

Income and Earnings Nationally

This report presents data on income and earnings in the United States based on information collected in the 2006 American Community Survey (ACS) conducted by the U.S. Census Bureau. The measure of income used in this report is based on money income received (exclusive of certain money receipts such as capital gains), before any deductions like taxes, social security, and Medicare. Money income does not include the value of noncash benefits like food stamps, health benefits, subsidized housing, and goods produced and consumed on the farm.

2007 Highlights

- Real median household income rose between the 2006 ACS and the 2007 ACS in 33 states, while one state - Michigan - experienced a decline.
- Incomes were generally higher on the East and West coasts than they were in the rest of the country in the 2007 ACS.
- The median earnings of men in the United States in the 2007 ACS were \$44,255; for women median earnings were \$34,278, or 77.5 percent of men's earnings.
- Asian men and women working full-time, year-round had higher median earnings \$51,174 and \$40,664, respectively, in the 2007 ACS than men and women in any of the other single-race groups.
- For men and women, the more education, the larger the earnings potential.

- In 2007 ACS highest earnings were made in the management of companies and enterprises sector for both men (\$76,630) and women (\$47,715).

Household Income

The income of a household includes the income of the householder and all other people 15 years and older in the household, whether or not they are related to the householder. Median household income is used for comparisons of household income. The median is that point that divides the household income distribution into halves, one half having incomes above the median and the other having incomes below the median. The median is based on the distribution of all households, including those with no income.

In 2007, the median household income for all households in the United States was \$50,740. Asian households had the highest median household income among race groups (\$66,935), followed by Native Hawaiian and Other Pacific Islander households (\$55,273) and non-Hispanic White households (\$55,096) (Table 1). The lowest median household income groups were American Indian and Alaska Native households (\$35,343), and Black households (\$34,000). Hispanic households had a median household income of \$40,766 according to the 2007 ACS.

The median household income for states ranged from \$68,080 for Maryland to \$36,338 for Mississippi. Maryland, New Jersey, Connecticut, Alaska, Hawaii,

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Table 1. Median Household Income by Race and Hispanic Origin United States, 2007

Race and Hispanic Origin	Median Household Income (dollars)
All households	\$50,740
White alone	\$53,714
White alone, not Hispanic	\$55,096
Black alone	\$34,000
American Indian and Alaska Native alone	\$35,343
Asian alone	\$66,935
Native Hawaiian and Other Pacific Islander alone	\$55,273
Some Other Race alone	\$40,755
Two or More Races	\$44,626
Hispanic (any race)	\$40,766

Source: U.S. Census Bureau, American Community Survey 2007

Massachusetts, and New Hampshire had median household incomes above \$60,000 in 2007, while Mississippi, West Virginia and Arkansas had median household incomes below \$40,000. In 2007, the median household income in the District of Columbia was \$54,317. Incomes were generally higher on the East and West coasts than they were in the rest of the country.

In the 2007 ACS, Loudoun County, VA has replaced Fairfax County, VA for counties with the highest median household income. For counties with 250,000 or more people, median household income estimates ranged from \$107,207 for Loudoun County, VA to \$29,347 for Cameron County, TX. Except for Bronx County, NY and Baltimore City, MD, counties with high median household incomes are found in states with incomes above the U.S. median, and counties with lower median household incomes are in states with incomes below the U.S. median. Both New York and Maryland have counties (or county equivalents) on both the high and low median household income lists. Median household income in Maryland counties ranged from \$101,672 for Howard County, MD, to \$36,949 for Baltimore City, MD. For New York, median household income ranged from \$89,782 for Nassau County, NY, to \$34,156 for Bronx County, NY.

Income Inequality

According to the U.S. Census Bureau, the Gini index is a summary measure of income inequality. It indicates how much the income distribution differs from proportionate distribution (one where everyone would have the same income: for example 20 percent of the population would have 20 percent of the income, 40 percent of the population would have 40 percent of the income, etc.). The Gini index varies from 0 to 1, where 0 indicates perfect equality (a proportionate distribution of income), and 1 indicates perfect inequality (where one person has all the income and no one else has any). The 2007 ACS showed the Gini index at .467 for the U.S. This index varied from state to state, ranging from .542 for the District of Columbia (the highest level of inequality) to .409 for Utah and Alaska (the closest level to equality). Five states and the District of Columbia showed more income inequality than the nation.

Median Earnings

Earnings are the sum of wages and salary income, and self-employment income. The median earnings of men in the United States in 2007 were \$44,255 and for women \$34,278. Nationally, women earned 77.5 cents for every dollar men earned. The District of Columbia had the highest ratio of women's to men's earnings, 93.4 cents for every dollar with no significant difference found between

women and men median earnings, unlike the 50 states. Generally, women's earnings were closer to men's earnings in more states in the South and the West than in the Northeast and Midwest.

In 2007, Asian men working full-time, year-round had higher median earnings (\$51,174) than men in any other single-race group (Table 2). Non-Hispanic White men had the second highest median earnings with \$50,139, followed by Native Hawaiian and Other Pacific Islander men (\$36,624), Black men (\$35,652), and American Indian and Alaska Native men (\$34,833). For Hispanic men, \$29,239 was the median earnings.

The earnings pattern reported for women was similar to that of men. Asian women had the highest median earnings (\$40,664), followed by non-Hispanic White women (\$36,398), Black women (\$31,035), Native Hawaiian and Other Pacific Islander women (\$29,835), and American Indian and Alaska Native women (\$28,837). Hispanic women had median earnings of (\$25,454).

Earnings by Educational Attainment

A person's level of education is a predictor of earnings. In general, the more educated an individual, the higher the earnings potential for both men and women. The 2007 ACS showed the median earnings for men and women 25 years and older who did not complete high school at \$22,602 and \$14,202, respectively (Table 2). For high school graduates, median earnings increased to \$32,435 for men and \$21,219 for women. Men with a bachelor's degree earned a median income of \$57,397, while women earned \$38,628. At the graduate or professional degree level, men earned \$77,219 and women earned \$50,937, in 2007. While earnings of men and women increased along with their educational level, men earned more than women at each level. However, the ratio of women's to men's earnings generally increased as educational level increased.

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**Table 2. Median Earnings by Gender by Selected Characteristics:
United States 2007**

Selected Characteristics	Median Earnings (dollars)		Women's Earnings as a Percentage of Men's Earnings
	Men	Women	
Race and Hispanic Origin			
White alone	\$47,113	\$35,542	75.4
White alone, not Hispanic	\$50,139	\$36,398	72.6
Black alone	\$35,652	\$31,035	87.1
American Indian and Alaska Native alone	\$34,833	\$28,837	82.8
Asian alone	\$51,174	\$40,664	79.5
Native Hawaiian and Other Pacific Islander alone	\$36,624	\$29,835	81.5
Some Other Race alone	\$28,462	\$24,801	87.1
Two or More Races	\$40,353	\$32,976	81.7
Hispanic (any race)	\$29,239	\$25,454	87.1
Educational Attainment			
Less than high school graduate	\$22,602	\$14,202	62.8
High school graduate	\$32,435	\$21,219	65.4
Some college or associate's degree	\$41,035	\$27,046	65.9
Bachelor's degree	\$57,397	\$38,628	67.3
Graduate or professional degree	\$77,219	\$50,937	66.0
Industry			
Accommodation and food services	\$25,611	\$20,708	80.9
Administrative and support, and waste management	\$31,706	\$28,973	91.4
Agriculture, forestry, fishing, and hunting	\$27,854	\$23,621	84.8
Arts, entertainment, and recreation	\$35,953	\$30,293	84.3
Construction	\$38,823	\$36,593	94.3
Educational services	\$47,308	\$40,100	84.8
Finance and insurance	\$71,422	\$39,390	55.2
Health care and social assistance	\$50,258	\$33,477	66.6
Information	\$58,964	\$43,614	74.0
Management of companies and enterprises	\$76,630	\$47,715	62.3
Manufacturing	\$45,954	\$32,535	70.8
Mining	\$55,533	\$47,146	84.9
Professional, scientific, and technical services	\$75,320	\$47,292	62.8
Public administration	\$54,545	\$41,936	76.9
Real estate, and rental and leasing	\$43,314	\$36,959	85.3
Retail trade	\$35,721	\$25,959	72.7
Transportation and warehousing	\$46,052	\$37,145	80.7
Wholesale trade	\$45,767	\$36,187	79.1
Other services	\$35,504	\$26,166	73.7
(Selected) Occupation			
Architecture and engineering occupations	\$70,606	\$56,627	80.2
Computer and mathematical occupations	\$71,980	\$61,957	86.1
Education, training, and library occupations	\$51,225	\$40,567	79.2
Food preparation and serving related occupations	\$21,765	\$18,060	83.0
Health diagnosis and treating practitioner and other technical occupations	\$100,451	\$59,318	59.1
Legal occupations	\$105,233	\$53,790	51.1
Management occupations	\$71,949	\$52,510	73.0

Source: American Community Survey, 2007

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Earnings by Industry and Occupation

By industry (the kind of business conducted by a person's employing organization), men earned most income in the management of companies and enterprises sector (\$76,630) in 2007 (Table 2). Men in the accommodation and food services sector had the lowest median earnings (\$25,611). For women, no one sector had a statistically significant lead in median earnings in 2007. Women made \$45,000 or higher in professional, scientific, and technical services; management of companies and enterprises; utilities; information; and public administration. As with men, the sector with the lowest median earnings for women was accommodation and food services (\$20,708).

In terms of occupation (the kind of work that a person does on the job), men earned the highest median incomes in legal occupations (\$105,233), and the least in food preparation and serving (\$21,765) in 2007 (Table 2). For women, the highest median incomes were earned in computer and mathematical occupations (\$61,957), and the least in farming, fishing, and forestry occupations (\$18,564) and food preparation and serving (\$18,060).

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