



## STATE PERSONAL INCOME: THIRD QUARTER 2009

**Buoyed by upward data revisions and positive contributions by private-sector wage and salary increases, total personal income increased for the second consecutive quarter in Delaware, New Jersey, and Pennsylvania. In fact, the third quarter 2009 report for all three states was broadly positive.**

Third quarter data released by the U.S. Bureau of Economic Analysis show that total personal income increased at a quarterly rate of 0.5 percent in Delaware, 0.7 percent in New Jersey, 0.4 percent in Pennsylvania, and 0.3 percent nationally. These increases mark the second consecutive quarter for all three states in which total personal income increased. Revisions to first and second quarter estimates were also positive and significant in each state and the nation for one or both quarters.

The composition of income reveals more positive news. For the first time since the fourth quarter of 2008, net earnings — particularly wage and salary disbursements — contributed positively to the percent change in personal income in all three states and the nation. Finance and health care sectors account for most of the increase. In addition, the contribution from wages and salaries has been less than the unemployment insurance contribution (if not negative) since the third quarter of 2008. This quarter, wage and salary earnings contributed about the same as state unemployment insurance for each state.

**3RD QUARTER DATA: Percent Change in Total Personal Income (Quarter-to-Quarter)**

Area	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3
DE	0.2	-0.1	-1.2	0.6	0.5
NJ	0.6	-0.2	-2.6	1.5	0.7
PA	0.0	0.1	-0.9	1.2	0.4
US	0.0	-0.5	-2.2	0.8	0.3

Source: U.S. Bureau of Economic Analysis

Quarterly estimates of annual per capita income were \$39,970 in Delaware, \$50,986 in New Jersey, and \$40,484 in Pennsylvania. The national average for per capita income was \$39,303. Declines in real per capita income have significantly subsided or begun to reverse since the first quarter of this year. On a quarterly basis, Delaware's real per capita income fell slightly (-0.2 percent), as did the nation's (-0.3) percent. Real per capita income rose slightly in New Jersey (0.3 percent) and held steady in Pennsylvania (0.0 percent).

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