

## NEW RESEARCH: STARTLING RATES OF ECONOMIC INSECURITY IN WASHINGTON STATE

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*Impacts felt disproportionately by marginalized communities.*

**Seattle, WA** (September 26, 2023) – More than one-fourth of Washington’s working-age households struggle to meet their basic needs, according to a report released September 26<sup>th</sup>, 2023 by the University of Washington Center for Women’s Welfare. The report shows that an alarming **28% of working-age households struggle to meet their basic needs**, a significant rise from 22% in 2019, showing the profound economic impact of the COVID-19 pandemic. The problem, though pervasive across the state, is most pronounced in eastern Washington and the Olympic Peninsula, with some counties reporting 40% of households battling to cover basic needs.

Using the Self-Sufficiency Standard as a measure of what it takes to meet basic needs including housing, childcare, transportation, health care, food, and other essential costs, the report unveils a rise in economic struggles, disproportionately affecting households of color and those with children. Households of Latinx, Black, and American Indian descent, as well as non-citizen householders, face higher rates of economic insecurity compared to their white counterparts. High levels of economic disadvantage extend to households with children, especially those led by single mothers of color, with 80% unable to cover the cost of basic needs when young children are present.

Among other trends highlighted by the Overlooked and Undercounted Report:

- 80% of households below the Standard had at least one working adult.
- 60% of householders below the Standard had at least some college credit, a Bachelor’s degree, or an additional graduate degree.
- 45% of Latinx, 44% of American Indian households, 45% of Black, and 36% of Native Hawaiian and Pacific Islander households struggle to make ends meet. White and Asian households have an income inadequacy rate of 24%.
- Households with children are at a greater risk of not meeting their basic needs (48% of households have at least one child).

The study offers an in-depth examination of economic insecurity, utilizing the [Washington State Self-Sufficiency Standard](#). This measure provides a comprehensive and geographically specific understanding of income adequacy, making it a powerful alternative to the traditionally used Official Poverty Measure, which greatly underestimates the extent of economic security. Researchers use several methodologies and sources to develop the Self-Sufficiency Standard. “Self-sufficiency” is defined as a bare-bones lifestyle: no spending on travel or entertainment. Food costs assume all meals are prepared at home, based on the U.S. Department of Agriculture’s Low-Cost Food Plan. Transportation costs are based on transit fares if at least 7% of a county’s workforce commutes by bus; otherwise, a series of costs are calculated for operating, maintaining, and insuring a car.

“Using a measure to understand modern family needs and reveal the extent of economic insecurity in our state is essential to creating solutions,” says CWW director Lisa Manzer. “For example, if we rely just on the Official Poverty Measure, we would miss over 400,000 Washington households who are struggling to cover their costs.”

Notably, despite most struggling households having at least one working adult and some level of college education, these factors do not guarantee economic security. The report emphasizes the need for more comprehensive and targeted measures to address these systemic issues.

“Addressing income inadequacy requires confronting labor market challenges, such as the financial strain from high living, childcare, healthcare, and transportation costs,” asserts Marie Kurose, CEO of the Workforce Development Council of Seattle-King County, the federally mandated local workforce board that funded the research. “It’s imperative that employers, workers, and communities collaboratively devise solutions to equip the workforce effectively, mitigate labor shortages across industries, and narrow the enduring racial wage gap. These findings should be a catalyst for discussions and strategies to enhance job quality and ensure equitable outcomes for all workers.”

The report’s findings call into question the accuracy of the Official Poverty Measure, produced by the Census Bureau. The OPM is based on decades-old methodology that does not vary geographically (other than Alaska and Hawaii) and doesn’t account for the age of children. For example, in 2023 the annual poverty level for a family of three is \$24,860. This leads to misunderstandings regarding wage adequacy, and sets extremely low eligibility thresholds for essential programs like SNAP, CHIP, Medicaid, and the National School Lunch Program. As such, the report offers crucial insights for policymakers, community organizers, and activists looking to address economic disparity and its effects.

For more information on the report or to arrange an interview, please contact Annie Kucklick directly at (206) 685-5264 or [akuckl@uw.edu](mailto:akuckl@uw.edu), and Joe Taylor at (206) 448-0482 or [jtaylor@seakingwdc.org](mailto:jtaylor@seakingwdc.org).

The **Center for Women’s Welfare** at the University of Washington School of Social Work is dedicated to research, education, and policy analysis aimed at improving economic security, equality, and opportunity for women and families. The Center’s Self-Sufficiency Standard provides a more realistic understanding of economic security, currently used in 42 states to document the increasing cost of living. For more information, visit [www.selfsufficiencystandard.org](http://www.selfsufficiencystandard.org).

The **Workforce Development Council of Seattle-King County** aspires to lead transformative change that will evolve our region’s workforce development efforts into an innovative industry, community, and outcome-driven system with racial equity at its core. As a nonprofit, grant-making organization, the WDC collaborates with a diverse set of partners to elevate job quality, economic growth, and prosperity for adults and youth throughout the Seattle-King County region.