

System
Indicators

Demographics and Economy



Sources of Income (2007)

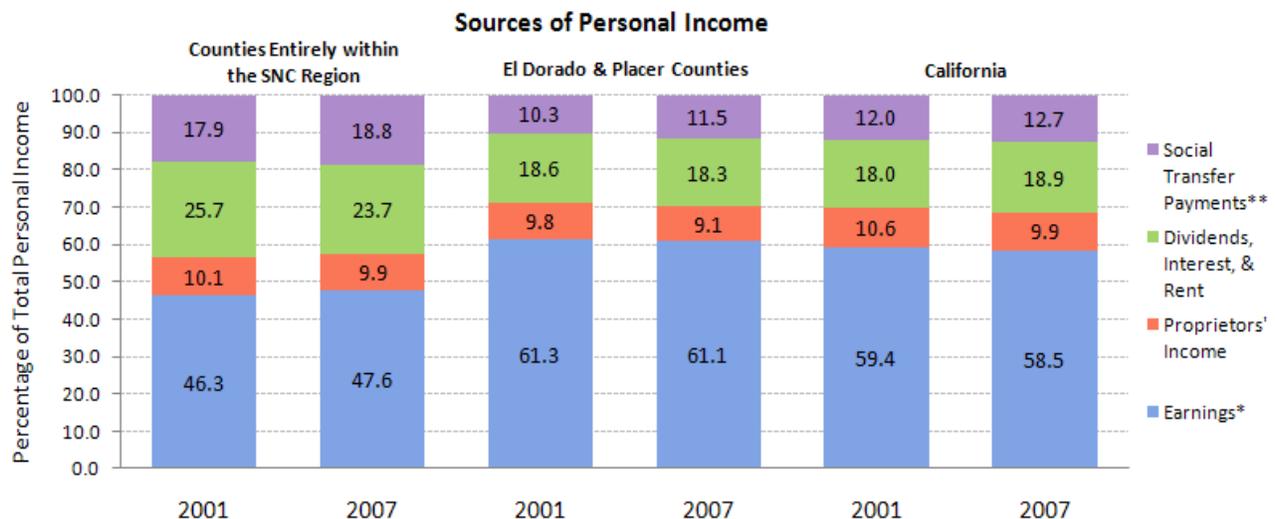
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Sources of Income (for a Portion of the Region)



While the dominant source of income for a community, region, or state is employment earnings, there are other significant sources: business and investment income; rent; and a variety of local, state, and federal social transfer payments, including social security. The relationship between those sources and changes over time provides another window into the economic balance and vitality of a region.

In the twelve counties defined as entirely within the SNC Region, retirement and investment income provides a much larger share of total income than for the State, or for Placer and El Dorado Counties. In 2007, 19 percent of the income in the twelve counties was social transfer payments, in contrast to 13 percent for California and 11 percent for Placer and El Dorado Counties. The twelve counties also had a much higher proportion of investment income (24 percent from dividends, interest, or rent) compared to 19 percent for the state and 18 for Placer and El Dorado. Across the board, proprietors' income accounted for 10 percent of total income.



*Earnings includes Wage & Salary Disbursements, Supplements to Wages and Salaries, and Adjustments for Residence; less Contributions for government social insurance.

**Social Transfer Payments (Federal, State, and Local) is Personal Current Transfer Receipts.

Data Source: U.S. Bureau of Economic Analysis

Income from 'earnings' (wages and salaries) accounted for only 47.6 percent of total income in the twelve counties entirely within the Region, compared to 61 percent in Placer and El Dorado Counties and 58.5 percent for the State.

Although earnings in the twelve counties accounts for less than half of total income, that source grew slightly from 2001 to 2007, increasing from 46.3% to 47.6% of total income. Earnings as a proportion of total income was unchanged from 2001 to 2007 for Placer and El Dorado Counties, and declined overall in California by one percentage point. Social transfer payments increased by one percentage point, while dividends, interest, and rent declined substantially from 25.6 percent to 23.7 percent in the twelve counties.

In real terms, total income in the twelve counties entirely within the SNC Region rose 17.2 percent from 2001 to 2007, to \$12.7 billion. This was better than for the State, where total income rose 14.4 percent (to \$1.573 trillion). Placer and El Dorado Counties (including those portions outside the Region) had a more robust income growth of nearly 27 percent.

In the twelve counties, social transfer payments was the fastest growing income component, increasing 23 percent in real terms from 2001 to 2007. However, this was about the same rate of growth as for California, while transfer payments increased 41 percent in Placer and El Dorado Counties.

Earnings (wages and salaries) in the twelve counties increased 20 percent (over \$1 billion) between 2001 and 2007, compared to a 13 percent increase in California. Earnings increased 26 percent in Placer and El Dorado Counties.

Dividend, interest, and rent income increased weakly in the twelve counties (8 percent real growth from 2001 to 2007 – with most of that growth just in the last year) compared to Placer and El Dorado (25 percent) and California (20 percent).

Proprietors' income declined dramatically in 2006-2007, erasing nearly half the gains since 2001.

Percent Change in Personal Income						
Source of Income	Counties Entirely Within the SNC Region		El Dorado & Placer Counties		California	
	2001-2007	2006-2007	2001-2007	2006-2007	2001-2007	2006-2007
Social Transfer Payments (Federal, State, and Local)**	+23%	+3%	+41%	+5%	+21%	+3%
Earnings*	+20%	+2%	+26%	+2%	+13%	+2%
Proprietors' Income	+14%	-11%	+17%	-11%	+7%	-6%
Dividends, Interest, & Rent	+8%	+6%	+25%	+6%	+20%	+7%