

# 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 2018, the median family income for Rhode Island families with their own children was \$77,087.<sup>1</sup>

Between 2014 and 2018, in Rhode Island, the median family income for married two-parent families (\$105,323) was more than twice that of male-headed single-parent families (\$45,491) and more than three and a half times that of female-headed single-parent families (\$28,585).<sup>2</sup>

Rhode Island's unemployment rate peaked in 2010 (11.3%), but by 2019 had decreased to 3.5%, slightly lower than the national unemployment rate of 3.7%. Despite declines in unemployment, Rhode Island continues to have gaps in unemployment rates by race and ethnicity. In 2019, the unemployment rate for White workers was 3.3%, while it was

4.6% for Black workers and 6.1% for Hispanic workers.<sup>3,4</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>5</sup> As of 2016, almost 24 million people in the U.S. worked in low-wage jobs where they were paid \$11.50 per hour or less.<sup>6</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>7</sup>

In Rhode Island over the past few decades, income inequality has grown. In 2015, the top 1% (\$928,204) of Rhode Island households had average incomes 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>8</sup>

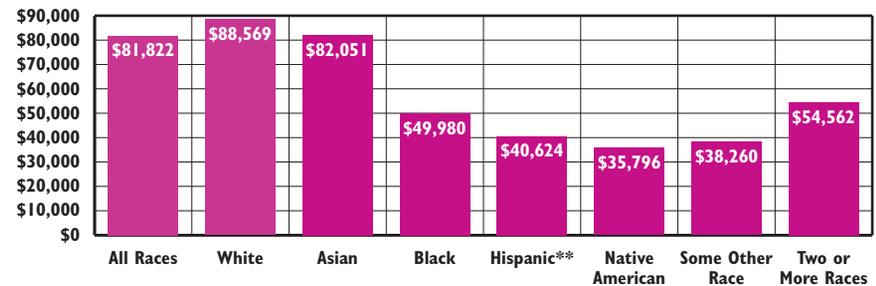
Median Family Income	
	2018
RI	\$77,100
US	\$74,200
National Rank*	19th
New England Rank**	5th

\*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](http://datacenter.kidscount.org)

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**Median Family Income, by Race and Ethnicity, Rhode Island, 2014-2018\***



Source: U.S. Census Bureau, American Community Survey, 2014-2018. 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>9</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 10 White adults.<sup>10</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>11</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>12</sup>

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Table 6. Median Family Income, Rhode Island, 2014-2018

2014-2018 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		\$156,034
Bristol		\$79,833
Burrillville		\$95,417
Central Falls		\$30,754
Charlestown		\$93,320
Coventry		\$95,361
Cranston		\$78,842
Cumberland		\$104,194
East Greenwich		\$157,083
East Providence		\$72,855
Exeter	\$112,035	
Foster	\$109,038	
Glocester		\$100,703
Hopkinton		\$99,286
Jamestown	\$190,565	
Johnston		\$90,000
Lincoln		\$103,162
Little Compton	\$98,393	
Middletown		\$79,857
Narragansett		\$145,039
New Shoreham	\$53,056	
Newport	\$68,813	
North Kingstown		\$113,750
North Providence		\$71,082
North Smithfield		\$109,548
Pawtucket		\$43,856
Portsmouth		\$138,059
Providence		\$40,497
Richmond		\$104,099
Scituate		\$108,288
Smithfield		\$131,711
South Kingstown		\$113,356
Tiverton		\$82,813
Warren	\$60,740	
Warwick		\$85,677
West Greenwich	\$121,389	
West Warwick		\$60,084
Westerly		\$81,563
Woonsocket		\$31,914
Four Core Cities		NA
Remainder of State		NA
Rhode Island		\$74,540

## 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 2014-2018 data come from a Population Reference Bureau analysis of 2014-2018 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

- <sup>1</sup> U.S. Census Bureau, American Community Survey, 2018. Table B19125.
- <sup>2</sup> U.S. Census Bureau, American Community Survey, 2014-2018. Table B19126.
- <sup>3,5,10</sup> *State of working Rhode Island 2017: Paving the way to good jobs.* (2017). Providence, RI: The Economic Progress Institute.
- <sup>4</sup> *Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2019 annual averages – Rhode Island and United States.* (2019). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.
- <sup>6</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>7</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>8</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>9</sup> U.S. Census Bureau, American Community Survey, 2014-2018. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113E, B19113G, & B19113I.
- <sup>11,12</sup> *The 2018 Rhode Island standard of need.* (2018). Providence, RI: The Economic Progress Institute.