Economic Opportunity Institute

Washington's Working Women 2012

About the Economic Opportunity Institute

...

The Economic Opportunity Institute (EOI) is a public policy center dedicated to restoring the promise of the middle class: educational opportunity, a good job with benefits, a healthy family and workplace, and a dignified retirement.

Using sound research, powerful coalitions and strategic communications, we advance public policies to improve our schools, workplaces, public services and quality of life. Our goal is to build an economy that works - for everyone.

About the authors

...

Tatsuko Go Hollo is a Policy Associate at EOI. She earned a Master of Social Work degree at the University of Washington and a B.A. in Biology and Psychology from the University of Colorado.

Marilyn Watkins, Ph.D. is the Policy Director at EOI. Her areas of expertise include work and family balance, Social Security, the state economy, and state revenue policy. Marilyn earned a B.A. in Social Studies at Harvard and Ph.D. in History at the University of Michigan, specializing in U.S. social and political history.

Special thanks to

...

Laura Obrist, Women's Funding Alliance Graduate Intern, for assistance with data collection and analysis.

The Women's Funding Alliance for their support of this project and for providing client stories from Got Green, Washington CASH and Legal Voice.

WOMEN'S FUNDING ALLIANCE

Washington's Working Women 2012

Contents

Introduction: Increasing Vulnerability for Washington Women and Children 1
- Changing policies for a more equitable workplace 1

Women in Washington's Labor Force 3
- Effects of Two Recessions 3
- The Gendered Workplace 4
- Parents in the Labor Force 5
  - Affordable Childcare Reduced by Budget Cuts 5

Unemployment and Underemployment 6
- Underemployment and Part-Time Work 6
- Elevated Unemployment for Younger Workers and Women of Color 8
- Long-term Unemployment and Unemployment Insurance 9
- Women Suffer Greater Job Losses during Sluggish Recovery 11

Wages and Earnings 12
- Earnings by Gender 12
- Earnings by Education and Sector 14
- Earnings by Race and Age 15
- Annual Earnings Disparities 16

Benefits 17
- Health Insurance 18
  - Health Coverage for Children 19
  - Declining Coverage Since 2007 19
- Retirement and Social Security Benefits 20
- Paid Leave 21

Economic Characteristics 23
- Economic Insecurity 23
- Poverty 24
  - Poverty by Race and Age 25
  - Single-Parent Households 26
- Washington State Budget Cuts and Public Sector Job Losses 27

Conclusion 28

Introduction: Increasing Vulnerability for Washington Women and Children

Since the Great Recession officially ended in June 2009, economic recovery has been barely perceptible for the majority of Americans. Unemployment rates remain high, and poverty rates are climbing. Today, 18% of American families with children under 18, and 30% of single mothers, live in poverty. For single moms with children under 5, the poverty rate has increased to 48%.[1]

Through 2008 and the first half of 2009, men suffered greater job losses and higher unemployment rates than women, leading some in the media to label it a "mancession".[2] But a different story has unfolded since then: women are becoming increasingly vulnerable to economic instability and poverty. As men are slowly returning to work, women are continuing to lose jobs; and all the while, ongoing state, federal and local government budget cuts are shredding the social safety net.[3]

The weak economy compounds the workplace inequities that women have faced throughout their careers. Although women's participation in the workforce and share of jobs have increased over the past several decades, women still face disproportionately low pay and limited access to essential benefits, including health insurance, retirement plans, and paid leave. Insufficient policies that disadvantage women also hurt the economic security of local families.

Nationally, men earn $3.00 per hour more in wages than do women at the median. In Washington, the wage gap is even wider: men earn $5.00 more per hour. The gap today is wider than it was 17 years ago.[4]

Women of all ages, races and education levels are earning less than their male counterparts.[5] In Washington state, 40% of male earners made *more* than $50,000 in annual earnings in 2010, while 80% of female earners made *less* than $50,000 per year. One fourth of Washington's working women earned less than $10,000 annually.[6]

Women also face reduced eligibility for workplace benefits, as employers are less likely to provide benefits to low-wage and part-time workers. And during retirement, women continue to suffer the disadvantages of their working years. Due to lower pay, inadequate benefits, and time away from work for family care, women are less likely to have sufficient retirement savings, and will receive lower Social Security benefits. Moreover, women live longer than men on average, which further increases their risk of poverty in retirement.[7]

These factors put women at a greater economic disadvantage than their male counterparts; and in tough economic times, women are particularly vulnerable. Presently, women are reporting greater difficulty than men when it comes to affording food, utilities, transportation, and housing expenses. Women are also more likely to have doubled up[8] in recent months, and are less likely to have received a raise or gotten a better job.[9]

Changing policies for a more equitable workplace

While progress toward gender equality has been limited in recent decades, public policy does make a difference. Washington's lowest wage workers will benefit when the state's minimum wage increases in January 2012 from $8.67 to $9.04 per hour to reflect the rising cost of living.[10] Washington was the first state to adopt a policy of annually adjusting the minimum wage, with overwhelming approval by the state's voters in 1998.

Today, this law improves economic security for some of Washington's most disadvantaged workers. Minimum wage earners are 58% female and disproportionately persons of color.[11] Even though it still fails to meet the standard of a living wage, especially in urban areas, Washington's minimum wage is more important than ever in these tough economic times.[12]

Most people who work in the city of Seattle will soon be eligible to receive paid sick days, thanks to a new labor standard adopted by the Seattle City Council and signed into law in September 2011.[13] Paid sick leave not only reduces the public health risks of spreading common illnesses; it is also important for improving children's educational outcomes, families' abilities to care for relatives, and the safety of persons experiencing domestic violence.

Furthermore, since access to paid leave is very limited for low-wage and part-time workers, Seattle's ordinance will disproportionately benefit working families who are most at-risk of economic instability.[14]

Despite these recent policy successes, women continue to be short-changed by antiquated labor policies. Moreover, due to state budget cuts, tens of thousands of families have lost health care, child care subsidies, home health care services, and other supports, while higher education costs have soared. Recent economic trends have further highlighted existing inequalities between men and women and between Whites and people of color.

Without new labor standards and policy reforms to support working families and caregivers, women will continue to struggle during economic downturns and upswings alike.

Michelle Esguerra:

Changing careers in a changing economy

At the height of the recession, Michelle was 7 months pregnant when she was laid off from her job as a journey-level, union electrician. She was able to get some short-term, temporary work through her union, but knew she would need a full-time job to support herself and her daughter.

Although she had hoped to continue working as an electrician, Michelle was encouraged when she was recruited by her union to a federally funded green job training program. She became certified as an energy auditor, and 26 months after being laid off, Michelle is now working full-time and is a very busy mom.

Photo: Inye Wokoma/Ijo Arts Media Group

Michelle is hopeful that green jobs can become career pathways for other single mothers. "I think what would need to happen on the industry end, to make these jobs more accessible to women, is for them to recognize what many women's work backgrounds can bring to the auditing process."

"It can be just as easy to train a woman with strong computer skills and a sales background to audit a home as it is to train a person with a strong construction background to navigate unfamiliar computer programs and make a sale. Many women workers already possess the skills that would make them successful in this industry."

Women in Washington's Labor Force

Today, women make up about half of the labor force in Washington, holding 46.9% of jobs in 2010. The female share of the state labor force peaked at 47.4% in 2000. It has remained above 46% over the last decade.

Despite holding nearly half of all jobs, women's workforce participation rate is 10% lower than men's because there are more women in Washington's population.[15]

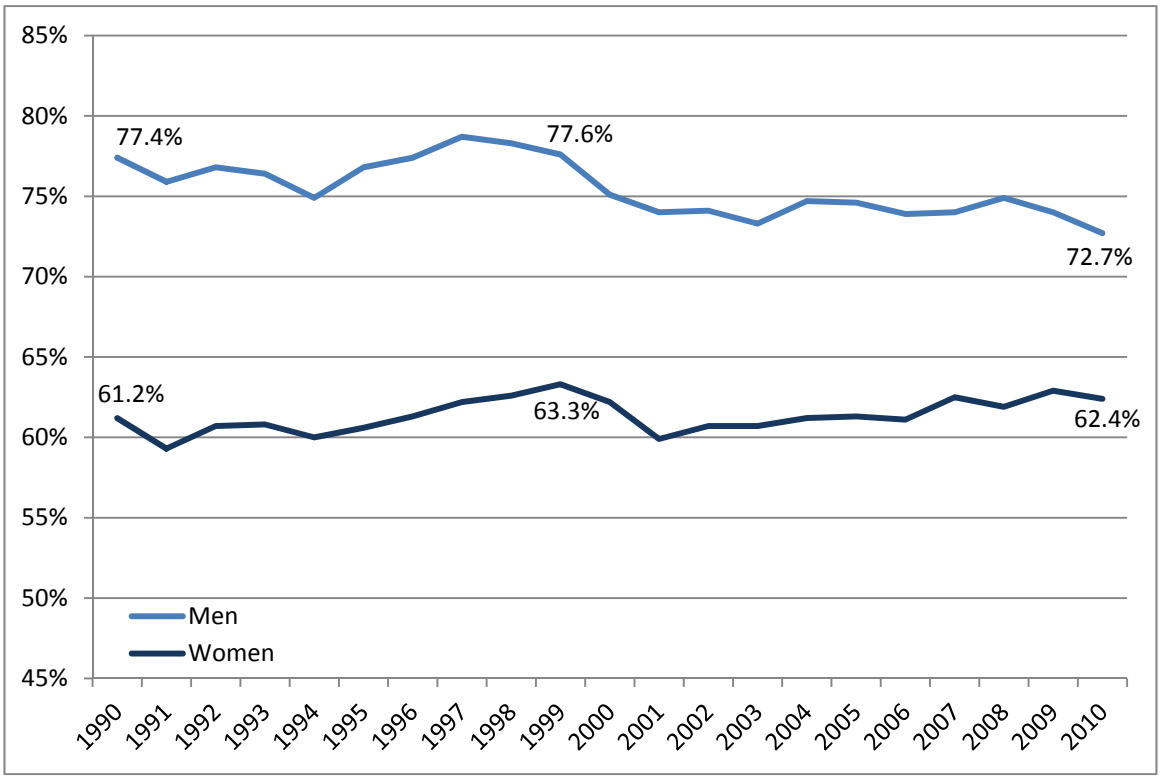
Effects of Two Recessions

The current gender gap in labor force participation is the smallest it has ever been. Men's participation rates fell with the "dot com" bust of the late 1990s and after the recession of 2001.

Throughout the 2000s, the percentage of men employed in the state remained below the levels of the 1990s, even before the sharp decline during the Great Recession.

Women's labor force participation rates peaked at 63.3% in 1999 – the end of the last true boom in the U.S. economy – but rebounded from the 2001 recession by 2007.

LABOR FORCE PARTICIPATION, AGE 16 AND OVER, BY GENDER: WASHINGTON, 1990-2010



Source: Economic Policy Institute analysis of Current Population Survey data

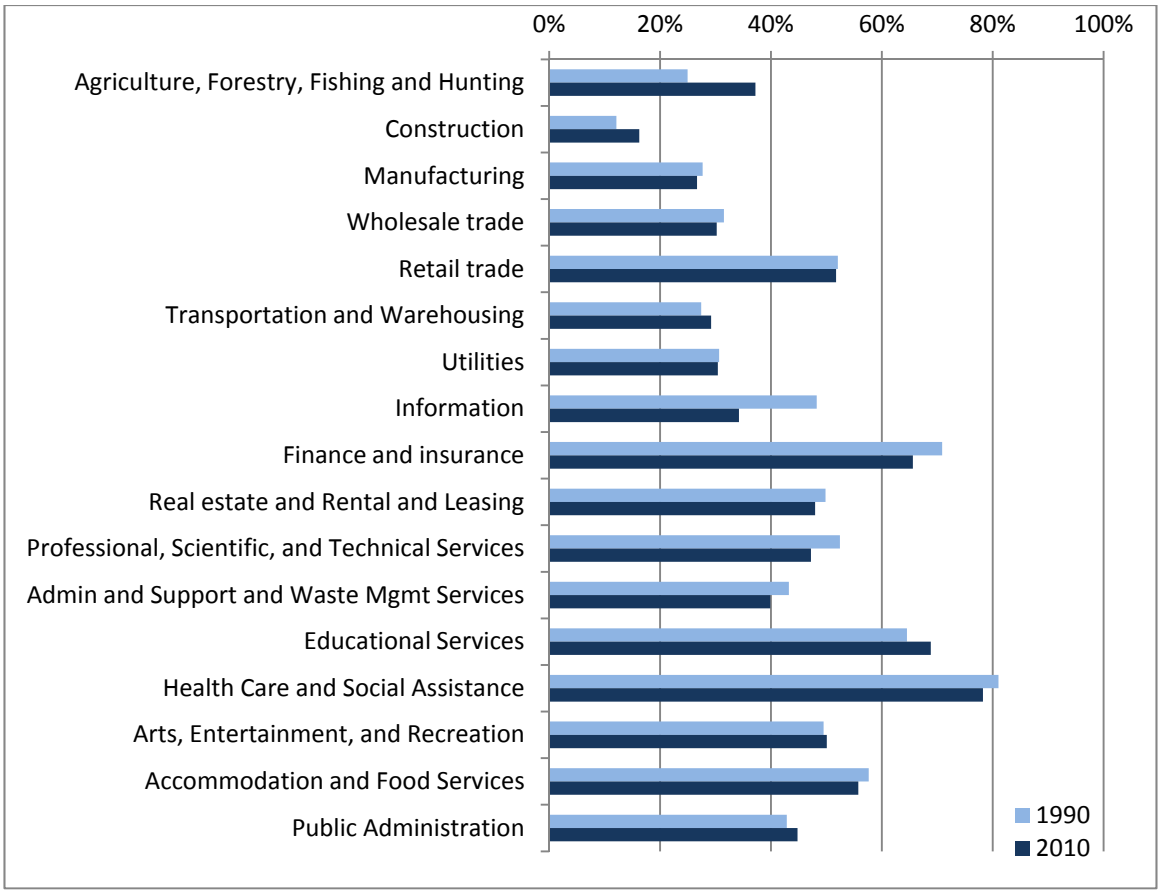
The Gendered Workplace

Gender segregation in Washington's industries is little changed from 20 years ago. Women continue to dominate health care and social assistance sectors, filling traditional caregiver roles. For example, women hold more than three quarters of jobs at nursing and residential care facilities and 91% of jobs at day care centers. Men, on the other hand, continue to dominate the construction industry, holding 84% of jobs.

Only two sectors have experienced significant shifts in gender balance since 1990 – but both in ways that perpetuate gender disparities. Women's share of jobs in agriculture, forestry, fishing and hunting increased from 25% in 1990 to 37% in 2010 – but this is a shrinking and generally low-wage sector. In contrast, the information sector has become increasingly male-dominated as it has grown in size and wages have increased. Women held nearly half of information jobs 20 years ago, but just over a third in 2010. In the high-earning subsector of software publishing, women's share of Washington jobs is only 25%.

Even industries with equal shares of men and women overall are segregated at the workplace level. For instance, in retail men hold 70% of jobs at electronics and appliance stores and 80% of jobs at motor vehicle and parts dealers. Alternatively, women hold 70% of jobs at health and personal care stores and 79% of jobs at clothing stores.[16]

PERCENTAGE OF JOBS HELD BY WOMEN BY SECTOR: WASHINGTON, 1990 AND 2010

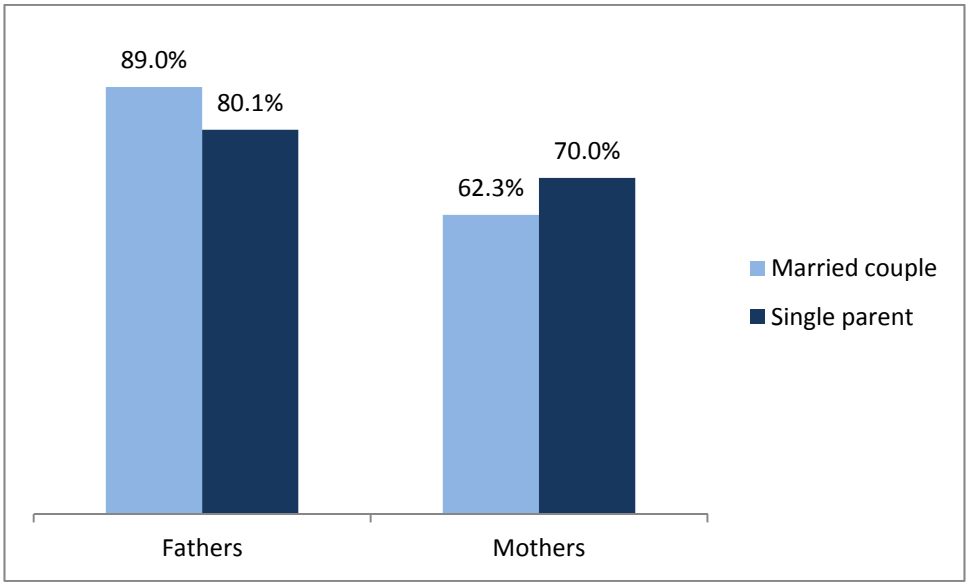


Source: U.S. Census Bureau, Quarterly Workforce Indicators, 3rd quarter 1990 and 2010

Parents in the Labor Force

In Washington, 60% of children under 6, and 69% of children 6-17 years old, have all parents in the workforce.[17] Married fathers are more likely to be employed than single fathers, with 89% of married dads and 80% of single dads working. Conversely, mothers are more likely to be working as single parents rather than as a married parent; 70% of single moms versus 62% of married moms are employed.

EMPLOYED PARENTS, MARRIED AND SINGLE: WASHINGTON, 2010



Source: U.S. Census Bureau, 2010 American Community Survey

Affordable Childcare Reduced by Budget Cuts

Since a high percentage of parents are in the workforce, it is important that families have access to high-quality, affordable childcare. On average, child care cost $693 per month in 2010, ranging from $471 for a school-age child to $1,060 for an infant.[18] Costs may be lower in rural areas, but in urban areas, such as King County, costs for care can be much higher.

As childcare costs have risen, the availability of subsidies for working parents has diminished over the past several years.

Working Connections Child Care, a state-funded subsidy, recently capped enrollments, raised co-pays and further limited eligibility.[19] These changes came in addition to the previous years of budget reductions.

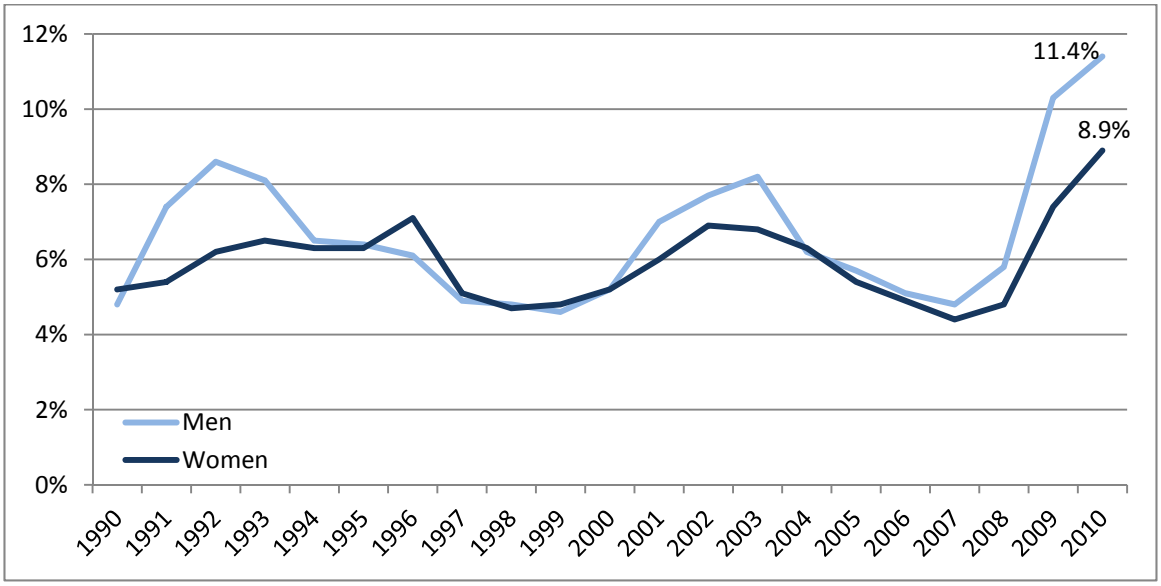
As a result, thousands of Washington families are newly ineligible for subsidies, putting them at risk of being unable to continue paying for care.[20] For some parents, the loss of a subsidy may mean increased costs that exceed their monthly income.

In these cases, parents may be forced to face the difficult decision of leaving children in unsafe situations or quitting work to care for their children.

Unemployment and Underemployment

Since the official end of the recession, unemployment has remained persistently high and even increased. The 2010 unemployment rates are the highest in decades, with men's unemployment increasing more dramatically than women's. A likely factor in men's rate of unemployment is the hit taken by the construction industry during and after the Great Recession. Construction has experienced substantial job losses since 2007, and more than 80% of construction jobs are held by men.[21]

UNEMPLOYMENT RATE: WASHINGTON, 1990-2010



Source: Economic Policy Institute analysis of Current Population Survey data

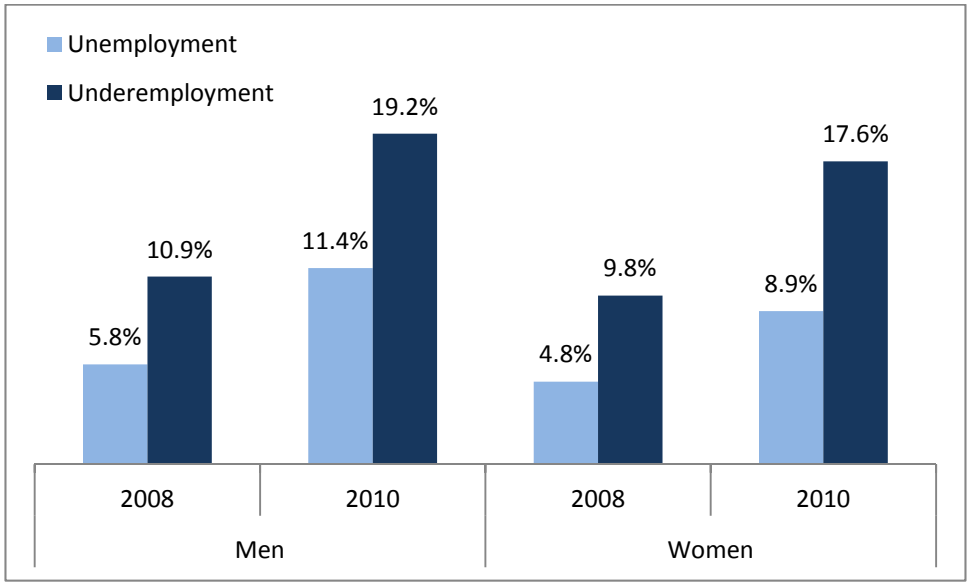
Underemployment and Part-Time Work

While unemployment numbers provide some measure of economic stability for the labor force, they do not provide a complete picture. For example, people who have stopped actively looking for work and those who are working part-time jobs while searching for full-time employment, among others, are not considered in unemployment calculations. Underemployment is regularly twice the rate of unemployment, with rates increasing dramatically since the recession.

Although men have higher rates of underemployment, women are more likely to work part-time to accommodate other responsibilities, such as family and education. Part-time employment rates peaked in 2009, with 23% of men and 37% of women in the workforce employed part-time. Men's part-time employment rates have dropped since then, likely due to job gains over the past year.

By contrast, women's part-time employment rates have continued to rise during 2010, peaking at nearly 38%. This increase may in part be the result of women taking on new part-time jobs to support a household after a male partner became unemployed or had work hours reduced.

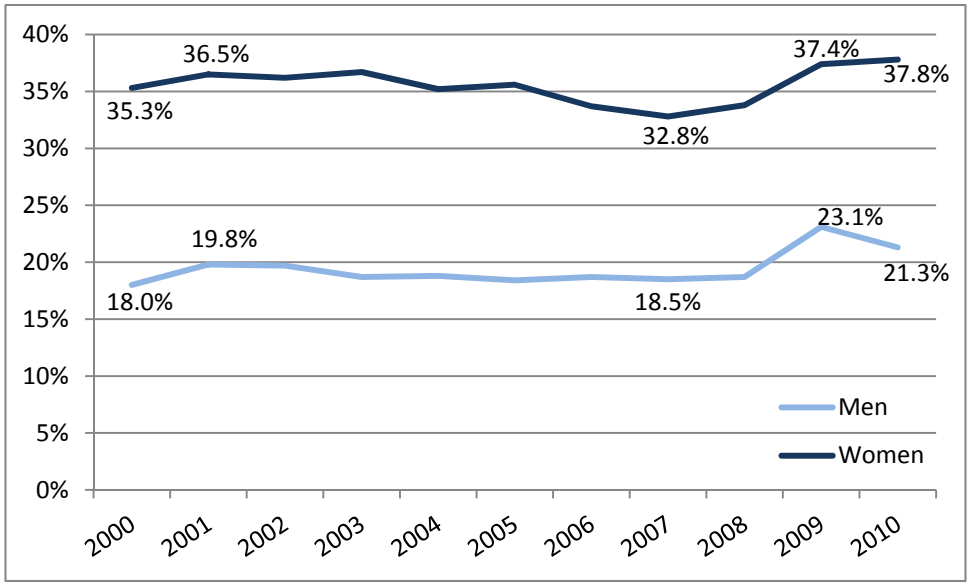
Unemployment and Underemployment, by Sex: Washington, 2008 and 2010



Source: Economic Policy Institute analysis of Current Population Survey data

Share of Workforce Employed Part-Time: Washington, 2000-2010

1 to 34 Hours per Week

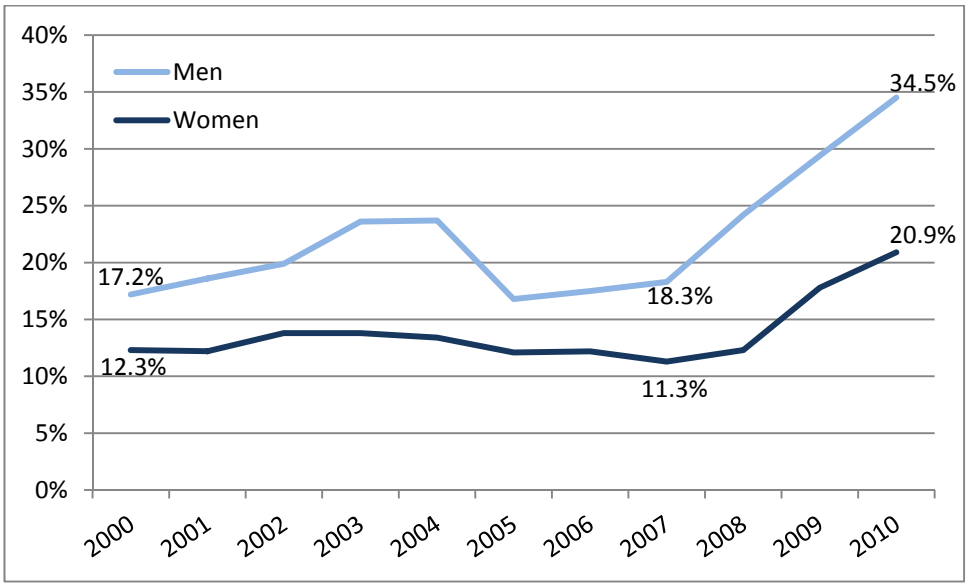


Source: Economic Policy Institute analysis of Current Population Survey data

Both men and women are now roughly twice as likely to work part-time for economic reasons as in years past, with the most significant increases since the start of the recession. Over one-third of part-time male workers now cite economic reasons. The rate for women has climbed from 12% to 21%. While women may be taking more part-time jobs to support others who have lost jobs, they are still more likely than men to work part-time for family, education and other reasons.

EMPLOYED PART-TIME FOR ECONOMIC REASONS: WASHINGTON, 2000-2010

AMONG PART-TIMERS

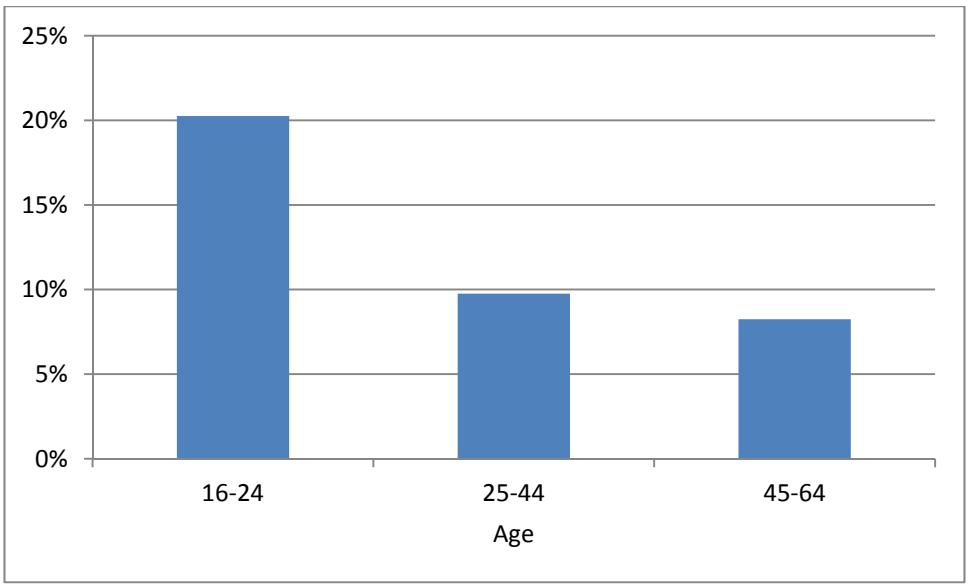


Source: Economic Policy Institute analysis of Current Population Survey data

Elevated Unemployment for Younger Workers and Women of Color

The younger labor force has been particularly hard hit with unemployment. Young men and women of color are experiencing notably higher rates of unemployment, with African American and American Indian men aged 16-24 experiencing rates of 50% and higher. Nearly one third of young African American women were unemployed in 2010.[22]

UNEMPLOYMENT RATE, BY AGE: WASHINGTON, 2010

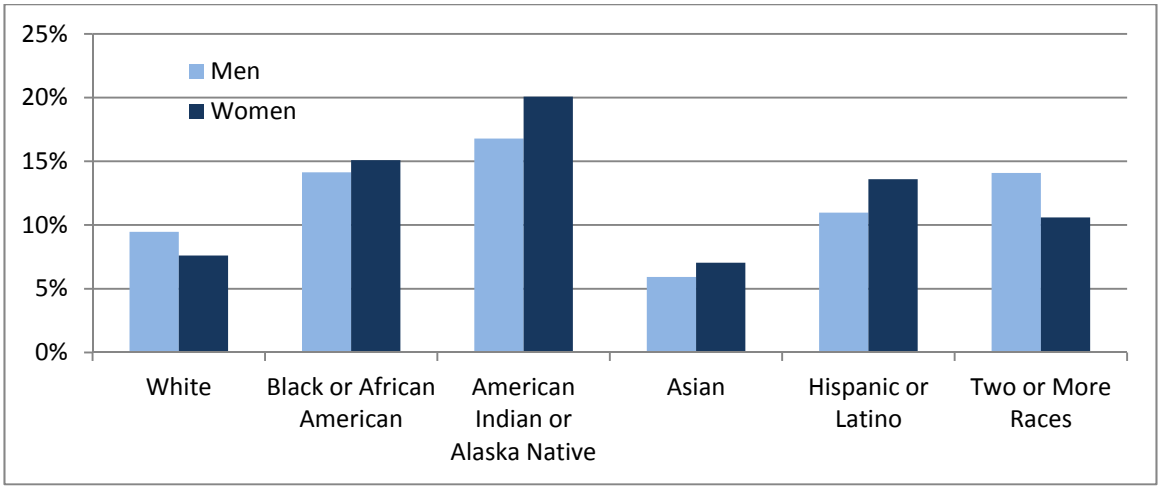


Source: U.S. Census Bureau, 2010 American Community Survey

Among civilian workers aged 25-64, women of color are experiencing greater unemployment than their male counterparts. Rates are especially high for American Indian or Alaska Native women, with one in five women over 25 unemployed.

UNEMPLOYMENT AMONG CIVILIAN LABOR FORCE, AGED 25-64, BY RACE

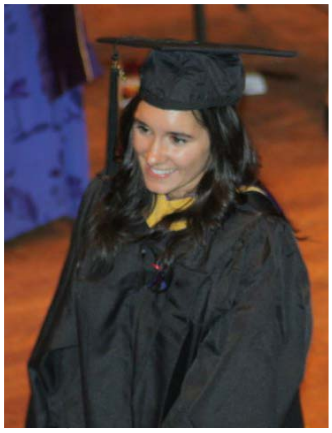
WASHINGTON, 2010



Source: U.S. Census Bureau, 2010 American Community Survey

Long-term Unemployment and Unemployment Insurance

Across age groups, long-term unemployment rates have only increased since the start of the recovery. While younger workers are experiencing high rates of unemployment overall, older workers are enduring the highest rates of long-term unemployment. More than half of Washington's unemployed workers aged 55 and older were searching for a job for 27 weeks or more in 2010. Women's long-term unemployment increased from 24% to 32% between 2009 and 2010, while the rate for men increased from 27% to 40%.



Abby Cutter: *Limited options in a bad economy*

Abby earned her Master of Social Work degree from the University of Washington in June 2011, which marked two years since the official end of the recession and little progress in the job market. "Although I knew it would require an immense financial commitment," said Abby, "I was determined to earn a graduate degree."

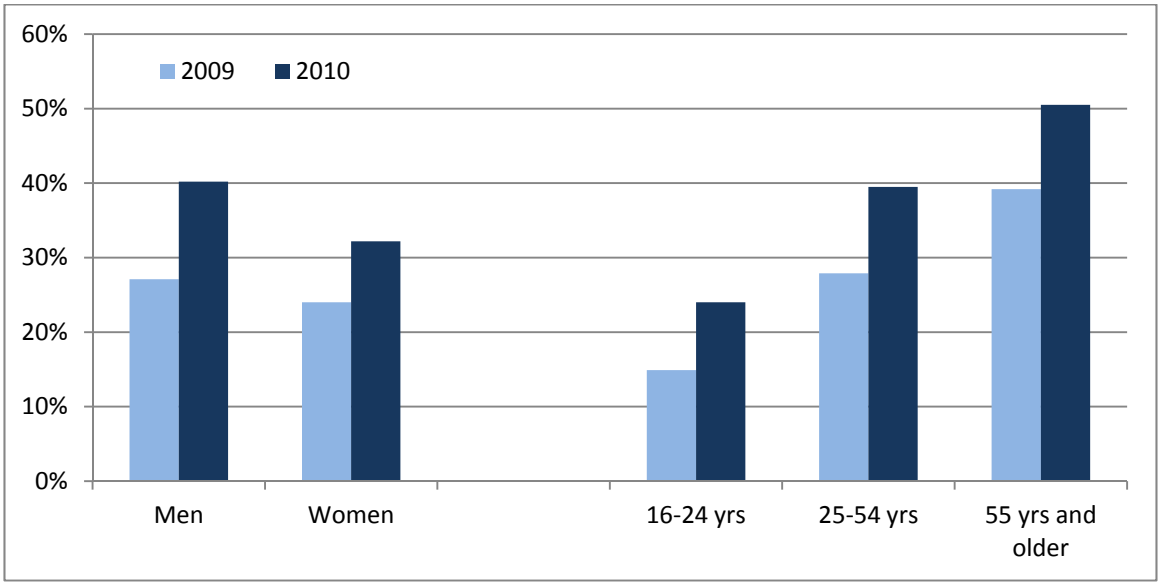
Initially, Abby's job prospects looked good and she had enough in savings to afford rent and expenses. But when a position in her field fell through, she took a job as a receptionist to pay the bills.

Abby's current position keeps her on a very tight budget, and she is concerned about how to make rent and bills when her student loan payments begin next month.

"I'm hoping to find a career position and begin using my degree soon," says Abby. "I've been surprised at how difficult the job market is for everyone, including those with advanced degrees and desirable skills. The situation I'm in is frustrating, both financially and emotionally, and I know I'm not alone in feeling this way."

LONG-TERM UNEMPLOYMENT BY SEX AND BY AGE: WASHINGTON, 2009 AND 2010

OUT OF WORK FOR AT LEAST 27 WEEKS, AMONG UNEMPLOYED



Source: Economic Policy Institute analysis of Current Population Survey data

With higher rates of unemployment, men's new claims for unemployment insurance have been consistently higher and shown more dramatic peaks than women's claims since 2008. After a peak in December 2010, both men and women have seen declines in new claims numbers, with a substantial drop in February 2011. Since that time, men's numbers have continued to drop by more than 8,000 claims.

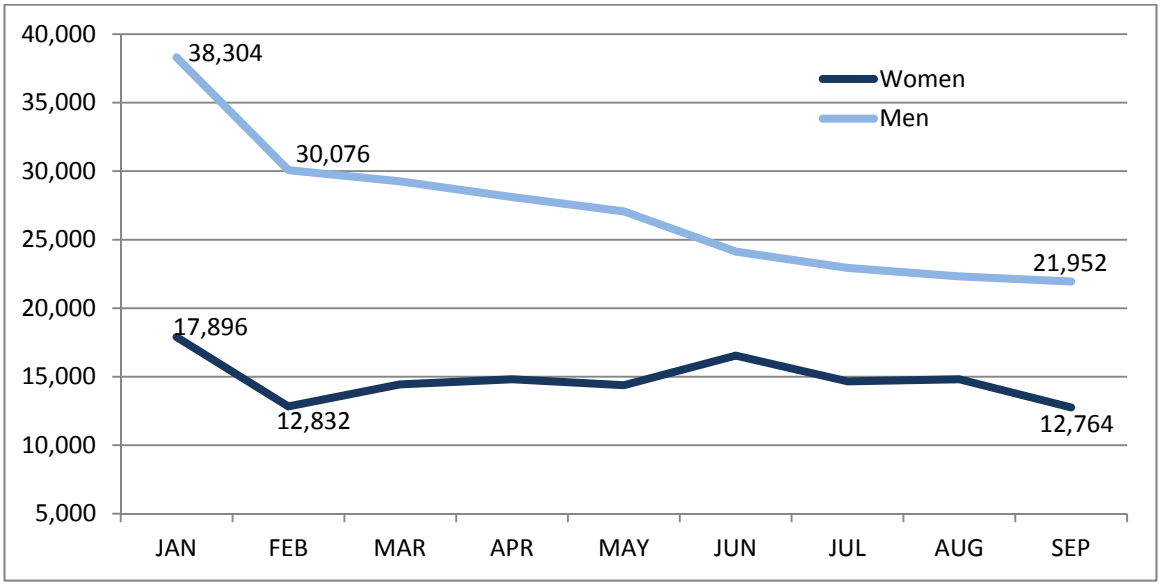
Women's claims gained in numbers for several months before dropping off again, but are relatively unchanged overall since February.

Although new claims numbers are steadily declining, increasing numbers of unemployed people have surpassed the term limits for Unemployment Insurance benefits. By August 2011, more than 60,000 Washingtonians had exhausted their benefits.[23]

In a recent survey of exhaustees, the Employment Security department found that more than three quarters of respondents had not found employment since exhausting their benefits.[24]

A loss of UI benefits combined with continued unemployment puts these individuals at significant risk of losing economic security for both the present and future. Many are forced to cash in retirement and other savings accounts, while falling behind on bills, rent or mortgage and accumulating debt.

UNEMPLOYMENT INSURANCE, NEW CLAIMS: WASHINGTON, 2011



Source: Employment Security Department, special data request, October 2011

Women Suffer Greater Job Losses during Sluggish Recovery

What is most unusual about the current post-recession period is the gender gap in recent employment gains across the country: namely, men are gaining jobs while women are losing them.

Although the reasons for continued job loss among women are not clear, a significant factor may be the increased shedding of public sector jobs, as stagnating wages and reduced consumer spending continue to diminish public revenue.

Between December 2008 and July 2011, women lost 473,000 public sector jobs nationally, while men lost 109,000. This trend is particularly pronounced at the local level – city, county, and school district jobs – where women have lost nearly five times as many jobs as men: 421,000 compared to 87,000.[25]

Even as the private sector is slowly beginning to grow again, state and local governments have continued to lay off workers over the past year.

Across all sectors, Washington lost 206,000 jobs between February 2008 and February 2010 – including 62,000 in the predominately male construction industry. By October, 2011, the private sector had gained back 63,000 jobs, with big gains in the male-dominated sectors of manufacturing, wholesale trade and software publishing.

However, employment in Washington's state and local government continued to shrink, losing an additional 6,000 jobs in public schools – 74% women – and 6,000 from the state government.[26]

Wages and Earnings

Earnings by Gender

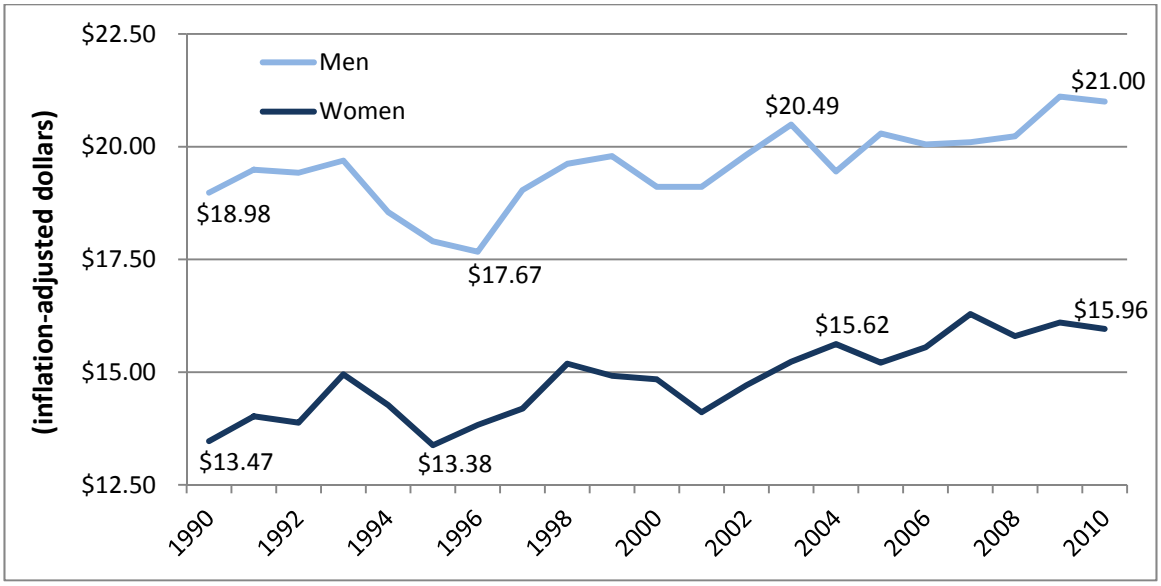
The Puget Sound area experienced 1.9% growth in wages between the 3rd quarter of 2010 and the 3rd quarter of 2011. With unemployment still high, the rate of growth is low, but still nearly five times national growth, which is barely perceptible at 0.4%.

Nationally, wage increases have been concentrated in the social service and information technology sectors. However, many sectors that employ low-wage workers have seen little or no wage growth, including those in the restaurant industry.[27]

Despite periods of wage growth in recent history, Washington women still earn just 76% of men's median hourly wages: $15.96 compared to men's $21.00.

Adjusting for inflation, the median hourly wage for women has increased by $2.49 since 1990. That increase outpaces the $2.02 median wage increase for men during the same time period, but men still out-earn women by more than $5.00 per hour.

MEDIAN HOURLY WAGES: WASHINGTON, 1990-2010

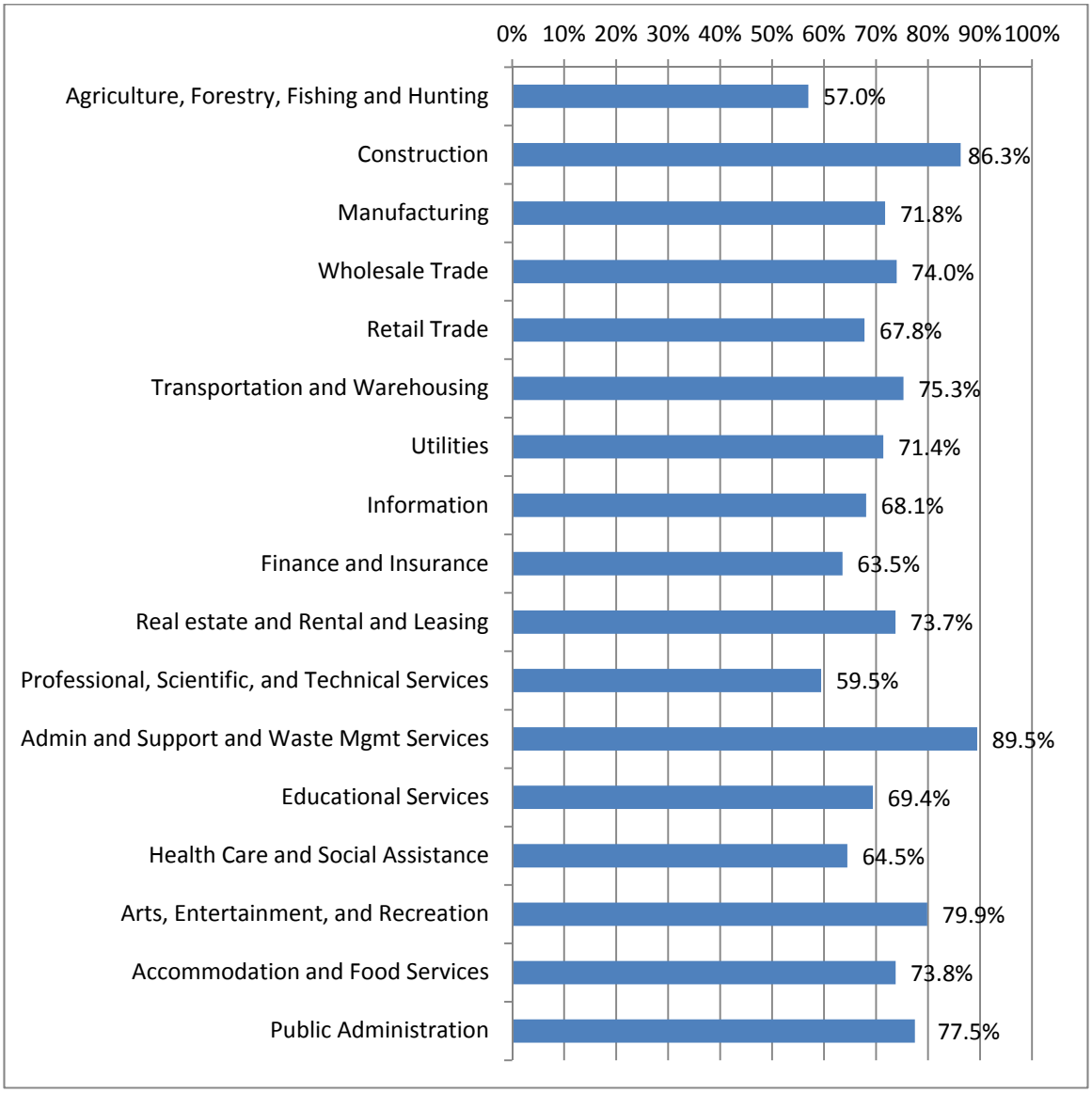


Source: Economic Policy Institute analysis of Current Population Survey data

In every industry, Washington women earn less than men. This holds true even in those fields that women dominate, such as educational services and health care and social assistance, where women's median annual earnings are about two-thirds those of men's.

RATIO OF WOMEN'S TO MEN'S MEDIAN ANNUAL EARNINGS, BY INDUSTRY:

WASHINGTON, 2010



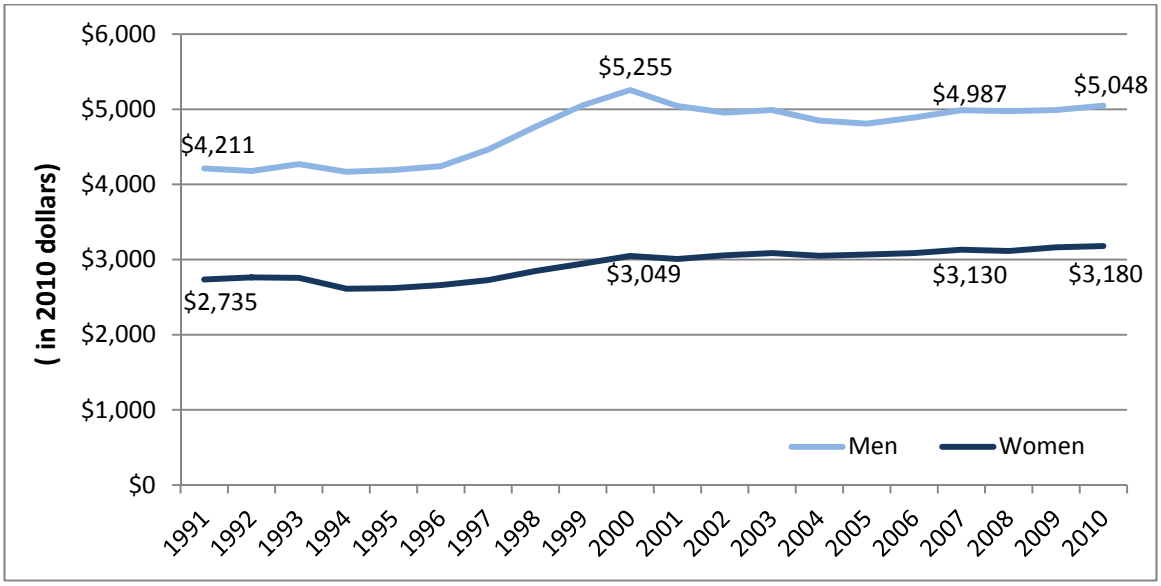
Source: U.S. Census Bureau, 2010 American Community Survey

The gap between Washington men's and women's average monthly earnings was nearly $1,900 in 2010, with women bringing home just 63% of men's earnings. That ratio is worse than in 1991, when women made 65% of men's average monthly pay.

The average monthly earnings ratio is lower than the median hourly ratio of 76%, both because women are more likely to work part-time and because men dominate the top of the earnings spectrum.

AVERAGE MONTHLY EARNINGS IN 2010 DOLLARS:

WASHINGTON STATE, 4 QUARTER AVERAGE, Q4 1990-Q3 2010



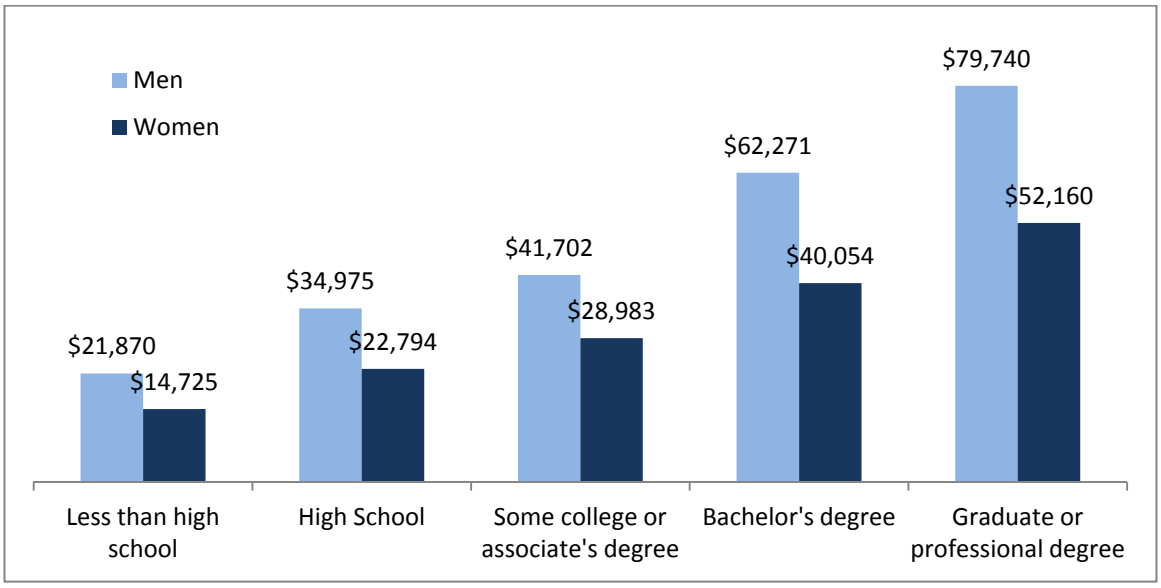
Source: U.S. Census Bureau, Quarterly Workforce Indicators, adjusted using BLS inflation calculator

Earnings by Education and Sector

Men earn more than women at all education levels, and the inequality increases as education levels rise. Men with less than a high school degree out-earn women by more than $7,000 per year. For men and women with a graduate or professional degree, that difference grows to more than $27,500 per year.

MEDIAN ANNUAL EARNINGS BY EDUCATION, AGED 25 AND OLDER:

WASHINGTON, 2010



Source: U.S. Census Bureau, 2010 American Community Survey

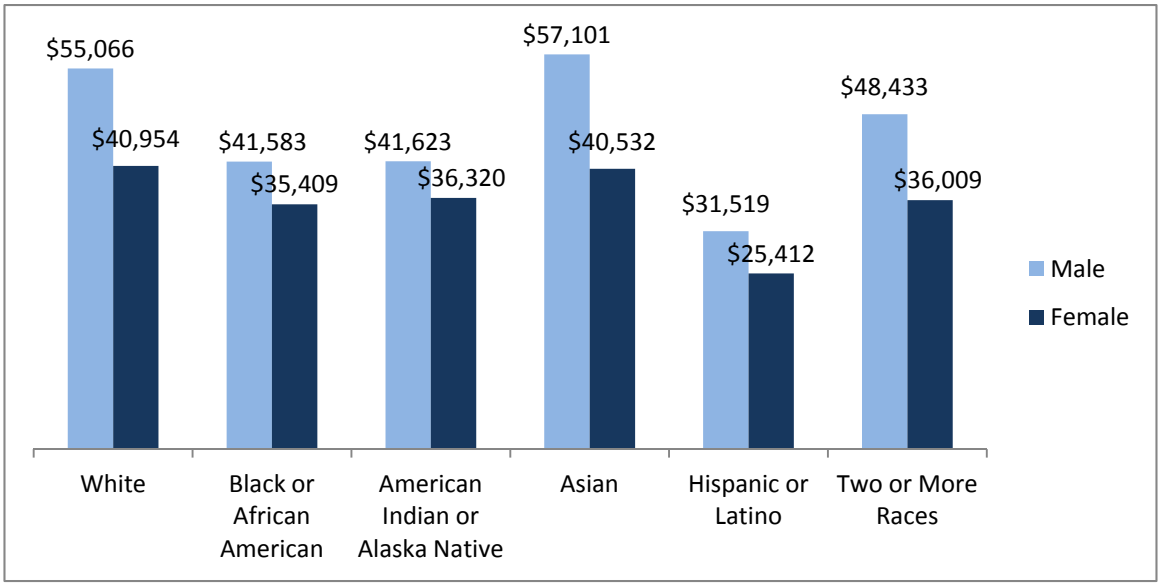
Earnings by Race and Age

Men also earn more than women in the same racial group. The greatest earnings gap is among Asians, with men in the middle of the spectrum earning $16,500 more per year than women. Hispanic men and women have the lowest median earnings, with Latinas making just $25,412 annually.

Significant disparities exist even across groups of women. In Washington, White and Asian women earn more than African American, American Indian or Alaska Native, or Latina women. Latinas have the lowest earnings among these racial groups – taking home just 62% of what White women earn.

MEDIAN ANNUAL EARNINGS, BY RACE: WASHINGTON, 2010

FULL-TIME, YEAR-ROUND WORKERS



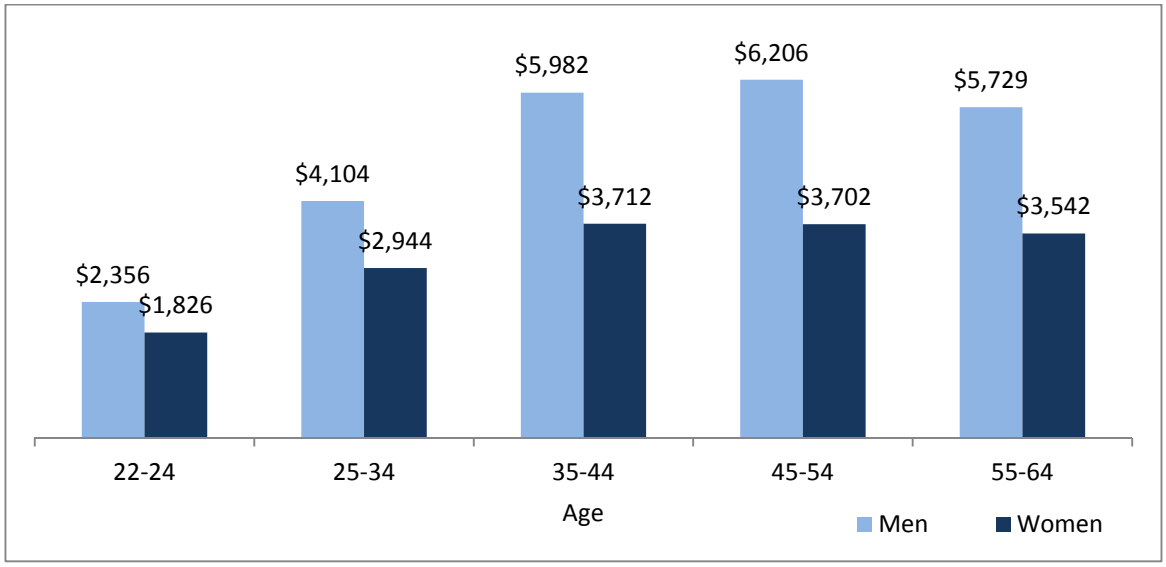
Source: U.S. Census Bureau, 2010 American Community Survey

Disparities between men's and women's earnings increase with age, as women are less likely to receive raises and promotions, and more likely to take time away from the workforce to raise children.

While in their early twenties, women average 77% of men's monthly earnings, but that rate drops to less than 60% by the time women reach their mid-forties.[28]

AVERAGE MONTHLY EARNINGS, BY AGE:

WASHINGTON, 4 QUARTER AVERAGE, Q4 2009-Q3 2010



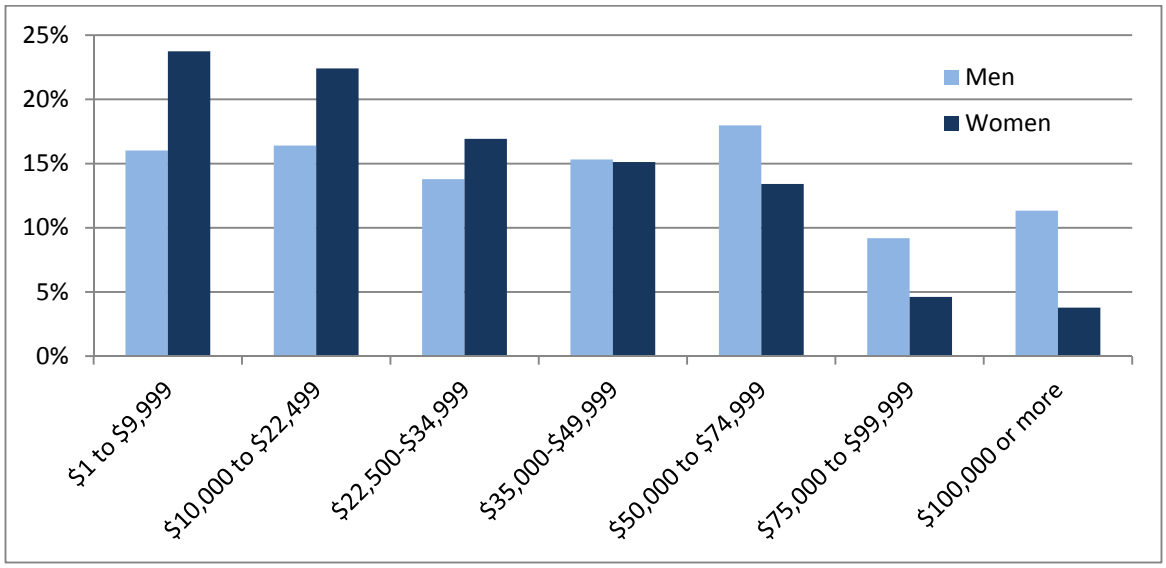
Source: U.S. Census Bureau, Quarterly Workforce Indicators

Annual Earnings Disparities

The increased likelihood of women working low-wage and part-time jobs is evident in the greater proportion of women earning less than $35,000 annually. Although both men and women tend to earn more with age and education, women are still more likely to earn less overall. As annual earnings increase, the proportion of women rapidly declines. At the higher end of the spectrum, twice as many men earn $75,000-$99,999 per year, and three times as many earn $100,000 or greater, compared to women.

PROPORTION OF WORKING MEN AND WOMEN WITH MEDIAN ANNUAL EARNINGS

WASHINGTON, 2010



Source: U.S. Census Bureau, 2010 American Community Survey

Benefits

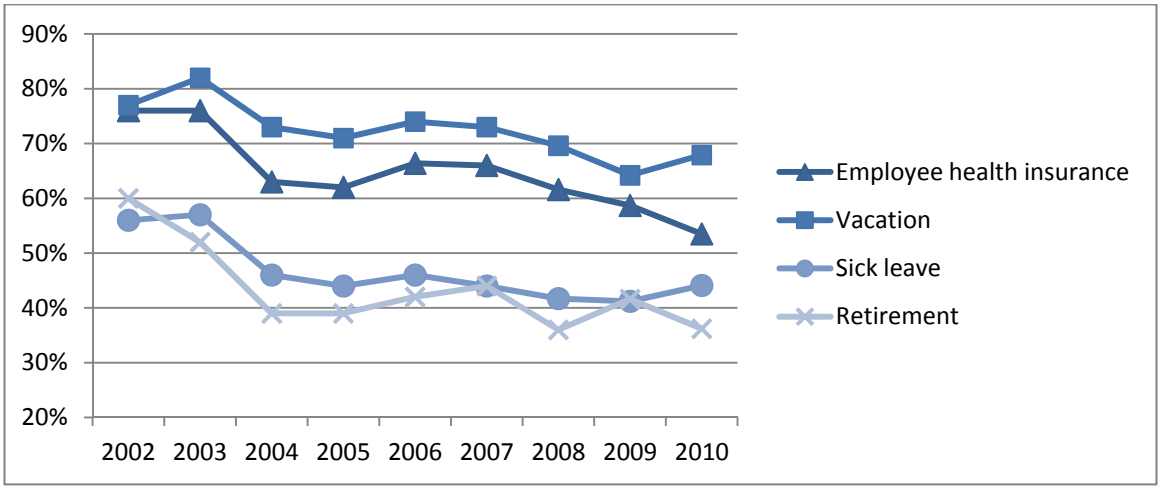
In addition to wages, working people need a range of workplace benefits to maintain economic security and good health for themselves and their families. Unfortunately, access to benefits has been stagnant or in decline over the past decade.

Washington firms are less likely to provide every kind of benefit now than in 2002, when the Employment Security Department began collecting data.[29] The proportion of firms providing health insurance for full-time workers dropped from 76% in 2002 to 54% in 2010, and fewer firms are providing retirement and paid leave benefits.[30]

Part-time workers – the majority of whom are women – are far less likely to receive every type of employer-sponsored benefit. In 2010, only 15% of businesses provided retirement benefits and 22% provided vacation to part-time employees. Just 11% offered health benefits to part-timers.[31]

PERCENTAGE OF FIRMS OFFERING BENEFITS TO FULL-TIME WORKERS:

WASHINGTON, 2002-2010



Source: Washington Employment Security Department

Norma Maxwell: *The price of motherhood*

Norma is a talented web designer whose company offered a flexible work schedule and the ability to telecommute. However, when she became pregnant with her second child, things at work began to change.

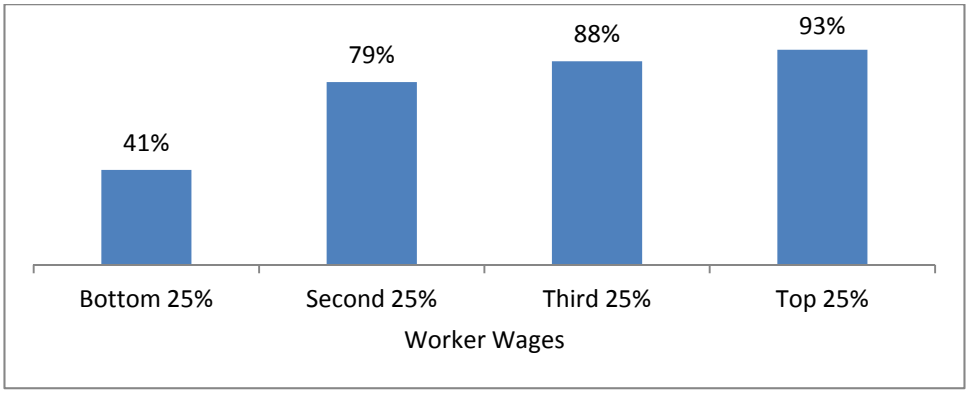
Norma was criticized for having a "negative" attitude, although she maintained all of her work duties despite bouts of morning sickness. And even though Norma complied with company policy after giving birth, she was fired soon after returning from maternity leave. Her employer believed that Norma's work would suffer "because the children will come first."

Norma sought legal counsel from Legal Voice, who fights for women's equality equally in the workplace. Norma won, and in its ruling the Court said: The employer "type-cast" Ms. Maxwell and "appears to have been convinced that as a new mother Ms. Maxwell would not be as good of an employee as she had been prior to her second pregnancy, regardless of any individualized evidence to the contrary."

Health Insurance

Nearly 1 million Washington residents did not have health insurance in 2010.[32] Low-wage workers are less likely than high earners to receive workplace benefits. Nationally, 41% of civilian workers in the bottom 25% have access to health benefits, compared with 93% in the top 25%.[33]

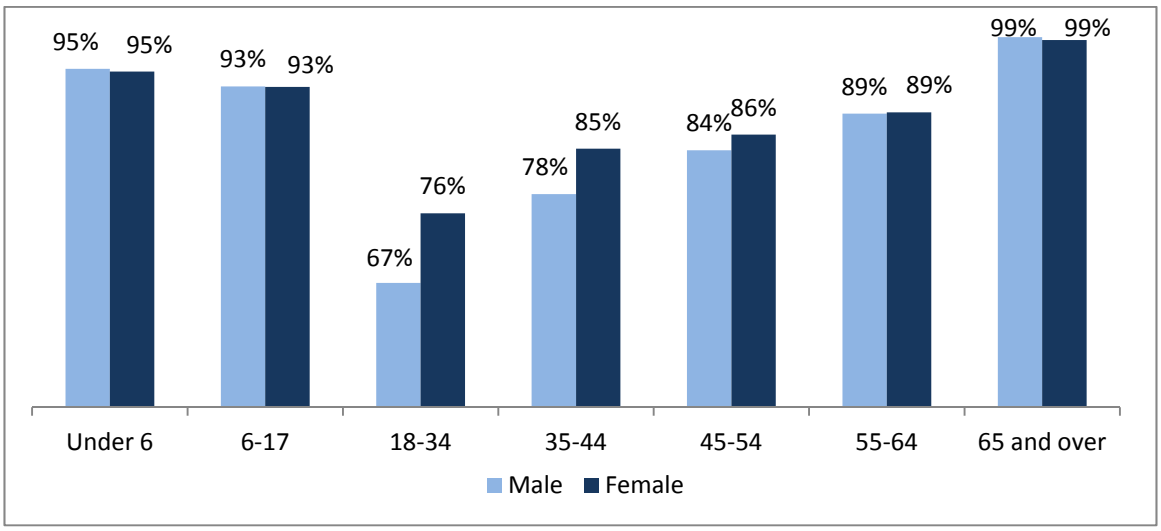
CIVILIAN WORKERS WITH ACCESS TO HEALTH CARE BENEFITS, BY INCOME LEVEL:
U.S., MARCH 2010



Source: Bureau of Labor Statistics, Employee Benefits Survey, March 2010

In Washington, the vast majority of seniors and children have health insurance, thanks to federal and state government policies. Public plans, including Medicare, Medicaid and Washington's Apple Health for Kids, cover 95% of seniors and over one-third of children. Between ages 18 and 55, women are more likely to be covered than men, with employer plans covering the majority of working-age adults.[34] According to a Washington Employment Security survey, employers paid, on average, 87% of the $427 monthly premium for employees in 2010 – leaving $56 to be paid by the employee.[35]

PERCENTAGE WITH HEALTH INSURANCE BY AGE AND SEX, WASHINGTON 2010



Source: U.S. Census Bureau, 2010 American Community Survey

While adult women aged 18-54 are more likely to have health insurance coverage than their male counterparts, they are also significantly more likely to be on a public health plan. Women aged 18-34 are nearly twice as likely as men of the same age to be covered by a public health insurance plan.[36] This is likely the result of increased poverty among women, since most public health plans are means-tested and eligibility is restricted to low-income persons.

Health Coverage for Children

Washington has a strong record of providing widespread access to health insurance for children. With the recent rise in poverty among children, particularly those in female-led households, it is increasingly critical that all children have access to health care.

Across the state, 90% or more of children are covered, with more than 95% of African American children having health coverage. However, American Indian and Alaska Native children are less likely to be insured compared with children of other racial groups.[37]

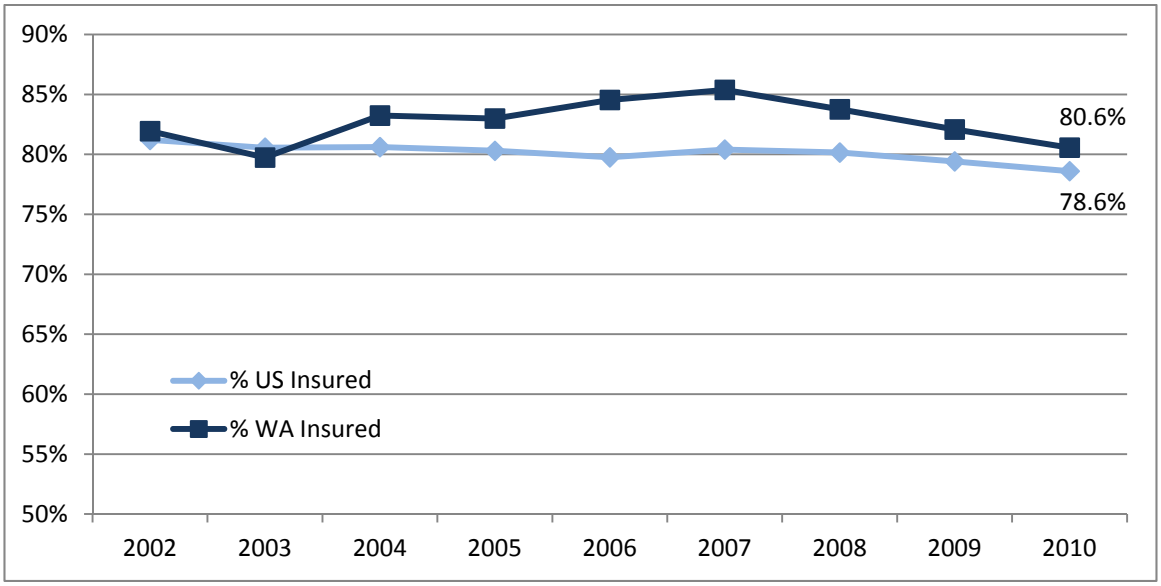
Declining Coverage Since 2007

Most working age adults rely on their employer for health insurance, but people have been losing coverage over the past several years due to high unemployment and cutbacks by employers.

In Washington, the percentage of 18- to 64-year-olds with health insurance has fallen from 85% in 2007 to 80.6% in 2010. Children's coverage has also declined, and rather than picking up the slack, state budget makers have cut the Basic Health Plan for low-income workers because of public revenue shortfalls.

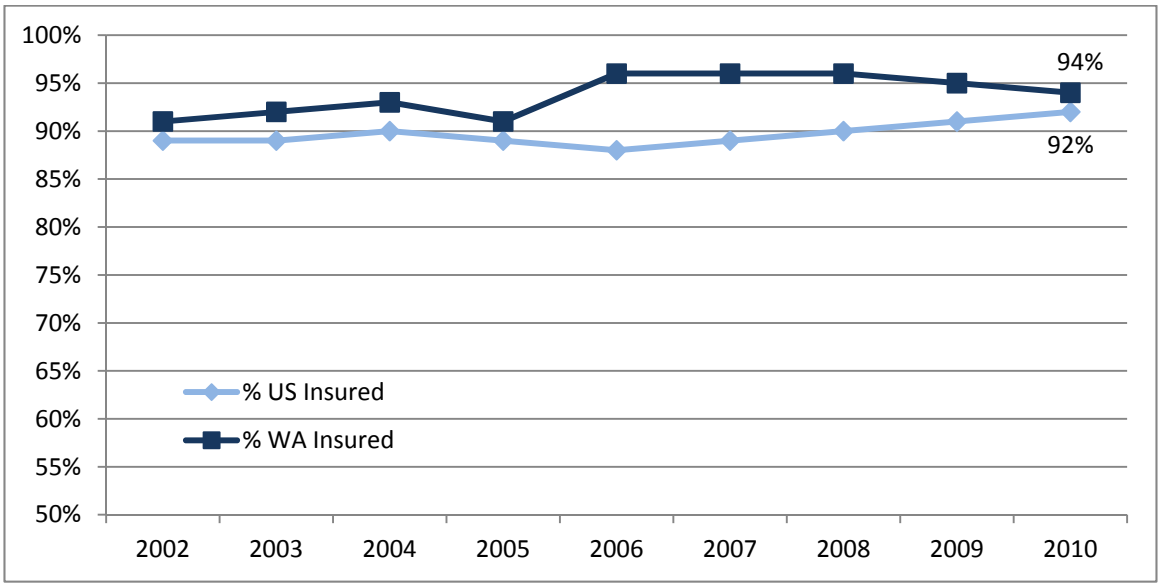
Still, health coverage in Washington for both children and working age adults remains about 2 percentage points above the national average.[38]

HEALTH INSURANCE COVERAGE, AGE 18-64, U.S. AND WASHINGTON, 2002-2010



Source: U.S. Census Bureau, 2010 American Community Survey

HEALTH INSURANCE COVERAGE, UNDER 18, U.S. AND WASHINGTON, 2002-2010



Source: U.S. Census Bureau, 2010 American Community Survey

Retirement and Social Security Benefits

With fewer firms offering retirement benefits to part-time and low-wage workers, women are less likely to have a retirement plan. Furthermore, because women are paid less, they also save less when they do have a plan.[39] This puts women at increased risk of financial insecurity in older age. Older women and men can be especially vulnerable during times of economic instability, when assets such as investment accounts or homes lose value.

Over the last two years, 47% of women and 35% of men reported reduced confidence in having enough financial resources to last through retirement. The increased concern among women extends across racial groups, age groups and education levels.

A primary area of concern is the potential for reductions to the Social Security program.[40] Social Security benefits are particularly important to older women, as they are more likely to live in poverty than men of the same age group. As such, older women tend to be more reliant on Social Security as their only source of income.[41]

However, because women receive lower pay and are more likely to take time away from the labor force for caregiving responsibilities, they receive an average of $3,000 less per year in Social Security benefits than men nationally.[42] And, as women often out-live men, they are forced to live longer on less.

Social Security is an essential economic support for older women. Of the more than 1 million Washington residents who receive Social Security benefits each month in Washington, 424,000 are women over age 65 – 92% of that age group.[43]

Without these benefits, half of U.S. women aged 65 and older would be living in poverty.[44] In Washington, the 10% poverty rate among women 65 and over would soar to 43% if Social Security benefits were to become unavailable.[45]

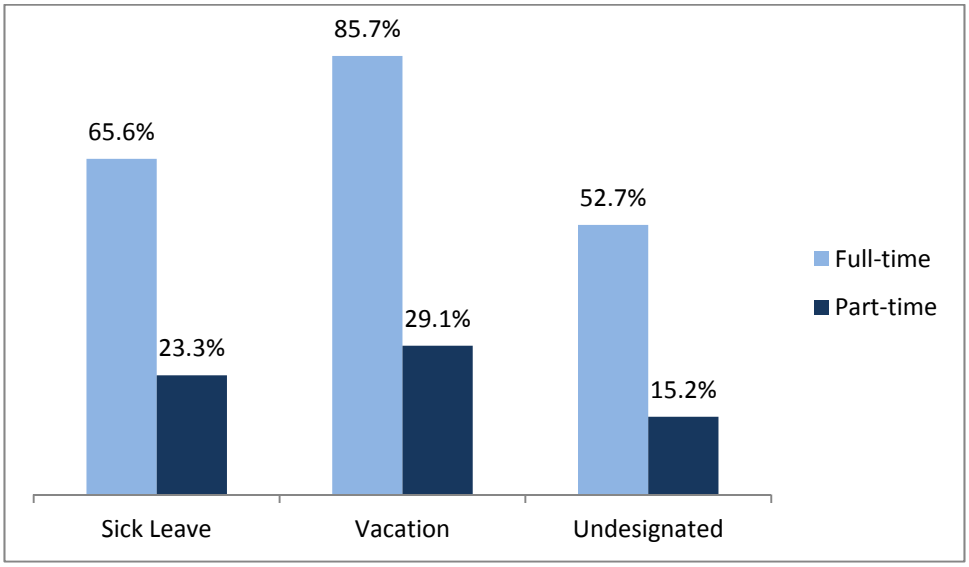
Social Security is also the nation's largest anti-poverty program for children. In Washington, 73,000 children of retirees, disabled workers, and deceased workers receive Social Security benefits.[46]

Paid Leave

Paid leave allows workers to maintain their own health, care for their families, and engage in a range of civic and other activities. Paid leave is especially important for women, who continue to assume primary responsibilities for caring for children. Care for older family members is also becoming increasingly important as the population ages.

A comprehensive study based on 2008 data found that 17% of the American workforce was providing uncompensated care for an elderly person, and 42% had done so during the previous 5 years. Men and women were equally likely to be providing such care. Nearly half of workers believe they will be responsible for eldercare in the next 5 years.[47]

PERCENTAGE OF EMPLOYEES OFFERED PAID LEAVE: WASHINGTON, 2010



Source: Washington Employment Security Department

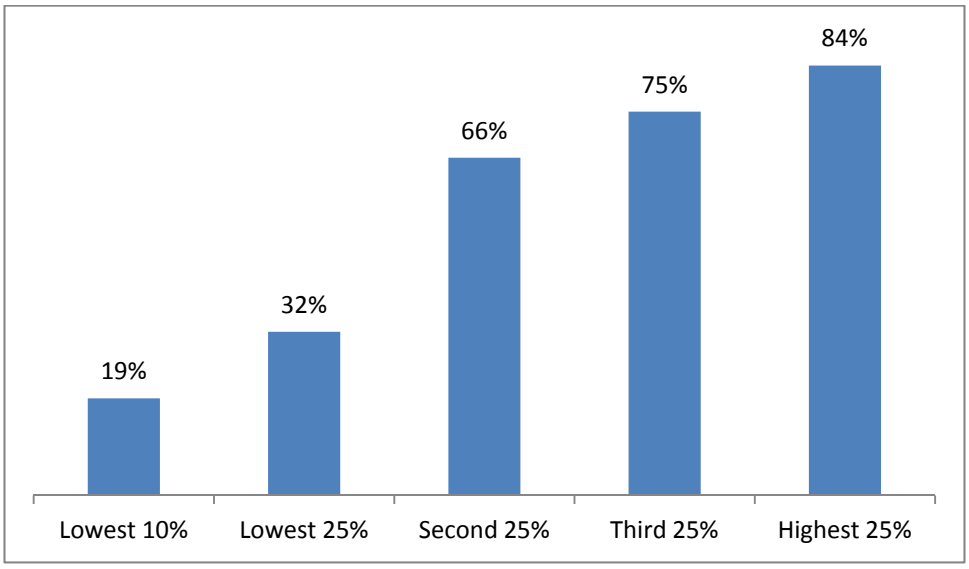
In 2010, 86% of full-time Washington employees had paid vacation and about two-thirds had paid sick leave, but the majority of part-time workers had no paid leave benefits. Even among full-time workers, significant numbers lack leave to care for the basic health needs of themselves and their families.[48]

National data show that lower income workers are particularly unlikely to be covered, with only 19% of workers in the bottom 10% of earnings having sick leave, compared to 84% of the top 25% or earners.[49]

Children are adversely affected when their parents do not have paid sick leave. If a parent cannot take time off work, children are less able to see a doctor for preventive care and treatment, and more likely to go to school sick.

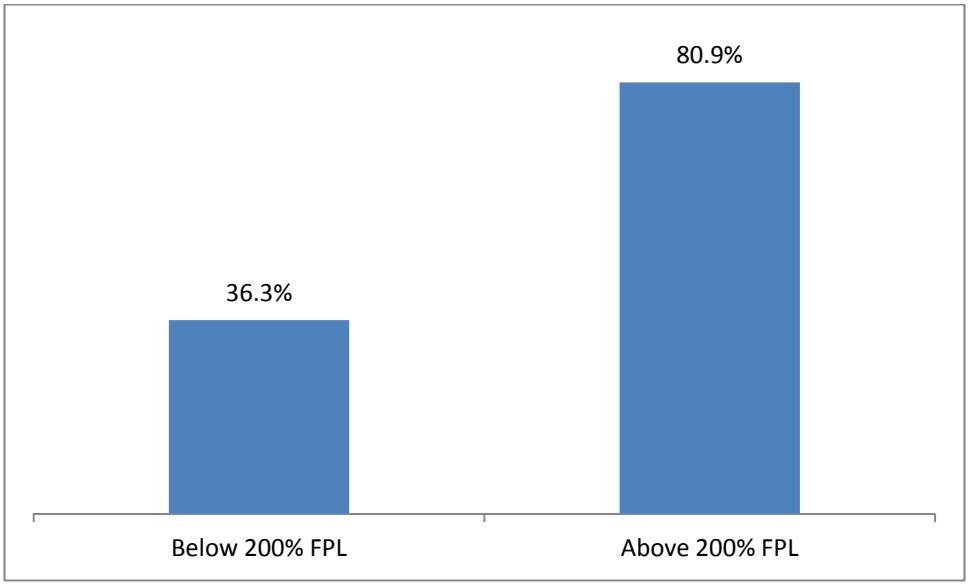
A national study of employed parents based on 2003 and 2004 data found that just 36.3% of children in families with incomes below 200% of the federal poverty level had a parent with access to paid sick leave, compared to 80.9% of higher income children.[50]

PAID SICK LEAVE BY WAGE LEVEL IN PRIVATE INDUSTRY: U.S. AVERAGE, 2010



Source: U.S. Bureau of Labor Statistics, National Compensation Survey

PERCENTAGE OF CHILDREN WHOSE PARENTS HAVE PAID SICK LEAVE,
ABOVE AND BELOW 200% OF FEDERAL POVERTY LEVEL



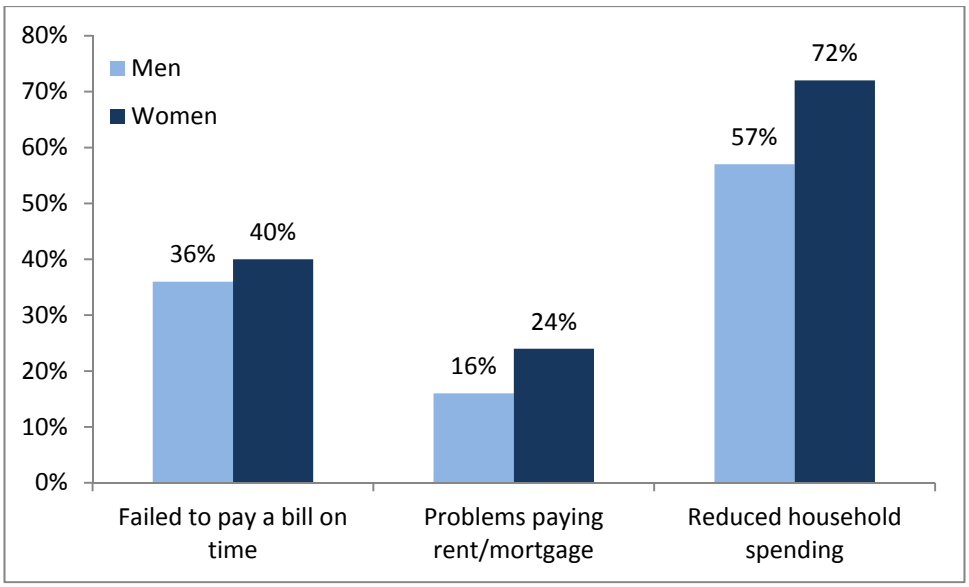
Source: Clemons-Cope, et al., Pediatrics 2008; 122:480-486.

Economic Characteristics

Economic Insecurity

Women and men across the country are struggling to achieve economic stability. Although men continue to experience higher unemployment rates than women, women have reported more difficulty affording regular expenses over the past year, with 40% failing to pay a bill on time, nearly a quarter experiencing problems paying for housing and more than 70% reducing household spending.

DIFFICULTY MEETING EXPENSES OVER PAST YEAR, AGED 18 AND OLDER: U.S., 2010

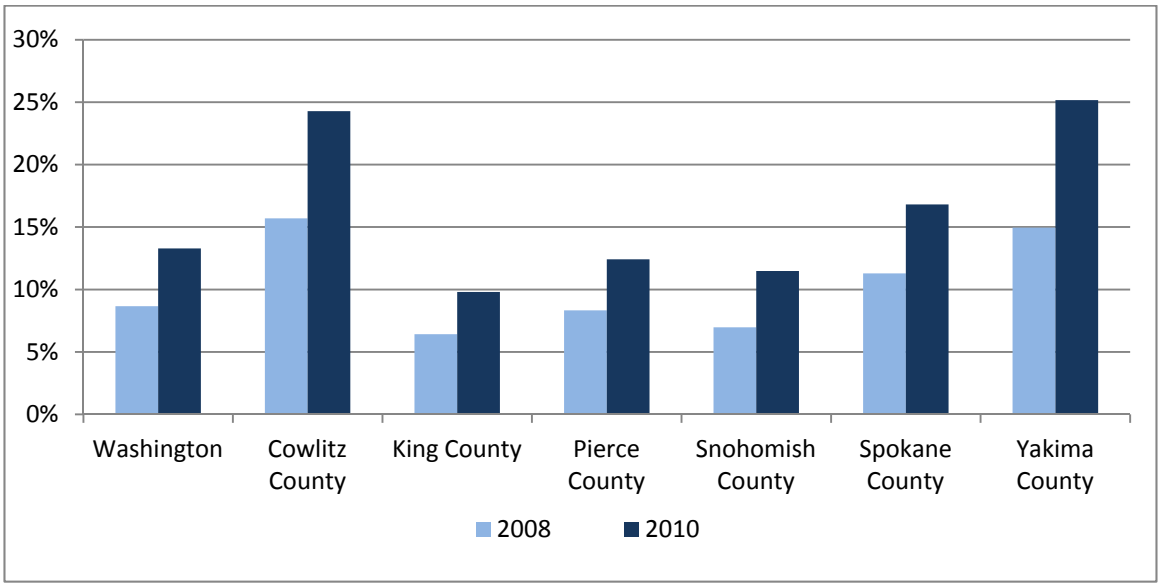


Source: IWPR/Rockefeller Survey of Economic Security 2010

As difficulty paying for regular expenses has increased, so has difficulty affording the most basic of needs. Nationally, more people are experiencing food insecurity, with higher rates among persons of color. Food insecurity is particularly high among African American women, 14% of whom experience hunger due to the inability to afford food.

Throughout Washington, more households are relying on food stamps than they were during the recession.

HOUSEHOLDS RECEIVING FOOD STAMPS: WASHINGTON, 2008 AND 2010

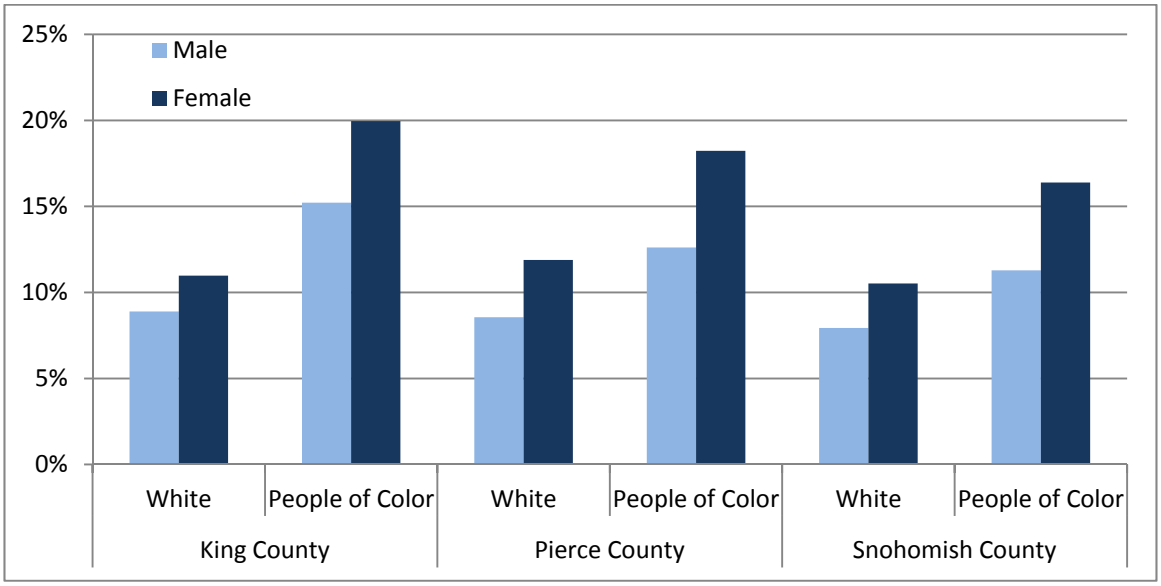


Source: U.S. Census Bureau, 2008 American Community Survey

Poverty

Women are more likely to live in poverty than men, with nearly 15% of Washington females living below 100% of the poverty level - $14,570 for a family of two and $22,050 for a family of four in 2010.[51] Women of color, in particular, are experiencing high rates of poverty. In King County, 20% of women of color aged 18-64 live in poverty.[52]

LIVING BELOW 100% OF THE POVERTY LEVEL, 18-64 YEARS: WASHINGTON, 2010



Source: U.S. Census Bureau, 2010 American Community Survey

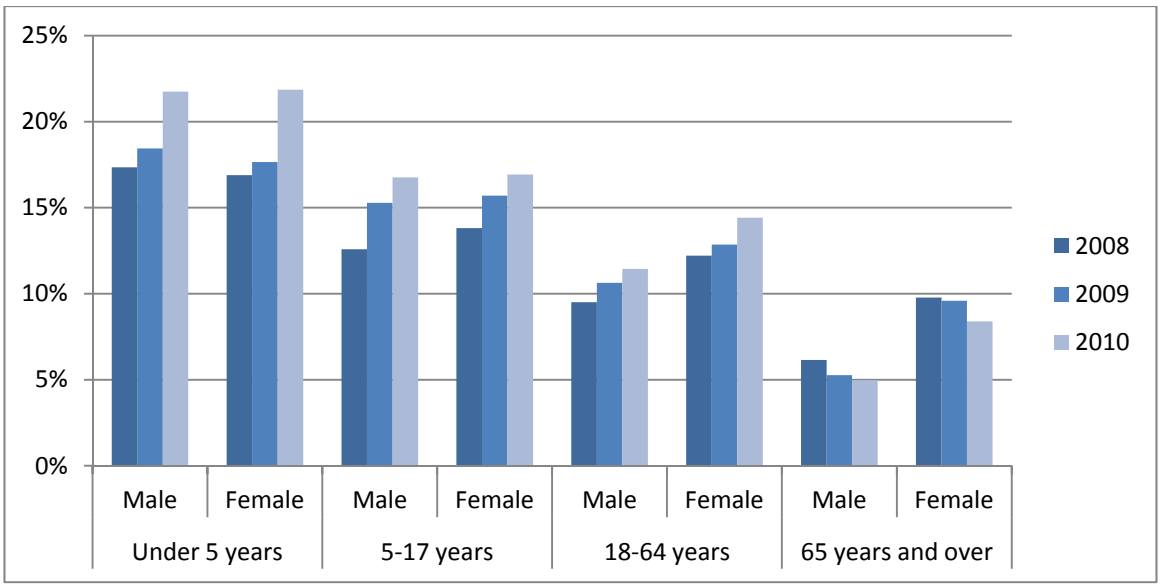
Poverty by Race and Age

Young children experience the highest rates of poverty, and African American, Native American and Hispanic children are more likely to live in poverty than Whites and Asians. Poverty rates have increased between 2008 and 2010 for all age groups except those over 65. Among children, poverty rates have most increased for those under age 5, especially during 2010.

In Cowlitz, Grant, Grays Harbor and Yakima Counties, more than 30% of children lived below the poverty level in 2010.[53]

Far more children live in families that meet the usual definition of low income – below 200% of the official poverty line. In Washington, 44% of children under 6 and 37% of older kids were in low-income families in 2010.

LIVING BELOW 100% OF THE POVERTY LEVEL, BY SEX AND AGE: WASHINGTON, 2010



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

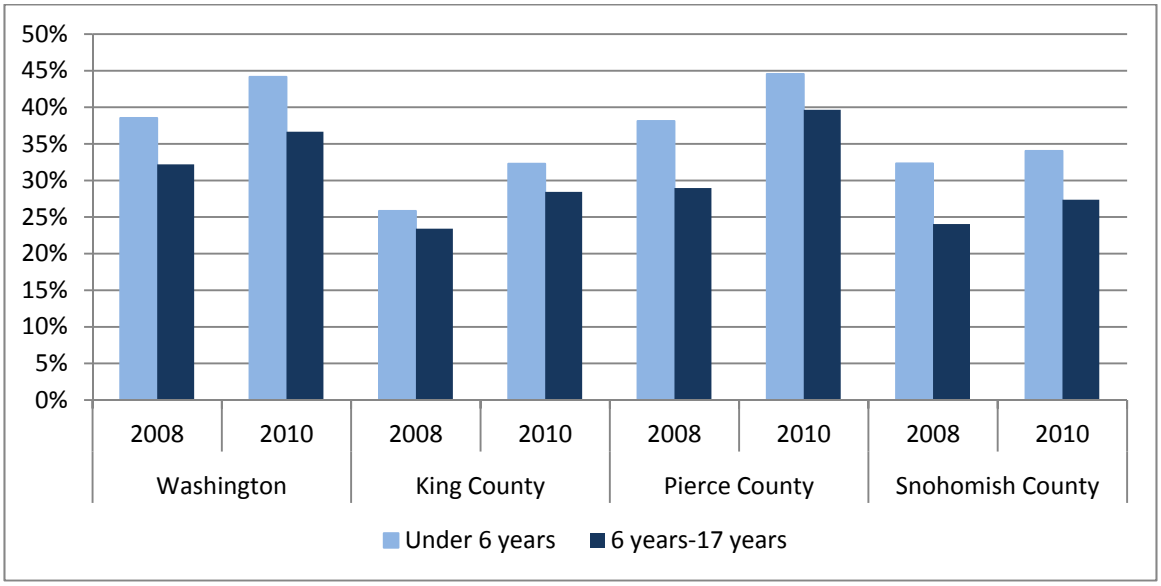
Kris Colcock: *Access to credit matters*

Two years ago Kris, who is legally blind, was newly divorced with two children and few career options. The family was getting by on public assistance, but Kris was determined to start her own business and use the income to support her family.

Kris was accepted to Washington CASH, a program that helped her develop a business plan for her new business, Spirit Wind.

Soon after graduating from the program, Kris began selling her handcrafted bath and body products though local markets, but she had bigger dreams. Despite an impossible credit market, Kris secured a peer loan to purchase inventory and supplies. She now sells her products throughout the Puget Sound region, and by combining households with another family, she is able to share expenses and care for the children while continuing to run her business.

CHILDREN LIVING BELOW 200% OF THE POVERTY LEVEL, ALL HOUSEHOLDS:
WASHINGTON 2008 AND 2010



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

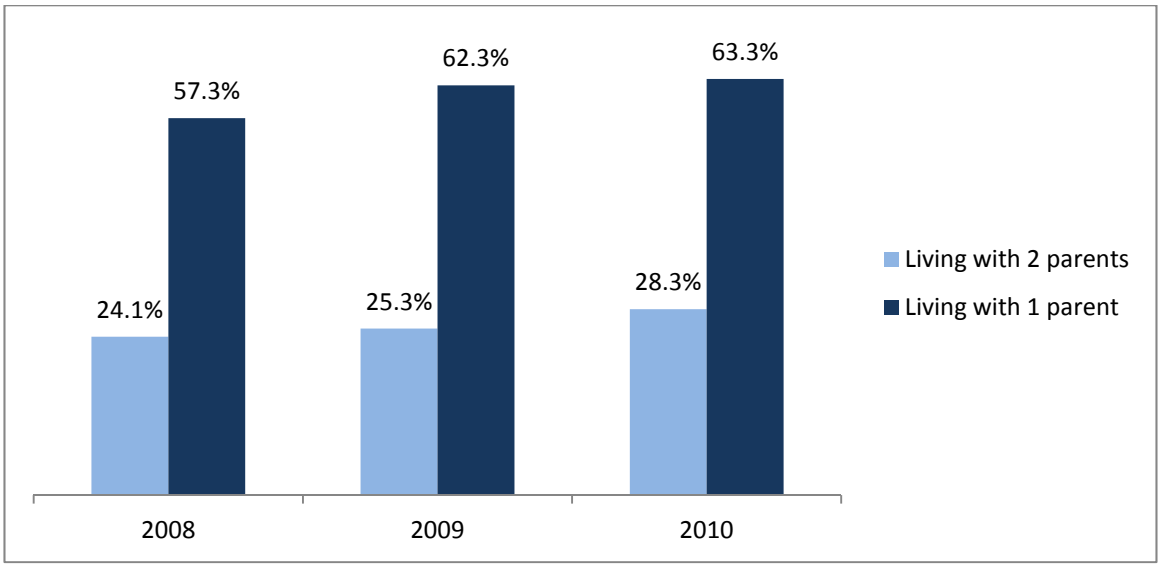
Single-Parent Households

Washington children living with one parent are more than twice as likely to live below 200% of the poverty level as those living with two parents. While single-father families also have lower incomes on average than married couples, female-headed households have the highest rates of poverty and near-poverty.

Many counties now have rates above 50% for female-headed households.

In Yakima County, 80% of families led by a single woman are living below 185% the poverty level, with their children meeting eligibility to receive free or reduced price lunch.

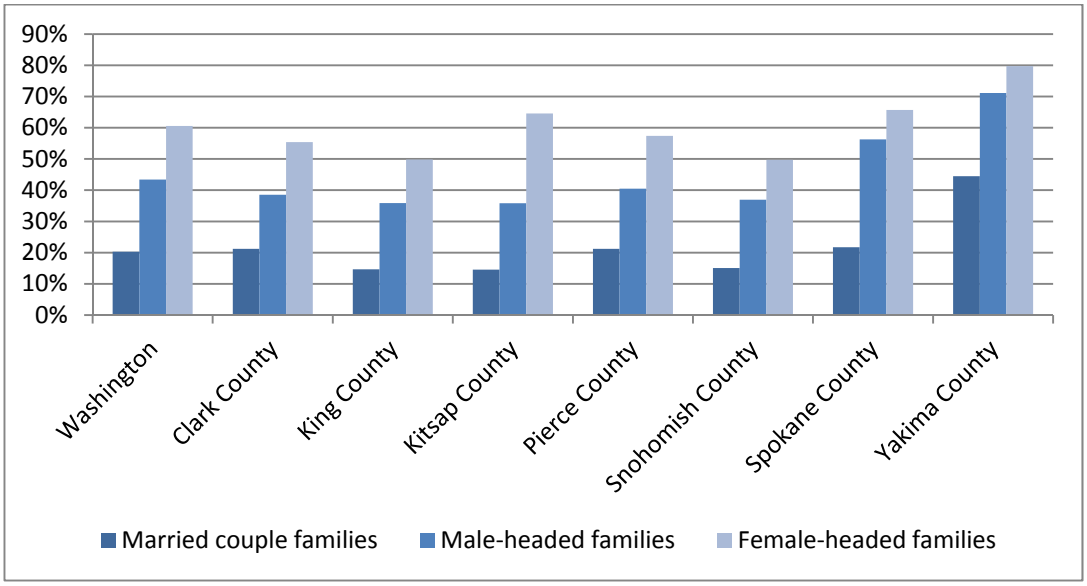
CHILDREN LIVING BELOW 200% OF THE POVERTY LEVEL: WASHINGTON, 2008-2010



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

FAMILIES WITH CHILDREN UNDER 18 LIVING BELOW 185% OF THE POVERTY LEVEL:

WASHINGTON, 2010



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

Washington State Budget Cuts and Public Sector Job Losses

Washington lawmakers have faced a series of budget gaps since late 2008, as tax revenues have fallen along with consumer spending and business activity. Washington state has slashed billions of dollars from its operating budget, affecting individuals, school districts, and communities in every part of the state. Local governments are also grappling with falling revenues.

Public job cuts are continuing even as the private sector rebounds. These losses are compounding the slow recovery by limiting private economic growth. Much of state spending is directly for goods and services from private businesses. In addition, state budget cuts mean both public employees and people who receive public services have less money to purchase goods and services from businesses in their local communities.[54]

Some states have chosen to raise revenues in a variety of ways to meet public needs during the recession, but Washington policy makers have mostly cut spending to deal with the budget hole.

Cuts have included:

- consolidation of state agencies, postponement of purchases and programs, and bans on unnecessary travel;
- mandatory furloughs and higher health insurance contributions for state employees;
- elimination of class-size reduction funds and other cuts to K-12 education;
- significant cuts in higher education spending accompanied by large tuition increases;
- new restrictions on eligibility and reductions in numbers of children and adults receiving subsidized health, childcare, home health, and other services, along with cuts in the levels of service provided.

Many of these cuts have caused serious harm and suffering to state residents, and will raise future costs as a result of poorer health and lost educational opportunities. Women, children, and people of color - already economically vulnerable - are particularly at risk.

Conclusion

Although the Great Recession has officially ended according to economists, women and children are slipping further from economic security. Poverty rates are highest among single mothers, even though more than 80% are in the workforce.[55] Children, too, are suffering from some of the largest increases in poverty in many years.

Given the status of today's working women and their families, the need to reform workplace/labor standards is clear. The gender gap in monthly earnings is now wider than two decades ago, extending across race and age. This gap even increases with greater educational attainment. And labor force segregation is remarkably similar to that of 20 years ago, with women dominating low-wage sectors that involve caregiving.

Furthermore, employers continue to provide benefits that selectively favor workers who are already at greater economic advantage. Most workers today have little, if any, bargaining power, and the share of firms offering workplace benefits to full-time employees is lower than a decade ago. For part-time workers, just one in ten Washington firms provides health insurance coverage.

Social insurance programs that once provided a safety net in times of vulnerability no longer offer the same promise of support. In the worst economy since the Great Depression of the 1930s, far too many Americans have exhausted Unemployment Insurance benefits and depleted savings, while the value of their homes has plummeted. Women are penalized with lower Social Security benefits for receiving less pay and taking on caregiver responsibilities. Yet, Social Security is still the best protection against poverty for women, especially in older age, and for children.

The recession and its prolonged aftermath have highlighted existing inequalities and policy gaps. Ensuring economic security for working women and their families requires:

- Adopting wage standards that keep pace with a living wage and ensure equal pay for the equally qualified.
- Extending workplace benefits to part-time and low-wage workers.
- Implementing and expanding Washington's Family and Medical Leave Insurance Program.
- Adopting minimum paid sick and safe days standards statewide.
- Reforming Social Security to boost benefits for lower wage-earners and caregivers.
- Raising new state revenue to expand access to affordable, quality childcare and early learning programs, health care and higher education.

All of these measures are necessary to building a better work environment for women and a stronger economy for Washington. Women will continue to struggle to achieve economic security until employers and policymakers take adequate steps to reduce gender gaps in earnings, access to benefits and likelihood of experiencing poverty throughout life.

However, around the country, advances have been made or proposed in all these areas. As a result, policy models are available to achieve these goals.

Endnotes

[1] U.S. Census Bureau, American Community Survey, Selected Economic Characteristics: 2010, http://factfinder2.census.gov.

[2] Institute for Women's Policy Research, "Job Gap Between Women and Men Persists in August," September 2011, http://www.iwpr.org/.

[3] Heather Boushey, "Changing Places: Women Continue to Lose Jobs as Economy Grows," Center for American Progress, May 2011, http://www.americanprogress.org/.

[4] Economic Policy Institute analysis of Current Population survey data.

[5] U.S. Census Bureau, 2010 American Community Survey and 4th quarter 2009-3rd quarter 2010 Quarterly Workforce Indicators.

[6] U.S. Census Bureau, American Community Survey, Sex by Earnings in the Past 12 Months (in 2010 inflation-adjusted dollars) for the Population 16 Years and Over with Earnings in the Past 12 Months: 2010, http://factfinder2.census.gov/.

[7] Social Security Administration, "Fact Sheet: Social Security is Important to Women," http://www.ssa.gov/pressoffice/factsheets/women-alt.pdf.

[8] "Doubling up" is when a person moves in with others, usually family or friends, to share living expenses.

[9] Jeffrey Hayes and Heidi Hartman, "Women and Men Living on the Edge: Economic Insecurity After the Great Recession," Institute for Women's Policy Research, October 2011, http://www.iwpr.org/.

[10] Washington State Department of Labor and Industries, http://www.lni.wa.gov/.

[11] Kai Filion, "Minimum Wage Issue Guide," Economic Policy Institute, July 2009, http://www.epi.org/.

[12] Economic Opportunity Institute, "The State of Working Washington," http://stateofworkingwa.org/insights/whatitreallycosts.htm.

[13] Summary Provisions of Seattle Paid Sick and Safe Days Ordinance," Seattle Coalition for a Healthy Workforce, http://seattlehealthyworkforce.files.wordpress.com/2011/05/summary-provisions-of-council-paid-sick-and-safe-days-ordinance-9-9-11.pdf.

[14] Marilyn Watkins, "Evaluating Paid Sick Leave: Social, Economic and Health Implications for Seattle," Economic Opportunity Institute, May 2011, www.eoionline.org.

[15] U.S. Census Bureau, American Community Survey, 2010, http://factfinder2.census.gov.

[16] U.S. Census Bureau, Quarterly Workforce Indicators, 4th quarter 2009-3rd quarter 2010 data average, http://lehd.did.census.gov/led/datatools/qwiapp.html.

[17] U.S. Census Bureau, American Community Survey, Selected Economic Characteristics 2008 and 2010.

[18] John Tarnai, "Washington State 2010 Child Care Survey: Child Care Rate and Resources in Washington State," Washington State Department of Early Learning, Fall 2010, http://www.del.wa.gov/publications/research/docs/LicensedChildCareInWashingtonState_2010.pdf.

[19] Washington State Department of Early Leaning, http://www.del.wa.gov/care/help/connections.aspx.

[20] Kim Justice and Lori Pfingst, "Reduced Eligibility for Child Care Would Provide Challenges for Parents," Washington State Budget and Policy Center, http://budgetandpolicy.org/schmudget/reduced-eligibility-for-child-care-assistance-makes-it-even-harder-for-a-parent-to-meet-their-family2019s-basic-needs.

[21] U.S. Census Bureau, Quarterly Workforce Indicators, http://lehd.did.census.gov/led/datatools/qwiapp.html.

[22] U.S. Census Bureau, American Community Survey, Sex by Age by Employment Status for the Population 16 Years and Over: 2010, http://factfinder2.census.gov/.

[23] Washington State Employment Security Department, Monthly exhaustee data reports: July 2011, retrieved October 4, 2011 from www.esd.wa.gov.

[24] Washington State Employment Security Department, "Unemployment Benefits Exhaustee Survey Report," July 2011, retrieved October 4, 2011 from http://www.workforceexplorer.com.

[25] Institute for Women's Policy Research analysis of U.S. Bureau of Labor Statistics, Current Population Survey data.

[26] Washington State Employment Security Department, Non-farm employment historical series, seasonally adjusted, data released November 17, 2011, www.workforceexplorer.com.

[27] Jeanne Lang Jones, "Wages Rise in Puget Sound Area at 5 Times National Pace," Puget Sound Business Journal, October 7-13, 2011.

[28] Marilyn Watkins, "Washington's Working Women 2010: Progress Stalled Without New Workplace Policies," Economic Opportunity Institute, www.eoionline.org.

[29] Marilyn Watkins, "Washington's Working Women 2010: Progress Stalled Without New Workplace Policies," Economic Opportunity Institute, www.eoionline.org.

[30] Washington Employment Security Department, "2010 Employee Benefits Survey Report," Labor Market and Economic Analysis, August 2011, http://www.workforceexplorer.com/admin/uploadedPublications/11464_2010_Employee_Benefits_Report.pdf.

[31] Washington Employment Security Department, "2010 Employee Benefits Survey Report," Labor Market and Economic Analysis, August 2011, http://www.workforceexplorer.com/admin/uploadedPublications/11464_2010_Employee_Benefits_Report.pdf.

[32] U.S. Census Bureau, American Community Survey, Public Health Insurance Status by Sex by Age: 2010, http://factfinder2.census.gov/.

[33] Bureau of Labor Statistics, Employee Benefits Survey, March 2010, www.bls.gov.

[34] U.S. Census Bureau, American Community Survey, Public Health Insurance Status by Sex by Age: 2010, http://factfinder2.census.gov/.

[35] Washington Employment Security Department, "2010 Employee Benefits Survey Report," Labor Market and Economic Analysis, August 2011.

[36] U.S. Census Bureau, American Community Survey, Public Health Insurance Status by Sex by Age: 2010, http://factfinder2.census.gov/.

[37] U.S. Census Bureau, American Community Survey, Health Insurance Coverage Status by Sex by Age: 2010, http://factfinder2.census.gov/.

[38] U.S. Census Bureau, American Community Survey, http://factfinder2.census.gov/.

[39] Marilyn Watkins, "Washington's Working Women 2010: Progress Stalled Without New Workplace Policies," Economic Opportunity Institute, www.eoionline.org.

[40] Cynthia Hess, Jeff Hayes, & Heidi Hartman, "Retirement on the Edge: Women, Men and Economic Insecurity After the Great Recession," Institute for Women's Policy Research, October 2011, www.iwpr.org.

[41] National Women's Law Center, "Women and Social Security: Key Facts," May 2011, www.nwlc.org/security.

[42] Social Security Administration, "Fact Sheet: Social Security is Important to Women," http://www.ssa.gov/pressoffice/factsheets/women-alt.pdf.

[43] Social Security Administration, "Number of beneficiaries in current-payment status, by county, type of benefit, and sex of beneficiaries aged 65 or older, December 2010, Washington," www.ssa.gov.

[44] Social Security Administration, "Fact Sheet: Social Security is Important to Women," http://www.ssa.gov/pressoffice/factsheets/women-alt.pdf.

[45] National Women's Law Center, "Social Security: Vital to Washington Women and Families," August 2011, www.nwlc.org/security.

[46] Social Security Administration, "Number of beneficiaries in current-payment status, by county, type of benefit, and sex of beneficiaries aged 65 or older, December 2010, Washington," www.ssa.gov.

[47] Families and Work Institute, *The Elder Care Study: Everyday Realities and Wishes for Change,* October 2010, http://familiesandwork.org/site/research/reports/elder_care.pdf. A 2004 report by the National Alliance for Caregiving and AARP (*Caregiving in the U.S.*, http://www.caregiving.org/data/04finalreport.pdf) estimates that 21% of the U.S. adult population age 18 and older provides unpaid care to an adult age 18 or older.

[48] Washington Employment Security Department, "2010 Employee Benefits Survey Report," Labor Market and Economic Analysis, August 2011, http://www.workforceexplorer.com/admin/uploadedPublications/11464_2010_Employee_Benefits_Report.pdf.

[49] Bureau of Labor Statistics, Employee Benefits Survey, March 2010, www.bls.gov.

[50] Lisa Clemans-Cope, Cynthia D. Perry, Genevieve M. Kenney, Jennifer E. Pelletier and Matthew S. Pantell, "Access to and Use of Paid Sick Leave Among Low-Income Families with Children," *Pediatrics, vol 122, Number 2, August 2008,* American Academy of Pediatrics, http://pediatrics.aappublications.org/cgi/reprint/122/2/e480.

[51] U.S. Health and Human Services, "HHS Poverty Guidelines for the Remainder of 2010," August 2010, http://aspe.hhs.gov/poverty/10poverty.shtml.

[52] U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months by Sex by Age: 2010, http://factfinder2.census.gov/.

[53] U.S. Census Bureau, American Community Survey, Poverty Status in the Past 12 Months by Sex by Age: 2010, http://factfinder2.census.gov/.

[54] According to economist Mark Zandi of Moody's Economy.com, across the nation, state and local government cuts will reduce U.S. GDP growth – already sluggish, at an annual rate of just 1.3% in the second quarter of 2011 – by about 0.5% both in 2011 and 2012: "An Analysis of the Obama Jobs Plan," September 2011, Moody's economy.com, http://www.economy.com/dismal/article_free.asp?cid=224641&tid=F0851CC1-F571-48DE-A136-B2F622EF6FA4&src=economy_homepage; U.S. GDP growth rate in U.S. Bureau of Economic Analysis, "National Income and Product Accounts Gross Domestic Product, 2nd quarter 2011 (third estimate)," September 29, 2011, http://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm.

[55] U.S. Census Bureau, American Community Survey, Presence of Own Children Under 18 Years by Family Type by Employment Status: 2010, http://factfinder2.census.gov/.

Building an economy that works - for everyone.

EOI is an independent, nonpartisan, non-profit public policy center working to restore the promise of the middle class. Through research, education and advocacy, we shape public debate and advance new policy ideas to build an economy that works - for everyone.

As a 501(c)3 organization registered in the state of Washington, we are fully funded through the charitable contributions of individuals, foundations, and other organizations who believe in our work and want to see it succeed. Learn more at www.eoionline.org.