

# The State of Working Washington 2008

WHO'S PROSPERING, WHO'S NOT – AND HOW WE CAN BUILD ECONOMIC SECURITY FOR ALL



SEPTEMBER 2008

## ABOUT THE ECONOMIC OPPORTUNITY INSTITUTE

The **Economic Opportunity Institute** (EOI) is an independent, nonprofit, nonpartisan public policy center founded in 1998 and based in Seattle, WA.

We are dedicated to building an economy that works – for everyone – by advancing new ideas to make Washington a better place to live, work and do business.

## ABOUT THIS REPORT

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Additional copies of this report can be obtained by visiting [www.eoionline.org](http://www.eoionline.org).

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# Introduction: A Different Recession This Time Around for Washington State

The year 2008 has been a tough one for the United States economy. The collapse of the housing bubble has snowballed through the financial and construction industries and wiped out the growth in home equity that had fueled consumer spending. The U.S. has lost over 400,000 jobs in the first half of 2008, ending what had been, at best, a lackluster recovery from the 2001 recession.<sup>1</sup>

Washington State is feeling the effects of the slowdown, but the state's economy is in far better shape than the nation's as a whole. Jobs here continued to grow through the first half of 2008, although at only half the pace of the previous three years.

Washington's experience in 2008 is quite a contrast to the last recession. The collapse of the dot-com bubble and the sharp decline in manufacturing – especially in aerospace – that preceded the 2001 recession hit Washington's economy hard. Through 2002 and 2003, Washington had one of the highest unemployment rates in the country. King County, which includes the city of Seattle and 40% of the state's employment, lost jobs three years running. While other parts of the state bounced back from that recession fairly quickly, King County did not regain its 2000 job level until 2007.<sup>2</sup>

In contrast, halfway through 2008, both information and aerospace jobs are still ticking up. Job growth has leveled off in most parts of the state, but continues to be strong in King County.

It is far too early to tell whether Washington will avoid the worst of this recession, although we might. At the same time, Washington is embedded in national and world markets. The housing market in Washington has not totally collapsed, as it has in

some regions, but the boom has come to a decided end. Foreclosures are up, home prices down, and sales slow. High gas and food prices, along with generally high inflation, are making deep dents in family budgets.<sup>3</sup>

Most families are not prepared for another recession. Although median household incomes in Washington rose steadily relative to inflation from the early part of the decade through 2007, that increase was not enough to regain the buying power that was lost with the recession that launched the decade. For the entire second half of the 20<sup>th</sup> century, each cycle of economic expansion ended with American families being a little better off than they were before, but not this time. Today, middle-income families across the United States are worse off than they were at the end of the 1990s.

A less obvious but equally significant contributor to family economic insecurity is the growth in inequality over this last economic expansion. In this respect, as with median incomes, Washington's experience mirrors that of most of the country. Over the past decade, the wealthiest households have enjoyed rising incomes, while moderate- and low-income families have barely kept pace with inflation or lost ground.<sup>4</sup> At the same time, workplace productivity has risen considerably, with workers across industries and income levels producing more in fewer hours of work.<sup>5</sup>

Yet the benefits of this productivity gain have gone largely to a few at the top, rather than being spread among all who have contributed to it. Too many workers have been rewarded for increasing their productivity with cuts in health insurance and threats to ship their jobs overseas, rather than with

increased compensation. Income inequality in the U.S. has not been as extreme as it is today since 1928.<sup>6</sup>

Public policy can make a big difference, both in spurring quicker recovery from recession and in reversing the widening gulf in wealth. Federal policy can do the most, operating on a larger scale and with far more resources than the states have. Unfortunately, the policies pursued by the federal government since 2001 have proved a dismal failure. Cutting taxes on the wealthy, slowing federal investment in infrastructure and education, limiting government regulation of the financial industry, and urging Americans to support an expensive war by going shopping have all contributed directly to the nation's current financial woes.

This time around, federal dollars could instead boost job growth and ensure an even more productive workforce in coming decades by investing heavily in infrastructure, basic research, renewable energy, and education at all levels. Working people could gain more bargaining power with their employers and a larger share of the pie they help produce through new federal policies that

protect the rights of workers to organize, update workplace standards with paid sick days and paid family leave, and ensure access to health insurance and retirement security for everyone.

Washington State government has far fewer resources at its disposal, and faces a likely budget deficit in 2009. Still there is much the state legislature could do in 2009, including:

- Fully fund and broaden access to programs that directly benefit working families and provide economic stimulus to their communities, including family leave insurance, childcare subsidies, the Early Childhood Education Career and Wage Ladder, and job training.
- Continue the push for new clean energy sources and rebuild transportation infrastructure.
- Adopt new progressive sources of state revenue in order to pay for new investments in education and infrastructure, in conjunction with prudent budget cuts.

# Washington Jobs: Ups and Downs Since 1990

Washington's economy has experienced major swings since the dawn of the 21<sup>st</sup> century. The year 2000 was the peak of the economic expansion of the 1990s, although layoffs in key industries signaled the boom was about to end. Total jobs fell sharply in 2001 and 2002 and did not begin growing again until 2004. Then through 2007 the state enjoyed vigorous job growth across most sectors and regions.

By the end of 2007, jobs in Washington were 8.1% above the 2000 level. But over the same period, the working age population of the state increased by more than 12%.<sup>7</sup> Even though Washington's recovery was much more robust than the nation's as a whole, we did not come close to regaining the full employment level of the late 1990s.

In contrast, from 1990 to 1997 jobs in the state increased by 17%. Over the full decade of the 1990s jobs grew 27% - a level we clearly will not reach by the end of the current decade, given the current

slowing of growth in the state and the rapid drop in jobs nationally.

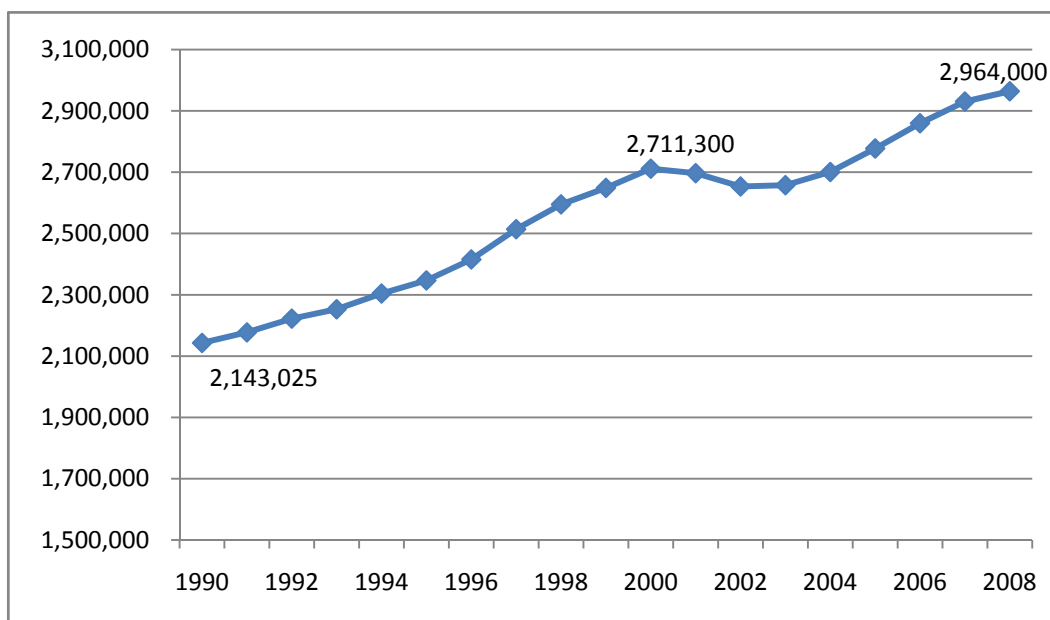
From 2000 through July 2008, total state jobs are up by 8.5% - or 252,700 jobs. The four categories with the fastest rates of growth are construction - up 21%, health care and social assistance - up 19%, professional and business services - up 14%, and accommodation and food services - up 13%.

Manufacturing jobs have risen since 2004, but not enough to make up for the sharp decline that began in 1998. Overall for the 2000 to July 2008 period, manufacturing jobs are still down by 12%.

In the past year, from July 2007 to July 2008, four major job categories declined in Washington. Two of these, construction and financial activities, are a result of the collapse of the housing bubble. Even with the recent losses, construction has been the fastest growing job sector since 2000. Jobs in financial activities are also up since 2000, by 7.4%.

## NONFARM JOBS IN WASHINGTON STATE

1990 TO JULY 2008 (ANNUAL AVERAGES, 2008 THROUGH JULY ONLY)



Source: Washington Employment Security Department, Nonfarm Industry Employment

The other two categories to decline in the past year are state and federal government. Federal jobs have declined overall since 2000. State employment across this decade is up, but has grown more slowly than total jobs.

Overall, average monthly earnings for all jobs in

Washington rose by 2.2% above inflation from mid-2006 to mid-2007 – the latest twelve month period for which data is available.

Unfortunately for Washington working families, the four employment categories to decline over the past year all have higher average monthly earnings than the statewide average.

## CHANGES IN NONFARM JOBS BY SECTOR AND AVERAGE MONTHLY WAGES

2000 TO JULY 2008

	Nonfarm Jobs			Average Monthly Wages+ (2007 dollars)		
	July 2008	# Change July 2007- July 2008	Total % Change 2000-July 2008*	2007	2006	% Change 2006-2007
Construction	212,400	-2,900	21.2%	\$4,002	\$3,943	1.5%
Health Care and Social Assistance	308,200	6,700	19.4%	\$3,398	\$3,371	0.1%
Professional and Business Services	358,000	8,800	13.6%	\$5,508	\$5,545	-0.7%
Accommodation and Food Services	247,100	6,000	13.0%	\$1,541	\$1,530	0.7%
Other Local Government	174,200	5,800	11.9%**	\$4,235++	\$4,185++	1.2%
<b>State total jobs</b>	<b>2,971,800</b>	<b>30,100</b>	<b>8.5%</b>	<b>\$3,778</b>	<b>\$3,698</b>	<b>2.2%</b>
Financial Activities	154,000	-2,600	7.4%	\$5,702	\$5,649	0.9%
State Government	131,400	-3,200	7.4%	\$4,235++	\$4,185++	1.2%
Wholesale Trade	131,800	1,400	7.1%	\$4,877	\$4,835	0.9%
Information	106,200	2,300	7.0%	\$7,862	\$7,433	5.8%
Local Public Education	145,700	1,000	6.8%	\$2,984	\$2,956	0.9%
Arts, Entertainment and Recreation	50,200	300	5.0%	\$2,389	\$2,463	-3.0%
Retail Trade	330,500	2,100	3.7%	\$2,661	\$2,640	0.8%
Other Services	109,700	3,100	1.6%	\$2,126	\$2,140	-0.6%
Transportation, Warehousing, and Utilities	96,800	600	0.5%	\$3,918	\$3,883	0.9%
Federal Government	68,700	-1,100	-2.0%	\$4,235++	\$4,185++	1.2%
Manufacturing	300,700	3,300	-12.4%	\$4,758	\$4,795	-0.8%

\* Annual monthly average for 2000, average through July for 2008, from Washington Employment Security Department, Nonfarm Industry Employment, not seasonally adjusted.

+ For all jobs including farm jobs; 4 quarter averages using 2<sup>nd</sup> quarter and 3 previous quarters for 2007 and 2006, from U.S. Census, Quarterly Workforce Indicators Online, Washington (NAICS); adjusted from 2006 to 2007 using BLS Inflation Calculator.

\*\* Change excludes Native American Government which was not included in Local Government category in 2000.

++ Average monthly earnings for Public Administration.

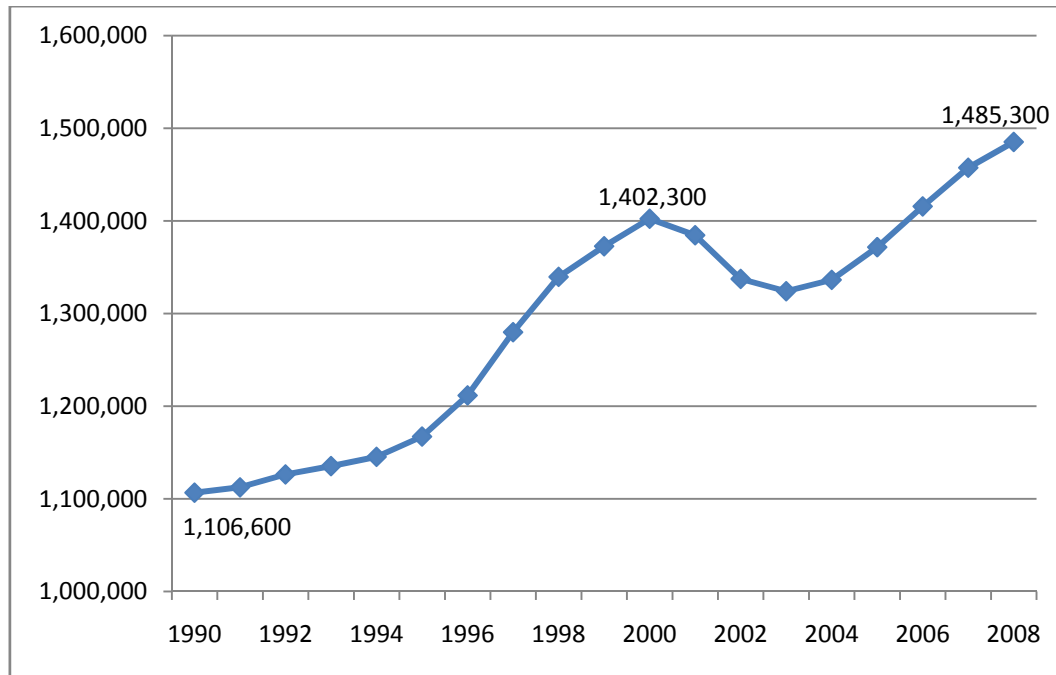


# Job Growth in Washington's Regions

The Seattle metropolitan area experienced the worst of the recession last time around, but in 2008 it accounted for the bulk of the new jobs in the state. Also continuing to enjoy job growth are Vancouver, Olympia, Tri-Cities, and Bellingham.

Job growth flattened or even declined slightly in most of the state's other major metropolitan areas in 2008, including Tacoma, Spokane, Bremerton, Yakima, Mount Vernon, Wenatchee, and Longview.

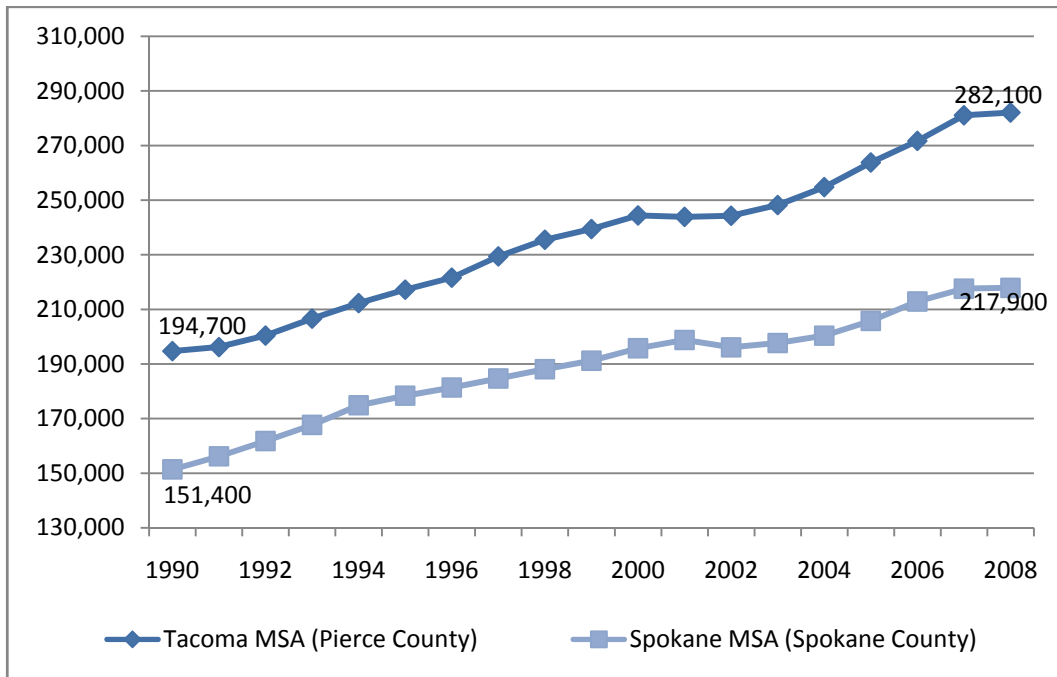
**SEATTLE-BELLEVUE-EVERETT NONFARM JOBS**  
1990-2008 ANNUAL AVERAGES, 2008 THROUGH JULY ONLY



Source: Washington Employment Security Department, Nonfarm Industry Employment

## TACOMA AND SPOKANE METROPOLITAN AREAS NONFARM JOBS

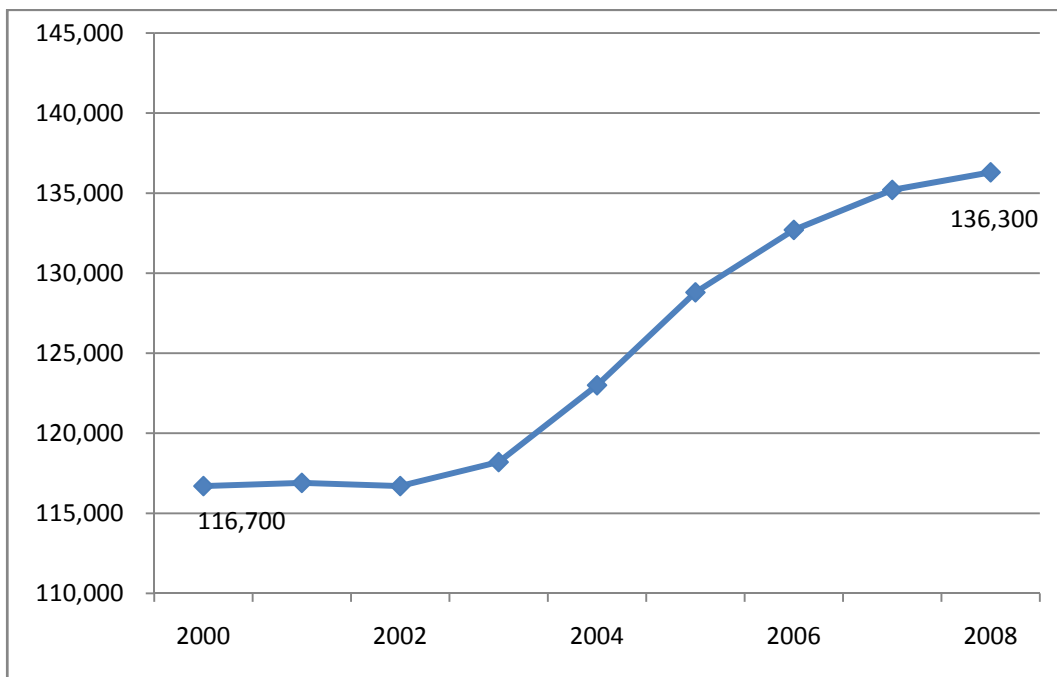
1990-2008 ANNUAL AVERAGES, 2008 THROUGH JULY ONLY



Source: Washington Employment Security Department, Nonfarm Industry Employment

## VANCOUVER-CLARK COUNTY NONFARM JOBS

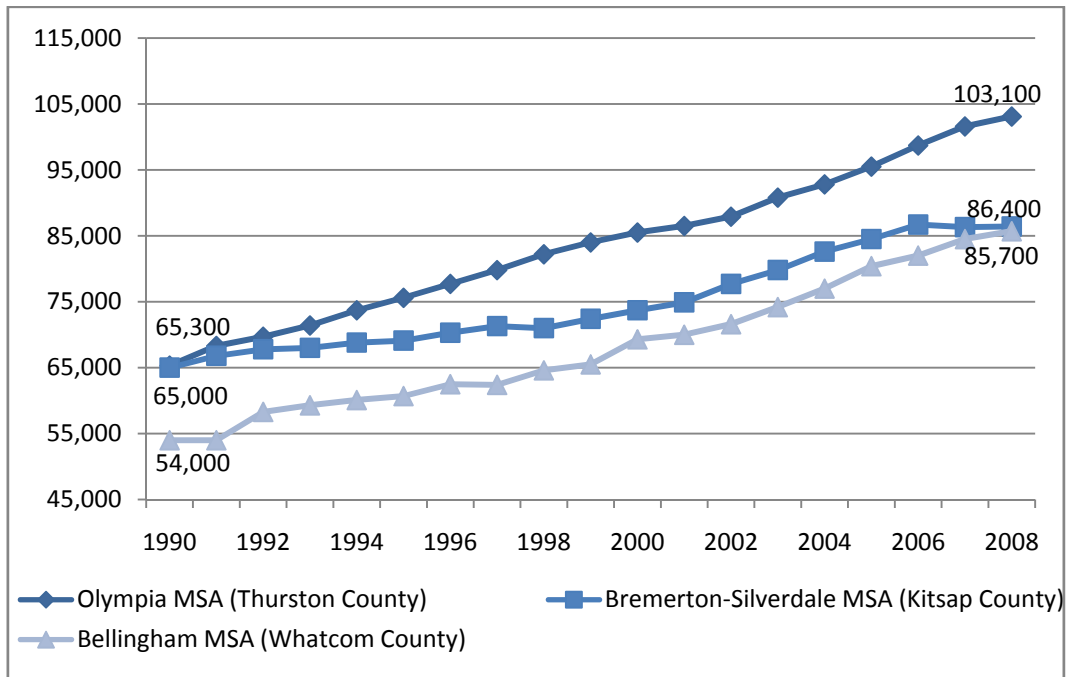
2000-2008 ANNUAL AVERAGES, 2008 THROUGH JULY ONLY



Source: Washington Employment Security Department, Nonfarm Industry Employment

## OLYMPIA, BREMERTON, AND BELLINGHAM METROPOLITAN AREAS NONFARM JOBS

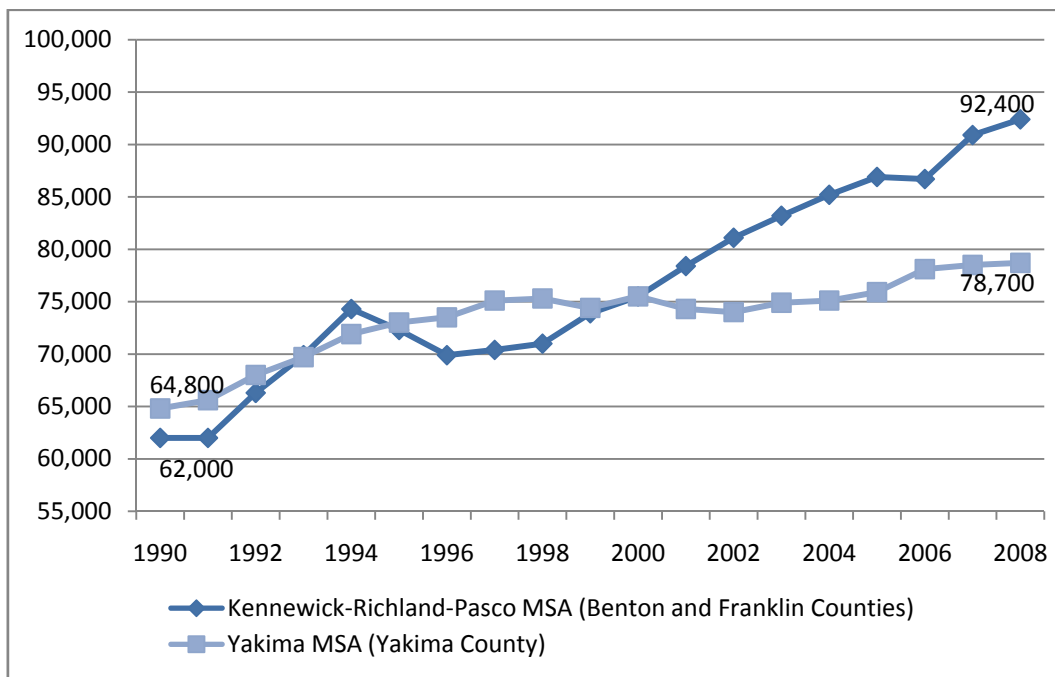
1990-2008 ANNUAL AVERAGES, 2008 THROUGH JULY ONLY



Source: Washington Employment Security Department, Nonfarm Industry Employment

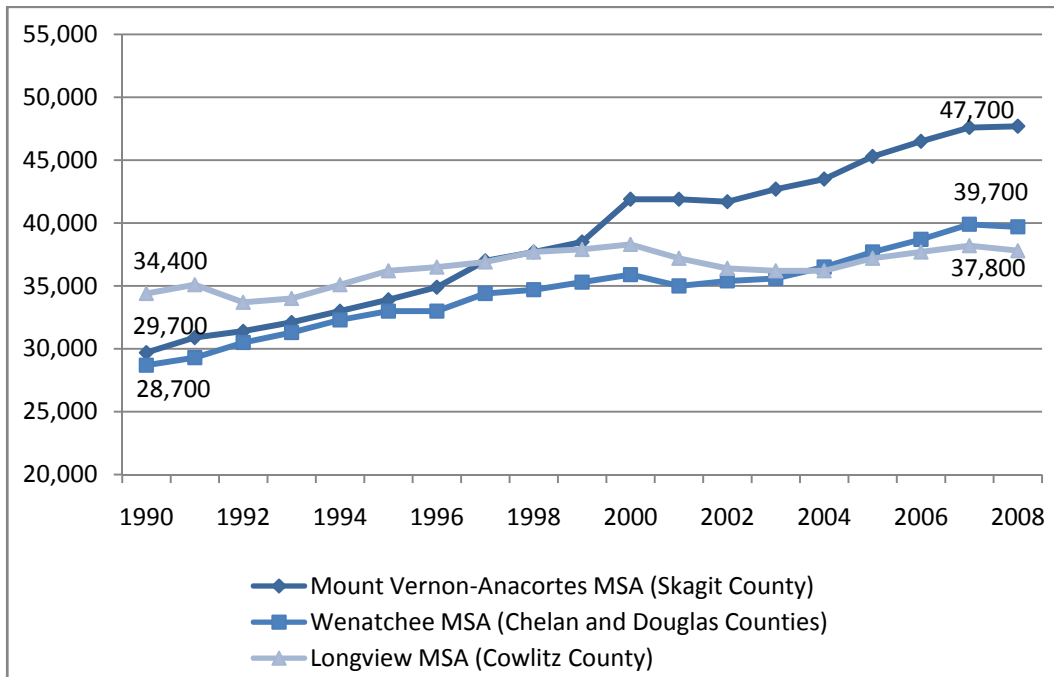
## TRI-CITIES AND YAKIMA METROPOLITAN AREAS NONFARM JOBS

1990-2008 ANNUAL AVERAGES, 2008 THROUGH JULY ONLY



Source: Washington Employment Security Department, Nonfarm Industry Employment

**WENATCHEE, LONGVIEW, AND MOUNT VERNON METROPOLITAN AREAS NONFARM JOBS**  
 1990-2008 ANNUAL AVERAGES, 2008 THROUGH JULY ONLY



Source: Washington Employment Security Department, Nonfarm Industry Employment

# Washington's Workforce: Older, Better Educated, More Diverse

## AGE

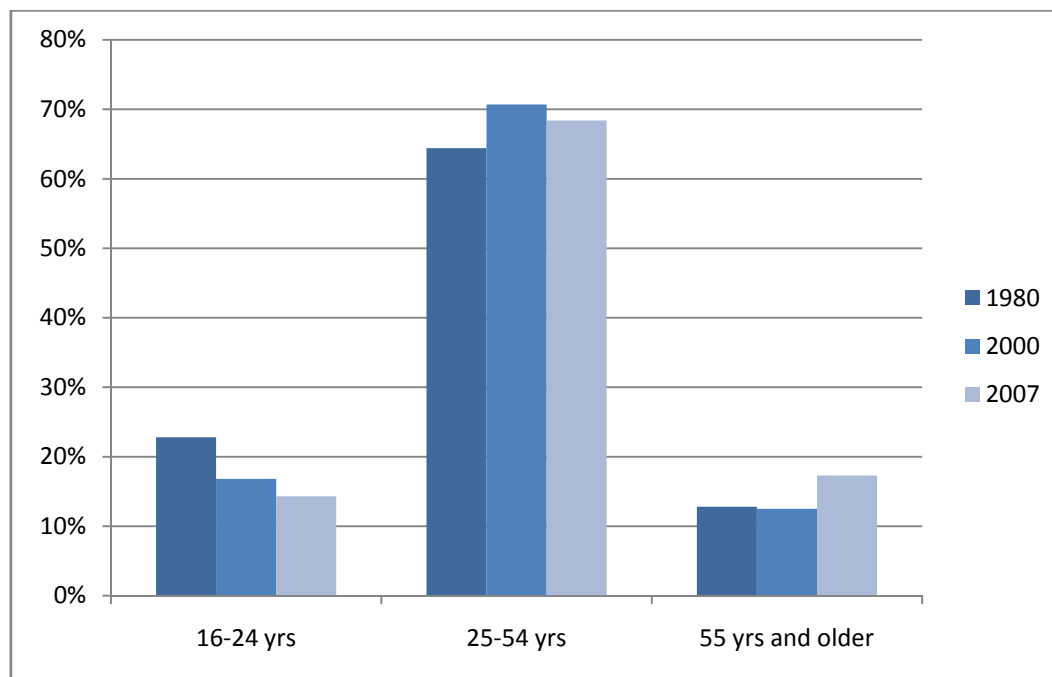
Washington's workforce has aged considerably over the past two decades. In 1990, 26% of both male and female workers were age 45 or over. In 2007, 42% of female workers and 40% of males were over 45. The very youngest workers, those ages 16 to 24, have declined steadily as a percentage of the workforce, from nearly 23% in 1980, to 14% in 2007. In just the period from 2000 to 2007, those over age 55 jumped from 12% of the workforce to 17%.<sup>8</sup>

An older workforce has a number of implications for both employers and policymakers. Fields where more than half of workers are over age 45, such as aerospace manufacturing and elementary

education, face a loss of skills and institutional memory as baby boomers retire. Older workers are more likely to develop serious illnesses or disabling conditions themselves, or to have a spouse, parent, or child who requires care. They are also more motivated to prepare for retirement than young workers. Therefore, workplace benefits of health insurance, paid leave, and retirement plans, while necessary for all ages, are especially critical for a more mature workforce.

### WASHINGTON WORKFORCE BY AGE

1980, 2000, 2007



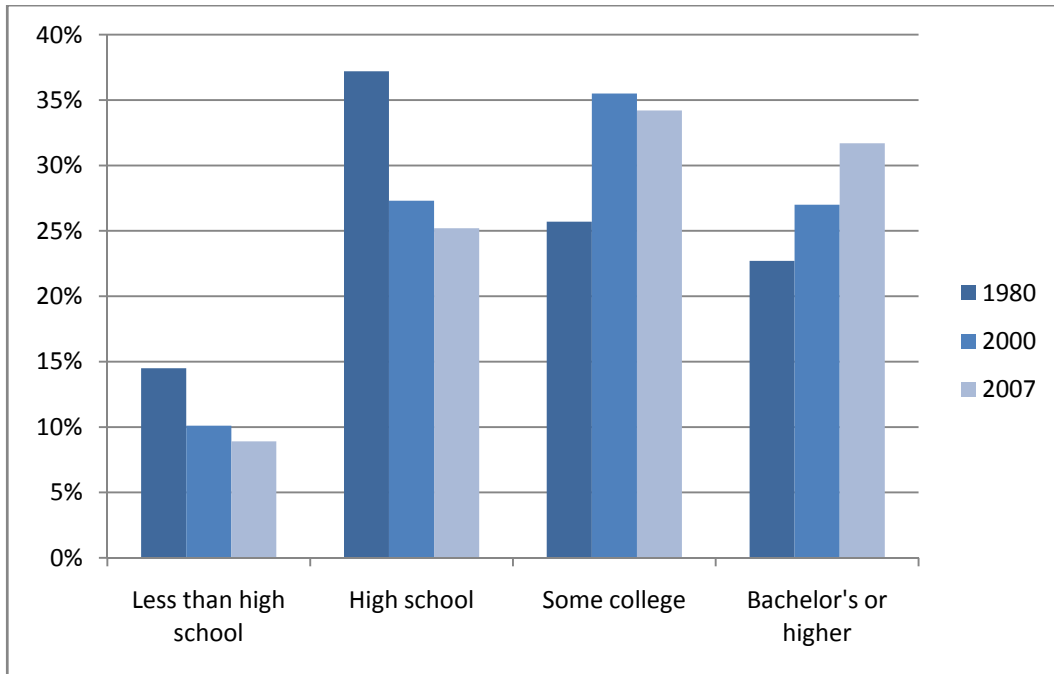
Source: Economic Policy Institute Analysis of Current Population Survey Data

# EDUCATION

The state's workforce has also become more highly educated. Those with a high school diploma or less, but no further formal education, made up more than half the workforce in 1980. By 2007, that

category had shrunk to one third. Over the same period, those who have earned a bachelor's degree or higher have increased from 23% to 32%.<sup>9</sup>

**WASHINGTON WORKFORCE BY EDUCATION LEVEL**  
1980, 2000, 2007



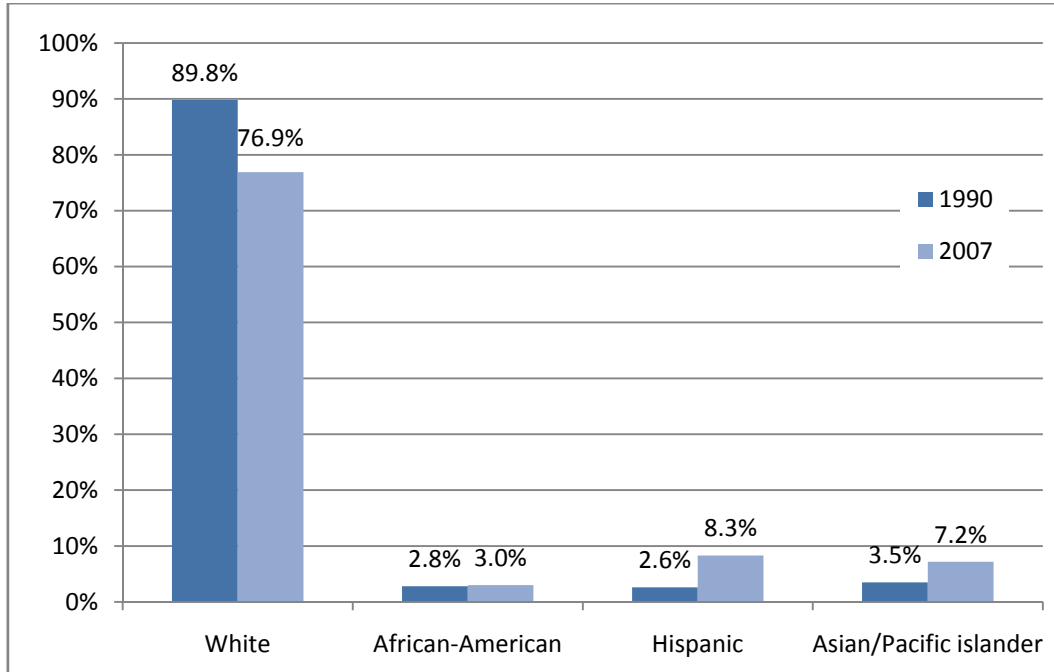
*Source: Economic Policy Institute Analysis of Current Population Survey Data*

# DIVERSITY

Since 1990, the percentage of Hispanic and Asian workers in Washington has grown, while the African-American share of the workforce has remained steady. Even with this increase in the

minority working population over the past two decades, white workers are still the clear majority in the state at 77%, down from 90% in 1990.<sup>10</sup>

**PERCENTAGE OF WASHINGTON WORKFORCE BY RACE AND ETHNICITY**  
1990, 2007



Source: Economic Policy Institute Analysis of Current Population Survey Data

# Washington's Working Women: Not Equal Yet

Washington women benefit from a general culture that supports gender equity. Washington is the only state to have women serving in the Governor's office and both U.S. Senate seats. A recent report from the University of Albany found that Washington was one of five states where women have been appointed to high-level government posts in numbers about equal to their percentage in the population.<sup>11</sup> This was the first state to adopt automatic cost of living increases to the minimum wage and the second to approve paid family leave, policies that raise the floor for all workers, but are of particular importance to women.

Most of us assume that opportunities afforded to men and women and the social dynamics of gender have become more equal in recent decades. However, although women now make up nearly half of Washington's workforce, most workplaces remain dominated by one gender. On an hourly basis, women's wages have crept closer to men's, but total earnings have become even more unequal since 1990.

Men and women are employed statewide in near equal numbers. In 1990, women held 47% of jobs and by 2007 that number had increased to 49%. But individual sectors remain highly segregated, and some are becoming more so.

In 1979 women's median hourly wages were just 59% of men's. By 1990 women's hourly wages had risen to 71% of men's, and by 2007 to 81%. At the same time, women's average monthly earnings compared to men's **decreased** from 68% in 1990 to 64% in 2007.<sup>12</sup> In 2007, women on average made \$1,672 per month less than men.

Since 1990, both men and women have gained jobs during economic expansions and lost jobs when the economy fell. Men's job loss was steeper and began a year before the official recession in 2001, reflecting declines in the male dominated manufacturing and high tech sectors that preceded the recession.

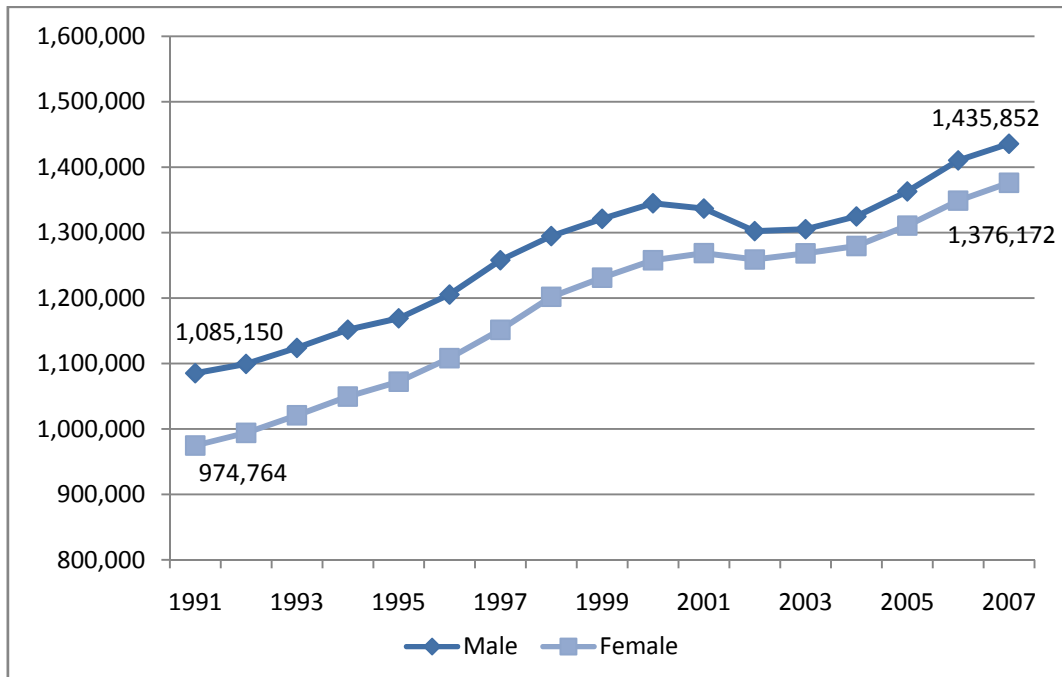
Earlier this decade, some news media made much of a supposed trend by well educated women to "opt out" of paid jobs in favor of fulltime work as housewives and mothers.<sup>13</sup> While women's labor force participation rate remains below that of men's, the data for Washington show no "opt out" trend. In fact, in 2007 women's labor force participation rate was the closest it has ever been to men's, and as we have already seen, the education level of both men and women workers is increasing.

Through the 1980s, men were the ones leaving the labor force, as their participation rates fell from 80% in 1979 to 74% in 1988. The percentage of men in the job market rose again in the 1990s as wages rose faster than inflation up and down the income spectrum. Men's labor force participation rate reached 79% in 1997, before again declining. Since 2001, men's employment rate has stayed close to 74%.

Meanwhile, the long term upward trend in women's labor force participation continued through both the 1980s and 1990s, peaking at 63.3% in 1999. After dropping during the recession, the percentage of women in the work force was back up to 62.5% in 2007.

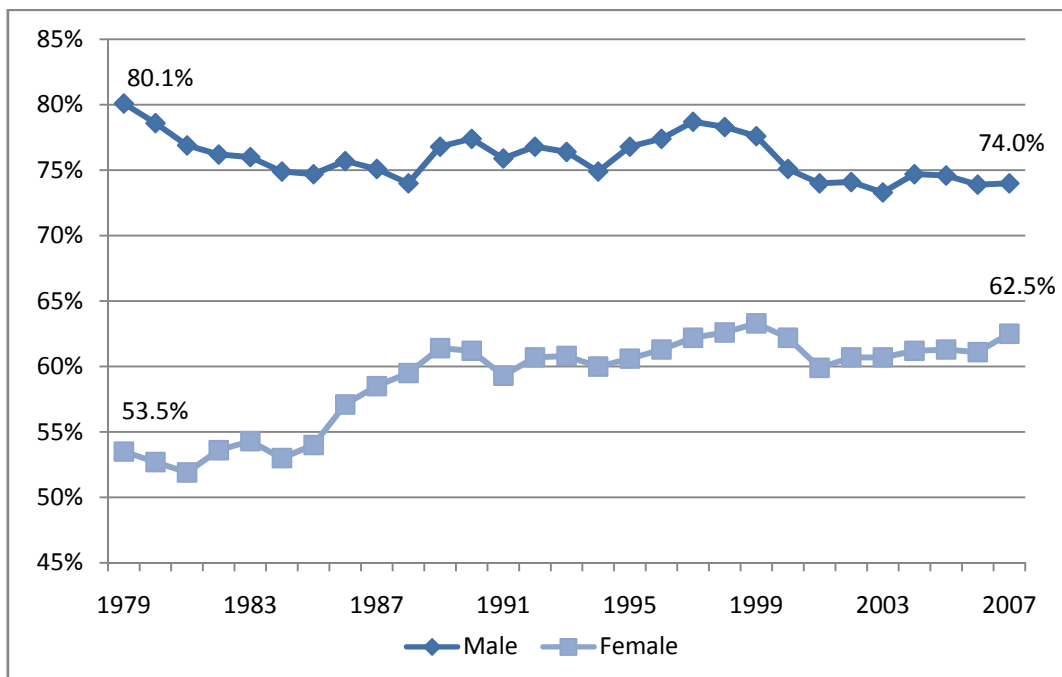


**NUMBER OF WAGE AND SALARY JOBS HELD BY MEN AND WOMEN IN WASHINGTON**  
1990-2007



Source: U.S. Census, Quarterly Workforce Indicators

**WOMEN'S AND MEN'S LABOR FORCE PARTICIPATION RATES IN WASHINGTON**  
1979-2007



Source: Economic Policy Institute Analysis of Current Population Survey Data

## EARNINGS BY GENDER

Despite approaching parity in numbers of jobs, women’s earnings lag far behind men’s. The good news for women is that hourly earnings have trended up faster than inflation. The median hourly wage for Washington women after adjusting for inflation was \$12.51 in 1979, \$12.81 in 1990, \$14.12 in 2000, and \$15.49 in 2007.

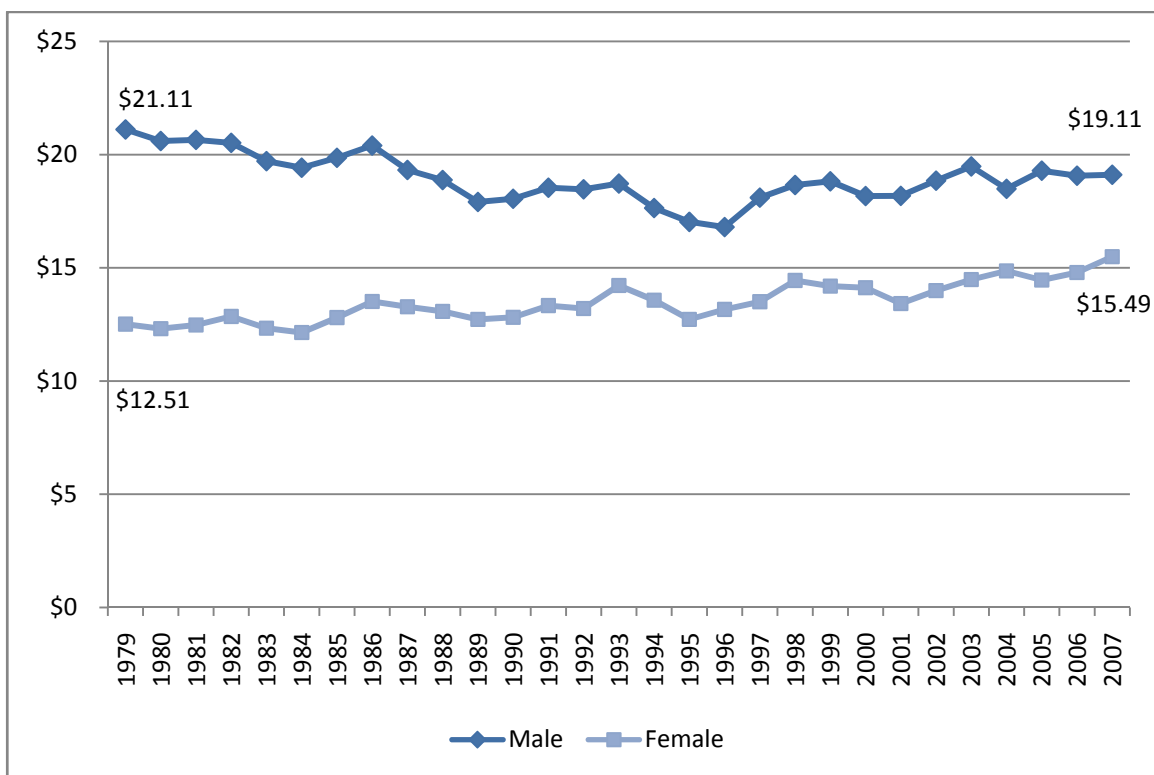
In contrast, men at the midpoint of the earnings spectrum lost hourly wages after inflation, from \$21.11 in 1979 to \$16.80 in 1996, then partly recovered to \$19.11 in 2007.

Average monthly earnings give a fuller picture of actual income, accounting for hours worked as well as hourly wage.

Washington men experienced strong gains in average monthly earnings during the 1990s, with a 58% increase after inflation from 1990 to 1999, but a 6% loss since. Women have not experienced that same loss in real average monthly earnings since 1999. However, they made much smaller gains during the 1990s, with real average income growth of only 35%. Consequently the earnings gap between men and women in Washington is larger now than it was in 1990.

Among full-time year round workers, median earnings were \$37,475 for Washington women and \$50,269 for men in 2007. That placed Washington 11th among the states for women’s earnings and 8<sup>th</sup> for men’s.<sup>14</sup>

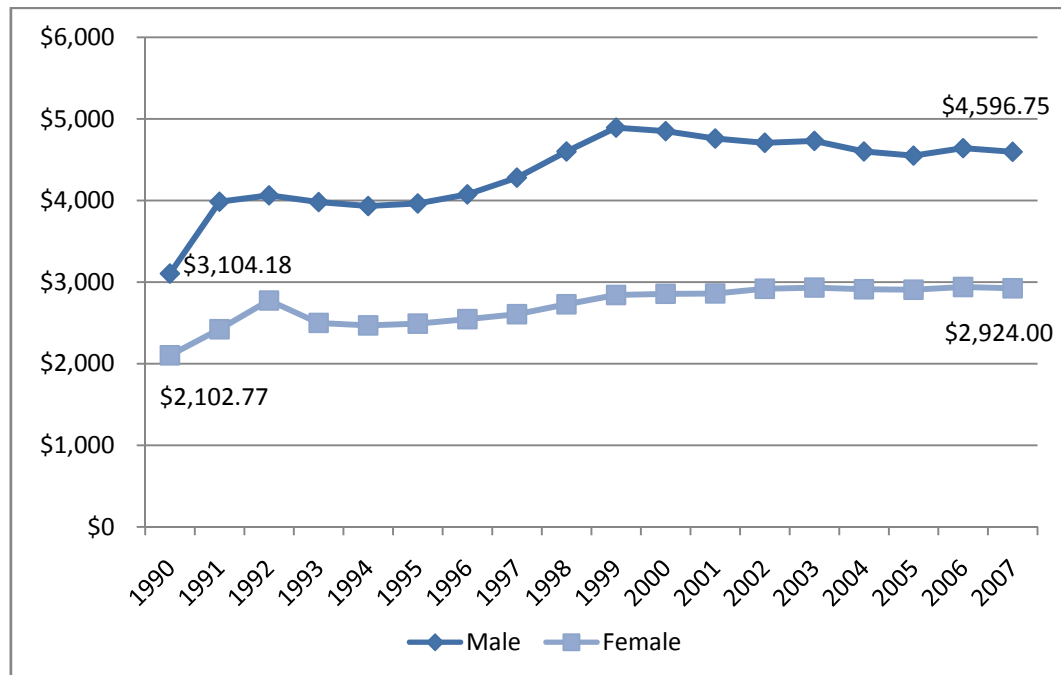
**MEDIAN HOURLY EARNINGS OF WASHINGTON MEN AND WOMEN**  
2007 DOLLARS



Source: Economic Policy Institute Analysis of Current Population Survey Data

## AVERAGE MONTHLY EARNINGS OF WASHINGTON MEN AND WOMEN

2007 DOLLARS



Source: U.S. Census, Quarterly Workforce Indicators

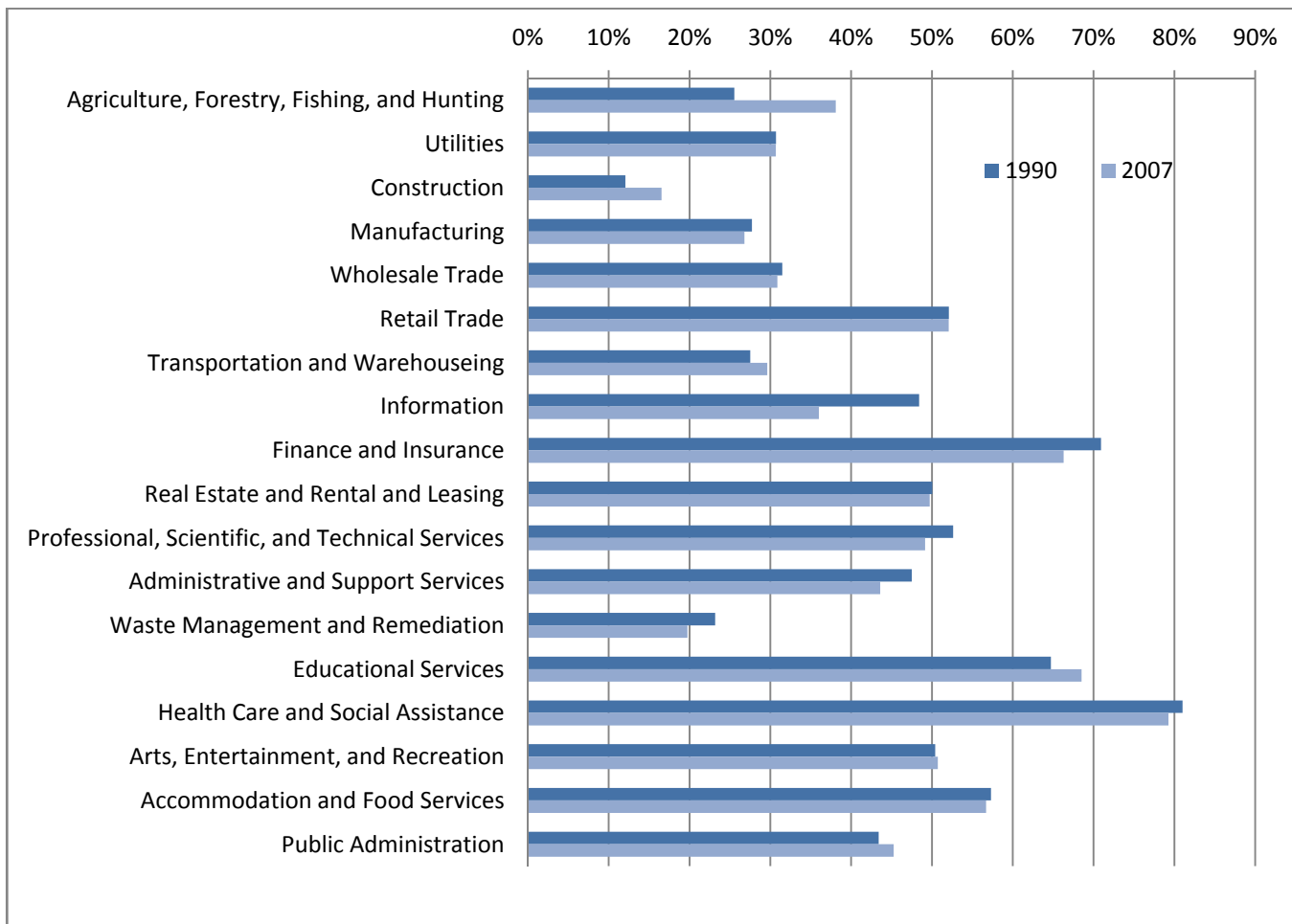
# WOMEN'S EMPLOYMENT AND EARNINGS BY SECTOR

Digging below the surface reveals continued segregation by type of employer, with only small changes in most sectors since 1990. The common perception may be that more women have broken into traditionally male fields, and that men are opting for traditionally female occupations, but the data here suggest we still have a long way to go.

In every sector, whether relatively gender-balanced or strongly dominated by one sex, men's average monthly earnings are more than women's.

Two sectors experienced major changes in gender ratios between 1990 and 2007, but not in ways that reflect better economic opportunities for women. Women increased their representation in **agriculture** from 26% to 38%, but this is a low-wage area that shrank from 4% to 3% of total jobs over the period. In the growing, high wage **information** sector, on the other hand, women's representation dropped from 48% to just 36%.

**PERCENT OF WASHINGTON JOBS HELD BY WOMEN**  
BY SECTOR, 1990 AND 2007



Source: U.S. Census, Quarterly Workforce Indicators

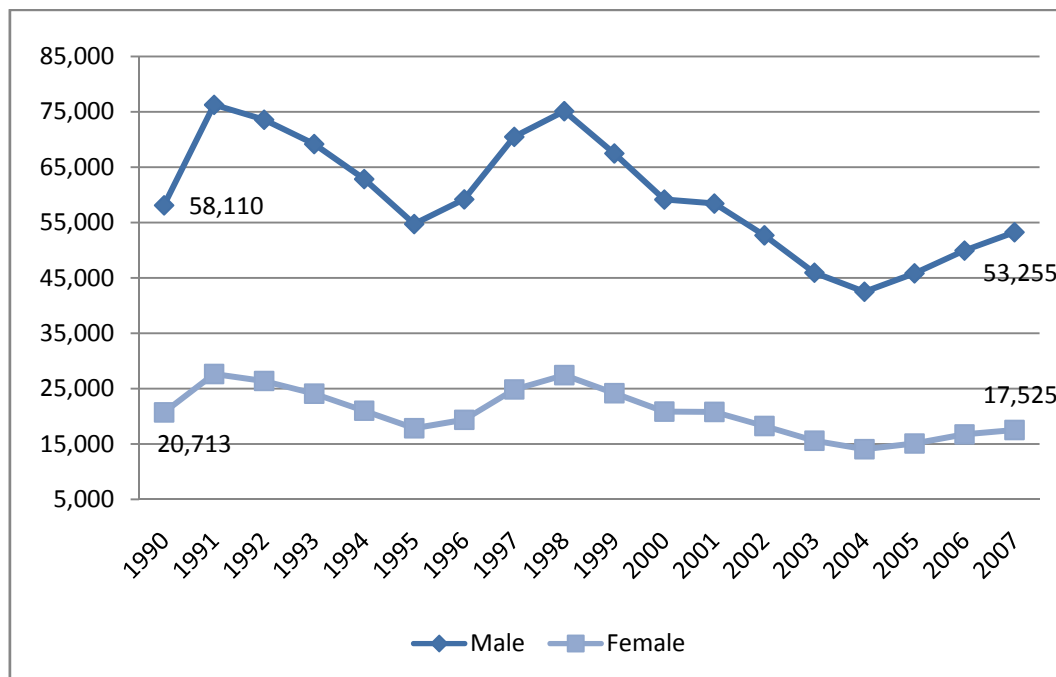
**Retail** has close to equal numbers of men and women overall, but that balance breaks down on closer inspection according to type of establishment. Women make up only 21% of staff in auto parts stores, but 76% of employees in clothing stores, for example.

Women’s share of **manufacturing** jobs in Washington has shrunk slightly since 1990 from 28% to 27%, in the context of long-term decline for the entire sector throughout the U.S. In 1950, one quarter of non-agricultural jobs in Washington were in manufacturing, compared to just 10% today. Between 1998 and 2004, the state shed 100,000 manufacturing jobs, in every subarea from food

preservation, to wood products, to computers, and airplane manufacturing. Since 2004, there has been an uptick in manufacturing jobs in the state.

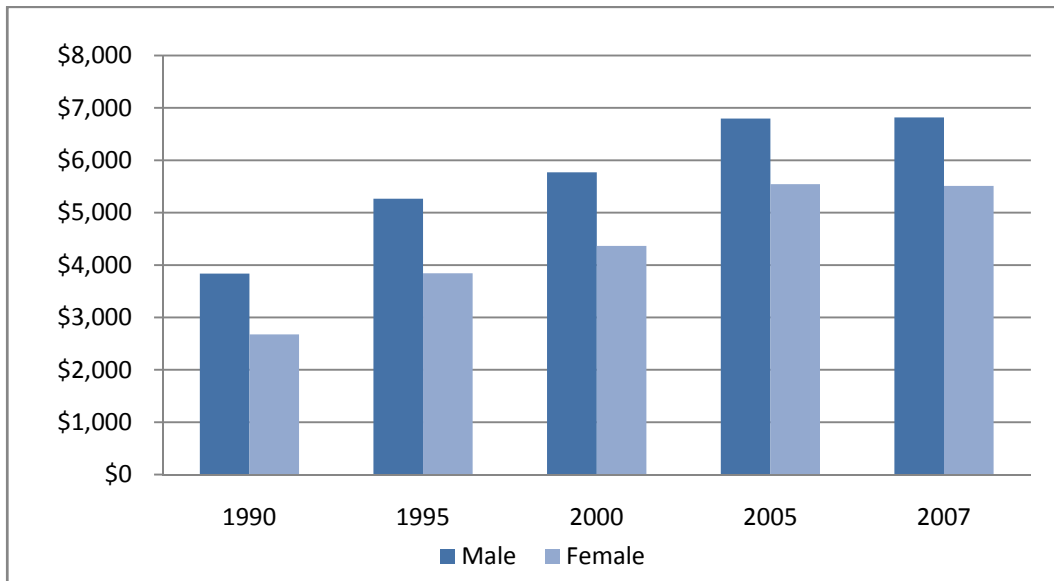
**Aerospace Product and Parts Manufacturing** reflects the ups and downs of the larger manufacturing sector, with perhaps more drama. Aerospace lost 45,000 jobs between 1998 and 2004 – 45% of the total – and has regained 14,000 since. Women represented 25% of the workforce in 2007, down from 27% in 1990. Women’s monthly earnings in aerospace are relatively high, close to double the average female earnings for all industries and 81% of average monthly earnings of men in aerospace in 2007. In 1990 women only made 70% of men’s salaries.

**AEROSPACE MANUFACTURING JOBS IN WASHINGTON**  
1990-2007



Source: U.S. Census, Quarterly Workforce Indicators

## AVERAGE MONTHLY EARNINGS IN AEROSPACE MANUFACTURING IN WASHINGTON 2007 DOLLARS

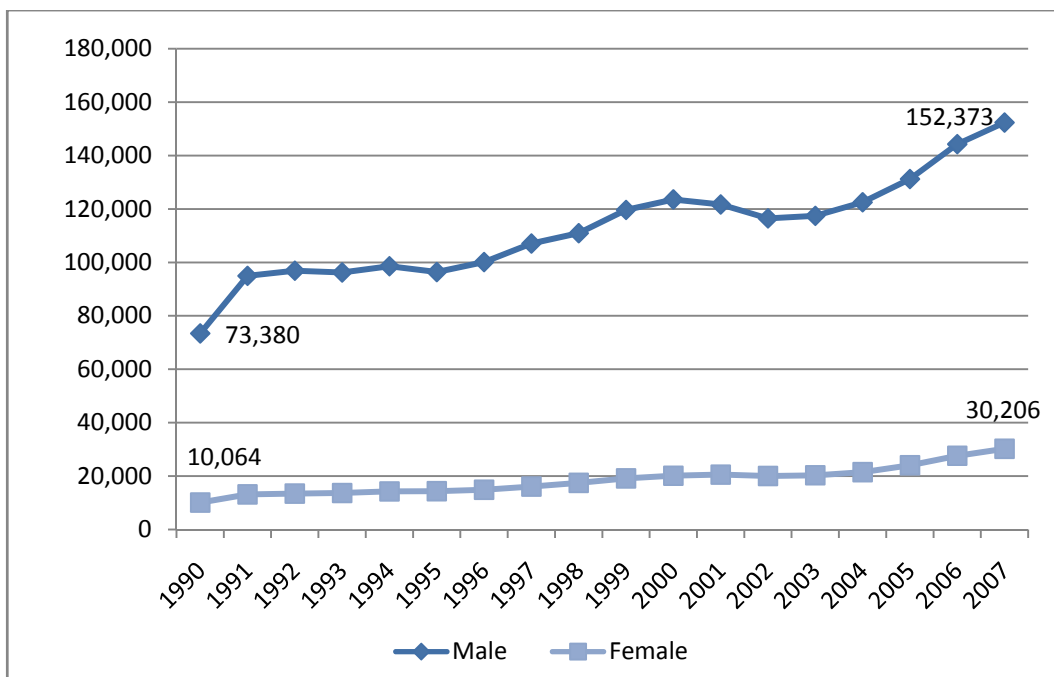


*Source: U.S. Census, Quarterly Workforce Indicators*

**Construction** has been one of the fastest growing occupations in Washington, nearly doubling the number of jobs since 1990 and increasing by 21% since 2000. The number of women employed in

construction tripled between 1990 and 2007, but 80% of new jobs since 1990 have gone to men. Women's share of jobs across the period rose from 12% to a still low 16.5%.

## JOBS IN CONSTRUCTION IN WASHINGTON STATE, 1990-2007

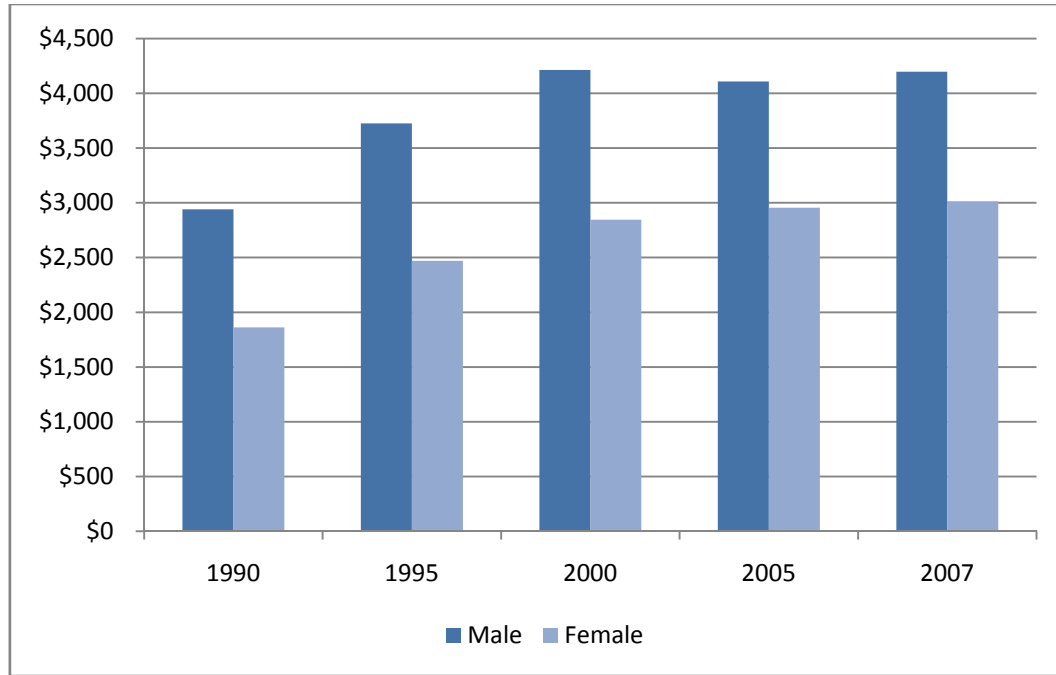


*Source: U.S. Census, Quarterly Workforce Indicators*

Women in construction do not earn as much as their male counterparts, although average monthly earnings for women have risen steadily both relative to inflation and to men's earnings. In 1990, women construction workers earned on average only 63% of men's monthly wage. By 2007, that ratio had risen to 72%. Among new hires in 2007,

women earned on average 74% of men's monthly wage. Female construction workers in 2007 earned a little more per month than the average for all of Washington's working women, while male construction workers earned a little less than the average working man in the state.

**AVERAGE MONTHLY CONSTRUCTION WAGES FOR MEN AND WOMEN**  
2007 DOLLARS

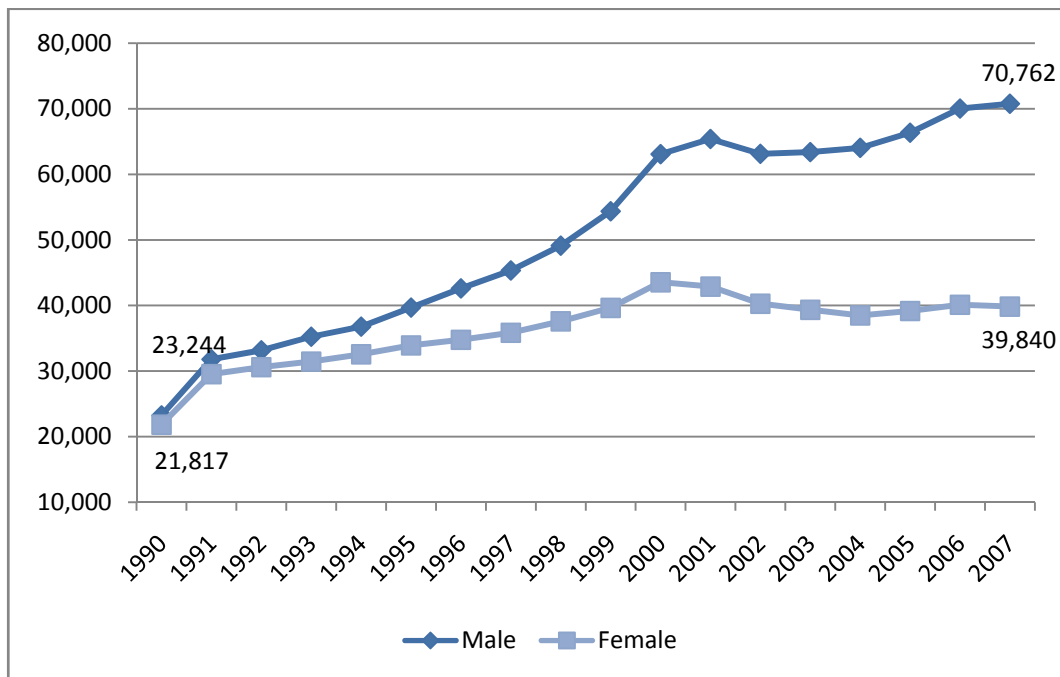


Source: U.S. Census, Quarterly Workforce Indicators

The Information sector boomed in the 1990s, as communications transitioned from wired to wireless and as software publishing and other computer-related services flourished. The lion's share of these new jobs went to men. In 1990, men

and women were employed in Information in nearly equal numbers, 52% to 48%, respectively. By 2007 the Information sector was 64% male and 36% female.

TOTAL INFORMATION JOBS IN WASHINGTON  
1990-2007



Source: U.S. Census, Quarterly Workforce Indicators

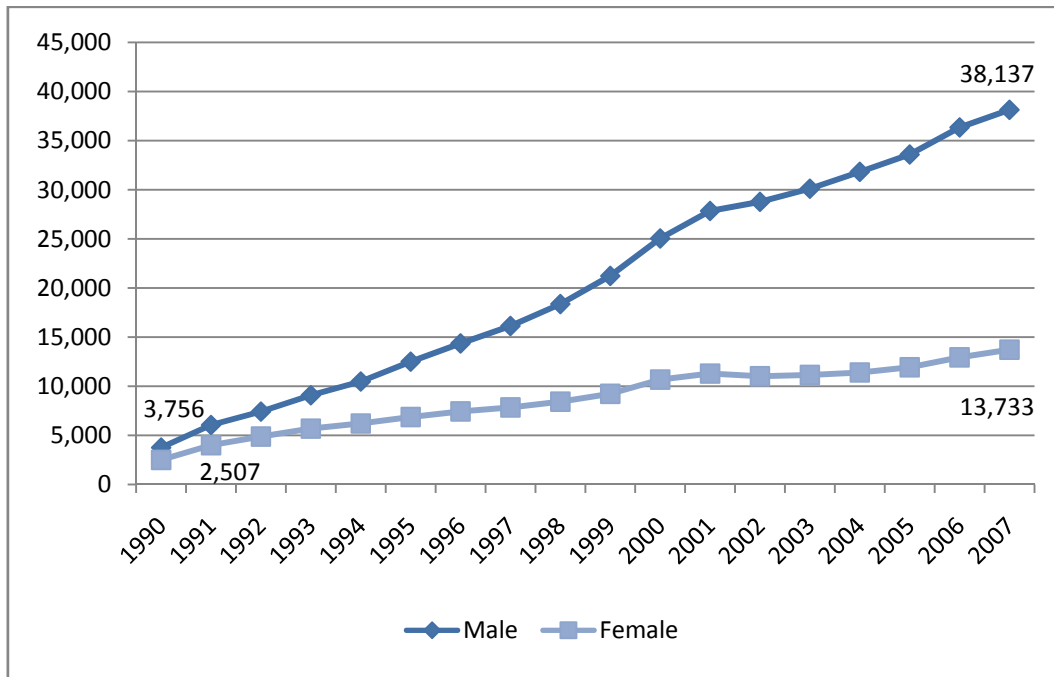
Women's employment in Information peaked in 2000, before the end of the high-tech boom, and has yet to fully recover. In 2007 there were 3,712 fewer women working in Information than there were in the year 2000. Men's employment in the sector, on the other hand, dipped with the recession, but by 2005 had surpassed its previous peak and has continued to grow since.

Information jobs are high-earning. Sector-wide, women's average earnings were \$5,700 per month

in 2007 and men's \$9,100. While still unequal, this represents a rise for women from 57% of men's monthly earnings in 1990 to 63%. Wages are particularly high in software publishing, with average monthly earnings in 2007 of \$9,500 for women and \$12,500 for men. On average, women earned 76% of a man's paycheck in software in 2007 compared to only 46% in 1990.

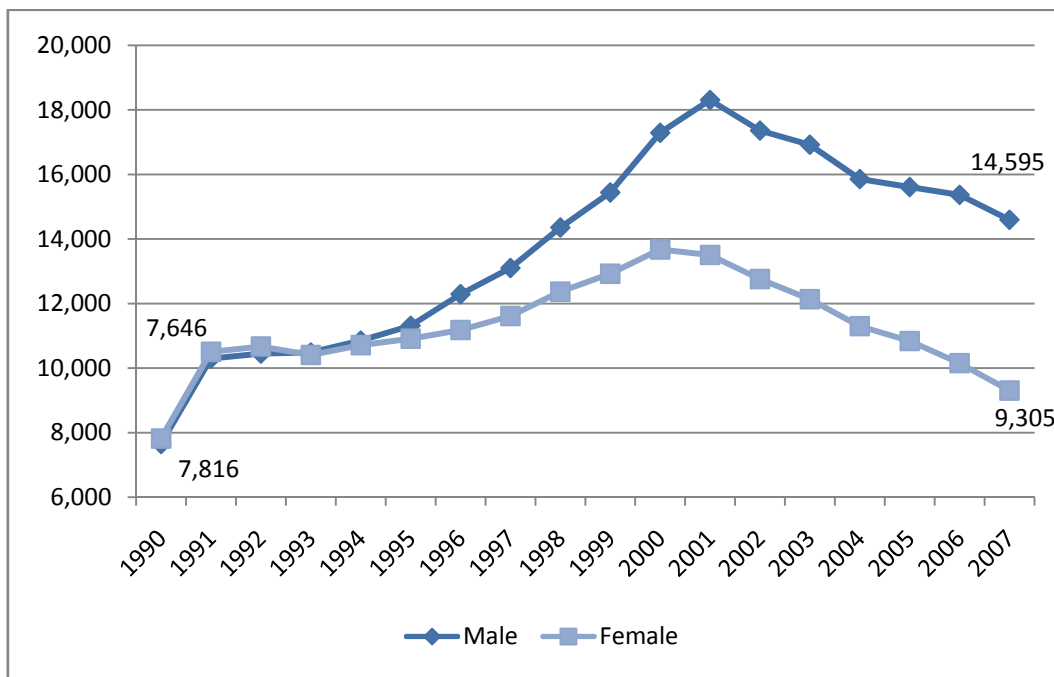


**INFORMATION SUBSECTORS: SOFTWARE PUBLISHING JOBS IN WASHINGTON**  
1990-2007



Source: U.S. Census, Quarterly Workforce Indicators

**INFORMATION SUBSECTORS: TELECOMMUNICATIONS JOBS IN WASHINGTON**  
1990-2007



Source: U.S. Census, Quarterly Workforce Indicators

**Health Care and Social Assistance** jobs have increased by 72% since 1990. The sector includes a broad range of occupations and earning levels, including physicians and dentists, nurses, technicians, clerks, health care aides, and in the social assistance category, child care teachers. Despite the perception of growing numbers of female doctors and male nurses, the sector overall remains largely female. In 2007 the sector as a whole was 79% female, barely changed from 81% in 1990.

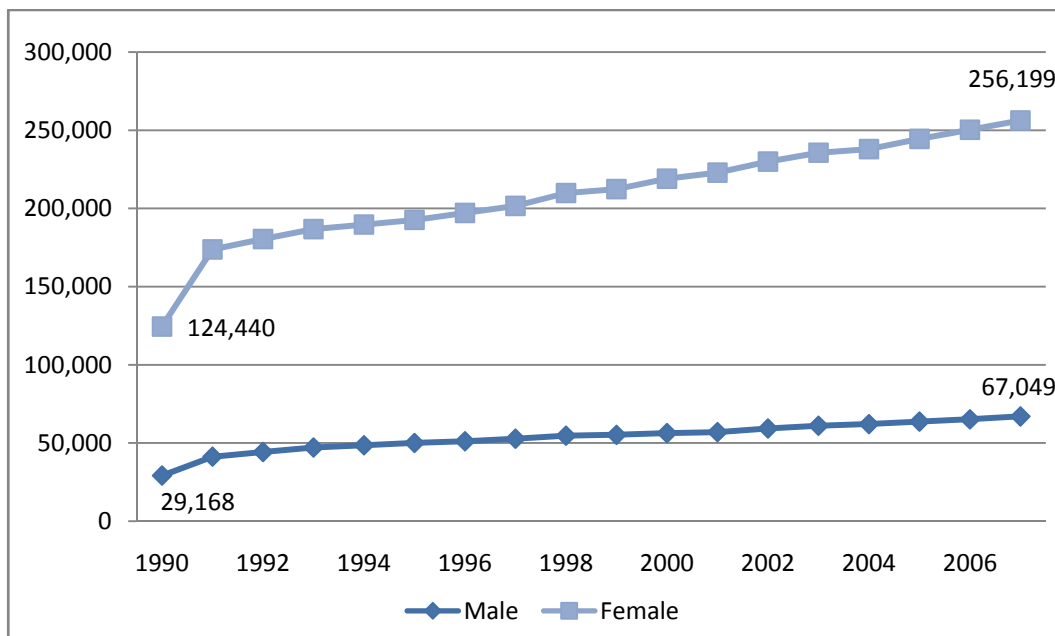
Women’s earnings relative to men’s in this category have also changed little since 1990. In 2007, women earned 60% of men’s average monthly earnings, compared to 59% in 1990. **Physicians’ offices** are the most unequal worksites in Washington State in terms of wages and among the most unequal in their gender employment ratio. In 2007, the workforce in physicians’ offices was 82% female. Those women made just 30% of what the men in the sector made per month on average, maintaining virtually the same wage gap as in 1990. The lower paid employees in these offices are

almost exclusively women and those receiving higher pay are generally men.

The workplaces in the state with the most skewed gender ratio are **dentists’ offices**, with 93% female employment in 2007 – a decrease of only 1% since 1990. Because the men in these offices are mostly dentists and women serve in the full range of occupations from dentist to file clerk, the earnings ratio is also skewed, with women making only 45% of men’s average monthly earnings in 2007. At least that ratio has improved slightly since 1990 when it was 42%.

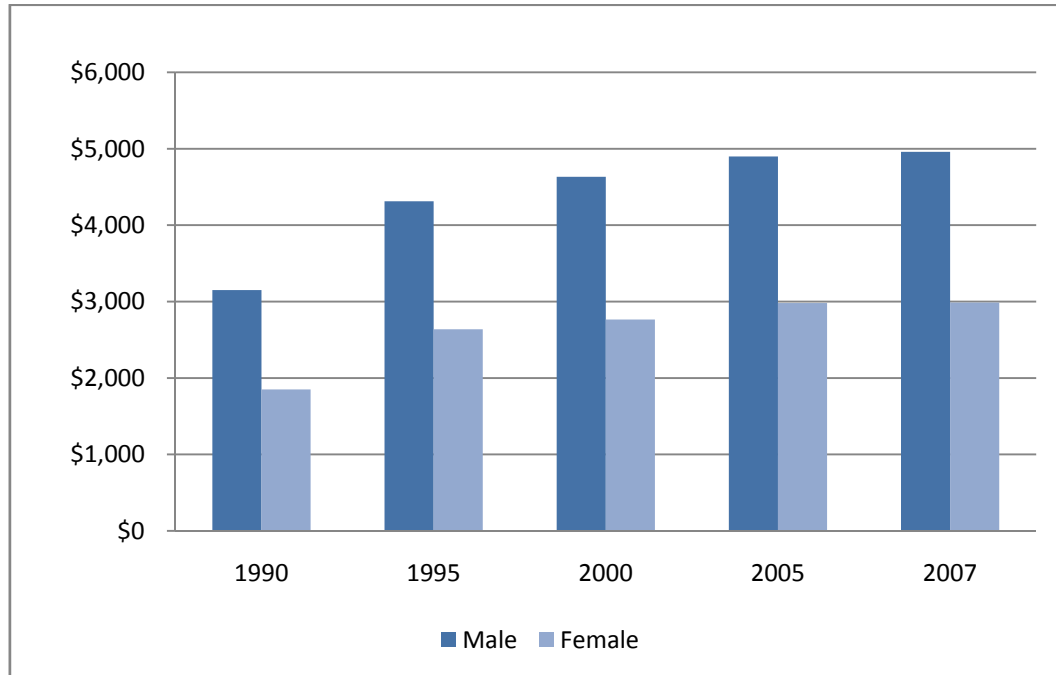
Even **childcare centers** have a higher percentage of men and have shown more change than dentistry. Men have increased from 6% to 9% of the childcare workforce since 1990. Female childcare workers earn 90% of their male colleagues’ monthly salaries. While this is much closer to parity than in most fields, women in child care earn on average only half the average monthly wage of women across all industries.

**HEALTH CARE AND SOCIAL ASSISTANCE JOBS IN WASHINGTON**  
1990-2007



Source: U.S. Census, Quarterly Workforce Indicators

### AVERAGE MONTHLY EARNINGS IN HEALTH CARE AND SOCIAL ASSISTANCE 2007 DOLLARS



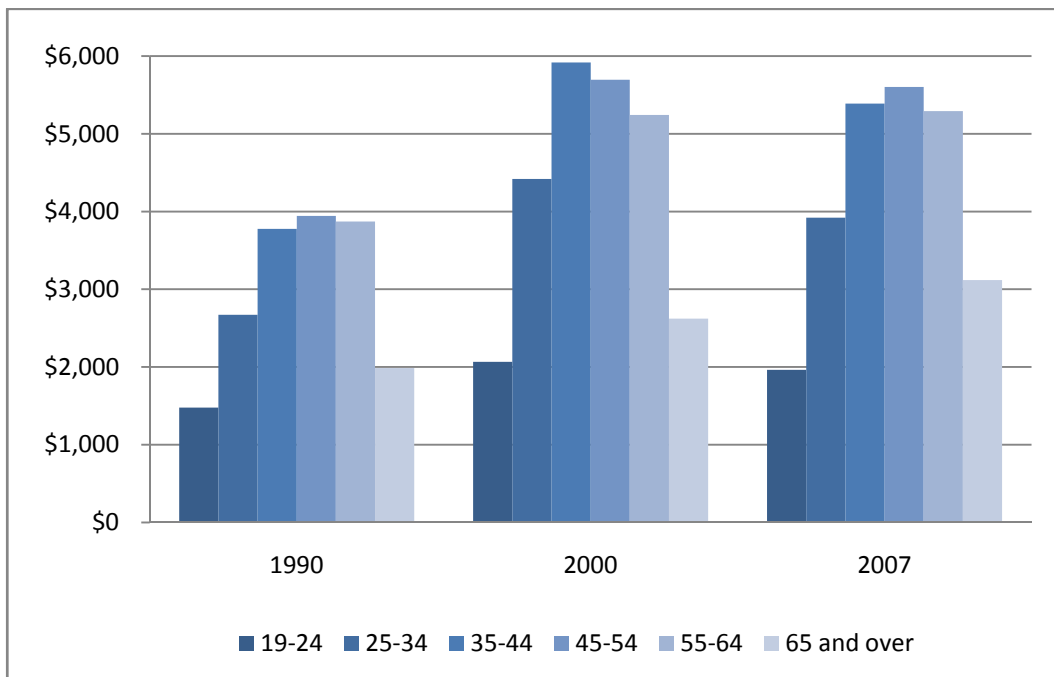
Source: U.S. Census, Quarterly Workforce Indicators

# EARNINGS BY GENDER AND AGE

While the age distribution of employees is similar by gender, men and women have sharply different earnings over their life cycle. Men’s earnings shoot up during their first two decades of work. Women do not gain nearly as much with age and experience. In 2007 men aged 19 to 24 earned on

average just 36% of what men age 35 to 44 made. Among women, the younger group earned 45% of the older women’s earnings. Women are far more likely than men to work part-time. One third of women compared to 19% of men worked part-time in 2007.

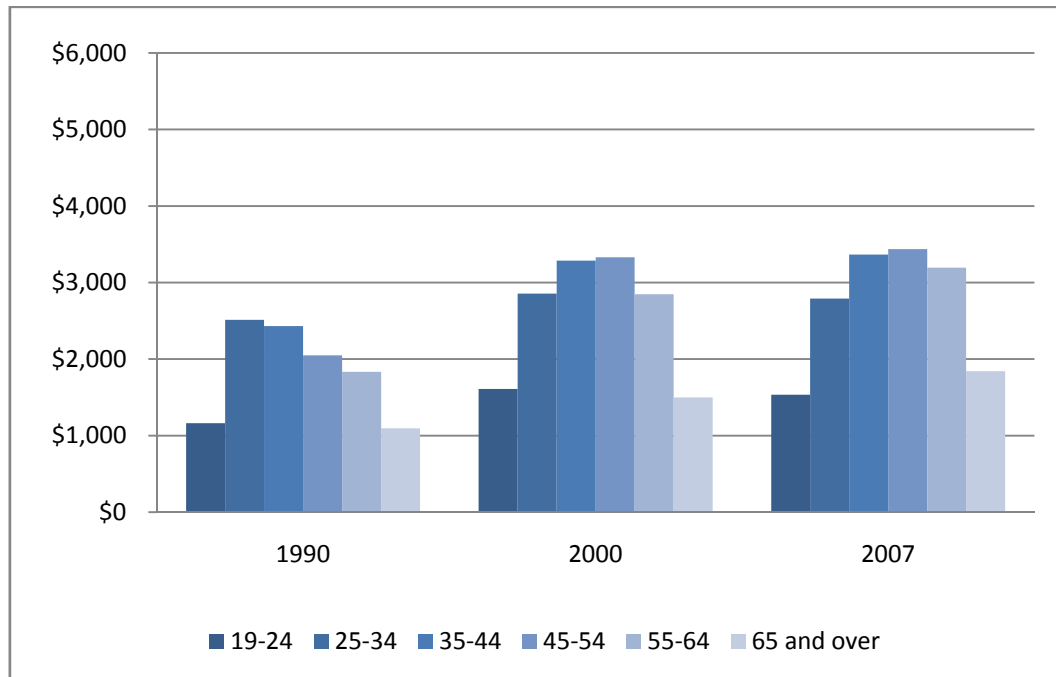
**AVERAGE MONTHLY EARNINGS OF WASHINGTON MEN BY AGE**  
1990, 2000, AND 2007 (2007 DOLLARS)



Source: U.S. Census, Quarterly Workforce Indicators

## AVERAGE MONTHLY EARNINGS OF WASHINGTON WOMEN BY AGE

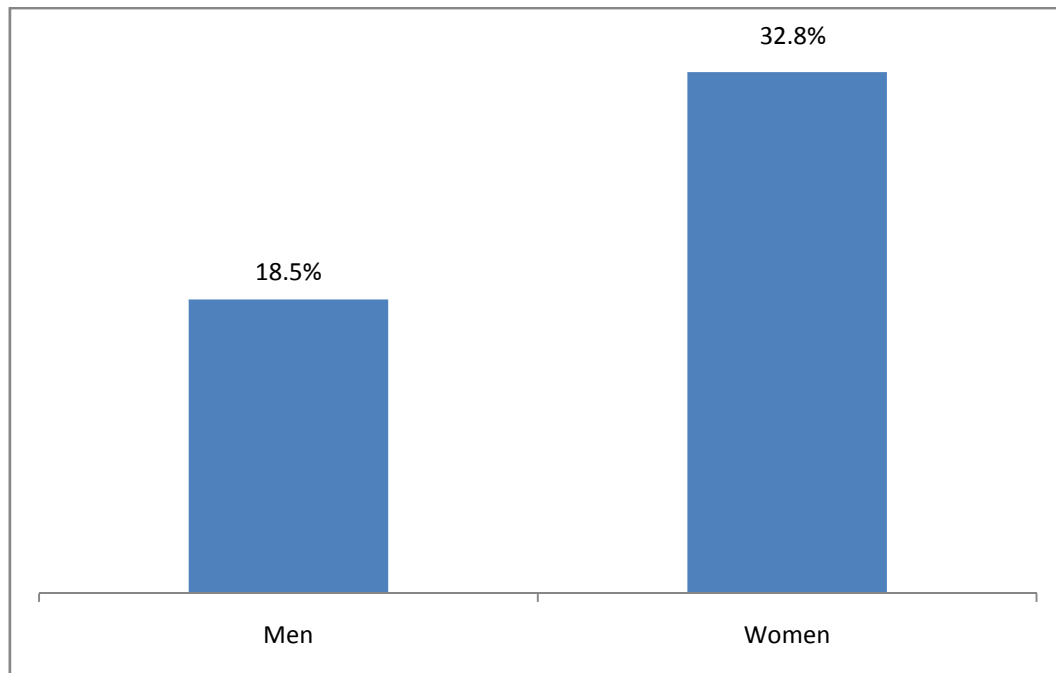
1990, 2000, AND 2007 (2007 DOLLARS)



Source: U.S. Census, Quarterly Workforce Indicators

## PERCENT OF WASHINGTON WORKERS WHO ARE PART-TIME BY GENDER

2007



Source: Economic Policy Institute Analysis of Current Population Survey Data

# Household Incomes, Inflation, and Working Family Budgets

## INCOMES

During the second half of the 20<sup>th</sup> century, America’s working families were able to gradually improve their standard of living with each decade. The United States experienced multiple business cycles of recession and recovery, but at the peak of each cycle between World War II and 2000, middle-income families ended up with more real income than they had had at the peak of the previous one.<sup>15</sup>

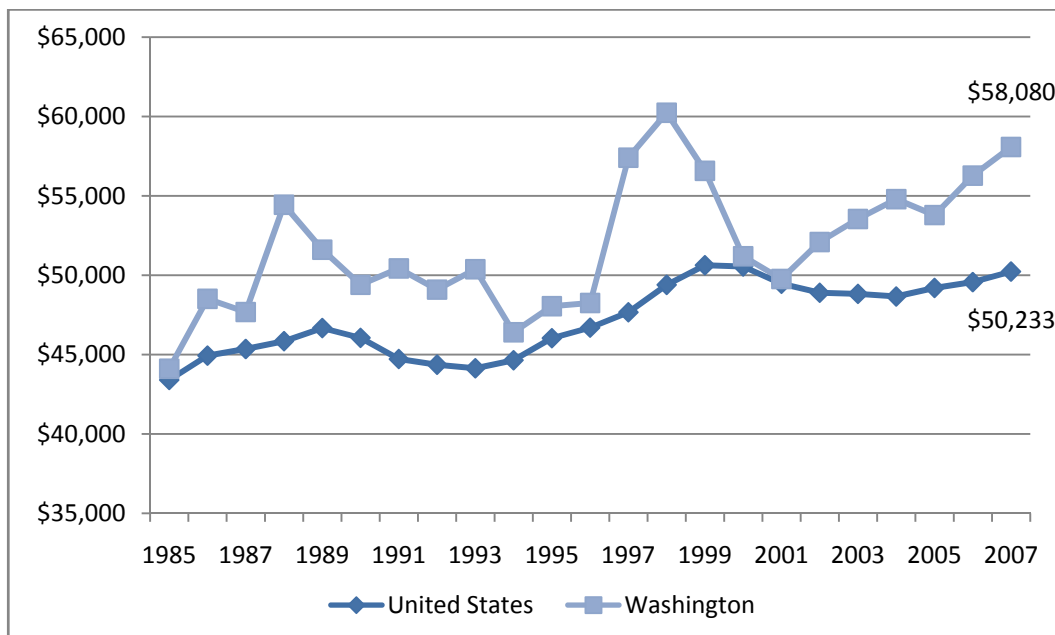
In the 1980s, men’s real earnings fell, but women’s additional hours at work and growing wages resulted in the typical family still doing better financially. During the 1990s, as we have already seen in the comparison of earnings by gender, men

and women both saw real increases in their pay. As the graph below shows, median household incomes in both the U.S. as a whole and in Washington state at the end of the 1990s was well above the level of the late 1980s after adjusting for inflation.

The economic recovery since 2001 was different. Middle income families failed to even regain the level of income they enjoyed at the end of the previous expansion, let alone see real improvement.

Incomes vary widely across the state, with incomes highest in the most heavily urban areas and lower in smaller cities and rural areas.

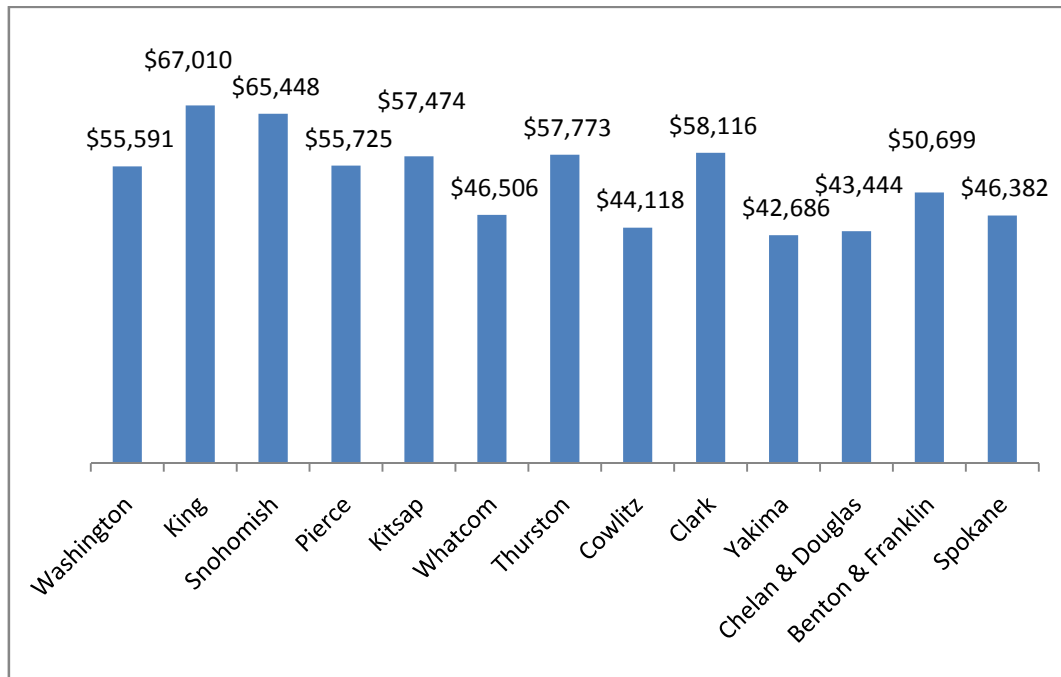
**MEDIAN HOUSEHOLD INCOMES, U.S. AND WASHINGTON**  
1985 TO 2007 (2007 DOLLARS)



Adjusted by CPI-U-RS national averages. Source: Current Population Survey Data, <http://www.census.gov/hhes/www/income/histinc/h08.html>

## MEDIAN HOUSEHOLD INCOME FOR WASHINGTON STATE AND COUNTIES

2007



*Note: The two income graphs above, one showing change over time and one comparing median incomes by county, use two different data sources which produce somewhat different median household income figures. The newer American Community Survey data allows comparison by county. The Current Population Survey is a much older survey and so shows change over time.*

*Source: U.S. Census, American Community Survey*

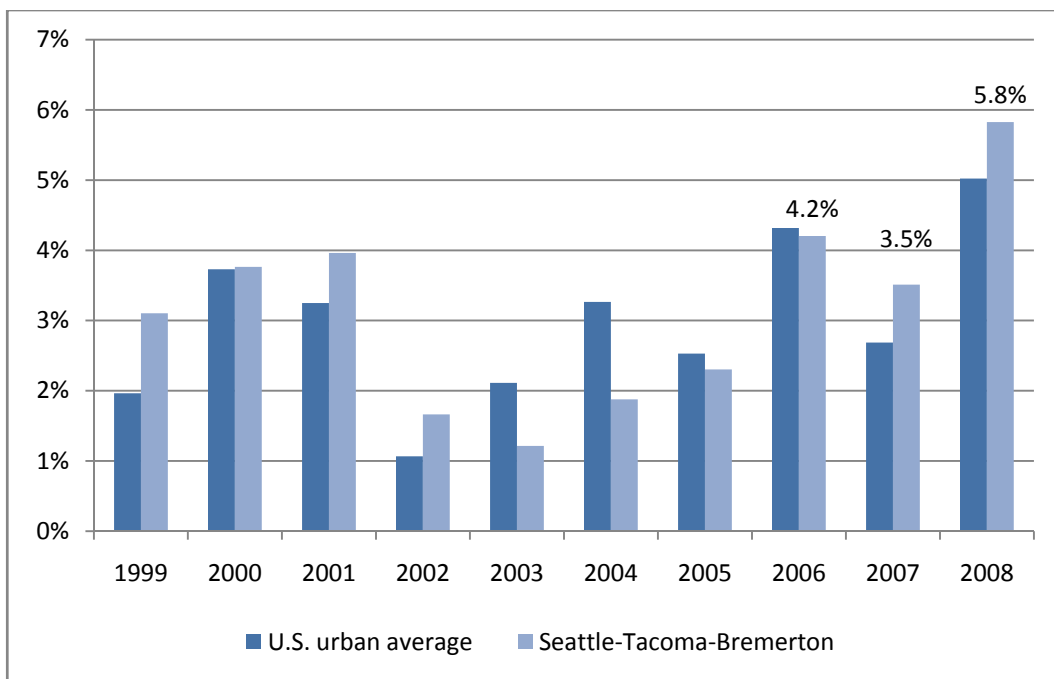
# INFLATION

Rising inflation is compounding the economic insecurity many families are feeling with the slowing job market. After several years at 3% or lower, inflation rose by 4% nationally in 2007 and by 5% for the twelve months ending in June 2008. The Seattle metropolitan area experienced higher inflation than the national average, at 4.6% in 2007 and 5.8% for the twelve months ending in June 2008.<sup>16</sup>

To make matters worse, prices rose fastest on many household essentials where families have a

hard time cutting back without real sacrifice. Food purchased for home consumption went up a full percentage more than overall inflation, with particularly high price increases for cereal products, dairy, and fruits and vegetables. Basic housing costs of rent and the “owners’ equivalent of rent” went up at a moderate pace nationally, but by 7.9% and 6.9% respectively in the Seattle metropolitan area.<sup>17</sup> Of course, motor vehicle fuel was the biggest stand out, rising by more than one third.<sup>18</sup>

**ANNUAL PERCENTAGE CHANGES IN CPI FOR ALL URBAN CONSUMERS**  
12 MO. ENDING IN DECEMBER – U.S. AVERAGE AND SEATTLE METRO AREA AVERAGE



\* 2008 data is 12 for months ending in June. Sources: Bureau of Labor Statistics, CPI Detailed Report, June 2008, and CPI Databases for Seattle-Tacoma-Bremerton



## CPI FOR ALL URBAN CONSUMERS, U.S. CITY AVERAGE

UNADJUSTED PERCENT CHANGE FROM JUNE 2007 TO JUNE 2008, SELECTED CATEGORIES

Expenditure category	Percent change June 2007 to June 2008	
	US average	Seattle-Tacoma- Bremerton
All items	5.0%	5.8%
Food at home	6.1%	6.7%
Cereals and bakery products	10.4%	not avail.
Dairy	9.2%	not avail.
Fruits and vegetables	7.6%	not avail.
Housing	3.5%	5.7%
Rent	3.7%	7.9%
Owners' equivalent rent	2.6%	6.9%
Transportation	12.0%	11.3%
Motor fuel	33.3%	36.5%
Public transportation	13.4%	not avail.

Source: Bureau of Labor Statistics, CPI Detailed Report, June 2008, Tables 1 and 16

## WORKING FAMILY BUDGETS

The cost of living varies across the state. It costs more to provide housing and some other necessities in King County, while transportation costs are higher in rural areas of the state. Basic family budgets to provide decent housing, nutritious food, medical care, transportation, and other necessities in 2007 without public assistance are presented in the table below for two-parent and single-parent families, both with one school-age and one preschool child.<sup>19</sup>

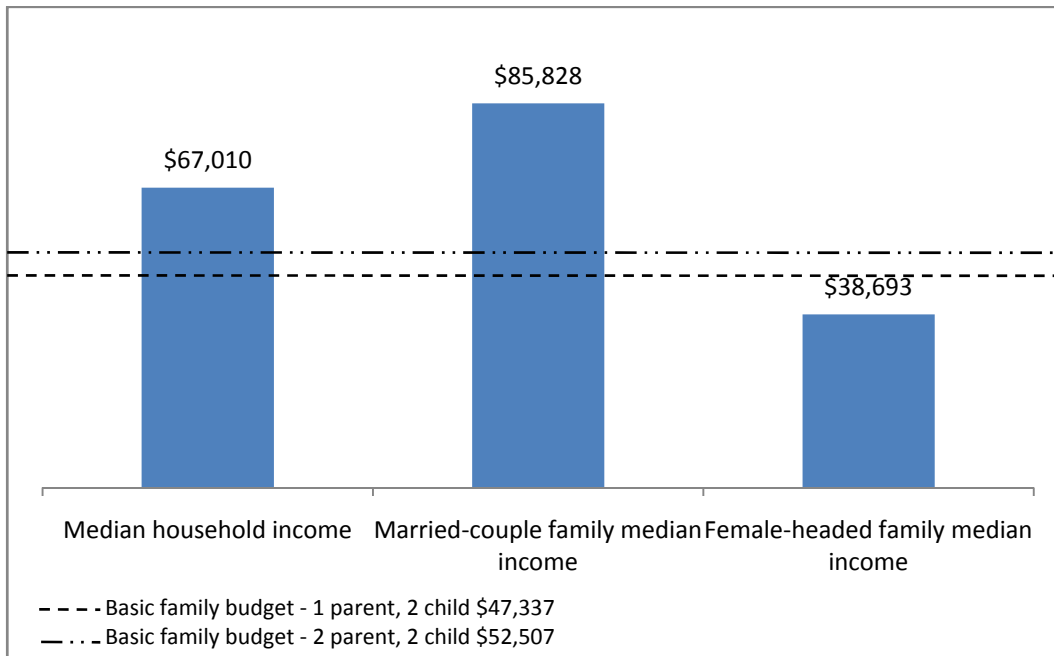
Across the state, median-income married-couple families brought in enough income in 2007 to meet

the basic family budget. However, in every county median-income female-headed families had incomes above the poverty level but well below the level necessary to support two children without relying on public assistance.

Of course, by definition, half of families are below the median. Younger workers who are more likely to have young children also typically have much lower earnings than older workers. Families of all configurations often struggle to make ends meet.

## KING COUNTY MEDIAN INCOMES AND NEEDED INCOME TO COVER BASIC COSTS

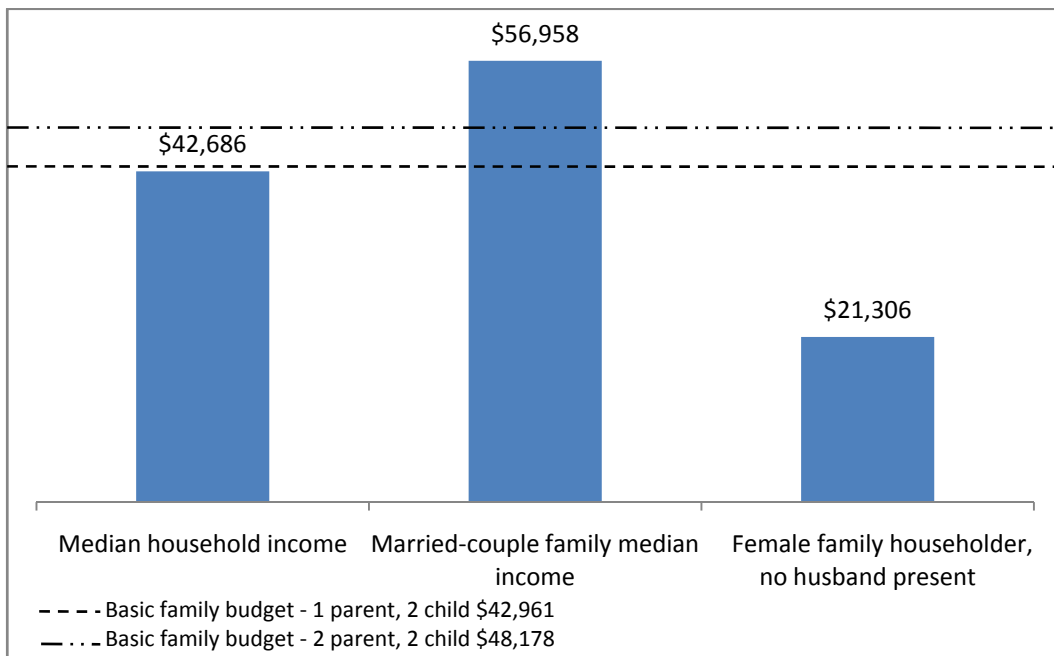
2-PARENT AND SINGLE PARENT FAMILIES, 2007



*Note: Basic family budget includes income needed for decent housing, childcare, and other necessary expenses, assuming one school-age and one preschool child. Sources: American Community Survey and Economic Policy Institute Basic Budget Calculator*

## YAKIMA COUNTY MEDIAN INCOMES AND NEEDED INCOME TO COVER BASIC COSTS

2-PARENT AND SINGLE PARENT FAMILIES, 2007



*Note: Basic family budget includes income needed for decent housing, childcare, and other necessary expenses, assuming one school-age and one preschool child. Sources: American Community Survey and Economic Policy Institute Basic Budget Calculator*

## BASIC WASHINGTON FAMILY BUDGETS, MONTHLY EXPENSES AND ANNUAL TOTAL, 2007

1 PARENT, 2 CHILD FAMILIES\*

	Housing	Food	Childcare	Transportation	Healthcare	Other Necessities	Taxes	Annual Total
Bellingham, WA MSA	760	465	1,211	343	322	294	289	44,210
Bremerton-Silverdale, WA MSA	797	465	1,211	343	322	303	303	44,922
Kennewick-Richland-Pasco, WA MSA	662	465	1,211	343	322	271	246	42,230
Lewiston, ID-WA MSA	599	465	1,211	343	322	256	218	40,955
Longview, WA MSA	628	465	1,211	343	322	263	234	41,576
Mount Vernon-Anacortes, WA MSA	846	465	1,211	343	322	315	321	45,864
Olympia, WA MSA	778	465	1,211	343	322	299	296	44,556
Portland-Vancouver-Beaverton, OR-WA MSA	757	465	1,211	318	322	294	281	43,777
Rural	669	465	759	390	337	272	47	35,256
Seattle-Bellevue, WA HUD Metro FMR Area	942	465	1,211	318	322	338	348	47,337
Spokane, WA MSA	674	465	1,211	298	322	274	237	41,777
Tacoma, WA HUD Metro FMR Area	845	465	1,211	339	322	315	319	45,786
Wenatchee, WA MSA	669	465	1,211	343	322	273	248	42,365
Yakima, WA MSA	700	465	1,211	343	322	280	260	42,961

*\* Assumes one 4-year-old and one school-age child. Source: Economic Policy Institute, Basic Family Budget Calculator*

## BASIC WASHINGTON FAMILY BUDGETS, MONTHLY EXPENSES AND ANNUAL TOTAL, 2007

2 PARENT, 2 CHILD FAMILIES\*

	Housing	Food	Childcare	Transportation	Healthcare	Other Necessities	Taxes	Annual Total
Bellingham, WA MSA	760	643	1,211	468	396	337	296	49,333
Bremerton-Silverdale, WA MSA	797	643	1,211	468	396	346	309	50,044
Kennewick-Richland-Pasco, WA MSA	662	643	1,211	468	396	314	260	47,447
Lewiston, ID-WA MSA	599	643	1,211	468	396	299	237	46,234
Longview, WA MSA	628	643	1,211	468	396	306	248	46,793
Mount Vernon-Anacortes, WA MSA	846	643	1,211	468	396	358	327	50,989
Olympia, WA MSA	778	643	1,211	468	396	342	302	49,678
Portland-Vancouver-Beaverton, OR-WA MSA	757	643	1,211	447	396	337	288	48,946
Rural	669	643	759	524	429	315	148	41,842
Seattle-Bellevue, WA HUD Metro FMR Area	942	643	1,211	447	396	381	356	52,507
Spokane, WA MSA	674	643	1,211	404	396	317	245	46,681
Tacoma, WA HUD Metro FMR Area	845	643	1,211	482	396	358	331	51,194
Wenatchee, WA MSA	669	643	1,211	468	396	315	262	47,581
Yakima, WA MSA	700	643	1,211	468	396	323	274	48,178

*\* Assumes one 4-year-old and one school-age child. Source: Economic Policy Institute, Basic Family Budget Calculator*

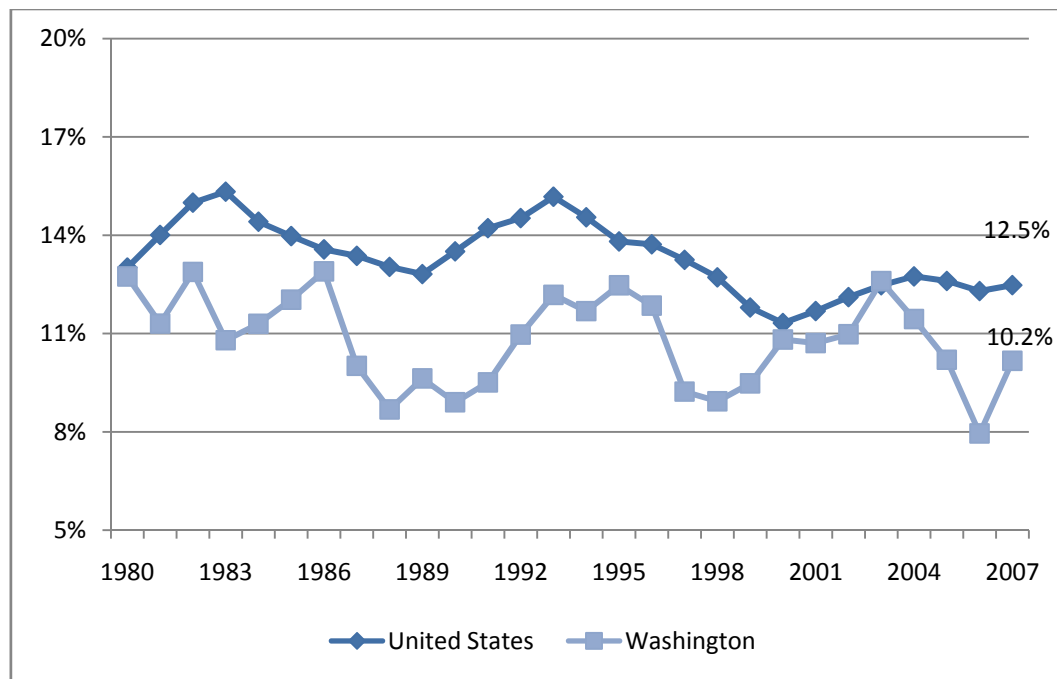
# Holes in the Social Fabric

## POVERTY

Washington poverty levels remain well below the national average, at 10.2% in the state in 2007 compared to a national average of 12.5%.<sup>20</sup> Poverty levels in 2007 were \$17,170 for a family of three and \$20,650 for a family of four – well below the requirements to meet the basic family budgets presented above.<sup>21</sup> One in four Washington

residents live in households with incomes below twice the poverty level, compared to 30.5% nationally.<sup>22</sup> Ominously, Current Population Survey measures of poverty had already begun to show an uptick in 2007, before the national slide in jobs began.

PERCENT OF POPULATION BELOW POVERTY LEVEL, UNITED STATES AND WASHINGTON  
1980-2007



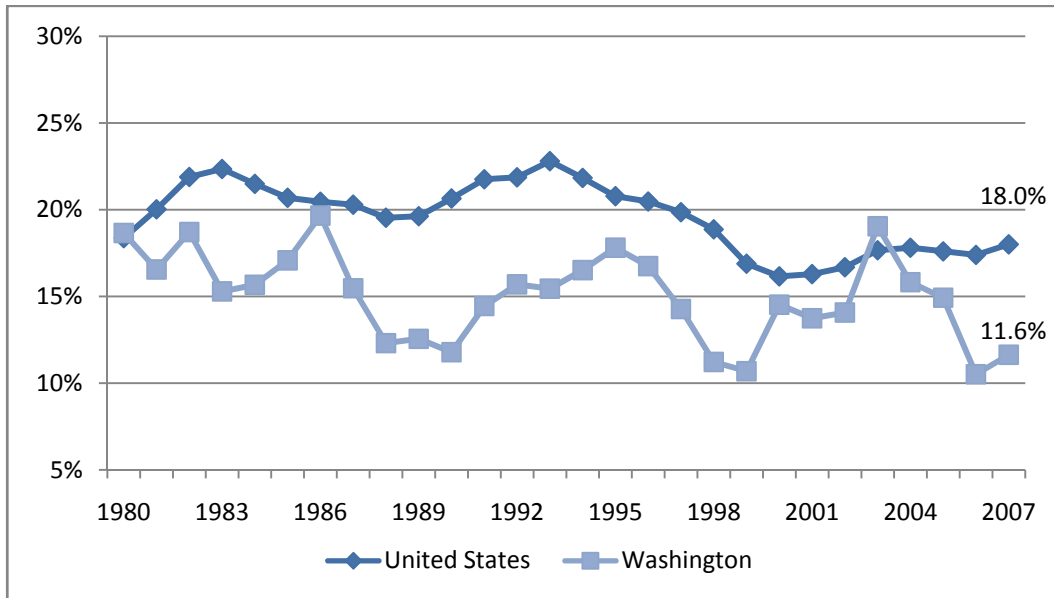
Source: Current Population Survey, <http://www.census.gov/hhes/www/poverty/histpov/hstpov19.xls>

Children are far more likely to live in households in poverty. In Washington, 11.6% of children were poor in 2007 and 18% nationwide, according to

Current Population Survey data. Child poverty rates also trended up in this survey in 2007.

## PERCENT OF CHILDREN BELOW POVERTY LEVEL, UNITED STATES AND WASHINGTON

1980-2007



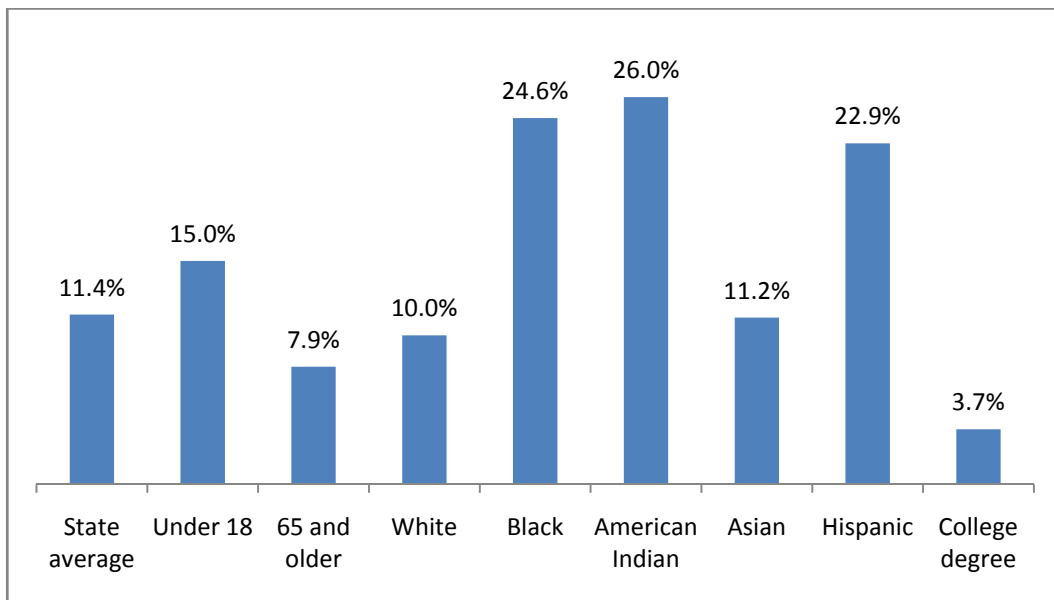
Source: Economic Policy Institute Analysis of Current Population Survey Data

The American Community Survey which also measures poverty, showed higher rates for both general and child poverty in 2007, but also registered a slight decline from 2006 to 2007. It also

shows much higher rates of poverty among African American, Native American, Asian-Pacific Islander, and Hispanic families.

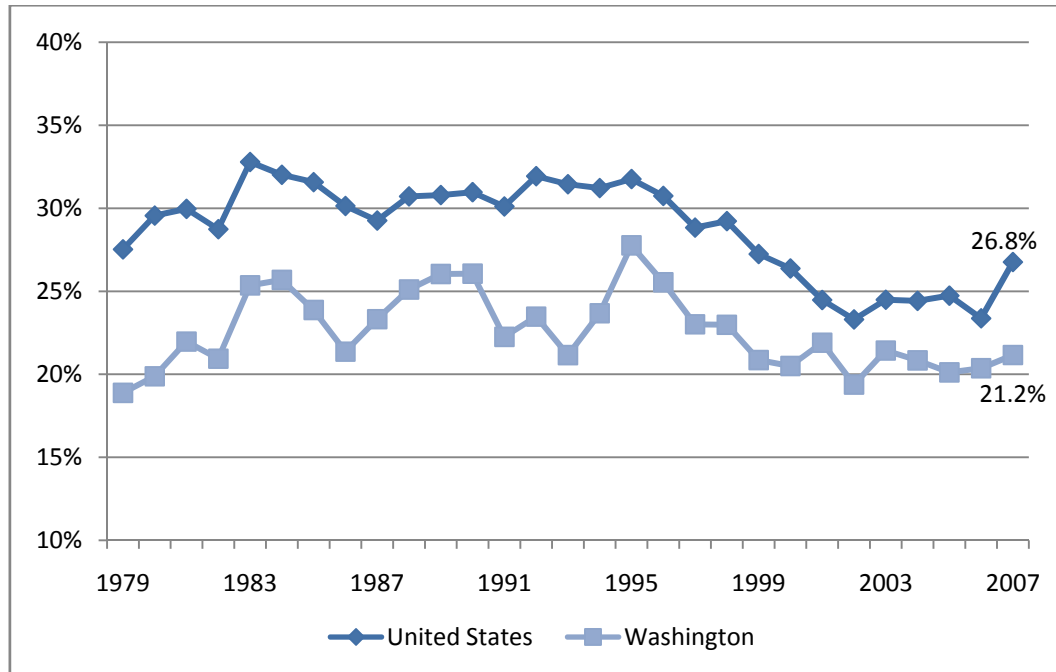
## POVERTY RATES FOR WASHINGTON RESIDENTS BY AGE, RACE, AND EDUCATION

2007



Source: U.S. Census, American Community Survey 2007

## PERCENT OF WORKERS EARNING POVERTY WAGE



Poverty wage is below \$10.28 per hour in 2007 CPI-U-RS adjusted dollars, the wage necessary for a full-time worker to keep a family of four above the federal poverty level.

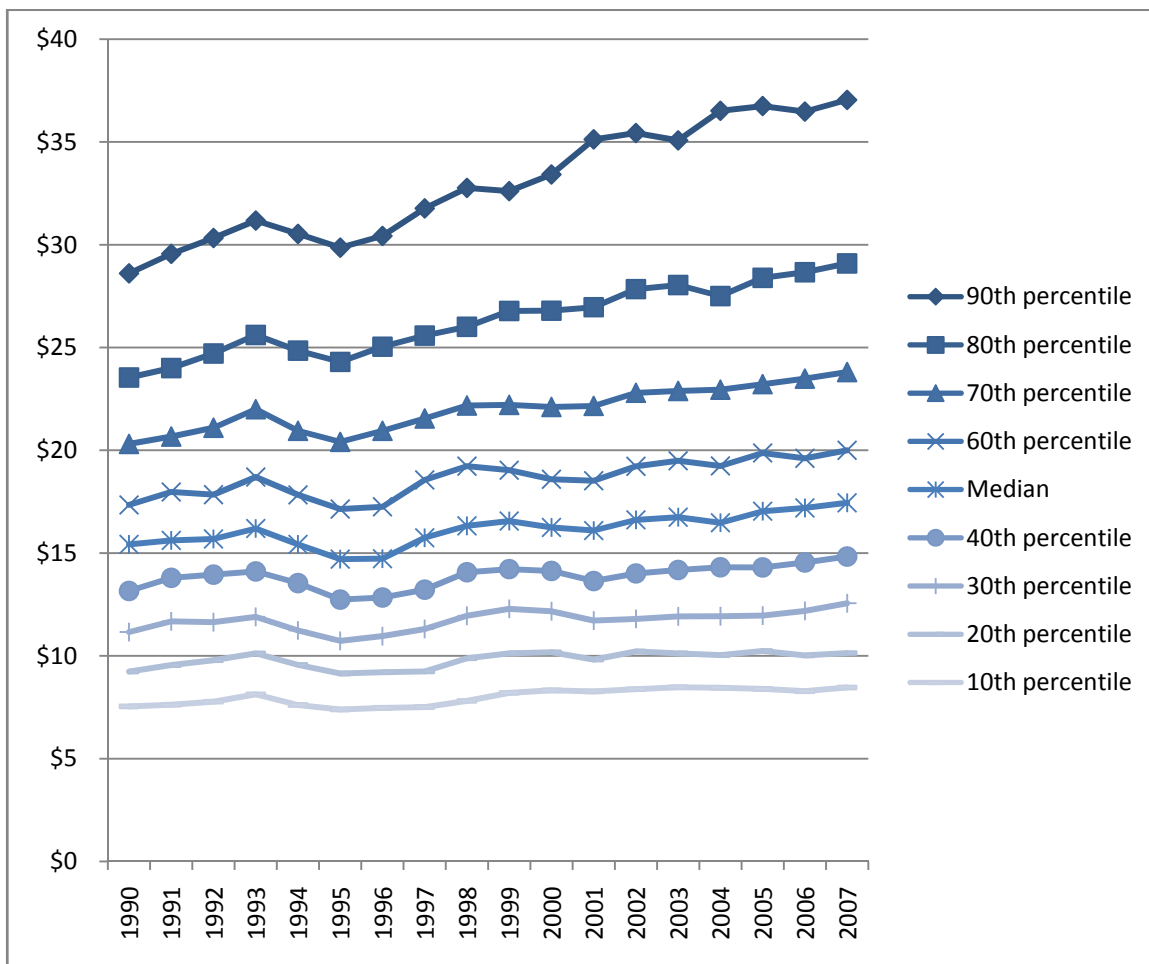
Source: Economic Policy Institute Analysis of Current Population Survey Data

# INEQUALITY

According to several different measures, income inequality has increased over both the past generation and decade. Earnings at the top of the income spectrum have pulled away from those in the middle and the bottom. From 1980 through

2007, the 10% of Washington workers with the lowest hourly wages have earned about half the level of those in the middle. But while a worker in the middle made 57% of the 90<sup>th</sup> percentile wage in 1980, that rate had fallen to 47% by 2007.

**AVERAGE HOURLY EARNINGS BY PERCENTILE FOR WASHINGTON WORKERS**  
1990 TO 2007 (2007 DOLLARS)



Source: Economic Policy Institute analysis of Current Population Survey data



### AVERAGE WAGES FOR WASHINGTON WORKERS (2007 DOLLARS)

	1980	1990	2000	2007
10 <sup>th</sup> percentile	\$8.18	\$7.54	\$8.32	\$8.46
Median	\$16.80	\$15.43	\$16.25	\$17.45
90 <sup>th</sup> percentile	\$29.45	\$28.61	\$33.42	\$37.05
10 <sup>th</sup> as percent of Median	48.6%	48.9%	51.2%	48.5%
10 <sup>th</sup> as percent of 90 <sup>th</sup>	27.8%	26.4%	24.9%	22.8%
Median as percent of 90 <sup>th</sup>	57.0%	53.9%	48.6%	47.1%

Source: Economic Policy Institute analysis of Current Population Survey data

Total incomes of the richest fifth of families have also risen much faster than the incomes of families in the middle or bottom of the income spectrum. The top fifth of families in Washington saw real gains in income of 41% between 1980 and the mid-

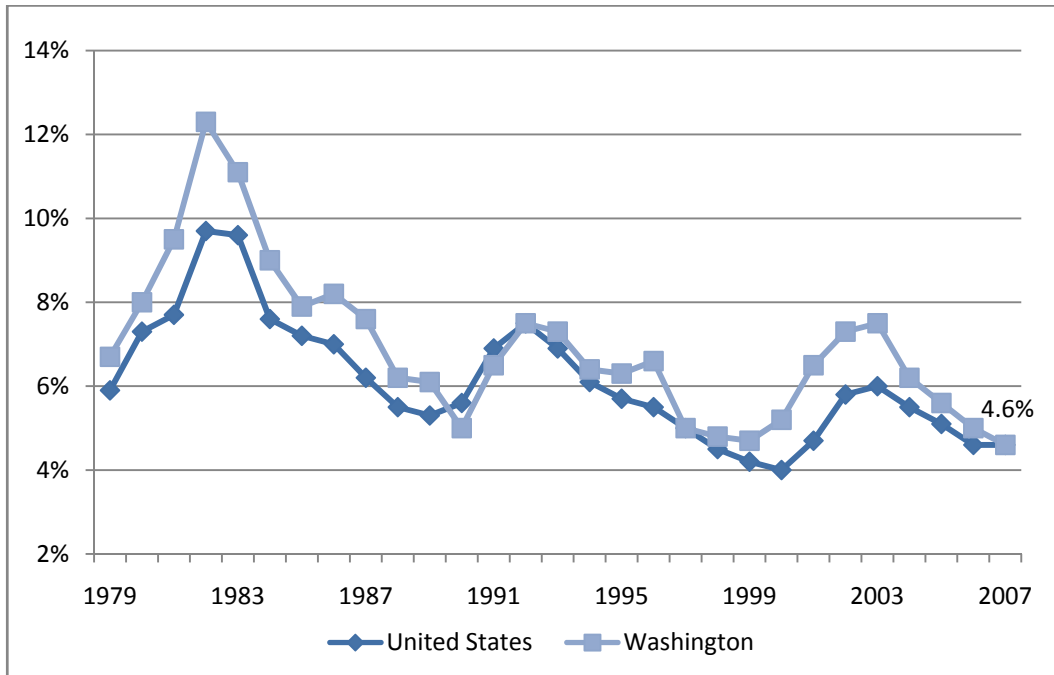
2000s, and of 12% from the late 1990s to the mid-2000s. In contrast, those in the middle gained just 12% over the entire period since 1980, and families in the bottom fifth gained even less.<sup>23</sup>

# UNEMPLOYMENT

Unemployment rates in Washington and the nation fell as jobs grew, reaching a low of 4.6% in 2007. By July 2008, both the state and nation had

5.7% rates, clearly reflecting the slowing economy.<sup>24</sup>

UNEMPLOYMENT RATES, UNITED STATES AVERAGE AND WASHINGTON STATE

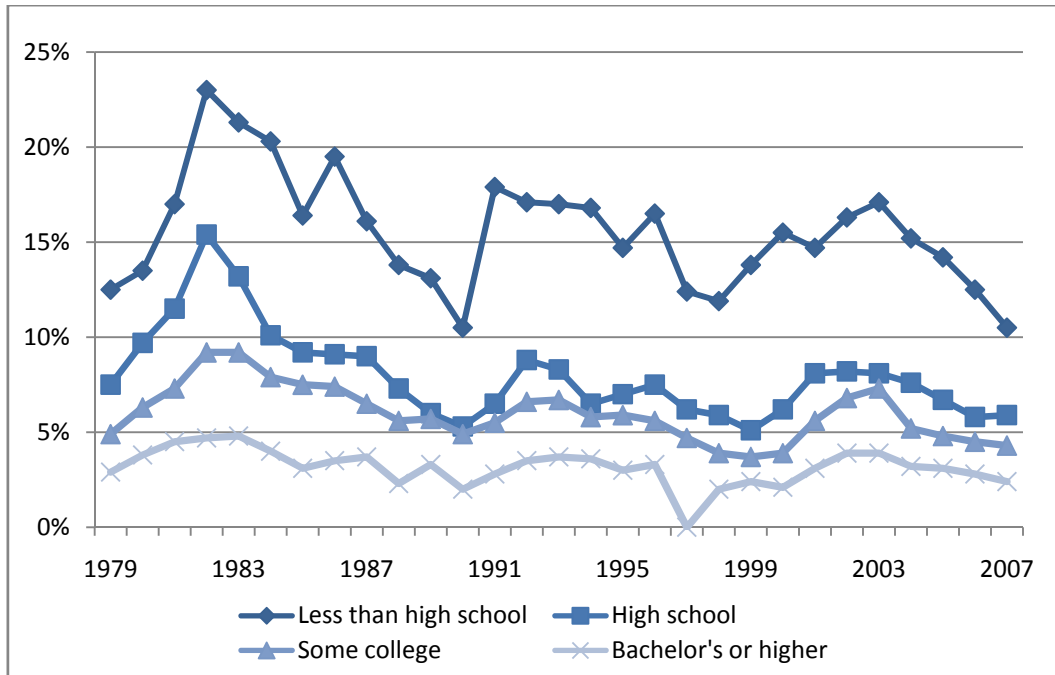


Source: Economic Policy Institute analysis of Current Population Survey data

While unemployment rates follow the ups and downs of the economy for workers of all **education levels**, those without a high school diploma always face much higher rates of unemployment and steeper increases during hard times. While college-

educated workers have had no more than 4% unemployment in Washington during the past decade, the rate hit 17% for those who had not completed high school in 2004.<sup>25</sup>

### UNEMPLOYMENT RATES IN WASHINGTON BY EDUCATION LEVEL

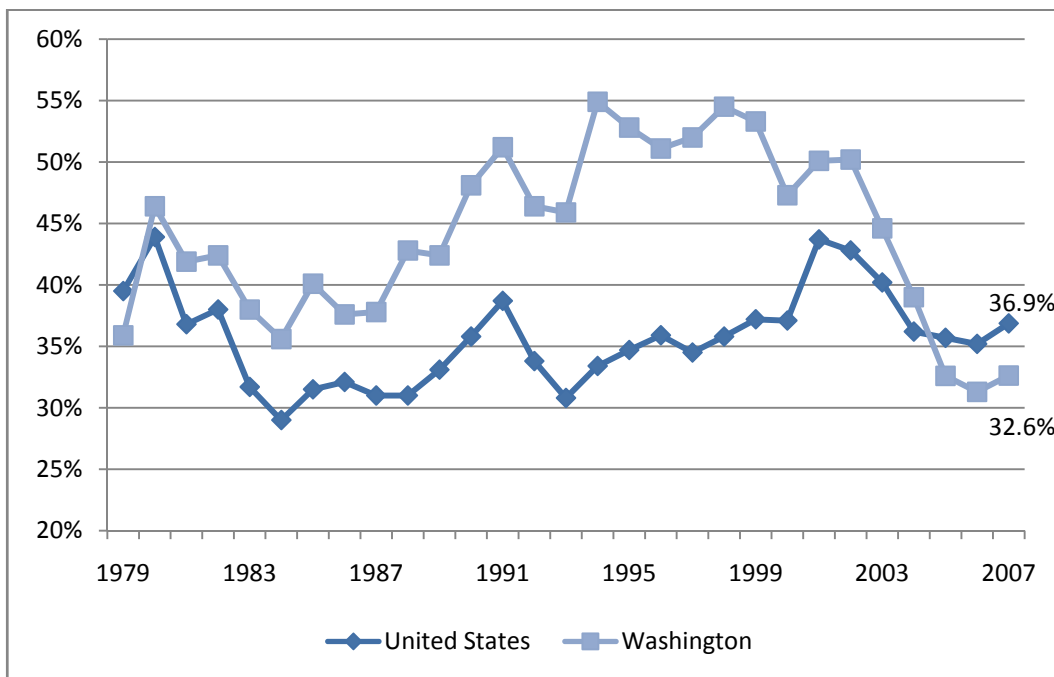


Source: Economic Policy Institute analysis of Current Population Survey data

**Unemployment insurance (UI)** provides workers with partial wages when they lose a job through no fault of their own, helping both families and businesses in communities hit with job loss. In 2002, about half of Washington’s unemployed workers received unemployment insurance, but the percentage of unemployed people receiving UI, or the reciprocity rate, fell precipitously after that.

From 2005 through 2007, less than one third of Washington’s unemployed workers received UI. Throughout the 1980s and ‘90s, a higher percentage of Washington’s unemployed benefited from UI than the national average, but in 2005 and 2006, the state UI reciprocity rate fell below the national average.

### UNEMPLOYMENT INSURANCE RECIPIENCY RATES, UNITED STATES AND WASHINGTON



Source: U.S. Department of Labor, Annual Average Reciprocity Rates

A good portion of the decline in UI coverage is due to changes in state policy. In 2003, Washington’s legislature tightened allowable reasons for a person to voluntarily quit a job and still qualify for unemployment insurance. For example, under previous law someone who was subjected to a “substantial” reduction in pay or hours could qualify, but under the new law, reductions had to be at least 25%.

Provisions were also made more stringent concerning a worker’s or family member’s illness and illegal or unsafe practices in the workplace. An analysis of voluntary quit claims in 2004 and 2005 found that 10.5% were denied under the new law that would have qualified under the old law.<sup>26</sup> Administrative policy changes also affected reciprocity by more rigorously enforcing the requirement that UI receivers actively look for work.<sup>27</sup>

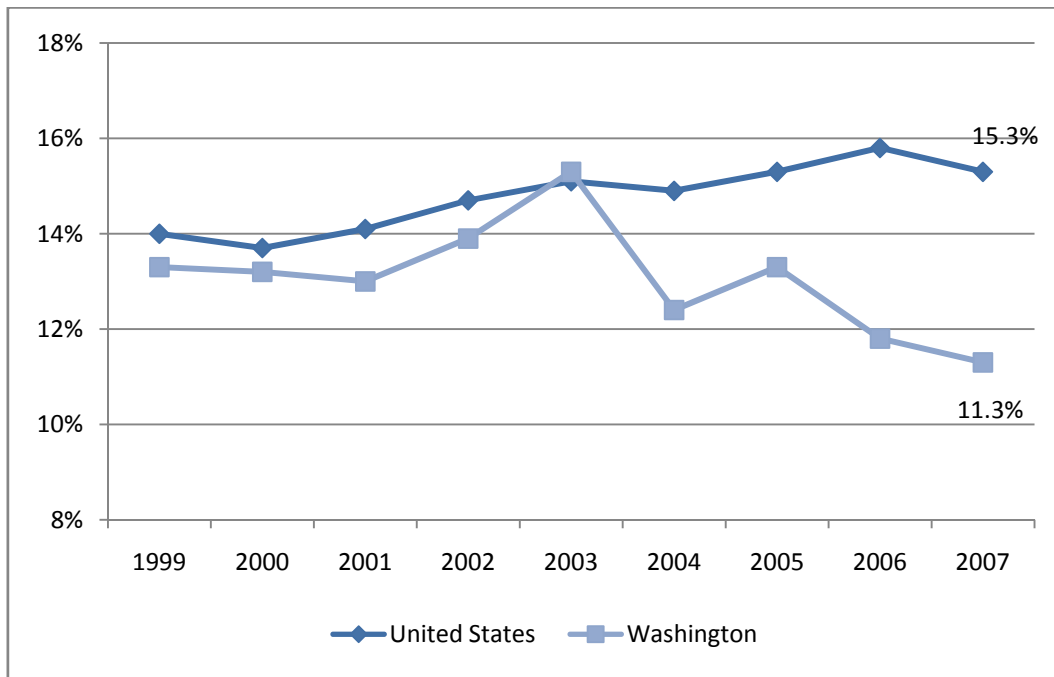
# BENEFITS AND UNION MEMBERSHIP

In the United States, the percentage of people without **health insurance** rose from 2000 to 2006, before dropping slightly to 15.3% in 2007. Washington has had a higher percentage of its residents covered for most of that time. In Washington, the percentage of uninsured rose in 2002 and 2003, largely as a result of people losing employer coverage either due to layoffs or dropped coverage. Since 2003 the ranks of the uninsured have fallen to 11.3%, as both employers and state government have extended coverage.<sup>28</sup> This lower rate still means that 733,000 Washington residents lack health insurance.

The loss of high-paying and union manufacturing jobs from the late 1990s through the first years of this decade also resulted in a loss of **employer-provided retirement plans**. Those too have rebounded along with the economy, but the overall level of coverage still barely exceeds half of all workers.

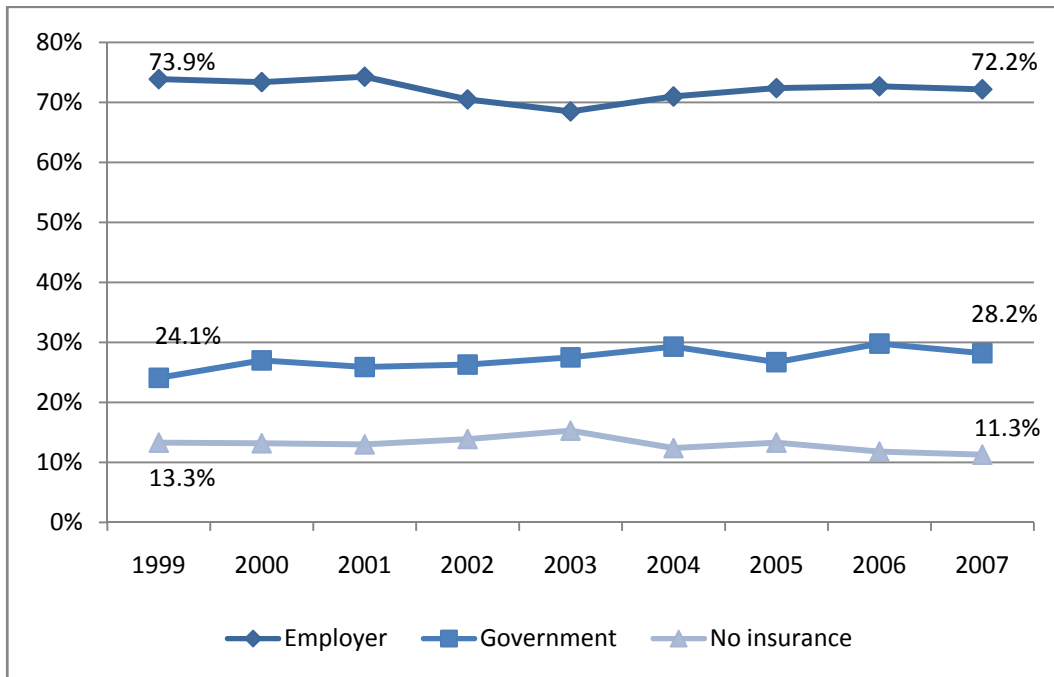
Washington workers are more likely than those in other parts of the the United States to receive both benefits and higher wages in part because they are more likely to be represented by a labor **union**. In 2007, 21.4% of state workers were covered by a union, compared to 13.3% nationally.<sup>29</sup>

**PERCENTAGE WITHOUT HEALTH INSURANCE, UNITED STATES AND WASHINGTON**  
1999-2007



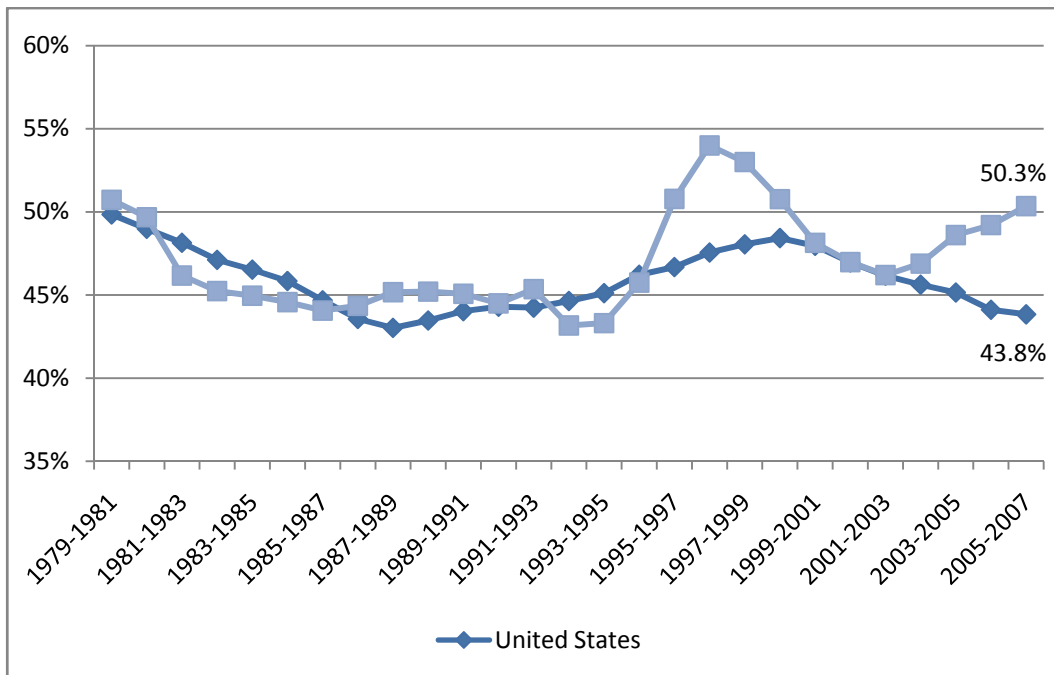
Source: U.S. Census, Current Population Survey

## HEALTH COVERAGE AND SOURCE FOR WASHINGTON RESIDENTS 1999-2007



*Source: U.S. Census, Current Population Survey*

## PERCENT OF PRIVATE SECTOR WORKERS WITH EMPLOYER-PROVIDED RETIREMENT PLAN (MOVING 3-YEAR AVERAGE)

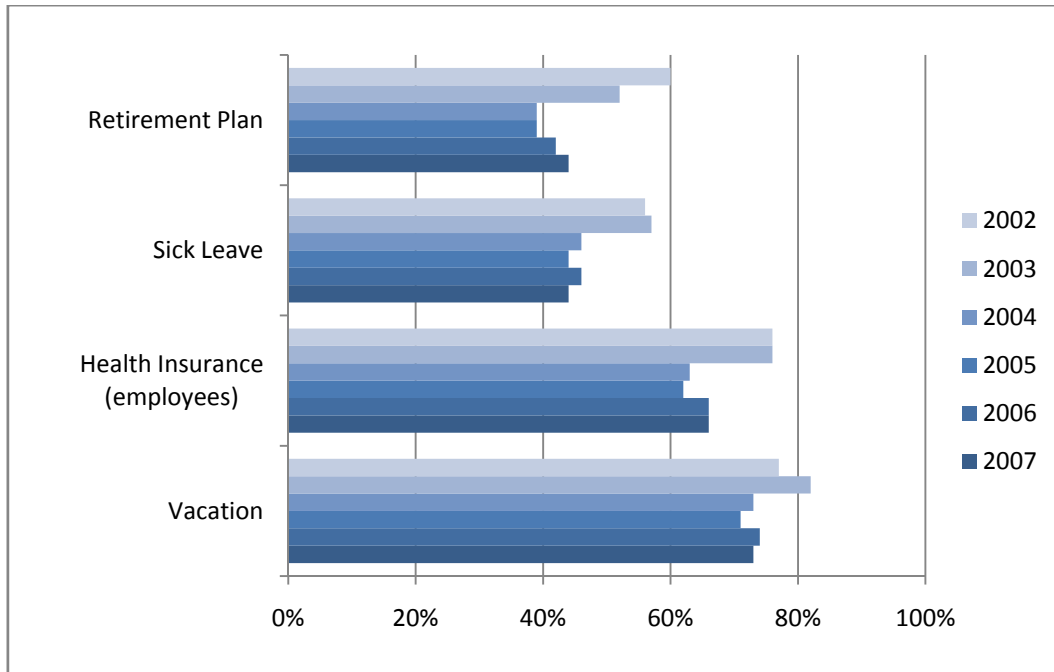


*Note: Universe is private-sector wage and salary workers age 18-64, who worked at least 20 hours per week and 26 weeks per year. Source: EPI analysis of Current Population Survey March supplement*

Washington firms were more likely to provide every kind of benefit in 2002 and 2003 than in the years since. Full-time workers are also far more likely to receive all kinds of benefits than part-timers. In 2007, 73% of Washington employers provided paid vacation to full-time employees, and 23% to

parttimers. Only 44% provided paid sick leave to full-time and 14% to part-time workers. In addition, 20% provided undesignated paid leave to full-time employees.<sup>30</sup> Across the U.S. among private sector workers, 77% received paid vacations, 57% paid sick leave, and 8% paid family leave in 2007.<sup>31</sup>

**PERCENTAGE OF WASHINGTON FIRMS PROVIDING BENEFITS TO FULL TIME WORKERS**  
2002-2007



Source: Washington Employment Security Department, Employee Benefits Surveys

# Conclusions and Policy Implications

Washington's economy seemed in most respects on a healthy track from 2005 through 2007. Jobs were growing at a brisk pace across sectors and around the state, including in high-wage occupations. Even manufacturing had begun a modest rebound. Median incomes and benefit coverage were ticking up.

In the first half of 2008, the national economy slid rapidly downhill as the fallout from the bursting of the housing bubble spread. Much of the country did not enjoy the robust job growth Washington did after the 2001 recession and is now rapidly losing jobs. In our state, job growth has continued in the Seattle metropolitan region and some other urban centers during 2008, but has stalled in many areas. A severe national recession would most likely push our state economy over the edge as well.

Well-educated and highly-skilled workers and many two-income families have prospered during this first decade of the 21<sup>st</sup> century. But economic insecurity is rampant. Women, for all the gains they have made in the workplace and politics, continue to earn far less than men overall. The typical single mother does not earn enough to raise her children in basic comfort and security without assistance. Poverty rates among minority communities remain shockingly high. Income inequality has been growing for many years. During this latest period of economic growth, the top of the income ladder has climbed even further away from the vast majority of the population.

State policymakers have limited resources for dealing with national recessions or reversing national trends of income distribution. But the state can take important steps to broaden economic opportunity and combat stubborn inequality by modernizing workplace standards and improving education.

Workplace standards still reflect 1950s assumptions that every family has a bread-earning husband and a wife at home. In fact, today the majority of parents have jobs, the number of single parents has grown, and with an aging population, many workers also have care responsibilities for elderly parents. The rest of the industrialized world provides generous paid leave benefits to all workers. Yet in the U.S., nearly half of private sector workers get no paid sick leave and one-fourth get no vacation. Low-wage, part-time, and service sector workers are particularly unlikely to have any kind of paid leave.

It is no wonder that women, as most often the primary family care givers, still "choose" career paths that maximize family time rather than earnings, and that low-income workers cycle in and out of jobs when those jobs provide no accommodation for the needs of families.

The last few years have seen the beginnings of change. Washington State and New Jersey have joined California in adopting paid family leave, San Francisco and Washington, D.C. have passed minimum sick days ordinances, and similar bills have been introduced in other states and Congress. Washington State needs to follow through by fully funding the parental leave program slated to begin in October 2009, expanding family leave insurance to cover other needs, and adopting minimum standards for sick leave.

Upgrading our state education system to provide opportunity to all children and meet the needs of the 21<sup>st</sup> century economy will require greater investments at all levels, from early learning to higher education. A 2005 study found that fewer than half of our state's children enter kindergarten ready to succeed in school.<sup>32</sup> Among the states, Washington ranked 37<sup>th</sup> in per pupil spending and



46<sup>th</sup> in spending relative to state personal income on K-12 education in 2006.<sup>33</sup> And access to higher education is insufficient to meet the expected needs of state employers in coming decades.<sup>34</sup>

Our state made a good start at addressing educational shortfalls over the past several years, with the comprehensive Washington Learns study, creation of the Department of Early Learning, and the Joint Task Force on Basic Education Finance. However, Washington's outmoded, inadequate tax structure severely constrains the state's ability to make the kinds of new investments necessary to create a world-class education system. The slowing economy and resulting state budget shortfall present the opportunity to finally address this persistent problem.

Building up the base of an educated workforce and modernizing workplace standards will strengthen economic security for Washington's working

families and combat the rising inequality that threatens a stable middle class and our democracy. At the same time, these measures will bolster the state economy in the long run.

For much of the 20<sup>th</sup> century, Washington was on the cutting edge of new technologies and industries. Airplanes, computer software, coffee, biomedical research, and philanthropy have taken off in new directions here.

Washington enjoys natural and human-made advantages, beginning with a key location on the Pacific Rim and fertile farmlands, and extending to major research universities and institutions, American political institutions and civic culture, and a high quality of life available to many of its residents. With pragmatic policies and wise public investments, we can insure that our children and all who are willing to work have the opportunity to prosper in the 21<sup>st</sup> century.

# Endnotes

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- <sup>1</sup> Lawrence Mishel, Jared Bernstein, Heidi Shierholz, *The State of Working America, 2007-2008*, Economic Policy Institute, 2008, p. 1; U.S. Bureau of Labor Statistics, "The Employment Situation: July 2008," August 1, 2008, [www.bls.wa.gov](http://www.bls.wa.gov).
- <sup>2</sup> See Marilyn P. Watkins and Cara Saunto, *State of Working Washington, 2007*, Economic Opportunity Institute, [www.eoionline.org](http://www.eoionline.org).
- <sup>3</sup> Bureau of Labor Statistics, CPI Detailed Report, June 2008, and CPI Databases for Seattle-Tacoma-Bremerton, [www.bls.gov](http://www.bls.gov).
- <sup>4</sup> Jared Bernstein, Elizabeth McNichol, and Andrew Nicholas, "Pulling Apart: A State-by-State Analysis of Income Trends," Center on Budget and Policy Priorities and Economic Policy Institute, April 2008, [http://www.epi.org/content.cfm/studies\\_pulling\\_apart\\_2008](http://www.epi.org/content.cfm/studies_pulling_apart_2008).
- <sup>5</sup> Calculated by Economic Policy Institute using data from Bureau of Economic Analysis, U.S. Department of Commerce.
- <sup>6</sup> Lawrence Mishel, Jared Bernstein, Heidi Shierholz, *The State of Working America, 2007-2008*, Economic Policy Institute, 2008.
- <sup>7</sup> Washington Office of Financial Management, Population Estimates by Age and Sex, 1980-2007, Washington State, [www.ofm.wa.gov](http://www.ofm.wa.gov).
- <sup>8</sup> U.S. Census Bureau Quarterly Workforce Indicators data for Washington state and Economic Policy Institute analysis of Current Population Survey.
- <sup>9</sup> Economic Policy Institute analysis of Current Population Survey.
- <sup>10</sup> Economic Policy Institute analysis of Current Population Survey.
- <sup>11</sup> Center for Women in Politics, Rutgers University, "Fast Facts," accessed August 15, 2008, [http://www.cawp.rutgers.edu/fast\\_facts/index.php](http://www.cawp.rutgers.edu/fast_facts/index.php); Center for Women in Government & Civil Society, University at Albany, State University of New York, *Appointed Policy Makers in State Government: Glass Ceiling in Gubernatorial Appointments, 1997-2007*, Summer 2008, [http://www.cwig.albany.edu/glass\\_ceiling.pdf](http://www.cwig.albany.edu/glass_ceiling.pdf).
- <sup>12</sup> **A note on data:** Average monthly earnings cited in this section of the report are drawn from the U.S. Census Bureau Quarterly Workforce Indicators data set. At the time this report was prepared, 2<sup>nd</sup> quarter 2007 data were the latest available. Earnings from earlier years were adjusted to 2007 dollars using the Bureau of Labor Statistics Inflation Calculator, [www.bls.gov](http://www.bls.gov). Average monthly earnings vary both by hourly wages and number of hours worked. This data set provides break downs by gender, age, and type of workplace. These data do not control for specific occupation, job duties, education and training, and other factors that affect pay levels. The data reflect clear differences in the experiences of men and women in the workforce and pervasive lower average earnings for women, but are not necessarily evidence of discrimination. A different data set which includes the most recent monthly job numbers is used for job numbers in other sections of this report. Therefore, specific job totals may vary, although the direction of trends remain the same.
- <sup>13</sup> Lisa Belkin, "The Opt-Out Revolution," *New York Times Magazine*, October 26, 2003, [http://www.montana.edu/wrt/opt\\_out\\_revolution.pdf](http://www.montana.edu/wrt/opt_out_revolution.pdf).

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- <sup>14</sup> U.S. Census Department, American Community Survey, American FactFinder 2007, Ranking Tables R2001 and R2002, <http://factfinder.census.gov/>.
- <sup>15</sup> Mishel, et al, *State of Working America*, p. 2.
- <sup>16</sup> Bureau of Labor Statistics, CPI Detailed Report, June 2008, and CPI Databases for Seattle-Tacoma-Bremerton, [www.bls.gov](http://www.bls.gov).
- <sup>17</sup> The Bureau of Labor Statistics determines "owners' equivalent of rent" by asking home owners: "If someone were to rent your home today, how much do you think it would rent for monthly, unfurnished and without utilities?" BLS, Consumer Price Indexes for Rents and Rent Equivalencies, viewed August 25, 2008, <http://www.bls.gov/cpi/cpifact6.htm>.
- <sup>18</sup> Bureau of Labor Statistics, CPI Detailed Report, June 2008, and CPI Databases for Seattle-Tacoma-Bremerton, [www.bls.gov](http://www.bls.gov).
- <sup>19</sup> Economic Policy Institute, Basic Family Budget Calculator. See website for full details on assumptions used, [http://www.epi.org/budget\\_form.cfm?CFID=3389957&CFTOKEN=92722260](http://www.epi.org/budget_form.cfm?CFID=3389957&CFTOKEN=92722260).
- <sup>20</sup> U. S. Census, Current Population Survey, <http://www.census.gov/hhes/www/poverty/histpov/hstpov19.xls>.
- <sup>21</sup> U.S. Department of Health and Human Services, Income and Resource Guidelines, "2007 Poverty Level Guidelines," [http://www.cms.hhs.gov/MedicaidEligibility/07\\_IncomeandResourceGuidelines.asp](http://www.cms.hhs.gov/MedicaidEligibility/07_IncomeandResourceGuidelines.asp).
- <sup>22</sup> Economic Policy Institute analysis of Current Population Survey data.
- <sup>23</sup> Jared Bernstein, Elizabeth McNichol, and Andrew Nicholas, "Pulling Apart: A State-by-State Analysis of Income Trends," Washington fact sheet, Center on Budget and Policy Priorities and Economic Policy Institute, April 2008, [http://www.epi.org/content.cfm/studies\\_pulling\\_apart\\_2008](http://www.epi.org/content.cfm/studies_pulling_apart_2008).
- <sup>24</sup> Washington Employment Security Department, Labor Market Economic Analysis, Workforceexplorer.com, viewed August 22, 2008.
- <sup>25</sup> Economic Policy Institute analysis of Current Population Survey.
- <sup>26</sup> Washington Employment Security Department, "Highlights of Voluntary Quits Study," December 2006, <http://fortress.wa.gov/esd/portal/unemployment/researchstudies/VoluntaryQuits.pdf>; and Bob Wagner, et al, "Voluntary Quit Decisions in the Unemployment Insurance System: Before and After Implementation of Second Engrossed Substitute Senate Bill 6097," June 2005, Washington Department of Economic Security, [http://fortress.wa.gov/esd/portal/unemployment/pdf\\_files/VoluntaryQuitStudy.pdf](http://fortress.wa.gov/esd/portal/unemployment/pdf_files/VoluntaryQuitStudy.pdf).
- <sup>27</sup> Washington Employment Security Department, Reciprocity Rate Fact Sheet: Qualifying for Unemployment, 2007, <http://fortress.wa.gov/esd/portal/unemployment/researchstudies/FactSheet.RecRate.pdf>.
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- <sup>29</sup> U.S. Bureau of Labor Statistics, Table 5. Union affiliation of employed wage and salary workers by state, <http://www.bls.gov/news.release/union2.to5.htm>.

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- <sup>30</sup> Washington Employment Security Department, Washington State Employee Benefits Survey, March 2008, and earlier years, [www.workforceexplorer.com](http://www.workforceexplorer.com).
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