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### **Local Area Personal Income, 2005**

Today, the Bureau of Economic Analysis (BEA) released estimates of personal income at the county level for 2005 based on newly available source data. Personal income is a comprehensive measure of the income of all persons from all sources. In addition to wages and salaries it includes employer-provided health insurance, dividends and interest income, social security benefits, and other types of income.<sup>1</sup>

The growth in county personal income for 2005 ranged from 34 percent in Cheyenne County, Kansas to -80 percent in St. Bernard Parish, Louisiana. For the Nation, personal income grew 5.2 percent. Farming was the largest contributor to growth in the 10 fastest growing counties—all in Kansas and North Dakota. The five largest declines in county personal income—all in Louisiana—were due to the destruction of housing and businesses from wind, storm surge, and floods caused by Hurricane Katrina.

Per capita personal income (personal income divided by population) ranged from \$93,377 in New York County, New York to \$5,148 in St. Bernard Parish, Louisiana.

The county estimates released today complete the increasingly detailed series of data releases depicting the geographic distribution of the nation's personal income for 2005. National estimates typically are released one month after the end of the year, state estimates are released two months later, and metropolitan area estimates for 2005 were released last September.

Personal income and its components are available for 3,111 counties from 1969 to 2005. In addition, detailed annual estimates of earnings and employment by industry, personal current transfer receipts, and farm gross income and expenses by major category for each county are available. A partial sample of the data available is presented in the attached table for Los Angeles County, California. These estimates are the only detailed, broadly inclusive, annual measure of economic activity available for local areas. Go to <http://www.bea.gov/regional/reis/> to access these estimates.

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<sup>1</sup> For a comparison of BEA's personal income to other measures of income see the box, "[Alternative Measures of Household Income](#)," in the April issue of the *Survey of Current Business*.

A computer-generated narrative describing county, MSA, and state personal income using current estimates, growth rates, and a breakdown of the sources of personal income is available at <http://www.bea.gov/regional/bearfacts/>.

### Definitions

**Personal income** is the income received by all persons from all sources. Personal income is the sum of net earnings by place of residence, rental income of persons, personal dividend income, personal interest income, and personal current transfer receipts. **Net earnings** is earnings by place of work (the sum of wage and salary disbursements (payrolls), 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. Personal income is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars (no adjustment is made for price changes).

The estimate of personal income in the United States is derived as the sum of the county estimates; it differs slightly from the estimate of personal income in the national income and product accounts (NIPAs) because of differences in coverage, in the methodologies used to prepare the estimates, and in the timing of the availability of source data.

**Per capita personal income** is calculated as the personal income of residents of a given area divided by the resident population of the area. In computing per capita personal income, BEA uses the Census Bureau's annual midyear population estimates.

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BEA's national, international, regional, and industry estimates; the *Survey of Current Business*; and BEA news releases are available without charge on BEA's Web site at [www.bea.gov](http://www.bea.gov). By visiting the site, you can also subscribe to receive free e-mail alerts of BEA releases and announcements.

**Personal Income by Major Source and Earnings by Industry for Los Angeles County, California, 2003-2005<sup>1</sup>**

	[Thousands of dollars]		
	2003	2004	2005
<i>Income by place of residence</i>			
Personal income	309,827,072	327,362,646	342,231,121
Population (persons) 2/	9,862,088	9,917,538	9,941,197
Per capita personal income (dollars)	31,416	33,008	34,426
<i>Derivation of personal income</i>			
Earnings by place of work	263,316,886	279,378,339	293,030,796
less: Contributions for government social insurance 3/	29,242,218	31,523,587	33,154,295
Employee and self-employed contributions for government social insurance	14,897,293	15,961,365	16,831,391
Employer contributions for government social insurance	14,344,925	15,562,222	16,322,904
plus: Adjustment for residence 4/	-19,918,110	-20,390,827	-20,851,923
equals: Net earnings by place of residence	214,156,558	227,463,925	239,024,578
plus: Dividends, interest, and rent 5/	49,654,416	51,278,516	52,718,921
plus: Personal current transfer receipts	46,016,098	48,620,205	50,487,622
<i>Earnings by place of work</i>			
<b>Components of earnings</b>			
Wage and salary disbursements	184,029,912	193,748,711	201,651,773
Supplements to wages and salaries	41,059,414	44,787,079	47,570,512
Employer contributions for employee pension and insurance funds	26,714,489	29,224,857	31,247,608
Employer contributions for government social insurance	14,344,925	15,562,222	16,322,904
Proprietors' income 6/	38,227,560	40,842,549	43,808,511
Farm proprietors' income	127,508	73,082	31,895
Nonfarm proprietors' income	38,100,052	40,769,467	43,776,616
<b>Earnings by industry</b>			
Farm earnings	300,915	258,892	230,224
Nonfarm earnings	263,015,971	279,119,447	292,800,572
Private earnings	226,362,187	240,999,831	253,254,638
Forestry, fishing, related activities, and other 7/	125,053	120,105	134,419
Forestry and logging	7,576	7,017	7,603
Fishing, hunting, and trapping	10,614	11,924	13,551
Agriculture and forestry support activities	84,814	79,060	90,975
Other 7/	22,049	22,104	22,290
Mining	876,337	1,172,533	1,209,836
Oil and gas extraction	718,542	1,023,527	1,045,092
Mining (except oil and gas)	54,533	52,313	52,227
Support activities for mining	103,262	96,693	112,517
Utilities	1,738,266	1,753,961	1,932,030
Construction	10,377,294	11,437,311	12,736,280
Construction of buildings	3,622,402	4,041,225	4,519,645
Heavy and civil engineering construction	1,335,320	1,361,189	1,469,262
Specialty trade contractors	5,419,572	6,034,897	6,747,373
Manufacturing	30,996,596	32,292,573	33,043,837
Durable goods manufacturing	19,414,219	20,197,397	20,694,722
Wood product manufacturing	236,806	267,567	266,444
Nonmetallic mineral product manufacturing	522,770	551,180	519,365
Primary metal manufacturing	585,853	674,478	719,727
Fabricated metal product manufacturing	2,487,476	2,536,768	2,664,424
Machinery manufacturing	1,468,051	1,414,055	1,415,873
Computer and electronic product manufacturing	5,476,926	5,916,816	6,279,048
Electrical equipment and appliance manufacturing	670,359	753,830	687,898
Motor vehicles, bodies and trailers, and parts manufacturing	943,808	(D)	(D)
Other transportation equipment manufacturing	3,898,084	(D)	(D)

See footnotes at the end of the table.

**Personal Income by Major Source and Earnings by Industry for Los Angeles County, California, 2003-2005<sup>1</sup> (continued)**

	[Thousands of dollars]		
	2003	2004	2005
Furniture and related product manufacturing	1,189,606	1,343,095	1,289,756
Miscellaneous manufacturing	1,934,480	1,907,730	2,081,169
Nondurable goods manufacturing	11,582,377	12,095,176	12,349,115
Food manufacturing	2,518,556	2,435,077	2,483,472
Beverage and tobacco product manufacturing	459,818	452,219	493,485
Textile mills	360,592	391,497	387,567
Textile product mills	287,999	285,234	285,769
Apparel manufacturing	2,235,185	2,373,898	2,415,620
Leather and allied product manufacturing	126,438	130,638	145,979
Paper manufacturing	781,600	781,486	804,908
Printing and related support activities	1,497,823	1,578,517	1,614,183
Petroleum and coal products manufacturing	618,520	699,779	772,780
Chemical manufacturing	1,793,615	2,013,182	2,048,211
Plastics and rubber products manufacturing	902,231	953,649	897,141
Wholesale trade	14,506,104	15,638,920	16,878,960
Retail trade	16,606,453	17,307,265	17,999,133
Motor vehicle and parts dealers	3,129,206	3,262,323	3,467,112
Furniture and home furnishings stores	684,528	713,513	749,839
Electronics and appliance stores	1,055,982	1,113,691	1,205,936
Building material and garden supply stores	945,395	1,050,322	1,121,686
Food and beverage stores	3,065,059	3,116,474	3,215,628
Health and personal care stores	1,277,110	1,280,405	1,299,982
Gasoline stations	594,184	609,659	617,659
Clothing and clothing accessories stores	1,766,622	2,013,436	2,048,021
Sporting goods, hobby, book and music stores	751,718	782,342	748,738
General merchandise stores	1,614,129	1,654,692	1,751,207
Miscellaneous store retailers	1,266,473	1,086,450	1,111,889
Nonstore retailers	456,047	623,958	661,436
Transportation and warehousing	9,631,924	10,191,166	10,511,784
Air transportation	1,749,792	1,730,226	1,528,250
Rail transportation	278,999	293,817	300,017
Water transportation	94,728	98,902	105,480
Truck transportation	2,072,999	2,209,653	2,220,479
Transit and ground passenger transportation	410,961	416,854	478,017
Pipeline transportation	142,861	174,245	160,456
Scenic and sightseeing transportation	45,327	30,617	31,697
Support activities for transportation	3,092,909	3,352,059	3,731,720
Couriers and messengers	948,380	1,020,583	1,050,166
Warehousing and storage	794,968	864,210	905,502
Information	23,860,514	25,166,724	25,238,549
Publishing industries, except Internet	1,845,389	1,964,069	2,059,996
Motion picture and sound recording industries	14,278,221	14,032,619	13,616,413
Broadcasting, except Internet	4,290,096	5,380,529	5,487,418
Internet publishing and broadcasting	264,523	237,277	298,881
Telecommunications	2,178,430	2,377,439	2,402,110
ISPs, search portals, and data processing	939,530	1,104,333	1,295,468
Other information services	64,325	70,458	78,263

See footnotes at the end of the table.

**Personal Income by Major Source and Earnings by Industry for Los Angeles County, California, 2003-2005<sup>1</sup> (continued)**

	[Thousands of dollars]		
	2003	2004	2005
Finance and insurance	17,119,244	18,539,420	20,067,353
Monetary authorities - central bank	63,613	61,912	69,479
Credit intermediation and related activities	6,041,159	6,265,639	7,027,122
Securities, commodity contracts, investments	5,345,315	6,174,715	6,754,039
Insurance carriers and related activities	5,298,231	5,657,354	5,756,145
Funds, trusts, and other financial vehicles	370,926	379,800	460,568
Real estate and rental and leasing	8,249,309	8,861,838	9,795,896
Real estate	6,409,886	7,037,750	8,230,654
Rental and leasing services	1,574,860	1,609,550	1,385,900
Lessors of nonfinancial intangible assets	264,563	214,538	179,342
Professional and technical services	28,337,793	30,865,072	33,458,456
Management of companies and enterprises	6,083,589	6,516,737	6,740,886
Administrative and waste services	9,963,904	10,191,902	10,753,594
Administrative and support services	9,558,917	9,721,700	10,230,036
Waste management and remediation services	404,987	470,202	523,558
Educational services	3,866,253	4,120,455	4,381,577
Health care and social assistance	21,162,680	22,692,459	23,819,154
Ambulatory health care services	11,225,770	11,969,751	12,743,829
Hospitals	5,947,278	6,585,805	6,934,421
Nursing and residential care facilities	2,079,033	2,147,355	2,052,035
Social assistance	1,910,599	1,989,548	2,088,869
Arts, entertainment, and recreation	7,938,333	8,404,362	8,266,569
Performing arts and spectator sports	6,336,401	6,731,659	6,527,748
Museums, historical sites, zoos, and parks	402,358	428,037	465,934
Amusement, gambling, and recreation	1,199,574	1,244,666	1,272,887
Accommodation and food services	6,760,747	7,240,905	7,572,821
Accommodation	1,286,666	1,406,129	1,457,797
Food services and drinking places	5,474,081	5,834,776	6,115,024
Other services, except public administration	8,161,794	8,486,123	8,713,504
Repair and maintenance	2,266,641	2,332,910	2,466,467
Personal and laundry services	1,820,518	1,867,901	1,926,013
Membership associations and organizations	2,576,719	2,692,459	2,706,560
Private households	1,497,916	1,592,853	1,614,464
Government and government enterprises	36,653,784	38,119,616	39,545,934
Federal, civilian	4,407,297	4,741,066	4,827,746
Military	838,463	898,753	1,007,324
State and local	31,408,024	32,479,797	33,710,864
State government	4,364,452	4,551,720	4,624,793
Local government	27,043,572	27,928,077	29,086,071

D. Not shown to avoid disclosure of confidential information, but the estimates for this item are included in the total.

1. The estimates of earnings for 2003-2005 are based on the 2002 North American Industry Classification System (NAICS).
2. Census Bureau midyear population estimates. Estimates for 2003-2005 reflect county population estimates available as of March 2007.
3. Contributions for government social insurance are included in earnings by type and industry but they are excluded from personal income.
4. The adjustment for residence is the net inflow of the earnings of interarea commuters. For the United States, it consists of adjustments for border workers: Wage and salary disbursements to U.S. residents commuting to Canada less wage and salary disbursements to Canadian and Mexican residents commuting into the United States.
5. Rental income of persons includes the capital consumption adjustment.
6. Proprietors' income includes the inventory valuation adjustment and capital consumption adjustment.
7. "Other" consists of wage and salary disbursements to U.S. residents employed by international organizations and foreign embassies and consulates in the United States.

Source: U.S. Bureau of Economic Analysis