

2010 CENSUS DATA SUMMARY

In midst of the "Great Recession," Workers struggle in Poverty, Earnings, and Income in 2009

Analysis of Regional and Local Data from the US Census Bureau 2009 American Community Survey

Across the East Bay and in Oakland, the "Great Recession" has had staggering impacts on individuals and families. While much of the attention has been rightly focused on the unemployment rate, the latest Census data for 2009 shows challenging conditions continue to plague those who are working. Earnings for the lowest wage workers do not cover basic household costs, and African Americans and Latinos continue to be concentrated in traditionally lower-paying Service and Sales jobs.

MAJOR FINDINGS

1. PERSISTENT POVERTY, WITH MANY WORKING BUT STILL IN POVERTY

- In 2009, **one in ten East Bay residents lived below the federal poverty threshold** (10.2%, or 255,591 individuals). This is not statistically different than the poverty rate of 10.1% in 2007, before the current recession started. **Oakland's poverty rate in 2009 was 17.2%.**
- In the East Bay, **two in five adults, or 40.6%**, living under the federal poverty threshold actually worked full or part-time. In the Oakland, **38% living under the federal poverty threshold were actually working** in 2009.
- The poverty rate for **African Americans in the East Bay was 20.9% in 2009, almost twice that of the general population at 10.2%**, while the poverty rate for **Hispanic/Latinos¹ was 13.6%**.
- Nearly **one in seven East Bay children** were in poverty in 2009 (13.5%), while for Oakland almost double that proportion, or over one in four children (26%), were in poverty.

2. ANEMIC EARNINGS CONTRIBUTE TO STAGNANT INCOMES AND POVERTY

- In the East Bay, median earnings for workers actually **dropped 5.1%**, or **-\$2,051** between 2007 and 2009.
- **East Bay residents earned a median of \$37,860 in 2009**, \$54,763 for those working full-time, full year. Oakland residents had lower median earnings, at \$31,755 and \$46,352 respectively.
- For full-time, year-round workers, males in the East Bay earned \$59,756 a year, whereas females earned \$49,375. This means the **overall gender gap in earnings was 17%**.
- African American workers living in the Oakland earned about **60 cents on the dollar** of their White counterparts, while Latinos **earned about 47 cents**. In the East Bay, the earnings gap for African American and Latino workers was smaller in relationship to White residents and to the overall population in the East Bay.

3. LOW-WAGE WORKERS IN OAKLAND EARN BARELY ABOVE HALF OF THE BASIC FAMILY WAGE

- Nearly one in seven workers (15%) in the East Bay and one in six (16.0%) in Oakland is concentrated in the five lowest-wage job categories.
- Based on annual earnings, while those in the bottom five low-wage occupations in the East Bay earn about 69% of what is needed to provide for their families, **in Oakland, workers in the five lowest-wage occupations earn barely half (approximately 58%) of what they need to live in the East Bay.** These lowest paying occupations include food preparation, personal care and services, and buildings and grounds cleaning.

SUMMARY OF CENSUS DATA

Indicator	East Bay		Oakland	
	Number	Percentage	Number	Percentage
People living below 100% of the poverty line	255,591	10.2%	63,375	17.2%
People in poverty who are working	74,125	41%	18,753	38%
People living below 200% of the poverty line	616,504	24.7%	156,327	38.5%
Families living in poverty	40,890	7%	11,270	15%
Children living in poverty	80,184	14%	22,566	27%
Median Household Income	\$70,581		\$51,473	
Median Earnings (full-time, full yr)	\$54,763		46,352	
% of Workers in lowest wage occupations	15%		16%	
Earnings as a % of Basic Family Budget	68-69%		58-59%	

1. PERSISTENT POVERTY, MANY WORKING BUT STILL IN POVERTY

In 2009, **one in ten individuals** (255,591, or 10.2%) in the East Bay lived in poverty according to Federal poverty measures, which was \$10,830 for a single adult under 65 years of age, and \$22,050 for a family of four with

two children.² This is not statistically different than the poverty rate of 10.1% in 2007, before the current recession started.

In Oakland, the largest city in the East Bay, **nearly one in six residents were in poverty**, at a rate of 17.2% in 2009.

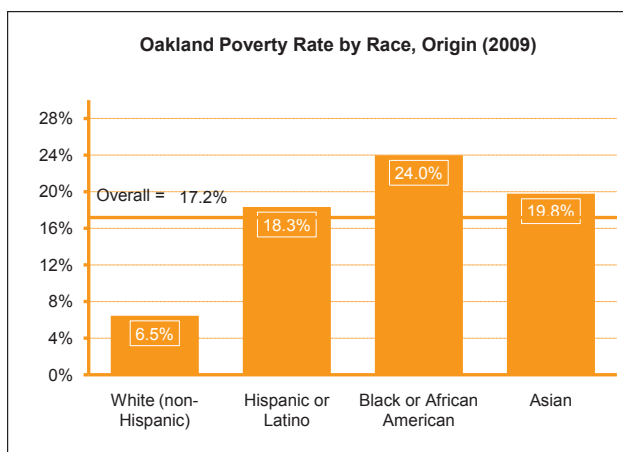
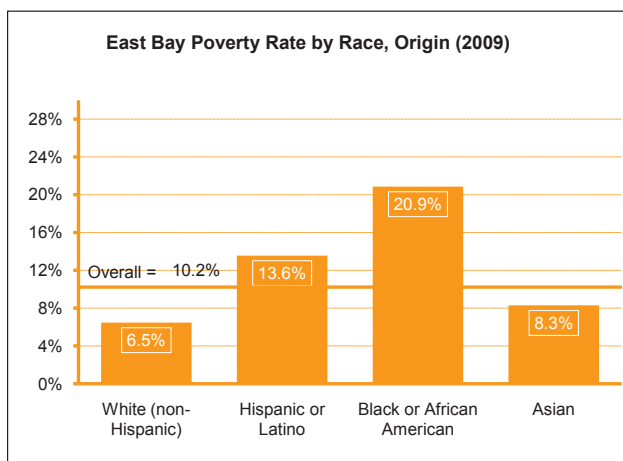
A more realistic measure of economic disadvantage is 200% of the Federal poverty threshold. By this measure, over **half a million East Bay**

residents (616,504 individuals, or 25%) and over **nearly two in five** (156,327 individuals, or 39%) lived economic hardship in 2009.

Over 40,000 families³ in the East Bay live in poverty, with over 80,184 **children in poverty**. That amounted to approximately **one in seven East Bay children** in poverty in 2009 (13.5%). In Oakland, 11,679 families and 22,566 children (or 26%) suffer in poverty.

The racial inequality of poverty and earnings meant that African Americans and Latinos in the East Bay and Oakland were more likely to live in poverty than the overall population. The poverty rate for **African Americans in the East Bay was 20.9% in 2009**, almost twice that of the general population at 10.2%, while the poverty rate for **Hispanic/Latinos was 13.6%**.

Two in five (40.6%, or approximately 74,125) of East Bay residents living under the federal poverty threshold **actually worked full or part-time**. In Oakland, **38% of those in poverty were working full or part-time** (approximately 18,753 individuals over 16 years of age).



2. ANEMIC EARNINGS CONTRIBUTE TO STAGNANT INCOMES AND POVERTY

Poverty was exacerbated by workers in the **East Bay whose median earnings actually dropped 5.1%, or -\$2,051 between 2007 and 2009.** In 2007, the first year of the recession, the median earning for East Bay

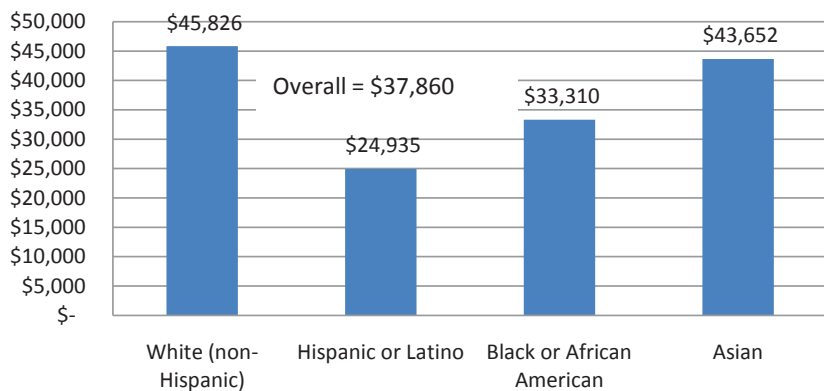
residents was \$74,219⁴, which dropped to \$70,581 in 2009. These numbers underscore the affects of the Great Recession on median earnings in the East Bay.

East Bay residents earned a median of \$37,860 in 2009, \$54,763 for those working full-time, full year. **Oakland residents had lower earnings, at \$31,755** and 46,352 respectively. As more employers in the current recession shift to part-time employees, this will continue to drag down the median earning for residents in the East Bay.

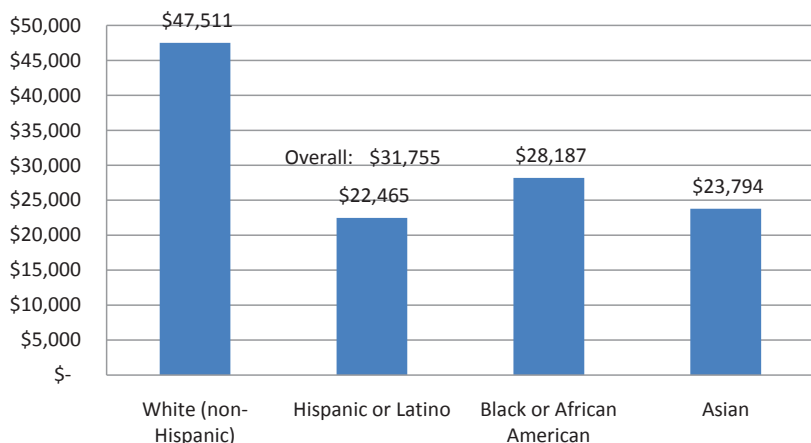
For full-time, year-round workers, the median earning for males in the East Bay was \$59,756 a year, whereas females earned \$49,375. This means the **overall gender gap in earnings was 17%**. Even as some economists have pointed to the "male recession," working women still make approximately 83 cents on the dollar of working men.

Inequality in earnings hit some racial and ethnic groups more than others. African American workers living in Oakland earned about **60 cents on the dollar** of their White counterparts, while Latinos **earned about 47 cents**. In the East Bay, the earnings gap for African American and Latino workers was smaller in relationship to White residents and to the overall population in the East Bay.

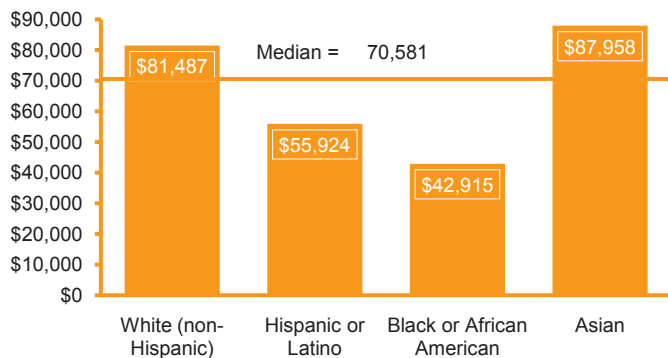
East Bay Median Earnings by Race, Origin (2009)



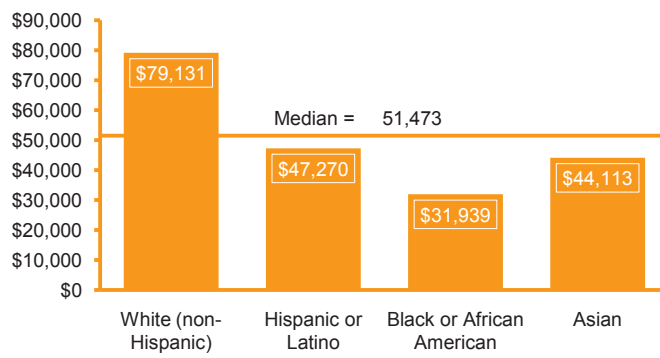
Oakland Median Earnings by Race, Origin (2009)



East Bay Household Income by Race, Origin (2009)



Oakland Household Income by Race, Origin (2009)



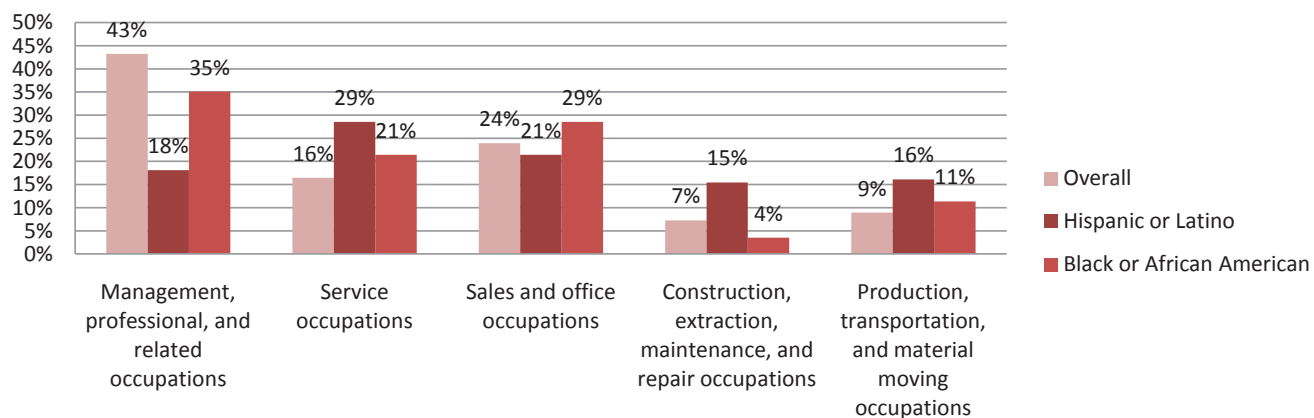
In part because of unemployment and low individual earnings, household incomes in the East Bay were also in steady decline between 2007 and 2009, from \$74,219 in 2007 to \$70,581 in 2009. This represents a drop of 5.0%, or a decline of \$3,638 in median household incomes between 2007 and 2009. And similar to earnings, household income, which includes other forms of income in addition to wages and salary, were not equal by race in 2009.

The income and earnings disparities are likely due to the ongoing concentration of African Americans and Latinos in traditionally lower-paying occupations. Oakland and the East Bay

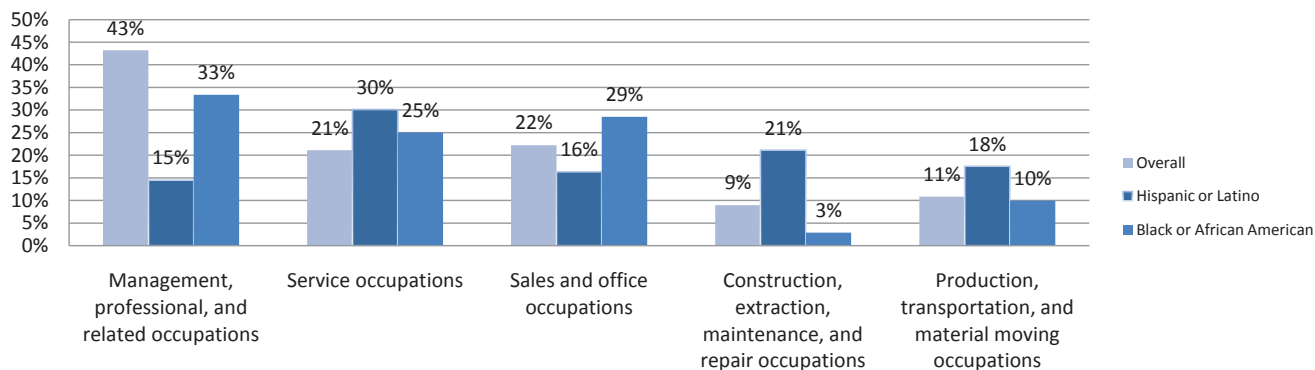
had similar overall distribution of residents working in various occupations.

However, in Oakland, the racial disparities in certain occupations were more pronounced than in others. Latinos are concentrated and over-represented in traditionally lower-paying Service occupations, while African Americans are over-represented in Sales and Office jobs, which includes many jobs in the Retail industry, one of the lowest paying industries. Improving living wages and provision of health benefits in Service and Sales occupations as well as promoting full-time employment will be an important step.

East Bay Resident Occupations by Race (16 yrs and older, 2009)



Oakland Resident Occupations by Race (16 yrs and older, 2009)



3. LOW-WAGE WORKERS IN OAKLAND EARN BARELY ABOVE HALF OF BASIC FAMILY WAGE

In the East Bay, the median earnings in 2009 allowed most families to cover their basic needs—housing, childcare, food, transportation, and healthcare—without relying on public assistance.

However, in Oakland, meager earnings and incomes did not keep pace with what is necessary for a family of four, with two wage-earners, to cover their basic expenses. Based on figures from the California Budget Project, each of two wage-earners in Alameda County would have to earn \$39,582 to survive without public assistance. In Contra Costa County, each wage earner would need to earn \$40,456 a year.⁵

For those in the five lowest-paying job categories, providing for their families is more

difficult. Nearly **one in seven workers (15%) in the East Bay** and **one in six (16.0%) in Oakland** is concentrated in the five low-wage job categories.⁶

Low-wage workers in Oakland fared worse than their overall East Bay counterparts in earning enough to provide for themselves and their families. Based on annual earnings, those in the five lowest-wage occupations in the East Bay earn about 69% of what is needed to provide for their families. However, **in Oakland, workers in the bottom five low-wage occupations earn only slightly more than half (58%) of what they need to live in the East Bay.** These lowest paying occupations include food preparation, personal care and services, and buildings and grounds cleaning.

Oakland Occupational Earnings (full-year, year round, 16 yrs and older)

Occupations	# of workers	ME	Median Earnings	ME2
Management, professional, and related occupations	57,722	4,376	\$ 46,352	2,905
Service occupations	22,103	3,320	\$ 24,174	1,386
Sales and office occupations	26,543	2,821	\$ 41,383	3,403
Construction, extraction, maintenance, and repair occupations	6,619	1,423	\$ 42,002	6,962
Production, transportation, and material moving occupations	12,907	2,102	\$ 29,131	2,633
<i>Total</i>	<i>126,049</i>	<i>5,648</i>	<i>\$ 46,352</i>	<i>2,905</i>

Oakland Lowest Paying Occupations

(full time, yr-round workers 16 years and older, 2009)

Occupation	# of workers	ME	Median Earnings	ME2
Building and grounds cleaning and maintenance occupations	5,345	1,344	\$ 21,083	2,140
Food preparation and serving related occupations	6,624	1,703	\$ 23,185	3,025
Personal care and service occupations	5,237	1,725	\$ 23,525	2,041
Transportation and material moving occupations:	1,498	913	\$ 27,063	8,839
Healthcare support occupations	1,498	913	\$ 29,074	2,560
<i>Overall</i>	<i>126,049</i>	<i>5,648</i>	<i>\$ 46,352</i>	<i>2,905</i>

Background Information

About the Data

This data summary is based on American Community Survey data released on September 28, 2010 for January to December 2009. The American Community Survey is an annual survey of the U.S. Census Bureau that is conducted year-round for areas of population of 65,000 or above. Household incomes and earnings are reported for the past 12 months, and earnings are reported for the civilian employed population 16 years and over. Because the surveys are based on a sample, the American Community Survey reports margins of error (noted as ME in the charts).

We use the geography of East Bay in this data summary, and define the East Bay region as Alameda and Contra Costa counties. The East Bay had a combined population of 2.5 million people and 1.3 million workers over age 16 in 2009. We use the U.S. Census' Oakland-Fremont-Hayward, CA Metropolitan Division as our main geographic area, which combines Alameda and Contra Costa Counties.

About EBASE

The East Bay Alliance for a Sustainable Economy is celebrating over 10 years of building power and raising standards for working families. EBASE has helped pass seven living wage policies in the region. This is EBASE's fourth annual brief on U.S. Census data focusing on poverty, income, and earnings in the East Bay.

www.workingeastbay.org/workingpoverty

Notes

1. We will refer to Hispanic/Latinos as Latinos through the rest of the document.
2. The official measure significantly undercounts the region's poor. A more accurate measure based on recommendations of the National Academy of Sciences would reveal that thousands more persons face material deprivation. The national level is also widely acknowledged to be far less than the real poverty level based on the cost of living in high-cost areas.
3. Family is defined by Census Bureau as a group of two or more people who reside together and who are related by birth, marriage, or adoption.
4. 2007 numbers are inflation adjusted.
5. California Budget Project, Making Ends Meet: How Much Does it Cost to Raise a Family in California? June 2010. These annual salaries assume 40 hours a week, 52 weeks a year of work, and are based on an hourly wage of \$19.03 for Alameda County and \$19.45 for Contra Costa County.
6. The Census reports 13 job categories at a "minor group" occupation level. Note that these job categories are based on standard occupational classifications, and are not evenly distributed.