



Growing ND by the Numbers

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Median Family Income Higher Than Median Household Income

All fifty-three counties in North Dakota have a higher median family income compared to median household income. Median family income is typically higher because of the composition of households. Family households tend to have more people, and more of those members are in their prime income earning years. Golden Valley has the largest difference. Areas with a wide disparity between the two measures have an excess of nonfamily households, single persons or otherwise.

Source: U.S. Census Bureau, American Community Survey Five-Year Estimates, 2012-2016

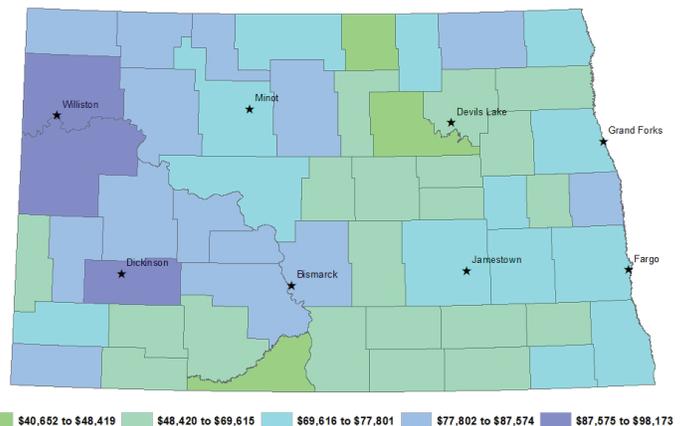
Method of Measuring Income Varies

When it comes to income, as with other measures, the definition can vary among government agencies. For example, the U.S. Census Bureau counts income differently than, say, the Bureau of Economic Analysis (BEA). As it goes, BEA counts more items when income is calculated, so measures are expectedly higher. The U.S. Census Bureau, through its American Community Survey (ACS), has specific sources it uses for totaling income. They include:

- Wages, salary, tips from all jobs
- Self-employment income (net)
- Interest, dividends, rental
- Social security
- Supplemental security income
- Public assistance payments
- Disability
- Other sources like unemployment, child support, veterans' payments

These sources are used when people are asked to fill out the American Community Survey (ACS) questionnaire for income. Thus, an individual's income is the sum of these sources. Since families/households are recognized as a fundamental economic unit, the most commonly used income measures deal

Median Family Income by County 2016



Median Family Income by County in North Dakota. The state-wide median family income is \$79,530.

Source: North Dakota Census Office 2017 Map using data from U.S. Census Bureau's 5 Year ACS

with values at a household or family level rather than individuals. The sum of the individuals' incomes within the same housing units makes up household income. Households can include both family (related) and non-family members. A family consists of two or more people (one of whom is the householder) related by birth, marriage, or adoption residing in the same housing unit. The sum of their incomes is referred to as family income. A household consists of all people who occupy a housing unit regardless of

relationship. A household may consist of a person living alone or multiple individuals or families living together. Most commonly used income measures deal with values at the household or family level rather than for individual. Note that income for persons living in group quarters (prisons, dormitories, nursing homes, or military barracks) are not considered in measures related to household and family income.

Source: U.S. Census Bureau, Decennial Census and American Community Survey Five-Year Estimates, 2012-2016

Williams County has Highest Per Capita Income

Though not commonly used for comparison, Williams county has the highest per capita income in the state of North Dakota at \$45,442. The county with the lowest per capita income is Sioux County at \$15,338.

Source: U.S. Census Bureau American Community Survey Five-Year Estimates, 2012-2016, Table B19301

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Choosing the Measure for Income

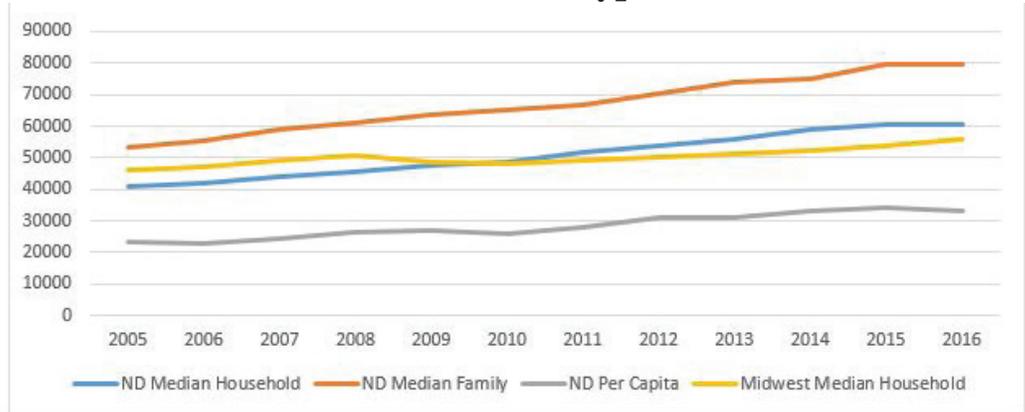
When we choose income as a measure we receive aggregated data of individuals who live in a geographic area such as a census tract, community, or county. To use the aggregated data, different statistical measures such as means, medians, and percentiles are used. We can also look at distributions of values, like a table of households categorized by the value of their household income or of families categorized by their family incomes. We can also look at "per capita" summaries or summaries on a per-person basis. As a practical matter, as well as security, you don't usually have access to individual person, family, or household data

but to data summarized for a geography. Median Household Income is likely the most widely used measure of income in the census. The median of a distribution is the one that ranks in the middle. Another measure is the Average Household Income, which is the arithmetic mean of a summary of household incomes. Median Household Income is viewed as a better central measure than Average Household Income because it is not distorted by extreme values. Similarly, we have Median Family Income and Average Family Income. The difference being that they are based on only family household income.

Median Family Income is usually recognized as the second most widely used measure of an area's income. Median family income is typically higher than median household income because of the makeup of the household. Family income measures are commonly used in qualifying communities for government programs. One measure of income that is person-based is Per Capita Income. It is the total aggregate income for an area divided by the total population for the area. Though the measure is easily calculated, it's rarely the income measure of choice.

Source: U.S. Census Bureau, American Community Survey, 5-Year ACS 2012-2016

North Dakota Income Types over Time



Source: U.S. Census Bureau, American Community Survey, One Year ACS for 2005 - 2016, Table S1901

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