

Income, Earnings, and Poverty Data From the 2007 American Community Survey

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EARNINGS OF MEN AND WOMEN

This section examines the earnings of men and women by geography, race and Hispanic origin, educational attainment, industry and occupation, and class of worker. Median earnings are calculated only for people 16 years and older with earnings. The tables and figures focus on various aspects of earnings. Table 6 presents earnings by state for full-time, year-round workers. Table 7 includes earnings by race and Hispanic origin for full-time, year-round workers; earnings by educational attainment for people 25 years and older (regardless of hours and weeks worked); and earnings by type of industry and class of worker for full-time, year-round civilian workers. Table 8 includes earnings by occupation for

full-time, year-round civilian workers. For most individuals, earnings are the largest component of their total income. The text box “What Are ‘Earnings?’” describes this income category.

Men’s and Women’s Earnings by State

Table 6 shows earnings data by state and the District of Columbia in the 2007 ACS for men and women who worked full-time, year-round. Some of the states that had high median household incomes, as shown in Table 2, such as Connecticut, New Jersey, Maryland, Massachusetts, New Hampshire, and Alaska, also had high median earnings for men, that is, earnings above \$50,000. No state had median earnings for women above \$50,000, but in the District of Columbia, Maryland, New Jersey,

Massachusetts, and Connecticut, median earnings for women were above \$40,000.

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. The District of Columbia had the highest ratio of women’s-to-men’s earnings (93.4 percent), and there was no statistically significant difference between women’s median earnings and men’s median earnings.²² In each of the 50 states, women’s median earnings were less than men’s median earnings.

²² The ratio of women’s to men’s earnings for the District of Columbia and Puerto Rico was not statistically different from 100 percent. The median earnings for men in Puerto Rico were \$20,242, and the median earnings for women were \$19,812. The median earnings for men in Puerto Rico were not statistically different from the median earnings for women in Puerto Rico.

What Are “Earnings”?

“Earnings” are the sum of wage and salary income and self-employment income. Earnings are often the largest part of overall income. The 2007 ACS showed that 81 percent of aggregate household income came from earnings.

This report presents information on year-round, full-time workers 16 years or older, unless noted otherwise. “Year-round” means an individual worked 50 or more weeks in the past 12 months, including paid time off for sick leave or vacation. “Full-time” means that the individual usually worked 35 or more hours per week.

The text of the two 2007 ACS questions used to determine earnings is:

41. INCOME IN THE PAST 12 MONTHS.

Mark (X) the “Yes” box for each type of income this person received, and give your best estimate of the TOTAL AMOUNT during the PAST 12 MONTHS. (NOTE: The “past 12 months” is the period from today’s date one year ago through today.)

Mark (X) the “No” box to show types of income NOT received.

If net income was a loss, mark the “Loss” box to the right of the dollar amount.

For income received jointly, report the appropriate share for each person—or, if that’s not possible, report the whole income for only one person and mark the “No” box for the other person.

a. Wages, salary, commissions, bonuses, or tips from all jobs. *Report amount before deductions for taxes, bonds, dues, or other items.*

b. Self-employment income from own nonfarm businesses or farm businesses, including proprietorships and partnerships. *Report NET income after business expenses.*

ACS questionnaires can be found at <www.census.gov/acs/www/SBasics/SQuest/SQuest1.htm>.

Figure 4.
**Women's Earnings as a Percentage of Men's Earnings in the
 Past 12 Months by State: 2007**

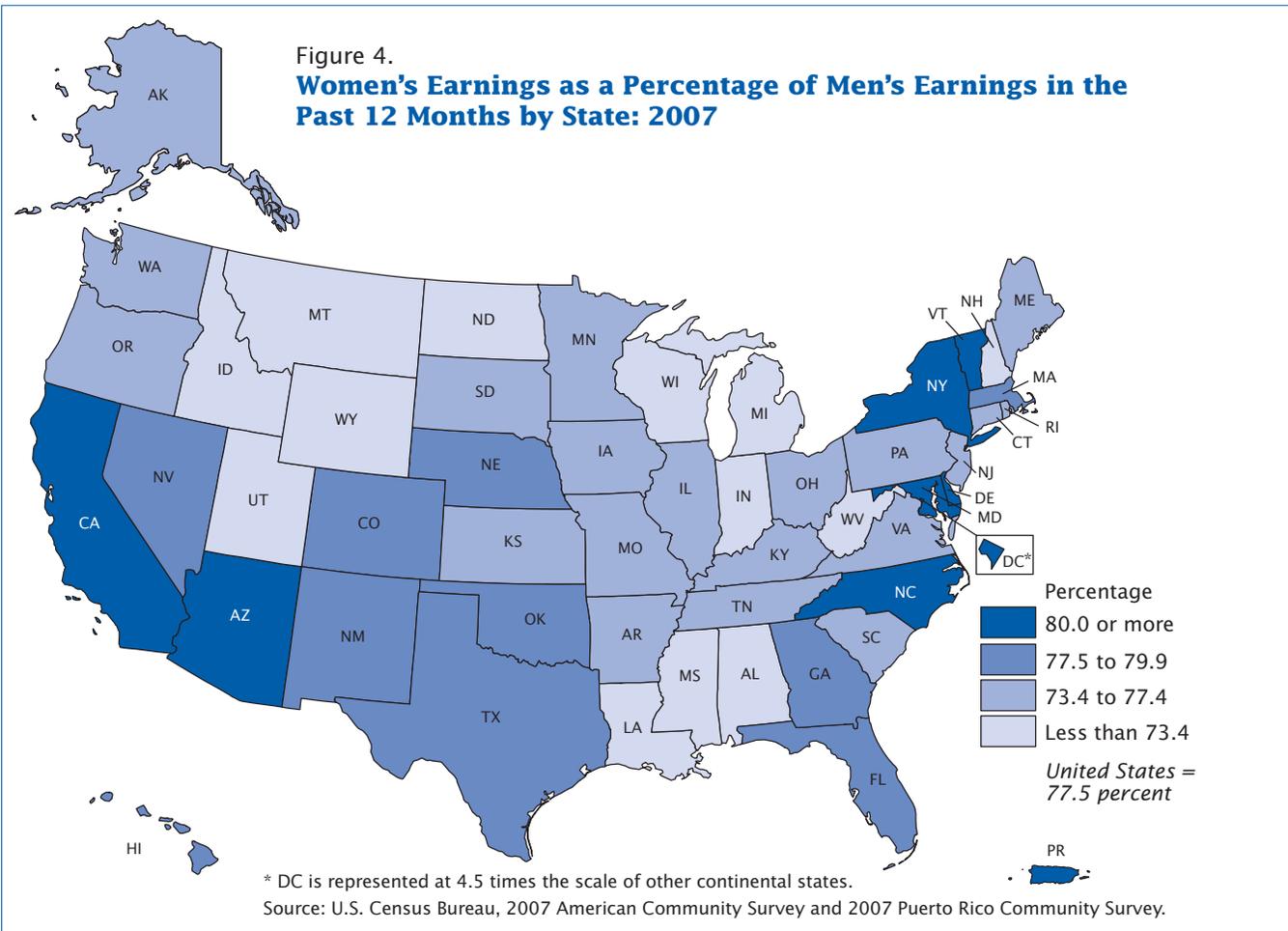


Figure 4 displays the relationship between men’s and women’s earnings for all states and the District of Columbia. The Northeast, the South, and the West have states in which women’s earnings as a percentage of men’s earnings are relatively high (falling into the highest category in Figure 4). Every region has states in which the percentage was relatively low (falling into the two lower categories). In the South, five states (Maryland, North Carolina, Florida, Georgia, and Texas) and the District of Columbia had ratios higher than the national ratio, as did three states in the West (California, Arizona, and Colorado). Two states in the Northeast (Vermont and New York) had ratios higher than the national ratio. There were no

states in the Midwest that had ratios higher than the national ratio. As a result, women’s earnings were closer to men’s in more states in the South and the West than in the Northeast and the Midwest.

Median Earnings by Race and Hispanic Origin

Table 7 shows that Asian men working full-time, year-round had higher median earnings (\$51,174) in the 2007 ACS than men in any of the other single-race groups. Non-Hispanic White men (\$50,139) had higher earnings than Native Hawaiian and Other Pacific Islander men (\$36,624), Black men (\$35,652), and American Indian and

Alaska Native men (\$34,833).²³ The lowest median earnings for men were for those who reported Some Other Race (\$28,462). For Hispanic men, \$29,239 was the median earnings.

The pattern observed for women by race was similar to that of men. Asian women had the highest median earnings (\$40,664). Non-Hispanic White women (\$36,398) had higher earnings than Black women (\$31,035), Native Hawaiian and Other Pacific Islander women (\$29,835), and American Indian and

²³ The median earnings of Native Hawaiian and Other Pacific Islander men were not statistically different from those of Black men and those of American Indian and Alaska Native men. The median earnings of Black men were not statistically different from those of American Indian and Alaska Native men.

Alaska Native women (\$28,837).²⁴ The lowest median earnings (\$24,801) of any race group were for women of Some Other Race. Hispanic women had median earnings of \$25,454.

For each of the race groups and Hispanics, as shown in Table 7, men had higher earnings than women. The group with the lowest female-to-male earnings ratio was non-Hispanic Whites, where women's earnings were 72.6 percent of men's earnings. The median earnings of women were at least 85 percent of men's for the Some Other Race group, Blacks, and Hispanics.²⁵

Median Earnings by Educational Attainment

Data on median earnings by educational attainment in Table 7 are for all individuals 25 years and older with earnings and are not limited to full-time, year-round workers.

A person's level of education is a predictor of earnings—in general, the more education, the larger the earnings potential. Table 7 shows that this was true for both men and women in the 2007 ACS. The median earnings of men who were not high school graduates were \$22,602. Median earnings were higher for male high school graduates (\$32,435) and higher still for men with some college or an associate's degree (\$41,035).

²⁴ The median earnings for Native Hawaiian and Other Pacific Islander women were not statistically different from those of Black women and those of American Indian and Alaska Native women.

²⁵ The female-to-male earnings ratio was not statistically different from 85 percent for Native Hawaiians and Other Pacific Islanders and American Indians and Alaska Natives.

Men who completed college and received a bachelor's degree earned a median of \$57,397. The highest median earnings among education groups, \$77,219, were for men with a graduate or professional degree.

Women who did not complete high school reported median earnings of \$14,202 in the 2007 ACS, while women who graduated from high school earned \$21,219. Attending but not completing college, or receiving an associate's degree, resulted in median earnings of \$27,046, while women who completed a bachelor's degree had median earnings of \$38,628. As with men, women who received a graduate or professional degree earned the most, \$50,937.

While both men and women showed higher earnings with higher levels of education, at each level of education, men earned more than women. The ratio of female-to-male earnings was lowest for those with less than a high school education, where women earned 62.8 percent of men. The ratio was higher among people with more education, up to the completion of a bachelor's degree. For men and women with a high school education, women earned 65.4 percent of what men earned, while women earned 65.9 percent when both had some college or an associate's degree. The ratio was higher still when both men and women had bachelor's degrees. At that educational level, women earned 67.3 percent of what men earned. Additional education beyond a bachelor's degree resulted in a lower earnings ratio. Women earned 66.0 percent

of men's earnings when both had a graduate or professional degree.²⁶

Median Earnings by Industry and Class of Worker

Data on earnings by type of industry and class of worker are limited to full-time, year-round civilian workers 16 years or older. Industry refers to the kind of business conducted by a person's employing organization.

The industries for which data are collected in the ACS are commonly grouped into sectors. Table 7 shows the 20 major industry sectors. Men earned the most in the 2007 ACS in two of those sectors: the management of companies and enterprises sector (\$76,630) and the professional, scientific, and technical services sector (\$75,320).²⁷ Men in the accommodation and food services sector had the lowest median earnings (\$25,611).

For women, several sectors had relatively high median earnings in the 2007 ACS. In the following sectors, women's median earnings were \$45,000 or higher: management of companies and enterprises (\$47,715); professional, scientific, and technical services (\$47,292); mining (\$47,146); and utilities

²⁶ The female-to-male earnings ratio for workers with graduate or professional degrees was not statistically different from the ratio for workers with some college or associate's degrees.

²⁷ The median earnings for men in the management of companies and enterprises sector were not statistically different from the median earnings for men in the professional, scientific, and technical services sector.

