



September 28, 2010

## Earnings, Poverty, and Income Inequality in San Diego County

Analysis of regional data from the US Census Bureau  
2009 American Community Survey

### ISSUE BRIEF

#### KEY FINDINGS

##### Poverty in San Diego County

- The county's poverty rate rose to 12.6% in 2009, from 11.1% in pre-recession 2007. The rate was 14.3% for the City of San Diego and 22.4% for El Cajon.
- Of the 374,000 county residents living below the federal poverty line, almost 123,000 were children -- a 17% childhood poverty rate.

##### Working Poverty in San Diego County

- 43% of adults living below the federal poverty level were working.
- 199,091 full-time, year-round workers over age 16 earned less than \$25,000, and 103,590 of them earned less than \$15,000.

##### Income in San Diego County

- Median individual income dropped to \$31,271, and median household income fell to \$60,231.
- The top-earning fifth of households received 49% of all income in the region, while the bottom fifth of households got only 4% of the pie.

##### Housing Costs in San Diego County

- More than half of county residents (54% with mortgages and 59% of renters) spent more than 30% of their household income on housing.

Summary of San Diego County ACS Data

Key Indicators	2009		2007		Change
	Number	% of total	Number	% of total	%
County residents living below the federal poverty level (100% FPL)	373,659	12.6%	320,378	11.1%	1.5%
Children living below the federal poverty level (100% FPL)	122,973	16.8%	110,124	15.1%	1.7%
County residents in economic hardship (200% FPL)	889,575	30.0%	787,991	27.4%	2.6%

#### THE DATA

The following data comes from the 2009 American Community Survey (ACS), released on September 28, 2010 by the US Census Bureau. ACS provides demographic, economic and social data for individuals and households. The data is made available for geographic areas with populations of 65,000 or more.

## FINDINGS

### POVERTY IN SAN DIEGO COUNTY

**More than 100,000 San Diego County residents fell into poverty or severe economic hardship over the past two years.**

- In 2009, a total of 889,575 individuals (30% of the population) lived in poverty or economic hardship, compared to 787,991 individuals in 2007.
- Of that total, 373,659 people lived below the federal poverty level (FPL), which is set nationally according to family size and cost of living (in 2009: \$10,956 for a single adult and \$21,954 for a family of four). A more realistic measure of economic hardship is 200% of FPL. A total of 889,575 individuals in the region were economically disadvantaged by this measure.

#### Family & Child Poverty

- 110,534 households in the county lived in poverty in 2009, with over 122,973 children in poverty (17%).
- These households included:
  - 59,128 families (defined by Census Bureau as a group of two or more people who reside together and who are related by birth, marriage, or adoption.)
  - 51,406 other households (defined by Census Bureau as including single adults and people living together that are not related by marriage, birth or adoption).

#### Working Poverty

- Among those 16 years and older and in poverty, 112,921 individuals (43%) worked full or part-time.

<b>Families in Poverty</b>	<b>59,128</b>	<b>9%</b>
Married couples with children	26,059	5%
Married couples with no related children	6,829	3%
Single dads with children	3,989	14%
Single moms with children	27,733	30%
Single adults without children	5,347	8%

### EARNINGS FOR FULL-TIME YEAR-ROUND WORKERS (OVER 16 YEARS OLD)

Workers earning less than \$15,000 (\$7.21/hr)	103,590
Workers earning less than \$25,000 (\$12.02/hr)	199,091
Workers earning less than \$50,000 (\$24.04/hr)	439,838
<b>ALL WORKERS</b>	<b>1,048,975</b>

#### Health Insurance in San Diego County

Job loss and wage stagnation lead to lower incomes and more people without health insurance.

- The total number of people without health insurance in San Diego County in 2009 was 499,931 or 17%.
- The total number of working aged adults (18-65) without health insurance was 290,637.

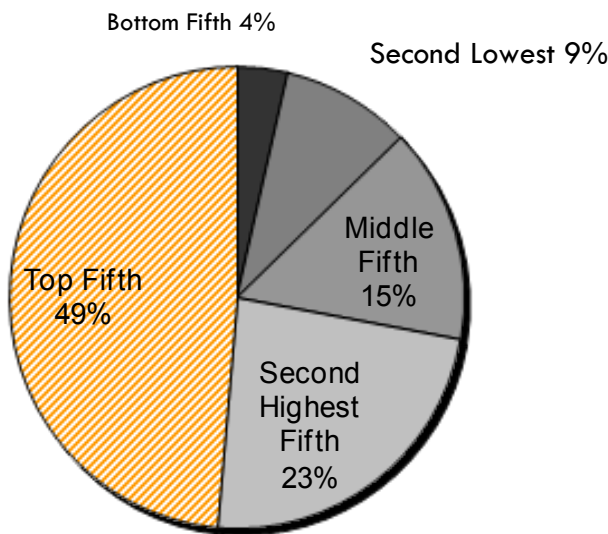
## FINDINGS

### INCOME IN SAN DIEGO COUNTY

#### The Disappearing Middle Class

- The proportion of households with low incomes grew, while the proportion of middle and upper income households shrank. The top fifth of households with the highest incomes claimed 49% of all income in the region, while the bottom fifth of households got only 4% of the pie. The region’s Gini index\* of income inequality was 0.45
- Median individual income in the county dropped to \$31,271 in 2009, and median household income fell to \$60,231.
- Real household income decreased by \$2,556 (or 4%) from 2008 (inflation-adjusted to 2009 dollars).
- 302,681 full-time workers earned less than \$25,000 a year, and 103,590 of them earned less than \$15,000.
- Income in the region is distributed in a teardrop shape. Among the region’s 1 million households, 439,838 have an annual household income less than \$50,000. The chart shows the distribution in household income up to \$150,000 for which data in comparable increments is available.

**Share of the Pie:  
Distribution of Aggregate Income by Quintile**



El Cajon	22.4%
San Diego	14.3%
Escondido	13.8%
Vista	13.5%
Chula Vista	11.5%
Oceanside	9.0%
San Marcos	8.0%
Carlsbad	6.7%

\*The Gini ratio, developed by Italian statistician Corrado Gini, assigns a higher number the more unequal the distribution. Within this a index, a measurement of 0 is perfect equality and 1 or 100% is perfect inequality (i.e. one person has all the income and the rest have none. The Gini index can be presented as a decimal (i.e. 0.254) or as a percentage (i.e. 25.4%).

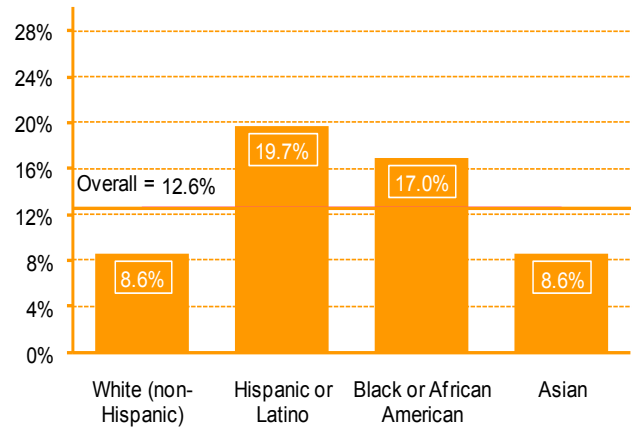
# FINDINGS

## INCOME IN SAN DIEGO COUNTY

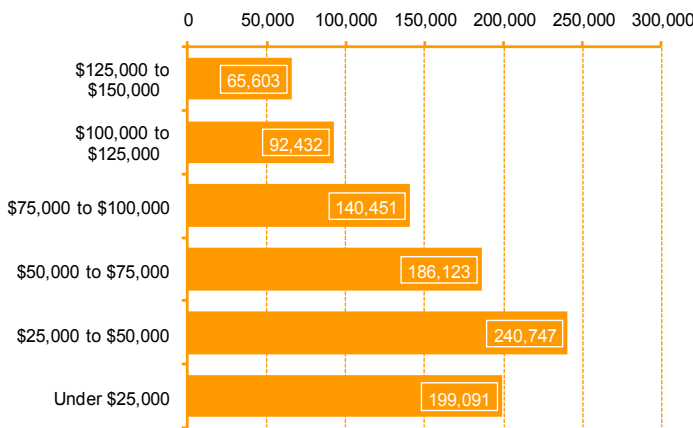
**Racial disparities in income and poverty loom large in San Diego County.**

- There are significant economic disparities based on race and ethnicity. African Americans and Latinos are more likely to live in poverty than whites.
  - African Americans in poverty: 24,699
  - Latinos in poverty: 184,370
- The median income for Hispanic households was 73% of the overall median, and for Black households was 80% of the overall median.

Poverty Rate by Race and Origin



Household Income Distribution (Below \$150,000)



Race	Median Household Income
White (non-Hispanic)	\$68,242
Hispanic/Latino	\$43,692
Black/African American	\$48,278
Asian	\$75,520
<b>TOTAL POPULATION</b>	<b>\$60,231</b>

San Diegans in Economic Hardship

