

"State of Working WA" Report: Middle Class Falls Behind

Local News

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SEATTLE, Wash. - It's not your imagination that the typical Washington paycheck doesn't go as far today as it once did. The new "State of Working Washington" report from the *Economic Opportunity Institute (EOI)* details why most Washington residents have become less financially secure in the past ten years, with incomes and benefits eroding.

At the same time, the report shows costs for such big-ticket items as education, housing and health care have continued to rise. Report author Marilyn Watkins, an economist and *EOI* policy director, describes some of the increases.

"The cost of sending your kids to college at public universities or community colleges here in Washington state, and the cost of health care, have roughly doubled over the last two decades, relative to typical household income."

She says housing also remains out of reach for many, even after this year's downturn in real estate values. The report shows men are making an average of \$266 less per month than they did in 2000, and women's monthly take-home pay is only 65 percent of men's.

State lawmakers will soon have to deal with these results, as well as a grim budget forecast. The report includes suggestions for expanding the state tax base - such as taxing candy, gum and soft drinks - and it recommends more family-friendly policies in workplaces. But how much the legislature can agree on is anybody's guess, says Watkins.

"I think it's a matter of political will. And it's a matter of all of us really taking a hard-headed look, not just at this month, but next year - and in five years."

The report indicates only those at the top income levels have prospered in Washington in the last decade; it makes a case for changing the state tax structure so that higher-income residents pay more. Conservative lawmakers are already saying that's not an option, however, because families and business owners can't afford higher taxes.