

# Median Family Income

## DEFINITION

*Median family income* is the dollar amount which divides Rhode Island families' income distribution into two equal groups – half with incomes above the median and half with incomes below the median. The numbers include only families with their “own children” under age 18, defined as never-married children who are related to the family head by birth, marriage, or adoption.

## SIGNIFICANCE

Median family income is a measure of the ability of families to meet the costs of food, clothing, housing, health care, transportation, child care, and higher education. In 2017, the median family income for Rhode Island families with their own children was \$79,967.<sup>1</sup> Rhode Island had the 12th highest median family income nationally and the 4th highest in New England.<sup>2</sup>

Between 2013 and 2017, Rhode Island's median income for families with their own children differed significantly by family type. The median family income for married two-parent families (\$102,759) was almost two and a half times that of male-headed single-parent families (\$42,018) and more than three and a half times that of female-headed single-parent families (\$27,380).<sup>3</sup>

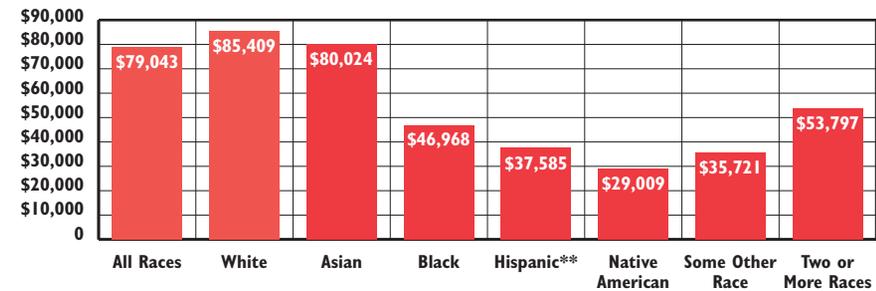
Rhode Island had the nation's highest unemployment rate in 2010 (11.3%), but by 2017 the state's unemployment

rate had decreased to 4.2%, the same as the national unemployment rate, and only slightly higher than the overall New England rate (3.9%). Despite declines in unemployment, Rhode Island continues to have gaps in unemployment rates by race and ethnicity. In 2018, Rhode Island's unemployment rate for White workers was 3.7%, while it was 6.3% for Black workers and 7.2% for Hispanic workers.<sup>4,5</sup>

While Rhode Island's unemployment rate has declined, many workers remain unable to find full-time employment and struggle to make ends meet with inadequate and unpredictable income.<sup>6</sup> Almost 24 million people in the U.S. work in low-wage jobs where they are paid \$11.50 per hour or less.<sup>7</sup> Conditions at low-wage jobs, such as fluctuating work hours, lack of paid time off, and strict attendance policies can harm children's development by making it difficult for parents to find and keep affordable high-quality child care and education for their children.<sup>8</sup>

In Rhode Island over the past few decades, income inequality has grown. In 2015, the top 1% of Rhode Island households had average incomes (\$928,204) that were 18 times more than the bottom 99% (\$50,963) of households. Rhode Island is ranked 32nd of the 50 states in income inequality based on the ratio of top 1% to bottom 99% income.<sup>9</sup>

**Median Family Income by Race and Ethnicity, Rhode Island, 2013-2017\***



Source: U.S. Census Bureau, American Community Survey, 2013-2017. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113E, B19113G, and B19113I. \*Median Family Income by race and ethnicity includes all families because data for families with “own children” are not available by race and ethnicity. \*\*Hispanics may be in any race category.

- ◆ **The median income for White families in Rhode Island is higher than that of Asian families, and much higher than that of Black, Hispanic, and Native American families.**<sup>10</sup>
- ◆ **Educational attainment is strongly associated with economic well-being. Rhode Islanders who have achieved a Bachelor's degree or higher have nearly double the wages compared to residents who have only completed high school. More than one in three Hispanic and more than one in five Black adults in Rhode Island lack a high school diploma, compared to one in ten White adults.**<sup>11</sup>
- ◆ **According to the 2018 Rhode Island Standard of Need, it costs a single-parent family with two young children \$55,115 a year to pay basic living expenses, including housing, food, health care, child care, transportation, and other miscellaneous items. This family would need an annual income of \$62,844 to meet this budget without government subsidies.**<sup>12</sup>
- ◆ **An adequate minimum wage and income support programs (including RIte Care health insurance, child care subsidies, SNAP/food stamp benefits, and the Earned Income Tax Credit) are critical for helping low-and moderate-income working families in Rhode Island make ends meet.**<sup>13</sup>

Table 6. Median Family Income, Rhode Island, 2013-2017

CITY/TOWN	1999 MEDIAN FAMILY INCOME FOR FAMILIES WITH CHILDREN UNDER AGE 18 (ADJUSTED TO 2017 DOLLARS*)	2013-2017 MEDIAN FAMILY INCOME FOR FAMILIES WITH CHILDREN UNDER AGE 18	
		ESTIMATES WITH HIGH MARGINS OF ERROR**	ESTIMATES WITH LOWER, ACCEPTABLE MARGINS OF ERROR
Barrington	\$131,049		\$153,318
Bristol	\$78,706		\$82,067
Burrillville	\$81,299		\$80,025
Central Falls	\$32,481		\$29,935
Charlestown	\$81,291		\$88,520
Coventry	\$90,553		\$100,471
Cranston	\$83,983		\$78,750
Cumberland	\$100,789		\$104,167
East Greenwich	\$160,214		\$158,889
East Providence	\$72,134		\$67,991
Exeter	\$108,092	\$109,957	
Foster	\$93,549		\$101,250
Glocester	\$89,937		\$111,902
Hopkinton	\$87,179		\$101,837
Jamestown	\$117,442	\$151,836	
Johnston	\$83,595	\$81,357	
Lincoln	\$95,150	\$79,694	
Little Compton	\$83,651	\$96,250	
Middletown	\$81,618		\$74,836
Narragansett	\$100,729		\$134,706
New Shoreham	\$80,943	\$64,375	
Newport	\$63,647		\$81,597
North Kingstown	\$98,567		\$107,455
North Providence	\$74,522		\$75,154
North Smithfield	\$104,885		\$106,047
Pawtucket	\$49,533		\$42,969
Portsmouth	\$99,437		\$115,101
Providence	\$36,227		\$37,183
Richmond	\$93,677		\$105,400
Scituate	\$102,035		\$93,929
Smithfield	\$98,958		\$121,579
South Kingstown	\$100,751		\$117,059
Tiverton	\$94,191		\$80,727
Warren	\$79,022	\$61,250	
Warwick	\$84,181		\$85,346
West Greenwich	\$103,533		\$111,908
West Warwick	\$61,736		\$60,641
Westerly	\$76,707	\$72,143	
Woonsocket	\$50,866		\$31,883
Four Core Cities	NA		NA
Remainder of State	NA		NA
Rhode Island	\$74,616		\$72,430

### Source of Data for Table/Methodology

Median family income data include only households with children under age 18 who meet the U.S. Census Bureau's definition of a family. The U.S. Census Bureau defines a family as a household that includes a householder and one or more people living in the same household who are related to the householder by birth, marriage, or adoption.

\*The 1999 median family income data are adjusted to 2017 constant dollars by multiplying 1999 dollar values by 1.47587899 as recommended by the U.S. Census Bureau.

The 2013-2017 data come from a Population Reference Bureau analysis of 2013-2017 American Community Survey data. The American Community Survey is a sample survey, and therefore the median family income is an estimate. The reliability of estimates vary by community. In general, estimates for small communities are not as reliable as estimates for larger communities.

\*\*The Margin of Error around the estimate is greater than or equal to 25 percent of the estimate.

The Margin of Error is a measure of the reliability of the estimate and is provided by the U.S. Census Bureau. The Margin of Error means that there is a 90 percent chance that the true value is no less than the estimate minus the Margin of Error and no more than the estimate plus the Margin of Error. See the Methodology Section for Margins of Errors for all communities.

Core cities are Central Falls, Pawtucket, Providence, and Woonsocket.

NA: Median family income cannot be calculated for combinations of cities and towns (i.e., Four Core Cities and Remainder of State).

### References

- U.S. Census Bureau, American Community Survey, 2017. Table B19125.
- U.S. Census Bureau, American Community Survey, 2017. Table R1902.
- U.S. Census Bureau, American Community Survey, 2013-2017. Table B19126.
- <sup>4,6,11</sup> *State of working Rhode Island 2017: Paving the way to good jobs.* (2017). Providence, RI: The Economic Progress Institute.
- <sup>5</sup> *Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2017 annual averages – Rhode Island and United States.* (2017). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.
- <sup>7</sup> Patrick, K., Berlan, M., & Harwood, M. (2018). *Low-wage jobs held primarily by women will grow the most over the next decade.* Washington, DC: National Women's Law Center.
- <sup>8</sup> Vogtman, J. & Schulman, K. (2016). *Set up to fail: When low-wage work jeopardizes parents' and children's success.* Washington, DC: National Women's Law Center.
- <sup>9</sup> Sommeiller, E. & Price, M. (2018). *The new gilded age: Income inequality in the U.S. by state, metropolitan area, and county.* Washington, DC: Economic Policy Institute.
- <sup>10</sup> U.S. Census Bureau, American Community Survey, 2013-2017. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113E, B19113G, & B19113I.
- <sup>12,13</sup> *The 2018 Rhode Island standard of need.* (2018). Providence, RI: The Economic Progress Institute.