



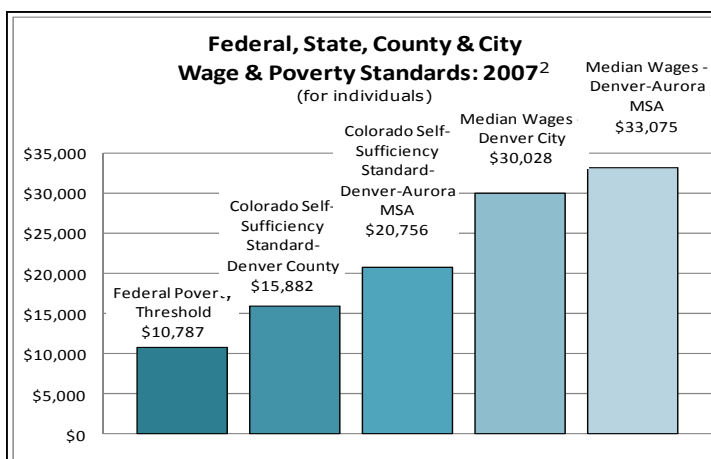
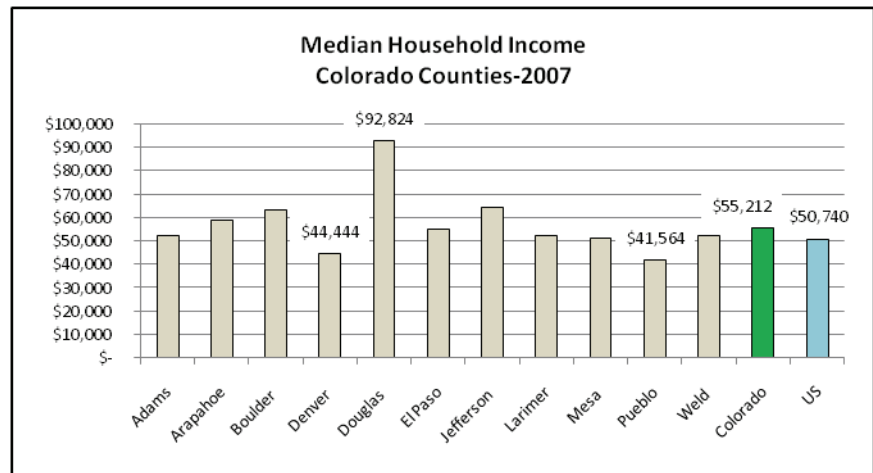
## Income and Poverty in Metro Denver

A Brief Analysis Based on the US Census Bureau American Community Survey  
October 2008

As the Democratic National Convention concludes and the nation's attention on Denver dissipates, working families in the Metro area continue to face the day-to-day realities of income stagnancy, poverty, and jobs that do not provide decent wages or benefits. The 2007 American Community Survey (ACS) data recently released by the US Census Bureau provides a snapshot of Metro Denver working families, many of whom are working but still living in poverty.<sup>1</sup>

### Income & Earnings

Colorado's median household income has typically been higher than the national average (\$55,212 compared to \$50,740 nationally in 2007). However, Denver is among the poorest of all counties in the state.



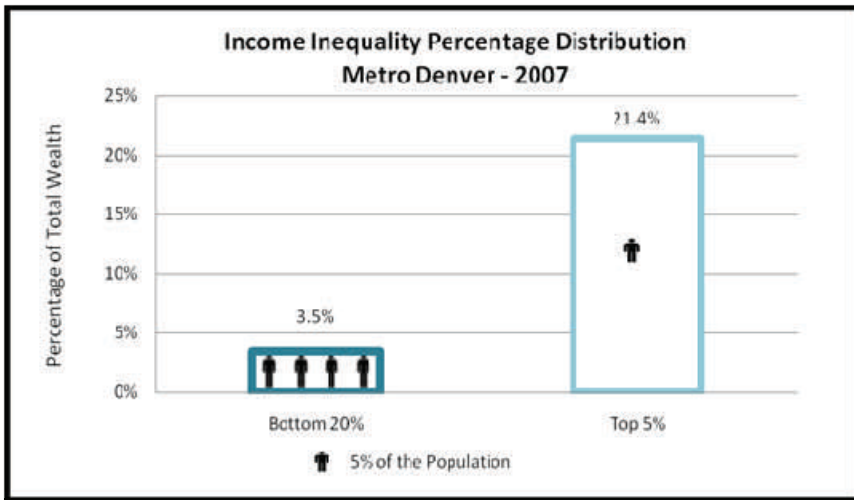
Metro Denver workers and their families saw little growth in median earnings in 2007. Male workers earned a median \$38,347 annually and females earned a median \$27,844 annually. After adjusting for inflation, women actually saw their median earnings slightly decrease from 2006.

<sup>1</sup> As a snapshot of 2007, data did not include the impact of economic milestones that took place in late 2007 and early 2008. Despite small income gains, data confirm 2007 as the first recorded business cycle where real median income is in fact lower at the end as compared to the beginning of the cycle.

<sup>2</sup> Wages reflect individual earnings only. Other standards shown can be calculated for household size and type. The Self-Sufficiency Standard is set based on 2008 data. All others are based on 2007 data.

Over 250,000 workers, or 17 percent of the working population, earned less than the *federal poverty threshold* in 2007. When earnings are compared side-by-side against the *Colorado Self-Sufficiency Standard*<sup>2</sup> however, the number of workers living in hardship soars to 446,933, or 31 percent of the total population. Even with the Self-Sufficiency Standard, these numbers are unlikely to account for individuals who earn slightly below or above the Standards.<sup>3</sup>

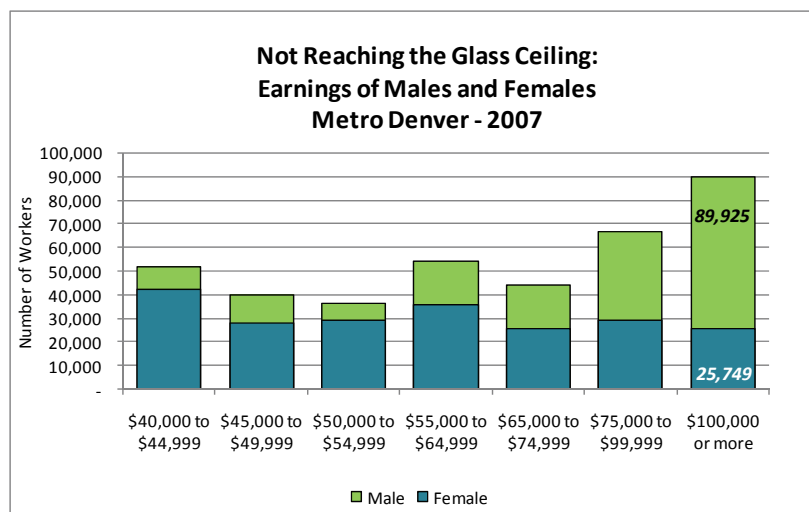
## Income Inequality



In 2007, income disparity was high in the Metro area. While the top 20 percent of households in Metro Denver held 48.7 percent of total household income and the top 5 percent held 21.4 percent of all household income, households at the lowest quintile shared a mere 3.5 percent of the total pie. In Denver alone, the top 5 percent

held 26.8 percent of income, followed by a 54.6 percent for the top 20 percent, and a dismal 2.7 percent for the lowest 20 percent of the population.

Women in Metro Denver, similar to their national counterparts, are paid \$.82 cents on every dollar that is paid to males performing the same jobs. The number of women in higher earning brackets are disproportionately fewer than the number of men in the same earning brackets, suggesting that many women are still not able to reach the highest paid jobs.

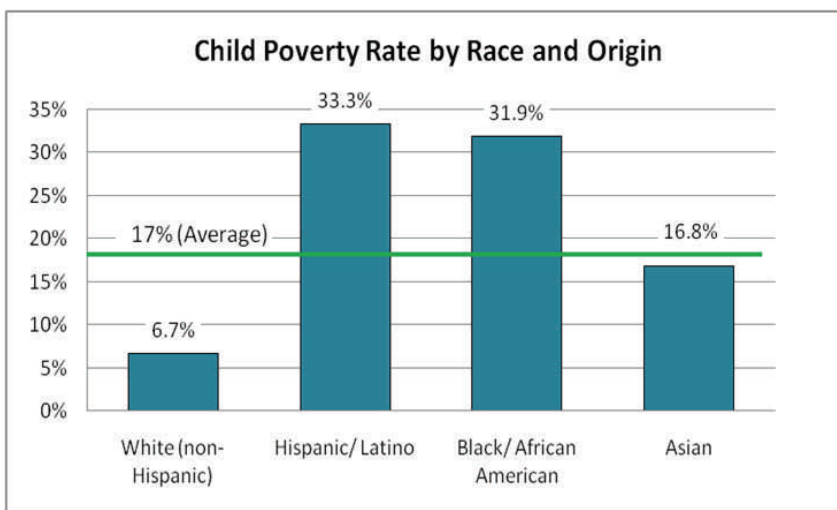
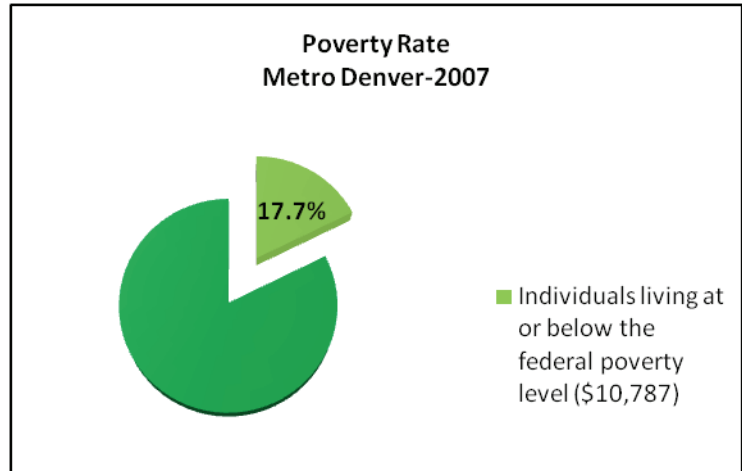


<sup>2</sup> The Colorado Self-Sufficiency Standard is from 2008 and takes into consideration household size and type.

<sup>3</sup> At least an estimated 100,000 workers earned between \$30,000 and \$34,000 annually, well above the federal poverty and Colorado self-sufficiency levels. Although they are not formally captured, it is likely that many of these families are also struggling to make ends meet.

## Poverty

In Denver proper, individuals living below the federal poverty level make up 17.7 percent of the population, or 102,292 individuals. The overall poverty rate for individuals living in the nine-county Metro area is 11.5 percent, comparable to the rate for Colorado.



While the Colorado childhood poverty rate has risen to an unprecedented rate (15.9 percent), more than 600,000 children under the age of eighteen lived in poverty in the Metro Denver area in 2007 (16.6 percent). Children of color were far more likely to live in poverty than their white counterparts.

Hispanic/Latino and Black/

African American children make up nearly one-third of all children living in poverty.

## Employment and Wages in Metro Denver

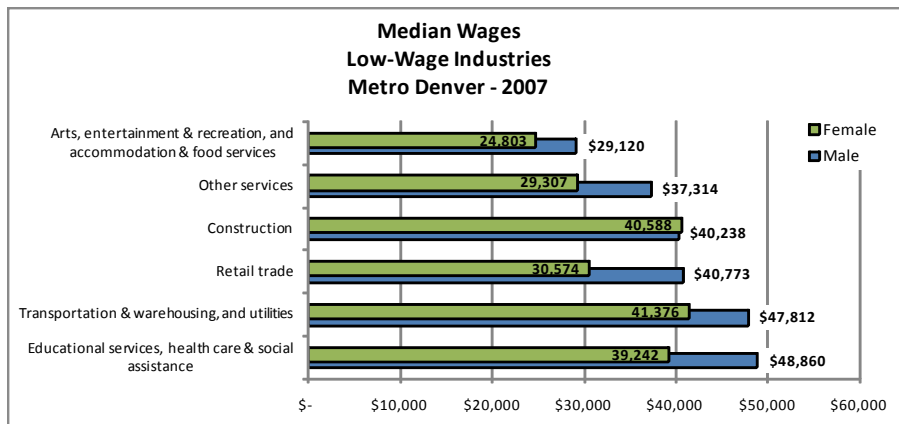
In 2007, the Metro Denver area employed more than 600,000 workers in the lowest-paid industries. Workers in retail, services, and accommodations continue to struggle the most, earning average wages around \$36,000 compared to an average of \$44,000 for all workers in the Metro area. Among the

<i>Workers in Low-Wage Industries as Share of All Workers</i>	<b>Percent</b>	<b>Number of Workers</b>
<b>Total (all industries)</b>	<b>100%</b>	<b>1,288,527</b>
<b>Retail trade</b>	10.8%	139,005
<b>Construction</b>	9.5%	122,297
<b>Accommodation and food services</b>	6.8%	87,511
<b>Educational services</b>	6.7%	86,283
<b>Transportation and warehousing</b>	5.0%	64,525
<b>Administrative and support and waste management services</b>	4.9%	63,521
<b>Other services, except public administration</b>	4.9%	62,796
<b>Arts, entertainment, and recreation</b>	2.4%	30,540

<sup>4</sup> Industries are based on 2-digit NAICS

hardest hit workers in low-wage jobs are women, who earned substantially less than their male low-wage earning counterparts.

Based on the 2007 American Community Survey data snapshot, it is clear that working families in the Denver Metro area continue to struggle financially. For many, working hard is not enough to make ends meet as evidenced by stagnant wages, alarming income inequality, and persistent poverty, especially among children.



Additional information can be found on [www.census.gov](http://www.census.gov) or on the Colorado Department of Labor and Employment website <http://lmi.gateway.coworkforce.com/lmi/gateway/default.asp>. For complete details about the Colorado Self-Sufficiency Standard, visit the Colorado Fiscal Policy Institute at [www.cclp.org](http://www.cclp.org).

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**FRESC: Good Jobs, Strong Communities** is a non-profit organization whose mission is to ensure that Colorado jobs pay livable wages with family-supporting benefits, and that families have access to affordable housing and a good quality of life. FRESC believes that elected leaders, businesses, worker organizations, community organizations and individuals all share in the collective task of restoring economic stability for vulnerable populations and rebuilding the ladder to opportunity for all working families. Visit our website at [www.fresc.org](http://www.fresc.org) for more information.