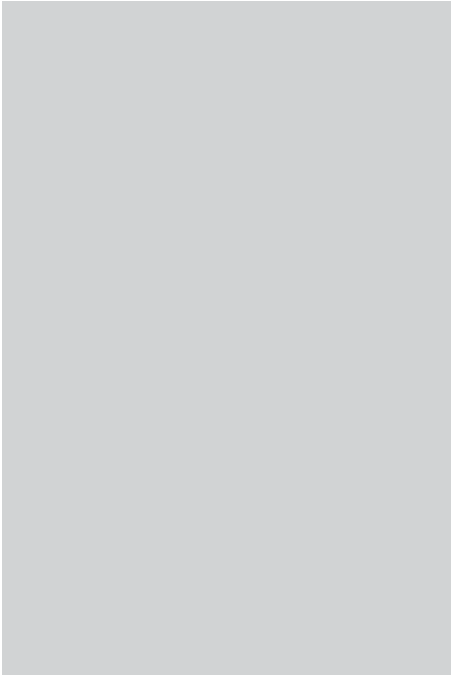




THE RICHARD STOCKTON COLLEGE OF NEW JERSEY

THE



City was up 1.8% year-on-year. While this rate of job growth trailed Trenton's 2.2% pace, it was faster than the state's 1.4%. (See Figure 2) On an industry basis, this year's job growth in Atlantic City has been led by gains in local government

Personal Income Growth in AC
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recent five years, annual real personal income growth in Atlantic County averaged a mere 0.3% compared to the state's 0.8% and the nation's 1.4%. Proprietors' income in Atlantic County declined a rather startling 8.3% in real terms on an average annual basis between 2000 and 2005. This rate of growth was heavily influenced by a dramatic 35% real decline in proprietor's income in 2001, however. If 2000 and 2001 are excluded from the analysis, real growth in proprietor's income in Atlantic County for 2002-2005 averaged 1% annually. This was significantly less than average annual rates of growth in proprietors' income of 4.4% for the state and 5.1% for the nation over the same three-year period.

In addition to the recent decline in proprietors' income that has worked to limit real personal income growth in Atlantic County in recent years, income in the county derived from

Figure 5: Change in Personal Income and its Components, Selected Years: Atlantic City, New Jersey, and the U.S.
(in billions of 2005 dollars)

	1980	1990	1995	2000	2005	Average annual rate of growth				
						1980-1990	1990-1995	1995-2000	2000-2005	
Atlantic City										
Personal Income	5.3	7.6	8.1	9.0	9.2	3.7%	1.3%	2.3%	0.3%	
Wages and salaries	3.0	5.3	5.2	5.5	5.9	5.7%	-0.3%	1.1%	1.3%	
Proprietors income	0.5	1.0	1.3	1.7	1.1	7.8%	5.5%	5.2%	-8.3%	
Dividends, interest, rent	0.7	1.3	1.1	1.3	1.2	5.8%	-2.1%	3.3%	-3.1%	
Transfer payments	0.7	0.9	1.2	1.3	1.6	1.7%	6.4%	1.8%	3.8%	
Residency adjustment	0.1	-1.0	-0.9	-0.9	-0.8	N/A	-1.8%	-0.8%	-1.5%	
New Jersey										
Personal Income	193.8	276.3	297.6	366.8	382.0	3.6%	1.5%	4.3%	0.8%	
Wages and salaries	107.5	153.3	160.9	199.4	201.6	3.6%	1.0%	4.4%	0.2%	
Proprietors income	11.4	18.2	22.9	28.6	33.4	4.8%	4.7%	4.5%	3.1%	
Dividends, interest, rent	29.6	54.6	51.8	63.7	59.0	6.3%	-1.1%	4.2%	-1.5%	
Transfer payments	21.9	28.0	37.0	39.8	47.0	2.5%	5.7%	1.5%	3.4%	
Residency adjustment	16.1	15.3	18.1	29.1	29.1	-0.5%	3.4%	10.0%	0.0%	
US										
Personal Income	5,157.	7,042.	7,816.	9,547.	10,225.	3.2%	2.1%	4.1%	1.4%	
Wages and salaries	3,075.	3,973.	4,344.	5,471.	5,659.	2.6%	1.8%	4.7%	0.7%	
Proprietors income	390.	553.	628.	828.	971.	3.6%	2.6%	5.7%	3.2%	
Dividends, interest, rent	827.	1,410.	1,447.	1,741.	1,591.	5.5%	0.5%	3.8%	-1.8%	
Transfer payments	629.	863.	1,116.	1,229.	1,527.	3.2%	5.3%	1.9%	4.4%	
Residency adjustment	-1.0	-1.1	-1.1	-1.2	-1.3	0.5%	1.3%	1.1%	1.0%	

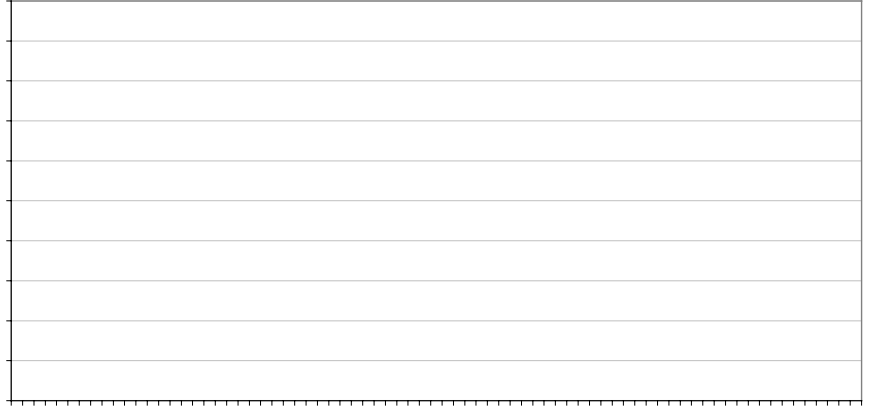
Source: Bureau of Economic Analysis.

declined 1.5% and 1.8% annually in New Jersey and the U.S., respectively, between 2000 and 2005, it declined 3.1% in the Atlantic City metropolitan area. ■

Reflecting developers' attempts to

AC's Housing Market Cooling
Continued from page 4

The slowdown in Atlantic City's single-family homebuilding market is also apparent in permit activity. For the May to August period of this year, total single-family permits issued in Atlantic County were down 15% from their year-ago level. (See Figure 7) The slowing in the local area's homebuilding industry is also reflected in construction employment data. Employment in Atlantic City's construction industry was down 4.2% year-on-year through August.



population gain between 2000 and 2005. These sources accounted for 42.7% and 35.4%, respectively, of the county's overall population increase over this period. In contrast, Cumberland County's population gain over the same period was driven by natural increase (43%) and international migration (35%). Cape May's population decline, meanwhile, was driven by natural increase (-1,626) and domestic out-migration (-1,533).