

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 2019, the median family income for Rhode Island families with their own children was \$82,251.¹

Between 2015 and 2019, in Rhode Island, the median family income for married two-parent families (\$109,110) was more than twice that of male-headed single-parent families (\$48,486) and more than three and a half times that of female-headed single-parent families (\$30,482).²

After a peak of 11.3% in 2010, Rhode Island's unemployment rate decreased to 3.5% in 2019 before increasing to 9.3% in 2020. Rhode Island continues to have gaps in unemployment rates by race and ethnicity. In 2020, the unemployment rate was 15.2% for Hispanic workers, 9.4% for Black workers, and 8.6% for

white workers.^{3,4,5}

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.⁶ In 2018, more than 22 million people in the U.S. worked in low-wage jobs (less than \$12 per hour).⁷ 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 for their children.⁸

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.⁹

Median Family Income	
	2019
RI	\$82,300
US	\$78,000
National Rank*	17th
New England Rank**	4th

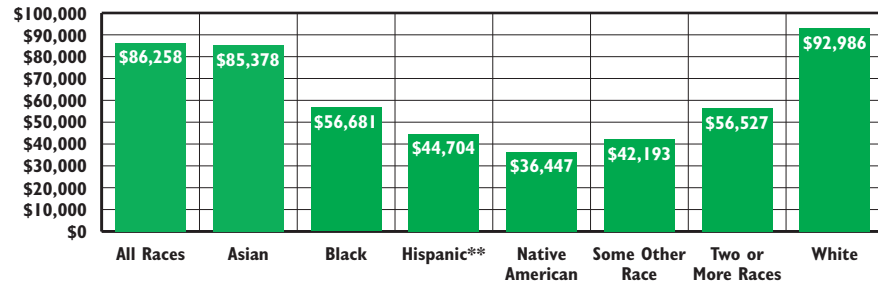
*1st is best; 50th is worst

**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, 2015-2019*



Source: U.S. Census Bureau, American Community Survey, 2015-2019. Tables B19113, B19113A, B19113B, B19113C, B19113D, 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 white families in Rhode Island is higher than that of Asian families and much higher than that of Black, Hispanic, and Native American families and families of Some other race or Two or more races.¹⁰
- ◆ 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. In Rhode Island, more than one in three Hispanic adults, more than one in five Black adults, and one in ten white adults lack a high school diploma.¹¹
- ◆ According to the *2020 Rhode Island Standard of Need*, it costs a single-parent family with two young children \$57,671 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 \$66,057 to meet this budget without government subsidies.¹²
- ◆ 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.¹³

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Table 6. Median Family Income, Rhode Island, 2015-2019

2015-2019 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		\$154,167
Bristol	\$108,651	
Burrillville		\$102,892
Central Falls		\$32,541
Charlestown	\$80,469	
Coventry		\$95,214
Cranston		\$82,620
Cumberland		\$108,667
East Greenwich		\$160,125
East Providence		\$74,524
Exeter	\$181,250	
Foster	\$112,031	
Glocester		\$110,650
Hopkinton	\$90,603	
Jamestown		\$196,289
Johnston		\$99,035
Lincoln		\$118,454
Little Compton	\$101,250	
Middletown		\$79,375
Narragansett	\$152,273	
New Shoreham		\$55,982
Newport	\$64,519	
North Kingstown		\$113,554
North Providence	\$74,861	
North Smithfield		\$111,344
Pawtucket		\$47,595
Portsmouth		\$149,821
Providence		\$42,829
Richmond		\$106,750
Scituate		\$124,167
Smithfield		\$125,114
South Kingstown		\$115,923
Tiverton		\$88,393
Warren	\$84,375	
Warwick		\$87,633
West Greenwich		\$143,333
West Warwick		\$65,825
Westerly		\$92,325
Woonsocket		\$34,602
Four Core Cities		NA
Remainder of State		NA
Rhode Island		\$79,684

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 2015-2019 data come from a Population Reference Bureau analysis of 2015-2019 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.

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, 2019. Table B19125.
- U.S. Census Bureau, American Community Survey, 2015-2019. Table B19126.
- ^{3,6,11} *State of working Rhode Island 2017: Paving the way to good jobs.* (2017). Providence, RI: The Economic Progress Institute.
- ⁴ *Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2019 annual averages – Rhode Island.* (2019). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.
- ⁵ *Employment status of the civilian noninstitutional population by sex, race, Hispanic or Latino ethnicity, and detailed age, 2020 annual averages – Rhode Island and United States.* (2020). U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics.
- ⁷ Tucker, J., & Vogtman, J. (2020). *When hard work is not enough: Women in low-paid jobs.* Washington, DC: National Women's Law Center.
- ⁸ 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.
- ⁹ 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.
- ¹⁰ U.S. Census Bureau, American Community Survey, 2015-2019. Tables B19113, B19113A, B19113B, B19113C, B19113D, B19113E, B19113G, & B19113I.
- ^{12,13} *The 2020 Rhode Island standard of need: COVID-19 edition.* (2020). Providence, RI: The Economic Progress Institute.