

# Economic Characteristics of Households in the United States: Third Quarter 2008

Issued April 2010

*Household Economic Studies*

P70-119

## INTRODUCTION

In the third quarter of 2008, the U.S. economy was in the midst of the recession that began in December 2007, while the labor market continued a decline that started during the second half of 2007. The third quarter of 2008 saw the national unemployment rate rise to 6 percent and the number of unemployed people reach 9.4 million, an increase of 1.2 percentage points and 2 million people over the fourth quarter of 2007 (all figures seasonally adjusted). Over the same 2007–2008 period, employment was down by almost 1 million people and the employment-population ratio dipped from 62.8 percent to 62.1 percent. Throughout 2008, median weekly earnings grew at about the same rate as inflation.<sup>1</sup>

This report provides an overview of some of the key sources of financial support of the nation's people and households during this time. The data offer a window into the roles of government-sponsored benefit programs and the labor market during the downturn. When placed within a wider context, the data can contribute to a better understanding of how public and market-oriented financial-support mechanisms respond to varying economic circumstances, and how the role of government programs has changed over time.

<sup>1</sup> The description and data in this paragraph are based on Borbely, 2009. The data are seasonally-adjusted quarterly averages from the Current Population Survey. The labor force measurements are for people aged 16 or older only.

This report marks the 25th anniversary of the data in the first publication from the Survey of Income and Program Participation (SIPP), P70-1, Economic Characteristics of Households in the United States: Third Quarter 1983, and revisits several of the topics of that vanguard report.

Although those early data were considered to be preliminary, their publication heralded concretely the arrival of a major new source of longitudinal data about the nation's people and economy. Since their release, the SIPP has found widespread analytical uses. Like the Current Population Survey (CPS) and the American Housing Survey, the SIPP has become one of the country's iconic data sources.

When data from the SIPP for the fourth quarter of 1984 were ready for publication, the U.S. Census Bureau, believing that it had gained sufficient familiarity with the new survey's behavior and data processing system, dropped the "preliminary" label from the data. Appendix C compares selected data for 2008 from the body of this report with these data for the fourth quarter of 1984.

## Current Population Reports

By  
Thomas Palumbo

U S C E N S U S B U R E A U

*Helping You Make Informed Decisions*

U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU

Specifically, this report presents average monthly data on income, participation in government-sponsored social welfare programs and social insurance programs, and labor force activity for people and households during the third quarter of 2008 (July, August, September).<sup>2</sup> The data were collected in the first wave of the 2008 panel of the Survey of Income and Program Participation (SIPP).<sup>3,4</sup> The figures represent the civilian noninstitutional population of the United States in the third quarter of 2008.<sup>5</sup>

The SIPP interviews a representative sample of U.S. households once in every four months. The survey is capable of producing monthly averages because, in any given interview, it collects information on household composition, income, program participation, and labor force activity for each of the preceding four months.

<sup>2</sup> Appendix A describes the procedures used to compute the monthly averages shown in this report. The SIPP data in this report are not seasonally adjusted. The data in Table 7 and in Figures 1 and 2 represent actual monthly counts rather than monthly averages.

<sup>3</sup> The SIPP is a longitudinal survey that follows the same panel of individuals over time. The survey is conducted in waves. Data are collected from one-fourth of the sample members ("rotation group") in each of the four months of a wave. People are asked about characteristics and activities during each of the four months prior to the interview, a time known as the "reference period." The data for this report were collected during wave 1 of the 2008 SIPP panel. Interviews were conducted from September 2008 through December 2008. See Box 1 for related sources of data.

<sup>4</sup> A package of tabulations of annual and monthly data from the 2004 SIPP panel on individual, family, and household program-participation rates and amounts for 2004–2005 for social insurance and social welfare programs is found at: <[www.census.gov/sipp/tables/index.html](http://www.census.gov/sipp/tables/index.html)>.

<sup>5</sup> Published data generally comparable with those in this report are available from the SIPP for the third quarter of 1984 (U.S. Census Bureau, 1985). The tables in Appendix C compare selected data in this report with those data (see the text in Appendix C for issues related to comparability).

### Box 1. Related Sources of Data

Several existing data series provide information closely related to the data in this report. The U.S. Census Bureau publishes statistics on annual income of people and households based on the Annual Social and Economic Supplement (ASEC) of the Current Population Survey (CPS) at <[www.census.gov/hhes/www/income/income.html](http://www.census.gov/hhes/www/income/income.html)>. The Bureau of Labor Statistics (BLS) publishes several data series on earnings based on the CPS and the Current Employment Statistics Survey at <[www.bls.gov](http://www.bls.gov)>. The BLS also publishes the nation's official household-based statistics on monthly employment and unemployment from data collected in the CPS, which is specifically designed to obtain labor force statistics. The SIPP collects data on labor force activity to complement its data on income and household economic status. Accordingly, the SIPP labor force data are based on procedures and concepts that differ from those used to collect and define the official CPS statistics.

### HIGHLIGHTS

- Median monthly cash income for all households in the third quarter of 2008 was \$3,865, or \$46,380 on an annual basis.<sup>6</sup>
- The median monthly cash income of \$5,604 for married-couple households was substantially above the comparable figure of \$2,193 for family households with a female householder with no husband present and with own children under 18.
- In an average month during the third quarter of 2008, about 45 percent of the population resided in households in which at least one individual received benefits from one or more government-sponsored social welfare or social insurance programs. Social Security, Medicare, and Medicaid were the most widespread sources of benefits.
- About 28.4 million households, or 24 percent of total U.S. households, received means-tested benefits (either cash or non-cash) in an average month, with Medicaid, free or reduced-price school meals, and food stamps being the most widely received.<sup>7</sup> In 1984, the roughly comparable figure was about 16 percent.<sup>8</sup>
- The two government programs affecting the largest number of households, Social Security and Medicare, are not means tested. About 33.6 million households (28.6 percent of the total) received Social Security or Railroad Retirement benefits and 30.8 million (26.2 percent) received benefits from Medicare.

<sup>6</sup> The estimates in this report (which may be shown in the text, tables, and figures) are based on responses from a sample of the population and may differ from actual values because of sampling variability or other factors. As a result, apparent differences between estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90 percent confidence level unless otherwise noted. The data in Tables 1 to 6 are averages of monthly estimates.

<sup>7</sup> The 2008 farm bill (H.R. 2419, the Food, Conservation, and Energy Act of 2008) changed the name of the Federal Food Stamp Program to the Supplemental Nutrition Assistance Program (SNAP) as of Oct. 1, 2008. States maintained flexibility to name the program on their own but were encouraged to change the name to SNAP or another alternate name.

<sup>8</sup> See Table C-2. Note the discussion in the text in Appendix C concerning the comparability of the 1984 and 2008 data.

- Noncash means-tested benefits went to 28.2 million households in an average month. The majority of these households (54 percent) participated in two or more programs. About 5.9 million family households with a female householder with no husband present and with own children under 18 received noncash means-tested benefits—nearly three quarters (74.0 percent) participated in two or more programs.
- In an average month, 156.7 million people aged 16 or older, or 66.9 percent of people of working age, engaged in some form of labor force activity (working, on layoff, or looking for work). Most, 142.6 million, had a job for the entire month.
- The median monthly cash household income of people with some labor force activity was \$5,500, or \$66,000 if sustained for the entire year. The comparable figure for people without labor force activity, such as retired people, was \$2,979, or about \$35,750 annualized.
- Receiving means-tested government benefits was significantly more common among households with unemployed members or with no labor force participants than among those with jobholders only. This was especially true for family households with a female householder with no husband present and with own children under 18.

- The number of households receiving food stamps increased steadily between May and November of 2008, rising from 8.9 million to 10.4 million.

### MONTHLY HOUSEHOLD INCOME

Median monthly cash income for all households in the third quarter of 2008 was \$3,865 (Table 1).<sup>9</sup> A household receiving this amount in each month for a year would have an annual income of \$46,380. Asian households had the highest median monthly income (\$5,196 monthly or \$62,352 annualized), followed by White, not Hispanic, households (\$4,252 monthly or \$51,024 annualized), Hispanic households (\$3,041 monthly or \$36,492 annualized), and Black households (\$2,579 monthly or \$30,948 annualized).<sup>10</sup>

<sup>9</sup> There were, on average, 117.5 million households in the United States in the third quarter of 2008. Slightly less than three-quarters (71 percent) had a White, not Hispanic, householder. Black households and Hispanic households each composed about 12 percent of all households. Asian households made up 3 percent of the total (Table 1).

<sup>10</sup> Federal surveys now give respondents the option of reporting more than one race. There are two basic ways of defining a race group. A group such as Black may be defined as those who reported Black and no other race (the race-alone or single-race concept) or as those who reported Black regardless of whether they also reported another race (the race alone-or-in-combination concept). This report shows data using the first approach (race-alone). The use of the single-race population does not imply that it is the preferred method of presenting or analyzing data. The U.S. Census Bureau uses a variety of approaches. Information on people who reported more than one race, such as White and American Indian, or Asian and Black or African American, is available from Census 2000 through the American FactFinder Web site. About 2.6 percent of people reported more than one race in Census 2000.

Median monthly household incomes differed little across the four regions of the country, with about \$600 separating the lowest from the highest. The medians for the West (\$4,177) and Northeast (\$4,132) were highest. The \$3,590 median for the South (the region with the highest percentage of households, 37 percent) was lowest, about \$250 below the \$3,833 figure for the Midwest.

Half of the nation's households consisted of married-couple families. Their median monthly income of \$5,604 contrasted with those of the other household types (Table 1). Family households with a female householder with no husband present and with own children under 18 composed 7 percent of all households, and had a median cash income of \$2,193 or about 40 percent of that of married-couple families. Nonfamily households constituted about 33 percent of all households; the median income of those with male householders exceeded that of households with female householders, \$2,793 to \$1,927.

The median monthly incomes of households by ascending age of the householder displayed an inverted "V" pattern. After rising steadily from \$2,252 for the youngest householders, they peaked at \$5,000 for householders 45 to 54 years old, then fell back to \$2,448 for the oldest householders.

Table 1.

## Households and Median Monthly Household Cash Income by Selected Characteristics of Householder: Monthly Averages, Third Quarter 2008

(Numbers in thousands)

Characteristic	Number				Median Income (dollars)			
	All households	90 percent confidence interval (+/-) <sup>1</sup>	Percent	90 percent confidence interval (+/-) <sup>1</sup>	Estimate	90 percent confidence interval (+/-) <sup>1</sup>	As a percent of all households	90 percent confidence interval (+/-) <sup>1</sup>
<b>All households . . . . .</b>	<b>117,528</b>	<b>27</b>	<b>100.0</b>	<b>–</b>	<b>3,865</b>	<b>30</b>	<b>100.0</b>	<b>–</b>
<b>Race and Hispanic Origin of Householder</b>								
White Alone . . . . .	95,853	400	81.6	0.3	4,079	29	105.5	1.1
White Alone, not Hispanic . . . . .	83,376	468	70.9	0.4	4,252	34	110.0	1.2
Black Alone . . . . .	14,504	339	12.3	0.3	2,579	59	66.7	1.6
Asian Alone . . . . .	3,778	182	3.2	0.2	5,196	164	134.4	4.4
Hispanic Origin (any race) . . . . .	13,695	331	11.7	0.3	3,041	41	78.7	1.2
<b>Region</b>								
Northeast . . . . .	21,610	399	18.4	0.3	4,132	55	106.9	1.7
Midwest . . . . .	26,395	430	22.5	0.4	3,833	49	99.2	1.5
South . . . . .	43,181	497	36.7	0.4	3,590	45	92.9	1.4
West . . . . .	26,343	430	22.4	0.4	4,177	55	108.1	1.6
<b>Type of Household</b>								
Family household:								
Married-couple family . . . . .	58,904	515	50.1	0.4	5,604	38	145.0	1.5
Family household:								
Female householder, no husband present, with own children under 18 years . . . . .	8,578	268	7.3	0.2	2,193	48	56.7	1.3
Nonfamily household: Male householder. . . . .	18,025	371	15.3	0.3	2,793	68	72.3	1.8
Nonfamily household: Female householder. . . . .	20,333	390	17.3	0.3	1,927	24	49.9	0.7
<b>Age of Householder</b>								
15 to 24 years . . . . .	6,044	228	5.1	0.2	2,252	72	58.3	1.9
25 to 34 years . . . . .	19,017	379	16.2	0.3	3,944	52	102.0	1.6
35 to 44 years . . . . .	22,992	409	19.6	0.3	4,778	47	123.6	1.6
45 to 54 years . . . . .	25,217	423	21.5	0.4	5,000	49	129.4	1.6
55 to 64 years . . . . .	19,892	386	16.9	0.3	4,417	60	114.3	1.8
65 years and over . . . . .	24,366	418	20.7	0.4	2,448	31	63.3	0.9

– Represents or rounds to zero.

<sup>1</sup> A 90 percent confidence interval is a measure of an estimate's variability. The larger the confidence interval in relation to the size of the estimate, the less reliable the estimate. For more information, see "Uses and Computation of Standard Errors" at <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

Note: Details may not sum to totals because of rounding and because not all categories are shown.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, July–September 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

## Box 2. Government-Sponsored Social Insurance and Social Welfare Programs

### Social Insurance Programs

Department of Veterans' Affairs Compensation, Pensions, and Educational Assistance  
 Medicare  
 Social Security  
 Unemployment Compensation Insurance  
 Workers' Compensation

### Social Welfare Programs

Food Stamps or the Supplemental Nutrition Assistance Program (SNAP)  
 Free/Reduced-Price School Lunch and Breakfast Program  
 Housing Assistance  
 Federal and State Supplemental Security Income (SSI)  
 Medicaid  
 Temporary Assistance for Needy Families (TANF)  
 Supplemental Nutrition Program for Women, Infants, and Children (WIC)

## PROGRAM PARTICIPATION

Tables 2, 3, and 4 summarize data collected in the SIPP concerning the receipt of benefits from the government-sponsored social welfare and social insurance programs shown in Box 2. Data are provided both for people (Table 2) and for households (Tables 3 and 4).<sup>11</sup>

<sup>11</sup> The data in Table 2 for means-tested programs include all people residing in a household in which one or more of the residents received benefits from such programs, regardless of whether they personally received benefits.

Table 2. 

## People by Receipt of Benefits From Selected Programs: Monthly Averages, Third Quarter 2008

(Numbers in thousands. The figures for means-tested programs include anyone residing in a household in which one or more people received benefits from the program)

Reciprocity status and program	Number	Standard error	Percent	Standard error
<b>All people</b> .....	<b>299,430</b>	<b>—</b>	<b>100.0</b>	<b>—</b>
Received benefits from one or more programs .....	133,059	533	44.4	0.2
Social Security .....	44,700	382	14.9	0.1
Railroad Retirement .....	294	34	0.1	—
Veterans' compensation .....	2,919	105	1.0	—
Unemployment compensation .....	2,932	106	1.0	—
Workers' compensation .....	484	43	0.2	—
Veterans' educational assistance .....	(B)	(B)	(B)	(B)
Medicare .....	41,016	369	13.7	0.1
One or more means-tested programs <sup>1,2</sup> .....	94,398	498	31.5	0.2
Public or subsidized rental housing .....	11,682	208	3.9	0.1
Federal Supplemental Security Income (SSI) .....	15,292	236	5.1	0.1
Food stamps <sup>3</sup> .....	29,670	320	9.9	0.1
Temporary Assistance for Needy Families (TANF) .....	5,772	147	1.9	—
Other cash assistance .....	2,278	93	0.8	—
Women, Infants, and Children (WIC) .....	18,698	260	6.2	0.1
Medicaid .....	71,378	457	23.8	0.2

— Represents or rounds to zero.

(B) Base less than 75,000, or numerator too small for comparison.

<sup>1</sup> Includes free or reduced-price lunch or breakfast, energy assistance, state-administered supplemental security income, and veterans' pensions not shown separately.

<sup>2</sup> Includes anyone residing in a household in which one or more people received benefits from a means-tested program.

<sup>3</sup> Now known as the Supplemental Nutrition Assistance Program or SNAP.

Note: Details may not sum to totals because of rounding, because not all categories are shown, and because people may receive benefits from more than one program.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, July–September 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

Table 3.

### Households by Receipt of Selected Sources of Noncash Benefits and Cash Transfer Payments: Monthly Averages, Third Quarter 2008

(Numbers in thousands)

Source of benefit or payment	Number	Standard error	Percent	Standard error
<b>All households</b> .....	<b>117,528</b>	<b>17</b>	<b>100.0</b>	<b>—</b>
<b>Type of benefit received:</b>				
One or more means-tested benefits or payments .....	28,357	268	24.1	0.2
One or more means-tested cash transfer payments .....	6,688	145	5.7	0.1
TANF or other cash assistance <sup>1</sup> .....	1,885	79	1.6	0.1
Supplemental Security Income (SSI) .....	5,199	129	4.4	0.1
One or more means-tested noncash benefits .....	28,193	267	24.0	0.2
Food stamps <sup>2</sup> .....	9,318	169	7.9	0.1
Women, Infants, and Children (WIC) .....	4,157	116	3.5	0.1
Free or reduced-price lunch or breakfast .....	11,495	186	9.8	0.2
Public or subsidized rental housing .....	5,198	129	4.4	0.1
Energy assistance .....	2,364	88	2.0	0.1
Medicaid .....	21,149	241	18.0	0.2
Other money transfer payments:				
Social Security or Railroad Retirement .....	33,605	283	28.6	0.2
Veterans' compensation .....	2,841	96	2.4	0.1
Unemployment compensation .....	2,735	94	2.3	0.1
Medicare .....	30,811	275	26.2	0.2

— Represents or rounds to zero.

<sup>1</sup> "Other cash assistance" includes General Assistance or General Relief, other welfare, and veterans' pensions.

<sup>2</sup> Now known as the Supplemental Nutrition Assistance Program or SNAP.

Note: Details may not sum to totals because of rounding, because not all categories are shown, and because people may receive benefits from more than one program.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, July–September 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

In an average month during the third quarter of 2008, about 45 percent of the population benefited from one or more government programs. This means they directly received something of value or they resided in a household in which one or more other people received a direct benefit from a means-tested program (Table 2).<sup>12</sup>

The most widespread programs in the third quarter of 2008 were Medicaid (which benefited 23.8 percent of all people in an average month), Social Security (benefiting 14.9 percent), and Medicare

<sup>12</sup> When the data for means-tested programs are restricted to people directly receiving benefits, the participation rate in government programs drops from the 45 percent figure cited in this sentence to between 39.6 percent and 42.0 percent, depending upon which means-tested programs are selected for the restriction. See the table in Appendix B.

(benefiting 13.7).<sup>13</sup> Nearly 10 percent of all people benefited from the Food Stamp Program (renamed the Supplemental Nutrition Assistance Program [SNAP]; see <[www.fns.usda.gov/snap/rules/Legislation/about.htm](http://www.fns.usda.gov/snap/rules/Legislation/about.htm)> for more information).

About 6 percent of people benefited from the Women, Infants, and Children (WIC) nutrition program and about 5 percent from Federal Supplemental Security Income (SSI). Public or subsidized rental housing benefits flowed to about 4 percent of the population. All of the other programs shown in Table 2, including the Temporary Assistance for

<sup>13</sup> If the data on Medicaid are restricted to those actually covered by the program, the average number of people who received Medicaid benefits drops from 71.4 million to 42.4 million, and the corresponding percentage falls from 23.8 percent to 14.2 percent of the population. See the table in Appendix B.

Needy Families (TANF) program, provided benefits to 2 percent or less of the population (most affected 1 percent or less).

Government programs potentially benefit all members of a recipient's household. Table 3 shows how the data in Table 2 are reflected at the household level.

In the third quarter of 2008, an average monthly level of 28.4 million households, or 24 percent of total U.S. households, received one or more means-tested government-sponsored benefits, either cash assistance, a noncash benefit, or both.<sup>14</sup> Cash benefits went to 6.7 million households, while noncash benefits went to 28.2 million. The

<sup>14</sup> In 1984, the comparable total was 15.6 percent (see Table C-2 in Appendix C).



Table 4. 

**Households by Number of Means-Tested Noncash Programs in Which Members Participate: Monthly Averages, Third Quarter 2008**

(Numbers in thousands)

Reciprocity, and number and type of programs received	Number	Standard error	Percent	Standard error
<b>All households . . . . .</b>	<b>117,528</b>	<b>17</b>	<b>100.0</b>	<b>–</b>
Received means-tested noncash benefits . . . . .	28,193	267	24.0	0.2
One means-tested noncash benefit . . . . .	12,955	196	11.0	0.2
Food stamps <sup>1</sup> . . . . .	746	50	0.6	–
Women, Infants, and Children (WIC) . . . . .	363	35	0.3	–
Free or reduced-price lunch or breakfast . . . . .	3,279	103	2.8	0.1
Energy assistance . . . . .	401	37	0.3	–
Public or subsidized rental housing . . . . .	1,066	59	0.9	0.1
Medicaid . . . . .	7,100	149	6.0	0.1
Two means-tested noncash benefits . . . . .	8,050	158	6.8	0.1
Food stamps and Medicaid . . . . .	2,132	84	1.8	0.1
Food stamps and free or reduced-price lunch or breakfast . . . . .	165	23	0.1	–
Other combinations . . . . .	5,754	135	4.9	0.1
Three means-tested noncash benefits . . . . .	4,719	123	4.0	0.1
Food stamps, Medicaid, and free or reduced-price lunch or breakfast . . . . .	1,512	71	1.3	0.1
Food stamps, Medicaid, and public or subsidized rental housing . . . . .	915	55	0.8	–
Other combinations . . . . .	2,293	87	2.0	0.1
Four or more means-tested noncash benefits . . . . .	2,469	90	2.1	0.1
<b>Female family householder, no husband present, with own children under 18 . . . . .</b>	<b>8,578</b>	<b>163</b>	<b>100.0</b>	<b>–</b>
Received means-tested noncash benefits . . . . .	5,887	137	68.6	0.9
One means-tested noncash benefit . . . . .	1,503	70	17.5	0.7
Food stamps <sup>1</sup> . . . . .	(B)	(B)	(B)	(B)
Women, Infants, and Children (WIC) . . . . .	(B)	(B)	(B)	(B)
Free or reduced-price lunch or breakfast . . . . .	743	50	8.7	0.6
Energy assistance . . . . .	(B)	(B)	(B)	(B)
Public or subsidized rental housing . . . . .	(B)	(B)	(B)	(B)
Medicaid . . . . .	600	45	7.0	0.5
Two means-tested noncash benefits . . . . .	1,430	69	16.7	0.7
Food stamps and Medicaid . . . . .	198	26	2.3	0.3
Food stamps and free or reduced-price lunch or breakfast . . . . .	88	17	1.0	0.2
Other combinations . . . . .	1,144	61	13.3	0.7
Three means-tested noncash benefits . . . . .	1,485	70	17.3	0.7
Food stamps, Medicaid, and free or reduced-price lunch or breakfast . . . . .	701	48	8.2	0.5
Food stamps, Medicaid, and public or subsidized rental housing . . . . .	76	16	0.9	0.2
Other combinations . . . . .	709	48	8.3	0.5
Four or more means-tested noncash benefits . . . . .	1,469	70	17.1	0.7


– Represents or rounds to zero.

(B) Base less than 75,000, or numerator too small for comparison.

<sup>1</sup> Now known as the Supplemental Nutrition Assistance Program or SNAP.

Note: Details may not sum to totals because of rounding.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, July–September 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

Table 5. 

**People 16 Years and Over by Labor Force Status and Monthly Household Cash Income: Monthly Averages, Third Quarter 2008**

(Numbers in thousands)

Labor force status	Total	Standard error	Percent distribution by household cash income						Median income (dollars) <sup>1</sup>	Standard error
			Under \$2,500	Standard error	\$2,500 to \$6,499	Standard error	\$6,500 and over	Standard error		
With some labor force activity . . . . .	156,658	449	18.2	0.2	41.1	0.2	40.7	0.2	\$5,500	\$9
With job entire month . . . . .	142,640	464	15.6	0.2	41.8	0.3	42.7	0.3	5,751	21
Spent time on layoff . . . . .	1,814	82	30.7	2.1	42.5	2.3	26.8	2.0	3,917	103
With job part of month . . . . .	4,574	130	30.7	1.3	37.8	1.4	31.5	1.3	4,001	55
Looked for work or on layoff. . . . .	2,032	87	35.4	2.1	39.9	2.1	24.7	1.9	3,483	97
No job during month: looked for work or on layoff . . . . .	9,444	185	51.3	1.0	32.7	0.9	15.9	0.7	2,510	40
With no labor force activity . . . . .	77,389	443	43.5	0.3	36.8	0.3	19.7	0.3	2,979	15

<sup>1</sup> The medians in this table are based on the distribution of people in households, not on the households themselves, and, therefore, they differ from median household incomes shown in other tables.

Note: Details may not sum to totals because of rounding.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, July–September 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

major programs providing means-tested noncash benefits were Medicaid, free or reduced-price school lunches or breakfasts, food stamps, and public or subsidized rental housing. Medicaid was received by 21.1 million households (18 percent of all households); reduced-price meals by 11.5 million (9.8 percent); food stamps by 9.3 million (7.9 percent); and rental housing by 5.2 million (4.4 percent). The major programs providing cash assistance include both federal and state-provided Supplemental Security Income (SSI), received by 5.2 million households, or 4.4 percent of the total number. Also 1.9 million households, or 1.6 percent of the total, received Temporary Assistance to Needy Families (TANF) or other cash assistance.

The two programs affecting the largest number of households, Social Security and Medicare, are not means-tested. In 33.6 million households (28.6 percent of the total), one or more people received Social Security or Railroad Retirement benefits. Medicare provided benefits to 30.8 million households (26.2 percent of all households).

The majority of the 28.2 million households that received means-tested noncash benefits participated in two or more programs (Table 4): 8.1 million (28.6 percent) received benefits from two programs, 4.7 million (16.7 percent) from three programs, and 2.5 million (8.8 percent) from four or more. At least 4.6 million households received benefits from both the Food Stamp Program and Medicaid—this was a prevalent form of multiple-program participation.

Family households with a female householder with no husband present and with own children under 18 represented about 7 percent of all households, yet they made up about one-fifth of all households that received means-tested noncash benefits. They were also more likely than households in general to be recipients of benefits from more than one means-tested noncash program. Of the 5.9 million family households with a female householder with no husband present and with own children under 18 which received means-tested noncash benefits, 4.4 million or nearly three

quarters (74.5 percent), received benefits from two or more programs; 1.5 million or a quarter (25.0 percent) received benefits from four or more programs.

**LABOR FORCE ACTIVITY**

Table 5 looks at the role of the job market in the income of households in the third quarter of 2008. The patterns in the data generally show, unsurprisingly, that holding a job is associated with a higher income, and unemployment (being on layoff or looking for work) is associated with a lower income.

In an average month, 156.7 million people aged 16 or older, or 66.9 percent of people of working age, were attached to the job market through some form of labor force activity, either by holding a job, being on layoff, or looking for work. Most of the people in this group (142.6 million), had a job for the entire month. The median monthly cash income of the households of people with some labor force activity was \$5,500, or about \$66,000 if sustained for the entire year. The



Table 6.

### Households by Labor Force Status of Members, Program Participation, and Mean Cash Income: Monthly Averages, Third Quarter 2008

(Numbers in thousands. Labor force status applies to people 15 years or older only)

Household type, program participation, and mean cash income	All households	Standard error	Households with one or more members with a job, no one looking for work or on layoff	Standard error	Households with one or more members looking for work or on layoff	Standard error	Households with no members in the labor force	Standard error
<b>All households</b>								
Number . . . . .	117,528	17	80,505	291	11,430	186	25,593	258
Percent . . . . .	100.0	—	100.0	—	100.0	—	100.0	—
Received unemployment compensation . . . . .	2.3	0.1	0.6	0.1	18.5	0.7	0.5	0.1
Received means-tested benefits <sup>1</sup> . . . . .	24.1	0.2	19.7	0.3	42.8	0.8	29.7	0.5
Food stamps <sup>2</sup> . . . . .	7.9	0.1	4.7	0.1	18.2	0.7	13.6	0.4
Mean income (dollars) <sup>3</sup> . . . . .	5,329	41	6,490	56	4,041	106	2,255	31
<b>Female householder, no husband present, with own children under 18 years</b>								
Number . . . . .	8,578	163	6,004	138	1,494	70	1,080	60
Percent . . . . .	100.0	—	100.0	—	100.0	—	100.0	—
Received unemployment compensation . . . . .	2.9	0.3	0.5	0.2	13.7	1.6	0.9	0.5
Received means-tested benefits <sup>1</sup> . . . . .	68.7	0.9	60.9	1.2	83.7	1.7	90.9	1.6
Food stamps <sup>2</sup> . . . . .	32.6	0.9	22.4	1.0	50.1	2.4	65.6	2.6
Mean income (dollars) <sup>3</sup> . . . . .	2,999	88	3,681	117	1,982	128	612	85

— Represents or rounds to zero.

<sup>1</sup> Includes Federal and State SSI; energy assistance; TANF; General Assistance or General Welfare; other welfare; WIC; Medicaid; free or reduced-price lunch or breakfast; public or subsidized rental housing, and veterans' pensions, not shown separately.<sup>2</sup> Now known as the Supplemental Nutrition Assistance Program or SNAP.<sup>3</sup> The income data are mean amounts, whereas the corresponding data in Table 1 are median amounts. Mean amounts were chosen for Table 6 to make the table generally comparable with published data from the SIPP for the third quarter of 1984; see Appendix C. Unlike medians, means are affected by extremely high or low incomes.

Note: Details may not sum to totals because of rounding, because not all categories are shown, and because people may receive benefits from more than one program.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, July–September 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

comparable median for people without labor force activity, such as retired people, was \$2,979 or \$35,748 annualized.

The presence and extent of job-holding were associated with higher household cash incomes among people with some labor force activity. The household median monthly cash income for people with a job for the entire month was \$5,751 (\$69,012 annualized). For people who had a job only part of the month, it was \$4,001 (\$48,012 annualized), while it was \$2,510

(\$30,012 annualized) for people who were without a job the entire month and unemployed (looking for work or on layoff).

Unemployment was associated with lower household cash incomes, even among people who had a job for all or for part of the month. On average, about 1.8 million people who had jobs the entire month spent a week or more on layoff from them. Their median monthly household cash income was \$3,917, considerably less than the \$5,751 cited above for people overall with jobs the entire month. Similarly, the

household cash income of unemployed people who had a job part of the month—about 2 million people—was about \$500 less than that of part-month job holders in general (\$3,483 compared with \$4,001).

Another way to observe the importance of the job market on the income situation of households is to classify their incomes by the combined labor force activities of their members (Table 6).

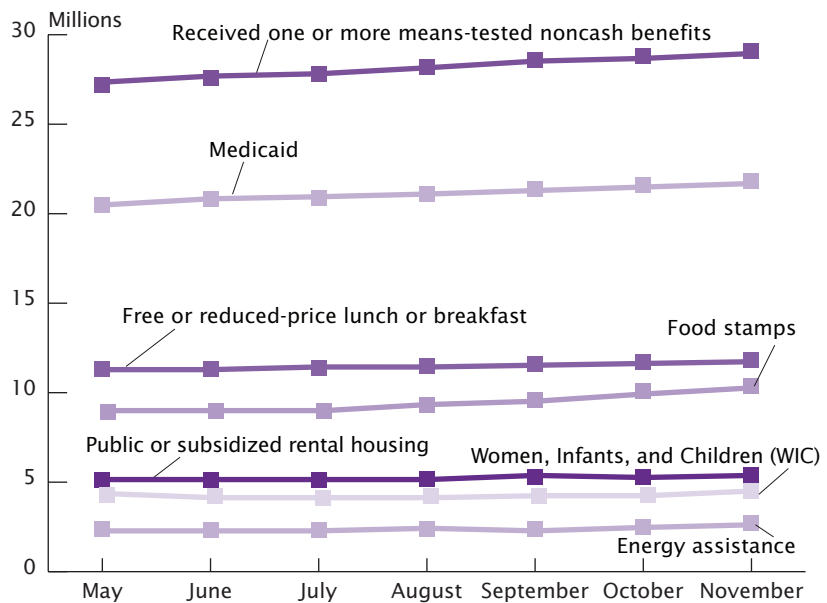
The mean monthly cash income of the nation's 117.5 million

households in the third quarter of 2008 was \$5,329.<sup>15</sup> When one or more members in the household had a job and no member was unemployed (about 68 percent of all households or 80.5 million) the mean household monthly income was \$6,490. When at least one household member was unemployed (about 10 percent of households or 11.4 million) the mean household income was \$4,041. For the roughly 22 percent of households (25.6 million) without members in the labor force the mean income was \$2,255. The same pattern, although at lower income levels throughout, is also seen for family households with a female householder with no husband present and with own children under 18.

As with mean monthly income, receiving means-tested government benefits was related to the nature of a household's labor force participation. Receiving these benefits was substantially higher among households with unemployed members or with no labor force participants than among those with job-holders only. Among family households with a female householder with no husband present and with own children under 18, the pattern was especially clear. About 85 percent of those with some unemployed members and about 90 percent of those with no members in the labor force received means-tested benefits, compared with 61 percent of job-holding households. The corresponding figures for the receipt of food stamps by these just-mentioned types of female-householder-with-no-husband-present family households

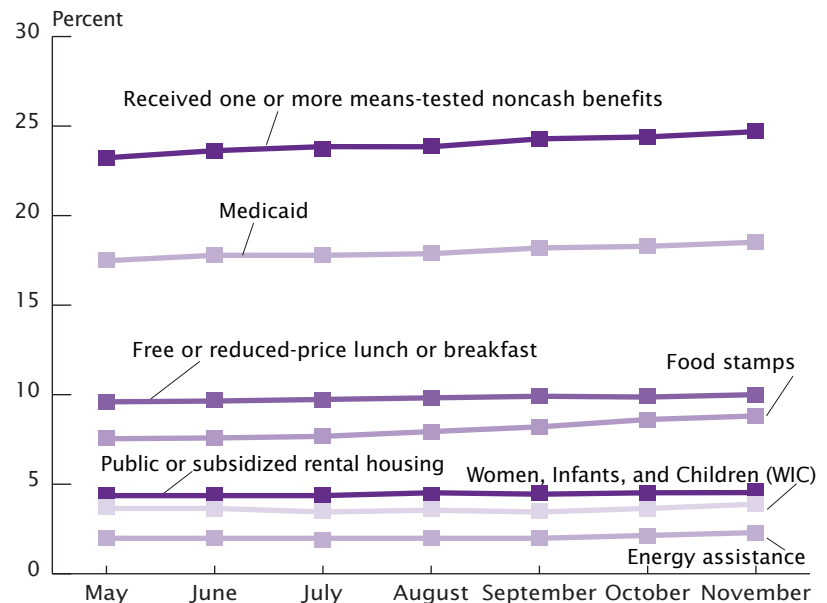
<sup>15</sup> The income data in Table 6 are mean amounts, whereas the corresponding data in Table 1 are median amounts.

**Figure 1.**  
**Number of Households Receiving Benefits From Selected Means-Tested Noncash Benefit Programs: May to November 2008**



Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, May–November 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

**Figure 2.**  
**Percent of Households Receiving Benefits From Selected Means-Tested Noncash Benefit Programs: May to November 2008**



Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, May–November 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.

Table 7.

### Number and Percent of Households Receiving Benefits From Selected Means-Tested Noncash Benefit Programs, by Month: May to November 2008

(Numbers in thousands)

Reciprocity status and source of benefit	May	June	July	August	September	October	November
	Number						
<b>All households</b> .....	<b>117,228</b>	<b>117,244</b>	<b>117,316</b>	<b>117,625</b>	<b>117,643</b>	<b>118,078</b>	<b>117,702</b>
Received one or more means-tested noncash benefits . . .	27,184	27,613	27,833	28,151	28,594	28,823	29,112
Food stamps <sup>1</sup> .....	8,868	8,965	9,027	9,297	9,629	10,143	10,403
Women, Infants, and Children (WIC) .....	4,294	4,175	4,080	4,216	4,176	4,299	4,544
Free or reduced-price lunch or breakfast .....	11,277	11,343	11,367	11,500	11,619	11,701	11,775
Public or subsidized rental housing .....	5,142	5,135	5,119	5,218	5,259	5,320	5,442
Energy assistance .....	2,401	2,290	2,287	2,399	2,405	2,514	2,707
Medicaid .....	20,478	20,846	20,903	21,097	21,448	21,593	21,828
	Standard error						
<b>All households</b> .....	<b>70</b>	<b>48</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Received one or more means-tested noncash benefits . . .	516	367	300	261	303	372	528
Food stamps <sup>1</sup> .....	323	229	188	165	194	243	347
Women, Infants, and Children (WIC) .....	229	160	129	114	131	162	236
Free or reduced-price lunch or breakfast .....	360	255	209	182	211	259	367
Public or subsidized rental housing .....	250	177	144	126	146	180	257
Energy assistance .....	173	119	97	86	100	125	183
Medicaid .....	464	330	270	235	273	335	475
	Percent						
<b>Percent of all households</b> .....	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Received one or more means-tested noncash benefits . . .	23.2	23.6	23.7	23.9	24.3	24.4	24.7
Food stamps <sup>1</sup> .....	7.6	7.6	7.7	7.9	8.2	8.6	8.8
Women, Infants, and Children (WIC) .....	3.7	3.6	3.5	3.6	3.5	3.6	3.9
Free or reduced-price lunch or breakfast .....	9.6	9.7	9.7	9.8	9.9	9.9	10.0
Public or subsidized rental housing .....	4.4	4.4	4.4	4.4	4.5	4.5	4.6
Energy assistance .....	2.0	2.0	1.9	2.0	2.0	2.1	2.3
Medicaid .....	17.5	17.8	17.8	17.9	18.2	18.3	18.5
	Standard error						
<b>Percent of all households</b> .....	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Received one or more means-tested noncash benefits . . .	0.4	0.3	0.3	0.2	0.3	0.3	0.4
Food stamps <sup>1</sup> .....	0.3	0.2	0.2	0.1	0.2	0.2	0.3
Women, Infants, and Children (WIC) .....	0.2	0.1	0.1	0.1	0.1	0.1	0.2
Free or reduced-price lunch or breakfast .....	0.3	0.2	0.2	0.2	0.2	0.2	0.3
Public or subsidized rental housing .....	0.2	0.2	0.1	0.1	0.1	0.2	0.2
Energy assistance .....	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Medicaid .....	0.4	0.3	0.2	0.2	0.2	0.3	0.4

- Represents or rounds to zero.

<sup>1</sup> Now known as the Supplemental Nutrition Assistance Program or SNAP.

Note: Details may not sum to totals because of rounding, because not all categories are shown, and because people may receive benefits from more than one program.

Source: U.S. Census Bureau, Survey of Income and Program Participation, Wave 1, 2008 Panel, May–November 2008. For information on sampling and nonsampling error, see <[http://www.census.gov/sipp/sourceac/S&A08\\_W1\(S&A-11\).pdf](http://www.census.gov/sipp/sourceac/S&A08_W1(S&A-11).pdf)>.





























U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
Washington, DC 20233

**OFFICIAL BUSINESS**

Penalty for Private Use \$300

FIRST-CLASS MAIL  
POSTAGE & FEES PAID  
U.S. Census Bureau  
Permit No. G-58