



# CENTER ON POLICY INITIATIVES

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## **Economic picture grim for many local workers and families**

### **Earnings stagnated in San Diego County, new Census data shows**

Incomes stagnated in San Diego County in 2007, the US Census Bureau confirmed with data released today. Median household income and earnings did not change significantly from 2006 when adjusted for inflation.

The poverty rate for San Diego County was 11.1%, within the margin of error of the 2006 rate of 11.7%. In 2007, more than 300,000 San Diego County residents -- including 145,000 who were working and 110,000 children -- lived in the most dire poverty as measured by national poverty standards.

Using a more realistic measure for the cost of living here -- double the official poverty threshold -- almost 800,000 county residents lived in economic hardship.

"During this entire economic cycle since 2000, working people here in San Diego have not made any significant progress in earnings," said Murtaza Baxamusa, research and policy director of the Center on Policy Initiatives. "With inflation much higher in 2008, it's going to be downhill from here. Families are facing a tougher struggle to get by."

The Census Bureau released average 2007 data today on earnings, income and poverty. The new data don't reflect the current economy, as the economic picture has dimmed in 2008 with record-high inflation, rising unemployment, and the housing crisis.

A wide gap remains in the distribution of income between rich and poor, with the top 20% of households claiming half (49%) of all income in the county while households in the lowest-earning fifth of the population got less than a 4% sliver of the pie.

Working people at low and moderate income levels are particularly affected by the economic crunch described in the data. For instance:

- Teachers Kent and Lisa Hess were planning their wedding and buying a house when both were laid off last year. They had to scale back the wedding, withdraw from escrow and move in with her mother because they could no longer afford their rent.
- Rosa Tapia, a dormitory custodian on the UCSD campus, works a second job as a hotel housekeeper to provide for her four children, a work schedule that leaves her little time to spend with them.

- Maria Moreno lives in a small studio with her granddaughter and often has to skip her arthritis and diabetes medication in order to pay her other bills.

The Center on Policy Initiatives is a nonprofit research and advocacy organization focused on issues affecting workers and their families. The full CPI analysis of the Census data will be available this afternoon at [www.onlineCPI.org](http://www.onlineCPI.org).

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