

California

Income Inequality Grew in California Over the Past Two Decades

California's Richest Families vs. Poorest Families

- The *richest* 20 percent of families have average incomes **7.9** times as large as the *poorest* 20 percent of families.
- This ratio was **6.5** in the late 1980s.
- This growth in income inequality is the **18th** largest in the nation.
- The very richest families — top 5% — have average incomes **13.3** times as large as the poorest 20 percent of families.

The gap between California's richest and poorest families is **8th** largest in the nation.

California's Richest Families vs. Families in the Middle

- The *richest* 20 percent of families have average incomes **2.9** times as large as the *middle* 20 percent of families.
- This ratio was **2.3** in the late 1980s.
- This growth in income inequality is the **5th** largest in the nation.

The gap between California's richest families and families in the middle is **3rd** largest in the nation.

A Closer Look: Short- and Long-term Trends

Late 1990s to mid-2000s

- The average income of the *poorest* fifth of families did not change significantly.
- The average income of the *middle* fifth of families increased by **\$1,889**, from \$49,092 to \$50,981.
- The average income of the *richest* fifth of families increased by **\$16,772**, from \$128,587 to \$145,358.
- The average income of the *richest* 5% of families increased by **\$41,988**, from \$201,397 to \$243,386

Late 1980s to mid-2000s

- The average income of the *poorest* fifth of families increased by **\$1,926**, from \$16,386 to \$18,312.
- The average income of the *middle* fifth of families increased by **\$4,401**, from \$46,580 to \$50,981.
- The average income of the *richest* fifth of families increased by **\$39,103**, from \$106,255 to \$145,358.
- The average income of the *richest* 5% of families increased by **\$89,456**, from \$153,929 to \$243,386

