

Interactive data explorer offers in-depth look at California's low-wage workforce

A new interactive data explorer from the Labor Center at UC Berkeley offers an in-depth look at the people who make up California's low-wage workforce.

The analysis finds that one in three (32 percent) working Californians has a low-wage job, defined in the data explorer as a job that pays less than \$14.35 per hour, which is two-thirds of the median full-time wage in California.

“That’s nearly 5 million people — more than the combined populations of Los Angeles and San Francisco,” said Ian Perry, research associate at the Labor Center who compiled the report. “One in three working Californians is earning an

average of \$11 an hour in one of the most expensive states in the nation.” Even when working full time, annual median earnings for low-wage workers reach just \$21,000.

The explorer provides a wide range of other information on the state’s low-wage workforce, including demographics, job characteristics, industries, occupations, use of public assistance programs and geography.

The graphs in the explorer also show how wage inequality in California has increased dramatically since the late 1970s. Workers at the bottom and in the middle of wage distribution have seen their earnings stagnate in real terms, after adjusting for inflation, while high-wage workers have seen their earnings rise sharply.

Absent significant shifts in the policy or economic context, California’s low-wage-jobs problem will likely continue, since official employment projections to 2024 do not show a substantial change to the state’s mix of jobs. The state’s minimum wage is scheduled to increase to \$15 per hour by 2023, which should help raise pay for low-wage workers, but more work remains to be done, according to Perry.

The findings dispel many common myths about low-wage workers — that they are young (their average age is 36) and single or childless (60 percent are married or have children). A larger, downloadable version of the “Myth vs Fact” infographic at left can be found [at the link displayed at right].

The data in the explorer are sourced from the federal Bureau of Labor Statistics and the Census Bureau’s 2017 Current Population Survey and 2016 American Community Survey. The project was made possible with a grant from the California Wellness Foundation.

The Center for Labor Research and Education (Labor Center) is a public service project of the Institute for Research on Labor and Employment (IRLE) at UC Berkeley.

Debunking 5 Myths About California's Low-Wage Workers

| MYTH | vs | FACT |
|---|----|--|
| 1 THEY ARE JUST A SMALL GROUP OF CALIFORNIA'S WORKFORCE | | ONE IN THREE WORKING CALIFORNIANS HAS A LOW-WAGE JOB |
| 2 LOW-WAGE WORKERS ARE YOUNG | | THE AVERAGE AGE IS 36 ONLY 6% ARE TEENS |
| 3 LOW-WAGE WORKERS ARE UNEDUCATED | | 45% HAVE AT LEAST SOME COLLEGE EXPERIENCE |
| 4 LOW-WAGE WORKERS ARE SINGLE AND CHILDLESS | | NEARLY 60% ARE MARRIED AND/OR HAVE CHILDREN |
| 5 THIS PROBLEM WILL GO AWAY IF WE TRAIN MORE PEOPLE TO CODE | | THE NEED FOR HOME HEALTH CARE & RESTAURANT WORKERS IS INCREASING |

UC BERKELEY LABOR CENTER
Based on research by the UC Berkeley Labor Center. For more information and to use the new interactive Data Explorer on low-wage work in California, please visit <http://laborcenter.berkeley.edu/low-wage-work-in-california/>

| Region | July 2017 | June 2017 | July 2018 | Percentage Point Change | |
|------------------------|-----------|-----------|-----------|-------------------------|-----------|
| | | | | 1 month | 12 months |
| San José–Sunnyvale MSA | 3.6% | 3.0% | 2.8% | - 0.2 | - 0.8 |
| San Francisco MD | 3.1% | 2.6% | 2.4% | - 0.2 | - 0.7 |
| California | 5.1% | 4.5% | 4.4% | - 0.1 | - 0.7 |
| United States | 4.6% | 4.2% | 4.1% | - 0.1 | - 0.5 |

| Sector—July 2018 | San Jose MSA | San Francisco MD | Combined Region | Percentage Change (Combined Region) | |
|----------------------------------|------------------|------------------|------------------|-------------------------------------|---------------|
| | | | | 1 month | 12 months |
| Total Nonfarm | 1,131,400 | 1,137,400 | 2,268,800 | - 0.2% | + 2.2% |
| Construction | 52,700 | 39,000 | 91,700 | - 0.7% | + 0.7% |
| Manufacturing | 173,300 | 39,400 | 212,700 | - 0.1% | + 2.7% |
| Retail Trade | 85,600 | 80,600 | 166,200 | + 1.3% | - 0.5% |
| Information | 95,100 | 83,100 | 178,200 | + 1.8% | + 6.8% |
| Professional & Business Services | 237,400 | 287,400 | 24,800 | + 0.7% | + 3.1% |
| Educational Services | 47,200 | 26,900 | 74,100 | - 4.5% | + 4.1% |
| Health Care & Social Assistance | 126,000 | 111,000 | 237,000 | - 0.2% | + 3.3% |
| Leisure & Hospitality | 105,000 | 144,200 | 249,200 | + 0.7% | + 1.1% |
| Government | 90,000 | 126,800 | 216,800 | - 5.9% | + 1.3% |

NOTE: San José MSA (San José–Sunnyvale–Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties
San Francisco MD (San Francisco–Redwood City–South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

| 9-County San Francisco Bay Area | Labor Force | | | Employed | | | Unemployment | | |
|---------------------------------|-------------------|-------------------|---------------|-------------------|-------------------|---------------|--------------|-------------|--------------|
| | July 2017 | July 2018 | Change | July 2017 | July 2018 | Change | July 2017 | July 2018 | Change |
| California | 19,413,600 | 19,469,500 | + 0.3% | 18,418,000 | 18,613,000 | + 1.1% | 5.1% | 4.4% | - 0.7 |
| Alameda County | 853,500 | 854,200 | + 0.1% | 818,800 | 827,200 | + 1.0% | 4.1% | 3.2% | - 0.9 |
| Contra Costa County | 567,100 | 567,700 | + 0.1% | 543,300 | 548,900 | + 1.0% | 4.2% | 3.3% | - 0.9 |
| Marin County | 142,600 | 142,900 | + 0.2% | 138,100 | 139,300 | + 0.9% | 3.2% | 2.5% | - 0.7 |
| Napa County | 75,600 | 74,700 | - 1.2% | 72,800 | 72,500 | - 0.4% | 3.7% | 2.9% | - 0.8 |
| San Francisco County | 573,100 | 574,400 | + 0.2% | 554,600 | 560,400 | + 1.0% | 3.2% | 2.4% | - 0.8 |
| San Mateo County | 455,900 | 457,200 | + 0.3% | 442,100 | 446,600 | + 1.0% | 3.0% | 2.3% | - 0.7 |
| Santa Clara County | 1,050,300 | 1,062,800 | + 1.2% | 1,013,300 | 1,034,000 | + 2.0% | 3.5% | 2.7% | - 0.8 |
| Solano County | 210,100 | 208,400 | - 0.8% | 199,400 | 199,900 | + 0.3% | 5.1% | 4.1% | - 1.0 |
| Sonoma County | 263,800 | 264,500 | + 0.3% | 254,100 | 256,900 | + 1.1% | 3.7% | 2.9% | - 0.8 |
| SF Bay Area (sum) | 4,192,000 | 4,206,800 | + 0.4% | 4,036,500 | 4,085,700 | + 1.2% | 3.7% | 2.9% | - 0.8 |

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

| July 2018 Events | WARN SUMMARY | | |
|-------------------|--------------|-----------|--|
| | Company | Location | # Affected |
| Network Appliance | Sunnyvale | 36 | Events YTD †: 1 |
| | | | Individuals Affected YTD: 36 |
| | | | Individuals Previous YTD ‡: 6 |
| | | | * WARN: Worker Adjustment and Retraining Notification (notice of mass layoff or closure) |
| | | | † YTD: Year to Date (Program year: July 1–June 30) |
| | | | ‡ Previous YTD: (Same date range as YTD, one year prior) |
| | Total | 36 | |

NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database