



Washington State: A National Leader in Creating Inequality

**PACIFIC NORTHWEST REGIONAL
ECONOMIC CONFERENCE**

May 12, 2016

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Economic Opportunity Institute



An Inclusive, Socially Active Community of Faith

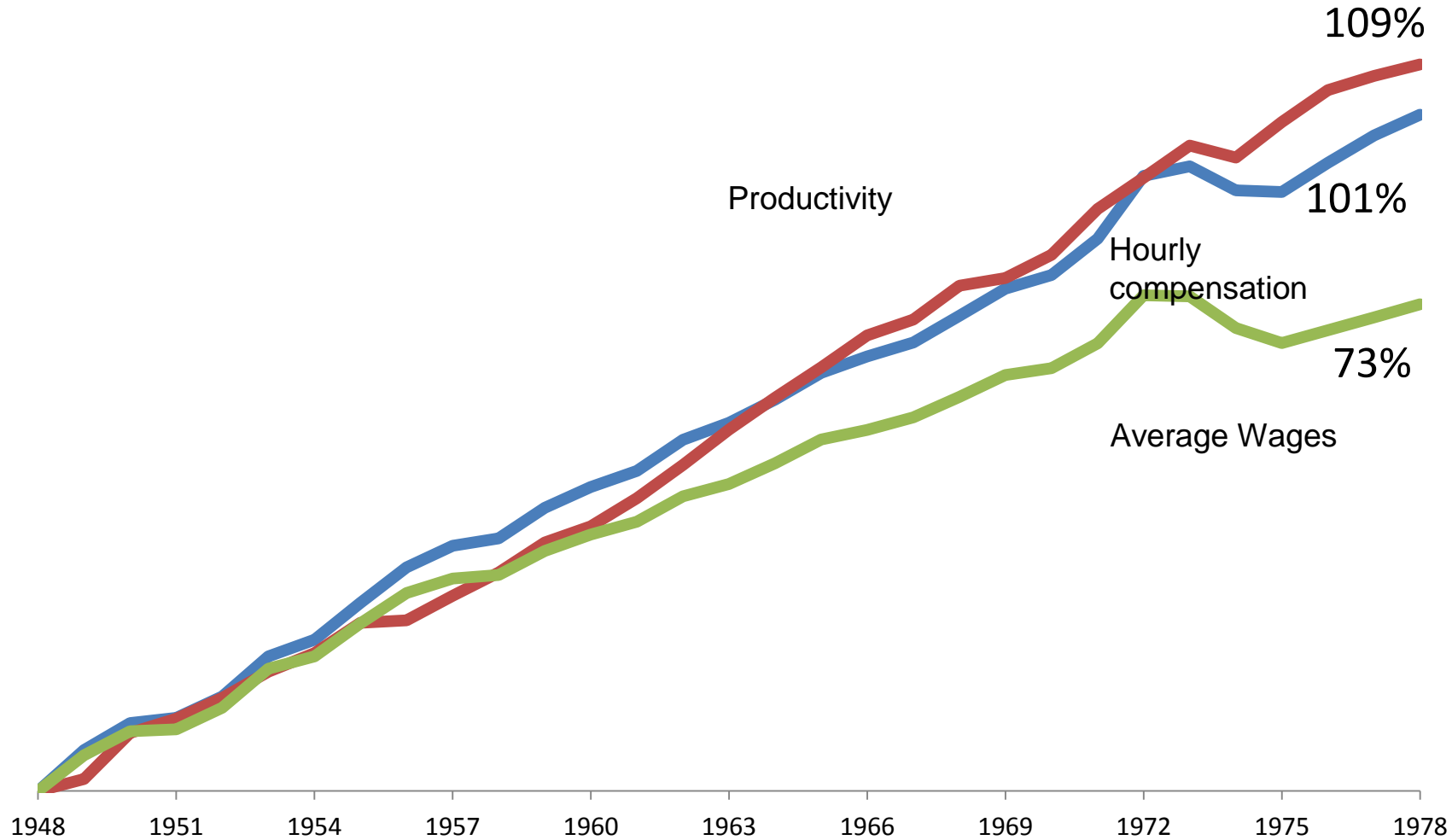




People Living Their Lives, Espresso, Waiting for the Bus, Going Home

Hourly compensation for production/non-supervisory workers and total economy productivity, 1948–1978

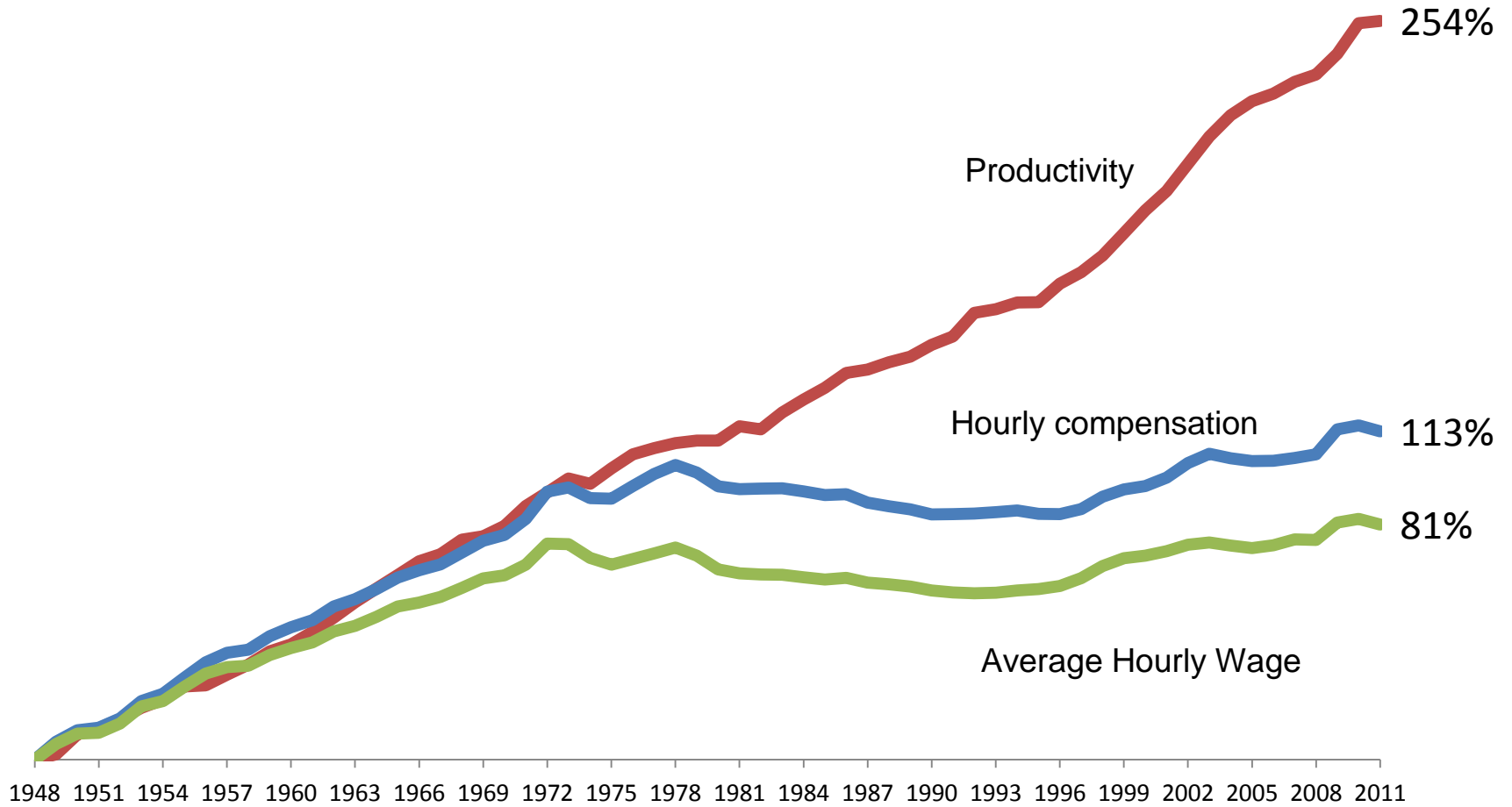
Cumulative percent growth since 1948



Source: Economic Policy Institute of unpublished total economy data from Bureau of Labor Statistics' Labor Productivity and Costs program and Bureau of Economic Analysis National Income and Product Accounts public data series. Mishel, Lawrence, Josh Bivens, Elise Gould, and Heidi Shierholz. 2012. *The State of Working America*, 12th Edition. An Economic Policy Institute book. Ithaca, N.Y.: Cornell University Press. Figure 4U

Hourly compensation for production/non-supervisory workers and total economy productivity,

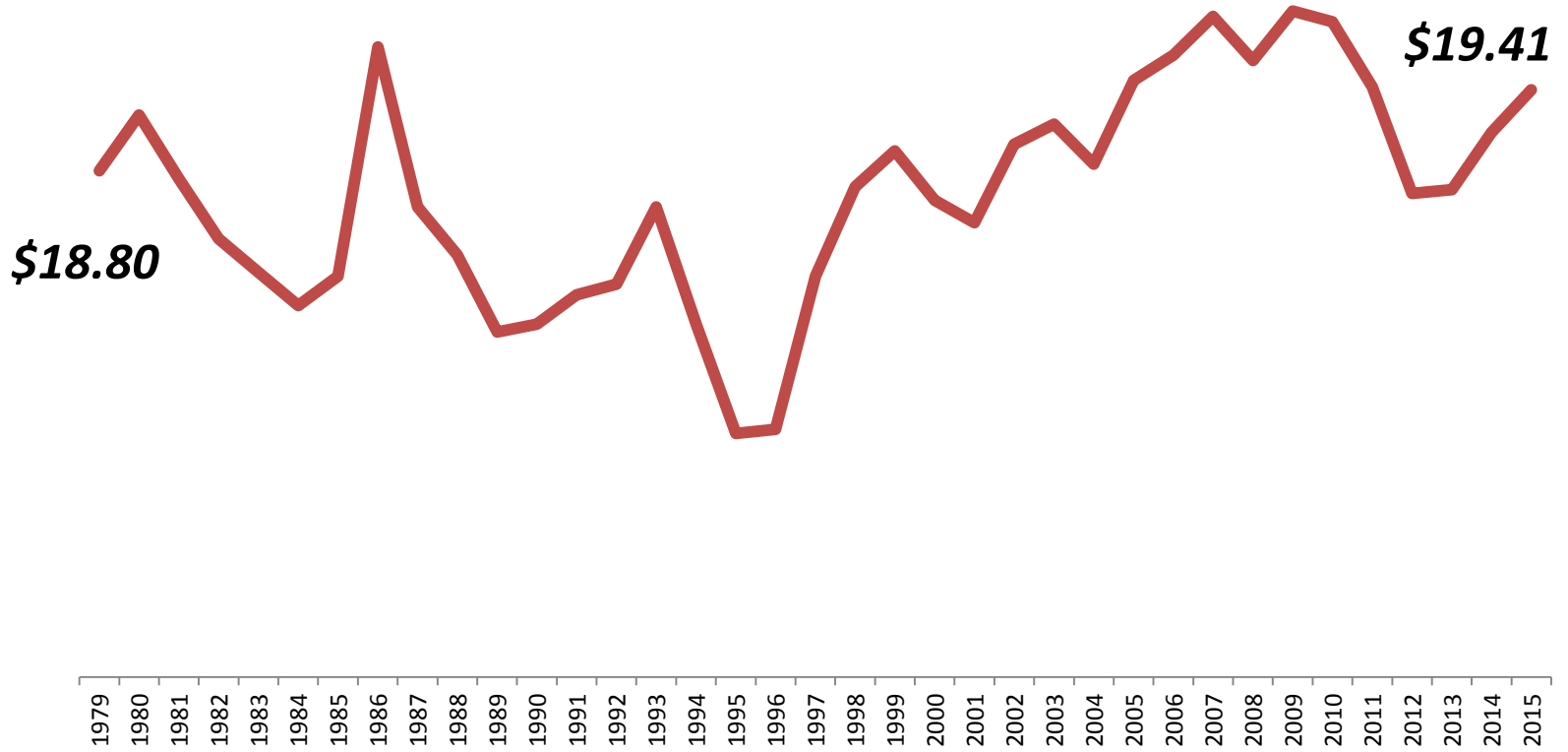
Cumulative percent growth since 1948



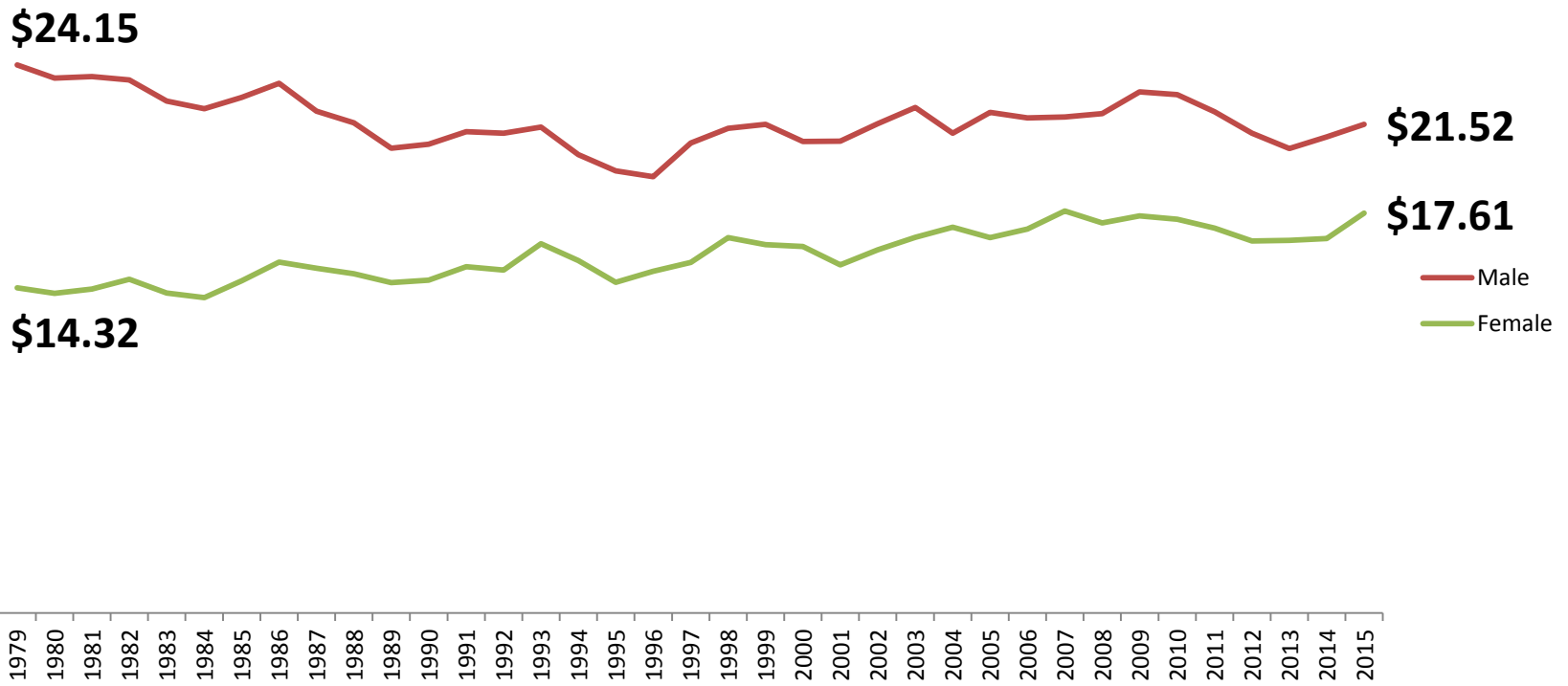
Source: Economic Policy Institute of unpublished total economy data from Bureau of Labor Statistics' Labor Productivity and Costs program and Bureau of Economic Analysis National Income and Product Accounts public data series. Mishel, Lawrence, Josh Bivens, Elise Gould, and Heidi Shierholz. 2012. The State of Working America, 12th Edition. An Economic Policy Institute book. Ithaca, N.Y.: Cornell University Press. Figure 4U

Median Wages in Washington State 1979 – 2015

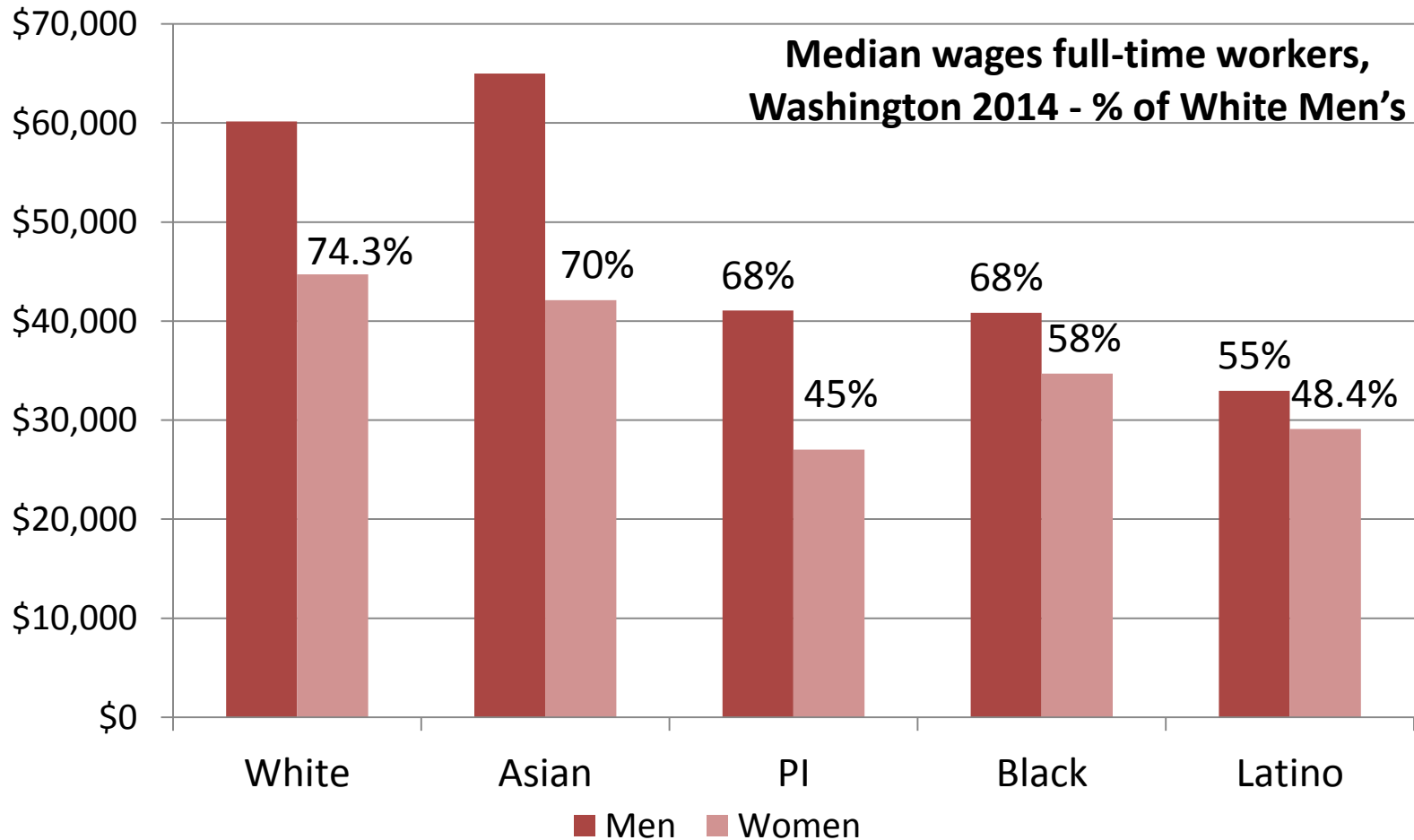
Source: Economic Policy Institute analysis of Current Population Survey data , 2015 \$



Male and Female Median Wages



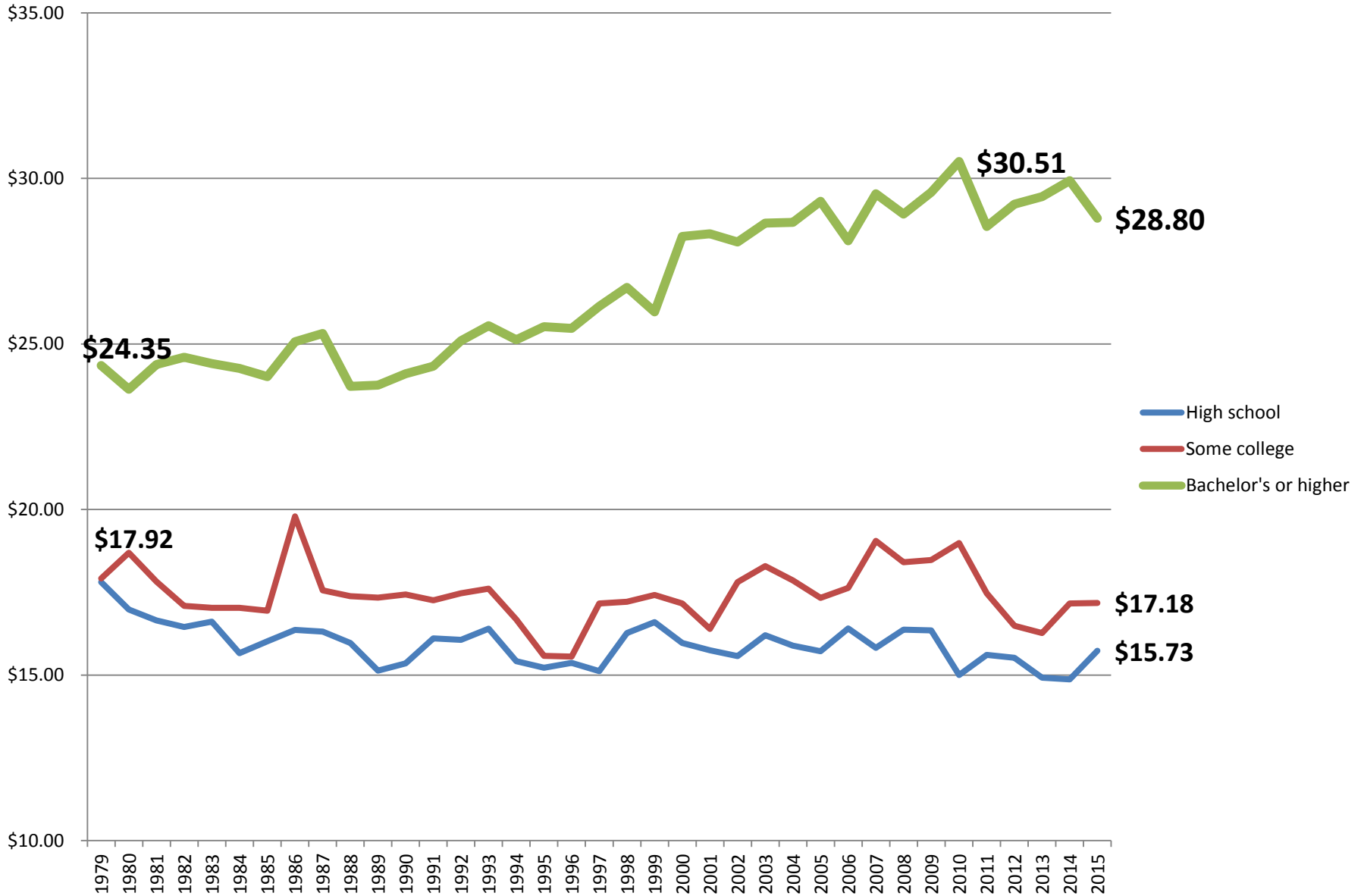
Gender/race wage gap



Source: Economic Opportunity Institute analysis of American Community Study data
eoionline.org

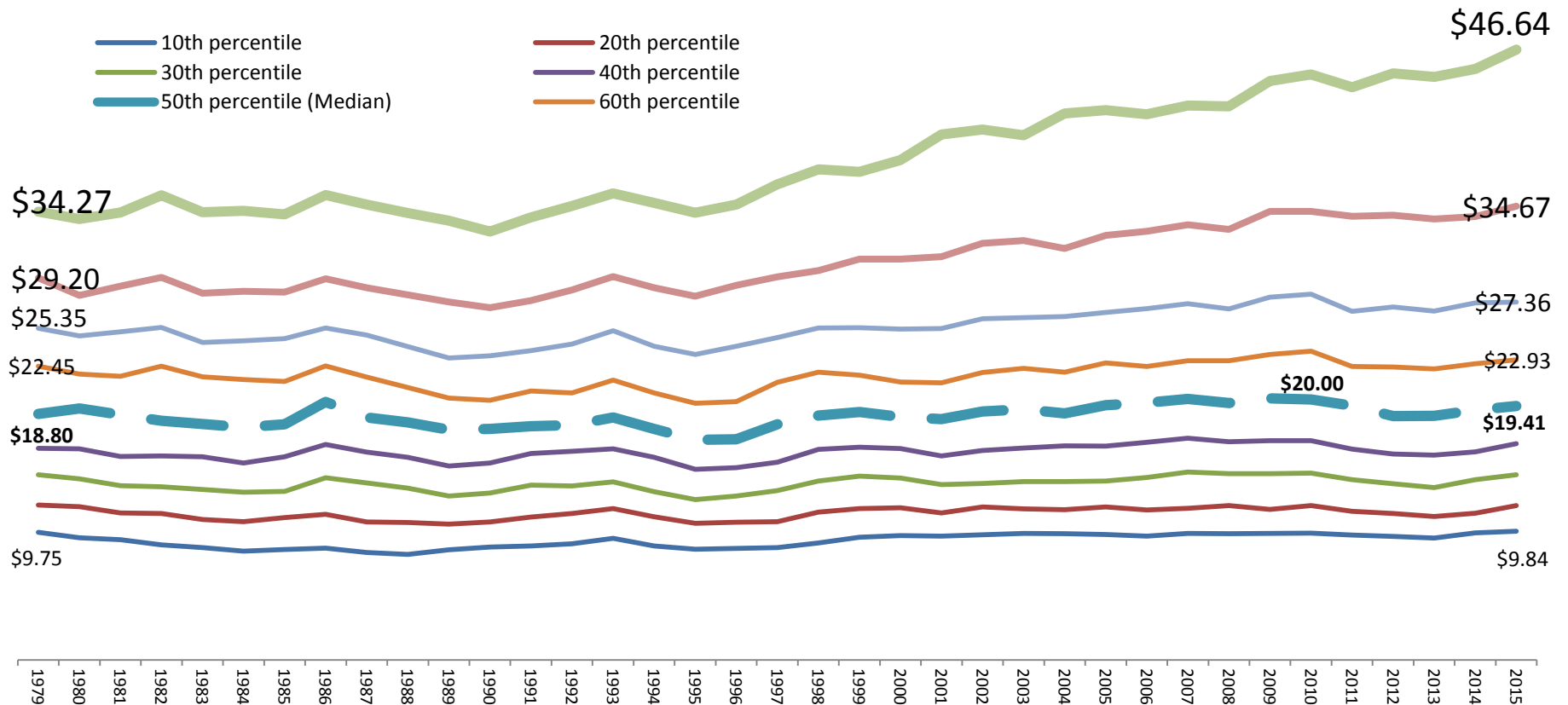
Median Wages by Education, Washington state, 2015 \$

Source: Economic Policy Institute analysis of Current Population Survey data



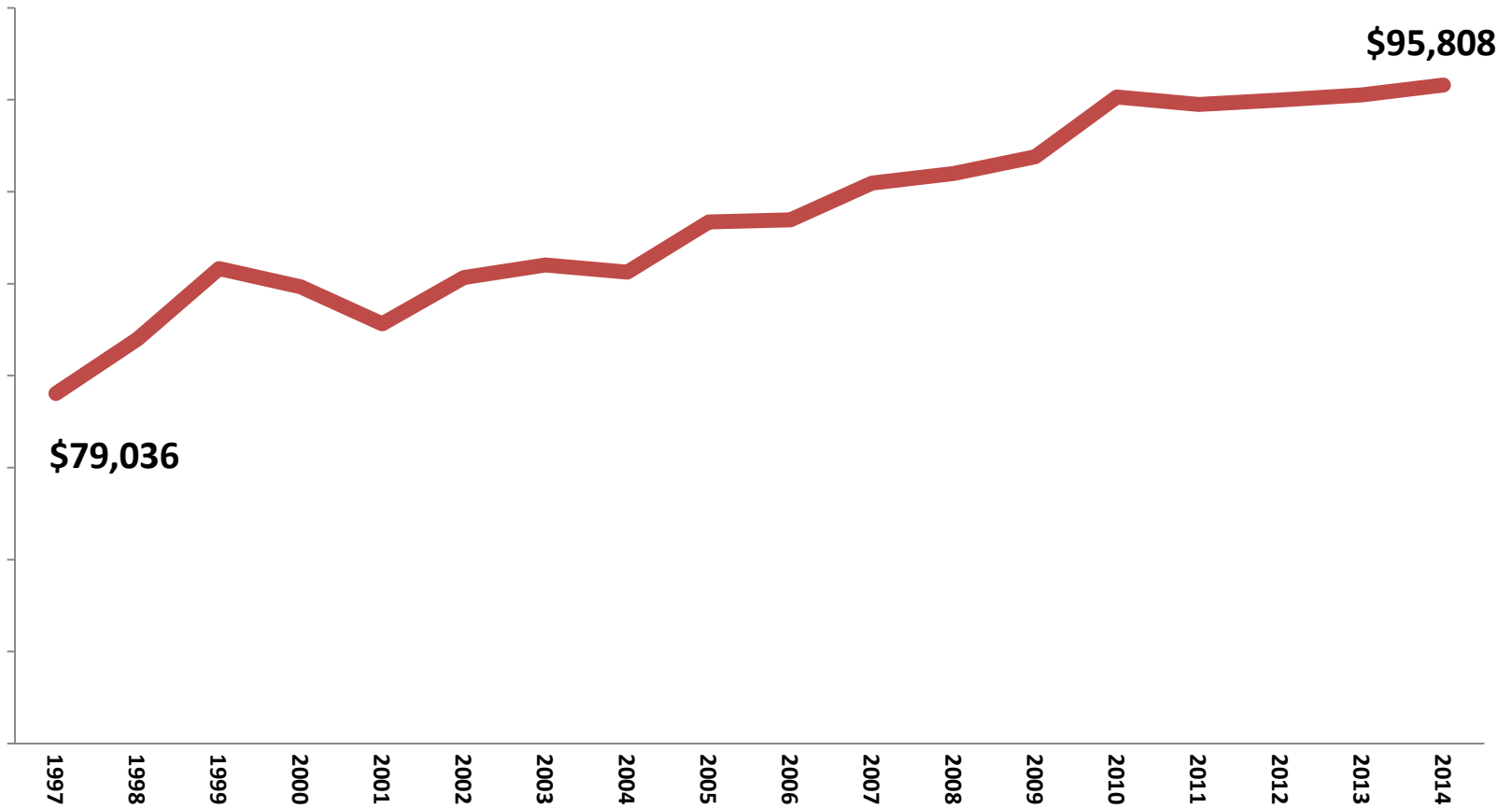
Wages in Washington over Three and a Half Decades

from Economic Policy Institute analysis of Current Population Survey Outgoing Rotation Group, 2015 \$

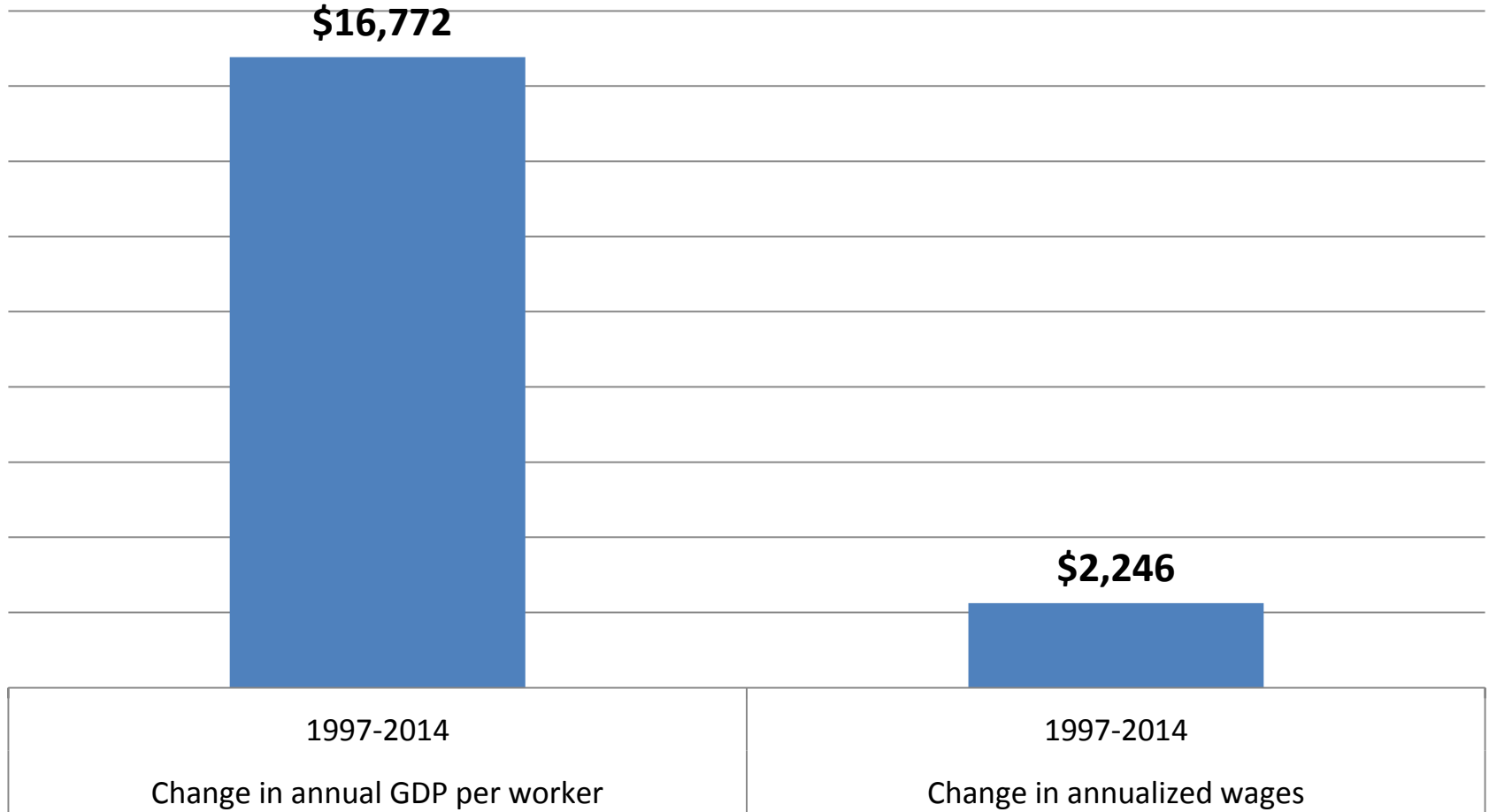


Real gross domestic product per worker, 1997-2014, Washington State

Chained 2009 Dollars, Economic Analysis and Research Network, EPI, State of Working XX data, SWXX 2015 - Misc

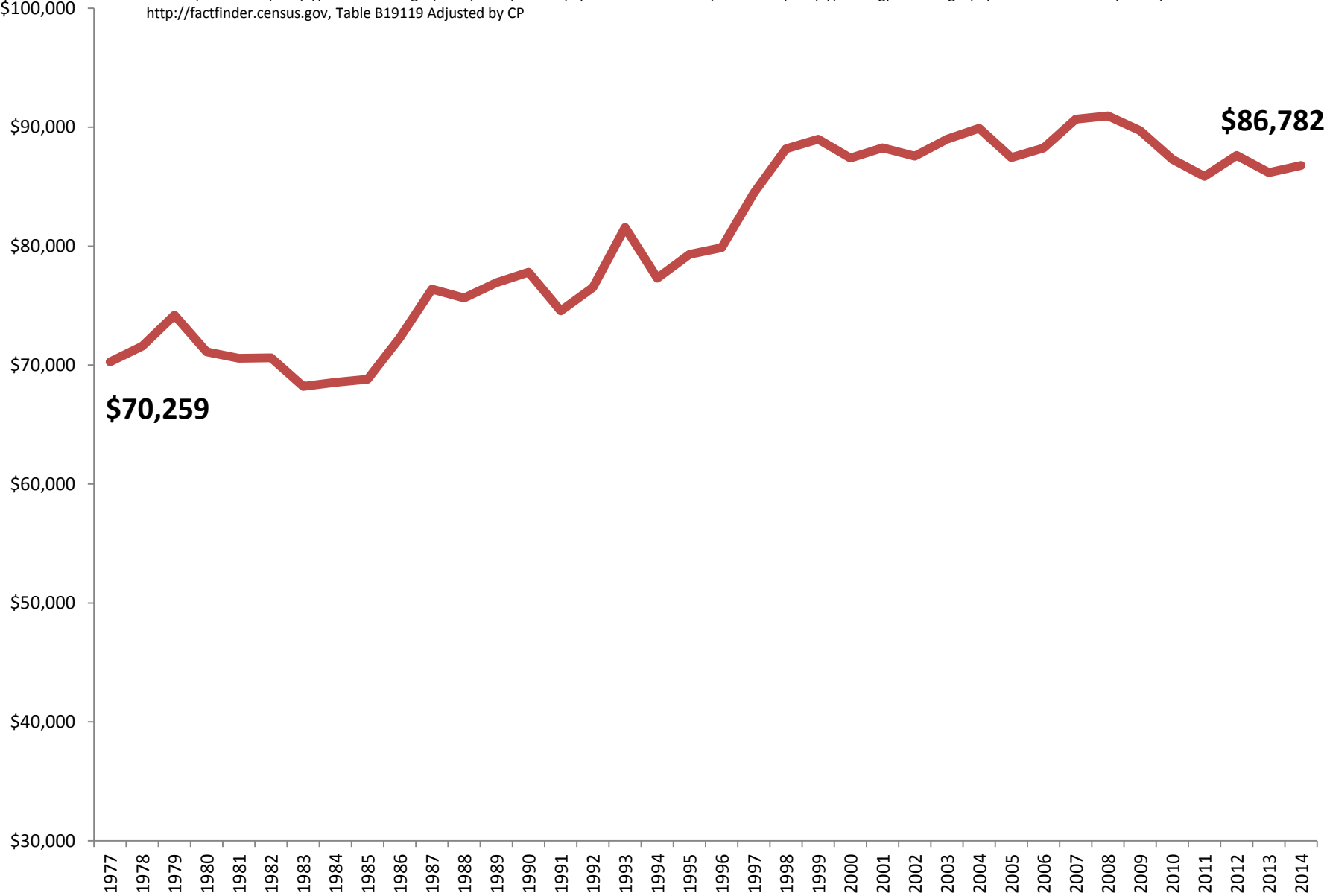


Worker Increase in Productivity vs. Wage Increase



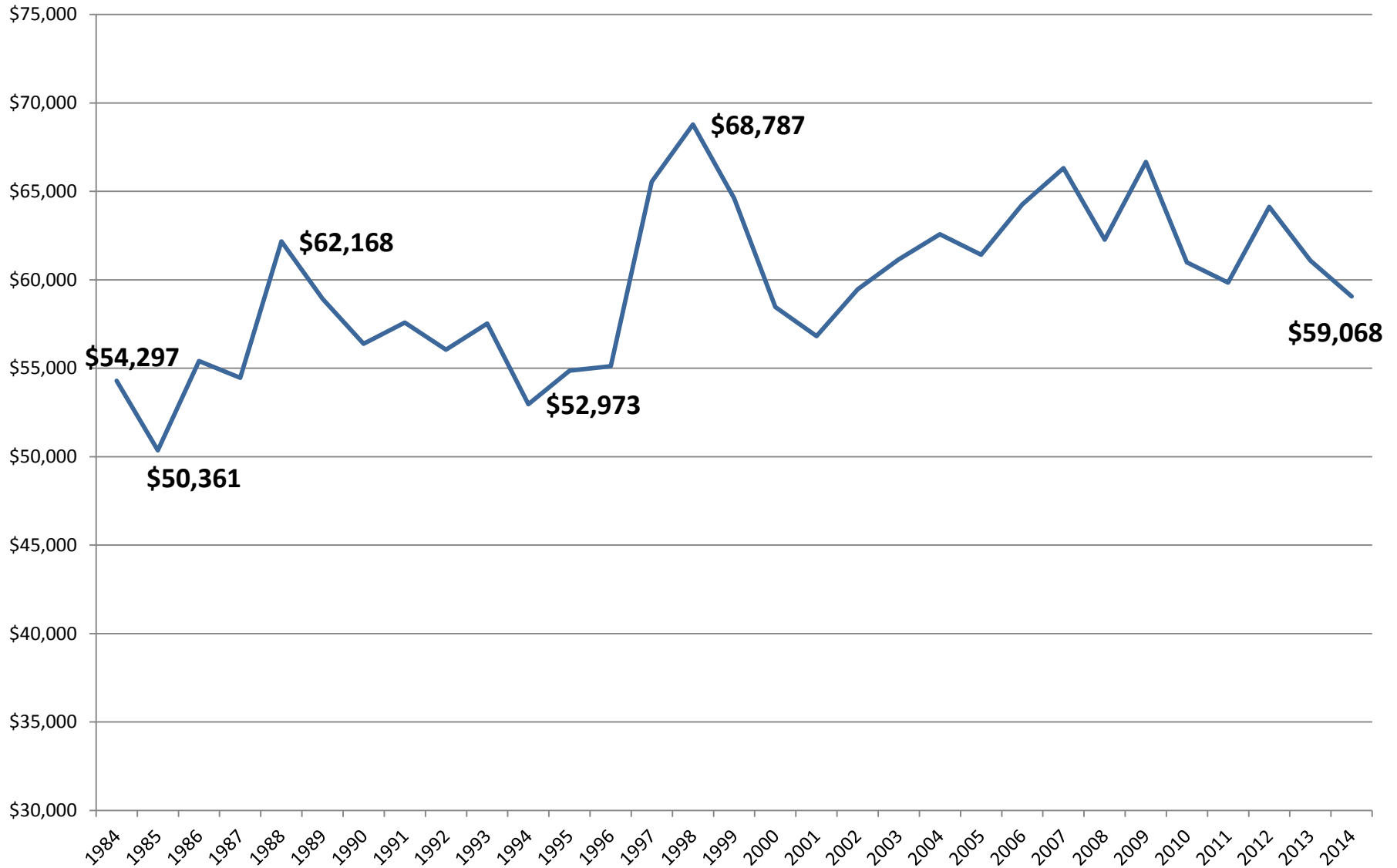
Median Income for a 4-person Family in Washington

Source (1974-2002): <http://www.census.gov/hhes/www/income/4person.html> Source (2003-2004): <http://www.gpoaccess.gov/fr/index.html> Source (2005+): <http://factfinder.census.gov>, Table B19119 Adjusted by CP



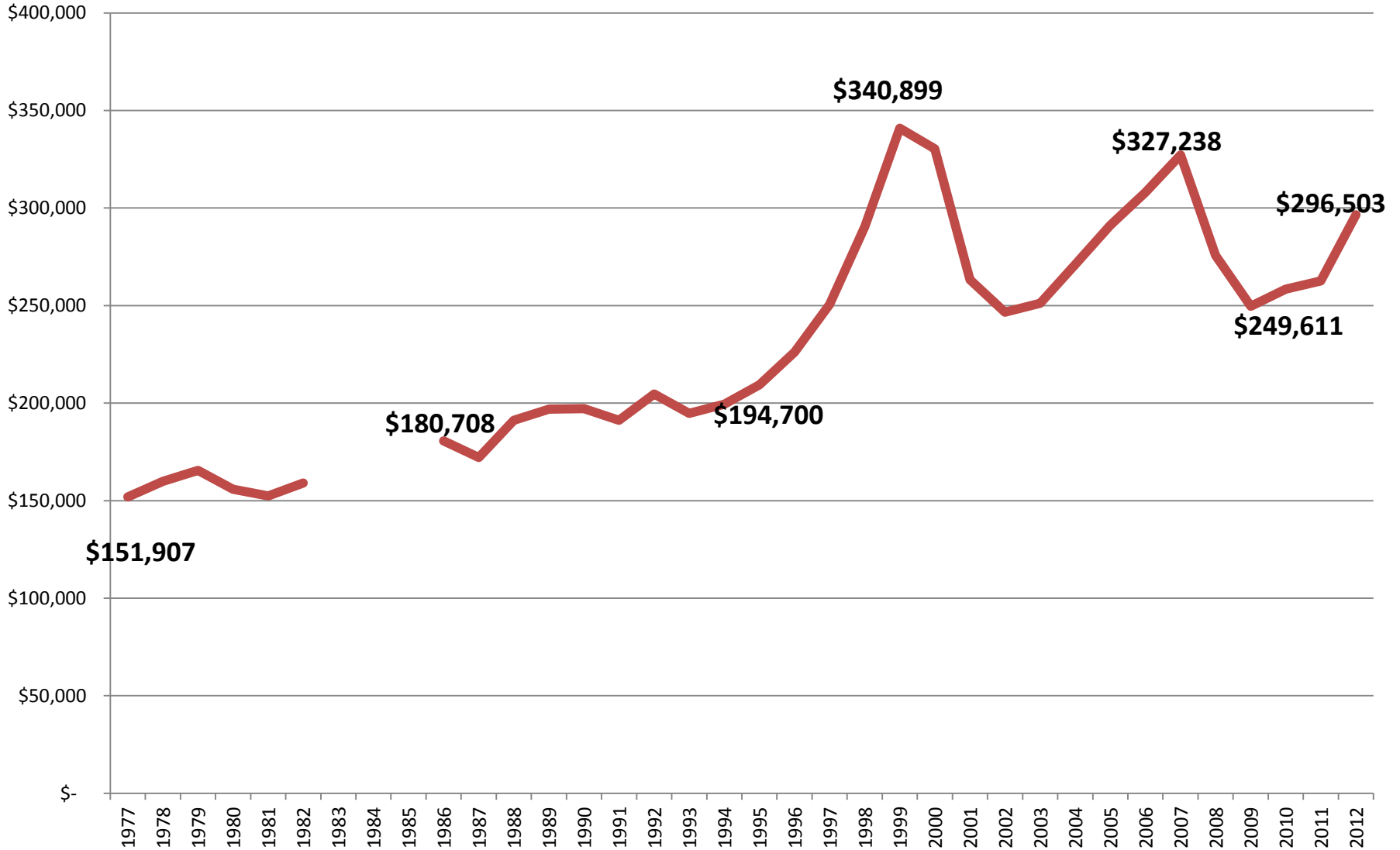
Median Household Income, 1984 - 2014, Washington

Source: <http://www.census.gov/hhes/www/income/data/historical/household/index.html> Table H-8. Median Household Income by State (Households as of March of the following year. Income in current and 2011 C



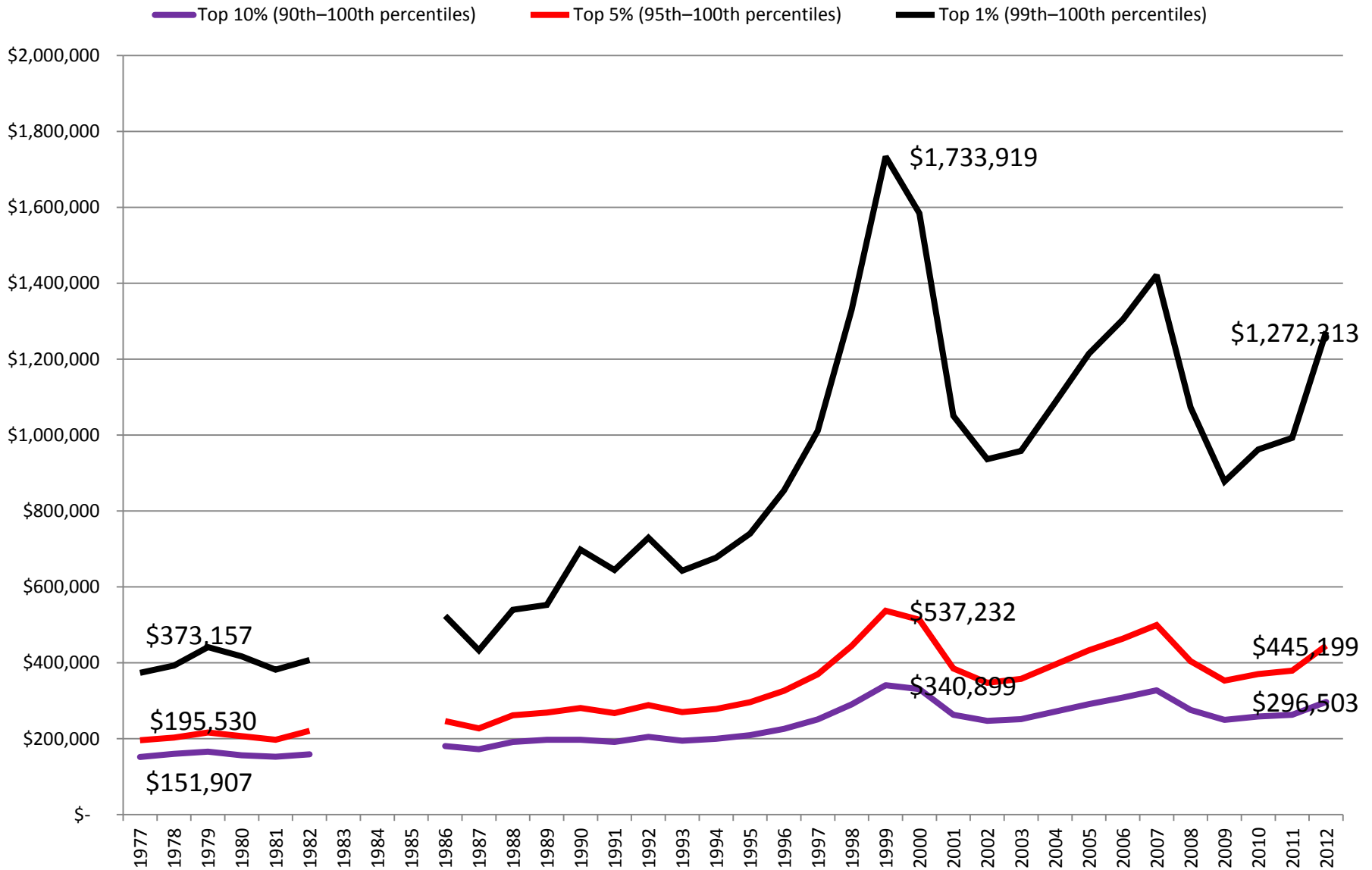
Income of Top 10% 1977 - 2012

2012 \$, Source: Authors' analysis of state-level tax data from Sommeiller (2006) extended to 2012 using state level data from the Internal Revenue Service SOI Tax Stats (various years); and Piketty and Saez (2012)



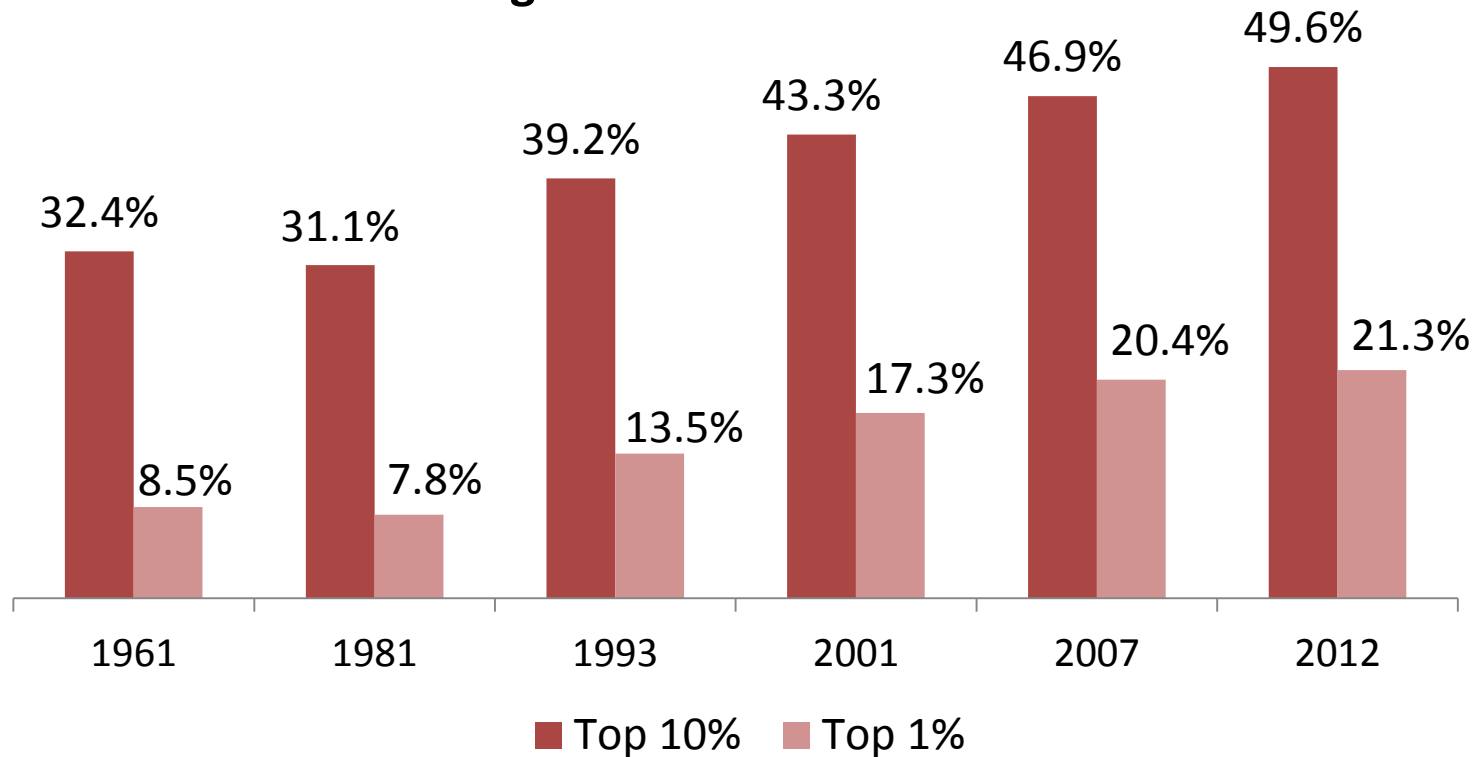
Top 10%, Top 5%, Top 1% 1977-2012 Washington State

2012 \$, Source: Authors' analysis of state-level tax data from Sommeiller (2006) extended to 2012 using state level data from the Internal Revenue Service SOI Tax Stats (various years); and Piketty and



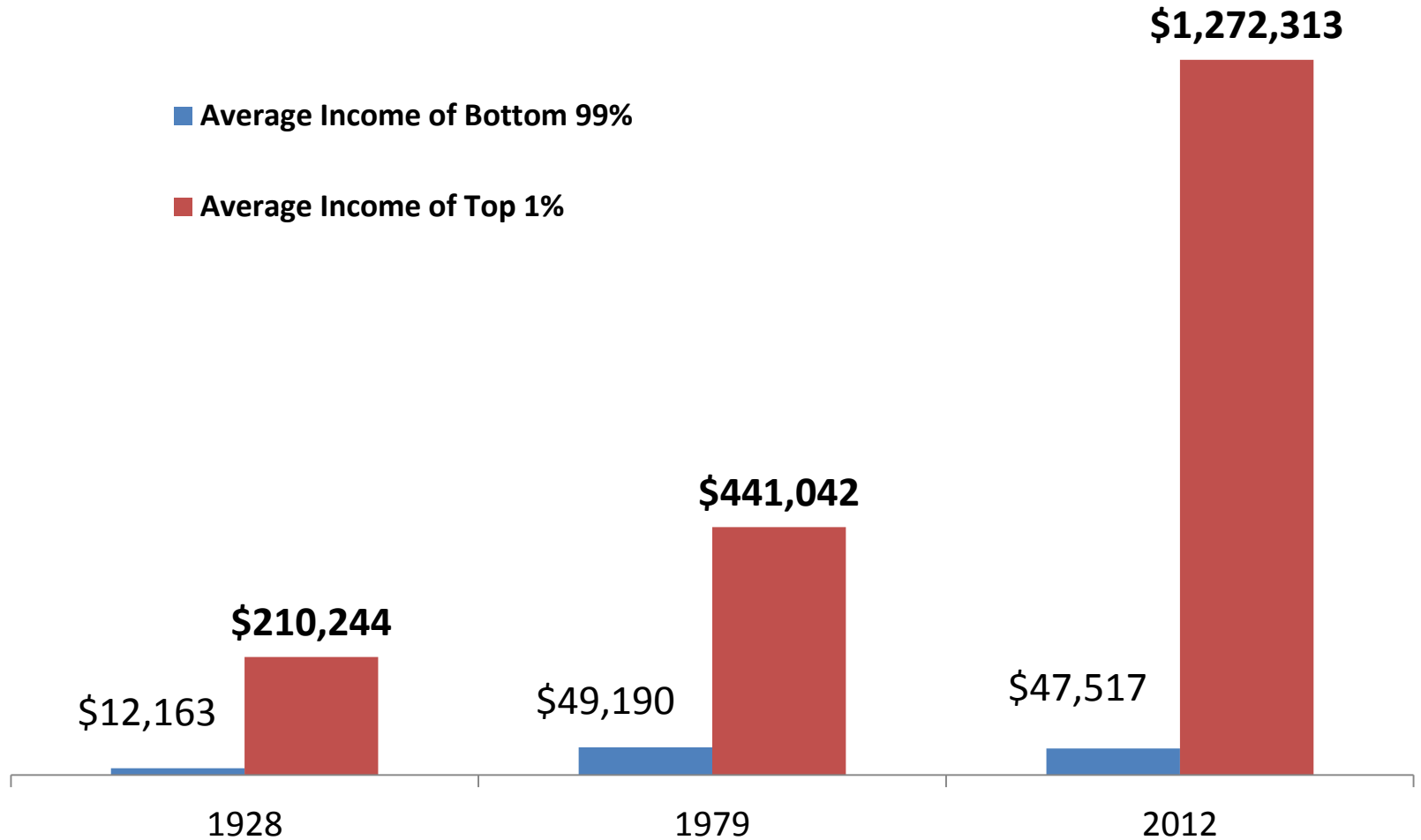
Inequality growing since 1980

Share of income held by top 10% and top 1%,
Washington state



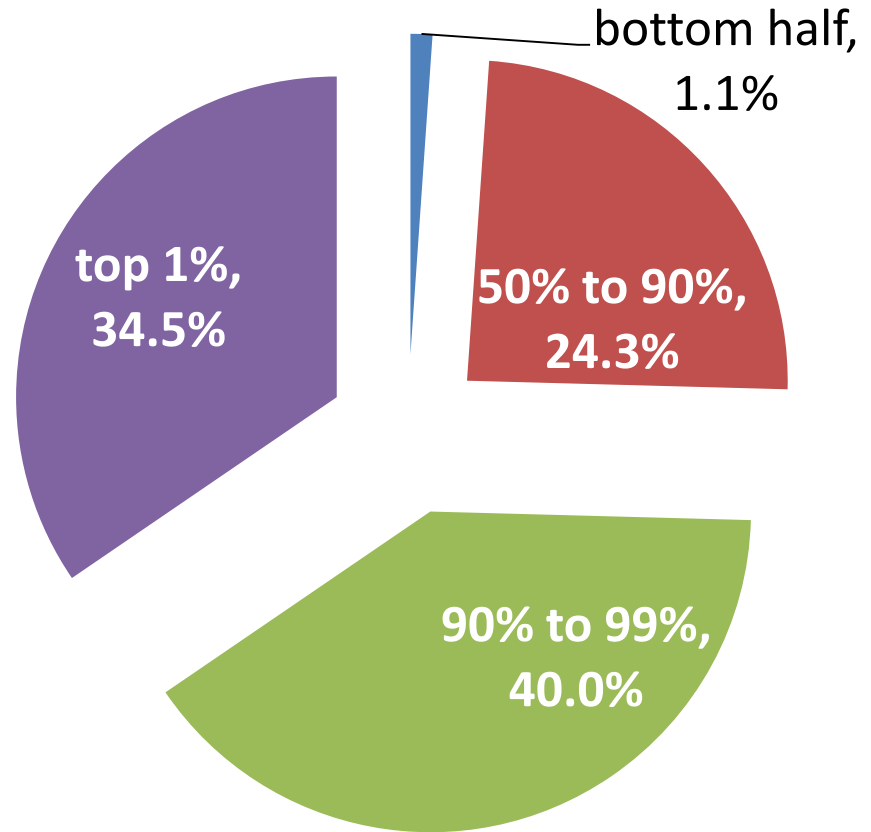
Source: Sommeiller & Price, *The Increasingly Unequal State of America, 1917 to 2012*

Washington Top 1% and Bottom 99%



Top 10% hold $\frac{3}{4}$ of all wealth

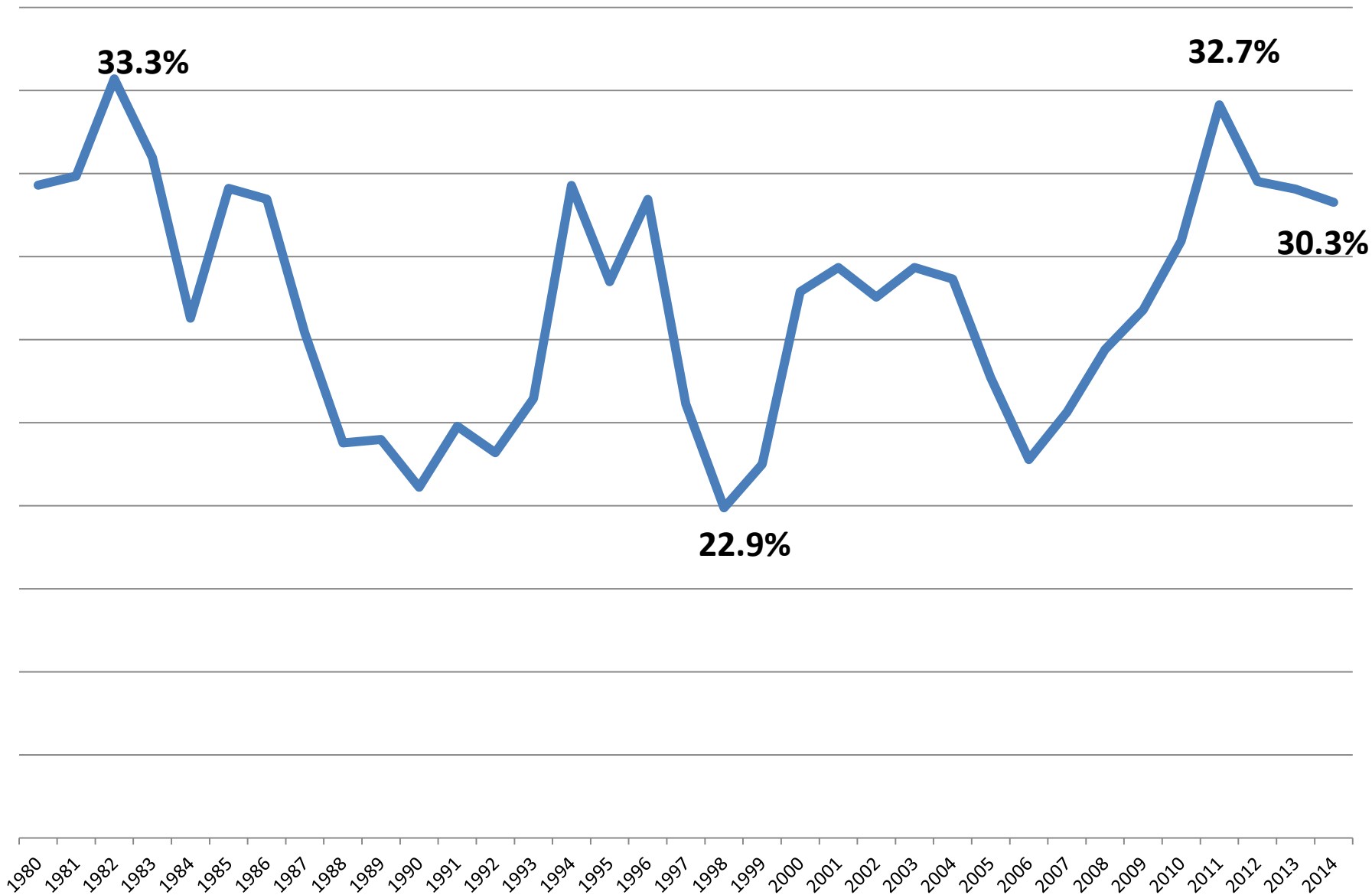
Share of wealth, US 2010



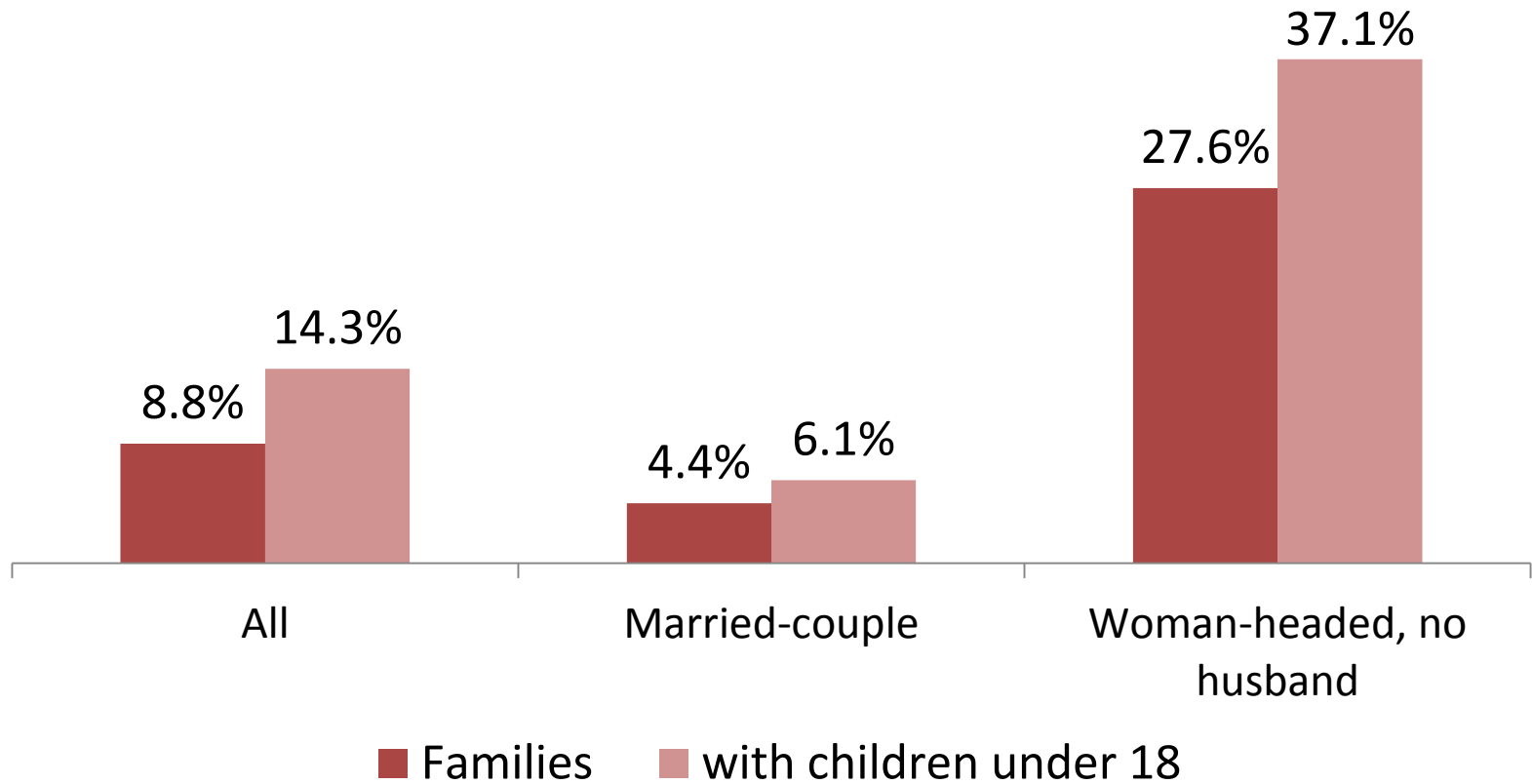
Source: Economic Policy Institute analysis

People below 200% of poverty threshold , 1980-2014, Washington state

Source: EPI analysis of Current Population Survey March supplement



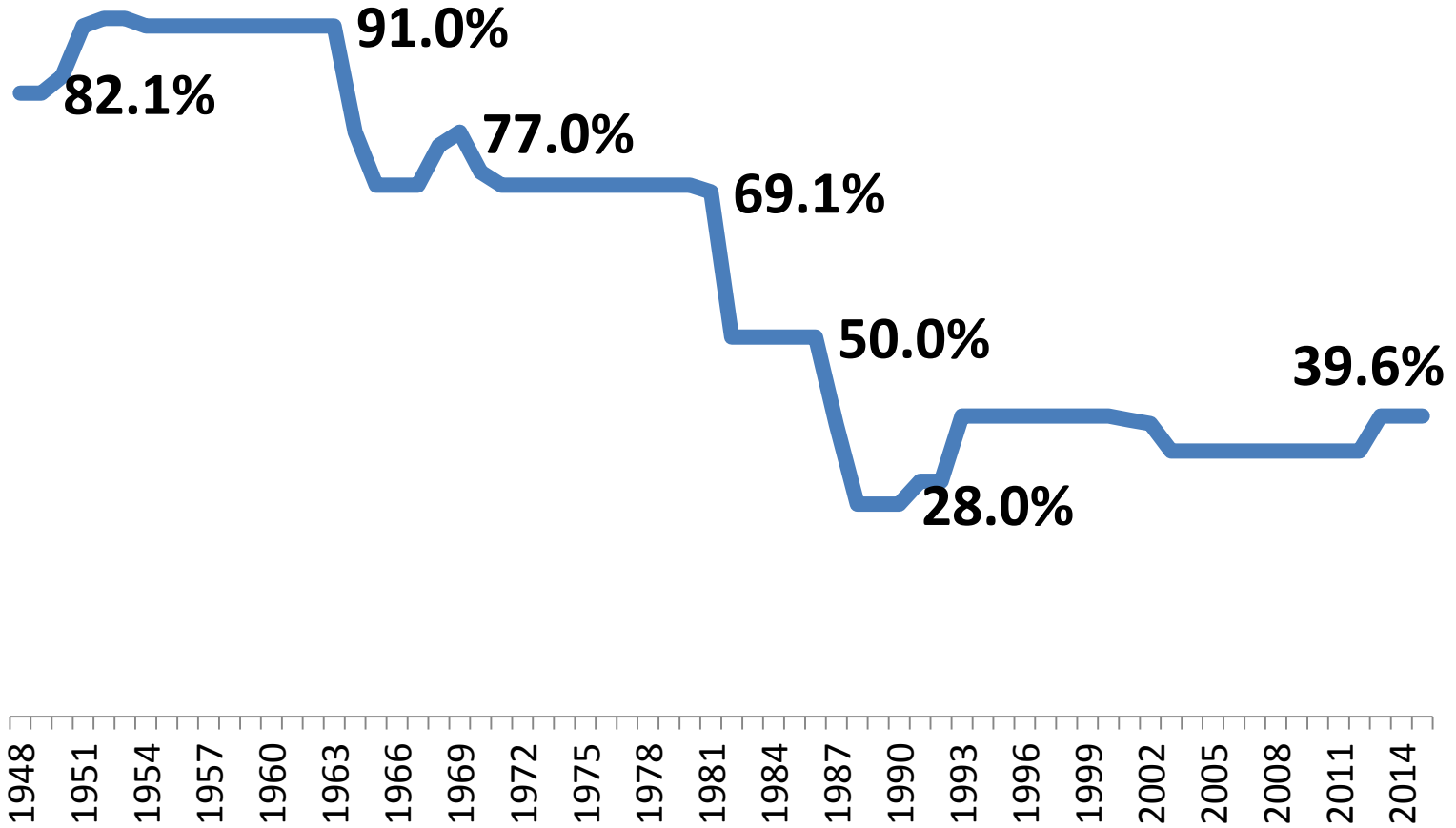
Poverty In Washington Families, 2014



Source: US Census Bureau, American Community

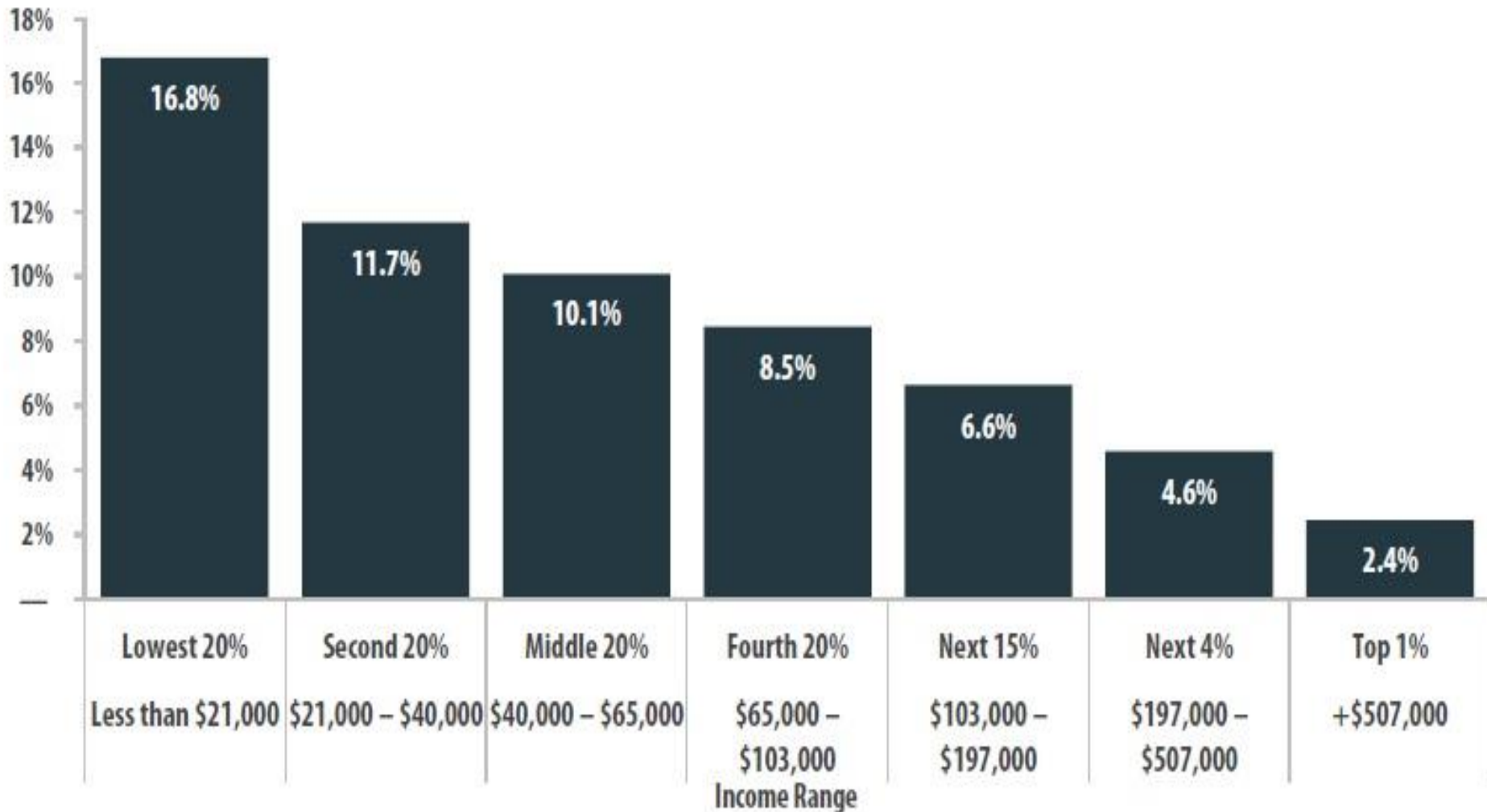
eoionline.org Survey

Highest Individual Tax Marginal Rate

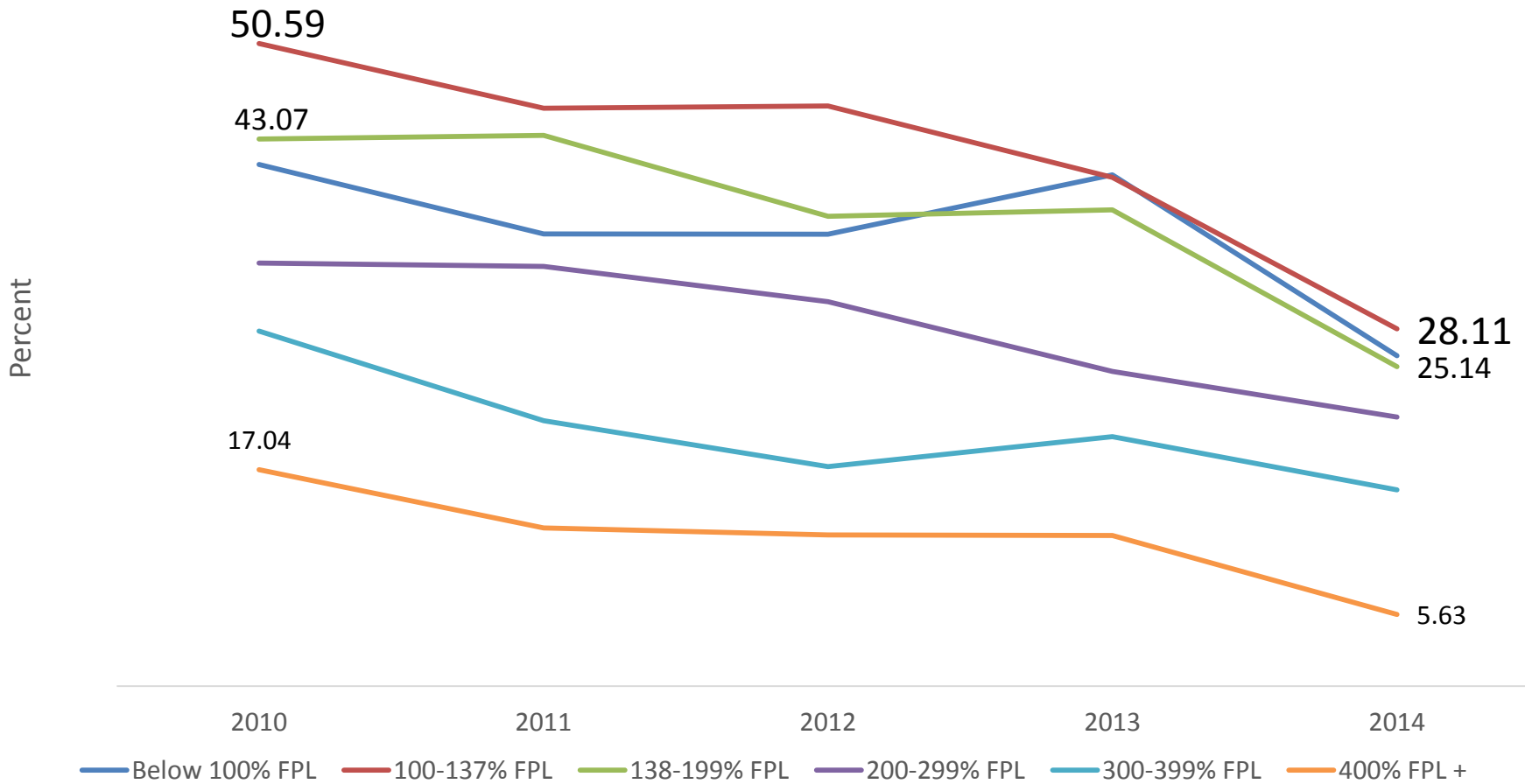


% OF INCOME PAID IN STATE AND LOCAL TAXES WASHINGTON STATE

Shares of family income for non-elderly taxpayers

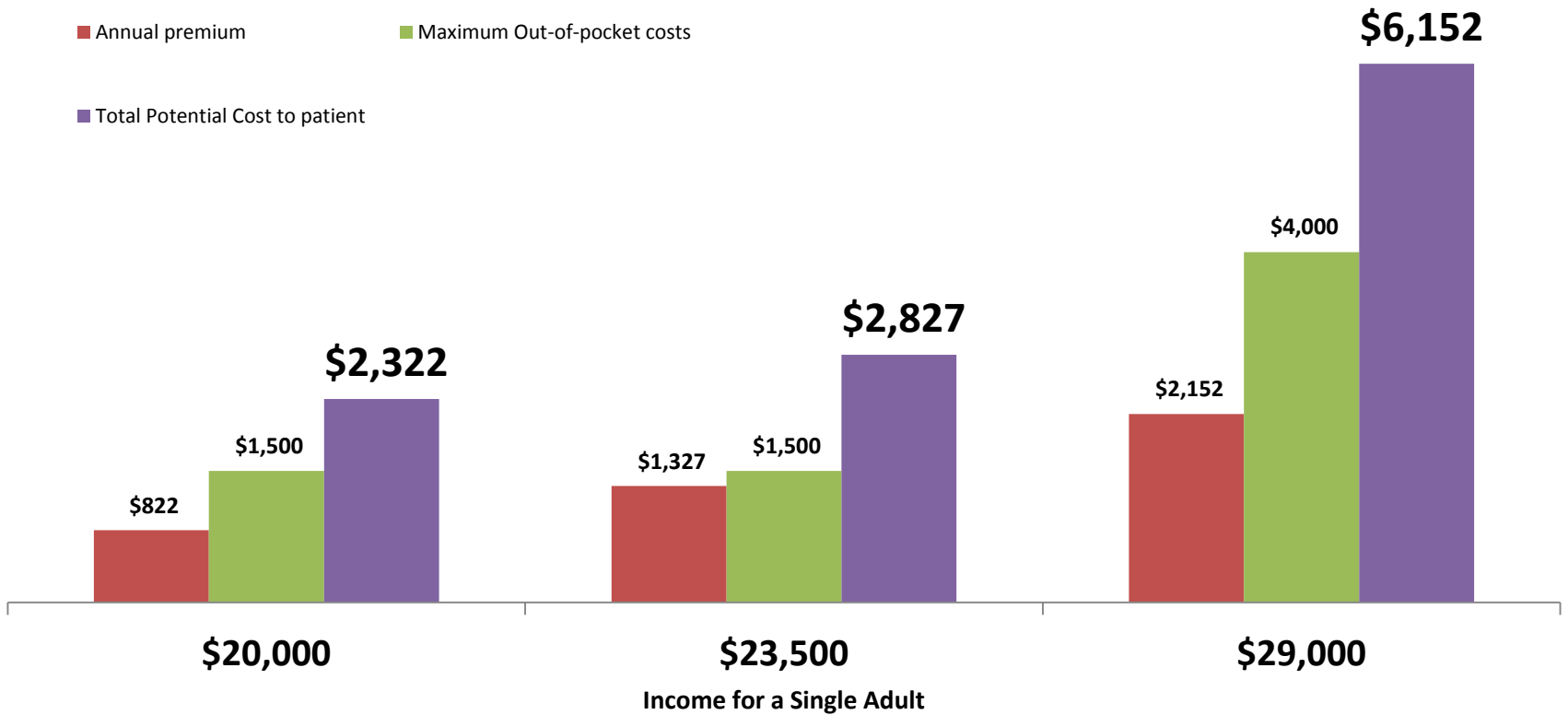


Percent Uninsured by FPL: Adults Age 19-26, Washington, 2010-14

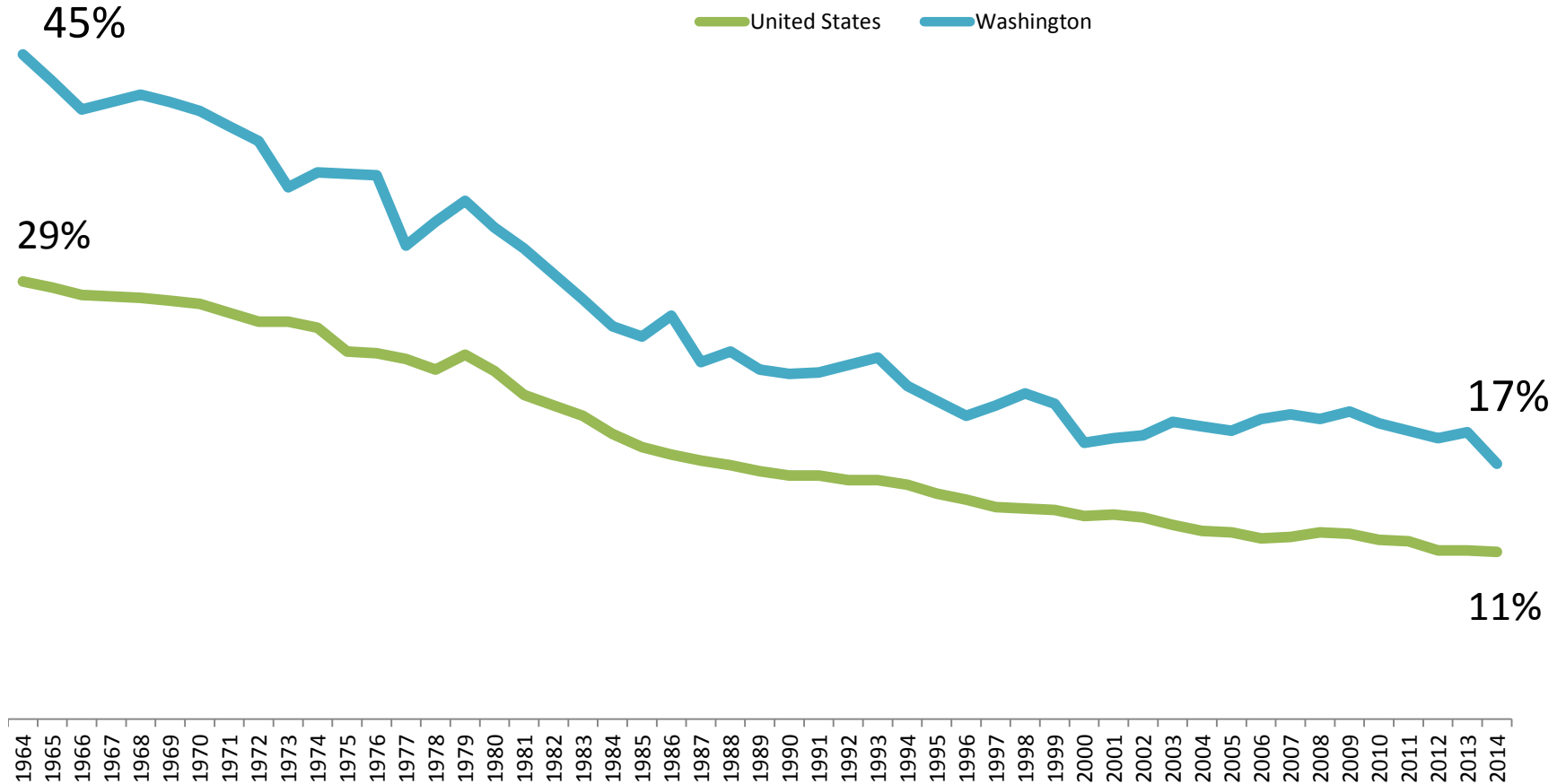


(Data Source: American Community Survey)

Health Care Costs for Participants in the Health Benefit Exchange at 175%, 200%, and 250% Federal Poverty Level

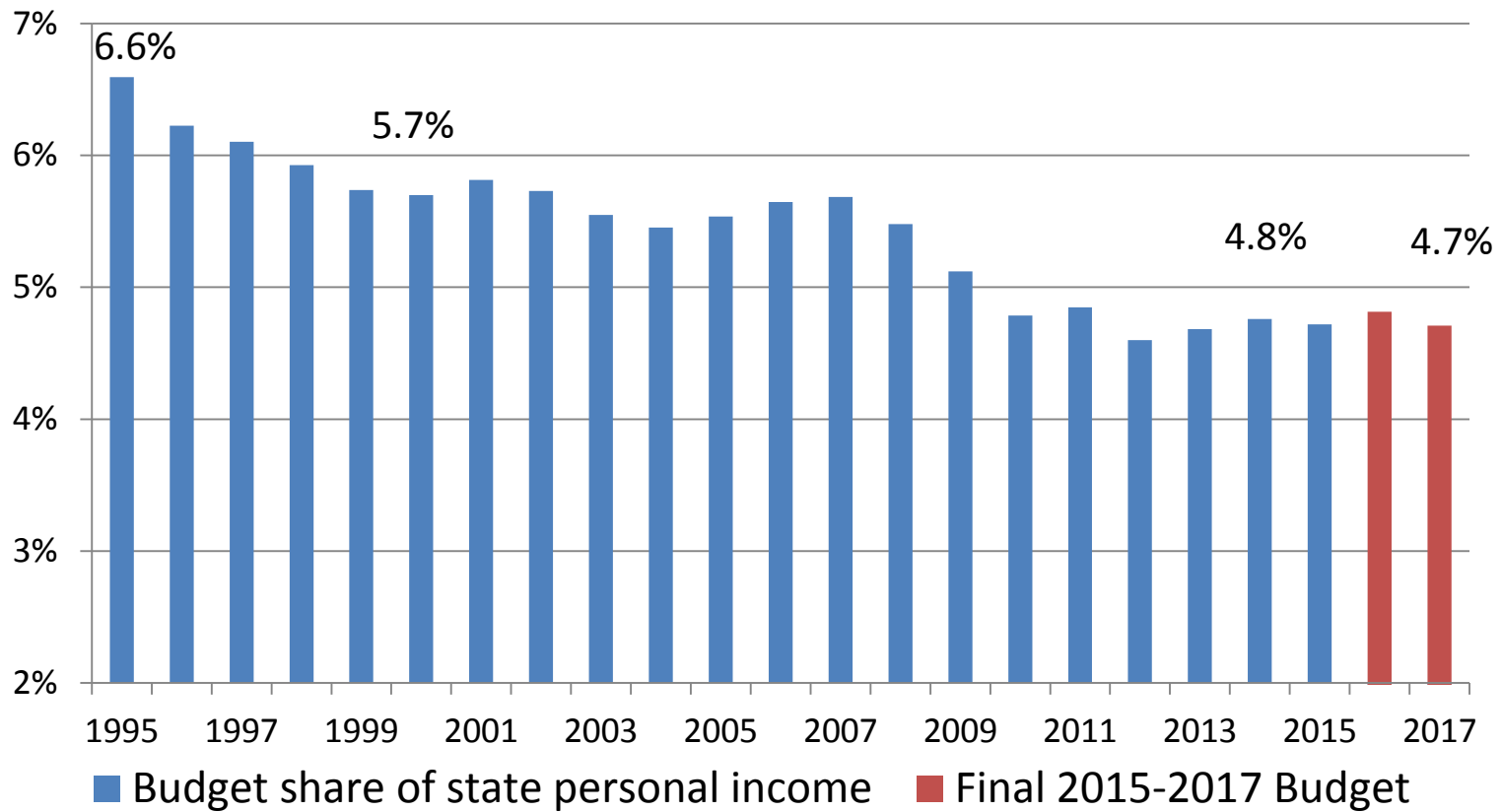


Union Membership: US and Washington

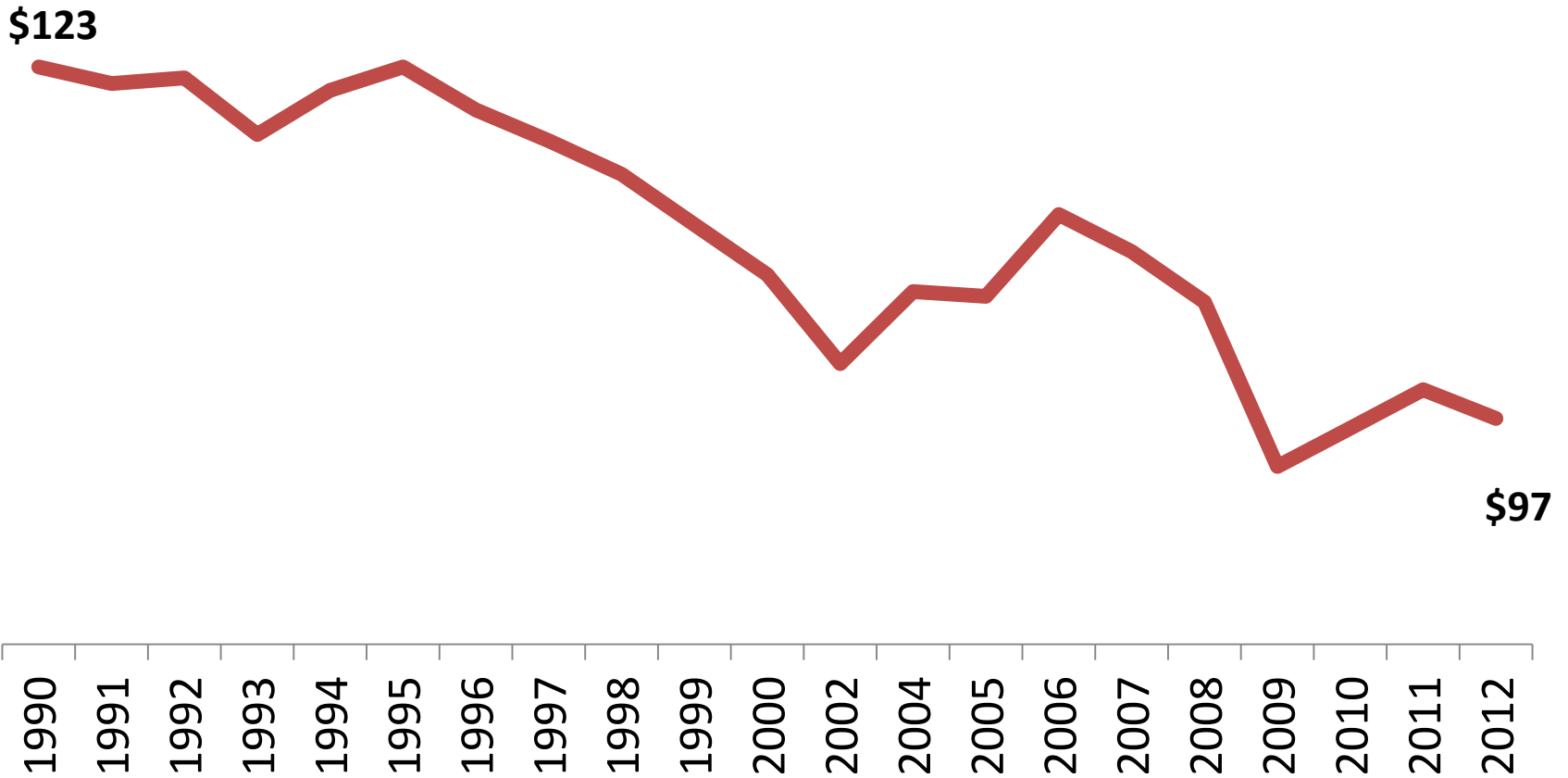


Source: Barry T. Hirsch, David A. Macpherson, and Wayne G. Vroman, **Union Density Estimates by State, 1964-2014**

Budget as a percent of Personal Income

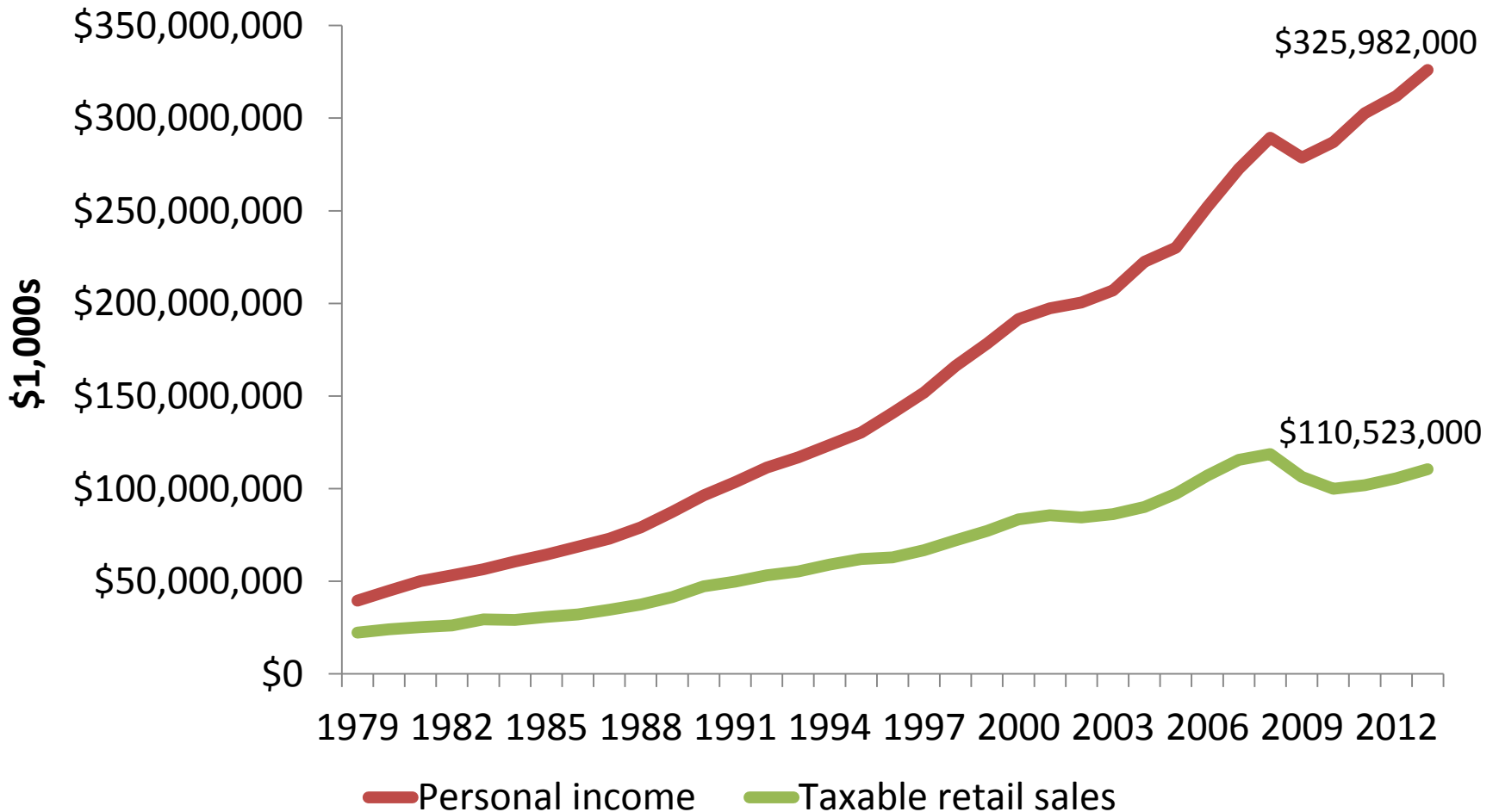


State/Local Taxes Per \$1,000 Personal Income Since 1990



We are leaving a lot of money on the table!

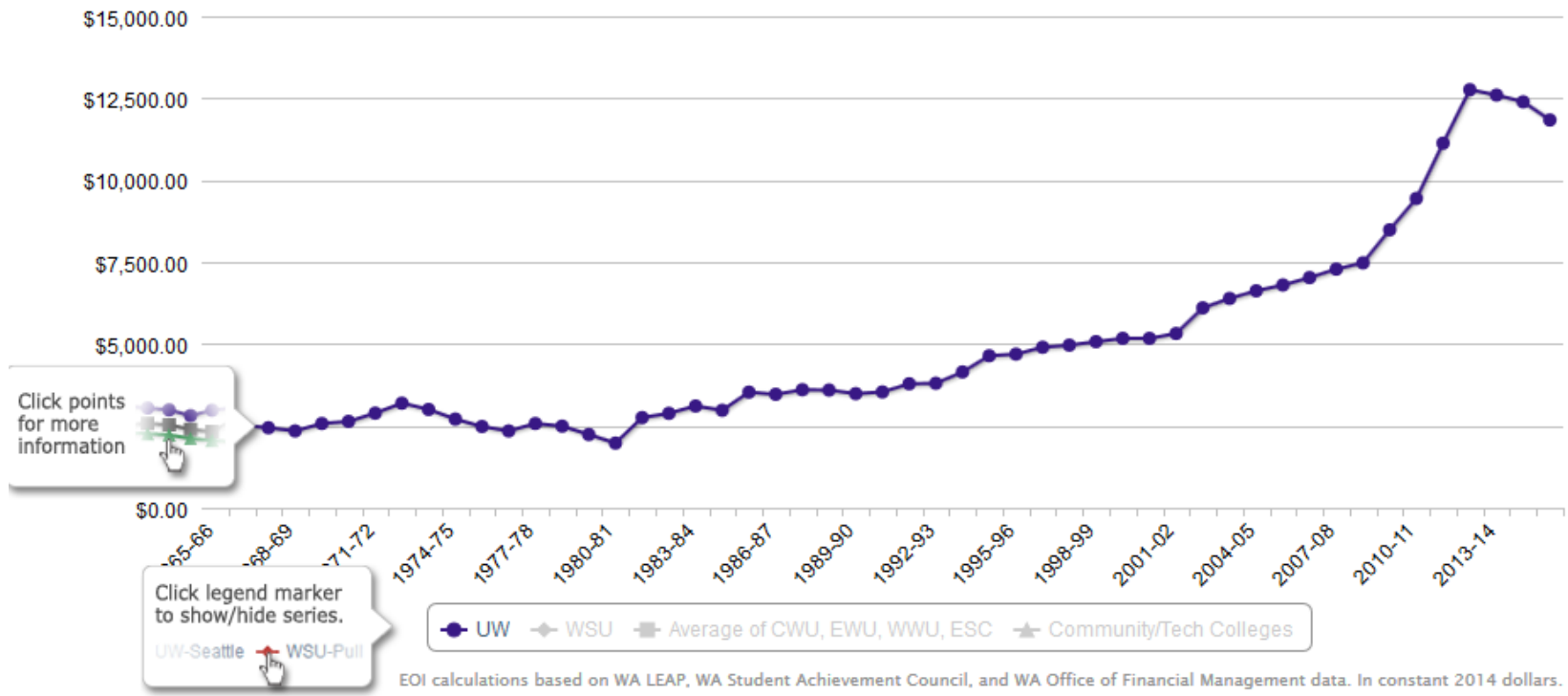
Personal income is growing much faster than sales tax base in WA



Sources: U.S. Bureau of Economic Analysis, Washington Economic and Revenue Forecast Council

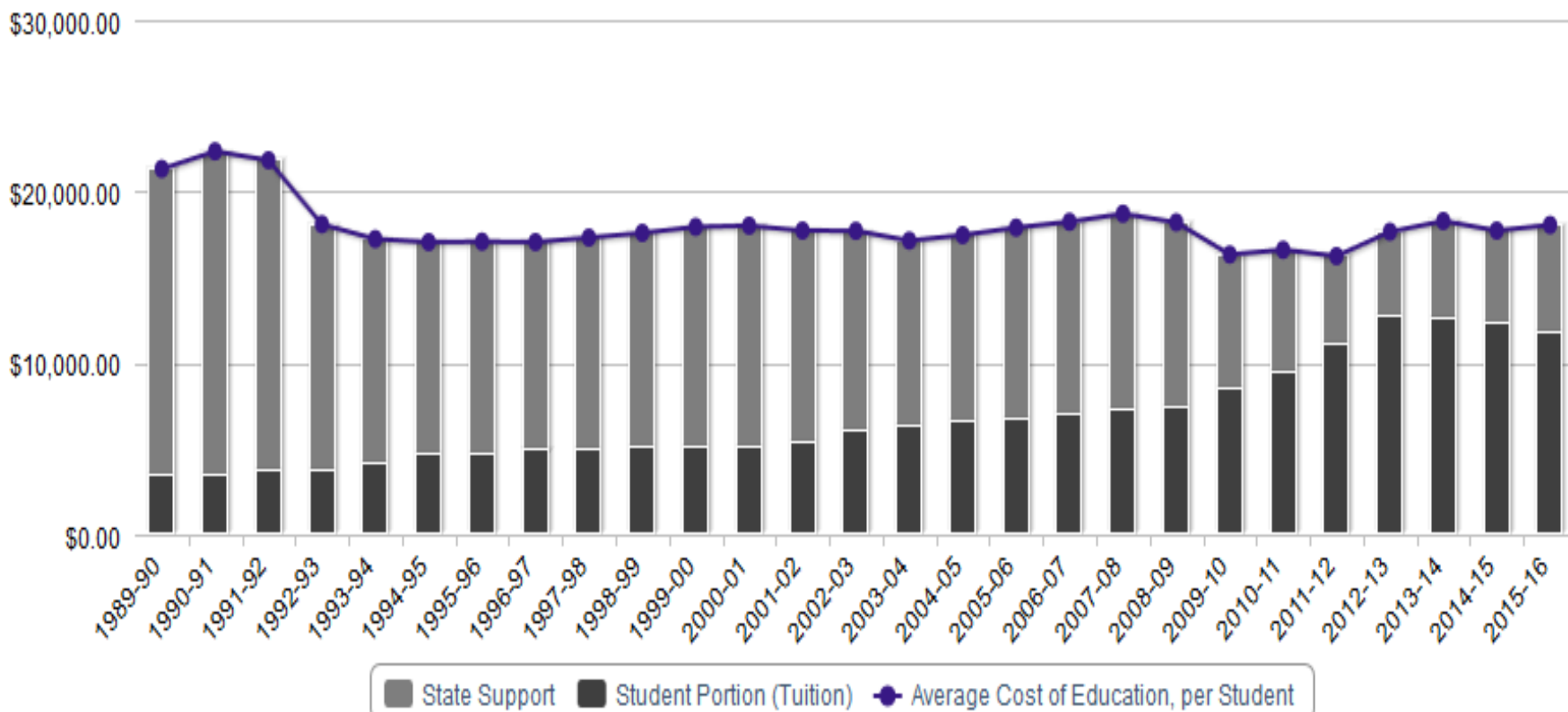
University of Washington Tuition, 1965-2016

Tuition and Fees at Public Institutions in Washington State, 1965-2016





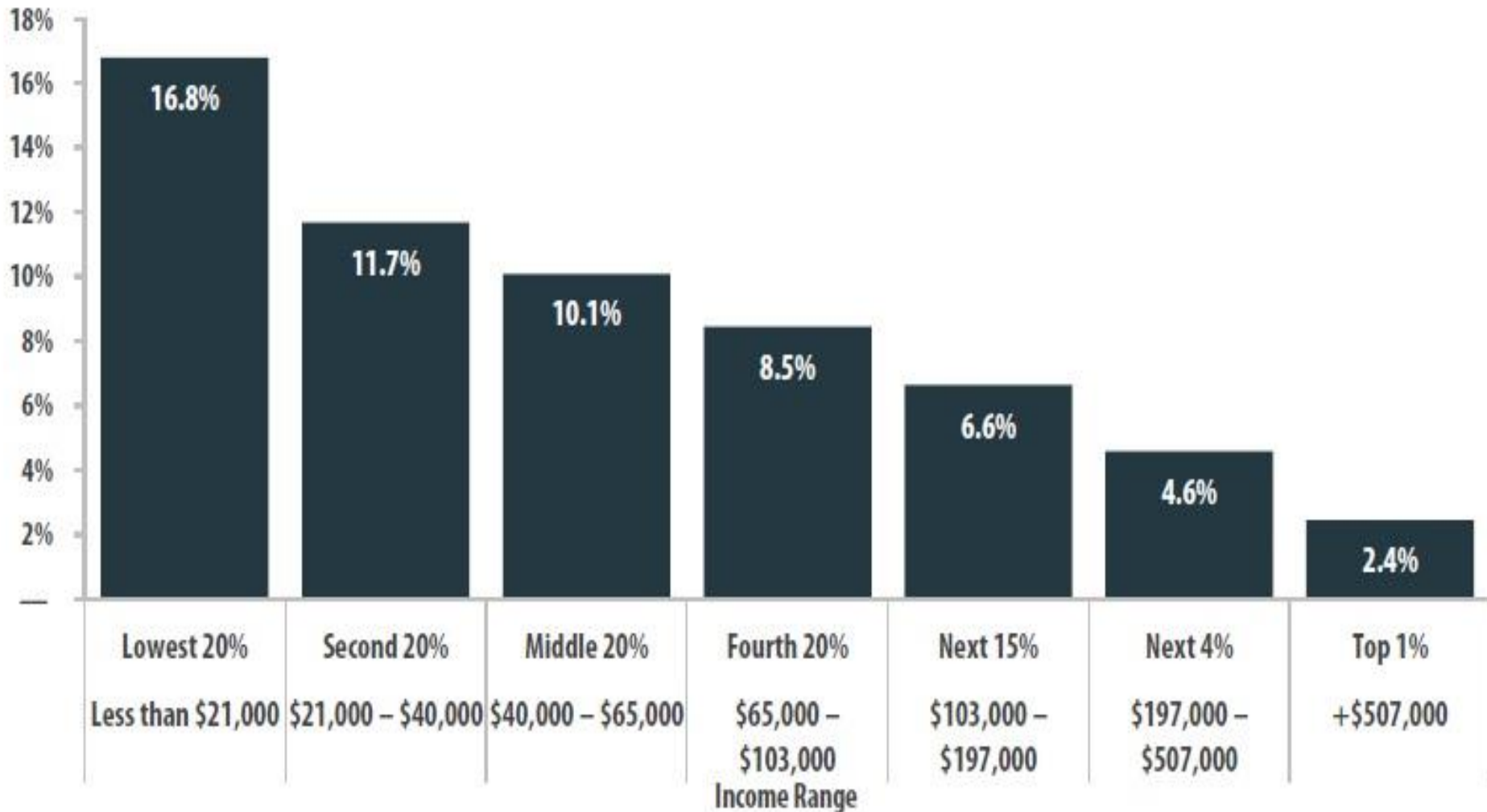
Share of State vs Student Funding at the University of Washington



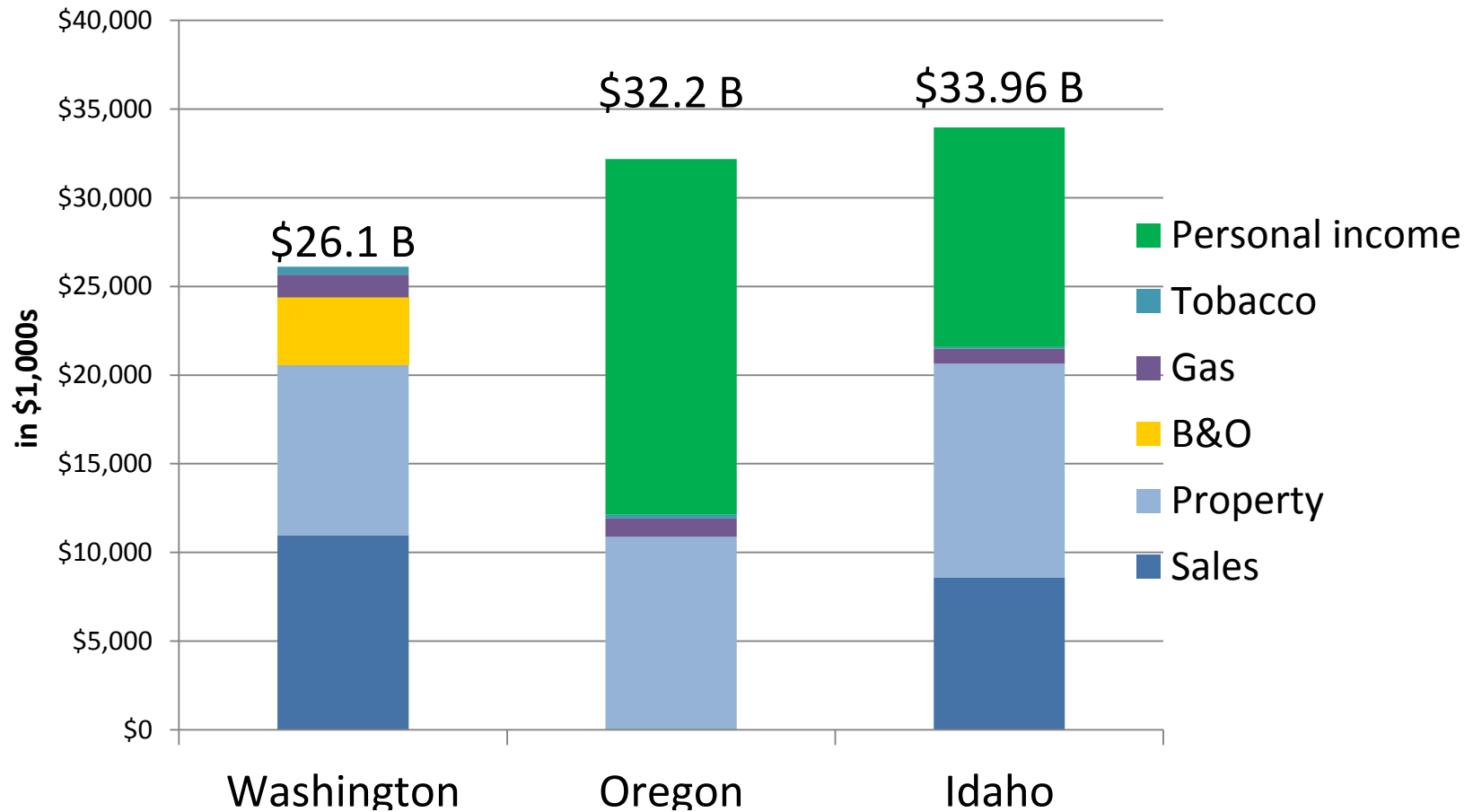
EOI calculations based on WA LEAP, WA Student Achievement Council, and WA Office of Financial Management data. In constant 2014 dollars.

% OF INCOME PAID IN STATE AND LOCAL TAXES WASHINGTON STATE

Shares of family income for non-elderly taxpayers

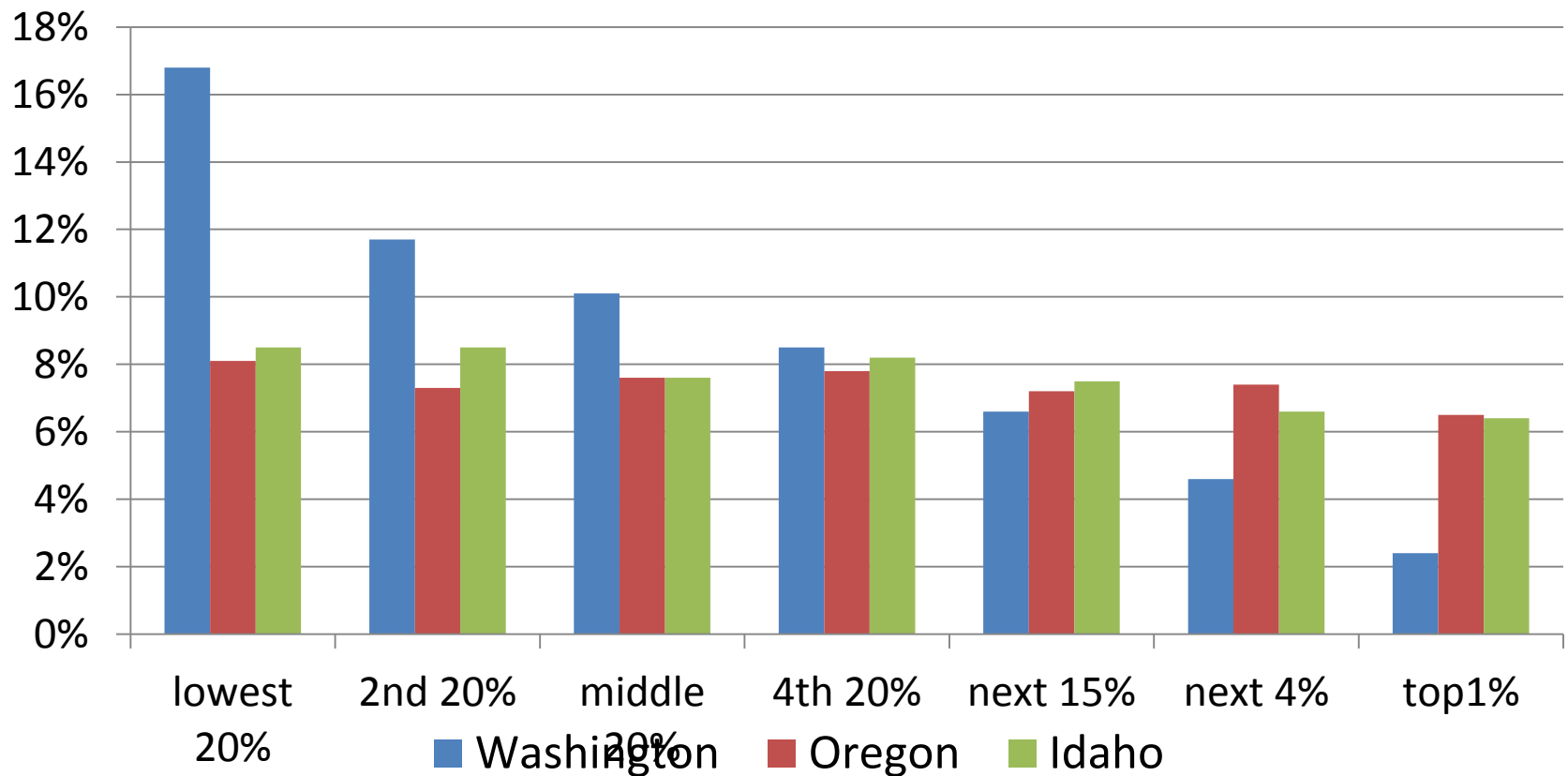


If Washington had a different tax structure...



If Washington had a different tax structure...

**% of family income to state & local taxes,
nonelderly taxpayers**



- \$13.50 minimum wage**
- Paid Sick & Safe Leave**
- Family & Medical Leave Insurance**
- Equal Pay Opportunity Act**
- Compensation for Early Learning Teachers**
- Full Funding of K-12 Education**
- Increase funding higher education**
- Progressive Taxation**

Tackling Income Inequality = Realizing Our Democracy

Economic Opportunity Institute: www.eoionline.org