



State personal income, 2009:III

Personal income grew in 41 states in the third quarter of 2009 (table A). Excluding personal current transfer receipts funded by the American Recovery and Reinvestment Act (ARRA) of 2009, which peaked in the second quarter, personal income grew in every state.

Personal income growth ranged from 0.9 percent in Alaska to -0.4 percent in Louisiana and averaged 0.3 percent in the third quarter. In the second quarter, state personal income growth averaged 0.8 percent.

Inflation, as measured by the national price index for personal consumption expenditures, accelerated to 0.7 percent in the third quarter after rising 0.3 percent in the second quarter. This increase in the prices households paid for goods and services was greater than or equal to the increases in personal income in every state except Alaska.

Personal income is the sum of net earnings by place of residence, property income, and personal current transfer receipts. Net earnings is the sum of wage and salary disbursements, supplements to wages and salaries, and proprietors' income less contributions for government social insurance plus an adjustment to put place of work data on a place-of-residence basis.

Net earnings

Net earnings grew in 45 states in the third quarter. In 19 of these states, net earnings grew for the first time in at least a year (table B). Net earnings grew in California and Florida, two of the states with the largest construction earnings declines of the current recession. Net earnings also grew in Michigan, Illinois, Indiana, Ohio, and Wisconsin, all in the Great Lakes region, where the domestic motor vehicle manufacturing industry is concentrated. In New York, the nation's financial capital, net earnings also grew. However, net earnings continued to fall in Arizona and Nevada. As in California and Florida, the declines in construction earnings in Arizona and Nevada from their peaks are among the largest of all states.

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The increase in net earnings in the third quarter occurred despite job losses. Forty states lost jobs in the third quarter, according to the Current Employment Statistics published by the Bureau of Labor Statistics. However, payroll depends not only on the number of workers employed but also on the hours they work and their hourly wage rates. The Current Employment Statistics data indicated that average weekly hours of U.S. produc-

tion workers increased 0.1 percent, and their average hourly earnings increased 0.6 percent in the third quarter.

Average hourly earnings can continue to rise if those workers who remain employed receive raises and cost of living adjustments or if the wage rates of those who lose their jobs are lower than the wage rates of those who remain employed.

Table A. Changes in Personal Income by Component, 2009:III

	Percent change (quarterly rate)	Dollar change (millions of dollars)			
		Personal income	Net earnings ¹	Dividends, interest, and rent	Transfer receipts
United States	0.3	38,206	28,334	1,160	8,712
Alabama	0.0	31	351	21	-341
Alaska	0.9	275	203	5	67
Arizona	0.0	-66	-166	-51	151
Arkansas	0.0	-10	125	-56	-79
California	0.2	3,439	1,904	727	807
Colorado	0.5	1,052	735	-5	323
Connecticut	0.4	785	668	2	114
Delaware	0.5	165	108	23	33
District of Columbia	0.7	267	197	3	67
Florida	0.1	745	1,048	-656	353
Georgia	0.3	1,060	308	21	731
Hawaii	-0.2	-90	-153	19	42
Idaho	0.2	117	85	-5	36
Illinois	0.4	2,159	595	156	1,408
Indiana	0.2	374	433	109	-166
Iowa	0.0	29	-26	35	21
Kansas	0.4	446	164	-26	307
Kentucky	-0.2	-208	126	36	-371
Louisiana	-0.4	-572	-323	-44	-205
Maine	0.3	168	114	34	18
Maryland	0.4	1,067	1,164	130	-229
Massachusetts	0.5	1,686	1,118	168	400
Michigan	0.3	1,148	238	251	659
Minnesota	0.6	1,212	341	69	802
Mississippi	-0.2	-214	35	1	-251
Missouri	0.1	145	316	46	-215
Montana	0.0	4	79	-10	-64
Nebraska	-0.2	-110	25	-8	-126
Nevada	0.1	83	-212	-82	375
New Hampshire	0.5	306	244	44	18
New Jersey	0.7	2,991	1,850	307	834
New Mexico	0.1	79	31	28	20
New York	0.6	5,960	5,109	-472	1,322
North Carolina	0.4	1,292	1,255	85	-47
North Dakota	0.0	9	56	13	-61
Ohio	0.5	1,914	1,151	191	571
Oklahoma	0.2	238	212	-29	55
Oregon	0.5	659	265	79	316
Pennsylvania	0.4	1,967	1,546	193	228
Rhode Island	0.4	156	151	40	-35
South Carolina	0.3	415	314	22	78
South Dakota	-0.2	-59	11	-15	-55
Tennessee	0.4	766	748	107	-88
Texas	0.2	1,780	2,262	-529	47
Utah	0.2	178	195	16	-33
Vermont	0.4	85	63	8	14
Virginia	0.4	1,276	1,224	82	-31
Washington	0.6	1,761	1,303	-16	474
West Virginia	-0.1	-72	62	35	-169
Wisconsin	0.6	1,306	665	92	550
Wyoming	0.0	11	14	-33	29

1. Net earnings is earnings by place of work—the sum of wage and salary disbursements, supplements to wages and salaries, and proprietors' income—less contributions for government social insurance plus an adjustment to convert earnings by place of work to a place-of-residence basis.

Table B. Change in Net Earnings by Place of Residence From the Preceding Quarter

	[Millions of dollars]								
	2007		2008				2009		
	III	IV	I	II	III	IV	I	II	III
United States	40,845	105,994	43,095	-2,126	37,529	-50,262	-260,207	-1,682	28,334
Alabama	461	1,258	626	399	455	-920	-2,683	591	351
Alaska	-1	148	331	200	344	194	152	105	203
Arizona	1,251	311	69	-976	-727	-1,407	-4,697	-1,186	-166
Arkansas	68	2,749	-1,167	46	300	-319	15	-1,229	126
California	2,349	15,564	-10,089	5,269	1,414	-19,058	-24,839	-10,109	1,905
Colorado	829	3,919	206	-5	1,549	-1,992	-2,447	-2,582	734
Connecticut	684	112	-329	277	629	-1,041	-2,221	2,925	668
Delaware	-194	169	119	-76	69	-81	-632	-210	108
District of Columbia	503	13	710	-16	217	391	-1,833	509	197
Florida	2,238	-27	-2,848	-1,484	-2,074	-5,198	-11,059	181	1,049
Georgia	276	300	2,065	-555	43	-1,684	-6,012	-52	309
Hawaii	492	295	369	57	-90	-107	-112	196	-153
Idaho	-44	747	-210	-219	20	-497	-1,205	-457	85
Illinois	741	8,337	761	-952	2,510	-3,048	-11,825	-3,526	594
Indiana	332	1,922	2,163	-1,409	241	-871	-5,486	-1,332	433
Iowa	298	2,016	2,521	-1,114	1,261	-1,340	-1,216	-462	-26
Kansas	-351	1,793	2,183	-60	707	-298	-2,548	118	165
Kentucky	-31	1,071	859	391	151	-305	-5,495	101	126
Louisiana	1,788	1,600	1,633	1,082	1,767	932	-1,786	-630	-323
Maine	75	237	330	2	227	-106	-1,055	273	115
Maryland	186	2,000	1,288	651	644	732	1,080	1,662	1,164
Massachusetts	2,231	3,526	689	550	-68	584	-8,794	127	1,118
Michigan	1,226	-849	709	-618	-1,166	-255	-16,151	294	238
Minnesota	-509	2,936	3,689	-2,392	2,917	-2,091	-5,520	-1,084	341
Mississippi	694	762	658	310	-175	-395	-1,068	129	35
Missouri	1,282	1,804	1,469	402	670	4,826	-8,020	-1,516	315
Montana	112	389	154	-173	251	-135	-667	153	79
Nebraska	351	1,221	811	-305	848	-1,486	-60	-459	25
Nevada	713	2,207	-633	-1,031	-24	-1,593	-2,786	-584	-211
New Hampshire	-350	353	278	-53	-92	-92	-1,182	-102	244
New Jersey	514	3,317	3,492	-3,010	1,520	-1,203	-13,618	2,521	1,850
New Mexico	585	464	580	69	302	-46	-860	-223	31
New York	6,260	8,116	7,442	-3,506	5,339	-2,188	-46,553	24,447	5,109
North Carolina	252	3,412	1,616	-708	606	-2,352	-5,698	521	1,255
North Dakota	297	797	1,106	-496	753	-552	-321	229	56
Ohio	-59	1,898	1,406	-86	754	-2,070	-7,574	-2,714	1,151
Oklahoma	1,167	1,395	1,582	1,181	1,260	-182	-2,296	-1,350	212
Oregon	724	1,384	-144	153	-108	-1,117	-2,085	-432	265
Pennsylvania	2,286	3,292	891	2,536	689	-240	-8,345	131	1,547
Rhode Island	21	129	398	-191	-115	444	-1,285	118	152
South Carolina	626	1,092	307	100	176	-849	-2,506	-338	314
South Dakota	291	683	1,324	-714	526	-670	-509	19	11
Tennessee	465	2,738	336	-593	463	-1,691	-768	-899	748
Texas	4,774	11,482	9,858	2,950	6,056	1,503	-16,194	-6,551	2,262
Utah	-130	1,065	87	390	164	-707	-852	-522	195
Vermont	103	87	117	-62	121	80	-792	193	63
Virginia	1,750	1,086	2,025	913	1,718	338	-4,158	1,987	1,224
Washington	2,647	3,714	-282	-82	2,793	-2,106	-3,606	-149	1,303
West Virginia	260	372	481	387	681	467	-279	-170	61
Wisconsin	246	2,086	584	409	673	-503	-6,292	-133	665
Wyoming	66	504	474	37	340	41	-463	-413	14

Note: Net earnings is earnings by place of work—the sum of wage and salary disbursements, supplements to wages and salaries, and proprietors' income—less contributions for government social insurance plus an adjustment to convert earnings by place of work to a place-of-residence basis.

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Industry contributions

Nationally, the industries making the largest contributions to third-quarter earnings growth were finance and health care (table C). Smaller contributions from other

Table C. Contribution of Earnings by Industry to Percent Change in U.S. Personal Income
[Percentage points, seasonally adjusted]

	2008		2009		
	III	IV	I	II	III
Construction.....	-0.07	-0.14	-0.39	-0.22	-0.06
State and local.....	0.09	0.06	0.09	0.09	-0.03
Farm.....	0.04	-0.10	-0.03	0.01	-0.02
Mining.....	0.04	0.02	-0.07	-0.06	-0.02
Wholesale trade.....	0.01	-0.07	-0.16	-0.07	-0.01
Durable-goods manufacturing.....	-0.04	-0.08	-0.39	-0.15	-0.01
Information.....	0.03	-0.07	-0.07	-0.01	0.00
Forestry, fishing, related activities, and other.....	0.00	0.00	0.00	0.00	0.00
Utilities.....	0.00	0.01	0.02	-0.01	0.00
Nondurable goods manufacturing.....	0.00	-0.02	-0.12	-0.05	0.00
Administrative and waste services.....	-0.01	-0.02	-0.17	-0.05	0.01
Arts, entertainment, and recreation.....	0.01	0.00	-0.03	0.01	0.01
Transportation and warehousing.....	0.00	0.02	-0.12	-0.04	0.01
Management of companies and enterprises.....	0.03	0.00	-0.11	0.02	0.01
Educational services.....	0.02	0.02	0.01	0.02	0.01
Accommodation and food services.....	0.00	-0.02	-0.06	0.03	0.02
Retail trade.....	-0.04	-0.11	-0.12	-0.02	0.02
Federal, civilian.....	0.01	0.01	0.11	0.04	0.02
Real estate and rental and leasing.....	-0.01	-0.03	-0.07	0.01	0.02
Military.....	0.03	0.02	0.08	0.03	0.02
Other services, except public administration.....	0.02	0.01	-0.08	0.00	0.03
Professional, scientific, and technical services.....	0.05	-0.02	-0.11	-0.06	0.03
Finance and insurance.....	0.05	-0.03	-0.55	0.36	0.08
Health care and social assistance.....	0.11	0.13	0.00	0.13	0.12
Total.....	0.35	-0.42	-2.32	0.00	0.26

NOTE: An industry's contribution to percent change in personal income equals the dollar change in that industry's earnings divided by personal income in the preceding quarter times 100.

private services-producing industries were mostly offset by declines in goods-producing industries. Although mining, construction, and manufacturing continued to decline in the third quarter, they subtracted less from third-quarter earnings growth than from second-quarter growth. Federal civilian and military earnings grew in the third quarter, but state and local government earnings declined. Thus, the net contribution of the government sector was nearly zero.

Across the states, there were some notable differences in industrial performance. In New York, state and local government contributed more than any other industry to that state's earnings growth (second highest in the nation). In Hawaii, declines in state and local government

subtracted more than any other industry; Hawaii had the lowest earnings growth in the nation in the third quarter. In the state of Washington, the biggest contributors to third-quarter earnings growth were durable-goods manufacturing and information, industries which declined nationally. The third-quarter data for the information industry in Washington include stock grants typically made this time of year. In Alaska, military earnings contributed more than any other industry to personal income growth, followed by health care and transportation.

The 2.2 percent decline in U.S. mining earnings was greater than in any other nonfarm industry. Although not particularly large in the national economy, mining (including oil and gas extraction) is prominent in Wyoming, West Virginia, and Alaska and reduced third-quarter earnings growth 0.2 to 0.4 percentage point in each state.

Alaska and Maryland were the only states in which net earnings have not declined in any quarter since the recession began in the fourth quarter of 2007. Almost all of Maryland's earnings growth over this period can be accounted for by growth in federal civilian and military earnings. Although state and local government earnings also grew over this period, they were offset by declines in the private sector. In contrast, Alaska's private sector grew over this period, accounting for nearly half of the state's earnings growth. As in Maryland, government earnings also grew in Alaska.

Personal current transfer receipts

Personal current transfer receipts funded by the American Recovery and Reinvestment Act (ARRA) fell to \$65.2 billion in the third quarter from \$90.2 billion in the second quarter for the nation (table D). In addition, the composition of ARRA receipts changed substantially. Three-fourths of the receipts in the third quarter went to unemployed workers, either as unemployment compensation or as subsidized health insurance. In the second quarter, 60 percent of the receipts went to retirees and other beneficiaries of federal social insurance programs,

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such as social security, in the form of \$250 lump sums.¹ This changing composition of the ARRA receipts was

1. ARRA reduced personal premiums for health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA) of 1985. In particular, workers who were involuntarily terminated during the period from September 1, 2008, to December 31, 2009, were eligible to pay only 35 percent of the full COBRA premiums for health insurance coverage for themselves and their families for up to 9 months. The remaining 65 percent of the premium was reimbursed directly to the employer, plan administrator, or insurance company through a payroll tax credit. If the credit amount was greater than the taxes due, then the IRS credited or refunded the excess as if it were an overpayment of payroll taxes. In the state personal income accounts, the COBRA premium reduction is treated as a transfer receipt of persons from the federal government. This treatment recognizes that the federal government is providing health benefits to individuals eligible under this ARRA provision. This treatment is similar to how BEA handles other health care benefits, such as those provided by Medicare.

noticeable in the state estimates of personal income because the state distributions of unemployed workers and retirees are quite different.² For example, in Nevada, third-quarter unemployment compensation funded by

2. National estimates of ARRA receipts were allocated to states using the following indicator series. Supplemental Security Income (SSI): number of SSI recipients by state in 2008; Old Age, Survivors, and Disability Insurance (OASDI): number of OASDI recipients in 2008; Railroad Retirement Board (RRB): number of RRB retirees and survivors by state as of September 30, 2008; veterans' pensions: number of disability pension and disability compensation recipients age 55 or more by state in 2008; Supplemental Nutrition Assistance Program (SNAP): BEA estimates of SNAP benefits by state in 2008; unemployment insurance: state estimates published on recovery.com, COBRA health insurance subsidy: number of covered unemployed persons by state in 2008; and Pell Grants: number of recipients by state in 2008.

Table D. Personal Current Transfer Receipts Funded by ARRA

[Millions of dollars, annual rate]

Area	2009			Area	2009		
	I	II	III		I	II	III
United States	8,800	90,200	65,200	Missouri.....	174	1,748	871
Alabama.....	155	1,564	765	Montana.....	26	281	147
Alaska.....	10	174	160	Nebraska.....	39	430	167
Arizona.....	372	1,848	1,228	Nevada.....	25	741	810
Arkansas.....	96	1,046	677	New Hampshire.....	26	353	235
California.....	1,075	10,030	8,351	New Jersey.....	93	2,599	2,553
Colorado.....	129	1,112	795	New Mexico.....	153	667	399
Connecticut.....	83	1,086	952	New York.....	179	6,026	5,317
Delaware.....	17	260	181	North Carolina.....	787	3,340	2,317
District of Columbia.....	34	221	221	North Dakota.....	18	166	59
Florida.....	505	5,760	3,512	Ohio.....	340	3,626	2,714
Georgia.....	273	2,850	2,566	Oklahoma.....	102	1,120	669
Hawaii.....	21	360	257	Oregon.....	113	1,298	1,197
Idaho.....	50	444	325	Pennsylvania.....	354	4,104	2,771
Illinois.....	370	3,915	3,413	Rhode Island.....	37	344	226
Indiana.....	192	1,920	1,277	South Carolina.....	130	1,427	846
Iowa.....	148	980	675	South Dakota.....	23	212	86
Kansas.....	76	788	582	Tennessee.....	179	2,126	1,481
Kentucky.....	140	1,451	698	Texas.....	618	5,744	3,236
Louisiana.....	127	1,336	660	Utah.....	80	490	282
Maine.....	32	470	295	Vermont.....	15	189	107
Maryland.....	111	1,233	607	Virginia.....	159	1,867	930
Massachusetts.....	159	2,008	1,573	Washington.....	143	1,717	1,142
Michigan.....	341	3,631	3,225	West Virginia.....	60	688	313
Minnesota.....	138	1,486	1,189	Wisconsin.....	139	1,822	1,633
Mississippi.....	120	973	451	Wyoming.....	13	125	58

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ARRA was 39 percent greater than the total of second-quarter \$250 receipts. In Maryland, third-quarter unemployment compensation was 80 percent less than the total of second-quarter \$250 receipts.

The decline in total ARRA receipts subtracted 0.2 percent from U.S. personal income growth in the third quarter after adding 0.7 percent in the second quarter. Across states, ARRA receipts subtracted as much as 0.6 percentage point in Mississippi and West Virginia in the third quarter. The only state where ARRA receipts added to third-quarter growth (0.1 percentage point) was Nevada. In the second quarter, ARRA receipts added between 0.4 percentage point (in Maryland and Wyoming) and 1.1 percentage points (in West Virginia) to personal income growth.

Even with the additional benefits funded by ARRA, state unemployment insurance benefits grew only 18 percent nationally in the third quarter of 2009, the smallest increase since the 8.6 percent increase in the second quarter of 2008. State unemployment insurance benefits increased in all states. In all states except South Carolina, the rate of increases was less than in the second quarter. State unemployment insurance benefits in the third quarter accounted for 2.0 percent or more of personal income in Idaho, Michigan, Nevada, Oregon, and Wis-

consin. Such benefits accounted for 1.4 percent of personal income nationally.

The Alaska Permanent Fund paid \$1,305 per eligible resident in 2009, down from \$3,269 in 2008. Over the last several years slightly less than 90 percent of the state's resident population, as measured by the Census Bureau, has been eligible for this transfer receipt.

Homeowner assistance related to Hurricane Katrina was unchanged in the third quarter amounting to \$400 million in both Louisiana and Mississippi (table E).

Table E. Homeowner Assistance Payments for Louisiana and Mississippi
[Millions of dollars, annual rate]

	2008	2009		
		I	II	III
Louisiana.....	2,250	1,200	400	400
Mississippi.....	400	400	400	400

NOTE. Estimates for earlier quarters published in the July issue of the SURVEY are unchanged.

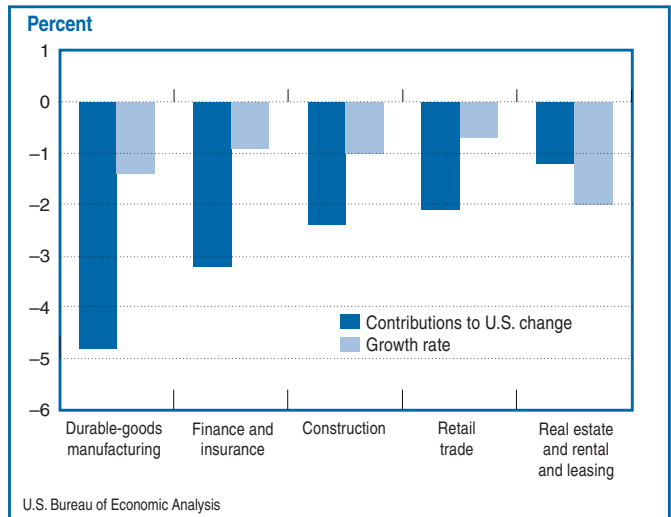
See also "Table 2. Personal Income by State and Region" and "Table 3. Personal Income by Major Source and Earnings by Industry, 2008:IV–2009:III" on pages 59–74.

County Compensation

Compensation growth

Total compensation of U.S. workers grew 2.3 percent in 2008 (see map on page 56), compared with growth of 5.2 percent in 2007. The 2.3 percent growth was the smallest annual growth since 2002, when total compensation grew 2.2 percent. Five industry sectors contributed the most to the slowdown in growth: durable-goods manufacturing, finance and insurance, construction, retail trade, and real estate and rental and leasing. The contributions to the slowdown ranged from -4.8 percent in durable-goods manufacturing to -1.2 percent in real estate and rental and leasing. In these five industries, the slowdown in growth ranged from -2.0 percent in real estate and rental and leasing to -0.7 percent in retail trade.

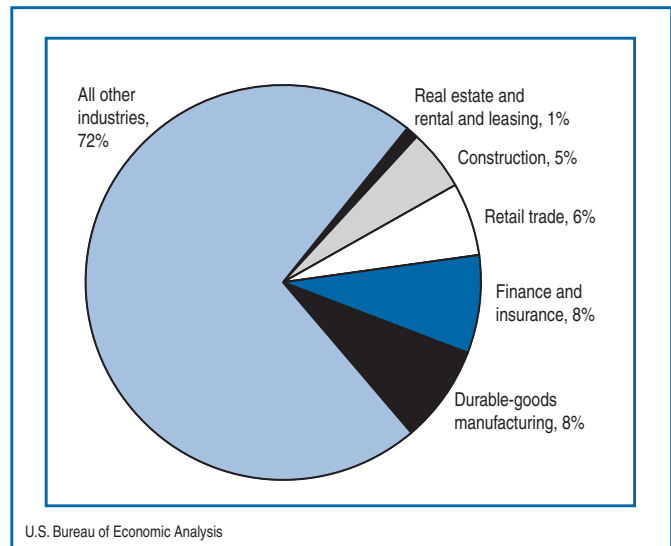
U.S. Compensation Growth, 2008



Industry shares

Durable-goods manufacturing, finance and insurance, construction, retail trade, and real estate and rental and leasing accounted for 28 percent of 2008 U.S. total compensation. Durable-goods manufacturing and finance and insurance are the largest of the five industry sectors, each accounting for 8 percent, while real estate and rental and leasing is the smallest, accounting for 1 percent. The industrial composition of local areas can vary greatly from one another and from the United State as a whole. This diversity in industrial mix helps explain differences in local area total compensation growth and the national average as well as accelerations and decelerations in local area total compensation growth.

Industry Shares of U.S. Total Compensation, 2008



Counties with the largest positive and negative contributions to compensation growth

The five counties that accounted for the largest positive and negative contributions to U.S. compensation growth in 2008 illustrate the importance of industrial composition in county compensation growth. The differences between 2007 and 2008 growth rates, contributions to U.S. growth, and contribution rank relate in large measure to the industrial composition of these counties and the five sectors that negatively affected U.S. compensation growth.

Table F. Counties With the Largest Contributions to U.S. Compensation Growth

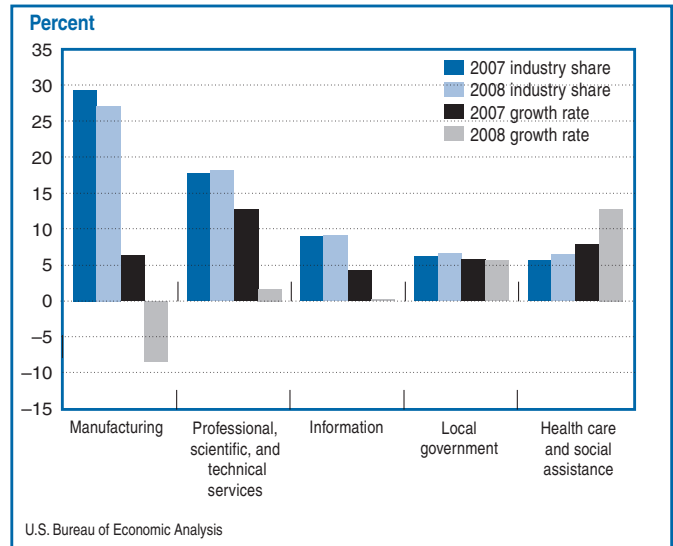
	Compensation growth (percent)		Contribution to U.S. compensation growth (percent)		County contribution rank	
	2007	2008	2007	2008	2007	2008
Counties with positive contributions						
Harris, TX.....	10.5	6.2	3.5	4.9	2	1
Los Angeles, CA.....	4.1	1.5	2.8	2.3	3	2
New York, NY.....	11.6	1.4	7.8	2.2	1	3
District of Columbia.....	5.2	4.8	0.9	1.8	14	4
San Diego, CA.....	4.5	3.4	1.0	1.7	13	5
Counties with negative contributions						
Ventura, CA.....	3.8	-3.0	0.2	-0.3	102	3,108
Lee, FL.....	-0.1	-5.9	0.0	-0.4	3,073	3,109
Santa Clara, CA.....	8.6	-0.8	1.9	-0.4	5	3,110
Maricopa, AZ.....	4.6	-0.8	1.2	-0.4	9	3,111
Palm Beach, FL.....	3.4	-3.8	0.3	-0.7	66	3,112

County Compensation

Largest industries in Santa Clara, CA

After accounting for almost 2 percent of the increase in U.S. compensation in 2007, Santa Clara, CA, had one of the largest declines in 2008. Overall county growth fell from 8.6 percent in 2007 to -0.8 percent in 2008, with the manufacturing sector leading the decline. (Data for durable-goods manufacturing and nondurable-goods manufacturing are suppressed in Santa Clara, CA, therefore only the manufacturing sector as a whole can be presented.) Compensation in the manufacturing sector, which accounted for 27 percent of county compensation in 2008, contracted by more than 8 percent. The impact of this decline was moderated by increases in the professional, scientific, and technical services sector, which led growth in the county in 2007.

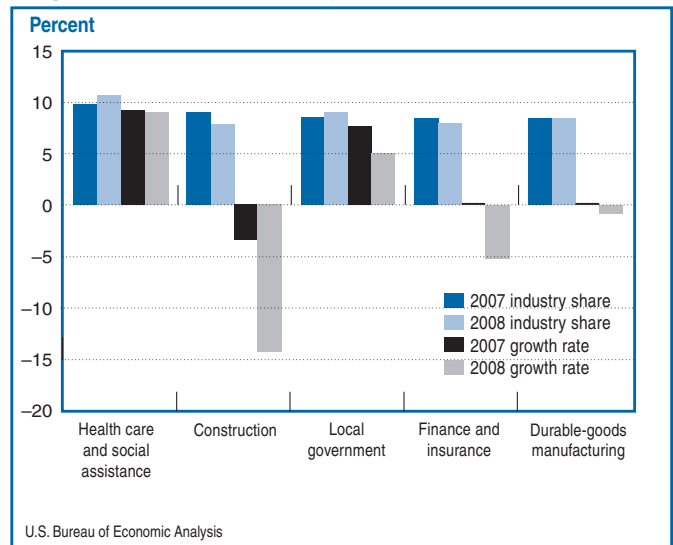
Largest Industries in Santa Clara, CA, 2008



Largest industries in Maricopa, AZ

In Maricopa, AZ, construction and finance and insurance, two of the same industries driving the slowdown in total U.S. compensation, are among the largest industries. Compensation in construction declined more than 14 percent in the county in 2008, while finance and insurance declined more than 5 percent. The largest sector in Maricopa, AZ, health care and social assistance, continued to grow at rate of 9 percent in 2008, curbing the overall county contraction to less than 1 percent.

Largest Industries in Maricopa, AZ, 2008

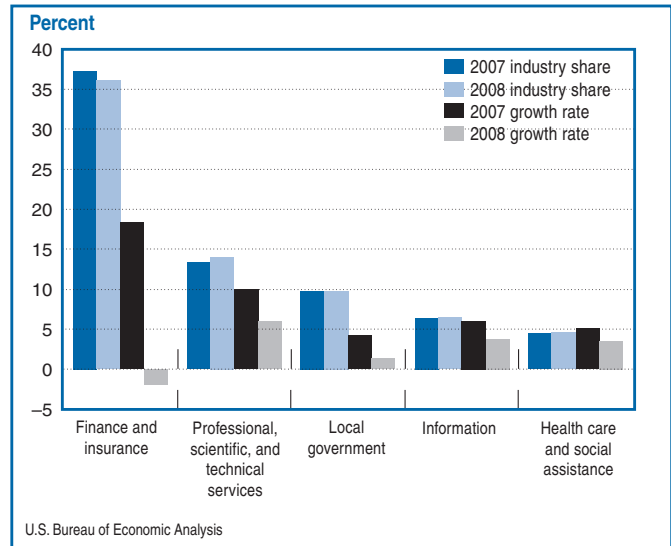


County Compensation

Largest industries in New York, NY

In New York, NY, finance and insurance accounted for 36 percent of county compensation in 2008. Because the sector, the largest in the county, accounts for more than one-third of compensation, the industry has a significant affect on overall growth. Compensation grew 11.6 percent in the county for 2007, as growth in the finance and insurance industry gained 18.3 percent and accounted for more than 55 percent of the county's total growth. In 2008, when the finance and insurance sector declined 2.0 percent, total county compensation grew only 1.4 percent.

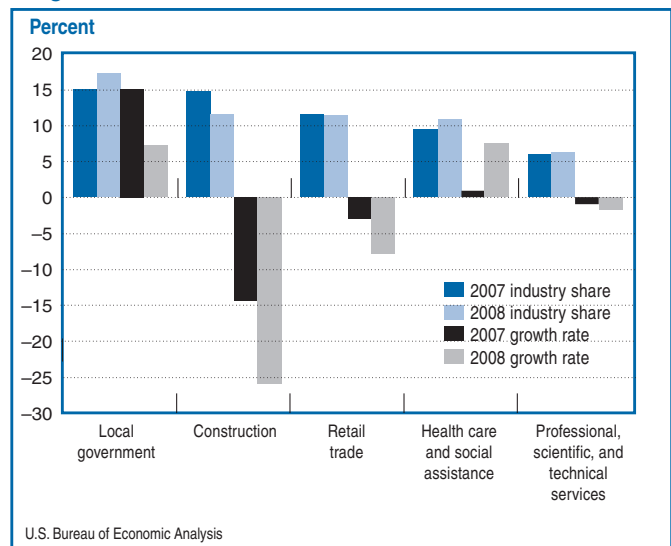
Largest Industries in New York, NY, 2008



Largest industries in Lee, FL

In 2008, Lee, FL, experienced a significant contraction in compensation, declining almost 6 percent. Construction and retail trade, which are two of the three largest industries in the county, both contracted in 2007 and 2008, contributing to the county's overall growth rates of -0.1 percent in 2007 and -5.9 percent in 2008. More than half of the decline in county compensation in 2008 stemmed from the 25.9 percent decrease in construction.

Largest Industries in Lee, FL, 2008

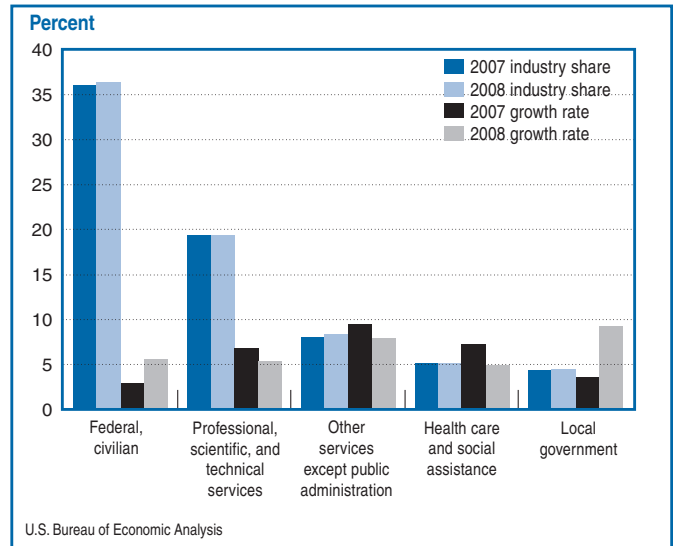


County Compensation

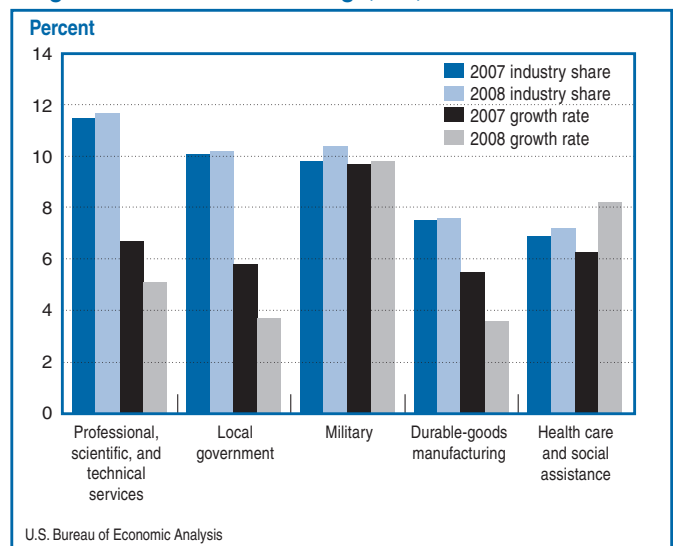
Largest industries in the District of Columbia and San Diego, CA

In 2008, the District of Columbia and San Diego, CA, both moved into the top five counties that contributed the most to U.S. compensation growth (table F). The industry composition in the two counties aided overall county growth. In the District of Columbia, federal government compensation accounted for 36 percent of the county total; it grew 5.6 percent in 2008 and was the largest contributor to the county growth rate of 4.8 percent. In San Diego, CA professional, scientific, and technical services, local government, and the military accounted for approximately 30 percent of county compensation; they grew 5.1 percent, 3.7 percent, and 9.8 percent, respectively in 2008, driving the county increase of 3.4 percent. Both the District of Columbia and San Diego, CA, surpassed the U.S. growth rate of 2.3 percent.

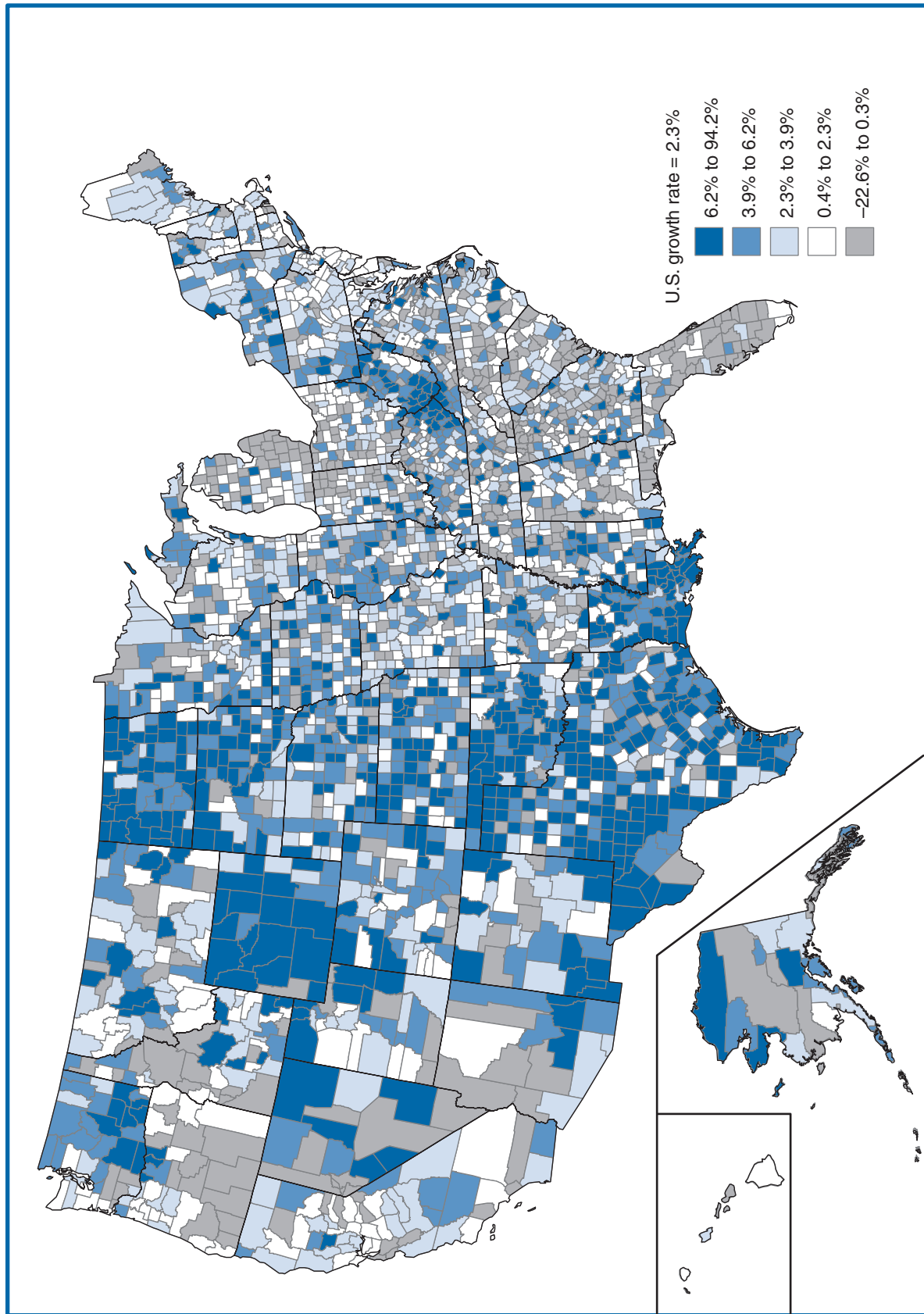
Largest Industries in the District of Columbia, 2008



Largest Industries in San Diego, CA, 2008



Percent Change in Compensation by County, 2008



U.S. Bureau of Economic Analysis

Table 1. Total Compensation and Average Compensation by County, 2006–2008—Continues

Counties with 2008 total compensation greater than or equal to \$10 billion

Area	Total compensation				Average compensation			
	Millions of dollars			Percent change ¹	Dollars			Percent change
	2006 ¹	2007 ¹	2008 ²		2006 ¹	2007 ¹	2008 ²	
United States	7,458,517	7,845,619	8,025,324	2.3	52,556	54,674	56,116	2.6
New York, NY	260,296	290,435	294,403	1.4	107,554	116,961	117,509	0.5
Los Angeles, CA	265,874	276,760	280,828	1.5	60,738	62,664	64,265	2.6
Cook, IL	172,825	180,529	182,766	1.2	63,548	66,254	67,666	2.1
Harris, TX	128,317	141,794	150,541	6.2	62,703	66,608	68,864	3.4
Dallas, TX	96,093	101,776	104,381	2.6	62,447	65,230	66,228	1.5
Maricopa, AZ	98,117	102,671	101,864	-0.8	51,919	53,691	54,803	2.1
Orange, CA	98,420	100,496	100,427	-0.1	61,093	62,624	63,860	2.0
San Diego, CA	87,759	91,679	94,805	3.4	58,723	61,025	63,293	3.7
Santa Clara, CA	85,981	93,349	92,573	-0.8	93,115	98,895	97,323	-1.6
King, WA	80,890	86,976	89,628	3.0	66,163	69,652	70,780	1.6
District of Columbia	63,865	67,166	70,412	4.8	88,312	92,216	95,881	4.0
Middlesex, MA	60,697	65,607	67,782	3.3	70,413	74,807	76,453	2.2
Hennepin, MN	57,280	61,342	63,296	3.2	63,656	67,611	70,078	3.6
Miami-Dade, FL	59,258	61,145	61,655	0.8	53,413	54,869	56,167	2.4
Fulton, GA	57,221	59,700	59,325	-0.6	69,204	72,877	73,558	0.9
Fairfax, Fairfax City + Falls Church, VA	52,437	55,381	57,169	3.2	78,399	81,852	84,229	2.9
Suffolk, MA	50,620	54,791	56,563	3.2	82,984	87,539	89,469	2.2
San Francisco, CA	49,073	53,036	54,698	3.1	86,551	90,713	91,975	1.4
Alameda, CA	50,198	52,041	52,242	0.4	69,624	71,916	72,793	1.2
Clark, NV	48,055	51,329	51,201	-0.3	50,473	53,319	54,133	1.5
Wayne, MI	48,637	49,287	48,799	-1.0	58,724	60,831	62,150	2.2
Oakland, MI	45,179	45,919	45,965	0.1	60,509	61,881	63,601	2.8
Tarrant, TX	41,612	44,095	45,203	2.5	52,945	54,647	55,117	0.9
Philadelphia, PA	41,406	43,399	44,993	3.7	59,966	62,846	64,964	3.4
Cuyahoga, OH	42,987	44,287	44,436	0.3	54,285	56,185	57,355	2.1
Allegheny, PA	39,704	41,904	42,980	2.6	54,300	56,882	58,222	2.4
Broward, FL	42,018	42,920	42,560	-0.8	51,236	52,175	53,183	1.9
Fairfield, CT	39,757	42,705	42,380	-0.8	87,858	93,058	92,837	-0.2
Sacramento, CA	39,166	40,475	41,359	2.2	58,994	60,872	63,439	4.2
DuPage, IL	39,120	40,956	41,321	0.9	62,282	64,584	65,577	1.5
Bexar, TX	36,783	39,088	40,543	3.7	47,627	49,596	50,428	1.7
Suffolk, NY	36,504	38,564	40,291	4.5	56,654	58,908	61,339	4.1
Franklin, OH	37,813	39,654	40,287	1.6	51,747	53,453	54,792	2.5
Nassau, NY	37,174	39,373	39,639	0.7	58,227	61,258	61,735	0.8
Mecklenburg, NC	36,469	38,913	39,510	1.5	63,054	64,718	65,260	0.8
St. Louis, MO	37,030	38,496	39,454	2.5	55,804	58,355	60,033	2.9
Orange, FL	36,262	37,881	38,145	0.7	49,825	50,814	51,999	2.3
Montgomery, MD	35,628	37,185	38,012	2.2	70,382	74,250	76,015	2.4
Hartford, CT	34,432	36,692	37,042	1.0	64,988	68,507	68,613	0.2
Hillsborough, FL	35,374	36,726	36,527	-0.5	51,546	53,068	55,171	4.0
Travis, TX	33,418	35,069	36,353	3.7	57,841	58,324	59,358	1.8
Marion, IN	34,473	35,247	36,105	2.4	54,953	55,999	57,597	2.9
Montgomery, PA	33,766	35,291	35,955	1.9	65,197	67,652	68,565	1.3
San Bernardino, CA	34,010	35,328	35,707	1.1	48,297	49,611	51,119	3.0
Westchester, NY	30,957	33,167	33,570	1.2	70,554	74,053	74,752	0.9
Hamilton, OH	31,371	32,217	33,086	2.7	56,644	58,582	60,409	3.1
Bergen, NJ	30,755	32,593	32,875	0.9	64,251	67,380	68,821	2.1
Denver, CO	29,966	31,726	32,826	3.5	64,693	66,782	68,302	2.3
Salt Lake, UT	29,345	32,016	32,769	2.4	48,924	51,436	52,372	1.8
San Mateo, CA	29,562	31,750	31,858	0.3	83,057	87,574	87,654	0.1
Palm Beach, FL	31,977	33,056	31,805	-3.8	51,531	53,600	54,853	2.3
Riverside, CA	31,168	31,845	31,258	-1.8	46,460	47,553	48,614	2.2
Shelby, TN	28,773	30,115	30,320	0.7	52,131	54,608	55,705	2.0
Milwaukee, WI	28,101	29,179	30,193	3.5	52,778	54,464	56,246	3.3
Queens, NY	27,114	29,241	30,079	2.9	51,900	54,587	55,258	1.2
Middlesex, NJ	27,494	29,043	29,479	1.5	64,921	66,849	68,779	2.9
Duval, FL	28,829	29,737	29,424	-1.1	54,922	56,547	57,062	0.9
Honolulu, HI	26,990	28,431	29,400	3.4	52,708	55,012	57,020	3.7
Multnomah, OR	25,210	26,708	27,478	2.9	53,651	55,782	57,073	2.3
Essex, NJ	25,672	26,946	27,344	1.5	66,120	69,209	70,346	1.6
Wake, NC	23,956	25,952	26,929	3.8	52,428	54,198	55,648	2.7
Lake, IL	24,387	26,519	26,561	0.2	66,075	71,303	71,141	-0.2
Contra Costa, CA	24,784	25,427	25,647	0.9	67,737	69,583	71,423	2.6
Davidson, TN	23,862	24,790	25,305	2.1	52,526	54,714	56,695	3.6
Kings, NY	22,656	23,856	24,833	4.1	45,475	46,819	47,758	2.0
Oklahoma, OK	22,343	23,127	24,573	6.3	49,243	50,822	53,180	4.6
Jefferson, KY	23,027	24,149	24,233	0.3	50,022	52,070	52,873	1.5
Morris, NJ	22,933	23,829	24,079	1.0	74,670	77,760	79,288	2.0
Baltimore City, MD	22,462	23,229	23,968	3.2	61,152	63,639	66,441	4.4
Erie, NY	22,183	23,069	23,890	3.6	46,784	48,526	49,653	2.3
Baltimore, MD	22,389	23,358	23,493	0.6	56,143	58,067	58,825	1.3
Jackson, MO	21,506	22,291	23,199	4.1	54,243	55,915	57,817	3.4
New Haven, CT	21,627	22,613	23,075	2.0	54,650	57,008	58,406	2.5
Pinellas, FL	22,382	22,795	22,556	-1.0	46,709	47,767	49,692	4.0
Norfolk, MA	21,311	21,906	22,396	2.2	62,996	63,937	65,550	2.5
Jefferson, AL	20,936	21,597	21,948	1.6	52,035	54,062	55,691	3.0
Prince George's, MD	20,071	21,091	21,790	3.3	59,213	61,066	63,357	3.8
Monroe, NY	20,425	21,077	21,543	2.2	51,109	52,722	53,777	2.0
Ramsey, MN	19,744	20,678	21,265	2.8	55,828	58,307	59,872	2.7

See the footnotes at the end of the table.

Table 1. Total Compensation and Average Compensation by County, 2006–2008—Table Ends

Counties with 2008 total compensation greater than or equal to \$10 billion

Area	Total compensation				Average compensation			
	Millions of dollars			Percent change ¹	Dollars			Percent change
	2006 ^r	2007 ^r	2008 ^p		2006 ^r	2007 ^r	2008 ^p	
Cobb, GA	18,873	20,139	20,404	1.3	56,601	58,433	59,174	1.3
Hudson, NJ	18,204	19,241	20,126	4.6	70,870	74,701	78,152	4.6
Pima, AZ	18,498	19,469	19,990	2.7	46,499	48,201	50,048	3.8
Anne Arundel, MD	18,145	19,252	19,965	3.7	63,842	66,318	68,409	3.2
Ventura, CA	19,773	20,524	19,910	-3.0	58,339	60,380	59,600	-1.3
Collin, TX	16,652	18,781	19,862	5.8	59,458	62,420	63,181	1.2
Johnson, KS	17,905	19,145	19,604	2.4	54,433	56,286	57,742	2.6
Tulsa, OK	17,959	18,719	19,556	4.5	49,363	50,548	52,019	2.9
New Castle, DE	19,068	19,369	19,519	0.8	62,438	63,382	64,199	1.3
Arapahoe, CO	18,520	19,160	19,509	1.8	63,352	64,112	64,936	1.3
DeKalb, GA	17,239	18,881	19,224	1.8	56,190	58,095	59,099	1.7
Gwinnett, GA	19,114	19,602	19,175	-2.2	54,874	55,695	55,584	-0.2
Worcester, MA	17,569	18,331	18,872	3.0	51,777	53,847	55,569	3.2
Douglas, NE	17,288	18,177	18,758	3.2	50,756	52,716	53,594	1.7
Chester, PA	17,132	18,180	18,611	2.4	67,575	69,900	70,799	1.3
Macomb, MI	18,677	19,055	18,523	-2.8	54,491	56,866	57,658	1.4
Essex, MA	17,264	17,977	18,384	2.3	55,093	57,136	58,244	1.9
Pierce, WA	15,990	17,366	18,322	5.5	51,462	53,850	56,367	4.7
St. Louis City, MO	15,199	15,689	18,319	16.8	59,730	60,892	70,629	16.0
Bernalillo, NM	16,925	17,646	18,193	3.1	47,385	48,909	50,513	3.3
Union, NJ	16,928	17,609	17,734	0.7	67,659	69,907	71,020	1.6
Dane, WI	16,196	16,909	17,507	3.5	49,841	51,377	53,070	3.3
Kent, MI	17,072	17,371	17,453	0.5	47,528	48,709	49,877	2.4
Arlington, VA	15,891	16,669	17,326	3.9	93,259	96,115	98,063	2.0
Fresno, CA	15,868	16,570	17,035	2.8	44,077	45,414	47,023	3.5
Mercer, NJ	15,071	15,853	16,841	6.2	65,168	69,147	72,916	5.5
Providence, RI	16,137	16,450	16,760	1.9	52,817	53,985	56,327	4.3
Somerset, NJ	14,837	16,098	16,706	3.8	81,088	86,422	89,823	3.9
Washington, OR	15,369	16,242	16,508	1.6	58,904	61,166	62,635	2.4
Monmouth, NJ	15,371	16,043	16,357	2.0	55,478	57,554	58,850	2.3
El Paso, CO	14,983	15,591	16,142	3.5	52,376	54,169	56,096	3.6
Snohomish, WA	13,914	15,721	15,992	1.7	54,025	56,958	57,731	1.4
Polk, IA	14,465	15,134	15,651	3.4	51,279	52,811	54,155	2.5
Kern, CA	13,981	14,781	15,479	4.7	48,172	50,013	52,125	4.2
Bucks, PA	14,279	14,943	15,276	2.2	50,510	52,396	54,222	3.5
Guilford, NC	13,977	14,639	14,947	2.1	47,366	48,863	50,105	2.5
Summit, OH	13,848	14,425	14,763	2.3	48,062	49,750	50,909	2.3
Sedgwick, KS	13,519	14,097	14,643	3.9	50,544	51,445	52,518	2.1
East Baton Rouge, LA	12,951	13,762	14,642	6.4	47,230	49,741	52,858	6.3
Pulaski, AR	13,391	14,637	14,554	-0.6	49,404	53,538	52,960	-1.1
Montgomery, OH	14,675	14,599	14,493	-0.7	50,754	51,414	52,230	1.6
Durham, NC	12,592	13,946	14,269	2.3	67,440	71,567	72,651	1.5
Albany, NY	13,040	13,324	13,960	4.8	54,685	55,846	58,231	4.3
Norfolk (Independent City), VA	13,249	13,738	13,901	1.2	62,385	65,495	66,950	2.2
Waukesha, WI	13,381	13,644	13,846	1.5	54,023	54,966	56,059	2.0
Onondaga, NY	12,875	13,470	13,795	2.4	49,145	50,973	52,140	2.3
Delaware, PA	12,299	12,777	13,221	3.5	54,424	55,832	57,591	3.2
El Paso, TX	11,598	12,470	13,125	5.3	39,607	41,650	42,730	2.6
Bronx, NY	11,934	12,443	13,113	5.4	49,502	51,401	53,029	3.2
Burlington, NJ	12,409	12,833	13,105	2.1	55,698	57,923	59,790	3.2
Jefferson, CO	11,719	12,460	12,933	3.8	52,982	55,407	57,379	3.6
Greenville, SC	11,844	12,508	12,907	3.2	46,385	47,731	48,989	2.6
Hillsborough, NH	11,914	12,545	12,876	2.6	57,060	59,651	61,530	3.1
Camden, NJ	11,861	12,410	12,638	1.8	52,677	55,576	56,935	2.4
Richland, SC	11,707	12,162	12,544	3.1	49,037	50,310	52,126	3.6
Charleston, SC	10,877	11,803	12,153	3.0	46,899	49,162	50,367	2.5
Madison, AL	10,370	11,124	11,870	6.7	55,474	57,480	59,927	4.3
Orleans, LA	9,999	10,994	11,866	7.9	58,475	58,759	60,622	3.2
Knox, TN	10,728	11,342	11,643	2.6	44,195	45,868	46,624	1.6
Brevard, FL	11,485	11,566	11,589	0.2	50,178	51,659	53,459	3.5
San Joaquin, CA	10,868	11,334	11,525	1.7	47,449	48,746	50,567	3.7
Kane, IL	10,953	11,301	11,425	1.1	49,435	50,159	51,481	2.6
Bristol, MA	10,738	11,096	11,415	2.9	46,555	48,220	50,327	4.4
Washtenaw, MI	11,435	11,736	11,382	-3.0	55,424	57,704	57,156	-0.9
Lancaster, PA	10,698	11,008	11,346	3.1	43,972	44,970	46,367	3.1
Washoe, NV	11,087	11,572	11,294	-2.4	48,972	51,138	52,198	2.1
Cumberland, NC	9,571	10,450	11,285	8.0	55,844	59,703	62,967	5.5
Henrico, VA	10,472	11,272	11,281	0.1	56,416	58,556	59,000	0.8
Boulder, CO	10,213	10,874	11,196	3.0	60,343	62,639	63,557	1.5
Lucas, OH	11,280	11,347	11,112	-2.1	47,191	48,173	48,650	1.0
Sonoma, CA	10,641	10,977	11,060	0.8	52,705	53,897	55,344	2.7
Jefferson, LA	9,976	10,590	11,006	3.9	48,983	50,030	51,669	3.3
Ada, ID	10,750	11,196	10,973	-2.0	48,958	50,028	49,644	-0.8
Santa Barbara, CA	10,236	10,647	10,881	2.2	51,642	52,957	54,211	2.4
Richmond (Independent City), VA	10,267	10,639	10,868	2.2	59,520	62,796	64,610	2.9
Spokane, WA	9,916	10,517	10,858	3.2	44,252	45,937	47,330	3.0
Will, IL	9,435	10,170	10,776	6.0	48,367	49,147	50,762	3.3
Hampden, MA	10,062	10,370	10,769	3.9	48,636	50,194	52,201	4.0
Passaic, NJ	10,421	10,621	10,759	1.3	54,767	56,103	57,341	2.2
Anchorage Municipality, AK	9,726	10,243	10,755	5.0	59,606	62,283	64,524	3.6
Lee, FL	11,426	11,409	10,731	-5.9	46,221	47,154	47,803	1.4
Lake, IN	9,872	10,189	10,696	5.0	47,276	48,539	51,112	5.3
Dauphin, PA	9,753	10,184	10,454	2.7	50,349	52,349	53,515	2.2
Howard, MD	9,538	10,036	10,361	3.2	60,801	63,221	64,905	2.7
Virginia Beach (Independent City), VA	9,759	10,222	10,352	1.3	46,567	48,630	50,124	3.1
Lehigh, PA	9,585	10,239	10,313	0.7	51,300	54,181	54,593	0.8
Forsyth, NC	9,580	10,007	10,220	2.1	48,839	50,218	51,286	2.1
Bell, TX	8,351	9,328	10,150	8.8	55,712	59,332	61,889	4.3
Dakota, MN	9,529	9,947	10,148	2.0	50,785	52,651	54,306	3.1

^r Revised
^p Preliminary

1. Percent change was calculated from unrounded data.