

**Employment Workgroup
Data Handout
April 25, 2022**

Summarizing Wage Data

Most California employers report wages paid to their employees to the Employment Development Department (EDD) for unemployment insurance purposes. The EDD Unemployment Insurance Base Wage Data includes total wages paid during the reporting quarter and the employer's industry.¹ DDS provides a list of regional center consumers to EDD every six months; EDD matches that list to its employer wage reports using personal information such as name, gender, social security number and address and returns the list of consumers and their Base Wage Data to DDS.² DDS adds demographic information about each consumer from regional centers' administrative data.

- Due to lags in employer reporting, data presented here for the first and second quarters of 2021 (2021 Q1 and Q2) should be considered preliminary.
- Average wages are calculated by dividing the sum of total wages by the number of wage-earners.
- Data for consumers enrolled in the Paid Internship Program (PIP) and Work Activity Program (WAP) are excluded from this analysis.

¹Consumers may be placed for work in a different industry than their employer's reported industry. Employers do not report employees' work hours, so hourly wages cannot be calculated.

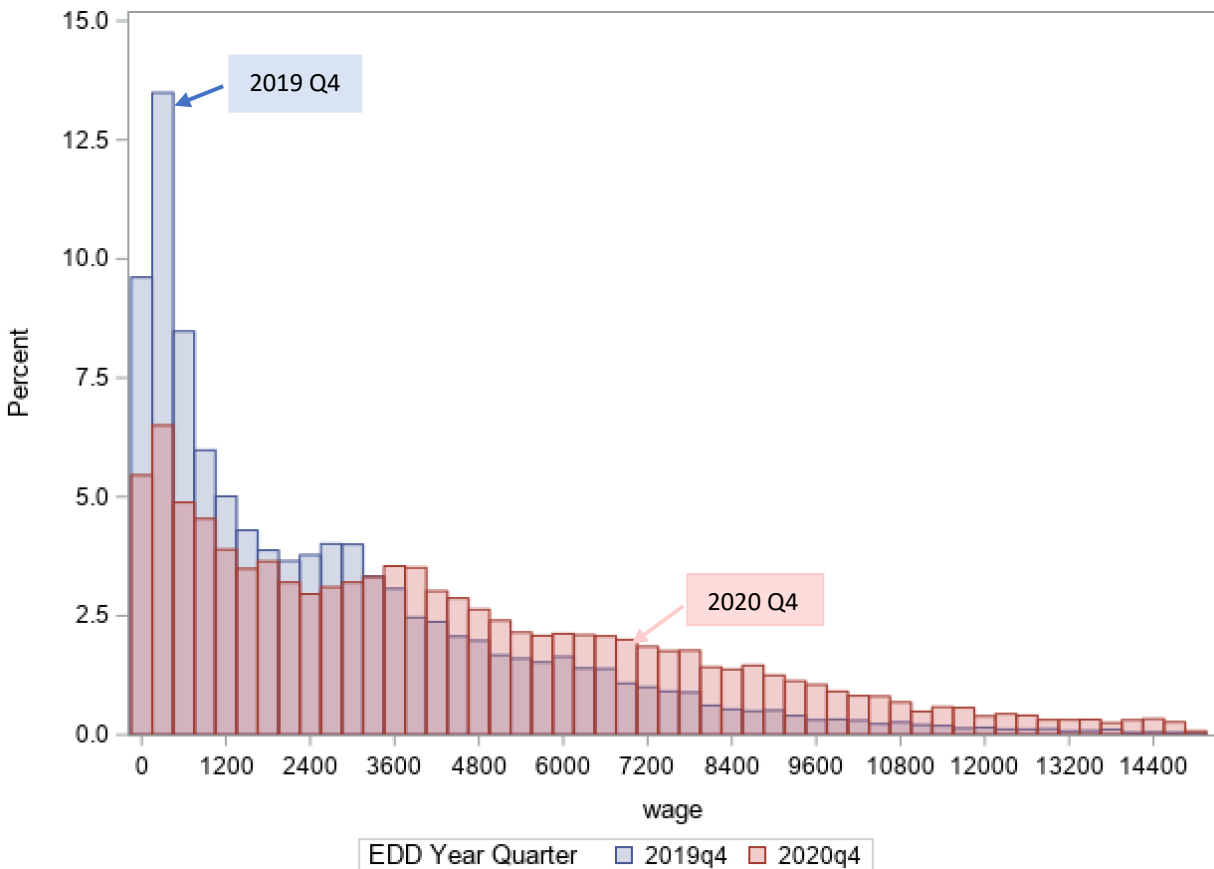
² DDS generates a matching score of 0 to 10 that indicates our confidence that the EDD individual and the regional center consumer are the same. This analysis includes consumers with a matching score of 9 or 10.

Change in Share of Wage-Earners by Wage Level, 2019 Q4 to 2020 Q4

This analysis suggests that higher-wage consumers weathered the pandemic better than lower-wage consumers.

- Among consumers with wages, the share with lower-paying jobs decreased from 2019 Q4 to 2020 Q4 and the share with higher-paying jobs grew (Figure 1).

Figure 1. Distribution of Consumers by Quarterly Wages, 2019 Q4 and 2020 Q4³



³ Quarterly wages over \$15,000 are truncated for display purposes.

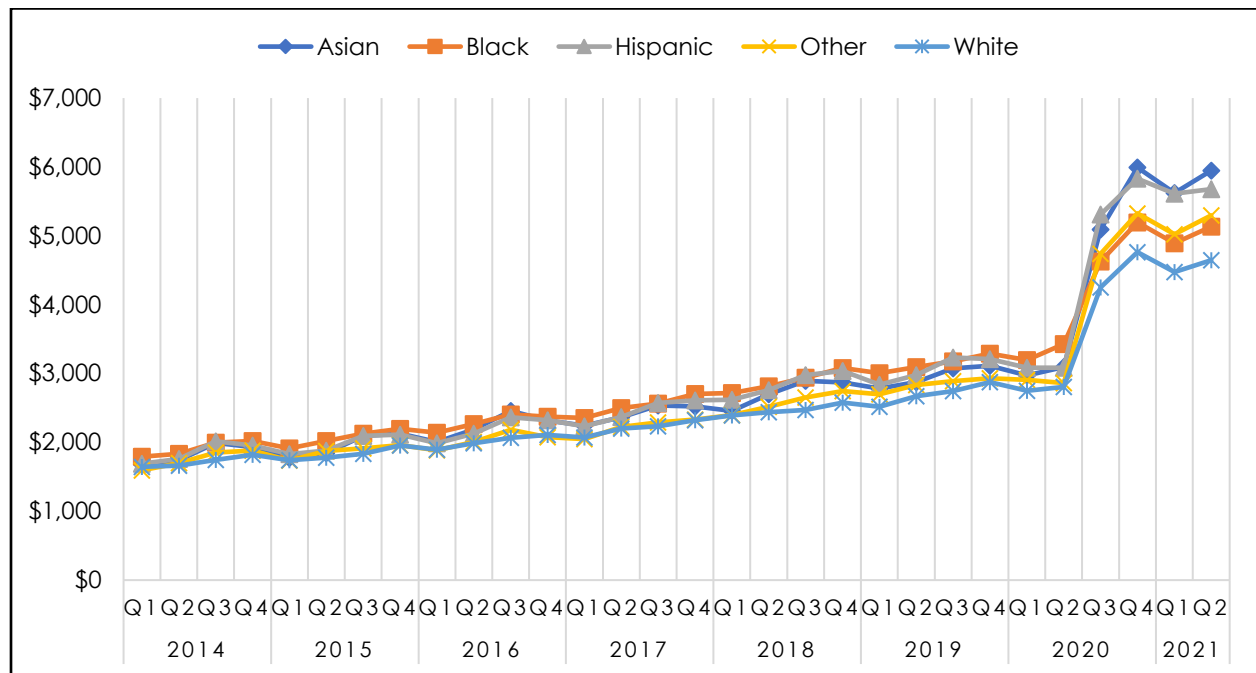
Average Quarterly Wages by Ethnicity from 2014 Q1 to 2021 Q2

From 2014 Q1 through 2019 Q4, average quarterly wages for Asian, Black, Hispanic, Other and White regional center consumers were similar at any point in time (Figure 2).

- All ethnic communities experienced similar seasonality, with wages generally lowest in the first quarter of each year and highest in the fourth quarter.
- White consumers consistently have lower average quarterly wages compared to other groups.
- Average quarterly wages for all communities decreased in 2020 Q1, the first quarter with COVID-19 wage effects, and began to increase in 2021 Q2 or Q3.
- In the last quarter of 2020, average quarterly wages were more than 50% higher for all ethnic groups than they had been in 2019 Q4.
 - This likely reflects job loss among consumers earning lower wages, along with some increases in higher-earners' wages.

Appendix table 1 provides details of average quarterly wages by quarter and ethnicity.

Figure 2. Average Quarterly Wage of Regional Center Consumers, by Quarter and Ethnicity

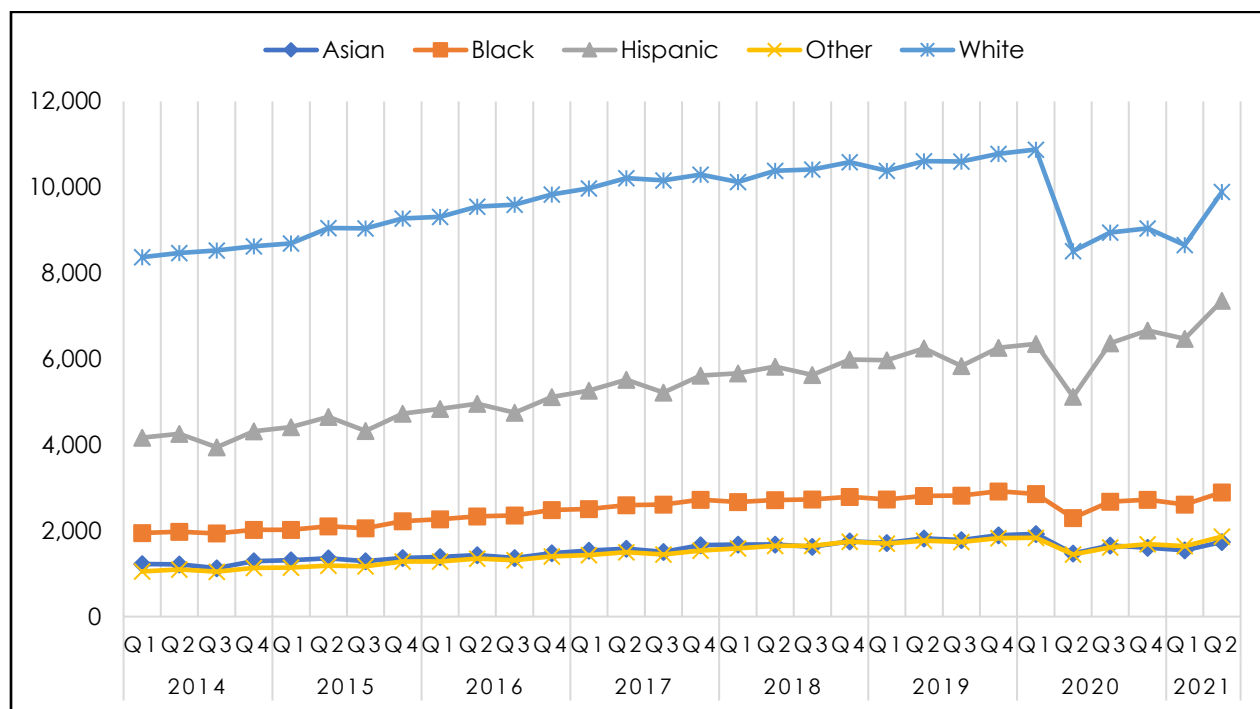


Change in the Number of Consumers with Wages, 2014 Q1 to 2020 Q4

- The number of consumers with wages increased every quarter from 2015 Q1 through 2020 Q1 for every ethnic community, with some seasonal fluctuations (Figure 3).
- The number of consumers with wages dropped by approximately one fifth (19%) from 2019 Q2 to 2020 Q2 with the appearance of COVID-related job loss.
- By 2020 Q3, employment of Hispanic consumers increased to above the 2019 Q4 level. Employment in other ethnic communities still lagged behind pre-COVID counts.

Appendix table 2 provides details of the number of DDS consumers with wages by quarter and ethnicity.

Figure 3. Number of Consumers with Wages, by Quarter and Ethnicity

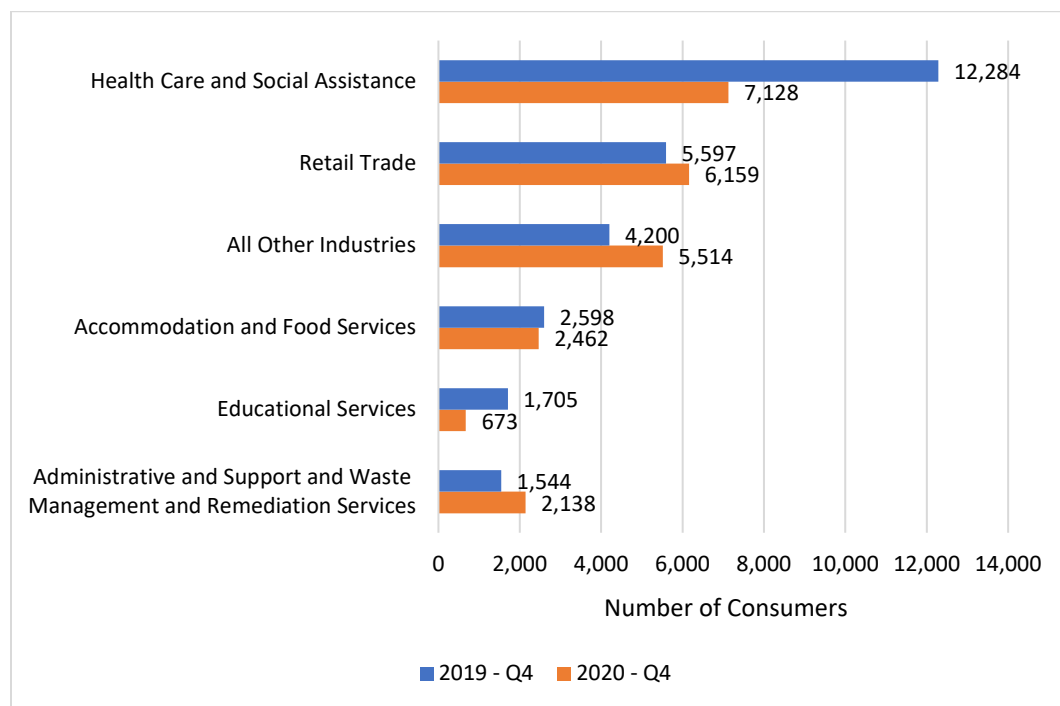


Number of Consumers with Wages by Industry⁴

Most regional center consumers with wages work for employers classified in five industries (84%; Figure 4).

- The number of consumers in these industries fell 22% from 2019 Q4 to 2020 Q4.
 - The largest decrease in employment in percent terms was Administrative and Support and Waste Management and Remediation Services (38%). However, by far the largest job loss by consumer count occurred in the Health Care and Social Assistance industry, where the number of consumers with wages decreased 42%.

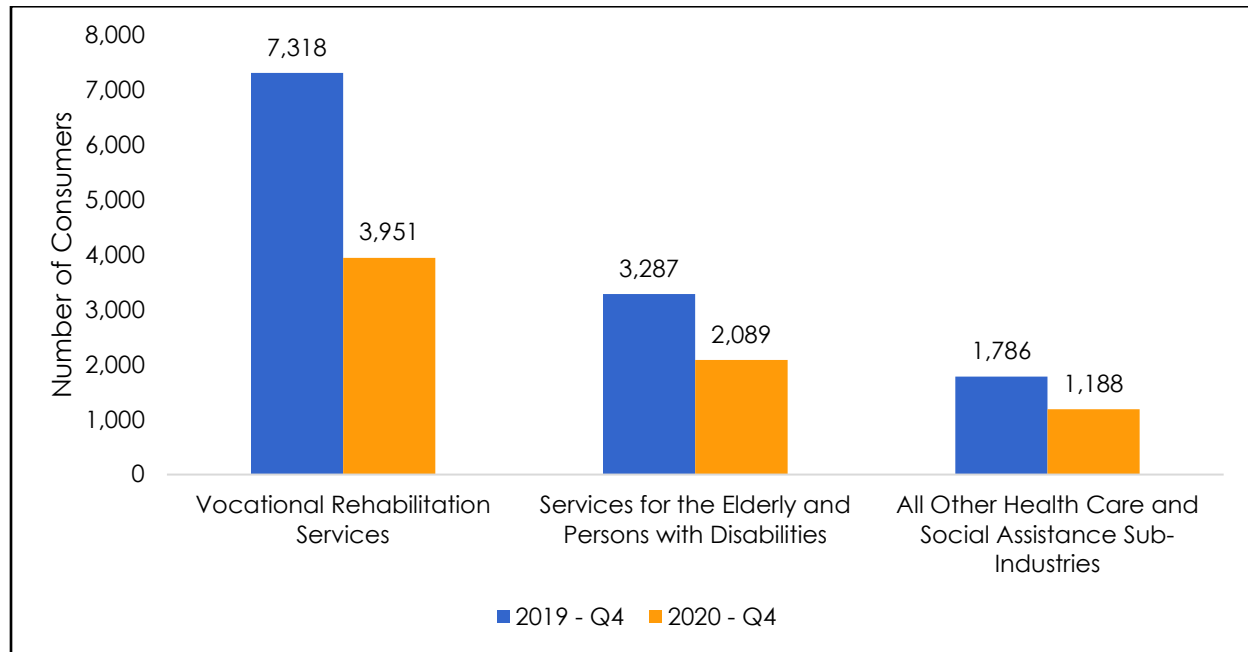
Figure 4: Number of Consumers with Wages, 2019 Q4 and 2020 Q4



- Within the Health Care and Social Assistance category, the sub-categories exhibiting the largest decline in consumers were Vocational Rehabilitation Services at 46% and Services for the Elderly and Persons with Disabilities at 36% (Figure 5).

⁴ Industry was identified based on North American Industry Classification System (NAICS) categories.

Figure 5. Number of Consumers With Wages in Top Two Health Care and Social Assistance Subindustries, 2019 Q4 and 2020 Q4



The industry employing the largest number of consumers – Health Care and Social Assistance – has the second-lowest average quarterly wages. Average wages in all industries were higher in 2020 Q4 than in 2019 Q4, likely due to job loss among the lowest-earning consumers.

Figure 6. Average Quarterly Wage of Regional Center Consumers, by Major Industries, 2019 Q4 and 2020 Q4

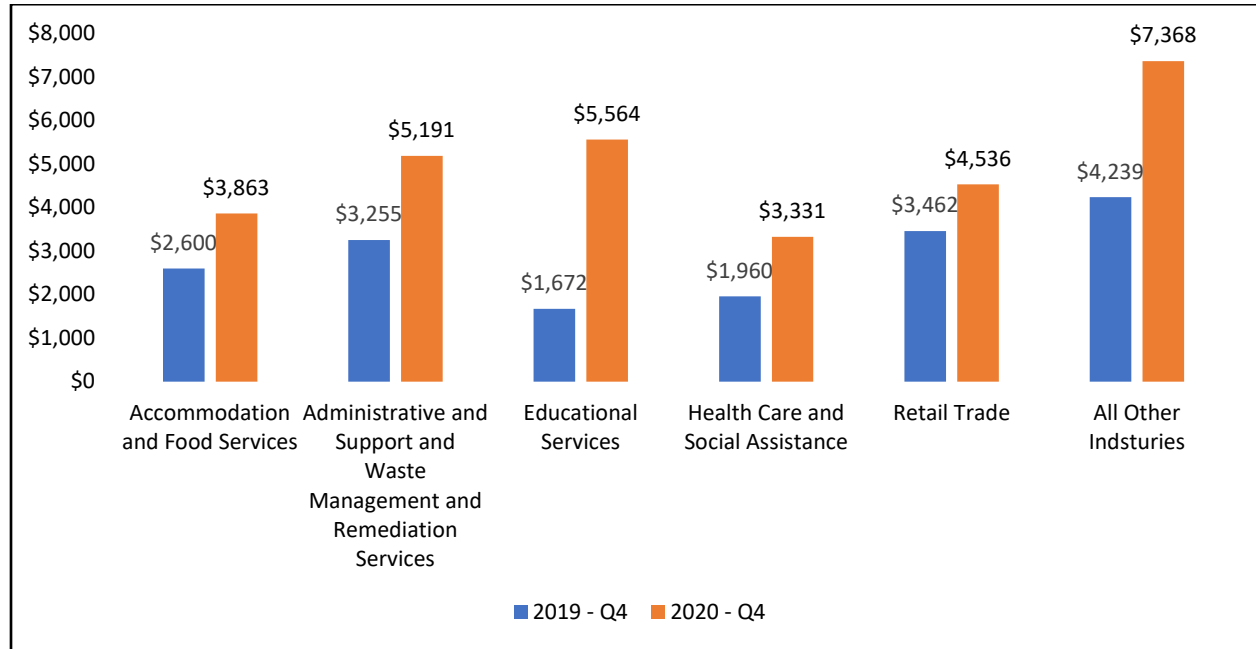
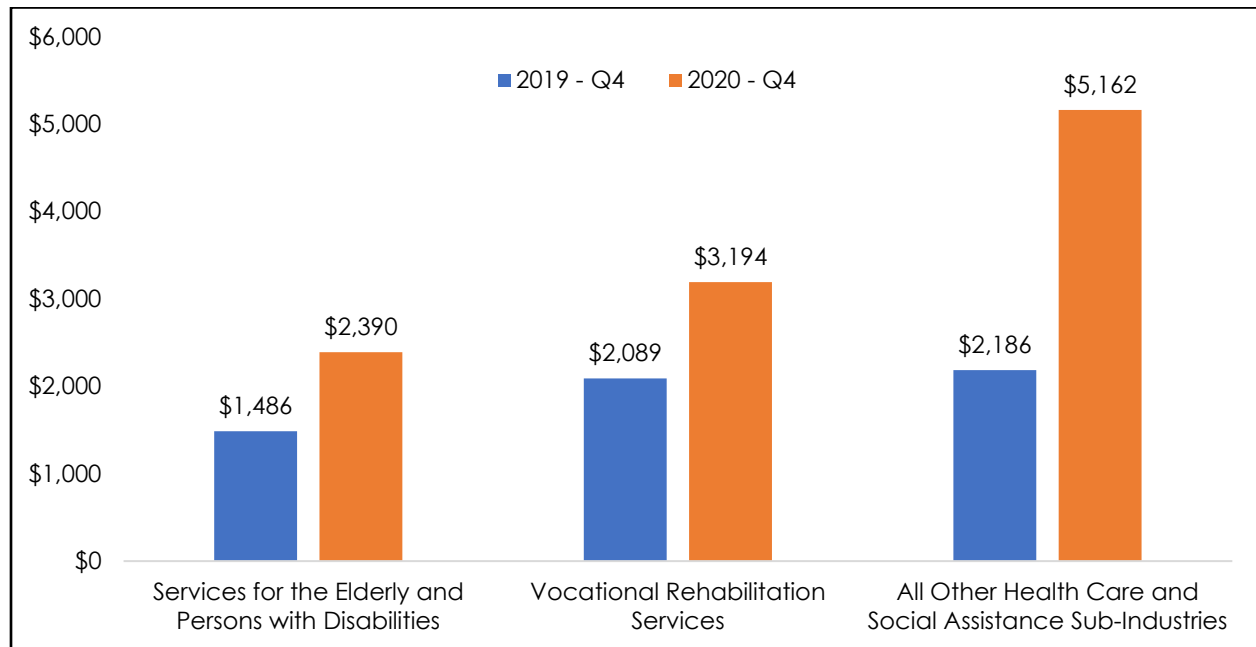


Figure 7. Average Quarterly Wage of Regional Center Consumers, Top Two Health Care and Social Assistance Subindustries, 2019 Q4 and 2020 Q4

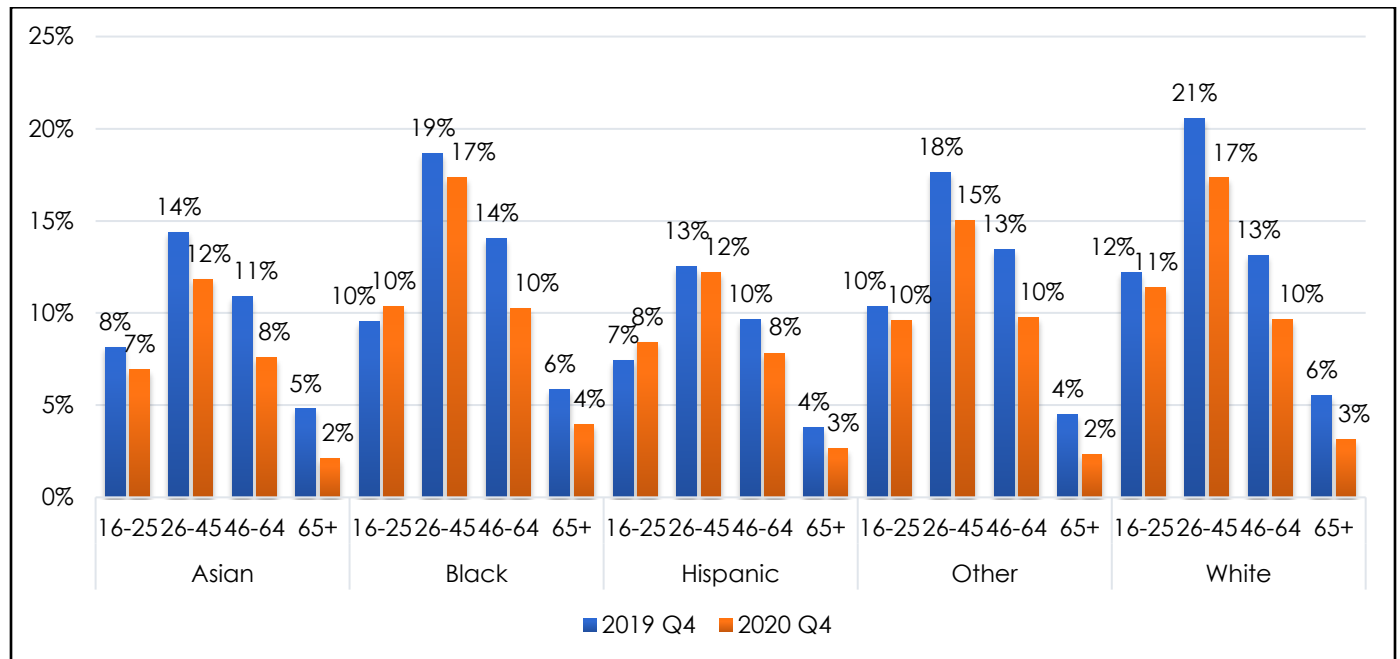


Share of All DDS Consumers with Quarterly Wages, by Ethnicity and Age

The share of regional center consumers with quarterly wages varies by ethnicity and age (Figure 8).

- In 2019 Q4, White consumers had the highest employment rate in most age groups.
- The share of consumers with wages decreased from 2019 Q4 to 2020 Q4 for nearly all age groups within all ethnic groups.

Figure 8. Share of Consumers with Wages⁵, by Ethnicity and Age Group, 2019 Q4 and 2020 Q4



⁵ Data is for active consumers from the June 2019 and June 2020 Client Master File (CMF; status codes 1, 2, 3 and 8). Age was calculated as of 12/31/19 for 2019 Q4 and 12/31/20 for 2020 Q4, consistent with the EDD Base Wage Data.

Appendix

Appendix Table 1. Average Quarterly Wage among DDS Consumers, by Quarter and Ethnicity

| Year | Quarter | Asian | Black | Hispanic | Other | White |
|-------------|----------------|--------------|--------------|-----------------|--------------|--------------|
| 2014 | Q1 | \$1,683 | \$1,793 | \$1,691 | \$1,595 | \$1,646 |
| | Q2 | \$1,740 | \$1,834 | \$1,762 | \$1,702 | \$1,664 |
| | Q3 | \$1,992 | \$1,999 | \$2,018 | \$1,854 | \$1,745 |
| | Q4 | \$1,933 | \$2,020 | \$1,954 | \$1,879 | \$1,821 |
| 2015 | Q1 | \$1,774 | \$1,912 | \$1,829 | \$1,739 | \$1,740 |
| | Q2 | \$1,845 | \$2,019 | \$1,882 | \$1,875 | \$1,777 |
| | Q3 | \$2,093 | \$2,125 | \$2,093 | \$1,915 | \$1,833 |
| | Q4 | \$2,126 | \$2,196 | \$2,115 | \$1,960 | \$1,956 |
| 2016 | Q1 | \$2,006 | \$2,142 | \$1,986 | \$1,886 | \$1,893 |
| | Q2 | \$2,187 | \$2,267 | \$2,128 | \$2,007 | \$1,988 |
| | Q3 | \$2,456 | \$2,406 | \$2,363 | \$2,181 | \$2,065 |
| | Q4 | \$2,317 | \$2,372 | \$2,321 | \$2,074 | \$2,107 |
| 2017 | Q1 | \$2,245 | \$2,355 | \$2,235 | \$2,050 | \$2,073 |
| | Q2 | \$2,366 | \$2,499 | \$2,371 | \$2,223 | \$2,200 |
| | Q3 | \$2,538 | \$2,562 | \$2,575 | \$2,291 | \$2,233 |
| | Q4 | \$2,523 | \$2,704 | \$2,610 | \$2,331 | \$2,323 |
| 2018 | Q1 | \$2,457 | \$2,719 | \$2,619 | \$2,395 | \$2,391 |
| | Q2 | \$2,697 | \$2,814 | \$2,759 | \$2,520 | \$2,441 |
| | Q3 | \$2,896 | \$2,941 | \$2,975 | \$2,653 | \$2,469 |
| | Q4 | \$2,871 | \$3,081 | \$3,040 | \$2,746 | \$2,577 |
| 2019 | Q1 | \$2,782 | \$3,006 | \$2,840 | \$2,700 | \$2,517 |
| | Q2 | \$2,873 | \$3,093 | \$2,975 | \$2,836 | \$2,671 |
| | Q3 | \$3,074 | \$3,176 | \$3,233 | \$2,888 | \$2,743 |
| | Q4 | \$3,114 | \$3,290 | \$3,212 | \$2,929 | \$2,873 |
| 2020 | Q1 | \$2,974 | \$3,197 | \$3,086 | \$2,907 | \$2,752 |
| | Q2 | \$3,093 | \$3,429 | \$3,087 | \$2,859 | \$2,804 |
| | Q3 | \$5,094 | \$4,629 | \$5,312 | \$4,738 | \$4,251 |
| | Q4 | \$5,992 | \$5,196 | \$5,829 | \$5,326 | \$4,763 |
| 2021 | Q1 | \$5,621 | \$4,890 | \$5,610 | \$5,024 | \$4,476 |
| | Q2 | \$5,946 | \$5,132 | \$5,679 | \$5,296 | \$4,647 |

Appendix Table 2. Number of DDS Consumers with EDD Wages, by Quarter and Ethnicity

| Year | Quarter | Asian | Black | Hispanic | Other | White |
|-------------|----------------|--------------|--------------|-----------------|--------------|--------------|
| 2014 | Q1 | 1,221 | 1,951 | 4,170 | 1,053 | 8,374 |
| | Q2 | 1,214 | 1,978 | 4,260 | 1,096 | 8,468 |
| | Q3 | 1,130 | 1,937 | 3,945 | 1,048 | 8,527 |
| | Q4 | 1,295 | 2,020 | 4,321 | 1,137 | 8,630 |
| 2015 | Q1 | 1,317 | 2,021 | 4,412 | 1,143 | 8,691 |
| | Q2 | 1,361 | 2,102 | 4,657 | 1,188 | 9,055 |
| | Q3 | 1,293 | 2,063 | 4,328 | 1,172 | 9,047 |
| | Q4 | 1,364 | 2,226 | 4,728 | 1,286 | 9,275 |
| 2016 | Q1 | 1,392 | 2,269 | 4,837 | 1,284 | 9,312 |
| | Q2 | 1,433 | 2,334 | 4,963 | 1,348 | 9,551 |
| | Q3 | 1,368 | 2,359 | 4,749 | 1,316 | 9,598 |
| | Q4 | 1,477 | 2,482 | 5,119 | 1,406 | 9,835 |
| 2017 | Q1 | 1,537 | 2,506 | 5,268 | 1,435 | 9,980 |
| | Q2 | 1,582 | 2,596 | 5,516 | 1,498 | 10,218 |
| | Q3 | 1,507 | 2,611 | 5,223 | 1,449 | 10,164 |
| | Q4 | 1,666 | 2,726 | 5,615 | 1,534 | 10,300 |
| 2018 | Q1 | 1,677 | 2,670 | 5,667 | 1,590 | 10,123 |
| | Q2 | 1,682 | 2,712 | 5,827 | 1,651 | 10,390 |
| | Q3 | 1,624 | 2,734 | 5,633 | 1,651 | 10,413 |
| | Q4 | 1,751 | 2,790 | 5,991 | 1,744 | 10,588 |
| 2019 | Q1 | 1,720 | 2,728 | 5,973 | 1,701 | 10,388 |
| | Q2 | 1,822 | 2,814 | 6,246 | 1,767 | 10,608 |
| | Q3 | 1,786 | 2,818 | 5,840 | 1,738 | 10,605 |
| | Q4 | 1,897 | 2,920 | 6,261 | 1,829 | 10,784 |
| 2020 | Q1 | 1,927 | 2,859 | 6,356 | 1,837 | 10,881 |
| | Q2 | 1,468 | 2,300 | 5,121 | 1,449 | 8,518 |
| | Q3 | 1,657 | 2,680 | 6,371 | 1,612 | 8,947 |
| | Q4 | 1,607 | 2,720 | 6,664 | 1,684 | 9,043 |
| 2021 | Q1 | 1,548 | 2,609 | 6,470 | 1,643 | 8,654 |
| | Q2 | 1,737 | 2,894 | 7,357 | 1,863 | 9,895 |