

TABLE 20.—Gross national product and national income, with major components adjusted to illustrate an equilibrium full employment position

[In billions of dollars]

	Actual 1965	Projection A		Projection B	
		1970	1975	1970	1975
Gross national product.....	681.2	950.0	1,310.0	920.0	1,205.0
Less:					
Capital consumption allowances.....	59.6	78.2	101.6	76.6	96.2
Indirect business tax and nontax liability.....	62.7	83.7	115.8	81.4	108.2
Business transfer payments.....	2.6	3.3	4.1	3.3	4.1
Statistical discrepancy.....	-1.6				
Plus: Subsidies less current surplus of government enterprises.....	1.0	.8	.4	.8	.4
Equals: National income.....	559.0	785.6	1,088.9	759.5	996.9
Less:					
Corporate profits and IVA.....	74.2	102.7	139.4	97.0	118.2
Contributions for social insurance.....	29.2	49.5	69.3	48.4	66.0
Plus:					
Government transfer payments to persons.....	37.1	62.1	89.3	60.9	83.3
Interest paid by government (net) and consumers.....	20.6	29.0	38.5	28.5	36.5
Dividends.....	19.2	24.5	30.7	24.1	29.8
Business transfer payments.....	2.6	3.3	4.1	3.3	4.1
Equals: Personal income.....	535.1	752.3	1,042.8	730.9	966.4
Less:					
Personal tax and nontax payments.....	66.0	105.6	171.8	100.9	152.8
Tax reductions.....		4.3	13.7	3.6	10.6
Adjusted personal tax and nontax payments.....		101.3	158.1	97.3	142.2
Equals: Disposable personal income.....	469.1	651.0	884.7	633.6	824.2
Less:					
Personal outlays.....	443.4	619.6	841.8	600.8	777.9
Personal consumption expenditures.....	431.5	601.7	815.8	583.4	753.9
Other personal outlays.....	11.9	17.9	26.0	17.4	24.0
Equals: Personal saving.....	25.7	31.4	42.9	32.8	46.3
Personal saving rate (percent).....	5.5	4.8	4.8	5.2	5.6
National income.....	559.0	785.6	1,088.9	759.5	996.9
Compensation of employees.....	392.9	559.0	792.0	546.3	734.4
Wages and salaries.....	358.4	504.5	712.7	492.9	661.9
Private.....	289.1	399.2	560.1	392.2	520.4
General government.....	62.3	95.8	139.5	91.5	129.1
Government enterprises.....	6.9	9.5	13.1	9.2	12.4
Supplements to wages and salaries.....	34.5	54.5	79.3	53.4	72.5
Private.....	28.5	45.8	66.7	44.9	60.8
General government.....	5.5	8.0	11.7	7.8	10.8
Government enterprises.....	.6	.7	.9	.7	.9
Proprietors' income.....	55.7	71.0	84.0	65.0	75.0
Business and professional.....	40.7	55.0	68.0	50.0	60.0
Farm.....	15.1	16.0	16.0	15.0	15.0
Rental income of persons.....	18.3	20.9	23.5	20.2	22.3
Corporate profits and IVA.....	74.2	102.7	139.4	97.0	118.2
Profits before tax.....	75.7	105.7	142.4	99.5	120.7
Profits tax liability.....	31.2	44.1	59.9	41.5	50.8
Profits after tax.....	44.5	61.6	82.5	58.0	69.9
Dividends.....	19.2	24.5	30.7	24.1	29.8
Undistributed profits.....	25.3	37.1	51.8	33.9	40.1
Inventory valuation adjustment.....	-1.5	-3.0	-3.0	-2.5	-2.5
Net interest.....	17.8	32.0	50.0	31.0	47.0

Source: Department of Commerce, Office of Business Economics, and staff, Joint Economic Committee.