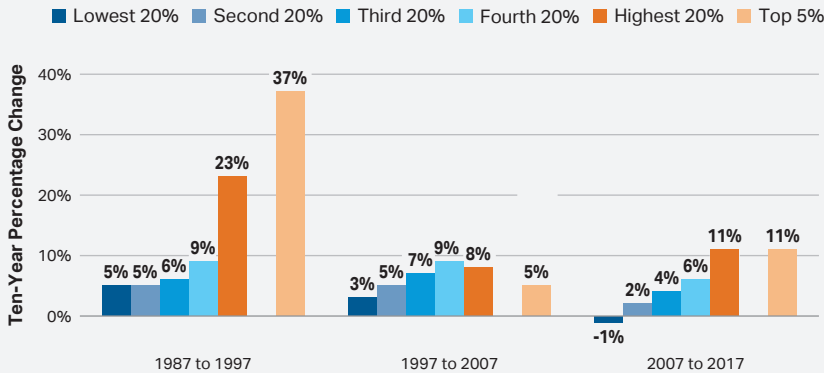


Family Income

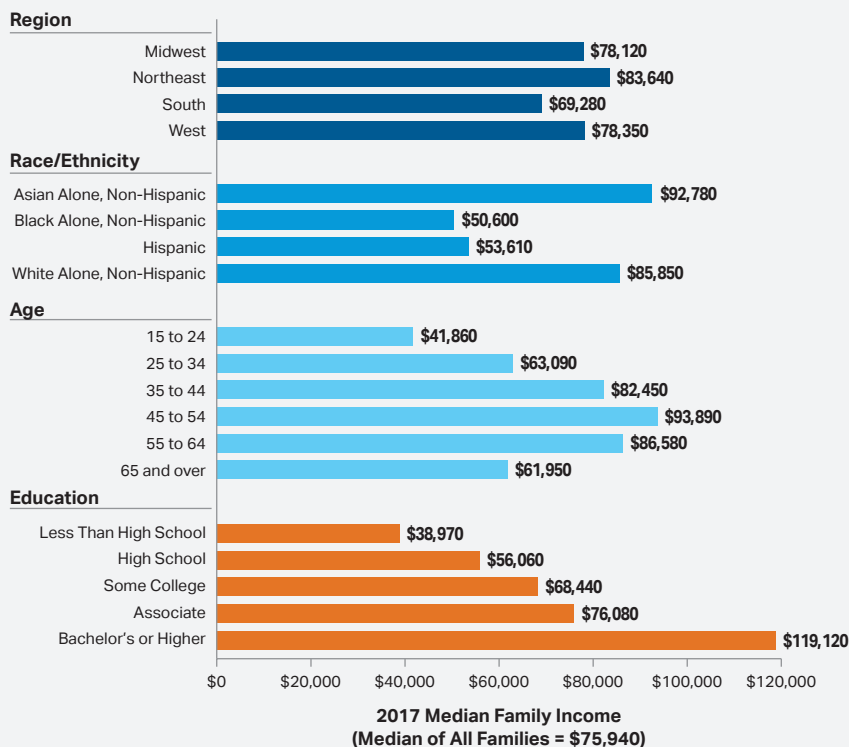
Inequality in family incomes increased in each of the three decades from 1987 to 2017 as income grew fastest for those with higher incomes.

FIGURE 20A Percentage Change in Inflation-Adjusted Mean Family Income by Quintile, 1987 to 1997, 1997 to 2007, and 2007 to 2017



	Lowest 20%	Second 20%	Third 20%	Fourth 20%	Highest 20%	Top 5%
\$ Change from 1987 to 2017	\$1,330	\$5,130	\$11,840	\$24,240	\$77,650	\$154,600
% Change from 1987 to 2017	8%	12%	19%	26%	46%	59%
2017 Income Bracket	\$33,551 or less	\$33,552 to \$60,032	\$60,033 to \$92,358	\$92,359 to \$145,380	\$145,381 or higher	\$261,508 or higher
2017 Mean Income	\$18,940	\$46,350	\$75,840	\$115,830	\$245,040	\$416,640

FIGURE 20B Median Family Income by Selected Characteristics, 2017



SOURCES: U.S. Census Bureau, Current Population Survey, 2017 Annual Social and Economic Supplement, Table F-1, Table F-3, Table F-5, and FINC-01; calculations by the authors.

- In 2017, the average income for the highest 20% of families was 3.2 times as high as that for the middle 20% (\$245,040 vs. \$75,840 in 2017 dollars). It was just 2.6 times as high in 1987 (\$167,390 vs. \$64,000).
- The average income for the middle 20% of families was 4.0 times as high as that for the lowest 20% (\$75,840 vs. \$18,940) in 2017. It was 3.6 times as high in 1987 (\$64,000 vs. \$17,610).
- Unlike those with higher incomes, the 20% of families with the lowest incomes have not yet reached the prerecession (inflation-adjusted) income levels of their 2007 counterparts, although they have recovered some of the income lost during the recession.
- In 2017, median family income for families headed by individuals age 45 to 54—the age bracket of most parents of traditional age college students—was 24% higher than the overall median (\$93,890 compared with \$75,940).
- In 2017, median incomes for black and Hispanic families were 59% and 62%, respectively, of the median for white families. Median income for Asian families was 8% higher than the median for white families.
- In 2017, the \$119,120 median family income for families headed by a four-year college graduate was more than twice the median for families headed by a high school graduate.

ALSO IMPORTANT:

- Average incomes for all quintiles fell between 2007 and 2010. Average incomes began to recover in 2011 for the top 5% and top 20% of families and later for the other quintiles. (U.S. Census Bureau, Table F-3)
- The share of all income going to the 20% of families with the lowest incomes has steadily declined, from 4.6% in 1987 to 4.2% in 1997, to 4.1% in 2007, and to 3.8% in 2017. The share of income going to the top 5% of families rose from 17.2% in 1987 to 20.7% in 1997. It was 20.1% in 2007 and 20.7% in 2017. (U.S. Census Bureau, Table F-2)
- Average published tuition and fees for in-state students attending public four-year colleges rose by \$6,770 (in 2017 dollars) over this 30-year period—57% of the increase in income (\$11,840) of the middle 20% of families and 9% of the increase in income (\$77,650) of the 20% of families in the highest income bracket. (Online Table 2; calculations by the authors)