

State of Working Georgia 2014

Workers Squeezed by Tough Labor Market, Shrinking Paychecks

By Wesley Tharpe, Policy Analyst

Georgia's economy has improved markedly since the darkest days of the Great Recession, but workers and their families remain pinched from the lingering fallout. Unemployment remains high, wages are depressed and many workers are stuck in low-quality jobs. African-Americans and Georgians with fewer years of education are among the groups struggling most to bounce back from the downturn. For Georgians in the middle class and those striving to reach it, the labor market is likely still years away from fully recovering from the recession.

The Georgia Budget and Policy Institute's annual State of Working Georgia report documents the vitality of Georgia's workforce. It pulls together the latest available data on jobs, wages, health care and the makeup of the labor force with technical assistance from the nonpartisan Washington, D.C.-based Economic Policy Institute.

The report serves as a tool for lawmakers, advocates, journalists and the general public to better understand how the trends in today's economy affect working Georgians. It highlights the most salient facts about Georgia's workforce in 2014 and includes a wealth of data that readers are free to further analyze. This year's edition explores three key themes:

Georgia's economy fails to provide workers with consistent, quality employment. Georgia is home to fewer jobs than before the recession and the state's unemployment rate remains much higher than normal. Work is so hard to find, a considerable number of Georgians are still in long-term unemployment or have dropped out of the workforce entirely. Those who do have jobs are often working fewer hours than before or are stuck at positions below their skill level. *Pages 2-7.*

Young people, African-Americans and people with fewer years of education face especially tough job prospects. The recession hit these groups' employment levels the hardest and they have struggled more than other groups to bounce back in the recovery. *Pages 7-10.*

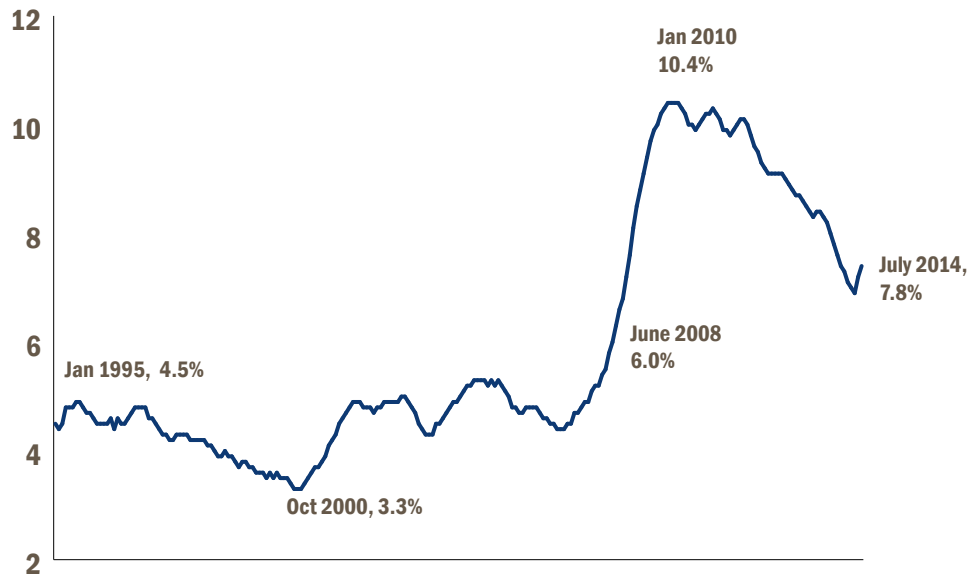
Wages remain depressed, especially for low-wage workers, men, minorities and people who don't finish high school. Stagnant or declining wages are a well-documented national trend and Georgia is not immune. The typical Georgia worker earns less now than in 2007, as wages fell sharply in the recession and have grown slowly in the recovery. Falling wages are worsened by a decade-long decline in the availability of employer-funded health coverage. *Pages 10-14.*

Georgia Workers Still Struggle to Find Steady Employment

The depth of the Great Recession and gradual nature of the economic recovery keeps Georgia's unemployment rate historically high, despite some modest improvement from the deep valley of the downturn. The statewide unemployment rate stood at 7.8 percent in July 2014, down from a peak of 10.4 percent in January 2010. That is still well above the norm for much of the past two decades, as shown in the chart below. The rate also spiked back up in the past few months, rising from 6.9 percent to 7.8 percent from April to July 2014.

Unemployment Well-Above Historic Average

Georgia statewide employment rate, by month



Source: Economic Policy Institute analysis of Local Area Unemployment Statistics

Georgia workers are also struggling to find work more than people in other Southeastern states and the rest of the country. The statewide unemployment rate in July 2014 was second highest nationwide, trailing Mississippi.

Unemployment in Georgia Remains Above National and Regional Norm

	Jul-11	Jan-12	Jul-12	Jan-13	Jul-13	Jan-14	Jul-14	National Rank (1 is highest)
Georgia	10.1%	9.3%	9.1%	8.6%	8.3%	7.3%	7.8%	2
U.S. Average	9.0%	8.2%	8.2%	7.9%	7.3%	6.6%	6.2%	N/A
Alabama	8.7%	7.1%	7.4%	6.7%	6.5%	6.1%	7.0%	9
Arkansas	8.1%	7.5%	7.5%	7.5%	7.7%	7.3%	6.2%	21
Florida	10.5%	9.3%	8.8%	8.0%	7.3%	6.2%	6.2%	21
Louisiana	7.2%	6.9%	6.5%	6.3%	6.4%	4.9%	5.4%	33
Mississippi	10.9%	9.4%	9.3%	9.1%	8.7%	7.5%	8.0%	1
North Carolina	10.4%	9.5%	9.4%	8.8%	8.1%	6.7%	6.5%	16
South Carolina	10.5%	9.4%	9.1%	8.2%	7.7%	6.4%	5.7%	27
Tennessee	9.5%	8.3%	8.3%	8.1%	8.4%	7.2%	7.1%	8
Texas	8.1%	7.2%	7.0%	6.5%	6.4%	5.7%	5.1%	36
Virginia	6.6%	6.0%	6.0%	5.7%	5.7%	5.0%	5.4%	33

Source: Economic Policy Institute analysis of Local Area Unemployment Statistics

Unemployment Varies Considerably Across the State

Masked within the overall unemployment rate is the fact that Georgia's labor market is much stronger in some parts of the state versus others. Unemployment in Georgia counties as of June 2014 ranges from a low of 4.9 percent in Oconee County to a high of 16.5 percent in Chattahoochee County. The most difficult counties to find work in Georgia, along with the easiest, are shown in the table below.

Georgia's Best, Worst Counties for Unemployment

10 Highest Unemployment		10 Lowest Unemployment	
	Unemployment Rate, June 2014		Unemployment Rate, June 2014
Chattahoochee	16.5	Oconee	4.9
Telfair	15.5	Miller	5.5
Jenkins	14.6	Oglethorpe	5.5
Bleckley	14.0	Forsyth	5.9
Macon	14.0	Catoosa	6.0
Jefferson	13.4	Madison	6.0
Dooly	12.7	Union	6.1
Hancock	12.0	Banks	6.2
Wilcox	11.9	Cherokee	6.2
Sumter	11.8	Echols	6.2

Source: Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS).

Note: Unemployment rates by county, not seasonally adjusted.

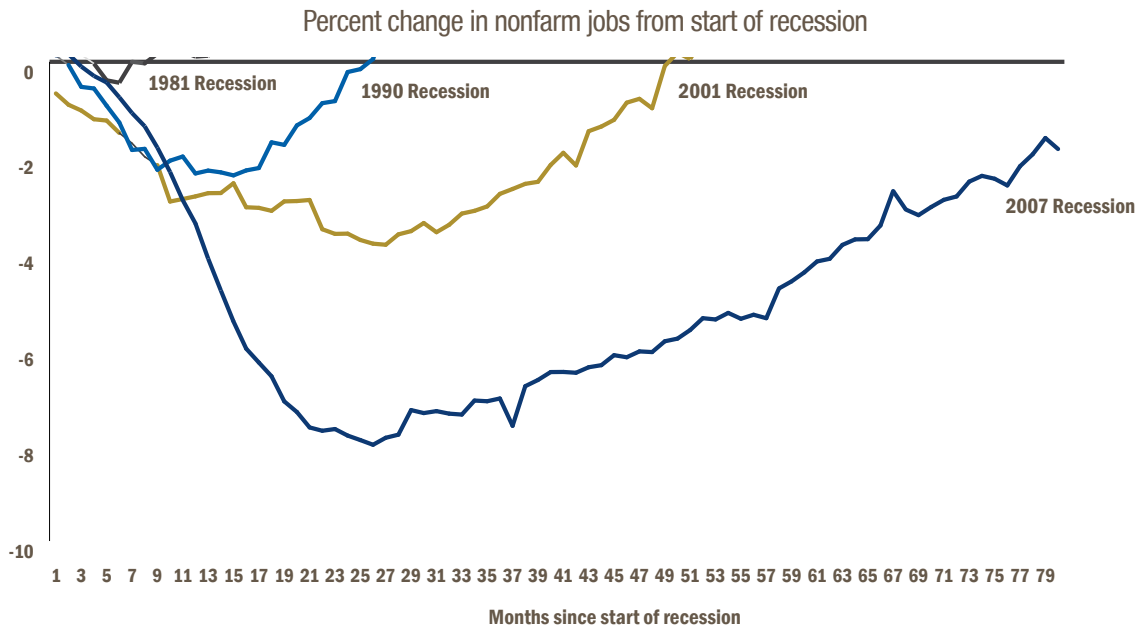
Georgia's 10 largest counties make up 47 percent of the state's population. Unemployment in June 2014 in those 10 was: 8.3 percent in Fulton, 6.8 percent in Gwinnett, 6.9 percent in Cobb, 7.8 percent in DeKalb, 7.7 percent in Chatham, 9.4 percent in Clayton, 6.2 percent in Cherokee, 7.9 percent in Henry, 8.6 percent in Muscogee and 9.6 percent in Richmond.

Unemployment is generally highest in a band of counties stretching across the lower-middle portion of the state and turning north toward Augusta in the east. It is generally lowest in north and northeast Georgia, including some of metro Atlanta's northern exurbs such as Forsyth and Cherokee counties. Unemployment rates for all Georgia counties are included in the appendix.

Modest Job Growth Still Leaves Georgia in a Deep Hole

Georgia's economy is not adding enough jobs to fully recover from the Great Recession, despite a modest recovery the past four years. The state lost 332,900 jobs from December 2007 to February 2010 and added back 259,900 from February 2010 to June 2014. That means six and a half years since the start of the recession, Georgia has recovered only 78 percent of the lost jobs. This differs from the state's performance in past recessions. Georgia's economy was able to get back above water much faster in prior downturns, as illustrated in the chart below.

Georgia Recovering From Deeper Hole than Past Recessions



Source: Economic Policy Institute analysis of Current Employment Statistics

Though still digging out of a deep hole, Georgia's economy is making progress. Employers added 71,700 positions from June 2013 to June 2014, sixth most in the country. However, Georgia's rate of job growth was below the regional and national average over the past six months.

Georgia's Job Growth Below Average in Past Six Months

	Last 6 Months, # Jobs	Last 6 Months, % Change	Last 6 Months, Rank (by % Change, 1 is best)	Last 12 Months, # Change	Last 12 Months, % Change	Last 12 Months, Rank (by % Change, 1 is best)
Georgia	26,400	0.65%	21	71,700	1.78%	17
South	456,800	1.05%	N/A	954,700	2.21%	N/A
U.S.A	1,400,000	1.02%	N/A	2,510,000	1.84%	N/A

Source: Economic Policy Institute analysis of Current Employment Statistics. Notes: Last six months equals Dec. 2013 to June 2014; last 12 months equals June 2013 to June 2014. The 'South' includes Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Tennessee, Texas and Virginia

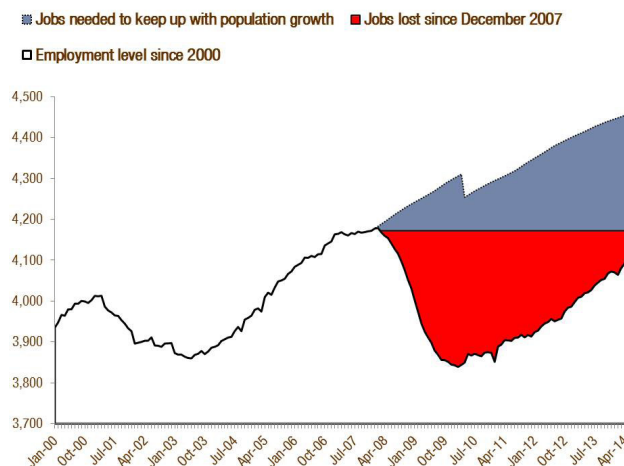
Population Growth Worsens Jobs Shortfall

Georgia had 73,000 fewer jobs in June 2014 than it did in December 2007, the official start of the Great Recession. But since the state added population during those years, that statistic actually understates how many jobs Georgia needs to return to pre-recession employment levels. Ongoing population growth means the economy not only needs to replace the jobs it lost, but also create additional ones to accommodate new workers. These workers include new arrivals to the state, new college graduates and other young people entering the workforce.

Georgia's true jobs-deficit stood at 361,200 in June 2014, according to the nonpartisan Economic Policy Institute. That figure includes the 73,000 jobs Georgia has yet to recover from the downturn plus the 288,200 jobs needed to keep up with Georgia's 6.9 percent population growth since the recession began. Georgia needs to average about 13,000 new jobs every month for the next three years to overcome this shortfall. It averaged only 4,400 new jobs per month over six months from December 2013 to June 2014 and 6,000 per month over the past 12 months from June 2013 to June 2014.

Population Growth Means More Jobs Needed

Nonfarm jobs, thousands, seasonally adjusted



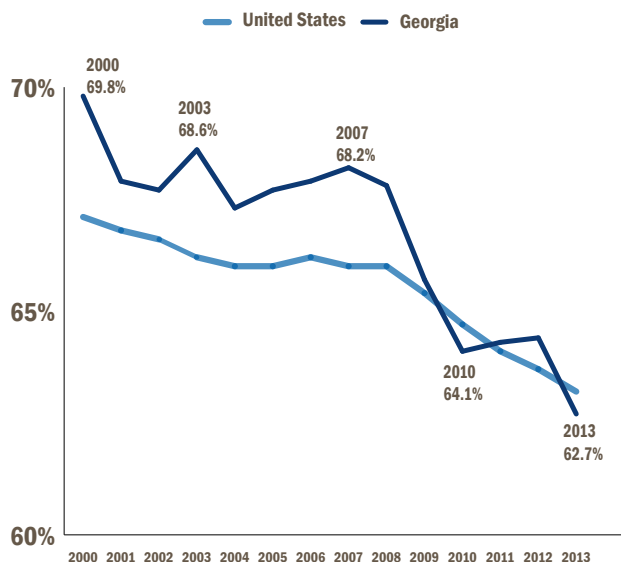
Source: Economic Policy Institute analysis of Current Employment Statistics

Lack of Openings Pushes Many Georgians to Give up on Workforce

Overall job growth and the unemployment rate are important but do not tell the economy's whole story. The deep recession and slow recovery pushed some Georgians out of the workforce entirely. This trend is measured by the state's labor force participation rate, which shows the share of working-age people in the age range 16 to 64 who are either employed or still actively seeking work. Georgia's rate fell to a modern low in 2013.

Share of Georgians in Labor Force Declines

Labor force participation rate, 2000-2013



Source: Economic Policy Institute analysis of Current Population Survey

Many Georgians are still looking for work, but are stuck without jobs for much longer than in the past due to a lack of openings. The share of unemployed Georgians who are jobless long-term, or for more than about six months, roughly tripled during the Great Recession and remained elevated in 2013. The table below compares Georgia's long-term unemployment problem to other states.

Georgia's Long-Term Unemployment Remains Comparatively High

Share of unemployed who are jobless long-term (more than 26 weeks)

	2007	2008	2009	2010	2011	2012	2013	2013 National Rank (1 is highest)
Georgia	17.4%	19.3%	35.8%	51.3%	50.4%	44.4%	41.8%	7
U.S. Average	17.6%	19.7%	31.5%	43.3%	43.7%	41.0%	37.6%	N/A
Alabama	18.1%	23.9%	32.6%	46.2%	45.5%	42.9%	34.5%	26
Arkansas	12.2%	11.8%	22.8%	35.0%	34.1%	31.9%	31.0%	33
Florida	15.1%	23.5%	37.2%	49.5%	53.0%	50.9%	46.2%	2
Louisiana	22.6%	21.9%	20.3%	25.5%	32.5%	37.8%	34.7%	24
Mississippi	18.7%	21.1%	30.4%	44.2%	42.9%	37.1%	40.8%	10
North Carolina	16.9%	23.4%	35.8%	48.9%	46.4%	46.5%	43.3%	6
South Carolina	19.6%	24.8%	39.3%	51.8%	46.4%	40.1%	36.0%	18
Tennessee	18.9%	19.0%	32.1%	45.0%	39.2%	35.2%	32.2%	30
Texas	15.8%	13.7%	23.0%	33.8%	35.8%	33.7%	29.9%	36
Virginia	14.9%	17.2%	27.2%	39.8%	40.1%	36.1%	35.2%	22

Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

Many Georgians Working Below Their Abilities

The downturn also increased the number of Georgians who are employed but are overqualified for their positions. This is the *underemployment* rate, which takes the official unemployment rate and adds three additional groups of workers: people employed below their skill level, like a laid-off teacher working at Walmart; people working part-time when they would prefer a full-time job and so-called discouraged workers -- people who looked for work recently, but not in the past four weeks. Georgia's underemployment remains relatively high, as detailed in the table below.

Georgia's Underemployment Rate High Compared to Other States

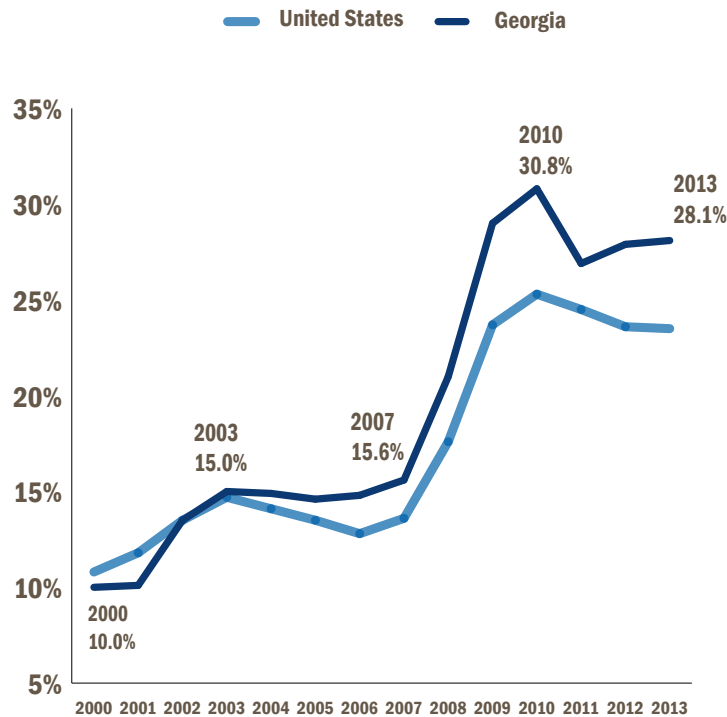
	2007	2008	2009	2010	2011	2012	2013	2013 National Rank (1 is highest)
Georgia	8.1%	11.1%	16.9%	17.9%	17.2%	15.7%	14.8%	9
U.S. Average	8.3%	10.5%	16.2%	16.7%	15.9%	14.7%	13.8%	N/A
Alabama	7.1%	9.8%	17.1%	17.3%	16.2%	13.5%	12.2%	31
Florida	8.0%	11.9%	18.4%	19.3%	17.6%	16.0%	14.2%	14
Louisiana	7.2%	7.8%	10.6%	12.9%	13.4%	11.9%	12.7%	27
Mississippi	10.8%	11.2%	16.2%	17.6%	16.4%	15.1%	14.6%	13
North Carolina	8.5%	11.3%	17.7%	17.4%	17.9%	16.2%	14.7%	10
South Carolina	9.5%	12.1%	19.6%	18.1%	18.2%	15.8%	14.0%	15
Tennessee	8.0%	11.4%	18.6%	16.6%	15.5%	13.3%	14.7%	10
Texas	7.7%	9.1%	13.7%	14.4%	14.0%	12.1%	11.3%	39
Virginia	6.1%	7.5%	12.1%	12.9%	11.8%	11.7%	11.5%	37

Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

An important subset of underemployed workers are those who are part-time for economic reasons, which means they would prefer a full-time job if one was available. Sometimes called involuntary part-time workers, these employees include people laid off from full-time jobs and are unable to find a replacement, as well as part-time workers who prefer to work more hours. Georgia held the fifth-highest share of involuntary part-time workers nationwide in 2013. Georgians who want to work full time are much more likely to be stuck in a part-time position than before the recession, as shown below.

Involuntary Part-Time Work Still Historically High

Share of part-time workers who are involuntary part-time, 2000-2013



Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

Young People Face Tougher Labor Market than Older Workers

The Great Recession harmed Georgia workers of all ages, backgrounds and educational levels, but it hurt some groups more than others. Young people are one of the groups hit particularly hard. Georgia's workers age 16 to 24 experienced sharp increases in key measures of labor market distress during the recession and are still in trouble in the recovery.

- **Unemployment** among workers age 16 to 24 rose 8.1 percentage points from 2007 to 2013, compared to 3.6 percentage points for workers age 25 to 54 and 2.9 percentage points for workers age 55 and older.
- **Underemployment** among workers 16 to 24 rose 13 percentage points from 2007 to 2013, compared to 6.2 percentage points for workers age 25 to 54 and 5.5 percentage points for workers 55 and older.

Georgia's young workers in 2013 held the country's seventh highest rate of unemployment, ninth highest rate of underemployment and eighth highest share of involuntary part-time workers, compared to the same age cohort in other states. The following table shows key economic indicators for Georgia's different age groups.

Young Workers Face Particularly Tough Labor Market

	2007	2008	2009	2010	2011	2012	2013	Change, 2007-2013
Unemployment								
Young Workers (16-24 years)	10.6%	14.3%	20.0%	22.8%	18.6%	20.6%	18.7%	8.1%
Prime-Age Workers (25-54 years)	3.5%	5.5%	8.9%	9.3%	9.1%	7.8%	7.1%	3.6%
Older Workers (55 years plus)	2.3%	4.2%	6.3%	7.9%	8.3%	5.7%	5.2%	2.9%
Underemployment								
Young Workers (16-24 years)	17.7%	22.4%	33.4%	36.1%	32.7%	31.6%	30.7%	13.0%
Prime-Age Workers (25-54 years)	6.7%	9.7%	15.5%	15.8%	15.3%	13.7%	12.9%	6.2%
Older Workers (55 years plus)	5.2%	8.2%	11.2%	13.4%	13.4%	10.9%	10.7%	5.5%
Share of Part-Timers Who are Involuntary Part-time								
Young Workers (16-24 years)	13.1%	17.2%	29.3%	29.2%	28.3%	22.3%	25.7%	12.6%
Prime-Age Workers (25-54 years)	19.4%	24.8%	33.1%	35.2%	29.5%	33.3%	33.0%	13.6%
Older Workers (55 years plus)	8.7%	14.5%	15.6%	17.9%	15.7%	19.2%	18.0%	9.3%
Share of Jobless who are Long-Term Unemployed								Change, 2008-2013
Young Workers (16-24 years)	(a)	17.6%	30.5%	40.2%	35.3%	34.7%	35.3%	17.7%
Prime-Age Workers (25-54 years)	20.3%	19.4%	36.6%	54.5%	53.3%	48.0%	43.9%	24.5%
Older Workers (55 years plus)	(a)	(a)	42.8%	57.8%	61.4%	51.4%	47.8%	N/A

Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

(a) Does not meet standards for sample size

Black Workers Reel from Worst of Recession

Black workers in Georgia suffered much larger spikes in measures of labor market distress than white or Hispanic workers in recent years. Although the employment gap between white and black workers in Georgia goes back generations, the downturn made it worse:

- **Unemployment** among black workers rose 5.9 percentage points from 2007 to 2013, compared to 3.1 percentage points for white workers and 1 percentage point for Hispanic ones.
- **Underemployment** among black workers rose 10.4 percentage points from 2007 to 2013, compared to 5.2 percentage points for white workers and 2 percentage points for Hispanic workers.
- The share of part-time black workers who were **involuntary part-time** rose 18.5 percentage points from 2007 to 2013, compared to 9.2 percentage points for white workers and 1.9 percentage points for Hispanic workers.

Black workers in Georgia were unemployed and underemployed at rates roughly double those of white workers in 2013. Hispanic workers fall between the two on both measures. The table below shows how Georgia's three main racial and ethnic groups fared in the job market in recent years.

Georgia's Labor Market Especially Weak for Minority Workers

	2007	2008	2009	2010	2011	2012	2013	Change, 2007-2013
Unemployment								
White	2.7%	4.5%	7.3%	7.6%	7.7%	7.1%	5.8%	3.1%
Black or African-American	7.6%	10.2%	14.3%	16.4%	15.9%	13.4%	13.5%	5.9%
Hispanic	5.6%	8.2%	12.0%	11.5%	7.7%	10.1%	6.6%	1.0%
Underemployment								
White	5.4%	7.8%	12.9%	13.1%	13.2%	12.1%	10.6%	5.2%
Black or African-American	12.4%	15.9%	22.2%	25.1%	24.1%	22.2%	22.8%	10.4%
Hispanic	13.2%	20.6%	27.4%	26.1%	21.4%	19.4%	15.2%	2.0%
Share of Part-Timers who are Involuntary Part-time								
White	11.2%	14.4%	23.1%	23.0%	21.5%	20.7%	20.4%	9.2%
Black or African-American	20.1%	25.7%	33.2%	36.9%	30.9%	37.5%	38.6%	18.5%
Hispanic	40.9%	51.7%	49.6%	56.3%	47.5%	47.6%	42.8%	1.9%
Share of Jobless who are Long-Term Unemployed								Change, 2008-2013
White	(a)	19.4%	39.0%	47.5%	45.5%	42.2%	37.2%	17.8%
Black or African-American	20.9%	22.0%	37.3%	55.8%	56.1%	51.4%	48.2%	26.2%
Hispanic	(a)	(a)	(a)	39.9%	(a)	(a)	(a)	N/A

Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

(a) Does not meet standards for sample size

Workers with Less Education Face Tougher Prospects

Workers with fewer years of education are a third group of Georgia workers that still struggles disproportionately with the recession's fallout. Less-educated workers lost more ground during the recession and are still faring poorly in the recovery:

- **Unemployment** rose 7.5 percentage points from 2007 to 2013 for workers with less than a high school degree, compared to 5.7 percentage points for high school graduates, 3.9 percentage points for workers with some college and 1.8 percentage points for college graduates.
- **Underemployment** rose 11.1 percentage points from 2007 to 2013 for workers with less than a high school degree, compared to 9.1 percentage points for high school graduates, 6.8 percentage points for workers with some college and 4.3 percentage points for college graduates.

The downturn exacerbated a long-term gap between the success of workers with more years of education compared to those with less. Georgia workers without any formal education beyond high school are consistently more likely to be unemployed, underemployed or working part-time when they would prefer full-time jobs. The trends on long-term unemployment are more mixed, as detailed below.

Workers with Less Education Face Uphill Battle in Labor Market

	2007	2008	2009	2010	2011	2012	2013	Change, 2007-2013
Unemployment								
Less than high school	11.8%	13.5%	19.4%	17.8%	18.5%	17.4%	19.3%	7.5%
High school	4.6%	7.3%	11.9%	14.3%	11.9%	10.6%	10.3%	5.7%
Some college	4.1%	6.7%	9.7%	9.8%	10.5%	9.5%	8.0%	3.9%
Bachelor's or higher	1.6%	2.9%	4.6%	5.7%	5.5%	4.9%	3.4%	1.8%
Underemployment								
Less than high school	20.6%	25.2%	34.3%	33.0%	32.8%	30.5%	31.7%	11.1%
High school	9.5%	13.5%	21.7%	23.6%	21.0%	18.2%	18.6%	9.1%
Some college	7.1%	10.4%	15.3%	15.9%	16.9%	15.4%	13.9%	6.8%
Bachelor's or higher	2.9%	4.3%	7.7%	9.1%	8.7%	8.8%	7.2%	4.3%
Share of Part-Timers who are Involuntary Part-time								
Less than high school	28.0%	35.9%	41.2%	46.6%	37.3%	32.9%	35.4%	7.4%
High school	21.6%	29.6%	40.6%	38.9%	35.3%	35.2%	39.4%	17.8%
Some college	10.4%	13.2%	20.6%	23.0%	20.7%	22.8%	21.2%	10.8%
Bachelor's or higher	7.9%	9.2%	16.0%	19.7%	17.7%	23.7%	21.4%	13.5%
Share of Jobless who are Unemployed Long-Term								Change, 2008-2013
Less than high school	(a)	(a)	36.7%	44.0%	45.7%	42.5%	42.2%	N/A
High school	(a)	17.7%	33.0%	50.9%	52.2%	44.9%	46.2%	28.5%
Some college	(a)	20.8%	34.2%	50.1%	51.8%	47.9%	41.3%	20.5%
Bachelor's or higher	(a)	(a)	43.8%	61.2%	49.7%	39.7%	30.9%	N/A

Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

(a) Does not meet standards for sample size

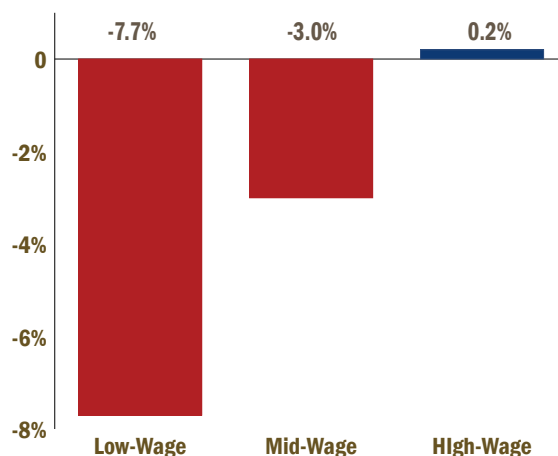
Georgia Workers Earn Less than Before Recession

Declining wages in the wake of the recession add another challenge to Georgia workers. Paychecks shrank in recent years for Georgians from all walks of life and wages have been slow to recover.

The state's median wage, or the annual pay of a typical mid-wage worker, was 3 percent lower in 2013 than in 2007. That means a typical Georgia worker is now earning about \$1,000 less per year than before the recession. The decline in pay is even worse for low-income workers. A Georgia worker at the 20th percentile, or the point at which 80 percent of Georgians earn more, saw a drop in wages of nearly 8 percent from 2007 to 2013. Higher-wage workers fared much better in recent years, as shown in the chart and detailed on the table on the next page.

Mid- and Low-Wage Georgians See Sharp Drop in Pay

% Change in annual wages at 20th, 50th and 80th percentile, 2007-2013



Source: Economic Policy Institute of Current Population Survey (CPS) data

The gap in annual pay between typical low-wage workers (20th percentile) and high-wage workers (80th percentile) in Georgia was about \$38,000 in 2013, up slightly from before the recession. The table below shows how Georgians at three wage levels fared in recent years.

Mid- and Low-Wage Workers See Smaller Paychecks After Recession

Annual salary by wage percentile, 2013 dollars

	2007	2008	2009	2010	2011	2012	2013	\$ Change, 2007-2013	% Change, 2007-2013
20th percentile	\$22,298	\$22,110	\$22,173	\$21,549	\$20,218	\$20,238	\$20,571	-\$1,726	-7.7%
50th percentile (Median)	\$34,840	\$35,734	\$35,963	\$35,506	\$32,906	\$33,010	\$33,800	-\$1,040	-3.0%
80th percentile	\$58,531	\$62,899	\$62,816	\$61,214	\$58,323	\$58,906	\$58,635	\$104	0.2%
Gap between Top 20 and Bottom 20	\$36,234	\$40,789	\$40,643	\$39,666	\$38,106	\$38,667	\$38,064	\$1,830	5.1%

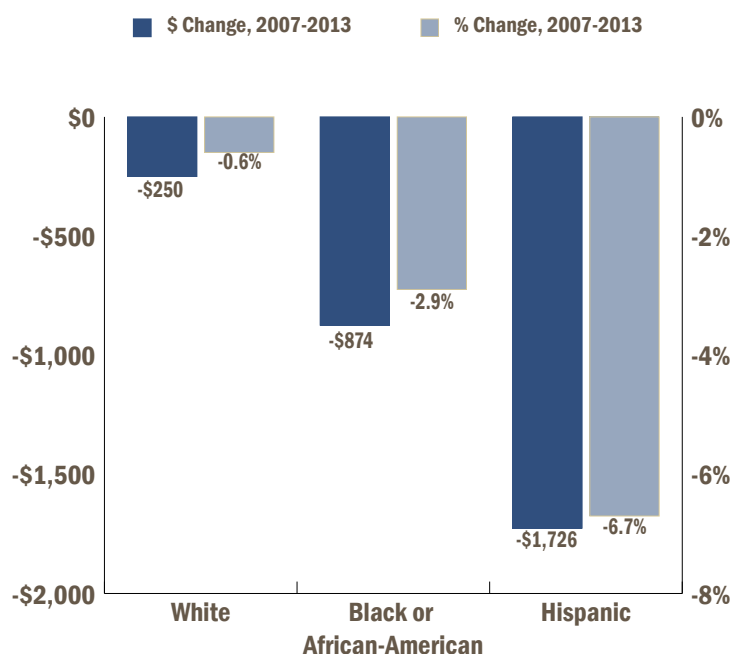
Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

Wages Down Sharply for Minorities

Declining wages in the wake of the recession are most worrisome for Georgia's two largest minority populations. Black workers make up 31 percent of the state's labor force and Hispanic workers account for 7 percent, and wages for both groups fell further than white workers during the downturn. The median wage for a typical white worker was less than 1 percent lower in 2013 than it was in 2007, compared to about 3 percent lower for black workers and almost 7 percent for Hispanic workers.

Wages Disproportionately Down Among Georgia Minorities

Annual median wage, by race and ethnicity



Source: Economic Policy Institute of Current Population Survey (CPS) data

The table below provides additional details about how wages differ among Georgia's three largest racial and ethnic groups. Black workers employed in low-wage jobs appear to be the hardest hit of any of these groups during the recession. A black worker in Georgia at the 20th percentile of the wage scale earned 10.2 percent less in 2013 than 2007, which is the equivalent of a \$2,142 cut in annual pay.

Minority Workers Lost Ground in Recession

Annual salary, by race and wage percentile, 2013 dollars

	2007	2008	2009	2010	2011	2012	2013	\$ Change, 2007-2013	% Change, 2007-2013
Typical Worker (Median)									
White	\$39,416	\$39,582	\$41,059	\$39,832	\$38,314	\$37,565	\$39,166	-\$250	-0.6%
Black or African-American	\$29,723	\$31,054	\$32,157	\$30,784	\$27,810	\$29,266	\$28,850	-\$874	-2.9%
Hispanic	\$25,605	\$27,019	\$26,957	\$23,858	\$23,629	\$25,064	\$23,878	-\$1,726	-6.7%
Low-Wage Worker (20th percentile)									
White	\$23,629	\$23,275	\$24,107	\$22,526	\$21,778	\$21,466	\$22,755	-\$874	-3.7%
Black or African-American	\$21,029	\$20,051	\$20,530	\$20,010	\$18,886	\$18,970	\$18,886	-\$2,142	-10.2%
Hispanic	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)	(a)

Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

(a) Does not meet standards for sample size

Men's Wages Fell More than Women's Due to Recession

Men still earn more than women on average in Georgia, but male workers experienced a bigger drop in pay due to the recession. Among both low-wage and mid-wage workers, paychecks shrank nearly twice as much for men as they did for women between 2007 and 2013:

- A typical **mid-wage** working male, one who earns the median wage, experienced a wage decrease of 4.8 percent from 2007 to 2013. That compares to a drop of 2.2 percent for mid-wage working women.
- A typical **low-wage** working male, or one who earns at the 20th percentile of the wage scale, saw his wages fall 10.3 percent from 2007 to 2013. That compares to a drop of 5.2 percent for low-wage working women.

The steeper drop in wages among men is likely due to large-scale job losses in Georgia's construction and manufacturing industries during the recession. More details on ways Georgia's jobs downturn varied across industries are available in the GBPI report "Bad Times for Good Jobs: Georgia's Shrinking Middle Class Opportunity."

Despite the trends during the recession, female workers in Georgia still typically earn less than their male counterparts. The typical male worker in Georgia earned nearly \$5,000 more in annual salary than his female counterpart in 2013. The gender wage gap among low-wage workers was about \$1,500 in 2013. The gender pay gap shrank for both low- and mid-wage workers due to the recessions as shown the next table.

Men's Wages Down More from Recession but Still Higher Overall

Annual salary by gender and wage percentile, 2013 dollars

	2007	2008	2009	2010	2011	2012	2013	\$ Change, 2007-2013	% Change, 2007-2013
Typical worker (Median)									
Male	\$37,918	\$39,874	\$40,186	\$39,749	\$36,858	\$37,274	\$36,088	-\$1,830	-4.8%
Female	\$31,845	\$32,448	\$33,051	\$31,699	\$29,973	\$29,994	\$31,138	-\$707	-2.2%
Gender Wage-Gap at Median	\$6,074	\$7,426	\$7,134	\$8,050	\$6,885	\$7,280	\$4,950	-\$1,123	-18.5%
Low-Wage Worker (20th percentile)									
Male	\$23,525	\$23,525	\$23,171	\$22,464	\$21,528	\$22,256	\$21,112	-\$2,413	-10.3%
Female	\$20,675	\$20,280	\$20,634	\$19,968	\$19,157	\$18,366	\$19,594	-\$1,082	-5.2%
Gender Wage Gap at 20 th percentile	\$2,850	\$3,245	\$2,538	\$2,496	\$2,371	\$3,890	\$1,518	-\$1,331	-46.7%

Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

Educated Georgians Not Immune from Falling Wages

The average worker in Georgia can still expect to earn considerably more as they complete additional years of formal education. But even among college graduates, wages remain depressed from the fallout of the economic downturn. The makeup of Georgia's workforce by educational level in 2013 was:

- 32.8 percent of Georgia workers held at least a **bachelor's degree**.
- 29.3 percent attended "**some college**," a category includes both technical school graduates and people who attended college but never finished.
- 28.5 percent of workers held a **high school** diploma or its equivalency but no additional formal education.
- 9.4 percent of workers did not receive a **high school** degree.

In the wake of the Great Recession, workers with less than a high school degree experienced the sharpest wage decline. The median wage for workers without a high school degree fell by 11 percent from 2007 to 2013, which is equivalent to a cut of about \$2,500 in annual pay. Wages also fell for typical college graduates in Georgia, who made 7.7 percent less in 2013 than in 2007. Georgia workers with either high school degrees or some college fared better.

Although wages fell for all educational groups in recent years, education still pays off, on average. The college premium, or difference in median wage between Georgia's high school and college graduates, stood at nearly \$24,000 in 2013. The value of graduating high school compared to dropping out is also high, as shown below.

More Education Means More Pay for Georgia Workers

Annual median salary by educational level, 2013 dollars

	2007	2008	2009	2010	2011	2012	2013	\$ Change, 2007-2013	% Change, 2007-2013
Less than high school	\$23,171	\$22,610	\$22,006	\$22,027	\$20,363	\$21,237	\$20,634	-\$2,538	-11.0%
High school	\$28,891	\$28,725	\$30,451	\$28,850	\$26,187	\$28,101	\$27,518	-\$1,373	-4.8%
Some college	\$31,720	\$32,261	\$33,197	\$31,512	\$29,474	\$29,890	\$30,118	-\$1,602	-5.0%
Bachelor's or higher	\$55,702	\$56,763	\$54,517	\$55,266	\$52,146	\$52,749	\$51,418	-\$4,285	-7.7%
Gap Between Typical High School Grad and Typical High School Dropout	\$5,720	\$6,115	\$8,445	\$6,822	\$5,824	\$6,864	\$6,885	\$1,165	20.4%
Gap Between Typical College Grad and Typical High School Grad	\$26,811	\$28,038	\$24,066	\$26,416	\$25,958	\$24,648	\$23,899	-\$2,912	-10.9%

Source: Economic Policy Institute analysis of Current Population Survey (CPS) data

Workers Face Obstacles to Affordable Health Coverage

Georgians' access to job-based health insurance declined significantly over the last decade. The share of Georgians age 18 to 64 years old with employer-sponsored health coverage fell to 57 percent from 70 percent over the years 2002-2003 to 2011-2012.* The decline in Georgia was about twice the national average, which fell to 60 percent from 67 percent.

More than 400,000 fewer working-age Georgians now get health coverage through their employer or their spouse's than a decade ago, despite the fact Georgia's population grew more than 10 percent in that span.

Not surprisingly, access to employer-sponsored coverage increases as workers climb the income ladder. More than eight in 10 Georgians with income above four times the annual poverty level, or \$79,000 for a family of three, carry employer-sponsored insurance. That compares to fewer than two in 10 Georgians below the poverty line, or \$19,790 for family of three.

Because much of the country's job growth is concentrated in low-wage industries, limited access to employer-coverage for lower-income Georgians will likely lead to fewer workers with private health coverage in the future. That makes public programs like Medicaid even more important. Georgia is refusing to expand Medicaid under the Affordable Care Act, which prevents about half a million Georgians from gaining coverage.

Low and Mid-Income Georgians Less Likely to Get Health Coverage Through Their Jobs

Adults Ages 18-64, Georgia 2011	0-100 % Federal Poverty Level (FPL)	100-200% FPL	200-300% FPL	300-400% FPL	>400% FPL	All Incomes
With health insurance coverage	49.4%	58.7%	74.0%	84.2%	92.3%	74.3%
With employer-based health insurance	19.3%	37.1%	59.2%	71.6%	81.7%	57.2%
With direct-purchase health insurance	6.1%	7.4%	8.5%	10.2%	10.1%	8.6%
With Medicare coverage	6.6%	6.7%	3.8%	2.7%	1.6%	3.9%
With Medicaid/means-tested public coverage	22.7%	12.4%	5.9%	3.0%	1.6%	8.3%
No health insurance coverage	50.6%	41.3%	26.0%	15.8%	7.7%	25.7%

Source: 2012 American Community Survey

* 2013 Community Population Survey (CPS). Data constraints require the use of two-year averages.

Conclusion

Georgia's economy continues its sluggish rebound from the Great Recession, and many workers and families are getting left behind. Unemployment remains above the norm, job quality is low and wages are mostly stagnant or declining. Black workers and Georgians with fewer years of education are struggling more than others to bounce back. For Georgians in the middle class and people striving to reach it, the labor market still seems years away from full economic recovery.

Turning the tide will require stronger, more broad-based recovery for the entire country, since state economies are closely tied to broader national and global trends. State lawmakers are somewhat limited in their ability to stimulate the private economy directly, but there are ways they can pave a better path for Georgia workers to earn a decent living.

GBPI lays out several available options in a pair of recent reports: [“At the Bottom of a Broken Ladder: A Profile of Georgia’s Low-Income Families”](#) and [“Bad Times for Good Jobs: Georgia’s Shrinking Middle Class Opportunity.”](#) Potential policy solutions are listed below, with additional details available in the above reports.

- **Fully fund the Hope Grant** to strengthen educational opportunities for working adults and young people seeking technical degrees.
- **Expand Medicaid** to make workers healthier, more productive and better-protected from unexpected injury or illness.
- **Boost funding for child-care subsidies** so parents don't have to choose between their family and their job.
- **Raise Georgia's minimum wage** or pass a state-level **Earned Income Tax Credit** to give lower-wage workers a raise.

Appendix: Georgia Unemployment Rates by County

County	June 2013	June 2014	June to June Change	2013 Annual Average
Appling County	11.3	9.5	-1.8	10.0
Atkinson County	12.1	9.9	-2.2	11.0
Bacon County	9	8.2	-0.8	8.3
Baker County	8	7.1	-0.9	7.8
Baldwin County	12.5	10.8	-1.7	11.2
Banks County	6.9	6.2	-0.7	6.3
Barrow County	7.9	6.9	-1	7.4
Bartow County	8.9	7.6	-1.3	8.2
Ben Hill County	11.9	9.4	-2.5	11.1
Berrien County	10.2	9.9	-0.3	9.4
Bibb County	9.6	8.7	-0.9	8.8
Bleckley County	16.4	14	-2.4	15.0
Brantley County	10.1	9.6	-0.5	9.5
Brooks County	8	6.8	-1.2	7.8
Bryan County	7.7	6.6	-1.1	7.1
Bulloch County	10.5	9.2	-1.3	9.2
Burke County	12.6	9.8	-2.8	11.2
Butts County	11.4	9.4	-2	9.8
Calhoun County	12.2	11	-1.2	11.1
Camden County	9.4	8.1	-1.3	8.5
Candler County	10.5	9.3	-1.2	9.9
Carroll County	10.2	8.6	-1.6	9.6
Catoosa County	7.2	6	-1.2	6.1
Charlton County	11	10.5	-0.5	10.3
Chatham County	8.7	7.7	-1	7.7
Chattahoochee County	18.5	16.5	-2	16.7
Chattooga County	10.1	8.9	-1.2	9.6
Cherokee County	7.1	6.2	-0.9	6.5
Clarke County	7.5	6.8	-0.7	6.4
Clay County	8.6	9.2	0.6	8.4
Clayton County	10.6	9.4	-1.2	9.9
Clinch County	10.6	9.4	-1.2	10.3
Cobb County	7.8	6.9	-0.9	7.1
Coffee County	12.3	11	-1.3	11.5
Colquitt County	10.4	9.6	-0.8	9.3
Columbia County	7.1	6.3	-0.8	6.3
Cook County	10.7	10.8	0.1	10.0
Coweta County	7.7	7.2	-0.5	7.4
Crawford County	9.2	7.8	-1.4	8.5
Crisp County	12.5	9.9	-2.6	11.5
Dade County	7.9	7.5	-0.4	7.1

County	June 2013	June 2014	June to June Change	2013 Annual Average
Dawson County	7.4	6.3	-1.1	6.7
Decatur County	11.6	10.2	-1.4	10.6
Dekalb County	8.9	7.8	-1.1	8.3
Dodge County	13.6	11.4	-2.2	11.5
Dooly County	13.9	12.7	-1.2	13.1
Dougherty County	10.8	9.7	-1.1	9.8
Douglas County	8.9	7.6	-1.3	8.3
Early County	8.2	8.7	0.5	7.3
Echols County	5.4	6.2	0.8	5.9
Effingham County	7.2	6.4	-0.8	6.7
Elbert County	10.7	8.5	-2.2	10.4
Emanuel County	13.4	10.6	-2.8	11.4
Evans County	8.3	7.1	-1.2	7.8
Fannin County	8.9	7.8	-1.1	8.4
Fayette County	8	7.1	-0.9	7.2
Floyd County	9.4	8.2	-1.2	8.8
Forsyth County	6.7	5.9	-0.8	6.0
Franklin County	10.2	8.5	-1.7	9.5
Fulton County	9.4	8.3	-1.1	8.6
Gilmer County	9.3	7.7	-1.6	8.7
Glascok County	12	10	-2	11.3
Glynn County	9.4	8.4	-1	8.9
Gordon County	9.7	8.5	-1.2	9.1
Grady County	7.6	7.3	-0.3	6.9
Greene County	8.8	7.9	-0.9	8.7
Gwinnett County	7.7	6.8	-0.9	7.1
Habersham County	8.2	7.1	-1.1	7.5
Hall County	7.2	6.4	-0.8	6.6
Hancock County	15.4	12	-3.4	16.0
Haralson County	9.5	7.9	-1.6	8.7
Harris County	6.9	6.3	-0.6	6.5
Hart County	10.7	8.9	-1.8	10.1
Heard County	10.6	9.1	-1.5	9.9
Henry County	9	7.9	-1.1	8.1
Houston County	8	7.3	-0.7	7.1
Irwin County	11.5	10.7	-0.8	11.1
Jackson County	8.2	7	-1.2	7.4
Jasper County	8.4	7.1	-1.3	8.2
Jeff Davis County	13.9	11.3	-2.6	12.2
Jefferson County	16.5	13.4	-3.1	14.7
Jenkins County	18	14.6	-3.4	16.2
Johnson County	13.6	11.7	-1.9	12.7
Jones County	7.8	6.7	-1.1	7.2
Lamar County	11.6	9.9	-1.7	10.4

County	June 2013	June 2014	June to June Change	2013 Annual Average
Lanier County	8.3	7.5	-0.8	7.2
Laurens County	11.1	9.8	-1.3	10.5
Lee County	7.4	6.7	-0.7	7.0
Liberty County	10.5	9.2	-1.3	9.5
Lincoln County	10.3	8.6	-1.7	9.7
Long County	7.6	7.3	-0.3	6.9
Lowndes County	9	8.4	-0.6	8.0
Lumpkin County	9.6	8.5	-1.1	8.6
Macon County	14.3	14	-0.3	9.3
Madison County	6.5	6	-0.5	10.1
Marion County	7.4	6.6	-0.8	14.2
McDuffie County	10	8.5	-1.5	5.8
McIntosh County	10.3	9.1	-1.2	7.1
Meriwether County	12.5	11.1	-1.4	11.0
Miller County	6.1	5.5	-0.6	5.6
Mitchell County	9.7	9	-0.7	8.7
Monroe County	9.1	7.2	-1.9	7.9
Montgomery County	11	10.1	-0.9	9.9
Morgan County	7.9	6.6	-1.3	7.2
Murray County	10.9	9.5	-1.4	10.7
Muscogee County	9.4	8.6	-0.8	8.9
Newton County	10	8.4	-1.6	9.2
Oconee County	5.6	4.9	-0.7	4.8
Oglethorpe County	6.7	5.5	-1.2	5.9
Paulding County	8.1	7.1	-1	7.4
Peach County	12	10.6	-1.4	10.7
Pickens County	7.6	6.6	-1	7.5
Pierce County	8.9	8.1	-0.8	8.1
Pike County	8.5	7.8	-0.7	8.4
Polk County	8.4	7.6	-0.8	7.9
Pulaski County	10.6	9.1	-1.5	9.6
Putnam County	9.7	8.4	-1.3	9.7
Quitman County	11	11.3	0.3	10.3
Rabun County	10.8	9	-1.8	10.6
Randolph County	11.9	11.4	-0.5	11.2
Richmond County	10.5	9.6	-0.9	9.4
Rockdale County	9.4	8.5	-0.9	9.0
Schley County	10.6	8.6	-2	10.0
Screven County	11.2	9.3	-1.9	10.6
Seminole County	9.4	8.8	-0.6	8.4
Spalding County	11.1	9.2	-1.9	10.7
Stephens County	8.4	7.2	-1.2	7.9
Stewart County	11.8	10.4	-1.4	11.0
Sumter County	12.9	11.8	-1.1	12.3

County	June 2013	June 2014	June to June Change	2013 Annual Average
Talbot County	9.5	8.1	-1.4	8.5
Taliaferro County	10	7.3	-2.7	9.0
Tattnall County	10.2	9.3	-0.9	9.6
Taylor County	10.7	9.7	-1	10.7
Telfair County	21.2	15.5	-5.7	15.6
Terrell County	9.2	8.4	-0.8	9.3
Thomas County	8	7.6	-0.4	7.2
Tift County	9.2	8.2	-1	8.7
Toombs County	10.9	9	-1.9	10.0
Towns County	8.5	7.3	-1.2	7.5
Treutlen County	13.6	11.6	-2	13.0
Troup County	9.5	8.5	-1	8.8
Turner County	8.3	7	-1.3	8.0
Twiggs County	12	8.8	-3.2	11.0
Union County	7.1	6.1	-1	6.6
Upson County	10.5	9.5	-1	10.2
Walker County	7.8	6.9	-0.9	7.1
Walton County	7.9	6.9	-1	7.5
Ware County	11.1	9.8	-1.3	10.3
Warren County	12.9	10.3	-2.6	12.5
Washington County	11.6	10.4	-1.2	10.8
Wayne County	11.3	10.7	-0.6	10.6
Webster County	8.2	8.1	-0.1	7.8
Wheeler County	11.4	10.1	-1.3	9.4
White County	8.3	6.9	-1.4	7.7
Whitfield County	11.1	9.2	-1.9	10.3
Wilcox County	13	11.9	-1.1	11.9
Wilkes County	10.9	9.2	-1.7	10.2
Wilkinson County	9.8	8.2	-1.6	9.0
Worth County	9	7.7	-1.3	8.2
Source: Bureau of Labor Statistics Local Area Unemployment Statistics (LAUS), retrieved 8/26/2014 Note: Unemployment rates by county not seasonally adjusted				