# State of Working Florida

# 2013

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**Labor Day -- Sept. 2, 2013**

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**Executive summary:**

This 10th edition of State of Working Florida takes a comprehensive look at the economic lives of Floridians by asking 'how has our standard of living changed since the year 2000?'. For the purpose of this analysis we focus on four main areas that shape standard of living: employment, income and inequality, living costs, and poverty. Unfortunately, data point to an observed decline in the standard of living of Floridians. Declines in standard of living negatively impact future economic growth and social mobility as well as the pace of the current economic recovery.

In fact, since 2000, Florida's employment rate, median hourly wage, and the average amount of hours worked declined by 4.99%, 4.34%, and 3.11% respectively. At the same time, the poverty rate, inequality, and consumer prices (particularly housing, food and transportation) increased dramatically by 46.84%, 13.66%, and 33.84% respectively. This year's State of Working Florida reflects some gains, particularly in the 37.63% increase in the state's budget allocation towards Medicaid and Temporary Assistance for Needy Families (TANF), but these gains are insufficient to offset marked declines in compensation, jobs and increased living costs.

Florida's main employers, private sector service-providing industries such as retail trade, accommodation and food services, and administrative and waste management services are contributing to the decline in the standard of living due to an overall decrease in the wages and work hours offered. Despite increases in labor productivity, workers have not seen improvements in employment options or compensation; a long-term trend documented in previous reports.

Ultimately, the continuing decline in wages will mean lower consumer spending and therefore lower economic growth for Florida; the effects of which are already present in the slow economic recovery and high unemployment rates we observe today and which are likely to continue into the future. Likewise, increased inequality translates to lower social mobility and

the continued erosion of the middle-class. In order to prevent Florida from heading into another decade of declining living standards there needs to be a strong policy response that will not only recover Florida's living standard but also help the economy grow.

Florida is in need of more jobs with higher wages and better benefits. This entails refocusing our economy away from low-wage industries like tourism and retail sales and towards more sustainable industries like wholesale trade and health care and social assistance. However, changing the structural composition of employment in Florida takes a considerable amount of time. In the meantime, policymakers can implement immediate interventions to address the prevalence of low wage through policies like a considerable increase in the minimum wage and in the coverage of paid sick leave as well as greater prevention and enforcement of wage theft.

**Highlights by chapter include the following:**

Chapter 1 -- Employment

- The share of the population employed declined by -8.61% between the years 2000 and 2011.
- Between 2000 and 2012 the employment rate in Florida declined by 4.99% although the total number of people employed increased by 13.11%.
- In 2012, the majority of Florida's workers (68.46%) earned a median wage of less than $20 per hour, $41,600 annually.
- In 2012, 214,000 working Floridians had earnings at or below the federal minimum wage; 5.10% of the 4.1 million working Floridians earning an hourly wage.
- The number of workers in Florida with earnings at or below the federal minimum wage increased by 6.68% annually between 2002 and 2012.
- In 2012, Florida had the second largest total number of workers with earnings at or below the federal minimum in the U.S., only behind Texas.
- In 2010, Floridians earning at or below the federal minimum wage were more than twice as likely to be women and not men.

- Average annual salaries for the top six private sector employing industries declined by about 3.96% between 2000 and 2011[1]. The top six employing industries employed 59.84% of all private sector workers in 2011.
- Labor productivity in Florida increased at an annual rate of 2.64% while average hourly earnings of workers declined by 2.26% annually between 2008 and 2012.

## Chapter 2 – Income and Inequality

- Florida's real household median income decreased $5,668, 11.51%, between 2000 and 2011, a 1.03% annual decline; a faster and greater decline than observed nationally.
- In Florida, wage inequality between the top 10% of wage earners and the bottom 10% increased by 13.66% between 2000 and 2012. Wages of the top 10% grew by 13.14% while wages of the bottom 10% declined by 0.52% during this period.
- Between 2011 and 2012, wage inequality between the top 10% of wage earners and the bottom 10% grew by 8.37%, an annual difference of $4,638.40, the greatest increase of the past 12 years in Florida.
- In 2011, males in Florida had median earnings that were $6,362 more than females' earnings.
- In 2011, Florida's Black/African-American families earned an annual income $16,340 less than White non-Hispanic families and Latino/Hispanic families earned $11,001 less than White non-Hispanic families.

## Chapter 3 – Living Costs

- Consumer prices for the Southern region, which includes Florida, increased by 33.84% between 2000 and 2012, about 2.47% annually. This means that an item worth $1 in 2000 would cost $1.34 in 2012.
- Housing prices in Florida increased by 30.07% from 2000 to 2011, but spending on housing in only increased by 7.46% overall in the same period. Housing prices increased continuously while spending on housing declined dramatically after the Great Recession in 2007.

[1] The top six employing industries include: health care and social assistance, retail trade, accommodation and food services, administrative and waste management services, professional, scientific, and technical services and other services, except public administration.

- Between 2000 and 2011 Floridians' spending on food decreased by 5.12% while food prices grew by 31.77%.
- Transportation prices in Florida increased by 40.17% from 2000 to 2011 while spending on transportation decreased by 14.12% in the same period. Transportation prices increased relatively continuously while spending on transportation fluctuated sharply.
- In Florida, healthcare spending increased by 15.19% between 2000 and 2011.
- In 2012, the average total debt balance per capita was $42,938, the lowest since 2006.

## Chapter 4 -- Poverty

- In 2011, 22.60% of Floridians were in or near poverty, a total of 1,044,515 Floridians.
- In Florida, poverty increased by 46.84% between 2007 and 2011, an annual rate of 10.15%.
- In 2011, 34.80% of poor Floridians worked full-time or part-time.
- The percentage of Floridians in poverty who work increased 39.76% between 2007 and 2011, an annual rate of 8.80%.
- In 2011, Florida's Black/African-American families were more than three times as likely to be poor than White non-Hispanic families. Latino/Hispanic families were more than twice as likely to be poor than White non-Hispanic families.

**Introduction:**

This 10th edition of State of Working Florida highlights the declining standard of living in Florida through a longitudinal analysis of socioeconomic indicators concentrated on the period between 2000 and 2012. Additionally, this edition of the State of Working Florida includes stories of the personal experiences of Florida's workers throughout. Like the story of David, a 50 year-old Haitian immigrant and taxi driver who considers low-wage work "a real form of slavery in Miami" and Maria, a White-non-Hispanic 27 year-old artist and sales associate who thinks the idea of affording an efficiency or apartment by herself seems impossible

The Standard of Living for Floridians is analyzed along 4 dimensions:

- Employment
- Income and Inequality
- Living Costs
- Poverty

At the core of this edition is the question 'how has Florida's standard of living changed since the year 2000?'. We posit that the observed declines in living standard pre-dates the Great Recession and that the economy has been in flux during much of the past decade.

When gauging the standard of living for most Floridians we must consider the cost of necessary resources as well our ability to access them. Following this line of thinking we define standard of living as 'the level of access individuals have to necessary material resources (goods and services)'. We focus our analysis on four main areas that shape standard of living:

- Employment: 60.61% of Floridians are part of the labor force and many rely on wages as their sole source of income making the general access to jobs and the compensation associated with those jobs crucial to understanding standard of living.
- Income and inequality: Income informs us about the capacity of households to buy the goods and services needed for survival while inequality shows whether access to necessary resources is equitably distributed or whether there is a disparity between levels of access among Floridians.
- Living costs: Living costs represent pricing trends of basic necessities such as housing, food, and transportation as well as the large debt burden of many Floridians.

- Poverty: Poverty signals the prevalence of material depravation, meaning that people do not have enough access to or amounts of what they need to live, in Florida based on the amount of people with incomes below the federal poverty threshold.

The data show that the standard of living of Floridians is in decline due to drops in employment and income as well as increases in inequality, living costs, and poverty. Declines in standard of living negatively impact future economic growth and social mobility as well as the pace of the current economic recovery. A comprehensive analysis of Florida's standard of living is detailed in the following chapters.

Prior editions of the State of Working Florida published by the Research Institute on Social and Economic Policy (RISEP) as well as other reports on Florida's economy can be found at www.risep-fiu.org.

## Chapter 1 -- Employment:

Employment is a seminal determinant of the standard of living for most Floridians because it informs us about the general ability of residents to access jobs and by proxy, the wage income we rely on to cover the cost of living. Crucial to our analysis of Florida's employment conditions are the examination of Florida's main employing industries and the prevalence of low-wage employment. Employment data in this report will be focusing on Florida's labor force which consist of all Floridians 16 years of age and older who are willing and able to work. Individuals working in exchange for a wage are considered employed and those non-wage earning individuals actively seeking employment are considered unemployed.

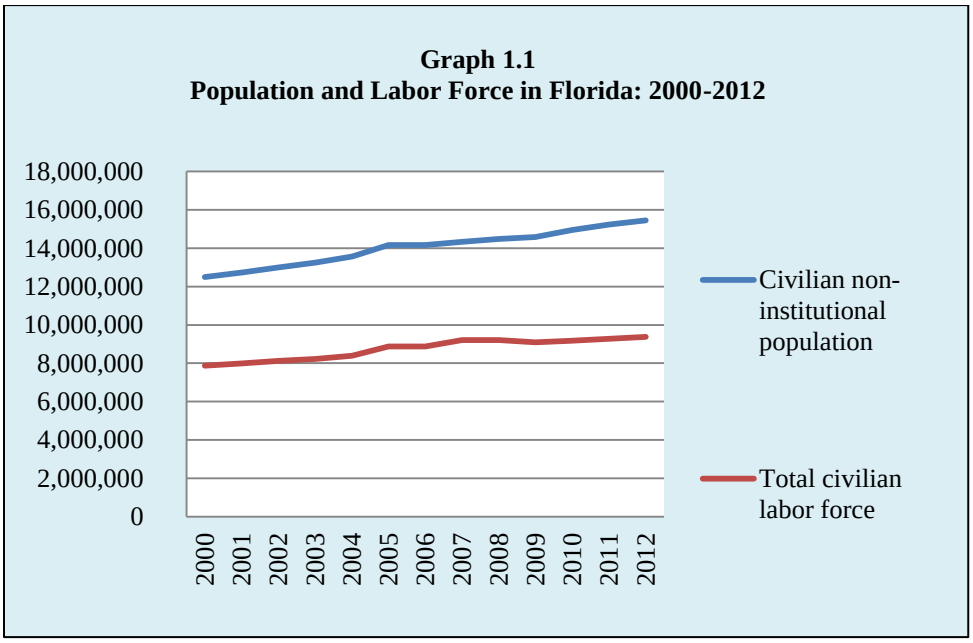
Between 2000 and 2012 Florida's general civilian non-institutional population has increased by 23.76% while the labor force has grown by 19.05% (see graph 1.1). As a result, the labor force participation rate has declined by 3.81% during this period (see table 1.1). This means that a smaller share of the general population is willing and able to work today when compared to the year 2000. Further concern is due to the fact that the share of the general population that is employed has declined by 8.61%. On average, the labor force participation rate declined at an annual rate of 0.32% during this period while the share of the general population that is employed declined by 0.72% a year (see graph 1.2). A declining labor force participation rate and a decreasing share of the general population that is employed ultimately point to a state population that is less economically active today than it was in the year 2000. Ultimately, a growing population requires a large share of that population to be economically active so that consumption, the main driver of our economy, may be sustained. If this decline in wage earning Floridians continues, Florida's economy may suffer from slow economic growth in years to come.

Key Findings

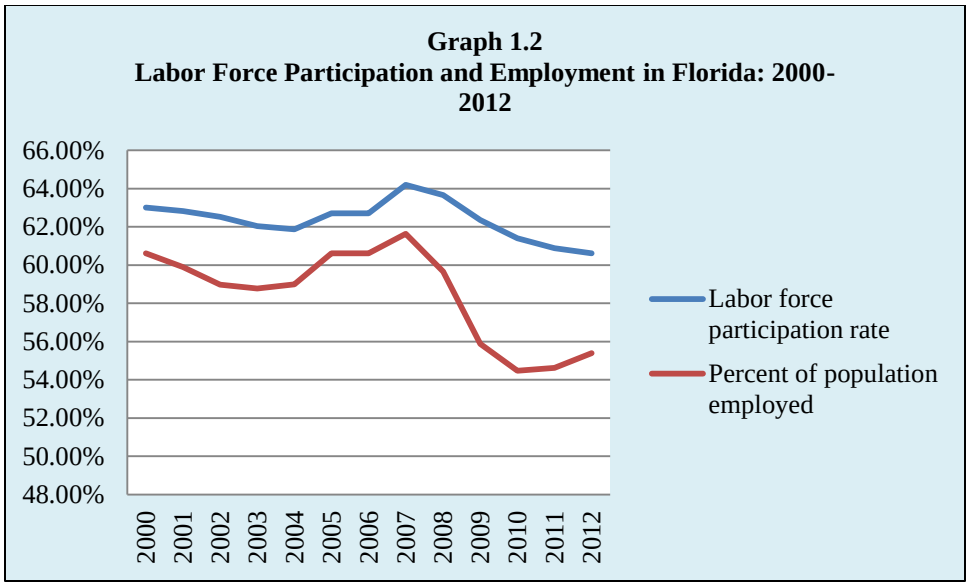
- Less economically active population: 3.81% decline in the labor force participation rate since 2000.
- The employment rate declined 4.99% since 2000.
- Since 2004, median wages have declined by 4.34%.

| Table 1.1<br>Population, Labor Force and Employment in Florida: 2000-2012 | | | | |
|---|---|---|---|---|
| **Year** | **Civilian non-institutional population** | **Total civilian labor force** | **Labor force participation rate** | **Percent of population employed** |
| **2000** | 12,489,280 | 7,869,690 | 63.01% | 60.61% |
| **2001** | 12,730,444 | 7,998,062 | 62.83% | 59.89% |
| **2002** | 12,994,202 | 8,124,930 | 62.53% | 58.97% |
| **2003** | 13,247,147 | 8,218,800 | 62.04% | 58.77% |
| **2004** | 13,558,863 | 8,388,829 | 61.87% | 58.99% |
| **2005** | 14,163,723 | 8,880,351 | 62.70% | 60.61% |
| **2006** | 14,163,723 | 8,880,351 | 62.70% | 60.61% |
| **2007** | 14,339,230 | 9,205,776 | 64.20% | 61.64% |
| **2008** | 14,477,369 | 9,216,375 | 63.66% | 59.66% |
| **2009** | 14,589,442 | 9,096,467 | 62.35% | 55.88% |
| **2010** | 14,945,415 | 9,176,601 | 61.40% | 54.47% |
| **2011** | 15,234,617 | 9,274,860 | 60.88% | 54.63% |
| **2012** | 15,457,032 | 9,368,500 | 60.61% | 55.39% |
| **% Change 2000-2012** | 23.76% | 19.05% | -3.81% | -8.61% |
| **Avg. Annual % Change** | 1.80% | 1.48% | -0.32% | -0.72% |

Source: Bureau of Labor Statistics: Local area unemployment statistics




Source: Bureau of Labor Statistics: Local area unemployment statistics




Source: Bureau of Labor Statistics: Local area unemployment statistics

## Employment and Unemployment

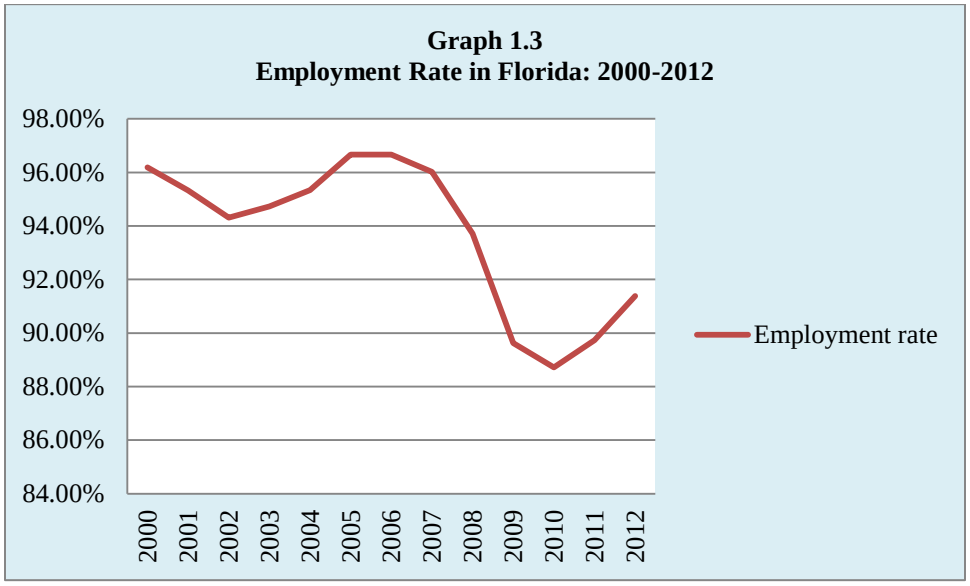
Between 2000 and 2012 the employment rate in Florida declined by 4.99% although the total number of people employed increased by 13.11% (see table 1.2). This is possible because gains in total employment were offset by increases in the state's labor force population. The declines in employment were also coupled with considerable increases in unemployment in terms of both total unemployment and the unemployment rate, especially towards the latter part of the decade. In fact,

**Table 1.2**
**Employment and Unemployment in Florida: 2000-2012**

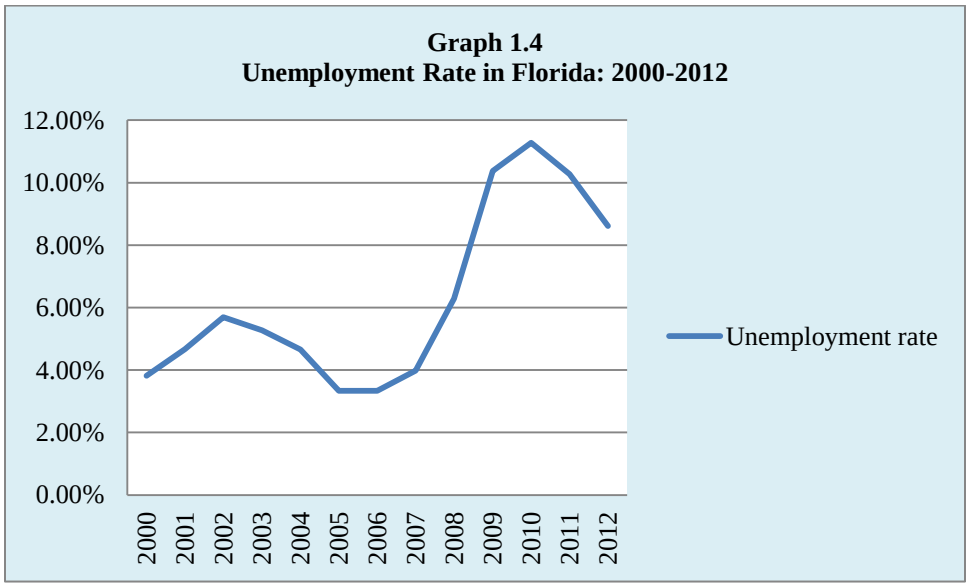
| Year | Total employed | Employment rate | Total unemployed | Unemployment rate |
|---|---|---|---|---|
| **2000** | 7,569,406 | 96.18% | 300,284 | 3.82% |
| **2001** | 7,624,718 | 95.33% | 373,344 | 4.67% |
| **2002** | 7,662,511 | 94.31% | 462,419 | 5.69% |
| **2003** | 7,785,547 | 94.73% | 433,253 | 5.27% |
| **2004** | 7,998,202 | 95.34% | 390,627 | 4.66% |
| **2005** | 8,584,095 | 96.66% | 296,256 | 3.34% |
| **2006** | 8,584,095 | 96.66% | 296,256 | 3.34% |
| **2007** | 8,839,027 | 96.02% | 366,749 | 3.98% |
| **2008** | 8,637,200 | 93.72% | 579,175 | 6.28% |
| **2009** | 8,152,332 | 89.62% | 944,135 | 10.38% |
| **2010** | 8,141,447 | 88.72% | 1,035,154 | 11.28% |
| **2011** | 8,322,237 | 89.73% | 952,623 | 10.27% |
| **2012** | 8,561,692 | 91.39% | 806,808 | 8.61% |
| **% Change 2000-2012** | 13.11% | -4.99% | 168.68% | 125.70% |
| **Avg. Annual % Change** | 1.08% | -0.41% | 11.58% | 10.22% |

Source: Bureau of Labor Statistics: Local area unemployment statistics

the unemployment rate grew at an annual rate of 10.22% between 2000 and 2012 (see graph 1.4). The financial and economic crisis of December 2007 that led to the Great Recession resulted in sharp unemployment gains during 2008 and 2009. Although the unemployment rate has declined since 2011 there is much ground to be covered, as indicated by the 8.61% 2012 unemployment rate which is more than double the unemployment rate of the year 2000, 3.82%.




Source: Bureau of Labor Statistics: Local area unemployment statistics




Source: Bureau of Labor Statistics: Local area unemployment statistics

While the total unemployment rate increased drastically after the 2007 economic and financial crisis it is also true that Florida has experienced great fluctuations in employment and unemployment during the greater part of the past 12 years. The 2000s began with a decline in employment, followed by the economic boom period between 2002 and 2006, the Great Recession, and a subsequent recovery period. It is worth noting that a consequence of the boom and bust cycle observed in the past decade is the dramatic increase in the share of part-time workers, especially those working part-time for economic reasons (workers who prefer to work full-time hours but cannot). Between 2000 and 2012 the share of part-time workers in Florida increased by 17.68%, mostly men (see table 1.3).

> "Three out of every 10 part-time workers in Florida prefer to be working full-time but are unable to do so."

**Table 1.3**
**Part-time Workers Share of All Employment in the U.S. and Florida: 2000-2012**

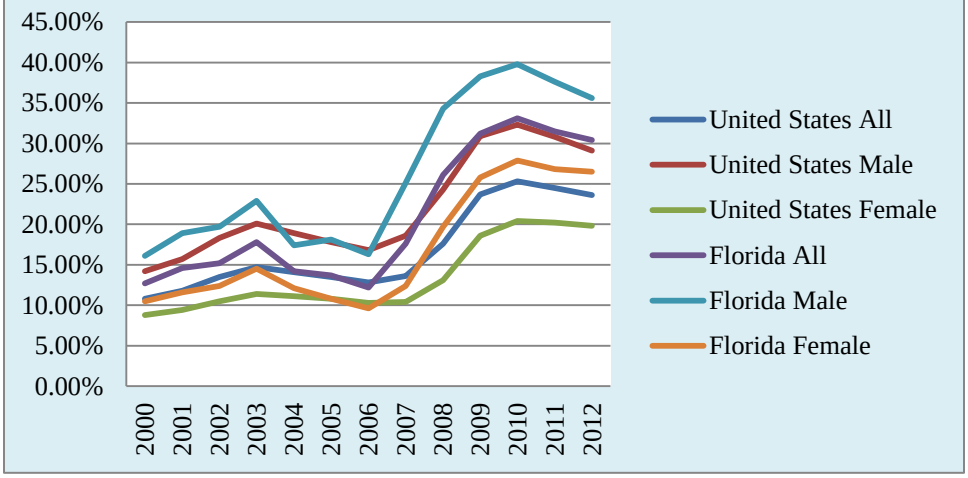
| Year | United States | | | Florida | | |
|---|---|---|---|---|---|---|
| | All | Male | Female | All | Male | Female |
| **2000** | 21.8% | 15.3% | 29.3% | 18.1% | 12.9% | 24.3% |
| **2001** | 23.0% | 16.5% | 30.3% | 19.5% | 14.4% | 25.6% |
| **2002** | 22.8% | 16.4% | 30.2% | 19.9% | 14.5% | 26.3% |
| **2003** | 23.1% | 16.7% | 30.5% | 19.6% | 14.5% | 25.4% |
| **2004** | 23.3% | 16.8% | 30.7% | 20.3% | 15.6% | 25.7% |
| **2005** | 22.8% | 16.4% | 30.1% | 18.7% | 14.1% | 24.0% |
| **2006** | 22.4% | 16.3% | 29.6% | 18.3% | 13.6% | 23.7% |
| **2007** | 22.2% | 16.0% | 29.4% | 18.5% | 14.4% | 23.2% |
| **2008** | 23.0% | 17.2% | 29.6% | 20.1% | 16.6% | 24.0% |
| **2009** | 26.9% | 21.2% | 33.2% | 23.8% | 19.6% | 28.4% |
| **2010** | 25.2% | 19.5% | 31.6% | 22.3% | 18.8% | 26.1% |
| **2011** | 25.0% | 19.2% | 31.6% | 21.6% | 17.8% | 25.8% |
| **2012** | 24.2% | 18.5% | 30.6% | 21.3% | 17.7% | 25.3% |
| **2000-2012 % Change** | 11.01% | 20.92% | 4.44% | 17.68% | 37.21% | 4.12% |
| **Avg. Annual % Change** | 1.02% | 1.87% | 0.44% | 1.60% | 3.00% | 0.54% |

Source: Bureau of Labor Statistics: Current Population Survey

In that same period, the share of part-time workers in Florida working part-time for economic reasons increased by 139.37% to 30.40% (see graph 1.5).This means that three out of every 10 part-time workers in Florida prefer to be working full-time but are unable to do so.

What's more is that Florida has outpaced the national average in its increase of part-time work. Increases in the share of part-time employment for economic reasons is particularly troublesome because it means that workers are willing and able to work more but are not being provided enough work hours by their employers. Fewer work hours ultimately translate into lower incomes in Florida.

**Graph 1.5**
**Part-time for Economic Reasons Workers Share of All Part-time Employment in the U.S. and Florida: 2000-2012**




Source: Bureau of Labor Statistics: Current Population Survey

*Michael's story:*

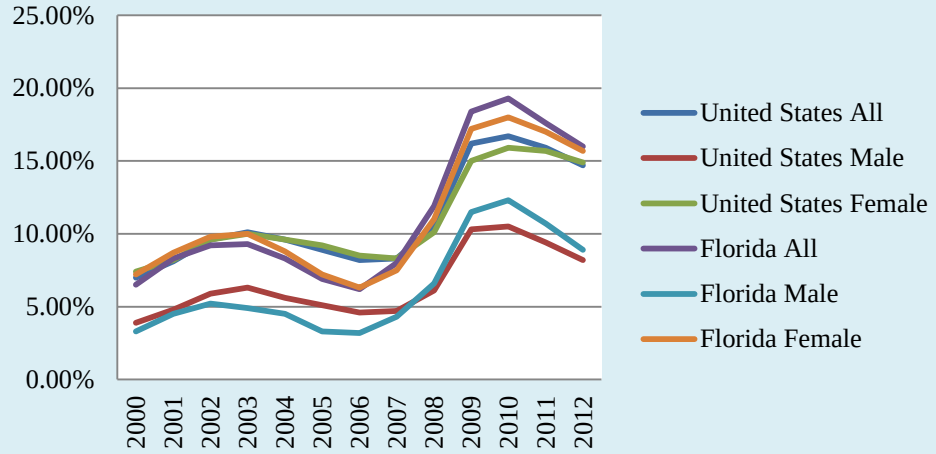
*Michael is a 50-year-old African-American dishwasher earning $9.50/hour. He believes it is unfair that he and his co-workers make too little for servicing one of the richest universities in the country. On top of earning a low-wage, Michael's hours have been reduced and no longer works40 hours a week like he once did. Michael hopes that a food service workers union will give him a better chance of escaping poverty and working with dignity. He, along with other workers, want higher wages, job security, paid vacations based on seniority, affordable health insurance, respect and a voice in the workplace.*

"In 2012, 50.90% of all unemployed Floridians were unemployed for 15 weeks or longer."

Another consequence of the boom and bust cycle observed in Florida in the past 12 years is the drastic increase in underemployment and long-term unemployment. The share of underemployed workers in Florida has increased by

146.15% between 2000 and 2012 to 16.00% (see graph 1.6). This means that 16.00% of all of Florida's labor force is either not working as many hours as they prefer or they are not using their education and skills to their fullest potential due to employer constraints. Additionally, long-term unemployment in Florida has increased 320.66% during this same period (see graph 1.7). In 2012, 50.90% of all unemployed Floridians were unemployed for 15 weeks or longer. Increases in underemployment and long-term unemployment is evidence that workers want to work more and are actively trying to work but employers are currently not offering enough jobs and work hours. As a result, many Floridians earned less and worked less than they wanted to and the economic recovery suffered because of it.

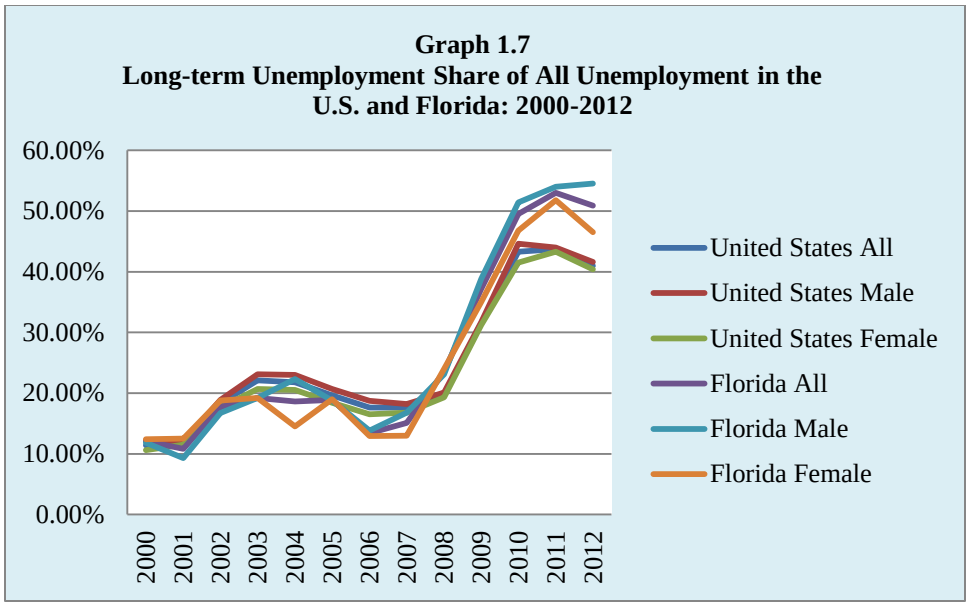
**Graph 1.6**
**Underemployment Share of All Employment in the U.S. and Florida: 2000-2012**




Source: Bureau of Labor Statistics: Current Population Survey

*Leila's story:*

*Leila is a Haitian immigrant in her 20s who works two part-time jobs. As a part-time nurse she did not have a sufficient income to raise her daughter, support her mother and pay her student loans, so she took up a second job as a sky cap at Ft. Lauderdale airport. For the past six years, she has been a part-time sky cap with no substantial benefits making minimum wage at $7.79/hour while her hours have been reduced. Leila has joined her co-workers and other contracted workers at Ft. Lauderdale to fight for better pay and benefits by forming a union.*




Source: Bureau of Labor Statistics: Current Population Survey

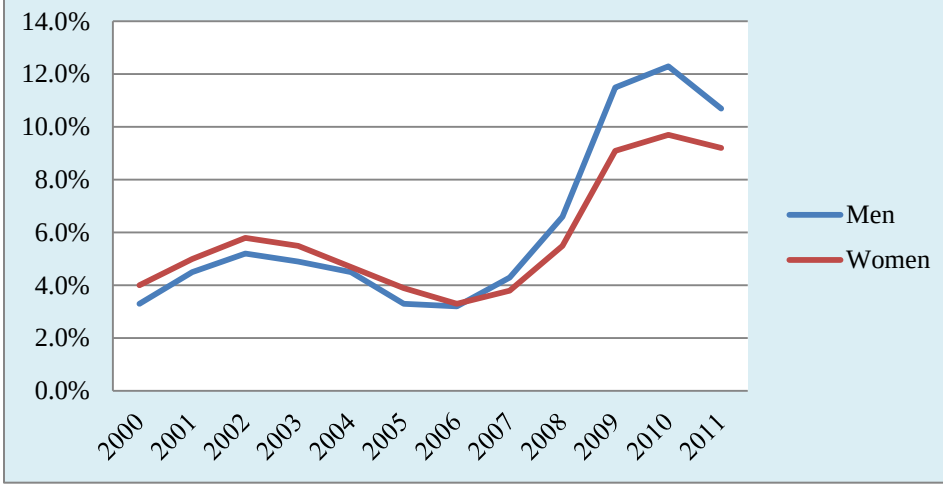
> "Unemployment has increased at an annual rate of 10.51% for women and 14.94% for men."

While general unemployment has increased between 2000 and 2011 it is also true that it has affected workers from various demographics in different ways. For example, men have experienced greater declines in employment since the Great Recession when compared with women. In fact, the unemployment rate for men has more than tripled while women saw their unemployment rate double during this same period. Unemployment has increased at an annual rate of 10.51% for women and 14.94% for men (see table 1.4). However, it is worth noting that between 2000 and 2006 women had a higher unemployment rate than men (see graph 1.8). This trend was reversed in 2007 as men were disproportionately affected by the Great Recession.

| Table 1.4<br>Labor Force Participation and Unemployment by Sex in Florida: 2000-2011 | | | | |
|---|---|---|---|---|
| **Year** | **Labor force participation rate** | | **Unemployment rate** | |
| | **Men** | **Women** | **Men** | **Women** |
| **2000** | 70.1% | 55.7% | 3.3% | 4.0% |
| **2001** | 70.4% | 56.4% | 4.5% | 5.0% |
| **2002** | 69.9% | 55.7% | 5.2% | 5.8% |
| **2003** | 68.9% | 55.3% | 4.9% | 5.5% |
| **2004** | 69.6% | 55.4% | 4.5% | 4.7% |
| **2005** | 70.1% | 56.0% | 3.3% | 3.9% |
| **2006** | 70.1% | 57.5% | 3.2% | 3.3% |
| **2007** | 70.6% | 57.6% | 4.3% | 3.8% |
| **2008** | 70.0% | 57.4% | 6.6% | 5.5% |
| **2009** | 68.2% | 56.8% | 11.5% | 9.1% |
| **2010** | 67.8% | 56.0% | 12.3% | 9.7% |
| **2011** | 66.6% | 55.9% | 10.7% | 9.2% |
| **% change 2000-2011** | -5.0% | 0.3% | 224.2% | 130.0% |
| **Avg. Annual % Change** | -0.46% | 0.04% | 14.94% | 10.51% |

Source: Bureau of Labor Statistics: Current population survey

**Graph 1.8**
**Unemployment Rate by Sex in Florida: 2000-2011**



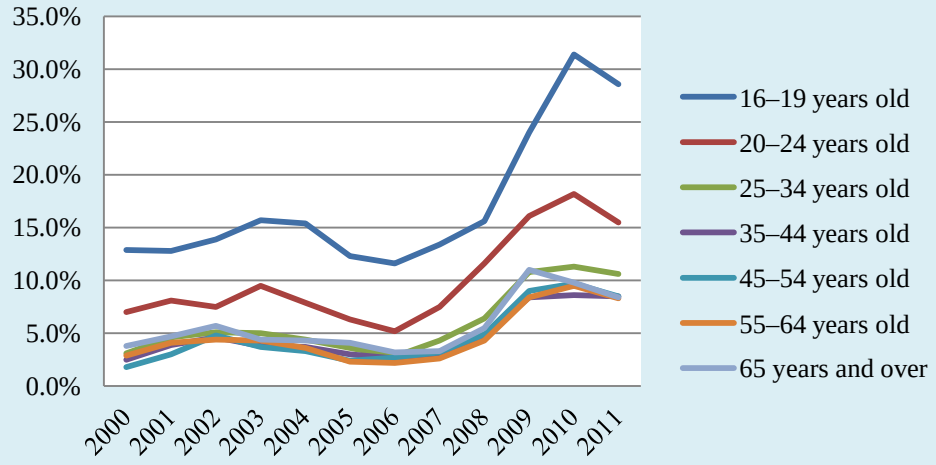

Source: Bureau of Labor Statistics: Current population survey

"Younger workers, 16 to 24 year olds, continue to have disproportionately higher unemployment rates than other age groups."

Likewise, age plays a pivotal role in obtaining employment. Between 2000 and 2011 unemployment rates doubled for most members of the Florida labor force, young and old (see graph 1.9). 25 to 44 year olds saw their

unemployment rate triple while 45 to 54 year olds have quadrupled their unemployment rate. Nevertheless, younger workers, 16 to 24 year olds, continue to have disproportionately higher unemployment rates than other age groups. For example, 16 to 19 year olds have an unemployment rate of 28.60%; more than triple the rate of workers 35 and older (see graph 1.9).

**Graph 1.9**
**Unemployment Rate by Age in Florida: 2000-2011**




Source: Bureau of Labor Statistics: Current population survey

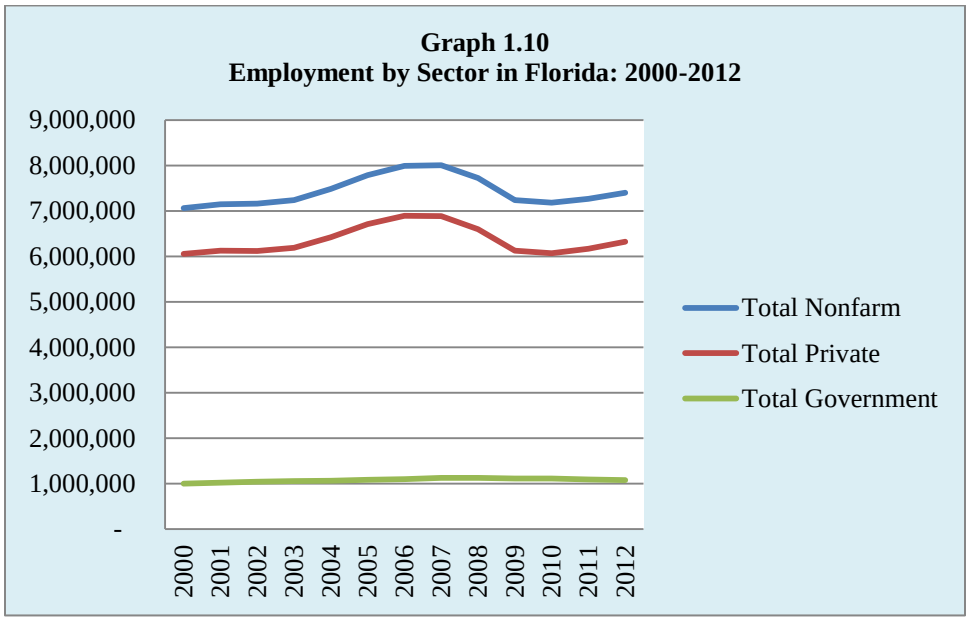
**Employment types and sectors**

When analyzing employment demographics in Florida we find that the majority of nonfarm workers are concentrated in the private sector. In fact, in 2012 there were more than six times as many workers employed in the private sector than in the public sector (local, state and federal government combined) (see table 1.5). As a result, employment trends for the private sector have the greatest effects on overall employment at the state level (see graph 1.10). That is, the private sector's boom and bust cycles have directly influenced employment trends statewide.

"In 2012 there were more than six times as many workers employed in the private sector than in the public sector."

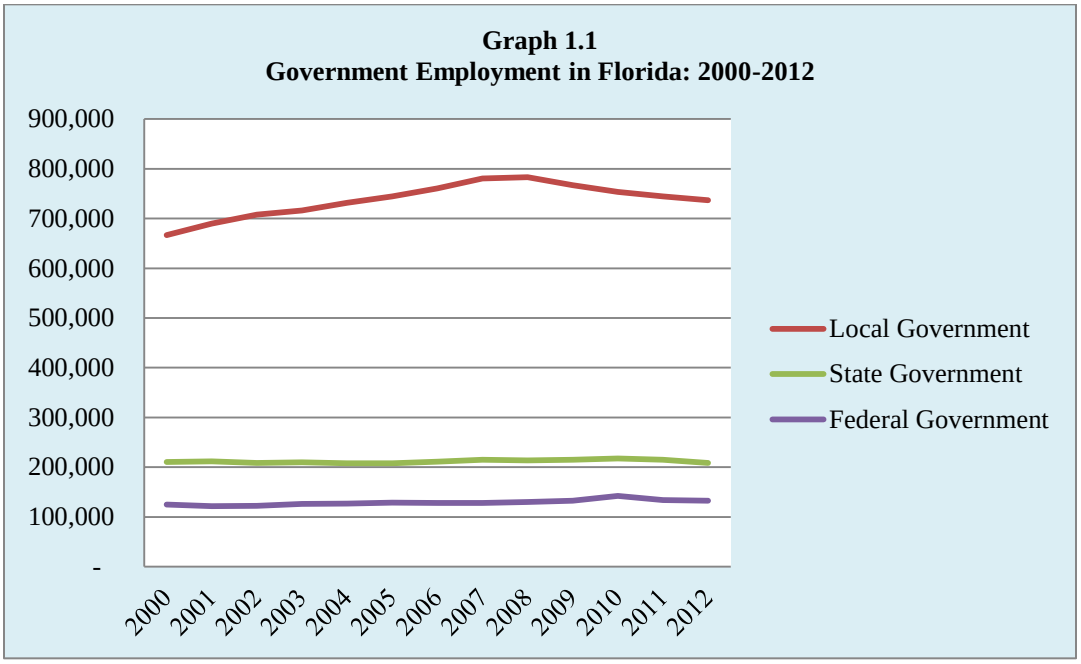
| Table 1.5<br>Employment by Sector in Florida: 2000-2012 | | | | | |
|---|---|---|---|---|---|
| **Year** | **Total Nonfarm** | **Private** | | **Public (Government)** | |
| | **Total** | **Total** | **Share of Total Employment** | **Total** | **Share of Total Employment** |
| **2000** | 7,062,258 | 6,060,433 | 85.81% | 1,001,825 | 14.19% |
| **2001** | 7,151,725 | 6,128,558 | 85.69% | 1,023,167 | 14.31% |
| **2002** | 7,160,950 | 6,122,292 | 85.50% | 1,038,658 | 14.50% |
| **2003** | 7,241,275 | 6,188,517 | 85.46% | 1,052,758 | 14.54% |
| **2004** | 7,490,108 | 6,423,633 | 85.76% | 1,066,475 | 14.24% |
| **2005** | 7,791,192 | 6,709,958 | 86.12% | 1,081,233 | 13.88% |
| **2006** | 7,995,017 | 6,895,658 | 86.25% | 1,099,358 | 13.75% |
| **2007** | 8,010,767 | 6,887,542 | 85.98% | 1,123,225 | 14.02% |
| **2008** | 7,727,175 | 6,600,392 | 85.42% | 1,126,783 | 14.58% |
| **2009** | 7,243,175 | 6,128,217 | 84.61% | 1,114,958 | 15.39% |
| **2010** | 7,186,108 | 6,073,317 | 84.51% | 1,112,792 | 15.49% |
| **2011** | 7,266,658 | 6,173,150 | 84.95% | 1,093,508 | 15.05% |
| **2012** | 7,401,092 | 6,323,050 | 85.43% | 1,078,042 | 14.57% |
| **% Change 2000-2012** | 4.80% | 4.33% | -0.44% | 7.61% | 2.68% |
| **Avg. Annual % Change** | 0.43% | 0.41% | -0.04% | 0.62% | 0.25% |

Source: Bureau of Labor Statistics: State and area employment, hours, and earnings




Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

While only about 14.57% of all workers are employed by the government our analysis shows that the public sector experienced a greater increase in employment than the private sector between 2000 and 2012. Public sector employment grew at an annualized rate of 0.62% while private sector employment grew by 0.41% annually (see graph 1.10). The latter is largely due to increases in local and federal government employment in Florida (see graph 1.11). Conversely, state government employment experienced a decline during this same period. Unlike the private sector, government employment at the local, state and federal levels ultimately reflect the budget allocation decisions of government administrations and not the fluctuations of overall labor demand in the economy. As a result, the trajectories of public and private sector employment during the past 12 years are remarkably different as private sector employment has suffered from sharp fluctuations and public sector employment has been relatively stable.




Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

When decomposing employment by sectors using seasonally adjusted figures we observe that the great majority of workers are employed in service industries. Our comparison shows that in 2012 there were more than 10 times as many workers in service industries than there were in manufacturing and construction combined (see graph 1.12). Between 2000 and 2012, the manufacturing industry has decreased employment by 33.62% while construction employment

declined by 29.38% (see table 1.9). The dramatic decline in manufacturing and construction employment is particularly problematic because employment in these sectors tends to be more secure and better compensated than work in service industries[2]. However, it is the service industry which has grown by about 10.58% during this same period. During this time the service sector has also increased its share of all of nonfarm employment from 86.27% in 2003 to 91.03% in 2012.

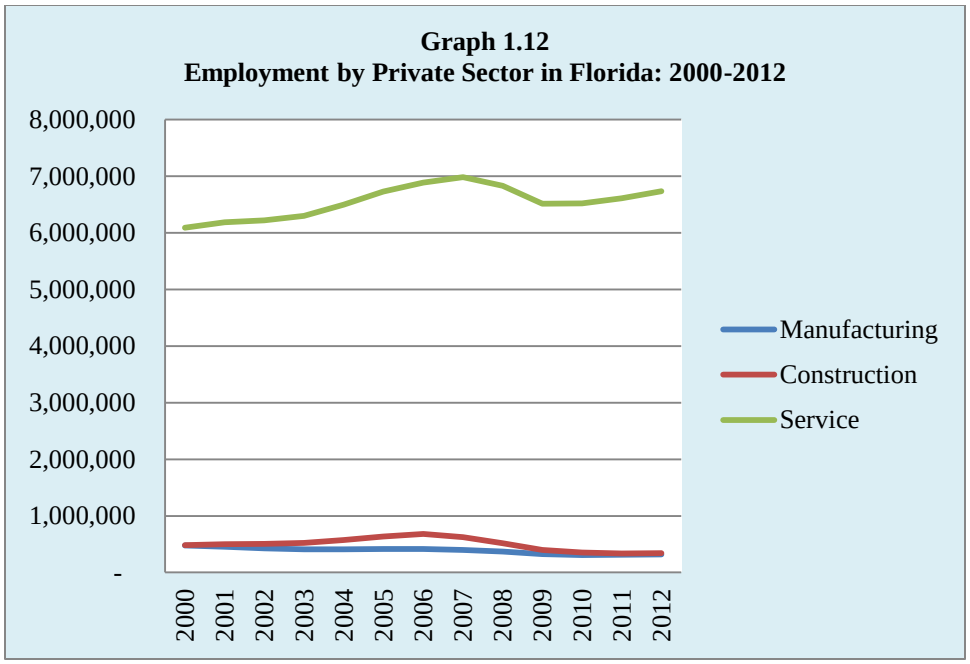
> "In 2012 there were more than 10 times as many workers in service industries than there were in manufacturing and construction combined."

**Table 1.6**
**Employment by Private Sector in Florida: 2000-2012**

| Year | Manufacturing | | Construction | | Service | |
|---|---|---|---|---|---|---|
| | Total | Share of All Employment | Total | Share of All Employment | Total | Share of All Employment |
| **2000** | 477,500 | 6.76% | 483,667 | 6.85% | 6,092,383 | 86.27% |
| **2001** | 454,717 | 6.36% | 499,408 | 6.98% | 6,189,567 | 86.55% |
| **2002** | 428,083 | 5.98% | 504,683 | 7.05% | 6,220,983 | 86.87% |
| **2003** | 409,792 | 5.66% | 523,975 | 7.24% | 6,300,400 | 87.01% |
| **2004** | 410,617 | 5.48% | 572,675 | 7.65% | 6,499,692 | 86.78% |
| **2005** | 415,417 | 5.33% | 637,392 | 8.18% | 6,731,317 | 86.40% |
| **2006** | 416,525 | 5.21% | 682,125 | 8.53% | 6,889,758 | 86.18% |
| **2007** | 399,058 | 4.98% | 622,758 | 7.77% | 6,982,233 | 87.16% |
| **2008** | 371,108 | 4.80% | 515,892 | 6.68% | 6,833,983 | 88.44% |
| **2009** | 323,900 | 4.47% | 396,617 | 5.48% | 6,517,183 | 89.98% |
| **2010** | 309,017 | 4.30% | 350,725 | 4.88% | 6,520,925 | 90.74% |
| **2011** | 312,517 | 4.30% | 335,550 | 4.62% | 6,612,942 | 91.00% |
| **2012** | 316,967 | 4.28% | 341,558 | 4.61% | 6,736,925 | 91.03% |
| **% Change 2000-2012** | -33.62% | -36.66% | -29.38% | -32.61% | 10.58% | 5.52% |
| **Avg. Annual % Change** | -3.27% | -3.71% | -2.28% | -2.90% | 0.87% | 0.45% |

Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

[2] Scott, Elizabeth and Howard Wial. 2013. *Multiplying Jobs: How Manufacturing Contributes to Employment Growth in Chicago and the Nation*. Chicago, IL: Center for Urban Economic Development.




Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

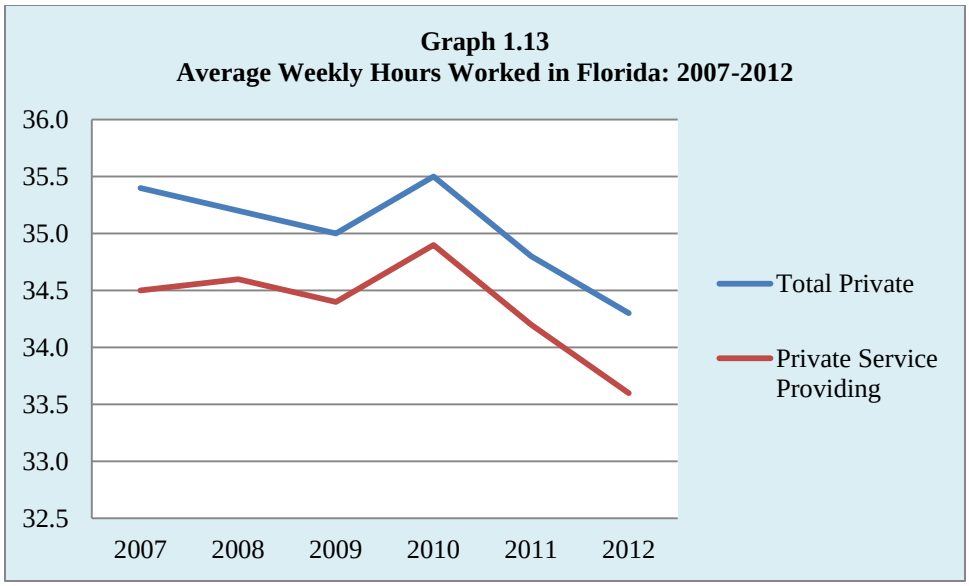
A closer of look at the six main employing private industries shows that they are all service-providing industries. As of 2011, 59.84% of all private sector employees were employed in the fields of health care and social assistance, retail trade, accommodations and food services, administrative and waste management services, professional, scientific, and technical services, or other services, except public administration (see table 1.7). The share of all private sector employees employed in these six industries grew by about 1.20% between 2000 and 2011. This illustrates the generally fixed concentration of employment in service-providing industries in Florida at the expense of other private industries. In fact, four of the six main employing private industries have increased their share of employment during this period in terms of employment; retail trade and administrative and waste management services being the exception.

| Table 1.7<br>Industry Share of All Private Nonfarm Employment in Florida: 2000-2011 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Year** | Health care and social assistance | Retail trade | Accommodation and food services | Administrative and waste management services | Other services, except public administration | Professional, scientific, and technical services | Six main industries combined |
| **2000** | 10.67% | 14.01% | 8.32% | 12.18% | 7.31% | 6.63% | 59.13% |
| **2001** | 10.88% | 13.97% | 8.57% | 10.85% | 7.49% | 6.93% | 58.68% |
| **2002** | 11.04% | 13.70% | 8.63% | 10.65% | 7.89% | 6.91% | 58.83% |
| **2003** | 11.16% | 13.42% | 8.66% | 11.15% | 7.87% | 6.94% | 59.19% |
| **2004** | 11.00% | 13.17% | 8.77% | 10.89% | 7.77% | 7.14% | 58.75% |
| **2005** | 10.72% | 13.01% | 8.64% | 10.72% | 7.59% | 7.12% | 57.80% |
| **2006** | 10.87% | 12.91% | 8.63% | 10.15% | 7.51% | 7.21% | 57.27% |
| **2007** | 11.19% | 12.83% | 8.70% | 10.05% | 7.68% | 7.40% | 57.85% |
| **2008** | 11.84% | 12.79% | 8.98% | 9.15% | 7.82% | 7.59% | 58.17% |
| **2009** | 12.53% | 12.66% | 9.00% | 9.09% | 7.97% | 7.71% | 58.96% |
| **2010** | 12.81% | 12.69% | 9.19% | 9.27% | 7.89% | 7.83% | 59.69% |
| **2011** | 12.83% | 12.75% | 9.37% | 9.18% | 7.87% | 7.83% | 59.84% |
| **% Change 2000-2011** | 20.20% | -8.97% | 12.66% | -24.64% | 7.65% | 18.07% | 1.20% |
| **Avg. Annual % Change** | 1.72% | -0.85% | 1.10% | -2.44% | 0.70% | 1.53% | 0.11% |

Source: Bureau of Economic Analysis

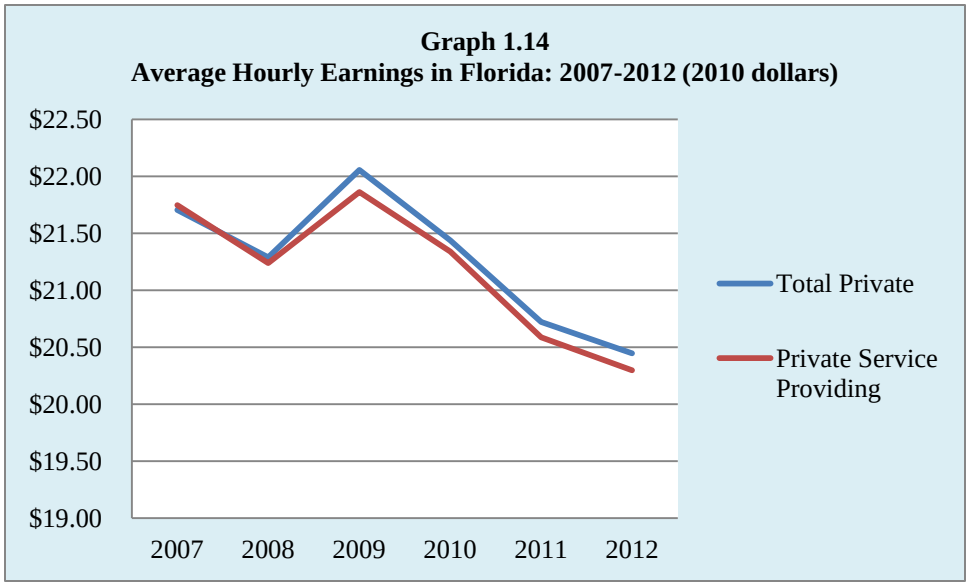
## Hours and Compensation

When focusing on how much Floridians are working we find that average weekly hours for employees in the private sector has declined by 3.11% between the years 2007 and 2012, an annual rate of -0.62% (see graph 1.13). A similar decline in average weekly hours for employees is also observed for private service providing industries, 2.6% decline, an annual rate of -0.52%. What's more is that private service providing industries already tend to offer fewer average weekly hours to employees than other private industries despite employing the majority of Floridians (see graph 1.13). As of 2012, private service sector employees were working an average of 0.6 hours less per week than the average for the entire private sector. The marked decline in average weekly hours for employees has a direct negative influence on the earning capabilities of workers as fewer hours translates into lesser earnings.




Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

The disparities between private service providing industries and the entire private sector are also present in the average hourly earnings of employees. Since 2008, workers employed in service providing industries have earned a lower average hourly wage than workers in the entire private sector (see graph 1.14). In fact, the difference in average hourly earnings between service providing industries and the entire private sector has widened to about $0.15 less an hour in 2012. This earnings differential is also present when looking at the average weekly earnings of workers. In 2012 workers in the entire private sector earned $19.40 more a week than workers in private service providing industries (see graph 1.15). This differential translates into a difference of about

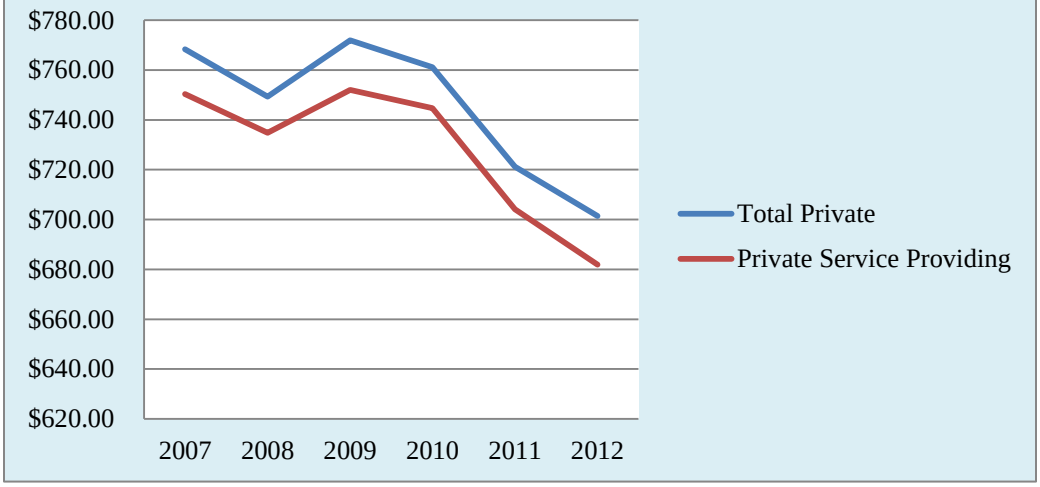



Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

$1008.80 a year when annualized. What's more is that average hourly and weekly earnings for both the entire private sector and private service providing industries has continuously declined since 2009. Although the Great Recession is over and the economy is growing once again the average earnings of Florida's workers continues to decline.

"Average hourly and weekly earnings for both the entire private sector and private service providing industries has continuously declined since 2009."

**Graph 1.15**
**Average Weekly Earnings in Florida: 2007-2012 (2010 dollars)**




Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

By annualizing data on average weekly hours worked and on employment levels we were able to provide an estimate for the total annual hours worked for all employees for the years 2007 to 2012. This estimate shows that the total annual hours worked in Florida has declined during this period by about 11.05%, at an annualized rate of -2.26% (see table 1.8). The decline is mainly driven by the drop in employment during this period while the decline in average annual hours worked per employee also contributed to this downward trend.

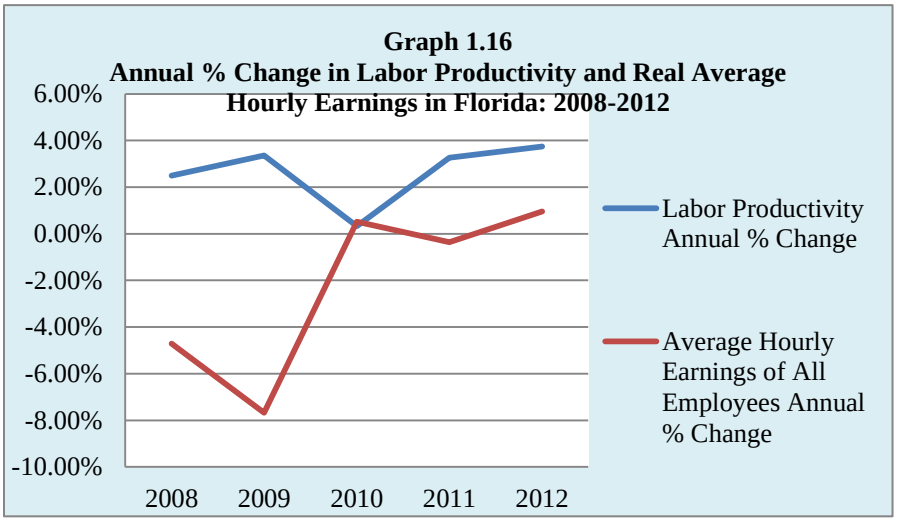
| Table 1.8<br>Total Hours Worked in Florida: 2007-2012 | | | |
|---|---|---|---|
| **Year** | **Average Annual Hours Worked per Employee** | **Average annual employment** | **Total Annual Hours Worked For All Employees (author calculation)** |
| **2007** | 1840.8 | 6,887,542 | 12,678,586,700 |
| **2008** | 1830.4 | 6,600,392 | 12,081,356,907 |
| **2009** | 1820 | 6,128,217 | 11,153,354,333 |
| **2010** | 1846 | 6,073,317 | 11,211,342,567 |
| **2011** | 1809.6 | 6,173,150 | 11,170,932,240 |
| **2012** | 1783.6 | 6,323,050 | 11,277,791,980 |
| **% Change 2007-2012** | -3.11% | -8.20% | -11.05% |
| **Avg. Annual % Change** | 0.62% | -1.63% | -2.26% |

Source: Bureau of Economic Analysis and Bureau of Labor Statistics:

State and area employment, hours, and earnings

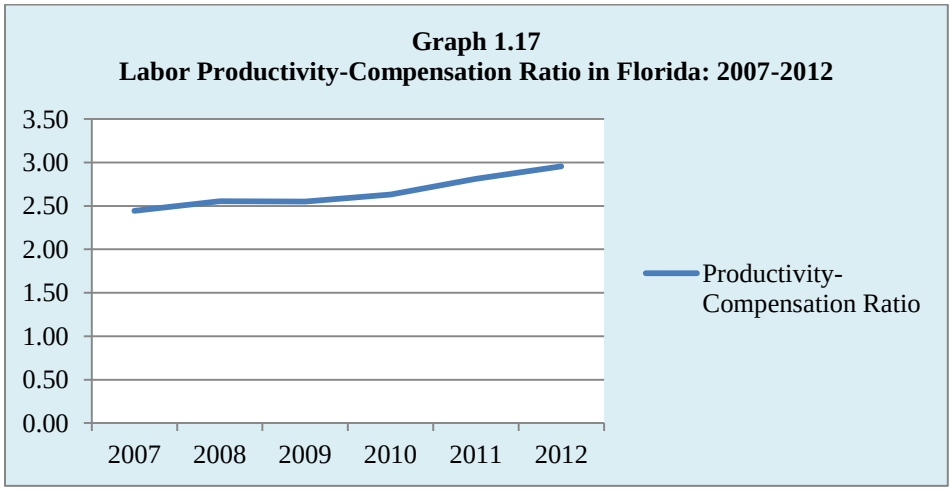
We were also able to obtain an estimate of Florida's labor productivity by dividing Florida's private sector gross domestic product by the total annual hours worked for all employees for the years 2007 to 2012. Labor productivity illustrates how much output in terms of dollars is produced by an additional hour of work. Our data show that labor productivity has increased at an average annual rate of 2.64% between 2008 and 2012 while average hourly earnings have declined at an annual rate of 2.26% (see graph 1.16).

"Companies are benefiting from more production for a dollar of pay today than they have in the past."

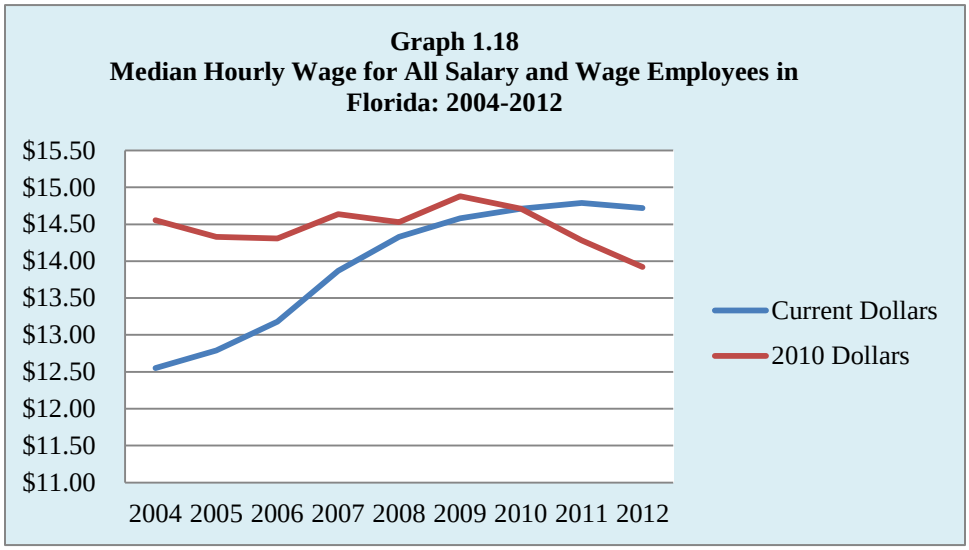



Source: Author calculations using data from Bureau of Economic Analysis and Bureau of Labor Statistics: State and area employment, hours, and earnings

As of 2012, an additional dollar spent on compensating a worker led to a 2.96% increase in labor productivity (see graph 1.17). This means that worker productivity per dollar of increased compensation grew by 20.87% since 2007. Companies are benefiting from more production for a dollar of pay today than they have in the past. This phenomenon ultimately greatly benefits employers at the expense of workers' standard of living as firms can squeeze more work from every single existing employee.




Source: Author calculations using data from Bureau of Economic Analysis and Bureau of Labor Statistics: State and area employment, hours, and earnings



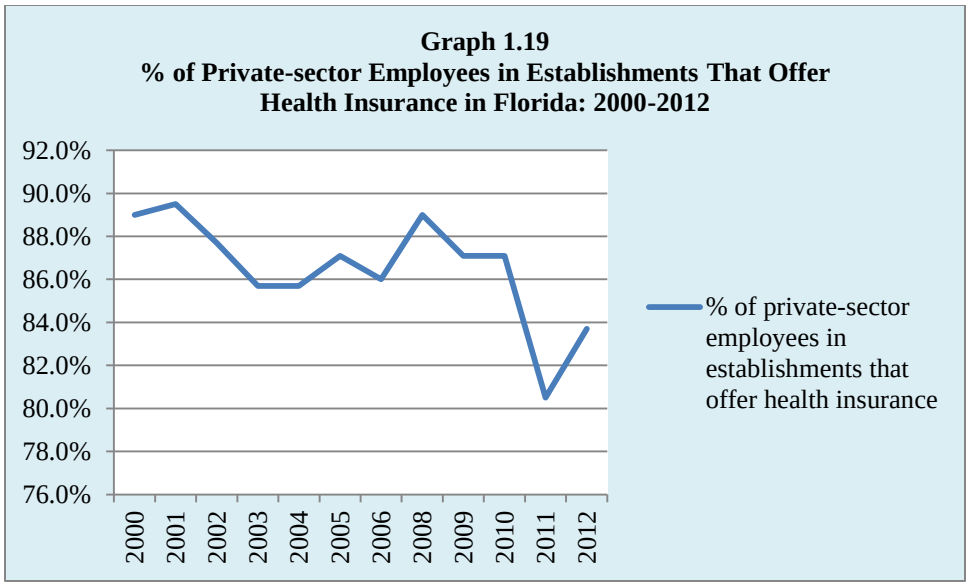

Source: Florida Department of Economic Opportunity: Florida occupation employment and wages

The documented gain in Florida's labor productivity without commensurate gains in worker compensation is supported by the overall decline in the real wage. Between 2004 and 2012 there's been an observed decline in the real median wage of all salary and wage employees. While there's an observed 17.29% increase in the median wage in current dollars during this period we find that once you adjust those figures for inflation wages have actually declined by 4.34% (see graph 1.18). In fact, the purchasing power of the real median hourly wage has declined by $0.63 in the past eight years, an annualized decline of $1,310.40.

"Declines in earnings have been coupled with decreasing employer-sponsored health insurance coverage."

It is also troubling to note that declines in earnings have been coupled with decreasing employer-sponsored health insurance coverage. There has been a 5.96% decline in the share of private-sector employees covered by an employer-sponsored health insurance plan (see graph 1.19). As of 2012, 16.3% of all private-sector employees were not being offered some type of employer-sponsored health insurance plan. As a result, these workers must pay for individual health insurance coverage with high premiums or forgo coverage all together. It is also worth noting that even employers who do offer health insurance coverage to their employees may require large contributions from employees while offering poor quality coverage[3]. As a result, just because employers may offer health insurance to their employees does not mean that workers can access this coverage.

[3] Blumenthal, David. 2006. "Employer Sponsored Insurance –Riding the Health Care Tiger." *The New England Journal of Medicin*e 355 (2): 195-202.



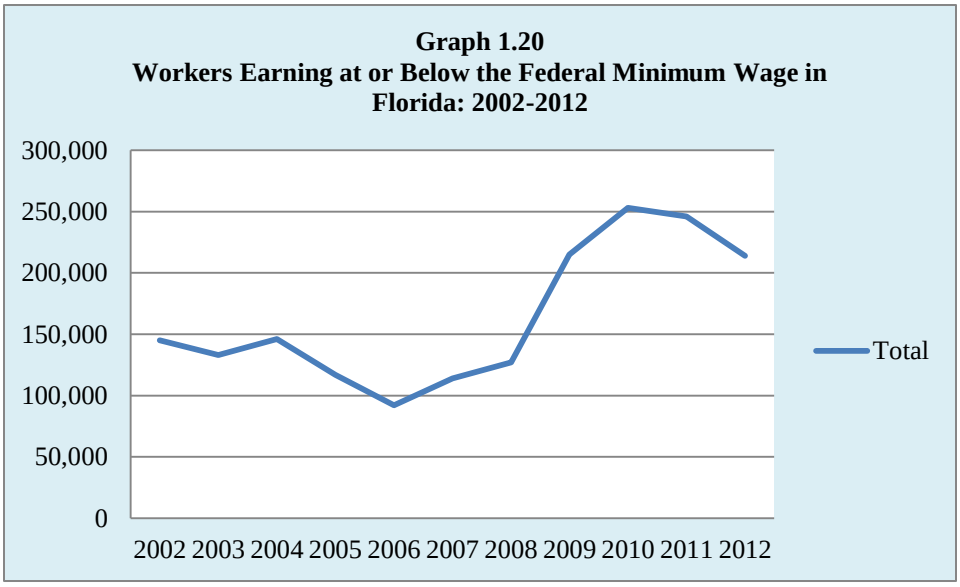

Source: Agency for Healthcare Research and Quality: medical expenditure panel survey insurance component

The trends of declining real wages and employer-sponsored health insurance coverage point to a general decline in the availability of good jobs in Florida. Between 2002 and 2012 the total number of hourly workers increased by about 8.13% to about 4.16 million workers in Florida. However, during this same period the overall share of hourly workers earning at or below Florida's minimum wage increased by 34.21%, to about 214,000 workers (see table 1.9). Dramatically, the share of all workers earning at or below the federal minimum wage increased by 69.3% between 2008 and 2009, an increase of 88,000 workers; most actually earning below the minimum wage (see graph 1.21). As of January 1, 2012 the Florida minimum wage was $7.67 per hour and it increased to $7.79 per hour on January 1, 2013. However, tens of thousands of hourly workers in Florida earned less than the legislated minimum wage. The This systemic failure to enforce Florida's minimum wage may be due to the absence of a statewide Department of Labor and an effective enforcement mechanism to combat wage theft.

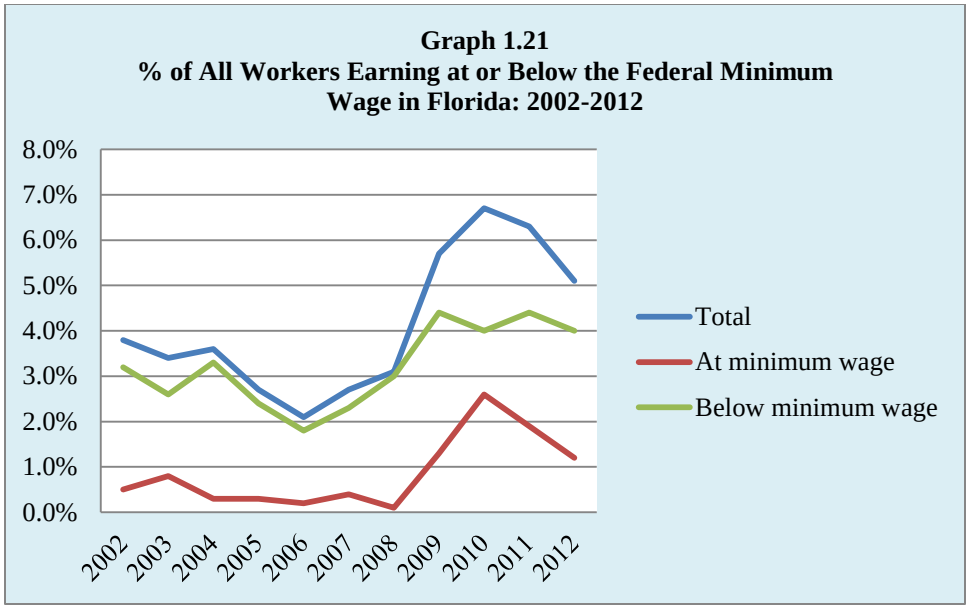
"The share of all workers earning at or below the federal minimum wage increased by 69.3% between 2008 and 2009, an increase of 88,000 workers."

| Table 1.9<br>Workers Earning at or Below the Minimum Wage in Florida: 2002-2012 | | | | | |
|---|---|---|---|---|---|
| **Year** | **Total hourly workers** | **Workers at or below minimum wage** | **% of all workers at or below minimum wage** | **% of all workers at minimum wage** | **% of all workers below minimum wage** |
| **2002** | 3,851,000 | 145,000 | 3.80% | 0.50% | 3.20% |
| **2003** | 3,886,000 | 133,000 | 3.40% | 0.80% | 2.60% |
| **2004** | 4,037,000 | 146,000 | 3.60% | 0.30% | 3.30% |
| **2005** | 4,404,000 | 117,000 | 2.70% | 0.30% | 2.40% |
| **2006** | 4,474,000 | 92,000 | 2.10% | 0.20% | 1.80% |
| **2007** | 4,261,000 | 114,000 | 2.70% | 0.40% | 2.30% |
| **2008** | 4,058,000 | 127,000 | 3.10% | 0.10% | 3.00% |
| **2009** | 3,795,000 | 215,000 | 5.70% | 1.30% | 4.40% |
| **2010** | 3,778,000 | 253,000 | 6.70% | 2.60% | 4.00% |
| **2011** | 3,891,000 | 246,000 | 6.30% | 1.90% | 4.40% |
| **2012** | 4,164,000 | 214,000 | 5.10% | 1.20% | 4.00% |
| **% change 2002-2012** | 8.13% | 47.59% | 34.21% | 140.00% | 25.00% |
| **Avg. Annual % Change** | 0.90% | 6.68% | 6.79% | 122.54% | 5.26% |

Source: Bureau of Labor Statistics: Current population survey




Source: Bureau of Labor Statistics: Current population survey




Source: Bureau of Labor Statistics: Current population survey

Florida has the second largest total number of workers with earnings at or below the federal minimum in the U.S., only behind Texas (see table 1.10). Florida has the second largest share of workers with earnings below the federal minimum in the U.S., only behind Virginia. Florida's share of workers with earnings at or below the federal minimum is higher than the national average of 4.70% but it's the lowest among Southeastern states. Nonetheless, Florida has the largest share of workers with earnings below the federal minimum in the Southeastern region.

"Florida has the second largest total number of workers with earnings at or below the federal minimum in the U.S., only behind Texas."

| Table 1.10<br>Workers with Earnings at or Below the Federal Minimum Wage by State: 2012 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **State** | **All workers** | **Workers earning at or below the minimum wage** | | **Workers earning the minimum wage** | | **Workers earning below the minimum wage** | |
| | **Total** | **Total** | **% of all workers** | **Total** | **% of all workers** | **Total** | **% of all workers** |
| **U.S.** | 75,276,000 | 3,550,000 | 4.70% | 1,566,000 | 2.10% | 1,984,000 | 2.60% |
| **Alabama** | 1,083,000 | 65,000 | 6.00% | 31,000 | 2.90% | 34,000 | 3.10% |
| **Florida** | 4,164,000 | 214,000 | 5.10% | 49,000 | 1.20% | 165,000 | 4.00% |
| **Georgia** | 2,114,000 | 136,000 | 6.40% | 60,000 | 2.80% | 76,000 | 3.60% |
| **Louisiana** | 1,043,000 | 74,000 | 7.10% | 35,000 | 3.40% | 39,000 | 3.70% |
| **Mississippi** | 700,000 | 45,000 | 6.40% | 21,000 | 3.00% | 24,000 | 3.40% |
| **North Carolina** | 2,206,000 | 137,000 | 6.20% | 74,000 | 3.40% | 63,000 | 2.90% |
| **South Carolina** | 1,084,000 | 59,000 | 5.40% | 28,000 | 2.60% | 31,000 | 2.90% |
| **Tennessee** | 1,554,000 | 86,000 | 5.50% | 46,000 | 3.00% | 40,000 | 2.60% |

Source: Bureau of Labor Statistics: Current population survey

Additionally, there were more than twice as many women than there were men earning wages at or below the minimum wage; 173,000 and 81,000 respectively (see table 1.11). While women have been historically overrepresented in this category it is also alarming that they've increased their share by 8.27% to 68.38% of all workers earning wages at or below the Federal minimum wage. This is evidence of a larger structural socioeconomic constraint preventing women from obtaining jobs with livable wages.

"There were more than twice as many women than there were men earning wages at or below the minimum wage."

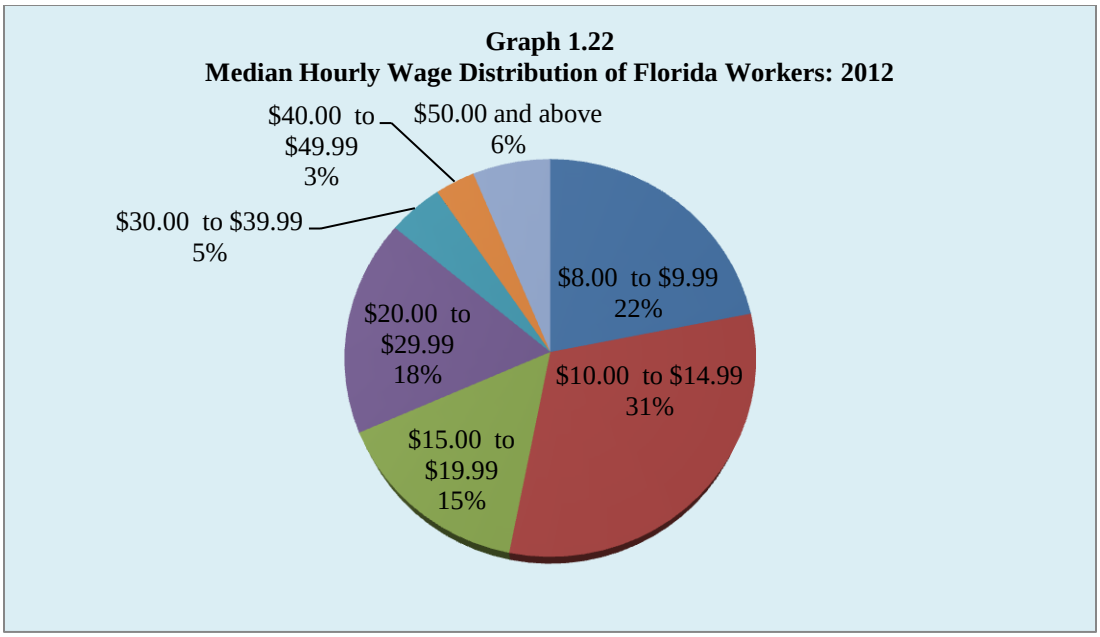
It is also worth noting that in 2012 53.10% of all employed workers earned a median wage under $15.00, the equivalent of an annual gross salary of $31,200 (see graph 1.22). In fact, only about 23.41% of all workers earned an hourly wage of $20.00 or greater, that is an annual salary of $41,600 or greater and only 9.55% of all workers earned an hourly wage of $40.00 or greater, that is an annual salary of $83,200 or greater. This translates to a predominantly low-wage earning population facing declining compensation and an eroding standard of living.

| Table 1.11<br>Workers Earning at or Below the Federal Minimum Wage in Florida by Sex: 2000-2010 | | | | | |
|---|---|---|---|---|---|
| **Year** | **Total** | **Men** | | **Women** | |
| | | **Total** | **Share of All Workers at or below Federal minimum wage** | **Total** | **Share of All Workers at or below Federal minimum wage** |
| **2000** | 152,000 | 56,000 | 36.84% | 96,000 | 63.16% |
| **2001** | 141,000 | 46,000 | 32.62% | 95,000 | 67.38% |
| **2002** | 149,000 | 60,000 | 40.27% | 89,000 | 59.73% |
| **2003** | 133,000 | 49,000 | 36.84% | 84,000 | 63.16% |
| **2004** | 146,000 | 52,000 | 35.62% | 95,000 | 65.07% |
| **2005** | 117,000 | 49,000 | 41.88% | 67,000 | 57.26% |
| **2006** | 92,000 | 34,000 | 36.96% | 59,000 | 64.13% |
| **2007** | 114,000 | 47,000 | 41.23% | 68,000 | 59.65% |
| **2008** | 127,000 | 47,000 | 37.01% | 80,000 | 62.99% |
| **2009** | 215,000 | 82,000 | 38.14% | 133,000 | 61.86% |
| **2010** | 253,000 | 81,000 | 32.02% | 173,000 | 68.38% |
| **% change 2000-2010** | 66.45% | 44.64% | -13.10% | 80.21% | 8.27% |
| **Avg. Annual % Change** | 7.85% | 7.55% | -0.57% | 8.79% | 1.14% |

Source: Bureau of Labor statistics: Current population survey

| Table 1.12<br>Median Hourly Wage Distribution of Florida Workers: 2012 | | | | |
|---|---|---|---|---|
| **Median hourly wage** | **Annualized Wage** | **Total** | **% of total employment earning** | **Sum of wage groups** |
| **$8.00 to $8.99** | $16,640 to $18,699 | 799,090 | 10.99% | 10.99% |
| **$9.00 to $9.99** | $18,720 to $20,779 | 793,650 | 10.91% | 21.90% |
| **$10.00 to $10.99** | $20,800 to $22,859 | 684,230 | 9.41% | 31.30% |
| **$11.00 to $11.99** | $22,880 to $24,939 | 249,920 | 3.44% | 34.74% |
| **$12.00 to $12.99** | $24,960 to $27,019 | 456,300 | 6.27% | 41.01% |
| **$13.00 to $13.99** | $27,040 to $29,099 | 462,650 | 6.36% | 47.37% |
| **$14.00 to $14.99** | $29,120 to $31,179 | 416,720 | 5.73% | 53.10% |
| **$15.00 to $15.99** | $31,200 to $33,259 | 278,910 | 3.83% | 56.94% |
| **$16.00 to $16.99** | $33,280 to $35,339 | 245,710 | 3.38% | 60.31% |
| **$17.00 to $17.99** | $35,360 to $37,419 | 201,010 | 2.76% | 63.08% |
| **$18.00 to $18.99** | $37,440 to $39,499 | 213,350 | 2.93% | 66.01% |
| **$19.00 to $19.99** | $39,520 to $41,579 | 177,950 | 2.45% | 68.46% |
| **$20.00 to $24.99** | $41,600 to $51,979 | 591,420 | 8.13% | 76.59% |
| **$25.00 to $29.99** | $52,000 to $62,379 | 683,360 | 9.39% | 85.98% |
| **$30.00 to $39.99** | $62,400 to $83,179 | 324,620 | 4.46% | 90.45% |
| **$40.00 to $49.99** | $83,200 to $103,979 | 236,230 | 3.25% | 93.69% |
| **$50.00 and above** | $104,000 and above | 458,710 | 6.31% | 100.00% |

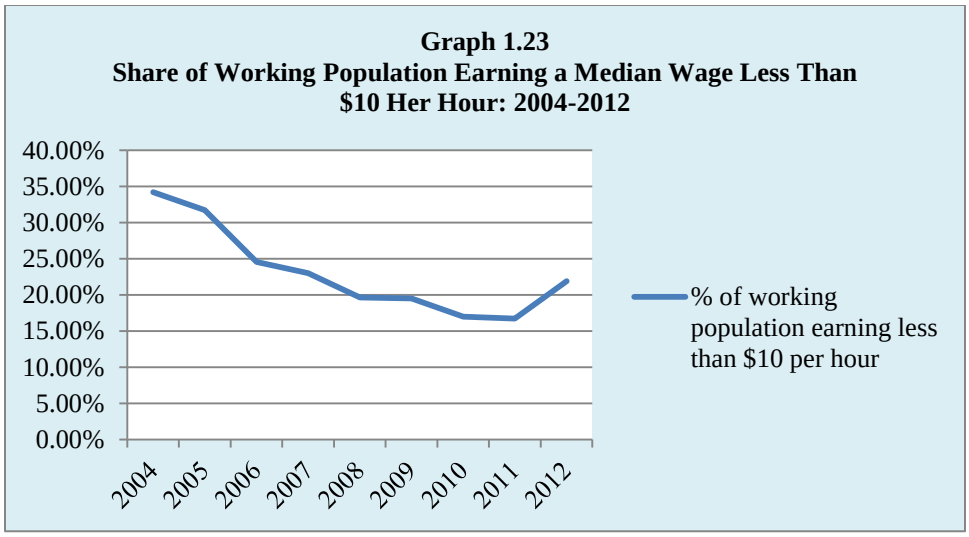
Source: Florida Department of Economic Opportunity: Florida occupation employment and wages




Source: Florida Department of Economic Opportunity: Florida occupation employment and wages

The prevalence of low-wage employment is visible in the alarming number of hourly workers earning a median hourly wage less than $10.00 in the year 2012, about 3.8 million, 21.90% of all employed workers in Florida. This is important given the proposed increase in the federal minimum wage of $10.10 per hour as proposed by Sen. Tom Harkin (D-Iowa) and Rep. George Miller (D-Calif.) in the Fair Minimum Wage Act of 2013. Between 2004 and 2012 the share of the working population earning a median hourly wage less than $10.00 has declined by 32.95% but having more than a fifth of hourly workers in low-wage work is still problematic to future economic growth (see graph 1.23). Estimates show that 92.5% of all Florida workers affected by a federal minimum wage increase to $10.10 per hour are 20 years of age and older and 58.6% of workers affected work full-time.[4]

[4] Cooper, David and Doug Hall. 2013. *Raising the Federal Minimum Wage to $10.10 Would Give Working Families, and the Overall Economy, a Much Needed Boost*. Washington D.C.: Economic Policy Institute.

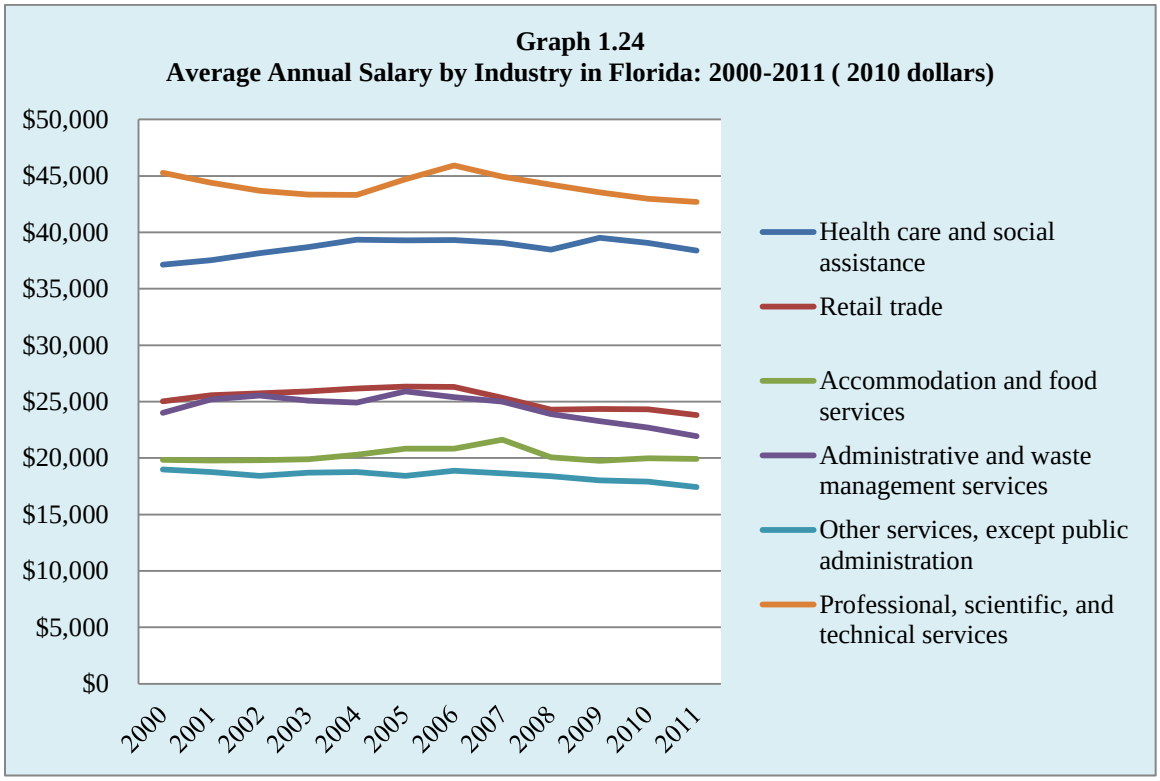



Source: Florida Department of Economic Opportunity: Florida occupation employment and wages

The trend towards greater low-wage employment in Florida is reflected in the salaries of the six main private employing industries. Average annual salaries for the private sector fields of retail trade, administrative and waste management services, professional, scientific, and technical services, or other services, except public administration have declined between the years 2000 and 2011 (see graph 1.24). Average annual salaries for accommodations and food services have remained relatively stagnant while health care and social assistance actually experienced salary increases. The average hourly wage, based on a 40-hour work week, for these six industries ranged from $8.38 in other services to $20.53 in professional services as of 2011. However, compensation data examined above show that the great majority of workers are earning wages towards the lower end of that spectrum.

*Ricardo's story:*

*Ricardo is a 48 year-old Latino retail worker earning $8.55/hr. He has been working for Wal-Mart for four years and six months ago he became a full-time worker. When he was a part-time worker making minimum wage he felt exploited, but working as a full-time worker is not much different for him. Ricardo has health issues with his prostate and although he qualifies to receive health insurance provided through his employer he finds it very difficult to contribute from his paycheck after paying for rent. He's fighting for affordable health insurance, decent wages, respect and a voice in the workplace by starting a union.*




Source: Bureau of Economic Analysis

**Conclusion:**

Florida is experiencing a considerable decline in real wages while also increasing its share of low-wage earning workers. These trends show that jobs, particularly those with a livable wage, remain scarce despite considerable gains in labor productivity. What's more is that the jobs that tend to be available are in service-providing industries where wages are in decline. As a result, many Floridians have realized that the high-paying jobs of the past are gone and have been replaced by low-wage jobs with little to no benefits.

Additionally, data show that unemployment rates remain relatively high despite notable declines since 2011. In fact, 2012's unemployment rate of 8.61% is more than double the unemployment rate of the years 2000 and 2006, 3.82% and 3.34% respectively. Additionally, long-term unemployment has emerged as a troublesome phenomenon while younger workers, 16 to 24 year olds, continue to have a disturbingly high unemployment rate.

## Chapter 2 -- Income and Inequality:

Income data informs us about the earning possibilities of most Floridians at the individual and household levels. Income directly influences the level of spending available to Floridians and whether they can afford the material resources needed for survival. Likewise, inequality in income illustrates the distribution of earnings and provides a clearer picture of disparities in earnings for different income groups. These measures show the general trends for income in Florida as well as where income growth is concentrated in the population.

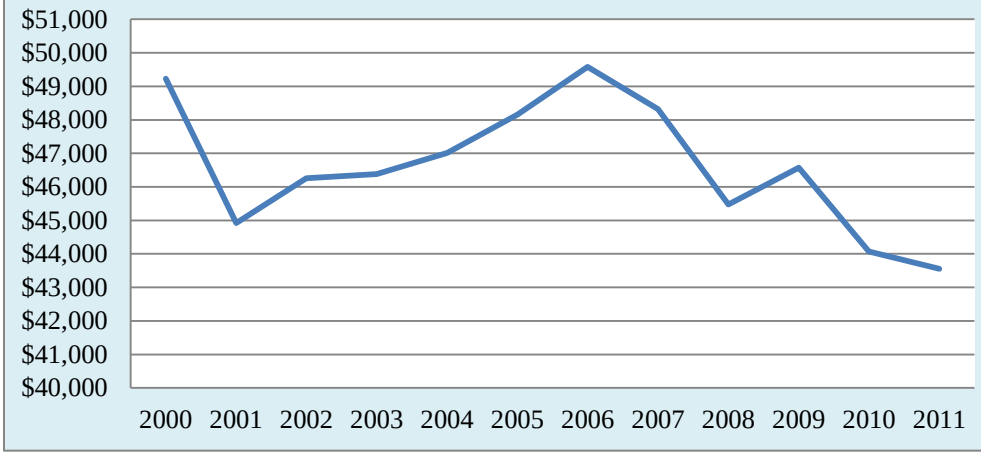
Key Findings

- Since 2000, real median household income decreased by 11.51%.
- Wage inequality has grown13.66% since 2000.
- Income inequalities between men and women as well as between racial groups have declined.

### Income

Between 2000 and 2011 Florida's real median household income decreased by 11.51%, a total of $5,668, an average annual decline of 1.03% (see graph 2.1). The decline in household income was mainly concentrated in the period since 2007 due to the Great Recession although the largest single year decline of 8.75% occurred in 2001. The level of household income lost in 2001 was recovered by 2006 due to a booming Florida economy but the Great Recession has since eroded these gains.

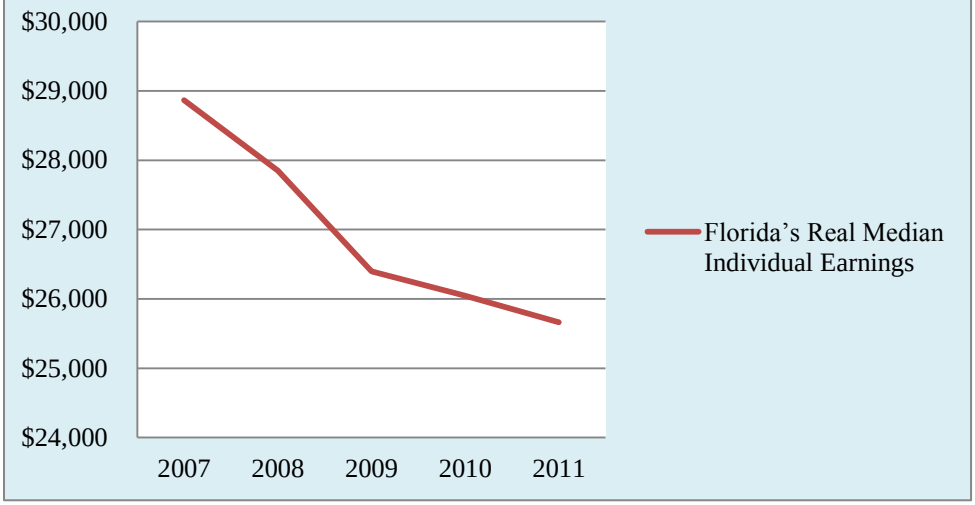
**Graph 2.1**
**Real Median Household Income in Florida: 2000-2011 (2010 Dollars)**




Source: U.S. Census Bureau: Current population survey annual social and economic supplements

The decline in real incomes can also be observed at the individual level. Between 2007 and 2011, there has been an 11.09% decline in Florida's real individual earnings, a drop of $3,200 (see graph 2.2). Real median individual earnings have followed a downward trajectory for the greater part of this period with the greatest decline observed between 2008 and 2009 where there was a $1453 drop. Again, this trend reflects the overwhelmingly negative effect that the Great Recession had on Florida's incomes.

**Graph 2.2**
**Real Median Individual Earnings in Florida: 2007-2011 (2010 Dollars)**




Source: American Community Survey

Less income means Floridians have less money to spend food, housing, healthcare, transportation and many other resources that define their standard of living. Income also directly affects individual and household consumption which is reflected in the overall wellbeing of the economy. This means that the negative income trends observed since the Great Recession have contributed to a slow-paced economic recovery.

"Less income means Floridians have less money to spend food, housing, healthcare, transportation and many other resources that define their standard of living."

**Wage Distribution and Disparity**

One way to show inequality is by comparing the incomes of those with the greatest wages to those with the lowest. It then becomes easier to see the distribution of income across different wage earning groups and where income growth is concentrated. By comparing the hourly wages from the top 10% to those from the bottom 10% we can infer inequality trends in Florida. These deciles are the result of ranking wages in ascending order, splitting them into ten groups with the same number of people, and finding the wage that separates these groups.

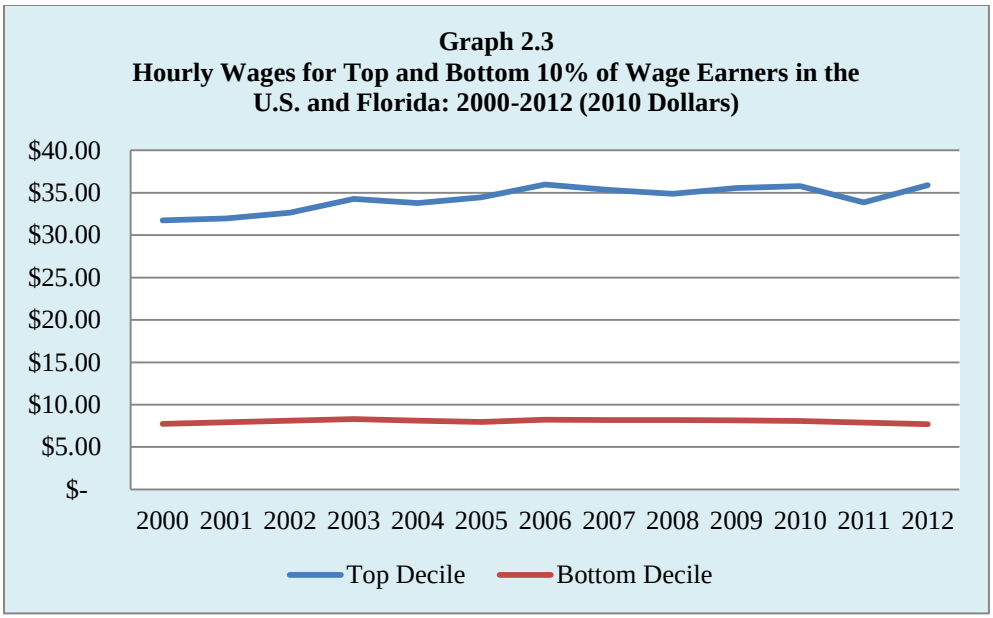
"Between 2000 and 2012 wage inequality in Florida has grown by 13.66%."

Between 2000 and 2012 wage inequality in Florida has grown by 13.66% as top earners experienced a 13.14% increase in wages and bottom earners saw wages decline by 0.52% (see table 2.1). As of 2012 the wage gap between top and bottom earners was $58,656, an hourly wage difference of $28.20. In fact, since the year 2000 inequality has grown by $8,756.80 annually due to the opposing growth trajectories of top and bottom earners. As of 2012, 90% of workers in Florida earned less than the top 10% annual salary of $74, 677, the equivalent of a $35.90 hourly wage. Between 2011 and 2012, wage inequality between the top 10% of wage earners and the bottom 10% grew by 8.37%, an annual difference of $4,638.40, the greatest increase of the past 12 years in Florida (see graph 2.3).

**Table 2.1**
**Wages for Top and Bottom 10% of Wage Earners in the U.S. and Florida: 2000-2012 (2010 Dollars)**

| Year | Wages for Top 10% | | | | Wages for Bottom 10% | | | | Ratio of Top 10% to Bottom 10% | |
|---|---|---|---|---|---|---|---|---|---|---|
| | U.S. | | Florida | | U.S. | | Florida | | U.S. | Florida |
| | Hourly | Annual | Hourly | Annual | Hourly | Annual | Hourly | Annual | | |
| **2000** | $34.53 | $71,830 | $31.73 | $66,007 | $7.99 | $16,627 | $7.74 | $16,100 | 4.32 | 4.1 |
| **2001** | $35.69 | $74,235 | $31.98 | $66,514 | $8.25 | $17,161 | $7.91 | $16,443 | 4.33 | 4.05 |
| **2002** | $36.30 | $75,499 | $32.64 | $67,884 | $8.36 | $17,382 | $8.13 | $16,901 | 4.34 | 4.02 |
| **2003** | $36.53 | $75,990 | $34.27 | $71,287 | $8.32 | $17,302 | $8.31 | $17,277 | 4.39 | 4.13 |
| **2004** | $36.25 | $75,405 | $33.77 | $70,243 | $8.22 | $17,103 | $8.12 | $16,885 | 4.41 | 4.16 |
| **2005** | $36.31 | $75,519 | $34.46 | $71,674 | $8.05 | $16,754 | $7.96 | $16,567 | 4.51 | 4.33 |
| **2006** | $36.67 | $76,275 | $35.98 | $74,830 | $8.11 | $16,867 | $8.21 | $17,070 | 4.52 | 4.38 |
| **2007** | $37.06 | $77,085 | $35.33 | $73,485 | $8.20 | $17,054 | $8.18 | $17,010 | 4.52 | 4.32 |
| **2008** | $37.24 | $77,453 | $34.89 | $72,561 | $8.11 | $16,870 | $8.17 | $16,996 | 4.59 | 4.27 |
| **2009** | $38.19 | $79,444 | $35.54 | $73,924 | $8.21 | $17,069 | $8.13 | $16,921 | 4.65 | 4.37 |
| **2010** | $38.21 | $79,477 | $35.77 | $74,402 | $8.11 | $16,869 | $8.08 | $16,806 | 4.71 | 4.43 |
| **2011** | $37.14 | $77,250 | $33.85 | $70,401 | $7.88 | $16,390 | $7.88 | $16,390 | 4.71 | 4.3 |
| **2012** | $37.43 | $77,844 | $35.90 | $74,677 | $7.75 | $16,112 | $7.70 | $16,013 | 4.83 | 4.66 |
| **% Change (2000-2012)** | 8.40% | | 13.14% | | -3.00% | | -0.52% | | 11.81% | 13.66% |
| **Avg. Annual % Change** | 0.69% | | 1.08% | | -0.24% | | -0.02% | | 0.94% | 1.11% |

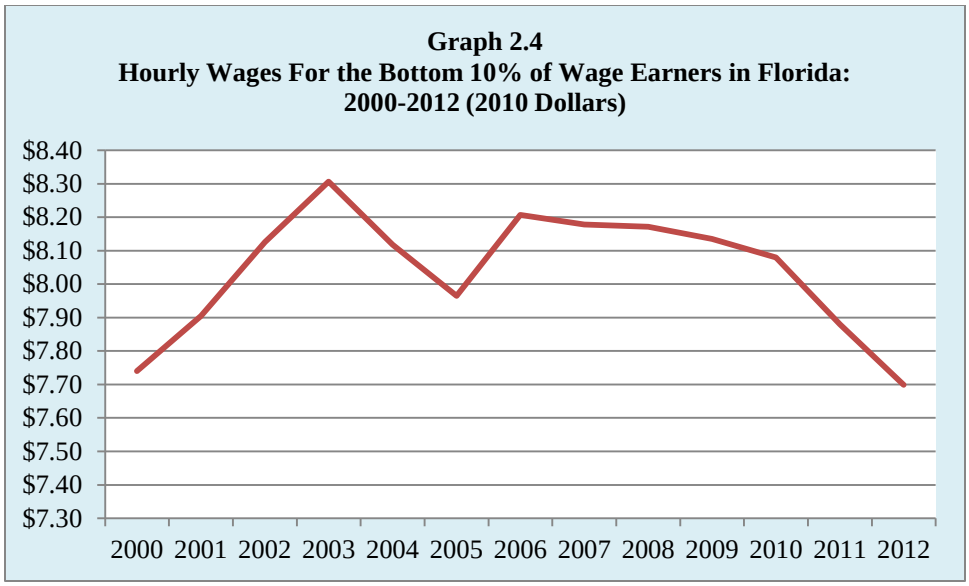
Source: Bureau of Labor Statistics: Current Population Survey




Source: Bureau of Labor Statistics: Current Population Survey

Growing inequality in Florida has been fueled by wage increases for top earners while bottom earners typically saw little change in their wages. Inequality grew steadily at an average annual rate of 1.11% (see graph 2.4). This trend was interrupted in the years 2007, 2008 and 2011 when wages for top earners experienced a greater decline than that of low earners. However, in all other periods, wages for top earners grew at a faster rate than wages for bottom earners who often experienced declines. This pattern is especially pronounced between 2011 and 2012, when inequality grew 8.37% by an annual difference of $4,653. While most people saw their wages decline from 2000 to 2012, people with wages higher than 90% of the population had an overall wage increase thus exacerbating existing income inequalities in Florida.

"Growing inequality in Florida has been fueled by wage increases for top earners while bottom earners typically saw little change in their wages"




Source: Bureau of Labor Statistics: Current Population Survey

The trend of increasing income inequality during the past 12 years is also observed at the national level. The recession briefly decreased wages across the board, but while wages for high earners rebounded quickly, wages for low earners have not recovered. Inequality at the national level is typically greater than in Florida because the average wage of top earners nationally is generally higher while wages for bottom earners are about the same. Unfortunately, the growing pace of inequality in Florida has diminished the difference between the state and national inequality levels as the wages of top earners in Florida are growing to meet those of top earners in the US.

So while the economy as a whole has shown growth since the recession, most of that growth has been absorbed as increases in the wages of the top tenth of wage earners. All other wage earning groups show very little change since 2000. This indicates that though the economy is recovering from the recession, the recovery is reaching very few. Most people have not seen any large changes in their wages in the past 12 years, and amid rising living costs many have seen their standard of living decrease over this period.

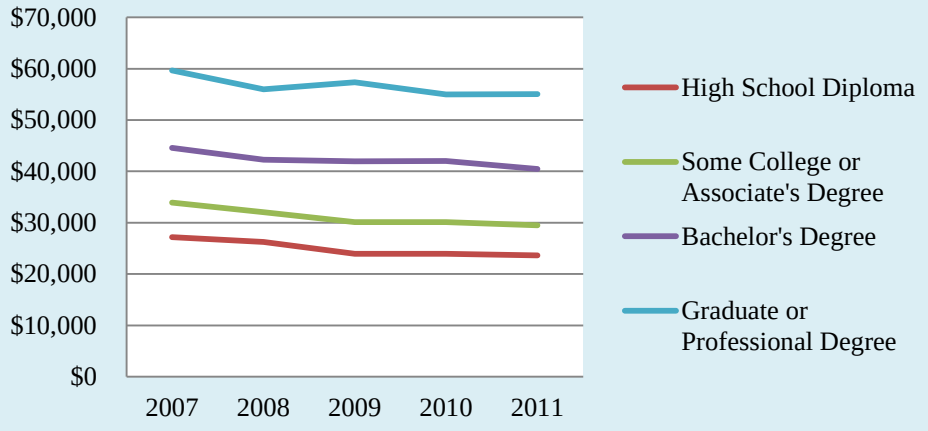
"The recovery is reaching very few."

**Income Inequality Demographics**

Changes in income trends do not affect all Floridians uniformly. Instead, over time some groups experience disproportionate gains or losses of income. Race, sex, and educational attainment have historically played important roles in shaping the income earning opportunities of Floridians and they continue to do so today.

Though there is a clear benefit to attaining more education advanced degrees have not prevented workers from declining earnings despite the rising costs associated with attaining them. Between 2007 and 2011, the earnings associated with all levels of educational attainment declined (see graph 2.5). However, Floridians with Bachelor's and Graduate/Professional degrees continue to earn considerably more than those without degrees.

**Graph 2.5**
**Annual Earnings by Educational Attainment in Florida: 2007-2011 (2010 Dollars)**



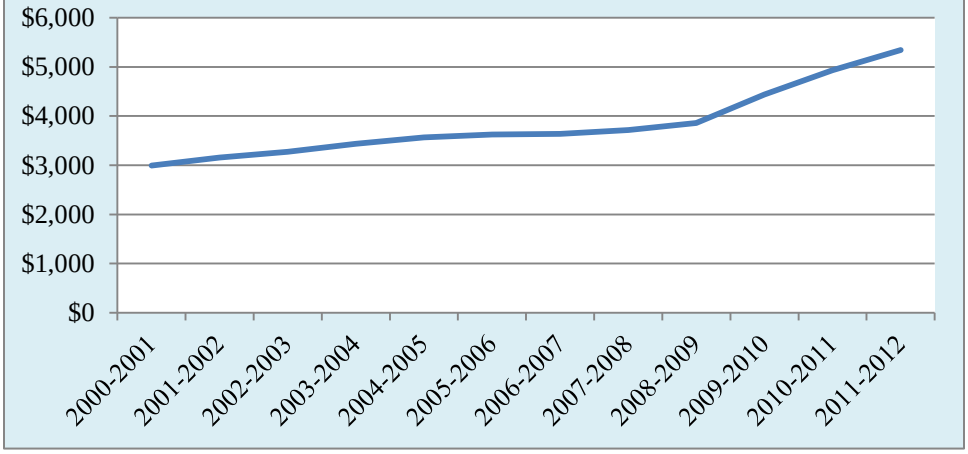

Source: American Community Survey

The cost of obtaining higher education has increased substantially in the past decade. Tuition for public universities in Florida has increased 78.33% between 2000 and 2011, at an annual rate of 5.48% (see graph 2.6). Graduates, however, are reaping fewer benefits to recoup these costs. The decline in the premium associated with greater educational attainment comes at a time when the cost of higher education is consistently rising and jobs are scarce.

"Tuition for public universities in Florida has increased 78.33% between 2000 and 2011."

Though obtaining more education has historically been a way for people to access higher earnings, it has become a less viable option due to rising costs and fewer benefits.

**Graph 2.6**
**Average Tuition & Fees for Public Universities in Florida: 2000-2012 (2010 Dollars)**




Source: State University System of Florida Board of Governors

*David's story:*

*David is a 50 year-old Haitian immigrant and taxi driver for the last 15 years. He works 12 to 15 hours a day, often six or seven days a week. As an independent contractor, a large portion of his income goes toward gas and vehicle maintenance. After all expenses are deducted, David takes about $300 a week home. He says working as a low-wage worker is "a real form of slavery in Miami" as lacks job protection and respect from authorities. He worries that he will make enough money to afford his children's college education.*

Though over 96% of Floridians are White, Black/African-American, or Hispanic/Latino, there are considerable differences in the income opportunities for these groups. While all families experienced income declines between 2007 and 2011, Black/African-American and Latino/Hispanic families experienced greater declines than White non-Hispanic families (see table 2.2). In 2011, the income of Latino/Hispanic families was about 76.80% that of non-Hispanic Whites while Black/African-Americans families only averaged about 65.54% the income of Whites (see graph 2.7). This disparity corresponds to an annual difference of $16,340

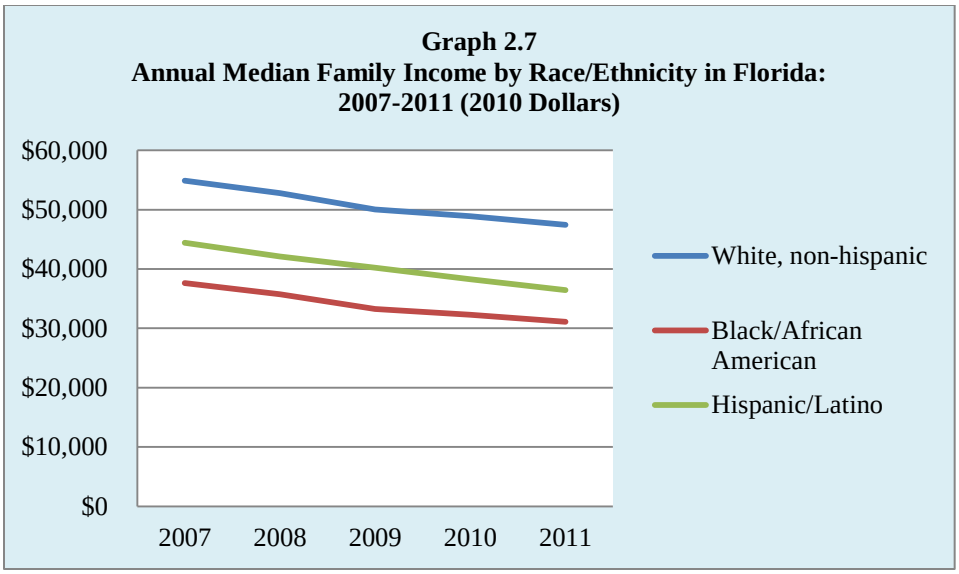
for Black/African-American families and $11,001 for Latino/Hispanic families (see graph 2.8). Since 2007 the disparity between White and Black/African-American family incomes declined by 5.24% while the disparity between White and Latino/Hispanic family incomes increased by 5.16%. But though the inequality between races has decreased, the differences are still pronounced. Florida's family incomes reflect national trends but fluctuations are more severe as declines in income have been more severe in Florida.

> "In 2011, the income of Latino/Hispanic families was about 76.80% that of non-Hispanic Whites while Black/African-Americans families only averaged about 65.54% the income of Whites."

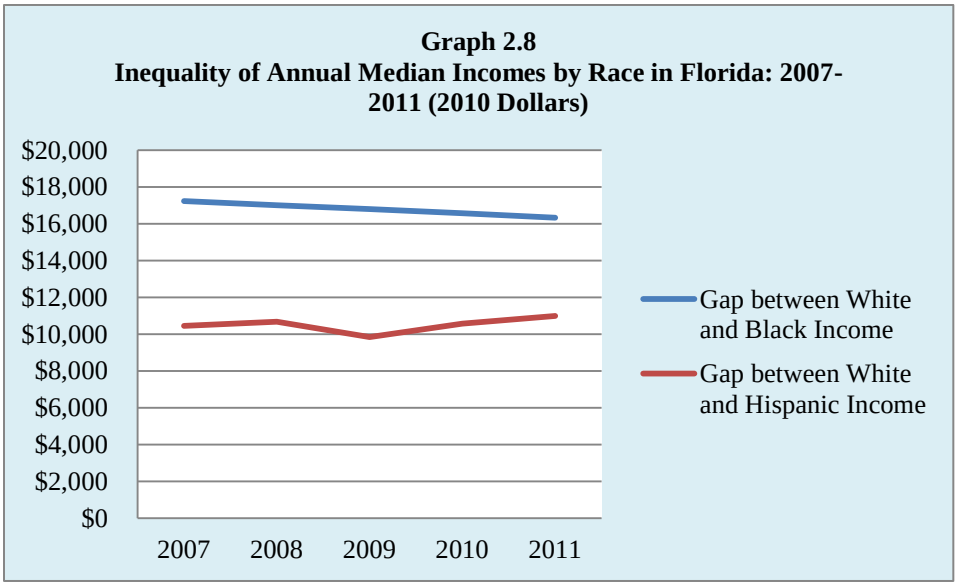
**Table 2.2**
**Annual Median Family Income by Race/Ethnicity in the U.S. and Florida: 2007-2011 (2010 Dollars)**

| Year | White, non-hispanic | | Black/African American | | Hispanic/Latino | | Gap between White and Black Income | | Gap between White and Hispanic Income | |
|---|---|---|---|---|---|---|---|---|---|---|
| | US | Florida | US | Florida | US | Florida | US | Florida | US | Florida |
| **2007** | $58,139 | $54,880 | $35,879 | $37,636 | $43,018 | $44,419 | $22,260 | $17,244 | $15,122 | $10,461 |
| **2008** | $57,611 | $52,769 | $35,914 | $35,756 | $42,043 | $42,084 | $21,696 | $17,013 | $15,568 | $10,685 |
| **2009** | $55,802 | $50,043 | $34,155 | $33,234 | $40,749 | $40,200 | $21,647 | $16,810 | $15,053 | $9,844 |
| **2010** | $54,168 | $48,871 | $33,578 | $32,299 | $40,165 | $38,288 | $20,590 | $16,572 | $14,003 | $10,583 |
| **2011** | $53,406 | $47,422 | $32,082 | $31,082 | $38,230 | $36,421 | $21,324 | $16,340 | $15,176 | $11,001 |
| **% Change 2007-2011** | -8.14% | -13.59% | -10.58% | -17.41% | -11.13% | -18.01% | -4.21% | -5.24% | 0.36% | 5.16% |
| **Avg. Annual % Change** | -2.10% | -3.58% | -2.74% | -4.66% | -2.90% | -4.84% | -1.02% | -1.34% | 0.26% | 1.43% |

Source: American Community Survey




Source: American Community Survey




Source: American Community Survey

The disparity between male and female earnings declined 24.35% between 2007 and 2011, but the decline in inequality does not indicate that female earnings are

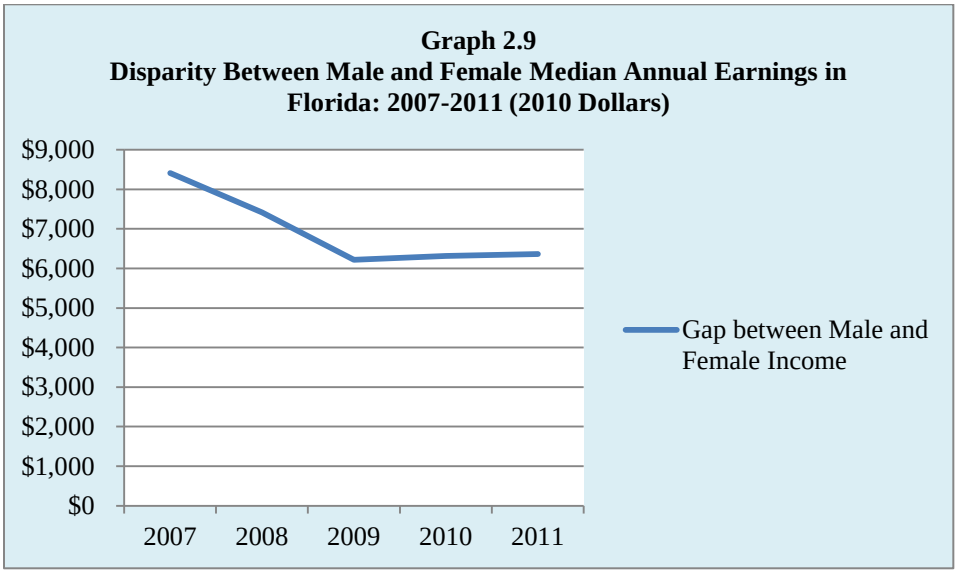
"The disparity between male and female earnings declined 24.35% between 2007 and 2011."

growing to match earnings of men (see table 2.3). Instead, earnings for women decreased 8.17% between 2007 and 2011 while earnings for men decreased 12.25%. The faster decline in earnings for men diminished the disparity between male and female earnings, but the decrease in inequality still leaves pronounced differences in earnings between the sexes (see graph 2.9). As of 2011 the disparity between male and female wages was still $6,362 annually. The disparity in median earnings between men and women is greater at the national level than in Florida and Florida is closing this gap faster.

**Table 2.3**
**Male and Female Median Annual Earnings in Florida: 2007-2011 (2010 Dollars)**

| Year | Male | | Female | | Disparity | |
|---|---|---|---|---|---|---|
| | U.S. | Florida | U.S. | Florida | U.S. | Florida |
| **2007** | $36,046 | $33,366 | $24,340 | $24,955 | $11,706 | $8,410 |
| **2008** | $35,791 | $31,932 | $24,421 | $24,513 | $11,371 | $7,419 |
| **2009** | $33,969 | $29,628 | $23,999 | $23,412 | $9,969 | $6,216 |
| **2010** | $33,276 | $29,480 | $24,157 | $23,165 | $9,119 | $6,315 |
| **2011** | $33,146 | $29,277 | $23,684 | $22,915 | $9,463 | $6,362 |
| **% Change 2007-2011** | -8.04% | -12.25% | -2.70% | -8.17% | -19.16% | -24.35% |
| **Avg. Annual % Change** | -2.06% | -3.18% | -0.67% | -2.10% | -4.99% | -6.42% |

Source: American Community Survey




Source: American Community Survey

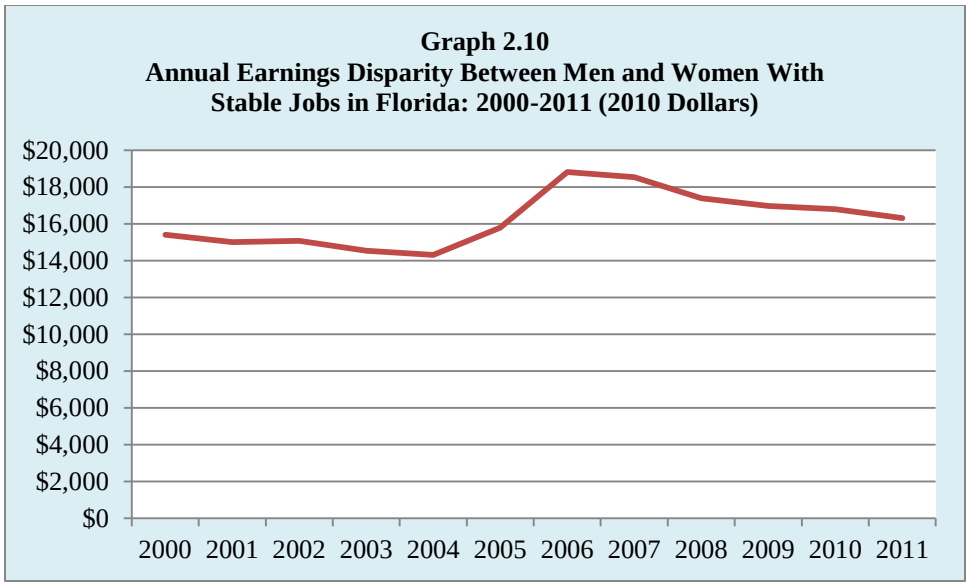
In order to provide a more comparable analysis of male and female workers we narrow our focus to include only those individuals with stable jobs—people who worked with the same employer throughout a quarter—to eliminate the influence of people working intermittently. Among those with stable jobs, earnings inequality between men and women has increased 5.87% between 2000 and 2011 (see table 2.4). The "premium" associated with being male has grown to $16,307 annually in the year 2011, about $7.84 per hour (see graph 2.10). The earnings gap has increased about $900 since 2000 because though earnings for both sexes have generally increased, male earnings grew at a much faster rate. Female earnings grew only 3.8% since 2000 while male earnings grew 4.5%, increasing the wage gap.

Much of the exceptional growth in earnings for men occurred between 2004 and 2006, when male earnings grew at an average rate of 5.67% annually, much faster than the average rate of growth of 1.61% for women in the same (see table 2.4). Since 2006, earnings men have declined each year, while earnings for women either grew or declined at a slower pace than male earnings. Despite some setbacks for both sexes, earnings for men grew faster overall, creating greater inequality.

**Table 2.4**
**Annual Earnings Among Those With Stable Jobs by Sex in Florida: 2000-2011 (2010 Dollars)**

| Year | Male | Female | Disparity |
|---|---|---|---|
| **2000** | $47,966 | $32,563 | $15,403 |
| **2001** | $47,545 | $32,528 | $15,017 |
| **2002** | $48,539 | $33,456 | $15,082 |
| **2003** | $48,107 | $33,569 | $14,537 |
| **2004** | $48,287 | $33,977 | $14,310 |
| **2005** | $50,082 | $34,296 | $15,785 |
| **2006** | $53,899 | $35,075 | $18,824 |
| **2007** | $53,776 | $35,228 | $18,548 |
| **2008** | $51,519 | $34,122 | $17,397 |
| **2009** | $51,323 | $34,353 | $16,970 |
| **2010** | $51,006 | $34,212 | $16,794 |
| **2011** | $50,103 | $33,796 | $16,307 |
| **% Change 2000-2011** | 4.46% | 3.79% | 5.87% |
| **Avg. Annual % Change** | 0.44% | 0.35% | 0.75% |

Source: U.S. Census: Longitudinal employer-household dynamics quarterly workforce indicator data




Source: U.S. Census: Longitudinal employer-household dynamics quarterly workforce indicator data

Increases in educational attainment tend to widen the differences in earnings between men and women. Women with higher educational attainments experience greater inequality with their male counterparts than women with less education. In 2011, for example, women with high school diplomas earned $5,947 less annually than did men with the same education (see table 2.5). When comparing men and women with bachelor degrees, this figure grows to $12,648. And men and women with graduate or professional degrees had an annual difference of $22,939. With each degree, the difference between male and female earnings almost doubles.

> "Women with higher educational attainments experience greater inequality than their male counterparts with less education."

| Table 2.5<br>Annual Median Earnings by Sex and Educational Attainment in Florida: 2007-2011 (in 2010 Dollars) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | High School | | Some College or Associate's | | Bachelor's | | Graduate or Professional | |
| Year | Male | Female | Male | Female | Male | Female | Male | Female |
| 2007 | $32,235 | $22,489 | $39,887 | $29,225 | $54,270 | $38,534 | $75,033 | $49,596 |
| 2008 | $30,661 | $22,137 | $37,207 | $28,070 | $51,218 | $37,533 | $70,389 | $47,195 |
| 2009 | $27,405 | $20,500 | $34,926 | $26,941 | $50,195 | $37,832 | $70,774 | $48,782 |
| 2010 | $26,588 | $21,260 | $34,314 | $26,256 | $50,583 | $37,964 | $67,948 | $46,985 |
| 2011 | $26,474 | $20,527 | $33,938 | $25,865 | $49,247 | $36,779 | $68,667 | $45,728 |
| % Change 2007-2011 | -17.87% | -8.72% | -14.91% | -11.50% | -9.26% | -4.55% | -8.48% | -7.80% |
| Avg. Annual % Change | -4.73% | -2.18% | -3.92% | -3.00% | -2.37% | -1.14% | -2.14% | -1.96% |

Source: American Community Survey

This earnings gap can be attributed to several different sources. Differences in education are accounted for here, yet the wage gap persists and even grows among male and female counterparts with more advanced education. Studies have controlled for other mitigating factors, such as age, work experience and occupational choices, but have found that discrimination still plays a significant role in the wage gap between men and women[5].

## Conclusion

Since 2000 the median household income has fallen 11.51% by a total of $5,668. However, households with low-wage earners have absorbed much of this decline while top earners have seen considerable wage growth. This pattern is especially pronounced between 2011 and 2012, when inequality grew 8.37% by an annual difference of $4,653. By 2012, 90% of workers in Florida earned less than the top 10%'s annual salary of $74, 677. Additionally, although income inequalities between men and women as well as between racial groups have declined they are still prominent. In 2011 the disparity of incomes between male and female wages was still $6,362 annually. Likewise, the income of Hispanic families was about 76.80% that of non-Hispanic Whites while African-Americans only averaged about 65.54% the income of Whites. The decline in median incomes has been coupled with a decline in the premium for

[5] Corbett, Christianne and Catherine Hill. 2012. *Graduating to a Pay Gap: The Earnings of Women and Men One Year after College Graduation (2012)*. Washington D.C.: American Association of University Women.

higher education since 2007 whereas the cost of college has steadily increased thus making it more difficult to close existing wage inequalities through education gains.

## Chapter 3 -- Cost of Living:

Without a discussion of what money can buy, income becomes less valuable as an indicator for what people can afford. Inflation and spending trends are necessary to truly capture the standard of living of an average person in Florida because they not only show the amount of resources that can be purchased with a limited income, but also how people in Florida react to income and price constraints.

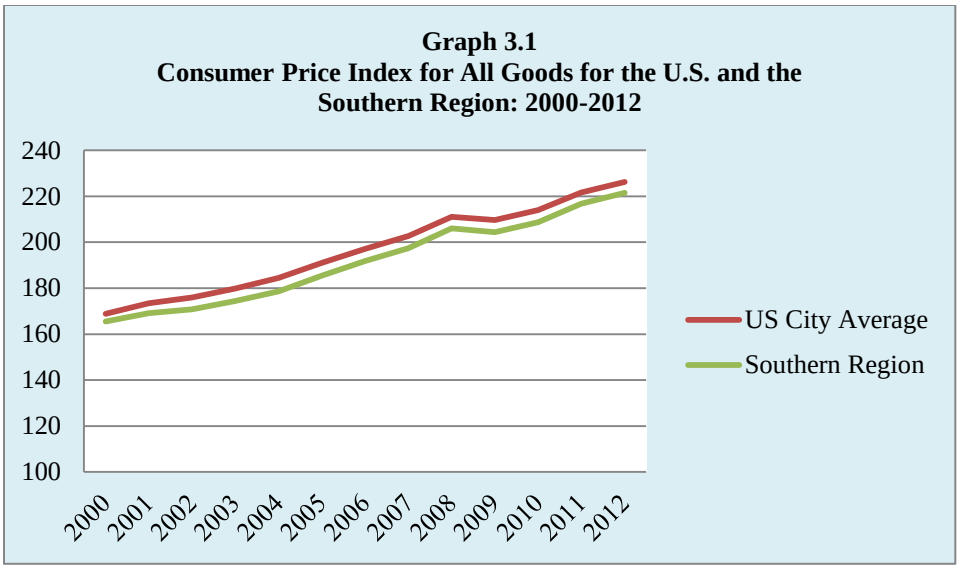
The Consumer Price Index (CPI) compares the year-to-year costs of a "market basket" of goods that an average person may buy, and is one way to display how inflation plays a part in Florida's economy. When the same basket of goods costs more than it did the previous year, it is said that the overall price level has gone up and inflation has caused the purchasing power of each dollar to decrease making families unable to afford the same goods with the same income. The CPI is a relative measure as the price of goods in one year is set as a base (denoted by a value of 100) by which all subsequent years can be compared.

Key Findings

- Consumer prices increased by 33.84% since 2000.
- The average annual total debt balance per capita in Florida was $42,938 in 2012.
- Household spending on housing, food, and transportation have declined as prices have increased since 2000.

Unfortunately, state level data are not available for the CPI, but data at the regional is available. Consumer prices in the Southern region, which includes Florida[6], increased by 33.84% in the last 12 years (see graph 3.1). This means that an item worth $1 in 2000 would now cost $1.34. This is on par with the national average, which shows about the same amount of growth in the last 12 years.

[6] This region also includes Alabama, Arkansas, Delaware, District of Columbia, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.




Source: Bureau of Labor Statistics: Consumer price index

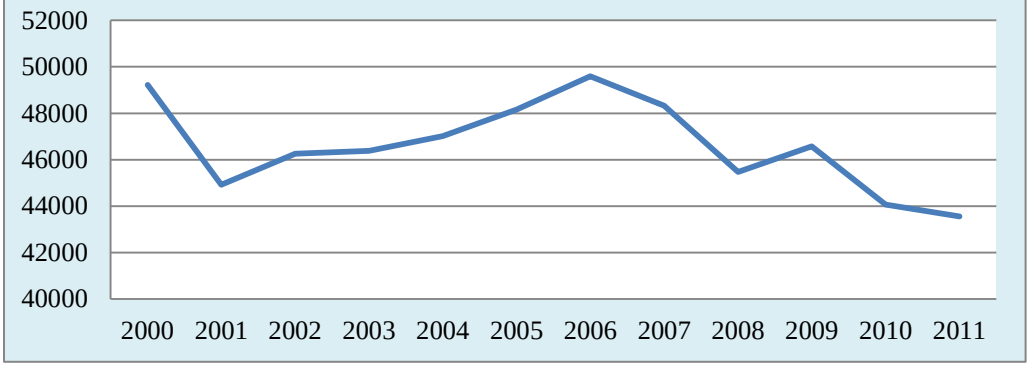
Unfortunately incomes have not kept pace with increasing prices. Since 2000, the median household income has declined 11.51%, while the overall price level increased 33.84% (see graph 3.2). Observed declines in incomes coupled with increasing prices show that families are more constrained by both the limits of their income and the decreasing amount of goods they can buy with each dollar. As a result, Florida's families no longer have the same the standard of living today that they had a decade ago.

"Since 2000, the median household income has declined 11.51%, while the overall price level increased 33.84%."

*Julio's story:*

*Julio is 37 year-old Latino restaurant cook and market worker. He feels his work schedule of 11-12 hour shifts and juggling two jobs have taken a physical toll on him and on the time spent with his wife and two step-children. Although he works long shifts, Julio still finds it economically difficult to get by on fewer than 55 hour work weeks, making about $550 a week. When business is slow he either faces hour cuts or his co-workers hour's get reduced leaving him to pick up a longer shift with double the work. He is often not afforded breaks (as required by law) nor does he feel economically secure to take regular breaks. Living paycheck to paycheck, he has no ability to set money aside for savings. He believes elected officials are disconnected with the struggles of the poor and is disillusioned by the political process.*

**Graph 3.2**
**Annual Median Household Income in Florida: 2000-2011 (2010 Dollars)**




Source: Bureau of Labor Statistics: Current Population Survey

Since goods are more expensive than they were in 2000 and income has decreased at the same time, households have had to change their spending habits to access all of the resources necessary for survival. Because there has been a sustained increase in the prices of housing, food, and transportation and little change to income, people began decreasing their spending on these goods in 2007. But cost-cutting measures like consuming fewer goods or buying lower quality goods, especially for necessities, ultimately lower the standard of living.

*Maria's story:*

*Maria is a White-non-Hispanic 27 year-old artist and sales associate. After three years of unemployment she found a retail job paying the minimum wage. She can't afford health insurance or a car. She is currently renting a room at a friend's family's house, but would like to move out on her own. However, the idea of affording an efficiency or apartment seems impossible. She would like to attain a different job where she would be able to earn more, but says higher paying jobs are in other parts of the city too far from affordable neighborhoods.*

Housing prices, increased 30.07% from 2000 to 2011, but spending on housing in Florida only increased by 7.46% overall in the same period (see table 3.1). Between 2000 and 2007 spending on housing increased by 15.69% but between 2007 and 2011 it declined by 7.11% (see graph 3.3). The increase in

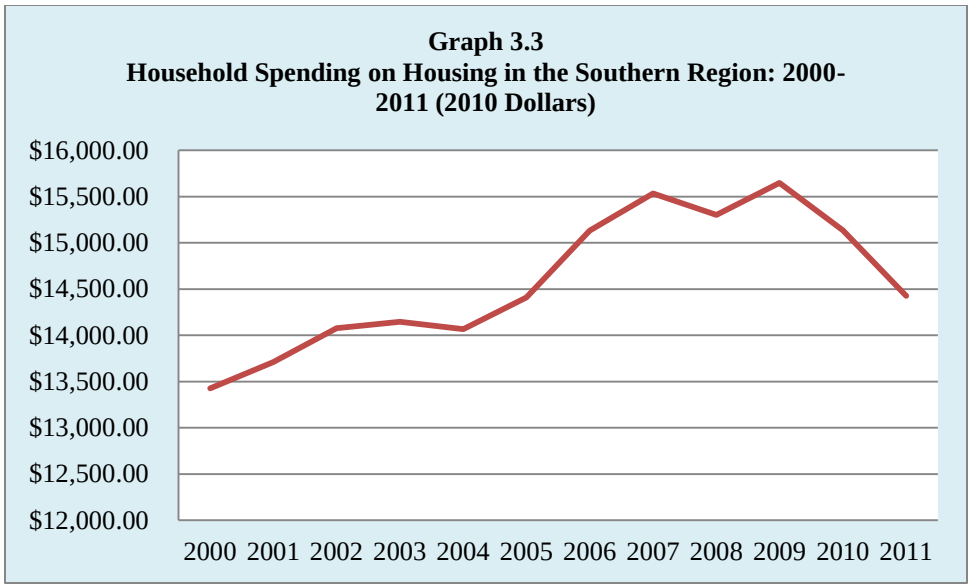
"Housing prices increased 30.07% from 2000 to 2011."

spending on housing from 2000 to 2007 was reflected in the 22.71% increase in housing prices during this same period. However, as spending on housing declined after 2007 housing prices continued to increase (see graph 3.4). Declining income and employment caused by the Great Recession forced many families to cut back on spending on housing and led many to move into cheaper, lower quality housing. As a result, households in 2011 do not enjoy the same quality of housing than did households in 2000.

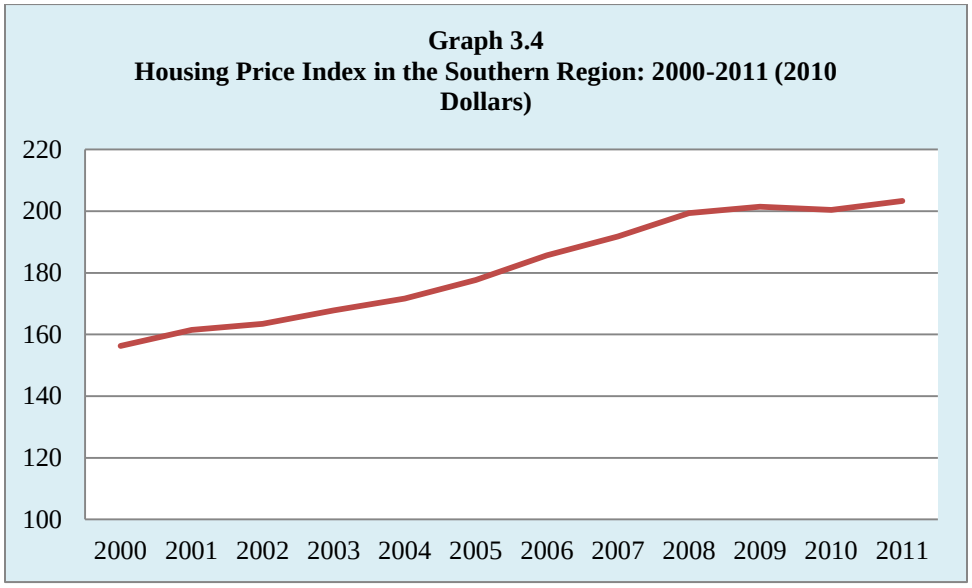
**Table 3.1**
**Household Spending on Housing and Housing Price Level in the Southern Region: 2000-2011 (2010 Dollars)**

| Year | Amount Spent | Consumer Price Index (Housing) |
|---|---|---|
| **2000** | $13,426 | 156.3 |
| **2001** | $13,711 | 161.5 |
| **2002** | $14,078 | 163.4 |
| **2003** | $14,147 | 167.8 |
| **2004** | $14,067 | 171.7 |
| **2005** | $14,409 | 177.7 |
| **2006** | $15,131 | 185.7 |
| **2007** | $15,532 | 191.8 |
| **2008** | $15,303 | 199.3 |
| **2009** | $15,649 | 201.5 |
| **2010** | $15,137 | 200.4 |
| **2011** | $14,427 | 203.3 |
| **% Change 2000-2011** | 7.46% | 30.07% |
| **Avg. Annual % Change** | 0.69% | 2.43% |

Source: Bureau of Labor Statistics: Consumer price index and Consumer expenditure survey




Source: Bureau of Labor Statistics: Consumer Expenditure Survey




Source: Bureau of Labor Statistics: Consumer Price Index

Spending on food has been more volatile than that of housing, but the results have been similar. Between 2000 and 2011 spending on food decreased by 5.12% although much of the decline was concentrated between 2009 and 2011 (see graph 3.5). Since 2000, food prices grew

by 31.77%, at an annual rate of 2.55% (see table 3.2). Food isn't a luxury item and there are not many ways to drastically reduce food consumption without foregoing meals. Families are more likely to substitute toward cheaper food instead of sacrificing quantity. This is especially true for low-income households and families, who have even fewer ways to reduce their consumption than others. But cheaper food often also comes with poor nutrition and health risks. When constrained by income and high food prices, those at or near poverty are at a greater risk of obesity and health related problems[7].

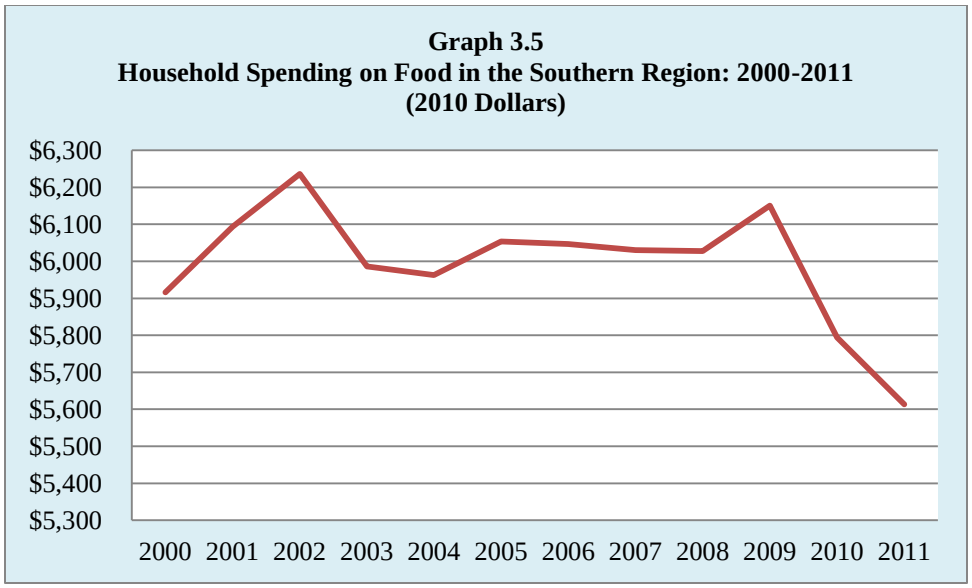
"Since 2000, food prices grew by 31.77%, at an annual rate of 2.55%"

**Table 3.2**
**Household Spending on Food and Food Price Level in the Southern Region: 2000-2011 (2010 Dollars)**

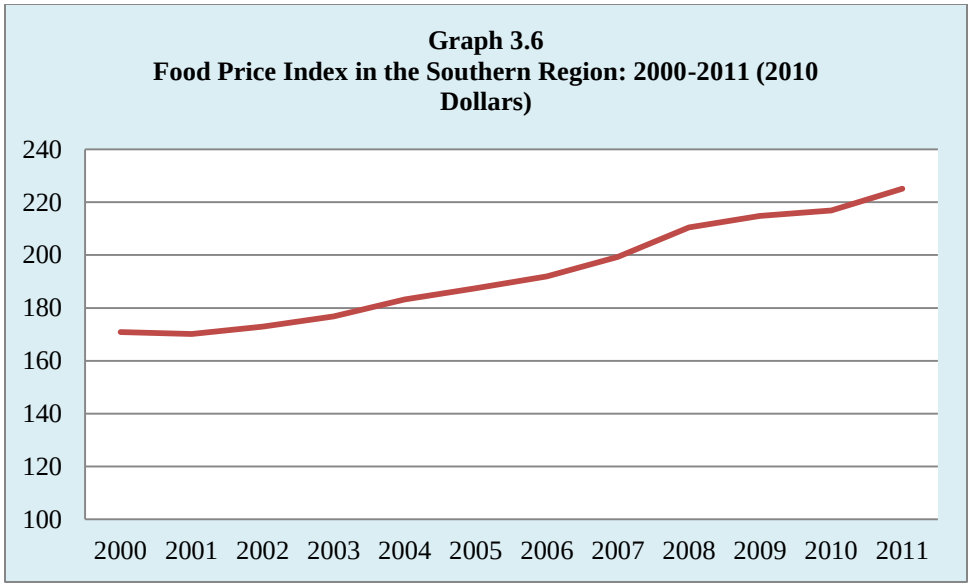
| Year | Amount Spent | Consumer Price Index (Food) |
|---|---|---|
| **2000** | $5,916 | 170.9 |
| **2001** | $6,093 | 170.1 |
| **2002** | $6,237 | 172.9 |
| **2003** | $5,986 | 176.8 |
| **2004** | $5,963 | 183.2 |
| **2005** | $6,054 | 187.5 |
| **2006** | $6,047 | 191.9 |
| **2007** | $6,031 | 199.3 |
| **2008** | $6,028 | 210.4 |
| **2009** | $6,151 | 214.8 |
| **2010** | $5,794 | 216.9 |
| **2011** | $5,613 | 225.2 |
| **% Change 2000-2011** | -5.12% | 31.77% |
| **Avg. Annual % Change** | -0.44% | 2.55% |

Source: Bureau of Labor Statistics: Consumer price index and Consumer expenditure survey

[7]Powell, Lisa M. and Frank J. Chaloupka. 2009. "Food Prices and Obesity: Evidence and Policy Implications for Taxes and Subsidies." *The Milbank Quarterly* 87 (1): 229–257.




Source: Bureau of Labor Statistics: Consumer Expenditure Survey




Source: Bureau of Labor Statistics Consumer Price Index

Spending on transportation declined by 14.12% between the years 2000 and 2011 (see table 43). While spending on transportation remained relatively stable for most of the decade it experienced considerable declines after 2007 (see graph 3.7). Conversely, the price of

transportation has continually increased 40.17% since 2000 (except for a short, sharp decline in 2008 when the price of oil fell by about 70% in the latter part of the year)[8]. Spending on transportation has been relatively more sensitive to price increases when compared to spending on housing and food. This ultimately points to greater capacity to access cheaper transportation substitutes and/or reduce transportation consumption all together. However, these changes in spending habits do directly influence our standard of living.

> "The price of transportation has continually increased 40.17% since 2000."

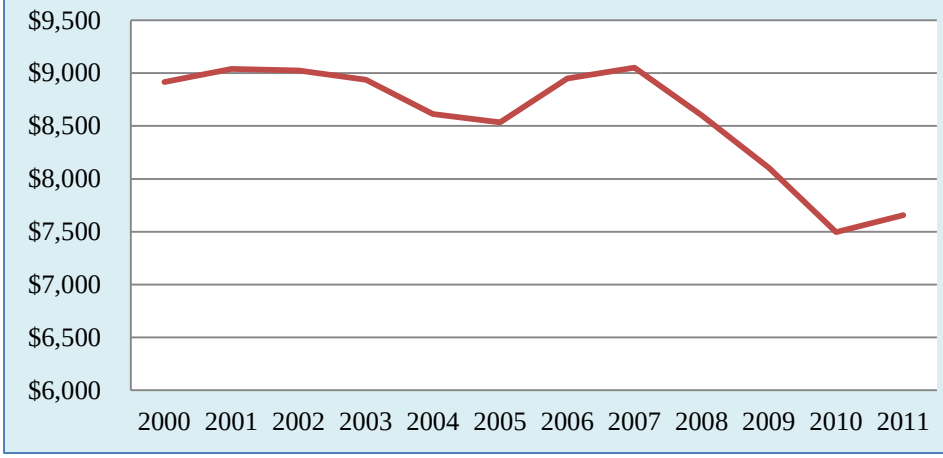
**Table 3.3**
**Household Spending on Transportation and Transportation Price Level in the Southern Region: 2000-2011 (2010 Dollars)**

| Year | Amount | Consumer Price Index (Transportation) |
|---|---|---|
| **2000** | $8,916 | 151.1 |
| **2001** | $9,041 | 151.0 |
| **2002** | $9,026 | 148.8 |
| **2003** | $8,936 | 152.3 |
| **2004** | $8,612 | 157.6 |
| **2005** | $8,536 | 170.6 |
| **2006** | $8,949 | 177.1 |
| **2007** | $9,052 | 181.0 |
| **2008** | $8,601 | 193.0 |
| **2009** | $8,105 | 171.6 |
| **2010** | $7,496 | 188.9 |
| **2011** | $7,657 | 211.8 |
| **% Change 2000-2011** | -14.12% | 40.17% |
| **Avg. Annual % Change** | -1.31% | 3.30% |

Source: Bureau of Labor Statistics Consumer Price Index and Consumer Expenditure Survey

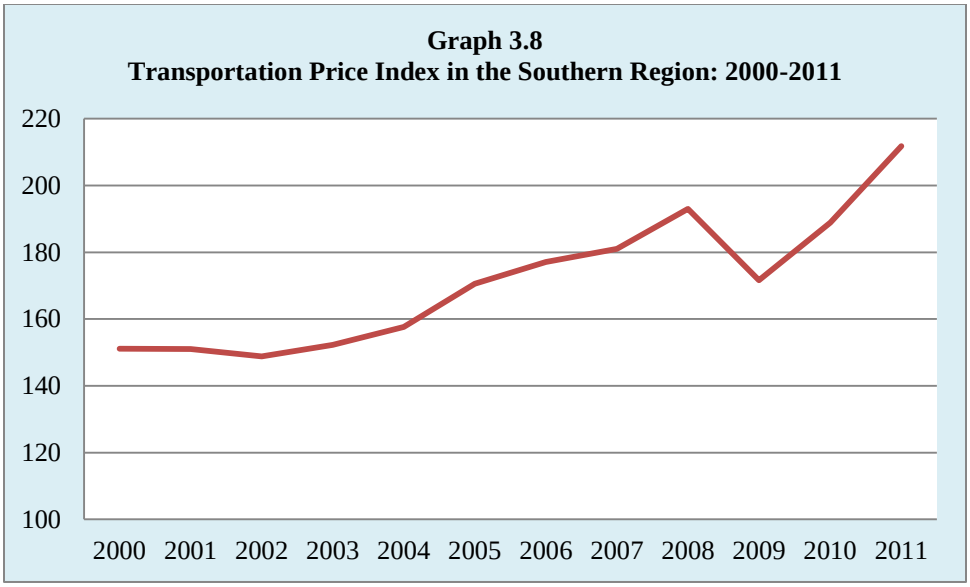
[8] Kahn, Mohsin. 2009. *The 2008 Oil Price "Bubble".* Washington D.C.: The Peterson Institute for International Economics

**Graph 3.7**
**Household Spending on Transportation in the Southern Region: 2000-2011 (2010 Dollars)**




Source: Bureau of Labor Statistics: Consumer Expenditure Survey

**Graph 3.8**
**Transportation Price Index in the Southern Region: 2000-2011**



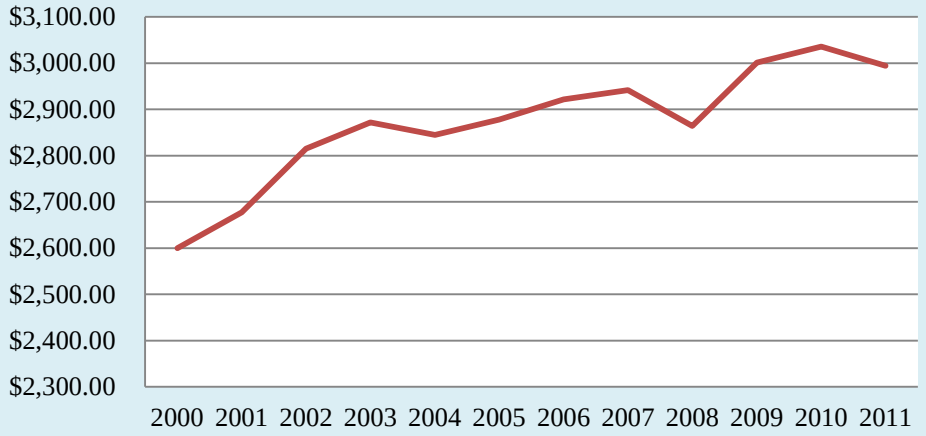

Source: Bureau of Labor Statistics Consumer Price Index

Health care spending has almost continually increased since 2000, at an average annual rate of 1.32% (see graph 3.9). Because everyone requires access to

"Health care spending has almost continually increased since 2000."

health services at some point in their lives these services cannot be forgone or substituted. Unfortunately, greater spending on health care has been mainly driven by increased health care costs as Floridians are forced to pay more for necessary medical care.

**Graph 3.9**
**Household Health Care Spending in Florida: 2000-2011 (2010 Dollars)**

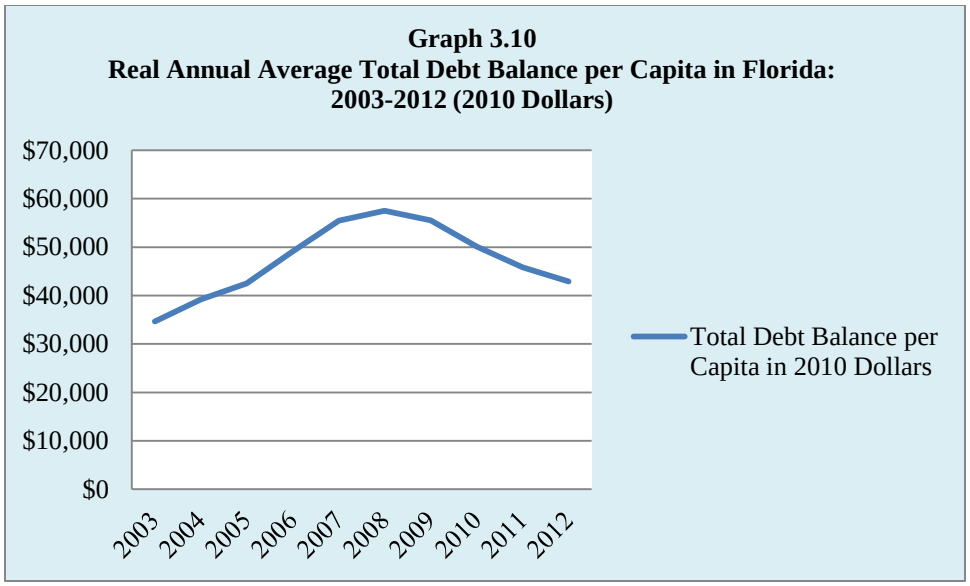



Source: Bureau of Labor Statistics Consumer Price Index

**Debt**

An often overlooked cost of living is debt servicing. The average annual total debt balance per capita in Florida was $42,938 in 2012, an increase of 23.93% since 2003 (see graph 3.10). This means that on average each Floridian has a debt burden of $42,938 that requires monthly servicing. These debts consist of mortgage, credit card, student loans and other debts.

"The average annual total debt balance per capita in Florida was $42,938 in 2012."




Source: Federal Reserve Bank of New York Consumer Credit Panel

Credit card debt per capita has suffered great fluctuations between 2000 and 2010. As of 2010 the individual credit card debt burden was $3,270, about 0.73% lower than in the year 2000 (see table 3.4). Conversely, auto debt per capita increased steadily between 2001 and 2006 and then declined between 2007 and 2010. The booming economy of the early 2000s led to an increase in auto sales and auto debt that then declined with the advent of the Great Recession. Floridian's were then likely hesitant to take on further auto debt after the Great Recession due to the sluggish economic recovery.

"Florida saw a 99.30% increase in the real mortgage balance per capita from 2000 to 2010."

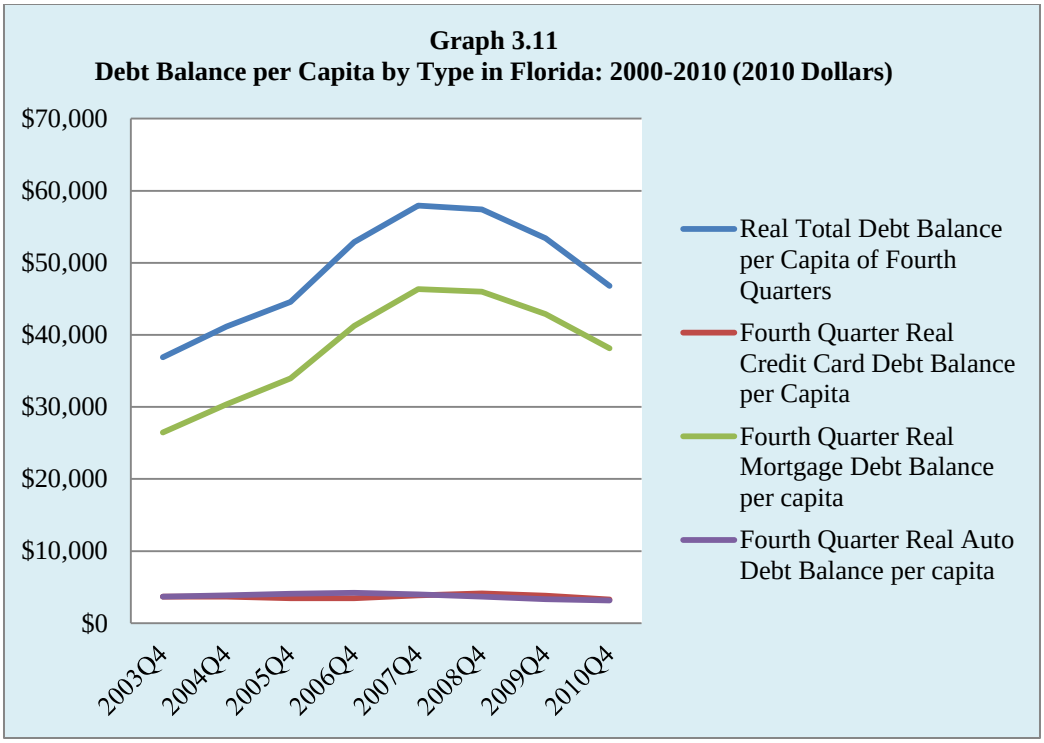
Florida saw a 99.30% increase in the real mortgage balance per capita from 2000 to 2010. Fueled by the housing bubble, the real mortgage debt balance per capita in Florida increased every year between 2000 and 2007, a total increase of 142.12% (see graph 3.11). The Great Recession and the housing market crash led to a mortgage debt balance decline of 17.68% between 2007 and 2010. The inability of many homeowners to service their mortgage obligations (due to either job loss or reduction in income) consequently led to an increase in the number of foreclosed homes across Florida. Because mortgage debt represents the majority of total debt it is no surprise that trends in the mortgage debt balance are reflected in the fluctuations of total debt per capita.

**Table 3.4**
**Debt Balance per Capita by Type in Florida: 2000-2010 (2010 Dollars)**

| Year | Credit Card Debt Balance per Capita | | Auto Debt Balance per Capita | | Mortgage Debt Balance per Capita | |
|---|---|---|---|---|---|---|
| | Total | Annual Percent Change | Total | Annual Percent Change | Total | Annual Percent Change |
| **2000** | $3,294 | | $2,698 | | $19,142 | |
| **2001** | $3,465 | 5.21% | $3,034 | 12.43% | $19,609 | 2.44% |
| **2002** | $3,759 | 8.46% | $3,309 | 9.06% | $22,078 | 12.59% |
| **2003** | $3,689 | -1.85% | $3,665 | 10.78% | $26,442 | 19.77% |
| **2004** | $3,676 | -0.35% | $3,862 | 5.36% | $30,361 | 14.82% |
| **2005** | $3,450 | -6.15% | $4,066 | 5.30% | $33,977 | 11.91% |
| **2006** | $3,474 | 0.68% | $4,234 | 4.11% | $41,241 | 21.38% |
| **2007** | $3,883 | 11.79% | $4,010 | -5.29% | $46,346 | 12.38% |
| **2008** | $4,106 | 5.73% | $3,700 | -7.72% | $46,017 | -0.71% |
| **2009** | $3,817 | -7.03% | $3,338 | -9.80% | $42,869 | -6.84% |
| **2010** | $3,270 | -14.34% | $3,140 | -5.92% | $38,150 | -11.01% |
| **% Change 2000-2010** | -0.73% | | 16.38% | | 99.30% | |
| **Avg. Annual % Change** | 0.22% | | 1.83% | | 8.25% | |

Source: Federal Reserve Bank of New York Consumer Credit Panel

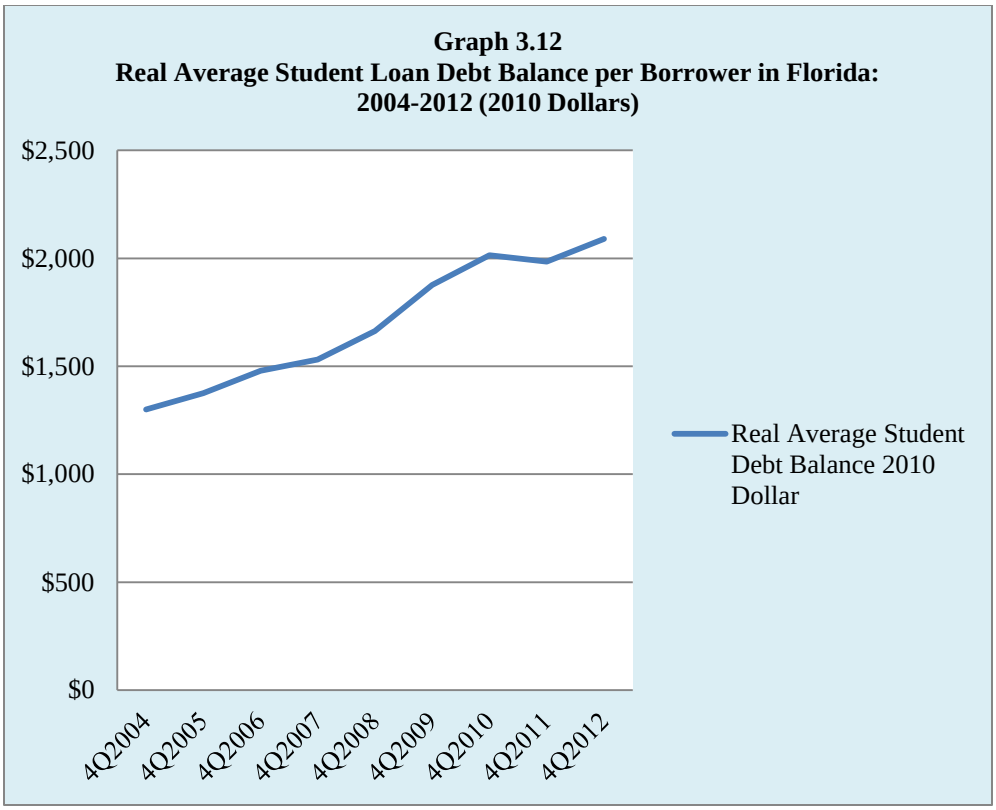
**Graph 3.11**
**Debt Balance per Capita by Type in Florida: 2000-2010 (2010 Dollars)**




Source: Federal Reserve Bank of New York Consumer Credit Panel

Investments in education have also led to increases in the debt burden of Floridians. For many people, college education may only be attained through the issuing of student loans. Unfortunately, student loans further increase the already heavy debt obligations of many families in Florida. Between 2004 and 2012, the real average student loan debt per borrower in Florida increased from $1,300 to $2,089, an increase of 60.69% (see graph 3.12). In fact, the real average student loan debt per borrower increased every year since 2004, except during 2011. Increases in student loan debt are heavily influenced by the trend of increasing tuition costs across the state.

> "The real average student loan debt per borrower increased every year since 2004."




Source: Federal Reserve Bank of New York Consumer Credit Panel

## Conclusion

The price level of all goods—including housing, food, transportation, and health care—has risen 33.84% since 2000. Because the median household income declined 11.51% in that same time, households have been forced to cut spending by substituting toward lower quality goods like smaller or cheaper housing and less nutritious food. The only necessity for which spending has increased since 2000 is health care, for which it is difficult to substitute. Households are strained both by their declining income and by rising costs, especially health care. Additionally, while Florida's real debt balance per capita has declined student loan debt has increased drastically. Since the Great Recession, evidence point to a general trend that Floridians are using their income to pay off existing debts and lowering living costs by switching to cheaper substitutes in housing and food. However, this means that in order to fulfill debt obligations Floridians are sacrificing their standard of living.

## Chapter 4 -- Poverty:

Poverty is a measure of how many people are in a state of economic hardship based on a threshold calculated annually by the US Census Bureau. Anyone with income at or below the threshold is considered to be in poverty. For a single person, the poverty threshold was $11,702 in 2012, but that number grows based on the number of children in the household and the size of the family (see table 48). It is important to note that the poverty threshold provided by the US Census Bureau is not indicative of the minimum dollar amount necessary to pay for an individual's basic living necessities. The poverty threshold is more of an abstract dollar figure delineating who is and isn't poor according to the federal government. Therefore, while poverty data informs us about the general trends based on the federally provided metric the total number of Floridians unable to cover the cost of their basic living needs is likely higher.

Key Findings

- 22.60% of Florida's population is in or near poverty.
- 39.76% increase in the number of working people in poverty since 2007.
- In 2011 25.20% of Black families and 19.20% of Latino families were in poverty.

**Table 4.1**
**U.S. Poverty Threshold: 2012**

| Size of Family | Related Children Under 18 | | | | |
|---|---|---|---|---|---|
| | None | One | Two | Three | Four |
| **One Person** | $11,702 | | | | |
| **Two People** | $15,063 | $15,504 | | | |
| **Three People** | $17,595 | $18,106 | $18,123 | | |
| **Four People** | $23,201 | $23,581 | $22,811 | $22,891 | |
| **Five People** | $27,979 | $28,386 | $27,517 | $26,844 | $26,434 |

Source: U.S. Census Bureau: Current population survey annual social and economic supplements

In Florida, poverty has grown about 46.84% in just the last five years, and there are now over 3 million impoverished people in the state. Another 1 million people are considered near poverty because they make less than 125% of the poverty threshold and are at risk of becoming

impoverished (see graph 4.1). This means that over a fifth (22.60%) of Florida's population was near or below the poverty threshold in 2011 (see table 4.2).

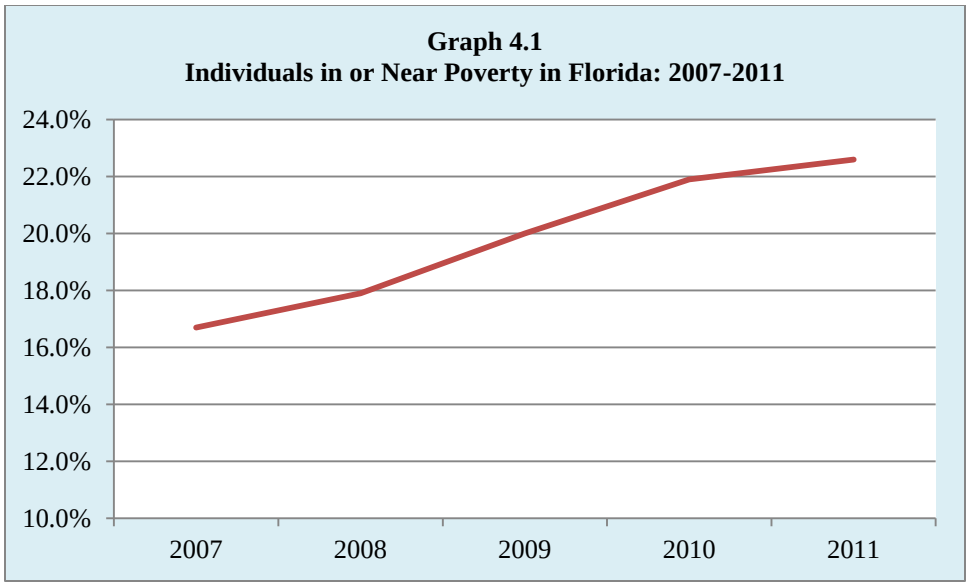
In 2011 about 1.4 million people—7.50% of the population of Florida—were in deep poverty, which means that they make half the poverty threshold or less (see table 4.2). Between 2007 and 2011 the total number of Floridians in deep poverty has grown by 56.77% as an additional 506,566 residents are now in deep poverty. The growth in poverty illustrates that a considerable portion of the Florida population is enduring extreme economic hardship during the recovery.

"Over a fifth (22.60%) of Florida's population was near or below the poverty threshold in 2011."

**Table 4.2**
**Individuals in Poverty by Poverty Level in the U.S. and Florida: 2007-2011**

| Year | In Poverty | | Near Poverty | | In Deep Poverty | | % of Population In or Near Poverty | |
|---|---|---|---|---|---|---|---|---|
| | U.S. | Florida | U.S. | Florida | U.S. | Florida | U.S. | Florida |
| **2007** | 38,186,726 | 2,159,457 | 12,630,994 | 820,951 | 16,449,666 | 892,338 | 17.30% | 16.70% |
| **2008** | 39,096,351 | 2,365,900 | 13,032,117 | 842,404 | 16,586,331 | 985,792 | 17.60% | 17.90% |
| **2009** | 42,760,797 | 2,700,594 | 13,755,222 | 924,364 | 18,838,673 | 1,178,111 | 18.90% | 20.00% |
| **2010** | 46,134,858 | 3,042,070 | 14,473,681 | 995,587 | 20,504,381 | 1,364,322 | 20.10% | 21.90% |
| **2011** | 48,300,733 | 3,170,850 | 14,885,131 | 1,044,515 | 21,568,252 | 1,398,904 | 20.80% | 22.60% |
| **% Change 2007-2011** | 26.49% | 46.84% | 17.85% | 27.23% | 31.12% | 56.77% | 20.23% | 35.33% |
| **Avg. Annual % Change** | 6.09% | 10.15% | 4.20% | 6.24% | 7.11% | 12.08% | 4.74% | 7.90% |

Source: American Community Survey




Source: American Community Survey

The dramatic increase in poverty has been one of the most devastating effects of the Great Recession. Particularly the sharp declines in employment brought about by the Great Recession have stripped away the income earning opportunities of many Floridians thereby pushing them into poverty. These substantial increases in poverty between 2007 and 2011 ultimately represent the failure of Florida's policymakers to implement effective policies that would dampen the negative social and economic impacts of economic downturns. Instead, many Floridians found themselves without the necessary social and economic protections to ward off poverty.

"In 2011, 34.80% of poor Floridians worked in the preceding 12 months."

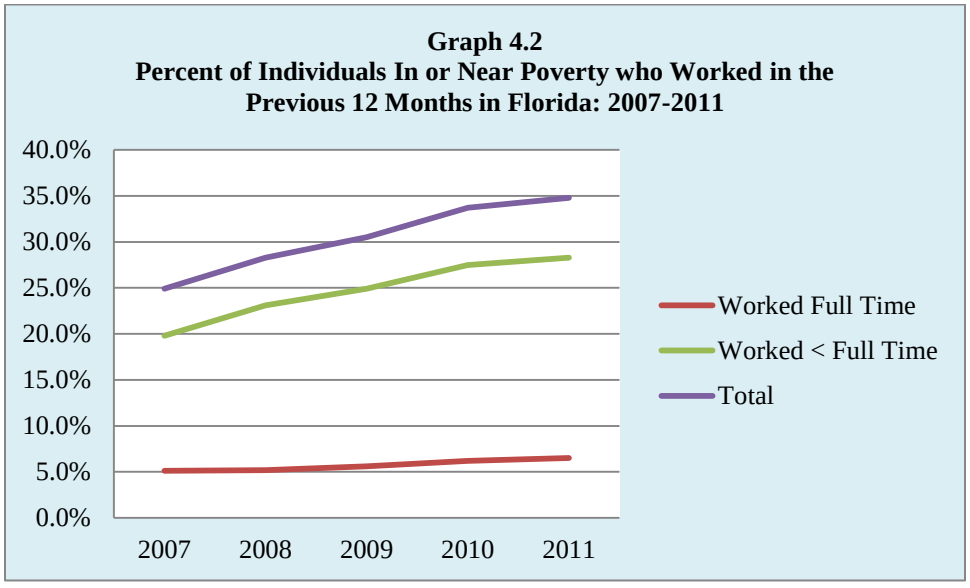
In 2007 24.90% of those in or near poverty were workers, but since then, poverty has increasingly spread among the employed population (see graph 4.2). In 2011, 34.80% of poor Floridians worked in the preceding 12 months, 39.76% more than in 2007. Poverty among those who worked full-time grew by 27.45% between 2007 and 2011 while the share of part-time workers in poverty increased by 42.93% during this same period (see table 4.3). Therefore, the main cause behind the increase in the working poor population is the rise of workers earning lower wages and working fewer hours than they have in the past. In 2011, over 1.1 million

working people—over 200,000 of which were full-time workers—were still in poverty. More and more workers still are not able to access the resources they need to survive, even those who work full-time.

**Table 4.3**
**Percent of Individuals in or Near Poverty who Worked in the Previous 12 Months in the U.S. and Florida: 2007-2011**

| Year | Worked full-time | | Worked < full-time | | Total | |
|---|---|---|---|---|---|---|
| | U.S. | Florida | U.S. | Florida | U.S. | Florida |
| **2007** | 4.50% | 5.10% | 19.90% | 19.80% | 24.40% | 24.90% |
| **2008** | 4.80% | 5.20% | 22.00% | 23.10% | 26.80% | 28.30% |
| **2009** | 4.90% | 5.60% | 23.10% | 24.90% | 28.00% | 30.50% |
| **2010** | 5.20% | 6.20% | 24.70% | 27.50% | 29.90% | 33.70% |
| **2011** | 5.40% | 6.50% | 25.70% | 28.30% | 31.10% | 34.80% |
| **% Change 2007-2011** | 20.00% | 27.45% | 29.15% | 42.93% | 27.46% | 39.76% |
| **Avg. Annual % Change** | 4.68% | 6.30% | 6.63% | 9.45% | 6.28% | 8.80% |

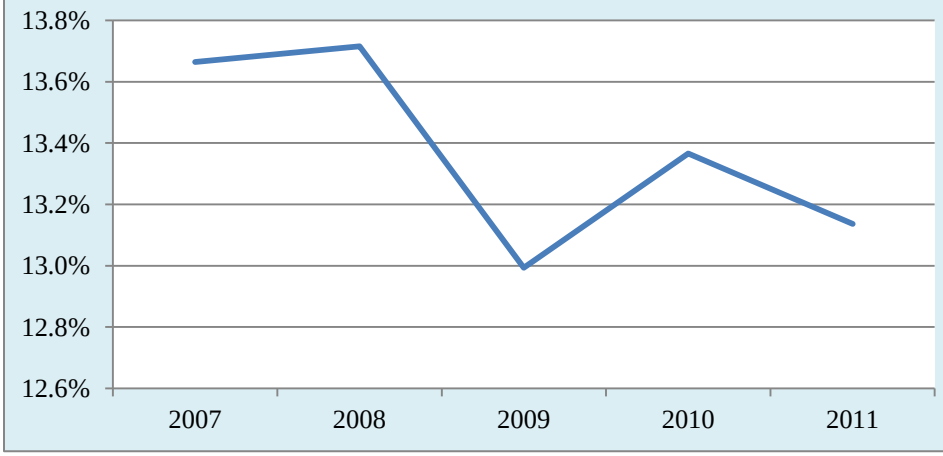
Source: American Community Survey




Source: American Community Survey

In 2011, 13.10% of households with income below the poverty level had two or more workers (see graph 4.3). Though the portion of households with more than two workers is lower than it was in 2007 (when it was 13.70%), the number of households in this position has grown with the growth of poverty. In 2011, over 74,000 impoverished households had two or more workers, substantially more than the 54,000 in the same predicament in 2007.

**Graph 4.3**
**Percent of Households in Poverty with Two or More Workers in Florida: 2007-2011**




Source: American Community Survey

Data show that poverty is not a problem reserved for just those who are unemployed or are unwilling to work. A large portion of those in or near poverty are employed, and that portion has only grown larger since the Great Recession. This not only means that the impoverished families have access to fewer resources, but that these families also lack access to jobs offering livable wages and full-time hours.

> "In 2011 25.20% of Black families and 19.20% of Latino families were in poverty."

A closer look at poverty demographics show that race plays an important role in shaping Floridians' vulnerability towards poverty. Black and Latino families, for example, are much more likely than White families to be in poverty. In 2011 25.20% of Black families and 19.20% of Latino families were in poverty (see table 4.4). This marks a 31.94% increase in poverty since 2007 for Black

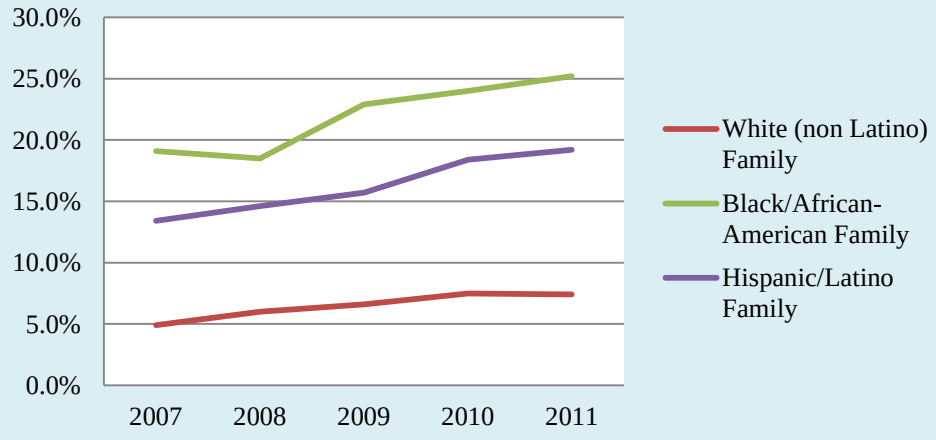
families and a 43.38% increase for Latino families (see graph 4.4). The severe difference in poverty rates among families of different races points to the existence of strong inequalities in obtaining the necessary resources such as high-paying employment among Floridians.

**Table 4.4**
**Family Poverty Rates by Race/Ethnicity in the U.S. and Florida: 2007-2011**

| Year | White (Non-Latino) Family | | Black/African-American Family | | Latino/Hispanic Family | |
|---|---|---|---|---|---|---|
| | U.S. | Florida | U.S. | Florida | U.S. | Florida |
| **2007** | 6.00% | 4.90% | 21.30% | 19.10% | 18.50% | 13.40% |
| **2008** | 6.10% | 6.00% | 20.80% | 18.50% | 19.00% | 14.60% |
| **2009** | 6.70% | 6.60% | 22.40% | 22.90% | 20.80% | 15.70% |
| **2010** | 7.10% | 7.50% | 23.30% | 24.00% | 22.20% | 18.40% |
| **2011** | 7.30% | 7.40% | 24.10% | 25.20% | 23.20% | 19.20% |
| **% Change 2007-2011** | 21.67% | 51.02% | 13.15% | 31.94% | 25.41% | 43.38% |
| **Avg. Annual % Change** | 5.07% | 11.19% | 3.20% | 7.61% | 5.85% | 9.51% |

Source: American Community Survey

**Graph 4.4**
**Percent of Families in Poverty by Race/Ethnicity in Florida: 2007-2011**

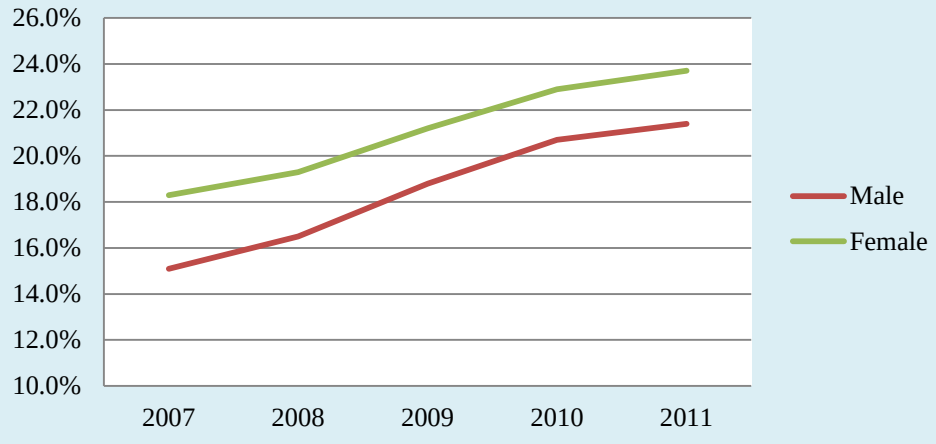



Source: American Community Survey

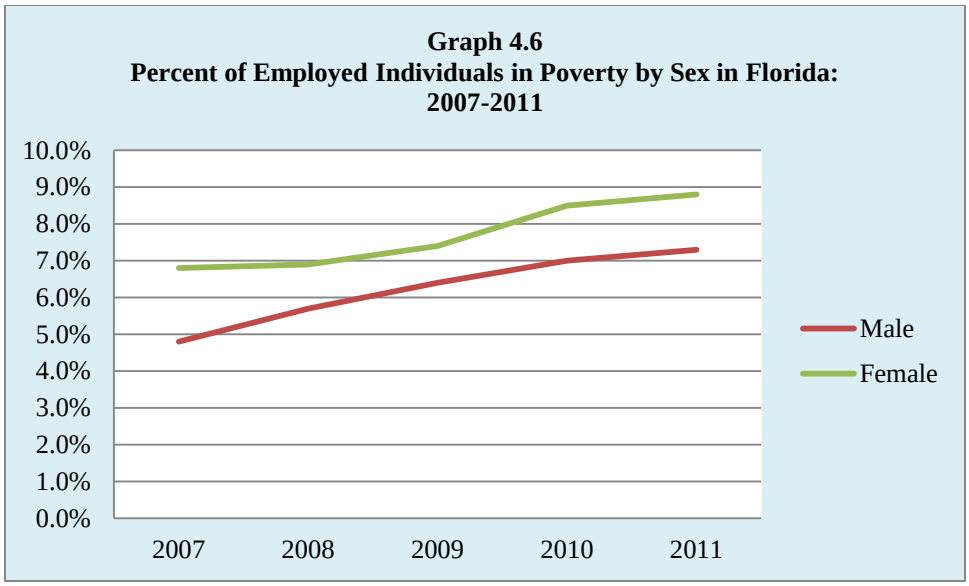
Women are also disproportionately affected by poverty when compared to men. In 2011, 23.70% of women and 21.40% of men were in or near poverty (see graph 4.5). For women this is a 29.51% increase since 2007, but for men this is a 41.72% increase. The same pattern occurs among the working poor. In 2011, 8.80% of employed women and 7.30% of employed men were in poverty (see graph 4.6). But while the portion of working women in poverty grew 29.41%, the portion of working men in poverty grew 52.08%. Although trends show a great increase in poverty for men between 2007 and 2011 women continue to be disproportionately affected by poverty as they make up 51.50% of Florida's population and account for 54.00% of people in poverty. This rise in poverty among working men is likely caused by the confluence of declining working hours or wages brought upon by the Great Recession which did not have as a severe an impact on women.

"Women are also disproportionately affected by poverty when compared to men."

**Graph 4.5**
**Percent of Individuals in or Near Poverty by Sex in Florida: 2007-2011**




Source: American Community Survey




Source: American Community Survey

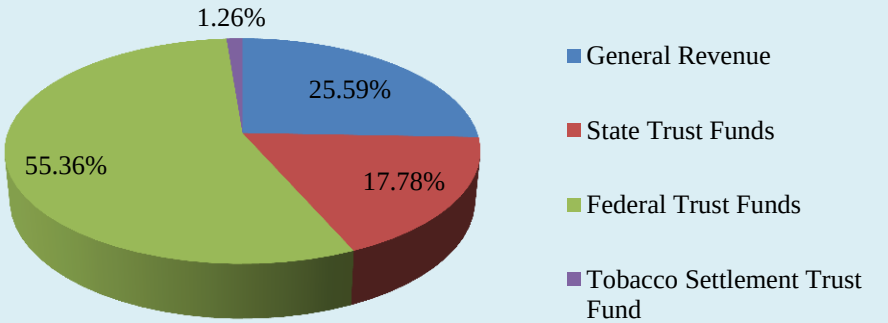
It is evident that poverty in Florida reaches every segment of the population as 22.60% of Florida's population is in or near poverty. The broad reach of poverty in Florida ultimately serves as a pressure on families and communities throughout the state. Families in poverty cannot afford the resources needed to have a decent standard of living and often rely on their communities for assistance. However, when community assistance is unavailable and when the prospects of employment are dire Florida's poor are left without recourse.

## Social Insurance Programs

Social insurance programs are government funded initiatives meant to provide important social services to residents who may not otherwise be able to afford them. In Florida the main areas of social insurance funding are in health and human services which include Medicaid and Temporary Assistance for Needy Families (TANF) and public education. While public education does not target any specific population social insurance programs such as Medicaid and TANF are dedicated to assisting families and individuals with low incomes. While social insurance programs are administered and implemented at the state level they are not exclusively funded by

state revenues. In fact, in 2012 health and human services funding was split about equally by federal trust funds and the combination of state revenues and trust funds (see graph 4.7).

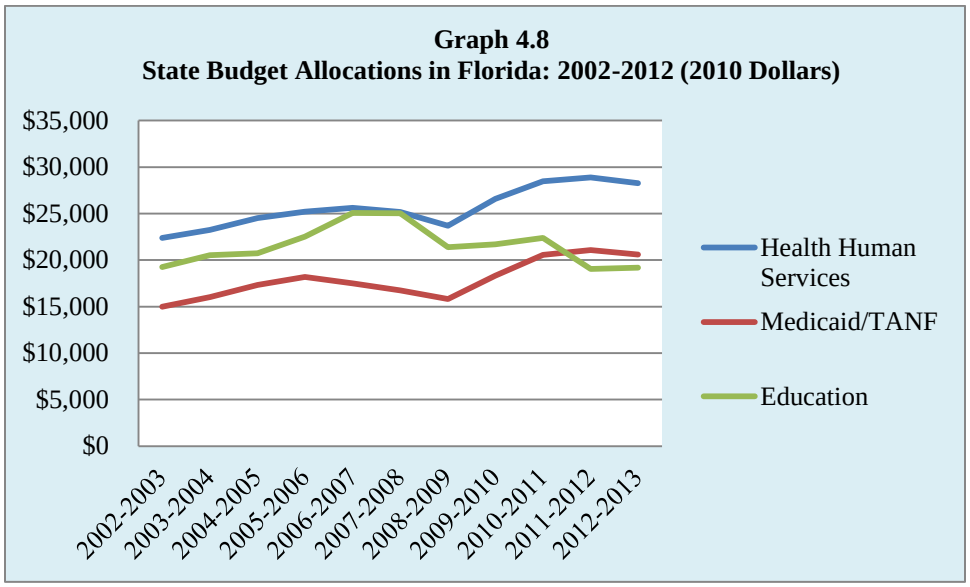
**Graph 4.7**
**Health and Human Services Revenue Sources in Florida: 2012-2013**




Source: Florida Legislature and the Legislative Appropriations System: Fiscal Analysis in Brief

Between 2002 and 2012 there has been a 26.19% increase the budget allocations for health and human services (see graph 4.8). Budget increases for health and human services were mainly concentrated between 2002 and 2006 but have since varied on a year to year basis. The main programs funded by Florida's budget for health and human services are Medicaid and TANF. As a result, Medicaid and TANF funding increased 37.63% between 2002 and 2012. While the budget did decline between 2006 and 2008 and again in 2012 most years have led to greater budget allocations for Medicaid and TANF. Medicaid provides low-income and disabled individuals of all ages with access to medical and health related services while TANF provides families and individuals with incomes below the poverty threshold with temporary financial assistance. Nationwide, Medicaid covers about 3.8 million beneficiaries while TANF covers about 4.3 million (mainly children) at a given time.

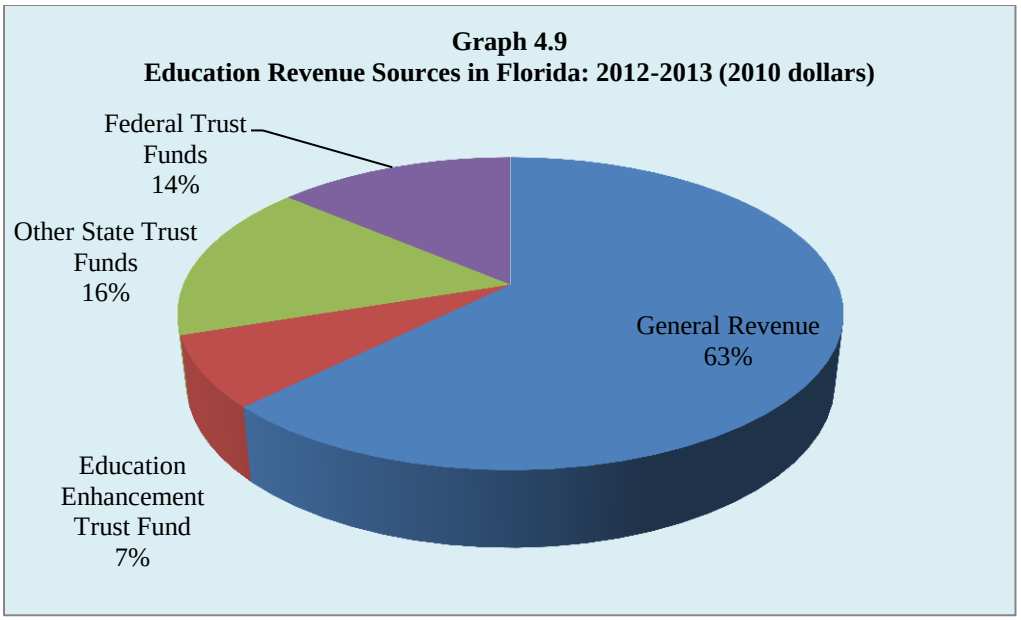
"Medicaid and TANF funding increased 37.63% between 2002 and 2012."



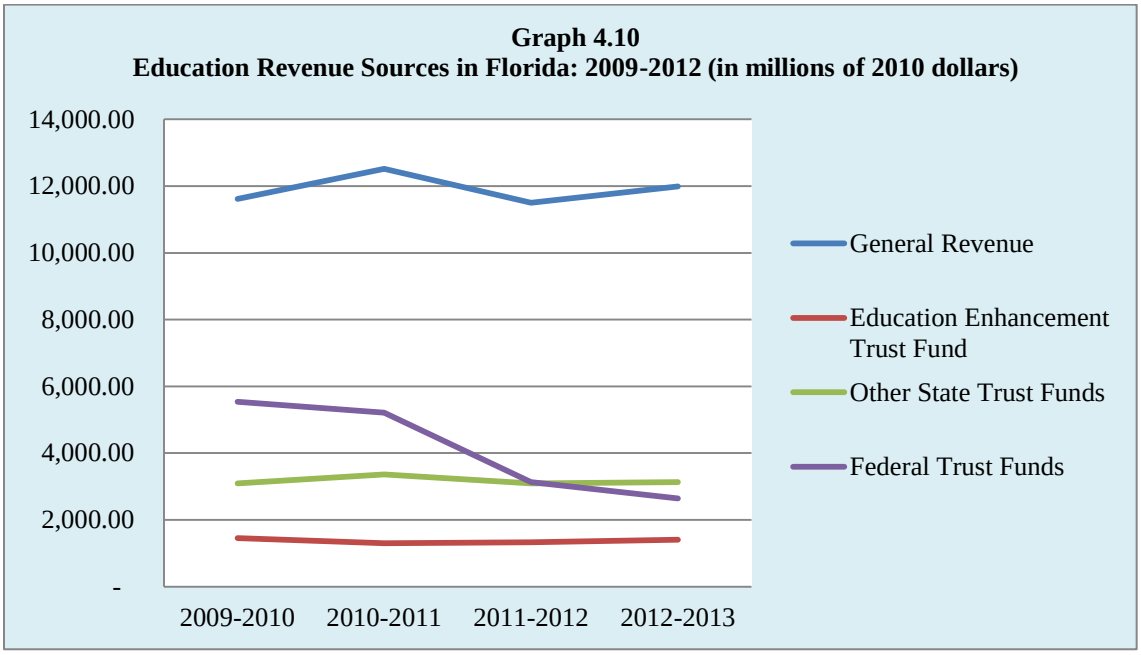

Source: Florida Legislature and the Legislative Appropriations System: Fiscal Analysis in Brief

Unlike funding for health and human services, Florida's public education budget has declined by 0.39% between 2002 and 2012 (see graph 4.8). Florida's education budget increased between 2002 and 2006 but gains have since been completely offset by declines in 2007, 2008 and in 2011. Overall fluctuations in the education budget reflect the changes in general revenue and federal trust funds allocated towards education; general revenue is the largest source of education funds (see graph 4.9). Despite the overall declines in the general education budget per student spending at the elementary and middle school levels have increased by 18.99% between 2001 and 2010 (see graph 4.11). This suggests that the declines to the public education budget have been absorbed elsewhere.

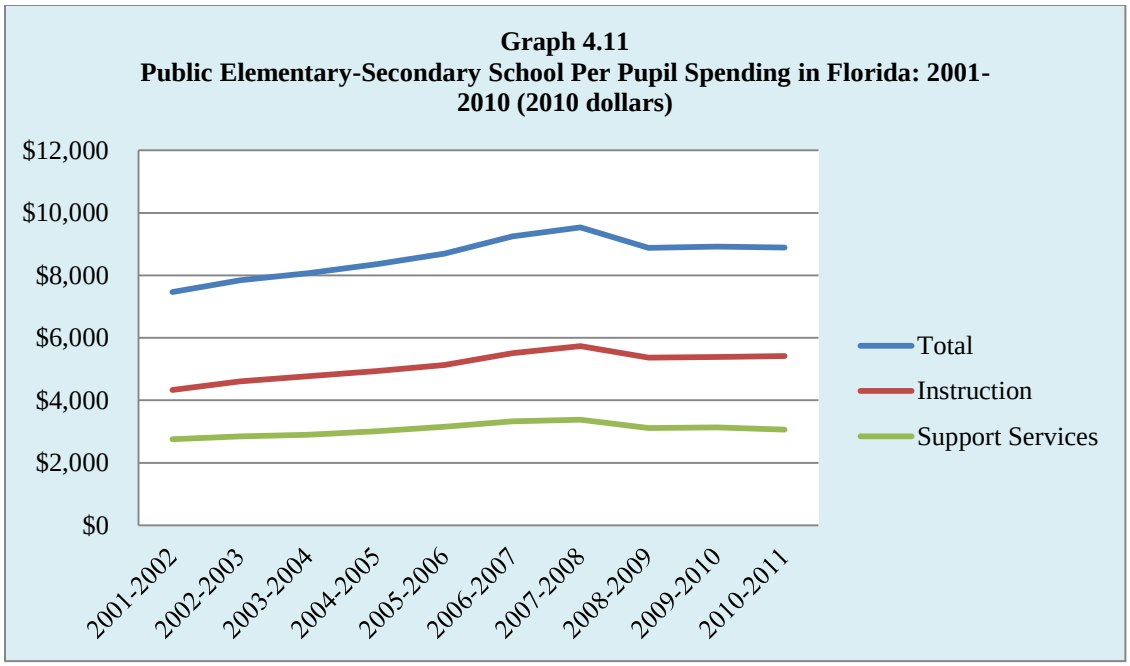
"Florida's public education budget has declined by 0.39% between 2002 and 2012."




Source: Florida Legislature and the Legislative Appropriations System: Fiscal Analysis in Brief




Source: Florida Legislature and the Legislative Appropriations System: Fiscal Analysis in Brief




Source: US Census Bureau: Public school finance data

## Conclusion

Since 2007 more than 1 million Floridians have become poor, an increase in poverty of 46.84%. There are now more than 3 million impoverished people in Florida and another 1 million people considered near poverty because they make less than 125% of the poverty threshold and are at risk of becoming impoverished. With over a fifth (22.60% of Florida's population near or below the poverty threshold in 2011 Florida's poverty problem has disproportionately struck women and minorities.

There has also been a 39.76% increase in the number of working people in poverty, meaning that almost 1.3 million working people in Florida struggle to access resources necessary for survival. There is strong evidence that Floridians face a greater challenge preventing poverty than they have in the past and that although funding to important social insurance programs like Medicaid and TANF has increased it is not effectively preventing Floridians from becoming poor. Furthermore, most health and human services are only limited to U.S. citizens and eligible aliens leaving many non-naturalized Floridians lack any access to social insurance programs offered by the state.

**Conclusion:**

By broadening the scope of how the standard of living is conceptualized we find strong evidence to support a systemic decline in the material wellbeing of Floridians since the year 2000. Since 2000, Florida's employment rate, median hourly wage, and the average amount of hours worked declined by 4.99%, 4.34%, and 3.11% respectively. At the same time, the poverty rate, inequality, and consumer prices (particularly housing, food and transportation) increased dramatically by 46.84%, 13.66%, and 33.84% respectively. Unfortunately, the decline in standard of living negatively impacts future economic growth and social mobility as well as the pace of the current economic recovery.

At the core of this decline in standard of living is the systemic loss of jobs with a livable wage. Florida's employment structure has become concentrated in the private sector service providing industries of: health care and social assistance, retail trade, accommodations and food services, administrative and waste management services, professional, scientific, and technical services, or other services, except public administration. As of 2011, 59.84% of all private sector employees were employed in these fields. However, these industries primarily offer low-wage employment with little or no benefits. The average hourly wage, based on a 40-hour work week, for these six industries ranged from $8.38 in other services to $20.53 in professional services as of 2011. However, compensation data examined show that the great majority of workers are earning wages towards the lower end of that spectrum and that compensation is in decline.

Despite a marked increase in labor productivity good high paying jobs are scarce and have become increasingly inaccessible to most Floridians. As of 2012, 90% of workers in Florida earned less than the top 10%'s average annual salary of $74,677. Only a small share of Floridians have distanced themselves enough from poverty and material deprivation by grabbing hold of the few good jobs available. The middle class is now part of the new low-wage majority and it only appears to be growing. These trends have fueled an ever greater divide between the haves and have-nots as most economic losses have been absorbed by the low-wage earning majority and gains concentrated in the hands of the well-off minority. What's more is that strong inequalities along race, sex and age continue to exist despite some declines. The erosion of the standard of living of Floridians and the evidence that the losses have been absorbed among low income earners points to the structural marginalization of low and middle income earning households.

It is our sincere wish that this report spur action by Florida's policymakers to reverse the trend of declining living standards and improve future prospects for economic growth and social mobility. To this end we propose that Florida policymakers address the state's needs for more jobs with higher wages and better benefits. This entails refocusing our economy away from low-wage industries like tourism and retail sales and towards more sustainable industries like wholesale trade and health care and social assistance. However, changing the structural composition of employment in Florida takes a considerable amount of time. In the meantime, policymakers can implement immediate interventions to address the prevalence of low wage through policies like a considerable increase in the minimum wage and in the coverage of paid sick leave as well as greater prevention and enforcement of wage theft.

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# Appendix A

**Table A.1**
**Part-time for Economic Reasons Workers Share of All Part-time Employment in the U.S. and Florida: 2000-2012**

| Year | United States | | | Florida | | |
|---|---|---|---|---|---|---|
| | All | Male | Female | All | Male | Female |
| 2000 | 10.80% | 14.20% | 8.80% | 12.70% | 16.10% | 10.50% |
| 2001 | 11.80% | 15.70% | 9.40% | 14.60% | 18.90% | 11.60% |
| 2002 | 13.50% | 18.30% | 10.50% | 15.20% | 19.70% | 12.40% |
| 2003 | 14.70% | 20.10% | 11.40% | 17.80% | 22.90% | 14.50% |
| 2004 | 14.10% | 18.90% | 11.10% | 14.20% | 17.40% | 12.10% |
| 2005 | 13.50% | 17.80% | 10.80% | 13.70% | 18.10% | 10.80% |
| 2006 | 12.80% | 16.80% | 10.30% | 12.20% | 16.30% | 9.60% |
| 2007 | 13.60% | 18.60% | 10.40% | 17.60% | 25.10% | 12.40% |
| 2008 | 17.60% | 24.30% | 13.10% | 26.10% | 34.30% | 19.70% |
| 2009 | 23.70% | 30.90% | 18.60% | 31.20% | 38.30% | 25.80% |
| 2010 | 25.30% | 32.30% | 20.40% | 33.10% | 39.80% | 27.90% |
| 2011 | 24.50% | 30.80% | 20.20% | 31.50% | 37.60% | 26.80% |
| 2012 | 23.60% | 29.10% | 19.80% | 30.40% | 35.60% | 26.50% |
| 2000-2012 % Change | 118.52% | 104.93% | 125.00% | 139.37% | 121.12% | 152.38% |
| Avg. Annual % Change | 7.44% | 6.87% | 7.73% | 9.28% | 8.61% | 9.83% |

Source: Bureau of Labor Statistics: Current Population Survey

**Table A.2**
**Underemployment Share of All Employment in the U.S. and Florida: 2000-2012**

| Year | United States | | | Florida | | |
|---|---|---|---|---|---|---|
| | All | Male | Female | All | Male | Female |
| 2000 | 7.00% | 3.90% | 7.40% | 6.50% | 3.30% | 7.20% |
| 2001 | 8.10% | 4.80% | 8.20% | 8.30% | 4.50% | 8.70% |
| 2002 | 9.60% | 5.90% | 9.60% | 9.20% | 5.20% | 9.80% |
| 2003 | 10.10% | 6.30% | 10.00% | 9.30% | 4.90% | 10.00% |
| 2004 | 9.60% | 5.60% | 9.60% | 8.30% | 4.50% | 8.80% |
| 2005 | 8.90% | 5.10% | 9.20% | 6.90% | 3.30% | 7.20% |
| 2006 | 8.20% | 4.60% | 8.50% | 6.20% | 3.20% | 6.30% |
| 2007 | 8.30% | 4.70% | 8.30% | 8.00% | 4.30% | 7.50% |
| 2008 | 10.50% | 6.10% | 10.10% | 11.90% | 6.60% | 11.00% |
| 2009 | 16.20% | 10.30% | 15.00% | 18.40% | 11.50% | 17.20% |
| 2010 | 16.70% | 10.50% | 15.90% | 19.30% | 12.30% | 18.00% |
| 2011 | 15.90% | 9.40% | 15.70% | 17.60% | 10.70% | 17.00% |
| 2012 | 14.70% | 8.20% | 14.90% | 16.00% | 8.90% | 15.70% |
| 2000-2012 % Change | 110.00% | 110.26% | 101.35% | 146.15% | 169.70% | 118.06% |
| Avg. Annual % Change | 7.67% | 8.54% | 6.98% | 10.10% | 12.29% | 8.86% |

Source: Bureau of Labor Statistics: Current Population Survey

| Table A.3<br>Long-term Unemployment Share of All Unemployment in the U.S. and Florida: 2000-2012 | | | | | | |
|---|---|---|---|---|---|---|
| **Year** | **United States** | | | **Florida** | | |
| | **All** | **Male** | **Female** | **All** | **Male** | **Female** |
| **2000** | 11.40% | 12.20% | 10.60% | 12.10% | 11.80% | 12.40% |
| **2001** | 11.80% | 12.00% | 11.50% | 10.80% | 9.30% | 12.50% |
| **2002** | 18.30% | 18.90% | 17.60% | 17.70% | 16.70% | 18.80% |
| **2003** | 22.10% | 23.10% | 20.70% | 19.20% | 19.20% | 19.20% |
| **2004** | 21.80% | 23.00% | 20.50% | 18.60% | 22.30% | 14.50% |
| **2005** | 19.60% | 20.70% | 18.40% | 18.90% | 18.80% | 19.00% |
| **2006** | 17.60% | 18.70% | 16.50% | 13.40% | 13.80% | 12.90% |
| **2007** | 17.60% | 18.20% | 16.80% | 15.10% | 16.80% | 13.00% |
| **2008** | 19.70% | 20.10% | 19.30% | 23.50% | 23.10% | 24.00% |
| **2009** | 31.50% | 31.70% | 31.20% | 37.20% | 38.80% | 35.00% |
| **2010** | 43.30% | 44.60% | 41.50% | 49.50% | 51.40% | 46.80% |
| **2011** | 43.70% | 44.00% | 43.30% | 53.00% | 54.00% | 51.80% |
| **2012** | 41.00% | 41.60% | 40.40% | 50.90% | 54.50% | 46.50% |
| **2000-2012 % Change** | 259.65% | 240.98% | 281.13% | 320.66% | 361.86% | 275.00% |
| **Avg. Annual % Change** | 13.48% | 13.11% | 13.89% | 16.15% | 17.74% | 16.10% |

Source: Bureau of Labor Statistics: Current Population Survey

| Table A.4<br>Unemployment Rate by Age in Florida: 2000-2011 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Year** | **16–19 years old** | **20–24 years old** | **25–34 years old** | **35–44 years old** | **45–54 years old** | **55–64 years old** | **65 years and over** |
| **2000** | 12.90% | 7.00% | 3.10% | 2.50% | 1.80% | 2.90% | 3.80% |
| **2001** | 12.80% | 8.10% | 4.60% | 3.90% | 3.00% | 4.10% | 4.70% |
| **2002** | 13.90% | 7.50% | 5.10% | 4.60% | 4.80% | 4.40% | 5.70% |
| **2003** | 15.70% | 9.50% | 5.00% | 3.80% | 3.70% | 4.30% | 4.40% |
| **2004** | 15.40% | 7.90% | 4.40% | 3.70% | 3.30% | 3.60% | 4.30% |
| **2005** | 12.30% | 6.30% | 3.60% | 3.00% | 2.40% | 2.30% | 4.10% |
| **2006** | 11.60% | 5.20% | 2.80% | 2.60% | 2.70% | 2.20% | 3.20% |
| **2007** | 13.40% | 7.50% | 4.30% | 2.80% | 3.20% | 2.60% | 3.30% |
| **2008** | 15.60% | 11.60% | 6.40% | 4.80% | 4.90% | 4.30% | 5.50% |
| **2009** | 24.00% | 16.10% | 10.80% | 8.40% | 9.00% | 8.40% | 11.00% |
| **2010** | 31.40% | 18.20% | 11.30% | 8.60% | 9.70% | 9.50% | 9.80% |
| **2011** | 28.60% | 15.50% | 10.60% | 8.50% | 8.50% | 8.30% | 8.40% |
| **% change 2000-2011** | 121.71% | 121.43% | 241.94% | 240.00% | 372.22% | 186.21% | 121.05% |
| **Avg. Annual % Change** | 9.16% | 10.57% | 15.86% | 16.09% | 20.81% | 15.37% | 12.53% |

Source: Bureau of Labor Statistics: Current population survey

| Table A.5<br>Government Employment in Florida: 2000-2012 | | | |
|---|---|---|---|
| **Year** | **Local Government** | **State Government** | **Federal Government** |
| **2000** | 666,467 | 210,333 | 125,025 |
| **2001** | 689,925 | 211,475 | 121,767 |
| **2002** | 707,742 | 208,650 | 122,267 |
| **2003** | 716,450 | 209,992 | 126,317 |
| **2004** | 731,583 | 208,108 | 126,783 |
| **2005** | 744,458 | 208,100 | 128,675 |
| **2006** | 760,825 | 210,767 | 127,767 |
| **2007** | 780,417 | 214,800 | 128,008 |
| **2008** | 783,258 | 213,833 | 129,692 |
| **2009** | 767,233 | 215,050 | 132,675 |
| **2010** | 753,192 | 217,350 | 142,250 |
| **2011** | 744,558 | 214,983 | 133,967 |
| **2012** | 736,642 | 208,675 | 132,725 |
| **% Change 2000-2012** | 10.53% | -0.79% | 6.16% |
| **Avg. Annual % Change** | 0.85% | -0.06% | 0.55% |

Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

| Table A.6<br>Total Employment by Industry in Florida: 2000-2011 | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Year** | **Private nonfarm employment** | **Health care and social assistance** | **Retail trade** | **Accommodation and food services** | **Administrative and waste management services** | **Other services, except public administration** | **Professional, scientific, and technical services** |
| **2000** | 7,650,589 | 816,654 | 1,071,785 | 636,331 | 932,066 | 559,462 | 507,331 |
| **2001** | 7,709,225 | 839,090 | 1,077,002 | 660,634 | 836,220 | 577,124 | 533,954 |
| **2002** | 7,839,364 | 865,811 | 1,073,995 | 676,672 | 834,902 | 618,854 | 541,921 |
| **2003** | 8,049,827 | 898,090 | 1,080,193 | 696,911 | 897,753 | 633,506 | 558,611 |
| **2004** | 8,412,295 | 924,988 | 1,108,311 | 737,977 | 916,251 | 653,747 | 600,971 |
| **2005** | 8,829,961 | 946,888 | 1,149,132 | 762,832 | 946,312 | 669,770 | 628,587 |
| **2006** | 9,130,871 | 992,516 | 1,179,012 | 787,596 | 926,749 | 685,300 | 657,897 |
| **2007** | 9,276,528 | 1,038,018 | 1,190,494 | 807,402 | 931,904 | 712,173 | 686,479 |
| **2008** | 9,020,380 | 1,068,307 | 1,153,372 | 810,411 | 825,650 | 705,130 | 684,707 |
| **2009** | 8,622,635 | 1,080,147 | 1,091,685 | 776,125 | 784,143 | 686,872 | 664,664 |
| **2010** | 8,593,286 | 1,101,141 | 1,090,767 | 790,018 | 796,810 | 678,168 | 672,842 |
| **2011** | 8,744,970 | 1,122,074 | 1,115,158 | 819,444 | 802,929 | 688,443 | 684,669 |
| **% Change 2000-2011** | 14.30% | 37.40% | 4.05% | 28.78% | -13.85% | 23.05% | 34.96% |
| **Avg. Annual % Change** | 1.26% | 2.94% | 0.39% | 2.36% | -1.19% | 1.94% | 2.80% |

Source: Bureau of Economic Analysis

| Table A.7<br>Average Weekly Hours Worked of All Employees in Florida: 2007-2012 | | |
|---|---|---|
| **Year** | **Total Private** | **Private Service Providing** |
| **2007** | 35.4 | 34.5 |
| **2008** | 35.2 | 34.6 |
| **2009** | 35.0 | 34.4 |
| **2010** | 35.5 | 34.9 |
| **2011** | 34.8 | 34.2 |
| **2012** | 34.3 | 33.6 |
| **% Change 2007-2012** | -3.11% | -2.61% |
| **Avg. Annual % Change** | -0.62% | -0.52% |

Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

| Table A.8<br>Average Hourly Earnings of All Employees in Florida: 2007-2012 (2010 dollars) | | |
|---|---|---|
| **Year** | **Total Private** | **Private Service Providing** |
| **2007** | $ 21.71 | $21.75 |
| **2008** | $21.29 | $21.24 |
| **2009** | $22.06 | $21.86 |
| **2010** | $21.44 | $21.34 |
| **2011** | $20.72 | $20.59 |
| **2012** | $20.45 | $20.30 |
| **% Change 2007-2012** | -5.80% | -6.67% |
| **Avg. Annual % Change** | -1.16% | -1.35% |

Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

| Table A.9<br>Average Weekly Earnings of All Employees in Florida: 2007-2012 (2010 dollars) | | |
|---|---|---|
| **Year** | **Total Private** | **Private Service Providing** |
| **2007** | $768.40 | $750.33 |
| **2008** | $749.41 | $734.88 |
| **2009** | $772.00 | $752.09 |
| **2010** | $761.12 | $744.77 |
| **2011** | $721.17 | $704.10 |
| **2012** | $701.38 | $681.98 |
| **% Change 2007-2012** | -8.72% | -9.11% |
| **Avg. Annual % Change** | -1.77% | -1.86% |

Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

| Table A.10<br>Median Hourly Wage for All Salary and Wage Employees in Florida: 2004-2012 | | |
|---|---|---|
| **Year** | Current Dollars | 2010 Dollars |
| **2004** | $12.55 | $14.55 |
| **2005** | $12.79 | $14.33 |
| **2006** | $13.18 | $14.31 |
| **2007** | $13.87 | $14.64 |
| **2008** | $14.33 | $14.53 |
| **2009** | $14.58 | $14.88 |
| **2010** | $14.71 | $14.71 |
| **2011** | $14.79 | $14.28 |
| **2012** | $14.72 | $13.92 |
| **% change 2004-2012** | 17.29% | -4.34% |
| **Avg. Annual % Change** | 2.03% | -0.53% |

Source: Bureau of Labor Statistics: State and area employment, hours, and earnings

| Table A.11<br>% of Private-sector Employees in Establishments That Offer Health Insurance in Florida: 2000-2012 | |
|---|---|
| **Year** | % of private-sector employees in establishments that offer health insurance |
| **2000** | 89.00% |
| **2001** | 89.50% |
| **2002** | 87.70% |
| **2003** | 85.70% |
| **2004** | 85.70% |
| **2005** | 87.10% |
| **2006** | 86.00% |
| **2008** | 89.00% |
| **2009** | 87.10% |
| **2010** | 87.10% |
| **2011** | 80.50% |
| **2012** | 83.70% |
| **% change 2000-2012** | -5.96% |
| **Avg. Annual % Change** | -0.51% |

Source: Agency for Healthcare Research and Quality, Center for Financing, Access and Cost Trends: 2012 medical expenditure panel survey insurance component

| Table A.12<br>Annual % Change in Labor Productivity and Average Hourly Earnings in Florida: 2008-2012 | | |
|---|---|---|
| **Year** | Labor Productivity Annual % Change | Average Hourly Earnings of All Employees Annual % Change |
| **2008** | 2.50% | -4.71% |
| **2009** | 3.36% | -7.68% |
| **2010** | 0.33% | 0.52% |
| **2011** | 3.26% | -0.36% |
| **2012** | 3.74% | 0.96% |
| **Avg. annual % change** | 2.64% | -2.26% |

Source: Author calculations using data from Bureau of Economic Analysis and Bureau of Labor Statistics: State and area employment, hours, and earnings

| Table A.13<br>Labor Productivity-Compensation Ratio in Florida: 2007-2012 | |
|---|---|
| **Year** | Productivity-Compensation Ratio |
| **2007** | 2.44 |
| **2008** | 2.55 |
| **2009** | 2.55 |
| **2010** | 2.63 |
| **2011** | 2.81 |
| **2012** | 2.96 |
| **% change 2008-2012** | 20.87% |
| **Avg. Annual % Change** | 3.97% |

Source: Author calculations using data from Bureau of Economic Analysis and Bureau of Labor Statistics: State and area employment, hours, and earnings

| Table A.14<br>Share of Working Population Earning a Median Wage Less Than $10 Her Hour: 2004-2012 | |
|---|---|
| **Year** | % of working population earning less than $10 per hour |
| **2004** | 34.19% |
| **2005** | 31.75% |
| **2006** | 24.57% |
| **2007** | 23.00% |
| **2008** | 19.63% |
| **2009** | 19.51% |
| **2010** | 16.98% |
| **2011** | 16.70% |
| **2012** | 21.90% |
| **% change 2004-2012** | -35.95% |
| **Avg. Annual % Change** | -4.36% |

Source: Florida Department of Economic Opportunity: Florida occupation employment and wages

| Table A.15<br>Average Annual Salary by Industry in Florida: 2000-2011 ( 2010 dollars) | | | | | | |
|---|---|---|---|---|---|---|
| **Year** | **Health care and social assistance** | **Retail trade** | **Accommodation and food services** | **Administrative and waste management services** | **Other services, except public administration** | **Professional, scientific, and technical services** |
| **2000** | $37,148 | $25,037 | $19,851 | $24,008 | $18,982 | $45,284 |
| **2001** | $37,543 | $25,563 | $19,768 | $25,201 | $18,762 | $44,394 |
| **2002** | $38,162 | $25,741 | $19,805 | $25,534 | $18,430 | $43,680 |
| **2003** | $38,692 | $25,920 | $19,897 | $25,085 | $18,703 | $43,343 |
| **2004** | $39,361 | $26,158 | $20,290 | $24,918 | $18,768 | $43,309 |
| **2005** | $39,288 | $26,327 | $20,818 | $25,892 | $18,434 | $44,698 |
| **2006** | $39,329 | $26,314 | $20,828 | $25,398 | $18,868 | $45,922 |
| **2007** | $39,058 | $25,336 | $21,611 | $25,003 | $18,656 | $44,940 |
| **2008** | $38,478 | $24,297 | $20,059 | $23,898 | $18,379 | $44,228 |
| **2009** | $39,523 | $24,350 | $19,752 | $23,277 | $18,013 | $43,557 |
| **2010** | $39,062 | $24,311 | $19,986 | $22,691 | $17,923 | $42,971 |
| **2011** | $38,386 | $23,815 | $19,914 | $21,943 | $17,428 | $42,695 |
| **% Change 2000-2011** | 3.33% | -4.88% | 0.32% | -8.60% | -8.19% | -5.72% |
| **Avg. Annual % Change** | 0.31% | -0.44% | 0.07% | -0.77% | -0.76% | -0.52% |

Source: Bureau of Economic Analysis

| Table A.16<br>Real Median Household Income for the U.S. and Florida: 2000-2011 (2010 Dollars) | | |
|---|---|---|
| **Year** | **U.S.** | **Florida** |
| **2000** | $53,194 | $49,224 |
| **2001** | $52,077 | $44,916 |
| **2002** | $51,587 | $46,253 |
| **2003** | $51,550 | $46,378 |
| **2004** | $51,415 | $47,009 |
| **2005** | $51,897 | $48,159 |
| **2006** | $52,326 | $49,585 |
| **2007** | $53,008 | $48,323 |
| **2008** | $50,998 | $45,476 |
| **2009** | $50,807 | $46,575 |
| **2010** | $49,277 | $44,066 |
| **2011** | $48,335 | $43,556 |
| **% Change 2000-2011** | -9.10% | -11.50% |
| **Avg. Annual % Change** | -0.86% | -1.03% |

Source: U.S. Census Bureau: Current population survey annual social and economic supplements

| Table A.17<br>Real Median Individual Earnings in Florida: 2007-2011 (2010 Dollars) | | |
|---|---|---|
| **Years** | Florida's Real Median Individual Earnings | Percent Change |
| **2007** | $28,864 | 0.34% |
| **2008** | $27,849 | -3.52% |
| **2009** | $26,396 | -5.22% |
| **2010** | $26,045 | -1.33% |
| **2011** | $25,664 | -1.46% |
| **% Change 2007-2011** | -11.09% | |
| **Avg. Annual % Change** | -2.88% | |

Source: American Community Survey

| Table A.18<br>Annual Earnings by Educational Attainment in Florida: 2007-2011 (2010 Dollars) | | | | |
|---|---|---|---|---|
| **Year** | **High School Diploma** | **Some College or Associate's Degree** | **Bachelor's Degree** | **Graduate or Professional Degree** |
| **2007** | $ 27,164 | $ 33,897 | $ 44,553 | $ 59,665 |
| **2008** | $ 26,244 | $ 32,050 | $ 42,277 | $ 55,966 |
| **2009** | $ 23,956 | $ 30,132 | $ 41,934 | $ 57,357 |
| **2010** | $ 23,936 | $ 30,092 | $ 41,992 | $ 55,005 |
| **2011** | $ 23,612 | $ 29,516 | $ 40,450 | $ 55,067 |
| **% Change 2007-2011** | -13.08% | -12.92% | -9.21% | -7.71% |
| **Avg. Annual % Change** | -3.39% | -3.37% | -2.36% | -1.93% |

Source: American Community Survey

| Table A.19<br>Average Tuition & Fees for Public Universities in Florida: 2000-2012 (2010 Dollars) | |
|---|---|
| **Year** | **Average Tuition & Required Fees** |
| 2000-2001 | $2,995 |
| 2001-2002 | $3,156 |
| 2002-2003 | $3,273 |
| 2003-2004 | $3,436 |
| 2004-2005 | $3,566 |
| 2005-2006 | $3,628 |
| 2006-2007 | $3,637 |
| 2007-2008 | $3,718 |
| 2008-2009 | $3,861 |
| 2009-2010 | $4,441 |
| 2010-2011 | $4,936 |
| 2011-2012 | $5,341 |
| % Change 2000-2011 | 78.33% |
| Avg. Annual % Change | 5.48% |

Source: State University System of Florida Board of Governors

| Table A.20<br>Inequality of Annual Median Incomes by Race in Florida: 2007-2011 (2010 Dollars) | | |
|---|---|---|
| **Year** | **Gap between White and Black Income** | **Gap between White and Hispanic Income** |
| 2007 | $ 17,244 | $ 10,461 |
| 2008 | $ 17,013 | $ 10,685 |
| 2009 | $ 16,810 | $ 9,844 |
| 2010 | $ 16,572 | $ 10,583 |
| 2011 | $ 16,340 | $ 11,001 |
| % Change 2007-2011 | -5.24% | 5.16% |
| Avg. Annual % Change | -1.34% | 1.43% |

Source: American Community Survey

| Table A.21<br>Consumer Price Index for All Goods for the U.S. and the Southern Region: 2000-2012 | | |
|---|---|---|
| **Year** | **US City Average** | **Southern Region** |
| **2000** | 168.9 | 165.5 |
| **2001** | 173.5 | 169.2 |
| **2002** | 175.9 | 170.8 |
| **2003** | 179.8 | 174.4 |
| **2004** | 184.5 | 178.6 |
| **2005** | 191.0 | 185.4 |
| **2006** | 197.1 | 191.9 |
| **2007** | 202.8 | 197.4 |
| **2008** | 211.1 | 206.1 |
| **2009** | 209.6 | 204.3 |
| **2010** | 214.0 | 208.7 |
| **2011** | 221.6 | 216.8 |
| **2012** | 226.2 | 221.5 |
| **% Change 2000-2012** | 33.93% | 33.84% |
| **Avg. Annual % Change** | 2.47% | 2.47% |

Source: Bureau of Labor Statistics: Consumer Expenditure Survey

| Table A.22<br>Annual Median Household Income in Florida: 2000-2011 (2010 Dollars) | |
|---|---|
| **Year** | **Median Household Income** |
| 2000 | $49,224 |
| 2001 | $44,916 |
| 2002 | $46,253 |
| 2003 | $46,378 |
| 2004 | $47,009 |
| 2005 | $48,159 |
| 2006 | $49,585 |
| 2007 | $48,323 |
| 2008 | $45,476 |
| 2009 | $46,575 |
| 2010 | $44,066 |
| 2011 | $43,556 |
| % Change 2000-2011 | -11.51% |
| Avg. Annual % Change | -1.03% |

Source: Bureau of Labor Statistics: Current Population Survey

| Table A.23<br>Household Health Care Spending in Florida: 2000-2011 (2010 Dollars) | |
|---|---|
| **Year** | **Amount Spent** |
| 2000 | $2,600 |
| 2001 | $2,677 |
| 2002 | $2,815 |
| 2003 | $2,872 |
| 2004 | $2,845 |
| 2005 | $2,878 |
| 2006 | $2,921 |
| 2007 | $2,942 |
| 2008 | $2,864 |
| 2009 | $3,001 |
| 2010 | $3,036 |
| 2011 | $2,995 |
| % Change 2000-2011 | 15.19% |
| Avg. Annual % Change | 1.32% |

Source: Bureau of Labor Statistics: Consumer Expenditure Survey

| Table A.24<br>Households in Poverty with Two or More Workers in Florida: 2007-2011 | | |
|---|---|---|
| **Year** | **Number** | **Percent** |
| 2007 | 54,352 | 13.70% |
| 2008 | 59,429 | 13.70% |
| 2009 | 63,442 | 13.00% |
| 2010 | 73,348 | 13.40% |
| 2011 | 74,140 | 13.10% |
| % Change 2007-2011 | 36.41% | -4.38% |
| Avg. Annual % Change | 8.20% | -1.07% |

Source: American Community Survey

| Table A.25<br>Percent of Individuals in or Near Poverty by Sex in Florida: 2007-2011 | | |
|---|---|---|
| **Year** | **Male** | **Female** |
| 2007 | 15.10% | 18.30% |
| 2008 | 16.50% | 19.30% |
| 2009 | 18.80% | 21.20% |
| 2010 | 20.70% | 22.90% |
| 2011 | 21.40% | 23.70% |
| % Change 2007-2011 | 41.72% | 29.51% |
| Avg. Annual % Change | 9.17% | 6.71% |

Source: American Community Survey

| Table A.26<br>Percent of Employed Individuals in Poverty by Sex in Florida: 2007-2011 | | |
|---|---|---|
| **Year** | **Male** | **Female** |
| 2007 | 4.80% | 6.80% |
| 2008 | 5.70% | 6.90% |
| 2009 | 6.40% | 7.40% |
| 2010 | 7.00% | 8.50% |
| 2011 | 7.30% | 8.80% |
| % Change 2007-2011 | 52.08% | 29.41% |
| Avg. Annual % Change | 11.17% | 6.78% |

Source: American Community Survey

**Table A.27**

**State Budget Allocations in Florida: 2002-2012 (2010 Dollars)**

| Year | Health Human Services | | Medicaid/TANF | | Education | |
|---|---|---|---|---|---|---|
| | Total (in millions) | Percent Change | Total (in millions) | Percent Change | Total (in millions) | Percent Change |
| **2002-2003** | $22,393 | | $14,974 | | $19,255 | |
| **2003-2004** | $23,254 | 3.84% | $16,017 | 6.97% | $20,534 | 6.64% |
| **2004-2005** | $24,526 | 5.47% | $17,346 | 8.30% | $20,746 | 1.03% |
| **2005-2006** | $25,191 | 2.71% | $18,186 | 4.84% | $22,510 | 8.50% |
| **2006-2007** | $25,615 | 1.68% | $17,486 | -3.85% | $25,065 | 11.35% |
| **2007-2008** | $25,178 | -1.71% | $16,743 | -4.25% | $25,029 | -0.14% |
| **2008-2009** | $23,698 | -5.88% | $15,808 | -5.59% | $21,403 | -14.49% |
| **2009-2010** | $26,583 | 12.17% | $18,328 | 15.94% | $21,707 | 1.42% |
| **2010-2011** | $28,472 | 7.11% | $20,566 | 12.21% | $22,390 | 3.15% |
| **2011-2012** | $28,902 | 1.51% | $21,063 | 2.41% | $19,048 | -14.93% |
| **2012-2013** | $28,258 | -2.23% | $20,609 | -2.15% | $19,179 | 0.69% |
| **% Change 2002-2012** | 26.19% | | 37.63% | | -0.39% | |
| **Avg. Annual % Change** | 2.47% | | 3.48% | | 0.32% | |

Source: Florida Legislature and the Legislative Appropriations System: Fiscal Analysis in Brief

**Table A.28**

**Public Elementary-Secondary School Per Pupil Spending in Florida: 2001-2010 (2010 dollars)**

| Year | Total | Instruction | Support Services |
|---|---|---|---|
| **2001-2002** | $7,468 | $4,331 | $2,758 |
| **2002-2003** | $7,846 | $4,614 | $2,848 |
| **2003-2004** | $8,073 | $4,778 | $2,899 |
| **2004-2005** | $8,358 | $4,941 | $3,015 |
| **2005-2006** | $8,692 | $5,135 | $3,151 |
| **2006-2007** | $9,242 | $5,508 | $3,325 |
| **2007-2008** | $9,534 | $5,741 | $3,376 |
| **2008-2009** | $8,881 | $5,366 | $3,118 |
| **2009-2010** | $8,922 | $5,388 | $3,135 |
| **2010-2011** | $8,887 | $5,418 | $3,064 |
| **% change 2001-2010** | 18.99% | 25.10% | 11.11% |
| **Avg. Annual % Change** | 2.02% | 2.60% | 1.25% |

Source: US Census Bureau: Public school finance data