North Dakota’s Income Grows, the Nation’s Shrinks

According to data from the Census Bureau’s Small Area Income and Poverty Estimate (SAIPE), between 2007 and 2013 North Dakota’s median household income grew more than 15 percent when adjusted for inflation. North Dakota, South Dakota and the District of Columbia experienced growth in reported median incomes during this timeframe. South Dakota saw a growth of 1 percent and the District of Columbia saw an increase of 8 percent.

Nationally, the median household income shrunk by 8 percent from 2007 to 2013 when adjusted for inflation. Forty-eight states experienced a decrease in median household income. Several states saw a decrease greater than 10 percent including Arizona, California, Florida, Georgia, Indiana, Michigan and Nevada.

North Dakota’s median household income was $43,936 in 2007 and was ranked 38th of the 50 states, but grew at a more rapid annual rate each year than the national average. Between 2007 and 2013 the state’s median household income, unadjusted for inflation, grew at a rate of 4.4 percent compared to 0.5 percent.

ND’s Gini Index
The Gini Index is used to describe the level of distribution. The lower the index the more evenly distributed the income. A value of “zero” indicating there is an equal distribution to all households. Conversely, an index of “1” would indicate that all income went to only one household. North Dakota’s index in 2013 was 0.455, the 17th lowest of the 50 states.

North Dakota Counties Show Increase in Income

Of the 50 states, only North Dakota experienced an increase in median household income in every county between 2007 and 2013. Nationwide a number of states saw reductions in nearly every county. In Georgia, for example, of the 159 counties, 154 experienced a decline when adjusted for inflation. Minnesota saw a decline in 46 of its 89 counties. Even in South Dakota, the only other state to have seen an increase in the state’s overall figures, 10 of the state’s 66 counties saw a reduction during this timeframe.

continued on page 2
Top 10 Percent
In 2013, 18 North Dakota counties were ranked in the top 10 percent of the nation’s 3,140 counties for median household income. These included Billings, Bottineau, Bowman Burke, Burleigh, Divide, Dunn, Hettinger, McKenzie, Mercer, Morton, Mountrail, Oliver, Renville, Slope, Stark, Steele and Williams. Conversely, no North Dakota counties were listed in the bottom 10 percent of the nation’s counties for median household income in 2013.

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nationally. The state overtook the national average for the first time in 2011 and has continued to move. The highest year of grow in the state was between 2011 and 2012 at nearly 6.7 percent. By 2013, North Dakota’s figure had grown to $56,800. Its ranking had changed to 17th, 9 percent above the national average of $52,250.

In the region, North Dakota’s $56,800 median household income in 2013 remained 7 percent below that of Minnesota’s at $60,664, but showed dramatic closure from pre-recession figures. In 2007, North Dakota was 21 percent below Minnesota’s median household income of $55,664. The 2007 North Dakota figure was only slightly above that of South Dakota’s and Montana’s figures at $43,507 and $43,000 respectively. By 2013 North Dakota figures had pulled well ahead of these states’ figures now at $49,200 and $46,893.

County Income Increases in North Dakota

In 2007, only two North Dakota counties (Burleigh and Mercer) were estimated to have incomes exceeding the U.S. average in median household income of $50,740. By 2013, the number of counties above this threshold had grown to 33, more than half of the state’s 53 counties.

Of the 3,140 counties in the U.S., North Dakota counties tended to see the highest increase in income from pre-recession 2007 until post-recession 2013. All of the top 12 counties in the ranking of fastest growing incomes during this timeframe were from North Dakota, led by Slope County which saw a nearly 74 percent increase in median household income. Twenty-two counties saw an increase of greater than 25 percent.

As of 2013, only two North Dakota counties (Sioux and Rolette) ranked in the bottom quarter of U.S. counties compared to 11 in 2007. Two ranked in the second quarter (Benson and McIntosh), 14 ranked in the third quarter and 35 of North Dakota’s counties ranked in the top quarter by median household income in 2013 compared to seven in 2007.

Williams County had the highest median income of counties in the state at $84,237, making it the nation’s 34th highest county by median income in 2013. Other high ranking North Dakota counties included McKenzie - 79th, Billings - 97th and Mercer - 136th.

The North Dakota county with the lowest median household income was Sioux at $34,491. Similar to the high ranking counties, Sioux County moved up dramatically from 2007 when it was ranked 130th from the bottom to 383rd from the bottom. Other low ranking North Dakota counties in median household income included Rolette - 423rd from the bottom followed by McIntosh - 1,084th and Benson - 1,349th.