area sample used and reporting periods.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

TABLE F-19.—*Employed persons not at work, by reason for not working, and special groups of unemployed persons, 1946-57*¹

[Thousands of persons 14 years of age and over]

Period	Employed persons not at work, by reason for not working						Special groups of unemployed persons ³	
	Total	Bad weather	Industrial dispute	Vacation	Illness	All other reasons ²	Temporary layoff ⁴	New wage and salary job ⁵
1946.....	2,103	(⁶)	(⁶)	662	819	(⁶)	97	58
1947.....	2,260	211	95	834	847	273	123	92
1948.....	2,490	197	97	1,044	844	308	141	121
1949.....	2,243	110	79	1,044	719	291	185	101
1950.....	2,440	151	85	1,137	718	349	92	116
1951.....	2,459	111	57	1,073	782	436	117	103
1952.....	2,555	68	164	1,130	775	418	142	117
1953.....	2,529	96	73	1,171	827	362	167	101
1954.....	2,688	73	53	1,361	776	425	221	127
1955.....	2,683	103	61	1,268	835	416	133	117
1956.....	2,888	109	76	1,346	901	456	124	147
1957.....	3,017	139	45	1,447	962	425	150	110
1956: January.....	2,229	318	70	304	1,032	505	145	62
February.....	2,154	271	57	381	1,032	413	134	88
March.....	2,039	256	79	289	992	423	153	138
April.....	1,899	114	22	399	913	451	97	94
May.....	1,805	43	68	535	859	300	110	178
June.....	3,356	71	30	1,933	829	493	80	396
July.....	7,180	30	406	5,327	851	566	145	156
August.....	6,511	16	45	3,977	885	588	123	209
September.....	2,693	9	41	1,357	859	427	139	158
October.....	2,098	8	30	789	870	401	110	108
November.....	1,945	23	59	537	854	472	97	88
December.....	1,753	152	6	327	835	433	160	88
1957: January.....	1,994	354	12	313	876	442	202	103
February.....	2,011	226	26	342	999	418	149	93
March.....	1,905	167	40	342	975	382	102	83
April.....	1,822	139	46	429	896	317	143	68
May.....	2,056	149	46	707	810	344	142	147
June.....	3,358	61	66	1,959	783	489	137	251
July.....	7,014	17	113	5,577	793	514	189	136
August.....	6,048	25	81	4,522	885	535	129	105
September.....	2,777	47	41	1,430	857	402	148	99
October.....	2,571	53	34	794	1,342	348	181	54
November.....	2,492	175	16	524	1,339	438	121	84
December.....	2,161	257	27	421	989	467	160	96

¹ Data prior to 1957 are Census Bureau estimates adjusted by Council of Economic Advisers to the new definitions of employment and unemployment.

² Includes persons waiting to open new businesses or start new farms within 30 days.

³ Under the old definitions of employment and unemployment, these groups were included in the "employed but not at work" category.

⁴ Persons on layoff with definite instructions to return to work within 30 days of the layoff.

⁵ Persons scheduled to start new wage and salary jobs within 30 days. Under the old definitions, the "new job or business" group included these persons as well as persons waiting to open new businesses or start new farms within 30 days (see "all other" category in this table) and persons in school during the survey week and waiting to start new jobs (these are now classified as "not in the labor force").

⁶ Not available.

NOTE.—See Note, Table F-17 for information on area sample used and reporting periods.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-20.—*Unemployed persons, by duration of unemployment, 1946-57*

Period	Total unemployed	Duration of unemployment				Average duration of unemployment (weeks)
		4 weeks and under	5-14 weeks	15-26 weeks	Over 26 weeks	
Thousands of persons 14 years of age and over						
<u>Old definitions: ¹</u>						
1946.....	2,270	(²)	(²)	(²)	141	(³)
1947.....	2,142	1,041	704	234	164	9.8
1948.....	2,064	1,087	669	193	116	8.6
1949.....	3,395	1,517	1,195	427	256	10.0
1950.....	3,142	1,307	1,055	425	357	12.1
1951.....	1,879	1,003	574	166	137	9.7
1952.....	1,673	925	517	148	84	8.3
1953.....	1,602	910	482	132	79	8.1
1954.....	3,230	1,303	1,115	495	317	11.7
1955.....	2,654	1,138	815	367	336	13.2
1956.....	2,551	1,214	804	301	232	11.3
<u>New definitions: ¹</u>						
1957.....	2,936	1,484	891	321	239	10.4
<u>Old definitions: ¹</u>						
1955: First quarter.....	3,302	1,144	1,188	518	452	14.1
Second quarter.....	2,710	1,129	702	490	389	14.7
Third quarter.....	2,286	1,116	668	239	262	12.1
Fourth quarter.....	2,319	1,161	700	218	239	11.3
1956: First quarter.....	2,878	1,212	1,041	347	278	12.2
Second quarter.....	2,700	1,307	810	374	209	10.8
Third quarter.....	2,342	1,138	730	256	218	10.9
Fourth quarter.....	2,284	1,199	638	227	221	10.9
<u>New definitions: ¹</u>						
1957: First quarter.....	3,082	1,382	1,108	371	223	10.6
Second quarter.....	2,914	1,559	738	359	258	10.7
Third quarter.....	2,723	1,469	781	245	228	9.8
Fourth quarter.....	3,023	1,529	935	309	248	10.3

¹ See Note, Table F-17 for explanation of differences between the old and new definitions.² For duration of less than 6 months, data are available only for under 3 months (1,568,000) and 3 to 6 months (564,000).³ Not available.

NOTE.—See Note, Table F-17 for information on area sample used and reporting periods. Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

TABLE F-21.—*Unemployment insurance programs, selected data, 1939 and 1946-57*

Period	Initial claims ¹		Insured unem- ployment ⁴		Exhaus- tions, State pro- grams ^{3 7}	State insured unem- ploy- ment as per- cent of covered employ- ment (per- cent) ^{3 4}	Benefits paid under State programs ⁶	
	State, veteran, and Federal employee pro- grams ²	State pro- grams ³	All pro- grams ⁵	State pro- grams ^{3 6}			Total (millions of dol- lars) ⁸	Average weekly check (dollars) ⁹
	Weekly average (thousands)							
1939.....	188	188		1,086	61	5.1	429.3	10.66
1946.....	341	189	2,803	1,294	38	4.3	1,094.9	18.50
1947.....	280	187	1,804	1,008	24	3.1	775.1	17.83
1948.....	282	210	1,465	999	20	3.0	789.9	19.03
1949.....	375	323	2,474	1,973	37	6.2	1,736.0	20.48
1950.....	239	236	1,599	1,497	36	4.6	1,373.1	20.76
1951.....	211	208	996	965	16	2.8	840.4	21.09
1952.....	215	215	1,064	1,019	18	2.9	998.2	22.79
1953.....	222	218	1,058	988	15	2.8	962.2	23.58
1954.....	310	303	2,039	1,857	34	5.2	2,026.9	24.93
1955.....	236	228	1,388	1,269	25	3.4	1,379.2	25.08
1956.....	234	229	1,312	1,225	20	3.1	1,409.3	27.06
1957 ¹⁰	274	269	1,550	1,455	23	3.5	1,733.9	28.02
1956: January.....	315	307	1,606	1,491	20	4.0	135.7	26.61
February.....	257	250	1,651	1,535	21	4.1	143.9	26.95
March.....	219	213	1,578	1,472	24	4.0	152.0	27.13
April.....	239	234	1,439	1,359	24	3.6	133.9	27.03
May.....	220	216	1,316	1,255	20	3.3	125.8	26.70
June.....	212	205	1,234	1,178	20	3.1	116.1	26.79
July.....	260	254	1,316	1,209	20	3.1	111.7	26.91
August.....	188	182	1,158	1,059	19	2.7	112.2	27.05
September.....	195	190	1,060	988	18	2.6	94.9	27.77
October.....	185	181	939	878	16	2.3	91.5	27.57
November.....	226	221	1,090	1,013	16	2.6	91.7	27.26
December.....	298	293	1,379	1,285	17	3.3	104.2	27.43
1957: January.....	347	340	1,850	1,737	23	4.4	177.6	27.73
February.....	256	251	1,846	1,730	24	4.3	164.9	27.85
March.....	219	214	1,700	1,592	27	4.0	168.8	27.72
April.....	254	250	1,565	1,475	26	3.6	154.3	27.72
May.....	221	218	1,424	1,350	23	3.3	145.7	27.47
June.....	226	220	1,319	1,251	23	3.0	123.5	27.44
July.....	280	276	1,368	1,285	21	3.1	130.1	27.59
August.....	196	191	1,228	1,151	21	2.8	121.3	27.87
September.....	250	246	1,240	1,167	20	2.8	113.3	28.64
October.....	263	259	1,314	1,237	21	3.0	131.8	29.20
November.....	325	320	1,623	1,513	20	3.6	136.6	29.44
December ¹⁰	451	445	2,206	2,071	22	5.0	175.0	29.60

¹ Most of these are instances of new unemployment.² Data on veterans relate to those under the following programs: Servicemen's Readjustment Act, which became effective in October 1944 and expired for most veterans in July 1949, and Veterans Readjustment Assistance Act of 1952, effective October 15, 1952.³ Beginning 1955, data include State programs and the program for Federal employees; all prior years are for State programs only. Beginning 1956, data also include workers added by the extension of coverage to smaller firms.⁴ Represents the number of unemployed workers covered by unemployment insurance programs who have completed at least one week of unemployment. Excludes territories.⁵ State, veteran, Railroad Retirement, and Federal employee programs.⁶ State unemployment insurance programs during the period shown excluded from coverage agricultural workers, domestic servants, workers in nonprofit organizations, unpaid family workers, the self-employed, and (in most States) workers in very small firms.⁷ Represents the number of individuals who received payment for the final week of compensable unemployment in a benefit year. Workers who have exhausted benefit rights do not necessarily remain unemployed; some find employment, and others withdraw from the labor force.⁸ Monthly totals are gross amounts; annual figures are adjusted for voided benefit checks.⁹ For total unemployment only.¹⁰ Preliminary.

Source: Department of Labor.

TABLE F-22.—*Number of wage and salary workers in nonagricultural establishments, 1929-57¹*

[Thousands of employees]

Period	Total wage and salary workers	Manufacturing			Mining	Contract construction	Transportation and public utilities	Trade ²	Finance	Service ²	Government (Federal, State, and local)
		Total	Durable goods	Non-durable goods							
1929	31,041	10,534	(3)	(3)	1,078	1,497	3,907	6,401	1,431	3,127	3,066
1930	29,143	9,401	(3)	(3)	1,000	1,372	3,675	6,064	1,398	3,084	3,149
1931	26,383	8,021	(3)	(3)	864	1,214	3,243	5,531	1,333	2,913	3,264
1932	23,377	6,797	(3)	(3)	722	970	2,804	4,907	1,270	2,682	3,225
1933	23,466	7,258	(3)	(3)	735	809	2,659	4,999	1,225	2,614	3,167
1934	25,699	8,346	(3)	(3)	874	862	2,736	5,552	1,247	2,784	3,298
1935	26,792	8,907	(3)	(3)	888	912	2,771	5,692	1,262	2,883	3,477
1936	28,802	9,653	(3)	(3)	937	1,145	2,956	6,076	1,313	3,060	3,662
1937	30,718	10,606	(3)	(3)	1,006	1,112	3,114	6,543	1,355	3,233	3,749
1938	28,902	9,253	(3)	(3)	882	1,055	2,840	6,453	1,347	3,196	3,876
1939	30,311	10,078	4,683	5,394	845	1,150	2,912	6,612	1,399	3,321	3,995
1940	32,058	10,780	5,337	5,443	916	1,294	3,013	6,940	1,436	3,477	4,202
1941	36,220	12,974	6,945	6,028	947	1,790	3,248	7,416	1,480	3,705	4,660
1942	39,779	15,051	8,804	6,247	983	2,170	3,433	7,333	1,469	3,857	5,483
1943	42,106	17,381	11,077	6,304	917	1,567	3,619	7,189	1,435	3,919	6,080
1944	41,634	17,111	10,858	6,253	883	1,094	3,798	7,260	1,409	3,934	6,043
1945	40,037	15,302	9,079	6,222	826	1,132	3,872	7,522	1,428	4,011	5,944
1946	41,287	14,461	7,739	6,722	852	1,661	4,023	8,602	1,619	4,474	5,595
1947	43,462	15,290	8,372	6,918	943	1,982	4,122	9,196	1,672	4,783	5,474
1948	44,448	15,321	8,312	7,010	982	2,169	4,141	9,519	1,741	4,925	5,650
1949	43,315	14,178	7,473	6,705	918	2,165	3,949	9,513	1,765	4,972	5,856
1950	44,738	14,967	8,085	6,882	889	2,333	3,977	9,645	1,824	5,077	6,026
1951	47,347	16,104	9,080	7,024	916	2,603	4,166	10,012	1,892	5,264	6,389
1952	48,303	16,334	9,340	6,994	885	2,634	4,185	10,281	1,967	5,411	6,609
1953	49,681	17,238	10,105	7,133	852	2,622	4,221	10,527	2,038	5,538	6,645
1954	48,431	15,995	9,122	6,873	777	2,593	4,009	10,520	2,122	5,664	6,751
1955	50,056	16,563	9,549	7,014	777	2,759	4,062	10,846	2,219	5,916	6,914
1956	51,878	16,905	9,825	7,080	816	2,993	4,157	11,292	2,306	6,231	7,178
1957 ⁴	52,550	16,800	9,807	6,993	840	3,025	4,156	11,554	2,342	6,454	7,379
Seasonally adjusted											
1955: January	48,827	16,029	9,134	6,895	752	2,624	3,992	10,631	2,166	5,788	6,845
February	48,909	16,117	9,214	6,903	750	2,618	3,984	10,645	2,176	5,802	6,817
March	49,232	16,241	9,298	6,943	758	2,703	3,984	10,701	2,185	5,826	6,834
April	49,461	16,411	9,425	6,986	767	2,759	3,948	10,682	2,187	5,851	6,856
May	49,824	16,530	9,523	7,007	778	2,813	4,008	10,748	2,197	5,857	6,893
June	50,181	16,658	9,621	7,037	783	2,823	4,076	10,818	2,212	5,889	6,922
July	50,295	16,655	9,634	7,021	783	2,829	4,090	10,887	2,223	5,906	6,922
August	50,421	16,687	9,638	7,049	778	2,813	4,111	10,931	2,238	5,917	6,946
September	50,624	16,683	9,646	7,037	791	2,810	4,118	10,972	2,254	6,013	6,983
October	50,788	16,822	9,742	7,080	791	2,777	4,123	11,001	2,259	6,011	7,004
November	50,965	16,954	9,841	7,113	792	2,760	4,146	11,045	2,256	6,052	6,960
December	51,163	16,993	9,882	7,111	794	2,750	4,145	11,122	2,263	6,081	7,015
1956: January	51,285	16,951	9,863	7,088	792	2,768	4,154	11,197	2,271	6,107	7,045
February	51,368	16,898	9,802	7,096	794	2,802	4,141	11,231	2,284	6,145	7,073
March	51,274	16,812	9,736	7,076	801	2,834	4,131	11,163	2,288	6,142	7,103
April	51,624	16,931	9,835	7,096	816	2,902	4,137	11,260	2,289	6,176	7,113
May	51,799	16,919	9,804	7,115	814	2,985	4,152	11,253	2,299	6,189	7,188
June	52,026	16,895	9,791	7,104	829	3,113	4,174	11,307	2,305	6,227	7,176
July	51,456	16,468	9,422	7,046	769	3,043	4,130	11,303	2,303	6,265	7,175
August	52,180	16,901	9,821	7,080	831	3,083	4,159	11,364	2,326	6,262	7,254
September	52,148	16,874	9,816	7,058	838	3,080	4,160	11,319	2,325	6,291	7,261
October	52,367	17,045	9,959	7,086	836	3,080	4,178	11,372	2,327	6,280	7,249
November	52,441	17,072	10,019	7,053	833	3,067	4,173	11,388	2,326	6,327	7,255
December	52,541	17,106	10,035	7,071	833	3,074	4,169	11,408	2,320	6,359	7,272

See footnotes at end of table.

TABLE F-22.—*Number of wage and salary workers in nonagricultural establishments, 1929-57*—
Continued

(Thousands of employees)

Period	Total wage and salary workers	Manufacturing			Mining	Contract construction	Transportation and public utilities	Trade ²	Finance	Service ²	Government (Federal, State, and local)
		Total	Durable goods	Non-durable goods							
	Seasonally adjusted										
1957: January	52,493	17,053	10,006	7,047	832	2,963	4,188	11,465	2,316	6,366	7,310
February	52,577	16,995	9,980	7,015	833	3,020	4,168	11,519	2,324	6,401	7,317
March	52,547	16,962	9,945	7,017	831	3,062	4,168	11,490	2,322	6,381	7,331
April	52,593	16,965	9,928	7,037	841	3,059	4,160	11,501	2,320	6,400	7,347
May	52,698	16,946	9,915	7,031	843	3,097	4,159	11,542	2,329	6,424	7,358
June	52,773	16,924	9,907	7,017	854	3,108	4,164	11,579	2,336	6,454	7,354
July	52,815	16,880	9,869	7,011	861	3,061	4,168	11,636	2,343	6,492	7,374
August	52,844	16,836	9,844	6,992	853	3,032	4,184	11,669	2,354	6,477	7,439
September	52,662	16,681	9,700	6,981	849	3,028	4,175	11,620	2,361	6,508	7,440
October	52,469	16,604	9,649	6,955	837	3,013	4,148	11,590	2,368	6,482	7,427
November ⁴	52,237	16,474	9,548	6,926	825	2,956	4,112	11,571	2,368	6,515	7,416
December ⁴	51,895	16,281	9,390	6,891	816	2,906	4,076	11,471	2,365	6,545	7,435

¹ Includes all full- and part-time wage and salary workers in nonagricultural establishments who worked during, or received pay for, any part of the pay period ending nearest the 15th of the month. Excludes proprietors, self-employed persons, domestic servants, and unpaid family workers. Not comparable with estimates of nonagricultural employment of the civilian labor force (Table F-17) which include proprietors, self-employed persons, domestic servants, and unpaid family workers, which count persons as employed when they are not at work because of industrial disputes, bad weather, etc., and which are based on a sample survey of households, whereas the estimates in this table are based on reports from employing establishments.

² Beginning with 1939, data are not strictly comparable with data shown for earlier years because of the shift of the automotive repair service industry from the trade to the service division.

³ Not available.

⁴ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

TABLE F-23.—Average weekly hours of work in selected industries, 1929-57

Period	Manufacturing			Bitumi- nous coal mining	Build- ing con- struction	Class I rail- roads ¹	Tele- phone ²	Whole- sale trade	Retail trade (except eating and drink- ing places)	Laun- dries
	Total	Du- rable goods	Non- du- rable goods							
1929.....	44.2	(3)	(3)	38.4	(3)	(3)	(3)	(3)	(3)	(3)
1930.....	42.1	(3)	(3)	33.5	(3)	(3)	(3)	(3)	(3)	(3)
1931.....	40.5	(3)	(3)	28.3	(3)	(3)	(3)	(3)	(3)	(3)
1932.....	38.3	32.6	41.9	27.2	(3)	(3)	(3)	(3)	(3)	(3)
1933.....	38.1	34.8	40.0	29.5	(3)	(3)	(3)	(3)	(3)	(3)
1934.....	34.6	33.9	35.1	27.0	28.9	(3)	(3)	(3)	(3)	39.4
1935.....	36.6	37.3	36.1	26.4	30.1	(3)	(3)	41.3	(3)	41.0
1936.....	39.2	41.0	37.7	28.8	32.8	(3)	(3)	42.6	(3)	42.7
1937.....	38.6	40.0	37.4	27.9	33.4	(3)	38.8	42.8	(3)	42.6
1938.....	35.6	35.0	36.1	23.5	32.1	(3)	38.9	42.2	(3)	41.6
1939.....	37.7	38.0	37.4	27.1	32.6	43.7	39.1	41.7	42.7	41.8
1940.....	38.1	39.3	37.0	28.1	33.1	44.3	39.5	41.2	42.5	41.8
1941.....	40.6	42.1	38.9	31.1	34.8	45.8	40.1	41.0	42.1	42.1
1942.....	42.9	45.1	40.3	32.9	36.4	47.0	40.5	41.3	41.1	42.2
1943.....	44.9	46.6	42.5	36.6	38.4	48.7	41.9	42.2	40.3	42.9
1944.....	45.2	46.6	43.1	43.4	39.6	48.9	42.3	42.9	40.4	42.9
1945.....	43.4	44.1	42.3	42.3	39.0	48.5	41.7	42.7	40.3	42.8
1946.....	40.4	40.2	40.5	41.6	38.1	46.0	39.4	41.5	40.7	42.9
1947.....	40.4	40.6	40.1	40.7	37.6	46.4	37.4	41.0	40.3	42.6
1948.....	40.1	40.5	39.6	38.0	37.3	46.2	39.2	40.9	40.3	41.9
1949.....	39.2	39.5	38.8	32.6	36.7	43.7	38.5	40.7	40.4	41.5
1950.....	40.5	41.2	39.7	35.0	36.3	40.8	38.9	40.7	40.5	41.2
1951.....	40.7	41.6	39.5	35.2	37.2	41.0	39.1	40.7	40.2	41.1
1952.....	40.7	41.5	39.6	34.1	38.1	40.6	38.5	40.6	39.9	41.1
1953.....	40.5	41.3	39.5	34.4	37.0	40.6	38.7	40.5	39.2	40.5
1954.....	39.7	40.2	39.0	32.6	36.2	40.8	38.9	40.4	39.1	40.1
1955.....	40.7	41.4	39.8	37.6	36.2	41.9	39.6	40.6	39.0	40.3
1956.....	40.4	41.1	39.5	37.8	36.4	41.7	39.5	40.4	38.6	40.3
1957 ⁶	39.8	40.3	39.1	36.7	36.1	41.9	39.1	40.2	38.1	39.8
1956: January.....	40.7	41.2	39.9	38.6	35.1	41.3	39.4	40.6	38.6	40.3
February.....	40.5	41.0	39.8	38.5	35.5	42.4	39.1	40.3	38.5	40.1
March.....	40.4	40.9	39.5	38.2	34.7	41.8	39.1	40.2	38.4	40.1
April.....	40.3	41.1	39.2	37.8	36.0	41.0	39.1	40.2	38.5	40.5
May.....	40.0	40.8	39.0	38.0	36.5	42.3	39.0	40.3	38.3	40.9
June.....	40.2	40.8	39.2	38.1	37.2	41.6	39.3	40.3	38.7	40.9
July.....	40.1	40.7	39.4	36.1	37.0	40.6	39.9	40.5	39.1	40.4
August.....	40.3	40.8	39.6	37.0	37.2	42.5	39.4	40.4	39.1	39.9
September.....	40.7	41.3	39.8	37.9	37.4	40.7	39.9	40.6	38.5	40.2
October.....	40.7	41.4	39.7	37.8	37.4	42.6	39.8	40.5	38.3	40.2
November.....	40.5	41.2	39.6	36.2	35.8	42.1	41.0	40.5	38.0	39.9
December.....	41.0	41.9	39.7	38.7	36.3	41.0	39.3	40.7	38.6	40.1
1957: January.....	40.2	40.9	39.1	37.5	34.1	42.5	38.7	40.2	38.2	39.8
February.....	40.2	40.9	39.3	38.4	36.3	42.2	39.0	40.2	38.2	39.8
March.....	40.1	40.8	39.1	37.4	36.0	40.9	38.7	40.1	38.0	39.9
April.....	39.8	40.5	38.9	37.0	36.2	42.0	38.7	40.0	38.0	40.0
May.....	39.7	40.3	38.9	35.8	36.4	42.4	39.0	40.1	38.0	40.3
June.....	40.0	40.5	39.2	37.6	36.9	41.0	39.2	40.2	38.2	40.4
July.....	39.7	40.0	39.4	36.3	36.8	42.5	39.5	40.4	38.6	39.8
August.....	40.0	40.3	39.5	36.5	37.2	42.3	38.9	40.4	38.7	39.4
September.....	39.9	40.2	39.6	36.9	36.8	41.1	38.8	40.4	38.1	39.6
October.....	39.5	39.8	39.0	36.4	36.6	42.2	39.2	40.2	37.6	39.4
November ⁶	39.3	39.7	38.7	34.1	34.3	(3)	40.1	40.0	37.5	39.0
December ⁶	39.3	39.6	38.9	(3)	(3)	(3)	(3)	(3)	(3)	(3)

¹ Averages are based upon monthly data (exclusive of switching and terminal companies) summarized in the M-300 report by the ICC and relate to all employees who received pay during the month, except executives, officials, and staff assistants (ICC Group I). Beginning September 1949, data reflect a reduction in the basic workweek from 48 to 40 hours.

² Prior to April 1945, data relate to all employees except executives; from April 1945 to May 1949, mainly to employees subject to the Fair Labor Standards Act; and beginning June 1949, to nonsupervisory employees only.

³ Not available.

⁴ Data beginning with January of year noted are not comparable with those for earlier periods.

⁵ Nine-month average, April through December, because of new series started in April 1945.

⁶ Preliminary.

NOTE.—Data are for production workers in manufacturing and mining, construction workers in building construction, and for nonsupervisory employees in other industries (except as noted). Data are for pay-roll periods ending nearest the 15th of the month.

The annual figures for 1957 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on employment.

Source: Department of Labor.

TABLE F-24.—Average gross hourly earnings in selected industries, 1929–57

Period	Manufacturing			Bitu- minous coal mining	Build- ing con- struction	Class I rail- roads ¹	Tele- phone ²	Whole- sale trade	Retail trade (except eating and drinking places)	Laun- dries	Agri- culture ³
	Total	Dura- ble goods	Non- dura- ble goods								
1929	\$0.566	(⁴)	(⁴)	\$0.681	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	\$0.241
1930 .....	.552	(⁴)	(⁴)	.684	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	.226
1931 .....	.515	(⁴)	(⁴)	.647	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	.172
1932 .....	.446	\$0.497	\$0.420	.520	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	.129
1933 .....	.442	.472	.427	.501	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	.115
1934 .....	.532	.556	.515	.673	\$0.795	(⁴)	(⁴)	(⁴)	(⁴)	\$0.378	.129
1935 .....	.550	.577	.530	.745	.815	(⁴)	(⁴)	\$0.648	(⁴)	.376	.142
1936 .....	.556	.586	.529	.794	.824	(⁴)	(⁴)	.667	(⁴)	.378	.152
1937 .....	.624	.674	.577	.856	.903	(⁴)	\$0.774	.698	(⁴)	.395	.172
1938 .....	.627	.686	.584	.878	.908	(⁴)	.816	\$0.700	(⁴)	.414	.166
1939 .....	.633	.698	.582	.886	.932	\$0.730	.822	.715	\$0.542	.422	.166
1940 .....	.661	.724	.602	.883	.958	.733	.827	.739	.553	.429	.169
1941 .....	.729	.808	.640	.993	1.010	.743	.820	.793	.580	.444	.206
1942 .....	.853	.947	.723	1.059	1.148	.837	.843	.860	.626	.482	.268
1943 .....	.961	1.059	.803	1.139	1.252	.852	.870	.933	.679	.538	.353
1944	1.019	1.117	.861	1.186	1.319	.948	.911	.985	.731	.605	.423
1945	1.023	1.111	.904	1.240	1.379	.955	\$0.962	1.029	.783	.648	.472
1946	1.086	1.156	1.015	1.401	1.478	1.087	1.124	1.150	.893	.704	.515
1947	1.237	1.292	1.171	1.636	1.681	1.186	1.197	1.268	1.009	.767	.547
1948	1.350	1.410	1.278	1.898	\$1.848	1.301	1.248	1.359	1.088	.817	.580
1949	1.401	1.469	1.325	1.941	1.935	1.427	1.345	1.414	1.137	.843	.559
1950	1.465	1.537	1.378	2.010	2.031	1.572	1.398	1.483	1.176	.861	.561
1951	1.59	1.67	1.48	2.21	2.19	1.73	1.49	1.58	1.26	.92	.625
1952	1.67	1.77	1.54	2.29	2.31	1.83	1.59	1.67	1.32	.94	.661
1953	1.77	1.87	1.61	2.48	2.48	1.88	1.68	1.77	1.40	.98	.672
1954	1.81	1.92	1.66	2.48	2.60	1.93	1.76	1.83	1.45	1.00	.661
1955	1.88	2.01	1.71	2.56	2.66	1.96	1.82	1.90	1.50	1.01	.675
1956	1.98	2.10	1.80	2.81	2.80	2.12	1.86	2.01	1.57	1.05	.705
1957 ⁷	2.07	2.20	1.89	3.02	2.96	2.24	1.94	2.10	1.65	1.09	-----
1956: January	1.93	2.06	1.75	2.70	2.74	2.10	1.86	1.95	1.54	1.03	.740
February	1.93	2.05	1.75	2.68	2.75	2.12	1.84	1.96	1.54	1.02	-----
March	1.95	2.06	1.78	2.68	2.75	2.10	1.84	1.99	1.54	1.04	-----
April	1.96	2.08	1.79	2.79	2.75	2.11	1.85	2.01	1.56	1.04	.615
May	1.96	2.08	1.80	2.79	2.76	2.09	1.85	2.01	1.56	1.04	-----
June	1.97	2.09	1.81	2.83	2.78	2.11	1.86	2.02	1.58	1.05	-----
July	1.96	2.07	1.82	2.83	2.79	2.11	1.86	2.03	1.59	1.05	.696
August	1.98	2.10	1.81	2.77	2.81	2.09	1.85	2.02	1.58	1.05	-----
September	2.01	2.14	1.82	2.80	2.84	2.14	1.86	2.04	1.59	1.06	-----
October	2.02	2.15	1.83	2.92	2.86	2.10	1.86	2.03	1.59	1.06	.736
November	2.03	2.16	1.84	2.95	2.87	2.19	1.88	2.05	1.59	1.06	-----
December	2.05	2.18	1.86	2.98	2.89	2.21	1.92	2.06	1.55	1.07	-----
1957: January	2.05	2.18	1.86	2.95	2.92	2.19	1.91	2.06	1.61	1.07	.785
February	2.05	2.17	1.86	2.93	2.91	2.24	1.92	2.06	1.61	1.07	-----
March	2.05	2.18	1.87	2.93	2.91	2.20	1.92	2.07	1.62	1.07	-----
April	2.05	2.18	1.87	3.02	2.92	2.21	1.93	2.07	1.62	1.08	.643
May	2.06	2.18	1.88	3.01	2.94	2.23	1.94	2.09	1.64	1.09	-----
June	2.07	2.19	1.89	3.05	2.94	2.27	1.95	2.11	1.66	1.09	-----
July	2.07	2.20	1.89	3.09	2.96	2.25	1.94	2.12	1.67	1.09	.717
August	2.07	2.21	1.88	3.04	2.97	2.26	1.94	2.11	1.67	1.10	-----
September	2.08	2.22	1.90	3.06	3.02	2.28	1.95	2.13	1.68	1.11	-----
October	2.09	2.23	1.90	3.04	3.02	2.25	1.97	2.13	1.67	1.11	.757
November ⁷	2.11	2.24	1.92	3.05	3.04	(⁴)	1.97	2.13	1.66	1.11	-----
December ⁷	2.11	2.24	1.92	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	-----

¹ Averages are based upon monthly data (exclusive of switching and terminal companies) summarized in the M-300 report by the ICC and relate to all employees who received pay during the month, except executives, officials, and staff assistants (ICC group I). Beginning September 1949, data reflect a wage rate increase and reduction in the basic workweek from 48 to 40 hours.

² Prior to April 1945, data relate to all employees except executives; from April 1945 to May 1949, mainly to employees subject to the Fair Labor Standards Act; and beginning June 1949, to nonsupervisory employees only.

³ Weighted average of all farm wage rates on a per-hour basis.

⁴ Not available.

⁵ Data beginning with January of year noted are not comparable with those for earlier periods.

⁶ Nine-month average, April through December, because of new series started in April 1945.

⁷ Preliminary.

NOTE.—Data are for production workers in manufacturing and mining, construction workers in building construction, and for nonsupervisory employees in other industries (except as noted). Data are for payroll periods ending nearest the 15th of the month.

The annual figures for 1957 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on man-hours.

Sources: Department of Labor and Department of Agriculture.

TABLE F-25.—Average gross weekly earnings in selected industries, 1929-57

Period	Manufacturing			Bitumi- nous coal mining	Build- ing con- struction	Class I rail- roads ¹	Tele- phone ²	Whole- sale trade	Retail trade (except eating and drink- ing places)	Lau- ndries
	Total	Dura- ble goods	Non- durable goods							
1929.....	\$25.03	\$27.22	\$22.93	\$25.72	(3)	(3)	(3)	(3)	(3)	(3)
1930.....	23.25	24.77	21.84	22.21	(3)	(3)	(3)	(3)	(3)	(3)
1931.....	20.87	21.28	20.50	17.69	(3)	(3)	(3)	(3)	(3)	(3)
1932.....	17.05	16.21	17.57	13.91	(3)	(3)	(3)	\$27.72	(3)	(3)
1933.....	16.73	16.43	16.89	14.47	(3)	(3)	(3)	26.11	(3)	(3)
1934.....	18.40	18.87	18.05	18.10	\$22.97	(2)	(3)	26.37	(3)	\$14.89
1935.....	20.13	21.52	19.11	19.58	24.51	(3)	(3)	26.76	(3)	15.42
1936.....	21.78	24.04	19.94	22.71	27.01	(3)	(3)	28.41	(3)	16.14
1937.....	24.05	26.91	21.53	23.84	30.14	(3)	\$30.03	29.87	(3)	16.83
1938.....	22.30	24.01	21.05	20.80	29.19	(3)	31.74	29.54	(3)	17.22
1939.....	23.86	26.50	21.78	23.88	30.39	\$31.90	32.14	29.82	\$23.14	17.64
1940.....	25.20	28.44	22.27	24.71	31.70	32.47	32.67	30.45	23.50	17.93
1941.....	29.58	34.04	24.92	30.86	35.14	34.03	32.88	32.51	24.42	18.69
1942.....	36.65	42.73	29.13	35.02	41.80	39.34	34.14	35.52	25.73	20.34
1943.....	43.14	49.30	34.12	41.62	48.13	41.49	36.45	39.37	27.36	23.08
1944.....	46.08	52.07	37.12	51.27	52.18	46.36	38.54	42.26	29.53	25.95
1945.....	44.39	49.05	38.29	52.25	53.73	46.32	³ 40.12	43.94	31.55	27.73
1946.....	43.82	46.49	41.14	58.03	56.24	50.00	44.29	47.73	36.35	30.20
1947.....	49.97	52.46	46.96	66.59	63.30	55.03	44.77	51.99	40.66	32.71
1948.....	54.14	57.11	50.61	72.12	⁴ 68.85	60.11	48.92	55.58	43.85	34.23
1949.....	54.92	58.03	51.41	63.28	70.95	62.36	51.78	57.55	45.93	34.98
1950.....	59.33	63.32	54.71	70.35	73.73	64.14	54.38	60.36	47.63	35.47
1951.....	64.71	69.47	58.46	77.79	81.47	70.93	58.26	64.31	50.65	37.81
1952.....	67.97	73.46	60.98	78.09	88.01	74.30	61.22	67.80	52.67	38.63
1953.....	71.69	77.23	63.60	85.31	91.76	76.33	65.02	71.69	54.88	39.69
1954.....	71.86	77.18	64.74	80.85	94.12	78.74	68.46	73.93	56.70	40.10
1955.....	76.52	83.21	68.06	96.26	96.29	82.12	72.07	77.14	58.50	40.70
1956.....	79.99	86.31	71.10	106.22	101.92	88.40	73.47	81.20	60.60	42.32
1957 ⁵	82.46	88.70	73.83	110.69	106.96	93.79	75.81	84.35	62.73	43.34
1956: January.....	78.55	84.87	69.83	104.22	96.17	86.73	73.28	79.17	59.44	41.51
February.....	78.17	84.05	69.65	103.18	97.63	89.89	71.94	78.99	59.29	40.90
March.....	78.78	84.25	70.31	102.38	95.43	87.78	71.94	80.00	59.14	41.70
April.....	78.99	85.49	70.17	105.46	99.00	86.51	72.34	80.80	60.06	42.12
May.....	78.40	84.86	70.20	106.02	100.74	88.41	72.15	81.00	59.75	42.54
June.....	79.19	85.27	70.95	107.82	103.42	87.78	73.10	81.41	61.15	42.95
July.....	78.60	84.25	71.71	102.16	103.23	85.67	74.21	82.22	62.17	42.42
August.....	79.79	85.68	71.68	102.49	104.53	88.83	72.89	81.61	61.78	41.90
September.....	81.81	88.38	72.44	106.12	106.22	87.10	74.21	82.82	61.22	42.61
October.....	82.21	89.01	72.65	110.38	106.96	89.46	74.03	82.22	60.90	42.61
November.....	82.22	88.99	72.86	106.79	102.75	92.20	77.08	83.03	60.42	42.29
December.....	84.05	91.34	73.84	115.33	104.91	90.61	75.46	83.84	59.83	42.91
1957: January.....	82.41	89.16	72.73	110.63	99.57	93.08	73.92	82.81	61.50	42.59
February.....	82.41	88.75	73.10	112.51	105.63	94.53	74.88	82.81	61.50	42.59
March.....	82.21	88.94	73.12	109.58	104.76	89.98	74.30	83.01	61.56	42.69
April.....	81.59	88.29	72.74	111.74	105.70	92.82	74.69	82.80	61.56	43.20
May.....	81.78	87.85	73.13	107.76	107.02	94.55	75.66	83.81	62.32	43.93
June.....	82.80	88.70	74.09	114.68	108.49	93.07	76.44	84.82	63.41	44.04
July.....	82.18	88.00	74.47	112.17	108.93	95.63	76.63	85.65	64.46	43.38
August.....	82.80	89.06	74.26	110.96	110.48	95.60	75.47	85.24	64.63	43.34
September.....	82.99	89.24	75.24	112.91	111.14	93.71	75.66	86.05	64.01	43.96
October.....	82.56	88.75	74.10	110.66	110.53	94.95	77.22	85.63	62.79	43.73
November.....	82.92	88.93	74.30	104.01	104.27	(3)	79.00	85.20	62.25	43.29
December ⁶	82.92	88.70	74.69	(3)	(3)	(3)	(3)	(3)	(3)	(3)

¹ Averages are based upon monthly data (exclusive of switching and terminal companies) summarized in the M-300 report by the ICC and relate to all employees who received pay during the month, except executives, officials, and staff assistants (ICC group I). Beginning September 1949, data reflect a wage rate increase and reduction in the basic workweek from 48 to 40 hours.

² Prior to April 1945, data relate to all employees except executive; from April 1945 to May 1949, mainly to employees subject to the Fair Labor Standards Act; and beginning June 1949, to nonsupervisory employees only.

³ Not available.

⁴ Data beginning with January of year noted are not comparable with those for earlier periods.

⁵ Nine-month average, April through December, because of new series started in April 1945.

⁶ Preliminary.

NOTE.—Data are for production workers in manufacturing and mining, construction workers in building construction, and for nonsupervisory employees in other industries (except as noted). Data are for payroll periods ending nearest the 15th of the month.

The annual figures for 1957 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on man-hours.

Source: Department of Labor.

TABLE F-26.—Average weekly hours and hourly earnings, gross and excluding overtime, in manufacturing industries, 1939-57

Period	All manufacturing industries				Durable goods manufacturing industries				Nondurable goods manufacturing industries			
	Average weekly hours		Average hourly earnings		Average weekly hours		Average hourly earnings		Average weekly hours		Average hourly earnings	
	Gross	Excluding over-time	Gross	Excluding over-time	Gross	Excluding over-time	Gross	Excluding over-time	Gross	Excluding over-time	Gross	Excluding over-time
1939.....	37.7	(1)	\$0.633	(1)	38.0	(1)	\$0.698	(1)	37.4	(1)	\$0.582	(1)
1940.....	38.1	(1)	.661	(1)	39.3	(1)	.724	(1)	37.0	(1)	.602	(1)
1941.....	40.6	(1)	.729	\$0.702	42.1	(1)	.808	\$0.770	38.9	(1)	.640	\$0.625
1942.....	42.9	(1)	.853	.805	45.1	(1)	.947	.881	40.3	(1)	.723	.698
1943.....	44.9	(1)	.961	.894	46.6	(1)	1.059	.976	42.5	(1)	.803	.763
1944.....	45.2	(1)	1.019	.947	46.6	(1)	1.117	1.029	43.1	(1)	.861	.814
1945.....	43.4	(1)	1.023	1.963	44.1	(1)	1.111	1.042	42.3	(1)	.904	1.858
1946.....	40.4	(1)	1.086	1.051	40.2	(1)	1.156	1.122	40.5	(1)	1.015	.981
1947.....	40.4	(1)	1.237	1.198	40.6	(1)	1.292	1.250	40.1	(1)	1.171	1.133
1948.....	40.1	(1)	1.350	1.310	40.5	(1)	1.410	1.366	39.6	(1)	1.278	1.241
1949.....	39.2	(1)	1.401	1.367	39.5	(1)	1.469	1.434	38.8	(1)	1.325	1.292
1950.....	40.5	(1)	1.465	1.415	41.2	(1)	1.537	1.480	39.7	(1)	1.378	1.337
1951.....	40.7	(1)	1.59	1.53	41.6	(1)	1.67	1.60	39.5	(1)	1.48	1.43
1952.....	40.7	(1)	1.67	1.61	41.5	(1)	1.77	1.70	39.6	(1)	1.54	1.49
1953.....	40.5	(1)	1.77	1.71	41.3	(1)	1.87	1.80	39.5	(1)	1.61	1.56
1954.....	39.7	(1)	1.81	1.76	40.2	(1)	1.92	1.86	39.0	(1)	1.66	1.61
1955.....	40.7	(1)	1.88	1.82	41.4	(1)	2.01	1.93	39.8	(1)	1.71	1.66
1956.....	40.4	37.6	1.98	1.91	41.1	38.1	2.10	2.03	39.5	37.0	1.80	1.75
1957 ³	39.8	37.4	2.07	2.01	40.3	37.9	2.20	2.13	39.1	36.8	1.89	1.83
1956: January.....	40.7	37.7	1.93	1.87	41.2	38.1	2.06	1.98	39.9	37.2	1.75	1.70
February.....	40.5	37.7	1.93	1.86	41.0	38.0	2.05	1.98	39.8	37.3	1.75	1.70
March.....	40.4	37.7	1.95	1.88	40.9	38.0	2.06	1.99	39.5	37.0	1.78	1.73
April.....	40.3	37.6	1.96	1.90	41.1	38.2	2.08	2.00	39.2	36.8	1.79	1.74
May.....	40.0	37.4	1.96	1.90	40.8	38.0	2.08	2.01	39.0	36.7	1.80	1.75
June.....	40.2	37.5	1.97	1.91	40.8	37.9	2.09	2.02	39.2	36.8	1.81	1.75
July.....	40.1	37.5	1.96	1.90	40.7	37.9	2.07	2.01	39.4	36.9	1.82	1.76
August.....	40.3	37.6	1.98	1.91	40.8	37.9	2.10	2.03	39.6	37.1	1.81	1.75
September.....	40.7	37.6	2.01	1.93	41.3	38.0	2.14	2.06	39.8	37.0	1.82	1.76
October.....	40.7	37.6	2.02	1.94	41.4	38.1	2.15	2.06	39.7	37.0	1.83	1.77
November.....	40.5	37.5	2.03	1.96	41.2	37.9	2.16	2.08	39.6	36.9	1.84	1.78
December.....	41.0	37.9	2.05	1.98	41.9	38.4	2.18	2.09	39.7	37.1	1.86	1.80
1957: January.....	40.2	37.6	2.05	1.98	40.9	38.0	2.18	2.10	39.1	36.8	1.86	1.81
February.....	40.2	37.7	2.05	1.99	40.9	38.2	2.17	2.10	39.3	37.0	1.86	1.81
March.....	40.1	37.6	2.05	1.99	40.8	38.2	2.18	2.11	39.1	36.8	1.87	1.81
April.....	39.8	37.5	2.05	2.00	40.5	38.1	2.18	2.11	38.9	36.7	1.87	1.82
May.....	39.7	37.5	2.06	2.00	40.3	38.0	2.18	2.12	38.9	36.7	1.88	1.83
June.....	40.0	37.6	2.07	2.01	40.5	38.1	2.19	2.13	39.2	36.8	1.89	1.83
July.....	39.7	37.3	2.07	2.01	40.0	37.7	2.20	2.14	39.4	36.9	1.89	1.84
August.....	40.0	37.6	2.07	2.01	40.3	37.9	2.21	2.14	39.5	37.0	1.88	1.83
September.....	39.9	37.4	2.08	2.02	40.2	37.7	2.22	2.16	39.6	37.0	1.90	1.84
October.....	39.5	37.2	2.09	2.03	39.8	37.5	2.23	2.16	39.0	36.6	1.90	1.85
November ³	39.3	37.0	2.11	2.05	39.7	37.4	2.24	2.18	38.7	36.4	1.92	1.86
December ³	39.3	37.3	2.11	(4)	39.6	37.7	2.24	(4)	38.9	36.7	1.92	(4)

¹ Not available.

² Eleven-month average; August 1945 excluded because of VJ Day holiday period.

³ Preliminary.

⁴ Not available.

NOTE.—Data relate to production workers and are for payroll periods ending nearest the 15th of the month.

The annual figures for 1957 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on employment (in the case of hours) and man-hours (in the case of earnings).

Source: Department of Labor.

TABLE F-27.—Average weekly earnings, gross and net spendable, in manufacturing industries, in current and 1957 prices, 1939-57

Period	Average gross weekly earnings		Average net spendable weekly earnings ¹			
			Worker with no dependents		Worker with three dependents	
	Current prices	1957 prices ²	Current prices	1957 prices ²	Current prices	1957 prices ²
1939.....	\$23.86	\$48.20	\$23.58	\$47.64	\$23.62	\$47.72
1940.....	25.20	50.50	24.69	49.48	24.95	50.00
1941.....	29.58	56.45	28.05	53.53	29.28	55.88
1942.....	36.65	63.08	31.77	54.68	36.28	62.44
1943.....	43.14	69.92	36.01	58.36	41.39	67.08
1944.....	46.08	73.49	38.29	61.07	44.06	70.27
1945.....	44.39	69.25	36.97	57.68	42.74	66.68
1946.....	43.82	63.05	37.72	54.27	43.20	62.16
1947.....	49.97	62.78	42.76	53.72	48.24	60.60
1948.....	54.14	63.17	47.43	55.34	53.17	62.04
1949.....	54.92	64.76	48.09	56.71	53.83	63.48
1950.....	59.33	69.23	51.09	59.61	57.21	66.76
1951.....	64.71	69.96	54.04	58.42	61.28	66.25
1952.....	67.97	71.85	55.66	58.84	63.62	67.25
1953.....	71.69	75.23	58.54	61.43	66.58	69.86
1954.....	71.86	75.09	59.55	62.23	66.78	69.78
1955.....	76.52	80.21	63.15	66.19	70.45	73.85
1956.....	79.99	82.63	65.86	68.04	73.22	75.64
1957 ³	82.46	82.46	67.63	67.63	75.03	75.03
1956: January.....	78.55	82.25	64.74	67.79	72.07	75.47
February.....	78.17	81.85	64.44	67.48	71.77	75.15
March.....	78.78	82.41	64.92	67.91	72.25	75.58
April.....	78.99	82.54	65.08	68.00	72.42	75.67
May.....	78.40	81.50	64.62	67.17	71.95	74.79
June.....	79.19	81.81	65.24	67.40	72.58	74.96
July.....	78.60	80.62	64.78	66.44	72.11	73.96
August.....	79.79	82.00	65.71	67.53	73.06	75.09
September.....	81.81	83.82	67.30	68.95	74.70	76.54
October.....	82.21	83.80	67.62	68.93	75.03	76.48
November.....	82.22	83.73	67.63	68.87	75.04	76.42
December.....	84.05	85.50	69.10	70.30	76.54	77.86
1957: January.....	82.41	83.66	67.58	68.61	74.99	76.13
February.....	82.41	83.33	67.58	68.33	74.99	75.82
March.....	82.21	82.96	67.42	68.03	74.82	75.50
April.....	81.59	82.08	66.93	67.33	74.31	74.76
May.....	81.78	82.03	67.08	67.28	74.47	74.69
June.....	82.80	82.63	67.90	67.76	75.31	75.16
July.....	82.18	81.61	67.40	66.93	74.80	74.28
August.....	82.80	82.14	67.90	67.36	75.31	74.71
September.....	82.99	82.25	68.05	67.44	75.46	74.79
October.....	82.56	81.82	67.70	67.10	75.11	74.44
November ³	82.92	81.86	67.99	67.12	75.40	74.43
December ³	82.92	(⁴)	67.99	(⁴)	75.40	(⁴)

¹ Average gross weekly earnings less social security and income taxes.

² Estimates in current prices divided by the consumer price index on a 1957 base.

³ Preliminary.

⁴ Not available.

NOTE.—Data relate to production workers and are for payroll periods ending nearest the 15th of the month.

The annual figures for 1957 are simple arithmetic averages of the monthly figures shown and are not strictly comparable with the averages for earlier years, which have been weighted by data on man-hours.

Source: Department of Labor.

TABLE F-28.—*Labor turnover rates in manufacturing industries, 1930-57*

[Rates per 100 employees]

Period	Separation rates				Accession rates
	Total	Quit ¹	Layoff	Discharge, military, and miscellaneous ¹	
1930.....	5.0	1.6	3.0	0.4	3.1
1931.....	4.0	.9	2.9	.2	3.1
1932.....	4.4	.7	3.5	.2	3.3
1933.....	3.8	.9	2.7	.2	5.4
1934.....	4.1	.9	3.0	.2	4.7
1935.....	3.6	.9	2.5	.2	4.2
1936.....	3.4	1.1	2.1	.2	4.4
1937.....	4.4	1.3	3.0	.2	3.6
1938.....	4.1	.6	3.4	.1	3.8
1939.....	3.1	.8	2.2	.1	4.1
1940.....	3.4	.9	2.2	.3	4.4
1941.....	3.9	2.0	1.3	.7	5.4
1942.....	6.5	3.8	1.1	1.7	7.6
1943.....	7.3	5.2	.6	1.5	7.5
1944.....	6.8	5.1	.6	1.1	6.1
1945.....	8.3	5.1	2.3	.9	6.3
1946.....	6.1	4.3	1.2	.6	6.7
1947.....	4.8	3.4	1.0	.5	5.1
1948.....	4.6	2.8	1.3	.5	4.4
1949.....	4.3	1.5	2.4	.3	3.5
1950.....	3.5	1.9	1.1	.5	4.4
1951.....	4.4	2.4	1.2	.8	4.4
1952.....	4.1	2.3	1.1	.6	4.4
1953.....	4.3	2.3	1.3	.7	3.9
1954.....	3.5	1.1	1.9	.4	3.0
1955.....	3.3	1.6	1.2	.5	3.7
1956.....	3.5	1.6	1.5	.5	3.4
1957 ²	3.5	1.4	1.6	.4	3.0
1956: January.....	3.6	1.4	1.7	.5	3.3
February.....	3.6	1.3	1.8	.5	3.1
March.....	3.5	1.4	1.6	.5	3.1
April.....	3.4	1.5	1.4	.5	3.3
May.....	3.7	1.6	1.6	.5	3.4
June.....	3.4	1.6	1.3	.5	4.2
July.....	3.2	1.5	1.2	.4	3.3
August.....	3.9	2.2	1.2	.5	3.8
September.....	4.4	2.6	1.4	.5	4.1
October.....	3.5	1.7	1.3	.5	4.2
November.....	3.3	1.3	1.5	.5	3.0
December.....	2.8	1.0	1.4	.4	2.3
1957: January.....	3.3	1.3	1.5	.5	3.2
February.....	3.0	1.2	1.4	.4	2.8
March.....	3.3	1.3	1.4	.4	2.8
April.....	3.3	1.3	1.5	.4	2.8
May.....	3.4	1.4	1.5	.6	3.0
June.....	3.0	1.3	1.1	.4	3.9
July.....	3.1	1.4	1.3	.4	3.2
August.....	4.0	1.9	1.6	.6	3.2
September.....	4.4	2.2	1.8	.4	3.3
October.....	4.0	1.3	2.3	.4	2.9
November ³	3.9	.9	2.6	.4	2.1

¹ Prior to 1940, military and miscellaneous separations are included with quits.² Based on data through November.³ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Labor.

PRODUCTION AND BUSINESS ACTIVITY

TABLE F-29.—Industrial production indexes, 1929-57

[1947-49=100]

Period	Industrial production									
	Total	Manufactures								
		Total	Durable							
			Total	Primary metals	Fabri- cated metal prod- ucts	Non- elec- trical mach- in- ery	Elec- trical mach- in- ery	Trans- porta- tion equip- ment	Instru- ments and re- lated prod- ucts	Clay, glass, and lum- ber prod- ucts	Fur- niture and miscel- laneous manu- factures
1929	59	58	60							
1930	49	48	45							
1931	40	39	31							
1932	31	30	19							
1933	37	36	24							
1934	40	39	30							
1935	47	46	38							
1936	56	55	49							
1937	61	60	55							
1938	48	46	35							
1939	58	57	49							
1940	67	66	63							
1941	87	88	91							
1942	106	110	126							
1943	127	133	162							
1944	125	130	159							
1945	107	110	123							
1946	90	90	86							
1947	100	100	101	103	103	104	101	96	100	100
1948	104	103	104	107	104	106	101	102	105	104
1949	97	97	95	90	93	90	98	102	95	95
1950	112	113	116	115	115	105	131	120	114	115
1951	120	121	128	126	122	126	138	135	128	121
1952	124	125	136	116	121	136	167	154	142	118
1953	134	136	153	132	136	143	194	189	155	125
1954	125	127	137	108	123	125	177	175	140	123
1955	139	140	155	140	134	135	194	203	149	138
1956	143	144	159	138	135	153	207	199	166	140
1957 ¹	143	144	159	132	138	150	203	211	172	133
Seasonally adjusted										
1956: January	143	145	160	148	136	148	201	200	160	141
February	143	144	158	146	134	149	194	199	161	138
March	141	143	157	145	132	150	193	196	160	135
April	143	144	159	146	136	150	208	193	162	139
May	141	143	157	141	130	151	208	187	164	141
June	141	142	157	136	132	151	208	188	163	141
July	136	138	148	69	130	154	210	189	167	143
August	143	144	158	125	134	157	211	191	171	145
September	144	146	162	148	139	158	210	193	171	139
October	146	147	163	147	140	156	211	203	172	138
November	146	147	165	146	139	155	214	216	172	138
December	147	149	167	145	141	157	216	223	173	136
1957: January	146	147	164	143	137	154	208	222	173	133
February	146	148	164	143	138	155	204	225	174	133
March	145	147	162	137	137	155	204	222	173	132
April	143	145	160	134	140	151	196	217	172	133
May	143	145	159	132	136	152	199	213	171	136
June	144	146	162	132	139	151	209	215	171	140
July	144	146	161	132	141	152	214	210	173	134
August	145	147	162	136	140	152	213	209	175	139
September	144	146	159	131	140	151	207	205	174	135
October	141	142	154	128	136	146	194	200	170	131
November	139	140	153	121	139	142	199	201	171	128
December ¹	136	138	148	111	136	138	194	195	167	125

See footnotes at end of table.

TABLE F-29.—Industrial production indexes, 1929-57—Continued

[1947-49=100]

Period	Industrial production ^a							Output of consumer durables			
	Manufactures						Min-erals	Total	Autos	Major house- hold goods	Other con- sumer dura- bles
	Nondurable										
	Total	Tex- tiles and ap- parel	Rub- ber and leather prod- ucts	Paper and print- ing	Chem- ical and petro- leum prod- ucts	Food, bever- ages, and to- bacco					
1929.....	56						68				
1930.....	51						59				
1931.....	48						51				
1932.....	42						42				
1933.....	48						48				
1934.....	49						51				
1935.....	55						55				
1936.....	61						63				
1937.....	64						71				
1938.....	57						62				
1939.....	66						68				
1940.....	69						76				
1941.....	84						81				
1942.....	93						84				
1943.....	103						87				
1944.....	99						93				
1945.....	96						92				
1946.....	95						91				
1947.....	99		106	96	97	101	100	98	85	99	109
1948.....	102	103	101	103	103	100	106	102	93	105	105
1949.....	99	97	93	101	100	100	94	101	122	96	86
1950.....	111	110	110	114	118	103	105	133	159	143	95
1951.....	114	106	105	118	132	105	115	114	127	118	96
1952.....	114	105	107	118	133	106	114	105	103	115	95
1953.....	118	107	113	125	142	107	116	127	146	132	102
1954.....	116	100	104	125	142	106	111	116	131	122	95
1955.....	126	109	122	137	159	109	122	147	190	144	106
1956.....	129	108	117	145	167	112	129	131	138	144	111
1957 ¹	130	104	119	148	172	112	128	130	146	133	111
Seasonally adjusted											
1956: January.....	130	111	127	142	167	112	129	144	168	149	113
February.....	130	112	126	142	167	112	129	137	155	146	111
March.....	128	107	119	142	167	111	129	133	145	144	108
April.....	130	107	120	145	168	112	129	132	140	145	111
May.....	129	107	114	145	167	111	128	125	118	141	110
June.....	128	106	110	145	166	110	129	123	120	138	110
July.....	128	106	112	146	164	111	123	127	122	148	111
August.....	130	107	117	147	167	113	130	127	124	141	114
September.....	130	108	116	145	168	113	131	123	106	148	113
October.....	131	111	117	148	167	113	131	123	117	142	110
November.....	129	105	114	147	168	113	130	132	152	136	109
December.....	130	106	118	147	170	113	130	141	168	143	113
1957: January.....	131	104	122	148	174	111	131	137	169	130	114
February.....	131	105	124	147	172	113	133	138	167	134	114
March.....	131	105	123	147	171	113	133	134	159	132	111
April.....	129	104	118	147	172	110	130	124	141	124	109
May.....	130	105	115	148	174	111	130	124	139	126	108
June.....	130	106	116	148	170	112	127	129	144	133	108
July.....	130	104	117	146	173	114	127	129	134	142	111
August.....	131	105	123	149	174	113	129	133	145	138	114
September.....	132	107	119	149	174	113	129	129	129	140	116
October.....	130	103	117	149	173	111	128	121	118	134	112
November.....	128	99	117	148	171	111	123	133	154	134	111
December ¹	127	97	114	148	171	111	121	127	140	(²)	110

¹ Preliminary.² Not available.

NOTE.—Detail not available prior to 1947.

Source: Board of Governors of the Federal Reserve System.

TABLE F-30.—Business expenditures for new plant and equipment, 1939 and 1945-58 ¹

[Billions of dollars]

Period	Total ¹	Manufacturing			Mining	Transportation		Public utilities	Commercial and other ²
		Total	Durable goods	Non-durable goods		Rail-road	Other		
1939.....	5.51	1.94	0.76	1.19	0.33	0.28	0.36	0.52	2.08
1945.....	8.69	3.98	1.59	2.39	.38	.55	.57	.50	2.70
1946.....	14.85	6.79	3.11	3.68	.43	.58	.92	.79	5.33
1947.....	20.61	8.70	3.41	5.30	.69	.89	1.30	1.54	7.49
1948.....	22.06	9.13	3.48	5.65	.88	1.32	1.28	2.54	6.90
1949.....	19.28	7.15	2.59	4.56	.79	1.35	.89	3.12	5.98
1950.....	20.60	7.49	3.14	4.36	.71	1.11	1.21	3.31	6.78
1951.....	25.64	10.85	5.17	5.68	.93	1.47	1.49	3.66	7.24
1952.....	26.49	11.63	5.61	6.02	.98	1.40	1.50	3.89	7.09
1953.....	28.32	11.91	5.65	6.26	.99	1.31	1.56	4.55	8.00
1954.....	26.83	11.04	5.09	5.95	.98	.85	1.51	4.22	8.23
1955 ³	28.70	11.44	5.44	6.00	.96	.92	1.60	4.31	9.47
1956 ³	35.08	14.95	7.62	7.33	1.24	1.23	1.71	4.90	11.05
1957 ^{3 4}	37.03	16.05	8.05	8.00	1.25	1.39	1.80	6.28	10.26
Seasonally adjusted annual rates									
1955: First quarter.....	25.65	10.17	4.78	5.39	0.80	0.74	1.46	4.01	8.46
Second quarter.....	27.19	10.84	5.06	5.78	.94	.80	1.62	4.09	8.90
Third quarter.....	29.65	11.97	5.77	6.20	.99	.96	1.60	4.43	9.70
Fourth quarter.....	31.45	12.48	6.00	6.48	1.08	1.17	1.70	4.48	10.54
1956: First quarter.....	32.82	13.45	6.57	6.88	1.13	1.25	1.65	4.56	10.78
Second quarter.....	34.49	14.65	7.38	7.27	1.28	1.22	1.63	4.61	11.10
Third quarter.....	35.87	15.78	8.20	7.58	1.26	1.20	1.79	5.08	10.76
Fourth quarter.....	36.46	15.81	8.21	7.60	1.28	1.23	1.76	5.27	11.11
1957: First quarter.....	36.89	16.12	8.09	8.03	1.35	1.42	1.52	5.72	10.76
Second quarter.....	37.03	16.25	8.31	7.94	1.28	1.35	1.82	5.93	10.40
Third quarter.....	37.75	16.37	8.23	8.14	1.24	1.54	1.81	6.64	10.15
Fourth quarter ⁴	37.47	16.16	7.93	8.23	1.20	1.22	2.03	6.62	10.24
1958: First quarter ⁴	35.52	14.96	7.27	7.69	1.16	1.16	1.82	6.48	9.94

¹ Excludes agriculture.² Commercial and other includes trade, service, finance, communications, and construction.³ Annual total is the sum of unadjusted quarterly expenditures; it does not necessarily coincide with the average of seasonally adjusted figures, which include adjustments, when necessary, for systematic tendencies in anticipatory data.⁴ Estimates for fourth quarter 1957 and first quarter 1958 based on anticipated capital expenditures reported by business in late October and November 1957.

NOTE.—These figures do not agree precisely with the plant and equipment expenditures included in the gross national product estimates of the Department of Commerce. The main difference lies in the inclusion in the gross national product of investment by farmers, professionals, and institutions, and of certain outlays charged to current account.

This series is not available for years prior to 1939 and for 1940 to 1944.

Detail will not necessarily add to totals because of rounding.

Sources: Securities and Exchange Commission and Department of Commerce.

TABLE F-31.—*New construction activity, 1929–57*

[Value put in place, millions of dollars]

Period	Total new construction	Private construction							Public construction
		Total ¹	Residential building (non-farm)	Nonresidential building and other construction					
				Total	Commercial ²	Industrial	Public utility	Other ³	
1929.....	10,793	8,307	3,625	4,682	1,135	949	1,578	1,020	2,486
1930.....	8,741	5,883	2,075	3,808	893	532	1,527	856	2,858
1931.....	6,427	3,768	1,565	2,203	454	221	946	582	2,659
1932.....	3,538	1,676	630	1,046	223	74	467	282	1,862
1933.....	2,879	1,231	470	761	130	176	261	194	1,648
1934.....	3,720	1,509	625	884	173	191	326	194	2,211
1935.....	4,232	1,999	1,010	989	211	158	363	257	2,233
1936.....	6,497	2,981	1,565	1,416	290	266	518	342	3,516
1937.....	6,999	3,903	1,875	2,028	387	492	705	444	3,096
1938.....	6,980	3,560	1,990	1,570	285	232	605	448	3,420
1939.....	8,198	4,389	2,680	1,709	292	254	683	480	3,809
1940.....	8,682	5,054	2,985	2,069	348	442	771	508	3,628
1941.....	11,957	6,206	3,510	2,696	409	801	872	614	5,751
1942.....	14,075	3,415	1,715	1,700	155	346	786	413	10,660
1943.....	8,301	1,979	885	1,094	33	156	570	335	6,322
1944.....	5,259	2,186	815	1,371	56	208	725	382	3,073
1945.....	5,809	3,411	1,276	2,135	203	642	827	463	2,398
1946.....	12,737	10,375	4,752	5,623	1,132	1,689	1,374	1,428	2,362
1947.....	17,915	14,481	7,535	6,946	856	1,702	2,338	2,050	3,434
1948.....	23,222	18,395	10,122	8,273	1,253	1,397	3,043	2,580	4,827
1949.....	24,163	17,759	9,642	8,117	1,027	972	3,323	2,795	6,404
1950.....	29,955	22,954	14,100	8,854	1,288	1,062	3,330	3,174	7,001
1951.....	32,739	23,320	12,529	10,791	1,371	2,117	3,729	3,574	9,419
1952.....	34,750	23,849	12,842	11,007	1,137	2,320	4,003	3,547	10,901
1953.....	37,118	25,724	13,777	11,947	1,791	2,229	4,416	3,511	11,594
1954.....	39,601	27,679	15,379	12,300	2,212	2,030	4,284	3,774	11,922
1955.....	44,581	32,620	18,705	13,915	3,218	2,399	4,543	3,755	11,961
1956.....	46,060	33,242	17,632	15,610	3,631	3,084	5,113	3,782	12,818
1957 ⁴	47,255	33,313	16,571	16,742	3,570	3,162	5,830	4,180	13,942
Seasonally adjusted annual rates									
1956: January.....	44,556	32,328	17,760	14,568	3,552	2,628	4,752	3,636	12,228
February.....	45,084	32,844	17,868	14,976	3,624	2,700	5,028	3,624	12,240
March.....	45,120	33,000	17,880	15,120	3,708	2,772	4,956	3,684	12,120
April.....	45,680	33,144	17,784	15,360	3,732	2,940	4,992	3,696	12,516
May.....	46,188	33,420	17,628	15,792	3,744	3,120	5,244	3,684	12,768
June.....	46,548	33,504	17,700	15,804	3,780	3,216	5,076	3,732	13,044
July.....	46,476	33,456	17,568	15,888	3,696	3,276	5,148	3,768	13,020
August.....	46,332	33,360	17,592	15,768	3,504	3,312	5,124	3,828	12,972
September.....	46,284	33,216	17,508	15,708	3,456	3,312	5,076	3,864	13,068
October.....	46,680	33,336	17,412	15,924	3,552	3,276	5,184	3,912	13,344
November.....	46,728	33,864	17,616	16,248	3,648	3,228	5,424	3,948	12,864
December.....	46,848	33,588	17,520	16,068	3,660	3,228	5,220	3,960	13,260
1957: January.....	47,064	32,832	16,932	15,900	3,504	3,168	5,220	4,008	14,232
February.....	46,332	32,880	16,692	16,188	3,396	3,240	5,472	4,080	13,452
March.....	46,944	33,024	16,596	16,428	3,504	3,288	5,508	4,128	13,920
April.....	46,872	33,048	16,332	16,716	3,540	3,324	5,664	4,188	13,824
May.....	46,860	33,012	15,852	17,160	3,648	3,336	5,964	4,212	13,848
June.....	46,800	32,904	15,888	17,016	3,636	3,276	5,868	4,236	13,896
July.....	45,996	32,868	16,188	16,680	3,516	3,180	5,904	4,080	13,128
August.....	47,304	33,444	16,524	16,920	3,564	3,192	5,916	4,248	13,860
September.....	47,748	33,480	16,656	16,824	3,576	3,084	5,940	4,224	14,268
October.....	48,768	33,996	16,968	17,028	3,696	3,012	6,120	4,200	14,772
November.....	48,516	34,116	17,208	16,908	3,672	2,952	6,036	4,248	14,400
December ⁴	48,612	34,248	17,328	16,920	3,636	2,916	6,096	4,272	14,364

¹ Excludes construction expenditures for crude petroleum and natural gas drilling, and therefore does not agree with the new construction expenditures included in the gross national product (Table F-1).² Office buildings, warehouses, stores, restaurants, and garages.³ Includes farm, institutional, and all other.⁴ Preliminary.

Sources: Department of Commerce and Department of Labor.

TABLE F-32.—*New public construction activity, 1929-57*

[Value put in place, millions of dollars]

Year	Total new public construction ¹				Major types of new public construction						
	All public sources	Federal		State and local	High-way	Educational	Hospital and institutional	Sewer and water and miscellaneous public service	Conservation and development	Military facilities	All other public ²
		Direct	Federal aid								
1929.....	2,486	155	80	2,251	1,266	389	101	404	115	19	192
1930.....	2,858	209	104	2,545	1,516	364	118	500	137	29	194
1931.....	2,659	271	235	2,153	1,355	285	110	479	156	40	234
1932.....	1,862	333	111	1,418	958	130	83	291	150	34	216
1933.....	1,648	516	286	846	847	52	49	160	359	36	145
1934.....	2,211	626	721	864	1,000	148	51	228	518	47	219
1935.....	2,233	814	567	852	845	153	38	246	700	37	214
1936.....	3,516	797	1,566	1,153	1,362	366	74	509	658	29	518
1937.....	3,096	776	1,117	1,203	1,226	253	73	445	605	37	457
1938.....	3,420	717	1,320	1,383	1,421	311	97	492	551	62	486
1939.....	3,809	759	1,377	1,673	1,381	468	127	507	570	125	631
1940.....	3,628	1,182	946	1,500	1,302	156	54	469	528	385	734
1941.....	5,751	3,751	697	1,303	1,066	158	42	393	500	1,620	1,972
1942.....	10,660	9,313	475	872	734	128	35	254	357	5,016	4,136
1943.....	6,322	5,609	268	445	446	63	44	156	285	2,550	2,778
1944.....	3,073	2,505	126	442	362	41	58	125	163	837	1,487
1945.....	2,398	1,737	99	562	398	59	85	152	130	690	884
1946.....	2,362	870	244	1,248	895	101	85	278	260	188	555
1947.....	3,434	840	409	2,185	1,451	287	85	492	424	204	491
1948.....	4,827	1,177	417	3,233	1,774	618	223	699	670	158	685
1949.....	6,404	1,488	461	4,455	2,131	934	477	803	852	137	1,070
1950.....	7,001	1,625	465	4,911	2,272	1,133	496	819	942	177	1,162
1951.....	9,419	2,982	479	5,958	2,518	1,513	528	959	912	887	2,102
1952.....	10,901	4,186	619	6,096	2,820	1,619	473	958	900	1,388	2,743
1953.....	11,394	4,151	700	6,543	3,160	1,714	365	1,050	892	1,307	2,906
1954.....	11,922	3,445	709	7,768	3,870	2,134	360	1,171	773	1,030	2,584
1955.....	11,961	2,800	758	8,403	4,050	2,442	322	1,318	701	1,313	1,815
1956.....	12,818	2,774	861	9,183	4,470	2,549	298	1,659	826	1,395	1,621
1957 ³	13,942	2,958	1,349	9,635	4,840	2,832	333	1,740	975	1,275	1,947

¹ For expenditures classified by ownership, combine "Federal aid" and "State and local" columns to obtain State and local ownership. "Direct" column stands as it is for Federal ownership.² Includes nonresidential building other than educational and hospital and institutional (industrial, commercial, public administration, social and recreational, and miscellaneous), public residential buildings, and publicly owned parks and playgrounds, memorials, etc.³ Preliminary.

Sources: Department of Commerce and Department of Labor.

TABLE F-33.—Housing starts and applications for financing, 1929–57

[Thousands of units]

Period	New nonfarm housing starts						Proposed home construction	
	Total	Publicly financed	Privately financed			Private, seasonally adjusted annual rates	FHA applications ²	VA appraisal requests
			Total	Government programs				
				Total ¹	FHA ¹				VA
1929 ³	509.0		509.0					
1930	330.0		330.0					
1931	254.0		254.0					
1932	134.0		134.0					
1933	93.0		93.0					
1934	126.0		126.0					
1935	221.0	5.3	215.7	14.0	14.0		⁴ 20.6	
1936	319.0	14.8	304.2	49.4	49.4		47.8	
1937	336.0	3.6	332.4	60.0	60.0		49.8	
1938	406.0	6.7	399.3	118.7	118.7		131.1	
1939	515.0	56.6	458.4	158.1	158.1		179.8	
1940	602.6	73.0	529.6	180.1	180.1		231.2	
1941	706.1	86.6	619.5	220.4	220.4		288.5	
1942	356.0	54.8	301.2	165.7	165.7		238.5	
1943	191.0	7.3	183.7	146.2	146.2		144.4	
1944	141.8	3.1	138.7	93.3	93.3		62.9	
1945	209.3	1.2	208.1	(⁵)	41.2	(⁵)	56.6	(⁵)
1946	670.5	8.0	662.5	(⁵)	69.0	(⁵)	121.7	(⁵)
1947	849.0	3.4	845.6	(⁵)	229.0	(⁵)	286.4	(⁵)
1948	931.6	18.1	913.5	(⁵)	294.1	(⁵)	293.2	(⁵)
1949	1,025.1	36.3	988.8	(⁵)	363.8	(⁵)	327.0	(⁵)
1950	1,396.0	43.8	1,352.2	686.7	486.7	⁶ 200.0	397.7	(⁵)
1951	1,091.3	71.2	1,020.1	412.2	263.5	148.7	192.8	164.4
1952	1,127.0	58.5	1,068.5	421.2	279.9	141.3	267.9	226.3
1953	1,103.8	35.5	1,068.3	408.6	252.0	156.6	253.7	251.4
1954	1,220.4	18.7	1,201.7	583.3	276.3	307.0	338.6	535.4
1955	1,328.9	19.4	1,309.5	669.6	276.7	392.9	306.2	620.8
1956	1,118.1	24.2	1,093.9	460.0	189.3	270.7	197.7	401.5
1957 ⁷	1,039.2	49.5	989.7	296.7	163.4	128.3	198.8	159.3
1956: January	75.1	1.4	73.7	36.0	13.0	23.0	1,195	15.6
February	78.4	1.4	77.0	30.4	13.1	17.4	1,127	18.5
March	98.6	4.7	93.9	37.5	16.9	20.6	1,094	24.9
April	111.4	1.5	109.9	46.2	19.8	26.4	1,167	22.3
May	113.7	2.9	110.8	46.3	19.7	26.6	1,146	22.1
June	107.4	2.8	104.6	44.8	18.4	26.4	1,091	16.8
July	101.1	2.1	99.0	42.8	17.6	25.2	1,070	16.9
August	103.9	.7	103.2	43.1	18.6	24.4	1,136	16.2
September	93.9	3.2	90.7	39.1	15.1	24.0	1,008	13.4
October	93.6	2.4	91.2	39.4	15.5	24.0	1,052	13.3
November	77.4	.4	77.0	29.9	12.1	17.8	1,027	10.0
December	63.6	.7	62.9	24.6	9.6	15.0	1,020	7.7
1957: January	63.0	2.9	60.1	19.7	7.7	12.0	962	10.5
February	65.8	2.7	63.1	19.2	9.3	9.9	935	12.1
March	87.0	7.7	79.3	22.7	11.3	11.4	933	16.2
April	93.7	2.3	91.4	25.6	12.1	13.5	962	16.8
May	103.0	6.1	96.9	27.0	14.9	12.0	994	16.9
June	99.9	5.4	94.5	28.3	15.3	13.0	995	16.6
July	99.9	6.0	93.9	28.0	15.7	12.3	1,015	18.4
August	100.0	3.2	96.8	29.3	17.7	11.6	1,056	22.3
September	91.9	1.7	90.2	28.2	16.4	11.8	1,012	20.4
October	95.0	7.0	87.0	28.4	18.7	9.7	1,000	20.2
November	78.0	2.3	75.7	21.4	15.0	6.4	1,010	14.7
December ⁷	62.0	1.2	60.8	18.9	14.2	4.7	970	13.6

¹ Excludes armed forces housing in 1956 (2,567 units) and 1957 (13,731 units).² Units in mortgage applications for new-home construction.³ The number of starts for the years 1920–28, respectively, was as follows: 247,000; 449,000; 716,000; 871,000; 893,000; 937,000; 849,000; 810,000 and 753,000.⁴ FHA program approved in June 1934; all 1934 activity included in 1935.⁵ Not available.⁶ Partly estimated.⁷ Preliminary.

Sources: Department of Labor, Federal Housing Administration (FHA), and Veterans Administration (VA).

TABLE F-34.—Sales and inventories in manufacturing and trade, 1939-57

[Amounts in billions of dollars]

Period	Total manufacturing and trade ¹			Manufacturing			Wholesale trade ¹			Retail trade ¹		
	Sales ²	Inventories ³	Ratio ⁴	Sales ²	Inventories ³	Ratio ⁴	Sales ²	Inventories ³	Ratio ⁴	Sales ²	Inventories ³	Ratio ⁴
1939.....	10.8	20.1	1.77	5.1	11.5	2.11	2.2	3.1	1.34	3.5	5.5	1.53
1940.....	12.1	22.2	1.72	5.9	12.8	2.06	2.4	3.2	1.30	3.9	6.1	1.49
1941.....	15.8	28.8	1.58	8.2	17.0	1.78	3.0	4.0	1.20	4.6	7.8	1.48
1942.....	18.6	31.1	1.66	10.4	19.3	1.77	3.4	3.8	1.19	4.8	8.0	1.76
1943.....	21.9	31.3	1.40	12.8	20.1	1.51	3.8	3.7	.97	5.3	7.6	1.42
1944.....	23.8	31.1	1.33	13.8	19.5	1.45	4.2	3.9	.94	5.9	7.6	1.31
1945.....	23.9	30.9	1.30	12.9	18.4	1.48	4.5	4.6	.91	6.5	7.9	1.21
1946.....	27.2	42.9	1.33	12.6	24.5	1.66	6.0	6.6	.90	8.5	11.9	1.13
1947.....	33.2	50.5	1.43	15.9	28.9	1.71	7.3	7.6	1.01	10.0	14.1	1.27
1948.....	36.1	55.4	1.48	17.6	31.7	1.72	7.5	7.9	1.01	10.9	15.8	1.40
1949.....	34.5	51.8	1.56	16.4	28.9	1.86	7.2	7.6	1.06	10.9	15.3	1.42
1950.....	39.7	62.8	1.39	19.3	34.3	1.57	8.4	9.1	.96	12.0	19.3	1.40
1951.....	44.7	73.8	1.58	22.3	42.8	1.77	9.4	9.7	1.05	13.0	21.2	1.65
1952.....	45.9	75.4	1.61	22.8	43.8	1.90	9.6	10.0	1.01	13.5	21.6	1.55
1953.....	48.4	78.6	1.61	24.5	45.4	1.84	9.8	10.5	1.06	14.1	22.7	1.59
1954.....	47.4	75.5	1.62	23.5	43.0	1.86	9.7	10.4	1.07	14.1	22.1	1.59
1955.....	52.3	81.7	1.49	26.3	46.4	1.68	10.6	11.4	1.02	15.3	23.9	1.50
1956.....	54.8	89.1	1.56	27.7	52.3	1.79	11.3	13.0	1.08	15.8	23.9	1.50
1957 ⁵	56.3	90.9	1.61	28.4	53.8	1.89	11.3	12.8	1.14	16.7	24.3	1.44
Seasonally adjusted												
1956: January.....	54.3	82.5	1.51	27.6	46.8	1.69	11.2	11.6	1.03	15.5	24.1	1.55
February.....	54.0	83.5	1.54	27.7	47.6	1.70	11.1	11.7	1.05	15.2	24.2	1.59
March.....	53.3	83.7	1.57	26.8	48.0	1.78	10.8	11.9	1.09	15.6	23.8	1.54
April.....	53.9	84.5	1.56	27.5	48.6	1.76	11.0	12.0	1.09	15.4	23.9	1.55
May.....	54.7	85.3	1.55	27.6	49.3	1.78	11.4	12.1	1.06	15.7	23.9	1.52
June.....	54.5	85.6	1.57	27.4	49.6	1.81	11.3	12.2	1.08	15.9	23.8	1.51
July.....	53.9	86.2	1.59	26.8	50.0	1.86	11.2	12.3	1.09	15.9	23.8	1.50
August.....	55.0	86.6	1.57	27.6	50.4	1.82	11.3	12.5	1.10	16.1	23.7	1.48
September.....	54.2	86.9	1.60	27.1	50.8	1.86	11.1	12.6	1.12	15.9	23.4	1.49
October.....	55.9	87.8	1.56	28.7	51.8	1.79	11.4	12.7	1.11	15.9	23.3	1.47
November.....	56.3	88.5	1.57	28.5	52.2	1.83	11.6	12.8	1.10	16.2	23.5	1.44
December.....	57.0	89.1	1.56	28.8	52.3	1.81	11.8	13.0	1.09	16.3	23.9	1.45
1957: January.....	57.9	89.3	1.54	30.0	52.4	1.75	11.6	12.9	1.11	16.3	24.0	1.47
February.....	57.4	89.6	1.56	29.5	52.9	1.78	11.5	12.8	1.11	16.4	23.9	1.46
March.....	56.2	89.9	1.60	28.4	53.3	1.87	11.4	12.8	1.12	16.3	23.7	1.46
April.....	56.4	90.1	1.59	28.7	53.7	1.87	11.3	12.8	1.13	16.4	23.7	1.44
May.....	56.8	90.6	1.59	28.6	53.9	1.88	11.5	12.7	1.11	16.6	23.9	1.43
June.....	56.4	90.7	1.61	28.1	53.9	1.91	11.4	12.7	1.11	16.8	24.1	1.43
July.....	57.4	91.0	1.58	29.0	54.1	1.86	11.4	12.7	1.12	17.0	24.1	1.42
August.....	57.0	91.3	1.60	28.6	54.2	1.89	11.4	12.8	1.12	17.0	24.3	1.42
September.....	56.3	91.3	1.62	28.2	54.2	1.92	11.2	12.8	1.15	16.9	24.4	1.44
October.....	55.7	91.1	1.64	28.1	54.1	1.93	11.0	12.8	1.17	16.7	24.2	1.45
November ⁶	54.9	90.9	1.66	27.4	53.8	1.97	10.9	12.8	1.17	16.6	24.3	1.47
December ⁶										16.7		

¹ The series beginning in 1948 are not comparable with the previous years because of changes in definition for the wholesale series. Beginning in 1951, the estimates of retail sales and inventories are based on a new method of estimation adopted by the Bureau of the Census.

² Monthly average shown for year and total for month.

³ Seasonally adjusted, end of period.

⁴ Inventory/sales ratio. For annual periods weighted average inventories to average monthly sales; for monthly data, ratio of average end of current and previous month's inventories to sales for month.

⁵ Where December data not available, data for year calculated on basis of no change from November.

⁶ Preliminary.

NOTE.—For a description of the series and their comparability, see *Survey of Current Business*, September and November 1952, January 1954, and June 1957 for retail, and August 1957 for manufacturing and wholesale.

The inventory figures in this table do not agree with the estimates of change in business inventories included in the gross national product since these figures cover only manufacturing and trade rather than all business, and show inventories in terms of current book value without adjustment for revaluation.

Source: Department of Commerce.

TABLE F-35.—Manufacturers' sales, inventories, and orders, 1939-57

[Billions of dollars]

Period	Sales ¹		Inventories ²						New orders ¹			Un-filled orders (un-adjusted) ³
	Durable-goods industries	Non-durable-goods industries	Durable-goods industries			Nondurable-goods industries			Total	Durable-goods industries	Non-durable-goods industries	
			Purchased materials	Goods-in-process	Finished goods	Purchased materials	Goods-in-process	Finished goods				
1939.....	1.9	3.2	1.8	1.5	2.1	2.4	0.8	2.9	5.4	2.2	3.2	7.0
1940.....	2.5	3.4	2.1	2.0	2.2	2.6	.9	3.0	6.8	3.4	3.4	18.4
1941.....	3.8	4.4	3.1	3.2	2.3	4.0	1.2	3.2	9.8	5.3	4.5	37.9
1942.....	5.2	5.3	3.7	4.6	2.2	4.3	1.2	3.3	13.3	8.0	5.3	72.9
1943.....	6.9	6.0	3.9	5.2	2.1	4.5	1.4	3.0	12.7	6.8	5.9	71.5
1944.....	7.3	6.4	3.3	5.0	2.1	4.7	1.4	3.0	11.9	5.5	6.4	49.0
1945.....	6.3	6.6	3.2	3.5	2.1	4.9	1.5	3.2	10.5	3.9	6.6	20.9
1946.....	5.0	7.6	4.5	4.6	2.9	6.5	1.8	4.2	13.7	5.9	7.8	33.8
1947.....	6.7	9.2	5.1	5.2	4.0	7.2	2.2	5.2	15.6	6.4	9.3	30.3
1948.....	7.6	10.0	5.6	5.4	4.7	7.3	2.2	6.5	17.4	7.5	9.9	26.9
1949.....	7.1	9.3	4.6	4.7	4.7	6.5	2.1	6.3	15.9	6.6	9.3	20.8
1950.....	8.8	10.5	6.1	6.0	4.7	8.4	2.5	6.6	21.0	10.3	10.7	41.1
1951.....	10.4	11.9	7.4	8.6	6.8	9.1	2.7	8.2	24.5	12.7	11.8	67.6
1952.....	10.9	11.9	7.3	10.2	6.9	8.6	2.7	8.1	23.6	11.7	11.9	76.3
1953.....	12.4	12.1	7.4	10.7	8.1	8.1	2.7	8.4	23.1	11.0	12.1	59.5
1954.....	11.2	12.3	6.5	9.8	7.7	7.9	2.6	8.4	22.5	10.2	12.3	46.9
1955.....	13.1	13.3	7.4	11.1	8.2	8.1	2.8	8.8	27.2	13.9	13.3	56.9
1956.....	13.8	13.9	8.7	12.8	9.2	8.5	3.0	10.1	28.3	14.4	13.9	64.2
1957 ⁴	14.2	14.3	8.5	13.1	9.8	9.0	3.0	10.4	27.3	13.1	14.2	51.8
Seasonally adjusted												
1956:												
January.....	13.8	13.8	7.5	11.2	8.2	8.2	2.8	8.9	28.1	14.4	13.7	58.3
February.....	13.8	13.9	7.7	11.4	8.4	8.2	2.8	9.1	28.1	14.4	13.7	58.7
March.....	13.3	13.6	7.9	11.6	8.4	8.2	2.8	9.2	27.4	13.8	13.6	59.0
April.....	13.7	13.8	8.0	11.8	8.4	8.2	2.8	9.4	28.3	14.5	13.8	59.6
May.....	13.6	14.0	8.1	12.1	8.5	8.3	2.8	9.4	28.6	14.7	14.0	59.7
June.....	13.6	13.8	8.1	12.0	8.7	8.3	2.9	9.6	27.7	14.1	13.6	60.6
July.....	13.0	13.8	8.2	12.1	8.7	8.3	2.9	9.8	27.7	14.1	13.6	62.4
August.....	13.7	13.9	8.2	12.2	8.8	8.4	2.9	9.9	31.1	17.3	13.7	64.1
September.....	13.4	13.7	8.2	12.3	8.9	8.4	2.9	10.0	26.8	13.0	13.7	63.6
October.....	14.4	14.3	8.5	12.6	9.1	8.6	3.0	10.0	28.8	14.3	14.5	62.8
November.....	14.3	14.2	8.6	12.9	9.1	8.6	2.9	10.1	30.0	15.8	14.2	63.4
December.....	14.5	14.3	8.7	12.8	9.2	8.5	3.0	10.1	29.0	14.5	14.5	64.2
1957:												
January.....	14.9	15.0	8.6	12.8	9.2	8.6	3.0	10.2	28.9	14.2	14.8	64.0
February.....	14.8	14.7	8.7	12.9	9.3	8.7	3.0	10.3	28.6	14.1	14.5	63.7
March.....	14.2	14.2	8.7	13.0	9.4	8.7	3.0	10.4	28.1	13.9	14.2	63.2
April.....	14.3	14.4	8.6	13.4	9.4	8.7	3.0	10.6	27.9	13.2	14.7	61.9
May.....	14.3	14.3	8.5	13.4	9.6	8.9	2.9	10.5	28.4	14.1	14.3	61.1
June.....	14.2	13.9	8.4	13.3	9.7	9.0	3.0	10.5	27.1	13.2	13.8	60.3
July.....	14.6	14.5	8.4	13.5	9.8	9.0	2.9	10.5	27.3	13.0	14.3	59.3
August.....	14.3	14.3	8.4	13.6	9.8	9.0	3.0	10.5	27.3	13.2	14.2	57.8
September.....	14.1	14.1	8.5	13.4	9.8	8.9	2.9	10.5	26.6	12.5	14.0	56.0
October.....	13.9	14.1	8.6	13.2	9.9	8.9	3.0	10.4	26.2	12.2	14.1	53.2
November ⁵	13.5	13.9	8.5	13.1	9.8	9.0	3.0	10.4	26.2	12.3	13.9	51.8

¹ Monthly average shown for year and total for month.² Book value, seasonally adjusted, end of period.³ End of period.⁴ Based on data through November.⁵ Preliminary.

NOTE.—See Table F-34 for total sales and inventories of manufacturers.

Source: Department of Commerce.

PRICES

TABLE F-36.—Wholesale price indexes, 1929-57

[1947-49=100] ¹

Period	All commodities	Farm products	Processed foods	All commodities other than farm products and foods				
				Total	Textile products and apparel	Chemicals and allied products	Rubber and rubber products	Lumber and wood products
1929.....	61.9	58.6	58.5	65.5	(3)	(3)	83.5	31.9
1930.....	56.1	49.3	53.3	60.9	(3)	(3)	73.0	29.4
1931.....	47.4	36.2	44.8	53.6	(3)	(3)	62.0	23.8
1932.....	42.1	26.9	36.5	50.2	(3)	(3)	53.8	20.3
1933.....	42.8	28.7	36.3	50.9	(3)	51.2	56.8	24.2
1934.....	48.7	36.5	42.6	56.0	(3)	53.7	65.8	28.5
1935.....	52.0	44.0	52.1	55.7	(3)	56.0	66.4	27.4
1936.....	52.5	45.2	50.1	56.9	(3)	56.4	71.7	28.7
1937.....	56.1	48.3	52.4	61.0	(3)	59.0	84.4	33.7
1938.....	51.1	38.3	45.6	58.4	(3)	55.9	82.7	30.8
1939.....	50.1	36.5	43.3	58.1	(3)	55.8	86.3	31.6
1940.....	51.1	37.8	43.6	59.4	(3)	56.6	80.2	35.2
1941.....	56.8	46.0	50.5	63.7	(3)	61.6	86.5	41.8
1942.....	64.2	59.2	59.1	68.3	(3)	69.3	100.6	45.4
1943.....	67.0	68.5	61.6	69.3	(3)	69.5	103.3	48.0
1944.....	67.6	68.9	60.4	70.4	(3)	70.2	102.0	51.9
1945.....	68.8	71.6	60.8	71.3	(3)	70.6	98.9	52.5
1946.....	78.7	83.2	77.6	78.3	(3)	76.3	99.4	60.3
1947.....	96.4	100.0	98.2	95.3	100.1	101.4	99.0	93.7
1948.....	104.4	107.3	106.1	103.4	104.4	103.8	102.1	107.2
1949.....	99.2	92.8	95.7	101.3	95.5	94.8	98.9	99.2
1950.....	103.1	97.5	99.8	105.0	99.2	96.3	120.5	113.9
1951.....	114.8	113.4	111.4	115.9	110.6	110.0	148.0	123.9
1952.....	111.6	107.0	108.8	113.2	99.8	104.5	134.0	120.3
1953.....	110.1	97.0	104.6	114.0	97.3	105.7	125.0	120.2
1954.....	110.3	95.6	105.3	114.5	95.2	107.0	126.9	118.0
1955.....	110.7	89.6	101.7	117.0	95.3	106.6	143.8	123.6
1956.....	114.3	88.4	101.7	122.2	95.3	107.2	145.8	125.4
1957.....	117.6	90.9	105.6	125.6	95.4	109.5	145.2	119.0
1956: January.....	111.9	84.1	98.3	120.4	95.7	106.3	148.4	126.3
February.....	112.4	86.0	99.0	120.6	96.0	106.4	147.1	126.7
March.....	112.8	86.6	99.2	121.0	95.9	106.5	146.2	128.0
April.....	113.6	88.0	100.4	121.6	95.1	106.9	145.0	128.5
May.....	114.4	90.9	102.4	121.7	94.9	106.9	143.5	128.0
June.....	114.2	91.2	102.3	121.5	94.9	107.1	142.8	127.3
July.....	114.0	90.0	102.2	121.4	94.9	107.3	143.3	126.6
August.....	114.7	89.1	102.6	122.5	94.8	107.3	146.9	125.2
September.....	115.5	90.1	104.0	123.1	94.8	107.1	145.7	123.6
October.....	115.6	88.4	103.6	123.6	95.3	107.7	145.8	122.0
November.....	115.9	87.9	103.6	124.2	95.4	108.2	146.9	121.5
December.....	116.3	88.9	103.1	124.7	95.6	108.3	147.9	121.0
1957: January.....	116.9	89.3	104.3	125.2	95.8	108.7	145.0	121.3
February.....	117.0	88.8	103.9	125.5	95.7	108.8	143.9	120.7
March.....	116.9	88.8	103.7	125.4	95.4	108.8	144.3	120.1
April.....	117.2	90.6	104.3	125.4	95.3	109.1	144.5	120.2
May.....	117.1	89.5	104.9	125.2	95.4	109.1	144.7	119.7
June.....	117.4	90.9	106.1	125.2	95.5	109.3	145.1	119.7
July.....	118.2	92.8	107.2	125.7	95.4	109.5	144.9	119.3
August.....	118.4	93.0	106.8	126.0	95.4	109.8	146.9	118.6
September.....	118.0	91.0	106.5	126.0	95.4	110.2	146.5	117.8
October.....	117.8	91.5	105.5	125.8	95.1	110.4	146.2	117.3
November.....	118.1	91.9	106.5	125.9	95.0	110.3	144.7	116.9
December.....	118.4	92.6	107.4	126.0	94.9	110.5	145.7	116.4

See footnotes at end of table.

TABLE F-36.—Wholesale price indexes, 1929-57—Continued

[1947-49=100] ¹

Period	All commodities other than farm products and foods (continued)								Miscellaneous products
	Hides, skins, leather, and leather products	Fuel, power, and lighting materials	Pulp, paper, and allied products	Metals and metal products	Machinery and motive products	Furniture and other household durables	Non-metallic minerals (structural)	Tobacco manufactures and bottled beverages ²	
1929.....	59.3	70.2	(3)	67.0	(3)	69.3	72.6	86.6	(3)
1930.....	54.4	66.5	(3)	60.3	(3)	68.2	72.4	87.1	(3)
1931.....	46.8	57.2	(3)	54.1	(3)	62.8	67.6	84.6	(3)
1932.....	39.7	59.5	(3)	49.9	(3)	55.4	63.4	81.4	(3)
1933.....	44.0	56.1	(3)	50.9	(3)	55.5	66.9	72.8	(3)
1934.....	47.1	62.0	(3)	56.2	(3)	60.2	71.6	76.0	(3)
1935.....	48.7	62.2	(3)	56.2	(3)	59.8	71.6	75.9	(3)
1936.....	51.9	64.5	(3)	57.3	(3)	60.6	71.7	75.8	(3)
1937.....	56.9	65.7	(3)	65.6	(3)	67.2	73.4	76.5	(3)
1938.....	50.5	64.7	(3)	63.1	(3)	65.6	71.1	76.4	(3)
1939.....	52.0	61.8	(3)	62.6	65.3	65.4	69.5	76.4	(3)
1940.....	54.8	60.7	(3)	62.8	66.2	66.8	69.7	77.3	(3)
1941.....	58.9	64.5	(3)	64.0	68.6	71.2	71.3	78.1	(3)
1942.....	64.0	66.4	(3)	64.9	71.2	76.8	74.1	79.1	(3)
1943.....	63.9	68.4	(3)	64.8	71.0	76.4	74.5	83.0	(3)
1944.....	63.4	70.3	(3)	64.8	71.0	78.4	75.9	83.4	(3)
1945.....	64.2	71.1	(3)	65.9	71.6	78.6	79.1	85.8	(3)
1946.....	74.6	76.2	(3)	73.9	80.3	83.0	84.2	89.7	(3)
1947.....	101.0	90.9	98.6	91.3	92.5	95.6	93.9	97.2	100.8
1948.....	102.1	107.1	102.9	103.9	100.9	101.4	101.7	100.5	103.1
1949.....	96.9	101.9	98.5	104.8	106.6	103.1	104.4	102.3	96.1
1950.....	104.6	103.0	100.9	110.3	108.6	105.3	106.9	103.5	96.6
1951.....	120.3	106.7	119.6	122.8	119.0	114.1	113.6	109.4	104.9
1952.....	97.2	106.6	116.5	123.0	121.5	112.0	113.6	111.8	108.3
1953.....	98.5	109.5	116.1	126.9	123.0	114.2	118.2	115.7	97.8
1954.....	94.2	108.1	116.3	128.0	124.6	115.4	120.9	120.6	102.5
1955.....	93.8	107.9	119.3	136.6	128.4	115.9	124.2	121.6	92.0
1956.....	99.3	111.2	127.2	148.4	137.8	119.1	129.6	122.3	91.0
1957 ⁴	99.5	117.2	129.5	151.2	146.1	122.2	134.6	126.1	89.6
1956: January.....	96.7	111.0	124.8	145.1	133.3	118.0	127.0	121.7	89.6
February.....	97.1	111.2	125.4	145.1	133.9	118.2	127.1	121.7	88.7
March.....	97.7	110.9	126.8	146.5	134.7	118.1	127.9	121.7	88.2
April.....	100.6	110.6	127.4	147.7	135.7	118.0	128.6	121.7	92.1
May.....	100.0	110.8	127.3	146.8	136.5	118.0	128.6	121.6	96.1
June.....	100.2	110.5	127.4	145.8	136.8	118.1	128.9	121.6	92.9
July.....	100.1	110.7	127.7	144.9	136.9	118.3	130.6	121.7	91.3
August.....	100.0	110.9	127.9	150.2	137.7	119.1	130.8	122.5	91.1
September.....	100.2	111.1	127.9	151.9	139.7	119.7	131.1	122.8	89.9
October.....	99.7	111.7	128.1	152.2	141.1	121.0	131.5	123.1	89.2
November.....	99.8	111.2	127.8	152.1	143.4	121.1	131.2	123.5	91.2
December.....	99.2	114.0	128.0	152.3	143.6	121.2	131.3	123.6	91.7
1957: January.....	98.4	116.3	128.6	152.2	143.9	121.9	132.0	124.0	93.2
February.....	98.0	119.6	128.5	151.4	144.5	121.9	132.7	124.1	92.4
March.....	98.4	119.2	128.7	151.0	144.8	121.9	133.2	124.1	92.0
April.....	98.8	119.5	128.6	150.1	145.0	121.5	134.6	124.5	91.4
May.....	99.0	118.5	128.9	150.0	145.1	121.6	135.0	124.5	89.4
June.....	99.9	117.2	128.9	150.6	145.2	121.7	135.1	124.7	87.3
July.....	100.7	116.4	129.5	152.4	145.8	122.4	135.2	127.7	88.8
August.....	100.5	116.3	129.9	153.2	146.2	122.4	135.3	127.7	90.1
September.....	100.3	116.1	130.1	152.2	146.9	122.3	135.2	127.7	89.4
October.....	100.4	115.8	130.9	150.8	147.7	122.6	135.3	127.7	87.7
November.....	100.3	115.7	130.9	150.4	149.2	122.7	135.4	127.8	86.8
December ⁴	99.8	115.7	131.0	150.3	149.3	123.3	135.7	128.0	87.2

¹ This does not replace the former index (1926=100) as the official index prior to January 1952. These data from January 1947 through December 1951 represent the revised sample and the 1947-49 weighting pattern. Prior to January 1947 they are based on the month-to-month movement of the former index.

² The data from January 1947 through January 1953 differ from the official series due to a change in the method of eliminating excise taxes and discounts.

³ Not available.

⁴ Preliminary.

Source: Department of Labor.

TABLE F-37.—Wholesale price indexes, by economic sector, 1947-57

[1947-49=100]

Period	All commodities	Crude materials				Intermediate materials, supplies, and components ¹						
		Total	Food-stuffs and feed-stuffs	Non-food materials, except fuel	Fuel	Total	Materials and components for manufacturing					Materials and components for construction
							Total	Materials for food manufacturing	Materials for non-durable manufacturing	Materials for durable manufacturing	Components for manufacturing	
1947-----	96.4	98.6	100.7	96.0	89.4	96.2	96.4	102.8	99.2	91.2	94.4	93.3
1948-----	104.4	108.0	108.8	106.8	105.6	104.0	104.0	106.0	105.0	103.0	101.9	103.2
1949-----	99.2	93.4	90.5	97.2	105.0	99.9	99.6	91.2	95.8	105.8	103.8	103.5
1950-----	103.1	101.8	97.0	111.0	104.6	104.3	104.5	94.9	100.5	111.9	107.6	108.9
1951-----	114.8	116.9	112.3	128.1	106.5	116.9	118.4	105.7	116.5	124.3	122.2	119.1
1952-----	111.6	107.4	105.7	110.9	107.2	113.5	113.4	101.5	104.8	124.6	122.5	118.3
1953-----	110.1	99.2	94.6	106.2	111.0	114.1	115.2	101.8	104.0	130.1	124.7	120.2
1954-----	110.3	98.3	94.7	104.2	106.0	114.8	115.4	100.9	102.3	133.1	125.3	120.9
1955-----	110.7	94.5	85.7	110.1	105.8	117.0	118.2	97.7	102.7	139.7	130.9	125.6
1956-----	114.3	95.0	84.0	114.2	113.3	122.1	123.7	98.0	104.3	148.5	142.9	132.0
1957 ⁴ -----	117.6	97.2	87.7	112.5	119.5	125.1	126.9	99.9	105.7	153.2	148.3	132.9
1956:												
January-----	111.9	91.5	77.8	115.8	112.4	120.0	121.3	95.3	104.1	145.0	137.9	129.9
February-----	112.4	93.3	80.7	115.2	112.7	120.3	121.9	96.7	104.3	145.7	138.4	130.3
March-----	112.8	93.4	80.8	115.5	113.1	121.0	122.6	98.1	104.3	146.8	139.3	131.3
April-----	113.6	95.4	83.4	116.6	112.6	121.7	123.1	98.1	104.3	147.4	141.1	132.3
May-----	114.4	96.6	86.4	114.3	111.9	122.2	123.4	100.5	104.2	147.3	142.3	131.8
June-----	114.2	95.7	86.2	111.9	110.6	121.7	123.1	98.7	104.0	147.1	142.3	131.5
July-----	114.0	95.0	85.4	111.5	110.4	121.3	122.6	97.3	104.1	146.1	142.0	131.4
August-----	114.7	96.4	86.8	113.1	110.9	122.6	124.2	96.7	104.0	150.6	143.3	132.8
September-----	115.5	96.7	87.2	113.1	111.5	123.0	124.8	97.0	104.0	151.7	145.2	133.2
October-----	115.6	95.0	84.4	112.6	116.0	123.6	125.6	98.3	104.7	151.9	146.7	133.4
November-----	115.9	94.9	83.4	114.3	116.5	123.8	125.7	99.8	104.8	151.1	147.9	133.1
December-----	116.3	96.6	85.0	115.9	120.4	124.2	125.9	100.1	105.0	151.1	147.9	133.0
1957:												
January-----	116.9	97.4	86.3	115.8	120.8	124.8	126.4	101.1	105.4	152.1	147.5	132.8
February-----	117.0	96.7	85.9	114.2	121.7	125.1	126.5	100.4	105.5	152.6	147.4	132.8
March-----	116.9	96.7	86.5	113.4	119.9	124.9	126.3	99.6	105.2	152.5	147.6	132.7
April-----	117.2	97.1	88.0	111.6	120.0	125.0	126.3	99.0	105.4	152.5	147.9	132.8
May-----	117.1	96.5	86.9	112.0	119.3	124.7	126.2	98.5	105.6	152.0	148.0	132.6
June-----	117.4	98.8	89.1	115.0	118.1	124.5	126.2	99.2	105.9	151.6	147.7	132.6
July-----	118.2	99.7	90.4	115.2	118.0	125.2	127.1	100.1	105.8	153.8	148.3	133.3
August-----	118.4	99.6	90.3	115.0	118.0	125.5	127.4	99.5	105.9	154.7	148.8	133.4
September-----	118.0	97.0	87.3	112.6	118.6	125.4	127.4	99.6	106.0	154.3	149.4	133.1
October-----	117.8	95.3	86.1	109.9	119.0	125.2	127.3	99.6	106.0	154.2	148.9	133.0
November-----	118.1	95.3	86.8	108.1	120.5	125.3	127.5	100.8	105.8	154.2	148.2	133.0
December ⁴ -----	118.4	96.3	88.5	107.7	120.7	125.4	127.6	101.6	105.8	154.2	149.2	132.9

See footnotes at end of table.

TABLE F-37.—Wholesale price indexes, by economic sector, 1947-57—Continued

[1947-49=100]

Period	Finished goods						Special groups of industrial products		
	Total	Consumer finished goods				Pro-ducer finished goods	Crude mate-rials ²	Inter-mediate materials, supplies, and com-ponents ³	Con-sumer finished goods ex-cluding foods
		Total	Foods	Other non-durable goods	Du-rable goods				
1947.....	95.9	96.8	97.0	97.4	94.8	92.8	92.9	95.3	96.6
1948.....	103.5	104.1	105.8	103.5	101.3	101.1	108.5	103.7	102.8
1949.....	100.6	99.2	97.2	99.2	104.0	106.1	98.6	101.0	100.6
1950.....	102.4	100.9	99.2	100.8	105.0	108.7	109.9	105.7	102.1
1951.....	112.1	110.3	111.3	108.5	112.1	119.3	120.8	118.5	109.6
1952.....	111.5	109.0	110.4	105.9	113.0	121.3	109.3	114.7	108.0
1953.....	110.4	107.1	104.6	106.9	113.8	123.1	108.5	116.2	108.9
1954.....	110.7	107.1	103.8	107.2	114.7	124.7	103.3	116.7	109.4
1955.....	110.9	106.4	101.1	107.8	115.9	128.5	113.4	120.1	110.2
1956.....	114.0	108.0	101.0	109.9	119.7	138.1	120.0	126.0	112.8
1957 ⁴	118.1	111.1	104.5	112.4	123.3	146.6	118.3	129.3	115.7
1956: January.....	111.8	106.4	98.0	109.5	118.3	133.3	122.9	123.8	112.1
February.....	112.0	106.5	98.0	109.7	118.5	134.1	120.4	124.2	112.3
March.....	112.3	106.8	98.4	109.6	119.0	134.7	120.9	124.9	112.4
April.....	112.7	107.0	99.1	109.6	119.1	135.8	121.6	125.4	112.4
May.....	113.6	108.0	101.5	109.6	119.1	136.6	118.0	125.5	112.4
June.....	114.0	108.2	102.2	109.7	119.1	137.1	114.6	125.3	112.5
July.....	114.0	108.3	102.1	109.7	119.2	137.2	115.2	125.1	112.5
August.....	114.1	108.1	101.4	109.8	119.5	138.4	120.0	126.6	112.7
September.....	115.3	109.1	103.7	110.0	119.8	140.6	120.5	127.2	112.9
October.....	115.6	109.1	103.0	110.3	120.7	141.9	119.9	127.8	113.4
November.....	116.2	109.4	102.7	110.3	122.3	143.8	122.0	127.7	114.0
December.....	116.2	109.3	101.8	111.0	122.4	144.0	124.2	128.2	114.4
1957: January.....	116.7	109.9	102.3	111.8	122.9	144.3	123.5	128.7	115.2
February.....	117.0	110.2	101.8	112.9	123.0	144.7	121.2	129.0	115.9
March.....	116.9	109.9	101.3	112.7	122.9	145.1	119.7	129.0	115.8
April.....	117.4	110.5	102.7	112.8	122.7	145.3	117.1	129.1	115.8
May.....	117.4	110.5	103.1	112.5	122.7	145.5	117.6	129.0	115.5
June.....	117.6	110.7	104.2	112.0	122.7	145.5	121.4	128.9	115.3
July.....	118.5	111.6	106.2	112.2	122.9	146.4	121.3	129.5	115.4
August.....	118.6	111.6	106.2	112.2	123.1	147.2	121.2	129.8	115.5
September.....	118.8	111.6	106.0	112.4	123.0	147.8	118.3	129.8	115.6
October.....	119.0	111.8	106.2	112.4	123.5	148.4	114.4	129.8	115.7
November.....	119.6	112.2	106.8	112.3	124.7	149.8	112.1	129.8	116.1
December ⁴	119.8	112.5	107.2	112.4	124.8	149.9	112.1	129.8	116.2

¹ Includes, in addition to subgroups shown, processed fuels and lubricants, containers, and supplies.² Excludes crude foodstuffs and feedstuffs, plant and animal fibers, oilseeds, and leaf tobacco.³ Excludes intermediate materials for food manufacturing and manufactured animal feeds.⁴ Preliminary.NOTE.—For a listing of the commodities included in each sector and their relative importance, see *Monthly Labor Review*, December 1955.

Source: Department of Labor.

TABLE F-38.—Consumer price indexes, 1929-57

For city wage-earner and clerical-worker families

[1947-49=100]

Period	All items	Food	Housing		Apparel	Transportation	Medical care	Personal care	Reading and recreation	Other goods and services
			Total	Rent						
1929.....	73.3	65.6	(1)	117.4	60.3	(1)	(1)	(1)	(1)	(1)
1930.....	71.4	62.4	(1)	114.2	58.9	(1)	(1)	(1)	(1)	(1)
1931.....	65.0	51.4	(1)	108.2	53.6	(1)	(1)	(1)	(1)	(1)
1932.....	58.4	42.8	(1)	97.1	47.5	(1)	(1)	(1)	(1)	(1)
1933.....	55.3	41.6	(1)	83.6	45.9	(1)	(1)	(1)	(1)	(1)
1934.....	57.2	46.4	(1)	78.4	50.2	(1)	(1)	(1)	(1)	(1)
1935.....	58.7	49.7	71.8	78.2	50.6	69.6	71.4	54.6	58.1	67.2
1936.....	59.3	50.1	72.8	80.1	51.0	70.2	71.6	55.3	59.1	67.0
1937.....	61.4	52.1	75.4	83.8	53.7	71.3	72.3	58.5	60.8	68.8
1938.....	60.3	48.4	76.6	86.5	53.4	71.9	72.5	59.8	62.9	69.4
1939.....	59.4	47.1	76.1	86.6	52.5	70.2	72.6	59.6	63.0	70.6
1940.....	59.9	47.8	76.4	86.9	53.2	69.8	72.7	59.5	64.1	72.8
1941.....	62.9	52.2	78.3	88.4	55.6	72.2	73.1	61.0	66.4	74.2
1942.....	69.7	61.3	81.8	90.4	64.9	78.5	75.1	66.9	69.5	76.3
1943.....	74.0	68.3	82.8	90.3	67.8	78.2	78.7	73.8	75.3	80.2
1944.....	75.2	67.4	84.7	90.6	72.6	78.2	81.2	79.0	83.4	82.4
1945.....	76.9	68.9	86.1	90.9	76.3	78.1	83.1	81.5	86.8	85.7
1946.....	83.4	79.0	88.3	91.4	83.7	82.1	87.7	87.4	89.7	88.6
1947.....	95.5	95.9	95.0	94.4	97.1	90.6	94.9	97.6	95.5	96.1
1948.....	102.8	104.1	101.7	100.7	103.5	100.9	100.9	101.3	100.4	100.5
1949.....	101.8	100.0	103.3	105.0	99.4	108.5	104.1	101.1	104.1	103.4
1950.....	102.8	101.2	106.1	108.8	98.1	111.3	106.0	101.1	103.4	105.2
1951.....	111.0	112.6	112.4	113.1	106.9	118.4	111.1	110.5	106.5	109.7
1952.....	113.5	114.6	114.6	117.9	105.8	126.2	117.2	111.8	107.0	115.4
1953.....	114.4	112.8	117.7	124.1	104.8	129.7	121.3	112.8	108.0	118.2
1954.....	114.8	112.6	119.1	128.5	104.3	128.0	125.2	113.4	107.0	120.1
1955.....	114.5	110.9	120.0	130.3	103.7	126.4	128.0	115.3	106.6	120.2
1956.....	116.2	111.7	121.7	132.7	105.5	128.7	132.6	120.0	108.1	122.0
1957 ²	120.0	115.4	125.5	135.1	106.8	135.7	137.8	124.2	112.0	125.3
1956: January.....	114.6	109.2	120.6	131.4	104.1	126.8	130.7	118.5	107.3	120.8
February.....	114.6	108.8	120.7	131.5	104.6	126.9	130.9	118.9	107.5	120.9
March.....	114.7	109.0	120.7	131.6	104.8	126.7	131.4	119.2	107.7	121.2
April.....	114.9	109.6	120.8	131.7	104.8	126.4	131.6	119.5	108.2	121.4
May.....	115.4	111.0	120.9	132.2	104.8	127.1	131.9	119.6	108.2	121.5
June.....	116.2	113.2	121.4	132.5	104.8	126.8	132.0	119.9	107.6	121.8
July.....	117.0	114.8	121.8	133.2	105.3	127.7	132.7	120.1	107.7	122.2
August.....	116.8	113.1	122.2	133.2	105.5	128.5	133.3	120.3	107.9	122.1
September.....	117.1	113.1	122.5	133.4	106.5	128.6	134.0	120.5	108.4	122.7
October.....	117.7	113.1	122.8	133.4	106.8	132.6	134.1	120.8	108.5	123.0
November.....	117.8	112.9	123.0	133.8	107.0	133.2	134.5	121.4	109.0	123.2
December.....	118.0	112.9	123.5	134.2	107.0	133.1	134.7	121.8	109.3	123.3
1957: January.....	118.2	112.8	123.8	134.2	106.4	133.6	135.3	122.1	109.9	123.8
February.....	118.7	113.6	124.5	134.2	106.1	134.4	135.5	122.6	110.0	124.0
March.....	118.9	113.2	124.9	134.4	106.8	135.1	136.4	122.9	110.5	124.2
April.....	119.3	113.8	125.2	134.5	106.5	135.5	136.9	123.3	111.8	124.2
May.....	119.6	114.6	125.3	134.7	106.5	135.3	137.3	123.4	111.4	124.3
June.....	120.2	116.2	125.5	135.0	106.6	135.3	137.9	124.2	111.8	124.6
July.....	120.8	117.4	125.5	135.2	106.5	135.8	138.4	124.7	112.4	126.6
August.....	121.0	117.9	125.7	135.4	106.6	135.9	138.6	124.9	112.6	126.7
September.....	121.1	117.0	126.3	135.7	107.3	135.9	139.0	125.1	113.3	126.7
October.....	121.1	116.4	126.6	136.0	107.7	135.8	139.7	126.2	113.4	126.8
November.....	121.6	116.0	126.8	136.3	107.9	140.0	140.3	126.7	114.4	126.8

¹ Not available.² January-November average.

Source: Department of Labor.

TABLE F-39.—Consumer price indexes, by selected major groups, 1935-57

[1947-49=100]

Period	All items	All items less food	All items less shelter	Commodities					Services		
				All commodities	Food	Commodities less food			All services	Rent	All services less rent
						All	Durables	Non-durables			
1935.....	58.7	65.8	55.5	52.0	49.7	57.3	53.3	57.1	75.6	78.2	72.6
1936.....	59.3	66.5	56.2	52.7	50.1	57.9	54.1	57.6	76.4	80.1	72.2
1937.....	61.4	68.9	58.0	54.7	52.1	60.4	57.5	59.9	78.7	83.8	72.9
1938.....	60.3	69.6	56.4	52.7	48.4	60.4	58.5	59.6	80.3	86.5	73.5
1939.....	59.4	69.1	55.4	51.6	47.1	59.4	57.3	58.7	80.4	86.6	73.5
1940.....	59.9	69.4	55.8	52.1	47.8	59.8	56.8	59.3	80.6	86.9	73.6
1941.....	62.9	71.4	59.1	55.7	52.2	62.7	60.7	61.8	81.6	88.4	74.5
1942.....	69.7	76.4	66.6	63.8	61.3	69.8	68.9	68.4	84.2	90.4	77.8
1943.....	74.0	78.5	71.6	69.4	68.3	72.7	71.2	71.3	85.8	90.3	81.3
1944.....	75.2	81.5	72.9	70.2	67.4	76.7	77.8	74.9	87.9	90.6	85.2
1945.....	76.9	83.4	74.8	72.3	68.9	79.7	83.7	77.6	89.0	90.9	87.0
1946.....	83.4	87.0	82.3	80.1	79.0	84.7	87.5	83.3	90.8	91.4	90.2
1947.....	95.5	95.1	95.6	96.3	95.9	95.7	94.9	95.7	94.5	94.4	94.7
1948.....	102.8	101.9	103.1	103.2	104.1	102.9	101.8	103.1	100.4	100.7	100.1
1949.....	101.8	103.0	101.3	100.6	100.0	101.5	103.3	101.1	105.1	105.0	105.2
1950.....	102.8	104.2	102.0	101.2	101.2	101.3	104.4	100.9	108.5	108.8	108.1
1951.....	111.0	110.8	110.5	110.3	112.6	108.9	112.4	108.5	114.1	113.1	114.6
1952.....	113.5	113.5	112.7	111.7	114.6	109.8	113.8	109.1	119.3	117.9	120.1
1953.....	114.4	115.7	113.1	111.3	112.8	110.0	112.6	110.1	124.2	124.1	124.6
1954.....	114.8	116.4	113.0	110.2	112.6	108.6	108.3	110.6	127.5	128.5	127.7
1955.....	114.5	116.7	112.4	109.0	110.9	107.5	105.1	110.6	129.8	130.3	130.1
1956.....	116.2	118.8	114.0	110.1	111.7	108.9	105.1	113.0	132.6	132.7	133.0
1957 ¹	120.0	122.6	117.7	113.5	115.4	112.2	108.7	116.0	137.5	135.1	138.4
1956: January.....	114.6	117.4	112.2	108.3	109.2	107.7	104.2	111.5	131.2	131.4	131.6
February.....	114.6	117.6	112.2	108.3	108.8	108.0	104.3	111.9	131.3	131.5	131.7
March.....	114.7	117.7	112.5	108.5	109.0	108.1	104.3	112.1	131.2	131.6	131.6
April.....	114.9	117.8	112.7	108.7	109.6	108.0	104.0	112.2	131.5	131.7	131.9
May.....	115.4	117.9	113.3	109.3	111.0	108.1	104.2	112.1	131.8	132.2	132.2
June.....	116.2	118.1	114.1	110.3	113.2	108.0	103.8	112.3	132.3	132.5	132.7
July.....	117.0	118.6	114.9	111.2	114.8	108.4	104.1	112.8	132.9	133.2	133.2
August.....	116.8	119.0	114.5	110.6	113.1	108.7	104.5	113.0	133.3	133.2	133.8
September.....	117.1	119.4	114.8	111.0	113.1	109.4	104.8	113.9	133.6	133.4	134.1
October.....	117.7	120.2	115.5	111.7	113.1	110.6	107.4	114.3	133.7	133.4	134.2
November.....	117.8	120.5	115.6	111.8	112.9	111.0	107.9	114.6	133.9	133.8	134.4
December.....	118.0	120.8	115.7	111.8	112.9	111.1	108.0	114.7	134.4	134.2	134.9
1957: January.....	118.2	121.0	115.9	111.9	112.8	111.2	108.2	114.7	135.0	134.2	135.6
February.....	118.7	121.5	116.4	112.3	113.6	111.4	108.3	115.0	135.7	134.2	136.5
March.....	118.9	122.0	116.5	112.4	113.2	111.9	108.6	115.6	136.3	134.4	137.1
April.....	119.3	122.3	116.9	112.8	113.8	112.1	108.8	115.8	136.7	134.5	137.6
May.....	119.6	122.3	117.1	113.0	114.6	111.8	108.3	115.6	137.2	134.7	138.1
June.....	120.2	122.5	117.8	113.7	116.2	111.9	108.4	115.8	137.5	135.0	138.4
July.....	120.8	122.8	118.5	114.4	117.4	112.2	108.2	116.3	137.9	135.2	138.9
August.....	121.0	123.0	118.7	114.6	117.9	112.1	108.4	116.0	138.3	135.4	139.3
September.....	121.1	123.4	118.7	114.5	117.0	112.6	108.6	116.7	138.8	135.7	139.8
October.....	121.1	123.7	118.6	114.3	116.4	112.8	108.6	117.0	139.2	136.0	140.3
November.....	121.6	124.6	119.2	114.7	116.0	113.8	110.9	117.4	139.8	136.3	140.9

¹ January-November average.

Source: Department of Labor.

MONEY SUPPLY, CREDIT, AND FINANCE

TABLE F-40.—*Deposits and currency, 1929-57*

[Billions of dollars]

End of period ¹	Total deposits and currency	Total excluding U. S. Government deposits ²				Time deposits ⁴	U. S. Government deposits ³
		Total	Demand deposits and currency		Currency outside banks		
			Total	Demand deposits adjusted ⁵			
1929.....	54.7	54.6	26.4	22.8	3.6	28.2	0.2
1930.....	53.6	53.2	24.6	21.0	3.6	28.7	.3
1931.....	48.4	47.9	21.9	17.4	4.5	26.0	.5
1932.....	45.4	44.9	20.4	15.7	4.7	24.5	.5
1933.....	42.6	41.5	19.8	15.0	4.8	21.7	1.0
1934.....	48.1	46.3	23.1	18.5	4.7	23.2	1.8
1935.....	52.7	51.3	27.0	22.1	4.9	24.2	1.5
1936.....	57.6	56.4	31.0	25.5	5.5	25.4	1.2
1937.....	56.8	55.8	29.6	24.0	5.6	26.2	1.0
1938.....	59.9	58.1	31.8	26.0	5.8	26.3	1.8
1939.....	64.7	63.3	36.2	29.8	6.4	27.1	1.5
1940.....	71.1	70.0	42.3	34.9	7.3	27.7	1.1
1941.....	79.1	76.3	45.6	39.0	9.6	27.7	2.8
1942.....	100.5	91.3	62.9	48.9	13.9	28.4	9.2
1943.....	123.4	112.4	79.6	60.8	18.8	32.7	11.0
1944.....	151.4	130.2	90.4	66.9	23.5	39.8	21.2
1945.....	176.4	150.8	102.3	75.9	26.5	48.5	25.6
1946.....	167.5	164.0	110.0	83.3	26.7	54.0	3.5
1947.....	172.3	170.0	113.6	87.1	26.5	56.4	2.3
1948.....	172.7	169.1	111.6	85.5	26.1	57.5	3.6
1949.....	173.9	169.8	111.2	85.8	25.4	58.6	4.1
1950.....	180.6	176.9	117.7	92.3	25.4	59.2	3.7
1951.....	189.9	186.0	124.5	98.2	26.3	61.5	3.9
1952.....	200.4	194.8	129.0	101.5	27.5	65.8	5.6
1953.....	205.7	200.9	130.5	102.5	28.1	70.4	4.8
1954.....	214.8	209.7	134.4	106.6	27.9	75.3	5.1
1955.....	221.0	216.6	138.2	109.9	28.3	78.4	4.4
1956.....	226.4	222.0	139.7	111.4	28.3	82.2	4.5
1957 ⁶	231.7	227.3	138.2	109.7	28.5	89.1	1.4
1956: January.....	217.2	214.4	136.0	108.9	27.1	78.4	2.8
February.....	216.1	211.6	132.8	105.6	27.2	78.8	4.5
March.....	217.8	210.8	131.5	104.4	27.2	79.3	7.0
April.....	217.4	212.4	133.1	106.1	27.0	79.3	5.0
May.....	217.4	211.2	131.6	104.2	27.4	79.6	6.2
June.....	219.7	213.6	133.0	104.7	28.3	80.6	6.1
July.....	217.5	213.3	132.7	105.2	27.4	80.7	4.2
August.....	219.1	212.8	131.9	104.5	27.5	80.9	6.3
September.....	220.1	214.1	132.8	105.4	27.4	81.3	6.0
October.....	220.9	216.6	135.1	107.4	27.7	81.5	4.3
November.....	222.9	217.2	136.3	108.3	28.0	80.9	5.7
December.....	226.4	222.0	139.7	111.4	28.3	82.2	4.5
1957: January.....	222.4	219.9	136.9	109.5	27.4	82.9	2.5
February.....	221.1	218.0	134.4	107.0	27.4	83.6	3.1
March.....	221.5	217.2	132.6	105.2	27.4	84.6	4.3
April.....	224.3	219.6	134.7	107.3	27.4	84.9	4.7
May.....	224.2	218.4	132.7	104.8	27.9	85.7	5.8
June.....	224.9	219.7	133.3	105.6	27.8	86.4	5.2
July ⁶	225.2	221.0	134.3	106.6	27.8	86.7	4.2
August ⁶	225.0	220.0	132.9	105.1	27.8	87.1	4.9
September ⁶	225.4	220.9	133.3	105.5	27.8	87.7	4.5
October ⁶	226.9	223.0	134.9	107.2	27.8	88.1	3.9
November ⁶	227.0	223.3	135.7	107.2	28.5	87.6	3.8
December ⁶	231.7	227.3	138.2	109.7	28.5	89.1	4.4

¹ End-of-year, June and December 1956, and December 1957 figures are for call dates. Other data (including those for June 1957) are for the last Wednesday of the month.

² Includes holdings of State and local governments.

³ Includes demand deposits, other than interbank and U. S. Government, less cash items in process of collection.

⁴ Includes deposits in commercial banks, mutual savings banks, and Postal Savings System, but excludes interbank deposits.

⁵ Includes U. S. Government deposits at Federal Reserve Banks and commercial and savings banks and, beginning with 1938, includes U. S. Treasurer's time deposits, open account.

⁶ Preliminary; December estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE F-41.—*Loans and investments of all commercial banks, 1929-57*

[Billions of dollars]

End of period ¹	Total loans and investments	Loans		Investments		
		Total ²	Business loans ³	Total	U. S. Government obligations ⁴	Other securities
1929—June ⁵	49.4	35.7	(⁶)	13.7	4.9	8.7
1930—June ⁵	48.9	34.5	(⁶)	14.4	5.0	9.4
1931—June ⁵	44.9	29.2	(⁶)	15.7	6.0	9.7
1932—June ⁵	36.1	21.8	(⁶)	14.3	6.2	8.1
1933—June ⁵	30.4	16.3	(⁶)	14.0	7.5	6.5
1934—June ⁵	32.7	15.7	(⁶)	17.0	10.3	6.7
1935.....	36.1	15.2	(⁶)	20.9	13.8	7.1
1936.....	39.6	16.4	(⁶)	23.1	15.3	7.9
1937.....	38.4	17.2	(⁶)	21.2	14.2	7.0
1938.....	38.7	16.4	5.7	22.3	15.1	7.2
1939.....	40.7	17.2	6.4	23.4	16.3	7.1
1940.....	43.9	18.8	7.3	25.1	17.8	7.4
1941.....	50.7	21.7	9.3	29.0	21.8	7.2
1942.....	67.4	19.2	7.9	48.2	41.4	6.8
1943.....	85.1	19.1	7.9	66.0	59.8	6.1
1944.....	105.5	21.6	8.0	83.9	77.6	6.3
1945.....	124.0	26.1	9.6	97.9	90.6	7.3
1946.....	114.0	31.1	14.2	82.9	74.8	8.1
1947.....	116.3	38.1	18.2	78.2	69.2	9.0
1948.....	114.3	42.5	18.9	71.8	62.6	9.2
1949.....	120.2	43.0	17.1	77.2	67.0	10.2
1950.....	126.7	52.2	21.9	74.4	62.0	12.4
1951.....	132.6	57.7	25.9	74.9	61.5	13.3
1952.....	141.6	64.2	27.9	77.5	63.3	14.1
1953.....	145.7	67.6	27.2	78.1	63.4	14.7
1954.....	155.9	70.6	26.9	85.3	69.0	16.3
1955.....	160.9	82.6	33.2	78.3	61.6	16.7
1956.....	165.1	90.3	38.7	74.8	58.6	16.3
1957 ⁷	169.5	93.9	40.3	75.6	58.0	17.6
1956: January.....	159.4	82.0	32.7	77.4	60.9	16.5
February.....	158.4	82.5	32.9	75.8	59.2	16.6
March.....	159.9	84.7	34.5	75.2	58.6	16.6
April.....	160.1	85.3	34.8	74.8	58.2	16.6
May.....	159.7	86.0	34.8	73.7	57.3	16.4
June.....	160.0	86.9	36.1	73.1	56.6	16.5
July.....	159.6	87.1	35.8	72.4	56.2	16.3
August.....	161.0	87.5	36.4	73.6	57.2	16.4
September.....	162.0	88.5	37.0	73.6	57.0	16.6
October.....	162.5	88.8	37.2	73.8	57.5	16.3
November.....	164.0	89.5	37.8	74.5	58.2	16.3
December.....	165.1	90.3	38.7	74.8	58.6	16.3
1957: January.....	162.8	88.9	37.6	73.9	57.7	16.2
February.....	162.5	89.3	37.8	73.2	56.8	16.3
March.....	162.9	90.6	39.0	72.2	55.7	16.5
April.....	165.1	91.0	39.0	74.1	57.5	16.7
May.....	165.1	91.2	38.9	73.9	57.1	16.8
June.....	165.6	93.3	40.5	72.3	55.5	16.8
July ⁷	165.4	92.3	39.6	73.0	56.3	16.8
August ⁷	165.9	92.8	39.9	73.1	56.2	16.9
September ⁷	166.3	93.4	40.3	72.9	55.9	17.1
October ⁷	167.9	93.0	39.6	74.9	57.3	17.6
November ⁷	167.3	93.0	39.4	74.3	56.8	17.4
December ⁷	169.5	93.9	40.3	75.6	58.0	17.6

¹ End-of-year, June and December 1956, and December 1957 figures are for call dates. Other data (including those for June 1957) are for the last Wednesday of the month.

² Data are shown net, i. e., after deduction of valuation reserves. Includes commercial and industrial, agricultural, security, real estate, bank, consumer, and other loans.

³ Beginning with 1948, data are shown gross of valuation reserves, instead of net as for previous years. Prior to June 1947 and for months other than June and December, data are estimated on the basis of reported data for all insured commercial banks and for weekly reporting member banks.

⁴ Figures in this table are based on book values and relate only to banks within the continental United States. Therefore, they do not agree with figures in Table F-49, which are on the basis of par values and include holdings of banks in United States Territories and possessions.

⁵ June data are used because complete end-of-year data are not available prior to 1935 for U. S. Government obligations and other securities.

⁶ Not available.

⁷ Preliminary; December estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE F-42.—Federal Reserve Bank credit and member bank reserves, 1929–57

[Averages of daily figures, millions of dollars]

Period	Reserve Bank credit outstanding				Member bank reserves			Member bank free reserves (excess reserves less borrowings)
	Total	U. S. Government securities	Member bank borrowings	All other, mainly float	Total	Required	Excess	
1929.....	1,459	208	943	308	2,358	2,315	43	-900
1930.....	1,087	564	271	252	2,379	2,324	55	-216
1931.....	1,274	669	323	282	2,323	2,234	89	-234
1932.....	2,077	1,461	518	98	2,114	1,858	256	-262
1933.....	2,429	2,052	234	143	2,343	1,815	528	294
1934.....	2,502	2,432	29	41	3,676	2,112	1,564	1,535
1935.....	2,475	2,431	7	37	5,001	2,532	2,469	2,462
1936.....	2,481	2,431	6	44	5,989	3,477	2,512	2,506
1937.....	2,554	2,504	14	36	6,830	5,610	1,220	1,206
1938.....	2,600	2,565	9	26	7,935	5,413	2,522	2,513
1939.....	2,628	2,584	4	40	10,352	5,960	4,392	4,388
1940.....	2,487	2,417	3	67	13,249	6,923	6,326	6,323
1941.....	2,293	2,187	5	101	13,404	8,080	5,324	5,319
1942.....	3,408	3,191	5	212	12,648	9,980	2,668	2,663
1943.....	8,182	7,724	24	434	12,626	11,116	1,510	1,486
1944.....	15,358	14,772	135	451	13,222	12,176	1,046	911
1945.....	22,211	21,363	366	482	15,055	13,934	1,121	755
1946.....	24,029	23,250	215	564	15,969	14,993	976	761
1947.....	22,989	22,330	156	503	16,461	15,608	853	697
1948.....	22,283	21,511	140	632	18,001	17,164	837	697
1949.....	20,161	19,560	115	486	17,774	16,952	822	707
1950.....	19,062	18,410	106	546	16,400	15,617	783	677
1951.....	24,070	22,756	289	1,025	19,293	18,536	757	468
1952.....	24,801	23,066	780	955	20,356	19,642	714	-66
1953.....	26,262	24,661	768	833	19,996	19,319	677	-91
1954.....	25,602	24,646	147	809	19,276	18,501	775	628
1955.....	25,472	23,891	607	974	18,843	18,257	586	-21
1956.....	25,702	23,709	831	1,162	18,965	18,403	562	-269
1957 ¹	25,373	23,345	837	1,191	19,021	18,504	517	-320
1956: January.....	25,879	23,897	807	1,175	19,138	18,586	552	-255
February.....	25,183	23,401	799	983	18,709	18,177	533	-266
March.....	25,517	23,522	993	1,002	18,924	18,340	585	-408
April.....	25,411	23,410	1,060	941	18,847	18,320	527	-533
May.....	25,237	23,322	971	944	18,735	18,268	467	-504
June.....	25,516	23,522	769	1,225	18,933	18,359	575	-194
July.....	25,599	23,580	738	1,281	18,836	18,237	599	-139
August.....	25,357	23,530	898	929	18,783	18,224	559	-339
September.....	25,737	23,728	792	1,217	19,024	18,446	579	-213
October.....	25,698	23,781	715	1,202	18,939	18,419	520	-195
November.....	26,097	24,024	744	1,329	19,169	18,579	590	-154
December.....	27,156	24,765	688	1,703	19,535	18,883	651	-37
1957: January.....	25,905	24,092	407	1,406	19,295	18,773	523	116
February.....	24,912	23,111	640	1,161	18,816	18,302	514	-126
March.....	24,968	23,061	834	1,073	18,884	18,366	518	-316
April.....	25,411	23,239	1,011	1,161	19,087	18,580	506	-505
May.....	25,041	23,041	909	1,091	18,827	18,362	465	-444
June.....	25,189	22,989	1,005	1,195	18,982	18,485	496	-509
July.....	25,466	23,351	917	1,198	19,129	18,595	534	-383
August.....	25,166	23,146	1,005	1,015	18,834	18,300	534	-471
September.....	25,489	23,325	988	1,176	18,956	18,434	522	-466
October.....	25,326	23,348	811	1,167	19,040	18,573	467	-344
November.....	25,373	23,417	804	1,152	18,958	18,447	512	-292
December ²	26,186	23,982	710	1,494	19,420	18,810	610	-100

¹ Data from March 1933 through April 1934 are for licensed banks only.² Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Board of Governors of the Federal Reserve System.

TABLE F-43.—Bond yields and interest rates, 1929–57

[Percent per annum]

Period	U. S. Government securities			Corporate bonds (Moody's)		Common stock yields, 200 stocks (Moody's)	High-grade municipal bonds (Standard & Poor's)	Average rate on short-term bank loans to business—selected cities	Prime commercial paper, 4–6 months	Federal Reserve Bank discount rate
	3-month Treasury bills ¹	9–12 month issues ²	Taxable bonds ³	Aaa	Baa					
1929.....	(4)	(5)	-----	4.73	5.90	3.41	4.27	(6)	5.85	5.16
1930.....	(4)	(5)	-----	4.55	5.90	4.54	4.07	(6)	3.59	3.04
1931.....	1.402	(5)	-----	4.58	7.62	6.17	4.01	(6)	2.64	2.11
1932.....	.879	(5)	-----	5.01	9.30	7.36	4.65	(6)	2.73	2.82
1933.....	.515	(5)	-----	4.49	7.76	4.42	4.71	(6)	1.73	2.56
1934.....	.256	(5)	-----	4.00	6.32	4.11	4.03	(6)	1.02	1.54
1935.....	.137	(5)	-----	3.60	5.75	4.06	3.40	(6)	.75	1.50
1936.....	.143	(5)	-----	3.24	4.77	3.50	3.07	(6)	.75	1.50
1937.....	.447	(5)	-----	3.26	5.03	4.77	3.10	(6)	.94	1.33
1938.....	.053	(5)	-----	3.19	5.80	4.38	2.91	(6)	.81	1.00
1939.....	.023	(5)	-----	3.01	4.96	4.15	2.76	2.1	.59	1.00
1940.....	.014	(5)	-----	2.84	4.75	5.31	2.50	2.1	.56	1.00
1941.....	.103	(5)	-----	2.77	4.33	6.25	2.10	2.0	.53	1.00
1942.....	.326	(5)	2.46	2.83	4.28	6.67	2.36	2.2	.66	⁷ 1.00
1943.....	.373	.75	2.47	2.73	3.91	4.89	2.06	2.6	.69	⁷ 1.00
1944.....	.375	.79	2.48	2.72	3.61	4.81	1.86	2.4	.73	⁷ 1.00
1945.....	.375	.81	2.37	2.62	3.29	4.19	1.67	2.2	.75	⁷ 1.00
1946.....	.375	.82	2.19	2.53	3.05	3.97	1.64	2.1	.81	⁷ 1.00
1947.....	.594	.88	2.25	2.61	3.24	5.13	2.01	2.1	1.03	1.00
1948.....	1.040	1.14	2.44	2.82	3.47	5.78	2.40	2.5	1.44	1.34
1949.....	1.102	1.14	2.31	2.66	3.42	6.63	2.21	2.7	1.49	1.50
1950.....	1.218	1.26	2.32	2.62	3.24	6.27	1.98	2.7	1.45	1.59
1951.....	1.552	1.73	2.57	2.86	3.41	6.12	2.00	3.1	2.16	1.75
1952.....	1.766	1.81	2.68	2.96	3.52	5.50	2.19	3.5	2.33	1.75
1953.....	1.931	2.07	2.94	3.20	3.74	5.49	2.72	3.7	2.52	1.99
1954.....	.953	.92	2.55	2.90	3.51	4.78	2.37	3.6	1.58	1.60
1955.....	1.753	1.89	2.84	3.06	3.53	4.06	2.53	3.7	2.18	1.89
1956.....	2.658	2.83	3.08	3.36	3.88	4.07	2.93	4.2	3.31	2.77
1957.....	3.267	3.53	3.47	3.89	4.71	4.33	3.60	4.6	3.81	3.12
1955: January.....	1.257	1.36	2.68	2.93	3.45	4.22	2.39	-----	1.47	1.50
February.....	1.177	1.41	2.78	2.99	3.47	4.21	2.42	-----	1.68	1.50
March.....	1.335	1.49	2.78	3.02	3.48	4.21	2.45	3.54	1.69	1.50
April.....	1.620	1.71	2.82	3.01	3.49	4.12	2.43	-----	1.90	1.63
May.....	1.491	1.72	2.81	3.04	3.50	4.14	2.41	-----	2.00	1.75
June.....	1.432	1.71	2.82	3.05	3.51	3.87	2.48	3.56	2.00	1.75
July.....	1.622	1.88	2.91	3.06	3.52	3.78	2.62	-----	2.11	1.75
August.....	1.876	2.12	2.95	3.11	3.56	3.91	2.67	-----	2.33	1.97
September.....	2.086	2.14	2.92	3.13	3.59	3.93	2.63	3.77	2.54	2.18
October.....	2.259	2.19	2.87	3.10	3.59	4.12	2.56	-----	2.70	2.25
November.....	2.225	2.28	2.89	3.10	3.58	4.09	2.55	-----	2.81	2.36
December.....	2.564	2.56	2.91	3.15	3.62	4.07	2.71	3.93	2.99	2.50

See footnotes at end of table.

TABLE F-43.—Bond yields and interest rates, 1929-57—Continued

[Percent per annum]

Period	U. S. Government securities			Corporate bonds (Moody's)		Common stock yields, 200 stocks (Moody's)	High-grade municipal bonds (Standard & Poor's)	Average rate on short-term bank loans to business—selected cities	Prime commercial paper, 4-6 months	Federal Reserve Bank discount rate
	3-month Treasury bills ¹	9-12 month issues ²	Taxable bonds ³	Aaa	Baa					
1956: January.....	2.456	2.50	2.88	3.11	3.60	4.21	2.64	-----	3.00	2.50
February.....	2.372	2.38	2.85	3.08	3.58	4.09	2.58	-----	3.00	2.50
March.....	2.310	2.43	2.93	3.10	3.60	3.86	2.69	3.93	3.00	2.50
April.....	2.613	2.83	3.07	3.24	3.68	3.87	2.88	-----	3.14	2.65
May.....	2.650	2.83	2.97	3.28	3.73	4.13	2.86	-----	3.27	2.75
June.....	2.527	2.69	2.93	3.26	3.76	4.01	2.75	4.14	3.38	2.75
July.....	2.334	2.62	3.00	3.28	3.80	3.87	2.78	-----	3.27	2.75
August.....	2.606	3.01	3.17	3.43	3.93	4.02	2.94	-----	3.28	2.81
September.....	2.850	3.17	3.21	3.56	4.07	4.24	3.07	4.35	3.50	3.00
October.....	2.961	3.07	3.20	3.59	4.17	4.23	3.14	-----	3.63	3.00
November.....	3.000	3.15	3.30	3.69	4.24	4.25	3.38	-----	3.63	3.00
December.....	3.230	3.33	3.40	3.75	4.37	4.13	3.44	4.38	3.63	3.00
1957: January.....	3.210	3.17	3.34	3.77	4.49	4.31	3.40	-----	3.63	3.00
February.....	3.165	3.23	3.22	3.67	4.47	4.44	3.26	-----	3.63	3.00
March.....	3.140	3.35	3.26	3.66	4.43	4.35	3.32	4.38	3.63	3.00
April.....	3.113	3.41	3.32	3.67	4.44	4.16	3.33	-----	3.63	3.00
May.....	3.042	3.37	3.40	3.74	4.52	4.05	3.52	-----	3.63	3.00
June.....	3.316	3.55	3.58	3.91	4.63	4.05	3.75	4.40	3.79	3.00
July.....	3.165	3.71	3.60	3.99	4.73	4.01	3.75	-----	3.88	3.00
August.....	3.404	3.93	3.63	4.10	4.82	4.21	3.91	-----	3.98	3.15
September.....	3.578	4.02	3.66	4.12	4.93	4.50	3.90	4.83	4.00	3.50
October.....	3.591	3.94	3.73	4.10	4.99	4.68	3.79	-----	4.10	3.50
November.....	3.337	3.52	3.57	4.08	5.09	4.58	3.76	-----	4.07	3.23
December.....	3.102	3.09	3.30	3.81	5.03	4.77	3.47	4.85	3.81	3.00

¹ Rate on new issues within period. Issues were tax exempt prior to March 1, 1941, and fully taxable thereafter. For the period 1934-37, series includes issues with maturities of more than 3 months.

² Includes certificates of indebtedness and selected note and bond issues (fully taxable).

³ First issued in 1941. Series includes: October 1941-March 1952, bonds due or callable after 15 years; April 1952-March 1953, bonds due or callable after 12 years; April 1953 to date, bonds due or callable 10 years and after.

⁴ Treasury bills were first issued in December 1929 and were issued irregularly in 1930.

⁵ Not available before August 1942.

⁶ Not available on same basis as for 1939 and subsequent years.

⁷ From October 30, 1942 to April 24, 1946, a preferential rate of 0.50 percent was in effect for advances secured by Government securities maturing or callable in 1 year or less.

NOTE.—Yields and rates computed for New York City, except for short-term bank loans.

Sources: Treasury Department, Board of Governors of the Federal Reserve System, Moody's Investors Service, and Standard & Poor's Corporation.

TABLE F-44.—Short- and intermediate-term consumer credit outstanding, 1929-57

[Millions of dollars]

End of period	Total	Instalment credit					Noninstalment credit		
		Total	Auto- mobile paper ¹	Other con- sumer goods paper ¹	Repair and modern- ization loans ²	Per- sonal loans	Total	Charge ac- counts	Other ³
1929.....	6,444	3,151	(⁴)	(⁴)	(⁴)	(⁴)	3,293	1,602	1,691
1930.....	5,767	2,687	(⁴)	(⁴)	(⁴)	(⁴)	3,080	1,476	1,604
1931.....	4,760	2,207	(⁴)	(⁴)	(⁴)	(⁴)	2,553	1,265	1,288
1932.....	3,567	1,521	(⁴)	(⁴)	(⁴)	(⁴)	2,046	1,020	1,026
1933.....	3,482	1,588	(⁴)	(⁴)	(⁴)	(⁴)	1,894	990	904
1934.....	3,904	1,871	(⁴)	(⁴)	(⁴)	(⁴)	2,033	1,102	931
1935.....	4,911	2,694	(⁴)	(⁴)	(⁴)	(⁴)	2,217	1,183	1,034
1936.....	6,135	3,623	(⁴)	(⁴)	(⁴)	(⁴)	2,512	1,300	1,212
1937.....	6,689	4,015	(⁴)	(⁴)	(⁴)	(⁴)	2,674	1,336	1,338
1938.....	6,338	3,691	(⁴)	(⁴)	(⁴)	(⁴)	2,647	1,362	1,285
1939.....	7,222	4,503	1,497	1,620	298	1,088	2,719	1,414	1,305
1940.....	8,338	5,514	2,071	1,827	371	1,245	2,824	1,471	1,353
1941.....	9,172	6,085	2,458	1,929	376	1,322	3,087	1,645	1,442
1942.....	5,983	3,166	742	1,195	255	974	2,817	1,444	1,373
1943.....	4,901	2,136	355	819	130	832	2,765	1,440	1,325
1944.....	5,111	2,176	397	791	119	869	2,935	1,517	1,418
1945.....	5,665	2,462	455	816	182	1,009	3,203	1,612	1,591
1946.....	8,384	4,172	981	1,290	405	1,496	4,212	2,076	2,136
1947.....	11,570	6,695	1,924	2,143	718	1,910	4,875	2,353	2,522
1948.....	14,398	8,996	3,018	2,901	853	2,224	5,402	2,673	2,729
1949.....	17,305	11,590	4,555	3,706	898	2,431	5,715	2,795	2,920
1950.....	21,395	14,703	6,074	4,799	1,016	2,814	6,692	3,291	3,401
1951.....	22,617	15,294	5,972	4,880	1,085	3,357	7,323	3,605	3,718
1952.....	27,401	19,403	7,733	6,174	1,385	4,111	7,998	4,011	3,987
1953.....	31,243	23,005	9,835	6,779	1,610	4,781	8,238	4,124	4,114
1954.....	32,292	23,568	9,809	6,751	1,616	5,392	8,724	4,308	4,416
1955.....	38,670	28,958	13,472	7,634	1,689	6,163	9,712	4,579	5,133
1956.....	42,097	31,827	14,459	8,510	1,895	6,963	10,270	4,735	5,535
1957 ⁵	44,800	34,100	15,500	8,700	2,000	7,900	10,700	4,800	5,900
1956: January.....	37,883	28,849	13,488	7,517	1,662	6,182	9,034	4,002	5,032
February.....	37,468	28,896	13,582	7,429	1,656	6,229	8,572	3,564	5,008
March.....	37,756	29,101	13,750	7,376	1,662	6,313	8,655	3,508	5,147
April.....	38,219	29,424	13,898	7,434	1,680	6,412	8,795	3,574	5,221
May.....	38,920	29,779	14,065	7,518	1,718	6,478	9,141	3,746	5,395
June.....	39,453	30,114	14,261	7,554	1,748	6,551	9,339	3,844	5,495
July.....	39,513	30,366	14,389	7,590	1,768	6,619	9,147	3,713	5,434
August.....	39,928	30,743	14,539	7,697	1,799	6,708	9,185	3,730	5,455
September.....	40,199	30,841	14,547	7,733	1,832	6,729	9,358	3,822	5,536
October.....	40,332	30,985	14,498	7,872	1,865	6,750	9,347	3,920	5,427
November.....	40,831	31,240	14,469	8,066	1,890	6,815	9,591	4,072	5,519
December.....	42,097	31,827	14,459	8,510	1,895	6,963	10,270	4,735	5,535
1957: January.....	41,138	31,568	14,410	8,305	1,872	6,981	9,570	4,111	5,459
February.....	40,738	31,488	14,432	8,160	1,859	7,037	9,250	3,690	5,560
March.....	40,735	31,524	14,528	8,043	1,856	7,097	9,211	3,534	5,677
April.....	41,247	31,786	14,691	8,017	1,862	7,216	9,461	3,735	5,726
May.....	41,937	32,158	14,883	8,081	1,886	7,308	9,779	3,834	5,945
June.....	42,491	32,608	15,127	8,165	1,905	7,411	9,883	3,948	5,935
July.....	42,592	32,968	15,329	8,189	1,921	7,529	9,624	3,810	5,814
August.....	43,133	33,303	15,490	8,229	1,954	7,630	9,850	3,957	5,893
September.....	43,270	33,415	15,556	8,228	1,969	7,662	9,855	3,942	5,913
October.....	43,274	33,504	15,579	8,236	1,988	7,701	9,770	3,991	5,779
November.....	43,530	33,596	15,542	8,300	1,996	7,738	9,934	4,135	5,799
December ⁵	44,800	34,100	15,500	8,700	2,000	7,900	10,700	4,800	5,900

¹ Includes all consumer credit extended for the purpose of purchasing automobiles and other consumer goods and secured by the items purchased.² Includes only such loans held by financial institutions; those held by retail outlets are included in "other consumer goods paper."³ Single-payment loans and service credit.⁴ Not available.⁵ Preliminary estimates by Council of Economic Advisers.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE F-45.—*Instalment credit extended and repaid, 1946-57*

[Millions of dollars]

Period	Total		Automobile paper		Other consumer goods paper		Repair and modernization loans		Personal loans	
	Ex-tended	Re-paid	Ex-tended	Re-paid	Ex-tended	Re-paid	Ex-tended	Re-paid	Ex-tended	Re-paid
1946.....	8,495	6,785	1,969	1,443	3,077	2,603	423	200	3,026	2,539
1947.....	12,713	10,190	3,692	2,749	4,498	3,645	704	391	3,819	3,405
1948.....	15,585	13,284	5,217	4,123	5,383	4,625	714	579	4,271	3,957
1949.....	18,108	15,514	6,967	5,430	5,865	5,060	734	689	4,542	4,335
1950.....	21,558	18,445	8,530	7,011	7,150	6,057	835	717	5,043	4,660
1951.....	23,576	22,985	8,956	9,058	7,485	7,404	841	772	6,294	5,751
1952.....	29,514	25,405	11,764	10,003	9,186	7,892	1,217	917	7,347	6,593
1953.....	31,558	27,956	12,981	10,879	9,227	8,622	1,344	1,119	8,006	7,336
1954.....	31,051	30,488	11,807	11,833	9,117	9,145	1,261	1,255	8,866	8,255
1955.....	39,039	33,649	16,745	13,082	10,634	9,751	1,388	1,315	10,272	9,501
1956.....	40,063	37,194	15,563	14,576	11,590	10,714	1,568	1,362	11,342	10,542
1957 ¹	42,300	40,100	16,700	15,600	11,600	11,400	1,500	1,400	12,600	11,600
Unadjusted										
1956: January.....	2,895	3,004	1,194	1,178	776	893	93	120	832	813
February.....	2,937	2,890	1,237	1,143	763	851	103	109	834	787
March.....	3,320	3,115	1,377	1,209	851	904	119	113	973	889
April.....	3,349	3,026	1,345	1,197	926	868	130	112	948	849
May.....	3,489	3,134	1,409	1,242	981	897	151	113	948	882
June.....	3,412	3,077	1,391	1,195	918	882	139	109	964	891
July.....	3,354	3,102	1,340	1,212	923	887	139	119	952	884
August.....	3,551	3,174	1,394	1,244	1,009	902	148	117	1,000	911
September.....	3,032	2,934	1,156	1,148	897	861	138	105	841	820
October.....	3,451	3,307	1,293	1,342	1,077	938	155	122	926	905
November.....	3,449	3,194	1,227	1,256	1,110	916	138	113	974	909
December.....	3,824	3,237	1,200	1,210	1,359	915	115	110	1,150	1,002
1957: January.....	3,090	3,349	1,258	1,307	802	1,007	96	119	934	916
February.....	2,976	3,056	1,215	1,193	763	908	101	114	897	841
March.....	3,347	3,311	1,380	1,284	846	963	111	114	1,010	950
April.....	3,594	3,332	1,468	1,305	901	927	123	117	1,102	983
May.....	3,748	3,376	1,513	1,321	1,016	952	147	123	1,072	980
June.....	3,674	3,224	1,494	1,250	998	914	133	114	1,049	946
July.....	3,837	3,477	1,563	1,361	995	971	143	127	1,136	1,018
August.....	3,704	3,369	1,467	1,306	1,022	982	150	117	1,065	964
September.....	3,388	3,276	1,364	1,298	927	928	138	123	959	927
October.....	3,545	3,456	1,404	1,381	976	968	141	122	1,024	985
November.....	3,439	3,347	1,250	1,287	1,020	956	123	115	1,046	989
December.....	4,000	3,500	1,300	1,300	1,300	1,000	100	100	1,300	1,100
Seasonally adjusted										
1956: January.....	3,298	2,979	1,348	1,188	938	853	121	118	891	820
February.....	3,337	2,965	1,380	1,186	925	840	129	112	903	827
March.....	3,286	2,956	1,326	1,157	901	845	128	109	931	845
April.....	3,370	3,103	1,308	1,236	996	883	134	116	932	868
May.....	3,298	3,089	1,273	1,234	960	868	139	113	926	874
June.....	3,168	3,071	1,217	1,188	888	886	130	112	933	885
July.....	3,284	3,139	1,232	1,221	972	913	130	120	950	885
August.....	3,395	3,111	1,264	1,200	1,008	891	133	115	990	905
September.....	3,285	3,178	1,230	1,217	956	938	131	110	968	913
October.....	3,379	3,171	1,298	1,260	996	909	137	117	948	885
November.....	3,512	3,191	1,353	1,238	1,047	935	133	109	979	909
December.....	3,451	3,241	1,334	1,251	1,003	953	123	111	991	926
1957: January.....	3,475	3,295	1,422	1,314	931	943	124	117	998	921
February.....	3,506	3,257	1,408	1,284	960	933	129	121	1,009	919
March.....	3,423	3,256	1,375	1,272	928	936	123	113	997	935
April.....	3,469	3,284	1,372	1,295	935	908	123	117	1,039	964
May.....	3,533	3,314	1,364	1,306	993	920	135	122	1,041	966
June.....	3,546	3,339	1,359	1,289	1,004	952	128	120	1,055	978
July.....	3,598	3,383	1,385	1,318	995	964	130	125	1,088	976
August.....	3,590	3,342	1,357	1,276	1,025	977	137	117	1,071	972
September.....	3,544	3,420	1,395	1,319	970	990	127	124	1,052	987
October.....	3,541	3,358	1,439	1,317	909	946	126	118	1,067	977
November.....	3,558	3,395	1,407	1,292	961	982	120	113	1,070	1,008
December.....	3,600	3,400	1,400	1,300	1,000	1,000	100	100	1,100	1,000

¹ Preliminary; December by Council of Economic Advisers.

Source: Board of Governors of the Federal Reserve System (except as noted).

TABLE F-46.—*Mortgage debt outstanding, by type of property and of financing, 1939-57*
[Billions of dollars]

End of period	All prop- erties	Nonfarm properties						Multi- family and com- mer- cial prop- erties ^{1 2}	Farm prop- erties
		Total	1- to 4-family houses				Con- ven- tional ¹		
			Total	Government under- written					
				Total	FHA in- sured	VA guar- anteed			
1939.....	35.5	28.9	16.3	1.8	1.8		14.5	12.5	6.6
1940.....	36.5	30.0	17.4	2.3	2.3		15.1	12.6	6.5
1941.....	37.6	31.2	18.4	3.0	3.0		15.4	12.9	6.4
1942.....	36.7	30.8	18.2	3.7	3.7		14.5	12.5	6.0
1943.....	35.3	29.9	17.8	4.1	4.1		13.7	12.1	5.4
1944.....	34.7	29.7	17.9	4.2	4.2		13.7	11.8	4.9
1945.....	35.5	30.8	18.6	4.3	4.1	0.2	14.3	12.2	4.8
1946.....	41.8	36.9	23.0	6.1	3.7	2.4	16.9	13.8	4.9
1947.....	48.9	43.9	28.2	9.3	3.8	5.5	18.9	15.7	5.1
1948.....	56.2	50.9	33.3	12.5	5.3	7.2	20.8	17.6	5.3
1949.....	62.7	57.1	37.6	15.0	6.9	8.1	22.6	19.5	5.6
1950.....	72.8	66.7	45.2	18.9	8.6	10.3	26.3	21.6	6.1
1951.....	82.3	75.6	51.7	22.9	9.7	13.2	28.8	23.9	6.7
1952.....	91.4	84.2	58.5	25.4	10.8	14.6	33.1	25.7	7.3
1953.....	101.3	93.6	66.1	28.1	12.0	16.1	38.0	27.5	7.8
1954.....	113.8	105.5	75.7	32.1	12.8	19.3	43.6	29.8	8.3
1955.....	130.0	120.9	88.2	38.9	14.3	24.6	49.3	32.7	9.1
1956.....	144.7	134.8	99.0	43.9	15.5	28.4	55.1	35.8	9.9
1957 ³	156.1	145.5	107.6	47.0	16.3	30.7	60.6	37.9	10.6
1955: First quarter.....	117.5	109.0	78.6	33.5	13.2	20.3	45.1	30.4	8.5
Second quarter.....	122.1	113.3	82.2	35.3	13.5	21.8	46.9	31.1	8.8
Third quarter.....	126.4	117.4	85.6	37.0	13.9	23.1	48.6	31.8	9.0
Fourth quarter.....	130.0	120.9	88.2	38.9	14.3	24.6	49.3	32.7	9.1
1956: First quarter.....	133.6	124.2	90.8	40.2	14.7	25.5	50.6	33.4	9.4
Second quarter.....	137.6	128.0	93.7	41.3	15.0	26.3	52.4	34.3	9.6
Third quarter.....	141.4	131.6	96.6	42.5	15.2	27.3	54.1	35.1	9.8
Fourth quarter.....	144.7	134.8	99.0	43.9	15.5	28.4	55.1	35.8	9.9
1957: First quarter ³	147.4	137.3	101.0	45.1	15.7	29.4	55.9	36.3	10.1
Second quarter ³	150.3	140.1	103.3	45.9	15.9	30.0	57.4	36.8	10.3
Third quarter ³	153.5	143.1	105.6	46.5	16.1	30.4	59.1	37.5	10.4
Fourth quarter ³	156.1	145.5	107.6	47.0	16.3	30.7	60.6	37.9	10.6

¹ Derived figures.

² Includes negligible amount of farm loans held by savings and loan associations.

³ Preliminary; fourth quarter by Council of Economic Advisers.

Source: Board of Governors of the Federal Reserve System, estimated and compiled from data supplied by various Government and private organizations (except as noted).

TABLE F-47.—*Net public and private debt, 1929-57*¹

[Billions of dollars]

End of period ²	Total	Federal Government	State and local government ²	Private									
				Total	Corporate			Individual and noncorporate					
					Total	Long-term	Short-term	Total	Farm ³	Nonfarm			
										Total	Mortgage	Commercial and financial ⁴	Consumer
1929	190.9	16.5	13.2	161.2	88.9	47.3	41.6	72.3	12.2	60.1	31.2	22.4	6.4
1930	191.0	16.5	14.1	160.4	89.3	51.1	38.2	71.1	11.8	59.4	32.0	21.6	5.8
1931	181.9	18.5	15.5	147.9	83.5	50.3	33.2	64.4	11.1	53.3	30.9	17.6	4.8
1932	174.6	21.3	16.6	136.7	80.0	49.2	30.8	56.7	10.1	46.6	29.0	14.0	3.6
1933	168.5	24.3	16.7	127.5	76.9	47.9	29.1	50.6	9.1	41.5	26.3	11.7	3.5
1934	171.4	30.4	15.9	125.1	75.5	44.6	30.9	49.6	8.9	40.7	25.5	11.2	3.9
1935	174.7	34.4	16.0	124.2	74.8	43.6	31.2	49.4	9.0	40.4	24.7	10.8	4.9
1936	180.3	37.7	16.2	126.4	76.1	42.5	33.5	50.3	8.6	41.7	24.4	11.2	6.1
1937	182.0	39.2	16.1	126.7	75.8	43.5	32.3	50.9	8.6	42.3	24.3	11.3	6.7
1938	179.6	40.5	16.0	123.1	73.3	44.8	28.4	49.8	9.0	40.9	24.5	10.1	6.3
1939	183.2	42.6	16.3	124.3	73.5	44.4	29.2	50.8	8.8	42.0	25.0	9.8	7.2
1940	189.9	44.8	16.5	128.6	75.6	43.7	31.9	53.0	9.1	43.9	26.0	9.5	8.3
1941	211.6	56.3	16.3	139.0	83.4	43.6	39.8	55.6	9.2	46.4	27.2	10.0	9.2
1942	259.0	101.7	15.8	141.5	91.6	42.7	49.0	49.9	8.9	41.0	26.8	8.1	6.0
1943	313.6	154.4	14.9	144.3	95.5	41.0	54.5	48.8	8.2	40.5	26.2	9.5	4.9
1944	370.8	211.9	14.1	144.8	94.1	39.8	54.3	50.7	7.7	43.0	26.1	11.8	5.1
1945	406.3	252.7	13.7	139.9	85.3	38.3	47.0	54.6	7.2	47.4	27.0	14.8	5.7
1946	397.4	229.7	13.6	154.1	93.5	41.3	52.2	60.6	7.6	53.0	32.5	12.1	8.4
1947	417.4	223.3	14.4	179.7	108.9	46.1	62.8	70.8	8.6	62.2	38.7	11.9	11.6
1948	433.6	216.5	16.2	200.9	117.8	52.5	65.3	83.1	10.8	72.3	45.1	12.9	14.4
1949	448.4	218.6	18.1	211.7	118.0	56.5	61.5	93.7	11.9	81.8	50.6	13.9	17.3
1950	490.3	218.7	20.7	250.9	142.1	60.1	81.9	108.8	12.2	96.6	59.4	15.8	21.4
1951	524.0	218.5	23.3	282.2	162.5	66.6	95.9	119.7	13.6	106.1	67.4	16.1	22.6
1952	555.2	222.9	25.8	306.5	171.0	73.3	97.7	135.5	15.1	120.3	75.2	17.8	27.4
1953	586.3	228.1	28.6	329.6	179.5	78.3	101.2	150.1	16.8	133.3	83.8	18.3	31.2
1954	606.2	230.2	33.4	342.6	177.3	82.6	94.8	165.3	17.5	147.8	94.7	20.8	32.3
1955	655.8	231.5	38.4	385.9	195.9	89.3	106.5	190.0	18.7	171.4	108.8	23.9	38.7
1956	684.0	225.4	42.7	415.9	208.2	97.3	110.9	207.7	19.4	188.3	121.7	24.5	42.1
1957 ⁵	707.5	224.3	46.7	436.5	215.5	106.0	109.5	221.0	20.5	200.5	131.0	24.7	44.8

¹ Net public and private debt outstanding is a comprehensive aggregate of the indebtedness of borrowers after elimination of certain types of duplicating governmental and corporate debt. For a further explanation of the concept, see *Survey of Current Business*, October 1950.

² Data for State and local government debt are for June 30 of each year.

³ Farm mortgages and farm production loans. Farmers' financial and consumer debt is included in the nonfarm categories.

⁴ Financial debt is debt owed to banks for purchasing or carrying securities, customers' debt to brokers, and debt owed to life insurance companies by policyholders.

⁵ Preliminary estimates by Council of Economic Advisers.

NOTE.—Data for 1955-56 for consumer debt (and related subtotals and totals) have been adjusted by the Council of Economic Advisers to reflect revisions for 1955-57 in the consumer credit statistics of the Board of Governors of the Federal Reserve System. No attempt has been made to reconcile other debt items with the adjustments in consumer debt.

Detail will not necessarily add to totals because of rounding.

Sources: Department of Agriculture, Department of Commerce, Treasury Department, Board of Governors of the Federal Reserve System, Federal Savings and Loan Insurance Corporation, and Interstate Commerce Commission (except as noted).

GOVERNMENT FINANCE

TABLE F-48.—U. S. Government debt, by kind of obligation, 1929–57

[Billions of dollars]

End of period	Gross public debt and guaranteed issues ¹	Interest-bearing public debt					Special issues ⁴
		Marketable public issues		Nonmarketable public issues			
		Short-term issues ²	Treasury bonds	United States savings bonds	Treasury tax and savings notes	Investment bonds ³	
1929.....	16.3	3.3	11.3				0.6
1930.....	16.0	2.9	11.3				.8
1931.....	17.8	2.8	13.5				.4
1932.....	20.8	5.9	13.4				.4
1933.....	24.0	7.5	14.7				.4
1934.....	31.5	11.1	15.4				.6
1935.....	35.1	14.2	14.3	0.2			.7
1936.....	39.1	12.5	19.5	.5			.6
1937.....	41.9	12.5	20.5	1.0			2.2
1938.....	44.4	9.8	24.0	1.4			3.2
1939.....	47.6	7.7	26.9	2.2			4.2
1940.....	50.9	7.5	28.0	3.2			5.4
1941.....	64.3	8.0	33.4	6.1	2.5		7.0
1942.....	112.5	27.0	49.3	15.0	6.4		9.0
1943.....	170.1	47.1	67.9	27.4	8.6		12.7
1944.....	232.1	69.9	91.6	40.4	9.8		16.3
1945.....	278.7	78.2	120.4	48.2	8.2		20.0
1946.....	259.5	57.1	119.3	49.8	5.7		24.6
1947.....	257.0	47.7	117.9	52.1	5.4	1.0	29.0
1948.....	252.9	45.9	111.4	55.1	4.6	1.0	31.7
1949.....	257.2	50.2	104.8	56.7	7.6	1.0	33.9
1950.....	256.7	58.3	94.0	58.0	8.6	1.0	33.7
1951.....	259.5	65.6	76.9	57.6	7.5	13.0	35.9
1952.....	267.4	68.7	79.8	57.9	5.8	13.4	39.2
1953.....	275.2	77.3	77.2	57.7	6.0	12.9	41.2
1954.....	278.8	76.0	81.8	57.7	4.5	12.7	42.6
1955.....	280.8	81.3	81.9	57.9	(⁵)	12.3	43.9
1956.....	276.7	79.5	80.8	56.3	(⁶)	11.6	45.6
1957.....	275.0	82.1	82.1	52.5	(⁶)	10.3	45.8
1956: January.....	280.1	81.4	81.9	57.6	(⁵)	12.2	43.6
February.....	280.2	81.4	81.9	57.7	(⁵)	12.2	43.7
March.....	276.4	77.6	81.9	57.7	(⁵)	12.2	43.7
April.....	275.8	77.7	81.8	57.7	(⁶)	12.1	43.4
May.....	276.8	77.7	81.8	57.7	(⁶)	12.0	44.3
June.....	272.8	73.1	81.8	57.5	(⁶)	12.0	45.1
July.....	272.7	73.1	81.8	57.4	(⁶)	12.0	45.4
August.....	275.6	75.5	81.8	57.3	(⁶)	11.9	46.1
September.....	274.3	75.5	80.8	57.3	(⁶)	11.9	45.8
October.....	275.4	77.1	80.8	57.1	(⁶)	11.8	45.5
November.....	277.1	78.9	80.8	56.9	(⁶)	11.7	45.7
December.....	276.7	79.5	80.8	56.3	(⁶)	11.6	45.6
1957: January.....	276.3	79.6	80.8	56.0	(⁶)	11.6	45.3
February.....	276.4	80.0	80.8	55.8	(⁶)	11.5	45.5
March.....	275.1	79.1	80.8	55.6	(⁶)	11.4	45.6
April.....	274.1	79.1	80.8	55.4	(⁶)	11.3	45.2
May.....	275.3	79.5	80.8	55.2	(⁶)	11.2	46.1
June.....	270.6	74.9	80.8	54.6	(⁶)	11.1	46.8
July.....	272.6	77.9	80.8	54.3	(⁶)	11.0	46.3
August.....	274.0	79.4	80.8	54.0	(⁶)	10.9	46.7
September.....	274.5	81.0	80.8	53.8	(⁶)	10.7	46.2
October.....	274.2	80.8	81.4	53.5	(⁶)	10.5	46.1
November.....	274.9	81.9	81.4	53.2	(⁶)	10.3	46.0
December.....	275.0	82.1	82.1	52.5	(⁶)	10.3	45.8

¹ Total includes non-interest-bearing debt, fully guaranteed securities (except those held by the Treasury), Postal Savings bonds, prewar bonds, adjusted service bonds, depository bonds, and armed forces leave bonds, not shown separately. Not all of total shown is subject to statutory debt limitation.

² Includes bills, certificates of indebtedness, and notes.

³ Includes Series A bonds and, beginning in April 1951, Series B convertible bonds.

⁴ Issued to U. S. Government investment accounts. These accounts also held 9.4 billion dollars of public marketable and nonmarketable issues on December 31, 1957.

⁵ Less than 50 million dollars.

⁶ The last series of treasury savings notes matured in April 1956.

⁷ Of this amount, \$274.6 billion was subject to the statutory debt limitation of \$275 billion.

Source: Treasury Department.

TABLE F-49.—*Estimated ownership of Federal obligations, 1939-57*[Par values ¹, billions of dollars]

End of period	Gross public debt and guaranteed issues ²									
	Total	Held by U. S. Government investment accounts	Held by others							
			Total	Federal Reserve Banks	Commercial banks ³	Mutual savings banks and insurance companies	Other corporations ⁴	State and local governments ⁵	Individuals ⁶	Miscellaneous investors ⁷
1939	47.6	6.5	41.1	2.5	15.9	9.4	2.2	0.4	10.1	0.7
1940	50.9	7.6	43.3	2.2	17.3	10.1	2.0	.5	10.6	.7
1941	64.3	9.5	54.7	2.3	21.4	11.9	4.0	.7	13.6	.9
1942	112.5	12.2	100.2	6.2	41.1	15.8	10.1	1.0	23.7	2.3
1943	170.1	16.9	153.2	11.5	59.9	21.2	16.4	2.1	37.6	4.4
1944	232.1	21.7	210.5	18.8	77.7	28.0	21.4	4.3	53.3	7.0
1945	278.7	27.0	251.6	24.3	90.8	34.7	22.2	6.5	64.1	9.1
1946	259.5	30.9	228.6	23.3	74.5	36.7	15.3	6.3	64.2	8.1
1947	257.0	34.4	222.6	22.6	68.7	35.9	14.1	7.3	65.7	8.4
1948	252.9	37.3	215.5	23.3	62.5	32.7	14.8	7.9	65.5	8.9
1949	257.2	39.4	217.8	18.9	66.8	31.5	16.8	8.1	66.3	9.4
1950	256.7	39.2	217.5	20.8	61.8	29.6	19.7	8.8	66.3	10.5
1951	259.5	42.3	217.2	23.8	61.6	26.3	20.7	9.6	64.6	10.6
1952	267.4	45.9	221.6	24.7	63.4	25.5	19.9	11.1	65.1	11.7
1953	275.2	48.3	226.9	25.9	63.7	25.0	21.6	12.7	64.8	13.2
1954	278.8	49.6	229.2	24.9	69.2	23.8	19.2	14.4	63.6	13.9
1955	280.8	51.7	229.1	24.8	62.0	22.8	23.3	15.1	65.5	15.6
1956	276.7	54.0	222.7	24.9	59.3	20.9	18.6	16.1	67.1	15.9
1957 ⁸	275.0	55.2	219.8	24.2	58.7	19.5	16.5	17.3	67.6	16.0
1956: January	280.1	51.7	228.4	23.5	60.5	22.7	23.6	15.4	66.7	16.0
February	280.2	51.8	228.4	23.5	59.5	22.4	23.7	15.6	67.2	16.4
March	276.4	51.9	224.5	23.6	58.3	22.2	20.8	15.7	67.4	16.5
April	275.8	51.6	224.3	23.3	58.5	22.1	20.5	15.7	67.7	16.5
May	276.8	52.5	224.3	23.5	57.8	21.9	20.9	15.8	67.7	16.6
June	272.8	53.5	219.3	23.8	57.1	21.6	17.4	15.7	67.5	16.2
July	272.7	53.8	218.9	23.4	56.5	21.6	17.7	15.8	67.6	16.2
August	275.6	54.4	221.2	23.9	57.6	21.4	18.6	15.9	67.5	16.3
September	274.3	54.2	220.2	23.7	57.6	21.4	17.5	16.0	67.7	16.3
October	275.4	53.9	221.5	23.8	58.0	21.3	18.5	16.0	67.5	16.3
November	277.1	54.2	222.9	24.4	58.6	21.1	19.2	16.1	67.5	16.0
December	276.7	54.0	222.7	24.9	59.3	20.9	18.6	16.1	67.1	15.9
1957: January	276.3	53.9	222.4	23.4	58.3	20.9	20.2	16.2	67.1	16.2
February	276.4	54.1	222.3	22.9	57.7	20.8	20.9	16.3	67.5	16.2
March	275.1	54.2	221.0	23.1	58.1	20.6	18.0	16.6	68.2	16.3
April	274.1	53.7	220.4	23.2	58.0	20.5	17.9	16.8	68.0	16.0
May	275.3	54.9	220.5	23.1	57.7	20.4	18.5	16.8	67.6	16.4
June	270.6	55.6	215.1	23.0	55.8	20.2	15.7	16.9	67.4	16.1
July	272.6	55.2	217.4	23.4	56.8	20.2	16.3	16.9	67.5	16.3
August	274.0	55.8	218.2	23.5	56.6	20.1	16.8	17.1	68.0	16.0
September	274.5	55.4	219.1	23.3	58.3	20.1	16.1	17.2	68.2	16.0
October	274.2	55.4	218.7	23.3	58.1	20.0	16.1	17.2	67.9	16.1
November ⁸	274.9	55.3	219.6	23.7	58.2	19.7	16.6	17.3	67.9	16.2
December ⁸	275.0	55.2	219.8	24.2	58.7	19.5	16.5	17.3	67.6	16.0

¹ United States savings bonds, series A-F and J, are included at current redemption value.² Excludes guaranteed securities held by the Treasury. Not all of total shown is subject to statutory debt limitation.³ Includes commercial banks, trust companies, and stock savings banks in the United States and in Territories and possessions; figures exclude securities held in trust departments. Since the estimates in this table are on the basis of par values and include holdings of banks in United States Territories and possessions, they do not agree with the estimates in Table F-41, which are based on book values and relate only to banks within the continental United States.⁴ Exclusive of banks and insurance companies.⁵ Includes trust, sinking, and investment funds of State and local governments and their agencies, and of Territories and possessions.⁶ Includes partnerships and personal trust accounts.⁷ Includes savings and loan associations, nonprofit institutions, corporate pension trust funds, dealers and brokers, and investments of foreign balances and international accounts in this country. Beginning with December 1946, the foreign accounts include investments by the International Bank for Reconstruction and Development and the International Monetary Fund in special non-interest-bearing notes issued by the U. S. Government. Beginning with June 30, 1947, includes holdings of Federal land banks.⁸ Preliminary estimates by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Treasury Department (except as noted).

TABLE F-50.—Federal budget receipts and expenditures and the public debt, 1929–1959

[Millions of dollars]

Year	Net budget receipts ¹	Budget expenditures	Surplus or deficit (—)	Public debt at end of year ²
Fiscal year:				
1929	3,861	3,127	734	16,931
1930	4,058	3,320	738	16,185
1931	3,116	3,577	—462	16,801
1932	1,924	4,659	—2,735	19,487
1933	2,021	4,623	—2,602	22,539
1934	3,064	6,694	—3,630	27,053
1935	3,730	6,521	—2,791	28,701
1936	4,069	8,493	—4,425	33,779
1937	4,979	7,756	—2,777	36,425
1938	5,615	6,792	—1,177	37,165
1939	4,996	8,858	—3,862	40,440
1940	5,144	9,062	—3,918	42,968
1941	7,103	13,262	—6,159	48,961
1942	12,555	34,046	—21,490	72,422
1943	21,987	79,407	—57,420	136,696
1944	43,635	95,059	—51,423	201,003
1945	44,475	98,416	—53,941	258,682
1946	39,771	60,448	—20,676	269,422
1947	39,786	39,032	754	258,286
1948	41,488	33,069	8,419	252,292
1949	37,696	39,507	—1,811	252,770
1950	36,495	39,617	—3,122	257,357
1951	47,568	44,058	3,510	255,222
1952	61,391	65,408	—4,017	259,105
1953	64,825	74,274	—9,449	266,071
1954	64,655	67,772	—3,117	271,260
1955	60,390	64,570	—4,180	274,374
1956	68,165	66,540	1,626	272,751
1957 ³	71,029	69,433	1,596	270,527
1958 ⁴	72,400	72,788	—388	271,200
1959 ⁴	74,400	73,934	466	271,200
Calendar year:				
1946	38,568	41,080	—2,512	259,149
1947	40,389	37,955	2,434	256,900
1948	40,864	35,623	5,241	252,800
1949	37,514	41,106	—3,592	257,130
1950	37,306	37,728	—422	256,708
1951	52,979	56,337	—3,358	259,419
1952	64,840	70,682	—5,842	267,391
1953	63,841	72,997	—9,157	275,168
1954	61,171	64,854	—3,683	278,750
1955	63,358	66,129	—2,771	280,769
1956	70,994	67,216	3,779	276,628
1957 ⁵	72,400	71,800	600	274,898

¹ Gross receipts less refunds of receipts and transfers of tax receipts to the Federal old-age and survivors insurance trust fund, the Federal disability insurance trust fund, the railroad retirement account, and the highway trust fund.

² Excludes guaranteed obligations. The change in the public debt from year to year reflects not only the budget surplus or deficit but also changes in the Treasury's cash balances, the effect of certain trust fund transactions, and direct borrowing from the public by certain Government enterprises.

³ Preliminary.

⁴ Estimate.

⁵ Estimated by Council of Economic Advisers from data through January 15, 1958. May therefore differ from figures in Treasury Department monthly statement of receipts and expenditures to be released about January 20, 1958.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget (except as noted).

TABLE F-51.—Federal budget receipts by source and expenditures by function, fiscal years 1946-59

[Millions of dollars]

Fiscal year	Budget receipts by source					Budget expenditures by function						Budget surplus or deficit (-)
	Total	Individual income taxes	Corporation income taxes	Excise taxes	All other receipts ¹	Total	Major national security	Veterans' services and benefits	Agriculture and agricultural resources	Interest	All other expenditures ²	
1946.....	39,771	16,157	11,833	6,999	4,782	60,448	43,207	4,416	747	4,816	7,262	-20,676
1947.....	39,786	17,835	8,569	7,207	6,175	39,032	14,372	7,381	1,243	5,012	11,022	751
1948.....	41,488	19,905	9,678	7,356	5,150	33,069	11,771	6,654	575	5,248	8,820	8,419
1949.....	37,696	15,548	11,195	7,502	3,451	39,507	12,907	6,726	2,512	5,445	11,917	-1,811
1950.....	36,495	15,745	10,448	7,549	2,752	39,617	13,009	6,646	2,783	5,817	11,361	-3,122
1951.....	47,568	21,643	14,106	8,648	3,171	44,058	22,444	5,342	650	5,714	9,907	3,510
1952.....	61,391	27,913	21,225	8,851	3,401	65,408	45,963	4,863	1,045	5,934	7,603	-4,017
1953.....	64,825	30,108	21,238	9,868	3,610	74,274	51,830	4,298	2,936	6,583	8,627	-9,449
1954.....	64,655	29,542	21,101	9,945	4,068	67,772	47,872	4,256	2,557	6,470	6,618	-3,117
1955.....	60,390	28,747	17,861	9,131	4,650	64,570	42,089	4,457	4,411	6,438	7,176	-4,180
1956.....	68,165	32,188	20,880	9,929	5,169	66,540	41,825	4,756	4,913	6,846	8,199	1,626
1957 ³	71,029	35,620	21,167	9,055	5,188	69,433	44,414	4,793	4,582	7,308	8,336	1,596
1958 ⁴	72,400	37,200	20,385	8,898	5,917	72,788	44,871	5,034	4,924	7,867	10,091	-388
1959 ⁴	74,400	38,500	20,400	9,280	6,220	73,934	45,836	5,012	4,601	7,869	10,616	466

¹ Includes employment taxes, estate and gift taxes, customs revenues, and miscellaneous receipts.² Includes expenditures for international affairs and finance (excluding military assistance and defense support under the mutual security program), labor and welfare, natural resources, commerce and housing, and general government; also includes adjustment to daily Treasury statement (for actuals) and allowance for proposed legislation and contingencies (for estimates).³ Preliminary.⁴ Estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget.

TABLE F-52.—Government cash receipts from and payments to the public, 1946–59

[Billions of dollars]

Period	Total			Federal			State and local ¹		
	Cash receipts	Cash payments	Excess of receipts or of payments (–)	Cash receipts	Cash payments	Excess of receipts or of payments (–)	Cash receipts ²	Cash payments ²	Excess of receipts or of payments (–)
Calendar year:									
1946.....	53.0	50.9	2.1	41.4	41.4	(3)	11.6	9.5	2.0
1947.....	57.5	50.8	6.6	44.3	38.6	5.7	13.2	12.2	1.0
1948.....	60.0	52.1	7.9	44.9	36.9	8.0	15.1	15.2	–.1
1949.....	57.9	60.0	–2.1	41.3	42.6	–1.3	16.6	17.4	–.8
1950.....	60.5	61.3	–.7	42.4	42.0	.4	18.1	19.3	–1.2
1951.....	79.2	78.4	.8	59.3	58.0	1.2	19.9	20.3	–.4
1952.....	93.1	94.7	–1.6	71.4	73.1	–1.6	21.7	21.6	.1
1953.....	93.4	99.3	–5.9	70.1	76.3	–6.1	23.3	23.0	.3
1954.....	93.2	95.3	–2.0	68.6	69.7	–1.1	24.7	25.6	–.9
1955.....	98.4	100.2	–1.8	71.4	72.2	–.7	26.9	28.0	–1.1
1956.....	109.3	105.2	4.1	80.3	74.8	5.5	29.0	30.4	–1.4
1957 ⁴	115.2	116.2	–1.0	84.7	83.4	1.3	30.5	32.8	–2.3
Fiscal year:									
1955.....	93.4	97.5	–4.1	67.8	70.5	–2.7	25.6	27.0	–1.4
1956.....	105.2	101.8	3.4	77.1	72.6	4.5	28.1	29.2	–1.0
1957 ⁴	111.8	111.6	.3	82.1	80.0	2.1	29.7	31.6	–1.8
1958 ⁵				85.1	84.9	.2			
1959 ⁵				87.3	86.7	.6			

¹ Estimates by Council of Economic Advisers.² Federal grants-in-aid have been deducted from State and local government receipts and payments since they are included in Federal payments.³ Less than 50 million dollars.⁴ Preliminary.⁵ Estimate.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Treasury Department and Bureau of the Budget (except as noted).

TABLE F-53.—*Government receipts and expenditures as shown in the national income accounts, 1954-57¹*

[Calendar years, billions of dollars]

Receipt or expenditure	1954			1955			1956			1957 ²		
	Year	First half ²	Second half ²	Year	First half ²	Second half ²	Year	First half ²	Second half ²	Year	First half ²	Second half ²
Total government												
Receipts.....	90.2	89.6	90.8	101.1	98.3	104.0	109.0	107.6	110.4	115.7	115.2	116.2
Expenditures.....	96.6	97.6	95.6	98.6	98.0	99.1	104.2	102.0	106.4	114.1	112.9	115.2
Excess of receipts or of expenditures (—).....	-6.4	-8.0	-4.8	2.6	.3	4.9	4.8	5.5	4.0	1.7	2.3	.8
Federal Government												
Receipts.....	64.0	63.7	64.3	72.5	70.3	74.6	78.2	77.1	79.3	83.3	83.1	83.4
Personal tax and non-tax receipts.....	29.2	29.0	29.3	31.5	30.9	32.1	35.1	34.7	35.5	38.1	37.7	38.5
Corporate profits tax accruals.....	16.7	16.3	17.0	20.6	19.4	21.7	21.0	20.9	21.1	20.5	20.9	20.0
Indirect business tax and nontax accruals.....	10.1	10.2	9.9	11.0	10.9	11.2	11.6	11.2	11.9	12.2	12.2	12.3
Contributions for social insurance.....	8.1	8.1	8.1	9.3	9.1	9.6	10.5	10.3	10.8	12.5	12.4	12.6
Expenditures.....	69.4	71.0	67.9	68.9	68.5	69.3	72.0	70.1	74.0	79.3	78.5	80.1
Purchases of goods and services.....	48.9	51.2	45.7	46.8	46.7	46.9	47.2	46.3	48.1	50.5	50.7	50.3
Transfer payments.....	11.6	11.2	12.2	12.5	12.4	12.6	13.5	13.2	13.8	16.0	15.3	16.6
Grants-in-aid to State and local governments.....	2.9	2.7	3.1	3.0	2.7	3.4	3.3	2.9	3.6	4.0	3.7	4.2
Net interest paid.....	4.8	4.8	4.8	4.7	4.7	4.8	5.2	5.1	5.3	5.4	5.4	5.4
Subsidies less current surplus of Government enterprises.....	1.2	1.2	1.1	1.8	2.0	1.7	2.8	2.6	3.1	3.5	3.4	3.6
Excess of receipts or of expenditures (—).....	-5.4	-7.3	-3.6	3.6	1.9	5.3	6.2	7.0	5.3	4.0	4.6	2.9
State and local governments												
Receipts.....	29.1	28.5	29.7	31.7	30.7	32.8	34.1	33.4	34.8	36.5	35.8	37.1
Personal tax and non-tax receipts.....	3.8	3.7	3.9	4.2	4.2	4.3	4.6	4.5	4.6	5.0	4.9	5.1
Corporate profits tax accruals.....	.8	.8	.8	1.0	.9	1.0	1.0	1.0	1.0	.9	1.0	.9
Indirect business tax and nontax accruals.....	20.1	19.9	20.3	21.8	21.2	22.4	23.4	23.2	23.7	24.6	24.3	24.9
Contributions for social insurance.....	1.6	1.5	1.6	1.7	1.6	1.7	1.8	1.8	1.9	2.0	1.9	2.0
Federal grants-in-aid.....	2.9	2.7	3.1	3.0	2.7	3.4	3.3	2.9	3.6	4.0	3.7	4.2
Expenditures.....	30.1	29.3	30.8	32.7	32.3	33.2	35.5	34.9	36.1	38.7	38.1	39.2
Purchases of goods and services.....	27.7	26.9	28.4	30.3	29.8	30.8	33.0	32.5	33.6	36.0	35.5	36.5
Transfer payments.....	3.4	3.3	3.4	3.5	3.5	3.5	3.7	3.6	3.7	4.0	3.9	4.1
Net interest paid.....	.4	.4	.4	.5	.5	.5	.5	.5	.6	.6	.6	.6
Less: Current surplus of Government enterprises.....	1.4	1.4	1.4	1.6	1.5	1.6	1.7	1.7	1.8	1.9	1.9	2.0
Excess of receipts or of expenditures (—).....	-1.0	-.7	-1.2	-1.0	-1.6	-.4	-1.4	-1.5	-1.2	-2.2	-2.3	-2.2

¹ These accounts, like the cash budget, include the transactions of the trust accounts. Unlike both the conventional budget and the cash statement, they exclude certain capital and lending transactions. In general, they do not use the cash basis for transactions with business. Instead, corporate profits taxes are included in receipts on an accrual instead of a cash basis; expenditures are timed with the delivery instead of the payment for goods and services; and CCC guaranteed price-support crop loans financed by banks are counted as expenditures when the loans are made, not when CCC redeems them.

² Seasonally adjusted annual rates.

³ Preliminary; fourth quarter estimates by Council of Economic Advisers.

NOTE.—Federal grants-in-aid to State and local governments are reflected in Federal expenditures and State and local receipts and expenditures. Total government receipts and expenditures have been adjusted to eliminate this duplication.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-54.—*Reconciliation of Federal Government receipts and expenditures as shown in the national income accounts with receipts and expenditures as reported in the consolidated cash statement and the conventional budget, fiscal years 1955-57*

[Fiscal years, billions of dollars]

Receipts or expenditures	1955	1956	1957
National income accounts			
Receipts.....	67.2	76.1	81.4
Expenditures.....	68.1	69.7	76.2
Excess of receipts or of expenditures (—).....	—1.0	6.4	5.3
Reconciliation of receipts			
Receipts as shown in the national income accounts.....	67.2	76.1	81.4
Less:			
Excess of taxes included in national income accounts over cash collections:			
Personal.....	.2	.1	— .2
Corporate profits.....	.4	.3	— .3
Other.....	.2	.1	.6
Federal Government contributions to:			
Employee retirement funds.....	.0	.2	.5
Veterans life insurance funds.....	.1	.1	.0
Federal Government employee contributions to employee retirement funds.....	.5	.6	.7
Plus:			
Realization upon loans and investments.....	.3	.3	.3
Interest, dividends, and other earnings.....	.4	.4	.5
Proceeds from sale of Government property.....	.4	.5	.4
Recoveries and refunds.....	.6	.6	.4
District of Columbia revenues.....	.2	.2	.2
Miscellaneous adjustments.....	.2	.3	.1
Equals: Federal receipts from the public (consolidated cash receipts).....	67.8	77.1	82.1
Less: Trust fund receipts.....	9.5	11.7	14.4
Plus:			
Intragovernmental transactions.....	2.1	2.7	3.2
Receipts from exercise of monetary authority.....	.0	.0	.0
Equals: Conventional budget receipts.....	60.4	68.2	71.0
Reconciliation of expenditures			
Expenditures as shown in the national income accounts.....	68.1	69.7	76.2
Less:			
Federal Government contributions to:			
Employee retirement funds.....	.0	.2	.5
Veterans life insurance funds.....	.1	.1	.0
Federal Government employee contributions to employee retirement funds.....	.5	.6	.7
Accrued interest on savings bonds and Treasury bills.....	.5	.4	.6
Commodity Credit Corporation guaranteed nonrecourse loans (net change).....	—1.0	— .4	— .2
Miscellaneous adjustments.....	— .4	— .5	.4
Plus:			
Loans and other adjustments, government enterprises.....	.9	1.7	2.7
Federal National Mortgage Association secondary market operations.....	— .1	.1	1.0
Other.....	1.0	1.6	1.7
Interest received and proceeds of government sales netted out of national income expenditures.....	.7	.8	.6
District of Columbia expenditures.....	.2	.2	.2
Purchase of land and existing assets.....	.1	.1	.1
Trust and deposit fund expenditures, not included in national income expenditures.....	.5	.8	.5
Miscellaneous adjustments.....	— .2	— .2	1.7
Decrease in clearing account.....	.1	— .3	.8
Issuance of International Monetary Fund notes.....	— .2	— .2	.7
Other.....	— .1	.3	.3
Equals: Federal payments to the public (consolidated cash expenditures).....	70.5	72.6	80.0
Less:			
Trust fund expenditures.....	8.5	9.4	13.0
Government-sponsored enterprise expenditures (net).....	.1	.3	.0
Plus:			
Intragovernmental transactions.....	2.1	2.7	3.2
Accrued interest and other noncash expenditures (net).....	.6	.9	— .8
Equals: Conventional budget expenditures.....	64.6	66.5	69.4

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce, Bureau of the Budget, and Treasury Department.

TABLE F-55.—State and local government revenues and expenditures, selected fiscal years, 1927-56

(Millions of dollars)

Fiscal year ¹	Revenues by source ²							Expenditures by function ³				
	Total	Property taxes	Sales and gross receipts taxes	Individual income taxes	Corporation net income taxes	Revenue from Federal Government	All other revenue ⁴	Total	Education	Highways	Public welfare	All other ⁴
1927.....	7,271	4,730	470	70	92	116	1,793	7,210	2,235	1,809	151	3,015
1932.....	7,267	4,487	752	74	79	232	1,643	7,765	2,311	1,741	444	3,269
1934.....	7,713	4,076	1,008	80	49	1,051	1,449	7,181	1,831	1,509	889	2,952
1936.....	8,504	4,093	1,484	153	113	1,057	1,604	7,644	2,177	1,425	827	3,215
1938.....	9,228	4,440	1,794	218	165	800	1,811	8,757	2,491	1,650	1,069	3,547
1940.....	9,609	4,430	1,982	224	156	945	1,872	9,229	2,638	1,573	1,156	3,862
1942.....	10,418	4,537	2,351	276	272	858	2,123	9,190	2,586	1,490	1,225	3,889
1944.....	10,908	4,604	2,289	342	451	954	2,269	8,863	2,793	1,200	1,133	3,737
1946.....	12,357	4,986	2,986	422	447	855	2,661	11,028	3,356	1,672	1,409	4,591
1948.....	17,251	6,126	4,442	543	592	1,861	3,685	17,684	5,379	3,036	2,099	7,170
1950.....	20,911	7,349	5,154	788	593	2,486	4,541	22,787	7,177	3,803	2,940	8,867
1952.....	25,181	8,652	6,357	998	846	2,566	5,763	26,098	8,318	4,650	2,788	10,340
1953.....	27,306	9,375	6,927	1,065	817	2,870	6,251	27,910	9,390	4,987	2,914	10,619
1954.....	29,013	9,967	7,276	1,127	778	2,966	6,897	30,701	10,557	5,527	3,060	11,556
1955.....	31,073	10,735	7,643	1,237	744	3,131	7,584	33,724	11,907	6,452	3,168	12,196
1956.....	34,667	11,749	8,691	1,538	890	3,335	8,465	36,711	13,220	6,953	3,139	13,397

¹ Fiscal years not the same for all governments.² Excludes revenues or expenditures of publicly owned utilities and liquor stores, and of insurance-trust activities. Intergovernmental receipts and payments between governments in these categories are also excluded.³ Includes licenses and other taxes and charges and miscellaneous revenues.⁴ Includes expenditures for health, hospitals, police, local fire protection, natural resources, sanitation, housing and community redevelopment, local recreation, general control, interest on general debt, and other and unallocable expenditures.

NOTE.—Data are not available for intervening years.

See Table F-47 for net debt of State and local governments.

Detail will not necessarily add to total because of rounding.

Source: Department of Commerce (Bureau of the Census).

CORPORATE PROFITS AND FINANCE

TABLE F-56.—*Profits before and after taxes, all private corporations, 1929-57*

[Billions of dollars]

Period	Corporate profits before taxes	Corporate tax liability ¹	Corporate profits after taxes		
			Total	Dividend payments	Undistributed profits
1929.....	9.6	1.4	8.3	5.8	2.4
1930.....	3.3	.8	2.5	5.5	-3.0
1931.....	- .8	.5	-1.3	4.1	-5.4
1932.....	-3.0	.4	-3.4	2.6	-6.0
1933.....	.2	.5	-.4	2.1	-2.4
1934.....	1.7	.7	1.0	2.6	-1.6
1935.....	3.1	1.0	2.2	2.9	-.7
1936.....	5.7	1.4	4.3	4.5	-.2
1937.....	6.2	1.5	4.7	4.7	(²)
1938.....	3.3	1.0	2.3	3.2	-.9
1939.....	6.4	1.4	5.0	3.8	1.2
1940.....	9.3	2.8	6.5	4.0	2.4
1941.....	17.0	7.6	9.4	4.5	4.9
1942.....	20.9	11.4	9.5	4.3	5.2
1943.....	24.6	14.1	10.5	4.5	6.0
1944.....	23.3	12.9	10.4	4.7	5.7
1945.....	18.0	10.7	8.3	4.7	3.6
1946.....	22.6	9.1	13.4	5.8	7.7
1947.....	29.5	11.3	18.2	6.5	11.7
1948.....	32.8	12.5	20.3	7.2	13.0
1949.....	26.2	10.4	15.8	7.5	8.3
1950.....	40.0	17.8	22.1	9.2	12.9
1951.....	41.2	22.5	18.7	9.1	9.6
1952.....	35.9	19.8	16.1	9.0	7.1
1953.....	37.0	20.3	16.7	9.3	7.4
1954.....	33.5	17.4	16.0	9.9	6.1
1955.....	42.5	21.5	21.0	11.0	9.9
1956.....	43.0	22.0	21.0	11.9	9.2
1957 ³	42.0	21.4	20.6	12.3	8.3
Seasonally adjusted annual rates					
1955: First quarter.....	39.4	20.0	19.5	10.2	9.3
Second quarter.....	40.7	20.6	20.1	10.4	9.7
Third quarter.....	43.6	22.1	21.5	10.8	10.7
Fourth quarter.....	46.1	23.4	22.7	12.0	10.7
1956: First quarter.....	43.3	22.1	21.2	11.7	9.5
Second quarter.....	42.4	21.6	20.7	12.0	8.7
Third quarter.....	40.8	20.8	19.9	12.1	7.8
Fourth quarter.....	45.6	23.3	22.3	11.5	10.8
1957: First quarter.....	43.9	22.4	21.5	12.4	9.1
Second quarter.....	42.0	21.4	20.5	12.5	8.0
Third quarter ⁴	41.8	21.3	20.5	12.6	7.9
Fourth quarter ⁴	(⁴)	(⁴)	(⁴)	11.7	(⁴)

¹ Federal and State corporate income and excess profits taxes.

² 48 million dollars.

³ Preliminary; fourth quarter by Council of Economic Advisers.

⁴ Not available.

NOTE.—No allowance has been made for inventory valuation adjustment. See Table F-9 for profits before taxes and inventory valuation adjustment.

Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce (except as noted).

TABLE F-57.—*Relation of profits before and after taxes to stockholders' equity and to sales, private manufacturing corporations, by asset size class, 1947-50 average and 1956-57*

Asset size class (thousands of dollars)	1947-50 average	1956				1957		
		First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter
		Ratio of profits before Federal taxes (annual rate) to stockholders' equity (percent)						
All asset sizes.....	24.6	23.8	24.2	20.2	22.3	22.5	21.6	19.1
Under 250.....	16.7	17.3	24.0	25.2	13.0	15.6	19.4	18.2
250-999.....	22.7	18.9	22.1	23.0	12.8	15.7	19.2	20.4
1,000-4,999.....	24.2	21.4	21.5	21.4	18.9	18.8	19.7	18.7
5,000-99,999.....	25.2	22.8	24.1	22.4	22.4	20.8	21.4	20.0
100,000 and over.....	24.9	25.4	24.9	18.6	24.0	24.5	22.2	18.8
		Ratio of profits after Federal taxes (annual rate) to stockholders' equity (percent)						
All asset sizes.....	14.8	12.5	13.0	11.0	12.6	11.9	11.6	10.5
Under 250.....	9.8	10.3	15.6	15.3	5.8	8.4	11.1	11.0
250-999.....	13.1	9.5	11.5	11.7	5.8	7.5	10.0	10.1
1,000-4,999.....	14.1	10.6	10.4	10.7	9.1	8.9	9.6	9.1
5,000-99,999.....	14.9	11.2	12.0	11.1	11.4	10.1	10.6	10.0
100,000 and over.....	15.3	13.7	13.9	10.8	14.5	13.6	12.4	10.9
		Profits before Federal taxes in cents per dollar of sales						
All asset sizes.....	11.1	10.2	10.3	9.0	9.3	9.7	9.4	8.5
Under 250.....	4.4	3.3	4.6	4.9	2.4	3.1	3.7	3.5
250-999.....	7.4	4.6	5.2	5.3	2.9	3.7	4.5	4.7
1,000-4,999.....	9.0	6.9	6.9	6.9	5.9	6.3	6.3	6.0
5,000-99,999.....	11.3	9.8	10.1	9.7	9.4	9.0	9.1	8.8
100,000 and over.....	13.2	13.1	12.8	10.5	11.9	12.4	11.6	10.3
		Profits after Federal taxes in cents per dollar of sales						
All asset sizes.....	6.7	5.3	5.5	4.9	5.2	5.1	5.0	4.7
Under 250.....	2.6	1.9	3.0	3.0	1.1	1.7	2.1	2.1
250-999.....	4.3	2.3	2.7	2.7	1.3	1.8	2.3	2.3
1,000-4,999.....	5.2	3.4	3.3	3.5	2.9	3.0	3.1	2.9
5,000-99,999.....	6.7	4.8	5.0	4.8	4.8	4.4	4.5	4.4
100,000 and over.....	8.1	7.0	7.1	6.1	7.2	6.9	6.5	6.0

NOTE.—The sample for these series was changed beginning with the third quarter of 1951 and again beginning with 1956. However, the 1947-50 averages have not been adjusted to either of these samples and, therefore, are not strictly comparable with data for later periods. For explanatory notes concerning compilation of the series, see *Quarterly Financial Reports for U. S. Manufacturing Corporations* by Federal Trade Commission and Securities and Exchange Commission.

Sources: Federal Trade Commission and Securities and Exchange Commission.

TABLE F-58.—*Relation of profits after taxes to stockholders' equity and to sales, private manufacturing corporations, by industry group, 1947-50 average and 1956-57*

Industry group	1947-50 aver- age	1956				1957		
		First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter
	Ratio of profits after Federal taxes (annual rate) to stockholders' equity (percent)							
All private manufacturing corporations.....	14.8	12.5	13.0	11.0	12.6	11.9	11.6	10.5
Lumber and wood products (except furniture).....	17.1	9.1	11.0	9.0	5.6	2.0	6.2	6.5
Furniture and fixtures.....	14.3	10.7	11.4	13.0	11.2	7.3	9.2	9.7
Stone, clay, and glass products.....	15.2	12.6	17.2	15.9	13.6	10.0	13.7	13.8
Primary iron and steel industries.....	12.9	14.7	15.1	6.0	15.1	13.8	13.0	9.9
Primary nonferrous metal industries.....	12.5	19.9	18.0	13.9	14.1	12.4	9.7	8.1
Fabricated metal products.....	15.3	10.9	11.5	11.0	9.4	9.5	10.9	11.0
Machinery (except electrical).....	14.5	11.9	14.2	12.0	12.3	12.3	13.0	10.1
Electrical machinery, equipment, and supplies.....	17.8	10.3	12.1	11.6	11.4	13.9	12.9	11.5
Motor vehicles and equipment.....	21.7	16.7	13.1	6.9	15.7	18.8	15.3	9.2
Other transportation equipment.....	6.6	14.3	16.7	13.6	16.1	14.8	16.4	13.9
Instruments and related products.....	14.6	8.7	11.9	12.5	16.3	10.6	12.4	11.6
Miscellaneous manufacturing (including ordnance).....	11.4	9.7	10.4	13.3	13.0	6.9	7.5	10.4
Food and kindred products.....	13.6	8.2	9.9	10.4	8.7	7.4	8.4	10.4
Tobacco manufactures.....	12.1	10.0	12.0	12.7	12.1	10.3	11.9	13.9
Textile mill products.....	14.5	6.4	4.8	5.5	6.4	4.4	4.4	4.8
Apparel and related products.....	12.0	6.8	4.5	10.9	10.0	6.7	5.9	9.7
Paper and allied products.....	16.2	12.1	12.2	11.0	11.3	10.2	9.0	8.7
Printing and publishing (except newspapers).....	13.4	16.3	15.0	11.0	10.0	12.3	14.8	11.9
Chemicals and allied products.....	15.9	15.0	14.7	13.1	13.9	13.7	13.9	13.1
Petroleum refining.....	15.1	13.1	14.0	13.2	15.3	14.4	11.8	11.1
Products of petroleum and coal (except petroleum refining).....	(2)	7.7	11.1	12.0	8.4	4.3	8.2	10.8
Rubber products.....	12.8	11.9	13.1	11.0	12.8	11.5	11.6	10.9
Leather and leather products.....	10.4	9.6	6.6	6.3	6.4	6.6	6.5	6.9

See footnotes at end of table.

TABLE F-58.—*Relation of profits after taxes to stockholders' equity and to sales, private manufacturing corporations, by industry group, 1947-50 average and 1956-57—Continued*

Industry group	1947-50 average	1956				1957		
		First quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter
Profits after Federal taxes in cents per dollar of sales								
All private manufacturing corporations.....	6.7	5.3	5.5	4.9	5.2	5.1	5.0	4.7
Lumber and wood products (except furniture).....	9.2	4.4	4.7	3.8	2.5	1.0	2.9	3.1
Furniture and fixtures.....	5.0	3.1	3.3	4.0	3.1	2.3	2.8	3.1
Stone, clay, and glass products.....	8.9	7.3	9.1	8.6	7.8	6.6	8.1	7.8
Primary iron and steel industries.....	7.2	7.3	7.2	4.1	7.5	7.1	7.0	6.1
Primary nonferrous metal industries.....	8.8	10.2	9.8	8.1	8.7	8.1	6.6	6.0
Fabricated metal products.....	6.6	4.2	4.2	4.0	3.5	3.7	4.1	4.2
Machinery (except electrical).....	7.1	5.2	5.8	5.3	5.2	5.3	5.5	4.7
Electrical machinery, equipment, and supplies.....	6.3	3.6	4.0	3.9	3.5	4.5	4.3	4.0
Motor vehicles and equipment.....	7.4	6.0	5.0	3.3	5.8	6.3	5.7	4.0
Other transportation equipment.....	3.4	3.6	3.8	3.2	3.2	3.2	3.3	3.1
Instruments and related products.....	7.9	4.5	5.8	6.1	6.6	5.3	5.8	5.7
Miscellaneous manufacturing (including ordnance).....	5.3	3.2	3.4	4.1	3.8	2.4	2.4	3.2
Food and kindred products.....	3.6	2.2	2.6	2.7	2.2	2.0	2.2	2.6
Tobacco manufactures.....	4.8	4.5	5.0	5.3	5.1	4.7	4.9	5.5
Textile mill products.....	6.6	2.8	2.2	2.6	2.8	2.0	2.0	2.2
Apparel and related products.....	3.1	1.4	1.0	2.1	1.9	1.4	1.2	1.8
Paper and allied products.....	8.6	6.4	6.4	5.9	5.9	5.7	4.9	4.9
Printing and publishing (except newspapers).....	5.0	5.4	5.0	3.7	3.0	4.0	4.8	3.8
Chemicals and allied products.....	9.1	8.5	8.1	7.6	7.9	7.8	7.9	7.6
Petroleum refining.....	11.0	10.6	12.0	11.4	12.3	11.0	10.2	9.8
Products of petroleum and coal (except petroleum refining).....	(2)	3.8	4.7	5.3	3.8	2.1	3.6	4.4
Rubber products.....	4.8	4.3	4.6	4.1	4.7	4.4	4.3	4.0
Leather and leather products.....	3.4	2.8	1.9	1.8	1.8	1.8	1.9	2.0

¹ Petroleum refining and products of petroleum and coal combined.

² Not available separately for this period.

NOTE.—The sample for these series was changed beginning with the third quarter of 1951 and again beginning with 1956. However, the 1947-50 averages have not been adjusted to either of these samples and, therefore, are not strictly comparable with data for later periods. For explanatory notes concerning compilation of the series, see *Quarterly Financial Reports for U. S. Manufacturing Corporations* by Federal Trade Commission and Securities and Exchange Commission.

Sources: Federal Trade Commission and Securities and Exchange Commission.

TABLE F-59.—*Sources and uses of corporate funds, 1946-57*¹

[Billions of dollars]

Source or use of funds	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957 ²
Total uses.....	19.5	28.2	27.0	16.8	36.5	36.4	27.3	28.4	21.5	39.4	38.8	39.0
Plant and equipment outlays.....	12.5	17.0	18.8	16.3	16.9	21.6	22.4	23.9	22.4	24.2	20.9	32.5
Inventories (change in book value).....	11.2	7.1	4.2	-3.6	9.8	9.4	.9	1.5	-2.0	5.0	7.9	1.5
Change in customer net receivables ³	1.1	3.1	2.8	.9	5.0	2.0	3.1	.7	2.3	4.9	4.7	4.0
Cash and U. S. Government securities.....	-4.7	1.0	1.0	3.2	4.5	2.8	.1	2.1	-1.0	4.7	-4.0	-1.5
Other assets.....	-.6	(4)	.2	(4)	.3	.6	.8	.2	-.2	.6	.3	2.5
Total sources.....	18.2	27.9	27.7	15.6	34.7	36.1	27.4	28.5	21.5	40.2	39.0	39.0
Internal sources.....	11.4	16.6	18.6	14.7	20.2	18.1	16.8	18.3	18.9	24.0	24.8	25.5
Retained profits and depletion allowances.....	7.2	11.4	12.4	7.6	12.4	9.1	6.4	6.5	5.4	8.8	8.1	17.0
Depreciation and amortization allowances.....	4.2	5.2	6.2	7.1	7.8	9.0	10.4	11.8	13.5	15.2	16.7	18.5
External sources.....	6.8	11.3	9.1	.9	14.5	18.0	10.6	10.2	2.6	16.2	14.2	13.5
Change in Federal income tax liability.....	-1.6	2.1	1.0	-2.2	7.2	4.4	-2.8	.4	-3.0	2.8	-1.5	-1.5
Other liabilities.....	2.1	1.5	.4	.5	1.0	1.9	2.4	2.2	.3	1.7	2.0	2.5
Change in bank loans and mortgage loans.....	3.9	3.3	1.8	-2.3	2.6	5.4	3.1	.5	-.6	4.7	5.5	1.5
Net new issues.....	2.4	4.4	5.9	4.9	3.7	6.3	7.9	7.1	5.9	7.0	8.2	11.0
Discrepancy (uses less sources).....	1.3	.3	-.7	1.2	1.8	.3	(4)	-1.1	(4)	-.8	-.2	(4)

¹ Excludes banks and insurance companies.² Preliminary estimates.³ Receivables are net of payables, which are therefore not shown separately.⁴ Less than 50 million dollars.⁵ Preliminary estimate by Council of Economic Advisers.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce based on Securities and Exchange Commission and other financial data (except as noted).

TABLE F-60.—*Current assets and liabilities of U. S. corporations, 1953-57*¹

[Billions of dollars, end of period]

Asset or liability	1953	1954	1955	1956				1957		
				First ¹ quarter	Second quarter	Third quarter	Fourth quarter	First quarter	Second quarter	Third quarter
Total current assets.....	190.6	194.6	214.6	213.4	214.7	220.4	225.7	224.9	224.5	228.9
Cash on hand and in banks.....	31.1	33.4	34.0	30.9	32.1	32.6	34.7	31.9	32.5	33.2
U. S. Government se- curities.....	21.5	19.2	23.3	20.8	17.4	17.5	18.6	18.0	15.7	16.1
Receivables from U. S. Government ²	2.6	2.4	2.3	2.3	2.3	2.4	2.6	2.5	2.5	2.4
Other notes and ac- counts receivable.....	65.9	71.2	81.6	82.4	84.3	88.1	88.8	89.4	90.5	92.9
Inventories.....	67.2	65.3	70.0	73.1	74.8	76.0	77.3	79.1	79.3	80.0
Other current assets ³	2.4	3.1	3.5	3.9	3.8	3.8	3.6	4.0	4.0	4.2
Total current liabilities.....	98.9	102.8	115.7	112.4	112.1	117.0	121.3	118.9	117.6	121.2
Advances and prepay- ments, U. S. Gov- ernment ²	2.2	2.4	2.3	2.3	2.5	2.5	2.4	2.5	2.6	2.6
Other notes and ac- counts payable.....	57.3	61.4	69.9	69.2	71.4	73.0	74.9	74.1	74.4	75.2
Federal income tax li- abilities.....	18.7	15.5	18.4	15.3	12.3	14.4	16.8	14.4	12.2	13.8
Other current liabili- ties.....	20.7	23.5	25.1	25.6	25.8	27.1	27.2	28.0	28.3	29.6
Net working capital.....	91.8	91.8	98.9	101.0	102.7	103.4	104.4	106.0	107.0	107.7

¹ All corporations in the United States, excluding banks, savings and loan associations, and insurance companies. Data for 1953-54 are based on *Statistics of Income*, covering virtually all corporations in the United States. *Statistics of Income* data may not be strictly comparable from year to year because of changes in the tax laws, basis for filing returns, and processing of data for compilation purposes. Data for 1955-57 are estimates based on data compiled from many different sources, including data on corporations registered with the Commission. As more complete data become available, estimates are revised.

² Receivables from and payables to U. S. Government do not include amounts offset against each other on the corporation's books or amounts arising from subcontracting which are not directly due from or to the U. S. Government. Wherever possible, adjustments have been made to include U. S. Government advances offset against inventories on the corporation's books.

³ Includes marketable securities other than U. S. Government.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Securities and Exchange Commission.

TABLE F-61.—State and municipal and corporate securities offered, 1934-57¹

[Millions of dollars]

Period	State and municipal securities offered for cash (principal amounts)	Corporate securities offered for cash ²									
		Gross proceeds ³				Proposed uses of net proceeds ⁴					
		Total	Common stock	Preferred stock	Bonds and notes	Total	New money			Retirement of securities	Other purposes
							Total	Plant and equipment	Working capital		
1934.....	939	397	19	6	372	384	57	32	26	231	95
1935.....	1,232	2,332	22	86	2,224	2,266	208	111	96	1,865	193
1936.....	1,121	4,572	272	271	4,028	4,431	858	380	478	3,368	204
1937.....	908	2,310	285	406	1,618	2,239	991	574	417	1,100	148
1938.....	1,108	2,155	25	86	2,044	2,110	681	504	177	1,206	222
1939.....	1,128	2,164	87	98	1,980	2,115	325	170	155	1,695	95
1940.....	1,238	2,677	108	183	2,386	2,615	569	424	145	1,854	192
1941.....	956	2,667	110	167	2,390	2,623	868	661	207	1,583	172
1942.....	524	1,062	34	112	917	1,043	474	287	187	396	173
1943.....	435	1,170	56	124	990	1,147	308	141	167	739	100
1944.....	661	3,202	163	369	2,670	3,142	657	252	405	2,389	96
1945.....	795	6,011	397	758	4,855	5,902	1,080	638	442	4,555	267
1946.....	1,157	6,900	891	1,127	4,882	6,757	3,279	2,115	1,164	2,868	610
1947.....	2,324	6,577	779	762	5,036	6,466	4,591	3,409	1,182	1,352	524
1948.....	2,690	7,078	614	492	5,973	6,959	5,929	4,221	1,708	307	722
1949.....	2,907	6,052	736	425	4,890	5,959	4,606	3,724	882	401	952
1950.....	3,532	6,361	811	631	4,920	6,261	4,006	2,966	1,041	1,271	984
1951.....	3,189	7,741	1,212	838	5,691	7,607	6,531	5,110	1,421	486	589
1952.....	4,401	9,534	1,369	564	7,601	9,380	8,180	6,312	1,868	664	537
1953.....	5,558	8,898	1,326	489	7,083	8,755	7,960	5,647	2,313	260	535
1954.....	6,969	9,516	1,213	816	7,488	9,365	6,780	5,110	1,670	1,875	709
1955.....	5,977	10,240	2,185	635	7,420	10,049	7,957	5,333	2,624	1,227	864
1956.....	5,446	10,939	2,301	636	8,002	10,749	9,663	6,709	2,954	364	721
1957 ⁵	6,879	12,997	2,550	412	10,035	12,810	11,931	9,052	2,879	225	654
1955: First quarter...	1,409	2,530	758	111	1,662	2,485	1,988	1,258	730	320	177
Second quarter...	1,429	2,413	562	208	1,643	2,359	1,814	1,230	584	307	238
Third quarter...	1,136	2,358	405	150	1,804	2,314	1,699	898	801	403	212
Fourth quarter...	2,002	2,939	460	167	2,312	2,892	2,457	1,948	509	197	237
1956: First quarter...	1,517	2,250	352	191	1,706	2,209	1,947	1,076	871	106	155
Second quarter...	1,617	2,989	532	146	2,311	2,935	2,589	1,864	725	130	215
Third quarter...	928	2,690	457	99	2,134	2,641	2,369	1,637	732	86	187
Fourth quarter...	1,384	3,010	960	199	1,851	2,964	2,758	2,132	626	42	164
1957: First quarter...	1,758	3,596	749	97	2,750	3,532	3,223	2,623	600	54	255
Second quarter...	1,689	3,305	756	137	2,412	3,243	2,990	2,262	727	59	194
Third quarter...	1,549	2,987	402	72	2,513	2,941	2,784	1,881	903	63	94
Fourth quarter ⁵ ...	1,883	3,108	644	105	2,360	3,093	2,934	2,285	649	48	111

¹ These data cover substantially all new issues of State, municipal, and corporate securities offered for cash sale in the United States in amounts over \$100,000 and with terms to maturity of more than 1 year.

² Excludes notes issued exclusively to commercial banks, intercorporate transactions, and issues sold through continuous offerings, such as securities of open-end investment companies and employee-purchase plans.

³ Number of units multiplied by offering price.

⁴ Net proceeds represents the amount received by the issuer after payment of compensation to distributors and other costs of flotation.

⁵ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Securities and Exchange Commission, *The Commercial and Financial Chronicle*, and *The Bond Buyer*.

TABLE F-62.—Common stock prices and stock market credit, 1939-57

Period	Common stock prices index, 1939=100 (SEC)	Stock market credit			
		Customer credit (excluding U. S. Government securities)			Bank loans to brokers and dealers ³
		Total	Net debit balances ¹	Bank loans to "others" ²	
Millions of dollars					
1939.....	100.0	(⁴)	(⁴)	(⁴)	715
1940.....	94.2	(⁴)	(⁴)	(⁴)	584
1941.....	85.7	(⁴)	(⁴)	(⁴)	535
1942.....	74.9	(⁴)	(⁴)	(⁴)	850
1943.....	99.2	(⁴)	(⁴)	(⁴)	1,328
1944.....	108.1	(⁴)	(⁴)	353	2,137
1945.....	131.2	1,374	942	432	2,782
1946.....	149.4	976	473	503	1,471
1947.....	130.9	1,032	517	515	784
1948.....	132.7	968	499	469	1,331
1949.....	127.7	1,249	821	428	1,608
1950.....	154.1	1,798	1,237	561	1,742
1951.....	184.9	1,826	1,253	573	1,419
1952.....	195.0	1,980	1,332	648	2,002
1953.....	193.3	2,445	1,665	780	2,248
1954.....	229.8	3,436	2,388	1,048	2,688
1955.....	304.6	4,030	2,791	1,239	2,852
1956.....	345.0	3,984	2,823	1,161	2,214
1957.....	331.4	(⁴)	(⁴)	1,066	2,190
1956: January.....	325.7	4,040	2,786	1,254	2,529
February.....	330.0	3,991	2,740	1,251	2,422
March.....	350.9	4,038	2,786	1,252	2,436
April.....	355.4	4,043	2,788	1,255	2,347
May.....	347.0	4,047	2,810	1,237	2,435
June.....	341.4	4,009	2,786	1,223	2,380
July.....	359.4	4,026	2,812	1,214	2,241
August.....	359.4	3,979	2,785	1,194	1,948
September.....	344.8	3,950	2,782	1,168	2,019
October.....	341.6	3,914	2,748	1,166	1,975
November.....	338.5	3,946	2,784	1,162	1,915
December.....	344.0	3,984	2,823	1,161	2,214
1957: January.....	338.2	3,902	2,761	1,141	1,689
February.....	325.1	3,846	2,729	1,117	1,760
March.....	328.5	3,832	2,713	1,119	1,670
April.....	338.6	3,938	2,792	1,146	1,842
May.....	352.2	3,924	2,794	1,130	1,765
June.....	354.6	4,031	2,887	1,144	1,842
July.....	361.8	4,004	2,885	1,119	1,660
August.....	343.2	3,929	2,833	1,096	1,810
September.....	327.9	3,882	2,789	1,093	1,748
October.....	306.4	3,643	2,568	1,075	1,642
November.....	301.8	3,577	2,517	1,060	1,610
December.....	298.5	(⁴)	(⁴)	1,066	2,190

¹ As reported by member firms of the New York Stock Exchange carrying margin accounts. Includes net debit balances of all customers (other than general partners in the reporting firm and member firms of national exchanges) whose combined accounts net to a debit. Balances secured by U. S. Government obligations are excluded. Data are for end of period.

² Loans by weekly reporting member banks to others than brokers and dealers for purchasing or carrying securities except U. S. Government obligations. However, some U. S. Government securities may be included after 1952. Series revised beginning July 1946 and March 1953. Data are for last Wednesday of period.

³ Loans by weekly reporting member banks for purchasing or carrying securities, including U. S. Government obligations. Series revised beginning July 1946 and January 1952. Data are for last Wednesday of period.

⁴ Not available.

Sources: Securities and Exchange Commission, Board of Governors of the Federal Reserve System, and New York Stock Exchange.

TABLE F-63.—Business population and business failures, 1929-57

Period	Operating businesses and business turnover (thousands of firms) ¹					Business failures, by size of liability ^{3,4}					
	Operating businesses ²	New businesses ²	Discontinued businesses ²	Business transfers ²	New business incorporations (number) ²	Number of failures			Amount of current liabilities (millions of dollars)		
						Total	Liability size class		Total	Liability size class	
							Under \$100,000	\$100,000 and over		Under \$100,000	\$100,000 and over
1929.....	3,029.0	(⁵)	(⁵)	(⁵)	(⁵)	22,909	22,165	744	483.3	261.5	221.8
1930.....	2,993.7	(⁵)	(⁵)	(⁵)	(⁵)	26,355	25,408	947	668.3	303.5	364.8
1931.....	2,916.4	(⁵)	(⁵)	(⁵)	(⁵)	28,285	27,230	1,055	736.3	354.2	382.2
1932.....	2,828.1	(⁵)	(⁵)	(⁵)	(⁵)	31,822	30,197	1,625	928.3	432.6	495.7
1933.....	2,782.1	(⁵)	(⁵)	(⁵)	(⁵)	⁶ 19,859	⁶ 18,880	⁶ 979	⁶ 457.5	⁶ 215.5	⁶ 242.0
1934.....	2,884.0	(⁵)	(⁵)	(⁵)	(⁵)	12,091	11,421	670	334.0	138.5	195.4
1935.....	2,991.9	(⁵)	(⁵)	(⁵)	(⁵)	12,244	11,691	553	310.6	135.5	175.1
1936.....	3,069.8	(⁵)	(⁵)	(⁵)	(⁵)	9,607	9,285	322	203.2	102.8	100.4
1937.....	3,136.3	(⁵)	(⁵)	(⁵)	(⁵)	9,490	9,203	287	183.3	101.9	81.4
1938.....	3,073.7	(⁵)	(⁵)	(⁵)	(⁵)	12,836	12,553	283	246.5	140.1	106.4
1939.....	3,222.2	(⁵)	(⁵)	(⁵)	(⁵)	14,768	14,541	227	182.5	132.9	49.7
1940.....	3,318.9	275.2	318.1	(⁵)	(⁵)	⁶ 13,619	⁶ 13,400	⁶ 219	⁶ 166.7	⁶ 119.9	⁶ 46.8
1941.....	3,276.0	290.0	270.7	(⁵)	(⁵)	11,848	11,685	163	136.1	100.7	35.4
1942.....	3,295.3	121.2	386.5	(⁵)	(⁵)	9,405	9,282	123	100.8	80.3	20.5
1943.....	3,030.0	146.0	337.0	(⁵)	(⁵)	3,221	3,155	66	45.3	30.2	15.1
1944.....	2,839.1	330.9	174.6	359.4	(⁵)	1,222	1,176	46	31.7	14.5	17.1
1945.....	2,995.4	422.7	175.6	473.2	(⁵)	809	759	50	30.2	11.4	18.8
1946.....	3,242.5	617.4	208.7	626.9	132,916	1,129	1,002	127	67.3	15.7	51.6
1947.....	3,651.2	460.8	239.2	571.9	112,638	3,474	3,103	371	204.6	63.7	140.9
1948.....	3,872.9	393.3	282.0	501.3	96,101	5,250	4,853	397	234.6	93.9	140.7
1949.....	3,984.2	331.1	306.5	434.7	85,491	9,246	8,708	538	308.1	161.4	146.7
1950.....	4,008.7	348.2	289.6	419.4	92,925	9,162	8,746	416	248.3	151.2	97.1
1951.....	4,067.3	363.2	309.3	378.3	83,649	8,058	7,626	432	259.5	131.6	128.0
1952.....	4,121.3	363.9	306.3	374.9	92,819	7,611	7,081	530	283.3	131.9	151.4
1953.....	4,178.8	340.5	334.0	356.2	102,545	8,862	8,075	787	394.2	167.5	226.6
1954.....	4,185.3	334.2	330.6	319.7	117,164	11,086	10,226	860	462.6	211.4	251.2
1955.....	4,189.0	380.4	324.2	327.0	139,651	10,969	10,113	856	449.4	206.4	243.0
1956.....	4,245.2	380.8	338.9	327.3	140,775	12,686	11,615	1,071	562.7	239.8	322.9
1957.....	4,287.0	(⁵)	(⁵)	(⁵)	136,673	13,739	12,547	1,192	615.3	267.1	348.2
1956: January.....	4,245.2	223.9	174.9	186.1	13,363	1,048	971	77	42.9	20.5	22.4
February.....					12,503	1,024	909	115	49.2	19.7	29.5
March.....					12,822	1,170	1,081	89	42.6	21.3	21.4
April.....					12,475	985	905	80	41.9	18.8	23.1
May.....					13,142	1,164	1,051	113	59.9	21.2	38.7
June.....					11,952	1,105	1,020	85	43.0	21.5	21.5
July.....	4,294.2				11,513	1,018	963	55	48.7	20.4	28.3
August.....					11,339	1,101	982	119	55.0	18.7	36.3
September.....					9,583	932	859	73	39.3	18.0	21.3
October.....					11,546	1,158	1,051	107	50.0	21.6	28.4
November.....					9,749	999	925	74	39.9	19.2	20.6
December.....					10,788	982	898	84	50.3	19.0	31.3
1957: January.....	4,287.0	211.0	176.0	193.2	13,387	1,148	1,022	126	54.1	21.0	33.0
February.....					10,791	1,146	1,042	104	65.4	23.1	42.3
March.....					12,049	1,336	1,225	111	55.8	25.2	30.6
April.....					12,312	1,175	1,071	104	57.1	23.1	34.0
May.....					12,220	1,200	1,069	131	52.6	21.5	31.0
June.....					11,269	1,084	988	96	51.5	20.7	30.8
July.....	4,322.0				11,686	1,059	974	85	44.3	19.7	24.6
August.....					11,361	1,145	1,070	75	43.5	23.4	20.2
September.....					10,526	1,071	984	87	45.4	20.9	24.5
October.....					11,251	1,122	1,032	90	47.4	22.3	25.1
November.....					9,270	1,173	1,075	98	52.9	23.6	29.3
December.....					10,551	1,080	995	85	45.3	22.6	22.7

¹ Excludes firms in the fields of agriculture and professional services. Includes self-employed person only if he has either an established place of business or at least one paid employee.

² Annual data through 1939 are averages of end-of-quarter estimates centered at June 30. Beginning 1940, annual data are for January 1.

³ Total for period.

⁴ Commercial and industrial failures only. Excludes failures of banks and railroads and, beginning 1933, of real estate, insurance, holding, and financial companies, steamship lines, travel agencies, etc.

⁵ Not available.

⁶ Series revised; not strictly comparable with earlier data.

NOTE.—Detail will not necessarily add to totals because of rounding.

Sources: Department of Commerce and Dun & Bradstreet, Inc.

AGRICULTURE

TABLE F-64.—*Income of the farm population, 1929-57*

Period	Income from agricultural sources										Income from non-agricultural sources	Income from all sources (including net change in inventories)	Per capita income from all sources (dollars)
	Farm operators' income								Wages of farm resident workers	Total (including net change in inventories)			
	Realized gross farm income				Net farm income ²								
	Total ¹	Cash receipts from marketings		Government payments	Farm production expenses	Realized (excluding net change in inventories)	Total (including net change in inventories) ³						
		Live-stock and products	Crops										
Billions of dollars													
1929	13.9	6.2	5.1	0	7.6	6.3	6.1	0.9	7.0	(4)	(4)	(4)	
1930	11.4	5.2	3.9	0	6.9	4.5	4.3	.8	5.1	(4)	(4)	(4)	
1931	8.4	3.8	2.5	0	5.5	2.9	3.3	.6	4.0	(4)	(4)	(4)	
1932	6.4	2.8	2.0	0	4.4	1.9	2.0	.5	2.5	(4)	(4)	(4)	
1933	7.1	2.8	2.5	0.1	4.3	2.8	2.6	.4	3.0	(4)	(4)	(4)	
1934	8.5	3.3	3.0	.4	4.7	3.9	2.9	.5	3.4	1.9	5.3	165	
1935	9.7	4.1	3.0	.6	5.1	4.6	5.3	.6	5.9	2.0	7.9	244	
1936	10.7	4.7	3.6	.3	5.6	5.1	4.3	.6	5.0	2.3	7.3	228	
1937	11.3	4.9	3.9	.3	6.1	5.2	6.0	.7	6.8	2.5	9.3	296	
1938	10.1	4.5	3.2	.4	5.8	4.3	4.4	.7	5.1	2.3	7.4	239	
1939	10.6	4.5	3.3	.8	6.2	4.4	4.5	.7	5.2	2.5	7.7	249	
1940	11.0	4.9	3.5	.7	6.7	4.3	4.6	.7	5.3	2.7	8.0	262	
1941	13.8	6.5	4.6	.5	7.7	6.2	6.6	.9	7.5	3.1	10.6	349	
1942	18.8	9.0	6.5	.6	9.9	8.8	9.9	1.2	11.1	3.8	14.9	509	
1943	23.4	11.5	8.1	.6	11.5	11.9	11.8	1.4	13.2	4.2	17.4	654	
1944	24.4	11.4	9.2	.8	12.2	12.2	11.8	1.5	13.4	4.4	17.8	696	
1945	25.8	12.0	9.7	.7	12.9	12.8	12.4	1.6	14.0	4.2	18.2	720	
1946	29.3	13.8	11.0	.8	14.3	15.0	14.9	1.8	16.7	4.3	21.0	793	
1947	34.0	16.5	13.1	.3	16.8	17.2	15.5	1.9	17.4	4.9	22.3	852	
1948	34.6	17.1	13.1	.3	18.6	15.9	17.7	2.0	19.7	5.1	24.8	958	
1949	31.6	15.4	12.5	.2	17.9	13.7	12.9	1.8	14.7	5.2	19.9	765	
1950	32.1	16.0	12.4	.3	19.2	12.9	13.7	1.7	15.5	5.3	20.8	828	
1951	37.1	19.7	13.2	.3	22.3	14.8	16.1	1.9	18.0	5.6	23.6	977	
1952	36.7	18.3	14.3	.3	22.5	14.3	15.1	1.9	17.0	6.1	23.1	953	
1953	35.1	17.1	14.0	.2	21.2	13.9	13.3	1.8	15.1	6.0	21.1	930	
1954	33.7	16.3	13.7	.3	21.5	12.2	12.7	1.8	14.4	5.8	20.2	925	
1955	33.2	15.9	13.7	.2	21.6	11.6	11.9	1.7	13.6	6.3	19.9	898	
1956	34.4	16.2	14.1	.6	22.3	12.1	11.6	1.8	13.4	6.7	20.1	902	
1957 ⁴	34.8	17.2	13.0	1.0	22.9	11.9	11.6	1.8	13.5	6.3	19.8	970	
Seasonally adjusted annual rates													
1956													
First quarter..	33.7	(4)	(4)	(4)	22.0	11.7	11.4	(4)	(4)	(4)	(4)	(4)	
Second quarter	34.2	(4)	(4)	(4)	22.3	11.9	11.5	(4)	(4)	(4)	(4)	(4)	
Third quarter..	34.4	(4)	(4)	(4)	22.3	12.1	11.5	(4)	(4)	(4)	(4)	(4)	
Fourth quarter	35.2	(4)	(4)	(4)	22.6	12.6	12.0	(4)	(4)	(4)	(4)	(4)	
1957													
First quarter ⁵	34.7	(4)	(4)	(4)	22.7	12.0	11.5	(4)	(4)	(4)	(4)	(4)	
Second quarter ⁵	35.2	(4)	(4)	(4)	23.0	12.2	11.7	(4)	(4)	(4)	(4)	(4)	
Third quarter ⁵	34.9	(4)	(4)	(4)	22.8	12.1	11.8	(4)	(4)	(4)	(4)	(4)	
Fourth quarter ⁵	34.4	(4)	(4)	(4)	22.9	11.5	11.5	(4)	(4)	(4)	(4)	(4)	

¹ Also includes nonmoney income furnished by farms (value of farm products consumed in farm households and gross rental value of farm dwellings), not shown separately.

² Realized gross farm income less farm production expenses.

³ Data prior to 1952 differ from farm proprietors' income shown in Tables F-9 and F-12 because of revisions by the Department of Agriculture not yet incorporated into the national income accounts of the Department of Commerce.

⁴ Not available.

⁵ Preliminary.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Agriculture.

TABLE F-65.—Farm population, employment, and productivity, 1929-57

Period	Farm population ¹		Net migration to and from farms (thousands) ²	Farm employment (thousands) ⁴			Average gross hourly earnings of hired farm workers (dollars) ⁵	Man-hours of farm work	Farm output per man-hour	Crop production	
	Number (thousands) (April 1)	As per cent of total population ³		Total	Family workers	Hired workers				Per man-hour	Per acre
Index, 1947-49=100											
1929	30,580	25.1	-477	12,763	9,360	3,403	\$0.241	135	55	53	79
1930	30,529	24.8	-61	12,497	9,307	3,190	.226	134	54	52	75
1931	30,845	24.9	156	12,745	9,642	3,103	.172	137	58	56	83
1932	31,388	25.1	607	12,816	9,922	2,894	.129	132	58	57	79
1933	32,393	25.8	-463	12,739	9,874	2,865	.115	132	53	51	71
1934	32,305	25.6	-527	12,627	9,765	2,862	.129	118	51	49	59
1935	32,161	25.3	-799	12,733	9,855	2,878	.142	123	59	58	76
1936	31,737	24.8	-834	12,331	9,350	2,981	.152	119	55	52	65
1937	31,266	24.3	-661	11,978	9,054	2,924	.172	129	64	62	88
1938	30,980	23.9	-545	11,622	8,815	2,807	.166	120	66	65	85
1939	30,840	23.6	-703	11,338	8,611	2,727	.166	121	66	65	85
1940	30,547	23.1	-633	10,979	8,300	2,679	.169	119	70	69	88
1941	30,273	22.7	-1,424	10,669	8,017	2,652	.206	117	74	73	89
1942	29,234	21.7	-2,975	10,504	7,949	2,555	.268	122	79	79	99
1943	26,681	19.5	-1,563	10,446	8,010	2,436	.353	121	78	77	91
1944	25,495	18.4	-564	10,219	7,988	2,231	.423	120	81	81	96
1945	25,295	18.1	864	10,000	7,881	2,119	.472	112	86	86	95
1946	26,483	18.7	151	10,295	8,106	2,189	.515	108	91	92	101
1947	27,124	18.8	-1,686	10,382	8,115	2,267	.547	103	92	91	95
1948	25,903	17.7	-371	10,363	8,026	2,337	.580	100	104	105	106
1949	25,954	17.4	-1,314	9,964	7,712	2,252	.559	97	104	104	99
1950	25,058	16.5	-1,302	9,342	7,252	2,090	.561	89	112	115	97
1951	24,160	15.7	-271	8,985	6,997	1,988	.625	91	113	112	98
1952	24,283	15.5	-1,996	8,669	6,748	1,921	.661	89	120	123	103
1953	22,679	14.2	-1,171	8,580	6,645	1,935	.672	88	123	124	103
1954	21,890	13.5	-91	8,451	6,521	1,930	.661	85	127	129	101
1955	22,158	13.4	-256	8,237	6,341	1,896	.675	85	132	135	106
1956	22,257	13.2	-2,236	7,869	6,018	1,851	.705	83	136	140	108
1957 ⁶	20,396	11.9	(7)	7,634	5,796	1,838	.728	80	141	149	112

¹ Farm population as defined by the Department of Agriculture and Department of Commerce, i. e. civilian population living on farms, both urban and rural, regardless of occupation.

² Total population as of July 1 including armed forces overseas.

³ Net change for year beginning in April, estimated by Department of Agriculture. For 1940 and subsequent years, includes inductions and enlistments into the armed forces, and persons returning from the armed forces. For all years, includes persons who have not moved but who are in and out of the farm population because agricultural operations have begun or have ceased on the place where they are living.

⁴ Includes persons doing farm work on all farms. These data, published by the Department of Agriculture, Agricultural Marketing Service, differ from those on agricultural employment by the Department of Commerce, Bureau of the Census (see Table F-17) because of differences in the method of approach, in concepts of employment, and in time of month for which the data are collected. For further explanation, see monthly reports on *Farm Labor* by the Department of Agriculture.

⁵ Weighted average of all farm wage rates on a per-hour basis.

⁶ Preliminary.

⁷ Not available.

Sources: Department of Agriculture and Department of Commerce.

TABLE F-66.—*Farm production indexes, 1929-57*

[1947-49=100]

Year	Farm out- put ¹	Livestock and products				Crops								
		Total ²	Meat ani- mals	Dairy prod- ucts	Pou- ltry and eggs	Total ³	Feed grains	Hay and for- age	Food grains	Vege- tables	Fruits and nuts	Cot- ton	To- bac- co	Oil- bear- ing crops
1929.....	74	77	77	82	63	79	83	88	66	81	76	104	75	21
1930.....	72	78	78	84	65	76	73	75	72	82	75	98	81	23
1931.....	79	80	82	86	63	84	84	79	76	83	94	119	76	23
1932.....	76	81	83	86	63	80	95	86	62	83	76	91	49	21
1933.....	70	82	86	87	62	71	73	79	45	80	77	91	68	18
1934.....	60	75	73	85	59	58	48	67	44	87	72	68	54	21
1935.....	72	72	66	86	59	76	80	96	53	88	91	75	65	34
1936.....	65	77	74	87	63	64	53	74	52	83	72	87	58	27
1937.....	82	76	71	86	63	88	87	87	72	89	95	133	78	30
1938.....	79	79	77	89	65	83	84	98	75	89	85	84	69	36
1939.....	80	85	87	90	69	82	83	93	61	88	98	83	94	47
1940.....	83	87	89	92	70	85	85	106	67	91	95	88	72	56
1941.....	86	92	94	96	77	86	91	106	76	92	102	75	62	61
1942.....	96	102	107	100	89	97	104	115	80	96	100	90	70	92
1943.....	94	111	120	99	102	90	96	110	69	103	87	80	70	98
1944.....	97	105	108	101	102	96	100	109	85	99	102	86	96	82
1945.....	96	104	103	103	106	93	97	113	89	101	93	63	98	88
1946.....	98	101	101	102	99	98	105	104	92	110	110	61	114	85
1947.....	95	100	100	101	98	93	81	103	108	98	104	83	105	91
1948.....	104	97	97	98	96	106	116	100	103	103	96	104	98	109
1949.....	101	103	103	101	106	101	103	97	89	99	100	113	97	100
1950.....	100	107	109	101	111	97	104	106	83	98	104	70	101	116
1951.....	103	112	117	100	116	99	97	111	82	92	106	106	115	106
1952.....	107	112	117	100	117	103	102	107	105	92	102	106	112	104
1953.....	108	114	116	105	120	103	101	110	96	96	104	115	103	102
1954.....	108	117	121	107	125	101	106	109	85	94	104	96	110	116
1955.....	112	120	127	108	123	105	112	116	80	96	104	103	109	128
1956.....	113	122	123	110	136	106	112	111	84	101	112	93	108	153
1957 ⁴	113	121	121	111	135	106	121	126	79	96	112	77	83	147

¹ Farm output measures the annual volume of farm production available for eventual human use through sales from farms or consumption in farm households. Total excludes production of feed for horses and mules.

² Includes certain items not shown separately.

³ Includes production of feed for horses and mules and certain other items not shown separately.

⁴ Preliminary.

Source: Department of Agriculture.

TABLE F-67.—*Indexes of prices received and prices paid by farmers, and parity ratio, 1929-57*

[1910-14=100]

Period	Prices received by farmers										Prices paid by farmers				Parity ratio ²
	All farm products ¹	Crops					Livestock and products				All items, interest, taxes, and wage rates (parity index)	Family living items	Production items		
		All crops ¹	Food grains	Feed grains and hay	Cotton	Tobacco	Oil-bearing crops	All livestock and products ¹	Meat animals	Dairy products				Poultry and eggs	
1929	148	135	116	118	150	171	143	159	155	166	161	160	154	146	92
1930	125	115	93	106	104	140	111	134	133	142	128	151	144	135	83
1931	87	75	56	74	64	98	73	98	91	111	98	130	124	113	67
1932	65	57	44	48	49	84	44	72	63	86	81	112	106	99	58
1933	70	71	66	57	68	107	57	70	59	87	74	109	108	99	64
1934	90	98	90	95	101	156	103	81	68	101	89	120	122	114	75
1935	109	103	97	107	98	171	127	114	115	114	116	124	124	122	88
1936	114	108	108	103	99	163	120	119	118	125	115	124	124	122	92
1937	122	118	120	125	94	200	129	126	130	131	111	131	128	132	93
1938	97	80	75	71	70	173	95	112	113	115	110	124	122	122	78
1939	95	82	72	72	74	152	96	107	110	110	96	123	120	121	77
1940	100	90	84	85	83	134	103	109	108	120	98	124	121	123	81
1941	124	108	97	92	111	157	138	138	143	140	122	133	130	130	93
1942	159	145	120	115	156	247	183	171	186	163	152	152	149	148	105
1943	³ 193	187	148	152	167	319	202	198	203	³ 198	191	171	166	164	113
1944	³ 197	199	166	172	172	348	222	196	190	³ 222	177	182	175	173	108
1945	³ 207	202	172	167	179	360	228	211	³ 207	³ 229	198	190	182	176	109
1946	³ 236	228	201	202	238	376	260	242	³ 248	³ 268	201	208	202	191	113
1947	276	263	271	256	274	374	363	288	329	273	223	240	237	224	115
1948	287	255	250	258	272	380	351	315	361	301	242	260	251	250	110
1949	250	224	218	177	246	398	242	272	311	252	221	251	243	238	100
1950	258	233	224	193	282	402	376	280	340	249	186	256	246	246	101
1951	302	265	243	226	336	436	339	336	409	286	228	282	268	273	107
1952	288	268	244	234	310	432	296	306	353	302	206	287	271	274	100
1953	258	242	231	208	268	429	274	272	296	274	221	279	270	253	92
1954	249	242	232	206	274	439	279	255	292	252	176	281	274	252	89
1955	236	236	229	187	272	437	250	236	249	253	188	281	273	249	84
1956	235	240	224	185	268	453	250	230	238	259	177	285	278	249	82
1957	242	234	225	170	264	465	253	249	278	263	162	296	286	258	82
1956:															
January	227	232	221	172	259	452	236	221	208	260	206	280	272	246	81
February	227	233	221	173	262	452	239	221	217	256	188	280	272	245	81
March	229	237	223	174	268	453	245	221	222	250	187	281	274	246	81
April	234	242	229	185	275	453	253	227	238	246	181	284	274	248	82
May	240	249	226	192	270	454	265	232	250	247	178	286	278	250	84
June	245	261	219	192	273	453	259	231	251	245	172	286	280	248	86
July	243	255	216	194	274	453	250	231	246	251	174	287	282	248	85
August	236	233	218	197	263	451	249	238	257	257	171	287	281	250	82
September	236	233	222	196	275	455	235	239	254	266	172	287	279	252	82
October	234	231	225	178	270	453	249	236	243	274	167	288	279	250	81
November	234	237	232	182	270	443	262	230	231	279	163	289	281	252	81
December	235	237	234	185	262	461	264	233	239	274	165	290	283	252	81
1957:															
January	238	238	236	187	256	457	266	238	254	270	155	292	283	255	82
February	234	234	235	181	255	458	260	234	249	266	157	294	284	256	80
March	238	237	235	181	252	459	265	238	263	260	150	295	284	258	81
April	242	242	233	180	258	459	264	242	275	253	150	296	285	260	82
May	243	244	225	179	266	457	263	241	278	248	144	296	286	259	82
June	244	241	218	173	270	457	260	245	287	247	145	296	287	257	82
July	247	239	218	170	273	460	261	254	297	252	155	295	287	257	84
August	248	233	217	169	278	469	252	260	301	260	167	295	287	257	84
September	245	228	217	163	279	484	244	259	291	269	174	296	287	258	83
October	240	224	219	156	273	483	231	254	274	277	180	296	286	258	81
November	242	224	221	152	263	473	235	258	278	279	188	298	289	260	81
December	242	218	221	152	239	466	237	264	294	275	185	299	288	262	81

¹ Includes items not shown separately.² Percentage ratio of index of prices received by farmers for all farm products to parity index.³ Includes wartime subsidy payments.

Source: Department of Agriculture.

TABLE F-68.—Comparative balance sheet of agriculture, 1940-58

[Billions of dollars]

Beginning of year	Assets									Claims			
	Total	Real estate	Other physical assets				Financial assets			Total	Real estate debt	Other debt	Pro- pri- etors', equi- ties
			Live- stock	Ma- chin- ery and motor vehicles	Crops ¹	House- hold fur- nish- ings and equip- ment ²	Depos- its and cur- rency	U. S. sav- ings bonds	Invest- ment in co- opera- tives				
1940.....	53.0	33.6	5.1	3.1	2.7	4.3	3.2	0.2	0.8	53.0	6.6	3.4	43.0
1941.....	55.1	34.4	5.3	3.3	3.0	4.3	3.5	.4	.9	55.1	6.5	3.9	44.7
1942.....	62.5	37.5	7.1	4.0	3.8	4.5	4.2	.5	.9	62.5	6.4	4.1	52.0
1943.....	73.3	41.6	9.6	4.9	5.1	4.6	5.4	1.1	1.0	73.3	6.0	4.0	63.3
1944.....	83.8	48.2	9.7	5.3	6.1	4.6	6.6	2.2	1.1	83.8	5.4	3.5	74.9
1945.....	93.1	53.9	9.0	6.3	6.7	4.7	7.9	3.4	1.2	93.1	4.9	3.4	84.8
1946.....	101.9	61.0	9.7	5.2	6.3	4.8	9.4	4.1	1.4	101.9	4.8	3.2	93.9
1947.....	113.7	68.5	11.9	5.1	7.1	5.3	10.2	4.1	1.5	113.7	4.9	3.6	105.2
1948.....	125.0	73.7	13.3	6.9	9.0	6.1	9.9	4.4	1.7	125.0	5.1	4.2	115.7
1949.....	131.9	76.6	14.4	9.3	8.6	6.9	9.6	4.6	1.9	131.9	5.3	6.1	120.5
1950.....	130.7	75.3	12.9	11.2	7.6	7.7	9.1	4.8	2.1	130.7	5.6	6.9	118.2
1951.....	149.5	86.8	17.1	12.8	7.9	8.6	9.1	4.9	2.3	149.5	6.1	7.0	136.4
1952.....	165.3	96.0	19.5	14.9	8.8	9.3	9.4	4.9	2.5	165.3	6.7	7.9	150.7
1953.....	162.9	96.6	14.8	15.4	9.0	10.0	9.4	5.0	2.7	162.9	7.3	8.8	146.8
1954.....	159.6	94.7	11.7	15.9	9.2	10.6	9.4	5.2	2.9	159.6	7.8	9.4	142.4
1955.....	164.6	98.8	11.2	16.0	9.6	11.1	9.4	5.4	3.1	164.6	8.3	9.5	146.8
1956.....	168.2	102.7	10.7	16.5	8.3	11.6	9.5	5.6	3.3	168.2	9.1	9.8	149.3
1957.....	177.1	109.5	11.2	17.3	8.4	12.0	9.5	5.7	3.5	177.1	9.9	9.6	157.6
1958 ³	188.3	118.0	(4)	(4)	(4)	(4)	(4)	(4)	(4)	188.3	10.6	9.3	168.4

¹ Includes all crops held on farms for whatever purpose and crops held off farms as security for Commodity Credit Corporation loans. The latter on January 1, 1957, totaled 1.6 billion dollars.

² Estimated valuation for 1940, plus purchases minus depreciation since then.

³ Preliminary.

⁴ Not available.

NOTE:—Detail will not necessarily add to totals because of rounding.

Source: Department of Agriculture.

TABLE F-69.—Level-of-living indicators for farm-operator families, selected years, 1920-56

Year	Level-of-living index ¹ (U. S. average in 1945=100)					Percentage of all families reporting:						
	United States	North-east	North Central	South	West	Elec-tricity ²	Tele-phones	Auto-mobiles	Run-ning water	Me-chan-ical refrig-erators	Tele-vision	Home freezers
1920.....						³ 7	39	31	10	-----	-----	-----
1930.....	75	102	104	44	93	13	34	58	16	-----	-----	-----
1940.....	79	115	104	49	102	33	25	58	22	15	-----	-----
1945.....	100	138	128	65	127	48	32	62	29	32	-----	-----
1950.....	122	152	147	92	145	78	38	63	43	63	3	12
1954.....	140	167	161	113	163	93	47	71	59	-----	36	32
1956 ⁴	145	169	165	119	167	94	52	74	64	90	53	39

¹ Indexes based on percent of farms with electricity, telephones, and automobiles and the average value of products sold or traded in the year preceding the appropriate Census of Agriculture.

² Differs in minor respects from series shown in Table F-70.

³ Gas or electric lights.

⁴ Based on Special Cooperative Survey of Farmers' Expenditures.

Source: Department of Agriculture.

TABLE F-70.—Selected indicators of farming conditions, 1929-57

Period	Number of farms (thousands)	Average value of production assets per farm (dollars) ¹	Total investment in farm plant and equipment (millions of dollars)		Real estate debt as percent of value of real estate (percent) ³	Foreclosure rate per 1,000 farms ⁴	Operators' net income per farm (dollars) ⁵	Farm income per worker (dollars) ⁶	Percent of all farms with central station electrical service ⁷
			Gross	Net ²					
1929.....	6,512	(⁸)	966	50	20.3	14.8	962	593	(⁸)
1930.....	6,546	(⁸)	717	-238	20.1	15.7	691	456	(⁸)
1931.....	6,608	(⁸)	408	-448	21.5	18.7	437	298	(⁸)
1932.....	6,687	(⁸)	194	-540	24.5	28.4	288	203	(⁸)
1933.....	6,741	(⁸)	189	-455	27.5	38.8	410	266	(⁸)
1934.....	6,776	(⁸)	376	-274	23.9	28.0	571	360	(⁸)
1935.....	6,814	(⁸)	560	-104	22.8	21.0	676	423	10.9
1936.....	6,739	(⁸)	756	28	21.7	20.3	762	487	12.3
1937.....	6,636	(⁸)	903	107	20.3	18.1	788	519	15.8
1938.....	6,527	(⁸)	685	-148	19.8	14.3	655	452	19.1
1939.....	6,441	(⁸)	774	-7	19.9	13.4	682	475	22.1
1940.....	6,350	6,094	872	76	19.6	12.5	675	484	30.4
1941.....	6,293	6,340	1,199	325	18.9	10.4	978	694	34.9
1942.....	6,202	7,449	1,202	-168	17.0	6.1	1,423	995	38.3
1943.....	6,089	8,934	918	-485	14.3	4.3	1,950	1,331	40.3
1944.....	6,003	10,328	1,488	25	11.2	3.0	2,035	1,411	42.2
1945.....	5,967	11,346	1,533	193	9.2	1.9	2,154	1,515	45.7
1946.....	5,927	12,435	2,035	811	7.8	1.5	2,531	1,704	54.3
1947.....	5,873	14,132	3,229	1,613	7.2	1.1	2,927	1,926	61.0
1948.....	5,804	15,868	4,259	2,199	6.9	1.0	2,747	1,829	68.6
1949.....	5,723	17,106	4,534	2,104	6.9	1.2	2,389	1,660	78.2
1950.....	5,648	16,962	4,538	1,795	7.4	1.4	2,276	1,671	77.2
1951.....	5,535	20,453	5,038	1,796	7.3	1.5	2,674	1,974	84.2
1952.....	5,421	23,451	4,659	1,255	7.1	1.6	2,630	1,968	88.1
1953.....	5,308	23,225	4,659	1,120	7.7	1.3	2,615	1,943	90.8
1954.....	5,201	23,000	4,295	650	8.3	1.7	2,344	1,764	92.3
1955.....	5,087	24,200	4,244	492	8.5	2.0	2,277	1,738	93.4
1956.....	4,969	25,429	4,112	291	8.8	2.3	2,432	1,888	94.2
1957 ⁹	4,850	27,000	4,174	176	9.0	2.0	2,450	1,920	95.0

¹ Farm real estate less value of dwellings, crops held for feed, livestock, machinery and equipment less 60 percent of the value of automobiles, and demand deposits used for production.

² Gross investment less depreciation and other capital consumption.

³ Data are for January 1.

⁴ Data are for year ended March 15.

⁵ Including Government payments and excluding the net change in inventories.

⁶ Net income of farm operators including Government payments and excluding the net change in inventories, plus farm wages of resident workers and other hired workers.

⁷ Data are for June 30, except for the Census of Agriculture years: 1935 (January 1), 1940 (April 1), 1945 (January 1), and 1950 (April 1).

⁸ Not available.

⁹ Preliminary.

Source: Department of Agriculture.

INTERNATIONAL TRANSACTIONS

TABLE F-71.—United States balance of payments, 1953-57
Excluding transfers of goods and services under military grant programs

[Millions of dollars]

Item	1953	1954	1955	1956	First 3 quarters	
					1956	1957
United States payments: Total.....	19,685	19,876	21,944	25,748	19,093	20,480
Imports of goods and services: Total...	16,644	16,088	17,937	19,810	14,967	15,533
Merchandise, adjusted, excluding military.....	10,990	10,354	11,527	12,791	9,580	9,874
Transportation.....	1,081	1,026	1,204	1,432	1,085	1,076
Travel.....	929	1,009	1,153	1,275	1,035	1,099
Miscellaneous services, excluding military.....	659	677	728	784	587	605
Military expenditures.....	2,535	2,603	2,823	2,910	2,225	2,397
Income on investments:						
Private.....	364	360	408	464	348	332
Government.....	86	59	94	154	107	150
Unilateral transfers, net, excluding military: Total.....	2,454	2,262	2,486	2,332	1,700	1,805
Government grants.....	1,837	1,647	1,901	1,695	1,234	1,270
Remittances and other transfers.....	617	615	585	637	466	535
United States capital, net: Total.....	587	1,526	1,521	3,606	2,426	3,142
Private, net: Total.....	369	1,619	1,211	2,980	1,901	2,542
Direct investments, net.....	721	664	779	1,839	1,142	1,698
New issues.....	270	309	128	457	309	438
Redemptions.....	-139	-124	-190	-169	-115	-111
Other long-term, net.....	-316	135	303	319	309	301
Short-term, net.....	-167	635	191	534	256	216
Government, net: Total.....	218	-93	310	626	525	600
Long-term capital, outflow.....	716	306	383	534	410	402
Repayments.....	-487	-507	-416	-479	-307	-521
Short-term, net.....	-11	108	343	571	422	719
United States receipts: Total.....	17,287	18,193	20,349	24,060	17,426	20,153
Exports of goods and services: Total...	17,081	17,949	20,003	23,518	16,997	19,810
Merchandise, adjusted, excluding military.....	12,281	12,799	14,280	17,321	12,462	14,664
Transportation.....	1,198	1,171	1,420	1,619	1,183	1,464
Travel.....	574	595	654	705	543	599
Miscellaneous services.....	926	978	1,001	1,059	777	828
Military transactions.....	192	179	204	156	120	151
Income on investments:						
Direct investments.....	1,442	1,725	1,912	2,160	1,537	1,680
Other private.....	216	230	258	304	220	264
Government.....	252	272	274	194	155	160
Foreign long-term investments in the United States.....	206	244	346	542	429	343
Balance (net United States receipts): Total.....	-2,398	-1,683	-1,595	-1,688	-1,667	-327
Increase in liquid dollar holdings by foreign countries and international institutions.....	941	1,218	1,108	1,302	1,577	102
United States gold sales [purchases (-)].....	1,161	298	41	-306	-279	-700
Errors and omissions.....	296	167	446	692	369	925

Source: Department of Commerce.

TABLE F-72.—United States balance of payments with individual areas, 1953-57
Excluding transfers of goods and services under military grant programs

[Millions of dollars]

Area and type of transaction	1953	1954	1955	1956	First 3 quarters	
					1956	1957
Continental Western Europe and dependencies:						
United States payments: Total.....	4,834	5,055	5,911	6,335	4,749	4,879
Nonmilitary imports of goods.....	2,083	1,931	2,200	2,608	1,887	2,020
Nonmilitary imports of services.....	860	899	1,100	1,231	962	1,008
Military expenditures.....	1,047	1,196	1,381	1,295	1,014	1,036
Remittance and other transfers.....	218	189	218	248	179	191
Government grants and capital.....	736	745	797	568	433	447
Private capital, net outflow.....	-110	95	215	385	274	177
United States receipts: Total.....	3,465	3,946	4,786	5,981	4,265	5,113
Exports of goods.....	2,600	3,010	3,562	4,650	3,285	3,926
Income on investments abroad.....	186	219	258	259	205	219
Exports of other services.....	616	636	761	857	624	779
Foreign long-term investments in the United States.....	63	81	205	215	151	189
Balance (net United States receipts).....	-1,369	-1,109	-1,125	-354	-484	234
Sterling area:						
United States payments: Total.....	3,273	3,174	3,556	4,317	3,325	3,433
Nonmilitary imports of goods.....	1,708	1,526	1,801	2,000	1,492	1,632
Nonmilitary imports of services.....	716	753	804	907	699	717
Military expenditures.....	289	417	465	568	439	537
Remittances and other transfers.....	94	97	96	97	73	80
Government grants and capital.....	421	164	310	293	264	287
Private capital, net outflow.....	45	217	80	452	358	180
United States receipts: Total.....	2,623	2,939	3,435	3,710	2,634	3,113
Exports of goods.....	1,614	1,740	2,146	2,348	1,647	2,084
Income on investments abroad.....	407	481	563	534	368	357
Exports of other services.....	546	583	632	648	471	539
Foreign long-term investments in the United States.....	56	135	94	180	148	133
Balance (net United States receipts).....	-650	-235	-121	-607	-691	-320
Canada:						
United States payments: Total.....	3,546	3,493	3,763	4,743	3,458	3,707
Nonmilitary imports of goods.....	2,435	2,364	2,678	2,913	2,139	2,179
Nonmilitary imports of services.....	526	487	556	597	478	490
Military expenditures.....	192	194	217	259	185	218
Remittances and other transfers.....	11	7	15	12	9	10
Government grants and capital.....	5	-2	-9	-5	-5	-
Private capital, net outflow.....	377	443	306	967	652	810
United States receipts: Total.....	4,132	3,823	4,421	5,368	3,982	4,044
Exports of goods.....	3,123	2,855	3,326	4,114	3,034	3,103
Income on investments abroad.....	336	371	423	487	328	399
Exports of other services.....	607	615	669	674	518	555
Foreign long-term investments in the United States.....	66	-18	3	93	102	-13
Balance (net United States receipts).....	586	330	658	625	524	337

TABLE F-72.—United States balance of payments with individual areas, 1953-57—Continued
Excluding transfers of goods and services under military grant programs

[Millions of dollars]

Area and type of transaction	1953	1954	1955	1956	First 3 quarters	
					1956	1957
Latin America:						
United States payments: Total.....	4,621	4,823	4,840	5,831	4,262	4,925
Nonmilitary imports of goods.....	3,581	3,445	3,470	3,775	2,922	2,918
Nonmilitary imports of services.....	741	739	812	985	724	729
Military expenditures.....	27	24	21	27	21	28
Remittances and other transfers.....	32	38	40	40	30	37
Government grants and capital.....	373	76	119	178	150	167
Private capital, net outflow.....	-133	501	378	826	415	1,046
United States receipts: Total.....	4,396	4,711	4,802	5,615	4,083	4,872
Exports of goods.....	3,045	3,323	3,282	3,830	2,789	3,396
Income on investments abroad.....	611	645	745	918	661	760
Exports of other services.....	726	711	753	834	620	699
Foreign long-term investments in the United States.....	14	32	22	33	13	17
Balance (net United States receipts).....	-225	-112	-38	-216	-179	-53
Other countries:						
United States payments: Total.....	3,255	3,137	3,759	4,362	3,146	3,264
Nonmilitary imports of goods.....	1,180	1,088	1,378	1,495	1,140	1,125
Nonmilitary imports of services.....	231	216	278	342	257	290
Military expenditures.....	980	772	739	761	506	578
Remittances and other transfers.....	262	284	216	240	175	216
Government grants and capital.....	429	510	915	1,162	824	911
Private capital, net outflow.....	173	267	233	362	184	174
United States receipts: Total.....	2,596	2,677	2,808	3,290	2,386	2,935
Exports of goods.....	1,892	1,842	1,937	2,354	1,683	2,134
Income on investments abroad.....	357	497	440	445	339	357
Exports of other services.....	348	334	421	482	357	437
Foreign long-term investments in the United States.....	-1	4	10	9	7	7
Balance (net United States receipts).....	-659	-460	-951	-1,072	-760	-329
International institutions:						
United States payments: Total.....	156	194	115	160	153	271
Nonmilitary imports of goods.....	3					
Nonmilitary imports of services.....	45	37	37	47	42	58
Military expenditures.....						
Remittances and other transfers.....						
Government grants and capital.....	91	61	79	125	93	58
Private capital, net outflow.....	17	96	-1	-12	18	155
United States receipts: Total.....	75	97	97	96	76	76
Exports of goods.....	7	29	27	25	24	21
Income on investments abroad.....	13	14	15	15	11	12
Exports of other services.....	47	44	43	44	33	33
Foreign long-term investments in the United States.....	8	10	12	12	8	10
Balance (net United States receipts).....	-81	-97	-18	-64	-77	-195

Source: Department of Commerce.

TABLE F-73.—United States merchandise exports and imports for consumption, by leading commodities, 1936-38 average and 1953-57

[In millions of dollars]

Commodity ¹	1936-38 average	1953	1954	1955	1956	January- September	
						1956	1957
Exports of U. S. merchandise: Total.....	2,925	15,652	14,981	15,421	18,928	13,748	15,674
Nonmilitary exports: Total ²		12,141	12,726	14,165	17,171	12,343	14,575
Exports, excluding "special category" commodities: Total ³		11,525	12,123	13,509	16,476	11,827	13,987
Agricultural commodities: Total.....	778	2,847	3,054	3,198	4,168	2,836	3,376
Raw cotton, excluding linters.....	313	517	780	469	718	401	803
Vegetable oils, fats, and oilseeds ⁴	5	173	306	324	447	292	315
Tobacco, unmanufactured.....	143	341	304	356	334	219	237
Wheat, including flour.....	62	589	427	482	797	578	688
Other grains and preparations.....	54	470	323	459	544	380	377
Other agricultural commodities.....	201	757	914	1,108	1,328	966	956
Nonagricultural commodities: Total ⁵	2,147	8,677	9,069	10,311	12,308	8,991	10,611
Machinery ⁵	440	2,747	2,595	2,824	3,468	2,588	2,886
Automobiles, parts, and accessories ⁵	292	963	1,036	1,238	1,357	1,024	988
Chemicals and related products ⁵	129	800	983	1,077	1,237	937	1,036
Textile manufactures.....	87	640	621	615	629	460	497
Iron and steel-mill products, including scrap.....	199	495	516	818	1,075	750	1,092
Petroleum and products ⁵	344	498	431	442	567	338	608
Coal.....	56	335	304	455	732	529	648
Nonferrous metals, including ferroalloys.....	114	176	305	319	415	296	364
Other nonagricultural commodities ⁵	486	2,023	2,278	2,493	2,828	2,069	2,432
Imports for consumption: Total.....	2,461	10,779	10,240	11,337	12,516	9,329	9,585
Agricultural commodities: Total.....	1,260	4,185	3,973	3,982	3,962	3,105	2,900
Coffee.....	141	1,469	1,486	1,357	1,440	1,129	995
Cane sugar.....	152	425	411	415	437	377	381
Cocoa or cacao beans.....	35	167	252	185	144	121	95
Other foodstuffs.....	323	908	827	798	778	589	620
Crude rubber.....	179	332	262	442	398	299	258
Wool, unmanufactured.....	57	296	223	260	242	196	173
Other agricultural commodities.....	373	588	512	525	523	394	378
Nonagricultural commodities: Total.....	1,201	6,594	6,267	7,355	8,554	6,224	6,685
Nonferrous metals and ferroalloys.....	178	1,662	1,392	1,528	1,711	1,241	1,276
Petroleum and products.....	42	762	829	1,026	1,286	940	1,150
Paper and paper-base stocks.....	221	937	926	985	1,092	812	777
Textile manufactures.....	174	464	440	585	648	481	485
Machinery.....	19	245	240	277	355	266	320
Automobiles, parts, and accessories.....	1	53	53	85	145	97	228
Sawmill products.....	18	236	252	323	306	236	183
Chemicals and related products.....	87	293	249	255	274	203	206
Fish, including shellfish.....	31	194	210	214	238	177	188
Iron ore.....	5	97	119	177	250	184	214
Iron and steel-mill products, excluding scrap.....	19	251	116	145	230	152	178
Other nonagricultural commodities.....	406	1,400	1,441	1,755	2,019	1,435	1,480

¹ Commodity data for 1936-38 and 1953-56 have been adjusted to conform as nearly as possible to 1957 statistical classifications. The distributions of nonagricultural exports by principal commodities, however, are based on total exports in 1936-38 and on exports excluding "special category" items in 1953 and later periods. (See footnote 3.)

² Data represent total exports minus shipments of military equipment and supplies by the Department of Defense under the Mutual Security Program. Commodity breakdowns of nonmilitary exports are not available.

³ "Special category" commodities are those to which security restrictions applied in 1956 as regards publication of detailed export statistics.

⁴ Data exclude essential oils.

⁵ Data for 1953 and later periods exclude "special category" exports. (See footnote 3.)

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

TABLE F-74.—U. S. Government grants and credits, excluding military supplies and services, by areas, total postwar period and fiscal years 1953-57

[Millions of dollars]

Item	Total	Western Europe (including Greece and Turkey) ¹	East-ern Europe	Near East, Africa, and South Asia ²	Vietnam, Laos, Cambodia, China, and Korea ³	Other Asia and Pacific	Latin America ⁴	Other international institutions and un-specified
Gross new grants:								
Total postwar period ⁵ ...	32,925	21,312	1,070	1,490	3,988	3,540	460	1,065
Fiscal year 1953.....	2,046	1,461	-----	142	310	74	25	35
Fiscal year 1954.....	1,681	1,003	14	277	270	43	34	41
Fiscal year 1955.....	2,039	1,059	10	281	532	44	54	59
Fiscal year 1956.....	1,777	630	4	316	623	70	77	57
Fiscal year 1957.....	1,782	469	10	273	733	97	95	106
Reverse grants and returns on grants:								
Total postwar period ⁵ ...	1,469	1,234	39	138	26	31	(?)	-----
Fiscal year 1953.....	105	94	-----	8	1	1	-----	-----
Fiscal year 1954.....	85	80	(?)	2	2	1	-----	-----
Fiscal year 1955.....	53	49	(?)	2	1	1	(?)	-----
Fiscal year 1956.....	63	51	(?)	1	9	1	-----	-----
Fiscal year 1957.....	66	62	(?)	3	(?)	1	(?)	-----
Net new grants:								
Total postwar period ⁵ ...	31,456	20,077	1,031	1,353	3,962	3,508	460	1,065
Fiscal year 1953.....	1,941	1,367	-----	134	309	73	25	35
Fiscal year 1954.....	1,597	923	14	275	268	42	34	41
Fiscal year 1955.....	1,986	1,010	10	278	531	44	54	59
Fiscal year 1956.....	1,714	579	4	314	613	69	77	57
Fiscal year 1957.....	1,717	406	10	270	733	96	95	106
New credits:								
Total postwar period ⁵ ...	13,023	8,942	123	905	264	1,076	1,485	228
Fiscal year 1953.....	635	257	-----	107	-----	35	228	8
Fiscal year 1954.....	624	167	-----	57	-----	117	276	8
Fiscal year 1955.....	444	112	-----	89	-----	81	158	4
Fiscal year 1956.....	475	89	-----	112	43	145	87	-----
Fiscal year 1957.....	431	47	-----	90	17	125	152	-----
Repayments:								
Total postwar period ⁵ ...	4,539	2,507	54	248	130	675	747	179
Fiscal year 1953.....	538	402	4	12	2	51	53	2
Fiscal year 1954.....	501	371	4	17	1	34	60	13
Fiscal year 1955.....	460	234	5	12	1	100	106	4
Fiscal year 1956.....	512	275	5	17	1	71	129	14
Fiscal year 1957.....	639	289	5	134	1	87	121	2
Net new credits:⁶								
Total postwar period ⁵ ...	8,485	6,435	70	657	134	402	738	50
Fiscal year 1953.....	107	-145	-4	95	-2	-16	175	6
Fiscal year 1954.....	124	-204	-4	39	-1	83	216	-5
Fiscal year 1955.....	-16	-121	-5	77	-1	-19	52	(?)
Fiscal year 1956.....	-37	-186	-5	95	42	74	-43	-14
Fiscal year 1957.....	-208	-242	-5	-43	16	37	31	-2
Total net grants and credits:								
Total postwar period ⁵ ...	39,940	26,513	1,100	2,009	4,096	3,910	1,198	1,115
Fiscal year 1953.....	2,049	1,222	-4	229	307	56	199	40
Fiscal year 1954.....	1,721	719	10	314	267	125	250	36
Fiscal year 1955.....	1,970	889	5	356	530	24	107	59
Fiscal year 1956.....	1,677	392	-1	409	655	144	34	44
Fiscal year 1957.....	1,508	165	5	227	749	134	126	104

¹ Includes European Coal and Steel Community, European Payments Union, European Productivity Agency, and Organization for European Economic Cooperation.

² Includes United States contribution to United Nations for Palestine Relief.

³ Includes United States contribution to United Nations Korean Reconstruction and Relief Administration.

⁴ Includes United States contribution to Organization of American States.

⁵ Postwar period covers July 1, 1945 through June 30, 1957. Excludes United States subscriptions to International Bank for Reconstruction and Development and International Monetary Fund.

⁶ Does not include \$2,257 million prior grants converted into credits in the postwar period (Western Europe \$1,970 million, Eastern Europe \$222 million, Near East and Africa \$11 million, China \$50 million, and Latin America \$3 million), Western Europe \$1,000 million in fiscal year 1954, and Latin America \$1 million in fiscal year 1957.

⁷ Less than \$500,000.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

TABLE F-75.—*U. S. Government grants of military supplies and services, by areas, total postwar period and fiscal years 1953-57*

[Fiscal years, millions of dollars]

Area	Total postwar period ¹	1953	1954	1955	1956	1957
Gross military grants ²	20,312	4,320	3,506	2,540	3,027	2,376
Less: Reverse grants and returns.....	255	62	9	10	14	11
Equals: Net military grants ²	20,057	4,258	3,497	2,531	3,013	2,365
Western Europe (excluding Greece and Turkey) ²	12,025	3,120	2,326	1,582	1,834	1,243
Near East (including Greece, Turkey, and Africa).....	2,666	314	381	289	387	393
Other Asia and Pacific.....	4,832	768	725	596	732	633
American Republics.....	334	21	45	43	38	72
Unspecified.....	199	35	21	20	21	25

¹ Postwar period covers July 1, 1945 through June 30, 1957.

² Includes cash contributions to the multilateral-construction program of the North Atlantic Treaty Organization.

NOTE.—Detail will not necessarily add to totals because of rounding.

Source: Department of Commerce.

TABLE F-76.—*Estimated gold reserves and dollar holdings of foreign countries and international institutions, 1937 and 1949-57*

[Billions of dollars]

End of year	Total	Sterling area		Continental OEEC countries and dependencies	Other European countries	Canada	Latin American Republics	All other countries	International institutions
		Total	United Kingdom						
1937.....	15.1	4.9	4.4	6.8	1.0	0.4	1.0	1.0	-----
1949.....	19.0	2.8	2.0	6.1	.6	1.5	3.1	1.7	3.3
1950.....	23.2	4.6	3.7	7.0	.5	2.1	3.5	2.2	3.3
1951.....	23.3	3.9	2.9	7.2	.5	2.3	3.4	2.5	3.4
1952.....	24.7	3.5	2.5	8.5	.5	2.6	3.4	2.7	3.5
1953.....	27.3	4.3	3.2	10.1	.6	2.5	3.7	2.5	3.6
1954.....	29.6	4.4	3.4	11.6	.6	2.7	3.8	2.6	3.9
1955.....	31.5	4.0	2.9	13.2	.7	2.6	4.0	3.0	4.0
1956.....	32.9	4.2	3.1	14.1	.6	3.0	4.3	3.1	3.5
1957 ¹	32.5	3.9	2.7	14.4	.6	3.2	4.7	2.8	2.9

¹ As of September 30.

NOTE.—Includes gold reserves and dollar holdings of all foreign countries with the exception of U. S. S. R. gold reserves, and of international institutions (International Bank for Reconstruction and Development, International Monetary Fund, United Nations, and others). Holdings of the Bank for International Settlements (both for its own and EPU accounts) and of the Tripartite Commission for Restitution of Monetary Gold are included with the holdings of continental OEEC countries and dependencies. Figures represent (1) reported and estimated gold reserves of central banks and governments, (2) official and private short-term dollar holdings reported by banks in the United States, including foreign-held deposits, U. S. Government securities, and certain other short-term liabilities to foreigners, and (3) estimated holdings of U. S. Government bonds and notes with original maturities of more than one year. Figures for 1937 are not strictly comparable with those for subsequent years owing to exclusion of long-term U. S. Government bonds and notes.

Source: Board of Governors of the Federal Reserve System.

