Washington State Economic Climate Study

Economic and Revenue Forecast Council
October 2006
Volume XI

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Prepared by the
Economic and Revenue Forecast Council

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Editor's Note

The 1996 Legislature passed Substitute House Bill 2758 creating the Economic Climate Council (ECC). The ECC is responsible for selecting a series of benchmarks that characterize the competitive environment of the state. The benchmarks are indicators of the quality of life, education and skills of the work force, infrastructure, and the costs of doing business.

To ensure public participation, the ECC established an advisory committee of six members to assist in the selection of the benchmarks. The advisory committee, along with staff of the House of Representatives, Senate, Office of Financial Management and other state agencies, including the staff of the Office of the Forecast Council, assisted in the preparation of the first report. The Economic and Revenue Forecast Council continues to function as the ECC. Each year the Office of the Economic and Revenue Forecast Council updates and publishes the Climate Study. This is the tenth annual Economic Climate Study.

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Executive Summary

This report updates the State of Washington's Economic Climate Study, last published October 2005. The study provides information about Washington's competitive standing in relation to the other U.S. states. It is based on the premise that, while improving productivity is primarily the domain of Washington's business sector, appropriate state and local policies, particularly those relating to education, public safety, infrastructure, cost of doing business, and the environment, are essential to promote higher standards of living.

The benchmarks considered in this study focus on the four themes specified in the Substitute House Bill 2758, RCW 82.33A: quality of life, education and skills of the workforce, infrastructure, and the cost of doing business. In addition, this study also presents economic performance indicators related to income, employment, population, research and development expenditures, and foreign trade. Overall, forty-one indicators are presented.

Recent Performance

In this year's climate study, thirty-five of the forty-one benchmarks and indicators were updated. Overall, the state's performance was positive. Of the thirty-one updated benchmarks and indicators that include ranks relative to the other states, Washington's rank improved in fifteen cases, regressed in twelve, and stayed the same in five. Of the thirty-three updated benchmarks and indicators that indicate year-to-year performance, the state improved in twenty cases, worsened in twelve and stayed the same in one. Six indicators and benchmarks were not updated due to the unavailability of updated data at the time of publication.

The area in which the state showed the most improvement was "Economic Performance." Out of the fourteen indicators that were updated in "Economic Performance," the state improved its performance in eleven and its ranking in five, with four rankings unchanged. State progress was mixed in the other areas with improvements roughly balanced with declines.

The following report is a snapshot of Washington's performance and ranking both compared to other states and itself historically. This analysis begins on page six with a description of each indicator and is then followed by an associated table and chart. Each table ranks the states based on its performance and each chart shows how Washington has fared over history. In each case, the ranking is from best to worst with a rank of one being the best.

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Indicator/Benchmark	Performance	Rank
Economic Performance		
Total Employment Growth Rate	Improved	Improved
Median Household Income	Improved	No Change
Per Capita Personal Income	Improved	Worsened
Per Capita Personal Income Growth Rate	Worsened	Worsened
Growth in High Wage Industries' Share of Total Employment	No Change	Worsened
Annual Earnings Per Job	Improved	Worsened
Annual Earnings Per Job Growth Rate	Worsened	Improved
Migration Rate	Improved	No Change
Foreign Exports	Improved	No Change
Foreign Exports Excluding Transportation Equipment	Improved	Improved
Per Capita University Research and Development Spending	Improved	Improved
Per Capita Industry Research and Development Spending	Improved	Worsened
Per Capita Total Research and Development Spending	Improved	No Change
Unemployment Rate	Improved	Improved
Quality of Life		
Homicide	Worsened	Improved
Violent Crime	Worsened	Improved
Arrest Rates for Violent Crime	Improved	Improved
Air Quality	Improved	Improved
Drinking Water	Improved	Improved
Toxins Released	Worsened	Worsened
State Health Index	Improved	Improved
State Parks and Recreation Areas	Worsened	Worsened
State Arts	Worsened	Worsened
Public Library Service	Improved	No Change
Housing Opportunity Index	N/A	N/A
Education and Skills of the Workforce		
Fourth Grade Reading	Not Updated	Not Updated
Fourth Grade Math	Not Updated	Not Updated
Tenth Grade WASL Scores	Improved	N/A
Student to Teacher Ratio	Worsened	Worsened
Education Attainment: Completed Four Years of High School or More	Not Updated	Not Updated
Education Attainment: Completed Bachelor's Degree or More	Not Updated	Not Updated
Total Public Two and Four Year Combined Participation Rate	Worsened	Worsened
Value Added per Hour of Labor in Manufacturing	Improved	Improved
Infrastructure		
Interstate Miles in Poor Condition	Worsened	Worsened
Urban Roadway Travel Time Index	Not Updated	Not Updated
FAA Air Traffic	Improved	Improved
Cost of Doing Business		
State and Local Tax Collections Per $1,000 Personal Income	Worsened	Worsened
Unemployment Insurance Costs	Worsened	Improved
Workers' Compensation Premium Costs	Not Updated	Not Updated
Electricity Costs	Improved	Improved
Average Wage by Occupation	N/A	N/A

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Economic Performance

Total Employment Growth Rate

While Washington suffered a greater percent decline in employment than the nation as a whole during the 2001 recession and subsequent "jobless recovery," it has also snapped back from the recovery at a faster rate than that of the nation. The state showed positive annual growth in 2003 while the U.S. showed negative growth, and outpaced the national growth rate in 2004 and 2005. Due to its faster growth, the state regained its pre-recession employment peak in December 2004, two months sooner than the U.S., despite having suffered sharper recessionary losses.

Most of the state's 2005 employment growth was accounted for by construction, trade, professional and business services, education and health services, and leisure and hospitality. Manufacturing employment also showed strong gains, led by the recovery in aerospace products and parts manufacturing.

Washington's 2005 employment growth rate of 2.9 percent ranked 9th in the nation. The nation's growth rate for the same period was 1.7 percent. While the state was near the bottom of the state rankings during the recession, subsequent growth has brought the state's five-year average rank to 18th, with a growth rate of 0.5 percent versus 0.3 percent for the nation as a whole.

Total Washington Payroll Employment

2001	2002	2003	2004	2005
2,697,000	2,654,100	2,657,800	2,701,000	2,779,100

Chart 1
Total Employment Growth Rate

Table 1
Economic Performance
Total Employment Growth Rate
(Percent)

	2001	2002	2003	2004	2005	2001-05
Alabama	-1.2	-1.3	-0.4	1.4	2.2	0.1
Alaska	1.9	2.0	1.5	1.6	1.9	1.8
Arizona	1.0	0.0	1.4	3.7	5.3	2.3
Arkansas	-0.4	-0.6	-0.1	1.1	1.8	0.3
California	0.8	-1.0	-0.5	1.0	1.8	0.4
Colorado	0.6	-1.9	-1.4	1.3	2.1	0.1
Connecticut	-0.7	-1.0	-1.2	0.3	0.8	-0.4
Delaware	-0.1	-1.2	0.0	2.2	1.6	0.5
Florida	1.3	0.1	1.1	3.4	4.0	2.0
Georgia	-0.2	-1.9	-0.6	1.4	2.6	0.3
Hawaii	0.7	0.3	1.9	2.8	3.2	1.8
Idaho	1.4	0.1	0.7	2.8	4.2	1.8
Illinois	-0.8	-1.9	-1.2	0.1	0.8	-0.6
Indiana	-2.2	-1.1	-0.2	1.2	0.9	-0.3
Iowa	-0.9	-1.2	-0.5	1.2	1.6	0.0
Kansas	0.2	-0.9	-1.7	1.0	0.8	-0.1
Kentucky	-1.1	-0.8	-0.3	0.9	1.5	0.0
Louisiana	-0.1	-1.0	0.5	0.5	-2.5	-0.5
Maine	0.8	-0.3	0.0	0.8	0.0	0.3
Maryland	0.6	0.4	0.4	1.1	1.5	0.8
Massachusetts	0.1	-2.4	-1.9	-0.1	0.5	-0.8
Michigan	-2.5	-1.7	-1.5	-0.3	-0.2	-1.3
Minnesotta	0.2	-0.9	-0.2	0.8	1.0	0.2
Mississippi	-2.0	-0.6	-0.8	0.9	0.5	-0.4
Missouri	-0.7	-1.2	-0.7	0.5	1.3	-0.1
Montana	1.1	1.1	1.2	2.6	2.3	1.7
Nebraska	0.6	-0.9	0.3	0.9	1.5	0.5
Nevada	2.4	0.1	3.5	5.9	6.2	3.6
New Hampshire	0.8	-1.4	-0.1	1.5	1.2	0.4
New Jersey	0.1	-0.3	-0.1	0.5	1.1	0.2
New Mexico	1.7	1.2	1.2	1.9	2.4	1.7
New York	-0.5	-1.5	-0.6	0.7	0.8	-0.2
North Carolina	-0.9	-1.6	-1.2	1.3	2.0	-0.1
North Dakota	0.6	0.0	0.8	1.6	2.1	1.0
Ohio	-1.5	-1.8	-0.9	0.2	0.4	-0.7
Oklahoma	1.2	-1.3	-1.9	1.1	2.5	0.3
Oregon	-0.8	-1.3	-0.7	2.9	3.1	0.7
Pennsylvania	-0.2	-0.7	-0.5	0.6	1.1	0.0
Rhode Island	0.4	0.2	1.0	0.9	0.6	0.6
South Carolina	-1.9	-1.0	0.2	1.4	1.5	0.0
South Dakota	0.2	-0.3	0.2	1.4	1.7	0.6
Tennessee	-1.5	-0.9	-0.1	1.6	1.4	0.1
Texas	0.9	-1.0	-0.5	1.4	2.5	0.7
Utah	0.5	-0.7	0.1	2.8	4.1	1.4
Vermont	1.1	-0.9	-0.0	1.3	0.8	0.4
Virginia	0.0	-0.6	0.1	2.5	2.4	0.9
Washington	**-0.5**	**-1.6**	**0.1**	**1.6**	**2.9**	**0.5**
West Virginia	-0.1	-0.3	-0.8	1.3	1.3	0.3
Wisconsin	-0.7	-1.1	-0.3	1.1	1.2	0.0
Wyoming	2.5	1.0	0.8	2.2	3.0	1.9
U.S. Average	-0.1	-1.0	-0.4	1.2	1.7	0.3
Washington's Rank	**35**	**44**	**17**	**15**	**9**	**18**

U.S. Bureau of Labor Statistics, August 2005. (www.bls.gov)

Median Household Income

A state's median household income is the level of income (before taxes) at which exactly half of that state's households earn more than that amount and half earn less. While it is related to average or per capita household income, an increase in average household income does not necessarily mean that median household income will increase and vice versa. Median income measures offer the advantage over average measures that they are not upwardly biased by the income levels of the highest-income households. Typically, the average or per capita household income of a state is higher than the median.

Median household income estimates for the states are produced annually by the U.S. Bureau of the Census and are published in Money Income in the United States. These estimates are derived from the annual Current Population Survey. As this survey's primary purpose is to arrive at national income and demographic numbers, however, estimates for individual states have substantial margins of error. To minimize these errors, the Census Bureau reports and recommends using two or three year moving averages for state median household income estimates. The resulting margins of error are reported by the Census Bureau and should be taken into account when making year-to-year or state-to-state comparisons. The 90 percent confidence interval for Washington's 2003-2005 median household income estimate is $695.

Washington's 2003-05 median household income of $50,885 was 10.5 percent greater than that of the nation as a whole. Despite increasing at a faster rate than the U.S. median, the state's rank remained at 14th. Washington's 5-year average remains well above the national average at $49,712, also ranking 14th. Washington's median household income has been higher than that of the nation for all of the years that the Current Population Survey has reported state estimates.

Chart 2
Median Household Income

Table 2
Economic Performance
Median Household Income
(Current Dollars at End of Period)

	1999-2001	2000-2002	2001-2003	2002-2004	2003-2005	2000-05*
Alabama	36,693	36,771	37,419	38,111	38,180	38,827
Alaska	55,426	55,412	55,143	54,627	55,935	57,671
Arizona	40,965	41,554	42,062	42,590	44,748	44,894
Arkansas	31,798	32,423	33,259	33,948	35,591	35,739
California	47,243	48,113	48,979	49,894	51,647	51,711
Colorado	50,053	49,617	50,224	51,022	52,011	52,587
Connecticut	52,887	53,325	55,004	55,970	57,369	57,778
Delaware	50,301	50,878	50,451	50,152	50,970	52,302
Florida	38,141	38,533	38,572	40,171	42,079	41,536
Georgia	42,508	43,316	43,535	43,217	44,439	45,376
Hawaii	49,232	49,775	49,839	53,123	57,572	55,276
Idaho	38,310	38,613	40,230	42,519	44,994	43,619
Illinois	47,578	45,906	45,607	45,787	47,978	48,243
Indiana	41,921	41,581	42,124	43,003	43,735	44,058
Iowa	42,255	41,827	41,985	43,042	45,086	45,001
Kansas	41,097	42,523	43,622	43,725	43,802	44,668
Kentucky	37,184	37,893	38,161	37,396	37,566	38,998
Louisiana	33,194	33,312	34,307	35,523	36,814	36,821
Maine	38,733	37,654	37,619	39,395	42,006	41,280
Maryland	55,013	55,912	55,213	56,763	58,347	59,061
Massachusetts	49,018	50,587	52,084	52,354	54,617	55,119
Michigan	46,929	45,335	45,176	44,476	45,793	46,685
Minnesota	52,804	54,931	54,480	55,914	56,084	57,128
Mississippi	33,305	32,447	31,887	33,659	34,508	34,062
Missouri	43,884	43,995	43,492	43,988	44,324	44,999
Montana	32,929	33,900	34,375	35,201	36,200	36,369
Nebraska	42,518	43,566	44,357	44,623	46,613	46,878
Nevada	45,493	46,289	46,118	46,984	48,314	48,763
New Hampshire	50,866	53,549	55,166	57,352	58,223	58,266
New Jersey	52,137	53,266	55,221	56,772	59,989	59,259
New Mexico	34,599	35,251	35,265	37,587	39,029	38,421
New York	42,157	42,432	43,160	44,228	46,242	46,145
North Carolina	39,040	38,432	38,096	39,000	41,067	40,985
North Dakota	35,830	36,717	38,212	39,594	41,869	40,875
Ohio	42,631	43,332	43,535	44,160	44,961	45,459
Oklahoma	34,554	35,500	36,733	38,281	38,895	39,106
Oregon	42,704	42,704	42,429	42,617	43,570	44,321
Pennsylvania	42,320	43,577	43,869	44,286	45,814	46,309
Rhode Island	44,825	44,311	45,205	46,199	48,823	48,588
South Carolina	38,362	38,460	38,791	39,326	40,350	40,742
South Dakota	38,407	38,755	39,829	40,518	42,525	42,487
Tennessee	36,542	36,329	37,529	38,550	39,524	39,646
Texas	40,547	40,659	40,934	41,275	41,959	42,904
Utah	48,378	48,537	49,143	50,614	53,226	52,768
Vermont	41,888	41,929	43,212	45,692	48,508	47,438
Virginia	49,085	49,974	52,587	53,275	54,301	54,437
Washington	**44,835**	**44,252**	**45,960**	**48,688**	**50,885**	**49,712**
West Virginia	30,342	30,072	31,210	32,589	35,234	34,059
Wisconsin	46,734	46,351	46,782	47,220	47,004	48,170
Wyoming	40,007	40,499	41,501	43,641	45,598	44,752
U.S. Average**	42,873	43,052	43,527	44,473	46,037	46,144
Washington's Rank	**18**	**19**	**16**	**14**	**14**	**14**

Source: U.S. Department of Commerce, Bureau of the Census.
*Average of yearly estimates in 2005 dollars.
**U.S. average includes the District of Columbia.

Per Capita Personal Income

The Bureau of Economic Analysis defines personal income as the sum of earnings, dividends, interest, rent, and transfer payments. Per capita personal income is derived by dividing the total personal income of a region by its population. In 2005, Washington had a total personal income of $221.5 billion and a population of 6.3 million, for a per capita personal income of $35,234. This level of income ranked 16th among the states and was above the national average of $34,495. Washington has performed well in this measure for the last five years, ranking 13th during that period.

Most of Washington's personal income derives from earnings, which consists mainly of wages and salaries but also includes proprietor's income and other labor income. In 2005, net earnings by place of residence for Washington residents totaled $155.2 billion, which accounted for 70.0 percent of total personal income. Income from transfer payments was $29.8 billion, and income from dividends, interest, and rent was $36.6 billion. These income sources represented 13.5 and 16.5 percent of total personal income respectively.

Chart 3
Per Capita Personal Income

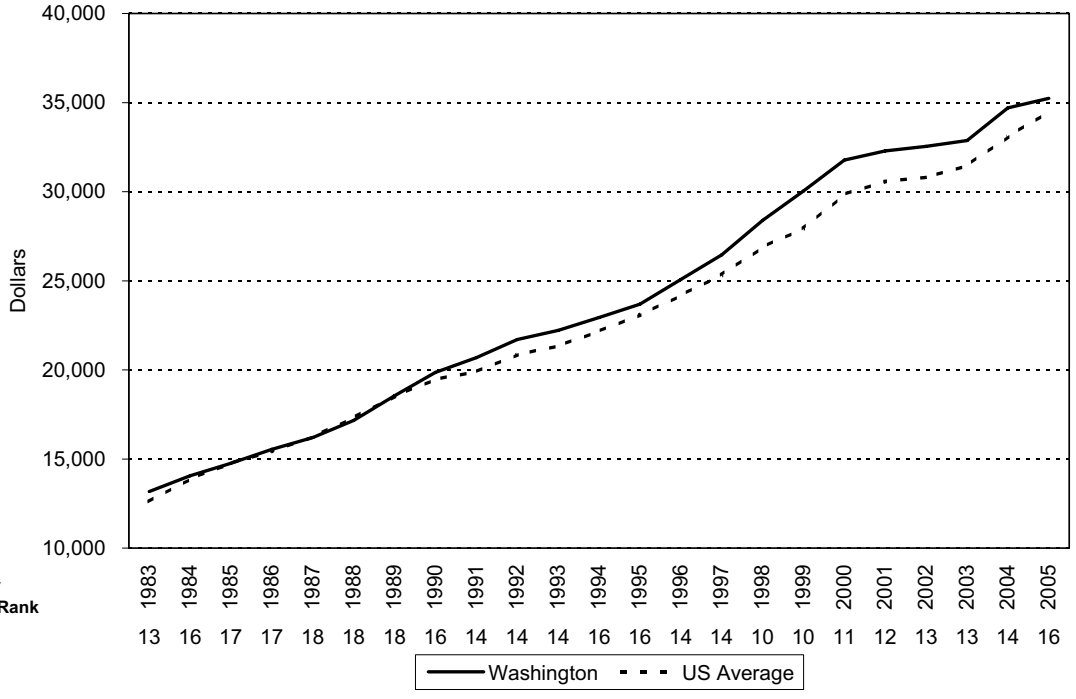


Table 3
Economic Performance
Per Capita Personal Income
(Dollars)

	2001	2002	2003	2004	2005	2001-05
Alabama	24,717	25,409	26,341	28,054	29,623	26,829
Alaska	31,711	32,343	32,588	33,761	35,433	33,167
Arizona	26,219	26,507	27,044	28,644	30,157	27,714
Arkansas	23,023	23,363	24,380	25,783	26,641	24,638
California	32,882	32,803	33,406	35,278	36,890	34,252
Colorado	34,493	34,027	34,056	35,766	37,459	35,160
Connecticut	42,930	42,505	42,737	45,412	47,519	44,221
Delaware	32,105	32,925	33,620	35,484	37,084	34,244
Florida	29,273	29,709	30,341	32,577	34,099	31,200
Georgia	28,592	28,544	28,766	29,737	31,191	29,366
Hawaii	28,748	29,464	30,286	32,626	34,468	31,118
Idaho	25,019	25,185	25,354	27,302	28,398	26,252
Illinois	32,532	32,869	33,789	34,811	36,264	34,053
Indiana	27,406	28,023	28,884	30,158	31,150	29,124
Iowa	27,106	28,081	28,577	30,965	31,795	29,305
Kansas	28,718	28,980	29,780	31,312	32,948	30,348
Kentucky	24,920	25,404	25,819	27,039	28,317	26,300
Louisiana	24,692	25,194	25,805	27,082	24,582	25,471
Maine	27,292	27,756	28,732	29,897	30,808	28,897
Maryland	35,627	36,533	37,437	39,790	41,996	38,277
Massachusetts	38,953	38,985	39,611	41,799	43,702	40,610
Michigan	29,946	30,227	31,129	31,711	32,735	31,150
Minnesota	32,616	33,237	34,328	36,215	37,322	34,744
Mississippi	21,955	22,321	23,028	23,943	24,925	23,234
Missouri	27,809	28,358	29,102	30,117	31,299	29,337
Montana	24,676	25,065	26,227	27,694	28,906	26,514
Nebraska	28,682	29,182	30,718	31,961	32,988	30,706
Nevada	30,727	30,736	31,773	34,058	35,780	32,615
New Hampshire	33,868	34,043	34,598	36,533	37,835	35,375
New Jersey	39,148	39,296	39,749	41,893	43,822	40,782
New Mexico	24,085	24,246	24,849	26,690	27,912	25,556
New York	35,612	35,357	35,987	38,446	40,072	37,095
North Carolina	27,493	27,510	27,919	29,579	31,029	28,706
North Dakota	25,879	26,427	28,651	29,021	31,230	28,242
Ohio	28,601	29,212	29,815	30,769	31,867	30,053
Oklahoma	26,015	25,861	26,417	28,370	29,908	27,314
Oregon	28,507	28,924	29,377	30,823	32,174	29,961
Pennsylvania	30,281	31,016	31,843	33,367	34,848	32,271
Rhode Island	30,687	31,478	32,594	33,940	35,219	32,784
South Carolina	24,994	25,361	25,863	27,077	28,212	26,301
South Dakota	26,949	27,087	29,364	31,340	32,642	29,476
Tennessee	26,870	27,490	28,352	29,648	30,952	28,662
Texas	29,045	28,846	29,398	30,761	32,604	30,131
Utah	24,738	24,895	24,958	26,191	27,497	25,656
Vermont	28,951	29,291	30,284	31,491	32,731	30,550
Virginia	32,505	33,013	33,973	35,698	37,552	34,548
Washington	**32,291**	**32,549**	**32,874**	**34,699**	**35,234**	**33,529**
West Virginia	23,261	24,002	23,941	24,962	26,029	24,439
Wisconsin	29,400	30,025	30,754	32,112	33,251	31,108
Wyoming	30,305	30,986	32,704	35,028	37,270	33,259
U.S. Average*	30,574	30,810	31,463	33,090	34,495	32,086
Washington's Rank	**12**	**13**	**13**	**14**	**16**	**13**

*The U.S. Average includes Washington D.C., which makes it higher than the 50 State Average.
Source: Bureau of Economic Analysis, U.S. Department of Commerce, September 26, 2006.

Per Capita Personal Income Growth Rate

The growth rate of per capita personal income is affected by the growth rate of the components of total personal income as well as the growth rate of population. From 2004 to 2005, Washington total personal income grew by 2.9 percent while population grew at 1.3 percent. As a result, per capita personal income grew by 1.5 percent, which ranked 49th among the states. During the same period, U.S. total personal income grew by 5.2 percent while its population grew at 0.9 percent, for a per capita personal income growth rate of 4.2 percent.

It should be noted that the growth rate of Washington's per capita personal income in 2005 was reduced by Microsoft's December 2004 special dividend. Of the approximately $32 billion distributed in the one-time dividend, the U.S. Bureau of Economic Analysis (BEA) estimated that $24.9 billion was distributed to individuals in the U.S. as personal income. Due to the presence of several large shareholders in the state, the BEA attributed $5.6 billion of the dividend to Washington residents. This raised the 2004 growth rate and lowered the 2005 rate. Without the special dividend, Washington's per capita personal income growth rate for 2004 would have been 2.8 percent, ranking 48th, and its 2005 rate would have been 4.3 percent, ranking 30th. U.S. per capita personal income growth would have been 4.9 percent in 2004 and 4.5 percent in 2005 without the dividend.

While Washington's per capita personal income is considerably higher than that of the U.S., its growth rate has slowed in recent years. The state's 2001-05 average rate of growth was only 2.1 percent, below the national average of 3.0 percent and ranking 48th among the states.

Chart 4
Per Capita Personal Income Growth Rate

Table 4
Economic Performance
Per Capita Personal Income Growth Rate
(Percent)

	2001	2002	2003	2004	2005	2001-05
Alabama	4.0	2.8	3.7	6.5	5.6	4.5
Alaska	6.2	2.0	0.8	3.6	5.0	3.5
Arizona	2.2	1.1	2.0	5.9	5.3	3.3
Arkansas	5.0	1.5	4.4	5.8	3.3	4.0
California	1.3	-0.2	1.8	5.6	4.6	2.6
Colorado	3.4	-1.4	0.1	5.0	4.7	2.4
Connecticut	3.5	-1.0	0.5	6.3	4.6	2.8
Delaware	4.0	2.6	2.1	5.5	4.5	3.7
Florida	2.7	1.5	2.1	7.4	4.7	3.7
Georgia	2.2	-0.2	0.8	3.4	4.9	2.2
Hawaii	1.1	2.5	2.8	7.7	5.6	4.0
Idaho	3.9	0.7	0.7	7.7	4.0	3.4
Illinois	1.1	1.0	2.8	3.0	4.2	2.4
Indiana	1.0	2.3	3.1	4.4	3.3	2.8
Iowa	2.1	3.6	1.8	8.4	2.7	3.7
Kansas	3.7	0.9	2.8	5.1	5.2	3.5
Kentucky	2.1	1.9	1.6	4.7	4.7	3.0
Louisiana	7.0	2.0	2.4	4.9	-9.2	1.4
Maine	5.1	1.7	3.5	4.1	3.0	3.5
Maryland	4.0	2.5	2.5	6.3	5.5	4.2
Massachusetts	3.2	0.1	1.6	5.5	4.6	3.0
Michigan	1.3	0.9	3.0	1.9	3.2	2.1
Minnesota	1.9	1.9	3.3	5.5	3.1	3.1
Mississippi	4.5	1.7	3.2	4.0	4.1	3.5
Missouri	2.1	2.0	2.6	3.5	3.9	2.8
Montana	7.6	1.6	4.6	5.6	4.4	4.8
Nebraska	3.8	1.7	5.3	4.0	3.2	3.6
Nevada	1.0	0.0	3.4	7.2	5.1	3.3
New Hampshire	1.4	0.5	1.6	5.6	3.6	2.5
New Jersey	2.0	0.4	1.2	5.4	4.6	2.7
New Mexico	8.8	0.7	2.5	7.4	4.6	4.8
New York	2.0	-0.7	1.8	6.8	4.2	2.8
North Carolina	1.6	0.1	1.5	5.9	4.9	2.8
North Dakota	3.1	2.1	8.4	1.3	7.6	4.5
Ohio	1.4	2.1	2.1	3.2	3.6	2.5
Oklahoma	6.6	-0.6	2.1	7.4	5.4	4.2
Oregon	1.5	1.5	1.6	4.9	4.4	2.8
Pennsylvania	2.0	2.4	2.7	4.8	4.4	3.3
Rhode Island	5.0	2.6	3.5	4.1	3.8	3.8
South Carolina	2.3	1.5	2.0	4.7	4.2	2.9
South Dakota	4.8	0.5	8.4	6.7	4.2	4.9
Tennessee	3.0	2.3	3.1	4.6	4.4	3.5
Texas	2.6	-0.7	1.9	4.6	6.0	2.9
Utah	3.6	0.6	0.3	4.9	5.0	2.9
Vermont	4.6	1.2	3.4	4.0	3.9	3.4
Virginia	4.6	1.6	2.9	5.1	5.2	3.9
Washington	**1.6**	**0.8**	**1.0**	**5.6**	**1.5**	**2.1**
West Virginia	6.2	3.2	-0.3	4.3	4.3	3.5
Wisconsin	2.9	2.1	2.4	4.4	3.5	3.1
Wyoming	6.5	2.2	5.5	7.1	6.4	5.6
U.S. Average*	2.4	0.8	2.1	5.2	4.2	3.0
Washington's Rank	**40**	**34**	**43**	**20**	**49**	**48**

*The U.S. Average includes Washington D.C.
Source: Bureau of Economic Analysis, U.S. Department of Commerce, September 26, 2006.

Growth in High Wage Industries' Share of Total Employment

This indicator has been revised in the current edition of the Climate Study to show how much the share of total employment in the states' economies that can be classified as "high wage" changes annually. In previous editions, the measure indicated the ratio of high wage jobs to all new jobs in a given year, which led to interpretation problems when one or both measures were negative. The current measure is simply the percent share of jobs that are high wage in a given year minus the percent share of the previous year.

In the measure, "high wage jobs" are classified as those in industries that have higher wages than the national average wage as calculated using wage and employment statistics from the U.S. Bureau of Economic Analysis (BEA). It should be noted that the BEA employment statistics that this measure uses are slightly different from the U.S. Bureau of Labor Statistics (BLS) employment statistics reported elsewhere in this publication. As the data is classified by the Standard Industrial Classification (SIC) system through 2000 but is classified by the North American Industry Classification System (NAICS) in 2001 through 2005, a growth rate could not be determined for 2000-01.

As measured here, the ratio of high wage jobs to total jobs has been declining since 1998 in both Washington and the U.S. as a whole. The negative values may be due to the use of the U.S. average wage to define high-wage jobs. As the average wage may be skewed higher by the presence of a relatively small number of exceptionally high-paid workers, the presence of such workers will cause the average wage to grow faster than the median wage, resulting in more "low wage" workers for those years. There are, however, no BEA data on median wages to make this comparison.

While Washington ranked well in maintaining its share of high wage jobs in the late 1990s, since that time it has fallen behind the rest of the nation, with the exception of 2001. While it has since maintained its share at the same rate as the U.S. as a whole, its ranking dropped in the following years, landing at 37th in 2005 and 39th in the 2000-05 average.

Chart 5
Economic Performance
Change in High Wage Industries' Share of Total Employment

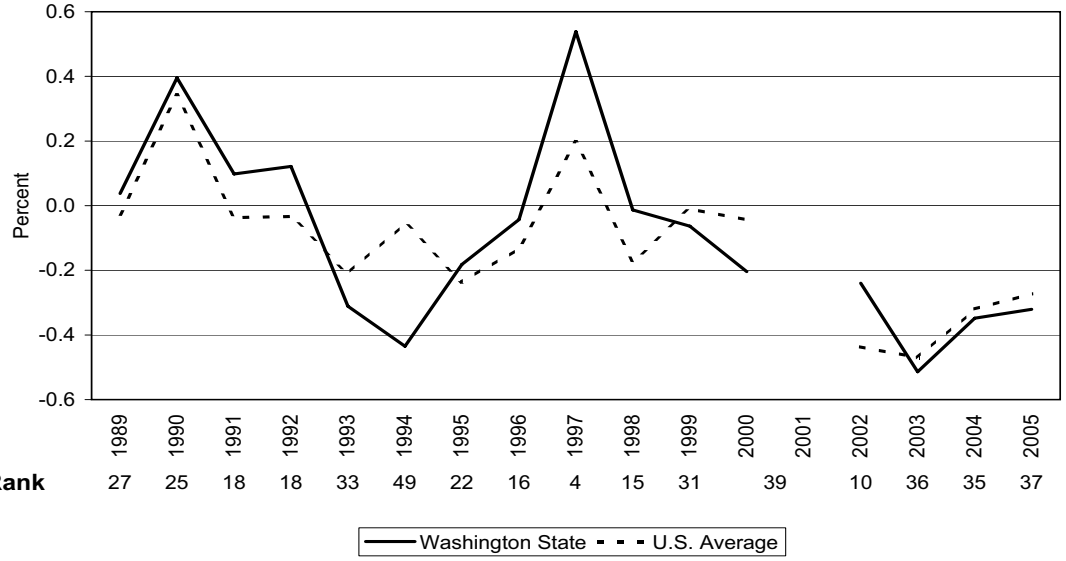


Table 5
Economic Performance
Change in High Wage Industries' Share of Total Employment
(Percent)

	2000	2002	2003	2004	2005	2000-05
Alabama	0.2	-0.1	-0.2	-0.0	-0.2	-0.1
Alaska	0.0	-0.5	0.4	-1.1	-0.0	-0.2
Arizona	0.1	-0.4	-0.6	-0.5	-0.7	-0.4
Arkansas	0.2	-0.3	-0.3	-0.3	-0.1	-0.2
California	0.1	-0.6	-0.7	-0.3	-0.2	-0.4
Colorado	-0.2	-0.5	-0.4	-0.2	-0.3	-0.3
Connecticut	-0.4	-0.6	-0.6	-0.5	-0.5	-0.5
Delaware	-0.4	-0.3	-0.4	-0.6	-0.5	-0.4
Florida	0.2	-0.3	-0.4	-0.4	-0.4	-0.3
Georgia	-0.0	-0.3	-0.6	-0.3	-0.6	-0.4
Hawaii	0.1	0.1	-0.5	-0.1	-0.5	-0.2
Idaho	0.1	-0.3	-0.5	-0.0	-0.1	-0.2
Illinois	-0.3	-0.5	-0.7	-0.4	-0.3	-0.5
Indiana	-0.2	-0.3	-0.2	-0.4	-0.3	-0.3
Iowa	0.1	-0.3	-0.2	0.1	-0.2	-0.1
Kansas	-0.0	-0.5	-0.4	-0.2	-0.2	-0.3
Kentucky	0.3	-0.4	-0.2	-0.3	-0.1	-0.2
Louisiana	-0.3	-0.2	-0.3	-0.4	0.0	-0.2
Maine	0.2	-0.4	-0.3	-0.2	-0.3	-0.2
Maryland	-0.2	-0.4	-0.4	-0.3	-0.3	-0.3
Massachusetts	-0.2	-0.8	-0.9	-0.4	-0.2	-0.5
Michigan	-0.1	-0.5	-0.7	-0.5	-0.4	-0.4
Minnesota	-0.1	-0.7	-0.6	-0.1	-0.2	-0.3
Mississippi	-0.1	-0.2	-0.1	-0.3	-0.3	-0.2
Missouri	-0.0	-0.4	-0.4	-0.2	-0.3	-0.3
Montana	-0.1	-0.3	0.0	-0.2	-0.2	-0.1
Nebraska	0.1	0.8	-0.2	-0.0	-0.1	0.1
Nevada	0.1	0.3	-0.7	-0.2	-0.3	-0.2
New Hampshire	0.2	-0.8	-0.6	-0.3	-0.0	-0.3
New Jersey	-0.2	-0.9	-0.7	-0.2	-0.2	-0.4
New Mexico	0.2	-0.4	-0.4	-0.0	-0.1	-0.1
New York	-0.1	-0.7	-0.6	-0.3	-0.2	-0.4
North Carolina	0.3	-0.3	-0.3	-0.1	-0.1	-0.1
North Dakota	0.3	-0.2	0.4	-0.1	-0.0	0.1
Ohio	-0.2	-0.4	-0.3	-0.4	-0.2	-0.3
Oklahoma	-0.1	-0.2	-0.1	-0.3	-0.0	-0.1
Oregon	0.1	-0.4	-0.6	-0.3	-0.2	-0.3
Pennsylvania	-0.2	-0.5	-0.3	-0.4	-0.3	-0.3
Rhode Island	-0.5	-0.7	-0.0	-0.3	-0.0	-0.3
South Carolina	0.5	-0.2	-0.4	-0.4	-0.1	-0.1
South Dakota	0.1	-0.2	0.0	-0.3	-0.1	-0.1
Tennessee	-0.2	-0.3	-0.4	-0.3	-0.3	-0.3
Texas	-0.0	-0.3	-0.2	-0.3	-0.3	-0.2
Utah	-0.0	-0.3	-0.3	-0.2	-0.1	-0.2
Vermont	0.0	-0.9	-0.2	-0.2	-0.4	-0.3
Virginia	0.2	-0.4	-0.5	-0.2	-0.2	-0.2
Washington	**-0.2**	**-0.2**	**-0.5**	**-0.3**	**-0.3**	**-0.3**
West Virginia	-0.3	-0.1	-0.2	-0.4	-0.2	-0.3
Wisconsin	-0.1	-0.4	-0.5	-0.2	-0.2	-0.3
Wyoming	-0.3	-0.6	0.3	-0.2	0.3	-0.1
U.S. Average	-0.0	-0.4	-0.5	-0.3	-0.3	-0.3
Washington's Rank	**39**	**10**	**36**	**35**	**37**	**39**

Source: Washington State Office of the Forecast Council based on employment and personal income data provided by the U.S. Department of Commerce, Bureau of Economic Analysis, September 2006.

Annual Earnings Per Job

The Bureau of Economic Analysis defines earnings as salary income, other labor income, and proprietors' income. Historically, Washington has ranked high in annual earnings per job due to the presence in its economy of large firms in both manufacturing and technology sectors. Washington's national rank in this measure has been 12th or higher for the last ten years. The state's 2005 rank is 11th.

Washington's average annual earnings per job increased to $47,097 in 2005, up $1,195 from 2004 and $1,250 above the national average of $45,847. The state's five-year average of $44,577 ranked 10th in the nation.

2005 Annual Earnings Per Job
Top 10 States

	2005	Rank
Connecticut	$59,215	1
New York	$58,611	2
New Jersey	$55,730	3
Massachusetts	$54,658	4
California	$51,863	5
Delaware	$50,841	6
Illinois	$49,463	7
Maryland	$49,285	8
Virginia	$48,336	9
Texas	$47,289	10

Chart 6
Annual Earnings Per Job

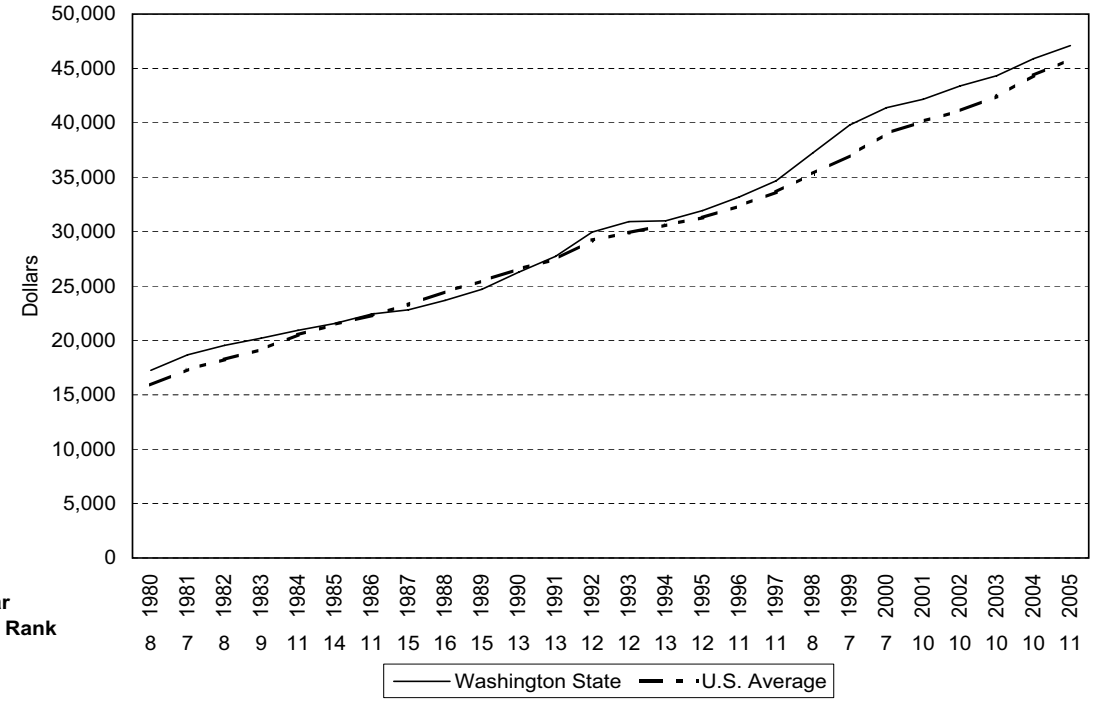


Table 6
Economic Performance
Annual Earnings Per Job
(Dollars)

	2001	2002	2003	2004	2005	2001-05
Alabama	33,624	34,920	36,352	37,821	39,324	36,408
Alaska	40,381	41,464	43,089	44,472	46,094	43,100
Arizona	36,782	37,834	38,506	40,481	42,372	39,195
Arkansas	30,195	30,814	32,813	34,482	35,052	32,671
California	45,168	46,009	47,548	50,054	51,863	48,128
Colorado	41,842	42,391	43,067	45,309	46,945	43,911
Connecticut	52,593	53,124	54,351	57,192	59,215	55,295
Delaware	43,184	44,882	46,511	48,321	50,841	46,748
Florida	34,604	35,710	36,802	38,379	40,247	37,148
Georgia	39,548	40,268	41,032	42,726	44,155	41,546
Hawaii	35,142	37,141	38,644	40,737	42,291	38,791
Idaho	30,772	31,270	31,582	33,571	34,685	32,376
Illinois	43,165	44,540	46,680	48,128	49,463	46,395
Indiana	34,976	36,437	38,383	39,790	40,593	38,036
Iowa	30,425	31,574	33,088	35,741	36,200	33,406
Kansas	32,687	33,397	35,373	37,294	38,938	35,538
Kentucky	32,730	33,928	35,203	36,680	38,177	35,344
Louisiana	33,367	34,297	35,460	36,939	36,135	35,240
Maine	31,174	31,985	33,266	34,629	35,465	33,304
Maryland	42,240	43,875	45,137	47,405	49,285	45,588
Massachusetts	48,654	49,407	50,538	53,458	54,658	51,343
Michigan	42,217	43,502	45,257	45,732	46,709	44,683
Minnesota	38,400	39,654	41,037	43,067	43,718	41,175
Mississippi	29,421	29,987	31,741	33,118	34,107	31,675
Missouri	34,745	35,912	36,983	38,360	39,426	37,085
Montana	27,529	27,908	29,296	30,879	32,334	29,589
Nebraska	31,861	32,644	35,060	36,364	37,212	34,628
Nevada	38,398	39,119	40,107	42,143	44,080	40,769
New Hampshire	38,169	39,238	40,433	42,513	43,880	40,847
New Jersey	49,786	51,088	52,111	54,174	55,730	52,578
New Mexico	32,671	33,547	34,290	36,133	37,440	34,816
New York	52,535	52,761	53,655	56,491	58,611	54,811
North Carolina	35,475	36,119	37,230	38,862	40,428	37,623
North Dakota	28,071	28,583	32,170	32,286	34,560	31,134
Ohio	36,584	37,960	39,362	40,622	41,641	39,234
Oklahoma	32,765	32,935	34,464	36,937	38,340	35,088
Oregon	35,924	37,237	38,441	39,901	41,287	38,558
Pennsylvania	39,172	40,506	42,125	44,082	45,418	42,261
Rhode Island	38,133	39,475	41,460	43,125	44,428	41,324
South Carolina	32,803	33,766	34,985	36,315	37,631	35,100
South Dakota	28,409	28,355	31,614	33,130	33,929	31,087
Tennessee	35,051	36,638	37,986	39,477	40,748	37,980
Texas	41,465	41,837	42,885	45,213	47,289	43,738
Utah	33,211	34,090	34,539	36,295	37,794	35,186
Vermont	31,481	32,144	33,543	35,156	36,180	33,701
Virginia	41,237	42,359	43,703	46,266	48,336	44,380
Washington	**42,175**	**43,386**	**44,323**	**45,902**	**47,097**	**44,577**
West Virginia	31,922	32,655	33,791	35,363	36,584	34,063
Wisconsin	34,759	36,031	37,337	38,804	39,684	37,323
Wyoming	31,587	32,305	33,753	35,853	38,023	34,304
U.S. Average	40,164	41,116	42,433	44,360	45,847	42,784
Washington's Rank	**10**	**10**	**10**	**10**	**11**	**10**

Source: US Department of Commerce, Bureau of Economic Analysis (www.bea.gov), September 2006.

Annual Earnings Per Job Growth Rate

From 2004 to 2005 Washington earnings per job grew at a rate of 2.6 percent. Although this rate was below the national average, it increased the state's rank from 45th to 38th. While high rates of growth in the past, especially in the late 1990s, have left the level of Washington's annual earnings per job comfortably higher than the U.S. measure, the State's earnings per job growth rate has slowed of late, with a five-year average growth rate of 2.6 percent ranking 48th among the states.

Chart 7
Annual Earnings Per Job Growth Rate

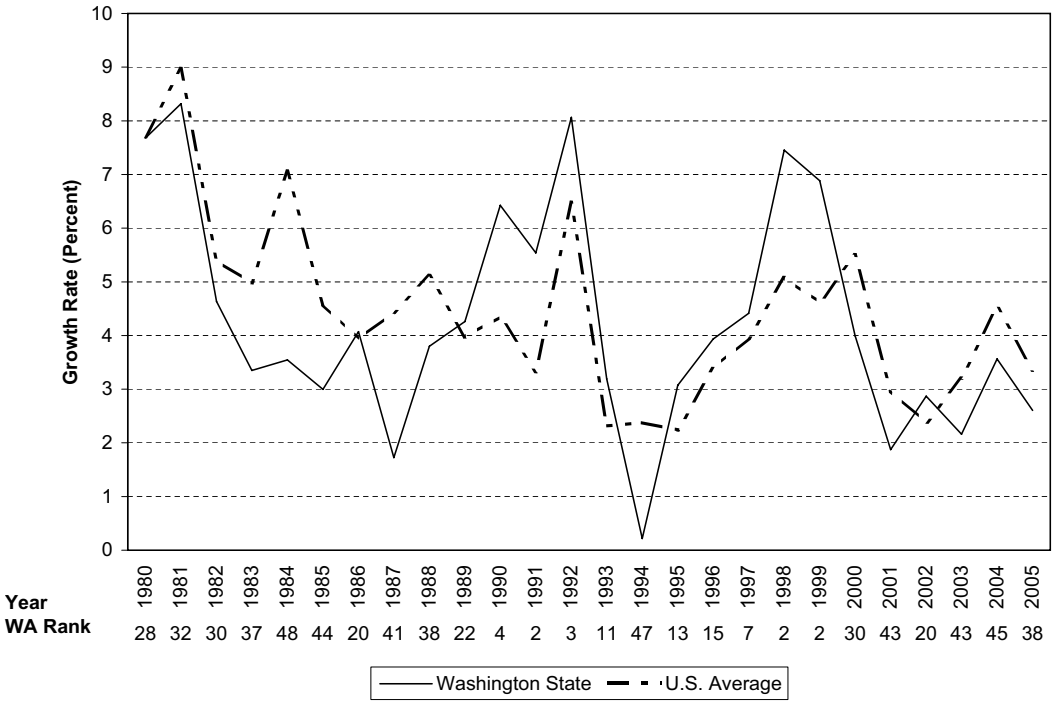


Table 7
Economic Performance
Annual Earnings Per Job Growth Rate
(Dollars)

	2001	2002	2003	2004	2005	2001-05
Alabama	5.5	3.9	4.1	4.0	4.0	4.3
Alaska	7.2	2.7	3.9	3.2	3.6	4.1
Arizona	3.0	2.9	1.8	5.1	4.7	3.5
Arkansas	5.4	2.1	6.5	5.1	1.7	4.1
California	1.4	1.9	3.3	5.3	3.6	3.1
Colorado	4.9	1.3	1.6	5.2	3.6	3.3
Connecticut	4.2	1.0	2.3	5.2	3.5	3.3
Delaware	7.1	3.9	3.6	3.9	5.2	4.7
Florida	1.9	3.2	3.1	4.3	4.9	3.5
Georgia	3.4	1.8	1.9	4.1	3.3	2.9
Hawaii	1.3	5.7	4.0	5.4	3.8	4.1
Idaho	3.4	1.6	1.0	6.3	3.3	3.1
Illinois	2.3	3.2	4.8	3.1	2.8	3.2
Indiana	2.6	4.2	5.3	3.7	2.0	3.6
Iowa	2.6	3.8	4.8	8.0	1.3	4.1
Kansas	3.8	2.2	5.9	5.4	4.4	4.3
Kentucky	3.3	3.7	3.8	4.2	4.1	3.8
Louisiana	6.4	2.8	3.4	4.2	-2.2	2.9
Maine	5.7	2.6	4.0	4.1	2.4	3.8
Maryland	4.9	3.9	2.9	5.0	4.0	4.1
Massachusetts	1.8	1.5	2.3	5.8	2.2	2.7
Michigan	2.8	3.0	4.0	1.0	2.1	2.6
Minnesota	2.4	3.3	3.5	4.9	1.5	3.1
Mississippi	4.6	1.9	5.8	4.3	3.0	3.9
Missouri	2.6	3.4	3.0	3.7	2.8	3.1
Montana	7.5	1.4	5.0	5.4	4.7	4.8
Nebraska	4.4	2.5	7.4	3.7	2.3	4.1
Nevada	2.7	1.9	2.5	5.1	4.6	3.4
New Hampshire	1.9	2.8	3.0	5.1	3.2	3.2
New Jersey	1.4	2.6	2.0	4.0	2.9	2.6
New Mexico	8.9	2.7	2.2	5.4	3.6	4.6
New York	2.0	0.4	1.7	5.3	3.8	2.6
North Carolina	3.5	1.8	3.1	4.4	4.0	3.4
North Dakota	1.9	1.8	12.5	0.4	7.0	4.7
Ohio	2.4	3.8	3.7	3.2	2.5	3.1
Oklahoma	7.2	0.5	4.6	7.2	3.8	4.7
Oregon	2.3	3.7	3.2	3.8	3.5	3.3
Pennsylvania	1.9	3.4	4.0	4.6	3.0	3.4
Rhode Island	4.7	3.5	5.0	4.0	3.0	4.0
South Carolina	3.8	2.9	3.6	3.8	3.6	3.5
South Dakota	3.8	-0.2	11.5	4.8	2.4	4.5
Tennessee	4.6	4.5	3.7	3.9	3.2	4.0
Texas	3.7	0.9	2.5	5.4	4.6	3.4
Utah	5.3	2.6	1.3	5.1	4.1	3.7
Vermont	4.1	2.1	4.4	4.8	2.9	3.7
Virginia	5.4	2.7	3.2	5.9	4.5	4.3
Washington	**1.9**	**2.9**	**2.2**	**3.6**	**2.6**	**2.6**
West Virginia	5.0	2.3	3.5	4.7	3.5	3.8
Wisconsin	3.8	3.7	3.6	3.9	2.3	3.5
Wyoming	6.9	2.3	4.5	6.2	6.1	5.2
U.S. Average	3.0	2.4	3.2	4.5	3.4	3.3
Washington's Rank	**43**	**20**	**43**	**45**	**38**	**48**

Source: U.S. Department of Commerce, Bureau of Economic Analysis (www.bea.gov), September 2006.

Migration Rate

Washington continues to be a popular destination for international and domestic migration, ranking 8th in terms of total migration in 2005. On a per capita basis, the state ranked 11th, with a migration rate of 0.8 percent as compared to the national rate of 0.4 percent.

2005's total population growth for Washington was 1.3 percent, while the national average was 0.9 percent. Natural increase accounted for 41.6 percent of the state's growth while 58.4 percent came from migration. Of the state's immigrants, 48.7 percent were international and 51.3 percent were domestic. In the U.S. as a whole, 61.9 percent of population growth came from natural increase and 38.1 percent from international migration.

The U.S. Census Bureau did not release migration data for the year 2000.

Chart 8
Migration Rate

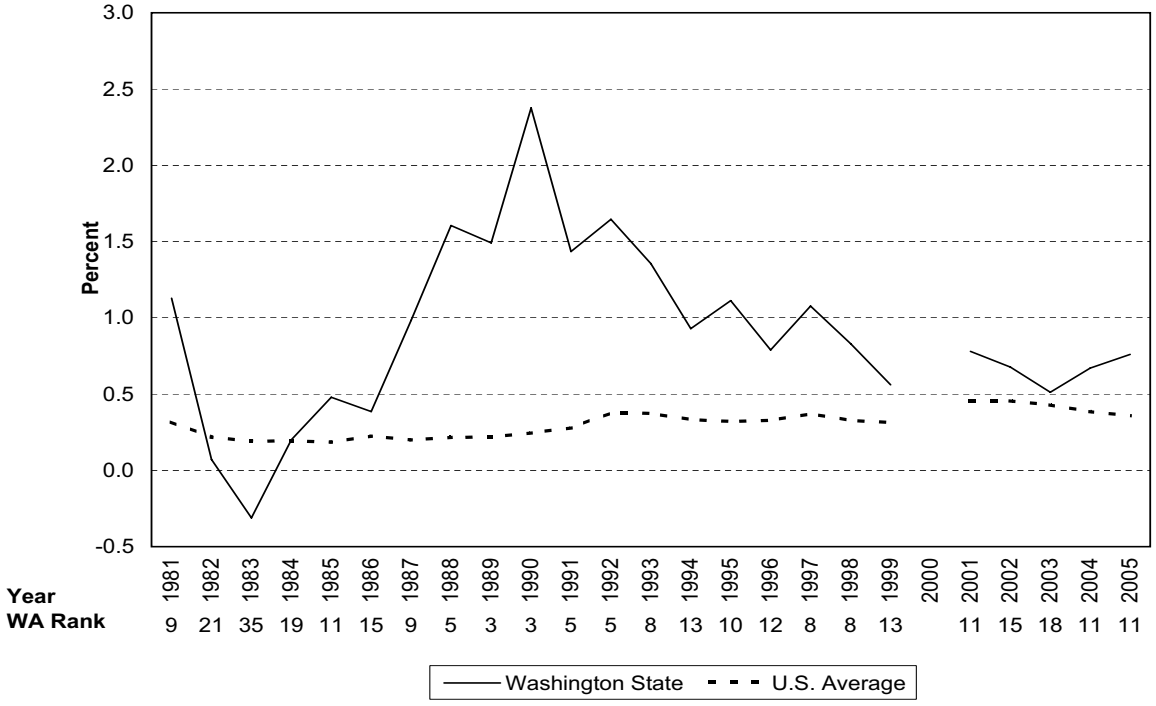


Table 8
Economic Performance
Migration Rate
(Percent)*

	2001	2002	2003	2004	2005	2001-05
Alabama	-0.1	-0.0	0.2	0.2	0.4	0.1
Alaska	-0.3	0.3	0.2	0.3	-0.2	0.0
Arizona	1.7	1.9	1.7	2.0	2.6	2.0
Arkansas	0.2	0.2	0.4	0.5	0.7	0.4
California	0.7	0.5	0.5	0.2	-0.0	0.4
Colorado	1.4	0.7	0.2	0.3	0.5	0.6
Connecticut	0.2	0.4	0.4	-0.0	-0.0	0.2
Delaware	0.7	0.8	1.0	1.0	1.1	0.9
Florida	1.6	1.8	1.6	2.0	2.0	1.8
Georgia	1.4	1.1	1.1	1.1	0.9	1.1
Hawaii	0.0	0.3	0.4	0.4	0.3	0.3
Idaho	0.8	0.9	1.0	1.1	1.6	1.1
Illinois	-0.0	-0.1	-0.1	-0.1	-0.2	-0.1
Indiana	0.0	0.0	0.2	-0.0	0.2	0.1
Iowa	-0.2	-0.2	-0.1	0.0	0.1	-0.1
Kansas	-0.2	-0.1	-0.1	-0.2	-0.1	-0.1
Kentucky	0.1	0.2	0.3	0.3	0.4	0.3
Louisiana	-0.7	-0.3	-0.2	-0.2	-0.2	-0.3
Maine	0.6	0.8	0.8	0.4	0.3	0.6
Maryland	0.7	0.6	0.7	0.3	0.1	0.5
Massachusetts	0.1	-0.1	-0.3	-0.5	-0.5	-0.3
Michigan	-0.0	-0.1	-0.0	-0.2	-0.3	-0.1
Minnesota	0.4	0.2	0.2	0.0	0.1	0.2
Mississippi	-0.2	-0.2	0.0	0.2	0.1	-0.0
Missouri	0.3	0.3	0.3	0.3	0.3	0.3
Montana	0.0	0.2	0.5	0.7	0.7	0.4
Nebraska	-0.2	-0.1	0.1	-0.0	0.0	-0.0
Nevada	3.0	2.8	2.7	3.4	2.8	2.9
New Hampshire	1.1	0.9	0.6	0.5	0.5	0.7
New Jersey	0.4	0.4	0.2	0.0	-0.1	0.2
New Mexico	-0.1	0.5	0.5	0.5	0.5	0.4
New York	-0.1	-0.1	-0.2	-0.3	-0.6	-0.3
North Carolina	0.9	0.8	0.8	0.8	1.1	0.9
North Dakota	-1.0	-0.7	-0.4	0.2	-0.3	-0.4
Ohio	-0.2	-0.2	-0.1	-0.2	-0.2	-0.2
Oklahoma	-0.1	0.2	0.1	0.1	0.2	0.1
Oregon	0.8	1.0	0.7	0.4	1.0	0.8
Pennsylvania	-0.0	0.1	0.2	0.1	0.1	0.1
Rhode Island	0.5	0.7	0.4	0.1	-0.6	0.2
South Carolina	0.4	0.6	0.6	0.8	0.9	0.7
South Dakota	-0.1	-0.1	0.1	0.3	0.2	0.1
Tennessee	0.4	0.4	0.5	0.5	0.8	0.5
Texas	0.8	0.8	0.7	0.7	0.7	0.7
Utah	0.4	0.6	0.3	0.2	0.5	0.4
Vermont	0.3	0.4	0.2	0.1	0.1	0.2
Virginia	0.6	0.7	0.7	0.7	0.5	0.7
Washington	**0.8**	**0.7**	**0.5**	**0.7**	**0.8**	**0.7**
West Virginia	-0.3	0.2	0.3	0.2	0.3	0.1
Wisconsin	0.2	0.2	0.2	0.1	0.1	0.2
Wyoming	-0.4	0.6	0.1	0.3	0.2	0.1
U.S. Average*	0.5	0.5	0.4	0.4	0.4	0.4
Washington's Rank	**11**	**15**	**18**	**11**	**11**	**11**

* The District of Columbia is included in the U.S. average.
Source: Population Division, U.S. Census Bureau, December 2005.

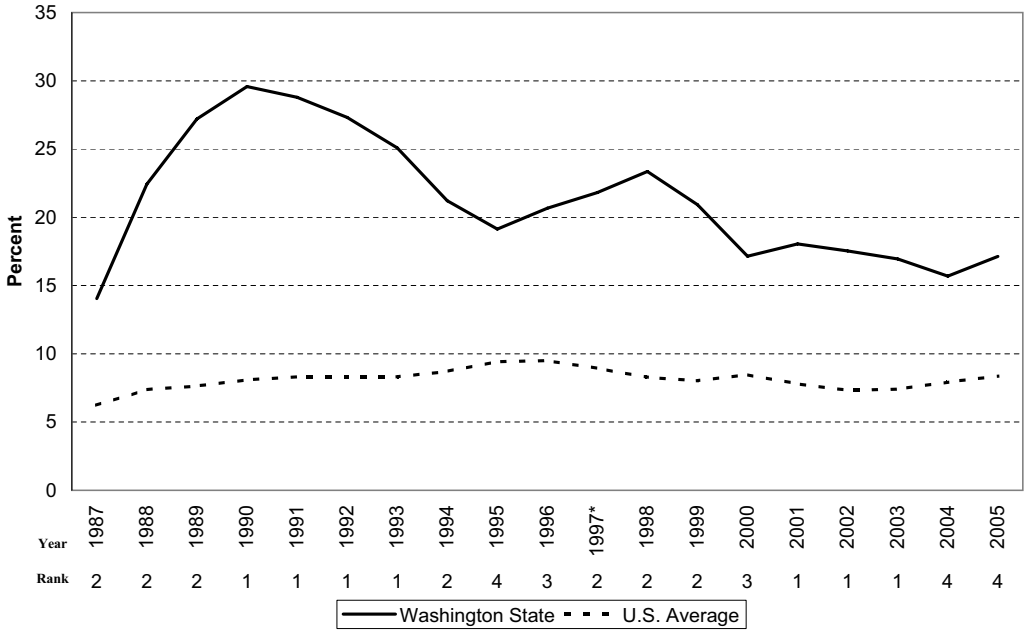
Foreign Exports Inclusive and Exclusive of Transportation Equipment

Washington ranked 4th in exports as a percent of total personal income in 2005 with an export value of 17.13 percent of personal income, well above the national average of 8.37 percent. Due to its strong performance in 2001 through 2003, the state ranked first in the five-year average of this measure with a value of 17.07 percent.

Washington's perennially strong performance in this category is due mainly to the presence of Boeing and PACCAR, two of the world's leading manufacturers of commercial aircraft and trucks respectively. Exports of transportation equipment from these and other Washington manufacturers regularly account for over half of Washington's exports. Excluding exports of these products, Washington's exports were equivalent to 7.88 percent of personal income, still above the national average of 6.82 percent and ranking 9th among the states. After transportation, agricultural products were 2005's highest value export, followed by computer and electronic products, food and kindred products, and machinery.

It must be noted that the trade data used for this indicator, obtained from the U.S. Bureau of the Census, only includes trade in goods, ignoring trades in service exports which are difficult to track and credit to specific states. Software, one of Washington's main exports, is classified as a service and is therefore not included in this data. As software giant Microsoft contributes greatly to state personal income while its exports are not included in the trade data, the measure of Washington exports as a percent of personal income understates the contribution of trade to Washington's economy. This growing understatement is part of the reason that exports excluding transportation products as a percentage of personal income, as shown in Chart 10, begins to decline in 1997, as this year coincides with the period where Microsoft's contribution to personal income began its greatest growth.

Chart 9
Foreign Exports



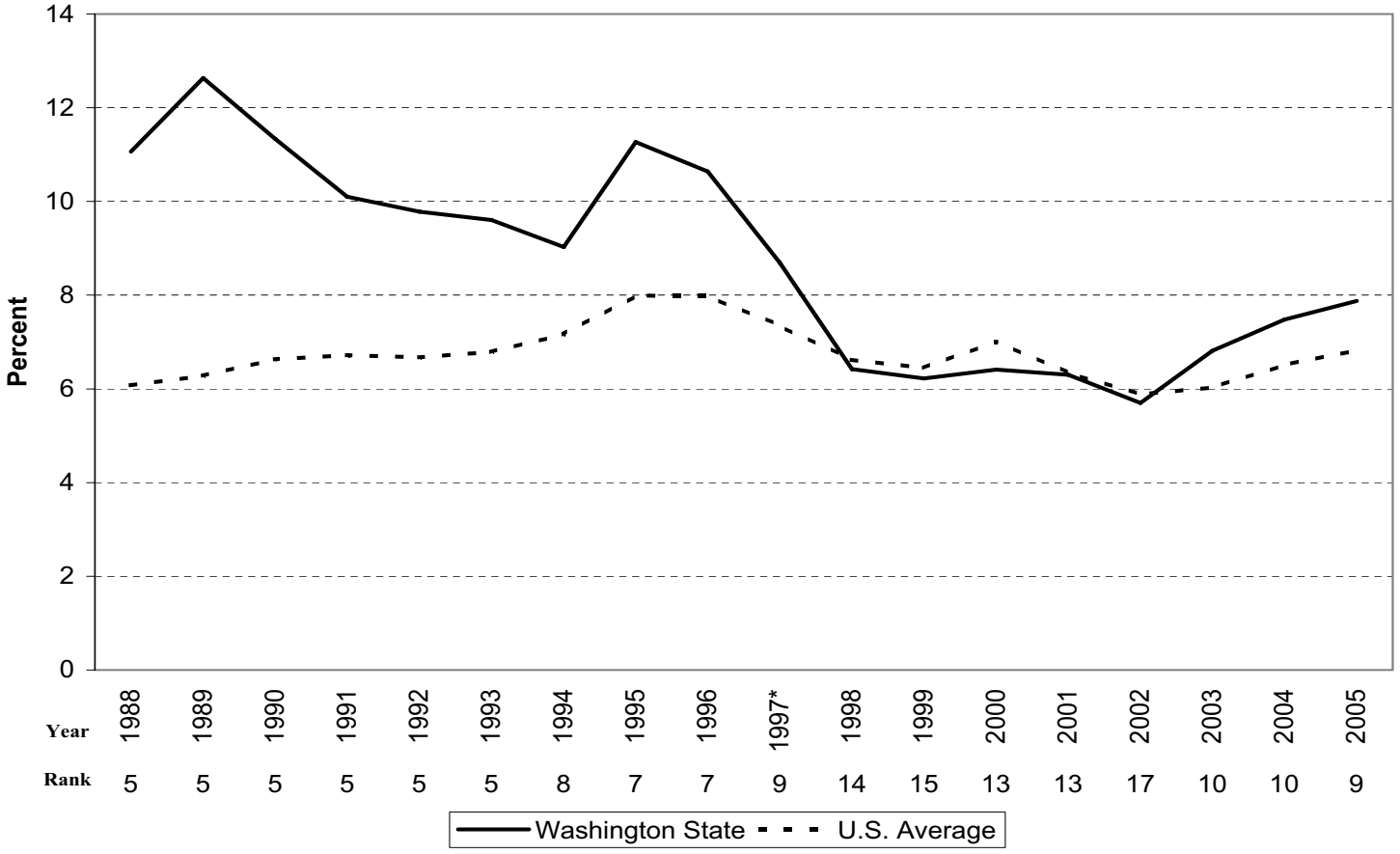
*Trade data from 1997 to 2004 is coded under the North American Industry Classification System(NAICS).
Prior data is coded under Standard Industrial Classification (SIC)

Table 9
Economic Performance
Foreign Exports
(Percent of State Personal Income)

	2001	2002	2003	2004	2005	2001-05
Alabama	6.86	7.26	7.03	7.12	8.00	7.25
Alaska	12.06	12.14	12.96	14.22	15.27	13.33
Arizona	9.01	8.24	8.83	8.16	8.35	8.52
Arkansas	4.70	4.43	4.46	4.93	5.22	4.75
California	9.41	8.03	7.94	8.70	8.76	8.57
Colorado	4.01	3.61	3.94	4.04	3.88	3.90
Connecticut	5.84	5.66	5.46	5.39	5.81	5.63
Delaware	7.77	7.55	6.86	6.97	8.07	7.45
Florida	5.68	4.95	4.84	5.12	5.50	5.22
Georgia	6.09	5.88	6.47	7.40	7.27	6.62
Hawaii	1.05	1.41	0.97	0.98	2.34	1.35
Idaho	6.42	5.81	6.04	7.65	8.03	6.79
Illinois	7.47	6.21	6.19	6.83	7.75	6.89
Indiana	8.56	8.65	9.16	10.18	10.99	9.51
Iowa	5.86	5.77	6.23	6.99	7.79	6.53
Kansas	6.45	6.35	5.61	5.76	7.43	6.32
Kentucky	8.93	10.21	10.10	11.60	12.61	10.69
Louisiana	15.05	15.58	15.87	16.32	17.29	16.02
Maine	5.16	5.48	5.82	6.19	5.67	5.67
Maryland	2.60	2.25	2.39	2.60	3.03	2.57
Massachusetts	7.02	6.68	7.34	8.15	7.88	7.42
Michigan	10.81	11.13	10.50	11.12	11.34	10.98
Minnesota	6.47	6.23	6.48	6.87	7.68	6.75
Mississippi	5.67	4.78	3.86	4.58	5.50	4.88
Missouri	3.93	4.22	4.35	5.19	5.76	4.69
Montana	2.18	1.69	1.50	2.20	2.63	2.04
Nebraska	5.48	5.02	5.10	4.15	5.18	4.98
Nevada	2.21	1.77	2.85	3.66	4.56	3.01
New Hampshire	5.63	4.29	4.34	4.82	5.14	4.84
New Jersey	5.69	5.04	4.90	5.27	5.52	5.28
New Mexico	3.18	2.66	4.98	4.03	4.72	3.91
New York	6.20	5.46	5.66	5.99	6.54	5.97
North Carolina	7.45	6.44	6.89	7.17	7.22	7.03
North Dakota	4.90	5.13	4.71	5.46	5.96	5.23
Ohio	8.32	8.32	8.73	8.86	9.53	8.75
Oklahoma	2.95	2.71	2.87	3.18	4.07	3.16
Oregon	8.99	9.90	9.90	10.09	10.57	9.89
Pennsylvania	4.68	4.12	4.14	4.47	5.14	4.51
Rhode Island	3.91	3.33	3.36	3.51	3.35	3.49
South Carolina	9.81	9.28	10.98	11.77	11.62	10.69
South Dakota	2.91	2.90	2.99	3.42	3.72	3.19
Tennessee	7.33	7.30	7.61	9.23	10.33	8.36
Texas	15.33	15.22	15.21	16.96	17.28	16.00
Utah	6.20	7.81	6.93	7.44	8.92	7.46
Vermont	15.95	13.97	14.01	16.78	20.79	16.30
Virginia	4.98	4.49	4.33	4.36	4.30	4.49
Washington	**18.05**	**17.54**	**16.95**	**15.69**	**17.13**	**17.07**
West Virginia	5.35	5.17	5.49	7.21	6.65	5.97
Wisconsin	6.60	6.54	6.84	7.19	8.11	7.06
Wyoming	3.36	3.58	3.54	3.84	3.52	3.57
U.S. Average	7.80	7.32	7.40	7.93	8.37	7.76
Washington's Rank	**1**	**1**	**1**	**4**	**4**	**1**

Source: U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division, Bureau of Economic Analysis.
Trade data prepared by World Institute for Strategic Economic Research, August 2006.

Chart 10
Foreign Exports (Excluding Transportation Equipment)



*Trade data from 1997 to 2004 is coded under the North American Industry Classification System(NAICS).
Prior data is coded under Standard Industrial Classification (SIC)

Table 10
Economic Performance
Foreign Exports (Excluding Transportation Equipment)
(Percent of State Personal Income)

	2001	2002	2003	2004	2005	2001-05
Alabama	5.13	5.10	4.90	5.25	5.68	5.21
Alaska	11.79	12.01	12.84	14.13	14.58	13.07
Arizona	7.20	6.67	7.42	6.63	6.95	6.97
Arkansas	4.09	3.46	3.66	3.96	3.85	3.80
California	8.66	7.42	7.21	7.77	7.76	7.76
Colorado	3.82	3.43	3.76	3.87	3.73	3.72
Connecticut	3.14	2.87	3.25	3.39	3.45	3.22
Delaware	6.82	6.70	6.18	5.84	7.02	6.51
Florida	4.92	4.22	4.12	4.27	4.57	4.42
Georgia	5.18	4.85	5.23	5.70	5.52	5.30
Hawaii	0.83	0.74	0.73	0.84	0.79	0.78
Idaho	6.36	5.75	5.99	7.54	7.82	6.69
Illinois	5.99	5.42	5.50	6.12	7.02	6.01
Indiana	5.87	5.88	6.22	6.87	7.49	6.47
Iowa	5.46	5.47	5.91	6.62	7.40	6.17
Kansas	4.32	4.21	4.05	3.85	4.74	4.23
Kentucky	5.93	5.91	6.61	7.27	7.82	6.71
Louisiana	14.79	14.93	15.61	15.92	16.82	15.61
Maine	4.94	5.20	5.38	5.35	5.42	5.26
Maryland	2.18	1.79	1.90	2.17	2.50	2.11
Massachusetts	6.84	6.55	7.19	7.98	7.71	7.25
Michigan	4.61	4.68	4.74	5.35	5.66	5.00
Minnesota	5.95	5.59	5.83	6.22	6.95	6.11
Mississippi	4.05	4.59	3.63	4.21	4.40	4.17
Missouri	2.79	2.79	3.03	3.49	3.81	3.18
Montana	2.14	1.65	1.45	2.16	2.54	1.99
Nebraska	4.96	4.60	4.66	3.76	4.59	4.51
Nevada	1.80	1.71	2.78	3.56	4.45	2.86
New Hampshire	5.49	4.11	4.15	4.62	4.99	4.68
New Jersey	5.22	4.58	4.49	4.89	4.95	4.83
New Mexico	3.11	2.53	4.79	3.86	4.51	3.76
New York	5.55	4.79	5.01	5.35	5.83	5.31
North Carolina	7.05	6.06	6.39	6.63	6.65	6.56
North Dakota	4.44	4.79	4.41	5.03	5.61	4.86
Ohio	5.14	4.95	5.06	5.65	5.92	5.35
Oklahoma	2.40	2.16	2.37	2.66	2.95	2.51
Oregon	8.37	8.95	8.83	8.87	9.16	8.84
Pennsylvania	4.27	3.72	3.69	4.05	4.58	4.06
Rhode Island	3.83	3.27	3.31	3.43	3.23	3.41
South Carolina	6.76	6.63	6.94	7.93	8.21	7.29
South Dakota	2.80	2.78	2.88	3.27	3.42	3.03
Tennessee	5.76	5.56	6.17	7.32	8.01	6.56
Texas	13.51	13.55	13.69	15.14	15.41	14.26
Utah	5.16	6.97	6.14	6.70	8.12	6.62
Vermont	15.27	13.46	13.59	16.27	20.25	15.77
Virginia	4.52	4.02	3.74	3.66	3.67	3.92
Washington	**6.30**	**5.70**	**6.81**	**7.48**	**7.88**	**6.83**
West Virginia	4.92	4.63	4.94	6.20	5.69	5.28
Wisconsin	5.90	5.86	6.02	6.33	7.20	6.26
Wyoming	3.34	3.56	3.51	3.78	3.47	3.53
U.S. Average	6.34	5.88	6.03	6.51	6.82	6.32
Washington's Rank	**13**	**17**	**10**	**10**	**9**	**10**

Source: U.S. Department of Commerce, Bureau of the Census, Foreign Trade Division, Bureau of Economic Analysis.
Trade data prepared by World Institute for Strategic Economic Research, August 2006.

Per Capita Spending in Research and Development

- Industrial R&D
- University R&D
- Total Per Capita R&D

The amount of research and development activity occurring within a state relative to the size of its population provides a good indication of that state's capacity for innovation. Industrial research and development brings new products and processes for continued growth. University and government research and development can provide basic research to support local technology hubs and can also attract funding from outside of the state.

The Division of Science Resources Studies (SRS) of the National Science Foundation annually compiles surveys of industries, universities, and other agencies into a report titled *National Patterns of Research and Development Resources*. This report indicates the state in which the research and development activity took place regardless of the state of the sponsoring party. The state spending figures for industrial, university, and total research and development spending can be divided by the state populations to derive per capita spending. The most recent year of state spending available is 2003.

In 2003, Washington ranked 21st in per capita university research and development with a spending level of $142 per capita, slightly greater than the U.S. average of $138. For the period 1999-2003 its average rank was 23rd. In both industry and total 2002 per capita research and development spending, however, the state ranked much higher. Washington's 2003 per capita industrial research and development spending of $1,504 was over twice as high as the national average of $703, ranking 5th among the states. The state's total per capita research and development spending of $1,871 was also much higher than the national average of $976, ranking 4th.

Chart 11
University Research and Development

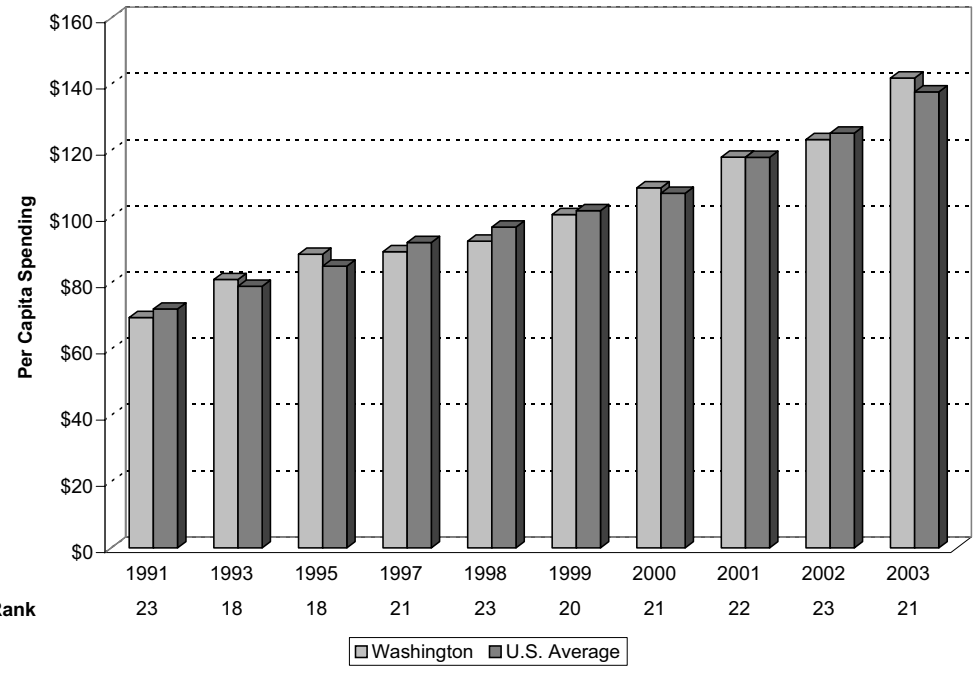


Table 11
Economic Performance
University Research and Development
(Dollars Per Capita)

	1999	2000	2001	2002	2003	1999-03
Alabama	94	96	100	112	124	105
Alaska	150	171	182	201	217	184
Arizona	87	90	94	98	111	96
Arkansas	42	49	52	52	67	52
California	109	119	128	140	151	129
Colorado	120	126	130	143	153	134
Connecticut	123	137	146	156	171	147
Delaware	98	99	100	109	128	107
Florida	50	53	61	65	71	60
Georgia	104	113	118	125	134	119
Hawaii	130	133	128	140	148	136
Idaho	56	57	62	69	77	64
Illinois	89	94	103	114	128	106
Indiana	76	84	96	106	117	96
Iowa	129	143	150	166	170	151
Kansas	88	96	100	111	114	102
Kentucky	68	68	73	81	92	76
Louisiana	84	89	97	108	117	99
Maine	35	45	53	53	57	49
Maryland	264	284	306	345	368	314
Massachusetts	222	234	247	266	284	251
Michigan	93	100	111	123	138	113
Minnesota	77	84	94	100	102	92
Mississippi	57	76	85	99	112	86
Missouri	99	110	121	124	141	119
Montana	94	110	119	134	154	122
Nebraska	120	122	141	155	173	142
Nevada	47	53	55	59	69	57
New Hampshire	104	122	156	173	196	150
New Jersey	62	67	72	80	87	74
New Mexico	124	135	150	158	163	146
New York	109	121	130	145	161	133
North Carolina	127	129	139	154	166	143
North Dakota	96	105	133	167	212	143
Ohio	73	81	88	98	111	90
Oklahoma	69	73	74	81	84	76
Oregon	94	101	105	110	123	107
Pennsylvania	114	126	137	155	163	139
Rhode Island	116	123	135	153	174	140
South Carolina	67	73	89	97	105	86
South Dakota	34	36	43	50	65	46
Tennessee	66	71	74	85	103	80
Texas	89	97	105	117	125	107
Utah	124	137	149	154	162	145
Vermont	107	106	125	146	173	132
Virginia	76	83	85	95	105	89
Washington	**101**	**109**	**118**	**123**	**142**	**119**
West Virginia	36	41	44	54	67	48
Wisconsin	105	123	135	148	161	134
Wyoming	96	87	84	84	120	94
U.S. average	102	107	118	125	138	118
Washington's Rank	**20**	**21**	**22**	**23**	**21**	**23**

Source: The National Science Foundation (www.nsf.gov).

Chart 12
Industry Research and Development

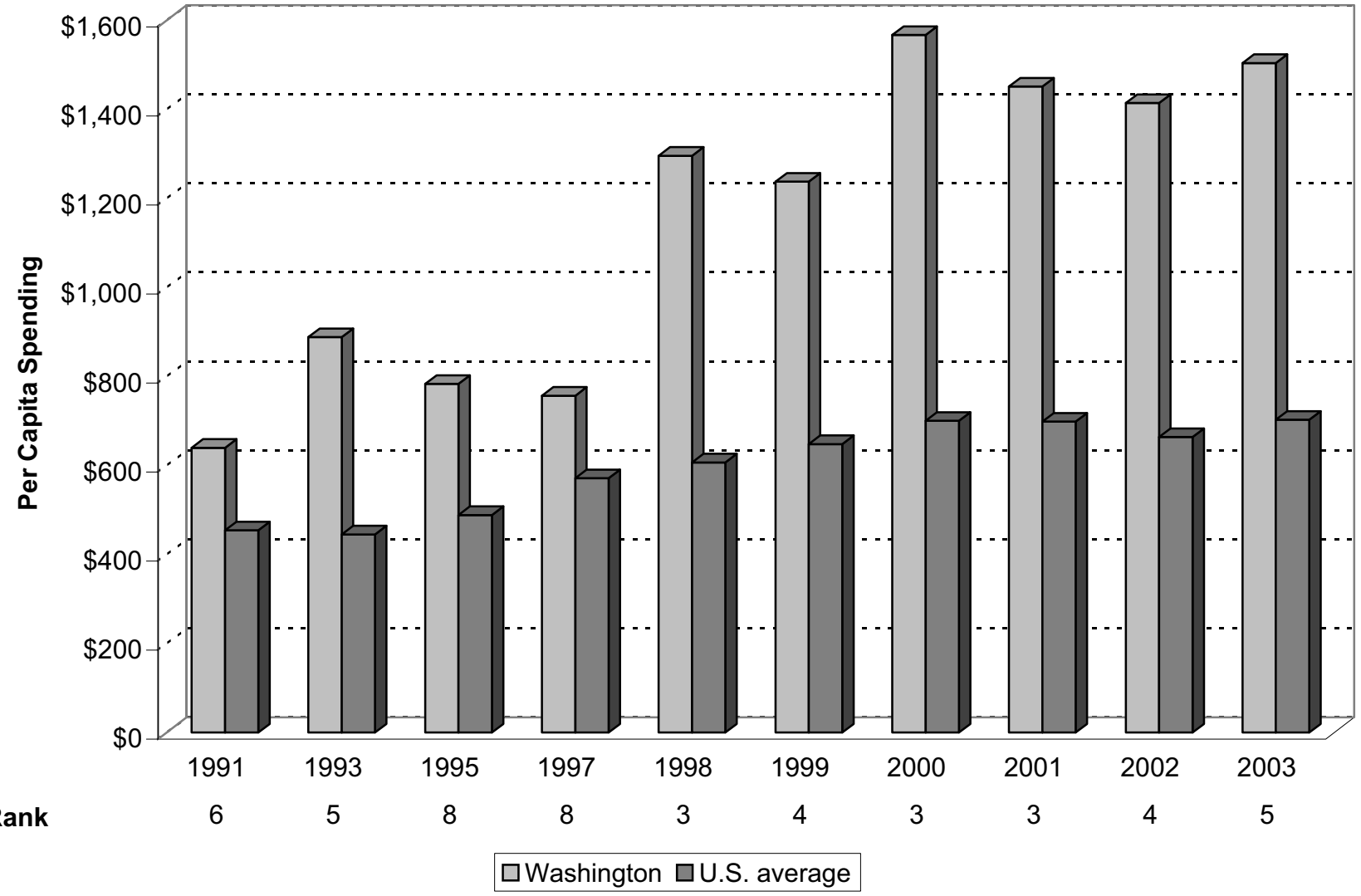


Table 12
Economic Performance
Industry Research and Development
(Dollars Per Capita)

	1999	2000	2001	2002	2003	1999-03
Alabama	126	136	203	189	222	175
Alaska	D	14	107	79	56	64
Arizona	883	473	425	589	467	567
Arkansas	81	102	94	83	99	92
California	1,166	1,346	1,172	1,134	1,330	1,229
Colorado	742	726	698	627	779	714
Connecticut	1,176	1,281	1,368	1,757	1,674	1,451
Delaware	1,627	1,836	1,547	1,512	1,587	1,622
Florida	171	200	229	222	187	202
Georgia	227	192	228	245	241	227
Hawaii	22	36	76	83	107	65
Idaho	949	1,029	669	738	545	786
Illinois	624	857	659	605	658	681
Indiana	372	438	586	580	590	513
Iowa	192	184	279	257	283	239
Kansas	479	423	482	526	615	505
Kentucky	170	144	156	161	146	155
Louisiana	42	28	71	55	66	52
Maine	111	157	194	193	153	161
Maryland	324	382	685	698	725	563
Massachusetts	1,474	1,550	1,762	1,603	1,729	1,624
Michigan	1,790	1,772	1,430	1,351	1,512	1,571
Minnesota	693	754	876	888	988	840
Mississippi	40	35	77	78	354	117
Missouri	249	338	318	280	305	298
Montana	37	31	77	73	71	58
Nebraska	104	116	179	198	209	161
Nevada	174	123	138	157	171	152
New Hampshire	899	472	1,063	905	1,048	877
New Jersey	1,131	1,430	1,198	1,349	1,320	1,285
New Mexico	742	636	126	178	186	374
New York	603	555	572	482	445	531
North Carolina	497	454	505	414	525	479
North Dakota	116	80	547	242	341	265
Ohio	575	525	589	546	548	556
Oklahoma	106	96	157	118	165	128
Oregon	454	481	1,429	659	834	771
Pennsylvania	728	641	730	573	573	649
Rhode Island	1,215	1,037	1,071	1,049	1,118	1,098
South Carolina	167	194	227	257	235	216
South Dakota	17	58	115	69	98	72
Tennessee	314	213	262	223	258	254
Texas	483	428	461	495	500	473
Utah	510	436	471	477	419	463
Vermont	526	649	553	465	581	555
Virginia	355	382	411	401	562	422
Washington	**1,238**	**1,567**	**1,451**	**1,414**	**1,504**	**1,435**
West Virginia	119	130	117	146	121	127
Wisconsin	365	369	457	487	479	432
Wyoming	D	14	57	42	74	47
U.S. average	648	700	698	664	703	683
Washington's Rank	**4**	**3**	**3**	**4**	**5**	**5**

Source: The National Science Foundation (www.nsf.gov).

Chart 13
Per Capita Research and Development

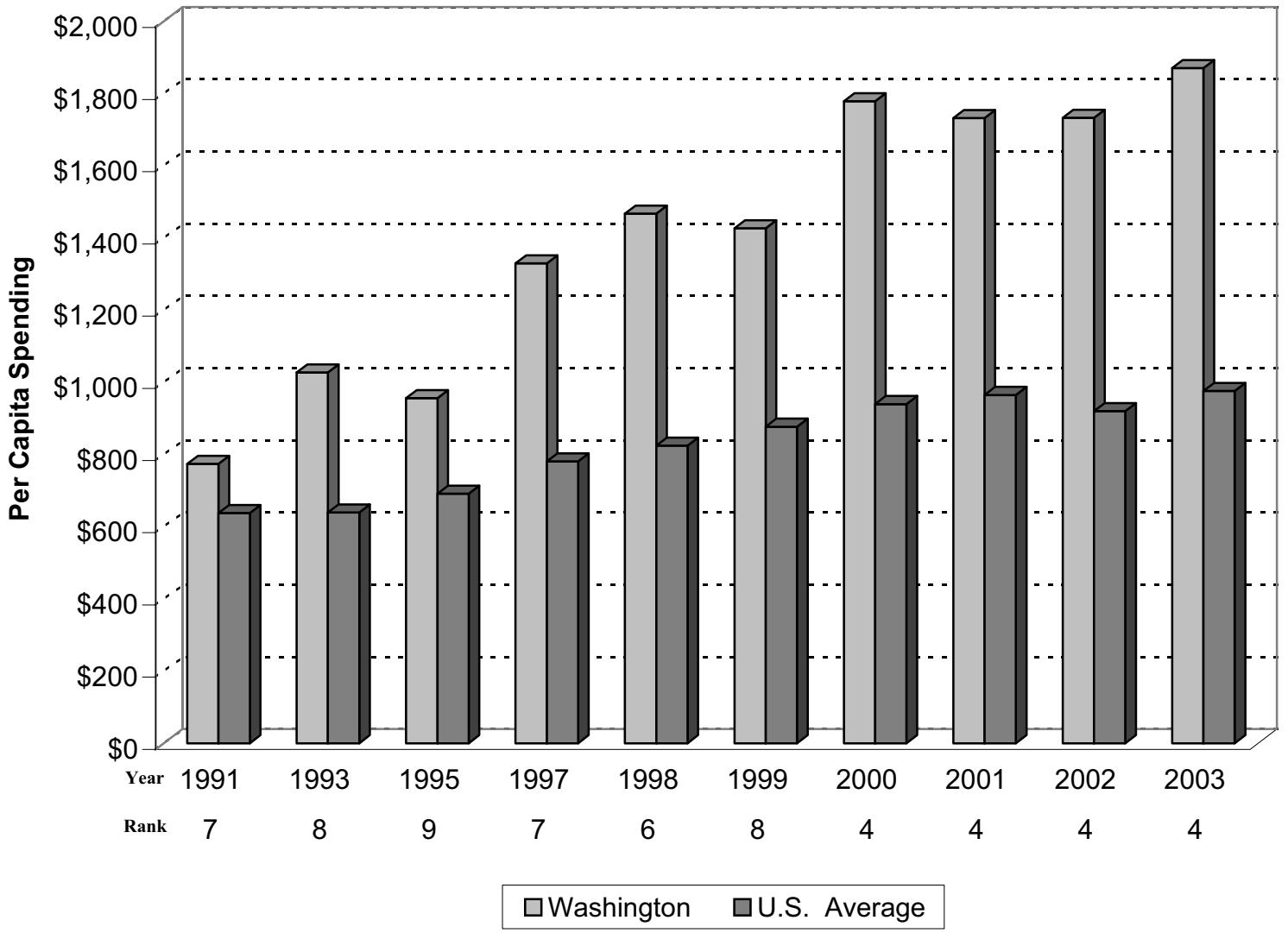


Table 13
Economic Performance
Total Research and Development
(Dollars Per Capita)

	1999	2000	2001	2002	2003	1999-03
Alabama	398	389	504	519	565	475
Alaska	243	313	467	480	495	400
Arizona	1,013	601	574	753	641	717
Arkansas	143	170	168	158	187	165
California	1,432	1,620	1,477	1,469	1,683	1,536
Colorado	996	978	976	938	1,102	998
Connecticut	1,310	1,433	1,551	1,959	1,878	1,626
Delaware	1,733	1,948	1,653	1,636	1,729	1,740
Florida	271	290	344	330	304	308
Georgia	368	340	386	458	449	400
Hawaii	223	240	292	369	351	295
Idaho	1,026	1,103	953	1,020	884	997
Illinois	786	1,026	839	810	873	867
Indiana	457	534	693	703	724	622
Iowa	344	347	453	459	493	419
Kansas	581	527	593	688	743	626
Kentucky	241	214	234	276	246	242
Louisiana	140	140	185	192	212	174
Maine	177	250	302	331	284	269
Maryland	1,539	1,625	2,117	1,659	1,843	1,757
Massachusetts	1,930	2,044	2,299	2,233	2,437	2,188
Michigan	1,899	1,898	1,555	1,502	1,675	1,706
Minnesota	801	871	1,008	1,045	1,154	976
Mississippi	168	180	228	241	527	269
Missouri	361	461	453	436	478	438
Montana	188	188	264	259	269	234
Nebraska	245	256	338	384	409	326
Nevada	237	187	211	242	258	227
New Hampshire	1,028	625	1,260	1,126	1,292	1,066
New Jersey	1,260	1,557	1,343	1,518	1,481	1,432
New Mexico	1,813	1,694	2,158	2,527	2,648	2,168
New York	747	713	759	697	678	719
North Carolina	663	624	712	618	753	674
North Dakota	261	227	727	465	603	457
Ohio	713	674	773	729	751	728
Oklahoma	193	191	252	228	276	228
Oregon	582	617	1,569	821	1,003	918
Pennsylvania	872	801	908	792	804	835
Rhode Island	1,587	1,428	1,491	1,534	1,633	1,535
South Carolina	246	280	356	407	390	336
South Dakota	79	112	186	145	195	144
Tennessee	406	361	462	444	513	437
Texas	605	551	597	655	669	615
Utah	669	607	658	673	633	648
Vermont	643	763	689	646	795	707
Virginia	729	713	771	809	1,027	810
Washington	**1,427**	**1,779**	**1,732**	**1,733**	**1,871**	**1,708**
West Virginia	242	253	259	300	297	270
Wisconsin	481	501	601	659	666	582
Wyoming	134	123	167	160	225	162
U.S. average	877	940	965	920	976	935
Washington's rank	**8**	**4**	**4**	**4**	**4**	**5**

Source: The National Science Foundation (www.nsf.gov).

Unemployment Rate

After peaking in 2003, the unemployment rates of both Washington and the U.S. decreased in both 2004 and 2005. Since the peak, however, the state's rate has been decreasing faster than the U.S. as a whole, as reflected in its steady improvement of rank from 49th in 2002 to 40th in 2005. While Washington's 2005 unemployment rate of 5.5 percent is close to the 5.1 percent rate of the U.S. as a whole, its five-year average rate of 6.5 percent was much higher than that of the U.S., ranking 47th over that period.

Chart 14
Unemployment Rate

Table 14
Economic Performance
Unemployment Rate

	2001	2002	2003	2004	2005	2001-05
Alabama	4.8	5.6	5.5	5.2	4.0	5.0
Alaska	6.2	7.1	7.7	7.4	6.8	7.0
Arizona	4.7	6.0	5.7	5.0	4.7	5.2
Arkansas	4.7	5.4	5.8	5.6	4.9	5.3
California	5.4	6.7	6.8	6.2	5.4	6.1
Colorado	3.9	5.9	6.1	5.6	5.0	5.3
Connecticut	3.1	4.4	5.5	4.9	4.9	4.6
Delaware	3.5	3.8	4.2	4.0	4.2	3.9
Florida	4.6	5.7	5.3	4.7	3.8	4.8
Georgia	4.0	4.8	4.8	4.8	5.3	4.7
Hawaii	4.3	4.1	3.9	3.3	2.8	3.7
Idaho	4.9	5.4	5.3	4.7	3.8	4.8
Illinois	5.4	6.5	6.7	6.2	5.7	6.1
Indiana	4.2	5.2	5.3	5.3	5.4	5.1
Iowa	3.3	3.9	4.4	4.7	4.6	4.2
Kansas	4.3	5.2	5.6	5.6	5.1	5.2
Kentucky	5.3	5.7	6.2	5.5	6.1	5.8
Louisiana	5.4	5.9	6.3	5.7	7.1	6.1
Maine	3.9	4.4	5.0	4.6	4.8	4.5
Maryland	4.0	4.5	4.5	4.3	4.1	4.3
Massachusetts	3.7	5.3	5.8	5.2	4.8	5.0
Michigan	5.2	6.2	7.1	7.0	6.7	6.4
Minnesota	3.9	4.6	4.8	4.6	4.0	4.4
Mississippi	5.6	6.7	6.4	6.3	7.9	6.6
Missouri	4.5	5.2	5.6	5.8	5.4	5.3
Montana	4.5	4.4	4.4	4.3	4.0	4.3
Nebraska	3.1	3.7	4.0	3.9	3.8	3.7
Nevada	5.3	5.6	5.3	4.6	4.1	5.0
New Hampshire	3.4	4.5	4.4	3.9	3.6	4.0
New Jersey	4.3	5.8	5.8	4.9	4.4	5.0
New Mexico	4.9	5.5	5.9	5.7	5.3	5.5
New York	4.9	6.2	6.4	5.8	5.0	5.7
North Carolina	5.6	6.7	6.4	5.5	5.2	5.9
North Dakota	2.8	3.5	3.6	3.5	3.4	3.4
Ohio	4.4	5.7	6.2	6.2	5.9	5.7
Oklahoma	3.7	4.8	5.6	4.9	4.4	4.7
Oregon	6.4	7.6	8.1	7.3	6.1	7.1
Pennsylvania	4.7	5.6	5.7	5.4	5.0	5.3
Rhode Island	4.6	5.1	5.4	5.2	5.0	5.1
South Carolina	5.4	6.0	6.7	6.8	6.8	6.3
South Dakota	3.1	3.3	3.6	3.8	3.9	3.5
Tennessee	4.6	5.2	5.7	5.5	5.6	5.3
Texas	5.0	6.3	6.7	6.0	5.3	5.9
Utah	4.4	5.7	5.6	5.0	4.3	5.0
Vermont	3.3	4.0	4.5	3.7	3.5	3.8
Virginia	3.2	4.2	4.1	3.7	3.5	3.7
Washington	**6.2**	**7.3**	**7.4**	**6.3**	**5.5**	**6.5**
West Virginia	5.2	5.9	6.0	5.3	5.0	5.5
Wisconsin	4.4	5.3	5.6	5.0	4.7	5.0
Wyoming	3.9	4.1	4.4	3.9	3.6	4.0
U.S. Average	4.7	5.8	6.0	5.5	5.1	5.4
Washington's Rank	**48**	**49**	**48**	**45**	**40**	**47**

Source: U.S. Department of Labor, Bureau of Labor Statistics. August 2006 (www.bls.gov)

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Quality of Life

Homicide Rate, Violent Crime Rate, Arrest Rate for Violent Crimes

Because of former discrepancies including variable reporting methods, crime definitions, multiple reports for different arrests, charges and convictions for a crime, International Association of Chiefs of Police established the Uniform Crime Reporting (UCR) program. Reported by the U.S. Federal Bureau of Investigation (FBI), the program's primary objective is to generate a reliable set of criminal statistics by mandating specific reporting requirements and criterion for gathering data that ensures consistency and comparability among states. The UCR program is a nationwide, statistical effort of over 17,000 city, county, and state law enforcement agencies.

In 2004, Washington's homicide rate, as measured per 100,000 people, increased slightly from 3.1 to 3.3, but its rank among the states increased to 18th. The violent crime rate (violent crime includes the offenses of murder, non-negligent manslaughter, forcible rape, robbery, and aggravated assault), also measured per 100,000 people, increased from 344 to 346. The state's rank in this measure, however, increased from 24th to 23rd. Washington's arrest rate for violent crime decreased from 150 to 143, improving the state's rank from 20th to 18th. As in all years since UCR statistics began being reported, Washington continues to rank well below the national average in incidences of all of these categories of crime.

Chart 15
Homicide Rate

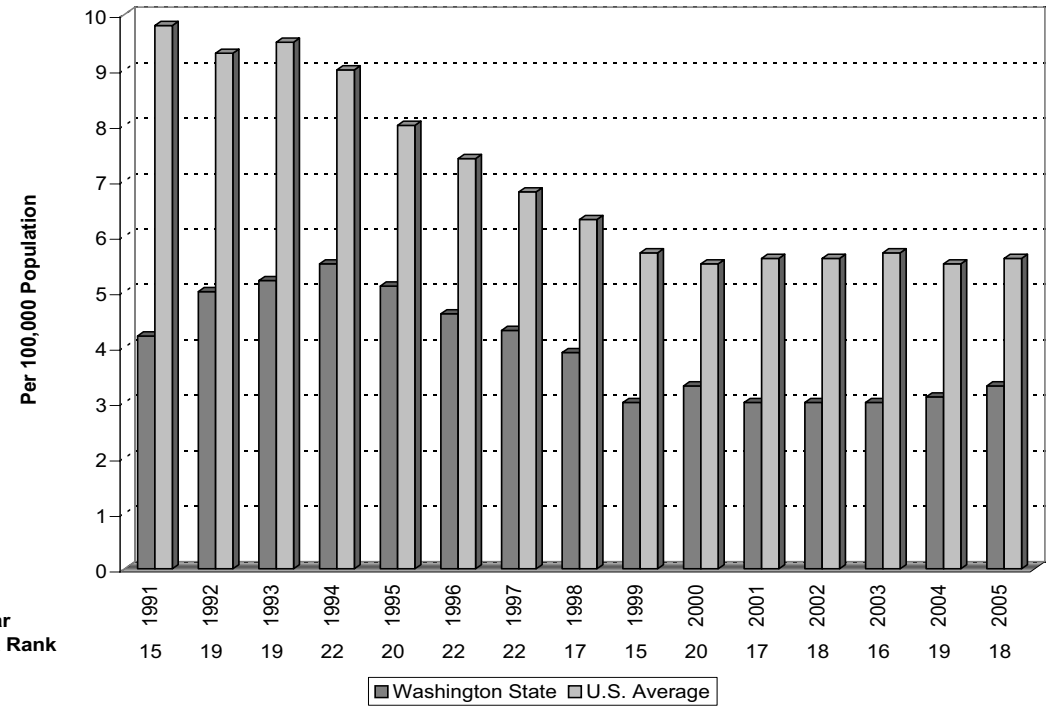

Table 15
Quality of Life
Homicide Rate
(Per 100,000 Population)

	2001	2002	2003	2004	2005	2001-05
Alabama	8.5	6.8	6.6	5.6	8.2	7.1
Alaska	6.2	5.1	6.0	5.6	4.8	5.5
Arizona	7.5	7.1	7.9	7.2	7.5	7.4
Arkansas	5.5	5.2	6.4	6.4	6.7	6.0
California	6.4	6.8	6.8	6.7	6.9	6.7
Colorado	3.6	4.0	3.9	4.4	3.7	3.9
Connecticut	3.1	2.3	3.0	2.6	2.9	2.8
Delaware	2.9	3.2	2.9	2.0	4.4	3.1
Florida	5.3	5.5	5.4	5.4	5.0	5.3
Georgia	7.1	7.1	7.6	6.9	6.2	7.0
Hawaii	2.6	1.9	1.7	2.6	1.9	2.1
Idaho	2.3	2.7	1.8	2.2	2.4	2.3
Illinois*	7.8	7.5	7.1	6.1	6.0	6.9
Indiana	6.7	5.9	5.5	5.1	5.7	5.8
Iowa	1.7	1.5	1.6	1.6	1.3	1.5
Kansas	3.4	2.9	4.5	4.5	3.7	3.8
Kentucky	4.4	4.5	4.6	5.7	4.6	4.8
Louisiana	11.2	13.2	13.0	12.7	9.9	12.0
Maine	1.5	1.1	1.2	1.4	1.4	1.3
Maryland	8.3	9.4	9.5	9.4	9.9	9.3
Massachusetts	2.2	2.7	2.2	2.6	2.7	2.5
Michigan	6.7	6.7	6.1	6.4	6.1	6.4
Minnesota	2.4	2.2	2.5	2.2	2.2	2.3
Mississippi	9.9	9.2	9.3	7.8	7.3	8.7
Missouri	6.6	5.8	5.0	6.2	6.9	6.1
Montana	3.8	1.8	3.3	3.2	1.9	2.8
Nebraska	2.5	2.8	3.2	2.3	2.5	2.7
Nevada	8.6	8.3	8.8	7.4	8.5	8.3
New Hampshire	1.3	0.9	1.4	1.4	1.4	1.3
New Jersey	3.9	3.9	4.7	4.5	4.8	4.4
New Mexico	5.4	8.2	6.0	8.9	7.4	7.2
New York	5.0	4.7	4.9	4.6	4.5	4.7
North Carolina	6.2	6.6	6.1	6.2	6.7	6.4
North Dakota	1.1	0.8	1.9	1.4	1.1	1.3
Ohio	4.0	4.6	4.6	4.5	5.1	4.6
Oklahoma	5.3	4.7	5.9	5.3	5.3	5.3
Oregon	2.4	2.0	1.9	2.5	2.2	2.2
Pennsylvania	5.3	5.1	5.3	5.2	6.1	5.4
Rhode Island	3.7	3.8	2.3	2.4	3.2	3.1
South Carolina	8.1	7.3	7.2	6.9	7.4	7.4
South Dakota	0.9	1.4	1.3	2.3	2.3	1.6
Tennessee	7.4	7.2	6.8	5.9	7.2	6.9
Texas	6.2	6.0	6.4	6.1	6.2	6.2
Utah	2.9	2.0	2.5	1.9	2.3	2.3
Vermont	1.1	2.1	2.3	2.6	1.3	1.9
Virginia	5.1	5.3	5.6	5.2	6.1	5.5
Washington	**3.0**	**3.0**	**3.0**	**3.1**	**3.3**	**3.1**
West Virginia	2.2	3.2	3.5	3.7	4.4	3.4
Wisconsin	3.6	2.8	3.3	2.8	3.5	3.2
Wyoming	1.8	3.0	2.8	2.2	2.7	2.5
U.S. Average	5.6	5.6	5.7	5.5	5.6	5.6
Washington's Rank	**17**	**18**	**16**	**19**	**18**	**17**

*Limited data for 2000-2005 were available for Illinois.

Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-2005. (www.fbi.gov)

Chart 16
Violent Crime Rate

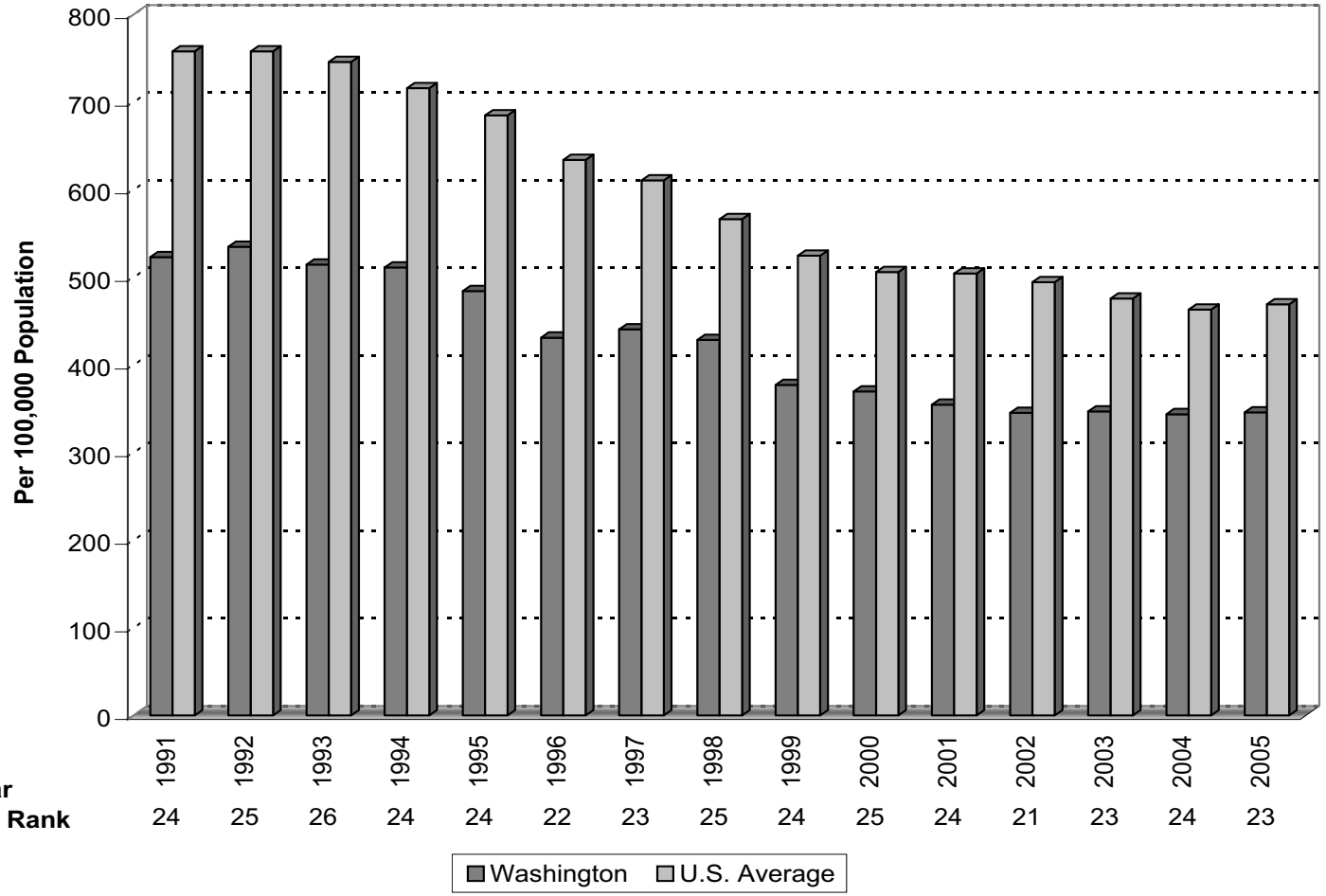

Table 16
Quality of Life
Violent Crime Rate
(Per 100,000 Population)

	2001	2002	2003	2004	2005	2001-05
Alabama	438	444	430	427	432	434
Alaska	590	563	593	635	632	603
Arizona	540	553	513	504	513	525
Arkansas	452	424	456	499	528	472
California	615	593	579	552	526	573
Colorado	350	352	345	374	397	363
Connecticut	335	311	308	286	275	303
Delaware	611	599	658	568	632	614
Florida	798	770	730	711	708	744
Georgia	496	459	454	456	449	463
Hawaii	254	262	270	254	255	259
Idaho	243	255	243	245	257	248
Illinois*	633	621	557	543	552	581
Indiana	371	357	353	325	324	346
Iowa	268	286	272	271	291	278
Kansas	404	377	396	375	387	388
Kentucky	258	279	262	245	267	262
Louisiana	686	662	646	639	594	646
Maine	118	108	109	104	112	110
Maryland	481	770	704	701	703	672
Massachusetts	478	484	469	459	457	469
Michigan	554	540	511	490	552	530
Minnesota	264	268	263	270	297	272
Mississippi	350	343	326	295	278	318
Missouri	541	539	473	491	525	514
Montana	352	352	365	294	282	329
Nebraska	303	314	289	309	287	300
Nevada	589	638	614	616	607	613
New Hampshire	170	161	149	167	132	156
New Jersey	389	375	366	356	355	368
New Mexico	780	740	665	687	702	715
New York	514	496	465	442	446	472
North Carolina	493	470	455	448	468	467
North Dakota	79	78	78	79	98	83
Ohio	351	351	333	342	351	346
Oklahoma	511	503	506	501	509	506
Oregon	307	292	296	298	287	296
Pennsylvania	410	402	398	411	425	409
Rhode Island	309	285	286	247	251	276
South Carolina	815	822	794	784	761	795
South Dakota	154	177	173	172	176	170
Tennessee	744	717	688	695	753	719
Texas	572	579	553	541	530	555
Utah	233	237	249	236	227	236
Vermont	105	107	110	112	120	111
Virginia	291	291	276	276	283	283
Washington	**355**	**345**	**347**	**344**	**346**	**347**
West Virginia	280	234	258	271	273	263
Wisconsin	231	225	221	210	242	226
Wyoming	258	274	262	230	230	251
United States	505	494	476	463	469	481
Washington's Rank	**24**	**21**	**23**	**24**	**23**	**24**

*Limited data for 2000-2005 were available for Illinois.
Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-2005. (www.fbi.gov)

Chart 17
Arrests Rates for Violent Crime

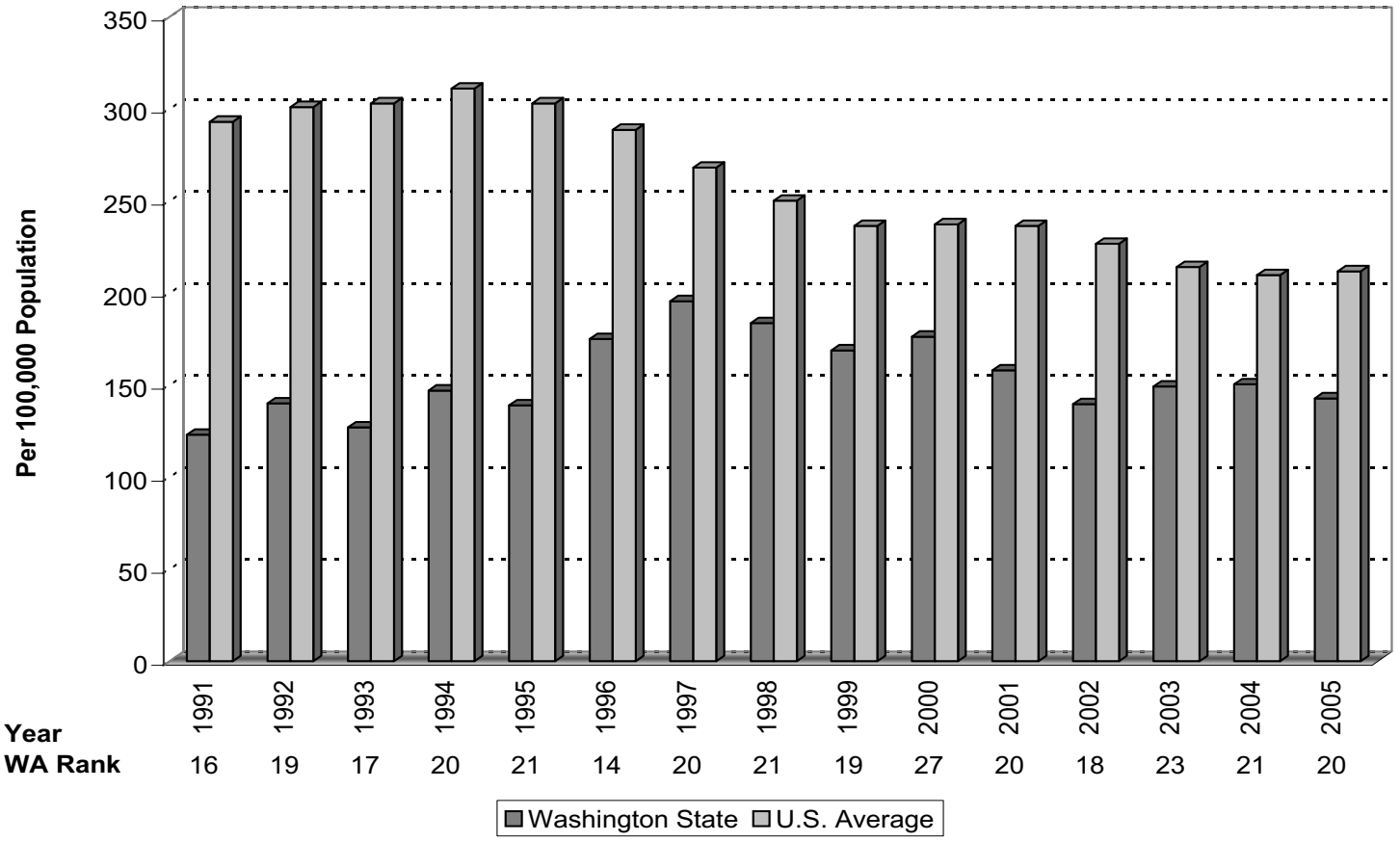

Table 17
Quality of Life
Arrest Rates for Violent Crime
(Per 100,000 Population)

	2001	2002	2003	2004	2005	2001-05
Alabama	169	178	159	152	166	165
Alaska	221	217	225	233	268	233
Arizona	175	175	161	161	158	166
Arkansas	158	207	184**	202**	218	194
California	387	372	366	351	342	364
Colorado	162	160	164	156	147**	158
Connecticut	207	155	163	170	172	173
Delaware	197	179	304	252	287	244
Florida	352	323	310	292	287	313
Georgia	262	269	250	299	284	273
Hawaii	110	120	108	107	95	108
Idaho	102	104	101	103	102	102
Illinois	364	336	330	330	337	340
Indiana	259	254	232	237	244	245
Iowa	139	158	150	149	166	152
Kansas	NA	95	88	106	83	93
Kentucky	317	336	203	175	168	240
Louisiana	336	319	303	305	299	312
Maine	67	61	63	66**	56	62
Maryland	242	173	222	219	214	214
Massachusetts	251	243	154	153	144	189
Michigan	117	188	172	151	151**	156
Minnesota	76	89	80	84	128	91
Mississippi	161	156	147	151	144	152
Missouri	282	317	265	263	302	286
Montana	137	131	141	NA	100**	127
Nebraska	94	85	86	96	110	94
Nevada	197	179	NA	235	175	196
New Hampshire	59	63	41**	52	48	52
New Jersey	189	184	179	176	170	179
New Mexico	267	254	218	235	232	241
New York	166	177	150	146	164	160
North Carolina	332	315	293	271	295	301
North Dakota	32	28	33	38	41	34
Ohio	173	147	93	96	108	124
Oklahoma	178	178	172	165	166	172
Oregon	116	95	96	141	127	115
Pennsylvania	240	223	210	220	225	224
Rhode Island	116	120	127	116	85**	113
South Carolina	294	297	55	232	281	232
South Dakota	98	94	77	76	94	88
Tennessee	210	228	243	256	301	248
Texas	150	148	146	150	147	148
Utah	79	80	97	94	84	87
Vermont	55	63	53	56	60	57
Virginia	102	100	88	97	112	100
Washington	**158**	**140**	**149**	**150**	**143**	**148**
West Virginia	112	92	96	96	110	101
Wisconsin	359	207	111	198	112	197
Wyoming	127	127	114	111	116	119
U. S. Average	236	227	214	210	212	220
Washington's Rank	**20**	**18**	**22**	**20**	**18**	**19**

*Violent crimes are offenses of murder, forcible rape, robbery, and aggravated assault.
**Data for these years not comparable to prior years due to change in reporting practices
NA: Complete arrest data were not available.
Source: U.S. Department of Justice. Federal Bureau of Investigation. Crime in the United States-Uniform Crime Reports: 1991-2005. (www.fbi.gov)

Air Quality

The air quality index measures the percentage of a state's population living in areas which are deemed to be in "nonattainment" of the National Ambient Air Quality Standards (NAAQS). These standards as defined by the Environmental Protection Agency (EPA) cover carbon monoxide, lead, nitrogen dioxide, ozone, particulate matter, and sulfur dioxide as "criteria pollutants", all of which have been shown to have adverse effects on the environment and human health. For an area to be reclassified as an "attainment" area, its air must meet the NAAQS standards for three consecutive years. The measure reported is the nonattainment status of metropolitan areas as of September 1st of each year.

Nonattainment areas are defined by metropolitan zones which may cover several states. The population for these areas is based upon 2000 census data and the nonattainment area is wholly designated to the primary state (i.e. the New York metropolitan area nonattainment population is put into New York State, although the city enters parts of New Jersey and Connecticut as well). In some cases where the metropolitan area includes large out-of-state populations this unfortunately results in nonattainment percentages greater than 100 percent. It should also be noted that the large increase in the total nonattainment population in 2004 through 2006 was the result of more stringent ozone standards being phased in 2004.

In 2006, none of Washington's residents lived in nonattainment areas. While the state shared this distinction with fifteen other states, three of those states, Delaware, New Hampshire, and New Jersey, had populations living in metropolitan nonattainment areas that were attributed to bordering states. The state's five-year average value of 4.7 percent ranked 16th among the states. The percent of Washington residents living in nonattainment areas has been well below the national average since 2000.

Chart 18
Air Quality Index

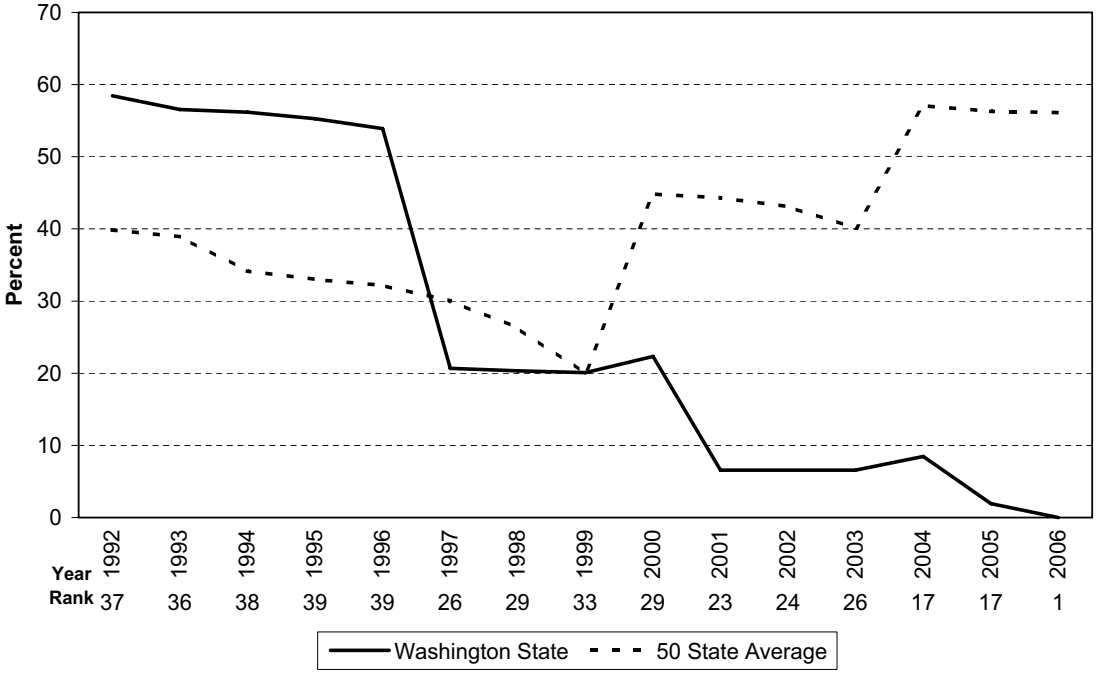

Table 18
Quality of Life
Air Quality
(Percent of State Population)

	2002	2003	2004	2005	2006	2002-06
Alabama*	18.1	18.1	18.1	18.2	18.2	18.1
Alaska	49.2	49.2	39.6	33.4	33.4	41.0
Arizona	63.6	63.6	63.5	63.5	63.5	63.5
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0
California	93.0	83.5	93.1	93.1	93.1	91.2
Colorado	59.4	3.8	65.8	65.6	65.4	52.0
Connecticut*	74.4	74.4	74.4	45.3	45.3	62.7
Delaware*	20.0	20.0	20.0	0.0	0.0	12.0
Florida	0.0	0.0	0.0	0.0	0.0	0.0
Georgia*	45.2	45.2	53.5	54.7	54.7	50.7
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0
Idaho	23.2	23.2	9.0	9.0	3.8	13.6
Illinois*	70.5	70.5	70.5	70.5	70.5	70.5
Indiana*	0.0	0.0	49.7	50.6	45.6	29.2
Iowa	0.0	0.0	0.0	0.0	0.0	0.0
Kansas	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky*	0.0	0.0	24.0	24.0	24.0	14.4
Louisiana	14.2	14.2	14.2	14.2	14.2	14.2
Maine	61.3	61.3	62.8	43.1	43.1	54.3
Maryland*	48.6	48.6	53.3	53.3	53.3	51.4
Massachusetts*	105.5	105.5	111.3	111.0	111.0	108.8
Michigan	0.0	0.0	77.9	77.9	77.9	46.7
Minnesota	5.8	0.0	0.0	0.0	0.0	1.2
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0
Missouri*	44.5	0.2	44.9	44.8	44.8	35.8
Montana	14.4	14.4	14.4	14.4	14.4	14.4
Nebraska	0.0	0.0	0.0	0.0	0.0	0.0
Nevada	85.8	85.8	85.8	85.8	85.8	85.8
New Hampshire*	45.1	45.1	15.6	0.0	0.0	21.2
New Jersey*	4.2	4.2	4.2	0.0	0.0	2.5
New Mexico	2.4	2.4	0.7	0.1	0.1	1.2
New York*	115.6	115.6	125.4	126.3	126.3	121.9
North Carolina*	0.0	0.0	59.2	59.2	59.2	35.5
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Ohio*	28.1	28.1	81.4	81.4	81.4	60.1
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	9.3	9.3	8.1	8.1	9.3	8.8
Pennsylvania*	85.2	85.2	117.1	115.2	115.2	103.6
Rhode Island	100.0	100.0	100.0	100.0	100.0	100.0
South Carolina*	0.0	0.0	32.2	32.2	32.2	19.3
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee*	0.0	0.0	62.3	63.2	59.6	37.0
Texas	49.5	49.5	59.1	58.6	58.6	55.0
Utah	62.0	62.0	62.0	62.0	62.0	62.0
Vermont	0.0	0.0	0.0	0.0	0.0	0.0
Virginia*	0.0	0.0	39.3	39.3	39.3	23.6
Washington	**6.6**	**6.6**	**8.5**	**1.9**	**0.0**	**4.7**
West Virginia*	4.4	4.4	41.2	49.7	49.7	29.9
Wisconsin	36.4	36.4	36.7	36.7	38.8	37.0
Wyoming	3.2	3.2	3.2	3.2	3.2	3.2
50 State Average	43.1	40.1	57.1	56.3	56.1	50.5
Washington's Rank	**24**	**26**	**17**	**17**	**1**	**16**

*Due to areas that span more than one state, these states may have more or less non-attainment areas than specified but are not documented to avoid double counting.
Source: U.S. Environmental Protection Agency. National Air Quality and Emissions Trends Report, 1996-2006 data:effective September 1st of each year from the Office of Air Quality Planning and Standards.
Population data relies on information from 2000 Census.

Drinking Water

Public water systems must abide by the standards established by the Environmental Protection Agency (EPA) under the federal Safe Drinking Water Act (SDWA). These standards are designed to prevent microbial, chemical and radiological contaminants in drinking water and to assure the protection of public health if contamination does occur. The number of contaminants regulated by the EPA has risen from 23 in 1986 to 98 in 2005 and is expected to surpass 130 by 2010.

The EPA annually reports the number of systems whose water has exceeded the Maximum Contaminant Level (MCL) for any contaminant and the number of people those systems serve. A MCL, according to the EPA, is the highest permissible level for a contaminant to still be safe. In addition, the EPA also calculates the number of systems that have violated a treatment technique, the requirement to have properly operating treatment facilities in order to remove contaminants. The attached table indicates the percentage of each state's population served by a water system subject to the SDWA that violated either a coliform MCL or a surface water treatment technique.

In 2005, 4.2 percent of Washington residents were served by water systems that exceeded the MCL at some point during the year, compared to the fifty state average of 9.2 percent. This improved Washington's rank to 11th in the country, up from 26th in 2004. The State's average for 2001-05 was 7.0 percent, beating the U.S. average of 7.8 percent and ranking 28th in the country.

Chart 19
Drinking Water

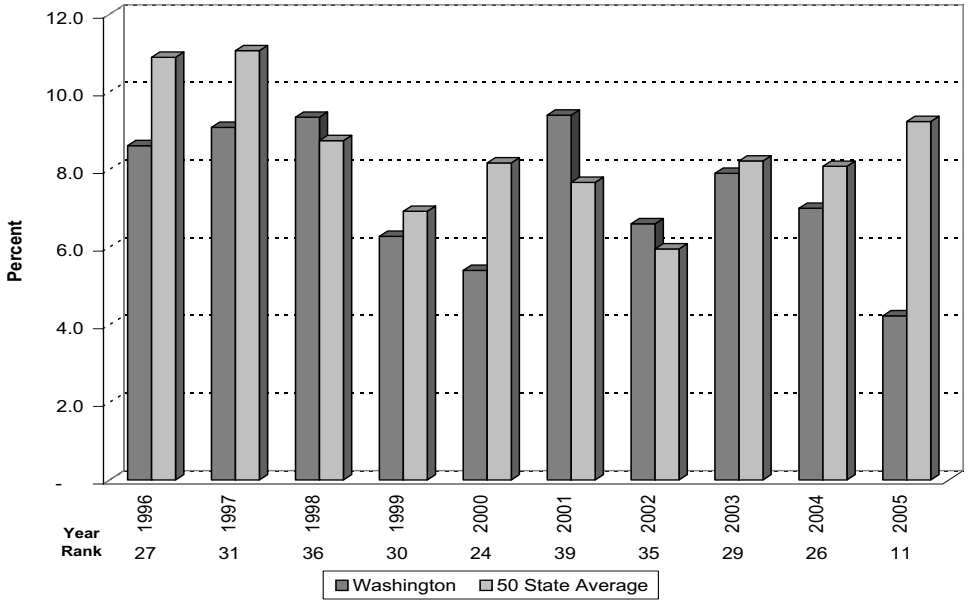

Table 19
Quality of Life
Drinking Water Index
(Percent)*

	2001	2002	2003	2004	2005	2001-05
Alabama	3.0	2.0	6.0	1.0	1.4	2.7
Alaska	9.0	6.0	8.0	10.0	9.1	8.4
Arizona	5.0	6.0	11.0	31.0	10.6	12.7
Arkansas	10.0	7.0	10.0	9.0	12.4	9.7
California	2.0	0.0	1.0	13.0	5.0	4.2
Colorado	10.0	1.0	11.0	12.0	3.1	7.4
Connecticut	2.0	4.0	2.0	2.0	3.8	2.8
Delaware	8.0	3.0	1.0	20.0	0.4	6.5
Florida	5.0	4.0	9.0	10.0	5.0	6.6
Georgia	2.0	2.0	7.0	2.0	4.9	3.6
Hawaii	9.0	4.0	4.0	1.0	1.9	4.0
Idaho	3.0	8.0	11.0	13.0	6.8	8.4
Illinois	8.0	7.0	7.0	8.0	8.1	7.6
Indiana	5.0	3.0	3.0	5.0	2.7	3.7
Iowa	2.0	2.0	5.0	6.0	9.9	5.0
Kansas	6.0	3.0	11.0	7.0	8.9	7.2
Kentucky	7.0	5.0	5.0	11.0	12.9	8.2
Louisiana	6.0	6.0	10.0	9.0	19.8	10.2
Maine	11.0	13.0	16.0	20.0	17.8	15.6
Maryland	0.0	0.0	2.0	0.0	5.8	1.6
Massachusetts	54.0	15.0	14.0	8.0	7.2	19.6
Michigan	2.0	3.0	1.0	2.0	1.0	1.8
Minnesota	1.0	13.0	2.0	1.0	5.2	4.4
Mississippi	9.0	10.0	5.0	2.0	5.6	6.3
Missouri	4.0	5.0	4.0	5.0	5.9	4.8
Montana	4.0	6.0	7.0	6.0	16.3	7.9
Nebraska	53.0	16.0	19.0	27.0	17.1	26.4
Nevada	0.0	2.0	1.0	3.0	1.3	1.5
New Hampshire	12.0	24.0	9.0	8.0	6.8	12.0
New Jersey	13.0	4.0	12.0	2.0	10.1	8.2
New Mexico	7.0	9.0	6.0	9.0	11.0	8.4
New York	12.0	9.0	52.0	9.0	47.3	25.9
North Carolina	4.0	5.0	5.0	9.0	18.8	8.4
North Dakota	4.0	3.0	10.0	5.0	7.1	5.8
Ohio	12.0	2.0	6.0	2.0	4.9	5.4
Oklahoma	7.0	18.0	30.0	29.0	39.6	24.7
Oregon	7.0	8.0	6.0	4.0	5.8	6.2
Pennsylvania	3.0	3.0	3.0	21.0	2.7	6.5
Rhode Island	0.0	0.0	9.0	2.0	14.1	5.0
South Carolina	13.0	4.0	8.0	6.0	5.6	7.3
South Dakota	2.0	2.0	5.0	2.0	3.6	2.9
Tennessee	3.0	3.0	8.0	4.0	4.8	4.6
Texas	3.0	5.0	3.0	4.0	7.2	4.4
Utah	1.0	5.0	4.0	5.0	5.2	4.0
Vermont	7.0	5.0	7.0	7.0	10.1	7.2
Virginia	2.0	3.0	11.0	11.0	5.4	6.5
Washington	**9.4**	**6.6**	**7.9**	**7.0**	**4.2**	**7.0**
West Virginia	5.0	7.0	5.0	5.0	11.4	6.7
Wisconsin	15.0	16.0	9.0	8.0	15.6	12.7
Wyoming	2.0	0.0	2.0	1.0	10.4	3.1
50 State Average**	7.7	6.0	8.2	8.1	9.2	7.8
Washington's Rank	**39**	**35**	**29**	**26**	**11**	**28**

*Percent of population served by water supply in violation of EPA standards.
**The 50 state average is an average of indicators listed. It may differ from the U.S. average.
Source: U.S. Environmental Protection Agency, Community Public Water Systems Compliance Statistics Safe Drinking, Drinking Water Information System. FY 1996-2005. (www.epa.gov)

Toxins Released

The Toxics Release Inventory (TRI), reported by the U.S. Environmental Protection Agency (EPA), provides the public with information concerning the amounts of toxic chemical releases from industrial facilities. Each year, facilities that meet certain thresholds must report their releases and other waste management activities for listed toxic chemicals to the EPA and to the state or tribal entity in whose jurisdiction the facility is located. The TRI list for 2004 included over 650 chemicals in 30 chemical categories.

Before 1998, only facilities in the manufacturing sector were required to report to TRI. Starting in 1994, federal facilities began to report to TRI and in 1998 seven additional industries were added to the required report list. This is the basis for the dramatic increases in the national average for toxins released in 1998 and beyond. States that housed the newly added reporting industries saw a large jump in toxins released beginning in 1998. Washington never saw a noticeable increase in its TRI reports however because many of these added industries, such as metal and coal mining, are not widespread in the state.

In 2004, U.S industries reported a 3.9 percent decrease in their total releases of toxics, from 4.4 to 4.2 billion pounds. This figure includes effluent releases directly into the air, water or land, whether it be in on-site or of-site landfills, surface impoundments, land treatment facilities or underground injection wells.

Washington industries reported 32.8 million pounds of toxic releases in 2004, an increase of 45.4 percent from 2003. Most of the increase was due to increased surface impoundments. This increased the state's per capita toxin release to 464 pounds, decreasing its ranking from 9th to 14th. The state's 2004 per capita releases were still well below the national average of 1,139 pounds. Washington's five-year average per capita release of 382 pounds was well below the national average of 1,377 pounds and ranked 10th among the states.

Chart 20
Toxins Released

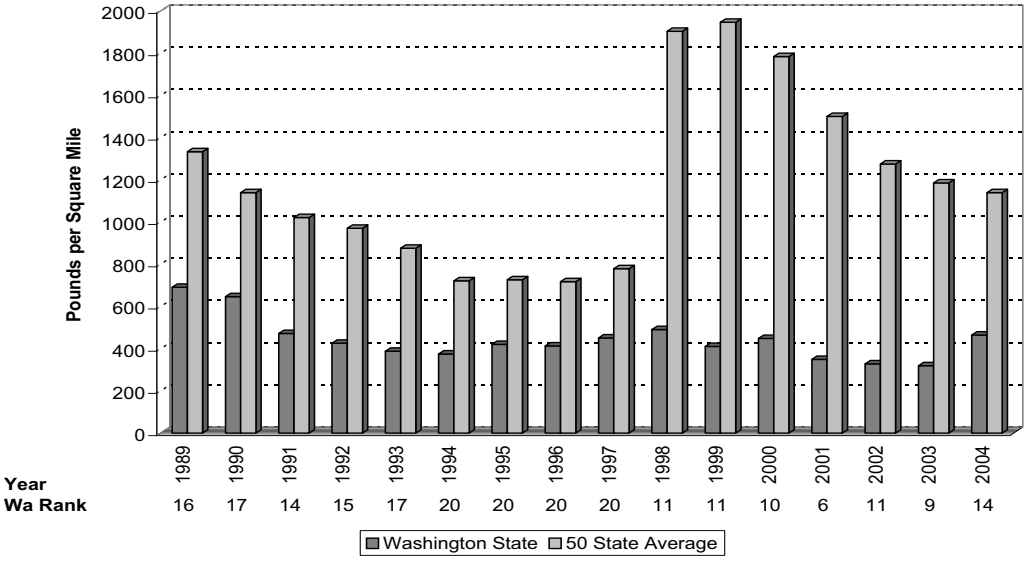

Table 20
Quality of Life
Toxins Released
Pounds per square miles

	2000	2001	2002	2003	2004	2000-04
Alabama	3,070	2,626	2,445	2,223	2,353	2,544
Alaska	871	848	893	877	833	864
Arizona	6,524	5,324	2,889	422	497	3,131
Arkansas	899	834	718	761	930	828
California	462	371	314	363	293	361
Colorado	288	396	251	216	233	277
Connecticut	1,585	1,728	2,130	966	909	1,464
Delaware	5,675	5,081	5,067	5,655	5,912	5,478
Florida	2,408	2,173	2,310	2,103	2,056	2,210
Georgia	2,134	1,985	2,215	2,129	2,012	2,095
Hawaii	197	475	572	490	491	445
Idaho	1,158	900	756	736	767	863
Illinois	2,659	2,329	2,316	2,275	2,331	2,382
Indiana	5,554	5,668	5,995	6,406	6,574	6,039
Iowa	802	671	644	665	765	710
Kansas	469	383	327	309	313	360
Kentucky	2,524	2,542	2,401	2,251	2,374	2,418
Louisiana	3,121	2,584	2,559	2,523	2,677	2,693
Maine	314	306	285	276	312	299
Maryland	3,847	3,862	3,680	3,691	3,548	3,726
Massachusetts	1,595	1,124	984	955	951	1,122
Michigan	1,469	1,378	1,396	1,078	1,016	1,267
Minnesota	397	382	358	359	301	360
Mississippi	1,742	1,473	1,280	1,381	1,527	1,481
Missouri	1,898	1,690	1,632	1,469	1,836	1,705
Montana	834	432	229	311	415	444
Nebraska	361	345	416	536	502	432
Nevada	9,120	7,084	4,209	3,640	2,436	5,298
New Hampshire	666	514	485	626	565	571
New Jersey	3,582	4,024	2,812	2,778	2,591	3,158
New Mexico	1,029	870	123	147	88	451
New York	1,071	905	834	811	785	881
North Carolina	3,000	2,847	2,505	2,499	2,534	2,677
North Dakota	364	359	360	330	324	348
Ohio	6,434	5,728	5,694	5,579	5,462	5,779
Oklahoma	475	411	419	427	423	431
Oregon	789	386	267	419	409	454
Pennsylvania	5,181	4,059	3,700	3,620	3,510	4,014
Rhode Island	1,046	932	835	642	487	788
South Carolina	2,590	2,643	2,583	2,803	2,592	2,642
South Dakota	124	176	155	134	111	140
Tennessee	3,876	3,475	3,703	3,364	3,744	3,632
Texas	1,090	940	1,005	979	1,038	1,010
Utah	5,426	3,014	2,094	2,868	1,977	3,076
Vermont	42	35	38	36	38	38
Virginia	1,940	1,928	1,897	1,718	1,697	1,836
Washington	**448**	**349**	**328**	**319**	**464**	**382**
West Virginia	4,081	3,357	3,871	4,195	3,780	3,857
Wisconsin	758	713	690	761	702	725
Wyoming	212	182	188	197	165	189
U.S. Average	1,784	1,500	1,275	1,185	1,139	1,377
Washington's Rank	**10**	**6**	**11**	**9**	**14**	**10**

Source: U.S. Environmental Protection Agency. Office of Pollution Prevention and Toxics.
Toxics Release Inventory Public Data Release Reports: 1989-2006. (www.epa.gov)
U.S. Department of Commerce, Economics and Statistics Administration, Statistical Abstract of the United States, 1995.

State Health Index

The UnitedHealth Group State Health Rankings provide a composite indicator, by state, that measures the relative healthiness of each state and the general health of the population in the United States. Rankings are based on states' performance in four components: personal behavior, community environment, health policies and outcomes. These components are in turn divided into a total of eighteen subcomponents, each contributing to the overall score according to different component weights. To prevent an extreme value from excessively influencing the overall score, the maximum value any state can receive for a component is limited to the national average (which becomes a benchmark of zero) plus or minus two standard deviations. These components are then calculated into the state health index, which is simply the percentage a state is above or below the national average.

Washington's 2005 index value increased to 11 from 2004's value of 9, improving its ranking among the states from 15th to 14th. The state ranked among the top ten states in five of the eighteen individual measures: low prevalence of smoking, low infant mortality (5.3 per 1,000), low occupational fatalities, low motor vehicle deaths and low premature death rate. Washington's five-year average index value of 12 ranked 13th among the states.

Chart 21
State Health Index

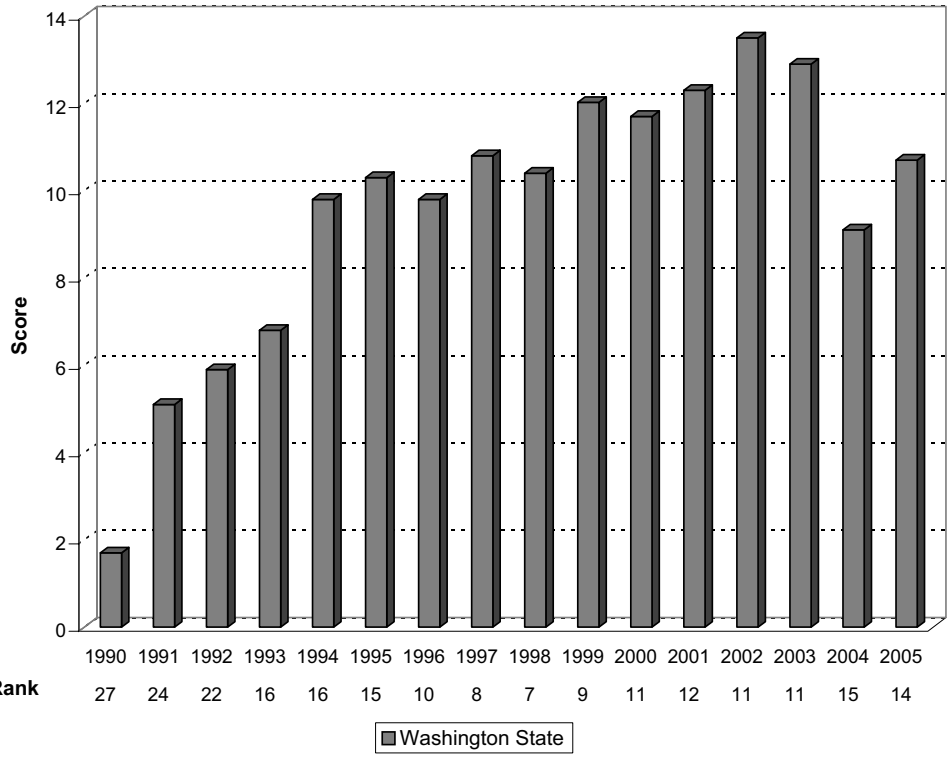

Table 21
Quality of Life
State Health Index
*Score

	2001	2002	2003	2004	2005	2001-05
Alabama	-11	-13	-11	-10	-13	-12
Alaska	2	0	-6	3	-1	-0
Arizona	-4	-4	-2	3	-2	-2
Arkansas	-9	-15	-14	-12	-16	-13
California	5	4	6	4	6	5
Colorado	14	15	14	12	10	13
Connecticut	17	17	15	15	16	16
Delaware	-6	-4	-3	-0	-3	-3
Florida	-13	-12	-11	-8	-9	-11
Georgia	-5	-9	-8	-11	-10	-9
Hawaii	14	12	13	18	17	15
Idaho	7	8	9	6	10	8
Illinois	-2	-1	0	0	1	-0
Indiana	5	4	2	-0	-2	2
Iowa	14	15	15	13	15	14
Kansas	7	7	8	7	6	7
Kentucky	-6	-8	-7	-7	-10	-8
Louisiana	-21	-24	-20	-21	-18	-21
Maine	14	14	14	14	16	14
Maryland	2	1	1	-2	-4	-0
Massachusetts	15	19	16	17	15	17
Michigan	0	1	2	0	0	1
Minnesota	23	22	24	25	22	23
Mississippi	-19	-22	-22	-20	-19	-21
Missouri	-2	-3	-3	-4	-4	-3
Montana	2	4	3	2	7	3
Nebraska	9	11	10	12	12	11
Nevada	-9	-6	-5	-6	-6	-6
New Hampshire	20	24	24	24	18	22
New Jersey	7	9	9	7	11	8
New Mexico	-8	-10	-8	-7	-6	-8
New York	-3	-3	-1	0	1	-1
North Carolina	-4	-5	-5	-8	-6	-5
North Dakota	11	14	13	16	17	14
Ohio	3	2	2	2	1	2
Oklahoma	-8	-13	-12	-7	-11	-10
Oregon	8	9	9	5	8	8
Pennsylvania	2	4	4	3	2	3
Rhode Island	10	12	12	11	12	11
South Carolina	-15	-16	-16	-13	-16	-15
South Dakota	6	10	12	6	7	8
Tennessee	-10	-12	-13	-13	-17	-13
Texas	-5	-6	-4	-3	-7	-5
Utah	19	18	20	18	18	18
Vermont	15	16	19	23	21	19
Virginia	10	9	7	6	6	7
Washington	**12**	**14**	**13**	**9**	**11**	**12**
West Virginia	-13	-9	-11	-10	-9	-11
Wisconsin	12	14	12	14	11	13
Wyoming	-2	3	6	2	7	3
U.S. Average	0	0	0	0	0	0
Washington's Rank	**12**	**11**	**11**	**15**	**14**	**13**

*Scores reflect the percentage above or below the national average.
Source: UnitedHealth Group, America's Health Rankings: 1990-2005, (www.unitedhealthfoundation.org).

Parks and Recreation Areas

Washington lays claim to one of the largest and busiest state park systems in the United States. With over 250 parks and recreation areas covering more than 250,000 acres, Washington ranks 15th among all 50 states in the number of areas operating and 13th in the amount of acreage managed, but is ranked 6th in terms of total number of visitors, with over 40 million entering last year.

Washington park and recreation area visits per capita decreased slightly from 6.5 in 2004 to 6.4 in 2005, decreasing its rank among the states from 5th to 6th. The state's five-year average visits per capita of 7.3, however, ranked 4th. Both measures were well above the national average. Since state park visits per capita began being recorded in 1987, Washington has always placed 6th or higher in the state rankings.

Chart 22
State Parks and Recreation Areas

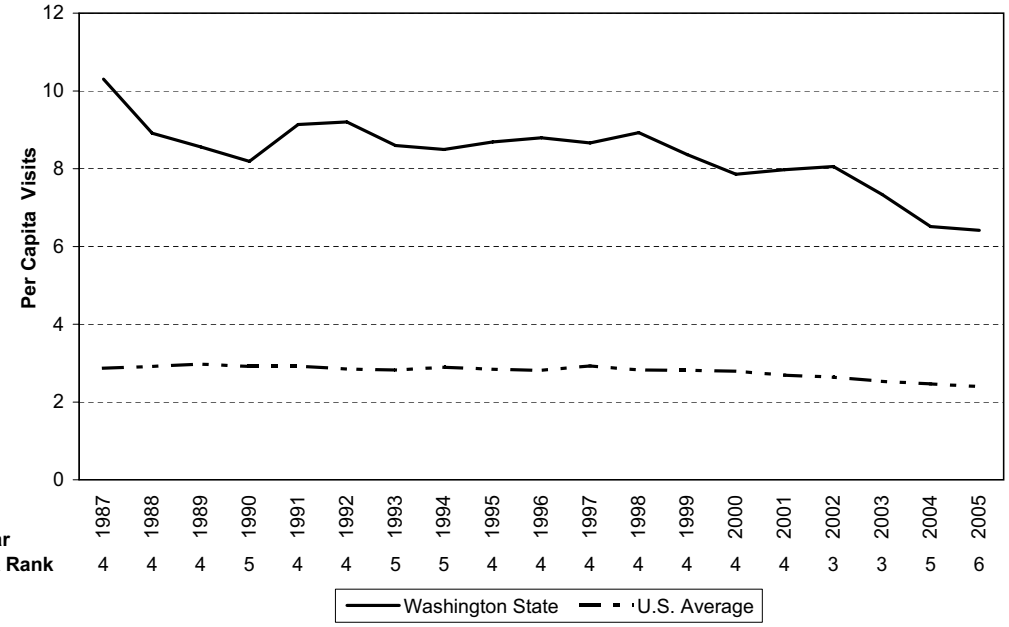

Table 22
Quality of Life
State Parks and Recreational Areas
(Per Capita Park Visits)

	2001	2002	2003	2004	2005	2001-05
Alabama	1.2	1.2	1.1	1.0	0.6	1.0
Alaska	5.8	6.7	6.6	6.1	6.5	6.3
Arizona	0.5	0.4	0.4	0.4	0.4	0.4
Arkansas	2.9	3.0	3.7	3.6	3.8	3.4
California	2.3	2.4	2.4	2.3	2.1	2.3
Colorado	2.4	2.5	2.5	2.6	2.4	2.5
Connecticut	2.2	2.6	2.0	1.9	1.9	2.1
Delaware	4.0	4.0	6.8	4.7	4.1	4.7
Florida	1.1	1.1	1.1	1.1	1.0	1.1
Georgia	1.8	1.7	1.4	1.4	1.3	1.5
Hawaii	15.3	5.1	3.6	7.3	7.2	7.7
Idaho	1.8	1.9	1.8	2.0	1.9	1.9
Illinois	3.5	3.5	2.9	3.4	3.5	3.4
Indiana	2.9	2.7	2.4	2.9	2.7	2.7
Iowa	5.2	5.3	4.9	5.0	4.8	5.0
Kansas	2.8	2.9	3.0	2.7	2.8	2.8
Kentucky	1.9	1.9	1.9	1.8	1.7	1.9
Louisiana	0.4	0.4	0.5	0.5	0.5	0.5
Maine	1.8	2.0	1.9	1.7	1.6	1.8
Maryland	1.8	1.9	1.9	1.9	2.1	1.9
Massachusetts	1.9	1.9	1.6	1.6	1.5	1.7
Michigan	2.5	2.5	2.2	2.0	2.0	2.3
Minnesota	1.7	1.6	1.5	1.5	1.6	1.6
Mississippi	1.5	1.5	1.1	1.1	1.0	1.2
Missouri	3.2	3.1	3.0	3.0	3.0	3.0
Montana	1.5	1.3	1.7	1.6	5.6	2.4
Nebraska	5.8	5.7	5.6	5.7	5.7	5.7
Nevada	1.6	1.5	1.5	1.8	1.7	1.6
New Hampshire	5.3	5.3	4.2	2.2	0.0	3.4
New Jersey	1.8	1.8	1.7	1.6	1.8	1.7
New Mexico	2.2	2.1	2.1	2.0	2.0	2.1
New York	2.9	3.0	3.0	2.8	2.8	2.9
North Carolina	1.5	1.5	1.6	1.3	1.4	1.4
North Dakota	1.7	1.7	1.8	1.6	1.5	1.7
Ohio	5.2	5.0	5.0	4.7	4.5	4.9
Oklahoma	4.4	4.0	4.1	4.0	3.6	4.0
Oregon	11.4	11.2	11.0	12.6	12.2	11.7
Pennsylvania	3.0	3.0	2.9	2.8	2.8	2.9
Rhode Island	6.0	6.8	6.1	7.0	5.1	6.2
South Carolina	2.2	2.0	1.8	1.8	1.5	1.8
South Dakota	10.0	11.6	11.9	12.0	9.2	10.9
Tennessee	5.0	4.5	4.6	4.8	4.9	4.8
Texas	0.8	0.8	0.8	0.4	0.4	0.7
Utah	2.8	2.5	2.4	2.4	1.7	2.4
Vermont	1.3	1.6	1.1	1.1	1.1	1.2
Virginia	0.8	0.9	0.8	0.8	0.9	0.8
Washington	**8.0**	**8.1**	**7.3**	**6.5**	**6.4**	**7.3**
West Virginia	4.5	4.1	4.6	4.3	4.4	4.4
Wisconsin	3.0	2.9	2.9	2.7	2.6	2.8
Wyoming	4.8	5.6	4.4	4.5	6.5	5.2
U.S. Average	2.7	2.6	2.5	2.5	2.4	2.5
Washington's Rank	**4**	**3**	**3**	**5**	**6**	**4**

Source: National Association of State Parks Directors. Washington State Parks and Recreation Commission. Annual Information Exchange 1981-2006.

State Arts

The National Assembly of State Arts Agencies compiles annual fiscal year summaries of state art agency revenue. Total state art agency revenue for this study is calculated by using state legislative appropriations, other state funds, federal funds such as the National Endowment for the Arts (NEA), and other non-federal funds received. Though arts agencies are the primary source of funding, some states also fund the arts through other agencies, such as arts education through the Department of Education, and this funding is not included.

Washington's per capita arts funding for fiscal 2006 decreased to $0.78 from 2005's value of $0.80. This spending level ranked 39th in the nation, down from 37th in 2005, and was below the national average of $1.18. While the state's five-year average funding was slightly higher at $0.81, this level ranked 38th in the nation and strayed even farther from the national average of $1.25.

Chart 23
State Arts

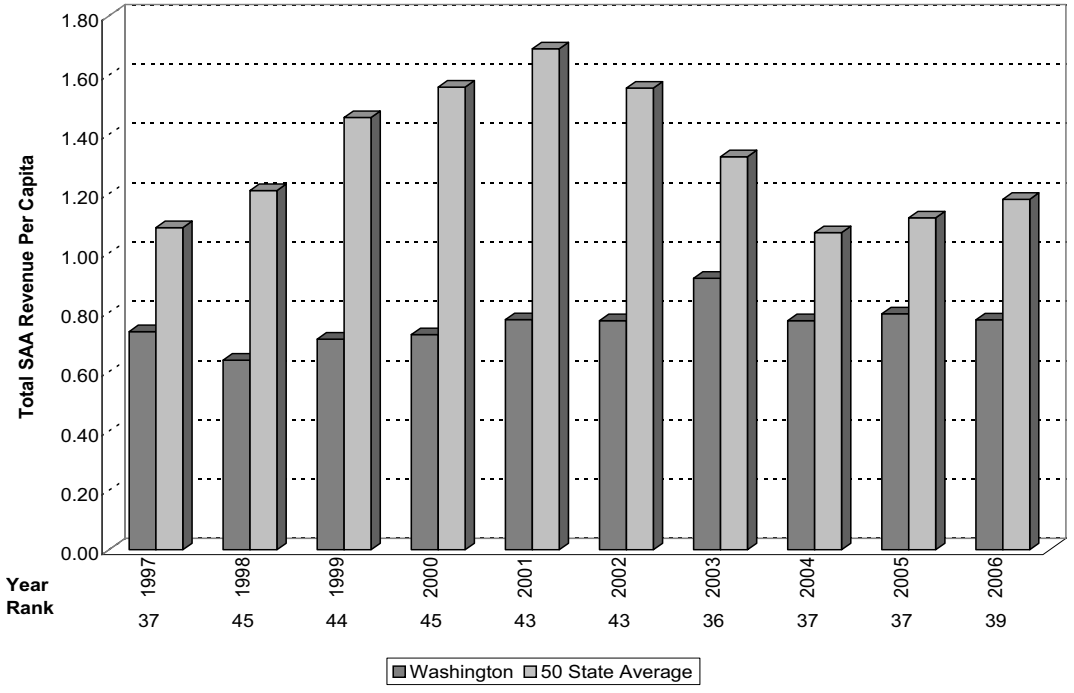

Table 23
Quality of Life
State Arts
Total Per Capita State Arts Agency Revenue*

(Fiscal Years)	2002	2003	2004	2005	2006	2002-06
Alabama	1.41	1.22	1.16	0.85	1.01	1.13
Alaska	1.66	1.70	1.60	1.62	1.75	1.67
Arizona	0.93	0.90	0.77	0.76	0.73	0.82
Arkansas	0.93	0.75	0.75	0.76	0.79	0.80
California	1.28	0.62	0.09	0.09	0.09	0.43
Colorado	0.81	0.44	0.19	0.25	0.28	0.39
Connecticut	6.56	5.39	4.95	4.52	4.36	5.16
Delaware	2.84	2.84	2.78	3.07	2.91	2.89
Florida	2.04	1.84	0.43	0.91	1.69	1.38
Georgia	0.69	0.60	0.59	0.49	0.50	0.57
Hawaii	5.63	5.35	5.29	5.65	6.30	5.64
Idaho	1.19	1.10	1.07	1.10	1.07	1.11
Illinois	1.67	1.48	1.52	1.54	1.61	1.56
Indiana	0.69	0.65	0.68	0.68	0.63	0.66
Iowa	0.72	0.63	0.66	0.59	0.62	0.64
Kansas	0.78	0.76	0.78	0.76	0.75	0.77
Kentucky	1.28	1.30	1.22	1.17	1.14	1.23
Louisiana	1.30	1.25	1.25	1.24	1.28	1.26
Maine	1.05	1.07	1.10	1.22	1.30	1.15
Maryland	2.67	2.40	2.16	2.15	2.17	2.31
Massachusetts	3.19	1.31	1.34	1.54	1.75	1.82
Michigan	2.75	2.30	1.23	1.23	1.10	1.72
Minnesota	2.84	2.65	2.08	1.90	1.87	2.27
Mississippi	2.22	1.87	2.52	1.88	1.73	2.04
Missouri	1.18	0.74	0.70	0.57	0.70	0.78
Montana	1.86	1.87	1.84	1.75	1.88	1.84
Nebraska	1.29	1.08	1.35	1.21	1.27	1.24
Nevada	0.96	0.98	0.96	1.04	0.97	0.98
New Hampshire	0.97	0.98	1.04	1.11	1.12	1.05
New Jersey	2.76	2.63	2.30	3.44	3.53	2.93
New Mexico	1.35	1.25	1.29	1.09	1.31	1.26
New York	2.74	2.73	2.37	2.35	2.39	2.52
North Carolina	0.87	0.80	0.80	0.80	1.00	0.85
North Dakota	1.63	1.72	1.69	1.76	1.71	1.70
Ohio	1.38	1.23	1.20	1.09	1.07	1.19
Oklahoma	1.55	1.41	1.33	1.34	1.41	1.41
Oregon	0.49	0.47	0.38	0.41	0.44	0.44
Pennsylvania	1.19	1.18	1.19	1.23	1.23	1.20
Rhode Island	2.93	2.96	2.70	3.07	3.59	3.05
South Carolina	1.37	1.20	1.05	1.02	1.08	1.15
South Dakota	1.54	1.62	1.49	1.58	1.58	1.56
Tennessee	0.84	0.95	1.02	1.11	1.21	1.03
Texas	0.30	0.30	0.27	0.26	0.22	0.27
Utah	1.65	1.39	1.37	1.39	1.38	1.44
Vermont	2.56	2.15	2.23	2.39	2.43	2.35
Virginia	0.76	0.66	0.48	0.49	0.55	0.59
Washington	**0.77**	**0.92**	**0.77**	**0.80**	**0.78**	**0.81**
West Virginia	2.61	2.85	2.57	3.31	2.04	2.68
Wisconsin	0.58	0.56	0.51	0.78	0.94	0.67
Wyoming	2.18	2.36	2.68	2.46	2.55	2.45
U.S. Average	1.56	1.33	1.07	1.12	1.18	1.25
Washington's Rank	**43**	**36**	**37**	**37**	**39**	**38**

*Though state arts agencies are the primary source for state funding, some states also fund the arts through other agencies, such as arts education funding through the Department of Education.
Source: National Assembly of State Arts Agencies, January 2006.

Public Library Service

This indicator ranks public library service by measuring the amount of circulation (the checking out of any media such as books, videos, or musical recordings) per capita. These statistics are collected annually by the National Center for Educational Statistics (NCES).

Washington has had excellent performance in this arena, with an average state ranking of 6th from the federal fiscal years 2000 to 2004. During that period, the state had an average per capita circulation of 10.1 compared to the national average of 6.8. Washington's fiscal 2004 state ranking was 5th, with per capita circulation of 10.8 compared to the national average of 7.1.

Chart 24
Public Library Service

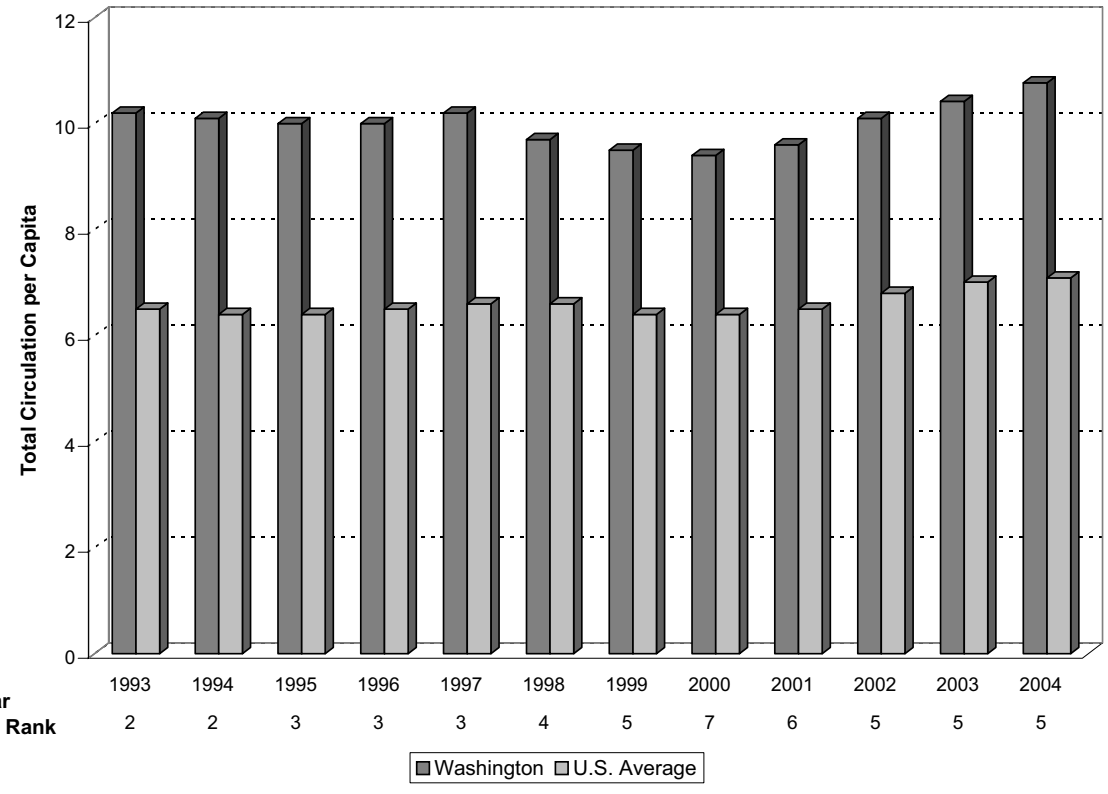

Table 24
Quality of Life
Public Library Service
(Circulation per Capita)

	2000	2001	2002	2003	2004	2000-2004
Alabama	3.5	3.6	3.8	3.9	4.1	3.8
Alaska	5.8	5.8	5.8	6.1	6.3	6.0
Arizona	6.4	6.5	7.0	7.5	7.5	7.0
Arkansas	4.2	4.1	4.3	4.3	4.4	4.3
California	4.8	5.0	5.3	5.6	5.5	5.2
Colorado	9.5	10.4	9.9	10.1	10.6	10.1
Connecticut	8.5	8.4	8.9	9.3	9.2	8.9
Delaware	6.3	5.8	6.2	6.1	6.4	6.2
Florida	4.7	5.0	5.3	5.6	5.4	5.2
Georgia	4.4	4.6	4.8	4.8	4.7	4.7
Hawaii	5.8	5.6	5.8	5.4	5.0	5.5
Idaho	7.4	7.7	7.9	8.3	8.2	7.9
Illinois	7.7	7.4	7.9	8.2	8.3	7.9
Indiana	11.1	11.1	11.7	12.0	11.9	11.6
Iowa	8.6	8.7	9.1	9.2	9.1	8.9
Kansas	9.6	9.6	10.1	10.1	10.7	10.0
Kentucky	5.1	5.2	5.4	5.6	5.7	5.4
Louisiana	4.0	4.1	4.0	4.0	4.3	4.1
Maine	7.0	6.9	7.1	7.2	7.3	7.1
Maryland	8.9	9.0	9.4	9.5	9.4	9.2
Massachusetts	7.4	7.2	7.6	7.7	7.7	7.5
Michigan	5.5	5.2	5.8	6.1	6.3	5.8
Minnesota	8.9	8.9	9.7	9.8	9.9	9.4
Mississippi	3.1	3.2	3.3	3.3	3.3	3.2
Missouri	8.1	7.6	7.7	8.2	8.7	8.1
Montana	5.5	5.3	5.7	5.8	6.0	5.7
Nebraska	8.0	8.6	8.7	8.8	8.8	8.6
Nevada	4.8	5.1	5.5	5.9	6.2	5.5
New Hampshire	7.2	7.1	7.3	7.5	7.6	7.3
New Jersey	5.5	5.9	6.3	6.3	6.4	6.1
New Mexico	5.2	4.9	4.9	4.8	5.3	5.0
New York	7.3	7.2	6.9	6.9	7.2	7.1
North Carolina	5.6	5.4	5.4	5.4	5.3	5.4
North Dakota	7.2	7.1	7.4	7.6	7.5	7.4
Ohio	12.8	13.8	14.6	14.7	14.8	14.1
Oklahoma	5.9	5.4	5.9	6.1	6.4	5.9
Oregon	11.1	12.2	13.4	14.3	14.5	13.1
Pennsylvania	4.7	4.7	5.1	5.2	5.2	5.0
Rhode Island	6.2	6.3	6.8	6.9	6.7	6.6
South Carolina	4.5	4.5	4.6	4.9	4.9	4.7
South Dakota	7.4	8.0	8.4	8.9	9.0	8.3
Tennessee	3.8	3.9	4.0	4.1	4.1	4.0
Texas	4.3	4.2	4.5	4.5	4.8	4.5
Utah	10.0	11.0	11.7	12.1	12.5	11.5
Vermont	7.2	6.7	6.7	7.1	7.3	7.0
Virginia	7.8	7.9	8.5	8.5	8.4	8.2
Washington	**9.4**	**9.6**	**10.1**	**10.4**	**10.8**	**10.1**
West Virginia	4.6	4.4	4.2	4.2	4.3	4.3
Wisconsin	8.7	9.2	9.7	9.9	10.2	9.5
Wyoming	7.7	7.6	7.8	8.2	8.3	7.9
U.S. Average*	6.4	6.5	6.8	7.0	7.1	6.8
Washington's Rank	**7**	**6**	**5**	**5**	**5**	**6**

Source: U.S. Department of Education. National Center for Education Statistics,Public Libraries in the United States: FY 1996-2004.
*U.S. Average includes Washinton D.C.

Housing Opportunity Index

The Housing Opportunity Index (HOI), created by the National Association of Home Builders, is a measure of the percentage of new and existing homes sold in an area that a family earning the median income in that area can afford to buy. The index for the second quarter of 2006 was based on an analysis of completed home sales in 199 metropolitan area markets nationwide. The average HOI for this period was 40.6, indicating that 40.6 percent of the homes sold in these metropolitan areas would be affordable to someone earning the median income for all of the areas. The NAHB uses the annual median family income estimates for metropolitan areas published by the Department of Housing and Urban Development.

Seven Washington metropolitan areas are included in the index: Bellingham, Bremerton-Silverdale, Mount Vernon-Anacortes, Olympia, Spokane, Tacoma and the Seattle-Bellevue-Everett area. Vancouver was also included but only as part of the Portland-Vancouver-Beaverton metropolitan area. Of the Washington areas included only Spokane had an HOI above the national average in the second quarter of 2006. Spokane's HOI of 55.0 ranked 85th among the 199 metropolitan areas included in the index, while Tacoma, with the lowest HOI in the state, ranked 155th with an HOI of 24.6.

Table 25
Quality of Life
Housing Opportunity Index
(Second Quarter 2006)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Akron, OH	76.9	61.3	122	31
Albany-Schenectady-Troy, NY	46.3	66.2	213	104
Albuquerque, NM MSA	41.6	53.2	202	115
Allentown-Bethlehem-Easton, PA-NJ	53.5	65.9	195	89
Amarillo, TX	65.7	51.8	124	56
Ann Arbor, MI	71.6	82.4	203	46
Asheville, NC	46.8	50.4	184	103
Atlanta-Sandy Springs-Marietta, GA	68.5	68.1	180	53
Atlantic City, NJ	26.1	64.4	280	150
Austin-Round Rock, TX	61.9	69.6	189	66
Bakersfield, CA	16.6	48.1	272	167
Baltimore-Towson, MD	40.6	72.8	280	116
Barnstable Town, MA	12.2	66.8	375	174
Battle Creek, MI	88.5	55.2	85	5
Bay City, MI	91.2	55.8	85	2
Beaumont-Port Arthur, TX	72.4	50.6	106	44
Bellingham, WA	**29.3**	**57.5**	**255**	**142**
Bend, OR	19.6	58.8	300	162
Bethesda-Gaithersburg-Frederick,MD *	36.2	98.4	400	123
Binghamton, NY	84.4	54.1	83	15
Birmingham-Hoover, AL	72.7	57.4	120	42
Boise City-Nampa, ID	26.7	56.1	245	149
Boston-Quincy, MA *	22.3	77.7	369	158
Boulder, CO	48.7	81.6	300	100
Bremerton-Silverdale, WA	**30.6**	**63.2**	**256**	**137**
Bridgeport-Stamford-Norwalk, CT	28.6	95.9	428	145
Brownsville-Harlingen, TX	37.4	33.0	116	121
Buffalo-Niagara Falls, NY	84.1	58.3	85	16
Cambridge-Newton-Framingham, MA *	30.8	90.9	387	136
Camden, NJ *	57.9	77.3	205	82
Canton-Massillon, OH	86.9	54.9	100	8
Cape Coral-Fort Myers, FL	24.6	56.0	258	155
Carson City, NV	29.0	57.3	272	143
Champaign-Urbana, IL	71.7	62.6	141	45
Charleston-North Charleston, SC	46.0	56.4	210	106
Charlotte-Gastonia-Concord, NC-SC	65.7	64.4	170	56
Chicago-Naperville-Joliet, IL *	46.1	72.1	251	105
Chico, CA	25.3	49.7	263	153
Cincinnati-Middletown, OH-KY-IN	75.6	64.6	140	32
Cleveland-Elyria-Mentor, OH	75.6	61.4	130	32

* Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2006.

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
College Station-Bryan, TX	56.4	52.3	148	84
Colorado Springs, CO	59.7	63.1	201	73
Columbia, SC	75.5	58.9	138	34
Columbus, OH	71.4	64.4	150	47
Corpus Christi, TX	47.5	48.2	141	102
Corvallis, OR	50.2	68.1	228	98
Cumberland, MD-WV	86.0	48.4	80	10
Dallas-Plano-Irving, TX *	58.8	66.7	181	79
Dayton, OH	83.2	59.8	114	18
Deltona-Daytona Beach-Ormond Beach, FL	31.4	50.3	205	134
Denver-Aurora, CO	58.5	71.3	226	81
Detroit-Livonia-Dearborn, MI *	86.7	56.7	95	9
Duluth, MN-WI	79.4	55.7	105	25
Durham, NC	62.3	61.7	176	65
Edison, NJ *	27.3	87.5	349	148
El Paso, TX	38.3	39.5	133	119
Erie, PA	81.9	54.3	95	21
Essex County, MA *	32.8	78.2	331	130
Eugene-Springfield, OR	36.3	54.7	218	122
Fayetteville, NC	64.9	47.6	125	58
Flagstaff, AZ	29.9	54.2	281	139
Flint, MI	85.2	57.8	103	12
Fort Collins-Loveland, CO	60.6	68.6	220	71
Fort Lauderdale-Pompano Beach-Deerfield Bea	29.9	60.6	255	139
Fort Walton Beach, FL	42.2	57.8	216	113
Fort Worth-Arlington, TX *	67.9	63.1	153	54
Fresno, CA	8.3	47.0	307	181
Gainesville, FL	50.8	54.5	175	97
Gainesville, GA	58.9	58.3	173	77
Glens Falls, NY	75.2	53.7	112	35
Grand Rapids-Wyoming, MI	84.8	61.5	127	13
Great Falls, MT	61.6	47.8	139	68
Greeley, CO	53.2	57.8	196	90
Greensboro-High Point, NC	69.7	56.4	144	52
Greenville, SC	73.2	56.5	142	41
Hagerstown-Martinsburg, MD-WV	34.2	57.7	240	126
Hanford-Corcoran, CA	13.3	46.2	246	172
Harrisburg-Carlisle, PA	81.1	64.3	140	22
Hartford-West Hartford-East Hartford, CT	59.2	80.2	225	75
Honolulu, HI	25.7	71.3	420	152

* Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2006.

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Houston-Sugar Land-Baytown, TX	54.2	60.9	170	87
Indianapolis, IN	87.4	65.1	120	6
Ithaca, NY	67.2	63.5	148	55
Jacksonville, FL	52.9	60.3	194	91
Kingston, NY	39.5	61.4	211	117
Lake County-Kenosha County, IL-WI *	52.9	86.0	261	91
Lakeland, FL	38.0	49.5	193	120
Lancaster, PA	70.9	64.1	163	50
Lansing-East Lansing, MI	90.3	64.9	110	3
Laredo, TX	23.9	34.8	149	157
Las Vegas-Paradise, NV	16.1	58.2	300	168
Lima, OH	83.1	52.2	88	19
Los Angeles-Long Beach-Glendale, CA *	1.9	56.2	521	199
Madera, CA	6.5	48.0	310	187
Manchester-Nashua, NH	38.4	76.9	254	118
Mansfield, OH	87.2	52.7	87	7
Medford, OR	16.9	52.9	279	166
Merced, CA	3.6	46.4	376	196
Miami-Miami Beach-Kendall, FL *	11.6	48.3	275	176
Midland, TX	58.7	55.9	140	80
Milwaukee-Waukesha-West Allis, WI	64.0	66.8	170	61
Minneapolis-St. Paul-Bloomington, MN-WI	59.8	78.5	235	72
Modesto, CA	4.1	54.4	380	195
Monroe, MI	84.6	69.6	140	14
Mount Vernon-Anacortes, WA	**28.8**	**56.5**	**251**	**144**
Napa, CA	5.4	75.0	615	191
Naples-Marco Island, FL	18.3	66.1	370	164
Nassau-Suffolk, NY *	9.7	91.0	439	178
New Haven-Milford, CT	49.7	75.0	235	99
New York-White Plains-Wayne, NY-NJ *	5.9	59.2	475	189
Newark-Union, NJ-PA *	20.7	85.4	390	160
Norwich-New London, CT	47.6	73.9	245	101
Oakland-Fremont-Hayward, CA *	8.0	83.8	575	183
Ocala, FL	51.3	44.9	145	96
Ocean City, NJ	16.0	64.1	412	169
Ogden-Clearfield, UT	58.9	61.2	197	77
Oklahoma City, OK	77.9	53.9	113	30
Olympia, WA	**32.2**	**64.3**	**243**	**132**
Orlando-Kissimmee, FL	31.8	57.4	239	133
Oxnard-Thousand Oaks-Ventura, CA	8.1	79.5	586	182

* Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.

Source: National Association of Home Builders (www.nahb.org), August 2006.

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Palm Bay-Melbourne-Titusville, FL	43.8	57.3	200	110
Panama City-Lynn Haven, FL	30.5	51.6	258	138
Pensacola-Ferry Pass-Brent, FL	60.8	51.9	150	69
Peoria, IL	82.7	62.4	110	20
Philadelphia, PA *	34.9	69.8	275	125
Phoenix-Mesa-Scottsdale, AZ	27.4	60.1	264	147
Pittsburgh, PA	73.8	57.4	117	40
Pittsfield, MA	59.2	61.2	172	75
Pocatello, ID	71.2	50.2	132	48
Port St. Lucie-Fort Pierce, FL	20.5	54.6	250	161
Portland-Vancouver-Beaverton, OR-WA	**33.7**	**66.9**	**265**	**127**
Poughkeepsie-Newburgh-Middletown, NY	33.6	73.4	265	128
Prescott, AZ	28.1	48.3	245	146
Providence-New Bedford-Fall River, RI-MA	19.6	64.0	273	162
Provo-Orem, UT	43.8	56.0	219	110
Pueblo, CO	71.0	46.8	122	49
Punta Gorda, FL	35.3	50.8	203	124
Raleigh-Cary, NC	63.3	71.6	199	63
Reading, PA	72.5	64.6	135	43
Redding, CA	11.3	49.0	280	177
Reno-Sparks, NV	15.3	62.8	333	171
Richmond, VA	55.0	67.2	218	85
Riverside-San Bernardino-Ontario, CA	7.3	57.5	389	186
Roanoke, VA	63.0	57.8	173	64
Rockford, IL	85.5	63.6	112	11
Rockingham County-Strafford County, NH *	43.3	77.0	266	112
Sacramento—Arden-Arcade—Roseville, CA	7.6	65.4	396	184
Saginaw-Saginaw Township North, MI	89.0	53.8	85	4
Salem, OR	52.4	56.8	187	93
Salinas, CA	3.5	62.2	610	197
Salisbury, MD	61.8	55.3	163	67
Salt Lake City, UT	44.5	61.3	233	109
San Angelo, TX	74.8	46.8	100	37
San Antonio, TX	53.7	53.1	150	88
San Diego-Carlsbad-San Marcos, CA	4.6	64.9	490	194
San Francisco-San mateo-Redwood City, CA *	7.6	91.2	769	184
San Jose-Sunnyvale-Santa Clara, CA	13.0	97.1	659	173
San Luis Obispo-Paso Robles, CA	5.9	63.8	550	189
Sandusky, OH	79.3	60.2	120	26
Santa Ana-Anaheim-Irvine, CA *	3.2	78.3	630	198

* Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.
Source: National Association of Home Builders (www.nahb.org), August 2006.

Housing Opportunity Index (cont.)

Metropolitan Area	Share of Homes Affordable for Median Income	Family Income (000s)	Median Sales Price (000s)	Affordability Rank
Santa Barbara-Santa Maria, CA	5.3	65.8	549	192
Santa Cruz-Watsonville, CA	4.8	75.1	702	193
Santa Rosa-Petaluma, CA	9.1	75.1	549	180
Sarasota-Bradenton-Venice, F	24.9	58.4	268	154
Seattle-Bellevue-Everett, WA *	**25.9**	**74.3**	**350**	**151**
Sherman-Denison, TX	78.0	53.1	106	29
Spokane, WA	**55.0**	**53.9**	**165**	**85**
Springfield, IL	80.0	64.6	115	24
Springfield, MA	60.8	62.9	183	69
Springfield, OH	91.4	55.4	85	1
St. George, UT	17.0	46.9	274	165
St. Louis, MO-IL	79.1	65.8	127	28
Stockton, CA	6.0	57.1	435	188
Tacoma, WA *	**24.6**	**61.0**	**265**	**155**
Tallahassee, FL	63.5	58.5	165	62
Tampa-St. Petersburg-Clearwater, FL	42.1	54.4	195	114
Toledo, OH	80.6	58.9	115	23
Trenton-Ewing, NJ	52.2	85.4	241	94
Tucson, AZ	31.2	52.4	222	135
Tulsa, OK	74.4	54.5	124	39
Tyler, TX	57.5	52.7	153	83
Vallejo-Fairfield, CA	11.9	74.0	450	175
Vero Beach, FL	32.6	55.5	228	131
Victoria, TX	69.8	51.2	113	51
Vineland-Millville-Bridgeton, NJ	59.7	56.4	150	73
Virginia Beach-Norfolk-Newport News, VA-NC	44.8	60.3	216	108
Visalia-Porterville, CA	15.6	44.1	252	170
Waco, TX	64.7	49.1	120	59
Warren-Farmington Hills-Troy, MI *	79.3	79.5	165	26
Washington-Arlington-Alexandria, DC-VA-MD-	20.8	88.2	430	159
West Palm Beach-Boca Raton-Boynton Beach,	29.9	64.4	286	139
Wheeling, WV-OH	51.7	48.2	165	95
Wichita Falls, TX	74.7	49.1	103	38
Wilmington, DE-MD-NJ *	64.3	73.2	215	60
Winston-Salem, NC	75.0	58.2	137	36
Worcester, MA	45.0	71.7	247	107
Youngstown-Warren-Boardman, OH-PA	84.0	52.1	85	17
Yuba City, CA	9.6	48.2	318	179
Yuma, AZ	33.5	41.1	175	129
National	**40.6**	**59.6**	**250**	**NA**

* Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.

Source: National Association of Home Builders (www.nahb.org), August 2006.

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Education and Skills of the Workforce

Fourth Grade Reading and Mathematics

(Not updated due to unavailability of data)

The National Assessment of Education Progress (NAEP) program, sponsored by the U.S. Department of Education, is the only testing program that provides valid uniform educational achievement indicators allowing for state comparisons. The NAEP assesses students in grades 4, 8, and 12 in various academic subjects. These subjects include the arts, geography, reading, science, civics, mathematics, U.S. History, and writing. The Washington State Economic Climate Study tracks the average scale score of fourth grade reading and mathematics by state.

Prior to the 2002-03 school year, participation in the NAEP tests was voluntary, with single-subject tests held every two years, alternating subjects every two years. As such, states that either declined to participate or had an insufficient number of participating schools to create a valid average state score are excluded from the state rankings. Washington did not participate in the inaugural 1992 mathematics and reading tests, and had insufficient voluntary participation in the 2000 mathematics test. As of the 2002-03 school year, however, participation in the NAEP test is mandatory due to the provisions of the "No Child Left Behind Act", which was passed by the Federal Government in 2001. Under the act, the NAEP tests in both reading and mathematics will be given to students in the 4th and 8th grades every two years, starting in the 2002-03 school year.

NAEP scores can be interpreted using the achievement level thresholds and their corresponding definitions outlined on page 66. Reading achievement is measured with exercises that require students to read material for two different purposes, literary experience and knowledge retention. In 2005, Washington's rank among the states improved from 19th to 12th as reading scores rose two points to 223. Washington's average since the 1994 test is 21st, with a point total of 220 slightly above the national average of 215.

In the mathematics exam, the skills and content covered include spatial sense, data analysis, statistics, probability, algebra and functions. Washington's 2003 participation in the mathematics assessment was the first since 1996. While the state's 2005 score increased to 242 from 2003's score of 238, the state slipped slightly in rank, moving from 11th to 12th. Washington's average score for the years 1992-2005 is 235, ranking 9th among the states.

Chart 26
Grade 4 Public School Students:
Average Reading Scale Scores

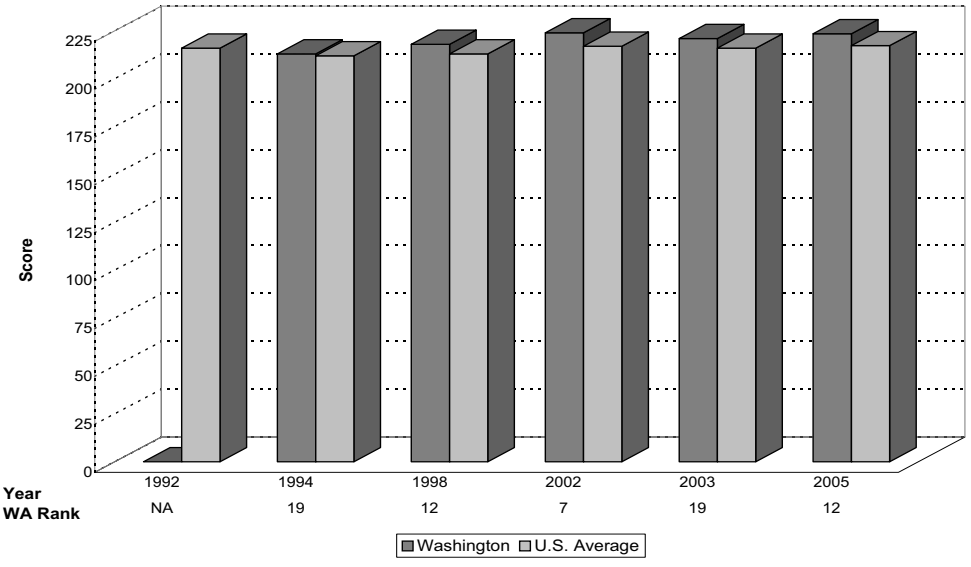


Table 26
Education and Skills of the Workforce
Grade 4 Public School Students:
Average Reading Scale Scores

	1994	1998	2002	2003	2005	1994-2005
Alabama	208	211	207	207	208	208
Alaska	NA	NA	NA	212	211	212
Arizona	206	206	205	209	207	207
Arkansas	209	209	213	214	217	212
California	197	202	206	206	207	204
Colorado	213	220	NA	224	224	220
Connecticut	222	230	229	228	226	227
Delaware	206	207	224	224	226	217
Florida	205	206	214	218	219	212
Georgia	207	209	215	214	214	212
Hawaii	201	200	208	208	210	205
Idaho	NA	NA	220	218	222	220
Illinois	NA	NA	NA	216	216	216
Indiana	220	NA	222	220	218	220
Iowa	223	220	223	223	221	222
Kansas	NA	221	222	220	220	221
Kentucky	212	218	219	219	220	218
Louisiana	197	200	207	205	209	204
Maine	228	225	225	224	225	225
Maryland	210	212	217	219	220	216
Massachusetts	223	223	234	228	231	228
Michigan	NA	216	219	219	218	218
Minnesota	218	219	225	223	225	222
Mississippi	202	203	203	205	204	203
Missouri	217	216	220	222	221	219
Montana	222	225	224	223	225	224
Nebraska	220	NA	222	221	221	221
Nevada	NA	206	209	207	207	207
New Hampshire	223	226	NA	228	227	226
New Jersey	219	NA	NA	225	223	222
New Mexico	205	205	208	203	207	206
New York	212	215	222	222	223	219
North Carolina	214	213	222	221	217	217
North Dakota	225	NA	224	222	225	224
Ohio	NA	NA	222	222	223	222
Oklahoma	NA	219	213	214	214	215
Oregon	NA	212	220	218	217	217
Pennsylvania	215	NA	221	219	223	219
Rhode Island	220	218	220	216	216	218
South Carolina	203	209	214	215	213	211
South Dakota	NA	NA	NA	222	222	222
Tennessee	213	212	214	212	214	213
Texas	212	214	217	215	219	215
Utah	217	216	222	219	221	219
Vermont	NA	NA	227	226	227	227
Virginia	213	217	225	223	226	221
Washington	**213**	**218**	**224**	**221**	**223**	**220**
West Virginia	213	216	219	219	215	216
Wisconsin	224	222	NA	221	221	222
Wyoming	221	218	221	222	223	221
U.S. Average	212	213	217	216	217	215
Washington's Rank	**19**	**12**	**7**	**19**	**12**	**21**

NA: State did not participate in the NAEP assessment during this year.
Source: National Center for Education Statistics National Assessment of Educational Progress (NAEP) 1992, 1994, 1998, 2002, 2003, 2005 Reading Assessments.

Grade 4 Reading Achievement Levels

Basic 208

Fourth-grade students performing at the Basic level should demonstrate an understanding of the overall meaning of what they read. When reading text appropriate for fourth graders, they should be able to make relatively obvious connections between the text and their own experiences and extend the ideas in the text by making simple inferences.

Proficient 238

Fourth-grade students performing at the Proficient level should be able to demonstrate an overall understanding of the text, providing inferential as well as literal information. When reading text appropriate to fourth grade, they should be able to extend the ideas in the text by making inferences, drawing conclusions, and making connections to their own experiences. The connection between the text and what the student infers should be clear.

Advanced 268

Fourth-grade students performing at the Advanced level should be able to generalize about topics in the reading selection and demonstrate an awareness of how authors compose and use literary devices. When reading text appropriate to fourth grade, they should be able to judge text critically and, in general, give thorough answers that indicate careful thought.

Grade 4 Mathematics Achievement Levels*

Basic 214

Fourth graders performing at the basic level should be able to estimate and use basic facts to perform simple computations with whole numbers; show some understanding of fractions and decimals; and solve some simple real-world problems in all NAEP content areas. Students at this level should be able to use--though not always accurately--four-function calculators, rulers, and geometric shapes. Their written responses are often minimal and presented without supporting information.

Proficient 249

Fourth graders performing at the proficient level should be able to use whole numbers to estimate, compute, and determine whether results are reasonable. They should have a conceptual understanding of fractions and decimals; be able to solve real-world problems in all NAEP content areas; and use four-function calculators, rulers, and geometric shapes appropriately. Students performing at the proficient level should employ problem-solving strategies such as identifying and using appropriate information. Their written solutions should be organized and presented both with supporting information and explanations of how they were achieved.

Advanced 282

Fourth graders performing at the advanced level should be able to solve complex and nonroutine real-world problems in all NAEP content areas. They should display mastery in the use of four-function calculators, rulers, and geometric shapes. They students are expected to draw logical conclusions and justify answers and solution processes by explaining why, as well as how, they were achieved. They should go beyond the obvious in their interpretations and be able to communicate their thoughts clearly and concisely.

Chart 27
Grade 4 Public School Students:
Average Mathematics Scale Scores

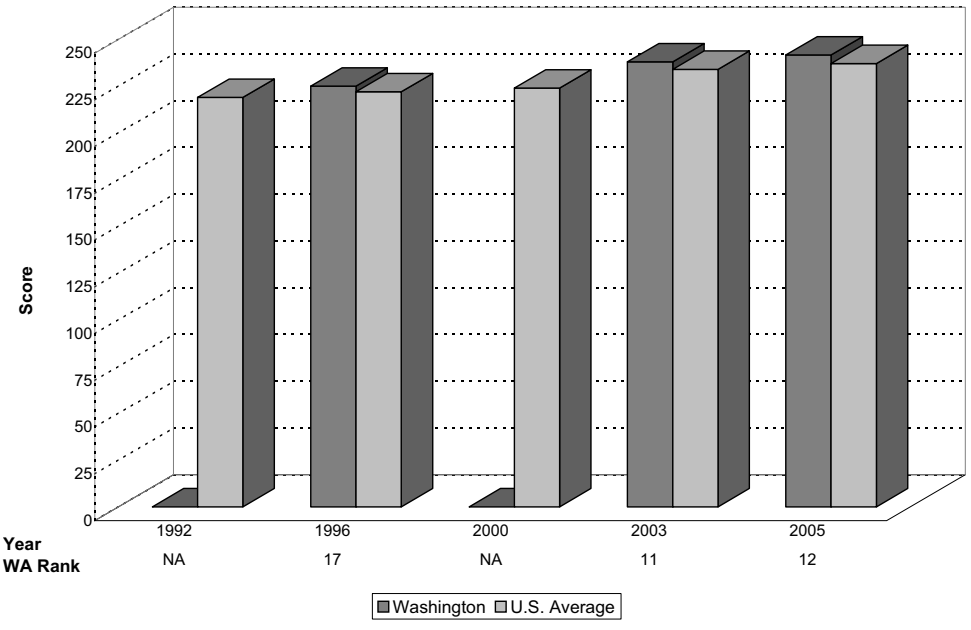


Table 27
Education and Skills of the Workforce
Grade 4 Public School Students:
Average Mathematics Scale Scores

	1992	1996	2000	2003	2005	1992-2005
Alabama	208	212	217	223	225	217
Alaska	NA	224	NA	233	236	231
Arizona	215	218	219	229	230	222
Arkansas	210	216	216	229	236	221
California	208	209	213	227	230	217
Colorado	221	226	NA	235	239	230
Connecticut	227	232	234	241	242	235
Delaware	218	215	NA	236	240	227
Florida	214	216	NA	234	239	226
Georgia	216	215	219	230	234	223
Hawaii	214	215	216	227	230	220
Idaho	NA	NA	224	235	242	234
Illinois	NA	NA	223	233	233	230
Indiana	221	229	233	238	240	232
Iowa	230	229	231	238	240	234
Kansas	NA	NA	232	242	246	240
Kentucky	215	220	219	229	231	223
Louisiana	204	209	218	226	230	217
Maine	232	232	230	238	241	235
Maryland	217	221	222	233	238	226
Massachusetts	227	229	233	242	247	236
Michigan	220	226	229	236	238	230
Minnesota	228	232	234	242	246	236
Mississippi	202	208	211	223	227	214
Missouri	222	225	228	235	235	229
Montana	NA	228	228	236	241	233
Nebraska	225	228	225	236	238	230
Nevada	NA	218	220	228	230	224
New Hampshire	NA	NA	NA	243	246	244
New Jersey	227	227	NA	239	244	234
New Mexico	213	214	213	223	224	217
New York	218	223	225	236	238	228
North Carolina	213	224	230	242	241	230
North Dakota	229	231	230	238	243	234
Ohio	NA	NA	230	238	242	237
Oklahoma	NA	NA	224	229	234	229
Oregon	NA	223	224	236	238	230
Pennsylvania	224	226	NA	236	241	232
Rhode Island	215	220	224	230	233	224
South Carolina	212	213	220	236	238	224
South Dakota	NA	NA	NA	237	242	239
Tennessee	211	219	220	228	232	222
Texas	218	229	231	237	242	231
Utah	224	227	227	235	239	230
Vermont	NA	225	232	242	244	236
Virginia	221	223	230	239	240	231
Washington	**NA**	**225**	**NA**	**238**	**242**	**235**
West Virginia	215	223	223	231	231	225
Wisconsin	229	231	NA	237	241	234
Wyoming	225	223	229	241	243	232
U.S. Average	219	222	224	234	237	227
Washington's Rank	**NA**	**17**	**NA**	**11**	**12**	**9**

NA: State did not participate in the NAEP assessment during this year.
Source: National Center for Education Statistics. National Assessment of Education Progress (NAEP) 1992, 1996, 2000, 2003, 2005 Mathematics Assessments.

Tenth Grade WASL Scores

The Washington Assessment of Student Learning (WASL) is a statewide assessment designed to measure critical thinking skills and how well students can apply knowledge. Unlike traditional standardized tests, takers are required to answer a variety of types of questions including multiple choice, short answer and essay.

The test is designed to measure achievement in meeting the state's Essential Academic Learning Requirements in reading, writing and mathematics in grades 4, 7 and 10 and science in grades 5, 8 and 10. The listening test was removed in 2004. The WASL is administered each spring. Beginning in 2008, high school students will be required to meet the standards it sets in order to graduate.

As the WASL is unique to Washington, test results cannot be compared to those in other states. The results are included here, however, as they provide an indication of Washington's progress in maximizing the number of students who are able to pass the WASL by the tenth grade.

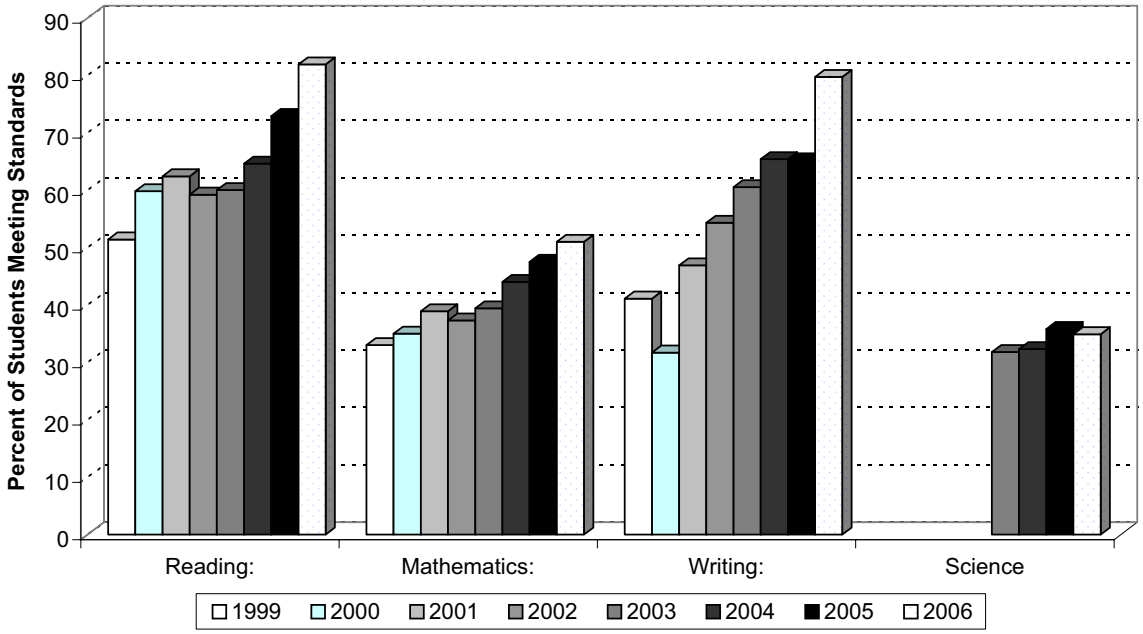
As can be seen in Table 28, tenth-grade WASL scores for 2006 showed an improvement in three of the four categories, with only a slight decline in the science measure. Of the tenth-graders that took the test, 51.0 percent met the standard in mathematics, 81.9 percent met the standard in reading and 34.9 percent met the standard in science. Of particular note is the large performance improvement in the writing assessment, in which 79.7 percent of participants met the standard in 2006, a 22 percent increase over 2005's level of 65.2 percent.

Table 28
Education and Skills of the Workforce
Tenth Grade WASL Test Scores

	2001	2002	2003	2004	2005	2006
Reading:	62.4	59.2	60.0	64.6	72.9	81.9
Mathematics:	38.9	37.3	39.4	44.0	47.5	51.0
Writing:	46.9	54.3	60.5	65.4	65.2	79.7
Listening:	84.0	81.8	75.9	NA	NA	NA
Science				32.3	35.8	34.9

Source:Office of Superintendent of Public Instruction, September 2005 (http://www.k12.wa.us).

Chart 28
Tenth Grade WASL Scores



Student to Teacher Ratios

Over the last decade, there has been a nationwide movement to lower the student to teacher ratios in public schools. The success of this movement to date is evident in the steady decline of the national ratio from 17.4 students per teacher in the 1992-93 school year to 15.9 in 2003-04. While Washington has shared in this movement, its progress has been somewhat slower, with a decline from 20.2 to 19.3 over the same period.

Washington's student-teacher ratio increased slightly from 19.2 in the 2002-03 school year to 19.3 in the 2003-04 school year, decreasing its rank from 45th to 46th. The state's five-year value of 19.5 students per teacher also ranked 46th among the states.

Chart 29
Student toTeacher Ratios in Elementary and Secondary Public Schools

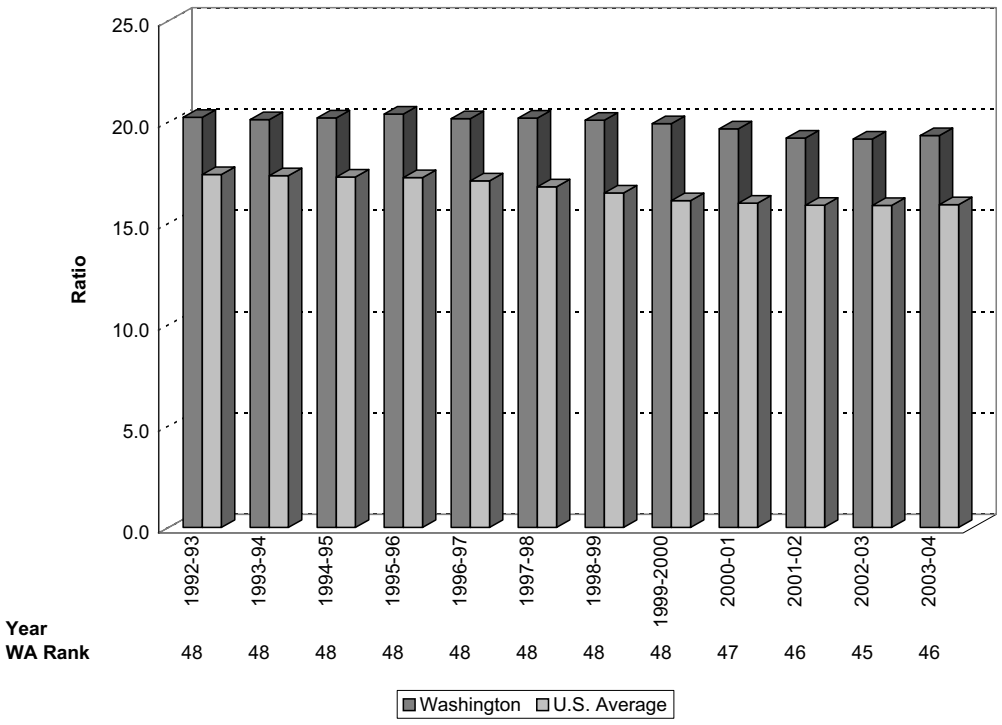


Table 29
Education and Skills of the Workforce
Student to Teacher Ratios in Elementary and Secondary Public Schools

	School Year					
	1999-2000	**2000-01**	**2001-02**	**2002-03**	**2003-04**	**1999-2004**
Alabama	15.2	15.4	15.8	15.7	12.6	14.9
Alaska	17.1	16.9	16.7	16.6	17.2	16.9
Arizona	19.4	19.8	20.0	19.9	21.3	20.1
Arkansas	14.4	14.1	13.6	14.9	14.7	14.3
California	21.0	20.6	20.5	20.6	21.1	20.8
Colorado	17.4	17.3	16.8	16.6	16.9	17.0
Connecticut	13.9	13.7	13.7	13.5	13.6	13.7
Delaware	15.4	15.4	15.3	15.1	15.2	15.3
Florida	18.3	18.4	18.6	18.4	17.9	18.3
Georgia	15.7	15.9	15.9	15.6	15.7	15.7
Hawaii	17.1	16.9	16.8	16.8	16.5	16.8
Idaho	18.0	17.9	17.8	17.9	17.9	17.9
Illinois	16.2	16.1	16.0	15.9	16.5	16.1
Indiana	16.8	16.7	16.7	16.7	16.9	16.8
Iowa	14.9	14.3	13.9	13.9	13.8	14.2
Kansas	14.3	14.4	14.2	14.4	14.4	14.4
Kentucky	15.4	16.8	16.2	16.3	16.1	16.2
Louisiana	15.1	16.6	16.6	16.6	16.6	16.3
Maine	12.8	12.5	12.3	12.1	11.5	12.2
Maryland	16.6	16.3	16.0	15.7	15.8	16.1
Massachusetts	12.5	14.5	14.1	13.2	13.6	13.6
Michigan	18.0	17.7	17.5	19.9	18.1	18.2
Minnesota	15.2	16.0	16.0	16.0	16.3	15.9
Mississippi	16.3	16.1	15.8	15.6	15.1	15.8
Missouri	14.3	14.1	13.9	13.6	13.9	14.0
Montana	15.2	14.9	14.6	14.5	14.4	14.7
Nebraska	13.9	13.6	13.5	13.6	13.6	13.7
Nevada	18.7	18.6	18.5	18.4	19.0	18.7
New Hampshire	14.7	14.5	14.1	13.9	13.7	14.2
New Jersey	13.4	13.3	12.9	12.8	12.7	13.0
New Mexico	16.4	15.2	14.7	15.1	15.0	15.3
New York	14.3	13.9	13.7	13.7	13.3	13.8
North Carolina	15.6	15.5	15.4	15.2	15.1	15.3
North Dakota	13.8	13.4	13.2	12.9	12.7	13.2
Ohio	15.8	15.5	15.0	14.7	15.2	15.2
Oklahoma	15.1	15.1	14.9	15.4	16.0	15.3
Oregon	19.6	19.4	19.5	20.4	20.6	19.9
Pennsylvania	15.9	15.5	15.4	15.4	15.2	15.5
Rhode Island	14.2	14.8	14.2	14.2	13.4	14.2
South Carolina	14.7	14.9	14.5	14.9	15.3	14.9
South Dakota	14.0	13.7	13.6	14.0	13.6	13.8
Tennessee	15.1	15.9	15.8	15.8	15.7	15.7
Texas	14.9	14.8	14.7	14.8	15.0	14.8
Utah	22.0	21.9	21.8	21.8	22.4	22.0
Vermont	12.3	12.1	11.8	11.7	11.3	11.9
Virginia	13.3	13.2	13.0	11.8	13.2	12.9
Washington	**19.9**	**19.7**	**19.2**	**19.2**	**19.3**	**19.5**
West Virginia	13.8	13.7	14.0	14.0	14.0	13.9
Wisconsin	14.4	14.6	13.9	14.6	15.1	14.5
Wyoming	13.3	13.3	13.2	13.0	13.3	13.2
U.S. Average	16.1	16.0	15.9	15.9	15.9	16.0
Washington's Rank	**48**	**47**	**46**	**45**	**46**	**46**

Source: U.S. Department of Education, National Center for Education Statistics. Digest of Educational Statistics, 2005 (www.nces.ed.gov).

Education Attainment: Completed Four Years of High School or More

(Not updated due to unavailability of data)

As part of its annual Current Population Survey, the U.S. Bureau of the Census tabulates the percent of the population aged 25 years or older that has completed four years of high school or more. As one indication of the economic relevance of this measure, the 2004 survey found that the average annual wage for a person who did not graduate from high school in the year 2004 was only $18,734 while that of a person with a high school diploma was $27,915.

The 2004 survey reported that 89.7 percent of Washington's population aged 25 years or older completed four or more years of high school, an increase from 2003's value of 89.1 percent. The state's 2004 rank, however, remained constant at 10th. The state's five-year average value of 90.2 percent ranked 7th among the states. Washington has consistently ranked well above the U.S. average in this measure.

Chart 30
Completed Four Years of High School or More

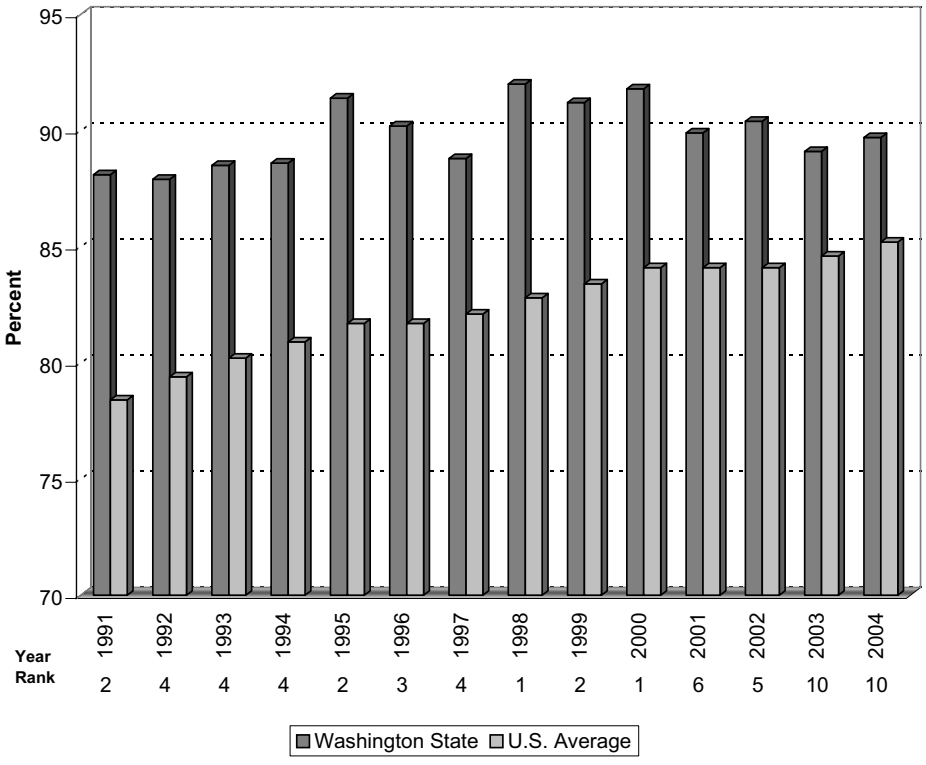


Table 30
Education and Skills of the Workforce
Educational Attainment:
Completed Four Years of High School or More
(Percent)*

	2000	2001	2002	2003	2004	2000-04
Alabama	77.5	80.2	78.9	79.9	82.4	79.8
Alaska	90.4	91.1	92.2	90.6	90.2	90.9
Arizona	85.1	83.8	84.6	83.8	84.4	84.3
Arkansas	81.7	80.5	81.0	80.9	79.2	80.7
California	81.2	81.0	80.2	81.1	81.3	81.0
Colorado	89.7	88.6	87.6	88.7	88.3	88.6
Connecticut	88.2	87.5	88.0	87.5	88.8	88.0
Delaware	86.1	84.7	88.5	88.7	86.5	86.9
Florida	84.0	84.1	83.3	84.7	85.9	84.4
Georgia	82.6	82.5	82.9	85.1	85.2	83.7
Hawaii	87.4	89.1	87.9	88.5	88.0	88.2
Idaho	86.2	87.3	86.8	88.2	87.9	87.3
Illinois	85.5	86.2	85.9	85.9	86.8	86.1
Indiana	84.6	84.4	85.3	86.4	87.2	85.6
Iowa	89.7	87.8	88.3	89.7	89.8	89.1
Kansas	88.1	87.8	87.5	88.6	89.6	88.3
Kentucky	78.7	79.0	80.8	82.8	81.8	80.6
Louisiana	80.8	81.0	78.8	79.8	78.7	79.8
Maine	89.3	85.4	87.4	86.6	87.1	87.2
Maryland	85.7	88.1	87.5	87.6	87.4	87.3
Massachusetts	85.1	85.7	86.5	87.1	86.9	86.3
Michigan	86.2	86.3	86.5	87.6	87.9	86.9
Minnesota	90.8	92.6	92.2	91.6	92.3	91.9
Mississippi	80.3	81.7	79.1	81.2	83.0	81.1
Missouri	86.6	88.2	88.1	88.3	87.9	87.8
Montana	89.6	90.2	89.7	90.1	91.9	90.3
Nebraska	90.4	89.7	89.8	90.8	91.3	90.4
Nevada	82.8	84.9	85.8	85.6	86.3	85.1
New Hampshire	88.1	89.3	90.2	92.1	90.8	90.1
New Jersey	87.3	86.6	85.9	86.2	87.6	86.7
New Mexico	82.2	81.2	81.6	81.7	82.9	81.9
New York	82.5	83.2	83.7	84.2	85.4	83.8
North Carolina	79.2	80.0	80.1	81.4	80.9	80.3
North Dakota	85.5	87.0	89.0	89.7	89.5	88.1
Ohio	87.0	88.2	87.3	87.2	88.1	87.6
Oklahoma	86.1	85.8	85.1	85.7	85.2	85.6
Oregon	88.1	86.6	87.7	86.9	87.4	87.3
Pennsylvania	85.7	85.9	86.1	86.0	86.5	86.0
Rhode Island	81.3	78.7	80.1	81.0	81.1	80.4
South Carolina	83.0	81.9	80.2	80.8	83.6	81.9
South Dakota	91.8	87.7	89.2	88.7	87.5	89.0
Tennessee	79.9	78.1	80.1	81.0	82.9	80.4
Texas	79.2	78.4	78.1	77.2	78.3	78.2
Utah	90.7	90.0	91.0	89.4	91.0	90.4
Vermont	90.0	86.8	87.4	88.9	90.8	88.8
Virginia	86.6	84.6	86.7	87.8	88.4	86.8
Washington	**91.8**	**89.9**	**90.4**	**89.1**	**89.7**	**90.2**
West Virginia	77.1	79.5	78.5	78.7	80.9	78.9
Wisconsin	86.7	87.0	86.8	88.6	88.8	87.6
Wyoming	90.0	90.2	91.6	90.9	91.9	90.9
50 State Average	84.1	84.1	84.1	84.6	85.2	84.4
Washington's Rank	**1**	**6**	**5**	**10**	**10**	**7**

*Percent of persons 25 years or older who have completed 4 years of high school or more.
Source: U.S. Department of Commerce, Bureau of the Census, Educational Attainment in the United States: March 1998-2004. (www.census.gov)

Education Attainment: Completed Bachelors Degree or More

(Not updated due to unavailability of data)

As part of its annual Current Population Survey, the U.S. Bureau of the Census tabulates the percent of the population aged 25 years or older that has obtained a bachelor's degree or higher. As one indication of the economic relevance of this measure, the 2004 survey found that the average annual wage for a person with only a high school diploma was $27,915 while that of a person with a bachelor's degree was $51,206.

In 2004, the percentage of Washington residents of age 25 or older who had achieved a bachelor's degree or more increased from 28.8 percent to 29.9 percent, well above the U.S. average of 27.7 percent. The state's 2004 ranking, however, declined from 13th to 14th. The state's five-year average of 28.5 percent ranked 13th among the states.

Chart 31
Completed Bachelor's Degree or More

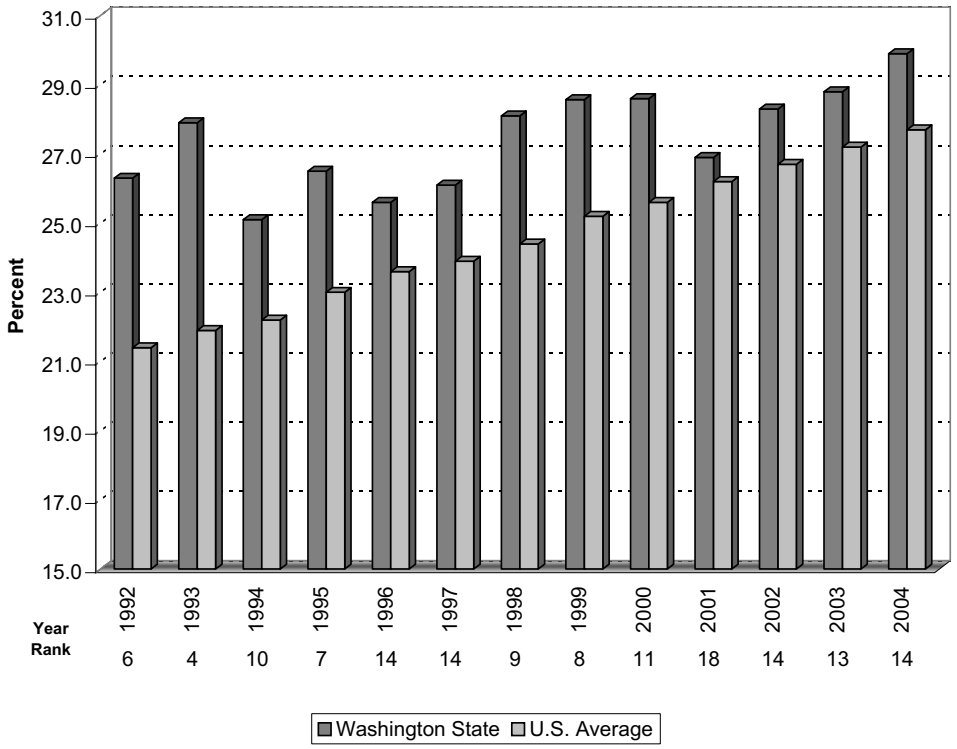


Table 31
Education and Skills of the Workforce
Educational Attainment: Completed Bachelor's Degree or More
(Percent)*

	2000	2001	2002	2003	2004	2000-04
Alabama	20.4	20.2	22.7	22.7	22.3	21.7
Alaska	28.1	25.7	25.6	24.0	25.5	25.8
Arizona	24.6	24.4	26.3	26.0	28.0	25.9
Arkansas	18.4	18.6	18.3	17.4	18.8	18.3
California	27.5	29.1	27.9	29.8	31.7	29.2
Colorado	34.6	35.2	35.7	36.0	35.5	35.4
Connecticut	31.6	32.4	32.6	33.5	34.5	32.9
Delaware	24.0	28.6	29.5	28.1	26.9	27.4
Florida	22.8	24.6	25.7	25.8	26.0	25.0
Georgia	23.1	24.2	25.0	25.0	27.6	25.0
Hawaii	26.3	27.9	26.8	27.0	26.6	26.9
Idaho	20.0	21.2	20.9	22.5	23.8	21.7
Illinois	27.1	26.7	27.3	28.1	27.4	27.3
Indiana	17.1	21.2	23.7	22.2	21.1	21.1
Iowa	25.5	23.9	23.1	24.6	24.3	24.3
Kansas	27.3	27.9	29.1	31.0	30.0	29.1
Kentucky	20.5	20.4	21.6	21.3	21.0	21.0
Louisiana	22.5	19.7	22.1	22.3	22.4	21.8
Maine	24.1	22.2	23.8	23.7	24.2	23.6
Maryland	32.3	35.7	37.6	37.2	35.2	35.6
Massachusetts	32.7	32.5	34.3	37.6	36.7	34.8
Michigan	23.0	24.0	22.5	23.3	24.4	23.4
Minnesota	31.2	31.4	30.5	32.7	32.5	31.7
Mississippi	18.7	23.3	20.9	19.3	20.1	20.5
Missouri	26.2	25.3	26.7	26.6	28.1	26.6
Montana	23.8	22.8	23.6	24.9	25.5	24.1
Nebraska	24.6	25.7	27.1	26.8	24.8	25.8
Nevada	19.3	20.8	22.1	21.2	24.5	21.6
New Hampshire	30.1	31.6	30.1	34.0	35.4	32.2
New Jersey	30.1	30.7	31.4	33.4	34.6	32.0
New Mexico	23.6	22.0	25.4	23.7	25.1	24.0
New York	28.7	28.9	28.8	29.6	30.6	29.3
North Carolina	23.2	23.1	22.4	23.8	23.4	23.2
North Dakota	22.6	24.4	25.3	25.2	25.2	24.5
Ohio	24.6	24.1	24.5	25.0	24.6	24.6
Oklahoma	22.5	21.1	20.4	24.3	22.9	22.2
Oregon	27.2	27.2	27.1	26.4	25.9	26.8
Pennsylvania	24.3	25.8	26.1	24.8	25.3	25.3
Rhode Island	26.4	27.4	30.1	27.6	27.2	27.7
South Carolina	19.0	23.4	23.3	22.3	24.9	22.6
South Dakota	25.7	23.6	23.6	23.9	25.5	24.5
Tennessee	22.0	21.0	21.5	23.5	24.3	22.5
Texas	23.9	23.8	26.2	24.7	24.5	24.6
Utah	26.4	27.9	26.8	28.4	30.8	28.1
Vermont	28.8	29.0	30.8	31.3	34.2	30.8
Virginia	31.9	30.6	34.6	34.2	33.1	32.9
Washington	**28.6**	**26.9**	**28.3**	**28.8**	**29.9**	**28.5**
West Virginia	15.3	15.8	15.9	15.3	15.3	15.5
Wisconsin	23.8	24.9	24.7	24.1	25.6	24.6
Wyoming	20.6	19.2	19.6	20.7	22.5	20.5
U.S. Average	25.6	26.2	26.7	27.2	27.7	26.7
Washington's Rank	**11**	**18**	**14**	**13**	**14**	**13**

* Percent of persons 25 years old and over who have obtained a Bachelor's degree or higher.
Source: U.S. Department of Commerce, Bureau of the Census. Educational Attainment in the United States: March 1998-2004. (www.census.gov)

Public Two and Four Year College Combined Participation Rate

Washington, more than most states, relies heavily on the community college system to provide the first two years of a college education. As a result of this, Washington and states with a similar policy have higher than average two-year participation rates and lower than average four-year participation rates. Since two- and four-year participation rates presented separately give a skewed view of Washington's overall participation rate, this report combines the two statistics to produce a participation rate inclusive of two and four-year participants. With this adjustment, states that are more reliant on the community college system can be better compared to other states.

In 2004, Washington had a public two and four year college participation rate of 6.1 percent, a decline from 2003's rate of 6.3 percent. Washington's rank also declined in this period from 17th in the country to 21st. Even with this decline, Washington's rate remained above the U.S. average of 5.8 percent. Washington's rate of 6.2 percent for the years 2000 through 2004 was also above the national average of 5.7 percent, ranking Washington 17th among the states for that period.

Chart 32
Total Public Two and Four Year Combined Participation Rate

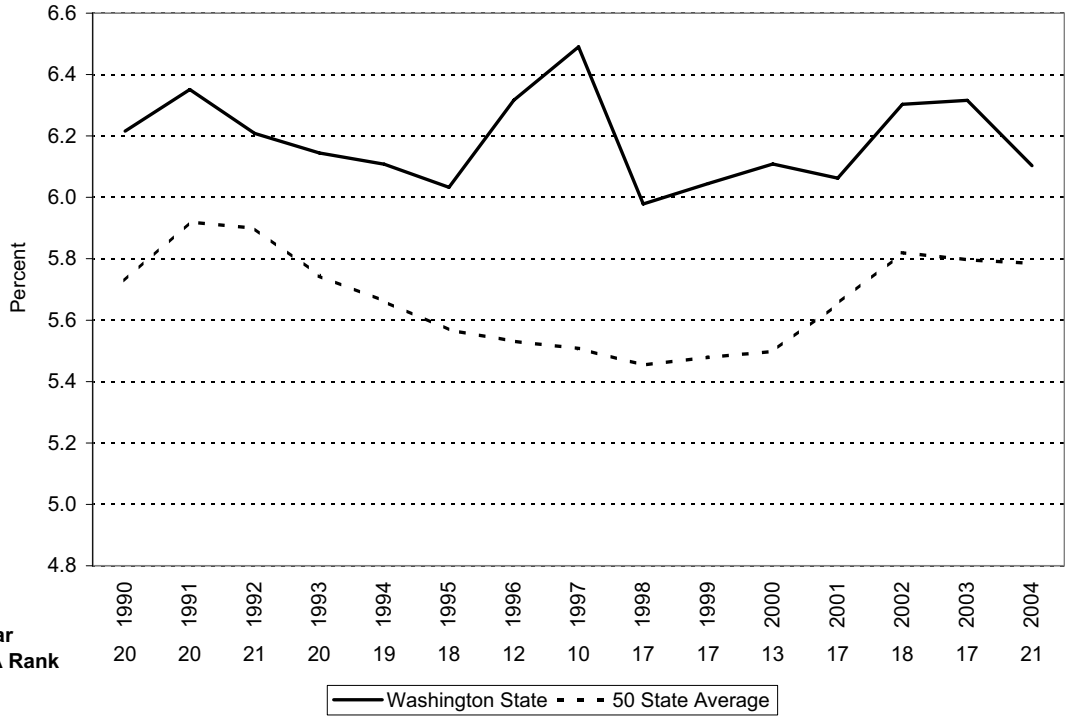


Table 32
Education and Skills of the Workforce
Total Public Two and Four Year College Combined Participation Rate
(Percent)*

	2000	2001	2002	2003	2004	2000-04
Alabama	6.1	6.1	6.3	6.5	6.5	6.3
Alaska	5.9	5.9	6.1	6.3	6.1	6.1
Arizona	7.4	7.5	7.6	7.5	7.4	7.5
Arkansas	5.0	5.3	5.5	5.7	5.9	5.5
California	7.6	8.0	8.1	7.5	7.4	7.7
Colorado	6.6	6.6	6.8	6.9	6.9	6.8
Connecticut	3.9	3.9	4.1	4.0	4.1	4.0
Delaware	5.7	5.9	6.0	5.9	5.9	5.9
Florida	4.4	4.6	4.7	4.8	4.8	4.7
Georgia	4.4	4.7	4.9	5.0	5.0	4.8
Hawaii	4.8	4.9	5.0	5.2	5.2	5.0
Idaho	5.6	5.8	5.8	5.9	5.8	5.8
Illinois	5.7	5.7	5.8	5.9	5.8	5.8
Indiana	5.2	5.6	5.6	5.6	5.7	5.5
Iowa	6.0	6.2	6.4	6.5	6.5	6.3
Kansas	7.9	8.0	8.2	8.2	8.1	8.1
Kentucky	4.9	5.7	6.0	6.2	6.2	5.8
Louisiana	5.7	5.8	5.9	6.1	6.1	5.9
Maine	4.1	4.2	4.4	4.5	4.5	4.3
Maryland	5.6	5.8	6.0	6.0	6.0	5.9
Massachusetts	3.7	3.7	3.7	3.8	3.7	3.7
Michigan	6.2	6.4	6.5	6.5	6.5	6.4
Minnesota	5.9	6.0	6.1	6.2	6.1	6.1
Mississippi	5.9	5.9	6.2	6.2	6.3	6.1
Missouri	4.7	4.8	4.9	4.9	4.8	4.8
Montana	5.4	5.6	5.8	5.9	5.8	5.7
Nebraska	6.9	6.9	7.0	7.0	7.0	7.0
Nevada	5.4	5.5	5.5	5.6	5.5	5.5
New Hampshire	3.8	3.8	4.2	4.1	4.0	4.0
New Jersey	4.1	4.2	4.4	4.5	4.6	4.4
New Mexico	7.5	7.6	8.1	8.3	8.4	8.0
New York	4.0	4.0	4.1	4.1	4.2	4.1
North Carolina	5.3	5.6	5.8	6.0	6.0	5.7
North Dakota	7.3	7.8	8.3	8.7	8.6	8.1
Ohio	4.8	4.9	5.1	5.1	5.1	5.0
Oklahoma	5.9	6.2	6.4	6.6	6.6	6.4
Oregon	5.9	6.1	6.4	6.0	5.9	6.1
Pennsylvania	3.6	3.7	3.8	3.9	4.0	3.8
Rhode Island	4.7	4.7	4.6	4.7	4.7	4.7
South Carolina	5.1	5.1	5.3	5.4	5.3	5.2
South Dakota	6.2	6.5	6.6	6.5	6.4	6.4
Tennessee	4.6	4.4	4.3	4.3	4.4	4.4
Texas	5.8	6.0	6.3	6.4	6.5	6.2
Utah	7.9	8.4	8.3	8.4	8.5	8.3
Vermont	4.2	4.3	4.4	4.6	4.6	4.4
Virginia	5.7	5.9	6.0	6.0	5.9	5.9
Washington	**6.1**	**6.1**	**6.3**	**6.3**	**6.1**	**6.2**
West Virginia	5.3	5.5	5.6	5.7	5.7	5.6
Wisconsin	6.1	6.2	6.4	6.3	6.2	6.3
Wyoming	7.7	7.8	8.0	8.1	8.0	7.9
50 State Average	5.5	5.7	5.8	5.8	5.8	5.7
Washington's Rank	**13**	**17**	**18**	**17**	**21**	**17**

*Percent participation: Fall headcount compared to population aged 17 & above.
Source: National Center for Education Statistics, U.S. Department of Education; Population Division, U.S. Census Bureau.

Value Added Per Hour of Labor in Manufacturing

"Value added" in manufacturing is a measure of the difference between the value of a finished object and the value of the raw materials that went into its production. The total value added of an industry represents the amount of revenue available for payment of wages, rent, taxes, interest, profit, and all other business costs aside from raw materials.

The Annual Survey of Manufactures (ASM), published by the U.S. Census Bureau, provides estimates of worker hours and value added for all manufacturing establishments with one or more paid employee. As it is a sample survey, its estimates possess varying margins of error. To minimize the effects of these errors, the ASM estimates are presented in Table 33 as three-year moving averages. Due to ASM reclassification from the Standard Industrial Code (SIC) to the North American Industry Classification System (NAICS) in 1997, survey estimates prior to that date are not included due to non-comparability.

The amount of value added per hour of labor varies greatly among different industries. Highly automated industries such as semiconductors have very high value added per hour since one person can operate a machine that puts out a large volume of high-value product, while less automated industries such as furniture manufacturing require more labor per dollar of added value. (Highly automated industries, however, also have much higher equipment costs, so high value added does not necessarily imply high profit.) Within a specific industry, interstate differences in value added per worker hour may be interpreted as differences in worker productivity between states.

The differences in value-added across industries makes a state's average value added per worker hour highly dependent upon its particular industry mix. States with a large percentage of high value added industries (such as semiconductors in New Mexico and Arizona) perform very well in this measure, reported as "Non-Weighted" in Table 33. Washington also performs well in this measure, indicating an industry mix of higher-than-average labor productivity, ranking 6th in the most recent period.

To minimize the effects of industry mix on estimates of state productivity, the "Weighted" values in Table 33 represent value added per worker hour as if each state had an identical mix of industries. In this case, state worker hours in each of the 21 major NAICS manufacturing groups were adjusted to be identical in proportion to the national average. When measured in this way, Washington's average value added per worker hour is lower due to the neutralization of its industry-mix advantage, but the state still ranked well (9th) in the most recent period. This weighting method, however, is still susceptible to error for two main reasons. The first reason is that most states are either totally lacking in several industries or have only one representative of an industry, which makes the data unreportable by the Census due to disclosure laws (though the data is included in the totals). These omissions are treated as an undifferentiated "remainder" industry that can skew a state's average greatly depending upon what the productivity of the hidden industry is and the proportion of total hours the remainder represents. Alaska is a prime example, with all industries except food products hidden by disclosure laws. The second reason is that there is still a large degree of productivity variation within major NAICS categories. For example, NAICS group 334 includes semiconductor manufacturing along with computer, electronic instrument, and other electronics manufacturing industries with much lower labor productivity than semiconductors. When each state is given the same number of hours in group 334, therefore, those states who have a large percentage of semiconductor worker hours in that group will still record higher-than-average productivity in that group. For this reason, both Arizona and New Mexico still perform above average in the weighted results. Nevertheless, by accounting for most of the industry mix variation, the weighted results can still provide a general idea of where each state lies in the labor productivity spectrum.

Chart 33
Value Added Per Hour of Labor in Manufacturing

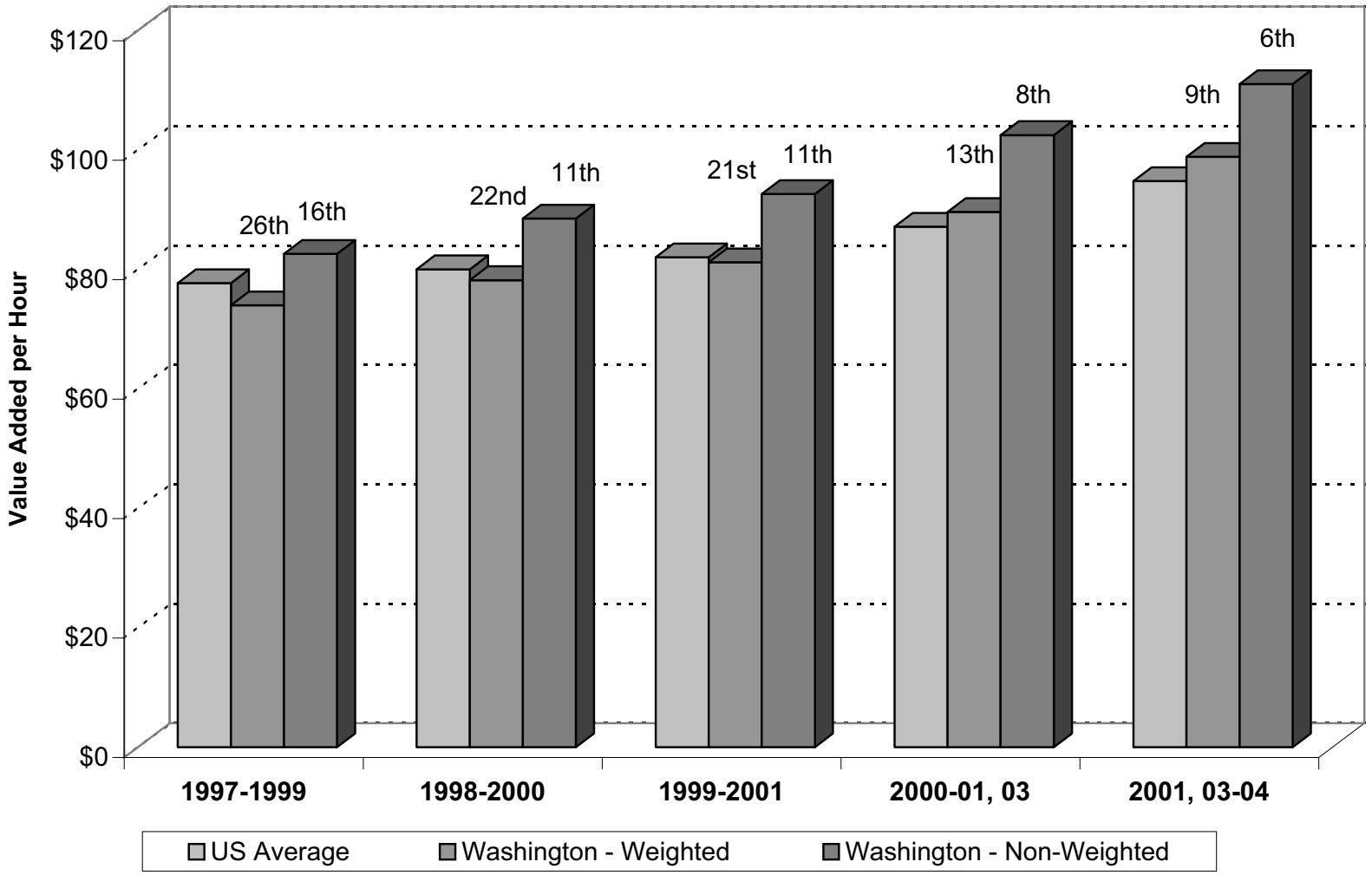


Table 33
Education and Skills of the Workforce
Value Added per Hour of Labor in Manufacturing
(Three Year Average, Dollars)

	Weighted 1999-2001	Weighted 2000-01, 03*	Weighted 2001, 03-04*	Non-Weighted 1999-2001	Non-Weighted 2000-01, 03*	Non-Weighted 2001, 03-04*
Alabama	60.67	65.26	72.66	56.81	62.08	70.45
Alaska	101.36	116.65	149.76	54.30	59.10	70.46
Arizona	101.01	102.51	106.97	128.56	129.76	129.58
Arkansas	64.28	70.69	78.43	55.51	61.04	69.14
California	86.32	89.15	96.33	96.70	98.41	102.77
Colorado	78.92	81.89	82.93	87.21	89.76	90.42
Connecticut	97.98	102.11	112.97	95.30	100.15	110.32
Delaware	88.41	90.22	101.12	104.66	103.65	115.53
Florida	70.15	74.38	80.68	74.37	79.41	86.46
Georgia	79.20	82.11	87.07	75.04	78.85	84.23
Hawaii	103.25	93.04	81.88	66.11	66.40	64.08
Idaho	46.72	45.91	57.95	73.75	75.93	85.01
Illinois	79.87	85.79	93.50	80.87	86.16	93.97
Indiana	86.01	91.25	97.86	78.03	85.14	93.29
Iowa	86.49	98.34	109.64	80.99	88.58	99.40
Kansas	79.39	84.08	87.83	69.85	76.34	83.15
Kentucky	77.37	83.61	95.29	78.13	78.46	86.56
Louisiana	67.94	72.84	84.91	106.30	114.80	144.02
Maine	69.33	75.85	82.16	68.86	74.15	77.94
Maryland	83.64	89.68	96.51	88.83	94.52	101.94
Massachusetts	86.29	93.83	102.59	97.41	103.95	110.72
Michigan	73.46	78.67	86.43	76.47	81.51	87.36
Minnesota	80.82	85.20	91.01	80.25	84.64	89.65
Mississippi	53.33	60.48	67.63	49.07	55.21	61.60
Missouri	82.78	88.73	96.50	80.89	85.45	92.67
Montana	84.39	90.38	105.48	65.45	71.48	82.61
Nebraska	70.92	73.14	77.42	67.06	69.62	73.37
Nevada	74.39	78.86	85.18	67.59	73.68	80.21
New Hampshire	74.87	78.84	81.75	70.37	72.91	78.83
New Jersey	83.51	88.46	90.88	97.59	103.55	109.93
New Mexico	91.81	93.67	110.53	186.18	153.27	184.09
New York	77.47	83.05	89.66	81.17	88.50	97.31
North Carolina	79.78	85.95	93.61	81.13	89.86	98.90
North Dakota	70.13	71.19	75.86	76.21	77.30	82.71
Ohio	81.43	84.95	92.05	78.62	82.06	88.97
Oklahoma	86.79	92.61	97.40	73.62	78.71	84.63
Oregon	76.52	83.51	95.28	83.38	91.16	105.21
Pennsylvania	81.66	89.18	96.92	78.74	85.88	93.81
Rhode Island	57.45	62.82	71.39	60.17	65.76	74.16
South Carolina	71.38	78.84	86.03	68.61	76.70	84.12
South Dakota	66.78	67.98	70.95	81.88	75.87	74.74
Tennessee	72.33	82.23	95.74	67.40	74.76	86.08
Texas	84.66	88.57	98.45	94.83	98.44	112.04
Utah	72.19	80.25	87.45	74.97	81.06	85.82
Vermont	87.39	83.78	82.46	83.59	85.95	91.47
Virginia	83.55	87.81	98.28	100.06	103.95	109.61
Washington	**81.18**	**89.64**	**98.86**	**92.62**	**102.49**	**111.03**
West Virginia	62.47	69.79	76.79	77.42	76.68	81.92
Wisconsin	79.42	88.71	96.82	74.49	82.00	88.34
Wyoming	76.50	76.43	79.81	91.71	92.41	104.56
U.S.	82.03	87.13	94.78	82.03	87.13	94.78
WA Rank	**21**	**13**	**9**	**11**	**8**	**6**

Source: U.S. Department of Commerce, Census Bureau, *Annual Survey of Manufactures* (data), Economic and Revenue Forecast Council (calculations).
*Data not available for 2002.

Infrastructure

Interstate Miles in Poor Condition

Since 1990, the Federal Highway Administration (FHWA) has required states to report road roughness according to the International Roughness Index (IRI), a set of standard codes dictated by the Highway Performance Monitoring System Field Manual for the Continuing Analytical and Statistical Database. This information is then collected and published in a consistent format in the FHWA's Highway Statistics. This measure reports the percentage of interstate miles that have an IRI of 171 or greater.

In 2004, Washington's percentage of interstate miles in poor condition increased from 3.4 to 8.5 percent, decreasing its rank from 36th to 41st. Washington's five-year average value of 3.4 percent, slightly below the national average of 3.6 percent, ranked 32nd.

Chart 34
Interstate Miles in Poor Condition

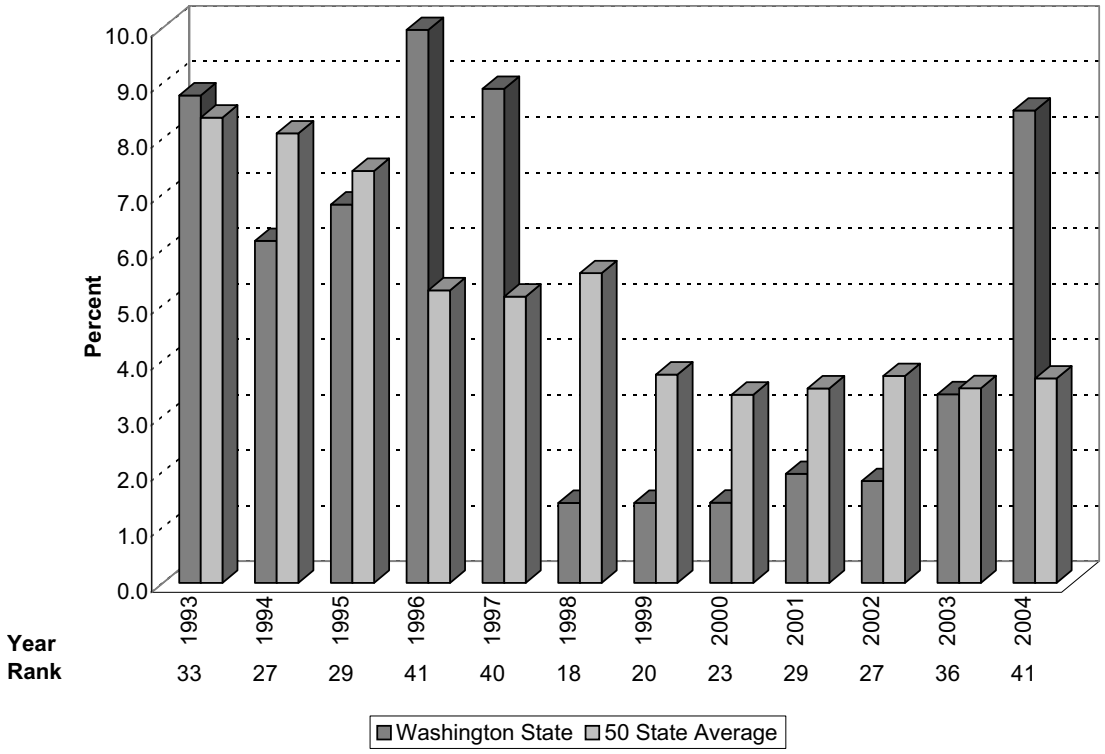


Table 34
Infrastructure
Interstate Miles in Poor Condition
(Percent)

	2000	2001	2002	2003	2004	2000-04
Alabama	1.1	0.3	0.3	0.9	14.6	3.5
Alaska	0.1	3.0	0.1	0.1	2.0	1.1
Arizona	0.1	0.0	0.2	0.0	0.0	0.1
Arkansas	26.3	27.7	15.9	10.2	7.4	17.5
California	13.6	14.2	14.1	18.2	13.3	14.7
Colorado	0.0	0.1	8.7	6.8	3.1	3.7
Connecticut	5.8	4.6	4.9	3.2	4.6	4.6
Delaware	28.2	28.2	5.0	5.0	5.0	14.3
Florida	0.8	0.0	0.1	0.1	0.1	0.2
Georgia	0.0	0.0	0.0	0.0	0.0	0.0
Hawaii*	NA	34.5	34.5	18.2	20.4	26.9
Idaho	2.3	2.0	2.8	1.8	1.8	2.1
Illinois	2.3	2.3	2.4	2.4	2.0	2.3
Indiana	0.5	0.4	0.9	0.5	NA	0.6
Iowa	2.0	2.2	4.1	4.6	4.4	3.5
Kansas	0.2	0.2	0.7	0.1	0.0	0.3
Kentucky	1.6	1.1	1.1	0.3	0.4	0.9
Louisiana	9.3	5.9	6.4	8.3	5.5	7.1
Maine	0.3	0.0	0.0	0.0	0.5	0.2
Maryland	3.9	4.5	4.3	5.3	7.6	5.1
Massachusetts	1.1	1.9	1.9	1.1	1.1	1.4
Michigan	7.8	13.4	14.0	10.2	10.4	11.2
Minnesota	0.0	0.2	0.8	0.8	1.3	0.6
Mississippi	4.7	3.7	5.7	6.1	1.9	4.4
Missouri	4.1	5.6	2.4	2.4	5.8	4.0
Montana	1.1	1.6	1.6	1.2	1.5	1.4
Nebraska	7.7	2.9	0.8	2.3	2.3	3.2
Nevada	1.6	0.4	0.4	0.5	NA	0.7
New Hampshire	0.0	0.0	0.0	1.7	NA	0.4
New Jersey	6.6	16.7	16.5	16.5	16.5	14.6
New Mexico	3.7	0.7	0.7	0.1	0.3	1.1
New York	12.0	10.3	10.3	10.3	14.7	11.5
North Carolina	5.5	3.9	8.7	8.9	5.7	6.6
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	0.6	0.6	0.5	0.3	1.1	0.6
Oklahoma	7.1	5.9	5.7	6.0	4.3	5.8
Oregon	0.0	0.1	0.7	0.7	0.1	0.3
Pennsylvania	2.3	2.6	2.6	2.3	2.4	2.4
Rhode Island	1.5	1.4	1.4	1.4	0.0	1.1
South Carolina	0.1	0.1	5.8	0.1	0.1	1.3
South Dakota	3.2	0.3	0.4	0.3	0.7	1.0
Tennessee	0.6	0.7	0.7	0.7	0.4	0.6
Texas	0.8	1.3	1.2	0.7	0.7	0.9
Utah	2.0	4.9	6.7	2.9	2.9	3.9
Vermont	2.2	1.6	1.6	0.0	0.0	1.1
Virginia	0.9	1.0	1.3	1.5	1.1	1.1
Washington	**1.4**	**2.0**	**1.8**	**3.4**	**8.5**	**3.4**
West Virginia	5.3	2.4	2.4	0.5	0.5	2.2
Wisconsin	0.0	0.0	0.4	2.2	2.8	1.1
Wyoming	0.1	0.4	0.5	0.5	3.5	1.0
U.S. Average	3.4	3.5	3.7	3.5	3.7	3.6
Washington's Rank	**23**	**29**	**27**	**36**	**41**	**32**

*The FHWA has recently found that between 1993 and 2000, the state of Hawaii did not use the International Roughness Index as an indicator of pavement conditions and instead used a system of measurement not up to FHWA standards. Their source was also unable to be verified and as a result, the FHWA has recalled the figures for Hawaii between 1993 and 2000.
Source: Highway Statistics, 1993-2004. Table HM-64, Federal Highway Administration.

FAA Air Traffic Delays

The Federal Aviation Administration's (FAA) annual Air Traffic Activity and Delay Report provides air traffic information for the 55 largest airports. Air traffic delays can occur at any phase of the flight and are characterized as delays that exceed 15 minutes. For comparison purposes, the report states the number of delays per 1000 operations.

In 2005, the Seattle-Tacoma airport ranked 27th among the 55 largest airports with 2.8 delays per 1000 operations, a large improvement from 2004's value of 5.9 delays and well below the largest airports' average of 11.9 delays. The airport's five-year average value of 8.2 delays per 1000 operations was also well below the multiple-airport average value of 13.7 delays and ranked 34th among the 55 largest airports.

Chart 35
FAA Air Traffic Delays

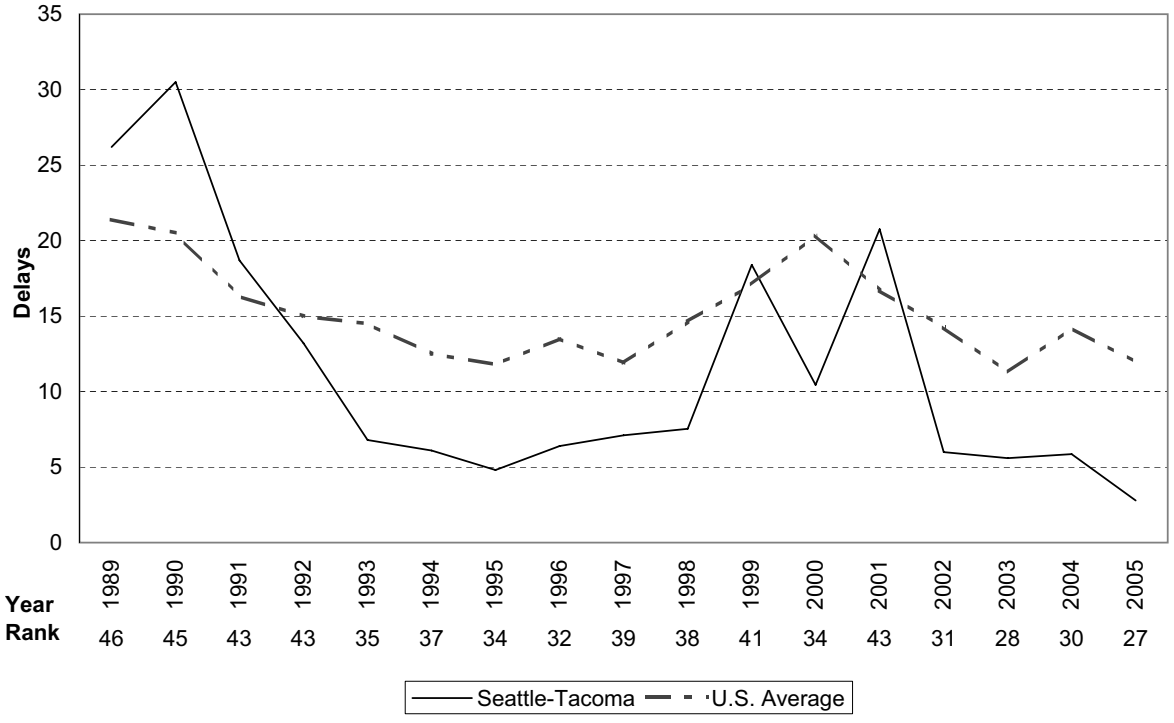


Table 35
Infrastructure
FAA Air Traffic Delays
Delays Per 1000 Operations

	2001	2002	2003	2004	2005	2001-05
Albuquerque	0.1	0.1	0.2	0.7	0.2	0.3
Anchorage	1.2	0.9	0.7	0.6	1.9	1.1
Andrews AFB	1.2	0.5	2.4	2.0	1.0	1.4
Atlanta Hartsfield	24.3	33.5	41.1	72.2	68.0	47.8
Baltimore-Washington	5.1	4.4	5.8	6.4	3.5	5.0
Boston Logan	34.5	10.7	10.2	17.9	27.7	20.2
Bradley International	3.8	3.0	1.9	1.2	0.9	2.2
Charlotte Douglas	5.2	7.2	7.5	7.2	8.8	7.2
Chicago Midway	8.1	9.8	15.2	19.5	5.9	11.7
Chicago O'Hare	59.5	57.6	74.3	97.1	57.7	69.2
Cincinnati Tower	10.2	13.7	13.8	13.3	5.9	11.4
Cleveland Hopkins	6.4	7.6	5.7	5.1	4.6	5.9
Dallas/Ft. Worth	22.0	24.1	12.1	21.9	6.1	17.2
Dayton Cox	1.5	2.0	2.4	3.4	0.1	1.9
Denver Stapleton	3.7	2.6	2.6	2.7	2.6	2.8
Detroit Metro	15.5	12.9	9.8	12.5	7.7	11.7
Fairbanks	0.0	0.0	0.1	0.0	0.0	0.0
Ft. Lauderdale	5.3	7.0	13.5	19.3	26.6	14.3
Honolulu	0.1	0.0	0.0	0.1	0.0	0.1
Houston Hobby	4.3	2.9	2.3	2.8	3.5	3.1
Houston Intercontinental	33.0	41.4	33.4	36.1	19.5	32.7
Indianapolis	0.6	0.3	0.4	0.3	0.4	0.4
Kahului/Maui	0.1	0.0	0.0	0.0	0.0	0.0
Kansas City	1.0	0.5	0.2	0.5	0.2	0.5
Las Vegas McCarran	5.4	7.3	13.1	20.6	14.6	12.2
Los Angeles	22.6	5.3	3.5	3.3	2.5	7.4
Memphis	0.9	3.3	3.9	5.2	3.4	3.3
Miami	11.3	8.6	11.8	5.5	4.0	8.3
Minneapolis-St. Paul	14.5	17.2	14.4	11.9	7.2	13.0
Nashville	0.3	0.2	0.5	0.3	0.3	0.3
New Orleans Moisant	0.9	0.3	1.5	0.8	0.8	0.9
New York Kennedy	24.6	25.2	20.9	27.5	39.5	27.5
New York La Guardia	77.0	34.4	47.2	55.9	67.0	56.3
Newark	60.3	33.6	60.0	70.2	87.9	62.4
Ontario	1.8	0.7	1.4	0.6	0.4	1.0
Orlando	4.0	3.3	4.1	4.2	2.5	3.6
Palm Beach	2.0	6.0	9.4	12.4	7.4	7.4
Philadelphia	40.5	35.1	30.6	57.7	50.3	42.8
Phoenix Sky Harbor	15.3	14.7	20.0	18.3	23.7	18.4
Pittsburgh	2.7	2.9	2.0	1.4	0.8	2.0
Portland	0.3	0.4	0.7	0.5	0.3	0.4
Raleigh-Durham	1.5	0.6	1.1	1.1	0.6	1.0
Salt Lake City	2.3	1.3	1.9	6.4	2.1	2.8
San Antonio	0.3	0.3	0.3	0.9	0.0	0.4
San Diego Lindbergh	4.9	3.2	3.8	2.3	3.7	3.6
San Francisco	38.3	35.3	27.8	31.9	25.5	31.8
San Jose	6.3	3.4	1.1	1.2	0.4	2.5
San Juan	0.8	0.1	0.4	0.3	0.1	0.3
Seattle-Tacoma	**20.8**	**6.0**	**5.6**	**5.9**	**2.8**	**8.2**
St. Louis Lambert	18.1	15.4	12.1	1.6	1.1	9.7
Tampa	2.8	2.3	4.8	3.4	1.6	3.0
Teterboro	25.3	21.2	27.6	35.7	26.2	27.2
Washington Dulles	8.0	1.0	16.0	36.0	18.9	16.0
Washington National	10.6	4.7	6.9	6.7	6.2	7.0
Westchester Co.	8.6	6.9	10.4	9.4	2.4	7.5
U.S. Major Airport Avg.	16.7	14.3	11.3	14.2	11.9	13.7
Seattle-Tacoma Rank*	**43**	**31**	**28**	**30**	**27**	**34**

* Out of the 55 largest airports
Source: FAA Air Traffic System Management, Air Traffic Activity and Delay Report (http://www.apo.data.faa.gov).

Urban Roadway Congestion

(Not updated due to unavailability of data)

The Travel Time Index (TTI), calculated by the Texas Transportation Institute, is the ratio of travel time during periods of peak commuting activity to travel time in periods with no traffic congestion. For example, a TTI of 1.35 indicates that a trip that takes 20 minutes when there is no congestion takes an average of 27 minutes during peak commuting periods. The institute publishes indexes for 85 urban areas selected to represent the major metropolitan areas within each state.

In 2003, the Seattle-Everett-Tacoma region had a TTI of 1.38, up from a value of 1.36 in 2002. Its five-year average is 1.37, just over the national average of 1.36, ranking it the 13th most congested city of those studied for that period. Spokane, the only other Washington city in the survey, fared better with a TTI of 1.08 and a five-year average of the same value. This ranked the city as the 10th least congested of the 85 cities studied in 2003 and the 12th least congested in its five-year average value.

Chart 36
Urban Roadway Travel Time Index

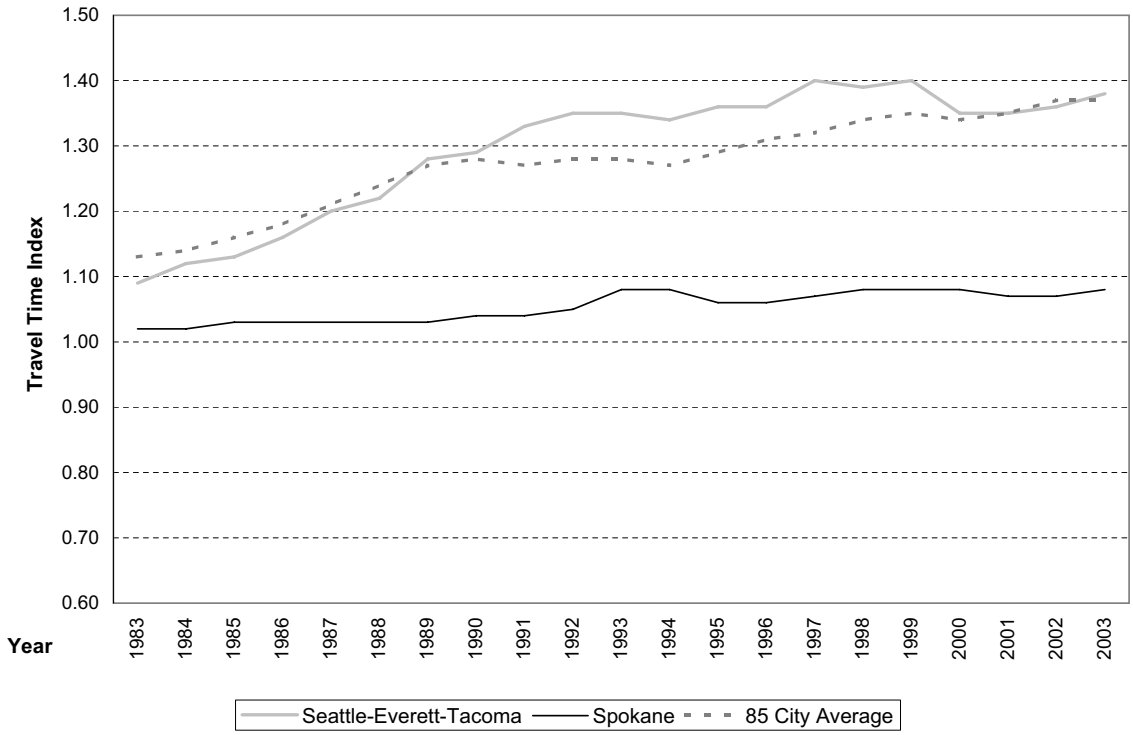


Table 36
Infrastructure
Urban Roadway Travel Time Index
(Values greater than 1 indicate congestion)

	1999	2000	2001	2002	2003	1999-2003
Akron OH	1.11	1.10	1.10	1.09	1.09	1.10
Albany-Schenectady NY	1.06	1.06	1.06	1.07	1.08	1.07
Albuquerque NM	1.24	1.21	1.20	1.17	1.17	1.20
Allentown-Bethlehem PA-NJ	1.14	1.15	1.15	1.15	1.14	1.15
Anchorage AK	1.04	1.04	1.05	1.05	1.05	1.05
Atlanta GA	1.32	1.35	1.40	1.42	1.46	1.39
Austin TX	1.26	1.26	1.30	1.31	1.33	1.29
Bakersfield CA	1.05	1.06	1.06	1.06	1.07	1.06
Baltimore MD	1.26	1.27	1.30	1.35	1.37	1.31
Beaumont TX	1.06	1.05	1.06	1.07	1.07	1.06
Birmingham AL	1.15	1.15	1.15	1.16	1.17	1.16
Boston MA-NH-RI	1.29	1.30	1.30	1.35	1.34	1.32
Boulder CO	1.08	1.09	1.08	1.09	1.08	1.08
Bridgeport-Stamford CT-NY	1.28	1.27	1.27	1.30	1.29	1.28
Brownsville TX	1.07	1.08	1.08	1.07	1.06	1.07
Buffalo NY	1.07	1.08	1.08	1.08	1.10	1.08
Cape Coral FL	1.14	1.14	1.14	1.17	1.18	1.15
Charleston-North Charleston SC	1.17	1.18	1.17	1.18	1.20	1.18
Charlotte NC-SC	1.24	1.26	1.26	1.31	1.31	1.28
Chicago IL-IN	1.47	1.44	1.47	1.54	1.57	1.50
Cincinnati OH-KY-IN	1.21	1.23	1.22	1.22	1.22	1.22
Cleveland OH	1.15	1.13	1.12	1.10	1.09	1.12
Colorado Springs CO	1.18	1.21	1.22	1.21	1.19	1.20
Columbia SC	1.05	1.05	1.05	1.05	1.06	1.05
Columbus OH	1.22	1.19	1.18	1.19	1.19	1.19
Corpus Christi TX	1.05	1.04	1.05	1.04	1.05	1.05
Dallas-Fort Worth-Arlington TX	1.31	1.32	1.33	1.35	1.36	1.33
Dayton OH	1.12	1.12	1.10	1.09	1.08	1.10
Denver-Aurora CO	1.38	1.41	1.45	1.40	1.40	1.41
Detroit MI	1.35	1.33	1.35	1.36	1.38	1.35
El Paso TX-NM	1.14	1.16	1.17	1.17	1.17	1.16
Eugene OR	1.09	1.12	1.11	1.10	1.11	1.11
Fresno CA	1.20	1.19	1.16	1.15	1.14	1.17
Grand Rapids MI	1.15	1.14	1.13	1.13	1.14	1.14
Hartford CT	1.11	1.11	1.12	1.12	1.11	1.11
Honolulu HI	1.21	1.19	1.19	1.18	1.19	1.19
Houston TX	1.37	1.36	1.38	1.41	1.42	1.39
Indianapolis IN	1.23	1.24	1.26	1.24	1.24	1.24
Jacksonville FL	1.14	1.15	1.15	1.16	1.18	1.16
Kansas City MO-KS	1.11	1.10	1.10	1.10	1.11	1.10
Laredo TX	1.07	1.07	1.08	1.07	1.08	1.07
Las Vegas NV	1.34	1.34	1.35	1.36	1.39	1.36
Little Rock AR	1.06	1.05	1.07	1.06	1.06	1.06
Los Angeles-Long Beach-Santa Ana CA	1.80	1.76	1.78	1.77	1.75	1.77
Louisville KY-IN	1.24	1.23	1.22	1.24	1.24	1.23
Memphis TN-MS-AR	1.19	1.19	1.20	1.22	1.22	1.20
Miami FL	1.34	1.35	1.37	1.40	1.42	1.38
Milwaukee WI	1.25	1.24	1.23	1.23	1.21	1.23
Minneapolis-St. Paul MN	1.35	1.32	1.34	1.34	1.34	1.34
Nashville-Davidson TN	1.17	1.18	1.17	1.19	1.18	1.18
New Haven CT	1.13	1.14	1.15	1.14	1.13	1.14

Table 35 (cont.)
Infrastructure
Urban Roadway Travel Time Index
(Values greater than 1 indicate congestion)

	1999	2000	2001	2002	2003	1999-2003
New Orleans LA	1.20	1.18	1.17	1.18	1.19	1.18
New York-Newark NY-NJ-CT	1.40	1.38	1.38	1.40	1.39	1.39
Oklahoma City OK	1.11	1.09	1.10	1.11	1.10	1.10
Omaha NE-IA	1.15	1.15	1.16	1.17	1.18	1.16
Orlando FL	1.27	1.28	1.30	1.31	1.30	1.29
Oxnard-Ventura CA	1.19	1.19	1.21	1.21	1.23	1.21
Pensacola FL-AL	1.12	1.14	1.12	1.12	1.12	1.12
Philadelphia PA-NJ-DE-MD	1.33	1.31	1.35	1.35	1.32	1.33
Phoenix AZ	1.38	1.38	1.40	1.35	1.35	1.37
Pittsburgh PA	1.12	1.10	1.10	1.10	1.10	1.10
Portland OR-WA	1.37	1.37	1.39	1.38	1.37	1.38
Providence RI-MA	1.14	1.15	1.15	1.18	1.19	1.16
Raleigh-Durham NC	1.14	1.16	1.19	1.18	1.19	1.17
Richmond VA	1.09	1.07	1.07	1.08	1.09	1.08
Riverside-San Bernardino CA	1.33	1.33	1.32	1.34	1.37	1.34
Rochester NY	1.06	1.06	1.06	1.06	1.07	1.06
Sacramento CA	1.27	1.29	1.32	1.34	1.37	1.32
Salem OR	1.08	1.08	1.09	1.11	1.11	1.09
Salt Lake City UT	1.17	1.18	1.23	1.26	1.28	1.22
San Antonio TX	1.22	1.24	1.22	1.23	1.22	1.23
San Diego CA	1.32	1.32	1.32	1.40	1.41	1.35
San Francisco-Oakland CA	1.49	1.54	1.54	1.55	1.54	1.53
San Jose CA	1.39	1.42	1.43	1.39	1.37	1.40
Sarasota-Bradenton FL	1.24	1.22	1.22	1.25	1.25	1.24
Seattle-Everett-Tacoma WA	**1.40**	**1.35**	**1.35**	**1.36**	**1.38**	**1.37**
Spokane WA	**1.08**	**1.08**	**1.07**	**1.07**	**1.08**	**1.08**
Springfield MA-CT	1.07	1.07	1.06	1.07	1.06	1.07
St. Louis MO-IL	1.25	1.25	1.23	1.24	1.22	1.24
Tampa-St. Petersburg FL	1.29	1.27	1.31	1.31	1.33	1.30
Toledo OH-MI	1.09	1.10	1.11	1.11	1.10	1.10
Tucson AZ	1.20	1.19	1.22	1.28	1.31	1.24
Tulsa OK	1.09	1.10	1.10	1.10	1.10	1.10
Virginia Beach VA	1.19	1.16	1.18	1.20	1.21	1.19
Washington DC-VA-MD	1.47	1.44	1.46	1.50	1.51	1.48
85 City Average	1.35	1.34	1.35	1.37	1.37	1.36
Rank: Spokane	**13**	**12**	**9**	**7**	**10**	**12**
Rank: Seattle-Everett-Tacoma	**80**	**73**	**70**	**71**	**73**	**73**

David Shrank and Tim Lomax, 2005 Urban Mobility Study, Texas Transportation Institute. (http:mobility.tamu.edu)

Cost of Doing Business

State and Local Tax Collections Per $1000 Personal Income

The relative tax position of Washington is of considerable interest to taxpayers and government officials alike. The Census Bureau of the U.S. Department of Commerce annually collects data in order to compare tax burdens across states. Using this figure, tax burdens are then calculated using several different methods; this report compares tax collections per $1000 personal income. This measure is computed by dividing the total state and local taxes by total state personal income.

As the Census Bureau did not compile state and local tax data for fiscal years 2001 and 2003, data for those years are unavailable for this report. For fiscal year 2004, Washington collected $21.4 billion in state and local tax revenues. This corresponds to a state and local tax burden of $106.27 for each $1,000 of personal income. This amount is the 22nd lowest in the nation and is $4.06 below the national average. In addition, it is the fourth lowest tax burden in Washington since this measure first began being recorded in the 1960s, the lowest being $100.45 per $1,000 personal income in 1981. A large part of this decline can be attributed to the elimination of the state motor vehicle excise tax in January of 2000. While the elimination of this tax only affected tax receipts for half of fiscal 2000, its full impact can be seen in fiscal 2002.

Initial Incidence of State and local Taxes

The "initial incidence" of a tax refers to the party from whom the tax is collected. Initial incidence does not always indicate who actually bears the tax burden, because taxes initially paid by business may sometimes be recovered in the form of higher prices or lower wages, shifting the tax burden to consumers or workers.

The Washington Department of Revenue estimates that in fiscal year 2004, businesses directly paid 41.6* percent of major state and local taxes, government paid 3.6* percent and households paid 54.8* percent.

Chart 37
State and Local Tax Collections Per $1,000 Personal Income

*Does not include local Business and Occupation and local Public Utility Tax.

Table 37
Cost of Doing Business
State and Local Tax Collections Per $1,000 Personal Income
(Dollars)

	1998	1999	2000	2002	2004	1997-2004
Alabama	91.33	91.11	93.65	87.58	88.89	90.51
Alaska	122.29	102.62	132.18	102.76	110.93	114.16
Arizona	106.77	108.65	111.73	104.47	108.64	108.05
Arkansas	106.51	112.62	106.50	104.00	105.14	106.95
California	114.50	113.58	120.39	106.01	113.06	113.51
Colorado	100.87	102.24	103.53	92.30	92.86	98.36
Connecticut	124.52	121.48	120.23	103.56	115.71	117.10
Delaware	118.84	112.34	115.69	107.24	108.41	112.50
Florida	100.50	100.24	100.06	93.74	105.06	99.92
Georgia	106.15	107.74	109.07	100.36	102.32	105.13
Hawaii	125.89	123.01	126.45	120.62	126.25	124.44
Idaho	113.76	112.63	115.43	99.84	109.82	110.30
Illinois	104.66	104.95	107.50	101.31	105.83	104.85
Indiana	105.75	104.70	105.64	100.39	104.37	104.17
Iowa	109.80	107.95	111.09	103.85	107.30	108.00
Kansas	115.74	107.59	108.72	103.66	114.23	109.99
Kentucky	112.84	110.99	111.62	106.22	107.27	109.79
Louisiana	109.02	108.02	109.57	111.26	112.44	110.06
Maine	144.46	139.08	138.64	130.16	133.65	137.20
Maryland	107.86	104.63	110.01	104.42	108.25	107.03
Massachusetts	113.28	108.53	110.36	95.87	105.77	106.76
Michigan	112.75	113.60	114.17	103.83	105.18	109.91
Minnesota	127.69	123.26	123.87	113.14	112.02	120.00
Mississippi	109.73	110.54	110.75	103.92	105.74	108.14
Missouri	101.57	101.56	99.45	96.06	97.31	99.19
Montana	113.78	108.85	110.53	98.05	101.19	106.48
Nebraska	112.36	107.66	109.44	107.71	118.04	111.04
Nevada	100.82	101.79	104.59	101.20	111.33	103.95
New Hampshire	88.39	88.37	88.18	84.65	91.61	88.24
New Jersey	115.10	113.68	113.46	104.20	115.55	112.40
New Mexico	131.39	121.73	126.74	111.45	116.38	121.54
New York	141.92	140.34	141.18	130.79	146.76	140.20
North Carolina	107.40	105.52	106.60	100.17	106.60	105.26
North Dakota	122.02	114.89	119.48	105.19	104.17	113.15
Ohio	110.35	109.86	112.90	110.96	114.34	111.68
Oklahoma	107.17	104.78	106.67	99.53	101.35	103.90
Oregon	100.96	100.19	105.60	90.93	100.82	99.70
Pennsylvania	107.27	107.18	106.56	100.91	108.75	106.13
Rhode Island	117.15	115.56	118.11	113.63	120.35	116.96
South Carolina	103.50	104.75	104.82	95.82	103.77	102.53
South Dakota	97.80	95.06	94.56	90.37	90.60	93.68
Tennessee	90.01	87.99	89.17	83.89	89.97	88.21
Texas	98.71	96.79	96.87	95.49	99.46	97.46
Utah	118.15	116.78	119.50	108.39	109.81	114.53
Vermont	125.08	121.82	121.53	110.60	122.50	120.31
Virginia	100.81	101.64	102.80	95.18	99.56	100.00
Washington	**115.00**	**111.25**	**107.53**	**100.90**	**106.27**	**108.19**
West Virginia	112.30	116.65	116.33	111.68	111.93	113.78
Wisconsin	129.10	127.08	129.44	117.26	121.83	124.94
Wyoming	122.04	113.41	117.74	121.97	138.58	122.75
U.S. Average	111.70	110.48	112.28	103.98	110.33	109.75
Washington's Rank	**34**	**31**	**19**	**19**	**22**	**26**

Source: Washington State Department of Revenue. Comparative State/Local Taxes, 1977-2004. (www.dor.wa.gov)

Unemployment Insurance Costs

Unemployment insurance programs are designed to provide economic security against the effects of unemployment by providing temporary compensation to workers who are out of work at no fault of their own.

Unemployment insurance is provided by a combined Federal-State system, primarily financed through a payroll tax on employers. Under this system, the Federal Government sets minimum standards of eligibility and benefits that the states are free to exceed. As a result, there is a wide degree of variation in the eligibility for and benefits paid under the unemployment insurance programs of different states, as well as variation in the number of employers that pay into the programs. This measure indicates the amount that each state collects for unemployment insurance benefits as a percent of the total wages of employees covered by the plans.

In 2005, Washington had the second highest unemployment insurance cost as a percent of total wages of employees covered by unemployment insurance in the country with an average rate of 1.68 percent, up just 0.1 percent from the previous year. While the national average rate for 2005 was much lower at 0.82 percent, it represented a much larger increase from the previous year. The state and national cost increases of the last three years can be traced directly to the increased unemployment insurance payouts resulting from the 2001 recession and subsequent slow job recovery. Washington's five-year average of 1.44 percent also ranked 49th in the nation. Washington, however, has one of the most generous unemployment insurance programs in the country in terms of benefits, eligibility and duration.

Chart 38
Unemployment Insurance Costs

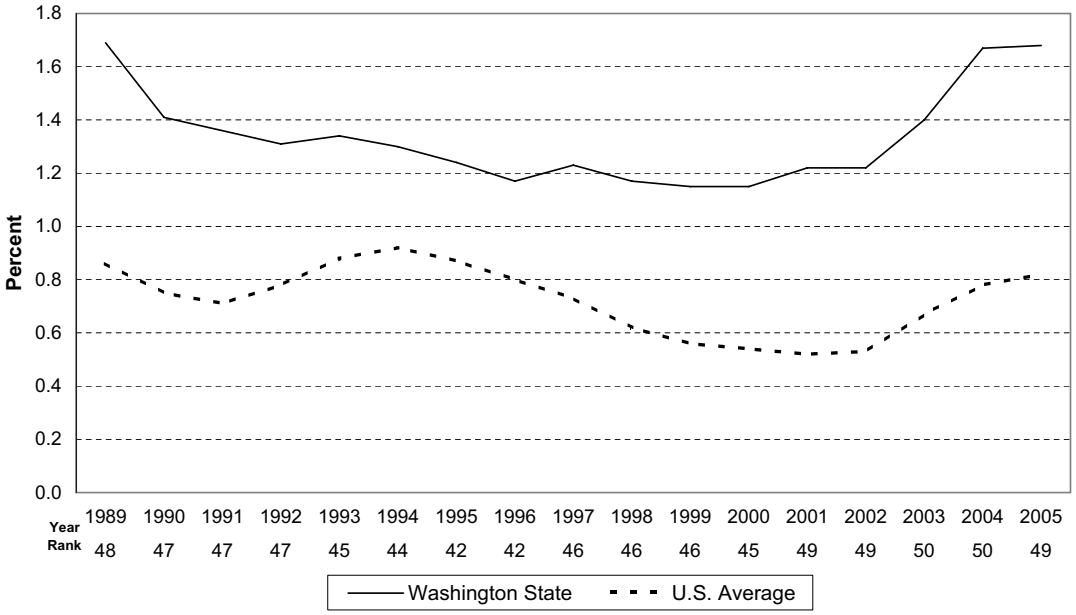


Table 38
Cost of Doing Business
Unemployment Insurance Costs
(Contributions collected as percent of total wages of covered employees)

	2001	2002	2003	2004	2005	2001-05
Alabama	0.40	0.42	0.50	0.52	0.58	0.48
Alaska	1.51	1.43	1.37	1.51	1.69	1.50
Arizona	0.24	0.22	0.21	0.26	0.33	0.25
Arkansas	0.64	0.67	0.87	0.93	0.93	0.81
California	0.55	0.53	0.60	0.83	0.87	0.68
Colorado	0.24	0.23	0.30	0.52	0.68	0.39
Connecticut	0.44	0.75	0.85	0.90	0.85	0.76
Delaware	0.41	0.40	0.41	0.47	0.50	0.44
Florida	0.29	0.29	0.34	0.45	0.49	0.37
Georgia	0.12	0.12	0.12	0.58	0.56	0.30
Hawaii	0.87	0.82	1.11	0.87	0.86	0.91
Idaho	0.67	0.75	0.81	0.82	0.89	0.79
Illinois	0.54	0.57	0.71	1.00	1.29	0.82
Indiana	0.28	0.30	0.43	0.54	0.70	0.45
Iowa	0.64	0.65	0.79	0.69	0.69	0.69
Kansas	0.48	0.51	0.63	0.79	0.87	0.66
Kentucky	0.54	0.67	0.68	0.71	0.75	0.67
Louisiana	0.28	0.28	0.33	0.34	0.36	0.32
Maine	1.14	0.81	0.63	0.59	0.67	0.77
Maryland	0.38	0.36	0.38	0.64	0.64	0.48
Massachusetts	0.67	0.67	0.71	1.16	1.29	0.90
Michigan	0.71	0.71	0.81	0.95	1.03	0.84
Minnesota	0.44	0.44	0.63	0.85	1.02	0.68
Mississippi	0.43	0.48	0.50	0.64	0.51	0.51
Missouri	0.35	0.37	0.46	0.53	0.69	0.48
Montana	0.76	0.75	0.75	0.80	0.76	0.76
Nebraska	0.29	0.36	0.54	0.47	0.63	0.46
Nevada	0.76	0.74	0.75	0.74	0.79	0.76
New Hampshire	0.18	0.17	0.21	0.42	0.40	0.28
New Jersey	0.95	0.63	0.81	0.89	1.03	0.86
New Mexico	0.48	0.46	0.50	0.42	0.45	0.46
New York	0.60	0.71	0.83	0.82	0.75	0.74
North Carolina	0.32	0.42	0.75	0.99	0.82	0.66
North Dakota	0.70	0.72	0.85	0.87	0.82	0.79
Ohio	0.41	0.45	0.48	0.58	0.61	0.51
Oklahoma	0.17	0.30	0.47	0.80	0.78	0.50
Oregon	1.10	1.14	1.29	1.62	1.55	1.34
Pennsylvania	0.91	0.90	1.01	1.43	1.52	1.15
Rhode Island	1.16	1.08	1.09	1.23	1.37	1.19
South Carolina	0.40	0.43	0.52	0.57	0.57	0.50
South Dakota	0.20	0.19	0.20	0.21	0.22	0.20
Tennessee	0.40	0.48	0.61	0.66	0.56	0.54
Texas	0.40	0.37	1.08	0.52	0.53	0.58
Utah	0.27	0.28	0.36	0.57	0.75	0.45
Vermont	0.63	0.58	0.57	0.57	0.66	0.60
Virginia	0.15	0.15	0.23	0.39	0.44	0.27
Washington	**1.22**	**1.22**	**1.40**	**1.67**	**1.68**	**1.44**
West Virginia	0.94	0.90	0.86	0.87	0.85	0.88
Wisconsin	0.63	0.63	0.71	0.81	0.91	0.74
Wyoming	0.45	0.32	0.30	0.46	0.57	0.42
U.S. Average	0.52	0.53	0.67	0.78	0.82	0.66
Washington's Rank	**49**	**49**	**50**	**50**	**49**	**49**

Source: U.S. Department of Labor, Employment, and Training Administration

Workers' Compensation Premium Costs

(Not updated due to unavailability of data)

The Oregon Department of Consumer & Business Services produces the workers' compensation premium index every two years in order to make a state-by-state comparison of workers' compensation premiums. The premium index is calculated by selecting Oregon's fifty largest business classes as defined by the workers' compensation costs and computing what those compensation claims would cost in other states.

In 2004, Washington's premium costs for the industries examined by the study were $2.20 per $100 of payroll, ranking 17th among the states. Washington's average rate of $2.08 per $100 of payroll for the period from 1994 through 2002 ranked 12th among the states and was well below that national average of $2.73.

Washington's compensation system is atypical of other states' systems as employees pay a portion of their industrial premiums into a state fund and the Department of Labor and Industries acts as both the insurer and administrator of the workers' compensation system.

Chart 39
Workers' Compensation Premium Cost Index

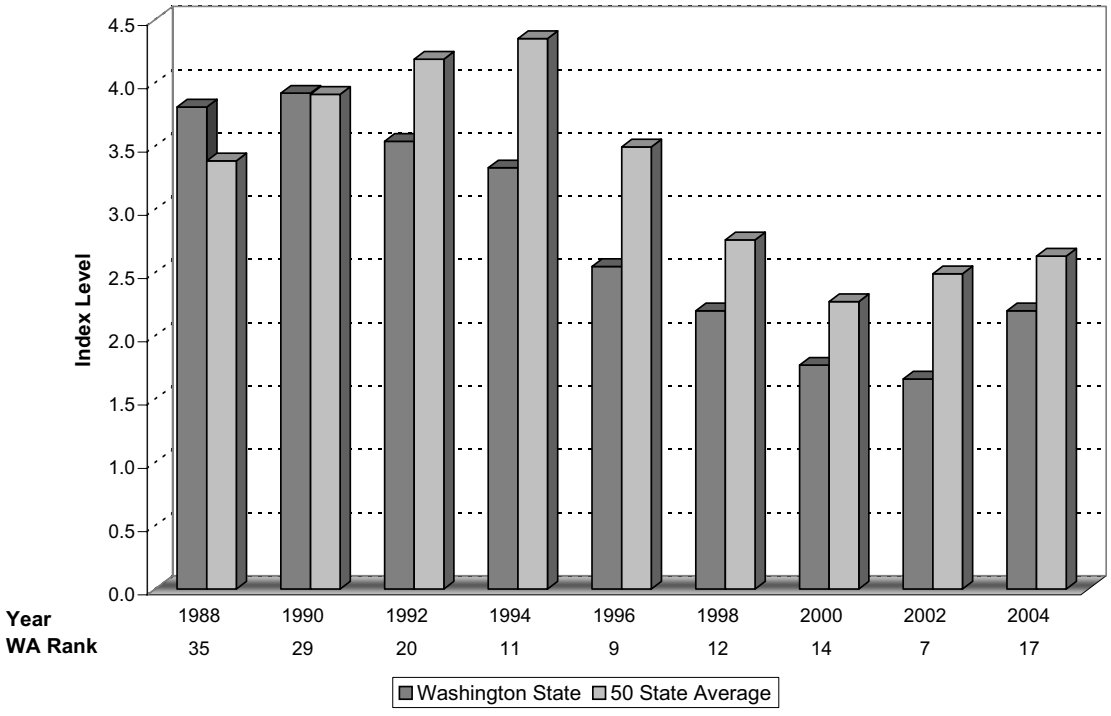


Table 39
Cost of Doing Business
Workers' Compensation Premium Costs
(Dollar amount per $100 of payroll)

	1996	1998	2000	2002	2004	1996-2004
Alabama	3.64	3.70	2.56	2.96	2.88	3.15
Alaska	3.41	2.70	2.18	2.87	4.39	3.11
Arizona	3.38	2.60	1.77	1.63	1.49	2.17
Arkansas	3.04	2.29	1.68	1.62	1.57	2.04
California	4.11	4.86	3.34	5.23	6.08	4.72
Colorado	3.34	2.87	2.64	2.73	2.33	2.78
Connecticut	4.64	3.67	2.58	2.90	3.23	3.40
Delaware	3.54	3.20	2.58	3.38	3.44	3.23
Florida	5.26	4.28	4.08	4.47	4.20	4.46
Georgia	4.04	2.95	2.42	2.32	2.14	2.77
Hawaii	5.75	3.24	2.99	3.51	3.73	3.84
Idaho	3.00	2.48	2.11	2.37	2.25	2.44
Illinois	3.77	2.96	2.62	2.74	2.65	2.95
Indiana	1.71	1.55	1.32	1.37	1.24	1.44
Iowa	2.17	1.87	1.66	1.74	1.91	1.87
Kansas	2.64	1.82	1.56	1.84	1.81	1.93
Kentucky	3.77	2.58	2.32	2.87	3.48	3.00
Louisiana	5.47	4.06	3.36	3.19	3.37	3.89
Maine	3.91	2.69	2.52	3.19	3.08	3.08
Maryland	2.23	2.03	1.58	1.84	2.06	1.95
Massachusetts	3.71	3.10	1.77	1.98	1.70	2.45
Michigan	3.05	2.86	2.40	2.25	2.34	2.58
Minnesota	4.03	2.94	2.40	2.60	2.74	2.94
Mississippi	3.30	2.62	2.10	2.21	2.19	2.48
Missouri	3.45	2.65	2.26	2.42	2.67	2.69
Montana	4.71	3.50	2.75	3.05	3.41	3.48
Nebraska	2.04	1.62	1.62	1.93	2.10	1.86
Nevada	3.96	3.86	3.10	3.03	2.58	3.31
New Hampshire	4.13	3.32	2.47	2.85	3.19	3.19
New Jersey	3.20	2.49	2.19	2.25	2.38	2.50
New Mexico	3.55	2.43	1.66	2.01	2.56	2.44
New York	4.90	3.53	3.05	3.14	2.97	3.52
North Carolina	3.05	2.02	1.64	2.24	2.32	2.25
North Dakota	2.34	2.19	1.79	1.24	1.06	1.72
Ohio	4.12	3.12	2.89	2.89	3.59	3.32
Oklahoma	4.65	3.10	2.85	2.82	3.07	3.30
Oregon	3.15	2.27	1.93	2.06	2.05	2.29
Pennsylvania	4.37	2.69	2.31	2.57	2.82	2.95
Rhode Island	4.81	3.74	3.18	3.29	3.01	3.61
South Carolina	2.38	1.47	1.51	1.82	2.08	1.85
South Dakota	3.20	2.31	1.63	1.61	2.05	2.16
Tennessee	3.59	2.79	2.10	2.30	2.62	2.68
Texas	4.19	4.11	3.05	3.30	3.08	3.55
Utah	2.64	1.88	1.58	1.67	1.63	1.88
Vermont	3.60	2.41	1.98	2.45	2.99	2.69
Virginia	1.19	1.74	1.27	1.50	1.57	1.45
Washington	**2.55**	**2.20**	**1.77**	**1.66**	**2.20**	**2.08**
West Virginia	2.91	2.26	2.72	2.54	2.64	2.61
Wisconsin	2.34	2.36	2.01	2.22	2.27	2.24
Wyoming	2.85	2.05	1.75	1.97	2.43	2.21
50 State Average*	3.50	2.76	2.27	2.49	2.63	2.73
Washington's Rank	**9**	**12**	**14**	**7**	**17**	**12**

Source: Oregon Workers' Compensation Premium Rate Rankings, Calendar Years 1988 - 2004
Research and Analysis Section of the Oregon Department of Consumer and Business Services.
*Unweighted average of state values.

Electricity Prices

While many large industrial and commercial operations make extensive use of other energy sources such as oil and natural gas, electrical power represents the main energy cost for most businesses. This indicator presents the average price of the commercial and industrial electricity purchases made annually in each state, expressed in cents per Kilowatts hour (kW-hr). To facilitate comparisons between states, in each year, each state is assumed to have had the same ratio of commercial to industrial sales as the U.S.

Due to the state's abundant hydrological resources, Washington long enjoyed some of the lowest electricity prices in the country, ranking either 1st or 2nd in lowest electricity prices among the states in the years 1990 though 1999. Drought and problems related to California's energy market, however, caused electricity prices to soar from late 2000 through 2002. Though prices across the nation increased by 10.9 percent on average over that time span, prices on the West Coast increased dramatically more than that, 62.9 percent in California, 34.5 percent in Oregon and 26.5 percent in Washington. As the effects of the disruptions diminished around 2003, however, Washington's costs began to moderate compared to the rest of the nation. After sinking to a ranking of 22nd in 2001, the state's ranking has steadily improved, reaching a ranking of 5th in 2004 with a cost of 5.21 cents per kilowatt-hour. The state's 5-year average price of 5.37 cents per kilowatt-hour, well below the national average of 6.77 cents, ranked 12th overall.

Chart 40
Electricity Costs

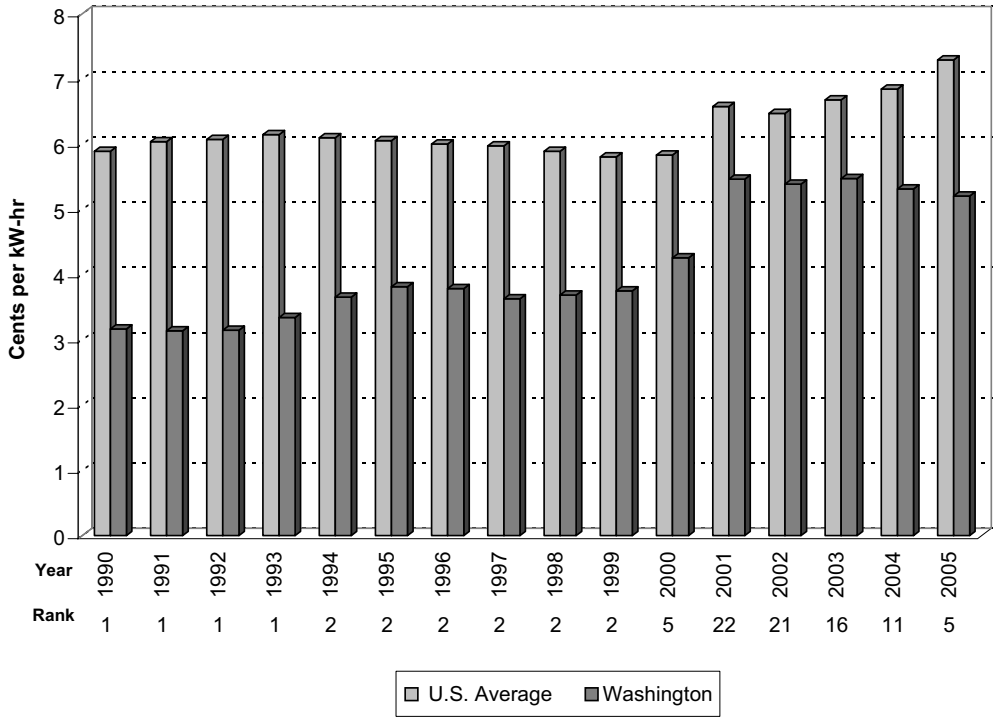


Table 40
Cost of Doing Business
Electricity Prices
(Weighted Average of Industrial and Commercial Rates, Cents per Kilowatt Hour)

	2001	2002	2003	2004	2005	2001-05
Alabama	5.33	5.32	5.54	5.77	6.26	5.65
Alaska	9.03	8.98	9.35	9.78	10.41	9.51
Arizona	6.41	6.31	6.31	6.41	6.72	6.43
Arkansas	5.40	4.90	4.85	4.97	5.49	5.12
California	11.06	12.11	11.12	10.62	10.40	11.06
Colorado	5.09	5.13	5.92	6.08	6.77	5.80
Connecticut	8.50	8.80	9.05	8.99	10.56	9.18
Delaware	5.73	6.11	6.32	6.81	6.64	6.32
Florida	6.25	5.98	6.35	6.81	7.44	6.57
Georgia	5.57	5.29	5.45	5.77	6.68	5.75
Hawaii	13.00	12.67	13.73	14.90	17.55	14.37
Idaho	4.45	5.07	4.92	4.66	4.72	4.77
Illinois	6.18	6.34	6.17	6.23	6.47	6.28
Indiana	4.95	5.04	5.12	5.32	5.59	5.20
Iowa	5.53	5.40	5.29	5.65	5.88	5.55
Kansas	5.45	5.47	5.59	5.65	5.89	5.61
Kentucky	4.21	4.27	4.38	4.58	4.88	4.47
Louisiana	6.61	5.61	6.57	6.78	7.82	6.68
Maine	9.27	10.83	8.52	8.38	7.32	8.86
Maryland	5.27	5.06	6.01	6.84	8.07	6.25
Massachusetts	9.84	9.53	9.86	9.85	11.02	10.02
Michigan	6.47	6.24	6.37	6.37	6.97	6.48
Minnesota	5.34	5.09	5.32	5.55	5.89	5.44
Mississippi	5.83	5.70	5.99	6.56	7.15	6.24
Missouri	5.24	5.20	5.19	5.27	5.30	5.24
Montana	5.60	5.21	5.69	5.93	6.38	5.76
Nebraska	4.65	4.81	5.06	5.13	5.23	4.98
Nevada	7.56	8.22	8.11	8.25	8.58	8.14
New Hampshire	9.89	9.50	9.96	10.55	11.89	10.36
New Jersey	8.73	8.39	8.43	9.54	10.44	9.11
New Mexico	6.51	5.94	6.26	6.41	6.88	6.40
New York	8.93	9.06	10.28	10.28	10.73	9.86
North Carolina	5.60	5.67	5.80	5.87	6.16	5.82
North Dakota	4.96	4.98	4.87	5.08	5.35	5.05
Ohio	6.40	6.28	6.31	6.45	6.63	6.42
Oklahoma	5.31	4.85	5.56	5.74	6.17	5.53
Oregon	5.04	5.72	5.58	5.53	5.63	5.50
Pennsylvania	7.03	7.11	7.19	7.31	7.57	7.24
Rhode Island	9.88	8.47	9.57	10.00	10.96	9.78
South Carolina	5.28	5.26	5.52	5.65	6.17	5.58
South Dakota	5.51	5.45	5.34	5.46	5.71	5.50
Tennessee	5.41	5.38	5.59	5.87	6.09	5.67
Texas	6.63	5.88	6.67	6.98	8.08	6.85
Utah	4.66	4.78	4.77	5.04	5.30	4.91
Vermont	9.60	9.61	9.81	9.85	9.89	9.75
Virginia	5.05	5.06	5.05	5.15	5.34	5.13
Washington	**5.47**	**5.39**	**5.47**	**5.31**	**5.21**	**5.37**
West Virginia	4.60	4.67	4.71	4.72	4.78	4.69
Wisconsin	5.41	5.56	5.94	6.19	6.59	5.94
Wyoming	4.46	4.70	4.79	5.04	5.16	4.83
U.S. Average	6.58	6.47	6.68	6.85	7.29	6.77
Washington's Rank	**22**	**21**	**16**	**11**	**5**	**12**

Source:U.S. Energy Information Administration (http://www.eia.doe.gov), October 2006.

Average Wage by Occupation

The **Occupational Employment Statistics** (OES) program, produced by the U.S. Department of Labor, Bureau of Labor Statistics, conducts a yearly mail survey designed to produce estimates of employment and wages for specific occupations in states and metropolitan areas. The OES program collects data on wage and salary workers in nonfarm establishments in order to produce employment and wage estimates for over 800 occupations. Data from self-employed persons are not collected and are not included in the estimates.

Under the OES program, occupations are classified under the Standard Occupational Classification (SOC) system. This system includes twenty-two major occupational groups, which can be broken down into 821 specific occupations. State wages for the major groups are presented in Table 41, while wages for the 821 specific occupations can be found at the BLS web site (www.bls.gov).

In eighteen of the twenty-two categories, Washington is ranked within the top ten of national wages, reaching a high ranking of 3rd in "Protective Services" and "Production" and 4th in four other categories: "Management", "Computer and Mathematical", "Healthcare Support", and "Arts, Design, Entertainment, Sports, and Media."

While information on average state wage levels alone can be useful in some business decisions, care must be taken in using them to analyze actual business costs. This is because the OES survey does not attempt to account for differences in productivity or industry mix between the states. A higher-than-average wage level may simply indicate a larger concentration of high-productivity jobs within an occupational group, or higher productivity levels in the same occupation due to differences in average state levels of capital or training. For example, Washington's relatively high average wage in Healthcare Practitioners and Technical may be due to a higher-than-average number of higher-paid workers in biotechnology labs rather than having higher paid doctors and nurses. There are also considerable differences in wage levels between different parts of the state, with the highly populated areas affecting the average wage more than more sparsely populated areas that may have lower wages. The specific occupational and metropolitan area data available from the BLS can present a clearer picture of the range of labor costs in the states.

Table 41
Cost of Doing Business
Average Wages, 2005
(Dollars)

	Management SOC 11-0000	Business and Financial Operations SOC 13-0000	Computer and Mathematical SOC 15-0000	Architecture and Engineering SOC 17-0000	Life, Physical and Social Science SOC 19-0000	Community and Social Services SOC 21-0000
Alabama	37.12	25.32	29.18	30.08	24.08	16.12
Alaska	33.56	28.06	28.72	32.58	25.92	18.58
Arizona	37.40	25.32	28.64	30.49	23.86	16.97
Arkansas	33.43	21.73	23.64	24.51	23.46	14.62
California	47.60	30.11	36.44	35.71	30.50	20.68
Colorado	42.81	28.85	34.06	32.18	29.33	18.50
Connecticut	49.16	31.98	34.40	31.00	32.36	21.17
Delaware	43.91	27.78	31.42	32.09	30.36	18.27
Florida	43.58	26.10	28.14	27.20	24.21	16.84
Georgia	41.63	27.66	30.51	28.00	26.82	17.57
Hawaii	38.50	26.37	28.31	29.55	27.08	18.88
Idaho	29.46	22.54	27.32	29.57	21.36	16.34
Illinois	41.03	29.06	31.95	28.98	26.54	18.93
Indiana	37.20	24.15	26.42	27.51	25.79	16.29
Iowa	35.68	23.18	27.24	26.26	22.94	15.37
Kansas	37.76	24.87	29.76	29.19	24.69	15.51
Kentucky	35.66	22.82	26.20	26.63	21.74	NA
Louisiana	33.51	22.22	24.67	26.87	24.99	17.31
Maine	33.45	23.66	26.24	27.37	22.85	15.25
Maryland	43.80	29.33	35.25	33.36	32.93	19.47
Massachusetts	47.88	32.23	37.23	33.95	31.41	19.26
Michigan	43.45	29.37	29.84	31.65	27.22	20.38
Minnesota	45.03	26.76	32.37	29.11	27.63	17.73
Mississippi	30.87	21.67	22.38	24.54	23.21	15.32
Missouri	41.77	24.94	29.66	28.12	23.97	16.51
Montana	28.26	21.28	24.49	22.27	19.17	14.42
Nebraska	37.12	24.38	27.77	28.01	22.89	14.56
Nevada	41.30	25.92	26.84	29.07	27.11	20.88
New Hampshir	41.57	26.23	32.42	29.41	25.67	17.14
New Jersey	52.85	30.82	36.63	32.89	31.42	21.15
New Mexico	34.15	23.61	29.02	30.10	32.79	15.70
New York	51.72	32.01	34.38	32.00	28.99	19.18
North Carolina	40.86	25.85	31.20	27.29	26.38	16.38
North Dakota	33.50	21.64	22.42	23.83	21.61	15.32
Ohio	42.13	25.74	29.64	28.72	26.39	18.40
Oklahoma	32.34	22.66	24.67	28.49	23.42	14.68
Oregon	38.61	25.03	29.67	28.16	24.01	17.99
Pennsylvania	39.85	27.05	30.18	29.04	26.61	16.22
Rhode Island	42.97	28.35	31.20	32.21	27.79	18.50
South Carolina	35.57	22.75	25.52	28.04	22.61	15.55
South Dakota	34.24	21.66	21.64	21.81	18.88	15.22
Tennessee	34.29	24.84	27.20	27.77	24.60	15.59
Texas	40.88	27.14	32.20	31.78	28.77	16.72
Utah	36.87	23.80	28.68	28.64	21.71	15.22
Vermont	40.34	26.03	27.90	30.96	24.54	17.50
Virginia	46.44	30.08	35.01	31.83	32.20	19.31
Washington	**49.13**	**28.65**	**35.52**	**32.44**	**29.08**	**18.02**
West Virginia	31.76	21.35	24.11	24.45	22.80	13.19
Wisconsin	40.59	25.06	28.16	26.87	24.64	18.76
Wyoming	30.51	22.12	21.80	25.68	21.20	15.00
U.S. Average	42.52	27.85	32.26	30.73	27.90	18.04
Washington's	**4**	**11**	**4**	**6**	**10**	**18**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), May 2005.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2005
(Dollars)

	Legal SOC 23-0000	Education, Training, and Library SOC 25-0000	Arts, Design, Entertainment, Sports, and Media SOC 27-0000	Healthcare Practitioners and Technical SOC 29-0000	Healthcare Support SOC 31-0000	Protective Service SOC 33-0000
Alabama	35.19	17.15	15.94	23.84	9.33	13.69
Alaska	32.50	21.60	19.18	32.14	14.62	17.23
Arizona	34.27	16.69	18.18	28.76	11.52	16.22
Arkansas	25.59	17.37	15.52	23.31	9.39	12.84
California	45.79	23.88	23.62	33.51	13.00	20.67
Colorado	37.02	19.94	20.64	29.12	12.82	18.89
Connecticut	42.23	24.03	23.04	31.72	13.67	19.24
Delaware	41.34	21.30	19.31	29.77	12.38	16.26
Florida	36.53	19.87	19.76	27.72	11.01	16.16
Georgia	37.74	19.70	20.20	26.70	10.50	14.46
Hawaii	31.42	20.96	23.08	30.53	12.91	15.68
Idaho	33.44	NA	15.92	26.62	10.52	15.62
Illinois	48.15	21.96	20.23	25.64	11.49	18.97
Indiana	28.03	18.42	16.55	25.34	11.34	15.01
Iowa	31.16	16.97	14.82	24.47	10.82	15.53
Kansas	28.10	16.96	15.63	24.81	10.50	15.64
Kentucky	NA	17.73	16.32	24.43	10.57	13.56
Louisiana	31.19	17.74	14.91	24.13	8.83	12.49
Maine	32.67	17.67	15.63	28.69	11.10	14.69
Maryland	34.80	22.53	21.47	32.51	12.50	17.85
Massachusetts	44.16	24.07	23.69	30.98	13.43	19.11
Michigan	38.77	23.36	22.01	30.06	12.23	17.79
Minnesota	40.49	20.21	20.81	30.54	12.38	16.71
Mississippi	29.10	16.07	15.27	23.64	8.86	11.85
Missouri	34.43	18.09	19.18	25.32	10.34	15.30
Montana	22.68	15.98	13.81	23.97	9.89	15.13
Nebraska	32.53	19.00	16.40	25.72	10.87	15.42
Nevada	38.03	18.74	23.34	31.65	12.87	16.17
New Hampshir	33.47	18.96	19.32	29.28	12.77	16.89
New Jersey	43.50	23.18	22.22	33.30	12.55	20.96
New Mexico	29.05	18.51	16.93	27.13	10.59	14.49
New York	45.48	25.26	27.88	31.63	12.22	19.37
North Carolina	31.27	17.66	19.02	27.12	10.35	14.62
North Dakota	28.18	16.81	14.69	23.19	10.22	15.03
Ohio	34.52	21.69	19.38	28.28	11.25	16.03
Oklahoma	32.69	NA	16.83	23.06	9.88	14.27
Oregon	33.05	19.48	19.64	31.76	12.22	18.04
Pennsylvania	33.85	22.20	18.12	26.56	11.34	16.68
Rhode Island	33.36	23.08	20.93	29.64	12.69	18.42
South Carolina	33.18	17.71	16.90	26.37	10.21	13.60
South Dakota	23.69	15.84	14.12	24.72	10.15	14.51
Tennessee	31.64	18.08	18.13	24.93	10.79	13.83
Texas	36.74	18.98	18.66	27.18	9.83	16.05
Utah	34.61	NA	19.33	27.29	10.58	15.28
Vermont	30.64	18.15	17.92	28.08	11.09	16.72
Virginia	39.60	21.93	23.08	28.21	11.19	16.86
Washington	**33.15**	**20.02**	**23.36**	**30.87**	**13.20**	**20.03**
West Virginia	26.16	18.15	15.18	25.56	9.23	12.61
Wisconsin	35.47	19.88	18.55	28.20	11.79	16.39
Wyoming	23.22	17.86	14.10	26.62	10.80	15.47
U.S. Average	38.98	20.89	21.30	28.45	11.47	17.19
Washington's	**28**	**17**	**4**	**10**	**4**	**3**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), May 2005.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2005
(Dollars)

	Food Preparation and Serving Related SOC 35-0000	Building and Grounds Cleaning and Maintenance SOC 37-0000	Personal Care and Service SOC 39-0000	Sales and Related SOC 41-0000	Office and Administrative Support SOC 43-0000	Farming, Fishing, and Forestry SOC 45-0000
Alabama	7.28	8.90	8.82	13.26	12.64	12.17
Alaska	10.57	12.56	12.80	14.21	16.53	16.11
Arizona	8.38	9.41	11.91	14.95	13.57	7.77
Arkansas	7.13	8.66	7.75	12.43	11.74	12.23
California	9.17	11.58	11.74	17.35	15.69	8.95
Colorado	8.87	10.99	11.20	16.98	15.18	10.94
Connecticut	10.50	12.57	12.36	19.45	16.61	12.40
Delaware	9.23	10.81	11.27	15.44	14.78	11.85
Florida	8.70	9.65	10.55	16.12	13.09	8.80
Georgia	7.78	9.70	10.70	15.05	13.70	10.40
Hawaii	10.49	11.92	12.05	13.76	14.67	11.52
Idaho	7.42	9.91	9.49	13.00	12.55	11.16
Illinois	8.78	NA	11.53	16.76	14.55	12.39
Indiana	7.92	10.40	9.45	14.49	13.32	12.25
Iowa	7.86	10.03	9.01	13.48	12.90	12.08
Kansas	7.65	9.54	9.23	15.00	12.92	12.48
Kentucky	7.59	9.38	10.24	13.23	12.88	10.81
Louisiana	7.66	8.19	8.66	12.18	11.83	12.57
Maine	8.87	10.63	10.04	13.69	13.16	13.63
Maryland	8.87	10.65	11.00	15.33	15.43	11.36
Massachusetts	10.46	12.77	12.73	18.32	16.57	12.02
Michigan	8.45	11.53	10.83	15.46	14.72	11.66
Minnesota	8.88	11.20	11.17	17.07	14.88	13.22
Mississippi	7.25	8.55	8.77	11.21	11.92	10.72
Missouri	8.10	9.90	10.06	14.95	13.36	10.10
Montana	7.56	9.45	8.71	11.90	11.88	12.17
Nebraska	7.87	9.84	9.36	13.80	12.70	11.16
Nevada	9.43	11.09	10.52	14.37	14.02	13.05
New Hampshir	9.32	11.37	10.23	15.66	14.26	12.40
New Jersey	9.52	11.83	12.50	18.77	15.77	NA
New Mexico	7.38	8.75	8.82	NA	12.40	7.32
New York	9.97	12.50	11.88	18.75	15.73	11.14
North Carolina	8.02	9.60	9.84	14.58	13.55	11.32
North Dakota	7.74	9.35	9.08	12.52	12.11	11.00
Ohio	8.09	10.75	9.70	15.19	13.80	11.82
Oklahoma	7.31	8.74	8.42	12.33	12.36	9.94
Oregon	9.47	10.82	11.61	16.15	14.33	14.04
Pennsylvania	8.29	10.58	9.90	15.10	13.70	11.36
Rhode Island	9.46	11.86	11.39	14.86	14.92	10.78
South Carolina	7.79	9.03	9.10	12.96	12.88	11.51
South Dakota	7.43	9.02	9.04	12.90	11.54	10.40
Tennessee	7.85	9.30	NA	14.18	13.15	10.59
Texas	7.63	8.75	9.20	15.12	13.50	8.79
Utah	8.24	9.75	10.54	14.36	12.77	10.42
Vermont	9.61	11.05	11.19	14.21	13.69	NA
Virginia	8.55	9.87	11.00	15.36	14.89	12.30
Washington	**10.13**	**11.90**	**11.83**	**17.46**	**15.55**	**13.03**
West Virginia	7.33	8.80	8.40	11.46	11.68	10.98
Wisconsin	8.41	10.72	9.92	15.82	13.79	12.67
Wyoming	7.68	9.64	9.39	12.04	12.14	12.81
U.S. Average	8.58	10.55	10.67	15.77	14.28	10.10
Washington's	**5**	**6**	**8**	**5**	**7**	**6**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), May 2005.

Table 41(cont.)
Cost of Doing Business
Average Wages, 2005
(Dollars)

	Construction and Extraction SOC 47-0000	Installation, Maintenance, and Repair SOC 49-0000	Production SOC 51-0000	Transportation and Material Moving SOC 53-0000
Alabama	14.29	16.40	13.03	12.16
Alaska	25.50	23.54	18.57	20.68
Arizona	15.59	17.71	13.29	14.07
Arkansas	14.13	15.50	12.32	12.73
California	20.97	20.02	13.87	13.92
Colorado	18.09	18.99	14.75	14.97
Connecticut	22.09	20.62	16.39	14.49
Delaware	18.58	18.83	NA	14.12
Florida	15.25	16.63	12.95	12.47
Georgia	15.55	17.96	13.22	13.81
Hawaii	23.44	19.98	14.01	14.58
Idaho	15.28	16.61	12.97	12.32
Illinois	24.50	19.97	14.31	14.58
Indiana	19.31	18.13	15.11	13.92
Iowa	17.32	16.91	13.96	13.23
Kansas	16.67	17.53	14.13	13.56
Kentucky	16.07	16.74	14.44	13.38
Louisiana	15.14	15.94	15.37	12.82
Maine	16.00	17.15	14.59	12.65
Maryland	18.18	18.59	15.23	13.85
Massachusetts	23.16	21.12	16.01	15.02
Michigan	21.09	20.51	17.29	15.39
Minnesota	22.36	19.57	15.31	15.73
Mississippi	13.41	15.32	12.33	12.17
Missouri	20.07	17.52	13.78	13.81
Montana	16.53	16.32	13.48	13.42
Nebraska	16.00	16.93	13.44	14.48
Nevada	19.36	19.24	14.28	13.62
New Hampshir	17.25	18.48	14.80	14.13
New Jersey	23.89	20.56	14.93	14.29
New Mexico	14.55	16.08	13.69	13.01
New York	23.28	19.67	14.62	15.77
North Carolina	14.83	17.34	13.36	12.75
North Dakota	16.31	17.11	14.10	13.27
Ohio	19.33	18.04	15.27	13.65
Oklahoma	14.77	16.72	13.37	12.54
Oregon	19.44	18.68	14.61	13.76
Pennsylvania	18.67	17.61	14.82	13.82
Rhode Island	19.82	18.55	14.17	13.35
South Carolina	14.67	16.54	13.90	12.26
South Dakota	13.79	15.83	12.07	12.03
Tennessee	14.99	16.91	13.49	13.42
Texas	14.04	16.89	13.60	13.19
Utah	15.73	17.94	13.11	14.68
Vermont	16.23	17.23	14.15	13.27
Virginia	16.79	18.51	14.24	13.89
Washington	**21.72**	**20.54**	**16.69**	**15.66**
West Virginia	16.76	15.66	14.18	12.33
Wisconsin	20.04	18.25	15.03	13.90
Wyoming	17.66	18.89	15.91	16.09
U.S. Average	18.39	18.30	14.37	13.85
Washington's	**9**	**5**	**3**	**5**

Source: "Occupational Employment Statistics," US Department of Commerce, Bureau of Labor Statistics (www.bls.gov), May 2005.

Acknowledgments

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