



Key Findings And A Summary
Of Data From An Upcoming
California Budget Project
Report:

The State Of Working California

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The **California Budget Project** (CBP) was founded in 1994 to provide Californians with a source of timely, objective and accessible expertise on state fiscal and economic policy issues. The CBP engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low and middle income Californians. Support for the CBP comes from foundation grants, publications, and individual contributions.

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The economic expansion, which ended early last year, produced mixed results for California's workers and their families. California experienced unprecedented job growth during the expansion, adding more than 500,000 jobs in 2000 alone. However, the wages and incomes of many workers and their families barely surpassed inflation, despite record job growth and record low unemployment. For many families, the recent gains result from the fact that families are working longer and harder simply to make ends meet.

For decades, the economic well-being of Californians surpassed that of the nation as measured by a number of indicators. Californians enjoyed higher incomes and wages, as well as a standard of living that was the envy of the nation. During the 1990s, Californians fell behind. Since the 1989 peak of the last expansion, California has lagged the nation with respect to a number of key indicators of economic well-being. California's relatively poor performance across a number of indicators, coupled with lingering sluggishness in state and national labor markets, poses challenges for the state and its policymakers: what steps should be taken to build an economy that provides broad-based prosperity for California's workers and families?

This report analyzes data from a number of government surveys to provide an overview of the economic well-being of the state's workers and families. The major findings from this report, as well as supporting documentation, are provided below.

WAGES: Hourly earnings for the typical California worker barely kept pace with inflation during the 1990s. The gains made during the expansion of the late 1990s, in many instances, only made up for the loss of purchasing power during the recession of the early 1990s. Moreover, the broad trend masks significant disparities linked to gender, race and ethnicity, and education.

- **Median hourly wages.** The hourly earnings of the typical California wage earner – the worker at the midpoint of the earnings distribution – increased by 1.4 percent between 1989 and 2001 after adjusting for inflation. The state's median hourly wage increased by 2.1 percent between 1979 and 2001. In contrast, the median national hourly wage increased by 4.9 percent between 1989 and 2001, and by 4.0 percent between 1979 and 2001. (Table 1)
- **Low-wage worker wages.** The hourly earnings of low-wage workers – workers at the 20th percentile – stayed essentially flat between 1989 and 2001, increasing just 0.4 percent. Low-wage workers' hourly earnings dropped by 4.4 percent between 1979 and 2001 after adjusting for inflation. In contrast, the hourly wages of workers at the 90th percentile rose by 18.7 percent between 1989 and 2001, and by 27.5 percent between 1979 and 2001. (Table 2)
- **Gender wage gap.** The wage gap between female and male workers narrowed between 1989 and 2001. However, the gap reached its narrowest point in 1996, when the median female worker

earned 86.6 percent of the wage earned by the median male worker. In 2001, the median female worker earned 80.9 percent of the wage earned by the median male worker. This trend is mirrored at the low end of the wage distribution. In 1996, the woman at the 20th percentile of the wage distribution earned 93.3 percent of the wage earned by the man at the 20th percentile. In 2001, the woman at the 20th percentile earned 84.2 percent of the wage earned by the man at the 20th percentile. These trends suggest that the entry of more women into the workforce associated with the 1996 federal welfare law may have slowed the wage gains of female workers during the late 1990s. (Table 3)

Wage growth by race and ethnicity. Inflation-adjusted hourly earnings of the typical white and Asian/other workers posted strong gains between 1989 and 2001, increasing 10.3 percent and 10.8 percent, respectively. Median hourly earnings of black workers were essentially flat, rising just 0.1 percent after adjusting for inflation. Hourly wages earned by the median Latino worker fell by 3.3 percent after adjusting for inflation between 1989 and 2001. The wage gap between the typical white worker and the typical black and Latino worker increased substantially between 1989 and 2001. In 1989, the typical black worker earned 81.2 percent of the wage earned by the typical white worker. In 2001, the typical black worker earned 73.7 percent of the wage earned by the typical white worker. In 1989, the typical Latino worker earned 60.0 percent of the wage earned by the typical white worker, while in 2001 the median Latino worker earned 52.6 percent of the median white worker wage. (Table 4)

Wage growth by education. The hourly wages of the typical worker with no more than a high school degree failed to keep pace with inflation between 1989 and 2001, while the growth in earnings of workers with at least some college exceeded inflation. After adjusting for inflation, the median hourly wage of workers with less than a high school degree dropped by 10.7 percent and the median wage of workers with a high school degree dropped by 5.5 percent. In contrast, the median earnings of workers with some college rose by 3.6 percent and the median earnings of workers with at least a bachelor's degree increased by 10.4 percent. (Table 5)

Hourly wages by industry. Wage gains also varied substantially by industry. Government workers' wages increased by 12.7 percent between 1989 and 2001, after adjusting for inflation, while the typical construction worker's hourly wage fell 10.3 percent and the wage of the typical worker in non-durable goods manufacturing fell by 9.3 percent during the same period. (Table 6)

Adequacy of wages. Nearly one out of ten 2001 California wage earners (9.1 percent) earned less than the full-time hourly wage equivalent needed to move a family of three out of poverty, up from 7.7 percent in 1989. A far greater share of the workforce fails to earn enough to purchase necessities. Two-thirds (67.8 percent) of California workers earn less than the amount needed by a single parent to support a family of three (\$20.89 per hour), and 38.6 percent earn less than the amount needed by a family of four supported by two full-time workers (\$12.51 per hour).¹ (Table 7)

Union wage premium. The typical union worker earned \$4.05 per hour more than her or his non-union counterpart in 2001 (\$18.55 as compared to \$14.50). However, the gap between union and non-union workers' wages has narrowed slightly over the past decade. In 1989, the typical union worker earned the equivalent of \$4.14 more per hour in inflation-adjusted dollars. (Table 8)

¹ These figures are based on the California Budget Project's basic family budget as described in *Making Ends Meet: How Much Does It Cost To Raise A Family In California?* (September 2001).

INCOMES: After dropping sharply during the early 1990s, the income of the typical California household surpassed the peak of the last economic expansion in 1999. However, California's income gains lagged the nation during the 1990s.

- **Median household income.** The income of the household at the midpoint of the California income distribution rose by 5.2 percent, from \$44,512 to \$46,808, between 1989 and 2000 in inflation-adjusted dollars. In contrast, the income of household at the midpoint of the national distribution rose by 8.1 percent over the same period. (Table 9)
- **Family income.** Some observers have suggested that California's sluggish income growth reflects differences in the composition of the state's households. However, a comparison of the median income of four-person families, a measure that considers household composition, shows a similar trend to that of household income. The median income of a four-person California family increased by 10.1 percent between 1989 and 2000 in inflation adjusted dollars, lower than the national increase of 13.8 percent. (Table 10)
- **Income inequality.** Incomes have also become more unequal over the past two decades, with much stronger gains at the top of the income distribution and decreases at the lower end, after adjusting for inflation. Census data show that between the late 1970s and late 1990s, the average income of the wealthiest 5 percent of the state's families increased by 50.4 percent. In contrast, the incomes of the poorest fifth of the state's families fell by 5.5 percent and the second-to-the-poorest fifth fell by 1.1 percent. (Table 11)
- **Tax data show widening inequality.** Data from state income tax returns for a more recent period, 1993 to 2000, paint a similar picture. The average income of taxpayers in the middle of the state's income distribution increased by 8.5 percent between 1993 and 2000, while the income of households in the top 5 percent more than doubled, increasing from \$245,653 to \$524,867. (Table 12)

HEALTH AND PENSION COVERAGE: Despite the strong economy of the late 1990s, employment based health coverage remained essentially flat. While pension coverage was higher in 2000 than a decade before, it has dropped since the early 1980s.

- **Job-based health coverage.** Only three-fifths (60.3 percent) of Californians under the age of 65 had job-based health coverage in 2000. Only 16.8 percent of Californians with incomes below the poverty line (\$18,022 for a family of four in 2001) had job-based coverage in 2001 as compared to 85.0 percent of those with incomes in excess of three times the poverty standard (\$54,066 for a family of four in 2001). (Tables 13 and 14)
- **Pension coverage.** The share of California workers with job-based pension coverage increased from 35.8 percent in the late 1980s to 41.2 percent in 1999-2001.² However, pension coverage has declined from 45.7 percent of workers in 1979-81. Over the past two decades, the share of female workers with pension coverage has stayed essentially flat, while the share of male workers with job-based pensions fell from 50.4 percent in the early 1980s to 42.8 percent in 1999-2001. Pension coverage dropped for white and Latino male workers, while slightly increasing for Asian/other and black male workers. Among female workers, pension coverage increased for white, black, and Asian/other workers, while dropping substantially, from 33.3 percent to 25.4, percent for Latina women. (Table 15)

² Pension coverage statistics are derived from pooled data for 1979-81, 1988-90, and 1999-2001.

HOURS OF WORK: California's families are working longer hours to help make ends meet.

- **Married couple average hours of work.** California's married couple families worked, on average, ten weeks longer each year in the late 1990s than they did in the late 1970s and almost five weeks more than they did in the late 1980s. The additional work effort for California couples was slightly lower than that for the nation, but still substantial. (Table 16)
- **Average hours of work by income.** While higher income couples worked more hours during the late 1990s, the increase in work effort over the past two decades is larger for poorer families. The poorest fifth of California's married couple families worked the equivalent of nearly ten additional weeks – 378 hours per year – more in the late 1990s than they did in the late 1970s. The top fifth of married-couple families worked the equivalent of slightly more than four additional weeks – 165 additional hours – in the late 1990s than they did in the late 1970s. (Table 16)
- **Single parent family average hours of work.** Single parent families worked, on average, the equivalent of 7.6 additional weeks of full-time work in the late 1990s as compared to the late 1970s, with most of the increase, 6.1 weeks, occurring during the 1990s. (Table 17)

EMPLOYMENT: California's rate of job growth exceeded that of the nation during the late 1990s, however many of the new jobs are low-wage jobs that do not pay enough to support a family.

- **Employment change by industry.** Durable goods manufacturing has suffered the brunt of the state's job loss during the recent recession, losing 123,200 jobs between January 2001 and July 2002. This sector is also one of the state's most highly compensated, with an average annual pay of \$68,017 in 2000. Employment in retail trade industries, with an average annual pay of \$21,915, has continued to expand during the recession, adding 37,500 jobs between January 2001 and July 2002. (Table 18)
- **Job growth by wage.** Over a quarter of the jobs that forecasters project will be created between 1998 and 2008 will be in occupations that pay the typical worker, the worker at the midpoint of the wage distribution for that occupation, \$10 an hour or less, equivalent to no more than \$20,800 for full-time work. Half (49.2 percent) of the state's projected job growth will be in occupations paying \$15 per hour or less, the equivalent of no more than \$31,200 per year for full-time work. (Table 19)
- **Job growth by education and training requirements.** Many of the anticipated positions require relatively little training or education. Nearly half (46.4 percent) of the projected job growth between 1998 and 2008 is in occupations that require no more than short to moderate on-the-job training. (Table 20)

UNEMPLOYMENT: The state's unemployment rate has lingered above 6 percent for the first half of 2002. The last year this occurred was 1997. The share of the unemployed that have been jobless for more than six months is on the rise, pointing to continued weakness in the job market.

- **Duration of unemployment.** One measure of the strength or weakness of the labor market is how quickly unemployed workers find a new job. The share of California's jobless who have been unemployed for 27 weeks or longer risen since September 2001. In July 2002, one out of six unem-

ployed workers (16.9 percent) had been unemployed for 27 weeks or more. The share that have been unemployed for less than five weeks declined from 45.3 percent in July 2001 to 36.9 percent in July 2002. Longer periods of joblessness impose hardships and place families at risk of long-term financial difficulties. (Table 21)

- **Profile of the unemployed.** Youth, blacks, and Latinos are the Californians most likely to be unemployed. In July 2002, 18.1 percent of young (ages 16 to 19) workers, 10.7 percent of blacks, and 7.5 percent of Latinos were unemployed. Unemployment among white workers, in contrast, was 5.8 percent. Unemployment has increased most substantially among young and black workers. Black unemployment increased from 7.7 percent to 10.7 percent between July 2001 and July 2002. Youth unemployment increased from 15.4 to 18.1 percent. The increase in Latino unemployment (0.8 percentage points) was actually lower than the increase for the labor force as a whole (1.5 percentage points) over the same period. (Table 22)

LATINOS: By almost all measures, the economic gains of Latinos lagged those of other Californians over the past decade. The hourly earnings of the typical Latino worker declined, after adjusting for inflation, between 1989 and 2001.

- **Hourly wages.** The hourly wage of the Latino worker at the midpoint of the earnings distribution fell by 3.3 percent after adjusting for inflation between 1989 and 2001. In contrast, the median hourly wage for all California workers increased by 1.4 percent. (Table 23)
- **Returns to education.** Latino wage gains trailed those of other California workers with comparable educational attainment. The hourly wage of the median Latino worker with at least a bachelor's degree rose by just 2.0 percent between 1989 and 2001, as compared to a 10.4 percent increase for all workers with at least a bachelor's degree, an 11.0 percent increase for white workers, and a 25.7 percent increase for Asian/other workers. The inflation-adjusted wages for the typical Latino worker with no more than a high school degree declined. (Table 23)

MINIMUM WAGE WORKERS: Contrary to popular perception, the overwhelming majority of California's lowest-wage workers are adults. Over 1.5 million Californians worked at or near the minimum wage in 2001.

- Eight out of ten (79.9 percent) Californians who earned at or near the minimum wage (\$6.25 to \$7.25 per hour) in 2001 were adults. Over half (55.4 percent) were women and over half (52.7 percent) were Latino. The retail trade sector employed 40.4 percent of the workers at or near the minimum wage, while 11.4 percent worked in manufacturing sector and 29.2 percent worked in service industries. (Table 24)

WORKING BUT POOR: Nearly two million Californians, including over a million children, live in families that are working, but poor (families with incomes below the federal poverty level). Nearly two-thirds of California's poor families with children have significant work effort.

- **Who are the working poor?** A majority (58 percent) of working poor families are two-parent families. Nearly half of working poor families with children have at least one full-time worker, but still earn less than the federal poverty threshold. Sixty percent of California's working poor families are Latino, 21 percent are white, 11 percent are Asian, and 8 percent are black. (Table 25)

IMPACT OF WELFARE REFORM ON WOMEN'S WAGES: *While the wage gap narrowed between low-wage female and male workers during the early 1990s, it widened during the latter part of the decade. The timing of this slowdown suggests that the influx of women into the low-wage workforce associated with the passage of welfare reform in 1996 may have exerted downward pressure on women's earnings.*

- The wage gap, as measured by female wages as a percentage of male wages, between low-wage female and male workers – workers at the 20th percentile for their gender – narrowed from 78.7 percent in 1989 to 93.3 percent in 1996. Beginning in 1997, the first year after the passage of federal welfare reform, the gap began to widen and by 2001, low-wage female workers earned just 84.2 percent of the hourly wages of their male counterparts. (Tables 3 and 26)

LOS ANGELES COUNTY: *Wage gains in Los Angeles County were lower than those of the state for all population groups, and wages lagged inflation for workers further up the earnings distribution as compared to workers in the state as a whole.*

- **Hourly wages.** Hourly wages of Los Angeles County workers through the 80th percentile declined between 1989 and 2001, after adjusting for inflation. In contrast, for the state as a whole, hourly earnings of the lowest waged workers, those at the 10th and 20th percentile, increased between 1989 and 2001, while those of workers at the 30th and 40th percentile fell. (Table 27)
- **Hourly wages by race/ethnicity and gender.** The deterioration of the purchasing power of Los Angeles County workers was broad based between 1989 and 2001. White workers' wage gains exceeded inflation across the earnings distribution, while the hourly wages of low-wage (20th percentile) workers and of median black and Latino workers declined. Male workers' wages declined, with the largest drop occurring in the hourly earnings of low-wage (20th percentile) male wages. (Table 27)
- **Hourly wages by education.** The median hourly wage declined between 1989 and 2001 for the typical worker with less than a bachelor's degree in Los Angeles County. The purchasing power of the typical worker with only a high school degree fell by 8.2 percent between 1989 and 2001 and rose by just 2.6 percent during the expansion that occurred between 1995 and 2001. Los Angeles County wage gains were weak even among workers with a bachelor's degree or higher. The median hourly wage for a worker with at least a bachelor's degree rose by just 3.5 percent between 1989 and 2001. (Table 28)
- **Wage adequacy.** One in eight workers (12.9 percent) in Los Angeles County earned less than the full-time hourly wage equivalent needed to move a family of three out of poverty in 2001. Nearly three-quarters (73.0 percent) earned less than the amount needed by a single parent to support a family of three (\$20.60 per hour).³ A greater share of workers earned poverty-level wages in 2001 than in 1989. (Table 31)

³ These figures are based on the California Budget Project's basic family budget as described in *Making Ends Meet: How Much Does It Cost To Raise A Family In California?* (September 2001).

BAY AREA: Wages in the Bay Area outperformed those of the state as a whole between 1989 and 2001. However, the Bay Area has suffered the brunt of the recent downturn. Seven of the ten counties with the largest increase in unemployment rates between 2000 and July 2002 are in the Bay Area. This suggests that it will be difficult for the region to sustain the wage growth of the 1990s.

- **Hourly wages.** The median hourly wages for Bay Area workers increased by 10.3 percent between 1989 and 2001, after adjusting for inflation, as compared to a 1.4 percent increase for the state as a whole.⁴ Bay Area wage gains were particularly large among high-wage earners. Hourly earnings increased 20.6 percent for workers at the 80th percentile of the wage distribution between 1989 and 2001. (Table 29)
- **Hourly wages by race/ethnicity and gender.** The hourly wages of the typical white and Asian/other worker increased between 1989 and 2001, after adjusting for inflation; those of the typical black and Latino worker declined. Wage gains for the typical female worker outstripped those for the male workers between 1989 and 2001, but male wage gains surpassed those of female workers during the last half of the decade. (Table 29)
- **Hourly wages by education.** Inflation adjusted hourly wages increased for the typical worker with at least a high school degree between 1989 and 2001 and for low-wage (20th percentile) workers with less than a high school degree. The largest gains went to workers with a bachelor's degree or higher, particularly those at the top end of the wage distribution. The hourly wage for the 80th percentile worker with a bachelor's degree or higher increased by 50.3 percent between 1995 and 2001, after adjusting for inflation. (Table 30)
- **Wage adequacy.** Fewer than one in 20 workers (4.1 percent) in Bay Area counties earned less than the full-time hourly wage equivalent needed to move a family of three out of poverty in 2001. However, seven in ten workers (69.3 percent) earned less than the amount needed by a single parent to support a family of three (\$25.99 per hour).⁵ Thus, despite a substantially lower share of Bay Area workers who earn poverty-level wages, the percentage of Bay Area workers earning below the level needed to support a family of three is only somewhat smaller than the corresponding percentage for Los Angeles workers. This is due in part to the higher cost of living in the Bay Area. (Table 31)

⁴ The Bay Area region includes Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma counties.

⁵ These figures are based on the California Budget Project's basic family budget as described in *Making Ends Meet: How Much Does It Cost To Raise A Family In California?* (September 2001).

TABLES

Table 1: Median Hourly Wage
(2001 Dollars)

<u>Year</u>	<u>US</u>	<u>California</u>
1979	\$13.56	\$15.07
1989	\$13.44	\$15.16
1990	\$13.13	\$14.92
1991	\$12.67	\$15.21
1992	\$12.98	\$15.02
1993	\$13.26	\$15.08
1994	\$13.00	\$14.44
1995	\$12.98	\$14.42
1996	\$12.96	\$14.27
1997	\$13.20	\$14.28
1998	\$13.56	\$14.60
1999	\$13.81	\$14.87
2000	\$13.88	\$15.42
2001	\$14.10	\$15.38
<u>Percent Change</u>		
1979 to 1989	-0.8%	0.6%
1989 to 1995	-3.5%	-4.9%
1995 to 2001	8.7%	6.7%
1989 to 2001	4.9%	1.4%
1979 to 2001	4.0%	2.1%

Source: CBP analysis of Current Population Survey data

Table 2: Hourly Wage By Percentile
(2001 Dollars)

<u>Year</u>	<u>10</u>	<u>20</u>	<u>30</u>	<u>40</u>	<u>50</u>	<u>60</u>	<u>70</u>	<u>80</u>	<u>90</u>
1979	\$7.59	\$9.41	\$11.30	\$13.15	\$15.06	\$17.04	\$19.77	\$22.59	\$28.24
1989	\$6.89	\$8.96	\$11.03	\$13.10	\$15.16	\$17.23	\$20.68	\$24.13	\$30.33
1990	\$6.70	\$8.92	\$10.82	\$13.13	\$14.92	\$17.24	\$19.86	\$24.24	\$30.31
1991	\$6.79	\$8.87	\$10.86	\$12.67	\$15.21	\$17.53	\$20.28	\$24.37	\$31.69
1992	\$6.80	\$8.72	\$10.82	\$12.62	\$15.02	\$17.39	\$20.17	\$24.73	\$30.91
1993	\$6.70	\$8.75	\$10.86	\$12.55	\$15.08	\$17.43	\$20.30	\$24.13	\$30.16
1994	\$6.50	\$8.27	\$10.48	\$12.29	\$14.44	\$17.04	\$20.09	\$24.26	\$31.24
1995	\$6.06	\$8.07	\$10.09	\$11.98	\$14.42	\$17.24	\$19.96	\$24.03	\$30.28
1996	\$6.18	\$8.09	\$10.11	\$12.08	\$14.27	\$16.85	\$19.66	\$23.59	\$30.33
1997	\$6.34	\$7.81	\$9.90	\$12.02	\$14.28	\$16.50	\$19.80	\$24.20	\$30.64
1998	\$6.51	\$8.26	\$10.30	\$12.20	\$14.60	\$17.35	\$20.34	\$25.03	\$32.32
1999	\$6.54	\$8.50	\$10.62	\$12.75	\$14.87	\$17.65	\$20.73	\$25.53	\$33.19
2000	\$6.68	\$8.43	\$10.28	\$12.65	\$15.42	\$17.79	\$21.33	\$25.70	\$34.34
2001	\$7.00	\$9.00	\$10.55	\$13.00	\$15.38	\$18.27	\$21.78	\$26.44	\$36.00
<u>Percent Change</u>									
1989 to 1995	-12.1%	-9.9%	-8.5%	-8.5%	-4.9%	0.0%	-3.5%	-0.4%	-0.2%
1995 to 2001	15.6%	11.5%	4.5%	8.5%	6.7%	6.0%	9.1%	10.0%	18.9%
1989 to 2001	1.6%	0.4%	-4.3%	-0.7%	1.4%	6.0%	5.3%	9.6%	18.7%
2000 to 2001	4.8%	6.7%	2.6%	2.8%	-0.2%	2.7%	2.1%	2.9%	4.8%
1979 to 2001	-7.8%	-4.4%	-6.6%	-1.1%	2.1%	7.2%	10.2%	17.0%	27.5%

Source: CBP analysis of Current Population Survey data

Table 3: Hourly Wage By Gender
(2001 Dollars)

<u>Year</u>	<u>Women</u>			<u>Men</u>			<u>Women's Wages As A Percentage Of Men's Wages</u>		
	<u>20th Percentile</u>	<u>Median</u>	<u>80th Percentile</u>	<u>20th Percentile</u>	<u>Median</u>	<u>80th Percentile</u>	<u>20th Percentile</u>	<u>Median</u>	<u>80th Percentile</u>
1989	\$8.13	\$13.10	\$20.40	\$10.34	\$17.23	\$27.57	78.7%	76.0%	74.0%
1990	\$7.95	\$13.13	\$19.70	\$9.85	\$17.07	\$26.53	80.7%	76.9%	74.3%
1991	\$8.24	\$12.81	\$20.60	\$9.51	\$17.11	\$26.82	86.7%	74.9%	76.8%
1992	\$8.25	\$13.49	\$21.33	\$9.58	\$16.69	\$26.71	86.1%	80.8%	79.9%
1993	\$8.14	\$13.27	\$20.87	\$9.65	\$16.80	\$27.12	84.4%	79.0%	77.0%
1994	\$8.27	\$13.29	\$21.27	\$8.86	\$16.07	\$27.17	93.3%	82.7%	78.3%
1995	\$7.73	\$12.98	\$21.07	\$8.36	\$16.15	\$26.61	92.4%	80.4%	79.2%
1996	\$7.86	\$13.48	\$21.34	\$8.42	\$15.56	\$25.93	93.3%	86.6%	82.3%
1997	\$7.50	\$12.98	\$21.68	\$8.25	\$15.53	\$26.11	90.9%	83.6%	83.0%
1998	\$7.59	\$13.01	\$21.90	\$8.68	\$16.27	\$27.11	87.5%	80.0%	80.8%
1999	\$7.70	\$13.33	\$22.74	\$9.03	\$15.93	\$27.62	85.3%	83.7%	82.3%
2000	\$8.04	\$13.36	\$23.13	\$9.25	\$17.14	\$28.96	86.9%	78.0%	79.9%
2001	\$8.08	\$14.00	\$23.60	\$9.60	\$17.30	\$29.78	84.2%	80.9%	79.2%

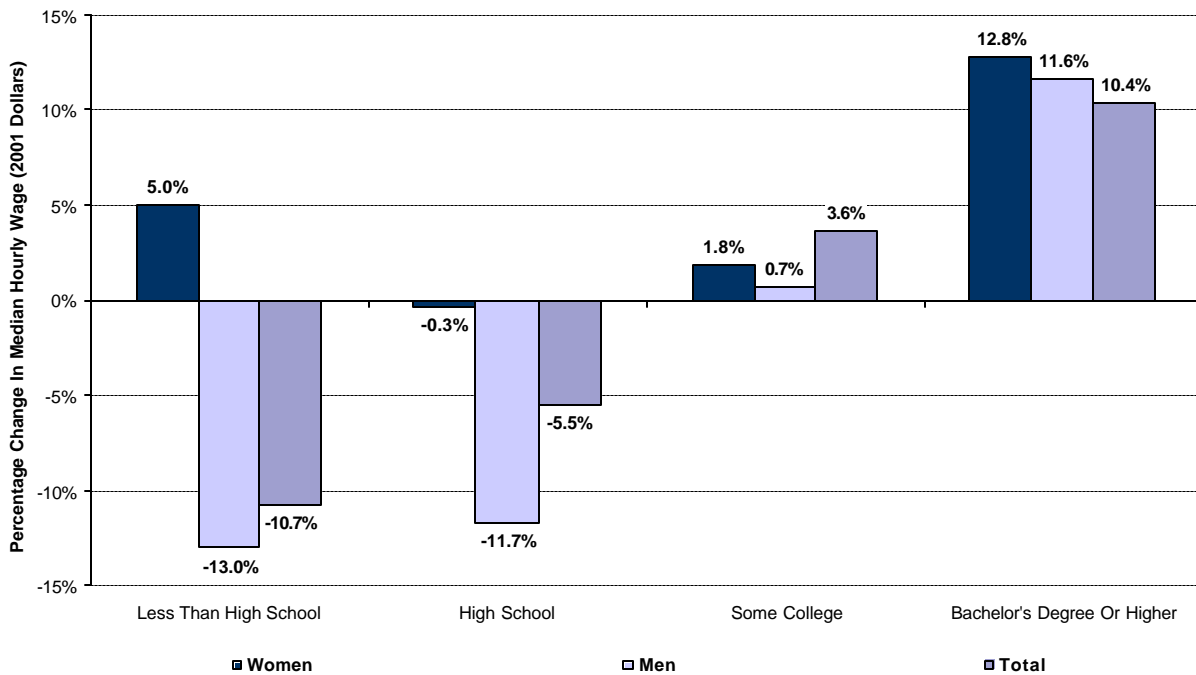
Source: CBP analysis of Current Population Survey data

Table 4: Median Hourly Wage By Race And Ethnicity
(2001 Dollars)

<u>Year</u>	<u>Total</u>	<u>White</u>	<u>Black</u>	<u>Latino</u>	<u>Asian And Other</u>
1989	\$15.16	\$17.23	\$13.99	\$10.34	\$14.43
1990	\$14.92	\$17.07	\$14.45	\$10.51	\$14.59
1991	\$15.21	\$17.11	\$15.21	\$10.14	\$13.94
1992	\$15.02	\$17.31	\$14.84	\$10.32	\$13.91
1993	\$15.08	\$17.37	\$14.48	\$10.25	\$14.48
1994	\$14.44	\$17.04	\$14.58	\$9.45	\$14.99
1995	\$14.42	\$17.30	\$14.42	\$9.23	\$14.42
1996	\$14.27	\$17.25	\$14.27	\$9.55	\$14.23
1997	\$14.28	\$17.03	\$13.20	\$9.35	\$14.80
1998	\$14.60	\$17.62	\$14.60	\$9.76	\$14.10
1999	\$14.87	\$18.06	\$14.52	\$10.09	\$15.77
2000	\$15.42	\$17.79	\$14.12	\$10.28	\$16.53
2001	\$15.38	\$19.00	\$14.00	\$10.00	\$16.00

Source: CBP analysis of Current Population Survey data

Table 5: Change In Median Hourly Wage By Gender And Education Level, 1989 To 2001



Source: CBP analysis of Current Population Survey data

Table 6: Median Hourly Wage By Industry
(2001 Dollars)

	<u>1989</u>	<u>2001</u>	<u>Percent Change</u>
All Industries	\$15.16	\$15.38	1.4%
Agriculture	\$7.58	\$7.50	-1.1%
Manufacturing (Non-Durable Goods)	\$13.79	\$12.50	-9.3%
Manufacturing (Durable Goods)	\$17.23	\$17.50	1.6%
Construction	\$18.96	\$17.00	-10.3%
Services	\$14.69	\$16.00	8.9%
Wholesale Trade	\$15.51	\$16.00	3.2%
Retail Trade	\$10.34	\$10.00	-3.3%
Finance, Insurance, and Real Estate	\$15.91	\$17.78	11.7%
Transportation and Public Utilities	\$17.55	\$18.31	4.4%
Government	\$17.92	\$20.19	12.7%

Source: CBP analysis of Current Population Survey data

Table 7: Percentage Of Workers With Low Hourly Wages

	<u>Below Poverty Threshold (Family of Three)</u>	<u>Below Poverty Threshold (Family of Four)</u>	<u>Below CBP Basic Family Budget (Family of Three)</u>	<u>Below Half of CBP Basic Family Budget (Family of Three)</u>	<u>Below CBP Basic Family Budget (Family of Four)</u>
1989					
Total	7.7%	17.9%	72.6%	27.7%	38.2%
Women	10.2%	22.9%	82.7%	35.0%	48.1%
Men	5.6%	13.6%	64.1%	21.5%	29.9%
2001					
Total	9.1%	18.7%	67.8%	29.3%	38.6%
Women	11.5%	22.0%	75.0%	33.8%	44.1%
Men	7.1%	15.9%	61.6%	25.5%	33.9%

Notes: Poverty threshold hourly wage equivalent for a family of three (one adult and two children): \$4.80 (1989), \$6.86 (2001). Poverty threshold hourly wage equivalent for a family of four (two adults and two children): \$6.05 (1989), \$8.63 (2001). CBP basic family budget hourly wage equivalent for a family of three (one adult and two children): \$15.15 (1989), \$20.89 (2001). CBP basic family budget hourly wage equivalent for a family of four (two working adults and two children): \$9.07 (1989), \$12.51 (2001). The basic family budget wages are from the CBP publication *Making Ends Meet: How Much Does It Cost To Raise A Family In California?* (September 2001).

Source: CBP analysis of Current Population Survey data

Table 8: Hourly Wages By Union Coverage
(2001 Dollars)

<u>Percentile</u>	<u>1989</u>			<u>2001</u>		
	<u>Non-Union</u>	<u>Union</u>	<u>Union/Non-Union Gap</u>	<u>Non-Union</u>	<u>Union</u>	<u>Union/Non-Union Gap</u>
20th Percentile	\$8.27	\$12.41	\$4.14	\$8.24	\$11.70	\$3.46
Median	\$13.79	\$17.92	\$4.14	\$14.50	\$18.55	\$4.05
80th Percentile	\$23.44	\$25.85	\$2.41	\$26.29	\$27.69	\$1.40

Source: CBP analysis of Current Population Survey data

Table 9: Median Household Income
(2000 Dollars)

	<u>1989</u>	<u>1993</u>	<u>1999</u>	<u>2000</u>	<u>Percent Change</u>		
					<u>1989 to 1993</u>	<u>1993 to 2000</u>	<u>1989 to 2000</u>
California	\$44,512	\$40,077	\$45,213	\$46,808	-10.0%	16.8%	5.2%
US	\$38,979	\$36,746	\$42,187	\$42,151	-5.7%	14.7%	8.1%

Source: US Census Bureau

Table 10: Four-Person Median Family Income
(2000 Dollars)

	<u>1979</u>	<u>1989</u>	<u>2000</u>	<u>Percent Change</u>		<u>Annual Growth Rate</u>		
				<u>1989-2000</u>	<u>1979-2000</u>	<u>1979-1989</u>	<u>1989-2000</u>	<u>1979-2000</u>
California	\$55,179	\$57,420	\$63,206	10.1%	14.5%	0.4%	0.9%	0.6%
Florida	\$45,615	\$50,159	\$55,351	10.4%	21.3%	0.9%	0.9%	0.9%
Georgia	\$47,420	\$53,673	\$59,489	10.8%	25.5%	1.2%	0.9%	1.1%
Illinois	\$53,325	\$57,146	\$68,117	19.2%	27.7%	0.7%	1.6%	1.2%
Michigan	\$53,670	\$57,436	\$68,740	19.7%	28.1%	0.7%	1.6%	1.2%
New Jersey	\$54,149	\$71,389	\$78,560	10.0%	45.1%	2.8%	0.9%	1.8%
New York	\$46,330	\$58,600	\$64,520	10.1%	39.3%	2.3%	0.9%	1.6%
North Carolina	\$43,178	\$51,056	\$57,203	12.0%	32.5%	1.7%	1.0%	1.3%
Ohio	\$49,507	\$55,617	\$62,251	11.9%	25.7%	1.2%	1.0%	1.1%
Pennsylvania	\$49,037	\$54,189	\$65,411	20.7%	33.4%	1.0%	1.7%	1.4%
Texas	\$51,459	\$46,912	\$53,513	14.1%	4.0%	-0.9%	1.2%	0.2%
US	\$49,215	\$54,670	\$62,228	13.8%	26.4%	1.1%	1.2%	1.1%

Source: CBP analysis of US Census Bureau data

Table 11: Average Family Income By Income Group
(1999 Dollars)

	<u>1978-80</u>	<u>1988-90</u>	<u>1998-00</u>	<u>Percent Change</u>		
				<u>Late 1970s to Late 1980s</u>	<u>Late 1980s to Late 1990s</u>	<u>Late 1970s to Late 1990s</u>
California						
Poorest Fifth	\$14,865	\$13,789	\$14,053	-7.2%	1.9%	-5.5%
Second Fifth	\$31,166	\$31,233	\$30,815	0.2%	-1.3%	-1.1%
Middle Fifth	\$46,802	\$48,833	\$50,435	4.3%	3.3%	7.8%
Fourth Fifth	\$64,754	\$70,939	\$76,612	9.6%	8.0%	18.3%
Top Fifth	\$112,303	\$135,450	\$154,304	20.6%	13.9%	37.4%
Top 5 Percent	\$165,741	\$214,361	\$249,234	29.3%	16.3%	50.4%
US						
Poorest Fifth	\$13,646	\$13,018	\$14,618	-4.6%	12.3%	7.1%
Second Fifth	\$29,339	\$30,023	\$32,721	2.3%	9.0%	11.5%
Middle Fifth	\$43,529	\$46,229	\$51,164	6.2%	10.7%	17.5%
Fourth Fifth	\$59,593	\$65,909	\$74,573	10.6%	13.1%	25.1%
Top Fifth	\$101,361	\$120,869	\$145,985	19.2%	20.8%	44.0%
Top 5 Percent	\$150,200	\$188,763	\$237,979	25.7%	26.1%	58.4%

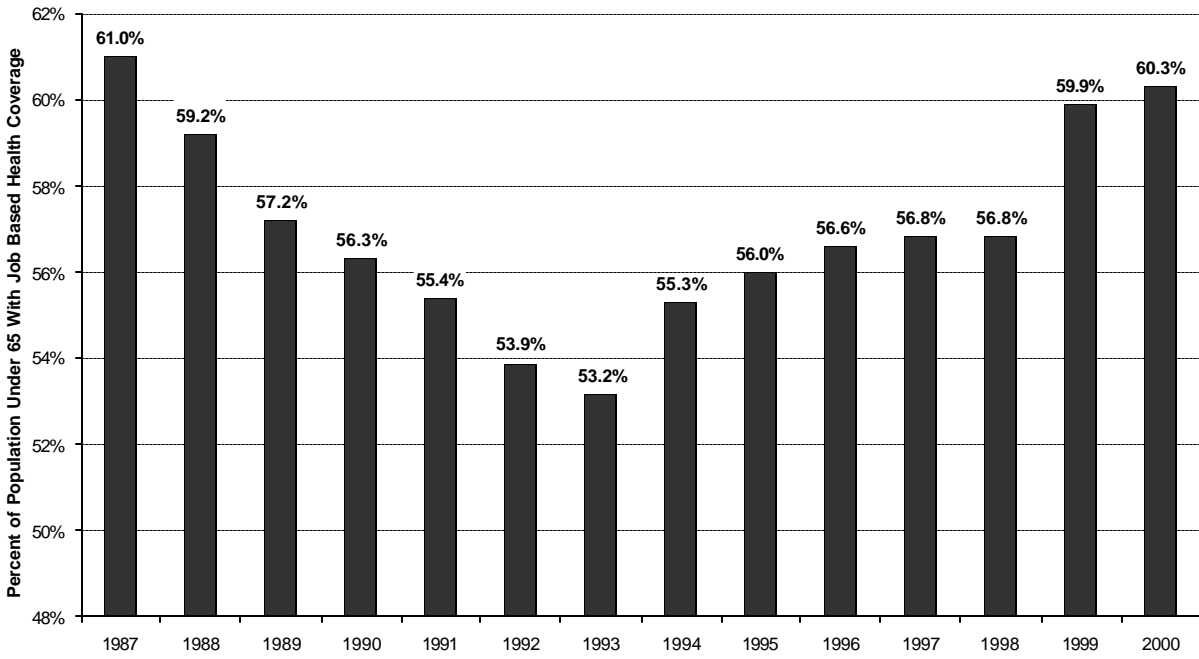
Source: Economic Policy Institute and Center on Budget and Policy Priorities analysis of Current Population Survey data; CBP calculations

Table 12: Change In Average Income, 1993 To 2000
(2000 Dollars)

<u>Income Group</u>	<u>Adjusted Gross Income Per Tax Return</u>		<u>Percent Change 1993 to 2000</u>
	<u>1993</u>	<u>2000</u>	
Bottom Fifth	\$5,738	\$6,462	12.6%
Second Fifth	\$16,036	\$17,518	9.2%
Middle Fifth	\$28,873	\$31,323	8.5%
Fourth Fifth	\$48,657	\$53,088	9.1%
Top Fifth	\$122,826	\$205,204	67.1%
Top 10 Percent	\$172,503	\$334,908	94.1%
Top 5 Percent	\$245,653	\$524,867	113.7%
Top 1 Percent	\$612,848	\$1,722,795	181.1%
All	\$44,426	\$62,701	41.1%

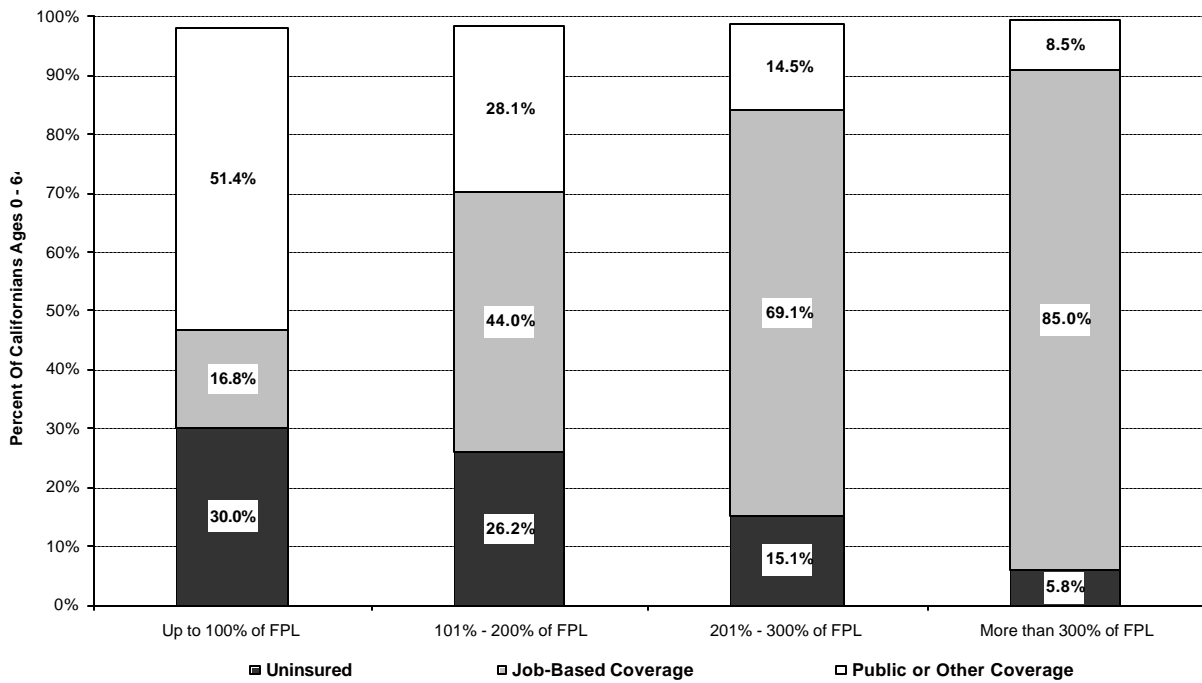
Source: Franchise Tax Board

Table 13: Share Of Californians With Job-Based Health Coverage



Source: US Census Bureau. A change in the survey methodology increased the reported percentage of employment-based coverage in 1999. Data for 1999 and 2000 are not strictly comparable with prior years.

Table 14: Health Coverage By Income Level, 2001



Source: UCLA Center for Health Policy Research

Table 15: Share Of Workers With Employer-Provided Pension Coverage

<u>Gender</u>	<u>Race/Ethnicity</u>	<u>1979-81</u>	<u>1988-90</u>	<u>1999-2001</u>	<u>Percentage Point Change 1979-81 to 1999-2001</u>
All	All	45.7%	35.8%	41.2%	-4.5%
	White	48.4%	40.8%	49.7%	1.3%
	Black	46.2%	39.1%	49.9%	3.7%
	Latino	35.5%	22.6%	24.6%	-10.9%
	Asian/Other	42.5%	37.0%	44.5%	2.0%
Female	All	39.2%	33.4%	39.2%	0.1%
	White	39.8%	35.7%	45.1%	5.2%
	Black	43.7%	36.1%	47.0%	3.4%
	Latino	33.3%	25.0%	25.4%	-7.9%
	Asian/Other	39.8%	33.4%	41.7%	1.9%
Male	All	50.4%	37.5%	42.8%	-7.6%
	White	54.5%	44.7%	53.3%	-1.2%
	Black	48.4%	41.8%	52.4%	3.9%
	Latino	36.8%	21.5%	24.1%	-12.7%
	Asian/Other	44.7%	40.1%	47.2%	2.5%

Source: Economic Policy Institute analysis of Current Population Survey data

Table 16: Average Annual Hours Worked By Income Quintile, Married Couple Families With Children

	<u>All Married Couple Families</u>	<u>First Fifth</u>	<u>Second Fifth</u>	<u>Third Fifth</u>	<u>Fourth Fifth</u>	<u>Top Fifth</u>
California						
1979-81	3,190	1,971	2,864	3,257	3,763	4,095
1988-90	3,402	2,167	3,207	3,484	3,945	4,203
1998-00	3,593	2,348	3,482	3,772	4,099	4,260
Change, Late 1980s to Late 1990s	191	182	275	288	153	57
Change, Late 1970s to Late 1990s	403	378	618	515	336	165
US						
1979-81	3,274	2,269	2,922	3,284	3,678	4,208
1988-90	3,510	2,489	3,236	3,599	3,971	4,248
1998-00	3,706	2,668	3,537	3,872	4,157	4,285
Change, Late 1980s to Late 1990s	196	179	301	273	186	37
Change, Late 1970s to Late 1990s	432	399	614	589	479	77

Source: Economic Policy Institute analysis of Current Population Survey data

Table 17: Average Annual Hours Worked, Single Parent Families With Children

	<u>1979-81</u>	<u>1988-90</u>	<u>1998-00</u>	<u>Change</u>		
				<u>Late 1970s To Late 1980s</u>	<u>Late 1980s To Late 1990s</u>	<u>Late 1970s To Late 1990s</u>
California	1,679	1,740	1,983	60	243	304
US	1,640	1,719	2,007	79	288	367

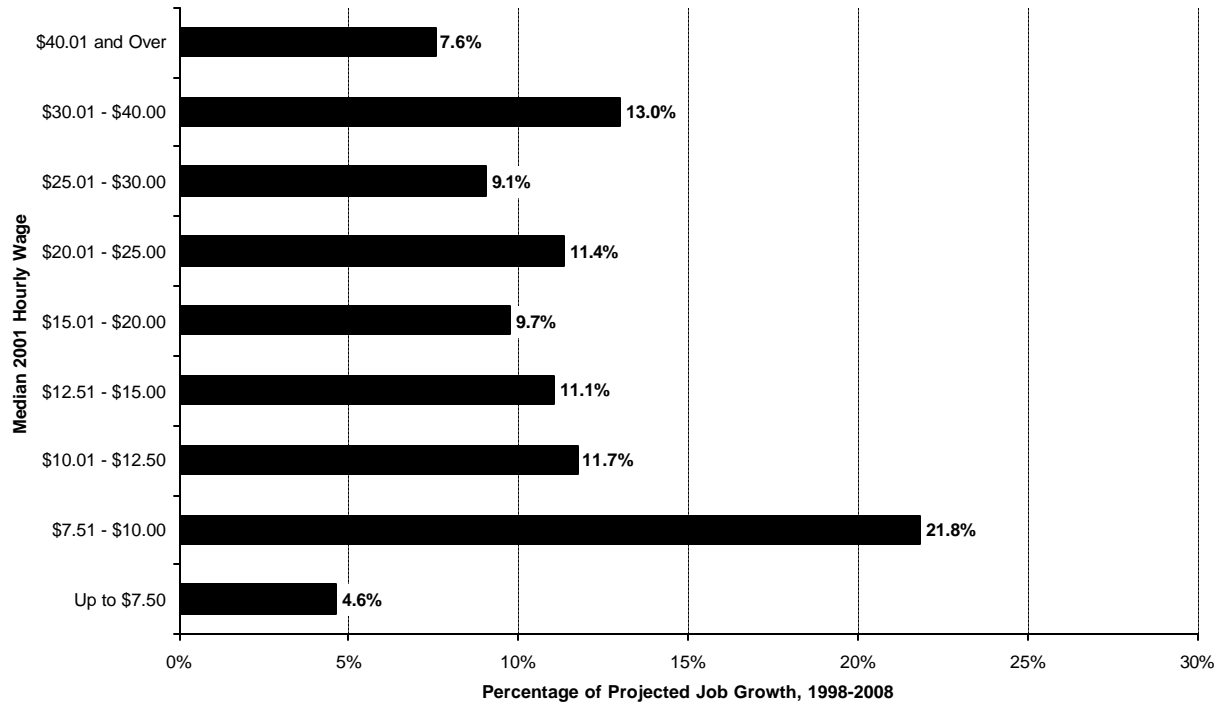
Source: Economic Policy Institute analysis of Current Population Survey data

Table 18: Change in Employment By Industry

	<u>January 2001</u>	<u>July 2002</u>	<u>Change</u>	<u>Percent Change</u>	<u>Average Pay, 2000</u>
Total Nonfarm Employment	14,729,400	14,666,400	-63,000	-0.4%	\$41,182
Mining	23,900	23,400	-500	-2.1%	\$65,095
Construction	756,800	757,300	500	0.1%	\$40,360
Manufacturing	1,971,200	1,814,000	-157,200	-8.0%	\$57,695
Durable Goods	1,247,500	1,124,300	-123,200	-9.9%	\$68,017
Nondurable Goods	723,700	689,700	-34,000	-4.7%	\$40,182
Transportation and Public Utilities	757,700	721,000	-36,700	-4.8%	\$47,278
Wholesale Trade	814,100	811,700	-2,400	-0.3%	\$48,935
Retail Trade	2,518,300	2,555,800	37,500	1.5%	\$21,915
Finance, Insurance and Real Estate	831,700	844,300	12,600	1.5%	\$60,163
Services	4,711,400	4,671,100	-40,300	-0.9%	\$41,372
Federal Government	256,700	256,900	200	0.1%	\$47,670
State Government	453,300	472,900	19,600	4.3%	\$45,685
Local Government	1,634,300	1,738,000	103,700	6.3%	\$38,975

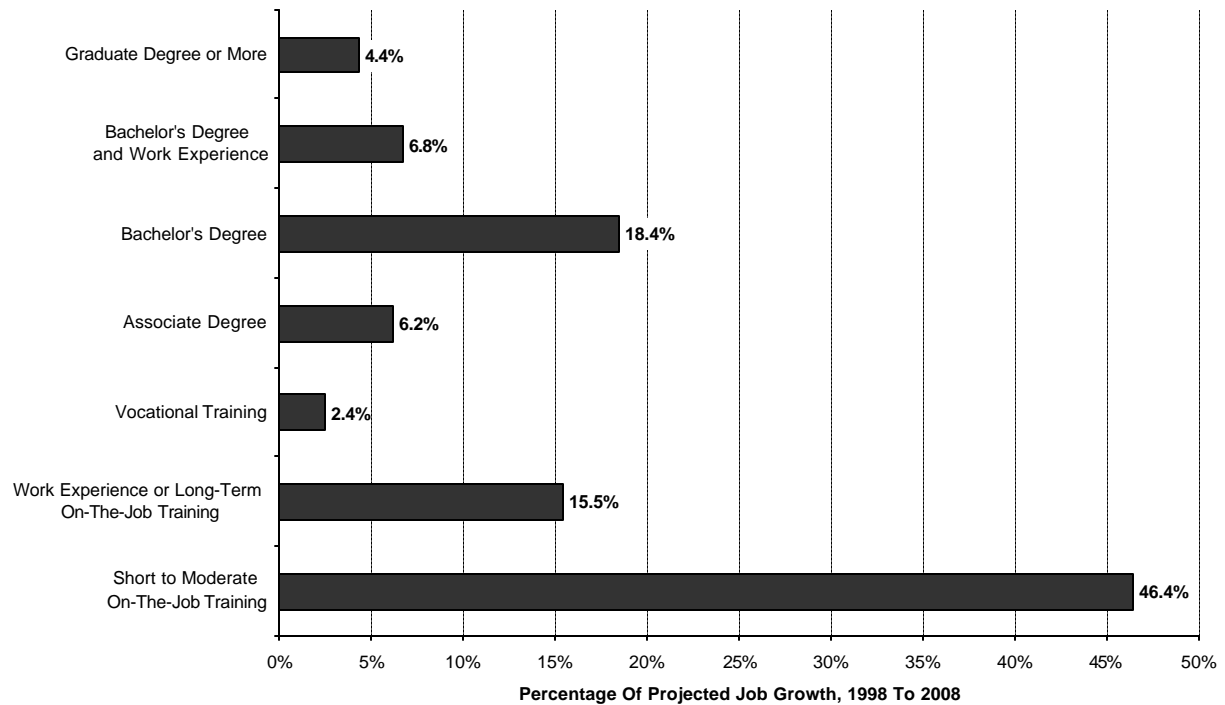
Source: Employment Development Department

Table 19: Job Growth By Occupational Wage



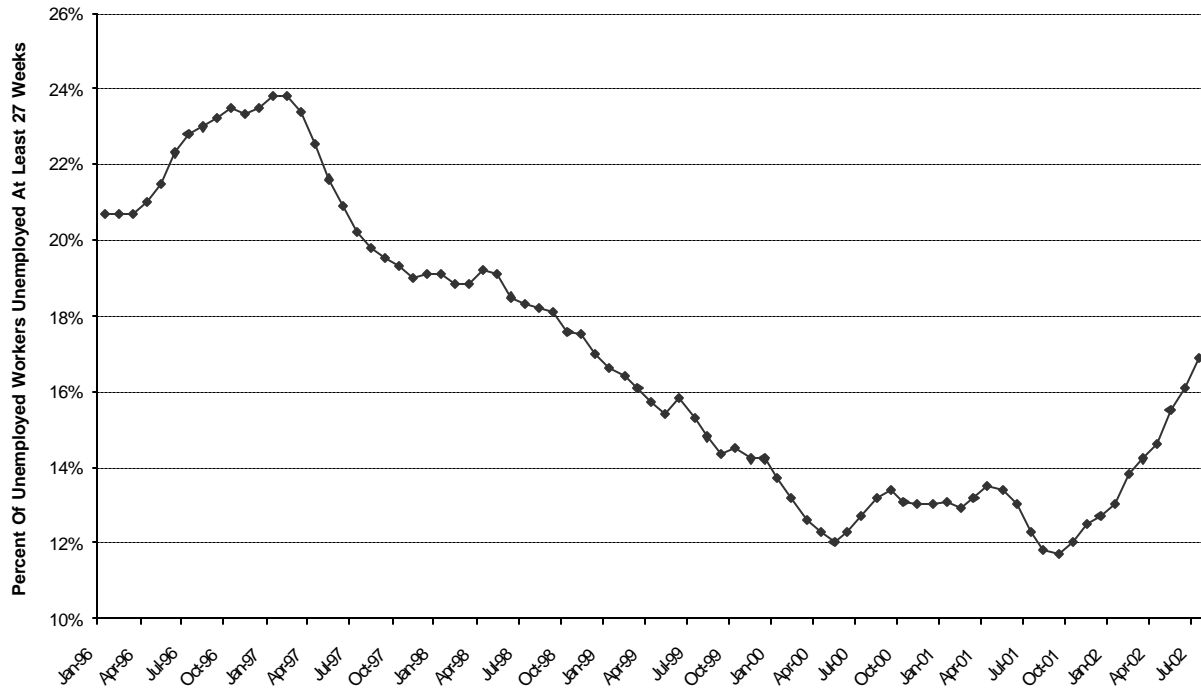
Source: CBP analysis of Employment Development Department data

Table 20: Job Growth By Education And Training Requirements



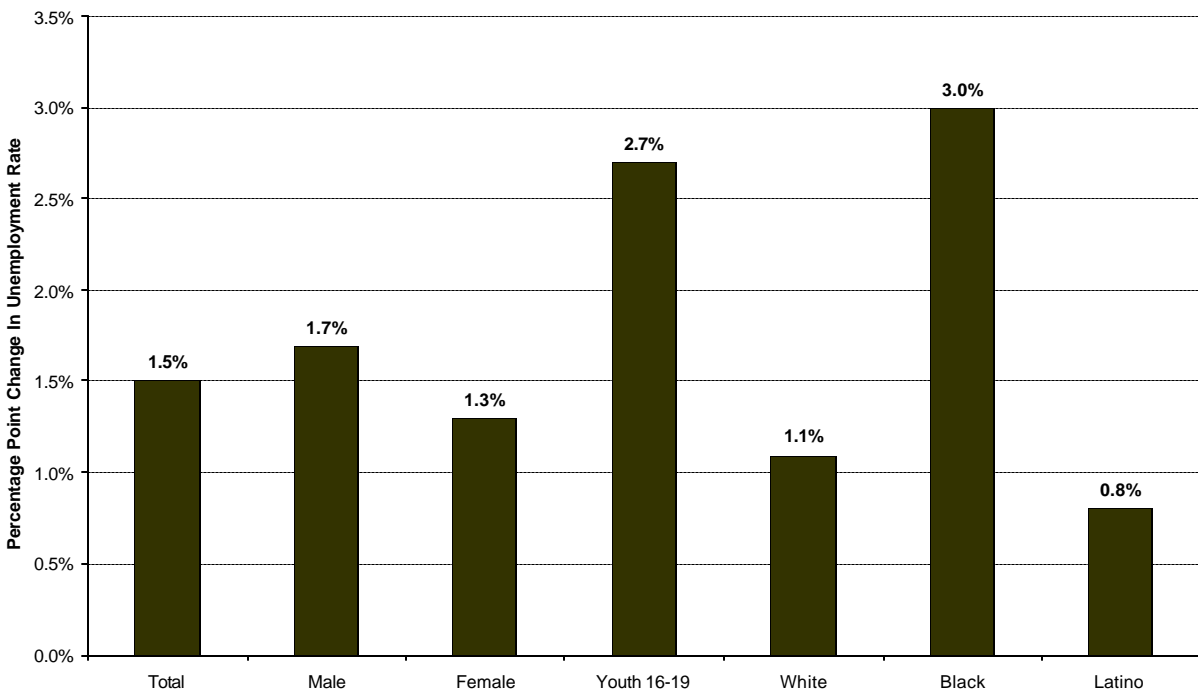
Source: CBP analysis of Employment Development Department data

Table 21: Share Of Long-Term Unemployed Workers



Note: The data represent 12-month moving averages.
Source: Employment Development Department

Table 22: Change In Unemployment Rate, July 2001 To July 2002



Note: The data represent 12-month moving averages.
Source: Employment Development Department

Table 23: Median Hourly Wage By Race/Ethnicity And Education Level
(2001 Dollars)

	<u>1989</u>	<u>2000</u>	<u>2001</u>	Percent Change 1989 to 2001
All	\$15.16	\$15.42	\$15.38	1.4%
Less Than High School	\$8.96	\$7.71	\$8.00	-10.7%
High School	\$13.10	\$12.33	\$12.38	-5.5%
Some College	\$15.32	\$15.42	\$15.87	3.6%
Bachelor's Degree Or Higher	\$21.78	\$23.64	\$24.04	10.4%
White	\$17.23	\$17.79	\$19.00	10.3%
Less Than High School	\$12.61	\$9.03	\$10.00	-20.7%
High School	\$13.79	\$13.36	\$14.25	3.4%
Some College	\$16.09	\$16.45	\$16.83	4.6%
Bachelor's Degree Or Higher	\$22.53	\$24.16	\$25.00	11.0%
Black	\$13.99	\$14.12	\$14.00	0.1%
Less Than High School	*	*	*	*
High School	\$12.41	\$10.28	\$11.00	-11.3%
Some College	\$14.41	\$13.88	\$14.00	-2.8%
Bachelor's Degree Or Higher	*	*	*	*
Latino	\$10.34	\$10.28	\$10.00	-3.3%
Less Than High School	\$8.27	\$7.71	\$8.00	-3.3%
High School	\$11.44	\$10.90	\$11.00	-3.9%
Some College	\$13.79	\$13.36	\$14.25	3.4%
Bachelor's Degree or Higher	\$19.60	\$19.53	\$20.00	2.0%
Asian/Other Workers	\$14.43	\$16.53	\$16.00	10.8%
Less Than High School	\$8.27	\$8.22	\$8.45	2.2%
High School	\$11.37	\$12.05	\$11.00	-3.3%
Some College	\$13.99	\$15.42	\$15.00	7.2%
Bachelor's Degree or Higher	\$18.36	\$22.61	\$23.08	25.7%

* Data unavailable due to insufficient sample size
Source: CBP analysis of Current Population Survey data

**Table 24: Who Are California's Low-Wage Workers?
Characteristics Of Workers With 2001 Hourly Wages Between \$6.25 And \$7.25**

<u>AGE</u>	<u>All</u>	<u>Men</u>	<u>Women</u>	<u>White</u>	<u>Latino</u>	<u>Black, Asian, and Other</u>
16 to 19 years old	20.1%	18.7%	21.3%	27.3%	16.2%	17.8%
20 to 24 years old	22.4%	24.7%	20.5%	28.9%	19.1%	18.8%
25 and Older	57.5%	56.6%	58.2%	43.8%	64.7%	63.4%
Total	100%	100%	100%	100%	100%	100%
<u>EDUCATION</u>	<u>All</u>	<u>Men</u>	<u>Women</u>	<u>White</u>	<u>Latino</u>	<u>Black, Asian, and Other</u>
Less Than High School	44.3%	51.0%	38.8%	22.8%	63.9%	21.7%
High School	26.2%	24.0%	28.0%	29.0%	21.2%	38.9%
Some College and Above	29.5%	25.0%	33.2%	48.2%	15.0%	39.5%
Total	100%	100%	100%	100%	100%	100%
<u>RACE/ETHNICITY</u>	<u>All</u>	<u>Men</u>	<u>Women</u>			
White	33.6%	28.3%	37.8%			
Latino	52.7%	59.6%	47.1%			
Black, Asian, and Other	13.8%	12.2%	15.0%			
Total	100%	100%	100%			
<u>SEX</u>						
Men	44.6%					
Women	55.4%					
Total	100%					
<u>INDUSTRY</u>						
Agriculture, Forestry, and Fisheries	7.5%					
Manufacturing	11.4%					
Retail Trade	40.4%					
Services	29.2%					
Other	11.4%					
Total	100%					

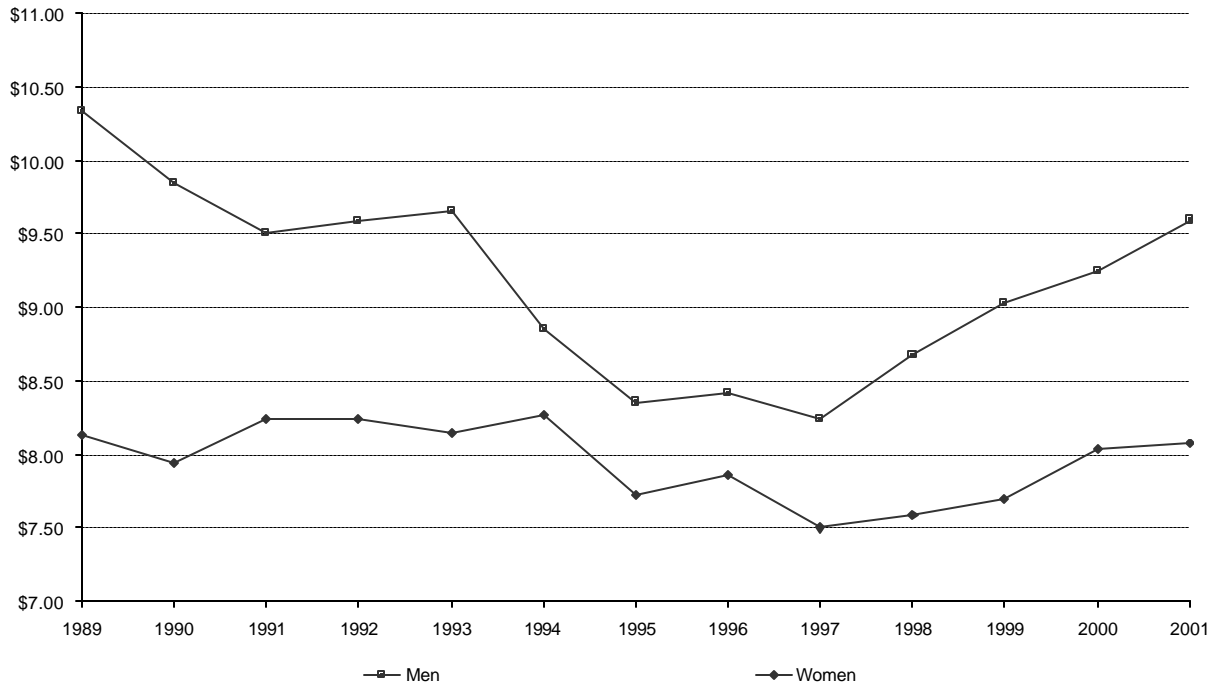
May not sum to 100 percent due to rounding.

Source: CBP analysis of Current Population Survey data. California's minimum wage was \$6.25 per hour in 2001.

Table 25: The Working Poor In California, 2000

	Family Income As A Percentage Of Federal Poverty Level	
	<100%	100-200%
Families With Children		
Number of families with at least one work-able adult*	590,000	966,000
Number with significant work effort**	368,000	873,000
Percent with significant work effort**	62%	90%
Number with at least one full-time worker	272,000	767,000
Percent with at least one full-time worker	46%	79%
Number of people in working poor families	1,805,000	3,829,000
Number of children in working poor families	1,028,000	1,954,000
Families And Individuals Without Children		
Number of families with at least one work-able adult*	497,000	733,000
Number with significant work effort**	110,000	508,000
Percent with significant work effort**	22%	69%
Number with at least one full-time worker	56,000	358,000
Percent with at least one full-time worker	11%	49%
Number of people in working poor families	143,000	753,000
Family Type		
Married Couple	58%	49%
Female-Headed	26%	28%
Male-Headed	16%	23%
Race and Ethnicity		
Latino	60%	51%
White	21%	32%
Black	8%	9%
Asian and Other	11%	7%
Education of Adults		
Less Than High School	52%	39%
High School	25%	29%
Any College	23%	32%
* Work-able families are those in which at least one adult is between the ages of 25 and 64 and at least one adult is not ill or disabled.		
** Families with significant work effort are those in which the combined annual work effort of the head and spouse, if any, totals at least 1,040 hours (equivalent to half the hours of a full-time year-round job).		
Source: CBP analysis of Current Population Survey data		

Table 26: 20th Percentile Wages By Gender



Source: CBP analysis of Current Population Survey data

Table 27: Hourly Wage By Gender And Race/Ethnicity, Los Angeles County
(2001 Dollars)

	<u>1989</u>	<u>1995</u>	<u>2001</u>	<u>Percent Change</u>		
				<u>1989 to 1995</u>	<u>1995 to 2001</u>	<u>1989 to 2001</u>
All						
20th Percentile	\$8.27	\$7.21	\$8.00	-12.8%	11.0%	-3.3%
Median	\$14.36	\$13.31	\$13.80	-7.3%	3.7%	-3.9%
80th Percentile	\$24.13	\$23.07	\$24.04	-4.4%	4.2%	-0.4%
Men						
20th Percentile	\$9.61	\$7.50	\$8.00	-22.0%	6.7%	-16.7%
Median	\$16.34	\$13.84	\$14.85	-15.3%	7.3%	-9.1%
80th Percentile	\$26.71	\$24.61	\$25.00	-7.9%	1.6%	-6.4%
Women						
20th Percentile	\$7.66	\$6.92	\$7.50	-9.6%	8.4%	-2.1%
Median	\$13.10	\$12.69	\$12.69	-3.1%	0.0%	-3.1%
80th Percentile	\$20.68	\$21.41	\$22.44	3.5%	4.8%	8.5%
White						
20th Percentile	\$11.03	\$11.10	\$11.15	0.7%	0.4%	1.1%
Median	\$17.92	\$18.46	\$19.23	3.0%	4.2%	7.3%
80th Percentile	\$27.57	\$28.84	\$31.00	4.6%	7.5%	12.4%
Black						
20th Percentile	\$9.65	\$8.28	\$10.00	-14.2%	20.7%	3.6%
Median	\$15.51	\$13.84	\$15.06	-10.8%	8.8%	-2.9%
80th Percentile	\$23.71	\$20.70	\$23.08	-12.7%	11.5%	-2.7%
Latino						
20th Percentile	\$6.89	\$5.77	\$6.63	-16.3%	14.9%	-3.9%
Median	\$9.99	\$8.65	\$10.00	-13.4%	15.6%	0.1%
80th Percentile	\$16.54	\$15.00	\$16.35	-9.4%	9.0%	-1.2%
Asian/Other						
20th Percentile	\$9.41	\$8.55	\$10.00	-9.2%	17.0%	6.3%
Median	\$15.44	\$15.00	\$16.33	-2.9%	8.9%	5.7%
80th Percentile	\$23.26	\$26.62	\$25.00	14.4%	-6.1%	7.5%

Source: CBP analysis of Current Population Survey data

Table 28: Hourly Wage By Education Level, Los Angeles County
(2001 Dollars)

	<u>Percent Change</u>					
	<u>1989</u>	<u>1995</u>	<u>2001</u>	<u>1989 to 1995</u>	<u>1995 to 2001</u>	<u>1989 to 2001</u>
All						
20th Percentile	\$8.27	\$7.21	\$8.00	-12.8%	11.0%	-3.3%
Median	\$14.36	\$13.31	\$13.80	-7.3%	3.7%	-3.9%
80th Percentile	\$24.13	\$23.07	\$24.04	-4.4%	4.2%	-0.4%
Less Than High School						
20th Percentile	\$6.20	\$5.48	\$6.25	-11.7%	14.1%	0.7%
Median	\$8.62	\$7.50	\$8.00	-13.0%	6.7%	-7.2%
80th Percentile	\$13.79	\$10.96	\$12.00	-20.5%	9.5%	-13.0%
High School						
20th Percentile	\$8.27	\$6.92	\$7.50	-16.3%	8.4%	-9.3%
Median	\$12.90	\$11.53	\$11.84	-10.6%	2.6%	-8.2%
80th Percentile	\$19.30	\$17.30	\$19.00	-10.4%	9.8%	-1.6%
Some College						
20th Percentile	\$10.34	\$9.23	\$9.90	-10.8%	7.3%	-4.3%
Median	\$15.30	\$15.23	\$15.00	-0.5%	-1.5%	-2.0%
80th Percentile	\$23.44	\$22.22	\$23.00	-5.2%	3.5%	-1.9%
Bachelor's Degree or Higher						
20th Percentile	\$13.79	\$12.98	\$13.46	-5.9%	3.7%	-2.4%
Median	\$22.06	\$22.17	\$22.83	0.5%	2.9%	3.5%
80th Percentile	\$31.81	\$33.27	\$34.62	4.6%	4.0%	8.8%

Source: CBP analysis of Current Population Survey data

Table 29: Hourly Wage By Gender And Race/Ethnicity, Bay Area
(2001 Dollars)

	<u>Percent Change</u>					
	<u>1989</u>	<u>1995</u>	<u>2001</u>	<u>1989 to 1995</u>	<u>1995 to 2001</u>	<u>1989 to 2001</u>
All						
20th Percentile	\$10.75	\$10.38	\$10.90	-3.5%	5.0%	1.3%
Median	\$17.23	\$17.06	\$19.00	-1.0%	11.4%	10.3%
80th Percentile	\$26.52	\$26.62	\$32.00	0.4%	20.2%	20.6%
Men						
20th Percentile	\$12.41	\$10.57	\$11.85	-14.8%	12.2%	-4.5%
Median	\$19.85	\$18.71	\$21.00	-5.8%	12.2%	5.8%
80th Percentile	\$29.30	\$28.84	\$36.42	-1.6%	26.3%	24.3%
Women						
20th Percentile	\$9.19	\$9.94	\$10.00	8.2%	0.6%	8.8%
Median	\$14.23	\$15.15	\$16.67	6.4%	10.0%	17.1%
80th Percentile	\$22.40	\$23.85	\$27.50	6.4%	15.3%	22.8%
White						
20th Percentile	\$12.06	\$11.53	\$14.00	-4.4%	21.4%	16.1%
Median	\$19.23	\$18.46	\$22.00	-4.0%	19.2%	14.4%
80th Percentile	\$28.56	\$29.31	\$36.15	2.6%	23.3%	26.6%
Black						
20th Percentile	\$10.34	\$9.52	\$9.50	-8.0%	-0.2%	-8.1%
Median	\$15.16	\$17.30	\$15.00	14.1%	-13.3%	-1.1%
80th Percentile	\$20.68	\$23.07	\$24.03	11.6%	4.1%	16.2%
Latino						
20th Percentile	\$8.27	\$7.50	\$8.00	-9.4%	6.7%	-3.3%
Median	\$13.23	\$11.94	\$12.43	-9.8%	4.1%	-6.1%
80th Percentile	\$19.85	\$19.61	\$20.00	-1.2%	2.0%	0.7%
Asian/Other						
20th Percentile	\$9.19	\$9.23	\$10.00	0.4%	8.4%	8.8%
Median	\$15.16	\$15.31	\$17.88	0.9%	16.8%	17.9%
80th Percentile	\$24.43	\$23.36	\$32.00	-4.4%	37.0%	31.0%

Source: CBP analysis of Current Population Survey data

Table 30: Hourly Wage By Education Level, Bay Area
(2001 Dollars)

	<u>Percent Change</u>					
	<u>1989</u>	<u>1995</u>	<u>2001</u>	<u>1989 to 1995</u>	<u>1995 to 2001</u>	<u>1989 to 2001</u>
All						
20th Percentile	\$10.75	\$10.38	\$10.90	-3.5%	5.0%	1.3%
Median	\$17.23	\$17.06	\$19.00	-1.0%	11.4%	10.3%
80th Percentile	\$26.52	\$26.62	\$32.00	0.4%	20.2%	20.6%
Less Than High School						
20th Percentile	\$6.89	\$5.77	\$8.00	-16.3%	38.7%	16.1%
Median	\$10.34	\$8.36	\$10.00	-19.1%	19.6%	-3.3%
80th Percentile	\$15.16	\$12.82	\$15.00	-15.5%	17.1%	-1.1%
High School						
20th Percentile	\$9.54	\$8.94	\$9.00	-6.3%	0.7%	-5.7%
Median	\$13.86	\$13.84	\$14.00	-0.1%	1.1%	1.0%
80th Percentile	\$20.68	\$20.19	\$21.00	-2.4%	4.0%	1.6%
Some College						
20th Percentile	\$11.03	\$10.38	\$11.00	-5.9%	6.0%	-0.3%
Median	\$16.71	\$16.64	\$17.75	-0.4%	6.7%	6.2%
80th Percentile	\$23.44	\$23.07	\$26.71	-1.6%	15.8%	14.0%
Bachelor's Degree or Higher						
20th Percentile	\$13.79	\$13.84	\$16.00	0.4%	15.6%	16.1%
Median	\$22.98	\$23.09	\$26.17	0.5%	13.4%	13.9%
80th Percentile	\$33.16	\$33.27	\$50.00	0.4%	50.3%	50.8%

Source: CBP analysis of Current Population Survey data

Table 31: Percentage Of Workers With Low Hourly Wages By Region

	Below Poverty Threshold (Family of Three)	Below Poverty Threshold (Family of Four)	Below CBP Basic Family Budget (Family of Three)	Below CBP Basic Family Budget (Family of Four)
1989				
California	7.7%	17.9%	72.6%	38.2%
Los Angeles County	8.8%	20.0%	70.0%	38.8%
Bay Area	5.1%	11.5%	78.0%	40.0%
2001				
California	9.1%	18.7%	67.8%	38.6%
Los Angeles County	12.9%	24.7%	73.0%	44.4%
Bay Area	4.1%	10.1%	69.3%	33.3%
Percentage Point Change, 1989 to 2001				
California	1.4%	0.8%	-4.8%	0.4%
Los Angeles County	4.1%	4.7%	3.0%	5.6%
Bay Area	-1.0%	-1.4%	-8.7%	-6.7%

Notes: Poverty threshold hourly wage equivalent for a family of three (one adult and two children): \$4.80 (1989), \$6.86 (2001). Poverty threshold hourly wage equivalent for a family of four (two adults and two children): \$6.05 (1989), \$8.63 (2001). CBP basic family budget hourly wage equivalent for a family of three (one adult and two children): statewide: \$15.15 (1989), \$20.89 (2001); Los Angeles County: \$14.94 (1989), \$20.60 (2001); Bay Area: \$18.85 (1989), \$25.99 (2001). CBP basic family budget hourly wage equivalent for a family of four (two working adults and two children): statewide: \$9.07 (1989), \$12.51 (2001); Los Angeles County: \$8.97 (1989), \$12.37 (2001); Bay Area: \$10.74 (1989), \$14.81 (2001).
Source: CBP analysis of Current Population Survey data