

Since 1967, income has shifted upward: U.S. Census Bureau

By Editorial Staff Thu, Sep 17, 2015

Households where a married couple is present have the highest median income, at more than \$80,000. Non-family households led by a female have the lowest median income, at less than \$27,000.

A new [report](#) from the U.S. Census Bureau, “Income and Poverty in the United States: 2014,” portrays an America where since 1967 the middle class has shrunk significantly, the lower class has shrunk a bit, and the upper classes have thrived.

In 1967, the Census Data show, 42.7% of the 61,000 households in the U.S. earned between \$35,000 and \$75,000. They might be considered the middle class. Households earning less represented 38.7% and households earning more represented the smallest share, at 18.6%.

Over the next four decades, a clear shift has occurred. In 2014, only 30.1% were in the middle group. The lowest group had shrunk to 33.7% and the segment with the highest incomes grew to 36.2%, the largest of the three groups.

Snapshot of U.S. householders age 65 and older

- There are 29,946 householders age 65 and older in the U.S.
- There are 44,963 people age 65 and older in the U.S.
- The median household income of householders aged 65 and over is \$36,895.
- Americans age 65 and older represent:
 - 14.6% of the overall population.
 - 14.8% of the people with income above 200% of the poverty threshold.
 - 17.6 % of the people between 100% and 200% of the poverty threshold.
 - 7.1% of people below 50% of the poverty threshold.
 - 10% of those living in poverty in 2014.
- 12.1% of women age 65 and older were in poverty in 2014.
- 7.4% of men age 65 and older were in poverty in 2014.
- The U.S. median household income in 2014 was \$53,657.

Source: “Income and Poverty in the US: 2014,” U.S. Census Bureau, September 2015.

While this suggests a country that is growing generally richer, other statistics in the report show that the gains have largely accrued to certain group of people. Households where a

married couple is present, for instance, have the highest median income, at more than \$80,000. Non-family households led by a female have the lowest median income, at less than \$27,000.

Aside from marriage, factors that seemed to favor higher median household incomes, those identifying as Asian or white, males, those ages 35 to 54, those who attained at least a bachelor's degree, those living in metropolitan areas but not the largest cities, and those living in the West.

The study does not indicate that older Americans in general are at-risk for poverty. Americans over age 65 represent about 14.8% of the population but account for 12.1% of those with household incomes 50% to 99% of the poverty level and 6.1% of those living on less half the poverty level. Corresponding figures for children under 18, who make up 23.3% of the general population, are about 34% and 33%.

Evidence of the concentration of wealth shows up in data that indicates the percent of national income earned by each of five income quintiles. The richest 20% of American households had 51% of the national income in 2014. (The richest 5% had 22%.) The next 20%—those in the 60th to 80th percentile—shared 23% of the income. The poorest 60% of American households share just 25.6% of the national income.

Back in 1967, when the oldest Boomers were graduating from college, the top quintile had 43.6% (17.2% to the top 5%). The fourth quintile had 24.2% and the lowest 60% of households shared 32.1% of the national income.

The Census Bureau defined "income" as virtually all cash receipts but excludes capital gains, which have been a significant source of income for upper-income groups during the dramatic rise in stock market indexes after 1982. In adjusting annual income levels for inflation since 1967, the Census Bureau used changes in the Consumer Price Index, which shows inflation since 1977 at an accumulated 347%.