

Los Angeles Business Journal

Report: L.A. Income Inequality Seventh-Highest in Nation

By [Howard Fine](#) Thursday, March 2, 2017

Los Angeles County ranks seventh in income inequality out of the nation's 150 largest metro regions, according to a new report.

The study from PolicyLink and the USC Program for Environment and Regional Equity, with support from the Weingart Foundation, concludes that this high rate of inequality threatens the region's long-term economic prosperity.

The first in a series of reports on inequality in Southern California and its implications, the study examines a wide range of factors contributing to income inequality, including the disappearance of middle-wage jobs, increasing proportions of people of color who find it more difficult to obtain and hold middle-wage jobs, lack of higher education, and neighborhoods largely segregated by income and race.

"Across the region, people are struggling daily for the things so many of us take for granted – safe streets, good jobs, access to health care, affordable housing and a quality education for our families," Fred Ali, president and chief executive of the Weingart Foundation, said in a statement accompanying the report's release. "Over the past several decades, long-standing inequities in our communities have reached unprecedented levels. Addressing these disparities is both a moral and economic imperative for us all."

For the series of reports, PolicyLink and the USC program developed a database of income and demographic statistics from the U.S. Bureau of Labor Statistics, Woods & Poole Economics, and other sources. Among the findings: just over 18 percent of county residents live below the federal poverty line of \$24,600 a year for a family of four, while the percentage of people working full-time yet still falling below that poverty line is 7 percent compared with 4.7 percent nationally.

The report also found a 27 percent decline in middle-wage jobs between 1990 and 2012 in industries such as wholesale trade, manufacturing, construction, and health care. During that same 22-year period, the county saw a 15 percent increase in low-wage jobs and a 6 percent increase in high-wage jobs.

Most of the data in the report is for years prior to 2015, which is the year the region finally recovered from the job losses of the recession. Since then, Los Angeles County has continued to gain jobs and the unemployment rate has fallen to 5 percent.

But there's usually a two- or three-year lag in the granular data needed for detailed analysis of a particular region, according to Manuel Pastor, professor of sociology at USC and director of the Program for Environmental and Regional Equity.

The full report is available [here](#).

Public policy and energy reporter Howard Fine can be reached at hfine@labusinessjournal.com. Follow him on Twitter @howardafine.