

Despite 1990s prosperity, low income families
working longer and earning less than before*

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Working More For Less

About This Data Book

The State of Working Washington:

The
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School
of Public Affairs

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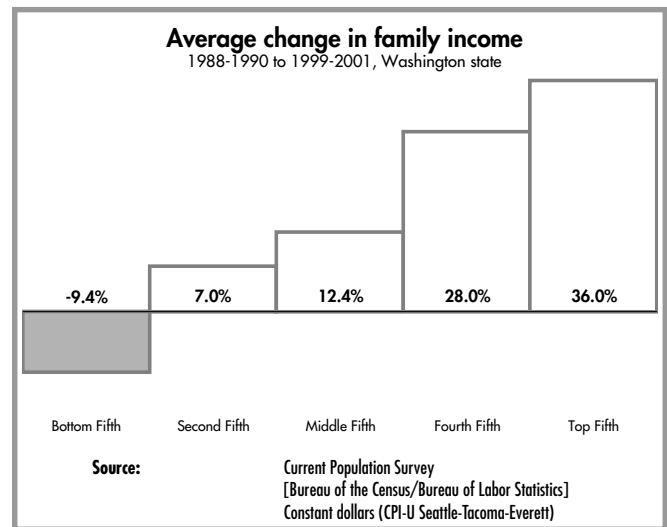
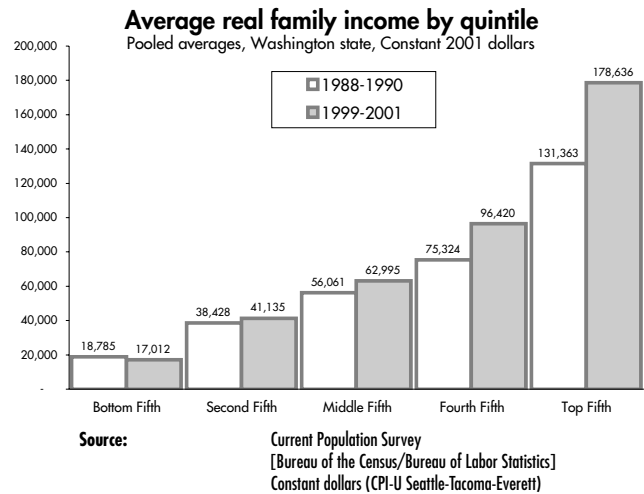
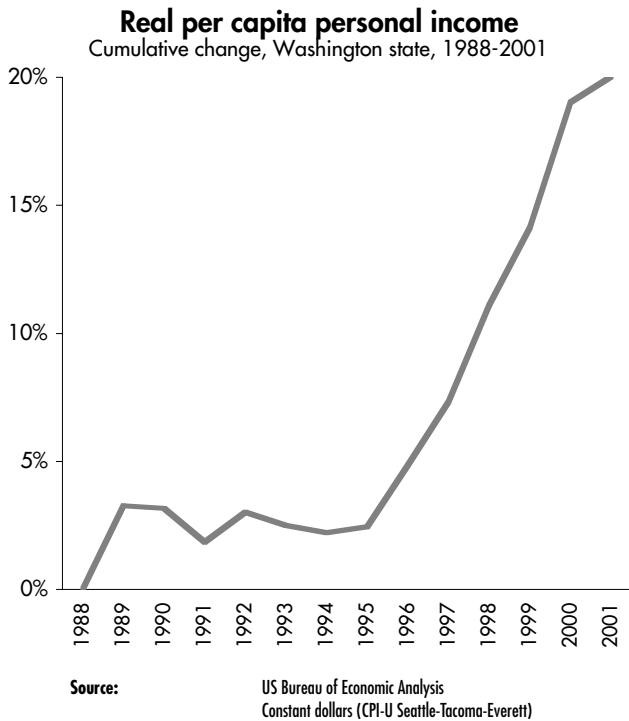
INTRODUCTION: WORKING MORE FOR LESS

In the past decade, Washington has experienced unrivaled prosperity. Real per capita personal income has risen by 20.2 percent since 1988. The past five years have seen the highest sustained real personal income growth in over 40 years.

Yet, the rewards of the strong economy have not been shared equally by Washington workers. Despite falling unemployment and tight labor markets, the average income for families in the bottom quintile is 9.4 percent lower than a decade ago, after adjusting for inflation. At the same time, incomes for the top two quintiles have grown by one-third.

The disparity in incomes has occurred despite an increase in work hours. Workers from low

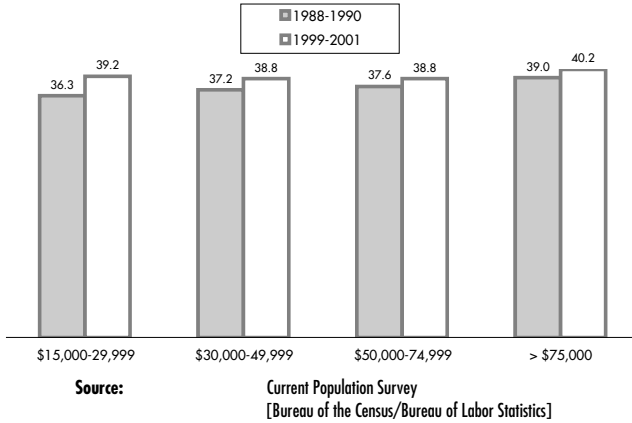
income families have historically worked fewer hours than their wealthier counterparts. In recent years, that distinction has vanished. Employed adults aged 18-65 without disabilities and family income between \$15,000 and \$30,000 now average 39.2 hours of work per week, surpassing middle income workers. Since 1988, workers from low income families have experienced the largest increase in average hours of work, more than double the increase among higher wage earners.



Significant disparities in the Washington economy exist by geography, gender, and race, along with overall income inequality.

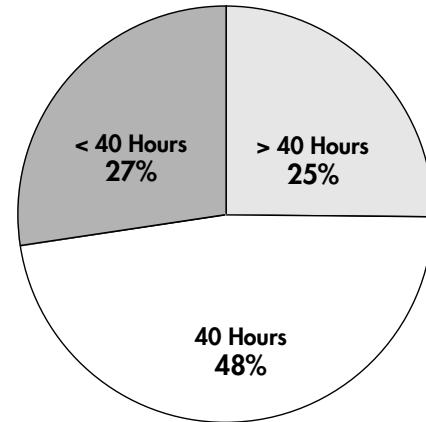
Average hours of work per week

Washington state comparison by family income, 1988-1990 and 1999-2001



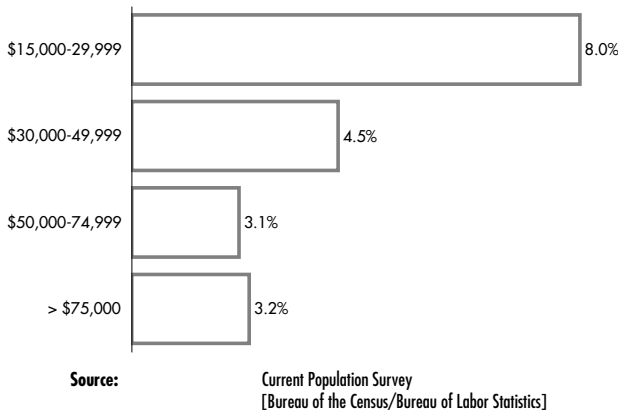
Weekly hours per worker

Total from all jobs, Washington state, 1999-2001



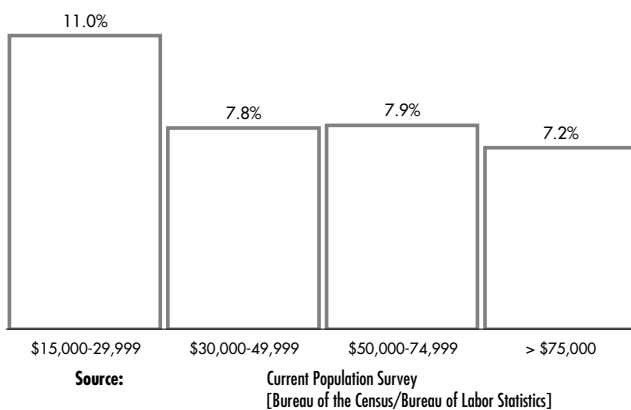
Percentage change in average hours worked

1988-1990 to 1999-2001, Washington state by family income



Proportion of full-time workers with additional job(s)

Average by family income, Washington state, 1998-2001



Work hours have grown in part because of the reliance of the working poor on multiple jobs. Among workers from low income families with a full time job, fully 11 percent work a second or third job, compared with the average of 7.4 percent for all other workers. Overall, 15 percent of workers from low income families work two or more jobs, while only 4.2 percent of job holders in families with annual income in excess of \$75,000 work multiple jobs. Part-time jobs typically pay at lower rates than comparable full-time positions; the disproportionate reliance of low income families on multiple part-time jobs instead of full-time employment reduces total earnings.

The overall average hours worked is below 40 per week because part-time workers (about a quarter of the workforce) offset full-time, more than full-time, and multiple part-time job holders. Among those working more than 40 hours, an average of 53.2 hours are logged per week (total from all jobs, all income groups).

ABOUT THIS DATA BOOK

The *State of Working Washington* was assembled largely from data supplied through the Economic Policy Institute's *State of Working America* series. EPI publications and links to other state publications in the *State of Working* series can be accessed at:

<http://www.epinet.org>

DATA SOURCES

Supplemented with other federal statistics, the *State of Working Washington* draws primarily on two government survey instruments:

The **Current Population Survey** is jointly conducted each month by the Census Bureau and the Bureau of Labor Statistics. Initially started in 1940 as a Work Projects Administration project, the CPS's primary purpose is to collect data concerning employment and unemployment. This data book uses the May CPS supplemental survey, which augments the core CPS questions with data on total family income, numbers of jobs, and work hours.

Analysis was done with data furnished by the Economic Policy Institute, the Center on Budget and Policy Priorities, raw microdata from the Census Bureau, and extracts from the National Bureau of Economic Research.

The **State Population Survey** is conducted annually by the State of Washington Office of Financial Management. Data is from the May 1, 2001 release of the 2000 survey which involves telephone interviews with about 7,000 households. For details on the survey see the Office of Financial Management website at www.ofm.wa.gov.

Following Bureau of Labor Statistics (BLS) protocol, the wage data in this report are top-coded to reduce errors. The BLS top-codes at \$100,000. Earnings in this report are top-coded at \$500,000. Most of the data reported here are for the survey week in 2000. Some questions in the survey are retrospective, asking respondents about their economic experience in 1999.

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