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Poverty and Income in San Diego County 2010

ISSUE BRIEF

Analysis of regional data from the US Census Bureau 2010 American Community Survey

The 2010 US Census Bureau poverty data reinforces that San Diego County, like the rest of the country, is still reeling from the Great Recession. Poverty continued to grow, even for many with full-time jobs.

Each year the US Census Bureau releases data from the American Community Survey (ACS). This data is available for geographic areas with populations of 65,000 or more and provides demographic, economic and social data for individuals and households.

Our analysis shows that in this region a growing number of individuals and families are falling into poverty, with children and ethnic minorities particularly hard hit.

Findings

The county's poverty rate rose to 14.8% in 2010, from 11.1% in pre-recession 2007. In 2010, there were 446,060 people in San Diego County living in poverty – 72,401 more than the previous year.

The City of San Diego's poverty rate was 17.4%. The biggest growth in poverty was in Escondido, which surpassed San Diego with 20.5% of its residents in poverty, and El Cajon, with the county's highest poverty rate of 29.7%. The federal poverty level (FPL) is defined by annual income and varies according to family size; for example, it is \$11,139 or less a year for a single adult and \$22,314 or less for a family of four.

However, a little over \$22,000 for a family of four does not go far. A more realistic picture of economic hardship is the number of county residents earning less than double (200%) the poverty level. Studies show that 200% of the poverty level is approximately the income needed to cover the basic cost of living in San Diego County. In 2010, more than 1 million county residents – a third of the population – were living below that level, in economic hardship. Their ranks grew by 116,472 in the past year.

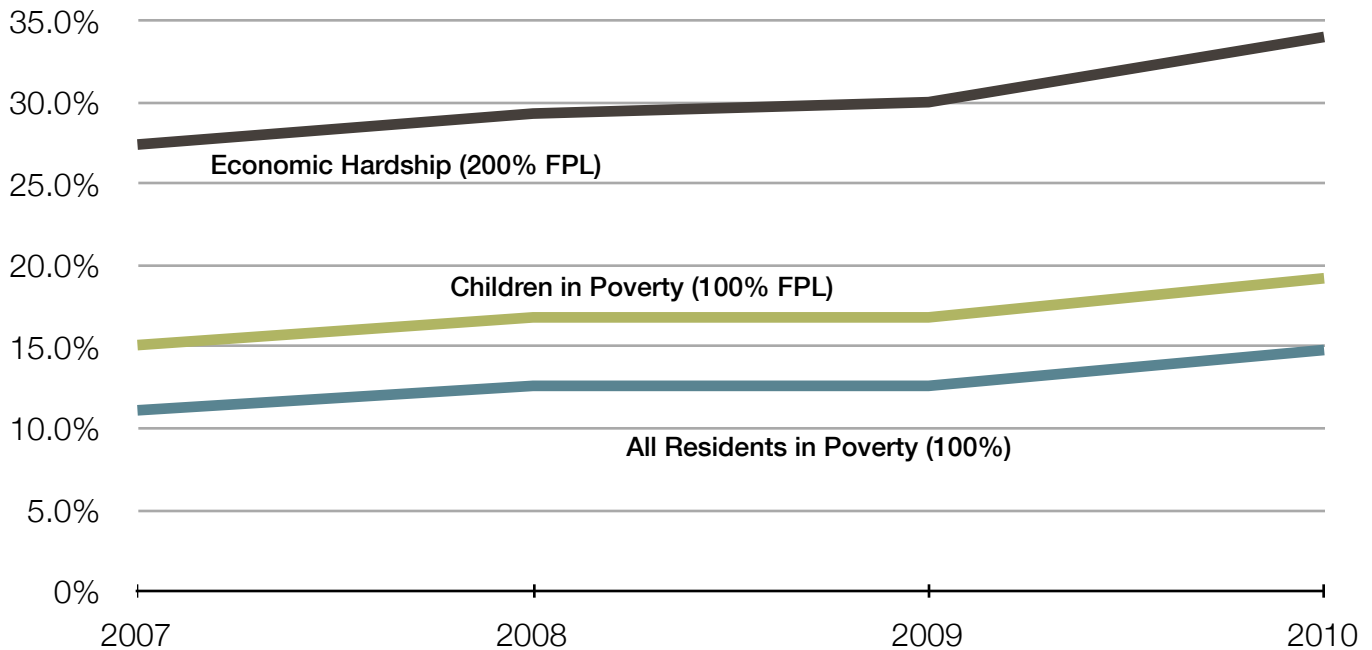
Poverty and Economic Hardship in San Diego County, 2007 - 2010

Key Indicators	2010		2009		2007	
	Number	% of total	Number	% of total	Number	% of total
County residents living below federal poverty level (100% FPL)	446,060	14.8%	373,659	12.6%	320,378	11.1%
Children living below the federal poverty level (100% FPL)	137,287	19.2%	122,973	16.8%	110,124	15.1%
County residents in economic hardship (200% FPL)	1,006,047	34.0%	889,575	30.0%	787,991	27.4%

Individual and families with full-time jobs still found themselves in poverty

In 2010, among those 16 years and older, 24,609 (7.5%) adults worked full-time and still were living below the federal poverty level. Another 97,000 adults worked part-time and were in poverty.

San Diego County Residents in Poverty or Economic Hardship



The middle class in San Diego County is disappearing

The median household income dropped to \$59,923 in 2010 from \$60,231 in 2009. The proportion of households with low incomes grew, while the proportion of middle and upper income households shrank. In 2010, the top 20% of households claimed 49.2% of all income in the region, while the bottom 20% of households only received 3.4% of the pie. The region's Gini index of income inequality was 45.8%, an increase of nearly 1% from last year.* By comparison, the nations of Uganda (44%) and Indonesia (37%) have greater income equality than San Diego County, according to World Bank data.

The number of people without health insurance is growing in San Diego County

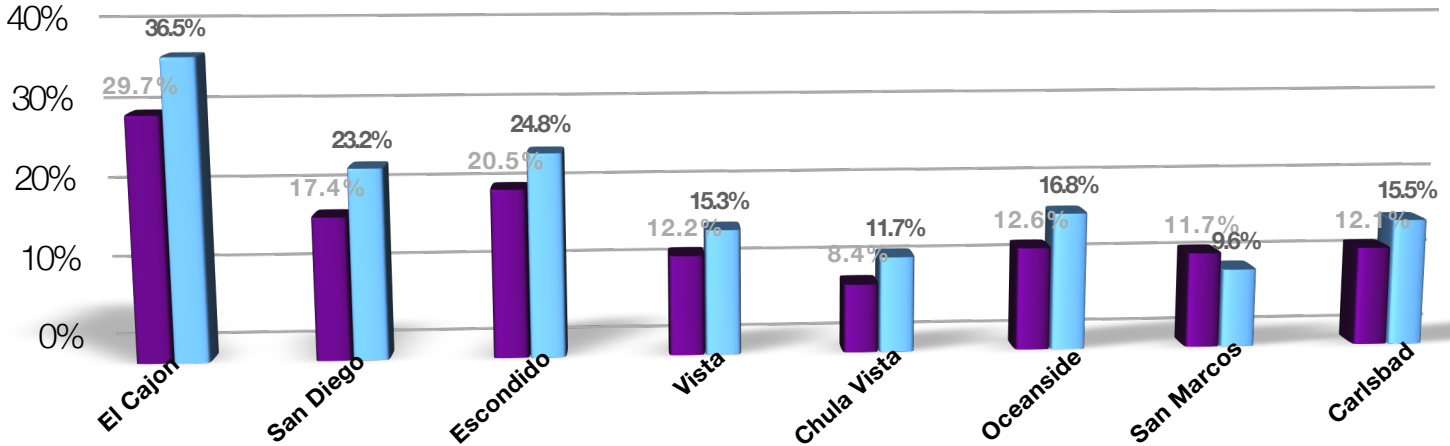
Job loss and wage stagnation lead to lower incomes and loss of health insurance. In 2010, the total number of people without health insurance in San Diego County was 527,303 (17.6%), including 452,244 working age adults (18-64). Most Americans with access to health insurance obtain it through employers, and this segment of the population is experiencing declines in coverage. Nearly 34,000 working age adults lost health insurance from 2009 to 2010.

In San Diego County, 68,511 (9.5%) of children were without health insurance.

*The Gini index is an economic measure of income inequality. Within this index, a measurement of 0 indicates perfect equality and 1 indicates perfect inequality (i.e. one person has all the income and the rest have none.) The Gini index can be presented as a decimal (e.g. 0.458) or as a percentage (e.g. 45.8%).

Total Poverty and Child Poverty by City

■ Total Poverty Rates ■ Children in Poverty



Children are disproportionately represented in poverty numbers

The number of children living below the federal poverty line grew in 2010 to 137,287 (19.2%) from 122,973 (16.8%) in 2009. Since the start of the recession, there are over 27,000 more children living in poverty in San Diego County.

Children of color are disproportionately living in poverty. The combined rate of poverty for Hispanic and African American children is 36%. This is nearly double the poverty rate for all children in San Diego County. El Cajon has the highest number of children living in poverty in San Diego County of cities measured by the ACS.

San Diego County has large regional inequality among cities

Cities across the county saw a rise in poverty rates. El Cajon topped the county with almost 30% of its population and 36.5% of its children living in poverty. Escondido's poverty rate rose higher than the City of San Diego's.

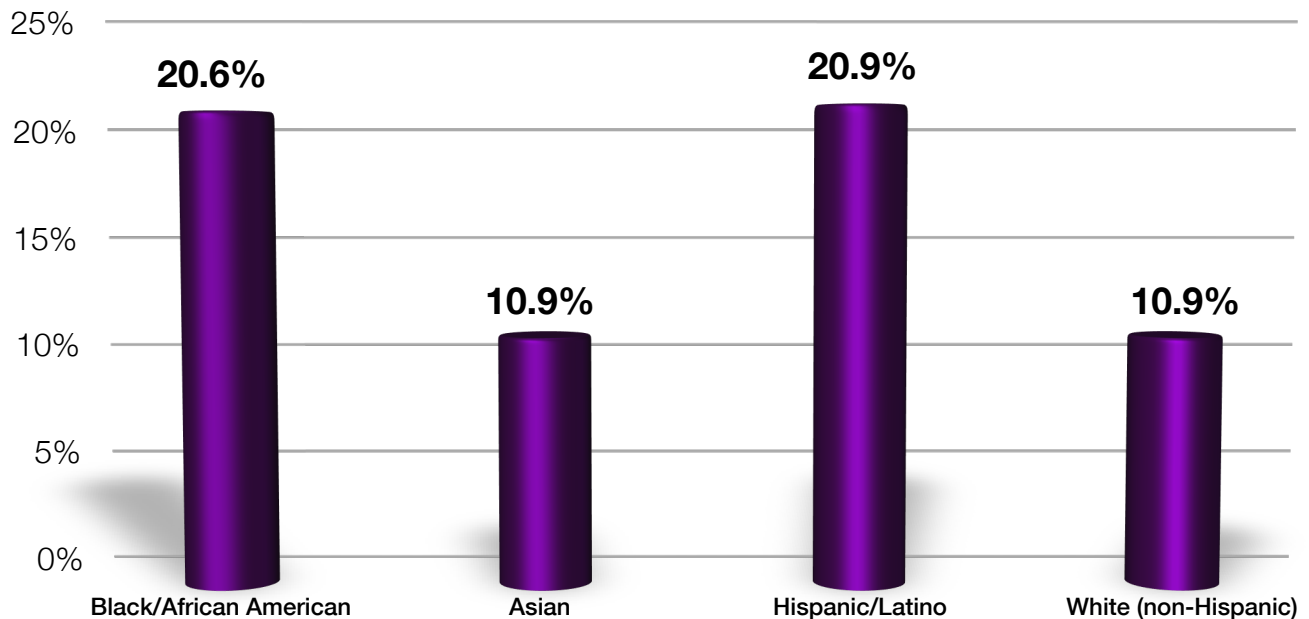
Economic Inequalities by race and gender persist

Racial and ethnic disparities in income and poverty loom large in San Diego County. African Americans and Latinos are more likely to live in poverty than whites. In 2010, 30,045 (20.6%) African Americans lived below

Median Household Income by Race and Ethnicity			
	2007*	2010	% Change
Black/African American	\$46,965	\$46,685	-0.6%
Asian	\$79,588	\$75,865	-4.7%
Hispanic/Latino	\$47,888	\$44,793	-6.5%
White	\$74,101	\$65,992	-10.9%

*2007 figures inflation adjusted to 2010.

San Diego County Residents in Poverty, by Race and Ethnicity



the poverty line, and the 202,886 (20.9%) Latinos in poverty made up 45% of all impoverished county residents. More than 30,000 (10.9%) Asian Americans were in poverty. The data doesn't provide a breakdown for diverse Asian American populations.

Median household income for residents of all races and ethnicities fell between 2007 and 2010 (adjusted for inflation).

Wage gaps between men and women persisted in 2010. For full-time, year-round work, the median income for men was \$49,564 a year, and for women was \$41,216. Over 237,000 women were living in poverty in San Diego County.

Summary

- Poverty continued to increase in San Diego County in 2010. The poverty rate rose to 15% of all county residents and one in five of all children.
- Extreme pockets of poverty are building in cities such as El Cajon and Escondido.
- Many of those living in poverty are workers, including nearly 25,000 adults working full-time and another 97,000 who work part-time.

The suffering described by official poverty statistics is only part of the story, because the federal poverty line is so low, particularly given San Diego's high cost of living. The more realistic measure – those living below 200% of the poverty line – paints a shockingly grim picture: More than a third of the county's population is struggling with economic hardship.

Job creation alone won't solve the problem, if industries are allowed to create more poverty jobs. Like the rest of the country, the San Diego region needs more quality jobs with living wages and health coverage.