

SUPPLEMENTAL NOTE: GNP REVISION

Revised gross national product and related income figures from the first quarter of 1964 through the first quarter of this year and the preliminary estimates for the second quarter were released today by the Department of Commerce. This is the usual July 3-year revision which incorporates newly available data. The attached tables on "Gross National Product and Related Items" update those in the Greenbook of July 12, 1967, and show the revised figures, the preliminary estimates for 1967-II, and the staff's projection for 1967-III recast in terms of the revised data.

The revision raises only slightly earlier estimates of gross national product in both current and constant dollars, and personal income; for 1966 the upward revision in these series was only about 1/2 to 3/4 of 1 per cent. The revised GNP estimates also depict basically the same quarterly pattern of over-all developments as did the former ones. The annual rate of increase in current dollar GNP in the fourth quarter of last year, however, is now indicated at 7.1 per cent instead of 7.5 per cent, and in real terms 3.8 per cent instead of 4.5 per cent. For the first quarter of this year, the over-all effect of the revision is relatively small, and annual rates of change are 2.2 per cent for current dollar GNP and -.2 per cent for constant dollar GNP.

REVISED
GROSS NATIONAL PRODUCT AND RELATED ITEMS
 (Quarterly figures are seasonally adjusted. Expenditures and income
 figures are billions of dollars, with quarterly figures at annual rates)

	1964	1965	1966	1966		1967		
				III	IV	I	IIp	Proj. III
Gross National Product	632.4	683.9	743.3	748.8	762.1	766.3	775.3	789.3
Final sales	626.6	674.5	729.9	737.4	743.6	759.2	773.2	790.1
Private	497.9	538.1	575.6	579.7	581.9	588.8	598.0	610.1
Personal consumption expenditures	401.2	433.1	465.9	470.1	473.8	480.2	488.9	497.9
Durable goods	59.2	66.0	70.3	70.9	70.6	69.4	72.1	73.6
Nondurables goods	178.7	191.2	207.5	209.5	210.3	214.2	216.6	220.8
Services	163.3	175.9	188.1	189.8	192.9	196.6	200.2	203.5
Gross Private domestic investment	94.0	107.4	118.0	116.4	122.2	110.4	106.1	105.9
Residential construction	27.1	27.0	24.4	23.7	20.9	21.4	22.7	24.5
Business fixed investment	61.1	71.1	80.2	81.2	82.8	81.9	81.3	82.2
Change in business inventories	5.8	9.4	13.4	11.4	18.5	7.1	2.1	-.8
Nonfarm	6.4	8.4	13.7	12.0	19.0	7.3	2.2	-1.0
Net Exports	8.5	6.9	5.1	4.6	4.3	5.3	5.2	5.5
Gov't purchases of goods & services	128.7	136.4	154.3	157.7	161.7	170.4	175.2	180.0
Federal	65.2	66.8	77.0	79.5	81.5	87.1	89.5	92.2
Defense	50.0	50.1	60.5	63.0	65.6	70.2	72.6	75.1
Other	15.2	16.7	16.5	16.6	15.9	16.8	16.9	17.1
State & local	63.5	69.6	77.2	78.1	80.2	83.3	85.6	87.8
Gross National Product in								
Constant (1958) dollars	581.1	616.7	652.6	654.8	661.1	660.7	664.6	671.7
GNP Implicit deflator (1958=100)	108.8	110.9	113.9	114.4	115.3	116.0	116.7	117.5
Personal income	497.5	537.8	584.0	589.3	601.6	612.9	618.9	629.5
Wage and salaries	333.7	359.1	394.6	399.6	407.4	414.7	418.0	426.0
Disposable income	438.1	472.2	508.8	512.4	522.0	532.7	540.2	547.0
Personal saving	26.2	27.2	29.8	29.2	34.6	38.8	37.1	35.5
Saving rate (per cent)	6.0	5.8	5.9	5.7	6.6	7.3	6.9	6.5
Corporate profits before tax	66.8	76.6	83.8	84.0	83.9	79.0	n.a.	n.a.
Federal government receipts and								
expenditures (N.I.A. basis)								
Receipts	115.0	124.8	143.2	145.6	148.6	149.1	n.a.	n.a.
Expenditures	118.1	123.4	142.9	146.3	151.9	160.9	163.2	n.a.
Surplus or deficit (-)	-3.0	1.4	.3	-.7	-3.3	-11.9	n.a.	n.a.
Total labor force (millions)	75.8	77.2	78.9	79.1	79.8	80.3	80.2	80.7
Armed forces "	2.7	2.7	3.1	3.2	3.3	3.4	3.5	3.5
Civilian labor force "	73.1	74.5	75.8	76.0	76.5	76.9	76.7	77.2
Unemployment rate (per cent)	5.2	4.5	3.8	3.8	3.7	3.7	3.8	3.9
Nonfarm payroll employment (millions)	58.3	60.8	63.9	64.1	64.8	65.5	65.5	65.8
Manufacturing	17.3	18.0	19.1	19.2	19.4	19.4	19.2	19.3
Industrial production (1957-59=100)	132.3	143.4	156.3	157.6	158.8	157.0	155.6	157.4
Capacity utilization, manufacturing								
(per cent)	86	89	91	91	90	87	85	85
Housing starts, private (millions, A.R.)	1.56	1.51	1.22	1.09	.98	1.21	1.26	1.36
Sales new U.S.-made autos (millions, .R.)	7.62	8.76	8.38	8.47	8.13	7.33	7.83	8.25

n.a. -- not available