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7

SURVEY OF CURRENT BUSINESS



UNITED STATES DEPARTMENT OF COMMERCE / BUREAU OF ECONOMIC ANALYSIS

SURVEY OF CURRENT BUSINESS

CONTENTS

THE BUSINESS SITUATION	1
Revisions of the NIPA's	1
Second-Quarter Developments	4
Employment Change by Industry	11
State Personal Income (Data)	13
Capital Expenditures by Business for Air, Water, and Solid Waste Pollution Abatement, 1975 and Planned 1976	14
International Travel and Passenger Fares: 1975	18
U.S. NATIONAL INCOME AND PRODUCT ACCOUNTS, 1973 TO SECOND QUARTER 1976	22
Summary Data	22
1. Gross National Product, Net National Product, and National Income	24
2. Personal Income and Outlay	32
3. Government Receipts and Expenditures	36
4. Foreign Transactions	43
5. Saving and Investment	44
6. Product, Income, and Employment by Industry	48
7. Implicit Price Deflators and Price Indexes	58
8. Supplementary Tables	64

CURRENT BUSINESS STATISTICS

General S1-S24

Industry S24-S40

Subject Index (Inside Back Cover)



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the BUSINESS SITUATION

THE revisions of the national income and product accounts (NIPA's) that are usually made each July are shown later in this issue. They cover the period beginning with the first quarter of 1973, and incorporate source data that were not at hand when the comprehensive benchmark revision of the NIPA's was completed last January. The preliminary estimates for the second quarter of 1976 that are reviewed later in the Business Situation are on the revised basis.

Revisions of the NIPA's

Significant revisions this July are confined to a few components of the income and product flow. The aggregates are affected only moderately, and the picture of the recent recession and subsequent recovery is not greatly changed (chart 1). The significant revisions are discussed below.

Gross national product

GNP was revised upward \$17.4 billion, or 1.2 percent, in 1975 (table 1). The revision in 1974, also upward, was much smaller, and in 1973 it was negligible.

The major 1975 revisions were in personal consumption expenditures (PCE), \$9.4 billion; State and local government purchases, \$6.5 billion; and residential investment, \$2.4 billion. The last of these was due largely to new information on additions and alterations, and transactions in existing residences. The 1975 revision in State and local government purchases, and a smaller one in 1974, was in payrolls and in purchases from business other than of structures.

The 1975 revision in PCE was in motor vehicles and parts, and in

services. An upward revision of \$3.7 billion in the former was due to new information on consumer truck purchases and used autos, and was largely offset by a downward revision in producers' durable equipment. Services

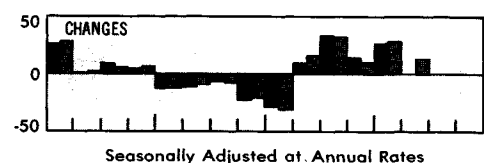
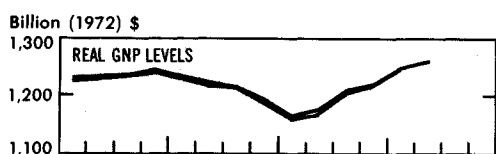
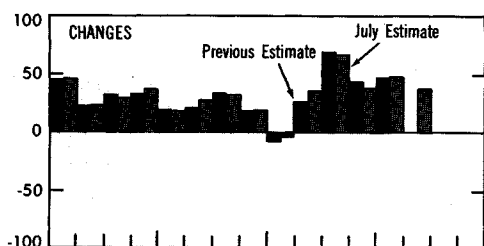
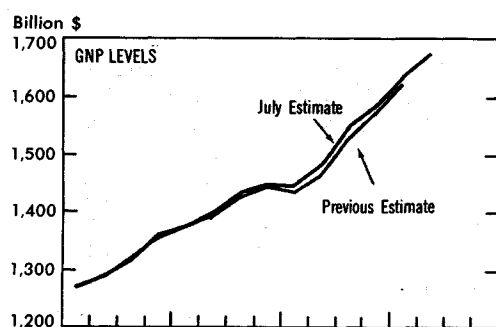
was revised \$6.4 billion; \$1.4 billion was in housing, and most of the remainder in the "other" category. In the "other" category, a large part of the upward revision was in medical services, imputed interest, and recrea-

Table 1.—Gross National Product

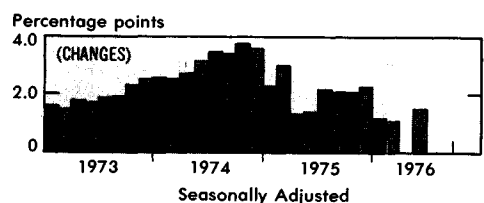
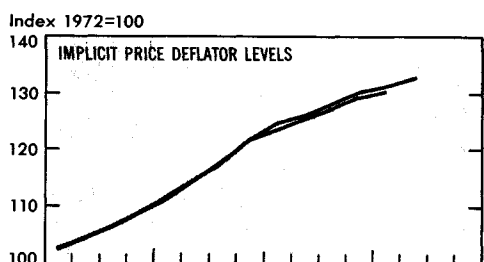
	1973			1974			1975		
	Pre- vious esti- mate	July esti- mate	Revi- sion	Pre- vious esti- mate	July esti- mate	Revi- sion	Pre- vious esti- mate	July esti- mate	Revi- sion
Billions of current dollars									
Gross national product.....	1,306.3	1,306.6	0.2	1,406.9	1,413.2	6.3	1,498.9	1,516.3	17.4
Personal consumption expenditures....	808.5	809.9	1.3	885.9	887.5	1.6	963.8	973.2	9.4
Fixed investment.....	203.0	202.1	-.9	202.5	204.3	1.8	197.3	198.3	1.1
Nonresidential.....	136.5	136.0	-.5	147.9	149.2	1.3	148.5	147.1	-1.4
Residential.....	66.5	66.1	-.4	54.6	55.1	.5	48.7	51.2	2.4
Change in business inventories.....	17.5	17.9	.4	9.7	10.7	.9	-14.6	-14.6	.0
Net exports.....	7.4	7.1	-.2	7.7	7.5	-.3	21.3	20.5	-.9
Government purchases of goods and services.....	269.9	269.5	-.4	301.1	303.3	2.2	331.2	339.0	7.8
Federal.....	102.0	102.2	.2	111.7	111.6	-.1	123.2	124.4	1.2
State and local.....	168.0	167.3	-.6	189.4	191.6	2.2	208.0	214.5	6.5
Billions of constant (1972) dollars									
Gross national product.....	1,233.4	1,235.0	1.6	1,210.7	1,214.0	3.2	1,186.1	1,191.7	5.6
Personal consumption expenditures....	766.3	767.7	1.3	759.8	759.1	-.7	766.9	770.3	3.5
Fixed investment.....	191.4	190.7	-.7	172.2	173.5	1.3	148.8	149.8	1.0
Nonresidential.....	131.3	131.0	-.3	127.5	128.5	1.0	112.2	111.4	-.8
Residential.....	60.1	59.7	-.4	44.7	45.0	.3	36.6	38.4	1.8
Change in business inventories.....	16.0	16.5	.5	7.7	8.5	.7	-10.5	-12.0	-1.5
Net exports.....	7.2	7.6	.4	16.6	16.5	-.2	23.4	22.6	-.8
Government purchases of goods and services.....	252.5	252.5	.1	254.3	256.4	2.1	257.6	261.0	3.4
Federal.....	96.1	96.6	.5	95.0	95.3	.3	94.3	95.7	1.4
State and local.....	156.3	155.9	-.4	159.3	161.1	1.7	163.3	165.2	2.0
Implicit price deflator (Index numbers, 1972=100)									
Gross national product.....	105.92	105.80	-.12	116.20	116.41	.21	126.37	127.25	.87
Personal consumption expenditures....	105.5	105.5	-.0	116.6	116.9	.3	125.7	126.3	.7
Fixed investment.....	106.0	106.0	-.1	117.6	117.7	.1	132.6	132.4	-.2
Nonresidential.....	104.0	103.8	-.2	116.0	116.1	.1	132.3	132.1	-.3
Residential.....	110.6	110.8	.2	122.1	122.3	.2	133.3	133.2	-.1
Change in business inventories.....									
Net exports.....									
Government purchases of goods and services.....	106.9	106.7	-.2	118.4	118.3	-.1	128.6	129.9	1.3
Federal.....	106.1	105.8	-.3	117.6	117.1	-.5	130.6	130.0	-.7
State and local.....	107.5	107.3	-.1	118.9	119.0	.1	127.4	129.8	2.4

CHART 1

Gross National Product, Real Gross National Product, and Implicit Price Deflator



Seasonally Adjusted at Annual Rates



Seasonally Adjusted

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

76-7-1

tion. Revisions in medical services also affected the estimates for 1974 and 1973, but to a much smaller extent than in 1975.

The 1975 upward revision in real GNP, which is shown in the second panel of table 1, amounted to 0.5 percent, as compared with the 1.2 percent revision in current-dollar GNP. The difference reflects a 0.7 percent revision in the implicit price deflator, shown in the third panel of the table. The revision in the deflator is traceable in large part to the used car margin and to the "other" services components—particularly medical services and personal business services—of PCE. The remainder of the upward revision in the GNP deflator was in State and local government purchases, and was due to a larger increase in average employee compensation than had been estimated earlier.

The pattern of the revisions in the components of real GNP was similar to that in the current-dollar GNP components. However, there are two exceptions to this statement. In 1975, there was a revision in the constant-dollar change in business inventories that had no counterpart in the current-dollar estimates. It was largely due to the use of a more detailed procedure for converting inventories into real terms. In 1974, constant-dollar PCE was revised downward, in contrast to the upward revision in the current-dollar estimate, as upward revisions in prices—largely

in "other" services—more than offset revisions in current dollars.

The revisions did not significantly affect the picture of the last business cycle. Small differences can be noted, although they are within the margin of error of the estimates. The decline in real GNP is about the same in the new as in the old estimates: The reduction in inventory investment appears to have been a shade larger, but final sales held up a little better. The subsequent recovery was also about the same: The increase in PCE was a little stronger, but nonresidential fixed investment was a little weaker.

Charges against GNP

Charges against GNP—the costs incurred and profits earned in the production of GNP—is shown in table 2. There were more large revisions in the charges components than in the GNP components.

Compensation of employees was raised \$7.3 billion in 1975. A revision in wages and salaries accounted for \$5.0 billion of this total, and reflected mainly earnings in employment covered by State unemployment insurance systems. Revisions were made also in earnings in noncovered employment, including State and local government payrolls. The revisions relating to noncovered employment also affected the estimates for 1974. A \$2.3 billion revision in supplements to wages and salaries in 1975 was in employer contributions for social

Table 2.—Charges Against Gross National Product

[Billions of dollars]

	1973			1974			1975		
	Previous estimate	July estimate	Revision	Previous estimate	July estimate	Revision	Previous estimate	July estimate	Revision
Charges against gross national product.....	1,306.3	1,306.6	0.2	1,406.9	1,413.2	6.3	1,498.9	1,516.3	17.4
Compensation of employees.....	797.7	799.2	1.4	873.0	875.8	2.8	921.4	928.8	7.3
Proprietors' income.....	91.7	92.4	.7	85.1	86.9	1.8	83.3	90.2	6.8
Rental income of persons.....	21.3	21.6	.2	21.0	21.0	.1	21.1	22.4	1.3
Corporate profits with inventory valuation and capital consumption adjustments.....	100.2	99.1	-1.1	91.3	84.8	-6.4	100.3	91.6	-8.7
Net interest.....	56.3	52.3	-3.9	70.7	67.1	-3.6	81.6	74.6	-7.0
Capital consumption allowances with capital consumption adjustment.....	117.1	117.7	.6	134.0	137.7	3.7	152.0	161.4	9.4
Other charges (excluding statistical discrepancy).....	121.7	121.7	.0	132.4	133.1	.7	141.6	143.0	1.3
Statistical discrepancy.....	.4	2.6	2.3	-.6	6.6	7.2	-2.6	4.4	7.0

Table 3.—Corporate Profits

[Billions of dollars]

	1973			1974			1975		
	Pre- vious esti- mate	July esti- mate	Revi- sion	Pre- vious esti- mate	July esti- mate	Revi- sion	Pre- vious esti- mate	July esti- mate	Revi- sion
Profits before tax.....	117.0	115.8	-1.2	132.1	127.6	-4.5	116.8	114.5	-2.2
Financial corporations.....	17.4	16.2	-1.2	17.3	14.1	-3.1	16.2	12.9	-3.3
Nonfinancial corporations.....	99.6	99.5	-.1	114.9	113.5	-1.4	100.6	101.7	1.1
Manufacturing.....	53.8	54.2	.5	58.7	58.7	.0	50.6	52.1	1.4
Petroleum.....	5.7	5.5	-.2	9.3	10.7	1.3	6.5	9.5	3.0
Metals, primary and fabricated.....	5.5	5.8	.2	8.2	10.2	2.0	5.0	7.0	2.0
Other manufacturing.....	42.5	43.0	.5	41.1	37.9	-3.2	39.1	35.6	-3.5
Other nonfinancial corporations.....	45.8	45.3	-.5	56.1	54.7	-1.4	50.0	49.6	-.4
IVA and CCAdj.....	-16.8	-16.7	.1	-40.8	-42.8	-2.0	-16.5	-22.9	-6.4
Corporate profits with IVA and CCAdj.....	100.2	99.1	-1.1	91.3	84.8	-6.4	100.3	91.6	-8.7
Profits tax liability.....	48.2	48.7	.5	52.6	52.4	-.2	45.6	49.2	3.7
Profits after tax with IVA and CCAdj.....	51.9	50.4	-1.5	38.7	32.4	-6.3	54.7	42.4	-12.3
Dividends.....	27.8	27.8	-.0	31.1	30.8	-.3	32.8	32.1	-.7
Undistributed profits with IVA and CCAdj.....	24.1	22.6	-1.5	7.6	1.7	-5.9	21.9	10.3	-11.6

NOTE.—IVA is inventory valuation adjustment and CCAdj. is capital consumption adjustment.

insurance and to private health insurance funds. Revisions in employer contributions to the latter funds also raised the estimates for 1974 and 1973.

Proprietors' income with inventory valuation and capital consumption adjustments was raised \$6.8 billion in 1975. Most of the revision was in the nonfarm component, particularly in trade and mining. A similar industrial pattern underlay a much smaller revision of proprietors' income in 1974.

The corporate profits component of national income was revised downward \$8.7 billion in 1975. Corporate profits in this context are measured before tax and after adjustments to handle consistently the service lives and depreciation formulas for fixed capital used up in production, and to value both fixed capital and inventories used up at replacement cost. As shown in table 3, \$2.2 billion of the revision was in unadjusted before-tax profits. Before-tax profits of financial corporations was reduced \$3.3 billion. There were large upward revisions in the unadjusted before-tax profits of petroleum refiners and metal producers; profits in all other manufacturing industries were reduced. The industrial pattern of the 1974 revisions was similar. The remainder of the revision was mainly in the capital consumption adjustment, and was due in large part to "startup" problems in estimating this item, which was first introduced as a part of the recent benchmark revision.

Profits tax liability was revised upward \$3.7 billion in 1975. This revision reflected the use of company reports on provisions for taxes. In the previously published estimates, the effective tax rate for 1974 had been used to estimate 1975 tax liability. This procedure has many limitations—most important, it cannot take into account changes in corporate deficits. Reflecting the several revisions mentioned, after tax profits with inventory valuation and capital consumption adjustments was reduced \$12.3 billion in 1975, and \$6.3 billion in 1974. With only minor revisions in dividends, undistributed profits with inventory valuation and capital consumption adjustments was reduced by similar amounts. In the light of these revisions, the recent course of before- and after-tax and undistributed profits is seen to have been even less favorable than appeared in the previous estimates.

Net interest was revised downward \$7.0 billion in 1975, and by large amounts also in 1974 and 1973 (table 2). When all of the source data are available, this item is estimated by calculating interest paid less interest received, both monetary and imputed, in considerable legal form detail. In the past, much of the requisite information became available only with a lag of 3 years; in the meantime, preliminary procedures were used that are unreliable if the structures of interest rates and debt change rapidly, as they did in

the 1973-75 period. Substantial progress has been made in obtaining the source data more quickly, and work is underway to increase the reliability of the preliminary procedures.

Capital consumption allowances with capital consumption adjustment was revised upward \$9.4 billion in 1975 and by smaller amounts in 1973 and 1974. About half of this revision was explained in connection with the corporate capital consumption adjustment. The remainder was largely due to new information on tax-return based capital consumption for 1974 and its extrapolation into 1975.

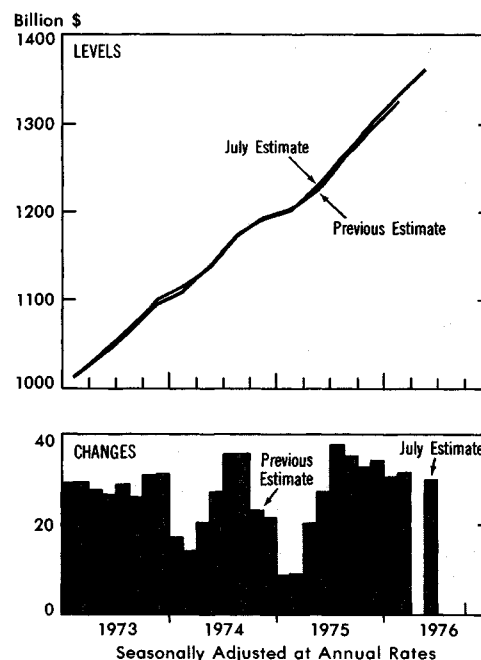
The net revision in charges against GNP differed from the net revision in GNP, and accordingly, the statistical discrepancy changed. In each year affected by the July revisions, it now shows an excess of GNP estimated from the product side over GNP estimated from the charges side.

Personal and government transactions

Many of the revisions discussed so far carry through into personal income and outlay (table 4 and chart 2). As a result, there was a downward revision in the personal saving rate from 8.3 to 7.8 percent in 1975. Annual

CHART 2

Personal Income



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

76-7-2

Table 4.—Personal Income, Outlay, and Saving

[Billions of dollars]

	1973			1974			1975		
	Previous estimate	July estimate	Revision	Previous estimate	July estimate	Revision	Previous estimate	July estimate	Revision
Personal income.....	1,054.3	1,052.4	-1.8	1,154.7	1,153.3	-1.4	1,245.9	1,249.7	3.8
Less: Personal tax and nontax payments.....	151.2	150.8	-.4	171.2	170.4	-.8	169.2	168.8	-.4
Equals: Disposable personal income..	903.1	901.7	-1.4	983.6	982.9	-.6	1,076.7	1,080.9	4.2
Less: Personal outlays.....	830.4	831.3	.9	909.5	910.7	1.2	987.8	996.9	9.1
Equals: Personal saving.....	72.7	70.3	-2.3	74.0	72.2	-1.8	88.9	84.0	-4.9
Personal saving rate (percent).....	8.0	7.8	-.2	7.5	7.3	-.2	8.3	7.8	-.5

downward revisions were smaller in the earlier years, although some of the quarterly revisions were large.

Another revision with interesting implications is the increased State and local government deficit. Largely reflecting the upward revision in State and local purchases, the surplus was reduced \$2.9 billion in 1975 (table 5). The surplus of social insurance funds was revised upward \$0.9 billion, and the downward revision in the surplus of regular operating funds was \$3.9 billion. This was not much different from the revision in the Federal deficit also shown in the table, but taking into account the relative size of the two balances, the change in the picture of the fiscal position of State and local government that emerges is much more significant.

Second-Quarter Developments

The increase in real GNP in the second quarter was about half that in the first—4½ percent at an annual rate as compared with 9 percent. The deceleration was traceable to inventories. Inventory investment in the second quarter was at about the same rate as in the first, and so did not contribute to the increase in real GNP. In contrast, there had been a large swing in inventory investment from liquidation in the fourth quarter to accumulation in the first; this swing was the principal factor in the unusually large first-quarter increase in GNP (table 6 and chart 3).

Final sales increased at about the same rate as GNP and one percentage point more than they had increased in

the first quarter. PCE increased much less in the second quarter than in the first—about 4 percent at an annual rate as compared with 9 percent. A substantial deceleration was to be expected, mainly because of the unsustainability of the large first-quarter increase in PCE for autos. The major offset to the deceleration of PCE was in net exports. Government purchases was a secondary factor offsetting PCE. These purchases increased a little in the second quarter after a comparable drop in the first.

After slowing from a 7 percent annual rate in the second half of 1975 to 3 percent in the first quarter, inflation as measured by the GNP implicit price deflator increased to 4½ percent in the second quarter. A decrease in consumer prices for food and energy had been the major factor in the abnormally low first-quarter rate. Month-to-month increases in these prices began in the second quarter, and on a quarterly basis more than accounted for the step-up in overall inflation.

Employment and unemployment.—Employment increased somewhat less in the second quarter than in the first; this

holds for both the household and establishment surveys. On a monthly basis, more deceleration is visible. According to the household survey, the May increase in employment was less than the April increase, and employment in June was down. A similar pattern appears in the establishment survey if allowance is made for strikes.

This year's pronounced decline in the unemployment rate was interrupted in June. In that month, the seasonally adjusted rate increased from 7.3 to 7.5 percent. This increase has been attributed by some faulty seasonal adjustment factors. It is difficult to accept this view, because all of the unemployment rates calculated by the Bureau of Labor Statistics that are based on the alternative seasonal adjustment procedures that have most frequently been advocated show an increase from May to June. However, it is difficult to separate seasonal from cyclical variations, and the large cyclical variations that occurred in recent years have aggravated the problem. In these circumstances, it is quite possible that no seasonal adjustment procedure has been fully successful.

Output-hours-compensation relationships.—Recent changes in output per hour, compensation per hour, and unit labor cost are shown in table 7. The table differs in two ways from earlier presentations of this material. First, gross product originating in housing has been excluded so that the new table covers the business economy other than farm and housing. The reason for excluding gross product originating in housing is that labor services do not contribute significantly to it. Second, a change was made in the treatment of

Table 5.—Government Receipts, Expenditures, and Surplus or Deficit

[Billions of dollars]

	1973			1974			1975		
	Previous estimate	July estimate	Revision	Previous estimate	July estimate	Revision	Previous estimate	July estimate	Revision
Federal:									
Receipts.....	257.9	258.3	0.4	288.4	288.2	-0.2	282.3	286.5	4.2
Expenditures.....	264.8	265.0	.2	300.1	299.7	-.4	356.9	357.8	.9
Surplus or deficit (-), national income and product accounts.....	-6.9	-6.7	.2	-11.7	-11.5	.2	-74.6	-71.2	3.4
State and local:									
Receipts.....	193.8	193.5	-.3	209.4	210.2	.8	232.4	234.3	2.0
Expenditures.....	180.9	180.5	-.4	201.3	203.0	1.7	222.6	227.5	4.9
Surplus or deficit (-), national income and product accounts.....	12.9	13.0	.1	8.1	7.3	-.8	9.8	6.9	-2.9

Table 6.—Gross National Product in Current and Constant Dollars

[Seasonally adjusted at annual rates]

	Current dollars				Constant (1972) dollars							
	Billions of dollars								Percent change from preceding quarter (annual rate)			
	1975		1976		1975		1976		1975	1976		
	III	IV	I	II	III	IV	I	II	IV	I	II	
Gross national product	1,548.7	1,588.2	1,636.2	1,673.0	1,209.3	1,219.2	1,246.3	1,259.7	3.3	9.2	4.4	
Final sales	1,550.6	1,592.5	1,621.4	1,659.7	1,210.2	1,224.7	1,235.9	1,250.2	5.5	3.7	4.7	
Change in business inventories..	-2.0	-4.3	14.8	13.3	-1.0	-5.5	10.4	9.5	-----	-----	-----	
Less: Rest-of-the-world product..	11.3	11.1	13.0	10.5	5.3	5.1	5.9	4.8	-11.3	77.3	-57.6	
Equals: Gross domestic product..	1,537.4	1,577.1	1,623.2	1,662.5	1,204.0	1,214.1	1,240.4	1,254.9	3.4	9.0	4.8	

the "residual"—the constant-dollar counterpart of the statistical discrepancy—in deriving the estimate of output. Hitherto, nonfarm business output was derived by deducting from GNP the output originating in the rest of the world, in households and institutions, in government, and in farming. In other words, the residual was considered to be a part of nonfarm business output. According to the new procedure, the residual is deducted as well. The new procedure is preferable, because the previous procedure implied incorrectly that the residual arises in the estimation of nonfarm business output; actually a part of the residual may arise in the estimation of farm output. More generally, calculation of nonfarm business output from the income side—that is, excluding the residual—is preferable, because compensation is a large part of output calculated from the income side. Therefore, a measure of total output calculated from the income side is likely to be more consistent with compensation and the associated hours

Table 7.—Output and Compensation Per Hour, and Unit Labor Cost in the Business Economy Other than Farm and Housing

[Percent change from preceding quarter, seasonally adjusted at annual rates]

	1975		1976	
	IV	I	II	
Output per hour.....	-2.4	5.8	5.0	
Compensation per hour.....	6.4	9.1	9.5	
Unit labor cost.....	8.9	3.1	4.3	

measures than is a measure of output that is calculated from the product side.

The new procedure introduces a difficulty into the estimation of the current quarter—in the present review, the second quarter of 1976. Estimates of corporate profits are not available for that quarter at the time the preliminary estimates are made, and consequently the residual is not known. To fill this gap, the previous quarter's residual will be held constant in calculating the preliminary estimates of nonfarm business output for inclusion in this table and in table 15.

The most interesting feature shown by the table is that the increase in output per hour—5 percent at an annual rate—was only a little less than in the first quarter. Real output in business other than farm and housing was up about 5½ percent, as compared with 10½ percent in the first quarter. Given this deceleration, the strong performance of productivity is traceable to the fact that aggregate hours worked in this segment of business were up only minimally. Compensation per hour continued to increase at more than 9 percent. Unit labor cost in the second quarter increased about 4½ percent as compared with 3 percent in the first quarter.

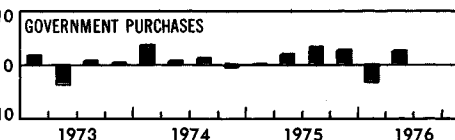
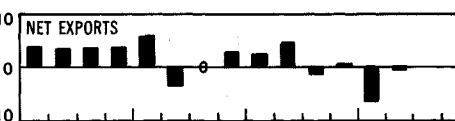
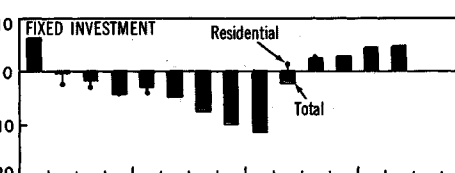
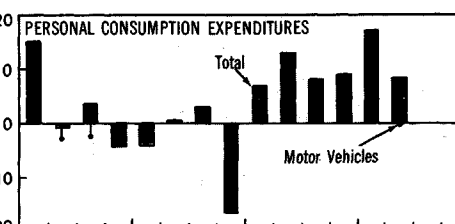
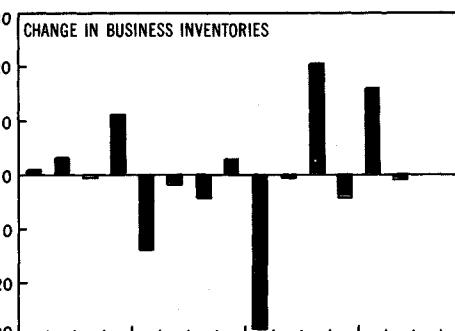
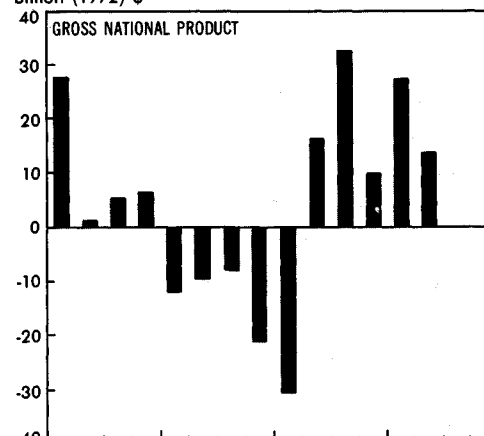
Prices

Table 8 shows implicit price deflators for GNP and two related aggregates—final sales, and final sales less exports plus imports—and component product

CHART 3

Real Product: Changes From Preceding Quarter

Billion (1972) \$



Seasonally Adjusted at Annual Rates

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

76-73

Table 8.—Implicit Price Deflators

(Seasonally adjusted)

	Index numbers (1972=100)						Percent change from preceding quarter (annual rate)					
	1975				1976		1975			1976		
	I	II	III	IV	I	II	II	III	IV	I	II	
Gross national product.....	124.55	125.93	128.07	130.27	131.29	132.81	4.5	7.0	7.1	3.2	4.7	
Less: Change in business inventories.....												
Equals: Final sales.....	124.3	126.2	128.1	130.0	131.2	132.8	6.4	6.2	6.1	3.6	4.9	
Less: Exports.....	163.4	163.0	163.4	163.7	164.6	167.6	-1.1	.9	.8	2.3	7.4	
Plus: Imports.....	188.9	186.9	186.6	187.3	189.2	190.0	-4.0	-.8	1.6	4.1	1.8	
Equals: Final sales less exports plus imports.....	125.1	126.7	128.8	130.8	132.3	133.7	5.3	6.6	6.4	4.7	4.4	
Personal consumption expenditures.....	123.7	125.1	127.3	129.1	130.3	131.6	4.8	7.3	5.6	3.9	4.0	
Food.....	136.8	137.5	140.8	141.7	141.1	141.6	1.8	10.0	2.7	-1.7	1.2	
Energy ¹	146.6	149.8	158.9	162.7	160.0	159.9	9.1	26.6	9.8	-6.6	-2.2	
Other personal consumption expenditures.....	118.0	119.6	121.1	123.0	125.0	126.6	5.3	5.2	6.4	6.6	5.4	
Other.....	127.8	129.8	131.5	134.0	136.0	137.7	6.2	5.3	7.7	6.3	5.1	
Nonresidential structures.....	141.6	141.5	141.4	142.0	143.3	144.4	-.2	-.5	1.8	3.6	3.1	
Producers' durable equipment.....	123.5	127.1	128.3	130.8	132.8	134.1	12.2	4.0	8.1	6.1	4.0	
Residential.....	131.5	132.1	132.8	135.9	139.0	141.0	2.0	2.0	9.8	9.5	5.9	
Government purchases.....	126.7	128.6	130.8	133.4	135.4	137.2	6.3	6.9	8.2	6.2	5.4	

1. Gasoline and oil, fuel oil and coal, electricity, and gas.

flows. The relations among the deflators for these aggregates are technical, and therefore are seldom explained. In recent quarters, shifts in inventories, exports, and imports, and their prices, make it worthwhile to attempt an explanation.

The deflator for GNP accelerated from a 3.2 percent annual rate in the first quarter to 4.7 percent in the second. The corresponding acceleration in the deflator for final sales (GNP less change in business inventories) was somewhat less—from 3.6 percent to 4.9 percent. The effect of the change in business inventories (CBI) in the fourth quarter, when it was lower priced relative to the 1972 valuation period than the average of other GNP prices and when it was negative, was to raise the GNP deflator substantially relative to the deflator for final sales. In the first quarter, when the CBI was a little higher priced and positive, its effect on the spread between the two deflators was in the same direction but smaller. In the second quarter, when the CBI was priced like in the first quarter and was a positive amount of similar magnitude, its effect on the spread between the two deflators was about the same as in the first quarter. Accordingly, the percentage increase in the deflator for final sales from the fourth quarter to the first was larger than that in the GNP

deflator, and about the same from the first to the second, so that its acceleration was smaller.

In contrast to the final sales deflator, the deflator for final sales less exports plus imports—that is, final sales to U.S. purchasers—decelerated from the first quarter to the second, from 4.7 to 4.4 percent at an annual rate. In the first quarter, the percentage increase in the deflator for final sales to U.S. purchasers was larger than that in the

deflator for final sales, because the increase in the deflator for exports, which in effect is removed in going from final sales to final sales to U.S. purchasers, was smaller than the increase in the deflator for imports, which in effect is added. In the second quarter, the relation between the exports deflator and the imports deflator reversed, that is, the increase in the exports deflator exceeded that in the imports deflator. Consequently, the percentage increase in the deflator for final sales to U.S. purchasers was less than that in the deflator for final sales. The quarterly differences in the increases in the exports and imports deflators were sufficiently large to produce a deceleration in the deflator for final sales to U.S. purchasers.

As can be seen from the table, the deflators for most components of final sales to U.S. purchasers contributed to the deceleration. The exceptions were the deflators for food and for energy products. Both of these deflators had dropped in the first quarter. Based on information that is not yet complete, the deflator for food increased in the second quarter, and the energy deflator showed little change.

The second-quarter increase in food prices was limited by unexpected developments in the wholesale market for beef. After a short runup, wholesale

Table 9.—Personal Consumption Expenditures in Current and Constant Dollars

(Seasonally adjusted at annual rates)

	Current dollars				Constant (1972) dollars							
	Billions of dollars								Percent change from preceding quarter (annual rate)			
	1975		1976		1975		1976		1975	1976		
	III	IV	I	II	III	IV	I	II	IV	I	II	
Personal consumption expenditures.....	987.3	1,012.0	1,043.6	1,064.6	775.3	783.9	800.7	808.7	4.5	8.8	4.1	
Durables.....	136.0	141.8	151.4	154.1	115.1	118.0	124.3	124.6	10.4	23.2	1.0	
Motor vehicles and parts.....	56.3	59.2	68.0	69.7	47.2	48.2	54.8	54.7	9.6	66.1	-5.5	
Other durables.....	79.7	82.6	83.4	84.4	68.0	69.7	69.5	69.9	10.9	-1.2	2.2	
Nondurables.....	414.6	421.6	429.1	434.8	306.8	309.5	314.6	317.7	3.5	6.8	3.9	
Food.....	211.8	215.2	219.2	222.5	150.4	151.9	155.3	157.2	3.9	9.5	4.8	
Energy ¹	50.0	50.1	51.3	51.2	29.4	28.8	30.4	30.8	-7.0	24.3	4.7	
Other nondurables.....	152.9	156.3	158.5	161.1	127.1	128.8	128.8	129.7	5.6	.0	2.6	
Services.....	436.7	448.6	463.2	475.6	353.4	356.4	361.8	366.5	3.5	6.2	5.3	
Energy ²	29.5	29.6	31.0	30.9	20.7	20.2	21.0	20.6	-8.6	17.8	-8.6	
Other services.....	407.2	419.0	432.2	444.8	332.7	336.2	340.7	345.9	4.3	5.5	6.2	

1. Gasoline and oil, and fuel oil and coal.

2. Electricity and gas.

beef prices declined, mainly because unfavorable cost-price relationships led to increased slaughter. The prospect for beef prices is uncertain.

This year's grain crops appear better than they had earlier in the year. However, as a result of unfavorable weather conditions abroad, foreign demand is also likely to be higher than expected earlier. The Department of Agriculture has not changed its forecast of the year-to-year increase in food prices. This suggests that, on balance, the changes in the supply and demand for grain will not greatly affect the increases in food prices implied for the rest of the year.

The outlook for energy prices has been affected by the freeze on domestic crude oil prices recently imposed by the Federal Energy Administration. It appears that this freeze was imposed because an unexpected production mix of low priced "old" oil and high priced "new" oil had resulted in a higher than planned average oil price in February and March. Ceiling prices of old and new oil have been frozen at their June levels, and the freeze is expected to continue for several months. Consequently, gasoline prices and oil prices paid by final users, which have been increasing in recent months, are likely to be more stable in the short run. The longer run outlook for prices of oil products has become more uncertain because of several factors, including the upcoming routine review of oil price ceilings in the light of changes in the actual and prospective rate of overall inflation, and the possibility of changes in the basic decontrol legislation.

Personal outlays, income, and saving

Recent changes in PCE are shown in table 9 and chart 4. The chart shows percentage changes in total real PCE on the left side, and percentage changes in PCE components on the right side. The area covered by the components' bars is approximately equal to the area that depicts the changes in total PCE; consequently, the contribution of the several PCE components to the change in total PCE can be read from the chart. In the second quarter, PCE increased about 4 percent at an annual

rate, as compared with about 9 percent in the first quarter. Motor vehicles, food, and energy goods and services had made an extraordinary contribution to the total increase in the first quarter. The remainder of the increase had been in services other than energy; goods other than motor vehicles, food, and energy had been at a standstill. As discussed in the April issue of the SURVEY, a deceleration in motor vehicles, food, and energy was to be

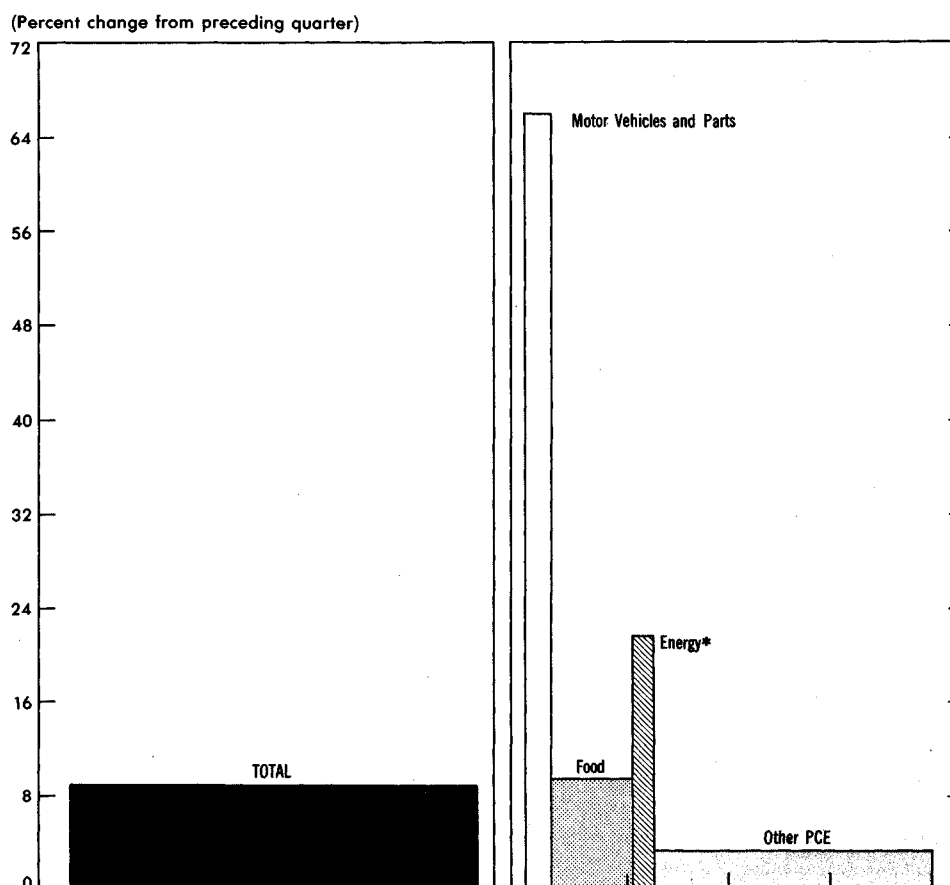
expected, and the smaller increase in PCE that materialized in the second quarter is not really surprising.

Recently a rekindling of inflationary tendencies has been cited to explain the poorer performance of PCE in the second quarter. Inasmuch as prices actually paid by consumers have continued to be fairly stable, we are dealing with an expectational hypothesis—and hypotheses of this kind are difficult to prove or disprove. In another attempt

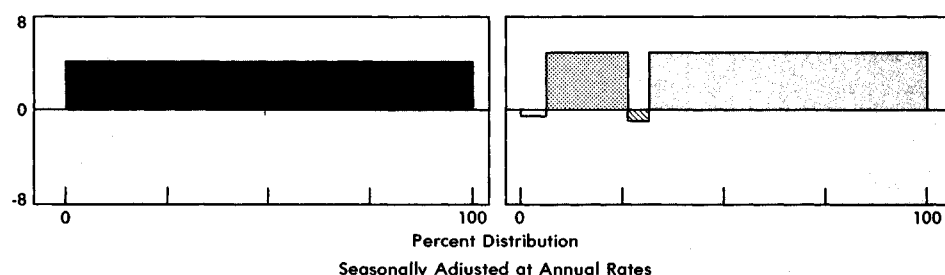
CHART 4

Real Personal Consumption Expenditures and Its Components

First Quarter 1976



Second Quarter 1976



*Gasoline and oil, fuel oil and coal, electricity and gas.

NOTE.—The area of the bar of each component is approximately proportionate to that component's contribution to the percentage change in total PCE.

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

76-74

to analyze consumer behavior, some have focused on retail sales in June, and have concluded that PCE has resumed its vigorous growth. Although it is quite reasonable to project a resumption of such growth, it should be noted that it is not yet visible in the information now available. What is suggested by this information is that consumer spending has moved up toward its peak in April without, however, reaching it.

Autos.—Table 10 shows auto output, a large part of which is sold to consumers. Several observations are suggested. (1) Real final sales of new autos increased more than unit sales,

because of a shift toward relatively high priced models. (2) the CBI of autos was small recently, indicating that production was matched by sales. The inventory-sales ratio for new cars had declined from the fourth quarter to the first as sales increased sharply and tended to stabilize thereafter along with sales. At 2.1, it corresponds to about 2 months' supply, which is generally considered normal. However, the composition of the stock is not balanced. It appears that there are excess stocks of small models and inadequate stocks of many of the faster-selling large models. (3) Used auto sales did less well than new auto sales in both the first and second quarters.

The table shows that net consumer purchases of used autos is larger than net business sales. The difference is accounted for by dealers' margins, which are paid by consumers. This helps explain a puzzling feature of the implicit price deflators shown in the third panel of the table—the deflator for PCE for autos increases from the first quarter to the second, whereas the corresponding deflator for producers' durable equipment (PDE) decreases over the same period. This divergent movement is traceable in part to unit margins, which increased over the period shown in the table because increases in unit margins are counted as price increases. Another part of the explanation is that in calculating PDE for autos, sales of used autos are deducted; accordingly,

a price increase for used autos contributed to the reduction of the deflator for new and used autos combined.

Personal income increased about \$30 billion at an annual rate in the second quarter, only a little less than in the first. Wage and salary disbursements increased substantially less, \$19 billion as compared with \$25 billion. The \$6 billion deceleration was spread across all major industry groups except government and government enterprises—the commodity-producing, distributive, and service industries each contributed about \$2 billion. Within the second quarter, deceleration became apparent in the commodity-producing and distributive industries in May. In June, payrolls in the distributive industries declined and were about flat in the commodity-producing and service industries. The monthly pattern was partly due to strikes, but a general decline in average hours worked was also important, especially in June.

Farm proprietors' income did better in the second quarter than in the first. Reflecting the course of farm prices, farm proprietors' income had dropped \$6½ billion at an annual rate in the first quarter, but increased \$5½ billion in the second. Transfer payments were the third category of personal income that showed a significant change in pace. They declined about \$1 billion in the second quarter after an increase of \$6 billion in the first. First-quarter transfer payments had been inflated by the speed-up of veterans life insurance dividends and by payments under the

Table 10.—Auto Output

[Seasonally adjusted]

	1975		1976	
	IV	I	I	II
	Billions of current dollars at annual rates			
Auto output.....	51.0	61.2	63.5	
Final sales.....	51.8	59.7	61.1	
PCE.....	45.1	52.6	54.2	
New.....	32.6	39.4	40.0	
Used, net.....	12.4	13.2	14.3	
PDE.....	8.1	9.4	8.7	
New.....	14.0	15.4	15.7	
Used, net.....	-5.9	-6.0	-7.0	
Net exports.....	-1.9	-2.8	-2.3	
Exports.....	6.2	6.1	6.5	
Imports.....	8.2	8.9	8.8	
Government purchases.....	.5	.6	.5	
Change in business inventories.....	-8	1.5	2.3	
	Billions of 1972 dollars at annual rates			
Auto output.....	42.6	50.4	51.2	
Final sales.....	43.4	49.5	49.5	
PCE.....	36.1	41.7	41.6	
New.....	27.6	32.7	33.0	
Used, net.....	8.5	9.0	8.6	
PDE.....	7.5	8.4	8.3	
New.....	11.8	12.7	12.9	
Used, net.....	-4.3	-4.3	-4.6	
Net exports.....	-6	-1.1	-8	
Exports.....	5.2	5.1	5.4	
Imports.....	5.8	6.2	6.3	
Government purchases.....	.4	.5	.5	
Change in business inventories.....	-8	.9	1.7	
	Implicit price deflators, index numbers, 1972=100			
Auto output.....	119.8	121.5	124.0	
Final sales.....	119.2	120.6	123.4	
PCE.....	124.8	126.0	130.4	
New.....	118.1	120.4	121.2	
Used, net.....	108.3	110.8	104.5	
PDE.....	118.1	120.5	121.2	
New.....	119.0	119.2	119.6	
Used, net.....	139.9	143.1	141.2	
Net exports.....	120.7	122.0	118.4	
Exports.....				
Imports.....				
Government purchases.....				
Change in business inventories.....				
Addenda:				
Retail sales, new passenger cars (million units, at annual rates).....	9.1	10.2	10.2	
Inventory-sales ratio, new cars.....	2.3	2.0	2.1	

Table 11.—Fixed Investment in Current and Constant Dollars

[Seasonally adjusted at annual rates]

	Current dollars				Constant (1972) dollars							
					Billions of dollars							
									Percent change from preceding quarter (annual rate)			
	1975		1976		1975		1976		1975		1976	
	III	IV	I	II	III	IV	I	II	IV	I	II	
Fixed investment.....	198.6	205.7	214.7	223.0	149.7	152.5	156.7	161.0	7.6	11.6	11.4	
Nonresidential.....	146.1	148.7	153.4	158.5	110.1	110.5	112.6	115.2	1.4	7.7	9.7	
Structures.....	51.8	52.1	53.2	55.3	36.6	36.7	37.1	38.3	.7	4.7	13.9	
Producers' durable equipment.....	94.3	96.6	100.2	103.1	73.5	73.8	75.5	76.9	1.8	9.3	7.6	
Autos, trucks, and buses.....	20.0	19.2	21.4	21.6	17.3	16.2	17.6	18.1	-24.7	40.8	11.2	
Other.....	74.4	77.4	78.8	81.5	56.2	57.7	57.9	58.8	11.3	1.5	6.5	
Residential.....	52.6	57.0	61.3	64.5	39.6	41.9	44.1	45.8	26.1	22.3	15.8	

earned income credit provisions of the Tax Reduction Act of 1975. In the second quarter, they were reduced as unemployment insurance benefit payments dropped.

Personal taxes increased more in the second quarter than in the first. First-quarter payments had been held down by the earned income and housing credits, which reduced net final settlements. Disposable personal income increased \$24 billion, at an annual rate, somewhat less than in the first quarter. With an increase in personal outlays of about \$21½ billion, personal saving was up. The saving rate showed little change.

Investment

Real nonresidential fixed investment continued to increase in the second quarter, 7½ percent at an annual rate after 8 percent in the first (table 11). The increase in PDE was less concentrated in motor vehicles than it had been in the first quarter, and the recovery in investment in structures continued to progress. The information for the second quarter is quite incomplete. June Census data on shipments of machinery and equipment and on construction are lacking, and the information from the BEA plant and equipment survey, which is also used in preparing the estimates, refers to plans rather than realizations. A substantial judgmental adjustment for a probable shortfall of realizations from plans was made.

Future-oriented information seems to indicate the continuation of moderate recovery this year. This information includes the recent plant and equipment survey, which was reviewed in the last issue of the SURVEY, the Conference Board capital appropriations series, and data on contracts and orders. April and May data on new orders for nondefense capital goods indicate some improvement. On the other hand, the constant-dollar series on contracts and orders for plant and equipment has remained stationary.

Residential investment.—Real residential investment continued to increase in the second quarter, but at a slower pace—about 16 percent at an annual rate—than in earlier quarters of its

recovery. As can be seen from chart 5, the upward movement of single-family housing starts has been much less pronounced recently, if allowance for erratic movements in these starts is made. The increase in multifamily starts has been quite limited, and there is no firm evidence that the difficulties that have hampered their recovery have been resolved. Mobile home shipments, which are also included in the chart, have shown some increase from their lows last spring, but no clear uptrend has been established.

Inventories.—Information that is still incomplete suggests that real inventory investment was at about the same rate in the second quarter as in the first (see table 6). Even allowing for a sizable revision in these estimates, it is certain that the contribution of inventory investment to the change in real GNP was much less in the second quarter than in the first, when inventory

investment had accounted for three-fifths of the increase in real GNP.

The industrial composition of inventory investment seems to have been different in the two quarters. Farm inventories were liquidated in the second quarter, after accumulation in the first. In manufacturing as a whole, inventories were accumulated at a substantial rate in the second quarter; there had been little change in these inventories in the first quarter. The shift was in durables manufacturing, where a pervasive pattern of substantial liquidation in the first quarter was followed by smaller liquidation or accumulation in the second. In non-durables manufacturing, there was accumulation in both quarters. In wholesale trade, durable and nondurable inventories followed a pattern roughly similar to that of durable and nondurable inventories in manufacturing.

CHART 5

Housing Starts and Mobile Home Shipments

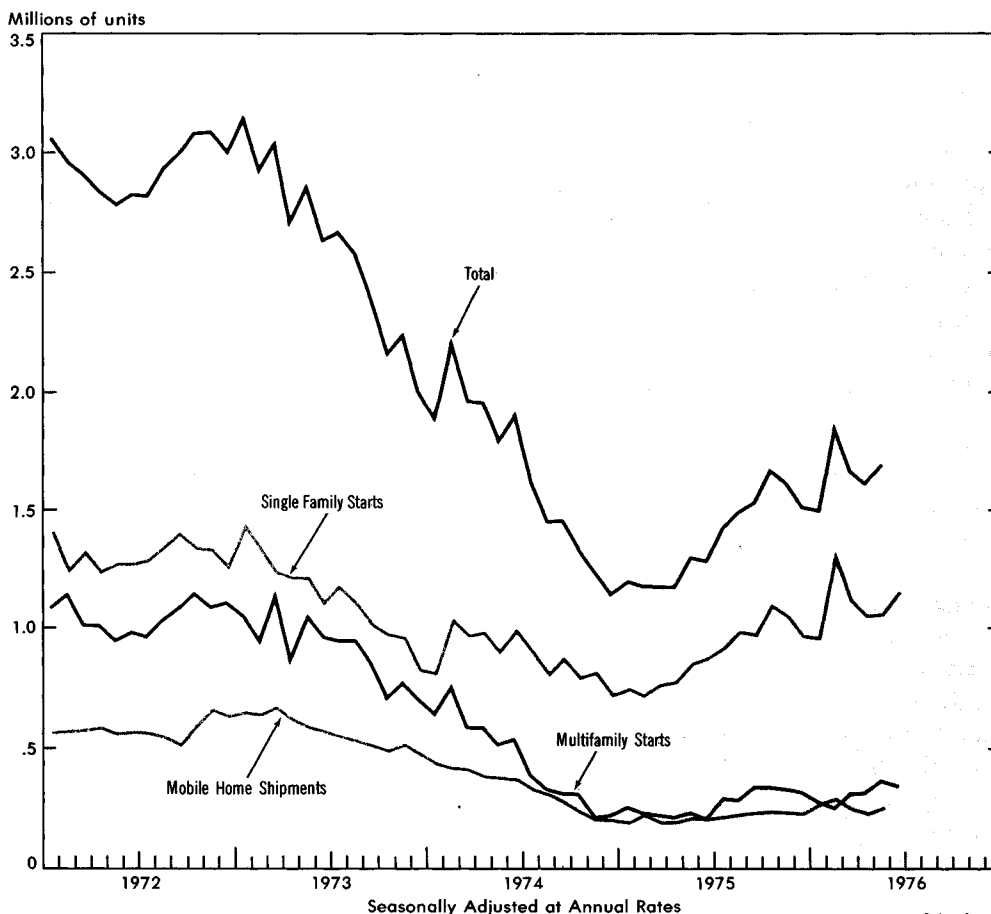


Table 12.—Ratios of Constant-Dollar Nonfarm Inventory Stocks to Final Sales of Business

1958: I.....	.233	1967: I.....	.237
II.....	.229	II.....	.236
III.....	.225	III.....	.238
IV.....	.222	IV.....	.240
1959: I.....	.221	1968: I.....	.237
II.....	.224	II.....	.238
III.....	.222	III.....	.236
IV.....	.226	IV.....	.237
1960: I.....	.228	1969: I.....	.238
II.....	.229	II.....	.241
III.....	.230	III.....	.245
IV.....	.228	IV.....	.246
1961: I.....	.225	1970: I.....	.247
II.....	.223	II.....	.248
III.....	.225	III.....	.248
IV.....	.221	IV.....	.251
1962: I.....	.223	1971: I.....	.248
II.....	.223	II.....	.249
III.....	.223	III.....	.246
IV.....	.223	IV.....	.245
1963: I.....	.224	1972: I.....	.240
II.....	.223	II.....	.239
III.....	.222	III.....	.239
IV.....	.221	IV.....	.236
1964: I.....	.219	1973: I.....	.232
II.....	.220	II.....	.236
III.....	.220	III.....	.237
IV.....	.223	IV.....	.244
1965: I.....	.223	1974: I.....	.247
II.....	.222	II.....	.251
III.....	.222	III.....	.253
IV.....	.218	IV.....	.261
1966: I.....	.219	1975: I.....	.256
II.....	.225	II.....	.247
III.....	.227	III.....	.244
IV.....	.234	IV.....	.239
		1976: I.....	.239
		II.....	.238

NOTE.—Based on end-of-quarter inventories, seasonally adjusted, and final sales seasonally adjusted at annual rates.

The contrasting pattern of the durable and nondurable inventory totals may have been the result of the greater imbalance of durable than of nondurable inventories that developed prior to and during the recent recession.

In retail trade other than autos, inventory accumulation in the second quarter was much less than in the first. Some of the accumulation in the first quarter may have been involuntary, reflecting the standstill noted above in PCE for goods other than autos, food, and energy products. Inventories of auto retailers were liquidated in the first quarter, and they showed little change in the second.

As can be seen from table 12, the ratio of constant-dollar nonfarm inventory stocks to final sales of business has changed little since the fourth quarter of 1975, after having declined rapidly from the cyclical peak it had reached a year earlier. At 0.238, the second-quarter ratio is similar to ratios that prevailed in prior periods when inventories were in balance relative to

sales in the sense that business did not seek to change the ratio.

The inventory-sales ratio calculated for table 12 uses total business final sales as the denominator instead of nonfarm business final sales, which had been used in previous quarterly analyses of the NIPA's published in the SURVEY. Nonfarm business final sales had been derived by subtracting the change in nonfarm business inventories from nonfarm business gross product. A re-examination of this procedure led to the conclusion that it understated nonfarm business final sales roughly by the amount of farm sales to nonfarm business. A proper methodology has not been worked out. Instead, total business final sales were substituted for the denominator previously used, because the error involved in this procedure is much smaller than the error in the previous one. The cyclical behavior of the new ratio is quite similar to that of the ratio used in the past.

Net exports

Real net exports were down a little from the first quarter (table 13). The merchandise balance improved moderately, as the combined increase in agricultural and nonagricultural exports was a little larger than the increase in imports. This improvement was more than offset by erratic changes in service transactions. The effect of all these changes on GNP and domestic economic activity was minor.

Changes in foreign transactions in the first quarter had been much larger than those in the second. In the first quarter, a large, broadly based increase in mer-

chandise imports had resulted in a sharp reduction in net exports. Arithmetically, this drop in net exports reduced GNP. However, the causal connections between the increase in imports and GNP are much more complex. In a general way, the first-quarter increase in imports is better regarded as limiting the increase in GNP that would have occurred if U.S. demand had, in its entirety, generated domestic production, instead of being partly met by foreign supplies.

Government purchases

Real Federal and State and local government purchases both increased moderately in the second quarter after declines of similar magnitude in the first (table 14). These changes tended to even out the changes in GNP, but were not major factors. The impression of government's neutral stance is not altered when government transactions other than purchases are taken into account. This neutrality will be confirmed by the small size of the changes in the Federal and the State and local government deficits that will become evident when the information on corporate profits taxes, which is necessary to calculate these deficits, becomes available.

The shift in the beginning of the Federal fiscal year from July 1 to October 1 is resulting in irregularities in Federal expenditures. Most of these irregularities have no important influence on economic activity, but they give rise to problems of timing and seasonal adjustment in the estimation of the NIPA's. For instance, in the

Table 13.—Net Exports of Goods and Services in Current and Constant Dollars

(Seasonally adjusted at annual rates)

	Current dollars				Constant (1972) dollars							
	Billions of dollars								Percent change from preceding quarter (annual rate)			
	1975		1976		1975		1976		1975		1976	
	III	IV	I	II	III	IV	I	II	IV	I	II	
Net exports of goods and services.....	21.4	21.0	8.4	9.1	22.8	23.1	16.6	15.8	-----	-----	-----	
Exports.....	148.2	153.7	154.1	156.8	90.7	93.9	93.6	93.6	14.8	-1.3	-.1	
Merchandise.....	106.4	110.6	107.8	112.9	65.3	67.7	65.8	67.3	15.4	-10.4	9.2	
Imports.....	126.8	132.7	145.7	147.7	67.9	70.8	77.0	77.7	18.2	39.9	3.7	
Merchandise.....	98.0	101.8	113.8	115.9	49.9	51.5	57.2	58.3	13.8	51.8	7.6	

Table 14.—Government Purchases of Goods and Services in Current and Constant Dollars
[Seasonally adjusted at annual rates]

	Current dollars				Constant (1972) dollars							
	Billions of dollars								Percent change from preceding quarter (annual rate)			
	1975		1976		1975		1976		1975	1976		
	III	IV	I	II	III	IV	I	II	IV	I	II	
Government purchases of goods and services.....	343.2	353.8	354.7	363.1	262.4	265.2	261.9	264.6	4.3	-4.9	4.1	
Federal.....	124.6	130.4	129.2	132.3	95.6	97.2	95.4	96.7	7.0	-7.2	5.7	
National defense.....	84.6	87.1	86.2	88.4								
Nondefense.....	40.0	43.2	42.9	43.9								
State and local.....	218.6	223.4	225.5	230.8	166.9	168.0	166.6	167.9	2.8	-3.5	3.2	

past, expenditures in the quarter beginning in April showed seasonal increases, which were removed by seasonal adjustment in estimating the NIPA's. The transition to the new budget year is apparently resulting in a shift of expenditures into the quarter beginning in July. These shifts are often of a financial nature, and adjustments must be made for them in an accounting for government transactions that is useful for economic analysis. Formal procedures for doing so are not available, and as a result uncertainty is introduced into the estimates, and their interpretation is made more difficult.

GNP by sector

The presentation of GNP by sector that has appeared regularly in the quarterly analyses of the NIPA's has been modified (see table 15). As in the

past, product originating in households and institutions, in the rest of the world, and in government is deducted from GNP to derive business product. Next, farm product is deducted as before. The deduction of housing product is a new feature of the table, and parallels the handling of housing product in table 7, as does the handling of the residual. A new aggregate—business product other than farm and housing—results from these deductions. Next, two types of output—autos and residences—are distinguished, because they show large fluctuations and are important in short-term economic analysis. The remaining "other" product category is broken down into sales and inventory change. Further detail within this category cannot be presented, because duplication stemming from intra-business transactions in intermediate

products would become so large that the detail would not be useful in economic analysis.

This table brings out some interesting features of recent economic developments. It shows, for instance, that the behavior of sales of "other" business products differs from that of total final sales, which is shown in table 6. In the first quarter of 1976, "other" business sales was stationary in contrast to total final sales, which increased at an annual rate of 3½ percent. This difference is explained by the heavy concentration of the first-quarter increase in final demand in autos; on balance, demand for other goods and services was relatively weak. In the second quarter, when the demand for autos moderated, the increase in sales of "other" products corresponded more closely to the increase in total final sales.

Employment Change by Industry

After a decline of 2,300,000 from the third quarter of 1974 to the second quarter of 1975, nonagricultural employment (as measured by the Bureau of Labor Statistics payroll survey) has increased more than 2,500,000, to 79,000,000, from the second quarter of 1975 to the second quarter of 1976.

Although total employment in the second quarter of 1976 stands at a higher level than before the recent contraction, private employment, at 63,900,000, is 625,000 lower. The offsetting higher level of government employment reflects increases of about 475,000 during the contraction and about 375,000 during the recovery. These increases have been entirely at the State and local level; Federal employment has remained unchanged.

Employment in contract construction, which decreased about 500,000 during the contraction, has remained steady since then. Employment in wholesale and retail trade has increased about 575,000 during the past year, after a decrease of 275,000 during the contraction. Services continued to grow during both the contraction (when employment increased 175,000) and the recovery (650,000).

Table 15.—Gross National Product by Sector of Origin in Constant (1972) Dollars

[Seasonally adjusted at annual rates]

	Billions of dollars				Percent change from preceding quarter (annual rate)			
	1975		1976		1975	1976		
	III	IV	I	II	IV	I	II	
Gross national product.....	1,209.3	1,219.2	1,246.3	1,259.7	3.3	9.2	4.4	
Less: Households and institutions, rest of the world, and government.....	188.5	189.0	191.2	190.9	1.2	4.7	-7	
Equals: Business product.....	1,020.8	1,030.2	1,055.1	1,068.8	3.7	10.1	5.3	
Less: Farm.....	36.0	34.2	34.3	34.9	-18.3	1.4	6.9	
Housing.....	102.9	104.0	105.1	106.3	4.2	4.4	4.3	
Residual.....	1.8	1.9	2.8	2.8				
Equals: Business product other than farm and housing.....	880.1	890.0	912.9	924.9	4.6	10.7	5.4	
Auto.....	45.0	42.6	50.4	51.2	-20.2	96.4	6.5	
Residential investment.....	39.6	41.9	44.1	45.8	26.1	22.3	15.8	
Other.....	795.5	805.5	818.4	827.9	5.1	6.5	4.8	
Inventory change ¹	-3.7	6.1	8.0	8.8				
Sales.....	799.2	811.7	810.4	819.1	6.4	-6	4.4	

¹ Held constant at level of previous quarter.

² Change in nonfarm business inventories other than autos.

After a decrease of 2 million during the contraction, manufacturing employment has increased about 800,000 during the past year. The recovery has been stronger in nondurables, in which about 60 percent of the 625,000 jobs lost during the contraction have been regained, than in durables, in which only about 30 percent of the 1,400,000 lost jobs have been regained.

Table 16 shows the employment changes during the recent contraction and current recovery in 21 manufacturing industries, listed in order of their percent employment decrease during the contraction. Thirteen of these industries lost 10 percent or more of their total employment during the contraction. With a combined employment decrease of 1,650,000 during the contraction, these 13 industries, which provided only 16.6 percent of total U.S. employment in the third quarter of 1974, accounted for about 70 percent of the total decline in employment. During the recovery, these industries have regained about 725,000 jobs, or about 45 percent of those lost in the contraction.

The largest percentage decreases in employment during the contraction were in rubber and plastics products

(16.5 percent), furniture and fixtures (15.8 percent), and electrical equipment (14.7 percent). As of the second quarter of 1976, these three industries have regained about 175,000 of the 500,000 jobs lost during the contraction; this recovery would appear somewhat stronger but for a strike that idled 60,000 rubber workers in May and June.

Each of the industries listed in table 16 is, of course, composed of a number of smaller industries, and the components do not all contract or expand at the same rate. Thus, the employment increase of about 100,000 in transportation equipment since the second quarter of 1975 is attributable entirely to motor vehicles and equipment, a component that accounts for only about one-half of the total employment in transportation equipment.

Perspective on recent employment changes by industry is provided by a comparison with those that occurred during the 1957-58 contraction and the subsequent recovery. The absolute declines were similar—about 2,200,000 from the second quarter of 1957 to the second quarter of 1958, compared with 2,300,000 in the recent contraction—as were the subsequent absolute increases—

2,600,000 from the second quarter of 1958 to the second quarter of 1959, compared with 2,500,000 in the first year of the current recovery. During the 1957-58 contraction, the 13 high-job-loss manufacturing industries listed in table 16 showed a combined employment decrease of about 1,275,000. This decrease accounted for about 58 percent of the total job loss during that contraction, a smaller proportion than during the recent contraction. Recovery in these industries was more rapid in 1958-59 than in the current recovery, as about three-fourths of the 1,275,000 jobs were regained by the second quarter of 1959.

One factor that mitigated the potential severity of the 1974-75 employment contraction was the lower relative importance of the 13 high-job-loss manufacturing industries. These industries, which accounted for 21.5 percent of total employment in the second quarter of 1957, accounted for only 16.6 percent in the third quarter of 1974. Had these industries retained their 1957 share of total employment and contracted at the rate they actually did in 1974-75, the job loss in these industries would have been 500,000 larger than it was.

Table 16.—Recent Employment Changes in Manufacturing

[Seasonally adjusted]

Industry	Rate of employment change, 1974 III-1975 II	Employment change	
		1974 III-1975 II	1975 II-1976 II
	Percent	Thousands	
Rubber and plastics products.....	-16.5	-113	21
Furniture and fixtures.....	-15.8	-82	55
Electrical equipment.....	-14.7	-300	98
Primary metal industries.....	-13.3	-180	18
Lumber and wood products.....	-12.9	-81	53
Fabricated metal products.....	-12.7	-193	63
Stone, clay, and glass products.....	-12.3	-85	19
Miscellaneous manufacturing.....	-11.6	-52	29
Textile mill products.....	-11.3	-112	90
Transportation equipment.....	-11.2	-208	98
Apparel and other textile products.....	-10.9	-147	110
Paper and allied products.....	-10.8	-76	45
Leather and leather products.....	-10.4	-29	30
Instruments and related products.....	-7.8	-41	29
Machinery, except electrical.....	-7.4	-165	-8
Tobacco manufactures.....	-6.2	-5	-1
Chemicals and allied products.....	-5.8	-62	28
Printing and publishing.....	-3.2	-36	-2
Food and kindred products.....	-2.0	-34	38
Petroleum and coal products.....	-1.5	-3	8
Ordinance and accessories.....	-1.1	-2	-16

Source: Bureau of Labor Statistics.

State Personal Income

Table A.—Total Personal Income, by State and Region

[Millions of dollars, seasonally adjusted at annual rates]

State and region	1974	1975				1976
	IV	I	II	III	IV	I
United States	1,189,836	1,200,764	1,221,373	1,259,043	1,292,072	1,322,748
New England	71,466	72,148	73,179	75,159	76,478	78,583
Connecticut.....	20,553	20,851	20,931	21,328	21,738	22,373
Maine.....	5,013	4,878	4,960	5,150	5,281	5,458
Massachusetts.....	34,460	34,744	35,458	36,427	36,951	37,876
New Hampshire.....	4,104	4,098	4,161	4,329	4,459	4,556
Rhode Island.....	5,142	5,346	5,403	5,576	5,615	5,840
Vermont.....	2,193	2,230	2,265	2,350	2,434	2,480
Mideast	263,261	265,365	270,165	276,628	281,752	287,980
Delaware.....	3,779	3,780	3,859	3,981	4,127	4,243
Dist. of Col.....	5,358	5,224	5,472	5,674	5,828	5,898
Maryland.....	25,265	25,576	25,966	26,645	27,324	27,871
New Jersey.....	47,174	47,206	47,754	49,050	49,974	51,027
New York.....	114,826	116,351	118,747	121,019	122,480	125,417
Pennsylvania.....	66,859	67,228	68,368	70,260	72,019	73,525
Great Lakes	241,425	241,066	246,275	255,224	262,465	267,935
Illinois.....	71,965	72,429	73,710	76,471	78,509	79,693
Indiana.....	28,442	28,572	28,892	30,258	30,971	31,917
Michigan.....	55,277	54,013	55,876	58,051	60,627	61,395
Ohio.....	61,119	61,040	62,338	64,065	65,688	67,239
Wisconsin.....	24,622	25,012	25,459	26,349	26,870	27,691
Plains	88,720	91,360	93,428	97,391	99,326	101,460
Iowa.....	15,019	16,011	16,463	17,553	17,698	17,929
Kansas.....	12,988	13,021	13,250	13,796	14,053	14,442
Minnesota.....	21,294	21,882	22,213	22,881	23,387	23,982
Missouri.....	24,458	24,656	25,309	25,944	26,728	27,549
Nebraska.....	8,389	9,002	9,333	9,825	10,024	10,032
North Dakota.....	3,542	3,545	3,551	3,826	3,950	3,928
South Dakota.....	3,029	3,244	3,309	3,565	3,487	3,597
Southeast	226,795	227,798	230,610	237,943	244,875	251,595
Alabama.....	15,617	15,783	16,050	16,721	17,320	17,704
Arkansas.....	8,502	9,050	9,959	9,461	9,627	9,873
Florida.....	45,008	45,028	45,351	46,373	47,668	48,717
Georgia.....	24,092	23,548	23,934	24,677	25,749	26,184
Kentucky.....	15,345	15,413	15,532	16,109	16,356	17,147
Louisiana.....	17,451	17,597	17,785	17,918	18,411	19,125
Mississippi.....	9,005	9,167	9,291	9,572	9,894	10,254
North Carolina.....	25,173	25,317	25,509	26,674	27,185	28,141
South Carolina.....	12,388	12,117	12,469	12,931	13,440	13,788
Tennessee.....	19,202	19,156	19,659	20,211	20,808	21,413
Virginia.....	27,028	27,187	27,629	28,527	29,335	29,877
West Virginia.....	8,034	8,433	8,440	8,769	9,082	9,422
Southwest	91,499	92,741	94,572	97,703	100,821	103,211
Arizona.....	11,467	11,420	11,518	12,019	12,450	12,594
New Mexico.....	4,786	4,932	5,043	5,200	5,388	5,504
Oklahoma.....	12,959	13,022	13,283	13,695	14,190	14,580
Texas.....	62,287	63,366	64,728	66,788	68,793	70,532
Rocky Mountain	29,686	29,816	30,268	31,389	32,444	33,058
Colorado.....	14,344	14,213	14,463	14,969	15,543	15,789
Idaho.....	4,015	3,918	3,955	4,184	4,277	4,322
Montana.....	3,812	3,828	3,900	4,221	4,310	4,358
Utah.....	5,460	5,710	5,769	5,799	5,968	6,160
Wyoming.....	2,055	2,148	2,180	2,215	2,346	2,428
Far West	169,107	172,264	174,427	178,946	184,914	189,675
California.....	131,857	134,800	136,393	139,819	144,482	148,003
Nevada.....	3,545	3,699	3,788	3,907	4,055	4,182
Oregon.....	12,576	12,350	12,572	12,970	13,455	13,864
Washington.....	21,129	21,414	21,674	22,250	22,922	23,626
Alaska.....	2,592	2,844	3,018	3,178	3,372	3,462
Hawaii.....	5,286	5,362	5,430	5,482	5,625	5,790
Census Regions						
New England.....	71,466	72,148	73,179	75,159	76,478	78,583
Middle Atlantic.....	228,858	230,785	234,869	240,329	244,473	249,969
East N. Central.....	241,425	241,066	246,275	255,224	262,465	267,935
West N. Central.....	88,720	91,360	93,428	97,391	99,326	101,460
South Atlantic.....	176,176	176,211	178,629	184,251	189,737	194,090
East S. Central.....	59,069	59,519	60,532	62,612	64,378	66,518
West S. Central.....	101,198	103,036	104,756	107,862	111,021	114,111
Mountain.....	49,484	49,867	50,617	52,516	54,337	55,338
Pacific.....	173,440	176,770	179,088	183,699	189,856	194,745

NOTE.—Series will not agree with the personal income measure carried in the national income and product accounts. The quarterly estimates of State personal income were prepared by Robert L. Brown with the aid of Q. Francis Dallavalle and supervision by Kenneth P. Berkman.

Capital Expenditures by Business for Air, Water, and Solid Waste Pollution Abatement, 1975 and Planned 1976

BUSINESS spent \$6.5 billion in 1975 for new plant and equipment to abate air and water pollution and to dispose of solid waste, according to a survey conducted by BEA in November and December of 1975.¹ This is an increase

of 17 percent from \$5.6 billion in 1974; a further increase of 12 percent is expected for 1976. The \$0.9 billion increase in antipollution spending in 1975 accounted for almost 60 percent of the \$1.6 billion increase in total new plant and

equipment (P. & E.) spending reported in the same survey (table 1).

Five industries accounted for \$4.6 billion, or 70 percent, of total pollution abatement spending in 1975: electric utilities (\$1.7 billion), petroleum (\$1.2

1. Agricultural business; real estate operators; medical, legal, educational, and cultural services; and nonprofit organizations are excluded from these estimates. Outlays charged to current account are also excluded.

Plans have been adjusted for systematic bias on the basis of experience from the BEA plant and equipment expenditures survey.

The estimates have not been adjusted for price change. The prices of capital goods, as measured by the implicit price deflator for fixed nonresidential investment, rose almost 14 percent in 1975. If prices of pollution abatement goods behaved similarly, then real business capital spending for pollution abatement increased approximately 3 percent.

NOTE.—The projection of sample estimates to universe totals was supervised by John T. Woodward. Significant contributions to the section on facility closings were made by Betsy C. Dunlap.

Table 1.—New Plant and Equipment Expenditures by U.S. Business for the Abatement of Air, Water, and Solid Waste Pollution ¹, 1974-76

(Millions of dollars)

	1974					1975					Planned 1976				
	Total ²	Pollution abatement				Total ²	Pollution abatement				Total ²	Pollution abatement			
		Total	Air	Water	Solid waste		Total	Air	Water	Solid waste		Total	Air	Water	Solid waste
All industries.....	111,919	5,617	3,343	1,876	398	113,489	6,549	3,790	2,362	396	119,685	7,346	3,860	3,042	444
Manufacturing.....	45,795	3,656	2,153	1,251	252	48,314	4,475	2,494	1,736	245	50,710	4,488	2,157	2,074	257
Durable goods.....	22,669	1,648	1,115	437	95	22,046	1,775	1,161	529	85	22,225	1,762	1,020	668	78
Primary metals ³	4,805	798	620	143	35	5,892	1,012	750	221	41	5,831	1,007	675	300	31
Blast furnaces, steel works.....	2,030	245	160	70	15	2,926	396	261	135	1	2,866	540	340	197	3
Nonferrous metals.....	2,292	500	409	71	19	2,267	546	425	82	39	2,112	396	272	98	26
Electrical machinery.....	3,060	207	68	128	11	2,327	136	34	93	9	2,391	158	32	116	11
Machinery, except electrical.....	4,264	77	37	27	13	4,736	83	40	37	6	4,867	106	42	61	2
Transportation equipment ⁴	3,826	140	67	50	24	3,387	116	51	50	15	3,308	137	51	68	17
Motor vehicles.....	2,812	115	55	38	23	2,206	86	35	38	13	2,374	114	39	59	16
Aircraft.....	766	22	10	11	1	915	26	14	11	1	713	20	11	8	1
Stone, clay, and glass.....	1,483	191	174	14	3	1,389	198	164	31	3	1,427	164	118	42	4
Other durables ³	5,231	235	150	76	9	4,315	229	122	97	10	4,401	191	102	81	8
Nondurable goods.....	23,126	2,008	1,037	814	157	26,268	2,700	1,333	1,208	160	28,485	2,726	1,137	1,405	184
Food including beverage.....	3,206	150	56	85	10	3,383	175	71	92	12	3,754	203	90	93	20
Textiles.....	849	28	10	15	3	680	31	15	15	1	787	46	14	32	1
Paper.....	2,546	491	308	158	25	2,908	489	273	189	27	3,347	502	213	274	15
Chemicals.....	5,628	469	192	246	30	6,300	684	250	394	40	6,844	786	247	478	61
Petroleum.....	7,868	796	416	296	84	10,497	1,239	684	483	72	11,245	1,100	530	490	81
Rubber.....	1,475	47	33	11	2	1,037	41	25	14	2	1,178	54	28	22	4
Other nondurables ³	1,554	28	21	4	3	1,463	41	14	22	6	1,330	34	15	16	3
Nonmanufacturing.....	66,124	1,961	1,190	624	147	65,175	2,074	1,296	626	152	68,975	2,859	1,703	968	187
Mining.....	3,097	57	24	25	9	3,823	73	32	31	10	3,666	99	44	44	11
Railroad.....	2,484	29	12	14	2	2,539	35	11	21	3	2,287	35	8	24	3
Air transportation.....	1,970	7	4	2	1	1,841	11	6	4	1	1,262	14	7	5	2
Other transportation.....	2,034	46	11	28	6	2,901	41	12	19	10	2,821	58	14	28	15
Public utilities.....	20,597	1,622	1,031	499	92	20,313	1,700	1,138	466	96	23,993	2,431	1,557	747	128
Electric.....	17,649	1,578	1,011	477	90	17,030	1,650	1,123	438	89	20,052	2,386	1,547	715	124
Gas and other.....	2,948	44	20	22	2	3,283	50	16	28	6	3,941	45	10	32	3
Communication, commercial, and other ⁴	35,942	201	108	56	37	33,758	214	97	84	33	34,946	221	74	119	28

1. Excludes agricultural business; real estate operators; medical, legal, educational, and cultural services; and nonprofit organizations. Excludes outlays charged to current account.
2. Estimates of total plant and equipment (P. & E.) expenditures (1974, 1975, and planned 1976) are as of the survey date, to allow comparison with estimates of pollution abatement expenditures. Updated estimates of total P. & E. expenditures can be found in "Plant and Equipment Expenditure Programs," *Survey of Current Business*, March 1976, pp. 14-19.

3. Includes industries not shown separately.
4. Consists of trade, service, construction, finance, and insurance.
NOTE.—Details may not add to totals because of rounding.

billion), chemicals (\$0.7 billion), nonferrous metals (\$0.5 billion), and paper (\$0.5 billion). At the all-industry level, 6 percent of total capital spending was for pollution abatement, but six industries allocated more than 10 percent (chart 6): nonferrous metals (24 percent), paper (17 percent), stone, clay, and glass (14 percent), iron and steel (14 percent), petroleum (12 percent), and chemicals (11 percent).

Estimates of actual spending for air and water pollution abatement are now available for 3 years (table 2). Examination of this record suggests several conclusions. (1) Spending to abate air and water pollution has increased—6 percent in 1974 and 18 percent in 1975. (2) Pollution abatement plans are not yet as reliable as indications of actual spending as are plans for total P. & E. Plans substantially exceeded spending for 1974 and fell somewhat short of it for 1975. The 12 percent increase in spending planned for 1976 is virtually all accounted for

Table 2.—New Plant and Equipment Expenditures by U.S. Business for the Abatement of Air and Water Pollution,¹ 1973-76

[Millions of dollars]

	1973	1974	1975	Planned 1976
All industries	4,938	5,219	6,152	6,902
Manufacturing	3,153	3,404	4,231	4,230
Durable goods.....	1,579	1,553	1,690	1,688
Primary metals ²	814	763	971	975
Blast furnaces, steel works.....	230	230	395	537
Nonferrous metals.....	523	481	507	370
Electrical machinery.....	129	196	127	147
Machinery, except electrical.....	80	64	77	103
Transportation equipment ²	170	116	101	119
Motor vehicles.....	143	93	73	98
Aircraft.....	20	21	25	18
Stone, clay, and glass.....	144	188	195	160
Other durables ²	243	226	219	183
Nondurable goods.....	1,574	1,851	2,541	2,542
Food including beverage.....	152	140	163	183
Textiles.....	29	25	30	45
Paper.....	355	466	462	487
Chemicals.....	416	439	644	725
Petroleum.....	555	712	1,167	1,020
Rubber.....	48	44	39	51
Other nondurables ²	19	25	35	31
Nonmanufacturing	1,785	1,815	1,922	2,671
Mining.....	91	48	62	88
Railroad.....	16	27	32	32
Air transportation.....	15	6	10	12
Other transportation.....	11	40	31	42
Public utilities.....	1,451	1,530	1,604	2,304
Electric.....	1,409	1,488	1,561	2,262
Gas and other.....	42	42	43	42
Communication, commercial, and other ²	201	164	182	193

1. Excludes agricultural business, real estate operators; medical, legal, educational, and cultural services; and nonprofit organizations. Excludes outlays charged to current account.

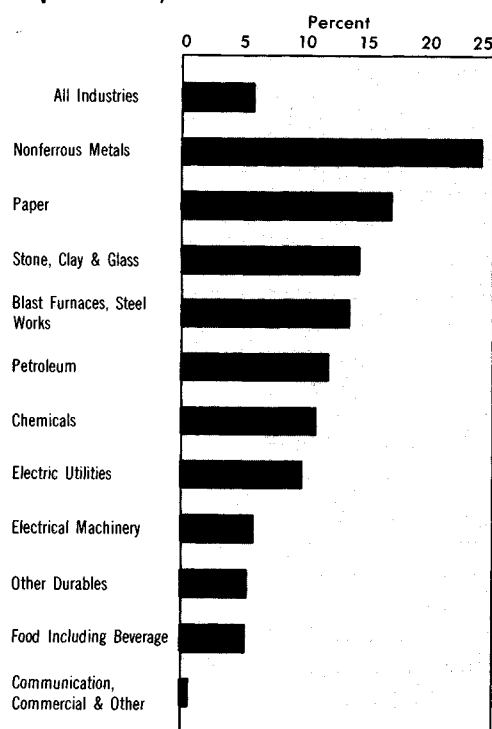
2. Includes industries not shown separately.

3. Consists of trade, service, construction, finance, and insurance.

NOTE.—Details may not add to totals because of rounding.

CHART 6

Pollution Abatement Expenditures as a Percentage of New Plant and Equipment Expenditures,¹ 1975



1. These industries spent more than \$100 million for air, water, and solid waste abatement in 1975.

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

76-76

by a 45 percent increase in the electric utility industry; this unusually large increase may not be realized. (3) The air and water shares of pollution abatement spending appear to be shifting. The water share was about 36 percent in both 1973 and 1974, increased to 38 percent in 1975, and is 44 percent of planned 1976 spending (chart 7). This shift may be due to 1977 deadlines set by a number of water pollution regulations. (4) Spending for changes-in-production-process (CIPP) to abate pollution has remained at roughly 1 percent of total P. & E. spending over the 3-year period, while end-of-line (EOL) spending has increased as a percent of that total. EOL techniques are generally used to bring existing facilities into compliance with regulations.² (table 3)

Production facility closings involving pollution regulations

In 1975, as in 1974, companies on the P. & E. survey panel were asked if they had closed (or planned to close) a production facility because of pollution regulations.³ The companies that

answered, yes—only about one-half of 1 percent of those responding—were contacted by telephone and were asked additional questions about the facilities closed or planned for closing. A total of 64 closings (62 permanent, 2 temporary) were reported for 1975; last year, participating companies reported 42 facilities closed in 1974 (table 4).

Although estimates of the national totals of the facilities closed, the cost, and the number of employees involved would be very useful, the data will not permit such estimates. The benchmark for the P. & E. survey relates to companies, and, because closings relate to establishments and facilities within establishments, cannot be used to raise the sample to a universe total. The sample of 62 permanent closings does permit, however, an examination of the characteristics of facilities closed

2. CIPP methods involve the modification of existing processes or the substitution of new production processes to reduce or eliminate the pollutants generated or emitted. EOL methods involve the separation, treatment, or reuse of pollutants after they are generated, but before they are emitted from the firm's property.

3. The question was, "Has your company closed a facility in 1975, or does it plan to close a facility in 1976 where pollution abatement requirements are a contributing factor in the closing?"

where pollution regulations were a factor.

Four industries—public utilities, chemicals, food including beverage, and primary metals—reported 73 percent of the closings, compared with 53 percent in 1974. In both years, public utilities reported more than 25 percent. Problems with air pollution regulations were predominant in reports from companies in the public utility, chemical, and primary metal industries; water pollution regulations were predominant for the food including beverage industry. Most of the 1975 closings were in four regions—Great Lakes (26 percent), Southeast (24 percent), Plains (21 percent), and Mideast (16 percent). The proportion of closings in the Plains increased 9 percentage points from 1974, whereas the proportion for the other three regions combined increased only 7 percentage points.

Pollution regulations were the sole reason for closing 18 percent of the facilities—down from 32 percent in 1974. At least one other reason besides pollution regulations was mentioned in the remaining 82 percent and at least two reasons in 39 percent of these closings. Other reasons cited were: age or obsolescence in 66 percent of the closings, declining sales in 21 percent, increasing operating costs in 15 percent, and occupational safety and health requirements in 15 percent (see chart 8). Air pollution regulations in combination with age or obsolescence were cited as reasons in 81 percent of the facility closings and 57 percent of the establishment closings, compared with 38 percent and 62 percent, respectively, in 1974.

Manufacturing companies provided employment impact data on 35 per-

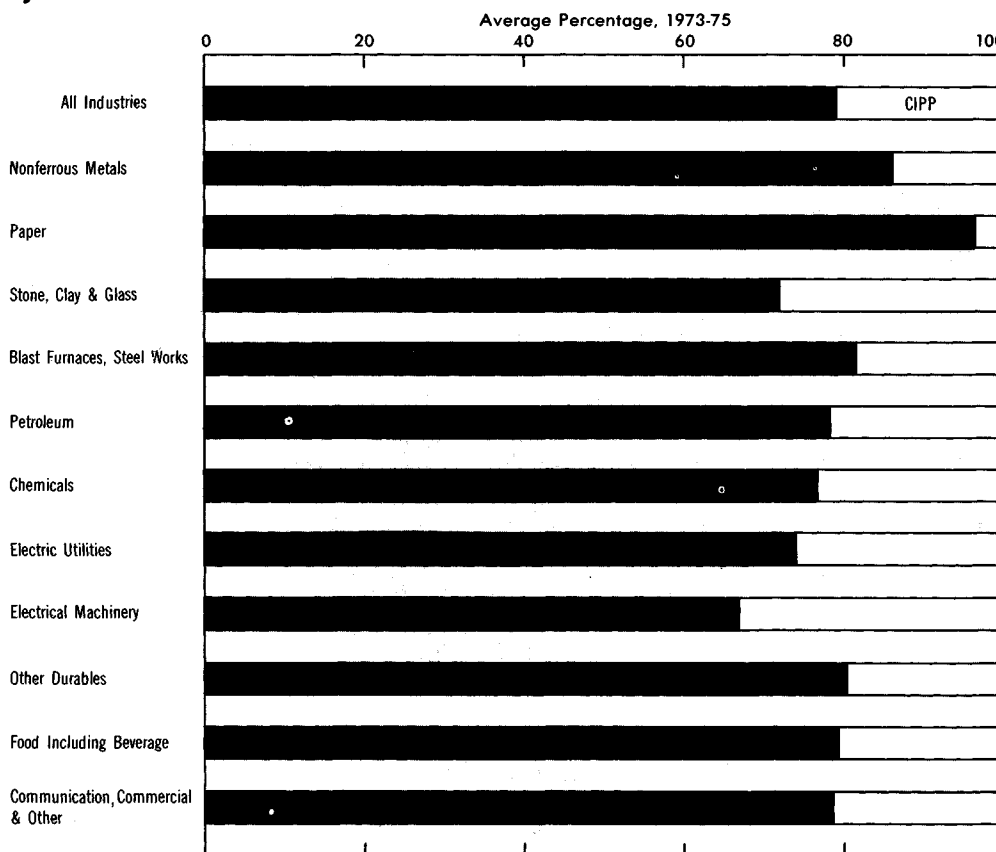
manent closings in 1975; nonmanufacturing, on 20 (table 5).⁴ Respondents were asked to classify each facility by size, as measured by its normal work force, and by the resultant reduction, if any, in the total work force of the parent company.

Of the total number of jobs affected by closings in the responding companies, 93 percent were in manufacturing; the remainder was split about evenly between public utilities and other nonmanufacturing companies. The employees in the affected jobs were transferred to other jobs within the parent company, accepted early retirement, or lost their jobs. Approximately 55 percent of all the manufacturing employees affected by the closings lost their jobs, compared with less than 35 percent for public utilities and less

4. Employment impact data are not available for the 1974 closings.

CHART 7

Pollution Abatement Expenditures for New Plant and Equipment Distributed by Abatement Method ^{1/}



1. The methods are end-of-line (EOL) and changes-in-production-process (CIPP). See footnote 2 of text.

than 10 percent for other nonmanufacturing. There were no job losses in 14 percent of the closings in manufac-

turing, 31 percent in public utilities, and 71 percent in other nonmanufacturing.

Table 3.—New Plant and Equipment Expenditures by U.S. Business for the Abatement of Air and Water Pollution by Changes-in-Production Process¹, 1974-76

[Millions of dollars]

	1974			1975			Planned 1976		
	Total	Air	Water	Total	Air	Water	Total	Air	Water
All industries.....	1,094	656	439	1,132	672	459	1,263	689	575
Manufacturing.....	540	359	180	734	457	277	823	448	375
Durable goods.....	335	233	102	272	184	88	320	187	134
Primary metals ²	137	116	21	123	100	23	156	107	48
Blast furnaces, steel works.....	36	31	0	29	20	9	103	76	27
Nonferrous metals.....	95	74	21	85	71	14	48	27	21
Electrical machinery.....	83	30	53	38	10	28	48	11	37
Machinery, except electrical.....	14	9	6	8	3	4	10	6	5
Transportation equipment ²	17	9	8	9	5	5	11	5	6
Motor vehicles.....	10	7	3	6	3	3	8	4	5
Aircraft.....	7	2	5	3	1	2	2	1	1
Stone, clay, and glass.....	44	41	3	51	41	10	52	33	19
Other durables ²	41	28	12	43	25	19	44	24	19
Nondurable goods.....	205	126	78	462	274	188	502	261	241
Food including beverage.....	18	8	10	28	15	13	53	28	25
Textiles.....	3	2	1	4	2	1	4	1	3
Paper.....	7	6	2	26	21	5	39	24	15
Chemicals.....	67	32	35	123	54	68	156	69	87
Petroleum.....	102	74	28	276	175	101	238	130	109
Rubber.....	6	3	2	5	5	(*)	7	5	2
Other nondurables ²	2	2	0	2	2	(*)	6	4	2
Nonmanufacturing.....	555	296	258	398	215	183	441	241	200
Mining.....	11	4	6	19	8	11	19	8	11
Railroad.....	6	3	3	5	2	3	7	2	4
Air transportation.....	2	1	0	(*)	(*)	0	2	1	2
Other transportation.....	8	5	4	8	4	4	5	2	3
Public utilities.....	485	260	225	334	187	147	374	215	159
Electric.....	469	257	212	314	184	130	354	211	142
Gas and other.....	16	3	13	20	3	17	20	3	17
Communication, commercial, and other ³	43	24	19	32	14	18	34	14	21

*Less than \$500,000.

1. End-of-line estimates can be derived by subtracting estimates in this table from those in table 2.

2. Includes industries not shown separately.

3. Consists of trade, service, construction, finance, and insurance.

NOTE.—Details may not add to totals because of rounding.

Table 4.—Facility Closings Involving Pollution Abatement Regulations 1974-76

[Closings reported in surveys conducted in 1974 and 1975]

	All industries ¹			Manufacturing			Public utilities		
	1974	1975	Planned 1976	1974	1975	Planned 1976	1974	1975	Planned 1976
Sample closings.....	42	64	16	24	40	13	11	16	2
Permanent closings.....	34	62	15	19	39	13	9	16	1
Establishment.....	26	46	12	16	31	11	6	9	0
Facility within an establishment.....	8	16	3	3	8	2	3	7	1
Temporary closings.....	8	2	1	5	1	0	2	0	1

1. Includes nonmanufacturing facilities not shown separately.

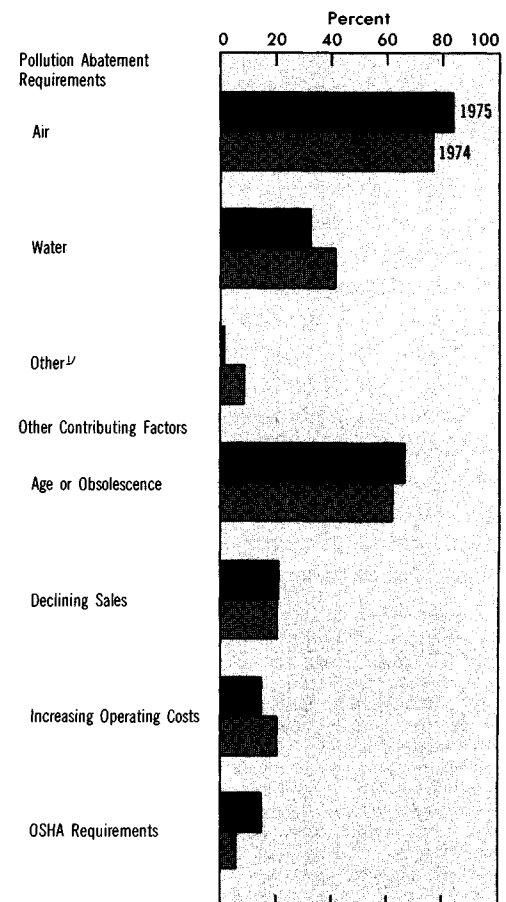
2. Revised from 2 to 3 closings.

Table 5.—Facilities Closed Permanently, by Size of Normal Work Force, 1975

Normal work-force size	All industries	Manufacturing	Nonmanufacturing	
			Public utilities	Other
All sizes.....	55	35	13	7
0-25.....	18	10	4	4
26-99.....	19	9	9	1
100-249.....	9	7	0	2
250-499.....	2	2	0	0
500+.....	7	7	0	0

CHART 8

Percentage of Facilities Closed Permanently, By Contributing Factors



1. Consists of noise and solid waste pollution in 1974, and only solid waste in 1975.

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

76-7-8

International Travel and Passenger Fares: 1975¹

U.S. residents spent a record \$10.1 billion on international travel in 1975, compared with \$9.4 billion in 1974. Payments to foreigners, which are included in the balance of payments,² accounted for \$8.8 billion of the total; \$6.4 billion was spent within foreign countries and \$2.4 billion was paid to foreign sea and air carriers for transoceanic transportation. In addition, U.S. air carriers received \$1.3 billion in transoceanic passenger fares from U.S. travelers; these are not included in the balance of payments.

Receipts from foreign visitors to the United States³ were \$5.7 billion, up \$0.8 billion from 1974. Spending within the United States was \$4.9 billion, 21 percent higher than in 1974. U.S. transoceanic air carriers received \$0.8 billion in passenger fares for transporta-

tion of foreigners to and from the United States.

Net travel and passenger fare payments declined \$0.1 billion in 1975 to \$3.1 billion. Net travel payments were down more than \$0.4 billion, as foreign spending here increased more than U.S. spending abroad. The reduction in net travel payments was partly offset by a \$0.3 billion increase in net passenger fare payments, which resulted from increased U.S. payments to foreign carriers and reduced receipts from foreigners of U.S. air carriers. In 1975, foreign airlines carried about 45 percent of U.S. overseas air travelers, compared with 43 percent in 1974. In contrast, U.S. airlines carried only 36 percent of overseas visitors to the United States who traveled by air, down from 40 percent.

U.S. air carriers continued to dominate the charter market, carrying over 80 percent of U.S. citizens traveling by charter flights to overseas destinations. Charter passengers comprised 20 percent of total U.S. travelers using U.S. airlines. In contrast, U.S. charter passengers accounted for only 4 percent of the total of U.S. travelers carried by foreign airlines. Since charter passenger rates are substantially lower than scheduled carrier rates, average earnings per U.S. passenger were greater for foreign air carriers than for U.S. air carriers.

Worldwide inflation continued to exert upward pressure on U.S. travel expenditures last year. Strengthening of the U.S. dollar against the currencies of some popular tourist countries partly offset this upward pressure, and may have contributed to the marked rise in

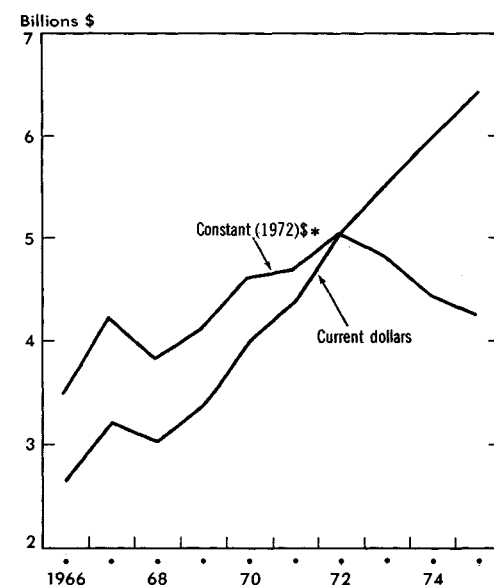
travel in late 1975. Although U.S. travel expenditures rose 7 percent in current dollars, real travel expenditures (in constant 1972 dollars, adjusted for price changes abroad and changes in the foreign currency value of the dollar) were 4 percent less than in 1974 (chart 9).

Travel to Canada and Mexico

U.S. travel expenditures in Canada and Mexico increased \$0.1 billion last year, to \$2.9 billion (table 2). The two countries accounted for 46 percent of total travel expenditures in foreign countries, compared with 47 percent a year earlier and 44 percent in 1973.

CHART 9

U.S. Travelers' Expenditures in Foreign Countries



* Adjusted for changes in foreign consumer prices and for changes in dollar exchange rates.

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

76-7-9

1. This review of developments in international travel discusses total expenditures of U.S. residents traveling abroad and expenditures of foreign residents in the United States. It includes the travel accounts and part of the passenger fare accounts that appear in the U.S. balance of payments. Not included are U.S. carriers' receipts for transporting foreign residents between foreign points; these receipts do not involve travel to and from the United States but they are included in the passenger fare account in the balance of payments (line 5 of table 1 of the quarterly balance of payments presentation). On the other hand, the discussion includes passenger fares paid by U.S. travelers to U.S. transoceanic carriers, which do not enter into the balance of payments, but represent an important part of total expenditures by U.S. travelers (line B3, table 1).

2. Travel payments include expenditures in foreign countries by U.S. residents for food, lodging, entertainment, transportation purchased abroad, and other expenses incidental to a foreign visit. Excluded are expenditures by U.S. military and other Government personnel stationed abroad, by their dependents, and by U.S. citizens residing abroad. Payments to foreign transoceanic carriers and shipboard expenditures are included in the passenger fares account. Shore expenditures of cruise passengers are included in travel payments.

3. Travel receipts include expenditures in the United States, for services similar to those indicated for U.S. travelers in footnote 2, by foreign residents visiting for purposes of business, pleasure, study, and also those in transit. Receipts of U.S. transoceanic carriers from foreign visitors are included in the passenger fares account.

Table 1.—International Travel and Passenger Fare Transactions, 1971-75

[Millions of dollars]

	1971	1972	1973	1974	1975
A. Transactions included in U.S. balance of payments:					
1. Total travel and passenger fare payments.....	5,663	6,638	7,316	8,075	8,797
2. Travel: Payments of U.S. travelers in foreign countries (line 18).....	4,373	5,042	5,526	5,980	6,417
3. Passenger fares: U.S. payments to foreign carriers (line 19).....	1,290	1,596	1,790	2,095	2,380
4. Total travel and passenger fare receipts.....	2,959	3,311	4,130	4,845	5,668
5. Travel: Receipts from foreign visitors in the United States (line 4).....	2,534	2,817	3,412	4,032	4,876
6. Passenger fares: Receipts of U.S. carriers for transportation of foreign visitors to and from the United States (part of line 5) ¹	425	494	718	813	792
7. Net travel and passenger fare payments.....	2,704	3,327	3,186	3,230	3,129
B. Total expenditures of U.S. travelers abroad:					
1. Travel payments of U.S. travelers in foreign countries (line 18).....	4,373	5,042	5,526	5,980	6,417
2. U.S. passenger fare payments to foreign carriers (line 19).....	1,290	1,596	1,790	2,095	2,380
3. U.S. passenger fare payments to U.S. carriers (not included in balance of payments).....	1,065	1,264	1,156	1,331	1,346
4. Total expenditures of U.S. travelers abroad.....	6,728	7,902	8,472	9,406	10,143

1. Excludes fares paid by foreigners to U.S. carriers for transportation between two foreign points.

NOTE.—References in parentheses are to lines in table 1 of the quarterly balance of payments presentation.

Canada's earnings from U.S. travelers dropped 4 percent to \$1.3 billion in 1975. Average expenditures decreased slightly, partly because of a 5 percent decline in the number of Americans traveling to Canada by air. (The average per capita expenses of air travelers include passenger fares paid to Canadian air carriers, and thus are higher than those of auto travelers.) A 2 percent drop in the number of Americans staying overnight or longer in Canada also contributed to the reduction.

Americans traveling in Mexico last year spent over \$1.6 billion, an increase of 11 percent, although the number of visitors was less than in 1974. Expenditures in the areas close to the United States-Mexican border rose 16 percent, but those in interior Mexico were up only 3 percent. In both areas, higher prices for tourist goods and services were largely responsible for the increase; real travel expenditures in Mexico dropped 4 percent.

Travel to Oversea Areas

U.S. travel expenditures in overseas countries increased 10 percent to nearly \$3.5 billion in 1975, despite a slight decrease in the number of travelers (table 3). A slump early in 1975 was nearly offset by increased travel in the second half of the year, especially in the final quarter. Average expenditures increased, primarily in response to higher costs of tourist services. The proportion of total overseas expenditures accounted

for by Europe and the Mediterranean area declined to 55 percent from 57 percent in 1974 and 64 percent in 1973. Total expenditures in Europe and the Mediterranean rose to \$1.9 billion, 6 percent more than in 1974. Combined expenditures in the Caribbean and Central American areas and in South America increased about 15 percent. Average expenditures were greater in each area, but the number of U.S. travelers to the Caribbean and Central America declined while those to South America rose 5 percent. U.S. residents traveling to other areas (primarily the Pacific and Far East) spent about 17 percent more than in 1974.

Europe and the Mediterranean Area

The number of U.S. travelers to Europe and the Mediterranean area dropped 4 percent to 3.2 million in 1975, after a decline of 15 percent in 1974. Total expenditures in most countries rose because higher average spending per traveler more than offset the drop in the number of travelers. Exceptions were countries affected by political problems or hostilities, such as Portugal, Spain, Greece, and Israel, each of which suffered a drop in earnings in 1975. In these countries, higher average spending did not offset sharp reductions in the number of U.S. travelers.

The average cost of a U.S. traveler's visit to Europe and the Mediterranean area, including transatlantic transportation and travel expenditures, rose 9

percent to \$1,125. The average cost for transatlantic transportation, \$523, was about 6 percent higher than in 1974. Expenditures in Europe and other countries bordering the Mediterranean averaged \$602 per person, up 11 percent. The duration of the average trip remained 24 days for the third consecutive year. Daily expenditures averaged about \$25 per traveler.

The Caribbean area, Central and South America

Over 2 million U.S. travelers visited the Caribbean area and Central Amer-

Table 2.—Travel Payments of U.S. Travelers in Foreign Countries, by Area, 1971-75

[Millions of dollars]

	1971	1972	1973	1974	1975
Total travel payments	4,373	5,042	5,526	5,980	6,417
Canada.....	1,079	1,037	1,158	1,359	1,306
Mexico.....	959	1,135	1,264	1,475	1,637
Mexican border zone.....	589	626	715	904	1,047
Overseas areas.....	2,335	2,870	3,104	3,146	3,474
Europe and Mediterranean area ¹	1,540	1,853	1,993	1,802	1,918
Western Europe.....	1,373	1,645	1,800	1,600	1,709
United Kingdom.....	324	342	354	368	404
France.....	169	200	237	198	226
Italy.....	178	215	218	188	194
Switzerland.....	99	119	135	117	121
Germany.....	126	163	170	153	174
Austria.....	52	64	77	61	65
Denmark.....	38	46	42	43	43
Sweden.....	22	32	27	32	29
Norway.....	25	39	33	31	44
Netherlands.....	44	57	63	47	60
Belgium-Luxembourg.....	22	31	25	31	39
Spain.....	105	152	201	138	135
Portugal.....	31	37	58	36	19
Ireland.....	52	36	45	47	55
Greece.....	63	84	88	84	73
Other Western Europe.....	23	28	27	26	28
Other Europe and Mediterranean area.....	167	208	193	202	209
Israel.....	110	124	100	95	57
Other.....	57	84	93	107	152
Caribbean area and Central America.....	408	504	570	685	787
Bermuda.....	62	69	80	110	118
Bahamas.....	120	144	136	151	161
Jamaica.....	90	105	109	122	118
Other British West Indies.....	56	60	95	87	103
Netherlands West Indies.....	28	40	55	60	97
Other West Indies and Central America.....	52	86	95	155	190
South America.....	92	113	132	209	242
Other areas.....	295	400	409	450	527
Japan.....	88	121	123	102	131
Hong Kong.....	50	70	65	75	75
Australia-New Zealand.....	47	50	48	55	54
Other.....	110	159	173	218	267

1. Includes all European countries and Algeria, Cyprus, Egypt, Israel, Lebanon, Libya, Malta, Morocco, Syria, Tunisia, and Turkey.

NOTE.—Includes shore expenditures of cruise travelers.

Table 3.—Number of U.S. Travelers to Oversea Areas, by Means of Transportation and by Area, 1971-75

[Thousands]					
	1971	1972	1973	1974	1975
Total	5,667	6,790	6,933	6,467	6,354
Sea.....	95	73	57	47	36
Air.....	5,572	6,717	6,876	6,420	6,318
Europe and Mediterranean area.....	3,202	3,843	3,915	3,325	3,185
Western Europe.....	3,030	3,666	3,720	3,118	2,990
Caribbean area and Central America.....	1,736	1,992	2,032	2,147	2,065
South America.....	254	338	383	423	447
Other areas.....	475	617	603	572	657

NOTE.—Excludes cruise travelers: they numbered 629,000 in 1971, 657,000 in 1972, 750,000 in 1973, 701,000 in 1974, and 755,000 in 1975.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, based on data of U.S. Department of Justice, Immigration and Naturalization Service.

ica, where they spent nearly \$0.8 billion last year, up \$0.1 billion. A rise of 19 percent in average expenditures more than offset a 4 percent decline in the number of U.S. travelers. Although the number of visitors to the Bahamas fell 10 percent, there was a 7 percent increase in spending there, reflecting substantially higher expenditures per visitor. U.S. travelers' expenditures in Bermuda also increased 7 percent, but they declined slightly in Jamaica. In other Caribbean islands and Central America, U.S. travelers increased their expenditures 27 percent.

In South America, U.S. travel expenditures totaled over \$0.2 billion, up 16 percent. About 450,000 Americans visited the area last year, compared with about 425,000 in 1974. Average expenditures increased due to substantial price rises, but real expenditures (in 1972 dollars) were below those of 1974.

Other overseas areas

Total U.S. travel expenditures in other overseas areas (primarily the Pacific and Far East) reached \$0.5 billion, up 17 percent, while the number of U.S. visitors rose 15 percent to 660,000. Expenditures in Japan rose 28 percent to \$130 million. Expenditures were unchanged in Australia, New Zealand, and Hong Kong, and they increased 22 percent to \$270 million in other countries.

Foreign Visitors to the United States

Expenditures of foreign visitors in the United States increased 21 percent to \$4.9 billion in 1975 (table 6). About 80 percent of the increase resulted from sharply higher spending by Canadian and Mexican visitors. Visitors from overseas areas spent \$1.8 billion, up 10 percent. In addition, they paid about \$0.8 billion to U.S. air carriers

Table 4.—Average Length of Stay of U.S. Travelers in Selected Areas, 1971-75

[Days]					
	1971	1972	1973	1974	1975
Europe and Mediterranean area.....	26	27	24	24	24
Caribbean area and Central America:					
Bermuda.....	7	6	6	6	6
Bahamas.....	5	6	5	6	6
Other Caribbean area and Central America.....	10	11	10	10	12
South America.....	20	21	14	18	18
Other overseas areas.....	27	30	28	22	23

NOTE.—Excludes cruise travelers.

for transportation to and from the United States, about the same as in 1974. The number of overseas visitors was virtually unchanged at 3.7 million.

Canadian and Mexican visitors

Canadians visiting the United States spent \$1.6 billion, a 27 percent rise. The number of visitors rose 10 percent, compared with a 2 percent decline in 1974. The proportionately larger rise in dollar expenditures than in the number of travelers resulted from a strong rebound in auto travel for stays of overnight or longer, due in part to the improved availability of fuel for autos in the United States (in contrast to 1974, when there were fuel shortages). Air travel also increased sharply.

Table 5.—Number of U.S. Travelers and Their Average and Total Travel Payments in Europe and the Mediterranean Area, 1974-75

	1974					1975					Percent change 1974-75		
	Number of travelers (thousands)	Percent of total travelers	Average spending per traveler	Total spent (Millions of dollars)	Percent of total spending	Number of travelers (thousands)	Percent of total travelers	Average spending per traveler (dollars)	Total spent (millions of dollars)	Percent of total spending	Number of travelers	Average spending per traveler	Total spent
Europe and Mediterranean area	3,325	100.0	542	1,802	100.0	3,185	100.0	602	1,918	100.0	-4.2	11.0	6.4
Western Europe.....	3,118	93.8	513	1,600	88.9	2,990	93.8	572	1,709	89.1	-4.1	11.5	6.8
United Kingdom.....	1,227	36.9	300	368	20.4	1,199	37.6	337	404	21.0	-2.2	12.3	9.7
France.....	824	24.8	240	198	11.0	809	25.4	279	226	11.7	-1.8	16.2	14.1
Italy.....	657	19.8	286	188	10.4	650	20.4	294	194	10.1	-1.0	2.7	3.1
Switzerland.....	544	16.4	214	117	6.5	567	17.8	213	121	6.3	4.2	-4	3.4
Germany.....	712	21.4	216	153	8.5	733	23.0	238	174	9.0	2.9	10.1	13.7
Austria.....	335	10.1	182	61	3.4	377	11.8	173	65	3.3	12.5	-4.9	6.5
Denmark.....	239	7.2	179	43	2.4	230	7.2	187	43	2.2	-3.7	4.4	-----
Sweden.....	164	4.9	197	32	1.8	150	4.7	192	29	1.5	-8.5	-2.5	-9.3
Norway.....	134	4.0	229	31	1.7	135	4.2	326	44	2.2	.7	42.3	41.9
Netherlands.....	352	10.6	133	47	2.6	416	13.0	145	60	3.1	18.1	9.0	27.6
Belgium-Luxembourg.....	246	7.4	127	31	1.7	289	9.0	137	39	2.0	17.4	7.8	25.8
Spain.....	468	14.1	296	138	7.7	370	11.6	366	135	7.0	-20.9	23.6	-2.1
Portugal.....	179	5.4	202	36	2.0	95	2.9	203	19	.9	-46.9	.4	-47.2
Ireland.....	175	5.3	270	47	2.6	191	5.9	287	55	2.8	9.1	6.2	17.0
Greece.....	228	6.8	371	84	4.7	178	5.5	411	73	3.8	-21.2	10.7	-13.0
Other Western Europe.....	131	3.9	n.a.	26	1.4	142	4.4	n.a.	28	1.4	8.3	n.a.	7
Israel.....	231	6.9	412	95	5.3	138	4.3	409	57	2.9	-40.2	-.7	-40
Other.....	430	12.9	249	107	5.9	515	16.1	295	152	7.9	19.7	18.4	42

n.a. Not available.

NOTE.—Data on average spending exclude shore expenses of cruise travelers.

Source: U.S. Department of Commerce, Bureau of Economic Analysis; number of travelers based on data of Department of Justice, Immigration and Naturalization Service.

Growth of travel by auto for visits of overnight or longer, compared with shorter visits by auto, tends to increase average expenditures because longer stays induce higher spending levels for tourist services. Increased air travel also contributes to higher average expenditures because air fares paid to U.S. air carriers are included as part of air travelers' expenditures here.

Nearly one-third of all Canadian travel expenditures in the United States occurred in the first quarter of 1975, indicating a continued shift toward more winter holidays in the warmer U.S. climate.

Receipts from Mexican visitors totaled \$1.5 billion last year, up 30 percent. More than three-fourths of the total represented expenditures in U.S. areas adjacent to the Mexican border, which rose 34 percent. Expenditures in areas beyond the border regions rose 19 percent. Sharp increases in prices in Mexico may have stimulated demand for only moderately higher-priced U.S. goods and services. To a lesser extent, rumors of a devaluation of the Mexican

peso in late 1974 (which did not occur) may have accelerated some purchases in the U.S. border area of goods paid for in pesos.

Visitors from overseas

The slow recovery from the 1974-1975 recession in many important overseas countries, coupled with inflationary pressures here and abroad and an appreciation of the exchange rate of the dollar against many currencies in the second half of 1975, dampened travel to the United States by visitors from overseas. Their expenditures here, about \$1.8 billion, were 10 percent more than in 1974, but the number of visitors was just short of the 1974 total of 3.7 million. Real U.S. travel receipts (in constant 1972 dollars) from overseas visitors have remained at about the same level since 1973.

Visitors from Europe numbered about 1.5 million, 3 percent fewer than in 1974 and nearly 8 percent below the record 1973 total (table 7). Increased average spending per visitor raised expenditures 7 percent, to just over \$0.6 billion. Half of the \$40 million rise came from West German visitors, who spent \$145 million here. The 15 percent increase in West German expenditures was accounted for by higher average per capita spending; the number of German travelers remained at 300,000, practically the same as in 1974. United Kingdom travelers in the United States decreased 3 percent to 450,000. They spent about \$145 million in the United States, slightly more than in 1974. About 160,000 French visitors spent \$70 million in this country. The 8 percent rise in total French expenditures reflected higher average per capita spending; the number of French visitors declined 5 percent.

Expenditures in the United States by South American visitors jumped 28 percent to \$0.3 billion, reflecting a 9 percent increase in the number of visitors, to 440,000, and a sharp rise in average per capita spending. However, receipts from visitors from the Caribbean and Central American countries dropped 5 percent, to \$0.2 billion, as the number of visitors fell 6 percent to 480,000.

Visitors from other overseas areas increased their expenditures in the United States 10 percent to \$0.7 billion. Receipts from Japanese visitors, which accounted for \$0.4 billion of the total, were only slightly higher than in 1974. Japanese visitors numbered 750,000, more than from any other overseas country, but 2 percent below the record 765,000 in 1974. Receipts from other overseas countries rose 23 percent to \$0.3 billion.

Table 6.—U.S. Receipts from Foreign Visitors in the United States, 1971-75

[Millions of dollars]					
	1971	1972	1973	1974	1975
Total U.S. travel receipts	2,534	2,817	3,412	4,032	4,876
Canada	888	928	1,072	1,225	1,561
Mexico	681	720	830	1,142	1,490
U.S. border zone	516	525	598	858	1,151
Total overseas areas	965	1,169	1,510	1,665	1,825
Western Europe	367	452	559	570	611
United Kingdom	67	96	126	142	144
France	48	63	76	63	68
Germany	79	93	137	126	145
Italy	33	40	46	43	41
Netherlands	22	23	27	28	36
Sweden	13	18	19	22	23
Switzerland	16	21	23	27	32
Other	89	98	105	119	122
Caribbean area and Central America	163	169	205	216	206
South America	162	174	198	237	303
Other areas	273	374	548	642	705
Japan	134	205	334	402	410

Table 7.—Foreign Visitors to the United States From Overseas Areas, by Area and Type of Visa, 1974-75

[Thousands]					
	Total	Business	Pleasure	Transit	Student
Overseas areas, total:					
1975	3,674	476	2,909	197	92
1974	3,700	499	2,889	224	88
Europe:					
1975	1,500	241	1,159	89	11
1974	1,544	253	1,169	111	11
Caribbean and Central America:					
1975	478	32	406	24	16
1974	508	34	431	27	16
South America:					
1975	438	35	370	22	11
1974	401	37	333	21	10
Other areas:					
1975	1,258	168	974	62	54
1974	1,247	175	966	65	51
Japan:					
1975	747	92	635	11	10
1974	764	102	646	8	8

NOTE.—Data are not adjusted for multiple entries on a single trip.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, based on data of U.S. Department of Justice, Immigration and Naturalization Service.

U.S. National Income and Product Accounts:

- Revised Estimates, First Quarter of 1973 to First Quarter of 1976
- Preliminary Estimates, Second Quarter of 1976

NATIONAL income and product estimates for 1972-75 and the first two quarters of 1976 are presented on the following pages. Estimates for the first quarter of 1973 to the first quarter of 1976 have been revised. Major aspects of the revisions and the second-quarter estimates are reviewed in the "Business Situation." The selection of quarterly series that is shown regularly in the National Income and Product Tables in the SURVEY OF CURRENT BUSINESS is not shown separately in this issue, but its presentation will be resumed next month.

The revised estimates presented here incorporate a wide range of source data that was not available when the benchmark revision of the national income and product accounts published in January 1976 was prepared. The most important new source data and the estimates in which they were incorporated are listed below: final 1973 and preliminary 1974 Internal Revenue Service business tax return tabulations

(corporate profits, proprietors' income, interest, inventories other than manufacturing and trade, and capital consumption allowances); 1975 State unemployment insurance payroll data (wage and salaries); 1973 and 1974 data from the Department of Health, Education, and Welfare (employers' contributions to health and life insurance component of "other labor income"); preliminary tabulations of product shipments from the 1974 Annual Survey of Manufacturers (producers' durable equipment); revised Census data on private construction expenditures and construction price and cost indexes for 1973-75 (nonresidential and residential structures); Census data on State and local government construction for 1975 (State and local government purchases); the Federal budget for fiscal year 1977 and other Government financial reports (Federal Government receipts and expenditures); and final Census data on the finances of State and local governments for fiscal year 1974 and preliminary data for

fiscal year 1975 (State and local government receipts and expenditures). Seasonal adjustment factors have been updated.

Estimates for 1946-72 for most of the quarterly series can be found in Parts I and II of the January 1976 SURVEY. In a few instances detail additional to that shown in the January SURVEY is presented in the tables that follow, and a few tables have been renumbered. The complete set of the estimates will be shown in *The National Income and Product Accounts of the United States, 1929-74, Statistical Tables*, which is at the printer; its availability will be announced in the SURVEY.

Seasonally unadjusted estimates of GNP, personal consumption expenditures, government receipts and expenditures, foreign transactions, and corporate profits are not presented in this issue. They are available on request, and will be published in a subsequent issue.

Table A.—Summary National Income and Product Accounts, 1975 ¹

(Billions of dollars)

1.—National Income and Product Account

Line		Line	
1	Compensation of employees.....	26	Personal consumption expenditures (2-3).....
2	Wages and salaries.....	27	Durable goods.....
3	Disbursements (2-7).....	28	Nondurable goods.....
4	Wage accruals less disbursements (3-11) + (5-4).....	29	Services.....
5	Supplements to wages and salaries.....	30	Gross private domestic investment (5-1).....
6	Employer contributions for social insurance (3-19).....	31	Fixed investment.....
7	Other labor income (2-8).....	32	Nonresidential.....
8	Proprietors' income with inventory valuation and capital consumption adjustments (2-9).....	33	Structures.....
9	Rental income of persons with capital consumption adjustment (2-10).....	34	Producers' durable equipment.....
10	Corporate profits with inventory valuation and capital consumption adjustments.....	35	Residential.....
11	Profits before tax.....	36	Change in business inventories.....
12	Profits tax liability (3-16).....	37	Net exports of goods and services.....
13	Profits after tax.....	38	Exports (4-1).....
14	Dividends (2-11).....	39	Imports (4-3).....
15	Undistributed profits (5-6).....	40	Government purchases of goods and services (3-1).....
16	Inventory valuation adjustment (5-7).....	41	Federal.....
17	Capital consumption adjustment (5-8).....	42	National defense.....
18	Net interest (2-13).....	43	Nondefense.....
19	NATIONAL INCOME	44	State and local.....
20	Business transfer payments (2-18).....		
21	Indirect business tax and nontax liability (3-17).....		
22	Less: Subsidies less current surplus of government enterprises (3-10).....		
23	Statistical discrepancy (5-12).....		
24	CHARGES AGAINST NET NATIONAL PRODUCT		
25	Capital consumption allowances with capital consumption adjustment (5-9).....		
	CHARGES AGAINST GROSS NATIONAL PRODUCT		
			GROSS NATIONAL PRODUCT

1. Numbers in parenthesis indicate accounts and items of counterentry in the accounts.

Table A.—Summary National Income and Product Accounts, 1975 ¹—Continued

[Billions of dollars]

2.—Personal Income and Outlay Account

Line			Line		
1	Personal tax and nontax payments (3-15)	168.8	7	Wage and salary disbursements (1-3)	806.7
2	Personal outlays	996.9	8	Other labor income (1-7)	62.5
3	Personal consumption expenditures (1-26)	973.2	9	Proprietors' income with inventory valuation and capital consumption adjustments (1-8)	90.2
4	Interest paid by consumers to business (2-16)	22.8	10	Rental income of persons with capital consumption adjustment (1-9)	22.4
5	Personal transfer payments to foreigners (net) (4-5)	.9	11	Dividends (1-14)	32.1
6	Personal saving (5-3)	84.0	12	Personal interest income	110.7
			13	Net interest (1-18)	74.6
			14	Interest paid by government to persons and business (3-7)	32.8
			15	Less: Interest received by government (3-9)	19.5
			16	Interest paid by consumers to business (2-4)	22.8
			17	Transfer payments to persons	175.2
			18	From business (1-20)	6.3
			19	From government (3-3)	168.9
			20	Less: Personal contributions for social insurance (3-20)	50.0
	PERSONAL TAXES, OUTLAYS, AND SAVING	1,249.7		PERSONAL INCOME	1,249.7

3.—Government Receipts and Expenditures Account

1	Purchases of goods and services (1-40)	339.0	15	Personal tax and nontax payments (2-1)	168.8
2	Transfer payments	172.0	16	Corporate profits tax liability (1-12)	49.2
3	To persons (2-19)	168.9	17	Indirect business tax and nontax liability (1-21)	138.7
4	To foreigners (net) (4-6)	3.1	18	Contributions for social insurance	109.7
5	Net interest paid	17.8	19	Employer (1-6)	59.7
6	Interest paid	37.4	20	Personal (2-20)	50.0
7	To persons and business (2-14)	32.8			
8	To foreigners (4-7)	4.5			
9	Less: Interest received by government (2-15)	19.5			
10	Subsidies less current surplus of government enterprises (1-22)	2.0			
11	Less: Wage accruals less disbursements (1-4)	.0			
12	Surplus or deficit (—), national income and product accounts (5-10)	—64.4			
13	Federal	—71.2			
14	State and local	6.9			
	GOVERNMENT EXPENDITURES AND SURPLUS	466.4		GOVERNMENT RECEIPTS	466.4

4.—Foreign Transactions Account

1	Exports of goods and services (1-38)	148.1	3	Imports of goods and services (1-39)	127.6
2	Capital grants received by the United States (net) (5-11)	.0	4	Transfer payments to foreigners (net)	4.0
			5	From persons (net) (2-5)	.9
			6	From government (net) (3-4)	3.1
			7	Interest paid by government to foreigners (3-8)	4.5
			8	Net foreign investment (5-2)	11.9
	RECEIPTS FROM FOREIGNERS	148.1		PAYMENTS TO FOREIGNERS	148.1

5.—Gross Saving and Investment Account

1	Gross private domestic investment (1-30)	183.7	3	Personal saving (2-6)	84.0
2	Net foreign investment (4-8)	11.9	4	Wage accruals less disbursements (1-4)	.0
			5	Undistributed corporate profits with inventory valuation and capital consumption adjustments	10.3
			6	Undistributed corporate profits (1-15)	33.2
			7	Inventory valuation adjustment (1-16)	—11.4
			8	Capital consumption adjustment (1-17)	—11.5
			9	Capital consumption allowances with capital consumption adjustment (1-25)	161.4
			10	Government surplus or deficit (—), national income and product accounts (3-12)	—64.4
			11	Capital grants received by the United States (net) (4-2)	.0
			12	Statistical discrepancy (1-23)	4.4
	GROSS INVESTMENT	195.6		GROSS SAVING AND STATISTICAL DISCREPANCY	195.6

1. Numbers in parenthesis indicate accounts and items of counterentry in the accounts.

Table 1.7.—Gross National Product by Sector and Industry

[Billions of dollars]

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
Seasonally adjusted at annual rates																			
Gross national product.....	1,171.1	1,306.6	1,413.2	1,516.3	1,219.4	1,265.3	1,288.4	1,317.5	1,355.1	1,372.7	1,399.4	1,431.6	1,449.2	1,446.2	1,482.3	1,548.7	1,588.2	1,636.2	1,673.0
Gross domestic product.....	1,164.1	1,297.5	1,398.7	1,505.7	1,211.3	1,256.5	1,279.6	1,308.8	1,345.1	1,355.5	1,387.0	1,417.8	1,434.4	1,436.7	1,471.7	1,537.4	1,577.1	1,623.2	1,662.5
Business.....	989.5	1,108.0	1,192.4	1,277.5	1,030.7	1,072.4	1,092.0	1,117.9	1,149.5	1,156.1	1,183.8	1,209.6	1,219.9	1,216.3	1,246.4	1,306.8	1,340.4	1,380.7	1,415.3
Nonfarm.....	955.8	1,055.3	1,137.3	1,222.8	993.1	1,027.2	1,042.3	1,061.9	1,089.5	1,100.6	1,130.1	1,155.1	1,163.4	1,167.4	1,197.4	1,246.7	1,279.6	1,324.8	-----
Manufacturing.....	288.8	321.8	334.3	346.0	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Nonmanufacturing.....	667.0	733.4	803.0	876.7	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Housing.....	89.2	97.4	107.4	117.8	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Other.....	577.8	636.0	695.6	758.9	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Farm.....	32.0	50.1	48.5	50.3	34.1	42.6	48.6	52.7	56.4	53.1	46.6	46.9	47.2	42.5	49.0	55.0	54.8	48.7	55.0
Statistical discrepancy.....	1.7	2.6	6.6	4.4	3.4	2.6	1.1	3.2	3.6	2.4	7.1	7.7	9.3	6.4	1.1	5.1	6.1	7.2	-----
Households and institutions.....	37.2	40.5	44.7	49.7	37.9	38.8	40.0	41.1	42.0	42.7	44.0	45.7	46.4	48.1	49.0	50.4	51.5	53.3	54.7
Government.....	137.4	149.1	161.6	178.5	142.7	145.3	147.5	149.9	153.6	156.7	159.2	162.5	168.1	172.4	176.3	180.1	185.2	189.2	192.5
Federal.....	50.1	51.9	54.9	59.3	51.9	51.7	51.3	51.4	53.2	53.7	54.0	54.6	57.4	58.2	58.4	59.1	61.5	62.2	62.6
State and local.....	87.3	97.1	106.7	119.2	90.9	93.6	96.2	98.5	100.3	102.9	105.2	107.9	110.7	114.2	117.9	121.1	123.7	127.0	130.0
Rest of the world.....	7.0	9.1	14.5	10.6	8.1	8.8	8.8	8.7	10.0	17.2	12.4	13.8	14.8	9.4	10.6	11.3	11.1	13.0	10.5

NOTE.—The industry classification within the business sector is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 1.8.—Gross National Product by Sector and Industry in Constant Dollars

[Billions of 1972 dollars]

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^p
Seasonally adjusted at annual rates																			
Gross national product.....	1,171.1	1,235.0	1,214.0	1,191.7	1,202.2	1,229.8	1,231.1	1,236.3	1,242.6	1,230.4	1,220.8	1,212.9	1,191.7	1,161.1	1,177.1	1,209.3	1,219.2	1,246.3	1,259.7
Gross domestic product.....	1,164.1	1,227.4	1,206.9	1,186.8	1,194.3	1,221.6	1,223.6	1,229.2	1,235.2	1,219.8	1,215.3	1,207.3	1,185.3	1,157.0	1,172.2	1,204.0	1,214.1	1,240.4	1,254.9
Business.....	989.5	1,050.4	1,027.3	1,004.1	1,018.5	1,046.3	1,046.7	1,051.6	1,057.3	1,040.9	1,036.0	1,027.0	1,005.0	975.6	989.9	1,020.8	1,030.2	1,055.1	1,068.8
Nonfarm.....	955.8	1,013.2	987.7	968.1	982.9	1,008.5	1,011.3	1,015.7	1,017.4	1,005.6	994.6	986.6	964.1	938.8	956.6	983.0	994.1	1,018.0	-----
Manufacturing.....	288.8	313.0	296.8	270.0	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Nonmanufacturing.....	667.0	700.2	690.9	698.1	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Housing.....	89.2	93.4	98.2	102.4	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Other.....	577.8	606.8	592.7	595.7	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Farm.....	32.0	32.3	32.0	34.1	31.0	33.2	32.0	30.2	34.0	30.6	32.8	32.2	32.5	31.8	34.6	36.0	34.2	34.3	34.9
Residual ¹	1.7	4.9	7.5	1.8	4.6	4.5	3.5	5.6	5.9	4.7	8.6	8.3	8.4	4.9	-1.3	1.8	1.9	2.8	-----
Households and institutions.....	37.2	38.1	38.2	38.5	37.5	37.4	38.0	38.4	38.5	38.2	38.1	38.5	37.9	38.3	38.4	38.5	38.8	39.8	40.1
Government.....	137.4	138.9	141.5	144.2	138.4	137.9	138.9	139.2	139.5	140.7	141.1	141.9	142.4	143.1	143.9	144.7	145.1	145.5	146.0
Federal.....	50.1	48.3	48.4	48.2	49.8	48.9	48.7	47.9	47.5	48.4	48.3	48.4	48.4	48.4	48.2	48.2	48.1	48.1	48.0
State and local.....	87.3	90.6	93.1	96.0	88.6	89.0	90.2	91.3	92.0	92.3	92.8	93.4	94.0	94.7	95.7	96.5	97.0	97.4	97.9
Rest of the world.....	7.0	7.6	7.0	4.8	7.8	8.2	7.5	7.2	7.4	10.7	5.5	5.6	6.4	4.1	4.8	5.3	5.1	5.9	4.8

^p Preliminary.

1. Equals GNP in constant dollars measured as the sum of final products less GNP in constant dollars measured as the sum of gross product by industry. The quarterly estimates are obtained by interpolating the annual estimates with the statistical discrepancy deflated by the implicit price deflator for gross domestic business product.

NOTE.—The industry classification within the business sector is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 1.9.—Relation of Gross National Product, Net National Product, National Income, and Personal Income

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^a
	Millions of dollars				Billions of dollars, seasonally adjusted at annual rates														
Gross national product.....	1,171,121	1,306,554	1,413,206	1,516,338	1,219.4	1,265.3	1,288.4	1,317.5	1,355.1	1,372.7	1,399.4	1,431.6	1,449.2	1,446.2	1,482.3	1,548.7	1,588.2	1,636.2	1,673.0
Less: Capital consumption allow- ances with capital con- sumption adjustment.....	105,364	117,652	137,700	161,382	108.1	111.7	115.8	118.8	124.3	128.5	134.5	140.6	147.2	152.9	158.7	164.4	169.5	173.6	177.7
Capital consumption allow- ances without capital con- sumption adjustment.....	99,520	108,238	119,817	130,834	102.5	104.2	106.9	108.8	113.0	114.8	118.2	121.8	124.5	126.7	128.8	132.3	135.5	137.5	140.5
Less: Capital consumption adjustment.....	-5,844	-9,414	-17,883	-30,548	-5.6	-7.5	-8.8	-10.0	-11.4	-13.7	-16.2	-18.8	-22.8	-26.1	-29.9	-32.1	-34.0	-36.1	-37.2
Equals: Net national product.....	1,065,757	1,188,902	1,275,506	1,354,956	1,111.3	1,153.6	1,172.6	1,198.7	1,230.7	1,244.2	1,265.0	1,291.0	1,301.9	1,293.3	1,323.6	1,384.3	1,418.7	1,462.6	1,495.4
Less: Indirect business tax and nontax liability.....	111,007	120,193	128,358	138,690	115.0	118.2	119.7	120.6	122.3	124.0	127.5	131.0	131.0	132.6	136.5	141.5	144.1	144.9	147.9
Business transfer payments.....	4,722	5,375	5,613	6,277	4.9	5.1	5.3	5.5	5.6	5.6	5.5	5.6	5.7	5.9	6.2	6.4	6.6	6.8	7.0
Statistical discrepancy.....	1,681	2,629	6,624	4,419	3.4	2.6	1.1	3.2	3.6	2.4	7.1	7.7	9.3	6.4	.1	5.1	6.1	7.2	-----
Plus: Subsidies less current sur- plus of government enter- prises.....	3,588	3,872	838	2,014	3.6	3.2	4.7	4.1	3.5	1.3	.8	.9	.3	1.4	1.9	2.1	2.7	.9	1.1
Equals: National income.....	951,935	1,064,577	1,135,749	1,207,584	991.7	1,030.9	1,051.2	1,073.6	1,102.7	1,113.5	1,125.6	1,147.6	1,156.3	1,149.7	1,182.7	1,233.4	1,264.6	1,304.7	-----
Less: Corporate profits with in- ventory valuation and capital consumption ad- justments.....	92,081	99,064	84,847	91,604	99.0	101.1	98.1	97.8	99.3	95.7	87.8	81.7	74.1	69.0	86.6	105.3	105.6	115.1	-----
Net interest.....	47,028	52,334	67,127	74,628	49.6	50.4	51.2	52.5	55.3	59.4	65.9	70.0	73.2	73.7	74.0	74.9	75.8	78.6	80.3
Contributions for social in- surance.....	73,594	91,524	103,416	109,657	75.2	89.0	90.5	92.4	94.3	100.4	102.4	105.0	105.9	107.6	108.1	110.3	112.6	119.3	121.4
Wage accruals less disburse- ments.....	4	-56	-530	0	2.1	.0	-.3	.0	.0	.0	-.6	-1.5	.0	.0	.0	.0	.0	.0	.0
Plus: Government transfer pay- ments to persons.....	99,377	113,511	134,643	168,933	108.3	109.9	111.8	114.6	117.7	123.2	130.8	138.5	146.0	157.8	169.3	172.7	176.0	181.8	180.7
Personal interest income.....	74,612	84,051	101,392	110,663	78.1	79.9	82.1	85.2	89.0	92.9	99.7	104.8	108.2	108.2	109.0	111.0	114.4	118.0	120.7
Net interest.....	47,028	52,334	67,127	74,628	49.6	50.4	51.2	52.5	55.3	59.4	65.9	70.0	73.2	73.7	74.0	74.9	75.8	78.6	80.3
Interest paid by govern- ment to persons and business.....	21,500	25,626	29,246	32,808	22.4	23.9	25.0	26.3	27.4	28.2	28.9	29.8	30.0	30.5	32.0	33.3	35.4	37.0	38.4
Less: Interest received by government.....	11,777	14,111	17,188	19,537	12.6	13.5	13.8	14.1	15.0	16.1	17.0	17.7	18.0	18.5	19.4	20.0	20.2	21.1	21.7
Interest paid by con- sumers to business.....	17,861	20,202	22,207	22,764	18.7	19.1	19.8	20.6	21.3	21.4	21.9	22.6	22.9	22.5	22.4	22.8	23.3	23.4	23.7
Dividends.....	24,597	27,792	30,756	32,105	25.4	26.5	27.3	28.1	29.3	29.9	30.7	31.3	31.1	31.7	31.9	32.6	32.2	33.1	34.4
Business transfer payments.....	4,722	5,375	5,613	6,277	4.9	5.1	5.3	5.5	5.6	5.6	5.5	5.6	5.7	5.9	6.2	6.4	6.6	6.8	7.0
Equals: Personal income.....	942,536	1,052,440	1,153,293	1,249,673	982.6	1,011.8	1,038.2	1,064.3	1,095.5	1,109.7	1,136.8	1,172.5	1,194.1	1,203.1	1,230.3	1,265.5	1,299.7	1,331.3	1,361.4

Table 1.10.—Relation of Gross National Product, Net National Product, and National Income in Constant Dollars

[Billions of 1972 dollars]

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
					Seasonally adjusted at annual rates														
Gross national product.....	1,171.1	1,235.0	1,214.0	1,191.7	1,202.2	1,229.8	1,231.1	1,236.3	1,242.6	1,230.4	1,220.8	1,212.9	1,191.7	1,161.1	1,177.1	1,209.3	1,219.2	1,246.3	1,259.7
Less: Capital consumption allowances with capital consumption adjust- ment.....	105.4	111.7	117.1	121.5	106.0	108.9	111.4	111.9	114.4	115.2	116.6	117.7	119.0	119.7	120.9	122.2	123.4	124.5	125.6
Equals: Net national product.....	1,065.8	1,123.3	1,096.9	1,070.1	1,096.2	1,120.9	1,119.7	1,124.4	1,128.2	1,115.2	1,104.2	1,095.2	1,072.8	1,041.4	1,056.2	1,087.1	1,095.8	1,121.8	1,134.1
Less: Indirect business taxes and nontax liability plus business transfer payments less subsidies plus cur- rent surplus of government enter- prises.....	112.1	118.6	117.3	118.2	115.2	117.4	118.5	119.3	119.0	117.7	117.4	117.6	116.5	116.6	117.7	118.5	120.1	122.0	123.0
Residual ¹	1.7	4.9	7.5	1.8	4.6	4.5	3.5	5.6	5.9	4.7	8.6	8.3	8.4	4.9	-1.3	1.8	1.9	2.8	-----
Equals: National income.....	951.9	999.8	972.0	950.0	976.3	998.9	997.8	999.5	1,003.3	992.8	978.1	969.4	947.9	919.9	939.8	966.8	973.7	997.0	-----

^a Preliminary.
See footnote to table 1.8.

Table 1.17.—Auto Output in Constant Dollars

(Billions of 1972 dollars)

					1972	1973				1974				1975				1976	
	1972	1973	1974	1975	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ²
	Seasonally adjusted at annual rates																		
Auto output.....	45.1	50.6	40.0	39.7	48.1	54.6	53.1	47.5	47.1	39.0	40.2	44.1	36.8	32.7	38.6	45.0	42.6	50.4	51.2
Final sales.....	45.3	49.5	39.4	40.8	49.1	53.3	51.7	49.2	43.9	40.6	40.1	43.2	33.8	38.0	38.5	43.2	43.4	49.5	49.5
Personal consumption expenditures.....	39.4	42.1	33.1	33.4	42.0	45.6	43.9	41.4	37.5	34.5	34.3	36.1	27.5	31.1	31.0	35.3	36.1	41.7	41.6
New autos.....	32.1	34.6	26.0	25.9	34.7	37.8	36.5	33.8	30.1	27.4	27.0	28.9	20.6	24.7	23.7	27.4	27.6	32.7	33.0
Net purchases of used autos.....	7.3	7.5	7.2	7.5	7.2	7.8	7.4	7.6	7.4	7.1	7.3	7.3	6.9	6.4	7.2	8.0	8.5	9.0	8.6
Producers' durable equipment.....	7.6	8.7	7.7	7.5	8.8	9.2	9.4	9.1	7.2	7.8	7.5	8.7	6.6	6.9	7.1	8.5	7.5	8.4	8.3
New autos.....	10.3	11.9	11.1	11.3	11.6	12.3	12.5	12.4	10.3	10.9	11.0	12.7	9.7	9.9	10.7	12.8	11.8	12.7	12.9
Net purchases of used autos.....	-2.8	-3.2	-3.4	-3.8	-2.8	-3.1	-3.2	-3.2	-3.1	-3.1	-3.6	-4.0	-3.1	-3.0	-3.5	-4.3	-4.3	-4.3	-4.6
Net exports.....	-2.3	-1.8	-1.8	-1.6	-2.3	-2.0	-2.0	-1.8	-1.2	-2.1	-2.1	-2.2	-1.8	-1.5	-1.1	-1.1	-1.6	-1.1	-1.8
Exports.....	3.0	3.8	4.3	4.7	3.3	3.6	3.6	3.8	4.2	4.1	4.2	4.4	4.7	4.2	4.6	4.9	5.2	5.1	5.4
Imports.....	5.3	5.6	6.2	5.3	5.6	5.6	5.7	5.6	5.4	6.2	6.3	6.5	5.5	4.6	4.7	6.0	5.8	6.2	6.3
Government purchases of goods and services.....	.6	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.5	.4	.5	.5
Change in business inventories of new and used autos.....	-1.1	1.0	.6	-1.1	-1.0	1.4	1.3	-1.7	3.2	-1.6	.1	.9	3.0	-5.3	.1	1.8	-1.8	.9	1.7
New.....	-1.1	1.1	.7	-1.2	-1.2	1.3	1.3	-1.6	3.3	-1.4	.2	.8	3.2	-5.4	.1	1.6	-1.1	.7	1.4
Used.....	.0	.0	-.1	.1	.2	.0	.0	-.1	-2	-.2	-.1	.1	-1	.1	.0	.2	.2	.2	.3
Addenda:																			
Domestic output of new autos ¹.....	37.5	42.9	33.2	32.5	40.5	46.5	45.6	40.3	39.3	31.0	33.6	36.6	31.7	25.7	31.5	37.7	35.0	42.2	42.9
Sales of imported new autos ².....	8.0	9.1	8.5	8.9	8.9	9.3	9.1	8.8	9.0	9.3	7.7	9.5	7.6	9.0	8.7	9.5	8.5	8.3	9.4

^p Preliminary.¹ Consists of final sales and change in business inventories of new autos produced in the United States.² Consists of personal consumption expenditures, producers' durable equipment, and government purchases.

Table 1.18.—Farm Output, Gross Product, and Income

(Millions of dollars)

	1972	1973	1974	1975
Farm output	67,019	96,304	98,384	100,236
Cash receipts from farm marketings and Commodity Credit Corporation loans.....	61,441	87,226	92,875	89,421
Crops.....	25,771	41,290	51,498	46,519
Livestock.....	35,670	45,936	41,377	42,902
Other farm income.....	663	813	894	1,002
Farm products consumed on farms.....	831	1,104	1,300	1,268
Change in farm inventories.....	610	3,248	-1,516	3,010
Gross rental value of farm dwellings.....	3,474	3,913	4,831	5,535
Less: Intermediate goods and services consumed	34,453	45,540	49,093	49,209
Intermediate goods and services consumed, other than rent.....	29,979	38,559	42,282	42,510
Net rent paid to nonoperator landlords.....	4,474	6,981	6,811	6,699
Plus: Other items	-524	-676	-841	-735
Equals: Gross farm product	32,042	50,088	48,450	50,292
Less: Capital consumption allowances with capital consumption adjustment	7,439	8,413	9,997	11,763
Capital consumption allowances.....	5,421	6,191	7,374	7,946
Less: Capital consumption adjustment.....	-2,018	-2,222	-2,623	-3,817
Indirect business tax and nontax liability.....	2,095	2,144	2,280	2,383
Plus: Subsidies to operator landlords	3,454	2,278	467	706
Equals: Income¹	25,962	41,809	36,640	36,852
Compensation of employees.....	4,542	5,302	6,078	6,516
Proprietors' income with inventory valuation and capital consumption adjustments.....	18,003	32,003	25,825	24,864
Corporate profits with inventory valuation and capital consumption adjustments.....	380	909	299	290
Net interest.....	3,037	3,595	4,438	5,182

¹ Equals U.S. Department of Agriculture's measure of total net farm income plus net interest and compensation of employees other than corporate officers.

Table 1.20.—Housing Output, Gross Product, and Income

(Billions of dollars)

	1972	1973	1974	1975
Housing output¹	108.2	118.6	131.5	144.8
Nonfarm housing.....	104.8	114.7	126.6	139.3
Owner-occupied.....	74.0	81.3	90.2	99.7
Tenant-occupied.....	30.8	33.4	36.4	39.6
Farm housing.....	3.5	3.9	4.8	5.5
Less: Intermediate goods and services consumed	16.0	17.8	19.9	22.0
Equals: Gross housing product	92.2	100.9	111.6	122.8
Less: Capital consumption allowances with capital consumption adjustment	21.7	25.1	28.8	32.3
Capital consumption allowances.....	14.0	15.2	16.1	17.4
Less: Capital consumption adjustment.....	-7.7	-9.8	-12.8	-14.9
Indirect business tax and nontax liability plus business transfer payments.....	23.7	25.6	27.2	29.3
Plus: Subsidies less current surplus of government enterprises	1.4	1.4	1.5	1.7
Equals: Income	48.3	51.7	57.0	63.0
Compensation of employees.....	2.6	3.0	3.5	4.1
Proprietors' income with inventory valuation and capital consumption adjustments.....	1.6	1.5	1.7	2.0
Rental income of persons with capital consumption adjustment.....	14.6	12.9	12.4	13.9
Corporate profits with inventory valuation and capital consumption adjustments.....	.5	.4	.3	.2
Net interest.....	29.0	33.8	39.1	42.8

¹ Equals personal consumption expenditures for housing less expenditures for transient hotels, motels, clubs, schools, and institutions shown as other housing expenditures in table 2.6.

Table 1.19.—Farm Output, Gross Product, and Income in Constant Dollars

(Billions of 1972 dollars)

	1972	1973	1974	1975		1972	1973	1974	1975
Farm output	67.0	68.5	65.3	66.0	Plus: Other items	-0.5	-0.4	-0.6	-0.5
Cash receipts from farm marketings and Commodity Credit Corporation loans.....	61.4	61.3	60.7	60.3	Equals: Gross farm product	32.0	32.3	32.0	34.1
Crops.....	25.8	27.2	26.8	26.6	Less: Capital consumption allowances with capital consumption adjustment	7.4	8.1	8.6	8.7
Livestock.....	35.7	34.0	33.9	33.7	Indirect business tax and nontax liability.....	2.1	2.1	2.0	2.2
Other farm income.....	.7	.8	.7	.7	Plus: Subsidies to operator landlords	3.5	3.7	3.6	3.6
Farm products consumed on farms.....	.8	.9	1.0	.9	Equals: Income	26.0	25.8	25.0	26.8
Change in farm inventories.....	.6	2.3	-4.4	.9					
Gross rental value of farm dwellings.....	3.5	3.3	3.2	3.1					
Less: Intermediate goods and services consumed	34.5	35.8	32.7	31.4					
Intermediate goods and services consumed, other than rent.....	30.0	31.0	28.9	27.4					
Net rent paid to nonoperator landlords.....	4.5	4.8	3.8	4.0					

Table 1.21.—Housing Output, Gross Product, and Income in Constant Dollars

[Billions of 1972 dollars]

	1972	1973	1974	1975		1972	1973	1974	1975
Housing output ¹	108.2	113.3	118.9	124.0	Equals: Gross housing product.....	92.2	96.3	100.9	105.0
Nonfarm housing.....	104.8	110.0	115.6	120.9	Less: Capital consumption allowances with capital consumption adjustment.....	21.7	22.3	23.1	23.7
Owner-occupied.....	74.0	78.0	82.4	86.5	Indirect business tax and nontax liability.....	23.7	24.8	26.2	27.4
Tenant-occupied.....	30.8	32.0	33.3	34.4	Plus: Subsidies less current surplus of government enterprises.....	1.4	1.5	1.6	1.7
Farm housing.....	3.5	3.3	3.2	3.1	Equals: Income.....	48.3	50.7	53.2	55.6
Less: Intermediate goods and services consumed.....	16.0	17.0	18.0	19.0					

1. Equals personal consumption expenditures for housing less expenditures for transient hotels, motels, clubs, schools, and institutions shown as other housing expenditures in table 2.7.

2.—Personal Income and Outlay

Table 2.1.—Personal Income and Its Disposition: Annually

	1972	1973	1974	1975	1972	1973	1974	1975	1976										
	1972	1973	1974	1975	IV	I	II	III	IV										
	Millions of dollars				Billions of dollars, seasonally adjusted at annual rates														
Personal income.....	942,536	1,052,440	1,153,293	1,249,673	982.6	1,011.8	1,038.2	1,064.3	1,095.5	1,109.7	1,136.8	1,172.5	1,194.1	1,203.1	1,230.3	1,265.5	1,299.7	1,331.3	1,361.4
Wage and salary disbursements.....	633,761	701,270	765,016	806,663	654.5	677.2	693.9	708.0	725.9	739.7	757.3	777.1	786.0	785.8	792.8	811.7	836.4	861.5	880.7
Commodity-producing industries ¹	226,677	253,549	273,879	275,253	235.0	244.2	250.8	256.2	263.0	266.6	271.9	278.8	278.1	269.9	269.1	276.2	285.8	295.3	302.9
Manufacturing.....	175,370	196,186	211,403	211,658	182.7	189.5	194.5	197.7	203.1	205.2	209.6	215.6	215.2	206.8	206.9	212.5	220.3	229.6	235.4
Distributive industries ²	151,925	168,130	184,377	195,648	156.8	162.1	166.5	169.9	174.0	178.0	183.0	187.3	189.3	191.0	192.5	196.8	202.3	208.3	212.6
Service industries ³	117,903	130,995	145,870	159,929	121.6	126.1	129.5	132.6	135.8	139.6	143.7	148.3	151.8	154.8	157.4	161.3	166.1	172.4	176.6
Government and government enterprises.....	137,256	148,596	160,890	175,833	141.1	144.8	147.1	149.3	153.1	155.5	158.7	162.7	166.7	170.0	173.8	177.3	182.2	185.4	188.7
Other labor income.....	41,956	48,691	55,499	62,460	44.4	46.2	47.8	49.5	51.3	52.6	54.5	56.4	58.5	60.0	61.4	63.3	65.2	67.1	69.0
Proprietors' income with inventory valuation and capital consumption adjustments.....	76,138	92,421	86,930	90,168	79.0	86.1	90.7	94.6	98.3	91.2	85.0	86.0	85.5	81.1	86.8	95.5	97.2	93.2	100.0
Farm.....	18,003	32,003	25,825	24,864	19.8	26.1	30.8	33.9	37.3	31.6	24.6	23.8	23.3	17.9	24.1	29.2	28.3	21.9	27.5
Nonfarm.....	58,135	60,418	61,105	65,304	59.2	60.0	59.9	60.8	61.0	59.6	60.4	62.2	62.2	63.2	62.7	66.3	69.0	71.4	72.6
Rental income of persons with capital consumption adjustment.....	21,543	21,564	21,022	22,403	22.7	22.1	21.2	21.5	21.5	20.9	20.6	21.0	21.5	21.9	22.3	22.4	22.9	23.3	23.1
Dividends.....	24,597	27,792	30,756	32,105	25.4	26.5	27.3	28.1	29.3	29.9	30.7	31.3	31.1	31.7	31.9	32.6	32.2	33.1	34.4
Personal interest income.....	74,612	84,051	101,392	110,663	78.1	79.9	82.1	85.2	89.0	92.9	99.7	104.8	108.2	108.2	109.0	111.0	114.4	118.0	120.7
Transfer payments.....	104,099	118,886	140,256	175,210	113.2	115.0	117.1	120.1	123.3	128.8	136.3	144.2	151.8	163.7	175.5	179.1	182.5	188.6	187.7
Old-age, survivors, disability, and health insurance benefits.....	49,555	60,377	70,117	81,383	56.6	58.2	59.9	61.1	62.4	63.7	69.1	72.6	75.0	76.7	77.8	84.7	86.3	88.1	89.6
Government unemployment insurance benefits.....	5,615	4,282	6,639	17,295	4.6	4.2	4.0	4.2	4.6	5.4	6.1	6.6	8.5	15.0	18.1	18.4	17.7	17.7	15.3
Veterans benefits.....	9,738	10,442	11,830	14,454	10.7	10.3	10.3	10.4	10.7	10.8	11.0	12.1	13.5	14.6	13.9	14.2	15.0	16.0	14.7
Government employee retirement benefits.....	13,455	15,621	18,623	22,078	14.3	14.6	15.0	16.1	16.8	17.5	18.0	19.1	19.9	21.0	21.6	22.4	23.3	23.8	24.9
Aid to families with dependent children.....	6,875	7,178	7,887	9,186	7.0	7.0	7.1	7.2	7.3	7.5	7.7	8.1	8.4	8.7	9.0	9.4	9.7	9.8	9.7
Other.....	18,861	20,986	25,160	30,814	20.0	20.6	20.9	21.0	21.5	23.9	24.5	25.7	26.6	27.7	35.1	30.0	30.5	33.2	33.5
Less: Personal contributions for social insurance.....	34,170	42,235	47,578	49,999	34.7	41.3	41.9	42.7	43.1	46.4	47.3	48.2	48.5	49.4	49.5	50.1	51.0	53.4	54.3
Less: Personal tax and nontax payments.....	141,237	150,777	170,367	168,816	145.6	145.1	147.3	152.9	157.8	161.3	167.4	174.5	178.3	179.3	142.2	174.0	179.8	183.8	189.6
Equals: Disposable personal income.....	801,299	901,663	982,926	1,080,857	837.0	866.6	890.9	911.4	937.7	948.4	969.5	998.0	1,015.8	1,023.8	1,088.2	1,091.5	1,119.9	1,147.6	1,171.8
Less: Personal outlays.....	751,929	831,339	910,717	996,893	781.5	807.2	821.7	839.8	856.6	875.8	901.6	930.4	935.0	956.7	983.6	1,011.1	1,036.2	1,068.0	1,089.3
Personal consumption expenditures.....	733,034	809,885	887,494	973,216	761.8	787.2	801.0	818.2	833.1	853.3	878.7	906.8	911.1	933.2	960.3	987.3	1,012.0	1,043.6	1,064.6
Interest paid by consumers to business.....	17,861	20,202	22,207	22,764	18.7	19.1	19.8	20.6	21.3	21.4	21.9	22.6	22.9	22.5	22.4	22.8	23.3	23.4	23.7
Personal transfer payments to foreigners (net).....	1,034	1,252	1,016	913	1.1	.9	.9	.9	2.2	1.1	1.0	1.0	1.0	.9	.9	.9	.9	1.0	1.0
Equals: Personal saving.....	49,370	70,324	72,209	83,964	55.4	59.4	69.1	71.7	81.1	72.6	67.8	67.6	80.8	67.2	104.5	80.5	83.7	79.5	82.5
Addenda:																			
Disposable personal income:																			
Total, billions of 1972 dollars.....	801.3	854.7	840.8	855.5	827.1	845.1	852.7	858.2	862.1	846.7	840.6	841.7	834.0	827.9	869.7	857.1	867.5	880.4	890.2
Per capita:																			
Current dollars.....	3,837	4,285	4,639	5,062	3,995	4,130	4,238	4,327	4,443	4,487	4,579	4,705	4,779	4,809	5,102	5,105	5,227	5,347	5,452
1972 dollars.....	3,837	4,062	3,968	4,007	3,948	4,027	4,056	4,074	4,085	4,006	3,970	3,968	3,923	3,889	4,078	4,009	4,049	4,103	4,142
Population (mid-period, millions).....	208.8	210.4	211.9	213.5	209.5	209.9	210.2	210.6	211.0	211.4	211.7	212.1	212.6	212.9	213.3	213.8	214.2	214.6	214.9
Personal saving as percentage of disposable personal income.....	6.2	7.8	7.3	7.8	6.6	6.8	7.8	7.9	8.7	7.7	7.0	6.8	8.0	6.6	9.6	7.4	7.5	6.9	7.0

* Preliminary.

1. Consists of agriculture, forestry, and fisheries; mining; contract construction; and manufacturing.

2. Consists of transportation; communication; electric, gas, and sanitary services; and trade.

3. Consists of finance, insurance, and real estate; services; and rest of the world.

NOTE.—The industry classification of wage and salary disbursements and proprietors' income is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 2.7.—Personal Consumption Expenditures by Type of Product in Constant Dollars

[Billions of 1972 dollars]

Line No.	The figures in parentheses are the line numbers of the corresponding items in table 2.6.	1972	1973	1974	1975	Line No.	The figures in parentheses are the line numbers of the corresponding items in table 2.6.	1972	1973	1974	1975
1	Personal consumption expenditures	733.0	767.7	759.1	770.3	34	Nondurable goods—Continued				
2	Durable goods	111.2	121.8	112.3	111.9	35	Drug preparations and sundries (45).....	7.8	8.3	8.8	8.7
3	Motor vehicles and parts.....	50.6	54.6	44.4	44.7	36	Nondurable toys and sports supplies (85).....	6.5	7.2	7.5	7.5
4	New autos and net purchases of used autos (65+66).....	39.4	42.1	33.1	33.4	37	Other (16+35+84+89+105-107).....	11.4	12.3	12.5	11.8
5	Tires, tubes, accessories, and other parts (68).....	5.7	6.6	6.7	6.7	38	Services	322.4	336.5	343.4	352.4
6	Other motor vehicles (67).....	5.5	5.9	4.6	4.6	39	Housing.....	112.3	117.7	123.3	128.6
7	Furniture and household equipment.....	44.8	49.9	50.5	49.5	40	Owner-occupied nonfarm dwellings—space-rent (24).....	74.0	78.0	82.4	86.5
8	Furniture, including mattresses and bed-springs (29).....	9.9	10.9	10.7	10.2	41	Tenant-occupied nonfarm dwellings (including lodging houses) rent (25).....	31.0	32.3	33.5	34.7
9	Kitchen and other household appliances (30).....	8.5	9.5	9.5	8.9	42	Rental value of farm dwellings (26).....	3.5	3.3	3.2	3.1
10	China, glassware, tableware, and utensils, and other durable house furnishings (31+32).....	15.5	17.3	17.4	16.5	43	Other (27).....	3.8	4.1	4.1	4.3
11	Radio and television receivers, records, and musical instruments (87).....	11.0	12.3	13.0	13.8	44	Household operation.....	45.9	48.1	48.3	50.1
12	Other.....	15.9	17.3	17.4	17.8	45	Electricity (37).....	12.3	13.2	13.3	14.1
13	Ophthalmic products and orthopedic appliances (46).....	1.3	1.4	1.4	1.5	46	Gas (38).....	6.5	6.4	6.4	6.5
14	Wheel goods, durable toys, sports equipment, boats, and pleasure aircraft (86).....	7.3	7.9	7.8	8.0	47	Water and other sanitary services (39).....	3.6	3.8	4.0	4.1
15	Other (18+83).....	7.2	7.9	8.1	8.3	48	Telephone and telegraph (41).....	12.4	13.7	14.4	15.6
16	Nondurable goods	299.3	309.3	303.5	306.1	49	Domestic service (42).....	5.4	5.0	4.4	4.0
17	Food.....	150.4	150.6	147.5	150.5	50	Other (43).....	5.6	5.9	5.8	5.7
18	Food purchased for off-premise consumption (3).....	112.1	110.0	106.4	107.9	51	Transportation.....	26.0	27.5	28.6	28.8
19	Purchased meals and beverages (4).....	35.5	37.9	38.0	39.5	52	User-operated transportation (69+71+72).....	19.9	21.1	21.8	22.4
20	Food furnished employees (including military) and food produced and consumed on farms (5+6).....	2.8	2.8	3.1	3.1	53	Purchased local transportation.....	2.6	2.6	2.7	2.6
21	Addenda: Food excluding alcoholic beverages (8).....	130.6	129.2	126.0	129.0	54	Transit systems (74).....	1.6	1.6	1.8	1.7
22	Alcoholic beverages (9).....	19.8	21.4	21.6	21.5	55	Other (75+76).....	1.0	1.0	1.0	.9
23	Clothing and shoes.....	55.1	59.2	58.9	61.3	56	Purchased intercity transportation.....	3.5	3.8	4.1	3.8
24	Shoes and other footwear (11).....	8.9	9.6	9.2	9.3	57	Railway (excluding commutation) (78).....	.2	.2	.2	.2
25	Women's and children's clothing and accessories (14).....	29.9	32.2	32.6	34.3	58	Bus (79).....	.5	.5	.5	.5
26	Men's and boys' clothing and accessories (15).....	16.3	17.4	17.2	17.7	59	Airline (80).....	2.6	2.9	3.1	3.0
27	Gasoline and oil (70).....	24.9	25.5	24.6	24.8	60	Other (81).....	.2	.2	.2	.2
28	Fuel oil and coal (40).....	6.3	6.7	5.2	5.1	61	Shoe cleaning and repair (12).....	138.3	143.2	143.2	145.0
29	Other.....	62.6	67.3	67.2	64.4	62	Cleaning, laundering, dyeing, pressing, alteration, storage, and repair of garments (17).....	.2	.2	.2	.2
30	Tobacco products (7).....	12.2	12.8	13.0	12.8	63	Barbershops, beauty parlors, and baths (22).....	4.7	4.7	4.3	4.1
31	Toilet articles and preparations (21).....	7.9	8.3	8.1	7.8	64	Medical care services.....	3.9	3.7	3.5	3.3
32	Semidurable house furnishings (33).....	7.0	7.7	7.3	7.2	65	Physicians (47).....	52.1	55.5	56.8	58.0
33	Cleaning and polishing preparations, and miscellaneous household supplies and paper products (34).....	9.9	10.7	9.9	8.5	66	Dentists (48).....	15.5	16.6	17.2	17.5
						67	Other (49+50+51).....	5.4	6.2	6.3	6.6
						68	Services furnished without payment by financial intermediaries except life insurance carriers (53).....	31.2	32.7	33.3	33.9
						69	Admissions to specified spectator amusements (90).....	13.4	13.7	14.3	15.6
						70	Other (55-58+60+61+62+88+94+95+96+97+98+102+104-106).....	3.5	3.7	3.9	3.9
								60.5	61.5	60.3	60.0

Footnotes to table 2.6.

1. Consists of purchases (including tips) of meals and beverages from retail, service, and amusement establishments, hotels, dining and buffet cars, schools, school fraternities, institutions, clubs, and industrial lunchrooms.
2. Includes luggage.
3. Consists of watch, clock, and jewelry repairs, costume and dress suit rental, and miscellaneous personal services related to clothing.
4. Consists of rent for space and for heating and plumbing facilities, water heaters, lighting fixtures, kitchen cabinets, linoleum, storm windows and doors, window screens, and screen doors, but excludes rent for appliances, furnishings, and furniture, fuel, and electricity.
5. Consists of space rent (see footnote 4) and rent for appliances, furnishings, and furniture.
6. Consists of transient hotels, motels, clubs, schools, and institutions.
7. Consists of refrigerators and freezers, cooking ranges, dishwashers, laundry equipment, stoves, air conditioners, sewing machines, vacuum cleaners, and other appliances.
8. Includes such house furnishings as floor coverings, comforters, quilts, blankets, pillows, picture frames, mirrors, art products, portable lamps, and clocks. Also includes writing equipment and hand, power, and garden tools.
9. Consists largely of textile house furnishings including piece goods allocated to house furnishings use. Also includes lamp shades, brooms, and brushes.
10. Consists of maintenance services for appliances and house furnishings, moving and warehouse expenses, postage and express charges, premiums for fire and theft insurance on personal property less claims paid, and miscellaneous household operation services.
11. Excludes drug preparations and related products dispensed by physicians, hospitals, and other medical services.
12. Consists of osteopathic physicians, chiropractors, private duty nurses, chiropodists, podiatrists, and others providing health and allied services, not elsewhere classified.
13. Consists of current expenditures (including capital consumption allowances with capital consumption adjustment) of nonprofit hospitals, sanitariums, and nursing homes, and payments by patients to proprietary hospitals, sanitariums, and nursing homes.
14. Consists of (1) premiums, less benefits and dividends, for health and hospitalization insurance provided by accident, health, and hospitalization insurance plans; (2) premiums less benefits for hospital and medical service plans; (3) administrative expenses (including capital consumption allowances with capital consumption adjustment) of group health associations and health maintenance organizations; and (4) student fees for medical care.
15. Consists of premiums, less benefits and dividends, for income loss insurance.

16. Consists of premiums, less benefits and dividends, for privately administered workmen's compensation.

17. Consists of total operating expenses of life insurance carriers and noninsured pension plans. Excludes payments to policyholders and expenses allocated to accident and health insurance.

18. Consists of current expenditures (including capital consumption allowances with capital consumption adjustment) of trade unions and professional associations, employment agency fees, money order fees, spending for classified advertisements, and other personal business services.

19. Consists of baggage charges, coastal and inland waterway fares, and travel agents' fees.

20. Consists of admissions to professional and amateur athletic events, and to race tracks including horse, dog, and auto.

21. Consists of dues and fees excluding insurance premiums.

22. Consists of billiard parlors; bowling alleys; dancing, riding, shooting, skating, and swimming places; amusement devices and parks; golf courses; sightseeing buses and guides; and private flying operations.

23. Consists of net receipts of lotteries and expenditures for purchase of pets and pet care services, cable TV, film processing, photographic studios, sporting and recreation camps, and recreational services, not elsewhere classified.

24. Equals current expenditures (including capital consumption allowances with capital consumption adjustment) less receipts, such as those from meals, rooms, and entertainments, accounted for separately in consumer expenditures, and less expenditures for research and development financed under contracts or grants.

25. Consists of fees paid to commercial, business, trade, and correspondence schools, and for educational services, not elsewhere classified, and current expenditures (including capital consumption allowances with capital consumption adjustment) by foundations for education and research.

26. Equals current expenditures (including capital consumption allowances with capital consumption adjustment) of religious, social welfare, foreign relief, and political organizations, museums, libraries, and foundations. The expenditures are net of receipts, such as those from meals, rooms, and entertainments, accounted for separately in consumer expenditures, and excludes relief payments within the United States and expenditures by foundations for education and research.

NOTE.—Consumer durable goods are designated (d.), nondurable goods (n.d.), and services (s.).

Table 3.11.—Contributions for Social Insurance

[Millions of dollars]

	1972	1973	1974	1975
Contributions for social insurance	73,594	91,524	103,416	109,657
Employer contributions	39,424	49,289	55,838	59,658
Federal social insurance funds.....	32,491	41,420	46,657	49,013
Old-age, survivors, disability, and hospital insurance.....	23,367	30,459	34,607	36,115
Old-age, survivors, and disability insurance.....	20,641	25,200	29,228	30,504
Hospital insurance.....	2,726	5,259	5,379	5,611
State unemployment insurance.....	4,169	5,103	5,420	5,505
Federal unemployment tax.....	1,182	1,511	1,289	1,294
Railroad unemployment insurance.....	119	118	119	110
Railroad retirement.....	567	766	1,131	1,108
Federal civilian employees retirement.....	2,872	3,217	3,780	4,457
Veterans life insurance.....	12	9	2	9
Workmen's compensation.....	203	237	309	415
State and local social insurance funds.....	6,933	7,869	9,181	10,645
State and local employees retirement.....	6,025	6,828	7,986	9,303
Cash sickness compensation.....	44	47	41	32
Workmen's compensation.....	864	994	1,154	1,310
Personal contributions	34,170	42,235	47,578	49,999
Federal social insurance funds.....	30,263	38,019	43,093	45,244
Old-age, survivors, disability, and hospital insurance.....	25,525	33,034	37,798	39,609
Employees.....	23,392	30,488	34,645	36,161
Old-age, survivors, and disability insurance.....	20,664	25,222	29,255	30,537
Hospital insurance.....	2,728	5,266	5,390	5,624
Self-employed.....	2,133	2,546	3,153	3,448
Supplementary medical insurance.....	1,375	1,545	1,795	1,908
State unemployment insurance.....	26	27	30	61
Railroad retirement.....	499	524	358	364
Federal civilian employees retirement.....	2,144	2,246	2,455	2,656
Veterans life insurance.....	694	643	657	646
State and local social insurance funds.....	3,907	4,216	4,485	4,755
State and local employees retirement.....	3,495	3,765	4,015	4,282
Cash sickness compensation.....	412	451	470	473

Table 3.13.—Subsidies Less Current Surplus of Government Enterprises

[Millions of dollars]

	1972	1973	1974	1975
Subsidies less current surplus of government enterprises	3,588	3,872	838	2,014
Federal	7,805	8,223	5,228	6,534
Subsidies.....	6,783	5,392	3,462	4,517
Agricultural.....	3,948	2,622	516	768
Housing.....	1,439	1,646	2,141	2,476
Maritime.....	440	440	478	523
Air carriers.....	67	67	75	63
Other ¹	889	617	252	687
Less: Current surplus of government enterprises.....	-1,022	-2,831	-1,766	-2,017
Postal Service.....	-1,466	-2,141	-1,979	-3,169
Commodity Credit Corporation.....	-672	-1,740	-958	-221
Federal Housing Administration.....	285	260	119	206
Tennessee Valley Authority.....	230	257	316	368
Other ²	601	533	736	799
State and local	-4,217	-4,351	-4,390	-4,520
Subsidies.....	53	81	114	156
Less: Current surplus of government enterprises.....	4,270	4,432	4,504	4,676
Water and sewerage.....	1,501	1,595	1,635	1,792
Gas and electricity.....	1,252	1,415	1,496	1,554
Toll facilities.....	728	767	723	687
Liquor stores.....	417	433	468	507
Air and water terminals.....	419	474	522	573
Housing and urban renewal.....	461	318	575	712
Public transit.....	-541	-722	-1,093	-1,313
Other ³	33	152	178	164

Table 3.12.—Government Transfer Payments to Persons

[Millions of dollars]

	1972	1973	1974	1975
Government transfer payments to persons	99,377	113,511	134,643	168,933
Federal	80,461	93,187	114,331	145,801
Benefits from social insurance funds.....	62,472	73,320	86,997	110,314
Old-age, survivors, and disability insurance.....	40,948	50,665	57,607	65,852
Hospital and supplementary medical insurance.....	8,607	9,712	12,510	15,531
Unemployment insurance.....	5,615	4,282	6,639	16,631
State.....	5,400	4,100	6,439	16,228
Federal employees.....	128	124	148	266
Railroad.....	87	58	52	137
Railroad retirement.....	2,154	2,566	2,787	3,275
Federal civilian employees retirement.....	4,145	5,041	6,291	7,725
Civil service.....	4,078	4,963	6,194	7,606
Other ¹	67	78	97	119
Veterans life insurance.....	800	817	854	885
Workmen's compensation.....	203	237	309	415
Military retirement.....	4,161	4,695	5,661	6,827
Veterans benefits.....	8,868	9,484	10,708	13,408
Pension and disability.....	6,312	6,461	7,107	7,803
Readjustment.....	2,192	2,823	3,355	5,096
Unemployment.....	364	200	246	509
Other ²				
Food stamp benefits.....	1,980	2,209	3,435	4,599
Black lung benefits.....	554	1,057	957	959
Special unemployment benefits.....				664
Supplemental security income.....			3,959	4,464
Direct relief.....				
Other ³	2,426	2,422	2,614	4,566
State and local	18,916	20,324	20,312	23,132
Benefits from social insurance funds.....	6,256	7,131	8,042	9,003
Government pensions.....	5,149	5,885	6,671	7,526
Cash sickness compensation.....	417	463	495	517
Workmen's compensation.....	690	783	876	960
Direct relief.....	10,982	11,313	10,035	11,780
Aid to families with dependent children.....	6,875	7,178	7,887	9,186
Other categorical public assistance ⁴	3,365	3,449	1,322	1,455
General assistance ⁵	742	686	826	1,139
Other ⁶	1,678	1,880	2,235	2,349

1. Consists largely of foreign service and Tennessee Valley Authority.

2. Consists of mustering out pay, terminal leave pay, and adjusted compensation benefits.

3. Consists largely of payments to nonprofit institutions and aid to students. In 1975, also includes \$1.672 million for special \$50 payment to recipients of social security, railroad retirement, and supplemental security income benefits, as provided in the Tax Reduction Act of 1975.

4. Prior to 1974, consists of old-age assistance, aid to the blind, and aid to the permanently and totally disabled. In 1974, these programs were replaced by the Federal supplementary security income (SSI) program. Beginning with 1974 consists of State benefits under the SSI program. Federal SSI benefits are shown in line 25.

5. Consists largely of educational assistance, medical insurance premiums paid on behalf of indigents, veterans bonuses, other types of veterans aid, and foster care payments.

1. Consists largely of subsidies to exporters of farm products and to railroads.

2. Consists largely of Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, Government National Mortgage Association, and Export-Import Bank.

3. Consists of State lotteries, off-track betting, local parking, and miscellaneous activities.

Table 3.15.—Relation of Federal Government Receipts and Expenditures in the National Income and Product Accounts to the Unified Budget: Fiscal Years

[Billions of dollars]

	Fiscal years				Calendar quarters not seasonally adjusted													
	1972	1973	1974	1975	1972		1973				1974				1975			
					III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
Receipts:																		
Unified budget receipts.....	208.6	232.2	264.9	281.0	55.6	50.5	55.2	71.0	64.4	59.8	60.5	80.2	72.9	66.9	65.1	76.1	72.3	67.2
Less: Coverage differences ¹	.3	.4	.5	.6	.1	.1	.1	.2	.1	.1	.1	.2	.1	.2	.2	.2	-.2	-.6
Financial transactions.....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
Plus: Netting differences:																		
Contributions to government employees retirement funds.....	3.4	3.8	4.3	5.1	.9	.9	1.0	1.0	1.0	1.0	1.1	1.1	1.2	1.2	1.3	1.4	1.4	1.4
Other ²	1.8	1.9	1.7	2.2	.3	.2	.6	.7	.3	.2	.7	.6	.3	.4	.4	1.1	.6	.6
Timing differences:																		
Corporate income tax.....	-1.1	1.5	.4	-4.6	1.5	2.4	2.3	-4.8	2.1	1.9	1.1	-4.7	3.2	1.0	-2.0	-6.9	2.4	2.9
Federal and State unemployment insurance taxes.....	.4	.3	.0	.0	-5	-2	1.9	-8	-7	-3	1.9	-9	-7	-3	2.0	-1.0	-7	-3
Withheld personal income tax and social security contributions.....	.8	1.2	1.0	.2	-4	-6	2.1	.1	-3	-8	1.8	.3	-2	-8	1.2	.1	-2	-8
Excise taxes.....	-1	.0	.0	-2	-2	.0	.1	.1	-2	-2	.2	.2	-2	-2	-1	.3	-2	.0
Other.....	.1	.2	.1	.2	.1	.0	.0	.0	.0	.0	.0	.0	.1	.0	.0	.0	.0	.0
Miscellaneous ³	-1	-1	-1	.0	.0	.0	.0	-1	.0	.0	.0	.0	.0	.0	.1	-1	.2	-1
Equals: Federal Government receipts, national income and product accounts.....	213.5	240.5	271.9	283.2	57.3	53.0	63.1	67.1	66.6	61.6	67.2	76.6	70.4	68.0	68.0	70.8	76.2	71.6
Expenditures:																		
Unified budget outlays.....	231.9	246.5	268.4	324.6	57.6	60.9	64.7	63.3	65.5	64.9	67.6	70.4	74.5	78.9	83.1	88.1	90.8	93.7
Less: Coverage differences:																		
Geographic ⁴	.9	1.2	1.3	2.1	.3	.3	.3	.3	.3	.3	.3	.3	.4	.4	.5	.7	.6	.6
Other ⁵	-2	-1.7	-3.6	-9.7	-1.4	.0	-3	.0	-1	-1.0	-1.1	-1.4	-6	-1.1	-5.3	-2.6	-9	-2.7
Financial transactions:																		
Net lending.....	2.5	1.7	4.9	10.8	.9	.2	1.8	-1.0	2.1	.0	1.6	1.2	2.2	2.4	4.2	2.0	4.6	3.9
Net purchases of foreign currency.....	.1	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
Other.....	.0	-1	-2	-5	-2	.0	.0	.1	-1	.0	-1	.0	-1	.0	-2	-1	-1	-1
Net purchases of land:																		
Outer Continental Shelf.....	.0	-2.5	-6.3	-1.9	-1	-8	-1.3	-3	-1.3	-5	-1.0	-3.6	.0	-1.4	-3	-2	-2	-1
Other.....	.3	.1	.3	.4	.0	.0	.0	.0	.1	.1	.1	.1	.1	.1	.1	.1	.1	.1
Plus: Netting differences:																		
Contributions to government employees retirement funds.....	3.4	3.8	4.3	5.1	.9	.9	1.0	1.0	1.0	1.0	1.1	1.1	1.2	1.2	1.3	1.4	1.4	1.4
Other ²	1.8	1.9	1.7	2.2	.3	.2	.6	.7	.3	.2	.7	.6	.3	.4	.4	1.1	.6	.6
Timing differences:																		
Purchases of goods and services (increase in payables net of advances).....	-8	2.6	-2	-9	1.5	.9	.1	.1	.5	.6	-2	-1.1	.3	-5	.3	-1.0	-3	.7
Interest.....	-1	.0	-1	-6	-1.1	1.2	-1.2	1.2	.0	.0	-2	.1	-1	-1	-2	-1	-2	-2
Transfer payments.....	.0	.1	.4	-6	.1	-1	.0	.1	.1	.1	.1	.1	-1	-1	-1	-3	.2	.0
Subsidies less current surplus of government enterprises.....	.1	-3	.2	.5	.1	.4	-0.4	-4	-5	-2	.6	.2	.5	.4	-1.0	.6	.0	-2
Miscellaneous ⁶	.2	.3	.6	.3	.6	.0	.2	-4	.1	.2	.2	.2	.1	.0	.0	.1	.1	.1
Equals: Federal Government expenditures, national income and product accounts.....	232.9	256.2	278.9	329.5	60.4	64.8	64.5	66.5	66.0	67.9	69.9	75.1	74.8	79.9	84.8	90.0	88.6	94.5

1. Consists largely of contributions for social insurance by residents of U.S. territories.
 2. Consists largely of proprietary receipts that are netted against outlays in the unified budget, and classified as receipts in the national income and product accounts.
 3. Consists largely of Treasury receipts from sales of foreign currencies to Government agencies.

4. Consists largely of transfer payments to residents of U.S. territories.
 5. Consists of agencies not included in the unified budget, such as the Postal Service and the Federal Financing Bank, and net purchases of silver and minor coin metal.
 6. Consists largely of net expenditures of foreign currencies.

Table 3.16.—Relation of National Defense Purchases in the National Income and Product Accounts to National Defense Outlays in the Unified Budget

[Billions of dollars]

	1972	1973	1974	1975
National defense outlays in the unified budget	76.9	77.2	83.4	89.9
Department of Defense, military.....	74.9	76.0	82.6	86.9
Military personnel.....	23.4	23.4	24.7	24.9
Retired military personnel.....	4.1	4.7	5.6	6.8
Operation and maintenance.....	21.7	21.4	24.9	27.5
Procurement.....	17.1	15.7	15.6	16.3
Aircraft.....	5.5	5.2	5.0	6.2
Missiles.....	3.1	3.1	3.0	2.5
Ships.....	2.1	1.9	2.4	2.6
Vehicles and ordnance.....	3.5	2.9	1.9	1.5
Electronics and communications.....	.9	.8	.8	1.0
Other.....	2.1	1.8	2.5	2.3
Research, development, test, and evaluation.....	8.0	8.6	8.9	8.9
Other ¹	.6	2.2	2.9	2.5
Military assistance.....	.7	.4	1.0	1.7
Atomic energy and other defense-related activities.....	1.3	.8	-1	1.4
Less: Transfer payments, grants-in-aid, and net interest paid.....	4.3	5.0	5.9	7.0
Timing differences and other adjustments ²	-1.0	-1.3	.3	-1.4
Equals: National defense purchases, national income and product accounts	73.5	73.5	77.3	84.3

1. Consists largely of military construction, family housing, civil defense, and revolving and management funds.
 2. Consists largely of the increase in advances net of payables for defense purchases.

Table 3.17.—Relation of Commodity Credit Corporation (CCC) Expenditures in the National Income and Product Accounts to CCC Outlays in the Unified Budget

[Billions of dollars]

	1972	1973	1974	1975
Commodity Credit Corporation outlays in the unified budget	4.1	2.1	-0.5	1.9
Less: Financial transactions.....	.7	.6	-.5	.9
Netting differences.....	-.4	-.2		
Timing differences.....	-1	.4	.2	.0
Other ¹	-2	-2	-1	-1
Equals: Commodity Credit Corporation expenditures, national income and product accounts	4.1	1.6	-.1	1.2
Purchases of goods and services.....	-.7	-2.9	-1.4	.4
Transfer payments to foreigners.....	.5	.3	.4	.4
Net interest paid.....	-.2	-.3	-.4	-.3
Subsidies less current surplus.....	4.6	4.4	1.2	.7
Subsidies.....	3.9	2.7	.2	.5
Less: Current surplus.....	-.7	-1.7	-1.0	-.2

1. Consists largely of foreign currency transactions.

Table 3.18.—Relation of State and Local Government Receipts and Expenditures in the National Income and Product Accounts to the Bureau of Census Government Finances Data: Fiscal Years

[Billions of dollars]

	1971	1972	1973	1974		1971	1972	1973	1974
Receipts					Expenditures				
Census total revenue	166.1	190.8	217.6	237.9	Census total expenditures	170.8	190.5	205.2	226.0
Less: Coverage differences:					Less: Coverage differences:				
Unemployment insurance fund contributions and earnings.....	3.1	3.6	5.0	5.7	Unemployment insurance fund benefits paid.....	4.7	4.7	4.1	4.7
Certain grant programs.....	-1.2	-2.1	-2.2	-1.0	Purchases of land.....	2.0	1.8	2.0	2.0
Financial transactions.....	.1	.2	.2	.2	Netting and grossing differences:				
Sale of land.....	.3	.2	.3	.4	Enterprise current operating expenditures plus current surplus.....	14.3	15.6	17.8	19.5
Netting and grossing differences:					Government sales.....	5.4	5.7	5.9	6.6
Enterprise current operating expenditures plus current surplus.....	14.3	15.6	17.8	19.5	Interest received.....	6.4	6.9	8.1	11.0
Government sales.....	5.4	5.7	5.9	6.6	Employer contributions to own social insurance funds.....	-3.8	-4.1	-4.8	-5.6
Interest received.....	6.4	6.9	8.1	11.0	Plus: Timing differences: Excess of accruals over disbursements, and other.....	-4	-3.7	-2	2.8
Employer contributions to own social insurance funds.....	-3.8	-4.1	-4.8	-5.6	Miscellaneous.....	.0	.0	.0	.0
Plus: Timing differences:					Equals: State and local government expenditures, national income and product accounts	141.4	156.2	171.8	190.6
Property taxes.....	.4	-2	.0	1.1					
Corporate profits taxes.....	.4	.1	.1	.2					
Other.....	-4	.2	-8	-1.8					
Miscellaneous.....	.0	.0	.0	.0					
Equals: State and local government receipts, national income and product accounts	142.0	165.0	186.4	200.6					

4.—Foreign Transactions

Table 4.1.—Foreign Transactions in the National Income and Product Accounts

	1972	1973	1974	1975	1972	1973					1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
	Millions of dollars				Billions of dollars, seasonally adjusted at annual rates															
Receipts from foreigners.....	73,366	101,556	142,381	148,070	79.7	89.4	96.7	105.2	115.0	125.2	142.2	148.4	153.8	147.5	142.9	148.2	153.7	154.1	156.8	
Exports of goods and services.....	72,656	101,556	144,391	148,070	79.0	89.4	96.7	105.2	115.0	133.2	142.2	148.4	153.8	147.5	142.9	148.2	153.7	154.1	156.8	
Merchandise.....	49,388	71,410	98,310	107,133	53.6	61.7	67.8	73.9	82.3	89.8	96.8	100.1	106.4	108.1	103.4	106.4	110.6	107.8	112.9	
Other.....	23,268	30,146	46,081	40,937	25.4	27.7	28.8	31.4	32.7	43.4	45.3	48.2	47.4	39.4	39.5	41.8	43.1	46.3	43.9	
Capital grants received by the United States (net)...	710	0	-2,010	0	.7	.0	.0	.0	.0	-8.0	.0	.0	.0	.0	.0	.0	.0	.0	.0	
Payments to foreigners.....	73,366	101,556	142,381	148,070	79.7	89.4	96.7	105.2	115.0	125.2	142.2	148.4	153.8	147.5	142.9	148.2	153.7	154.1	156.8	
Imports of goods and services.....	75,949	94,413	136,925	127,599	81.1	87.7	92.4	95.3	102.3	118.2	138.3	145.5	145.7	132.5	118.5	126.8	132.7	145.7	147.7	
Merchandise.....	55,797	70,499	103,679	98,150	59.9	65.4	68.8	71.0	76.8	90.4	102.8	109.5	112.0	102.3	90.4	98.0	101.8	113.8	115.9	
Other.....	20,152	23,914	33,246	29,449	21.1	22.3	23.6	24.3	25.5	27.8	35.5	36.0	33.7	30.2	28.1	28.7	30.9	31.9	31.8	
Transfer payments (net).....	3,779	3,883	4,238	3,984	3.6	3.0	4.1	3.6	4.8	3.9	4.9	4.1	4.0	4.0	4.1	3.8	4.0	4.1	4.1	
From persons (net).....	1,034	1,252	1,016	913	1.1	.9	.9	.9	2.2	1.1	1.0	1.0	1.0	.9	.9	.9	.9	1.0	1.0	
From government (net).....	2,745	2,631	3,222	3,071	2.5	2.1	3.2	2.7	2.5	2.8	3.9	3.2	3.1	3.0	3.1	2.9	3.2	3.1	3.1	
Interest paid by government to foreigners.....	2,684	3,836	4,262	4,542	2.9	3.5	3.9	4.0	4.0	4.0	4.2	4.3	4.5	4.9	4.4	4.5	4.4	4.4	4.4	
Net foreign investment.....	-9,046	-576	-3,044	11,945	-7.9	-4.8	-3.7	2.3	3.9	-1.0	-5.2	-5.6	-5	6.1	15.9	13.1	12.6	-2	.6	

» Preliminary.

Table 4.3.—Relation of Foreign Transactions in the National Income and Product Accounts (NIPA's) to the Corresponding Items in the Balance of Payments Accounts (BPA's) Annually, 1946-74

[Millions of dollars]

Line No.		1972	1973	1974	1975	Line No.		1972	1973	1974	1975
1	Exports of goods and services, BPA's.....	72,664	102,154	144,773	148,410	15	Equals: Imports of goods and services, NIPA's.....	75,949	94,413	136,925	127,599
2	Plus: Expenditures in U.S. by foreign residents working in U.S., excluding employees of foreign governments ¹	0	2-598	2-382	2-340	16	Unilateral transfers (excluding military grants of goods and services), net, BPA's.....	3,848	3,883	7,184	4,620
3	Other items.....	0	0	0	0	17	Plus: Other items ²	0	0	-2,947	-636
4	Statistical differences ³	-8	0	0	0	18	Statistical differences.....	-69	0	0	0
5	Equals: Exports of goods and services, NIPA's.....	72,656	101,556	144,391	148,070	19	Equals: Transfer payments to foreigners (net), NIPA's.....	3,779	3,883	4,238	3,984
6	Allocations of special drawing rights, BPA's.....	710	0	0	0	20	Payments of income on U.S. Government liabilities, BPA's.....	2,684	3,836	4,262	4,542
7	Plus: Other items.....	0	0	4-2,010	0	21	Equals: Interest paid by government to foreigners, NIPA's.....	2,684	3,836	4,262	4,542
8	Equals: Capital grants received by U.S. (net), NIPA's.....	710	0	-2,010	0	22	Balance on current account, BPA's (1-9-16).....	-9,802	22	-3,598	11,650
9	Imports of goods and services, BPA's.....	78,618	98,249	141,187	132,141	23	Plus: Capital grants received by U.S. (net), NIPA's (8).....	710	0	-2,010	0
10	Plus: Expenditures abroad by U.S. residents working abroad, excluding U.S. government employees ⁴	0	0	0	0	24	Other items (3-12-17).....	0	-598	2,565	296
11	Expenditures in U.S. by foreign residents working in U.S., excluding employees of foreign governments ⁵	0	0	0	0	25	Statistical differences (4-13-18).....	46	0	0	0
12	Other items.....	0	0	0	0	26	Less: Expenditures abroad by U.S. residents working abroad, excluding U.S. government employees (10).....	0	0	0	0
13	Statistical differences ³	15	0	0	0	27	Equals: Net foreign investment, NIPA's (5+8-15-19-21).....	-9,046	-576	-3,044	11,945
14	Less: Payments of income on U.S. Government liabilities, BPA's.....	2,684	3,836	4,262	4,542						

1. Beginning with 1960, included in line 1.
 2. Consists of arms shipments to Israel that the administration determined would be financed under the Emergency Security Act of 1973; this determination released Israel from contractual liability to pay for these arms. In the national income and product accounts, these arms shipments are classified as military grants. Goods and services transferred as military grants are included in the defense purchases component of GNP when they are acquired by the U.S. Government. Their transfer to abroad is not reflected in the national income and product accounts.
 3. Consists of statistical revisions in the estimates of the balance of payments accounts that have not yet been incorporated in the national income and product accounts.
 4. Consists of a U.S. Government payment to India under the Agricultural Trade Development and Assistance Act. In the national income and product accounts, this payment is included in capital grants received by the United States (net); in the balance of payments accounts, it is included in unilateral transfers (excluding military grants of goods and services), net.
 5. Beginning with 1960, included in line 9.
 6. In 1974, consists of \$2,010 million paid to India under the Agricultural Trade Development and Assistance Act and \$937 million financing provided to Israel in accordance with the Emergency Security Act of 1973 referred to in footnote 2. In 1975, consists of \$636 million provided to Israel in accordance with the Emergency Security Act of 1973. In the balance of payments accounts, the differences between the financing through U.S. Government unilateral transfers provided to Israel and the shipments of arms in any year are recorded as capital flows. In 1973, shipments of \$598 million resulted in corresponding Israeli liabilities to the United States (U.S. capital outflows). In 1974, U.S. Government unilateral transfers of \$937 million to Israel were used to reduce the \$598 million Israeli liability to the United States and to pay for the 1974 shipments of \$382 million; the remaining \$43 million was recorded as an increase in Israeli liabilities to the United States (U.S. capital outflows). In 1975, U.S. Government unilateral transfers of \$636 million to Israel were used to reduce the \$43 million Israeli liability to the United States and to pay for the 1975 shipments of \$340 million; the remaining \$296 million was recorded as an increase in U.S. liabilities to Israel (U.S. capital inflows).

5. Beginning with 1960, included in line 9.
 6. In 1974, consists of \$2,010 million paid to India under the Agricultural Trade Development and Assistance Act and \$937 million financing provided to Israel in accordance with the Emergency Security Act of 1973 referred to in footnote 2. In 1975, consists of \$636 million provided to Israel in accordance with the Emergency Security Act of 1973. In the balance of payments accounts, the differences between the financing through U.S. Government unilateral transfers provided to Israel and the shipments of arms in any year are recorded as capital flows. In 1973, shipments of \$598 million resulted in corresponding Israeli liabilities to the United States (U.S. capital outflows). In 1974, U.S. Government unilateral transfers of \$937 million to Israel were used to reduce the \$598 million Israeli liability to the United States and to pay for the 1974 shipments of \$382 million; the remaining \$43 million was recorded as an increase in Israeli liabilities to the United States (U.S. capital outflows). In 1975, U.S. Government unilateral transfers of \$636 million to Israel were used to reduce the \$43 million Israeli liability to the United States and to pay for the 1975 shipments of \$340 million; the remaining \$296 million was recorded as an increase in U.S. liabilities to Israel (U.S. capital inflows).

5.—Saving and Investment

Table 5.1—Gross Saving and Investment

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
	Millions of dollars				Billions of dollars, seasonally adjusted at annual rates														
Gross saving.....	177,548	216,794	205,314	191,224	189.3	203.2	213.1	219.1	231.8	213.0	206.5	200.0	201.7	172.1	180.2	204.6	208.0	222.1	-----
Gross private saving.....	180,354	210,502	211,566	255,600	191.7	196.8	205.8	212.6	226.8	216.4	206.4	201.0	222.4	217.0	273.2	262.7	269.4	273.8	-----
Personal saving.....	49,370	70,324	72,209	83,984	55.4	59.4	69.1	71.7	81.1	72.6	67.8	67.6	80.8	67.2	104.5	80.5	83.7	79.5	82.5
Undistributed corporate profits with inventory valuation and capital consumption adjustments.....	25,949	22,570	1,657	10,254	28.1	25.7	21.1	22.2	21.3	15.3	4.1	-7.2	-5.6	-2.9	9.9	17.9	16.2	20.6	-----
Undistributed profits.....	30,024	39,264	44,430	33,199	34.9	40.0	40.6	37.4	39.1	45.9	42.6	49.7	39.5	22.3	29.1	39.5	41.9	46.6	-----
Inventory valuation adjustment.....	-6,597	-18,584	-39,782	-11,415	-9.6	-16.7	-21.5	-17.0	-19.1	-30.4	-36.6	-53.4	-38.8	-16.5	-7.8	-9.0	-12.3	-11.5	-14.2
Capital consumption adjustment.....	2,522	1,890	-2,991	-11,530	2.7	2.4	2.0	1.8	1.4	-2.2	-1.9	-3.5	-6.3	-8.6	-11.4	-12.6	-13.5	-14.5	-15.4
Corporate capital consumption allowances with capital consumption adjustment.....	65,362	71,858	84,558	100,949	67.3	68.8	70.9	72.2	75.6	78.7	82.4	86.5	90.7	95.0	99.3	103.1	106.4	108.8	111.6
Noncorporate capital consumption allowances with capital consumption adjustment.....	40,002	45,794	53,142	60,433	40.8	42.9	44.8	46.6	48.8	49.8	52.0	54.2	56.6	57.8	59.5	61.3	63.2	64.8	66.1
Wage accruals less disbursements.....	-329	-44	0	0	0	0	-1	0	0	0	0	0	0	0	0	0	0	0	0
Government surplus or deficit (-), national income and product accounts.....	-3,516	6,292	-4,242	-64,376	-3.1	6.4	7.3	6.5	5.0	4.7	-2	-1.0	-20.8	-45.0	-92.9	-58.1	-61.5	-51.6	-----
Federal.....	-17,263	-6,711	-11,515	-71,248	-24.9	-9.7	-6.6	-5.2	-5.3	-4.1	-7.6	-9.0	-25.3	-49.8	-99.9	-66.0	-69.4	-63.8	-----
State and local.....	13,747	13,003	7,273	6,872	21.8	16.1	13.9	11.7	10.3	8.7	7.8	8.0	4.5	4.7	6.9	7.9	7.9	12.2	-----
Capital grants received by the United States (net).....	710	0	-2,010	0	0.7	0	0	0	0	-8.0	0	0	0	0	0	0	0	0	0
Gross investment.....	179,229	219,423	211,938	195,643	192.7	205.8	214.2	222.3	235.4	215.4	213.6	207.7	211.0	178.5	180.3	209.8	214.0	229.4	236.9
Gross private domestic investment.....	188,275	219,999	214,982	183,698	200.5	210.6	218.0	220.0	231.5	216.4	218.8	213.3	211.5	172.4	164.4	196.7	201.4	229.6	236.3
Net foreign investment.....	-9,046	-576	-3,044	11,945	-7.9	-4.8	-3.7	2.3	3.9	-1.0	-5.2	-5.6	-5	6.1	15.9	13.1	12.6	-2	6
Statistical discrepancy.....	1,681	2,629	6,624	4,419	3.4	2.6	1.1	3.2	3.6	2.4	7.1	7.7	9.3	6.4	1	5.1	6.1	7.2	-----

* Preliminary.

Table 5.2.—Gross Private Domestic Investment, Capital Consumption Allowances with Capital Consumption Adjustment, and Net Private Domestic Investment by Major Type of Investment

[Millions of dollars]

	1972	1973	1974	1975
Gross private domestic investment	188,275	219,999	214,982	183,698
Less: Capital consumption allowances with capital consumption adjustment.....	105,364	117,652	137,700	161,382
Equals: Net private domestic investment	82,911	102,347	77,282	22,316
Fixed investment	178,833	202,092	204,308	198,314
Less: Capital consumption allowances with capital consumption adjustment.....	105,364	117,652	137,700	161,382
Equals: Net fixed investment	73,469	84,440	66,608	36,932
Nonresidential.....	116,827	135,979	149,227	147,142
Less: Capital consumption allowances with capital consumption adjustment.....	83,567	92,126	108,360	128,599
Equals: Net nonresidential	33,260	43,853	40,867	18,543
Structures.....	42,543	49,019	54,120	52,029
Less: Capital consumption allowances with capital consumption adjustment.....	26,514	29,741	35,910	41,034
Equals: Net structures	16,029	19,278	18,210	10,995
Producers' durable equipment.....	74,284	86,960	95,107	95,113
Less: Capital consumption allowances with capital consumption adjustment.....	57,053	62,385	72,450	87,565
Equals: Net producers' durable equipment	17,231	24,575	22,657	7,548
Residential.....	62,006	66,113	55,081	51,172
Less: Capital consumption allowances with capital consumption adjustment.....	21,797	25,526	29,340	32,783
Equals: Net residential	40,209	40,587	25,741	18,389
Nonfarm structures.....	60,281	64,307	52,727	48,991
Less: Capital consumption allowances with capital consumption adjustment.....	19,802	23,240	26,764	29,840
Equals: Net nonfarm structures	40,479	41,067	25,963	19,151
Farm structures.....	664	601	1,013	843
Less: Capital consumption allowances with capital consumption adjustment.....	1,203	1,431	1,627	1,841
Equals: Net farm structures	-539	-830	-614	-998
Producers' durable equipment.....	1,061	1,205	1,341	1,338
Less: Capital consumption allowances with capital consumption adjustment.....	792	855	940	1,102
Equals: Net producers' durable equipment	269	350	392	236
Change in business inventories	9,442	17,907	10,674	-14,616

Table 5.3.—Gross Private Domestic Investment, Capital Consumption Allowances With Capital Consumption Adjustment, and Net Private Domestic Investment by Major Type of Investment in Constant Dollars

[Billions of 1972 dollars]

	1972	1973	1974	1975
Gross private domestic investment	188.3	207.2	182.0	137.8
Less: Capital consumption allowances with capital consumption adjustment.....	105.4	111.7	117.1	121.5
Equals: Net private domestic investment	82.9	95.5	64.9	16.2
Fixed investment	178.8	190.7	173.5	149.8
Less: Capital consumption allowances with capital consumption adjustment.....	105.4	111.7	117.1	121.5
Equals: Net fixed investment	73.5	79.0	56.4	28.3
Nonresidential.....	116.8	131.0	128.5	111.4
Less: Capital consumption allowances with capital consumption adjustment.....	83.6	88.4	93.0	96.9
Equals: Net nonresidential	33.3	42.6	35.5	14.5
Structures.....	42.5	45.5	42.1	36.7
Less: Capital consumption allowances with capital consumption adjustment.....	26.5	27.3	28.2	29.0
Equals: Net structures	16.0	18.1	13.8	7.7
Producers' durable equipment.....	74.3	85.5	86.5	74.7
Less: Capital consumption allowances with capital consumption adjustment.....	57.1	61.1	64.8	67.9
Equals: Net producers' durable equipment	17.2	24.4	21.6	6.8
Residential.....	62.0	59.7	45.0	38.4
Less: Capital consumption allowances with capital consumption adjustment.....	21.8	23.2	24.1	24.6
Equals: Net residential	40.2	36.4	20.9	13.8
Nonfarm structures.....	60.3	57.9	42.9	36.6
Less: Capital consumption allowances with capital consumption adjustment.....	19.8	21.1	21.8	22.3
Equals: Net nonfarm structures	40.5	36.8	21.1	14.3
Farm structures.....	.7	.5	.8	.6
Less: Capital consumption allowances with capital consumption adjustment.....	1.2	1.3	1.3	1.4
Equals: Net farm structures	-.5	-.8	-.5	-.8
Producers' durable equipment.....	1.1	1.2	1.3	1.2
Less: Capital consumption allowances with capital consumption adjustment.....	.8	.8	.9	.9
Equals: Net producers' durable equipment	.3	.4	.4	.2
Change in business inventories	9.4	16.5	8.5	-12.0

Table 5.4.—Purchases of Structures by Type

[Millions of dollars]

	1972	1973	1974	1975		1972	1973	1974	1975
Purchases of structures	135,286	148,249	148,107	143,283	Private—Continued				
Private	103,488	113,927	107,860	101,863	Residential—Continued				
Nonresidential	42,543	49,019	54,120	52,029	New—Continued				
New.....	42,252	48,672	53,779	51,735	Nonfarm.....	57,767	61,380	49,309	44,711
Nonresidential buildings, excluding farm.....	24,257	27,811	29,841	26,582	New housing units.....	48,633	51,954	40,032	33,385
Industrial.....	4,676	6,243	7,902	8,018	1-unit structures.....	27,337	28,125	23,344	24,651
Commercial.....	13,683	15,680	16,142	12,981	2-or-more unit structures.....	17,247	19,438	13,507	6,319
Religious.....	844	814	919	867	Mobile homes.....	4,049	4,391	3,181	2,415
Educational.....	968	837	656	567	Additions and alterations.....	7,145	7,060	7,589	10,187
Hospital and institutional.....	3,172	3,152	3,204	3,210	Nonhousekeeping.....	1,989	2,366	1,688	1,139
Other ¹	914	1,085	1,018	939	Farm.....	647	584	987	827
Public utilities.....	12,485	14,338	15,835	16,069	New housing units.....	372	370	531	371
Railroads.....	359	423	575	443	Additions and alterations.....	275	214	456	456
Telephone and telegraph.....	3,235	3,892	4,198	3,617	Brokers' commissions on sale of structures.....	3,800	4,148	4,472	4,902
Electric light and power.....	6,992	8,072	8,444	8,139	Net purchases of used structures	-1,269	-1,204	-1,028	-606
Gas.....	1,615	1,640	1,658	1,665	Government	31,798	34,322	40,247	41,420
Petroleum pipelines.....	284	311	960	2,205	New	30,399	32,982	39,041	40,646
Farm.....	1,432	2,120	2,306	2,219	Buildings, excluding military.....	11,500	12,994	14,990	15,258
Mining exploration, shafts, and wells.....	3,137	3,490	4,798	5,797	Residential.....	875	940	1,006	669
Petroleum and natural gas.....	2,749	3,019	4,139	5,012	Industrial.....	534	606	766	918
Other.....	388	471	659	785	Educational.....	5,720	6,648	7,310	7,761
Other ²	941	913	999	1,068	Hospital.....	1,008	1,002	1,239	1,733
Brokers' commissions on sale of structures.....	421	483	519	462	Other ³	3,363	3,798	4,669	4,177
Net purchases of used structures	-130	-136	-178	-168	Highways and streets.....	10,428	10,506	12,068	10,845
Residential	60,945	64,908	53,740	49,834	Military facilities.....	1,003	1,167	1,186	1,390
New.....	58,414	61,964	50,296	45,538	Conservation and development.....	2,172	2,313	2,741	3,255
					Sewer systems.....	2,002	2,429	3,384	4,801
					Water supply facilities.....	1,076	1,068	1,382	1,765
					Other ⁴	2,218	2,505	3,290	3,332
					Net purchases of used structures	1,399	1,340	1,206	774

1. Consists of buildings used primarily for social and recreational activities and buildings, not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals.
 2. Consists of streets, dams and reservoirs, sewer and water facilities, parks, airfields, etc.

3. Consists of general office buildings, police and fire stations, courthouses, auditoriums, garages, passenger terminals, etc.
 4. Consists of electric and gas facilities, transit systems, airfields, etc.

Table 5.5.—Purchases of Structures by Type in Constant Dollars

[Billions of 1972 dollars]

	1972	1973	1974	1975
Purchases of structures	135.3	135.7	117.1	103.3
Private	103.5	103.9	85.8	74.0
Nonresidential	42.5	45.5	42.1	36.7
New.....	42.3	45.1	41.8	36.5
Nonresidential buildings, excluding farm.....	24.3	25.8	23.3	19.0
Industrial.....	4.7	5.8	6.2	5.7
Commercial.....	13.7	14.5	12.6	9.3
Religious.....	.8	.8	.7	.6
Educational.....	1.0	.8	.5	.4
Hospital and institutional.....	3.2	2.9	2.5	2.3
Other ¹	.9	1.0	.8	.7
Public utilities.....	12.5	13.4	12.5	11.4
Railroads.....	.4	.4	.4	.3
Telephone and telegraph.....	3.2	3.6	3.4	2.7
Electric light and power.....	7.0	7.5	6.6	5.5
Gas.....	1.6	1.5	1.3	1.2
Petroleum pipelines.....	.3	.3	.8	1.7
Farm.....	1.4	2.0	1.8	1.6
Mining exploration, shafts, and wells.....	3.1	3.2	3.4	3.8
Petroleum and natural gas.....	2.7	2.7	2.9	3.3
Other.....	.4	.4	.5	.6
Other ²	.9	.9	.8	.7
Brokers' commissions on sale of structures.....	.4	.4	.4	.3
Net purchases of used structures.....	-1.1	-1.1	-1.1	-1.1
Residential	60.9	58.5	43.7	37.3
New.....	58.4	55.8	41.0	34.1
Nonfarm.....	57.8	55.3	40.2	33.4
New housing units.....	48.6	46.8	32.6	25.0
1-unit structures.....	27.3	25.2	18.9	18.4
2 or more unit structures.....	17.2	17.4	11.0	4.7
Mobile homes.....	4.0	4.2	2.7	1.9
Additions and alterations.....	7.1	6.3	6.2	7.6
Nonhousekeeping.....	2.0	2.1	1.4	.9
Farm.....	.6	.5	.8	.6
New housing units.....	.4	.3	.4	.3
Additions and alterations.....	.3	.2	.4	.3
Brokers' commissions on sale of structures.....	3.8	3.7	3.6	3.7
Net purchases of used structures.....	-1.3	-1.1	-1.8	-1.5
Government	31.8	31.8	31.3	29.3
New.....	30.4	30.6	30.3	28.7
Buildings, excluding military.....	11.5	11.9	12.1	11.2
Residential.....	.9	.8	.8	.5
Industrial.....	.5	.6	.6	.7
Educational.....	5.7	6.0	6.0	5.8
Hospital.....	1.0	.9	1.0	1.3
Other ³	3.4	3.5	3.6	3.0
Highways and streets.....	10.4	9.8	8.7	7.2
Military facilities.....	1.0	1.1	.9	1.0
Conservation and development.....	2.2	2.2	2.3	2.4
Sewer systems.....	2.0	2.3	2.7	3.4
Water supply facilities.....	1.1	1.0	1.1	1.3
Other ⁴	2.2	2.3	2.5	2.2
Net purchases of used structures.....	1.4	1.2	1.0	.6

1. Consists of buildings used primarily for social and recreational activities and buildings not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals.

2. Consists of streets, dams and reservoirs, sewer and water facilities, parks, airfields, etc.

3. Consists of general office buildings, police and fire stations, courthouses, auditoriums, garages, passenger terminals, etc.

4. Consists of electric and gas facilities, transit systems, airfields, etc.

Table 5.6.—Private Purchases of Producers' Durable Equipment by Type

[Millions of dollars]

	1972	1973	1974	1975
Private purchases of producers' durable equipment	75,345	88,165	96,448	96,451
Nonresidential	74,284	86,960	95,107	95,113
Furniture and fixtures.....	3,280	3,651	4,570	4,314
Fabricated metal products.....	2,025	2,245	2,869	2,979
Engines and turbines.....	1,407	1,436	1,575	1,626
Tractors.....	2,569	3,486	4,144	4,366
Agricultural machinery (except tractors).....	2,466	3,444	4,074	4,169
Construction machinery (except tractors).....	3,280	3,765	4,474	4,435
Mining and oilfield machinery.....	800	892	1,202	1,418
Metalworking machinery.....	3,188	3,918	4,662	4,985
Special industry machinery, n.e.c.....	4,127	4,614	5,427	4,966
General industrial, including materials handling, equipment.....	3,985	4,845	5,894	6,947
Office, computing, and accounting machinery.....	4,568	5,386	4,749	4,338
Service industry machinery.....	2,702	2,810	2,779	2,768
Electrical transmission, distribution, and industrial apparatus.....	3,635	4,223	4,675	4,731
Communication equipment.....	6,595	7,917	9,047	9,036
Electrical equipment, n.e.c.....	909	1,003	1,271	1,204
Trucks, buses, and truck trailers.....	10,285	12,670	13,610	10,615
Autos.....	7,570	8,529	7,950	8,003
Aircraft.....	1,870	2,633	2,001	2,238
Ships and boats.....	1,051	1,174	1,447	1,292
Railroad equipment.....	1,906	1,764	2,228	2,555
Instruments.....	4,211	4,988	5,710	6,266
Other.....	2,350	2,554	2,598	2,566
Less: Sale of equipment scrap (excluding autos).....	445	987	1,849	704
Residential	1,061	1,205	1,341	1,338
Addenda:				
Private purchases of producers' durable equipment.....	75,345	88,165	96,448	96,451
Less: Dealers' margin on used equipment.....	670	783	835	786
Net purchases of used equipment from government.....	134	134	152	172
Plus: Net sales of used equipment.....	3,147	3,767	4,237	5,455
Net exports of used equipment.....	356	419	399	567
Sale of equipment scrap.....	459	1,002	1,865	718
Equals: Purchases of new equipment.....	78,503	92,436	101,962	102,233

n.e.c. Not elsewhere classified.

Table 5.7.—Private Purchases of Producers' Durable Equipment by Type in Constant Dollars

[Billions of 1972 dollars]

	1972	1973	1974	1975
Private purchases of producers' durable equipment	75.3	86.7	87.7	75.8
Nonresidential	74.3	85.5	86.5	74.7
Furniture and fixtures.....	3.3	3.4	3.7	3.2
Fabricated metal products.....	2.0	2.2	2.5	2.1
Engines and turbines.....	1.4	1.4	1.5	1.3
Tractors.....	2.6	3.4	3.5	3.1
Agricultural machinery (except tractors).....	2.5	3.3	3.5	3.0
Construction machinery (except tractors).....	3.2	3.6	3.9	3.0
Mining and oilfield machinery.....	.8	.9	1.0	1.0
Metalworking machinery.....	3.2	3.8	4.1	3.7
Special industry machinery, n.e.c.....	4.1	4.4	4.6	3.5
General industrial, including materials handling, equipment.....	4.0	4.7	5.2	5.0
Office, computing, and accounting machinery.....	4.6	5.4	4.7	4.2
Service industry machinery.....	2.7	2.8	2.5	2.2
Electrical transmission, distribution, and industrial apparatus.....	3.6	4.2	4.3	3.6
Communication equipment.....	6.6	7.7	8.6	7.5
Electrical equipment, n.e.c.....	.9	1.0	1.1	.9
Trucks, buses, and truck trailers.....	10.3	12.5	12.3	8.5
Autos.....	7.6	8.7	7.7	7.5
Aircraft.....	1.9	2.5	1.7	1.6
Ships and boats.....	1.1	1.1	1.2	1.0
Railroad equipment.....	1.9	1.7	1.9	1.7
Instruments.....	4.2	4.9	5.4	5.4
Other.....	2.4	2.5	2.3	2.0
Less: Sale of equipment scrap (excluding autos).....	.4	.7	.7	.4
Residential	1.1	1.2	1.3	1.2

n.e.c. Not elsewhere classified.

Table 5.8.—Change in Nonfarm Business Inventories by Legal Form of Organization and by Industry

(Millions of dollars)

	1972	1973	1974	1975		1972	1973	1974	1975
Change in nonfarm business inventories	8,832	14,659	12,190	-17,626	Wholesale trade	2,222	3,070	4,006	-5,457
Change in book value.....	16,423	35,872	59,795	-4,371	Change in book value.....	3,907	8,064	11,561	-2,764
Inventory valuation adjustment.....	-7,591	-21,213	-47,605	-13,255	Inventory valuation adjustment.....	-1,685	-4,994	-7,555	-2,693
By legal form of organization					Durable goods ⁴	1,503	1,760	3,097	-1,959
Corporate business ¹	7,661	13,924	13,782	-14,153	Change in book value.....	2,018	3,804	7,442	-441
Change in book value.....	14,504	33,383	57,794	-2,053	Inventory valuation adjustment.....	-515	-1,544	-4,345	-1,518
Inventory valuation adjustment.....	-6,843	-19,459	-44,012	-12,100	Nondurable goods ⁴	719	1,310	909	-3,498
Noncorporate business ²	1,171	735	-1,592	-3,473	Change in book value.....	1,889	4,760	4,119	-2,323
Change in book value.....	1,919	2,489	2,001	-2,318	Inventory valuation adjustment.....	-1,170	-3,450	-3,210	-1,175
Inventory valuation adjustment.....	-748	-1,754	-3,593	-1,155	Retail trade	2,711	3,883	-1,284	-4,362
By industry					Change in book value.....	4,503	7,909	8,395	-929
Manufacturing	2,113	6,200	8,325	-7,651	Inventory valuation adjustment.....	-1,792	-4,026	-9,659	-3,433
Change in book value.....	5,608	16,347	31,950	-2,049	Durable goods ⁴	1,556	2,395	21	-3,382
Inventory valuation adjustment.....	-3,495	-10,147	-23,625	-5,602	Change in book value.....	2,199	3,537	4,653	-1,022
Durable goods ³	2,232	6,318	4,576	-5,569	Inventory valuation adjustment.....	-643	-1,142	-4,632	-2,360
Change in book value.....	3,908	10,952	19,985	-1,035	Nondurable goods ⁴	1,155	1,488	-1,285	-980
Inventory valuation adjustment.....	-1,676	-4,634	-15,409	-4,534	Change in book value.....	2,304	4,372	3,742	93
Nondurable goods ³	-119	-118	3,749	-2,082	Inventory valuation adjustment.....	-1,149	-2,884	-5,027	-1,073
Change in book value.....	1,700	5,395	11,965	-1,014	Other	1,786	1,506	1,123	-156
Inventory valuation adjustment.....	-1,819	-5,513	-8,216	-1,068	Change in book value.....	2,405	3,552	7,889	1,371
					Inventory valuation adjustment.....	-619	-2,046	-6,766	-1,527

1. Consists of the domestic activities of all entities filing corporate tax returns, mutual financial institutions, private noninsured pension funds, cooperatives subject to Federal income taxes, nonprofit organizations serving business, Federal Reserve banks, and federally sponsored credit agencies.

2. Consists of the business activities reported on the individual income tax return in Schedule C—Profit (or Loss) from Business or Profession and in Schedule E—Supplemental Income Schedule; all entities filing partnership income returns; tax-exempt cooperatives; and owner-occupied nonfarm dwellings and buildings owned by nonprofit institution serving individuals which are considered to be business establishments selling their current services to their owners.

3. Classified as durable or nondurable by type of product produced by the establishment holding the inventory.

4. Classified as durable or nondurable by type of product sold by the establishment holding the inventory.

NOTE.—The inventory valuation adjustment (IVA) shown in this table differs from that which adjusts business income. The IVA in this table reflects the mix of methods (first in—first out, last in—first out, etc.) underlying book value inventories derived primarily from Census Bureau statistics. This mix differs from that underlying business income derived from statistics tabulated by the Internal Revenue Service and other sources. The industry classification is based on the 1967 Standard Industrial Classification.

Table 5.9.—Inventories and Final Sales of Business

(Billions of dollars)

	1972	1973				1974				1975				1976	
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
Seasonally adjusted quarterly totals															
Inventories ¹	288.6	306.0	321.6	335.0	355.8	374.6	392.0	419.9	428.0	419.0	417.7	426.8	426.8	434.9	446.8
Farm	44.6	51.8	59.2	63.7	66.2	64.7	59.2	65.9	61.7	58.5	63.2	66.3	63.3	64.2	67.1
Nonfarm	243.9	254.2	262.4	271.3	289.6	309.9	332.7	354.0	366.3	360.5	354.5	360.5	363.5	370.7	378.7
Durable goods.....	138.1	144.0	148.4	153.5	162.9	173.3	186.4	197.7	206.1	203.8	199.9	202.0	203.4	205.5	208.4
Nondurable goods.....	105.8	110.3	114.0	117.8	126.7	136.6	146.4	156.3	160.2	156.7	154.6	158.5	160.1	165.1	170.2
Manufacturing	120.4	125.5	129.3	134.1	143.6	155.7	170.0	182.3	188.7	187.7	184.8	186.4	188.5	190.6	193.7
Durable goods.....	78.1	81.4	83.6	87.0	93.4	101.0	110.3	117.6	121.3	122.0	120.2	120.2	120.8	121.3	122.7
Nondurable goods.....	42.3	44.1	45.7	47.1	50.2	54.7	59.7	64.7	67.3	65.7	64.6	66.2	67.7	69.3	71.0
Wholesale trade	43.6	45.9	47.3	49.1	52.8	57.2	61.2	64.9	67.0	66.0	64.1	65.0	64.7	66.6	68.8
Durable goods.....	26.2	27.2	28.2	28.7	30.5	32.6	35.3	37.9	39.7	40.0	39.2	39.3	39.7	40.8	41.9
Nondurable goods.....	17.4	18.6	19.2	20.4	22.3	24.6	25.8	27.0	27.3	26.0	24.9	25.7	25.0	25.8	26.9
Retail trade	58.0	60.3	62.4	63.5	66.8	68.4	70.7	74.0	76.3	73.2	72.3	75.0	74.7	77.2	79.2
Durable goods.....	26.1	27.2	28.3	29.0	29.8	30.3	30.9	32.2	35.1	32.4	31.7	33.5	33.5	34.0	34.3
Nondurable goods.....	32.0	33.1	34.1	34.4	37.0	38.1	39.7	41.8	41.2	40.7	40.7	41.5	41.2	43.2	44.9
Other	21.8	22.6	23.4	24.6	26.4	28.6	30.9	32.8	34.4	33.6	33.3	34.1	35.6	36.3	36.9
Final sales ²	1,019.9	1,060.6	1,076.6	1,102.4	1,120.5	1,143.5	1,170.8	1,202.3	1,210.1	1,238.5	1,276.4	1,308.8	1,344.7	1,365.9	1,437.0
Ratio of inventories to final sales	.283	.289	.299	.304	.318	.338	.335	.349	.354	.338	.327	.326	.317	.318	.310
Nonfarm ³	.239	.240	.244	.246	.258	.271	.284	.294	.303	.291	.278	.275	.270	.271	.264

² Preliminary.

1. Inventories are as of the end of the quarter. The quarter-to-quarter change in inventories calculated from current-dollar inventories shown in this table is not the current-dollar change in business inventories (CBI) component of GNP. The former is the difference between two inventory stocks, each valued at end-of-quarter prices. The latter is the change in the physical volume of inventories valued at average prices of the quarter. In addition, changes calculated from this table are at quarterly rates, whereas CBI is stated at annual rates.

2. Quarterly totals at annual rates.

3. Equals ratio of nonfarm inventories to final sales of business. These sales include a small amount of final sales by farms.

NOTE.—Inventories are classified as durable or nondurable as follows: For manufacturing, by the type of product produced by the establishment holding the inventory; for trade, by the type of product sold by the establishment holding the inventory; for construction, durable; and for other nonfarm industries, nondurable. The industry classification is based on the 1967 Standard Industrial Classification.

Table 5.10.—Inventories and Final Sales of Business in Constant Dollars

(Billions of dollars)

	1972	1973				1974				1975				1976	
	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II ^p
	Seasonally adjusted quarterly totals														
Inventories¹	277.4	280.3	284.0	287.5	293.9	296.7	299.1	300.3	302.3	297.2	291.9	291.7	290.3	292.9	295.3
Farm.....	39.8	39.8	40.5	41.1	42.1	41.9	41.9	41.8	41.7	41.9	42.0	42.2	42.6	43.0	42.7
Nonfarm.....	237.6	240.5	243.5	246.4	251.8	254.8	257.2	258.5	260.7	255.3	249.9	249.5	247.7	249.9	252.5
Durable goods.....	135.7	137.9	140.6	143.4	146.3	147.8	148.2	149.1	151.8	148.4	145.5	144.3	142.4	141.8	142.8
Nondurable goods.....	101.8	102.6	102.9	103.0	105.5	107.0	109.0	109.3	108.9	106.9	104.5	105.2	105.3	108.1	109.8
Manufacturing.....	117.5	118.7	120.0	121.4	123.6	125.7	127.4	128.6	129.7	128.7	126.6	125.0	124.1	124.1	125.1
Durable goods.....	76.8	77.8	79.1	81.0	82.8	84.3	84.9	85.7	86.4	86.3	85.2	83.6	82.1	81.4	81.6
Nondurable goods.....	40.7	40.9	41.0	40.4	40.7	41.4	42.5	42.9	43.3	42.5	41.4	41.5	41.9	42.7	43.5
Wholesale trade.....	42.4	43.0	43.4	43.9	45.3	46.6	47.7	48.0	48.5	47.3	45.7	45.5	44.9	45.7	46.8
Durable goods.....	25.8	26.3	26.8	26.9	27.6	28.3	28.9	29.5	30.1	29.9	29.2	28.8	28.6	28.9	29.5
Nondurable goods.....	16.5	16.8	16.6	17.0	17.7	18.3	18.8	18.5	18.4	17.4	16.5	16.8	16.3	16.8	17.2
Retail trade.....	56.5	57.4	58.2	58.7	60.3	59.6	59.2	58.9	59.2	56.4	55.2	56.2	55.6	56.8	57.1
Durable goods.....	25.7	26.3	27.1	27.7	28.0	27.6	26.8	26.5	27.9	25.3	24.5	25.5	25.2	25.0	25.0
Nondurable goods.....	30.8	31.0	31.1	31.0	32.2	32.1	32.5	32.4	31.2	31.1	30.6	30.7	30.4	31.8	32.1
Other.....	21.3	21.4	21.9	22.5	22.7	22.9	22.9	23.0	23.4	22.9	22.5	22.6	23.1	23.3	23.5
Final sales²	1,007.6	1,034.5	1,032.0	1,037.5	1,031.8	1,029.5	1,026.7	1,022.0	997.0	996.1	1,011.1	1,021.8	1,035.7	1,044.7	1,059.3
Ratio of inventories to final sales	.275	.271	.275	.277	.285	.288	.291	.294	.303	.298	.289	.285	.280	.280	.279
Nonfarm ³	.236	.232	.236	.237	.244	.247	.251	.253	.261	.256	.247	.244	.239	.239	.238

^p Preliminary.

1. Inventories are as of the end of the quarter. Quarter-to-quarter changes calculated from this table are at quarterly rates, whereas the constant-dollar change in business inventories component of GNP is stated at annual rates.

2. Quarterly totals at annual rates.

3. Equals ratio of nonfarm inventories to final sales of business. These sales include a

small amount of final sales by farms.

NOTE.—Inventories are classified as durable or nondurable as follows: For manufacturing, by the type of product produced by the establishment holding the inventory; for trade, by the type of product sold by the establishment holding the inventory; for construction, durable; and for other nonfarm industries, nondurable. The industry classification is based on the 1967 Standard Industrial Classification.

6.—Product, Income, and Employment by Industry

Table 6.1.—Gross National Product and Its Components by Industry

(Billions of Dollars)

	1972	1973	1974	1975		1972	1973	1974	1975
Gross national product	1,171.1	1,306.6	1,413.2	1,516.3	Gross domestic product—Continued				
Compensation of employees.....	715.1	799.2	875.8	928.8	Manufacturing	288.8	321.8	334.3	346.0
Profit-type return.....	191.0	217.4	208.2	230.8	Compensation of employees.....	203.2	229.9	249.4	251.4
Net interest.....	47.0	52.3	67.1	74.6	Profit-type return.....	34.9	37.0	24.8	31.4
Indirect business taxes, etc.....	115.7	125.6	134.0	145.0	Net interest.....	6.0	7.4	9.8	9.9
Statistical discrepancy.....	1.7	2.6	6.6	4.4	Indirect business taxes, etc.....	19.8	20.9	20.9	21.5
Capital consumption allowances.....	100.5	109.4	121.4	132.8	Capital consumption allowances.....	24.8	26.6	29.4	31.8
Gross domestic product	1,164.1	1,297.5	1,398.7	1,505.7	Nondurable goods.....	116.8	127.5	136.1	142.4
Compensation of employees.....	715.1	799.2	875.8	928.8	Compensation of employees.....	76.5	83.3	90.1	93.2
Profit-type return.....	186.2	210.6	197.1	224.6	Profit-type return.....	12.5	14.0	15.2	17.0
Net interest.....	44.9	50.1	63.8	70.2	Net interest.....	2.7	3.1	3.3	3.5
Indirect business taxes, etc.....	115.7	125.6	134.0	145.0	Indirect business taxes, etc.....	15.0	15.8	15.5	15.8
Statistical discrepancy.....	1.7	2.6	6.6	4.4	Capital consumption allowances.....	10.1	11.3	12.0	12.9
Capital consumption allowances.....	100.5	109.4	121.4	132.8	Durable goods.....	171.9	194.3	198.2	203.7
Agriculture, forestry, and fisheries	35.4	53.9	52.6	54.8	Compensation of employees.....	126.8	146.6	159.2	158.3
Compensation of employees.....	6.3	7.4	8.4	9.1	Profit-type return.....	22.4	23.0	9.6	14.4
Profit-type return.....	17.9	33.9	29.4	29.4	Net interest.....	3.2	4.3	6.5	6.4
Net interest.....	3.1	3.7	4.6	5.3	Indirect business taxes, etc.....	4.7	5.1	5.4	5.7
Indirect business taxes, etc.....	2.2	2.3	2.4	2.6	Capital consumption allowances.....	14.7	15.3	17.5	18.9
Capital consumption allowances.....	5.9	6.6	7.9	8.5	Transportation	46.2	51.3	56.3	56.6
Farms	32.0	50.1	48.5	50.3	Compensation of employees.....	31.9	36.6	39.7	40.5
Compensation of employees.....	4.5	5.3	6.1	6.5	Profit-type return.....	2.5	2.2	2.7	1.4
Profit-type return.....	16.9	32.9	28.3	28.3	Net interest.....	1.6	1.7	2.0	1.9
Net interest.....	3.0	3.6	4.4	5.2	Indirect business taxes, etc.....	4.0	4.3	4.6	5.0
Indirect business taxes, etc.....	2.1	2.1	2.3	2.4	Capital consumption allowances.....	6.3	6.4	7.3	7.8
Capital consumption allowances.....	5.4	6.2	7.4	7.9	Railroad transportation	10.3	11.5	12.3	11.5
Agricultural services, forestry, and fisheries	3.3	3.8	4.2	4.5	Compensation of employees.....	7.8	9.4	10.2	10.2
Compensation of employees.....	1.7	2.1	2.3	2.5	Profit-type return.....	—2.2	—4.4	—7.7	—1.5
Profit-type return.....	.9	1.0	1.1	1.1	Net interest.....	.6	.6	.6	.6
Net interest.....	.1	.1	.1	.1	Indirect business taxes, etc.....	.5	.5	.6	.6
Indirect business taxes, etc.....	.1	.1	.2	.2	Capital consumption allowances.....	1.6	1.5	1.6	1.6
Capital consumption allowances.....	.5	.5	.5	.6	Trucking and warehousing	19.4	21.7	23.5	23.7
Mining	18.9	21.4	31.8	37.6	Compensation of employees.....	12.9	14.8	15.9	15.6
Compensation of employees.....	7.8	8.7	10.5	12.8	Profit-type return.....	2.3	2.3	2.3	2.3
Profit-type return.....	4.6	5.8	13.1	15.9	Net interest.....	.3	.4	.6	.5
Net interest.....	.3	.3	.3	.3	Indirect business taxes, etc.....	1.8	1.9	2.1	2.2
Indirect business taxes, etc.....	1.6	1.7	2.5	2.8	Capital consumption allowances.....	2.1	2.3	2.7	3.1
Capital consumption allowances.....	4.7	4.8	5.4	5.8	Air transportation	7.9	8.8	9.6	9.9
Contract construction	56.6	63.3	66.7	66.5	Compensation of employees.....	5.3	6.0	6.5	7.0
Compensation of employees.....	43.0	48.4	51.5	50.2	Profit-type return.....	.0	.0	.1	—3.3
Profit-type return.....	8.8	9.3	8.7	8.8	Net interest.....	.3	.3	.4	.3
Net interest.....	.4	.7	1.0	1.3	Indirect business taxes, etc.....	.9	1.0	1.0	1.1
Indirect business taxes, etc.....	1.3	1.4	1.5	1.6	Capital consumption allowances.....	1.4	1.5	1.7	1.8
Capital consumption allowances.....	3.0	3.5	4.0	4.5					

Table 6.1.—Gross National Product and Its Components by Industry—Continued

	1972	1973	1974	1975		1972	1973	1974	1975
Gross domestic product—Continued					Gross domestic product—Continued				
Transportation—Continued					Finance, insurance, and real estate—Continued				
Other 1.....	8.7	9.2	10.8	11.5	Finance and insurance.....	43.7	42.1	43.5	46.6
Compensation of employees.....	5.9	6.4	7.1	7.7	Compensation of employees.....	31.5	34.7	38.2	41.9
Profit-type return.....	.4	.3	1.0	1.0	Profit-type return.....	18.5	18.4	16.5	15.7
Net interest.....	.4	.4	.5	.4	Net interest.....	-13.9	-19.5	-20.3	-21.0
Indirect business taxes, etc.....	.8	.9	.9	1.0	Indirect business taxes, etc.....	4.7	4.9	4.9	5.2
Capital consumption allowances.....	1.2	1.1	1.3	1.4	Capital consumption allowances.....	2.9	3.6	4.1	4.8
Communication.....					Real estate.....				
Compensation of employees.....	29.4	32.7	35.3	38.4	Compensation of employees.....	124.9	137.1	149.7	162.7
Profit-type return.....	14.6	16.3	17.8	19.4	Profit-type return.....	6.6	7.7	8.1	8.1
Net interest.....	3.0	3.2	2.8	3.0	Net interest.....	30.7	31.5	31.9	35.7
Indirect business taxes, etc.....	2.1	2.4	2.9	3.3	Indirect business taxes, etc.....	37.6	44.0	51.6	56.2
Capital consumption allowances.....	4.1	4.3	4.6	4.8	Capital consumption allowances.....	28.1	30.4	32.7	35.3
Telephone and telegraph.....	26.9	30.1	32.6	35.2	Other 2.....	21.9	23.5	25.6	27.5
Compensation of employees.....	13.0	14.5	15.9	17.3	Services.....				
Profit-type return.....	2.5	2.8	2.5	2.3	Compensation of employees.....	134.5	150.5	165.7	181.8
Net interest.....	2.0	2.4	2.9	3.2	Compensation of employees.....	92.9	104.6	117.6	130.0
Indirect business taxes, etc.....	4.0	4.2	4.5	4.7	Profit-type return.....	27.8	30.3	30.5	32.7
Capital consumption allowances.....	5.3	6.2	6.9	7.7	Net interest.....	1.8	2.1	2.6	2.5
Radio and television broadcasting.....					Indirect business taxes, etc.....	4.1	4.4	4.8	5.1
Compensation of employees.....	2.5	2.6	2.7	3.3	Capital consumption allowances.....	8.0	9.2	10.2	11.5
Profit-type return.....	1.6	1.8	1.9	2.1	Private households.....	5.3	5.4	5.6	5.8
Net interest.....	.5	.4	.3	.7	Compensation of employees.....	5.3	5.4	5.6	5.8
Indirect business taxes, etc.....	.1	.1	.1	.1	Other 2.....				
Capital consumption allowances.....	.3	.3	.3	.4	Compensation of employees.....	129.1	145.1	160.1	176.0
Electric, gas, and sanitary services.....					Profit-type return.....	87.5	99.2	112.0	124.2
Compensation of employees.....	28.0	30.5	31.2	37.2	Net interest.....	27.8	30.3	30.5	32.7
Compensation of employees.....	9.3	10.3	11.3	12.1	Indirect business taxes, etc.....	1.8	2.1	2.6	2.5
Profit-type return.....	4.2	3.7	1.1	3.8	Capital consumption allowances.....	4.1	4.4	4.8	5.1
Net interest.....	4.0	4.7	6.0	6.8	Government and government enterprises.....	8.0	9.2	10.2	11.5
Indirect business taxes, etc.....	4.3	4.7	5.1	5.6	Compensation of employees.....	154.9	166.5	182.1	200.6
Capital consumption allowances.....	6.1	7.0	7.7	8.8	Compensation of employees.....	152.5	165.8	180.6	199.7
Wholesale and retail trade.....					Profit-type return.....	2.3	.6	1.4	.8
Compensation of employees.....	201.2	223.8	242.9	272.4	Indirect business taxes, etc.....	.1	.1	.1	.1
Compensation of employees.....	115.4	128.8	142.8	153.5	Government.....	137.4	149.1	161.6	178.5
Profit-type return.....	31.1	34.8	34.2	46.0	Compensation of employees.....	137.4	149.1	161.6	178.5
Net interest.....	1.9	2.5	3.4	3.7	Government enterprises.....	17.5	17.4	20.4	22.1
Indirect business taxes, etc.....	41.6	46.1	49.9	55.4	Compensation of employees.....	15.1	16.7	19.0	21.2
Capital consumption allowances.....	11.2	11.6	12.7	14.0	Profit-type return.....	2.3	.6	1.4	.8
Wholesale trade.....	82.4	94.0	107.9	119.4	Indirect business taxes, etc.....	.1	.1	.1	.1
Compensation of employees.....	43.3	49.1	55.8	59.7	Rest of the World.....				
Profit-type return.....	13.9	17.3	22.6	26.3	Compensation of employees.....	7.0	9.1	14.5	10.6
Net interest.....	.8	1.1	1.4	1.6	Compensation of employees.....	.0	.0	.0	.0
Indirect business taxes, etc.....	20.1	21.9	22.8	25.8	Profit-type return.....	4.8	6.8	11.2	6.2
Capital consumption allowances.....	4.3	4.6	5.3	6.0	Net interest.....	2.2	2.2	3.3	4.4
Retail trade.....	118.8	129.8	135.0	153.0	Addenda:				
Compensation of employees.....	72.1	79.7	87.0	93.8	Nonfarm business.....				
Profit-type return.....	17.2	17.5	11.5	19.6	Compensation of employees.....	955.8	1055.3	1137.3	1222.8
Net interest.....	1.1	1.4	2.0	2.1	Compensation of employees.....	536.0	604.3	663.4	694.0
Indirect business taxes, etc.....	21.5	24.1	27.1	29.5	Profit-type return.....	169.2	177.8	168.8	196.3
Capital consumption allowances.....	6.9	7.0	7.4	8.0	Net interest.....	41.8	46.5	59.4	66.1
Finance, insurance, and real estate.....					Indirect business taxes, etc.....	113.6	123.4	131.7	142.6
Compensation of employees.....	168.6	179.2	193.2	209.4	Capital consumption allowances.....	95.1	103.2	114.1	124.8
Compensation of employees.....	38.1	42.3	46.3	50.0	Households and institutions.....				
Profit-type return.....	49.2	49.9	48.4	51.4	Compensation of employees.....	37.2	40.5	44.7	49.7
Net interest.....	23.7	24.5	31.2	35.2	Compensation of employees.....	37.2	40.5	44.7	49.7
Indirect business taxes, etc.....	32.8	35.3	37.6	40.5					
Capital consumption allowances.....	24.9	27.2	29.7	32.2					

1. Consists of local and interurban passenger transit, water transportation, pipeline transportation, and transportation services.

2. Consists of hotels and other lodging places; personal services; miscellaneous business services; auto repair, services, and garages; miscellaneous repair services; motion pictures; amusement and recreation services, not elsewhere classified; medical and other health services; legal services; educational services; nonprofit membership organizations; and miscellaneous professional services.

NOTE.—Profit-type return consists of proprietors' income with inventory valuation adjustment and without capital consumption adjustment, rental income of persons without capital consumption adjustment, corporate profits with inventory valuation adjustment and without capital consumption adjustment, less subsidies received. The profit-type return of government enterprises consists of their current surplus. Indirect business taxes, etc., includes indirect business tax and nontax liability and business transfer payments. The industry classification is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 6.2.—Gross National Product by Industry in Constant Dollars

(Billions of 1972 dollars)

	1972	1973	1974	1975		1972	1973	1974	1975
Gross national product.....	1,171.1	1,235.0	1,214.0	1,191.7	Gross domestic product—Continued				
Gross domestic product.....	1,164.1	1,227.4	1,206.9	1,186.8	Wholesale and retail trade.....	201.2	212.0	207.2	211.1
Agriculture, forestry, and fisheries.....	35.4	35.9	35.6	37.7	Wholesale trade.....	82.4	86.2	85.7	89.6
Farms.....	32.0	32.3	32.0	34.1	Retail trade.....	118.8	125.9	121.5	121.5
Agricultural services, forestry, and fisheries.....	3.3	3.5	3.6	3.6	Finance, insurance, and real estate.....	168.6	172.3	173.9	180.2
Mining.....	18.9	19.2	19.1	18.7	Finance and insurance.....	43.7	42.7	42.8	43.9
Contract construction.....	56.6	57.2	51.6	49.0	Real estate.....	124.9	129.6	131.1	136.3
Manufacturing.....	288.8	313.0	296.8	270.0	Services.....	134.5	143.1	143.1	144.4
Nondurable goods.....	116.8	124.1	120.6	110.9	Private households.....	5.3	5.3	4.5	4.2
Durable goods.....	171.9	188.9	176.2	159.2	Other 2.....	129.1	137.9	138.5	140.1
Transportation.....	46.2	50.6	49.9	46.5	Government and government enterprises.....	154.9	157.3	159.8	162.3
Railroad transportation.....	10.3	11.4	10.9	9.6	Government.....	137.4	138.9	141.5	144.2
Trucking and warehousing.....	19.4	21.3	20.9	19.6	Government enterprises.....	17.5	18.4	18.2	18.1
Air transportation.....	7.9	8.6	8.7	8.3	Residual 3.....	1.7	4.9	7.5	1.8
Other 1.....	8.7	9.2	9.4	9.0	Rest of the world.....	7.0	7.6	7.0	4.8
Communication.....	29.4	32.0	34.4	36.3	Addenda:				
Telephone and telegraph.....	26.9	29.5	32.0	33.5	Private nonfarm business.....	955.8	1,013.2	987.7	968.1
Radio and television broadcasting.....	2.5	2.5	2.5	2.9	Households and institutions.....	37.2	38.1	38.2	38.5
Electric, gas, and sanitary services.....	28.0	30.0	28.1	28.7					

1. Consists of local and interurban passenger transit, water transportation, pipeline transportation, and transportation services.

2. Consists of hotels and other lodging places; personal services; miscellaneous business services; auto repair, services, and garages; miscellaneous repair services; motion pictures; amusement and recreation services, not elsewhere classified; medical and other health services; legal services; educational services; nonprofit membership organizations; and miscellaneous professional services.

3. Equals GNP in constant dollars measured as the sum of final products less GNP in constant dollars measured as the sum of gross product by industry.

NOTE.—The industry classification is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 6.3.—National Income Without Capital Consumption Adjustment by Industry
[Millions of dollars]

	1972	1973	1974	1975		1972	1973	1974	1975
National income without capital consumption adjustment.....	956,771	1,072,829	1,152,002	1,236,175	Domestic income—Continued				
Domestic income.....	949,722	1,063,771	1,137,467	1,225,578	Transportation—Continued				
Agriculture, forestry, and fisheries.....	30,649	47,003	42,716	44,386	Transportation services.....	1,344	1,702	2,538	2,699
Farms.....	27,897	43,835	39,204	40,600	Communication.....	20,311	22,648	24,250	26,391
Agricultural services, forestry, and fisheries.....	2,752	3,168	3,512	3,786	Telephone and telegraph.....	18,181	20,374	21,926	23,574
Mining.....	8,700	10,149	15,406	18,804	Radio and television broadcasting.....	2,130	2,274	2,324	2,817
Metal mining.....	1,073	1,489	1,539	1,693	Electric, gas, and sanitary services.....	17,589	18,759	18,414	22,873
Coal mining.....	2,493	2,869	5,189	6,732	Wholesale and retail trade.....	144,606	161,583	174,248	195,621
Oil and gas extraction.....	3,563	3,908	6,602	8,180	Wholesale trade.....	54,401	62,999	73,588	80,047
Nonmetallic minerals, except fuels.....	1,571	1,883	2,076	2,199	Retail trade.....	90,205	98,584	100,660	115,574
Contract construction.....	52,277	58,442	61,240	60,366	Finance, insurance, and real estate.....	112,493	117,964	126,827	137,649
Manufacturing.....	251,811	283,540	298,150	309,941	Banking.....	17,074	18,368	19,281	19,318
Nondurable goods.....	97,943	107,183	119,275	126,695	Credit agencies other than banks.....	-3,381	-6,223	-6,627	-6,039
Food and kindred products.....	20,286	20,958	23,104	28,083	Security and commodity brokers, dealers, and services.....	4,348	3,198	3,191	4,145
Tobacco manufactures.....	1,730	1,775	2,194	2,665	Insurance carriers.....	12,507	12,767	12,192	12,395
Textile mill products.....	8,374	8,704	10,164	8,787	Insurance agents, brokers, and services.....	5,217	5,665	5,864	6,574
Apparel and other textile products.....	9,640	10,287	10,496	10,736	Real estate.....	76,373	84,334	92,381	100,965
Paper and allied products.....	9,421	10,910	11,770	11,908	Holding and other investment companies.....	355	-145	545	291
Printing and publishing.....	13,530	14,873	15,080	16,356	Services.....	122,344	136,842	150,613	165,056
Chemicals and allied products.....	18,337	20,345	21,672	23,772	Hotels and other lodging places.....	5,507	6,113	6,493	6,999
Petroleum and coal products.....	7,088	8,535	14,053	13,778	Personal services.....	7,471	7,720	8,076	8,315
Rubber and plastic products, n.e.c.....	7,421	8,430	8,258	8,312	Miscellaneous business services.....	16,551	19,349	20,884	22,163
Leather and leather products.....	2,116	2,366	2,484	2,298	Auto repair, services, and garages.....	4,492	5,154	5,461	5,782
Durable goods.....	153,868	176,357	178,875	183,246	Miscellaneous repair services.....	2,557	2,862	3,321	3,494
Lumber and wood products.....	7,664	9,550	9,961	8,173	Motion pictures.....	1,576	1,700	1,666	1,942
Furniture and fixtures.....	4,526	4,917	5,025	4,719	Amusement and recreation services, n.e.c.....	3,745	4,320	4,605	5,108
Stone, clay, and glass products.....	8,670	9,750	9,680	9,451	Medical and other health services.....	36,586	41,014	46,649	53,471
Primary metal industries.....	18,474	21,876	27,966	26,032	Legal services.....	8,398	9,672	10,769	11,819
Fabricated metal products.....	17,769	20,687	21,265	22,729	Educational services.....	8,010	8,948	9,940	11,118
Machinery, except electrical.....	27,294	32,107	33,429	36,918	Nonprofit membership organizations.....	10,646	11,450	12,441	13,392
Electrical equipment and supplies.....	23,353	26,612	26,444	25,756	Miscellaneous professional services.....	11,456	13,138	14,723	15,650
Transportation equipment, except motor vehicles and equipment, and ordnance.....	14,864	15,661	15,418	17,491	Private households.....	5,349	5,402	5,585	5,803
Motor vehicles and equipment.....	20,211	23,095	17,678	18,516	Government and government enterprises.....	152,489	165,785	180,620	199,737
Instruments and related products.....	6,457	7,230	7,309	8,272	Federal.....	59,724</			

n.e.c. Not elsewhere classified.

net interest is on a company basis. The industry classification of these items is based on the 1967 Standard Industrial Classification.

NOTE.—The industry classification of compensation of employees, proprietors' income, and rental income is on an establishment basis; the industry classification of corporate profits and

Table 6.4.—National Income Without Capital Consumption Adjustment by Industry
[Billions of dollars]

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
National income without capital consumption adjustment.....	956.8	1,072.8	1,152.0	1,236.2	996.2	1,037.3	1,058.9	1,082.4	1,112.8	1,125.8	1,140.3	1,164.7	1,177.2	1,173.9	1,210.6	1,263.5	1,296.7	1,338.7	-----
Domestic income.....	949.7	1,063.8	1,137.5	1,225.6	988.1	1,028.5	1,050.1	1,073.7	1,102.8	1,108.7	1,127.9	1,150.9	1,162.4	1,164.5	1,200.0	1,252.2	1,285.6	1,325.8	-----
Agriculture, forestry, and fisheries.....	30.6	47.0	42.7	44.4	32.8	40.2	45.5	49.2	53.1	47.8	41.1	40.7	41.2	36.7	43.1	49.0	48.7	42.5	-----
Mining and contract construction.....	61.0	68.6	76.6	79.2	62.4	65.6	66.5	70.0	72.2	73.2	76.3	78.4	78.8	79.0	77.2	78.5	82.0	82.6	-----
Manufacturing.....	251.8	283.5	298.2	309.9	264.2	276.4	281.8	284.4	291.6	291.9	297.9	304.3	298.5	287.6	301.4	321.6	329.2	347.3	-----
Nondurable goods.....	97.9	107.2	119.3	126.7	101.2	104.0	106.4	106.7	111.6	115.5	120.4	122.7	118.4	114.9	123.6	131.3	137.1	147.4	-----
Durable goods.....	153.9	176.4	178.9	183.2	163.0	172.4	175.4	177.7	180.0	176.4	177.4	181.5	180.1	172.7	177.9	190.3	192.1	199.9	-----
Transportation.....	36.5	41.1	45.0	44.8	38.4	40.2	40.6	41.0	42.4	43.7	45.4	46.3	44.5	42.3	43.1	45.6	48.0	49.2	-----
Communication.....	20.3	22.6	24.3	26.4	20.9	21.8	22.2	23.3	23.3	23.5	23.8	24.3	25.4	25.1	26.1	27.1	27.2	28.5	-----
Electric, gas, and sanitary services.....	17.6	18.8	18.4	22.9	18.3	18.5	18.4	19.0	19.1	17.5	18.2	18.2	19.8	21.7	22.7	23.2	23.9	23.3	-----
Wholesale and retail trade.....	144.6	161.6	174.2	195.6	150.3	156.3	158.7	163.0	168.3	170.4	174.7	174.5	177.4	184.3	191.6	200.9	205.6	215.2	-----
Wholesale trade.....	54.4	63.0	73.6	80.0	57.6	59.9	61.8	63.7	66.6	71.0	72.8	73.7	76.9	75.7	77.9	82.6	83.9	89.3	-----
Retail trade.....	90.2	98.6	100.7	115.6	92.6	96.3	96.9	99.4	101.7	99.4	101.9	100.8	100.5	108.6	113.7	118.3	121.7	125.9	-----
Finance, insurance, and real estate.....	112.5	118.0	126.8	137.6	115.7	116.4	116.9	118.4	120.1	121.7	124.5	129.4	131.7	135.1	135.8	137.8	141.9	146.9	-----
Services.....	122.3	136.8	150.6	165.1	126.5	131.8	135.5	138.4	141.7	144.1	148.3	153.0	157.1	159.8	161.8	166.8	171.9	178.3	-----
Government and government enterprises.....	152.5	165.8	180.6	199.7	158.6	161.4	163.8	166.8	171.1	174.8	177.8	181.9	188.0	192.8	197.2	201.8	207.2	211.7	-----
Rest of the world.....	7.0	9.1	14.5	10.6	8.1	8.8	8.8	8.7	10.0	17.2	12.4	13.8	14.8	9.4	10.6	11.3	11.1	13.0	-----

NOTE.—The industry classification of compensation of employees, proprietors' income, and rental income is on an establishment basis; the industry classification of corporate profits

and net interest is on a company basis. The industry classification of these items is based on the 1967 Standard Industrial Classification.

Table 6.11.—Hours Worked by Persons Engaged in Production by Industry¹

[Millions of hours]

	1972	1973	1974	1975
Hours worked by persons engaged in production	159,560	165,472	166,325	161,326
Domestic industries	159,583	165,491	166,342	161,347
Agriculture, forestry, and fisheries.....	7,877	7,979	7,889	7,754
Farms.....	7,011	7,047	6,955	6,823
Mining.....	1,294	1,326	1,451	1,549
Contract construction.....	8,669	9,288	9,238	8,124
Manufacturing.....	37,419	39,537	39,000	35,283
Nondurable goods.....	15,699	16,047	15,681	14,616
Durable goods.....	21,720	23,490	23,319	20,667
Transportation.....	5,627	5,780	5,816	5,472
Communication.....	2,115	2,185	2,224	2,145
Electric, gas, and sanitary services.....	1,386	1,424	1,430	1,403
Wholesale and retail trade.....	32,738	33,638	33,840	33,508
Wholesale trade.....	8,156	8,489	8,616	8,434
Retail trade.....	24,582	25,149	25,224	25,074
Finance, insurance, and real estate.....	7,665	8,091	8,274	8,324
Services.....	27,602	28,693	29,176	29,336
Government and government enterprises.....	27,191	27,550	28,004	28,449
Rest of the world	-23	-19	-17	-21

1. Persons engaged in production equals the number of employees on full-time schedules plus the number on part-time schedules plus active proprietors and partners of unincorporated enterprises. Unpaid family workers are excluded.

NOTE.—The industry classification is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 6.13.—Other Labor Income by Industry and by Type

[Millions of dollars]

	1972	1973	1974	1975
Other labor income	41,956	48,691	55,499	62,460
By industry:				
Domestic industries	41,956	48,691	55,499	62,460
Agriculture, forestry, and fisheries.....	200	266	314	370
Mining.....	845	986	1,147	1,473
Contract construction.....	1,874	2,194	2,401	2,563
Manufacturing.....	18,358	21,246	24,355	26,521
Nondurable goods.....	5,968	6,623	7,771	8,463
Durable goods.....	12,390	14,623	16,584	18,058
Transportation.....	2,111	2,492	2,882	3,202
Communication.....	2,572	2,889	2,978	3,389
Electric, gas, and sanitary services.....	1,068	1,213	1,362	1,508
Wholesale and retail trade.....	5,275	6,245	7,258	8,593
Wholesale trade.....	2,308	2,816	3,490	4,167
Retail trade.....	2,967	3,429	3,768	4,426
Finance, insurance, and real estate.....	3,268	3,713	3,999	4,417
Services.....	4,184	4,976	5,773	6,714
Government and government enterprises.....	2,201	2,471	3,030	3,710
Rest of the world	0	0	0	0
By type:				
Employer contributions to private pension and welfare funds	41,240	47,897	54,643	61,539
Pension and profit-sharing.....	17,782	20,691	24,765	28,449
Group health insurance.....	15,459	18,399	20,057	22,270
Group life insurance.....	3,565	3,652	3,925	4,015
Workmen's compensation.....	4,279	4,995	5,731	6,633
Supplemental unemployment.....	155	160	165	172
Other	716	794	856	921
Addenda:				
Benefits paid by private pension and welfare funds	33,838	37,772	43,684	-----
Pension and profit-sharing.....	10,015	11,220	12,930	-----
Group health insurance.....	17,728	19,648	23,023	-----
Group life insurance.....	3,091	3,172	3,359	-----
Workmen's compensation.....	2,864	3,622	3,972	-----
Supplemental unemployment.....	140	110	400	-----

NOTE.—The industry classification is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 6.12.—Employer Contributions for Social Insurance by Industry

[Millions of dollars]

	1972	1973	1974	1975
Employer contributions for social insurance	39,424	49,289	55,838	59,658
Domestic industries	39,424	49,289	55,838	59,658
Agriculture, forestry, and fisheries.....	289	378	446	476
Mining.....	327	421	520	622
Contract construction.....	2,274	2,907	3,113	3,006
Manufacturing.....	9,699	12,462	13,600	13,243
Nondurable goods.....	3,725	4,647	5,044	5,085
Durable goods.....	5,974	7,815	8,556	8,158
Transportation.....	1,778	2,561	3,065	3,056
Communication.....	554	708	795	841
Electric, gas, and sanitary services.....	360	454	508	540
Wholesale and retail trade.....	5,754	7,349	8,249	8,676
Wholesale trade.....	1,986	2,570	2,942	3,101
Retail trade.....	3,768	4,779	5,307	5,575
Finance, insurance, and real estate.....	1,662	2,126	2,382	2,531
Services.....	4,028	5,193	5,930	6,473
Government and government enterprises.....	12,699	14,730	17,230	20,194
Rest of the world	0	0	0	0

NOTE.—The industry classification is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 6.14.—Nonfarm Proprietors' Income Without Inventory Valuation and Capital Consumption Adjustments by Legal Form of Organization and Industry

[Millions of dollars]

	1972	1973	1974	1975
Nonfarm proprietors' income without inventory valuation and capital consumption adjustments	56,358	60,336	63,111	65,162
Sole proprietorships and partnerships¹	55,767	59,628	62,259	64,251
Agricultural services, forestry, and fisheries.....	754	882	946	1,002
Mining.....	7	-85	1,514	1,689
Contract construction.....	7,065	7,962	7,939	7,076
Manufacturing.....	1,989	2,246	2,443	2,318
Nondurable goods.....	616	732	878	870
Durable goods.....	1,373	1,514	1,565	1,448
Transportation.....	1,513	1,674	1,794	1,845
Communication.....	4	19	-6	-6
Electric, gas, and sanitary services.....	152	149	35	50
Wholesale and retail trade.....	14,240	16,391	17,644	17,781
Wholesale trade.....	3,550	3,846	4,549	4,226
Retail trade.....	10,690	12,545	13,095	13,555
Finance, insurance, and real estate.....	4,631	3,072	1,621	2,406
Services.....	25,412	27,318	28,329	30,090
Medical and other health services.....	10,395	10,621	11,106	11,754
Legal services.....	5,801	6,473	6,990	7,428
Other private business²	591	708	852	911

1. Sole proprietorships consist of the business activities reported on the individual income tax return in Schedule C—Profit (or Loss) From Business or Profession. Partnerships includes all entities filing partnership income returns.

2. Consists of all business activities reported on the individual income tax return in Schedule E—Supplemental Income Schedule; tax-exempt cooperatives; and owner-occupied nonfarm dwellings and buildings owned by nonprofit institutions serving individuals, which are considered to be business establishments selling their current services to their owners.

NOTE.—The industry classification is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 6.15.—Capital Consumption Allowances of Noncorporate Business by Legal Form of Organization and Industry

[Millions of dollars]

	1972	1973	1974	1975
Capital consumption allowances	31,636	34,490	38,250	41,415
Sole proprietorships and partnerships ¹	16,810	18,739	21,657	24,081
Agriculture, forestry, and fisheries.....	5,306	5,908	6,980	7,397
Farms.....	5,019	5,609	6,646	7,087
Mining.....	480	460	537	585
Contract construction.....	900	1,062	1,210	1,370
Manufacturing.....	583	582	657	724
Nondurable goods.....	200	181	199	210
Durable goods.....	383	401	458	514
Transportation.....	849	959	1,144	1,290
Communication.....	17	16	22	31
Electric, gas, and sanitary services.....	62	68	75	82
Wholesale and retail trade.....	2,006	2,143	2,282	2,472
Wholesale trade.....	445	467	533	588
Retail trade.....	1,561	1,676	1,749	1,884
Finance, insurance, and real estate.....	3,736	4,353	5,111	5,958
Real estate.....	3,588	4,192	4,983	5,750
Services.....	2,871	3,188	3,639	4,172
Other private business ²	14,826	15,751	16,593	17,334
Real estate.....	14,688	15,603	16,436	17,168
Owner-occupied.....	11,277	12,265	13,179	13,973
Other.....	3,411	3,338	3,257	3,195
Other.....	138	148	157	166

See footnote to table 6.14.

Table 6.17.—Net Interest by Industry

[Millions of dollars]

	1972	1973	1974	1975
Net interest	47,028	52,334	67,127	74,628
Domestic industries	44,869	50,142	63,795	70,241
Agriculture, forestry, and fisheries.....	3,136	3,693	4,552	5,288
Mining.....	286	320	323	311
Contract construction.....	442	714	985	1,337
Manufacturing.....	5,950	7,434	9,798	9,890
Nondurable goods.....	2,724	3,096	3,312	3,460
Durable goods.....	3,226	4,338	6,486	6,430
Transportation.....	1,557	1,728	1,950	1,926
Communication.....	2,080	2,432	2,923	3,293
Electric, gas, and sanitary services.....	4,022	4,730	6,010	6,827
Wholesale and retail trade.....	1,924	2,521	3,430	3,666
Wholesale trade.....	835	1,119	1,409	1,571
Retail trade.....	1,089	1,402	2,021	2,095
Finance, insurance, and real estate.....	23,703	24,503	31,179	35,230
Financial ¹	-13,680	-19,353	-20,271	-20,909
Real estate.....	37,585	43,982	51,510	56,199
Other.....	-202	-126	-60	-60
Services.....	1,769	2,067	2,645	2,473
Rest of the world	2,159	2,192	3,332	4,387

1. Consists of the following industries: banking; credit agencies other than banks; security and commodity brokers, dealers, and services; insurance carriers; regulated investment companies; small business investment companies; and real estate investment trusts.

NOTE.—The industry classification is on a company basis and is based on the 1967 Standard Industrial Classification.

Table 6.16.—Inventory Valuation Adjustment to Nonfarm Incomes by Legal Form of Organization and Industry

[Millions of dollars]

	1972	1973	1974	1975
Inventory valuation adjustment to nonfarm incomes	-7,343	-20,333	-43,407	-12,555
Corporate business ¹	-6,597	-18,584	-39,782	-11,415
Mining.....	-63	-301	-656	-149
Contract construction.....	-223	-587	-1,167	-293
Manufacturing.....	-3,307	-10,094	-21,804	-5,673
Nondurable goods.....	-1,735	-5,670	-7,154	-1,193
Durable goods.....	-1,572	-4,424	-14,650	-4,480
Wholesale and retail trade.....	-2,743	-6,692	-12,335	-4,627
Wholesale trade.....	-1,411	-3,661	-4,897	-1,938
Retail trade.....	-1,332	-3,031	-7,438	-2,689
Transportation.....	-62	-205	-780	-315
Communication.....	-9	-49	-307	141
Electric, gas, and sanitary services.....	-163	-478	-2,033	-209
Other.....	-27	-178	-700	-290
Noncorporate business ²	-746	-1,749	-3,625	-1,140
Mining.....	0	-6	-7	-2
Contract construction.....	-66	-186	-385	-106
Manufacturing.....	-67	-179	-395	-67
Nondurable goods.....	-26	-78	-130	-11
Durable goods.....	-41	-101	-265	-56
Wholesale and retail trade.....	-607	-1,322	-2,607	-861
Wholesale trade.....	-147	-327	-386	-117
Retail trade.....	-460	-995	-2,221	-744
Other.....	-6	-56	-231	-104

1. Consists of the domestic activities of all entities filing corporate tax returns, mutual financial institutions, private noninsured pension funds, cooperatives subject to Federal income taxes, nonprofit organizations serving business, Federal Reserve banks, and federally sponsored credit agencies.

2. Consists of the business activities reported on the individual income tax return in Schedule C—Profit (or Loss) From Business or Profession and in Schedule E—Supplemental Income Schedule; all entities filing partnership income returns; tax-exempt cooperatives; and owner-occupied nonfarm dwellings and buildings owned by nonprofit institutions serving individuals, which are considered to be business establishments selling their current services to their owners.

NOTE.—The industry classification is on a company basis and is based on the 1967 Standard Industrial Classification. The inventory valuation adjustment shown in this table differs from that which adjusts book value inventories. See the note on table 5.8.

Table 6.19.—Corporate Profits
Before Tax by IndustryTable 6.20.—Federal, State,
and Local Corporate Profits
Tax Liability by IndustryTable 6.21.—Corporate Profits
After Tax by Industry

	[Millions of dollars]				[Millions of dollars]				[Millions of dollars]			
	1972	1973	1974	1975	1972	1973	1974	1975	1972	1973	1974	1975
All industries	96,156	115,758	127,620	114,549	41,535	48,702	52,434	49,245	54,621	67,056	75,186	65,304
Domestic industries	91,311	108,936	116,463	108,387	41,535	48,702	52,434	49,245	49,776	60,234	64,029	59,142
Agriculture, forestry, and fisheries	459	832	393	393	172	309	274	228	287	523	119	165
Farms.....	305	721	—	—	116	264	—	—	189	457	—	—
Agricultural services, forestry, and fisheries.....	154	111	—	—	56	45	—	—	98	66	—	—
Mining	673	1,524	3,731	4,124	248	431	1,180	1,267	425	1,093	2,551	2,857
Metal mining.....	-33	289	—	—	17	81	—	—	-50	208	—	—
Coal mining.....	177	307	—	—	40	61	—	—	137	246	—	—
Oil and gas extraction.....	291	514	—	—	126	194	—	—	165	320	—	—
Nonmetallic minerals, except fuels.....	238	414	—	—	65	95	—	—	173	319	—	—
Contract construction	2,054	2,099	2,351	2,132	908	1,012	1,072	896	1,146	1,087	1,279	1,236
Manufacturing	43,940	54,239	58,749	52,051	19,952	24,037	25,302	23,245	23,988	30,202	33,447	28,806
Nondurable goods.....	19,882	25,772	32,247	30,417	8,596	10,786	13,149	13,252	11,286	14,986	19,098	17,165
Food and kindred products.....	3,506	4,406	—	—	1,713	2,145	—	—	1,793	2,261	—	—
Tobacco manufacturers.....	914	814	—	—	478	440	—	—	436	374	—	—
Textile mill products.....	1,008	1,284	—	—	500	604	—	—	508	680	—	—
Apparel and other textile products.....	1,057	1,198	—	—	421	506	—	—	636	692	—	—
Paper and allied products.....	1,524	2,477	—	—	609	978	—	—	915	1,499	—	—
Printing and publishing.....	2,071	2,491	—	—	1,030	1,147	—	—	1,041	1,344	—	—
Chemicals and allied products.....	5,054	6,285	—	—	2,530	3,097	—	—	2,524	3,188	—	—
Petroleum and coal products.....	3,607	5,505	—	—	754	1,282	—	—	2,853	4,223	—	—
Rubber and plastic products, n.e.c.....	928	1,106	—	—	447	476	—	—	481	630	—	—
Leather and leather products.....	213	206	—	—	114	111	—	—	99	95	—	—
Durable goods.....	24,058	28,467	26,502	21,634	11,356	13,251	12,153	9,993	12,702	15,216	14,349	11,641
Lumber and wood products.....	1,838	3,210	—	—	485	854	—	—	1,353	2,356	—	—
Furniture and fixtures.....	507	475	—	—	253	229	—	—	254	246	—	—
Stone, clay, and glass products.....	1,361	1,468	—	—	567	564	—	—	794	904	—	—
Primary metal industries.....	1,691	2,775	—	—	681	1,104	—	—	1,010	1,671	—	—
Fabricated metal products.....	2,226	2,976	—	—	1,016	1,290	—	—	1,210	1,686	—	—
Machinery, except electrical.....	4,221	5,344	—	—	2,175	2,735	—	—	2,046	2,609	—	—
Electrical equipment and supplies.....	3,053	3,147	—	—	1,615	1,776	—	—	1,438	1,371	—	—
Transportation equipment, except motor vehicles and equipment, and ordnance.....	986	777	—	—	534	536	—	—	452	241	—	—
Motor vehicles and equipment.....	6,071	6,001	—	—	2,983	2,974	—	—	3,088	3,027	—	—
Instruments and related products.....	1,332	1,438	—	—	713	796	—	—	619	642	—	—
Miscellaneous manufacturing industries.....	772	856	—	—	334	393	—	—	438	463	—	—
Transportation	1,529	1,239	2,342	799	844	854	1,136	821	685	385	1,206	-22
Railroad transportation.....	-8	-79	—	—	112	123	—	—	-120	-202	—	—
Local and interurban passenger transit.....	81	41	—	—	41	13	—	—	40	28	—	—
Trucking and warehousing.....	1,079	905	—	—	459	435	—	—	620	470	—	—
Water transportation.....	4	28	—	—	52	72	—	—	-48	-44	—	—
Air transportation.....	67	113	—	—	64	68	—	—	3	45	—	—
Pipeline transportation.....	212	182	—	—	80	92	—	—	132	90	—	—
Transportation services.....	94	49	—	—	36	51	—	—	58	-2	—	—
Communication	3,608	3,946	3,826	3,582	1,464	1,615	1,507	1,437	2,144	2,331	2,319	2,145
Telephone and telegraph.....	3,150	3,488	—	—	1,230	1,353	—	—	1,920	2,135	—	—
Radio and television broadcasting.....	458	458	—	—	234	262	—	—	224	196	—	—
Electric, gas, and sanitary services	4,064	3,846	2,976	3,887	1,630	1,538	1,457	1,746	2,434	2,308	1,519	2,141
Wholesale and retail trade	16,032	21,403	24,708	25,496	5,932	7,513	8,496	8,330	10,100	13,890	16,212	17,166
Wholesale trade.....	7,897	12,487	—	—	2,653	4,004	—	—	5,244	8,483	—	—
Retail trade.....	8,135	8,916	—	—	3,279	3,509	—	—	4,856	5,407	—	—
Finance, insurance, and real estate	16,617	16,721	14,424	13,036	9,252	10,157	10,740	10,129	7,365	6,564	3,684	2,907
Banking.....	8,771	9,945	—	—	4,398	5,567	—	—	4,373	4,378	—	—
Federal Reserve banks.....	3,378	4,522	—	—	3,231	4,341	—	—	147	181	—	—
Commercial and mutual banks.....	5,393	5,423	—	—	1,167	1,226	—	—	4,226	4,197	—	—
Credit agencies other than banks.....	3,006	3,378	—	—	889	998	—	—	2,117	2,380	—	—
Security and commodity brokers, dealers, and services.....	408	-91	—	—	259	88	—	—	149	-179	—	—
Insurance carriers.....	3,112	2,427	—	—	2,510	2,411	—	—	602	16	—	—
Insurance agents, brokers, and services.....	393	417	—	—	158	160	—	—	235	257	—	—
Real estate.....	1,011	421	—	—	777	700	—	—	234	-279	—	—
Holding and other investment companies.....	-84	224	—	—	261	233	—	—	-345	-9	—	—
Services	2,335	3,087	2,963	2,887	1,133	1,236	1,270	1,146	1,202	1,851	1,693	1,741
Hotels and other lodging places.....	140	63	—	—	120	92	—	—	20	-29	—	—
Personal services.....	251	278	—	—	101	112	—	—	150	166	—	—
Miscellaneous business services.....	754	1,196	—	—	366	456	—	—	388	740	—	—
Auto repair, services, and garages.....	140	177	—	—	66	70	—	—	74	107	—	—
Miscellaneous repair services.....	83	78	—	—	23	20	—	—	60	58	—	—
Motion pictures.....	1	94	—	—	51	48	—	—	-50	46	—	—
Amusement and recreation services, n.e.c.....	132	182	—	—	116	138	—	—	16	44	—	—
Miscellaneous services.....	834	1,019	—	—	290	300	—	—	544	719	—	—
Medical and other health services.....	512	608	—	—	132	157	—	—	380	451	—	—
Legal services.....	42	58	—	—	8	11	—	—	34	47	—	—
Educational services.....	-29	33	—	—	8	19	—	—	-37	14	—	—
Miscellaneous professional services.....	309	320	—	—	142	113	—	—	167	207	—	—
Rest of the world	4,845	6,822	11,157	6,162	—	—	—	—	4,845	6,822	11,157	6,162
Receipts from rest of the world.....	6,120	8,460	17,374	9,059	—	—	—	—	6,120	8,460	17,374	9,059
Less: Payments to rest of the world.....	1,275	1,638	6,217	2,897	—	—	—	—	1,275	1,638	6,217	2,897

n.e.c. Not elsewhere classified.

NOTE.—The industry classification is on a company basis and is based on the 1967 Standard Industrial Classification.

Table 6.22.—Net Corporate
Dividend Payments by
IndustryTable 6.23.—Undistributed
Corporate Profits by IndustryTable 6.24.—Corporate
Capital Consumption
Allowances by Industry

[Millions of dollars]

[Millions of dollars]

[Millions of dollars]

	1972	1973	1974	1975	1972	1973	1974	1975	1972	1973	1974	1975
All industries.....	24,597	27,792	30,756	32,105	30,024	39,264	44,430	33,199	67,884	73,748	81,567	89,419
Domestic industries.....	21,658	24,631	30,432	29,804	28,118	35,603	33,597	29,338	67,884	73,748	81,567	89,419
Agriculture, forestry, and fisheries.....	100	117	158	165	187	406	-39	0	580	737	927	1,121
Farms.....	75	96			114	361			402	582		
Agricultural services, forestry, and fisheries.....	25	21			73	45			178	155		
Mining.....	1,848	2,944	12,241	2,324	-1,423	-1,851	-9,690	533	1,358	1,375	1,618	1,770
Metal mining.....	93	99			-143	109			124	128		
Coal mining.....	41	70			96	176			291	302		
Oil and gas extraction.....	1,643	2,679			-1,478	-2,359			627	570		
Nonmetallic minerals, except fuels.....	71	96			102	223			316	375		
Contract construction.....	237	297	341	434	909	790	938	802	2,147	2,467	2,763	3,103
Manufacturing.....	10,324	9,342	5,348	13,083	13,664	20,860	28,099	15,723	29,221	30,864	33,950	36,771
Nondurable goods.....	4,833	3,574	-28	7,182	6,453	11,412	19,126	9,983	14,086	15,018	15,822	17,098
Food and kindred products.....	917	945			876	1,316			2,377	2,597		
Tobacco manufactures.....	273	244			163	130			197	230		
Textile mill products.....	192	200			316	480			789	874		
Apparel and other textile products.....	108	139			528	553			286	282		
Paper and allied products.....	433	459			482	1,040			1,147	1,218		
Printing and publishing.....	400	388			641	956			837	968		
Chemicals and allied products.....	1,601	1,614			923	1,574			3,202	3,199		
Petroleum and coal products.....	696	-636			2,157	4,859			4,503	4,809		
Rubber and plastic products, n.e.c.....	151	151			330	479			656	731		
Leather and leather products.....	62	70			37	25			92	110		
Durable goods.....	5,491	5,768	5,376	5,901	7,211	9,448	8,973	5,740	15,135	15,846	18,128	19,673
Lumber and wood products.....	224	231			1,129	2,125			671	872		
Furniture and fixtures.....	57	61			197	185			157	188		
Stone, clay, and glass products.....	307	342			487	562			1,022	1,108		
Primary metal industries.....	569	684			441	987			2,521	2,673		
Fabricated metal products.....	364	369			846	1,317			1,190	1,258		
Machinery, except electrical.....	979	893			1,067	1,716			2,874	3,026		
Electrical equipment and supplies.....	812	753			626	618			2,145	2,316		
Transportation equipment, except motor vehicles and equipment, and ordnance.....	330	296			122	-55			1,210	944		
Motor vehicles and equipment.....	1,458	1,756			1,630	1,271			2,496	2,518		
Instruments and related products.....	298	302			321	340			573	653		
Miscellaneous manufacturing industries.....	93	81			345	382			276	295		
Transportation.....	811	777	908	753	-126	-392	298	-775	5,470	5,486	6,183	6,526
Railroad transportation.....	420	422			-640	-624			1,658	1,504		
Local and interurban passenger transit.....	50	11			-10	17			276	159		
Trucking and warehousing.....	116	94			504	376			1,340	1,463		
Water transportation.....	27	40			-75	-84			323	348		
Air transportation.....	33	55			-30	-10			1,412	1,511		
Pipeline transportation.....	123	115			9	-25			285	282		
Transportation services.....	42	40			16	-42			176	219		
Communication.....	2,101	2,324	2,578	2,895	43	7	-259	-750	5,722	6,562	7,314	8,079
Telephone and telegraph.....	2,021	2,234			-101	-99			5,464	6,289		
Radio and television broadcasting.....	80	90			144	106			258	273		
Electric, gas, and sanitary services.....	3,034	4,000	3,794	4,652	-600	-1,692	-2,275	-2,511	6,116	7,005	7,742	8,766
Wholesale and retail trade.....	2,080	2,746	3,609	3,355	8,020	11,144	12,603	13,811	6,861	7,418	8,301	9,143
Wholesale trade.....	689	1,209			4,555	7,274			2,342	2,678		
Retail trade.....	1,391	1,537			3,465	3,870			4,519	4,740		
Finance, insurance, and real estate.....	613	1,451	794	1,429	6,752	5,113	2,890	1,478	5,528	6,133	6,596	7,243
Banking.....	1,804	2,094			2,569	2,284			1,370	1,748		
Federal Reserve banks.....	46	49			101	132			5	7		
Commercial and mutual banks.....	1,758	2,045			2,468	2,152			1,365	1,741		
Credit agencies other than banks.....	372	361			1,745	2,019			422	518		
Security and commodity brokers, dealers, and services.....	50	36			99	-215			57	66		
Insurance carriers.....	-2,446	-2,615			3,048	2,631			691	837		
Insurance agents, brokers, and services.....	70	107			165	150			82	84		
Real estate.....	499	508			-265	-787			2,706	2,639		
Holding and other investment companies.....	264	960			-609	-969			200	241		
Services.....	510	633	661	714	692	1,218	1,032	1,027	4,881	5,701	6,173	6,897
Hotels and other lodging places.....	77	132			-57	-161			613	664		
Personal services.....	31	53			119	113			355	358		
Miscellaneous business services.....	138	149			250	591			1,361	1,707		
Auto repair, services, and garages.....	44	34			30	73			1,333	1,634		
Miscellaneous repair services.....	9	4			51	54			50	56		
Motion pictures.....	17	13			-67	33			262	280		
Amusement and recreation services, n.e.c.....	73	118			-57	-74			368	479		
Miscellaneous services.....	121	130			423	589			539	623		
Medical and other health services.....	45	61			335	390			290	362		
Legal services.....	6	6			28	41			14	18		
Educational services.....	2	8			-39	6			41	47		
Miscellaneous professional services.....	68	55			99	152			194	196		
Rest of the world.....	2,939	3,161	324	2,301	1,906	3,661	10,833	3,861				
Receipts from rest of the world.....	3,903	4,540	6,291	4,667	2,217	3,920	11,083	4,392				
Less: Payments to rest of the world.....	964	1,379	5,967	2,366	311	259	250	531				

n.e.c. Not elsewhere classified.

NOTE.—The industry classification is on a company basis and is based on the 1967 Standard Industrial Classification.

7.—Implicit Price Deflators and Price Indexes

Table 7.1.—Implicit Price Deflators for Gross National Product

[Index numbers, 1972=100]

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
					Seasonally adjusted														
Gross national product.....	100.00	105.80	116.41	127.25	101.44	102.89	104.65	106.57	109.05	111.56	114.64	118.03	121.60	124.55	125.93	128.07	130.27	131.29	132.81
Personal consumption expenditures.....	100.0	105.5	116.9	126.3	101.2	102.5	104.5	106.2	108.8	112.0	115.3	118.6	121.8	123.7	125.1	127.3	129.1	130.3	131.6
Durable goods.....	100.0	101.6	108.3	117.7	100.0	100.6	101.3	101.9	102.5	103.2	106.5	110.2	113.8	115.1	117.1	118.2	120.2	121.8	123.7
Nondurable goods.....	100.0	107.9	124.0	133.7	101.6	103.4	106.4	108.9	113.0	118.2	122.3	125.9	129.6	131.2	132.1	135.1	136.2	136.4	136.9
Services.....	100.0	104.7	113.5	122.7	101.3	102.5	103.8	105.3	107.1	109.5	112.1	114.9	117.4	119.7	121.5	123.6	125.9	128.0	129.8
Gross private domestic investment.....																			
Fixed investment.....	100.0	106.0	117.7	132.4	101.6	103.0	105.1	107.2	108.6	111.1	115.3	120.3	125.2	129.9	131.9	132.7	134.9	137.0	138.5
Nonresidential.....	100.0	103.8	116.1	132.1	100.8	101.5	103.0	104.6	106.0	108.7	113.2	118.6	124.7	129.4	131.8	132.7	134.5	136.2	137.5
Structures.....	100.0	107.8	128.7	141.6	101.7	103.9	106.2	109.1	112.0	117.5	126.0	134.1	138.6	141.6	141.5	141.4	142.0	143.3	144.4
Producers' durable equipment.....	100.0	101.7	110.0	127.4	100.2	100.3	101.2	102.2	102.9	104.3	106.9	111.4	118.0	123.5	127.1	128.3	130.8	132.8	134.1
Residential.....	100.0	110.8	122.3	133.2	103.3	106.0	109.8	113.2	115.0	117.5	121.0	125.3	126.7	131.5	132.1	132.8	135.9	139.0	141.0
Nonfarm structures.....	100.0	111.0	122.8	133.7	103.3	106.2	109.9	113.5	115.3	118.0	121.6	125.9	127.2	132.1	132.7	133.3	136.4	139.6	141.6
Farm structures.....	100.0	110.7	122.8	133.6	103.4	105.5	109.6	112.8	114.5	117.8	121.2	125.0	126.6	130.9	131.6	132.6	136.2	138.8	141.2
Producers' durable equipment.....	100.0	100.1	105.3	116.3	100.2	99.7	100.1	100.2	100.4	101.3	103.3	106.8	110.6	113.6	115.6	117.0	118.8	120.1	122.3
Change in business inventories.....																			
Net exports of goods and services.....																			
Exports.....	100.0	116.2	148.6	163.4	102.6	105.8	112.1	119.2	126.8	136.2	144.1	154.0	160.4	163.4	163.0	163.4	163.7	164.6	167.6
Imports.....	100.0	118.2	169.6	187.4	103.5	106.8	114.8	120.5	131.5	148.9	164.9	178.6	186.3	188.9	186.9	186.6	187.3	189.2	190.0
Government purchases of goods and services.....	100.0	106.7	118.3	129.9	102.4	104.2	105.5	107.0	110.3	112.7	116.4	120.0	124.0	126.7	128.6	130.8	133.4	135.4	137.2
Federal.....	100.0	105.8	117.1	130.0	102.7	103.5	103.9	105.2	110.7	111.3	114.9	118.4	123.8	126.8	128.4	130.4	134.2	135.4	136.8
State and local.....	100.0	107.3	119.0	129.8	102.2	104.6	106.5	108.1	110.0	113.6	117.2	121.0	124.1	126.5	128.7	131.0	132.9	135.4	137.4

Table 7.2.—Fixed-Weighted Price Indexes for Gross National Product, 1972 Weights

[Index numbers, 1972=100]

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
					Seasonally adjusted														
Gross national product.....	100.0	106.0	116.6	127.3	101.5	103.1	104.9	106.8	109.1	111.8	114.8	118.2	121.8	124.4	126.0	128.3	130.4	131.7	133.2
Personal consumption expenditures.....	100.0	105.7	117.5	127.1	101.2	102.6	104.6	106.4	109.1	112.6	115.9	119.2	122.4	124.3	125.8	128.3	130.2	131.2	132.5
Durable goods.....	100.0	101.6	108.3	117.9	100.0	100.7	101.4	101.9	102.6	103.1	106.4	110.3	113.9	115.3	117.4	118.4	120.4	122.1	124.1
Nondurable goods.....	100.0	108.2	125.1	135.1	101.6	103.5	106.6	109.2	113.7	119.4	123.6	126.9	130.7	132.3	133.3	136.7	138.1	137.7	138.1
Services.....	100.0	104.7	113.6	122.9	101.3	102.5	103.8	105.3	107.1	109.5	112.1	115.0	117.6	119.9	121.7	123.8	126.2	128.4	130.2
Gross private domestic investment.....																			
Fixed investment.....	100.0	106.4	118.9	132.8	101.7	103.2	105.4	107.8	109.3	112.2	116.6	121.8	126.0	130.6	132.3	133.2	135.4	137.7	139.0
Nonresidential.....	100.0	104.0	116.9	132.6	100.8	101.7	103.1	104.8	106.3	109.3	114.0	119.9	125.5	130.0	132.3	133.4	135.0	137.0	137.9
Structures.....	100.0	107.8	128.7	141.7	101.7	103.9	106.2	109.1	112.0	117.5	126.0	134.0	138.6	141.6	141.6	141.4	142.0	143.3	143.9
Producers' durable equipment.....	100.0	101.8	110.2	127.4	100.3	100.4	101.4	102.4	103.0	104.6	107.2	111.8	117.9	123.3	126.9	128.7	131.0	133.3	134.4
Residential.....	100.0	110.8	122.5	133.3	103.3	106.1	109.8	113.3	115.1	117.7	121.3	125.6	126.9	131.6	132.3	132.9	136.0	139.1	141.1
Change in business inventories.....																			
Net export of goods and services.....																			
Exports.....	100.0	116.1	148.1	164.4	102.6	105.8	112.1	119.1	126.6	135.6	143.6	153.4	160.5	164.6	163.9	164.4	164.8	165.5	168.7
Imports.....	100.0	118.2	170.4	187.7	103.5	106.8	114.8	120.5	131.6	149.0	166.4	180.0	186.8	189.1	187.5	186.5	187.6	188.9	189.4
Government purchases of goods and services.....	100.0	107.1	119.1	130.9	102.5	104.5	106.0	107.9	110.3	113.5	117.1	121.0	125.1	127.9	129.6	131.7	134.3	136.0	137.6
Federal.....	100.0	106.8	118.9	131.8	102.8	104.3	105.2	107.4	110.7	113.1	116.5	120.4	125.9	128.8	130.0	132.3	136.0	136.3	137.6
State and local.....	100.0	107.3	119.3	130.3	102.2	104.6	106.5	108.1	110.1	113.8	117.5	121.4	124.7	127.3	129.3	131.3	133.2	135.7	137.7
Addenda:																			
Gross domestic product.....	100.0	105.9	116.2	126.8	101.5	103.0	104.8	106.7	108.9	111.5	114.4	117.7	121.3	123.9	125.6	127.8	129.9	131.3	132.8
Business.....	100.0	105.7	116.4	127.2	101.3	102.7	104.6	106.6	108.7	111.6	114.5	118.1	121.7	124.3	125.9	128.2	130.1	131.3	132.8

* Preliminary.

Table 7.3.—Implicit Price Deflators for Gross National Product by Major Type of Product

[Index numbers, 1972=100]

	1972	1973	1974	1975	1972	1973					1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
Seasonally adjusted																				
Gross national product.....	100.00	105.80	116.41	127.25	101.44	102.89	104.65	106.57	109.05	111.56	114.64	118.03	121.60	124.55	125.93	128.07	130.27	131.29	132.81	
Final sales.....	100.0	105.8	116.3	127.2	101.5	102.9	104.7	106.5	108.9	111.6	114.5	117.9	121.6	124.3	126.2	128.1	130.0	131.2	132.8	
Change in business inventories.....																				
Goods.....	100.0	105.2	115.7	128.0	100.8	102.0	103.9	106.0	108.9	110.8	113.8	117.1	121.4	125.5	126.5	128.8	130.9	130.4	131.7	
Final sales.....	100.0	105.1	115.5	127.8	100.8	102.1	103.9	105.9	108.6	110.8	113.3	116.8	121.4	124.8	127.1	129.0	130.3	130.1	131.6	
Change in business inventories.....																				
Durable goods.....	100.0	101.7	110.3	124.3	100.0	100.5	101.0	102.2	103.0	104.6	108.2	111.6	117.1	121.1	124.2	124.5	126.6	127.4	130.6	
Final sales.....	100.0	101.6	109.8	124.5	99.9	100.5	100.9	102.2	103.0	104.4	108.0	111.2	116.2	120.6	124.5	125.5	127.1	127.6	130.4	
Change in business inventories.....																				
Nondurable goods.....	100.0	107.7	119.4	130.3	101.4	103.1	106.0	108.7	113.0	115.0	117.5	120.8	124.4	128.1	127.9	131.3	133.6	132.2	132.5	
Final sales.....	100.0	107.6	119.4	130.0	101.4	103.2	106.0	108.5	112.5	115.1	117.0	120.6	124.8	127.5	128.8	131.2	132.5	131.8	132.4	
Change in business inventories.....																				
Services.....	100.0	105.5	115.0	124.4	101.8	103.3	104.6	106.1	108.2	110.9	113.4	116.4	119.2	121.2	123.2	125.3	127.8	130.2	131.8	
Structures.....	100.0	109.2	126.6	138.8	102.6	105.0	108.0	110.9	113.5	118.0	124.4	130.8	134.5	138.2	138.3	138.6	140.1	142.0	143.5	

NOTE.—“Final sales” is classified as durable or nondurable by type of product. “Change in business inventories” is classified as follows: For manufacturing, by the type of product produced by the establishment holding the inventory; for trade, by the type of product sold

by the establishment holding the inventory; for construction, durable; and for other industries nondurable.

Table 7.4.—Implicit Price Deflators for Gross National Product by Major Type of Product and Purchaser

[Index numbers, 1972=100]

	1972	1973	1974	1975		1972	1973	1974	1975
Gross national product.....	100.00	105.80	116.41	127.25	Nondurable goods—Continued				
Durable goods.....	100.0	101.7	110.3	124.3	Net exports.....				
Personal consumption expenditures.....	100.0	101.6	108.3	117.7	Change in business inventories.....				
Producers' durable equipment.....	100.0	101.6	108.9	127.2	Services.....	100.0	105.5	115.0	124.4
Government purchases.....	100.0	102.5	115.6	113.1	Personal consumption expenditures.....	100.0	104.7	113.5	122.7
Net exports.....					Government purchases.....	100.0	107.0	115.3	125.7
Change in business inventories.....					Net exports.....				
Nondurable goods.....	100.0	107.7	119.4	130.3	Structures.....	100.0	109.2	126.6	138.8
Personal consumption expenditures.....	100.0	107.9	124.0	133.7	Private.....	100.0	109.6	125.7	137.6
Government purchases.....	100.0	105.2	134.3	151.5	Government.....	100.0	108.0	129.0	141.9

See footnote to Table 7.3.

Table 7.5.—Implicit Price Deflators for Gross National Product by Sector and Industry

[Index numbers, 1972=100]

	1972	1973	1974	1975	1972	1973				1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
					Seasonally adjusted														
Gross national product.....	100.00	105.80	116.41	127.25	101.44	102.89	104.65	106.57	109.05	111.56	114.64	118.03	121.60	124.55	125.93	128.07	130.27	131.29	132.81
Gross domestic product.....	100.0	105.7	115.9	126.9	101.4	102.9	104.6	106.5	108.9	111.1	114.1	117.4	121.0	124.2	125.6	127.7	129.9	130.9	132.5
Business.....	100.0	105.5	116.1	127.2	101.2	102.5	104.3	106.3	108.7	111.1	114.3	117.8	121.4	124.7	125.9	128.0	130.1	130.9	132.4
Nonfarm.....	100.0	104.1	115.1	126.3	101.0	101.8	103.1	104.6	107.1	109.4	113.6	117.1	120.7	124.3	125.2	126.8	128.7	130.1	131.7
Manufacturing.....	100.0	102.8	112.6	128.1	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Nonmanufacturing.....	100.0	104.7	116.2	125.6	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Housing.....	100.0	104.3	109.3	115.0	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Other.....	100.0	104.3	117.4	127.4	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Farm.....	100.0	154.9	151.3	147.3	110.2	128.5	152.0	174.6	165.9	173.6	142.3	145.6	145.3	133.4	141.5	152.9	160.2	141.9	157.7
Residual.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Households and institutions.....	100.0	106.3	117.2	129.1	101.2	103.7	105.5	107.0	109.0	111.8	115.4	118.7	122.6	125.3	127.4	131.0	132.6	134.0	136.2
Government.....	100.0	107.3	114.2	123.8	103.1	105.3	106.2	107.6	110.1	111.4	112.9	114.5	118.0	120.5	122.5	124.5	127.7	130.0	131.9
Federal.....	100.0	107.6	113.5	122.9	104.2	105.7	105.5	107.3	112.0	111.1	111.8	112.7	118.6	120.2	121.2	122.5	127.8	129.2	130.3
State and local.....	100.0	107.2	114.6	124.2	102.5	105.1	106.6	107.8	109.1	111.5	113.4	115.5	117.7	120.6	123.2	125.5	127.6	130.4	132.7
Rest of the world.....	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

* Preliminary.

NOTE.—The industry classification within the business sector is on an establishment basis and is based on the 1967 Standard Industrial Classification.

Table 7.9.—Implicit Price Deflators for Auto Output

[Index numbers, 1972=100]

	1972	1973	1974	1975	1972	1973					1974				1975				1976	
					IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	
					Seasonally adjusted															
Auto output.....	100.0	100.3	106.8	112.9	98.8	99.5	100.0	100.5	101.0	100.3	104.7	109.2	112.5	111.0	114.2	115.5	119.8	121.5	124.0	
Final sales.....	100.0	100.4	106.4	113.1	98.8	99.6	100.1	100.6	101.1	99.7	103.8	108.8	113.8	111.9	115.3	115.6	119.2	120.6	123.4	
Personal consumption expenditures.....	100.0	102.1	109.1	117.7	99.3	100.6	101.5	102.5	103.2	101.6	106.5	111.7	117.5	115.9	119.9	121.3	124.8	126.0	130.4	
New autos.....	100.0	100.0	105.6	115.1	98.7	99.1	100.0	100.4	100.2	100.9	103.3	107.5	111.3	112.0	114.5	115.1	118.1	120.4	121.2	
Net purchases of used autos.....	100.0	97.9	103.6	107.7	97.3	96.6	97.1	98.4	99.5	101.9	103.4	104.2	105.8	105.2	107.3	104.9	108.3	110.8	104.5	
Producers' durable equipment.....	100.0	100.1	105.8	115.1	98.7	99.1	100.0	100.4	100.2	100.9	103.3	107.5	111.3	112.0	114.5	115.1	118.1	120.5	121.2	
New autos.....	100.0	100.1	105.8	115.1	98.7	99.1	100.0	100.4	100.2	100.9	103.3	107.5	111.3	112.0	114.5	115.1	118.1	120.5	121.2	
Net purchases of used autos.....	100.0	97.9	103.6	107.7	97.3	96.6	97.1	98.4	99.5	101.9	103.4	104.2	105.8	105.2	107.3	104.9	108.3	110.8	104.5	
Net exports.....	100.0	99.8	107.2	116.0	99.0	99.3	100.3	99.7	99.6	101.9	103.2	109.8	112.9	113.3	113.8	116.8	119.0	119.2	119.6	
Exports.....	100.0	108.2	118.8	134.9	100.0	103.1	106.7	110.6	112.7	115.1	118.4	119.7	122.1	130.8	132.0	134.7	139.9	143.1	141.2	
Imports.....	100.0	108.2	118.8	134.9	100.0	103.1	106.7	110.6	112.7	115.1	118.4	119.7	122.1	130.8	132.0	134.7	139.9	143.1	141.2	
Government purchases of goods and services.....	100.0	101.6	111.8	120.6	99.4	99.8	101.0	103.4	105.9	109.6	111.5	113.3	115.5	116.6	118.0	118.2	120.7	122.0	118.4	
Change in business inventories of new and used autos.....	100.0	100.0	106.0	115.0	98.7	99.1	100.0	100.3	100.2	100.9	103.2	107.7	111.6	111.7	114.3	115.4	118.1	120.2	121.0	
Addenda:	100.0	100.0	106.0	115.0	98.7	99.1	100.0	100.3	100.2	100.9	103.2	107.7	111.6	111.7	114.3	115.4	118.1	120.2	121.0	
Domestic output of new autos ¹	100.0	100.0	106.0	115.0	98.7	99.1	100.0	100.3	100.2	100.9	103.2	107.7	111.6	111.7	114.3	115.4	118.1	120.2	121.0	
Sales of imported new autos ²	100.0	100.1	105.8	115.0	98.7	99.1	100.0	100.4	100.2	100.9	103.3	107.5	111.3	112.0	114.5	115.1	118.0	120.4	121.2	

1. Consists of final sales and change in business inventories of new autos produced in the United States.

2. Consists of personal consumption expenditures, producers' durable equipment, and government purchases.

Table 7.10.—Implicit Price Deflators for Total Farm Output, Gross Product, and Income

[Index numbers, 1972=100]

	1972	1973	1974	1975		1972	1973	1974	1975
Farm output.....	100.0	140.5	150.7	151.8	Less: Intermediate goods and services consumed.....	100.0	127.4	150.1	156.9
Cash receipts from farm marketings and Commodity Credit Corporation loans.....	100.0	142.3	153.0	148.3	Intermediate goods and services consumed other than rent.....	100.0	124.4	146.3	155.3
Crops.....	100.0	151.5	192.3	175.0	Net rent paid to nonoperator landlords.....	100.0	146.3	179.1	167.8
Livestock.....	100.0	134.9	122.0	127.2	Plus: Other items.....	100.0	154.9	151.3	147.3
Other farm income.....	103.0	107.1	122.5	134.3	Equals: Gross farm product.....	100.0	154.9	151.3	147.3
Farm products consumed on farms.....	100.0	129.6	127.7	136.8	Less: Capital consumption allowance with capital consumption adjustment.....	100.0	103.7	116.9	135.0
Change in farm inventories.....	100.0	116.9	149.8	178.3	Indirect business tax and nontax liability.....	100.0	103.6	113.4	109.8
Gross rental value of farm dwellings.....	100.0	116.9	149.8	178.3	Plus: Subsidies to operator landlords.....	100.0	162.0	146.3	137.4
					Equals: Income.....	100.0	162.0	146.3	137.4

Table 7.11.—Implicit Price Deflators for Personal Consumption Expenditures by Major Type

[Index numbers, 1972=100]

					1972	1973				1974				1975				1976	
	1972	1973	1974	1975	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II
	Seasonally adjusted																		
Personal consumption expenditures.....	100.0	105.5	116.9	126.3	101.2	102.5	104.5	106.2	108.8	112.0	115.3	118.6	121.8	123.7	125.1	127.3	129.1	130.3	131.6
Durable goods.....	100.0	101.6	108.3	117.7	100.0	100.6	101.3	101.9	102.5	103.2	106.5	110.2	113.8	115.1	117.1	118.2	120.2	121.8	123.7
Motor vehicles and parts.....	100.0	101.1	107.8	119.0	99.2	100.2	100.9	101.5	101.9	101.0	105.5	110.5	115.5	115.0	118.2	119.5	122.7	124.1	127.5
Furniture and household equipment.....	100.0	101.5	108.2	116.5	100.5	100.8	101.3	101.7	102.4	104.0	106.6	109.8	112.7	114.8	116.0	116.7	118.2	119.9	120.7
Other.....	100.0	103.1	109.8	117.9	100.9	101.5	102.7	103.7	104.6	106.2	108.7	111.0	113.5	116.2	117.5	118.7	119.2	120.2	120.9
Nondurable goods.....	100.0	107.9	124.0	133.7	101.6	103.4	106.4	108.9	113.0	118.2	122.3	125.9	129.6	131.2	132.1	135.1	136.2	136.4	136.9
Food.....	100.0	111.6	128.7	139.2	102.0	105.0	109.5	113.5	118.6	123.6	126.9	129.6	134.6	136.8	137.5	140.8	141.7	141.1	141.6
Clothing and shoes.....	100.0	103.6	110.5	114.3	101.1	101.8	103.4	104.1	105.1	107.0	109.5	112.2	113.5	113.6	113.5	114.7	115.1	116.1	116.9
Gasoline and oil.....	100.0	109.1	147.4	157.1	102.9	103.3	106.2	108.5	118.5	137.5	149.8	151.9	149.7	148.4	151.3	163.0	166.6	160.7	158.0
Fuel oil and coal.....	100.0	114.8	182.5	197.6	101.0	103.5	109.0	114.8	133.7	167.4	178.7	191.2	193.4	187.5	190.9	202.6	209.9	205.1	206.1
Other.....	100.0	102.4	112.3	125.1	100.6	101.1	102.0	102.5	103.9	106.1	109.6	114.8	119.2	122.8	124.8	125.7	127.3	129.7	131.1
Services.....	100.0	104.7	113.5	122.7	101.3	102.5	103.8	105.3	107.1	109.5	112.1	114.9	117.4	119.7	121.5	123.6	125.9	128.0	129.8
Housing.....	100.0	104.6	110.6	116.8	101.4	102.6	103.9	105.3	106.6	108.3	109.7	111.3	113.0	114.7	116.0	117.4	119.2	120.9	122.5
Household operation.....	100.0	104.2	116.2	127.8	101.5	102.2	103.3	104.5	106.9	110.6	114.7	118.3	121.2	124.1	126.3	129.0	131.6	134.0	135.3
Electricity and gas.....	100.0	104.7	122.0	140.4	101.6	102.5	103.5	105.0	107.9	113.5	119.5	124.7	129.6	134.3	137.8	142.9	146.7	147.4	150.2
Other.....	100.0	103.9	112.3	118.9	101.3	102.0	103.1	104.2	106.1	108.7	111.5	113.9	115.2	116.8	118.1	119.3	121.4	124.6	125.4
Transportation.....	100.0	101.3	108.8	118.2	100.0	100.3	101.0	101.4	102.6	104.6	107.2	110.4	113.1	115.6	117.0	118.9	121.1	123.5	125.6
Other.....	100.0	105.6	115.9	127.0	101.4	102.9	104.5	106.3	108.5	111.0	114.2	117.8	120.8	123.6	125.6	128.1	130.8	133.3	135.2

* Preliminary.

Table 7.12.—Implicit Price Deflators for Personal Consumption Expenditures by Type of Product

[Index numbers, 1972=100]

Line	The figures in parentheses are the line numbers of the corresponding items in table 2.6.	1972	1973	1974	1975
1	Personal consumption expenditures.....	100.0	105.5	116.9	126.3
2	Durable goods.....	100.0	101.6	108.3	117.7
3	Motor vehicles and parts.....	100.0	101.1	107.8	119.0
4	New autos and net purchases of used autos (65+66).....	100.0	101.9	108.9	120.7
5	Tires, tubes, accessories, and other parts (68).....	100.0	97.1	103.9	113.4
6	Other motor vehicles (67).....	100.0	99.9	105.7	115.2
7	Furniture and household equipment.....	100.0	101.5	108.2	116.5
8	Furniture, including mattresses and bed-springs (29).....	100.0	103.3	112.2	121.3
9	Kitchen and other household appliances (30).....	100.0	100.1	105.2	116.9
10	China, glassware, tableware, and utensils, and other durable house furnishings (31+32).....	100.0	102.5	111.9	122.6
11	Radio and television receivers, records, and musical instruments (87).....	100.0	99.7	102.2	105.3
12	Other.....	100.0	103.1	109.8	117.9
13	Ophthalmic products and orthopedic appliances (46).....	100.0	103.6	111.0	119.7
14	Wheel goods, durable toys, sports equipment, boats, and pleasure aircraft (86).....	100.0	103.1	110.2	118.1
15	Other (18+83).....	100.0	103.1	109.3	117.4
16	Nondurable goods.....	100.0	107.9	124.0	133.7
17	Food.....	100.0	111.6	128.7	139.2
18	Food purchased for off-premise consumption (3).....	100.0	113.6	133.1	143.8
19	Purchased meals and beverages (4).....	100.0	105.4	116.9	127.2
20	Food furnished employees (including military) and food produced and consumed on farms (5+6).....	100.0	114.3	122.9	132.6
21	Addenda: Food excluding alcoholic beverages (8).....	100.0	113.6	132.6	143.3
22	Alcoholic beverages (9).....	100.0	99.6	106.2	114.7
23	Clothing and shoes.....	100.0	103.6	110.5	114.3
24	Shoes and other footwear (11).....	100.0	104.1	110.4	115.4
25	Women's and children's clothing and accessories (14).....	100.0	103.5	109.8	112.6
26	Men's and boys' clothing and accessories (15).....	100.0	103.6	111.9	116.9
27	Gasoline and oil (70).....	100.0	109.1	147.4	157.1
28	Fuel oil and coal (40).....	100.0	114.8	182.5	197.6
29	Other.....	100.0	102.4	112.3	125.1
30	Tobacco products (7).....	100.0	102.5	107.5	115.2
31	Toilet articles and preparations (21).....	100.0	102.6	113.8	128.3
32	Semidurable house furnishings (33).....	100.0	102.3	115.5	124.5
33	Cleaning and polishing preparations, and miscellaneous households supplies and paper products (34).....	100.0	102.5	121.8	152.7
34	Drug preparations and sundries (45).....	100.0	100.2	103.7	112.4
35	Nondurable toys and sports supplies (85).....	100.0	100.9	106.5	114.3
36	Other (16+35+84+89+105-107).....	100.0	104.4	116.4	130.8
37	Services.....	100.0	104.7	113.5	122.7
38	Housing.....	100.0	104.6	110.6	116.8
39	Owner-occupied nonfarm dwellings—space-rent (24).....	100.0	104.3	109.5	115.2
40	Tenant-occupied nonfarm dwellings—including lodging houses) rent (25).....	100.0	104.3	109.5	115.2
41	Rental value of farm dwellings (26).....	100.0	116.8	149.4	178.1
42	Other (27).....	100.0	104.3	111.2	118.7
43	Household operation.....	100.0	104.2	116.2	127.8
44	Electricity (37).....	100.0	104.9	124.0	140.3
45	Gas (38).....	100.0	104.3	117.6	140.6
46	Water and other sanitary services (39).....	100.0	105.4	111.7	122.6
47	Telephone and telegraph (41).....	100.0	102.5	106.9	110.4
48	Domestic service (42).....	100.0	106.9	126.5	141.3
49	Other (43).....	100.0	103.5	115.3	123.9
50	Transportation.....	100.0	101.3	108.8	118.1
51	User-operated transportation (69+71+72).....	100.0	101.0	108.9	118.2
52	Purchased local transportation.....	100.0	101.0	102.9	109.4
53	Transit systems (74).....	100.0	100.1	98.7	103.7
54	Other (75+76).....	100.0	102.5	110.3	120.4
55	Purchased intercity transportation.....	100.0	103.2	112.1	123.4
56	Railway (excluding commutation) (78).....	100.0	99.5	106.8	122.4
57	Bus (79).....	100.0	104.0	114.9	132.7
58	Airline (80).....	100.0	103.2	111.8	121.9
59	Other (81).....	100.0	104.8	112.6	125.8
60	Other.....	100.0	105.5	115.9	127.1
61	Shoe cleaning and repair (12).....	100.0	105.2	113.6	121.4
62	Cleaning, laundering, dyeing, pressing, alteration, storage, and repair of garments (17).....	100.0	104.1	115.0	126.2
63	Barbershops, beauty parlors, and baths (22).....	100.0	108.5	119.6	130.6
64	Medical care services.....	100.0	105.3	115.3	129.0
65	Physicians (47).....	100.0	103.2	112.6	126.6
66	Dentists (48).....	100.0	103.0	110.9	122.6
67	Other (49+50+51).....	100.0	106.9	117.4	131.5
68	Services furnished without payment by financial intermediaries except life insurance carriers (58).....	100.0	106.2	117.7	123.4
69	Admissions to specified spectator amusements (90).....	100.0	103.7	110.6	118.7
70	Other (55-58+60+61+62+88+94+95+96+97+98+102+104-106).....	100.0	105.6	116.4	128.5

Table 7.13.—Implicit Price Deflators for Purchases of Structures by Type

[Index numbers, 1972=100]

	1972	1973	1974	1975
Purchases of structures.....	100.0	109.2	126.5	138.7
Private.....	100.0	109.6	125.7	137.6
Nonresidential.....	100.0	107.8	128.7	141.6
New.....	100.0	107.8	128.7	141.6
Nonresidential buildings, excluding farm.....	100.0	107.9	128.1	140.0
Industrial.....	100.0	107.9	128.2	140.1
Commercial.....	100.0	107.9	128.0	139.9
Religious, educational, hospital institutional, and other ¹	100.0	108.0	128.2	140.1
Public utilities.....	100.0	107.2	126.5	141.3
Railroads.....	100.0	106.3	128.9	144.3
Telephone and telegraph.....	100.0	107.3	123.9	134.5
Electric light and power.....	100.0	107.4	127.7	148.5
Gas.....	100.0	106.6	126.2	133.6
Petroleum pipelines.....	100.0	106.5	126.1	133.6
Farm.....	100.0	107.9	128.2	140.1
Mining exploration, shafts and wells.....	100.0	109.9	141.2	151.0
Petroleum and natural gas.....	100.0	110.2	143.5	152.9
Other.....	100.0	108.0	128.2	140.2
Other ²	100.0	106.4	128.9	144.3
Brokers' commissions on sale of structures.....	100.0	108.1	128.1	140.0
Net purchases of used structures.....	100.0	107.1	127.1	141.2
Residential.....	100.0	111.0	122.8	133.7
New.....	100.0	111.0	122.8	133.7
Nonfarm.....	100.0	111.0	122.8	133.7
Structures.....	100.0	111.4	123.2	134.0
Mobile homes.....	100.0	105.4	116.9	128.7
Additions and alterations and nonhousekeeping.....	100.0	111.4	123.2	134.0
Farm.....	100.0	110.6	122.8	133.6
Brokers' commissions on sale of structures.....	100.0	111.4	123.3	134.0
Net purchases of used structures.....	100.0	111.4	123.3	134.1
Government.....	100.0	107.9	128.7	141.5
New.....	100.0	107.8	128.8	141.6
Buildings, excluding military.....	100.0	109.0	124.3	136.4
Residential.....	100.0	110.7	125.9	136.3
Industrial, educational, hospital and other ³	100.0	108.9	124.2	136.4
Highways and streets.....	100.0	107.3	139.0	150.5
Military facilities.....	100.0	108.0	129.9	141.8
Conservation and development.....	100.0	105.3	118.5	138.1
Sewer systems.....	100.0	107.7	123.1	139.9
Water supply facilities.....	100.0	106.6	124.8	136.7
Other ⁴	100.0	106.7	131.8	148.3
Net purchases of used structures.....	100.0	110.9	126.4	135.6

1. Other buildings consists of buildings used primarily for social and recreational activities and buildings, not elsewhere classified, such as passenger terminals, greenhouses, and animal hospitals.

2. Consists of streets, dams and reservoirs, sewer and water facilities, parks, airfields, etc.

3. Other buildings consists of general office buildings, police and fire stations, courthouses, auditoriums, garages, passenger terminals, etc.

4. Consists of electric and gas facilities, transit systems, airfields, etc.

Table 7.14.—Implicit Price Deflators for Private Purchases of Producers' Durable Equipment by Type

[Index numbers, 1972=100]

	1972	1973	1974	1975
Private purchases of producers' durable equipment.....	100.0	101.6	109.9	127.2
Nonresidential.....	100.0	101.7	110.0	127.4
Furniture and fixtures.....	100.0	106.6	122.5	134.7
Fabricated metal products.....	100.0	103.6	114.8	139.5
Engines and turbines.....	100.0	102.9	108.5	129.2
Tractors.....	100.0	102.4	117.6	140.4
Agricultural machinery (except tractors).....	100.0	103.3	117.5	137.4
Construction machinery (except tractors).....	100.0	103.6	114.9	147.2
Mining and oilfield machinery.....	100.0	103.9	116.6	148.0
Metalworking machinery.....	100.0	103.0	113.2	134.7
Special industry machinery, n.e.c.....	100.0	103.7	117.6	141.3
General industrial, including materials handling, equipment.....	100.0	103.0	114.0	139.9
Office, computing, and accounting machinery.....	100.0	100.2	101.3	103.4
Service industry machinery.....	100.0	101.4	110.2	127.0
Electrical transmission, distribution, and industrial apparatus.....	100.0	101.6	109.3	131.6
Communication equipment.....	100.0	102.4	105.6	119.8
Electrical equipment, n.e.c.....	100.0	102.0	111.9	130.2
Trucks, buses, and truck trailers.....	100.0	101.0	110.2	124.4
Autos.....	100.0	97.8	103.8	106.4
Aircraft.....	100.0	103.6	116.3	141.2
Ships and boats.....	100.0	106.1	121.2	135.4
Railroad equipment.....	100.0	105.7	115.7	149.9
Instruments.....	100.0	101.0	105.6	115.0
Other.....	100.0	103.0	114.5	127.4
Less: Sale of equipment scrap, (excluding autos).....	100.0	150.9	248.2	167.6
Residential.....	100.0	100.1	105.3	116.3

n.e.c. Not elsewhere classified.

Table 7.15.—Implicit Price Deflators for Gross National Product by Industry

[Index numbers, 1972=100]

	1972	1973	1974	1975
Gross national product.....	100.00	105.80	116.41	127.25
Gross domestic product.....	100.0	105.9	116.1	126.7
Agriculture, forestry, and fisheries.....	100.0	150.1	147.9	145.2
Farms.....	100.0	154.9	151.3	147.3
Agricultural services, forestry, and fisheries.....	100.0	106.5	117.0	125.5
Mining.....	100.0	111.6	166.7	201.0
Contract construction.....	100.0	110.8	129.2	135.5
Manufacturing.....	100.0	102.8	112.6	128.1
Nondurable goods.....	100.0	102.8	112.8	128.5
Durable goods.....	100.0	102.9	112.5	127.9
Transportation.....	100.0	101.3	112.8	121.7
Railroad transportation.....	100.0	100.9	113.1	119.0
Trucking and warehousing.....	100.0	101.9	112.5	121.4
Air transportation.....	100.0	102.5	111.0	118.9
Other ¹	100.0	102.1	102.6	105.8
Communication.....	100.0	101.8	101.9	105.1
Telephone and telegraph.....	100.0	101.8	101.9	105.1
Radio and television broadcasting.....	100.0	105.3	111.7	114.1
Electric, gas, and sanitary services.....	100.0	101.7	111.1	129.6
Wholesale and retail trade.....	100.0	105.5	117.2	129.1
Wholesale trade.....	100.0	109.1	125.9	133.3
Retail trade.....	100.0	103.1	111.1	125.9
Finance, insurance, and real estate.....	100.0	104.0	111.1	116.2
Finance and insurance.....	100.0	98.6	101.6	106.3
Real estate.....	100.0	105.8	114.3	119.4
Services.....	100.0	105.2	115.8	125.9
Private households.....	100.0	102.9	123.2	136.9
Other ²	100.0	105.9	114.0	123.6
Government and government enterprises.....	100.0	107.3	114.2	123.8
Government.....	100.0	94.9	112.1	121.8
Government enterprises.....	100.0	94.9	112.1	121.8
Residual.....				
Rest of the world.....				
Addenda:				
Private nonfarm business.....	100.0	104.1	115.1	126.3
Households and institutions.....	100.0	106.3	117.2	129.1

1. Consists of local and interurban passenger transit, water transportation, pipeline transportation, and transportation services.

2. Consists of hotels and other lodging places; personal services; miscellaneous business services; auto repair, services, and garages; miscellaneous services; motion pictures; amusement and recreation services, not elsewhere classified; medical and other health services; legal services; educational services; nonprofit organizations; and miscellaneous professional services.

NOTE.—The industry classification is on an establishment basis and is based on the 1967 Standard Industrial Classification.

8.—Supplementary Tables

Table 8.1.—Gross National Product: Receipts and Expenditures by Major Economic Group

[Billions of dollars]

	1972			1973			1974			1975		
	Receipts	Expenditures	Receipts less expenditures	Receipts	Expenditures	Receipts less expenditures	Receipts	Expenditures	Receipts less expenditures	Receipts	Expenditures	Receipts less expenditures
Persons:												
Disposable personal income less interest paid by consumers to business and personal transfer payments to foreigners (net).....	782.4			880.2			959.7			1,057.2		
Personal consumption expenditures.....		733.0			809.9			887.5			973.2	
Personal saving.....			49.4			70.3			72.2			84.0
Business:												
Gross retained earnings ¹	131.0			140.2			139.4			171.6		
Gross private domestic investment.....		188.3			220.0			215.0			183.7	
Excess of investment (—).....			—57.3			—79.8			—75.6			—12.1
Government:												
Receipts, less transfer payments, etc. ²	249.6			275.8			299.0			274.6		
Purchases of goods and services.....		253.1			269.5			303.3			339.0	
Surplus or deficit (—), national income and product accounts.....			—3.5			6.3			—4.2			—64.4
Foreign:												
Transfer payments to foreigners (net) plus net interest paid to foreigners.....	6.5			7.7			8.5			8.5		
Net exports.....		—3.3			7.1			7.5			20.5	
Capital grants received by the United States (net) less net foreign investment.....			9.8			.6			1.0			—11.9
Statistical discrepancy	1.7		1.7	2.6		2.6	6.6		6.6	4.4		4.4
Gross national product	1,171.1	1,171.1		1,306.6	1,306.6		1,413.2	1,413.2		1,516.3	1,516.3	

1. Consists of undistributed corporate profits, corporate inventory valuation adjustment, corporate capital consumption allowances, and noncorporate capital consumption allowances with capital consumption adjustment.

2. Equals government receipts less transfer payments to persons, transfer payments to foreigners (net), net interest paid, and subsidies less current surplus of government enterprises, plus wage accruals less disbursements.

Table 8.2.—Monetary and Imputed Interest Flows

[Billions of dollars]

Line		1972	1973	1974	1975	Line		1972	1973	1974	1975
1	Monetary interest paid	163.9	207.9	260.7	266.8	27	Government.....	9.4	11.4	14.4	16.8
2	Business.....	117.8	152.7	196.2	197.5	28	Federal.....	2.0	2.1	2.5	3.4
3	Corporate business ¹	75.8	103.4	137.3	133.7	29	State and local.....	7.4	9.3	11.8	13.4
4	Financial ²	41.0	59.3	81.9	78.3	30	Foreigners.....	4.6	7.2	9.8	9.3
5	Nonfinancial.....	34.8	44.1	55.5	55.4	31	From business.....	1.9	3.3	5.5	4.8
6	Sole proprietorships and partnerships ³	11.8	14.6	18.2	19.0	32	From Federal Government.....	2.7	3.8	4.3	4.5
7	Nonfarm.....	8.4	10.6	13.4	13.5	33	Imputed interest paid	38.8	43.8	51.2	55.9
8	Farm.....	3.4	4.0	4.9	5.5	34	Corporate business ¹ (financial) ²	38.8	43.8	51.2	55.9
9	Other private business ⁴	30.2	34.8	40.6	44.8	35	Imputed interest received	38.8	43.8	51.2	55.9
10	Real estate.....	30.0	34.6	40.3	44.3	36	Business.....	8.9	10.9	13.1	12.9
11	Other.....	.2	.2	.3	.5	37	Corporate business ¹	6.7	8.1	9.7	9.7
12	Persons (interest paid by consumers to business).....	17.9	20.2	22.2	22.8	38	Financial ²	1.5	1.7	1.9	1.9
13	Government.....	24.2	29.5	33.4	37.4	39	Nonfinancial.....	5.2	6.4	7.8	7.8
14	Federal.....	17.3	21.1	24.1	27.2	40	Sole proprietorships and partnerships ³	2.2	2.8	3.4	3.2
15	State and local.....	6.9	8.3	8.4	10.1	41	Nonfarm.....	1.7	2.1	2.5	2.4
16	Foreigners.....	4.0	5.5	8.9	9.2	42	Farm.....	.6	.7	.8	.8
17	To business.....	3.2	4.7	7.8	8.1	43	Persons.....	27.5	30.2	35.2	40.3
18	To Federal Government.....	.8	.9	1.1	1.1	44	Government.....	2.4	2.7	2.8	2.8
19	Monetary interest received	163.9	207.9	260.7	266.8	45	Federal.....	.7	.8	.7	.4
20	Business.....	102.8	135.5	170.4	170.3	46	State and local.....	1.7	1.9	2.2	2.4
21	Corporate business ¹	101.5	134.1	168.9	168.7	47	Addenda:				
22	Financial ²	91.0	119.4	150.1	152.0	48	Net interest (3+6+9+16-21-24-25-31+34-37-40).....	47.0	52.3	67.1	74.6
23	Nonfinancial.....	10.5	14.6	18.7	16.8		Personal interest income (26+43).....	74.6	84.1	101.4	110.0
24	Sole proprietorships and partnerships ³ (nonfarm).....	1.2	1.4	1.5	1.4						
25	Other private business ⁴	.1	.1	.1	.1						
26	Persons.....	47.1	53.8	66.2	70.4						

1. Consists of the domestic activities of all entities filing corporate tax returns, mutual financial institutions, private noninsured pension funds, cooperatives subject to Federal income taxes, nonprofit organizations serving business, Federal Reserve banks, and federally sponsored credit agencies.

2. Consists of the following industries: Banking; credit agencies other than banks; security and commodity brokers, dealers, and services; insurance carriers; regulated investment companies; small business investment companies; and real estate investment trusts.

3. Sole proprietorships consists of the business activities reported on the individual income

tax return in Schedule C—Profit (or Loss) From Business or Profession and Schedule F—Farm Income and Expenses, farm dwellings, and subsistence farms. Partnerships includes all entities filing partnership income returns.

4. Consists of all business activities reported on the individual income tax return in Schedule E—Supplemental Income Schedule; tax-exempt cooperatives; and owner-occupied nonfarm dwellings and buildings owned by nonprofit institutions serving individuals, which are considered to be business establishments selling their current services to their owners.

Table 8.3.—Imputations in the National Income and Product Accounts

[Billions of dollars]

Line		1972	1973	1974	1975	Line		1972	1973	1974	1975
1	Gross national product.....	1,171.1	1,306.6	1,413.2	1,516.3	49	Disposable personal income.....	801.3	901.7	982.9	1,080.9
2	Imputations (63+69+75+82+83+84+85+86+87)...	90.7	98.9	110.6	122.1	50	Imputations (65+68+77+79+82+84+85+86+87)...	46.5	47.9	52.4	58.0
3	Excluding imputations (1-2).....	1,080.4	1,207.6	1,302.6	1,394.2	51	Excluding imputations (49-50).....	754.8	853.7	930.5	1,022.9
4	Personal consumption expenditures.....	733.0	809.9	887.5	973.2	52	Personal outlays.....	751.9	831.3	910.7	996.9
5	Imputations (63+69+75+82+84+85+86-80-81)...	38.2	45.5	63.5	76.4	53	Imputations (64+65+68+70+76+77+79+82+84+85+86-80-81)...	15.0	18.7	33.1	43.0
6	Excluding imputations (4-5).....	694.9	764.4	824.0	896.8	54	Excluding imputations (52-53).....	736.9	812.7	877.7	953.9
7	Gross private domestic investment.....	188.3	220.0	215.0	183.7	55	Interest paid by consumers to business.....	17.9	20.2	22.2	22.8
8	Imputations (80+81+87).....	50.1	50.7	44.2	43.0	56	Imputations (-67-71-78).....	-22.6	-26.5	-30.2	-33.2
9	Excluding imputations (7-8).....	138.2	169.3	170.7	140.7	57	Excluding imputations (55-56).....	40.5	46.7	52.5	56.0
10	Government purchase of goods and services.....	253.1	269.5	303.3	339.0	58	Personal saving.....	49.4	70.3	72.2	84.0
11	Imputations (83).....	2.4	2.7	2.8	2.8	59	Imputations (80+81+87-64-70-76).....	31.6	29.3	19.3	15.0
12	Excluding imputations (10-11).....	250.7	266.8	300.4	336.2	60	Excluding imputations (58-59).....	17.8	41.0	52.9	68.9
13	Capital consumption allowances with capital consumption adjustment.....	105.4	117.7	137.7	161.4		Specific imputations				
14	Imputations (64+70+76).....	18.6	21.4	24.9	28.0		Owner-occupied nonfarm dwellings:				
15	Excluding imputations (13-14).....	86.8	96.2	112.8	133.4	61	Space rent.....	74.0	81.3	90.2	99.7
16	Indirect business tax and nontax liability.....	111.0	120.2	128.4	138.7	62	Less: Intermediate goods and services consumed.....	8.8	10.7	11.9	13.7
17	Imputations (65+77).....	17.1	18.4	19.5	21.0	63	Equals: Imputations included in GNP.....	65.2	70.7	78.3	86.0
18	Excluding imputations (16-17).....	93.9	101.8	108.8	117.7	64	Capital consumption allowances with capital consumption adjustment.....	14.7	17.1	19.8	22.2
19	Subsidies less current surplus of government enterprises.....	3.6	3.9	.8	2.0	65	Indirect business tax and nontax liability.....	16.9	18.2	19.3	20.8
20	Imputations (66).....	.6	.4	.2	.2	66	Subsidies.....	.6	.4	.2	.2
21	Excluding imputations (19-20).....	3.0	3.5	.6	1.8	67	Net interest.....	21.5	25.2	28.8	31.7
22	National income.....	951.9	1,064.6	1,135.7	1,207.6	68	Rental income of persons with capital consumption adjustment.....	11.5	9.8	10.2	11.1
23	Imputations (67+68+71+78+79+82+83+84+85+86+87)...	54.5	58.7	65.9	73.0	69	Rental value of buildings owned and occupied by nonprofit institutions.....	3.7	4.1	4.8	5.3
24	Excluding imputations (22-23).....	897.5	1,005.8	1,069.8	1,134.6	70	Capital consumption allowances with capital consumption adjustment.....	2.8	3.1	3.7	4.2
25	Wages and salaries.....	633.8	701.2	764.5	806.7	71	Net interest.....	.9	1.0	1.1	1.2
26	Imputations (84+85+86).....	2.7	2.8	3.4	3.7	72	Farms:				
27	Excluding imputations (25-26).....	631.1	698.4	761.1	803.0	73	Rental value of owner-occupied farm dwellings.....	3.8	3.1	3.9	4.5
28	Proprietors' income with inventory valuation and capital consumption adjustments.....	76.1	92.4	86.9	90.2	74	Plus: Food and fuel produced and consumed on farms.....	.8	1.1	1.3	1.3
29	Imputations (79+87).....	1.8	2.3	2.5	2.9	75	Less: Intermediate goods and services consumed.....	.9	1.0	1.3	1.2
30	Excluding imputations (28-29).....	74.3	90.2	84.4	87.2	76	Equals: Imputations included in GNP.....	2.7	3.3	3.9	4.5
31	Rental income of persons with capital consumption adjustment.....	21.5	21.6	21.0	22.4	77	Capital consumption allowances with capital consumption adjustment.....	1.1	1.2	1.4	1.6
32	Imputations (68).....	11.5	9.8	10.2	11.1	78	Indirect business tax and nontax liability.....	.2	.2	.2	.3
33	Excluding imputations (31-32).....	10.0	11.7	10.8	11.3	79	Net interest.....	.2	.2	.3	.4
34	Net interest.....	47.0	52.3	67.1	74.6	80	Proprietors' income with inventory valuation and capital consumption adjustments.....	1.2	1.5	1.9	2.2
35	Imputations (67+71+78+82+83).....	38.4	43.8	49.9	55.2	81	Net purchases of owner-occupied dwellings.....	44.4	45.0	38.5	37.5
36	Excluding imputations (34-35).....	8.6	8.6	17.3	19.4		Net purchases of buildings owned and operated by nonprofit institutions.....	5.2	5.0	5.1	4.8
37	Net interest paid by government to persons and business.....	10.6	12.4	13.1	14.4		Services furnished without payment by financial intermediaries except life insurance carriers:				
38	Imputations (-63).....	-2.4	-2.7	-2.8	-2.8		To persons.....	13.4	14.6	16.8	19.2
39	Excluding imputations (37-38).....	13.0	15.1	16.0	17.1		To government.....	2.4	2.7	2.8	2.8
40	Personal income.....	942.5	1,052.4	1,153.3	1,249.7	82	Food furnished employees, including military.....	2.6	2.7	3.3	3.6
41	Imputations (68+79+82+84+85+86+87).....	29.5	29.6	32.8	37.0	83	Standard clothing issued to military personnel.....	.1	.1	.1	.1
42	Excluding imputations (40-41).....	913.1	1,022.9	1,120.4	1,212.7	84	Employees' lodging.....	.0	.0	.0	.0
43	Transfer payments to persons.....	104.1	118.9	140.3	175.2	85	Margins on owner-built houses.....	.6	.7	.7	.7
44	Imputations (-66).....	-.6	-.4	-.2	-.2	86					
45	Excluding imputations (43-44).....	104.7	119.3	140.5	175.4	87					
46	Personal tax and nontax payments.....	141.2	150.8	170.4	168.8						
47	Imputations (-65-77).....	-17.1	-18.4	-19.5	-21.0						
48	Excluding imputations (46-47).....	158.3	169.2	189.9	189.8						

Table 8.5.—Relation of Corporate Profits, Taxes, and Dividends in the National Income and Product Accounts (NIPA's) to Corresponding Totals as Published by the Internal Revenue Service (IRS)

[Millions of dollars]

Line		1970	1971	1972	1973
1	Total receipts less total deductions, IRS.....	67,998	81,945	99,478	122,685
2	Plus: Posttabulation amendments and revisions, including allowance for audit profits and gross renegotiation refunds.....	7,503	7,634	7,105	7,257
3	Depletion on domestic minerals.....	3,959	4,216	4,529	5,828
4	Adjustment to depreciate expenditures for mining exploration, shafts, and wells.....	388	276	619	714
5	Oil well bonus payments written off.....	317	347	362	447
6	State and local corporate profits tax accruals.....	3,664	4,200	4,975	5,710
7	Income of Federal Reserve banks, Federal home loan banks, and Federal land banks.....	3,627	3,430	3,462	4,749
8	Adjustment for insurance carriers and mutual depository institutions.....	-1,113	-1,482	-1,671	-1,599
9	Bad debt adjustment.....	3,066	3,788	4,154	5,523
10	Less: Tax-return measures of;				
11	Gains, net of losses, from sale of property.....	5,419	7,586	9,588	9,259
12	Dividends received from domestic corporations.....	5,238	5,500	6,501	9,442
13	Income on equities in foreign corporations and branches (to U.S. corporations).....	9,737	12,193	13,997	22,425
14	Costs of trading or issuing corporate securities.....	1,336	1,666	1,616	1,252
15	Plus: Income received from equities in foreign corporations and branches by all U.S. residents, net of corresponding outflows.....	3,786	4,565	4,845	6,822
16	Equals: Profits before taxes, NIPA's.....	71,485	81,974	96,156	115,758
17	Federal income and excess profits taxes, IRS.....	33,293	37,510	42,890	52,439
18	Plus: Posttabulation amendments and revisions, including results of audit and renegotiation and carryback refunds.....	-559	-67	-218	-406
19	Amounts paid to U.S. Treasury by Federal Reserve banks.....	3,494	3,357	3,231	4,341
20	State and local corporate profits tax accruals.....	3,664	4,200	4,975	5,710
21	Less: U.S. tax credits claimed for foreign taxes paid.....	4,549	5,656	6,316	9,620
22	Investment tax credit.....	866	1,634	3,025	3,753
23	Other tax credits.....			2	9
24	Equals: Profits tax liability, NIPA's.....	34,477	37,710	41,535	48,702
25	Profits after tax, NIPA's (15-23).....	37,008	44,264	54,621	67,056
26	Dividends paid in cash or assets, IRS.....	32,013	32,593	36,040	41,829
27	Plus: Posttabulation amendments and revisions.....	4	102	387	956
28	Dividends paid by Federal Reserve banks, Federal home loan banks, and Federal land banks.....	102	94	92	159
29	U.S. receipts of dividends from abroad, net of payments to abroad.....	2,222	2,711	2,939	3,161
30	Less: Dividends received by U.S. corporations.....	10,386	11,595	13,299	17,228
31	Capital gains distributions of investment companies.....	1,071	923	1,562	1,085
32	Equals: Net dividend payments, NIPA's.....	22,884	22,982	24,597	27,792
33	Undistributed profits, NIPA's (24-31).....	14,124	21,282	30,024	39,264

Table 8.6.—Relation of Nonfarm Proprietors' Income Without Inventory Valuation and Capital Consumption Adjustments of Sole Proprietorships and Partnerships in the National Income and Product Accounts (NIPA's) to Corresponding Totals as Published by the Internal Revenue Service (IRS)

[Millions of dollars]

	1970	1971	1972	1973
Net profit (less loss) of nonfarm proprietorships and partnerships, plus payments to partners, IRS.....	41,508	42,593	45,448	48,310
Plus: Posttabulation amendments and revisions including allowance for audit.....	7,333	8,023	8,560	9,304
Depletion on domestic minerals.....	365	375	406	422
Adjustment to depreciate expenditures for mining exploration, shafts, and wells.....	37	24	59	76
Oil well bonus payments written off.....	4	4	2	2
Bad debt adjustment.....	483	731	682	842
Income received by fiduciaries.....	482	541	610	672
Equals: Nonfarm proprietors' income, NIPA's, without inventory valuation and capital consumption adjustments.....	50,212	52,291	55,767	59,628

Table 8.7.—Relation of Capital Consumption Allowances in the National Income and Product Accounts (NIPA's) to Depreciation and Amortization as Published by the Internal Revenue Service (IRS)

[Millions of dollars]

	1972	1973	1974	1975
Corporate:				
Depreciation and amortization, IRS ¹	64,695	71,173	-----	-----
Less: Depreciation of assets of foreign branches.....	798	891	-----	-----
Amortization of intangible assets.....	549	627	-----	-----
Depreciation of films.....	167	95	-----	-----
Plus: Accidental damage to fixed capital other than repairable damage.....	1,557	1,098	-----	-----
Depreciation of mining exploration, shafts, and wells.....	1,760	1,987	-----	-----
Other ²	1,386	1,103	-----	-----
Equals: Capital consumption allowances, NIPA's.....	67,884	73,748	81,567	89,419
Less: Capital consumption adjustment.....	2,522	1,890	-2,991	-11,530
Adjustment of capital consumption allowances to consistent accounting at historical cost.....	15,401	16,601	19,138	21,231
Adjustment of consistent accounting at historical cost to current replacement cost.....	-12,879	-14,711	-22,129	-32,761
Equals: Capital consumption allowances with capital consumption adjustment, NIPA's.....	65,362	71,858	84,558	100,949
Nonfarm sole proprietorships and partnerships:				
Depreciation and amortization, IRS.....	11,743	13,443	-----	-----
Less: Amortization of intangible assets.....	86	152	-----	-----
Allowance for audit.....	618	722	-----	-----
Plus: Accidental damage to fixed capital other than repairable damage.....	411	193	-----	-----
Depreciation of mining exploration, shafts, and wells.....	178	165	-----	-----
Other ³	163	203	-----	-----
Equals: Capital consumption allowances, NIPA's.....	11,791	13,139	15,011	17,044
Less: Capital consumption adjustment.....	2,535	1,918	1,742	1,430
Adjustment of capital consumption allowances to consistent accounting at historical cost.....	3,815	4,321	5,320	6,464
Adjustment of consistent accounting at historical cost to current replacement cost.....	-1,280	-2,403	-3,578	-5,034
Equals: Capital consumption allowances with capital consumption adjustment, NIPA's.....	9,256	11,212	13,269	15,614

1. Beginning with 1973, includes all amortization of special tools and dies.

2. Consists of depreciation on assets owned by tax-exempt entities included in corporate business, retirements of fixed assets owned by railroads, depreciation on employees' autos used on a reimbursable basis for business. In 1972, also includes a portion of the amortization of special tools and dies.

3. Consists of depreciation on employees' autos used on a reimbursable basis for business.

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