Socioeconomic Position in Washington

Definition: Socioeconomic position is a term that social scientists use to describe material and social resources available to individuals as well as their rank or status in the social hierarchy. Socioeconomic position is often measured by economic factors, such as income, wealth, and poverty; education; and occupation. This chapter focuses on two indicators of socioeconomic position available through the American Community Survey: poverty—defined as living below the federal poverty threshold that is established annually and accounts for the numbers and ages of household members—and college education—defined as having a bachelor's degree or higher for people ages 25 years or older.

Summary

Compared to the United States as a whole, Washington State residents have more economic resources and higher levels of education. For example, the 2012 American Community Survey[a] showed about 14% of Washington residents in poverty compared to 16% nationally. On the same survey, about 32% of Washington residents ages 25 and older reported having college degrees compared to 29% nationally.

Economic resources and educational attainment are not distributed equally across Washington. Many rural counties have larger proportions of people in poverty than the state as a whole. More females than males live in poverty, and poverty is more common among Washington's American Indian and Alaska Native (AIAN), Hispanic and black residents than among whites and Asians. AIAN, Hispanic and black Washington residents also have lower median incomes, are less likely to have completed college and are less likely to live in affordable housing than white and Asian residents.

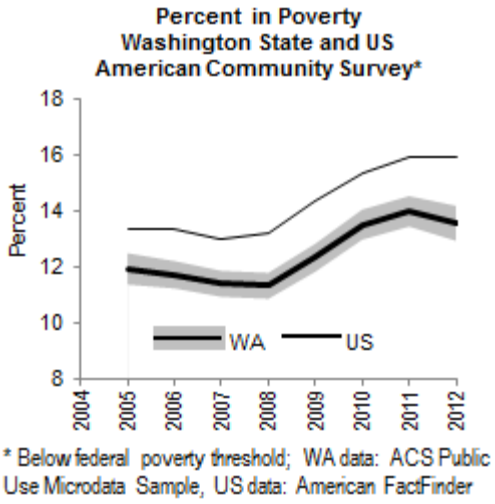
Increasing educational attainment is one of the many benefits of comprehensive center-based early education and full-day kindergarten for low-income children.[1,2] The American Academy of Pediatrics (AAP) recommends home visiting by trained professionals for mothers with greatest social deprivation to reduce child abuse and neglect. The AAP also notes substantial evidence for some home visiting programs to address inequities in children's health, school readiness and development.[3] Because economic and educational disparities are larger in the United States than in other high-income, developed nations, the National Research Council and Institute of Medicine recommend considering whether social and economic policies that have shown success in other countries might reduce disparities in the United States.[4]

Introduction

An extensive body of literature documents poorer health among people of lower compared to higher socioeconomic position (SEP). (See *Health of Washington State* chapter Social and Economic Determinants of Health.) Most chapters in *Health of Washington State* include information on health disparities related to SEP. This chapter describes SEP in Washington focusing on poverty and educational attainment.

Poverty

Time Trends



Each year, the federal government defines the poverty threshold for households of varying sizes. Households with incomes below these levels seldom have enough money for basic needs, such as food,

[a] Unless otherwise noted, margins of error for American Community Survey data are less than or equal to 1%.

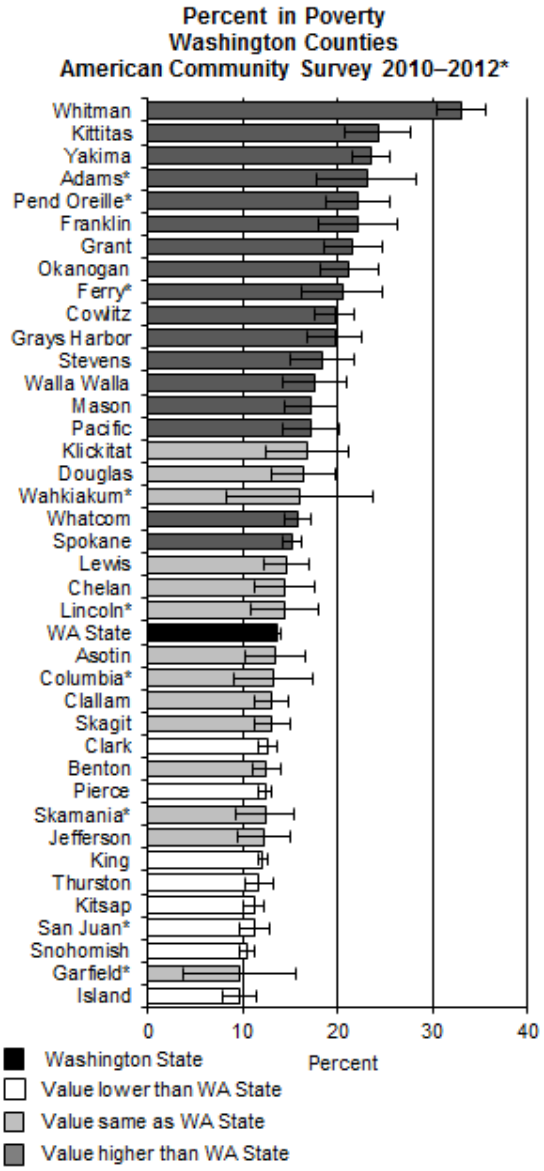
shelter or clothing. In 2012, a family of two adults and two children with a total household income of less than $23,283 was below the federal poverty threshold. (See Technical Notes.) The American Community Survey (ACS)[a] estimated that in 2012, 14% of Washington State residents lived in poverty (that is, below the poverty threshold) compared to 16% in the United States.

From 2005 through 2012, poverty in Washington increased slowly at about one-third of a percentage point each year. The increase was steepest from 2008 to 2011 when poverty rates increased almost one percentage point each year, reflecting economic recession. From 2005 through 2012, the percent of children in poverty grew at about two-thirds of a percentage point each year. In 2012 19% of Washington's children ages 17 and younger lived in poverty, compared to 22% nationally.

Geographic Variation

The 2010–2012 ACS[b] showed large differences in poverty rates among Washington counties. Counties in eastern Washington were more likely to be poor: among 17 counties with poverty rates higher than the state average, 12 were east of the Cascade Mountains. In contrast, all eight counties with poverty rates lower than the state were in western Washington.

In 2010, at least half the population in nine of the 17 high-poverty counties lived in rural areas—Adam, Ferry, Grant, Gray Harbor, Kittitas, Okanogan, Pacific, Stevens and Whitman. (See Technical Notes.) The Washington State Employment Security Department classified seven high-poverty counties as economically distressed based on high unemployment rates in 2010–2012—Cowlitz, Ferry, Grays Harbor, Mason, Pacific, Pend Oreille and Stevens.[5] Yakima, Adams and Franklin counties have large Hispanic populations, while Ferry and Okanogan counties have the largest proportions of American Indians and Alaska Natives, two groups with high poverty rates. More than half of Whitman County residents—the county with the highest percentage of its residents living in poverty—are students who often have low incomes.



* Below federal poverty threshold; data from American FactFinder; data for 2008–2012 for counties with populations <20,000

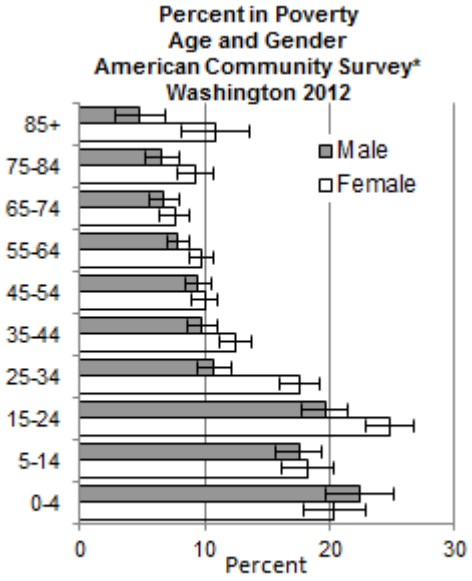
In contrast, six out of eight counties with poverty rates lower than the state average—Snohomish, Thurston, King, Kitsap, Pierce and Clark—include urban core areas or have high levels of commuting to urban cores. The two remaining counties—San Juan and Island—are among counties with the largest proportions of people with college educations, likely explaining their low poverty rates.

Age and Gender

On the 2012 ACS,[a] 15% of females in Washington lived in poverty compared to 12% of males. Larger percentages of Washington's females than males lived in poverty in age groups 15–44, 55–64, and 75

[b] American Community Survey data for counties with less than 20,000 people are for 2008–2012

and older. Women generally have lower wages than men. The 2012 ACS showed median incomes of about $30,000 for women and $43,000 for men in Washington.

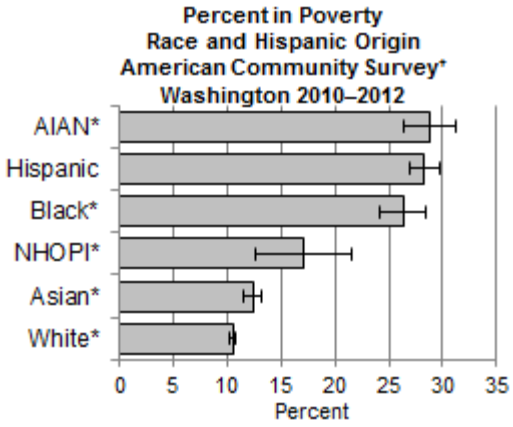


* Below federal poverty threshold; data from ACS Public Use Microdata Sample

In addition to the wage gap, being unmarried with children likely contributes to the large differences between females and males in the younger ages groups. The 2012 ACS[a] showed about 6% of families in Washington made up of unmarried women with children compared to about 2% composed of unmarried men with children. Among unmarried Washington residents ages 18–34 years with children in the home, 41% (±4%) of women lived in poverty compared to 34% (±6%) of men. For residents ages 75 and older, higher poverty rates among women reflect cumulative effects of lower life-time earnings, longer life expectancies and higher likelihood of widowhood.

Race and Hispanic Origin

The 2010–2012 ACS[a] showed higher percentages of living in poverty among Washington's American Indian and Alaska Native (29% ±2%), Hispanic (28%), and black (26% ±2%) residents compared to other groups. At 10%, whites had the lowest percentages in poverty, followed by Asians (12%) and Native Hawaiians and other Pacific Islanders (17% ±4%).

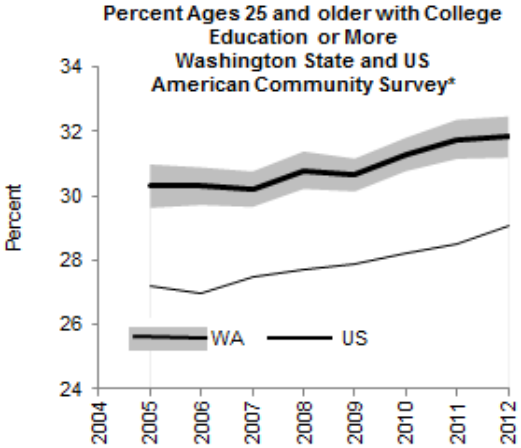


† Below the federal poverty threshold; data from ACS Public Use Microdata Sample
* Non-Hispanic, single race only
AIAN: American Indian/Alaska Native
NHOPI: Native Hawaiian/Other Pacific Islander

Education

Time Trends

The 2012 ACS[a] showed 32% of Washington residents ages 25 and older with college degrees compared to 29% nationally. The overall percentage hides the fact that among those born in Washington, only 27% had college degrees compared to 35% of residents born elsewhere. From 2005 through 2012, college completion rates in both Washington and the United States grew slowly, increasing about one-quarter of a percentage point each year.

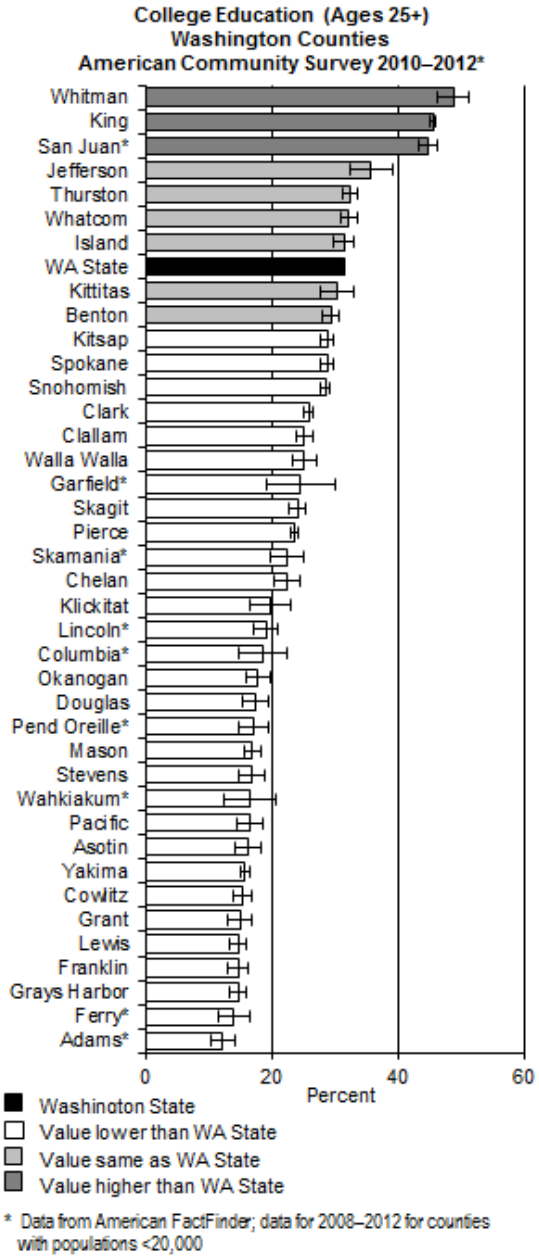


* WA data:ACS Public Use Microdata Sample; US data:American FactFinder

The 2012 ACS[a] also showed that 33% of Washington residents ages 25 and older had a high school education or less and 35% had some post-secondary education but had not completed college compared to national rates of 42% and 29% respectively.

Geographic Variation

The 2010–2012 ACS[b] shows large differences in educational attainment among Washington counties. Only three counties—Whitman, King and San Juan—had higher percentages of adults ages 25 and older with college degrees than the state average; 30 counties had lower percentages. There was a fourfold difference between the counties at the highest and lowest ends of the distribution.

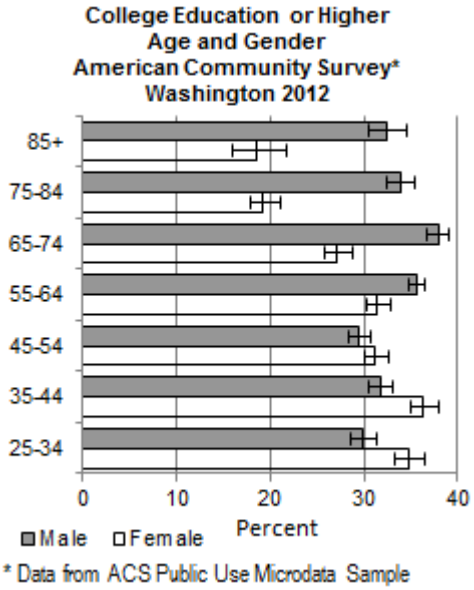


In Whitman County, faculty, staff, and post-graduate students of Washington State University propel the overall percentage of college graduates to the top rank in the state. King County, home to almost 30% of Washington residents in 2010, has large software, aerospace and biomedical technology sectors, which require highly educated workforces. San Juan County likely attracts professionals of pre-retirement and retirement ages; with about one-third of its population aged 60 or older in 2010, the county had the highest median age in Washington.

Adams, Ferry, Grays Harbor, Franklin, Lewis, Grant, Cowlitz and Yakima counties had college completion rates 50–60% lower than the state average. Adams, Franklin, Yakima and Grant counties have larger proportions of Hispanic residents than the state as a whole; Ferry County has the largest proportion of American Indian and Alaska Native residents. Both of these groups have relatively low levels of college completion.

Age and Gender

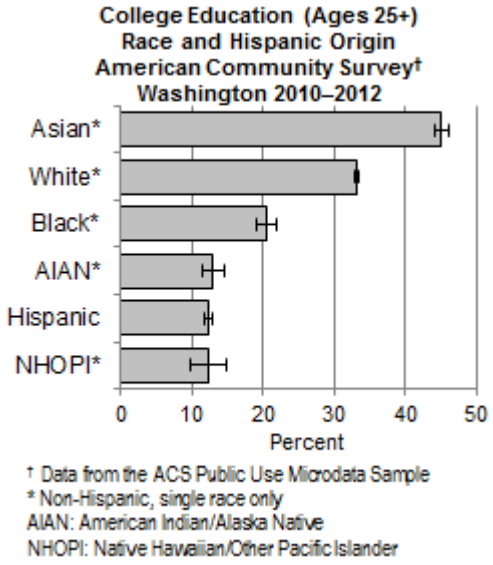
Washington women younger than 45 years old have outpaced men in completing college. Among those 55 years and older, however, men have higher college completion rates, with the gap generally increasing with age. This pattern reflects national college enrollment for men and women. In 1960 about twice as many men as women attended college. By the late 1970s and early 1980s equal numbers of men and women attended college. By 1990, colleges had about 20% more women than men and this gap grew to about 30% by 2000.[6]



Race and Hispanic Origin

During 2010–2012 combined, the ACS showed Washington's Asian population having the highest

percent of individuals ages 25 and older with college degrees. White residents had the next highest rate followed by black residents.

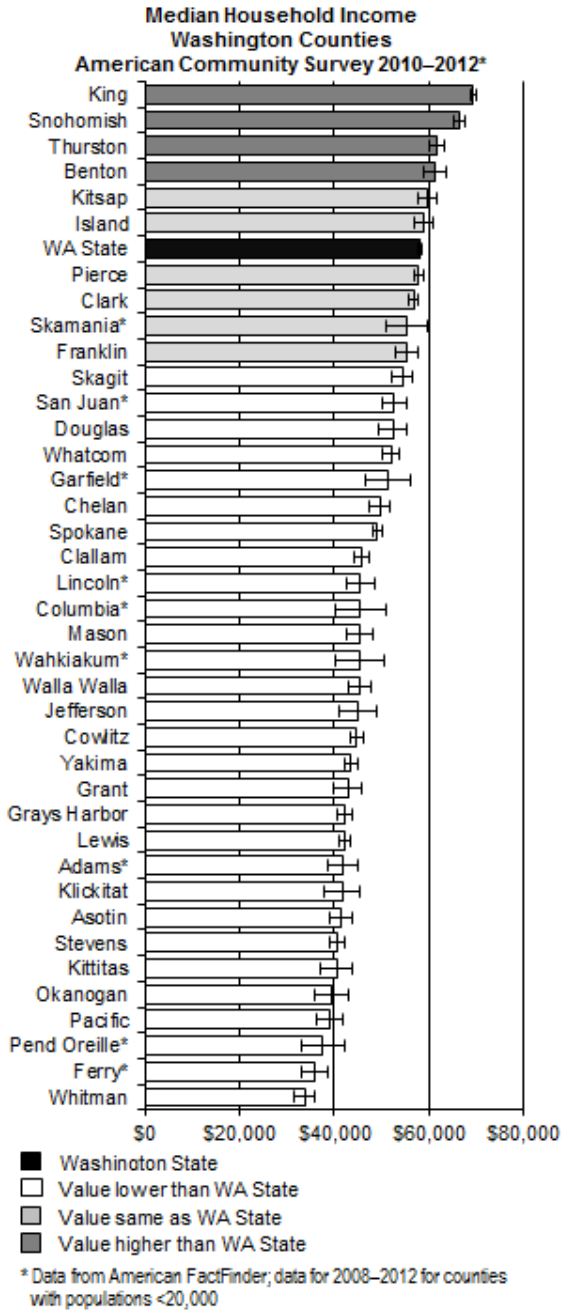


American Indian and Alaska Native, Hispanic, and Native Hawaiian and other Pacific Islander residents had the lowest levels with college degrees. These patterns are similar to those seen nationally.

Large differences in educational attainment by racial and ethnic grouping are also apparent in high school graduation rates. In the 2011–2012 school year, Washington students of Asian heritage had the highest on-time graduation with about 84% graduating four years after beginning 9th grade. At about 80%, white students had the next highest on-time graduation. About two-thirds of black, Hispanic, and Native Hawaiian and other Pacific Islander students graduated within four years. American Indian and Alaska Native students had the lowest percent of on-time graduation, 57%.[7]

Other Measures of Socioeconomic Position

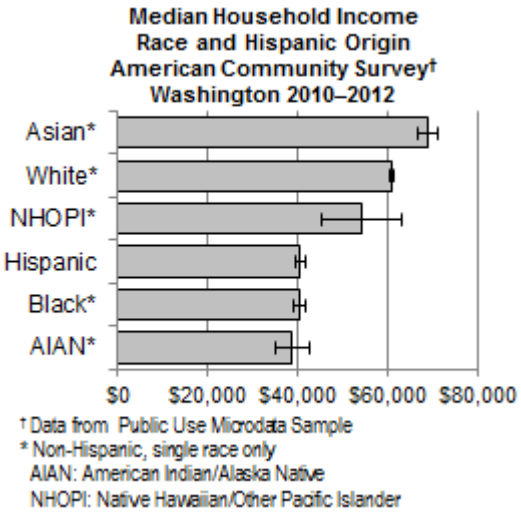
Income. Median household income defines the midpoint of all household incomes in a population; half of households have incomes above and half have incomes below the median. According to the 2012 ACS, the median household income in Washington was $57,573 (±$708) compared to $51,371 (±$63) for the nation. Median incomes vary markedly across Washington counties.



The 2010–2012 ACS[b] showed Whitman County's median income—the lowest in the state—as less than half that of King County, which had the highest. In addition to King County, Snohomish, Thurston and Benton counties had median incomes above the state median. Median incomes in 29 counties were lower than the state's; 22 counties had median incomes less than 80% of the state median. Three of these 22 counties—Walla Walla, Whitman and Kittitas—have large populations of college students who often have low incomes. Walla Walla also has a substantial percentage of Hispanic residents—20%

in 2010. About 40–60% of Yakima, Grant, Adams and Okanogan county residents are Hispanic or American Indian and Alaska Native, groups that have low median incomes. The Washington State Department of Employment Security identified 10 of the 15 remaining counties with median incomes 80% less than the state's as economically distressed due to high unemployment during 2010–2012.[5]

Median household income for Washington's American Indian and Alaska Native, black, and Hispanic residents was about $40,000 annually during 2010–2012, about 60% that of Asian residents, the group with the highest median income. This is consistent with these groups also having high poverty rates.

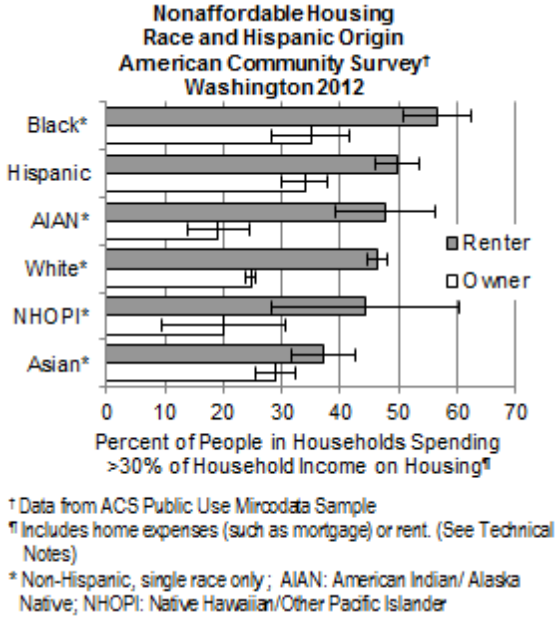


Near poor. The federal poverty threshold is useful as a standard way to identify families with insufficient incomes to meet basic needs. Families living above the poverty threshold, however, can also have difficulty meeting basic needs. The U.S. government recognizes this by setting eligibility criteria for most federally funded programs higher than the poverty threshold. For example, families with incomes up to 85% higher than the poverty threshold (that is, below 185% of the federal poverty level) can participate in the free and reduced-price school lunch program. The 2012 ACS[a] showed 28% of Washington residents living below 185% of the federal poverty threshold, a smaller proportion than the 32% in the nation.

Basic family budget. The concept of a basic family budget that uses the actual cost of housing, food, childcare, transportation, healthcare and other necessities can clarify the gap between need and income. The Economic Policy Institute calculates a basic family budget for over 600 areas in the United States. The 2013 calculations show that a household of two adults and two children needed $70,242 if they lived in the Seattle-Bellevue area, the most expensive of the 14 areas available for Washington. With a basic family budget of $60,580, Yakima County was the least expensive place to live.[8] The 2012 ACS showed about one-quarter (28% ±2%) of married couples with two children in Washington earned less than needed for a basic budget in the least expensive area.

Washington has one of the highest minimum wages in the nation. If both adults in the family described above worked full-time (40 hours a week) and earned the minimum wage for 2013 ($9.19 an hour), their pretax income of $38,230 would be insufficient to meet the basic family budget in even the least expensive area in Washington.

Affordable housing. The U.S. Department of Housing and Urban Development defines affordable housing as housing that costs 30% or less of household income. Families that pay more than 30% may have difficulty affording other necessities such as food, transportation and medical care.[9] On the 2012 ACS,[a] one-third (33%) of Washington residents lived in households spending more than 30% of income for housing, including 26% of homeowners and 47% (±2%) of renters. (See Technical Note.)



At 48% (±4%) and 43% (±3%), Washington's black and Hispanic residents, respectively, had the largest percentages of people living in households that paid more than 30% of income for housing; at 31% (±1%

for whites; ±3% for Asians), white and Asian residents had the lowest overall percentages.

The 2011 Washington State Behavioral Risk Factor Surveillance System survey showed about one-quarter of home owners and half of renters as housing insecure—that is, in the past year they always, usually or sometimes were worried or stressed about having enough money to pay their mortgages or rents. After accounting for other factors related to housing insecurity—such as income, education, sex and marital status—those reporting housing insecurity were about two to three times more likely than others to report delaying doctors' visits because of cost; being in poor or fair health; and in the last 30 days, having 14 or more days of poor mental health or poor health limiting daily activity.[10]

Interventions

The most completely evaluated interventions to reduce educational and economic disparities include full-day kindergarten for low-income and minority children and comprehensive center-based early childhood education for children ages three to five in low-income families.[1,2] The American Academy of Pediatrics (AAP) recommends home visiting by trained professionals for mothers with greatest social deprivation to reduce child abuse and neglect. The AAP also notes substantial evidence for some home visiting programs to address inequities in children's health, school readiness and development. Home visiting programs vary in goals, implementation and effectiveness.[11] Most programs begin during pregnancy or at birth and continue until the child is one to four years old. Additional research to define the critical elements of home visiting programs is needed.[3] The National Research Council and Institute of Medicine recommend studying social and economic policies in high-income countries with fewer socioeconomic disparities and considering whether those policies could reduce socioeconomic disparities in the United States.[4] The *Health of Washington State* chapter, Social and Economic Determinants of Health discusses these interventions in more detail.

See Related Chapters: Washington: The State and Its People, Social and Economic Determinants of Health

Data Sources (For additional detail, see Appendix B)

American Community Survey (ACS): Washington State PUMS (Public Use Microdata Sample), 2005–2012 single year PUMS, data developed by Washington State Department of Health Office of Non-Infectious Conditions Epidemiology; selected Washington State and all U.S. data from American FactFinder2 1 year (2005–2012), 3-year (2010–2012), and 5-year (2008–2012) tables DP02, DP03, S0201, S1701, S2408.

Washington State Behavioral Risk Factor Surveillance System (BRFSS) Data: 1987–2012. Olympia, Washington: Washington State Department of Health, under federal cooperative agreement number U58/SO000047 (2011–2013); data prepared by Washington State Department of Health Office of Non-Infectious Conditions Epidemiology.

For More Information

Washington State Office of Financial Management, Population Economy, and Research, http://www.ofm.wa.gov/.

U.S. Census, Washington Quick Facts: http://quickfacts.census.gov/qfd/states/53000.html

Washington State Facts: http://access.wa.gov/topics/statefacts

For information on Washington State tribes, go to http://www.goia.wa.gov

For information on unemployment trends and numbers, go to http://www.esd.wa.gov/

Technical Notes

Poverty measures. The U.S. Census Bureau develops poverty thresholds annually to define and quantify poverty in the United States. The thresholds vary depending on the number and ages of adults and the number of children in the family. Poverty thresholds are used primarily for statistical purposes. The U.S. Department of Health and Human Services issues annual poverty guidelines to set eligibility criteria for federally-funded programs. The guidelines set poverty levels for families of different sizes irrespective of their ages. In 2012, the poverty threshold for a family of two adults and two children was an annual income of $23,283; the poverty guideline for the 48 contiguous states was $23,550. This chapter uses the poverty threshold to define poverty.

Rural-Urban Classification Systems. The Washington State Department of Health recommends a four-tiered rural-urban classification system developed by collapsing primary and secondary rural-urban commuting area (RUCA) codes. This chapter uses RUCA codes developed by the U.S. Department of Agriculture based on census tract population densities from the 2010 U.S. Census and commuting patterns from the 2006–2010 American Community Survey.[12] The four tiers are urban core, sub-urban, large rural towns, and small town and isolated rural. Details of this system are available at Guidelines for Using Rural-Urban Classification Systems for Public Health Assessment. This chapter classified counties with at least 60% of the 2010 population living in census tracts classified as urban core or sub-urban as urban; counties with at least 60% living in large rural towns or small town or isolated rural were classified as rural.

Affordable housing: The American Community Survey (ACS) calculates selected monthly owner costs that include mortgage and other types of housing-related debt, real estate tax, homeowner's insurance, utilities and fuel, and fees for condominiums and mobile homes. ACS calculates monthly housing costs as a percentage of household income using selected monthly owner costs for homeowners and gross rent for renters.

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Unless otherwise noted, authors and reviewers are with the Washington State Department of Health.

Author:
Juliet VanEenwyk, PhD

Reviewers:
Robert W. Baker
Washington State Office of Financial Management

Alice Huber, PhD
Washington State Department of Social and Health Services

Irina V. Sharkova, PhD
Washington State Department of Social and Health Services

Endnotes

[1] Guide to Community Preventive Services. *Promoting Health Equity, Education Programs and Policies: Full-Day Kindergarten. Task Force Finding & Rationale Statement.* Atlanta, GA: The Community Guide. http://www.thecommunityguide.org/healthequity/education/RRfulldaykindergarten.html. Accessed December 17, 2012.

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[4] National Research Council and Institute of Medicine. *U.S. Health in International Perspective: Shorter Lives, Poorer Health.* Panel on Understanding Cross-National Health Differences Among High-Income Countries. Woolf SH, Aron L, eds. Committee on Population, Division of Behavioral and Social Sciences and Education, and Board on Population Health and Public Practice, Institute of Medicine. Washington, DC: The National Academies Press; 2013.

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[6] U.S. Census Bureau. *248. School Enrollment, by Sex and Level, 1960–1998*. Washington, DC: U.S. Census Bureau, Current Population Reports; 2006. http://www.allcountries.org/uscensus/248_school_enrollment_by_sex_and_level.html;
Table 281. College Enrollment by Sex, Age, Race, and Hispanic Origin: 1980 to 2009. Washington, DC: U.S. Census Bureau, Statistical Abstract of the United States; 2012:81. http://www.census.gov/compendia/statab/2012/tables/12s0281.pdf. Both accessed December 26, 2013.

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[10] Washington State Department of Health, Office of Non-Infectious Conditions Epidemiology. Unpublished data. Olympia, WA: Washington State Department of Health; 2013.

[11] Administration for Children and Families. *Home Visiting Evidence of Effectiveness.* Washington, DC: U.S. Department of Health and Human Services; 2013. http://homvee.acf.hhs.gov/Default.aspx. Accessed March 25, 2014.

[12] U.S. Department of Agriculture. *Rural-Urban Commuting Area Codes*. Washington, DC: U.S. Department of Agriculture, Economic Research Service; 2013. http://www.ers.usda.gov/data-products/rural-urban-commuting-area-codes.aspx. Accessed December 27, 2013.