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Recorded message: 606-5303

PERSONAL INCOME AND OUTLAYS: SEPTEMBER 2000

Personal income increased \$90.3 billion, or 1.1 percent, and disposable personal income (DPI) increased \$77.7 billion, or 1.1 percent, in September, according to the Commerce Department's Bureau of Economic Analysis. Personal consumption expenditures (PCE) increased \$55.4 billion, or 0.8 percent. In August, personal income increased \$32.4 billion, or 0.4 percent, DPI increased \$16.7 billion, or 0.2 percent, and PCE increased \$33.6 billion, or 0.5 percent, based on revised estimates.

	May	June	2000 July (Percent change from preceding month)	Aug.	Sept.
Personal income, current dollars	0.3	0.5	0.3	0.4	1.1
Disposable personal income:					
Current dollars	.3	.4	.2	.2	1.1
Chained (1996) dollars	.4	.1	.0	.2	.7
Personal consumption expenditures:					
Current dollars	.3	.5	.6	.5	.8
Chained (1996) dollars	.3	.2	.4	.5	.4

Personal income for September was affected by increases in federal agricultural subsidy payments to farm proprietors and to owners of leased farm land (nonoperator landlords). These payments, which affected farm proprietors' income and rental income of persons, boosted personal income \$61.0 billion at an annual rate in September, compared with \$0.4 billion in August. Excluding these payments, personal income increased \$29.7 billion, or 0.4 percent, in September.

Wages and salaries

Private wage and salary disbursements increased \$25.8 billion in September, compared with an increase of \$9.5 billion in August. Goods-producing industries' payrolls increased \$0.1 billion, in contrast to a decrease of \$3.2 billion; manufacturing payrolls decreased \$2.4 billion, compared with a decrease of \$4.3 billion. Distributive industries' payrolls increased \$16.3 billion, compared with an increase of \$2.1 billion. Service industries' payrolls increased \$9.5 billion, compared with an increase of \$10.6 billion.

Government wage and salary disbursements increased \$1.1 billion in September, compared with an increase of \$1.2 billion in August. A decline in the number of temporary workers for Census 2000 subtracted \$0.5 billion at an annual rate from federal civilian payrolls in September, compared with a subtraction of \$2.6 billion at an annual rate in August.

Other personal income

Proprietors' income increased \$42.6 billion in September, compared with an increase of \$8.6 billion in August. Farm proprietors' income increased \$48.4 billion, in contrast to a decrease of \$2.4 billion. The changes in farm proprietors' income reflected the pattern of specially authorized federal farm subsidy payments, which boosted income \$50.1 billion (at an annual rate) in September, \$0.3 billion in August, and \$1.2 billion in July. Nonfarm proprietors' income decreased \$5.7 billion in September, in contrast to an increase of \$10.9 billion in August. Real estate brokers' commissions more than accounted for the decrease in nonfarm proprietors' income in September and accounted for most of the increase in August.

Transfer payments increased \$4.2 billion in September, compared with an increase of \$6.1 billion in August. Personal interest income increased \$3.4 billion, compared with an increase of \$4.1 billion. Personal dividend income increased \$2.6 billion, compared with an increase of \$2.4 billion.

Rental income of persons increased \$9.9 billion in September, in contrast to a decrease of \$1.1 billion in August. The changes in rental income of persons also reflected the pattern of federal farm subsidy payments to owners of leased farm land (nonoperator landlords), which boosted income \$10.9 billion (at an annual rate) in September, \$0.1 billion in August, and \$0.3 billion in July.

Personal contributions for social insurance -- a subtraction in calculating personal income -- increased \$1.8 billion in September, compared with an increase of \$0.7 billion in August.

Personal taxes and disposable personal income

Personal tax and nontax payments increased \$12.6 billion in September, compared with an increase of \$15.7 billion in August. Disposable personal income (DPI) -- personal income less personal tax and nontax payments -- increased \$77.7 billion, or 1.1 percent, in September, compared with an increase of \$16.7 billion, or 0.2 percent, in August.

Personal outlays and personal saving

Personal outlays -- PCE, interest paid by persons, and personal transfer payments to the rest of the world (net) -- increased \$57.0 billion in September, compared with an increase of \$35.7 billion in August. PCE increased \$55.4 billion, compared with an increase of \$33.6 billion.

Personal saving -- DPI less personal outlays -- was a negative \$7.8 billion in September, compared with a negative \$28.4 billion in August. Saving from current income may be near zero or negative when outlays are financed by borrowing (including through credit cards or home equity loans), by selling investments or other assets, or by using savings from previous periods. Personal saving as a percentage of disposable personal income was a negative 0.1 percent in September, compared with a negative 0.4 percent in August.

Real DPI and real PCE

Real DPI -- DPI adjusted to remove price changes -- increased 0.7 percent in September, compared with an increase of 0.2 percent in August.

Real PCE -- PCE adjusted to remove price changes -- increased 0.4 percent in September, compared with an increase of 0.5 percent in August. Purchases of durable goods increased 1.5 percent, compared with an increase of 0.9 percent. Purchases of motor vehicles and parts accounted for about two-thirds of the September increase. Purchases of nondurable goods decreased 0.1 percent in September, in contrast to an increase of 0.5 percent in August. Purchases of services increased 0.5 percent, compared with an increase of 0.4 percent.

Revisions

Estimates have been revised for July and August. Changes in personal income, current-dollar and chained (1996) dollar DPI, and current-dollar and chained (1996) dollar PCE for July and August -- revised and as published in last month's release -- are shown below.

	Change from preceding month							
	July		August		Previous		Revised	
	Previous	Revised	Previous	Revised	Previous	Revised	Previous	Revised
	(Dollars)		(Percent)		(Dollars)		(Percent)	
Personal Income:								
Current dollars	24.3	22.9	0.3	0.3	34.2	32.4	0.4	0.4
Disposable personal income:								
Current dollars	23.4	17.4	.3	.2	20.0	16.7	.3	.2
Chained (1996) dollars	6.9	1.5	.1	.0	18.6	14.8	.3	.2
Personal consumption expenditures:								
Current dollars	43.3	43.4	.6	.6	41.4	33.6	.6	.5
Chained (1996) dollars	25.9	26.3	.4	.4	38.5	30.4	.6	.5

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Next release -- Personal Income and Outlays for October will be released on November 30, 2000, at 8:30 A.M. EST.

Table 1.-Personal Income
[Billions of dollars]

	1998	1999	Apr 00	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/p/
Personal income.....	7,391.0	7,789.6	8,209.3	8,237.6	8,279.5	8,302.4	8,334.8	8,425.1
Wage and salary disbursements....	4,190.7	4,470.0	4,726.9	4,730.0	4,763.5	4,788.9	4,799.6	4,826.5
Private industries.....	3,498.0	3,745.6	3,969.9	3,966.6	4,003.4	4,025.1	4,034.6	4,060.4
Goods-producing industries....	1,038.6	1,089.2	1,148.3	1,142.2	1,150.8	1,162.2	1,159.0	1,159.1
Manufacturing.....	756.6	782.4	813.2	809.4	816.7	824.0	819.7	817.3
Distributive industries.....	949.1	1,020.3	1,091.5	1,090.2	1,105.5	1,112.1	1,114.2	1,130.5
Service industries.....	1,510.3	1,636.0	1,730.2	1,734.2	1,747.2	1,750.8	1,761.4	1,770.9
Government.....	692.7	724.4	757.0	763.4	760.1	763.8	765.0	766.1
Other labor income.....	485.5	501.0	518.4	520.5	522.5	525.1	527.5	529.9
Proprietors' income with inventory valuation and capital consumption adjustments.....	620.7	663.5	707.0	704.7	716.9	706.7	715.3	757.9
Farm.....	25.4	25.3	23.1	17.5	23.7	17.9	15.5	63.9
Nonfarm.....	595.2	638.2	683.9	687.1	693.2	688.8	699.7	694.0
Rental income of persons with capital consumption adjustment...	135.4	143.4	144.3	140.0	138.1	136.4	135.3	145.2
Personal dividend income.....	351.1	370.3	390.6	392.4	394.8	397.2	399.6	402.2
Personal interest income.....	940.8	963.7	1,026.1	1,030.9	1,036.8	1,041.5	1,045.6	1,049.0
Transfer payments to persons.....	983.0	1,016.2	1,053.8	1,077.3	1,067.3	1,068.7	1,074.8	1,079.0
Old-age, survivors, disability, and health insurance benefits..	578.0	588.0	613.4	634.4	625.0	623.5	627.2	631.0
Government unemployment insurance benefits.....	19.5	20.3	19.4	19.3	19.4	19.8	20.1	19.7
Other.....	385.4	407.9	420.9	423.5	422.9	425.4	427.5	428.4
Less: Personal contributions for social insurance.....	316.2	338.5	357.9	358.2	360.4	362.1	362.8	364.6

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r Revised.

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

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

	1998	1999	Apr 00	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/p/
Personal income.....	7,391.0	7,789.6	8,209.3	8,237.6	8,279.5	8,302.4	8,334.8	8,425.1
Less: Personal tax and nontax payments.....	1,070.9	1,152.0	1,269.6	1,274.1	1,287.9	1,293.5	1,309.2	1,321.8
Equals: Disposable personal income..	6,320.0	6,637.7	6,939.7	6,963.5	6,991.5	7,008.9	7,025.6	7,103.3
Less: Personal outlays.....	6,054.7	6,490.1	6,920.2	6,939.9	6,972.9	7,018.4	7,054.1	7,111.1
Personal consumption expenditures.	5,850.9	6,268.7	6,683.7	6,702.1	6,733.1	6,776.5	6,810.1	6,865.5
Interest paid by persons.....	179.8	194.8	208.1	209.5	211.4	213.0	215.1	216.7
Personal transfer payments to the rest of the world (net).....	24.0	26.6	28.3	28.3	28.3	28.9	28.9	28.9
Equals: Personal saving.....	265.4	147.6	19.5	23.6	18.7	-9.5	-28.4	-7.8
Addenda:								
Disposable personal income:								
Chained (1996) dollars/1/.....	6,134.1	6,331.0	6,483.2	6,507.4	6,515.6	6,517.1	6,531.9	6,578.7
Per capita:								
Current dollars.....	23,359	24,314	25,248	25,317	25,399	25,441	25,479	25,739
Chained (1996) dollars.....	22,672	23,191	23,587	23,658	23,670	23,656	23,689	23,838
Population (thousands).....	270,560	272,996	274,859	275,054	275,264	275,496	275,738	275,970
Personal saving as a percentage of disposable personal income....	4.2	2.2	.3	.3	.3	-.1	-.4	-.1

p Preliminary.

r Revised.

1. Disposable personal income in chained (1996) dollars equals the current-dollar figure divided by the implicit price deflator for personal consumption expenditures.

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

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

	1998	1999	Apr 00	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/p/
Personal income.....	454.0	398.6	47.7	28.3	41.9	22.9	32.4	90.3
Wage and salary disbursements.....	301.8	279.3	41.0	3.1	33.5	25.4	10.7	26.9
Private industries.....	273.3	247.6	37.6	-3.3	36.8	21.7	9.5	25.8
Goods-producing industries....	63.5	50.6	10.3	-6.1	8.6	11.4	-3.2	.1
Manufacturing.....	38.2	25.8	8.4	-3.8	7.3	7.3	-4.3	-2.4
Distributive industries.....	69.5	71.2	15.3	-1.3	15.3	6.6	2.1	16.3
Service industries.....	140.4	125.7	12.2	4.0	13.0	3.6	10.6	9.5
Government.....	28.4	31.7	3.4	6.4	-3.3	3.7	1.2	1.1
Other labor income.....	10.1	15.5	2.2	2.1	2.0	2.6	2.4	2.4
Proprietors' income with inventory valuation and capital consumption adjustments.....	39.5	42.8	.4	-2.3	12.2	-10.2	8.6	42.6
Farm.....	-4.3	-.1	1.4	-5.6	6.2	-5.8	-2.4	48.4
Nonfarm.....	43.7	43.0	-1.0	3.2	6.1	-4.4	10.9	-5.7
Rental income of persons with capital consumption adjustment...	7.1	8.0	-2.7	-4.3	-1.9	-1.7	-1.1	9.9
Personal dividend income.....	16.2	19.2	1.7	1.8	2.4	2.4	2.4	2.6
Personal interest income.....	76.8	22.9	4.9	4.8	5.9	4.7	4.1	3.4
Transfer payments to persons.....	20.8	33.2	2.9	23.5	-10.0	1.4	6.1	4.2
Old-age, survivors, disability, and health insurance benefits..	12.2	10.0	2.3	21.0	-9.4	-1.5	3.7	3.8
Government unemployment insurance benefits.....	-.4	.8	-.3	-.1	.1	.4	.3	-.4
Other.....	8.9	22.5	.8	2.6	-.6	2.5	2.1	.9
Less: Personal contributions for social insurance.....	18.3	22.3	2.7	.3	2.2	1.7	.7	1.8
Less: Personal tax and nontax payments.....	102.1	81.1	18.4	4.5	13.8	5.6	15.7	12.6
Equals: Disposable personal income..	351.8	317.7	29.3	23.8	28.0	17.4	16.7	77.7
Less: Personal outlays.....	339.4	435.4	14.0	19.7	33.0	45.5	35.7	57.0
Personal consumption expenditures..	321.6	417.8	12.4	18.4	31.0	43.4	33.6	55.4
Interest paid by persons.....	15.0	15.0	1.7	1.4	1.9	1.6	2.1	1.6
Personal transfer payments to the rest of the world (net).....	2.8	2.6	-.2	.0	.0	.6	.0	.0
Equals: Personal saving.....	12.5	-117.8	15.3	4.1	-4.9	-28.2	-18.9	20.6
Addendum: Disposable personal income: chained (1996) dollars.....	279.6	196.9	27.3	24.2	8.2	1.5	14.8	46.8

p Preliminary.

r Revised.

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

Table 4.-Personal Consumption Expenditures by Major Type of Product
[Seasonally adjusted at annual rates]

	1998	1999	Apr 00	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/p/
Billions of current dollars								
Personal consumption expenditures...	5,850.9	6,268.7	6,683.7	6,702.1	6,733.1	6,776.5	6,810.1	6,865.5
Durable goods.....	693.9	761.3	819.2	812.2	811.5	817.3	822.0	834.1
Nondurable goods.....	1,707.6	1,845.5	1,989.2	1,994.6	2,009.1	2,024.3	2,027.5	2,045.1
Services.....	3,449.3	3,661.9	3,875.3	3,895.3	3,912.5	3,934.9	3,960.5	3,986.4
Billions of chained (1996) dollars								
Personal consumption expenditures...	5,678.7	5,978.8	6,244.0	6,263.1	6,274.8	6,301.1	6,331.5	6,358.5
Durable goods.....	727.3	817.8	891.5	883.0	885.5	892.8	901.2	914.6
Nondurable goods.....	1,684.8	1,779.4	1,853.6	1,863.8	1,866.0	1,877.4	1,887.1	1,885.6
Services.....	3,269.4	3,390.8	3,513.9	3,529.6	3,536.7	3,545.0	3,558.2	3,574.8

Chain-type price indexes (1996=100)								
Personal consumption expenditures...	103.03	104.85	107.05	107.02	107.31	107.56	107.57	107.99
Durable goods.....	95.42	93.09	91.88	91.97	91.63	91.53	91.20	91.18
Nondurable goods.....	101.35	103.71	107.33	107.04	107.69	107.85	107.46	108.48
Services.....	105.50	107.99	110.30	110.37	110.64	111.01	111.32	111.52
Addendum:								
Personal consumption expenditures less food and energy.....	103.45	105.11	106.63	106.64	106.64	106.85	107.01	107.26
Change from preceding period								
Billions of current dollars								
Personal consumption expenditures...	321.6	417.8	12.4	18.4	31.0	43.4	33.6	55.4
Durable goods.....	51.4	67.4	-5.1	-7.0	-7	5.8	4.7	12.1
Nondurable goods.....	66.0	137.9	.0	5.4	14.5	15.2	3.2	17.6
Services.....	204.1	212.6	17.6	20.0	17.2	22.4	25.6	25.9
Billions of chained (1996) dollars								
Personal consumption expenditures...	254.8	300.1	11.5	19.1	11.7	26.3	30.4	27.0
Durable goods.....	70.0	90.5	-5.4	-8.5	2.5	7.3	8.4	13.4
Nondurable goods.....	64.9	94.6	3.5	10.2	2.2	11.4	9.7	-1.5
Services.....	122.4	121.4	12.4	15.7	7.1	8.3	13.2	16.6

Table 5.-Percent Change From Preceding Period in Selected Series

	1998	1999	Apr 00	May 00	Jun 00	Jul 00/r/	Aug 00/r/	Sep 00/p/
Based on current dollars								
Personal income.....	6.5	5.4	.6	.3	.5	.3	.4	1.1
Disposable personal income.....	5.9	5.0	.4	.3	.4	.2	.2	1.1
Personal consumption expenditures...	5.8	7.1	.2	.3	.5	.6	.5	.8
Durable goods.....	8.0	9.7	-.6	-.9	-.1	.7	.6	1.5
Nondurable goods.....	4.0	8.1	.0	.3	.7	.8	.2	.9
Services.....	6.3	6.2	.5	.5	.4	.6	.7	.7
Based on chained (1996) dollars								
Disposable personal income.....	4.8	3.2	.4	.4	.1	.0	.2	.7
Personal consumption expenditures...	4.7	5.3	.2	.3	.2	.4	.5	.4
Durable goods.....	10.6	12.4	-.6	-1.0	.3	.8	.9	1.5
Nondurable goods.....	4.0	5.6	.2	.5	.1	.6	.5	-.1
Services.....	3.9	3.7	.4	.4	.2	.2	.4	.5

p Preliminary.

r Revised.

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

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