

# News Release

[News Release](#)

[Related Materials](#)

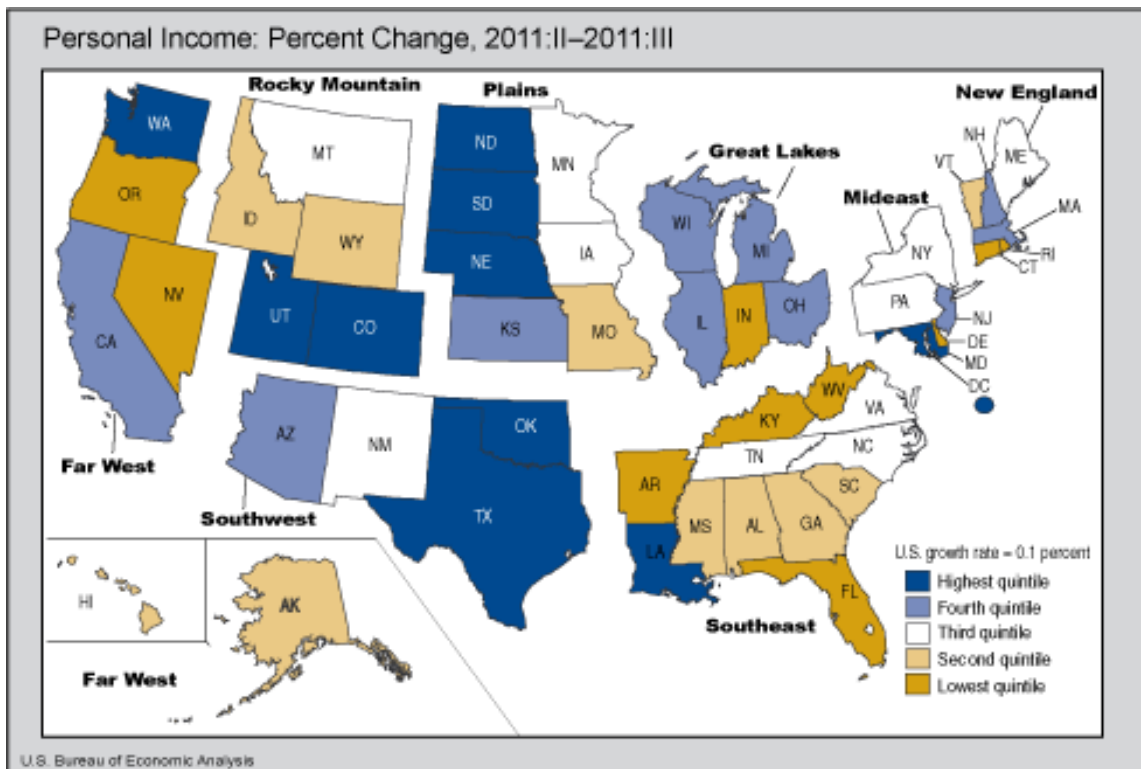
[Contacts](#)

EMBARGOED FOR RELEASE: 8:30 A.M. EST, Monday, December 19, 2011

BEA 11-61

## State Quarterly Personal Income, 1st quarter 2010-3rd quarter 2011

WASHINGTON DC, December 19, 2011 - State personal income growth slowed to 0.1 percent, on average, in the third quarter of 2011, according to estimates released today by the U.S. Bureau of Economic Analysis. Growth rates ranged from -0.4 percent in West Virginia to 0.6 percent in Washington State. Personal income fell or was unchanged in twenty states and grew 0.2 percent in the other thirty. Inflation, as measured by the national price index for personal consumption expenditures, decreased to 0.6 percent in the third quarter from 0.8 percent in the second quarter of 2011.



**Earnings by industry and state.** Earnings grew 0.4 percent in the third quarter. Earnings fell or remained unchanged in 4 states and in 7 of the 24 industries that BEA tracks on a quarterly basis.

The biggest earnings decline 2.4 percent was in the information industry. The decline reflects a two-week strike by telecommunications workers in August and job losses in other information industries. The decline in information earnings ranged from 1.3 percent in Arizona to 4.6 percent in Hawaii. Only in Washington State did information earnings rise. The 4.7 percent gain in Washington reflected the vesting of stock grants and the exercise of stock options, common forms of compensation among technology firms.

State and local government earnings fell in most states in the third quarter. The largest decline 2.9 percent was in Minnesota where state government was shut down for 20 days in July, leading to the layoff of nearly 60 percent of the states workforce. State and local government earnings rose in four states: California, New York, Oklahoma, and Mississippi.

Federal civilian earnings fell in most states, with the largest declines in Kansas (1.3 percent) and Texas (1.2 percent). Until recently, job losses in the postal service have been offset by employment gains in other federal agencies so that total federal civilian earnings grew. In the third quarter, however, job losses in the postal service were accompanied by job losses in the rest of the federal civilian workforce and earnings fell 0.2% nationally.

In contrast to most states, federal civilian earnings rose one percentage point or more in Colorado, Maryland, Montana, New Mexico, and Wyoming. The gain in Maryland, however, reflected a realignment of existing jobs from Walter Reed Hospital in the District of Columbia (which closed) to Bethesda Naval Hospital in Maryland.

Third quarter earnings grew 1.5 percent in the administrative services industry (which

includes temporary help firms) and 1.4 percent in health care and educational services.

NOTE.— Quarter-to-quarter percent changes are calculated from unrounded data and are not annualized. Quarterly estimates are expressed at seasonally adjusted annual rates, unless otherwise specified. Quarter-to-quarter dollar changes are differences between published estimates.

## 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, property income, and personal current transfer receipts. **Property income** is rental income of persons, personal dividend income, and personal interest income. **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. 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 state estimates and the estimate for the District of Columbia; it differs 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.

BEA groups all 50 states and the District of Columbia into eight distinct regions for purposes of data collecting and analyses: **New England** (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont); **Mideast** (Delaware, District of Columbia, Maryland, New Jersey, New York, and Pennsylvania); **Great Lakes** (Illinois, Indiana, Michigan, Ohio, and Wisconsin); **Plains** (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota); **Southeast** (Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia); **Southwest** (Arizona, New Mexico, Oklahoma, and Texas); **Rocky Mountain** (Colorado, Idaho, Montana, Utah, and Wyoming); and **Far West** (Alaska, California, Hawaii, Nevada, Oregon, and Washington).

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 summaries of BEA releases and announcements.

\*\*\*\*

Next state personal income release – March 28, 2012, at 8:30 A.M. for state personal income, fourth quarter 2011.