

# 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 2022, the median family income for Rhode Island families with their own children was \$96,190.<sup>1</sup>

Between 2018 and 2022, in Rhode Island, the median family income for married two-parent families (\$119,934) was twice that of male-headed single-parent families (\$55,671) and more than three times that of female-headed single-parent families (\$35,779).<sup>2</sup>

Rhode Island's unemployment rate fell back to the pre COVID-19 rate of 3.5% in 2022, and decreased further to 3.3% in 2023. Rhode Island continues to have gaps in unemployment rates by race and ethnicity. In 2023, the unemployment rate was 6.5% for Hispanic workers, 5.1% for Black workers, and 2.9% for white workers.<sup>3,4</sup>

Even when Rhode Island's unemployment rate is low, many workers are unable to find full-time work and struggle to make ends meet with inadequate and unpredictable income. In 2018, more than 22 million people in the U.S. worked in low-wage jobs (less than \$12 per hour), and job losses during the pandemic disproportionately affected low-wage workers.<sup>5,6,7</sup> Conditions at low-wage jobs, such as unstable and inadequate 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 for their children.<sup>8</sup>

In the U.S., income inequality has grown substantially since the 1970s.<sup>9</sup> In 2018 in Rhode Island, the top 1% of households held almost 17% of total income. Rhode Island has the 32nd highest income inequality of the 50 states based on the share of income held by the top 1% of households.<sup>10</sup>

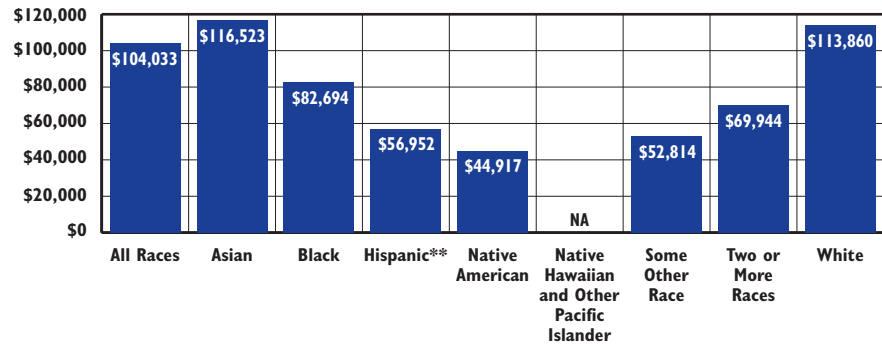
Median Family Income	
	2022
RI	\$104,400
US	\$91,100
National Rank*	10th
New England Rank**	4th

\*1st is best; 50th is worst

\*\*1st is best; 6th is worst

Source: The Annie E. Casey Foundation, KIDS COUNT Data Center, datacenter.kidscount.org

Median Family Income, by Race and Ethnicity, Rhode Island, 2018-2022\*



Source: U.S. Census Bureau, American Community Survey, 2018-2022. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113E, B19113F, 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 Asian and white families in Rhode Island is higher than that of Black families, and much higher than Hispanic, Native American, and Native Hawaiian and other Pacific Islander families, and families of Some other race or Two or more races.<sup>11</sup>

★ Educational attainment is strongly associated with economic well-being. Rhode Islanders who have achieved a bachelor's degree have double the median earnings compared to workers who have not completed high school. In Rhode Island, one in four Hispanic adults, one in seven Black adults, and one in 12 white adults lack a high school diploma.<sup>12</sup>

★ According to the 2022 Rhode Island Standard of Need, it costs a single-parent family with two young children \$66,567 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 \$78,219 to meet this budget without government subsidies.<sup>13</sup>

★ An adequate minimum wage and income support programs (including RIte Care health insurance, child care subsidies, SNAP benefits, the Child Tax Credit, and the Earned Income Tax Credit) are critical for helping low-and moderate-income working families in Rhode Island make ends meet, and expanding these programs would help decrease racial and ethnic disparities in meeting basic needs.<sup>14</sup>

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Table 7. Median Family Income, Rhode Island, 2018-2022

## 2018-2022 MEDIAN FAMILY INCOME FOR FAMILIES WITH CHILDREN UNDER AGE 18

CITY/TOWN	ESTIMATES WITH HIGH MARGINS OF ERROR*	ESTIMATES WITH LOWER, ACCEPTABLE MARGINS OF ERROR
Barrington		\$172,363
Bristol		\$141,006
Burrillville		\$119,375
Central Falls		\$45,159
Charlestown		\$97,222
Coventry		\$115,919
Cranston		\$101,598
Cumberland		\$131,159
East Greenwich		\$223,333
East Providence		\$97,865
Exeter	\$108,750	
Foster	\$126,875	
Glocester	\$106,620	
Hopkinton	\$101,250	
Jamestown	\$250,000+	
Johnston		\$100,457
Lincoln		\$128,095
Little Compton	\$179,167	
Middletown		\$105,772
Narragansett	\$92,392	
New Shoreham		\$62,989
Newport	\$49,781	
North Kingstown		\$140,873
North Providence		\$80,944
North Smithfield		\$104,306
Pawtucket		\$63,012
Portsmouth		\$180,956
Providence		\$62,009
Richmond		\$119,948
Scituate		\$146,818
Smithfield		\$152,173
South Kingstown		\$119,599
Tiverton		\$123,919
Warren		\$119,914
Warwick		\$98,301
West Greenwich		\$134,746
West Warwick		\$75,664
Westerly		\$111,750
Woonsocket		\$50,592
Four Core Cities		NA
Remainder of State		NA
Rhode Island		\$96,190

### 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 2018-2022 data come from a Population Reference Bureau analysis of 2018-2022 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 varies 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.

\*\*The estimate or margin of error could not be computed due to an insufficient number of observations.

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

### References

- <sup>1</sup> U.S. Census Bureau, American Community Survey, 2022. Table B19125.
- <sup>2</sup> U.S. Census Bureau, American Community Survey, 2018-2022. Table B19126.
- <sup>3</sup> *Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2022 annual averages – Rhode Island.* (n.d.). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.
- <sup>4</sup> *Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2023 annual averages – Rhode Island.* (n.d.). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.
- <sup>5</sup> *State of working Rhode Island 2017: Paving the way to good jobs.* (2017). Providence, RI: The Economic Progress Institute.
- <sup>6</sup> Tucker, J., & Vogtman, J. (2020). *When hard work is not enough: Women in low-paid jobs.* Washington, DC: National Women's Law Center.
- <sup>7</sup> Gould, E., & Kandra, J. (2021). *Wages grew in 2020 because the bottom fell out of the low-wage labor market: The state of working America 2020 wages report.* Washington, DC: Economic Policy Institute.
- <sup>8</sup> *Collateral Damage: Scheduling Challenges for Workers in Low-Paid Jobs and Their Consequences.* (2020). Washington, DC: National Women's Law Center.
- <sup>9</sup> Stone, C., Trisi, D., Sherman, A., & Beltrán. (2020). *A guide to statistics on historical trends in income inequality.* Washington, DC: Center on Budget and Policy Priorities.
- <sup>10</sup> Frank, M. W. (2021). *U.S. state-level income inequality data.* Retrieved January 19, 2024, from www.shsu.edu
- <sup>11</sup> U.S. Census Bureau, American Community Survey, 2018-2022. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113E, B19113F, B19113G, & B19113I.
- <sup>12</sup> U.S. Census Bureau, American Community Survey, 2018-2022. Table S1501.
- <sup>13,14</sup> *The 2022 Rhode Island standard of need.* (2022). Providence, RI: The Economic Progress Institute.