The Census Bureau today reported that median household income in Washington fell 8.2 percent, comparing overlapping two-year periods (1998-1999 and 1999-2000). This figure is in real dollars, reflecting national inflation.

From the Bureau of the Census's *Current Population Survey* (CPS), these data are collected in March surveys of the previous calendar year's household finances.

The Census Bureau pools some annual surveys to increase the statistical accuracy of data from small samples. Washington's CPS sample of 750 households is adequate to permit reliable annual estimates.

After stagnating in 1999, median household income in Washington fell dramatically last year. Average household income rose by 4.5 percent, but the median – or 50th percentile – dropped 9.6 percent. Adjusting for local inflation, median income was down 12.7 percent, while average income rose a single percentage point. Higher incomes in wealthier households have yielded a higher overall average, even though lower and middle income families are receiving lower wages.
MANUFACTURING EMPLOYMENT

Boeing employment in Washington fell to 77,100 last year from a 1997 peak of nearly 98,000. Many of the positions eliminated commanded wages in the $45,000-50,000 range. Median household income in 1999 was $49,372 and $43,110 in 2000 (constant 2000 dollars).

Outside of Boeing, employment in manufacturing was virtually unchanged from 1997 to 2000, increasing by less than 1,000 jobs.

INEQUALITY AND POVERTY

Income inequality grew in Washington throughout the 1990s. These data provide the latest evidence that the state is experiencing a growing concentration at the top of the income spectrum.

Poverty data also released today by the Census Bureau showed no statistically significant change in the proportion of Washington's population living at or below the federal poverty level. This suggests that the financial situation of the state's poorest residents is little changed, attributing the bulk of the drop in median income to lower compensation of middle income families.