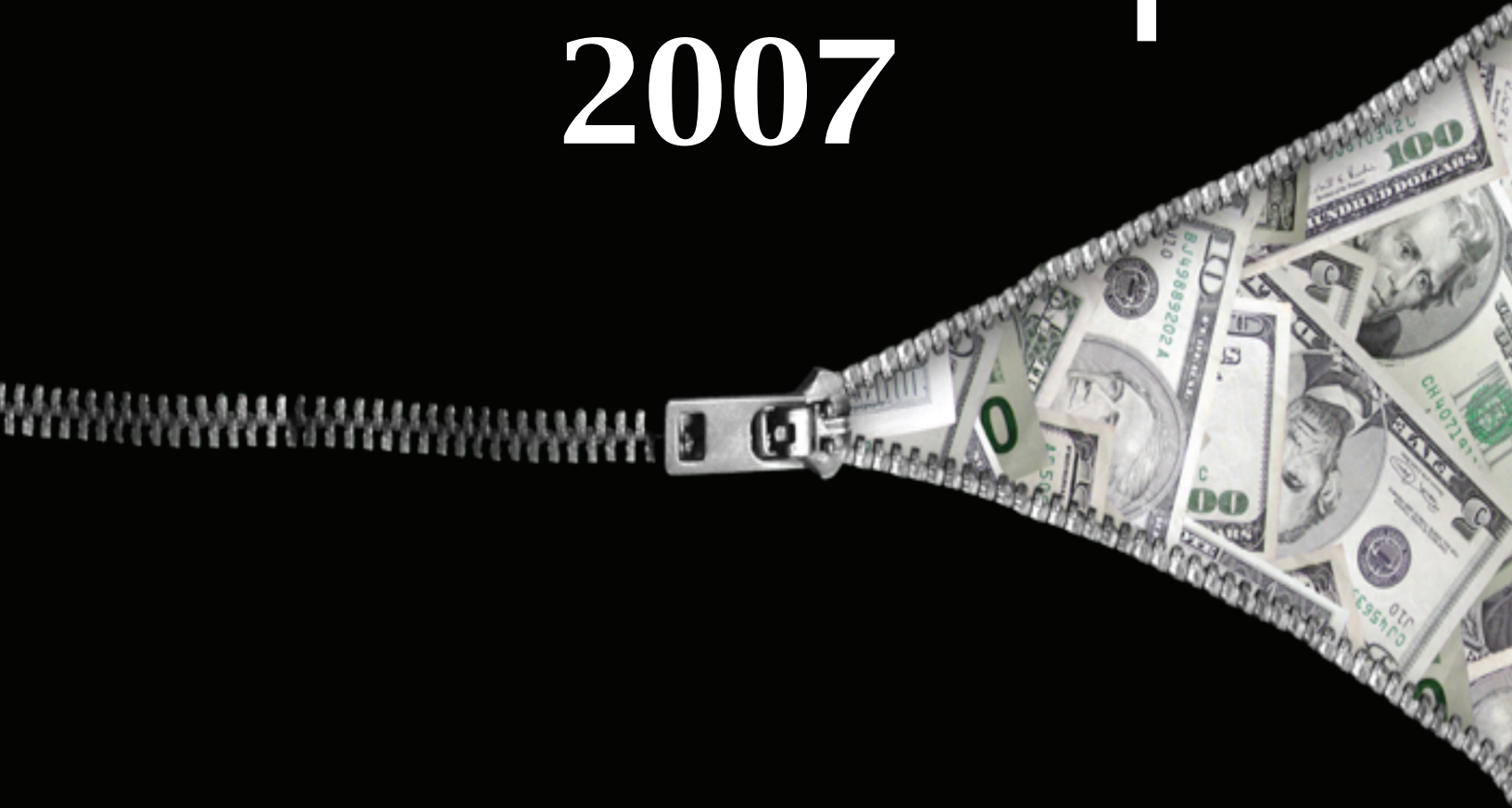




# District of Columbia Annual Economic Report 2007



**PREPARED BY**

**OFFICE OF LABOR MARKET RESEARCH AND INFORMATION  
DISTRICT OF COLUMBIA DEPARTMENT OF EMPLOYMENT SERVICES**

**DECEMBER 2008**

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## ***Introduction***

***This report was prepared to aid District of Columbia policy makers, the Workforce Investment Council, and Workforce Development program managers in the development and administration of workforce development programs. The U.S. Department of labor, Employment and Training Administration (ETA) provided funding for the development of this report through the Workforce Informational Annual Grant.***

## Summary

The year 2007 continued to show encouraging signs on various fronts of the labor market and the economy of the District of Columbia. In 2007, the resident labor force rose by 9,688 to 325,562 as the number of employed residents increased by 10,092 to 307,049 and the number of unemployed residents decreased by 404 to 18,513. As a result, the unemployment rate fell by 0.3 percent to 5.7 percent. The same movements were evident with the 2006 labor force data<sup>1</sup>.

The Census Bureau's population estimate of 588,292 for 2007 was a slight increase over the 2006 estimate of 581,530. The estimates show that the working age population increased over the year by 4,064 to 487,895 while the median age remained at 35 years of age<sup>2</sup>. The Census Bureau's American Community Survey (ACS) data show that educational attainment of the District's population was above the national average, especially with regard to college graduates. In 2007, 85.7 percent (up from 84.3 percent in 2006) of the District's 25 years and over were high school graduates and 47.5 percent (up from 45.9 percent in 2006) had a bachelor's degree compared to 84.5 percent and 24.5 percent, respectively for the nation. The ACS data also show that in 2007 household income in the District was higher than the national average. In 2007, the median household income in the District was \$54,317 compared to \$41,994 for the nation. However, the percent of individuals below poverty level in the District was higher than the national average, 16.4 percent compared to 12.4 percent.

For the ninth consecutive year, in 2007, wage and salary employment registered year-over-year job gains. The number of wage and salary jobs in the District rose by 7,200 or 1.05 percent to 694,800. The percent of total wage and salary private sector jobs rose from 66.1 percent to 66.6 percent in 2007 as the percent of the government jobs declined to 33.4 percent from 33.8 percent. In 2007, the federal government employment accounted for 27.5 percent of total jobs, down from 28.0 percent in 2006. The professional and business services sector accounted for 22 percent of total jobs, unchanged from 2006<sup>3</sup>.

In 2007, average weekly wages of workers in the District increased 4.9 percent to \$1,415. Nationally, annual average weekly wage rose 4.6 percent in 2007 to \$855<sup>4</sup>.

According to the data compiled by Bureau of Labor Statistics, Business Employment Dynamics, in 2007, the number of job gains from expanding and opening private sector establishments in the District was 109,166, and the number of job losses from contracting and closing establishments was 104,904 resulting in a net gain of 4,262 jobs.

Thirteen of the top twenty private sector employers in the District in 2007 were either universities or hospitals<sup>5</sup>. Howard University, Georgetown University, George Washington University, Washington Hospital Center, and Children's National Hospital ranked as the top five (5) private sector employers in the District.

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<sup>1</sup> U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)

<sup>2</sup> Population Division, U.S. Census Bureau, Annual Estimates of the population by Age and Sex

<sup>3</sup> U.S. Bureau of Labor Statistics, Current Employment Statistics (CES)

<sup>4</sup> U.S. Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW)

<sup>5</sup> D.C. Department of Employment Services, Top 200 Major Employers

In terms of occupations, employment in the District is heavily concentrated in the management, business, financial, and professional and related occupations. In 2007, jobs in these occupational groupings accounted for 55 percent of the total jobs in the District compared to 40 percent nationally<sup>6</sup>. The two occupations with the largest employment and highest average annual wage in the District were lawyers, with an employment level of 29,060 (\$143,520), and general and operations managers, with an employment level of 21,430 (\$122,050).

## Population Demographics in 2007

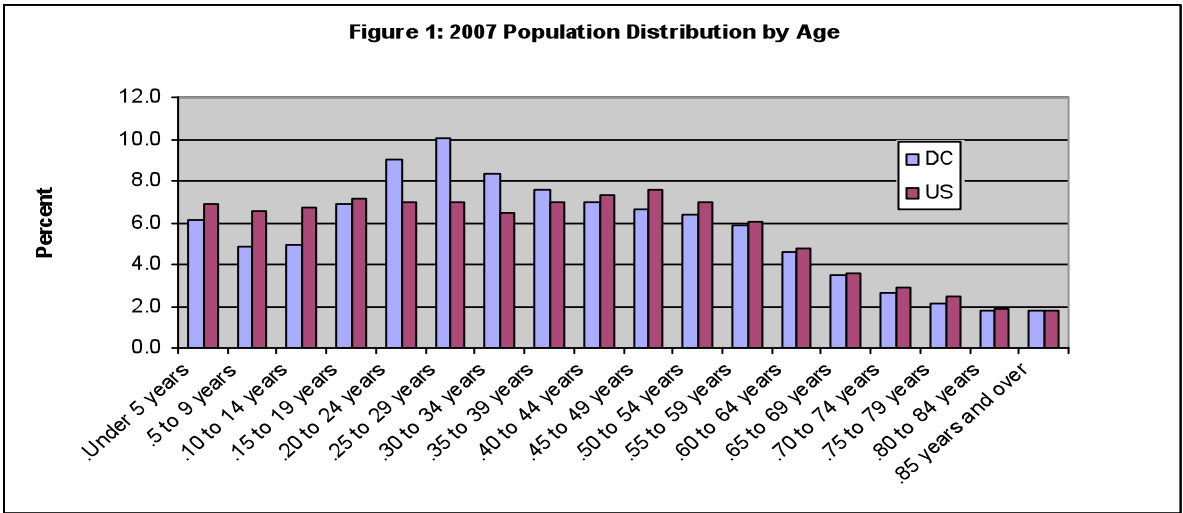
The District of Columbia population has grown by approximately 2.8 percent since 2000 to an estimated 588,292, according to the U.S. Census Bureau (table 1). This represents an increase of over 16,000 residents. Males accounted for 54 percent of this population growth. The working age population (16 years and older) grew at a rate of 4.12 percent during the period while the number of persons under 16 years of age decreased by 2.98 percent as a result of a 1.21 percent drop in this age group in 2007. In 2007, the working age population rose by 0.84 percent; the median age of the population was 35.0, unchanged from 2006 and up 1.09 years from 2000. Nationally, the median age of the population is 36.7, down 1.1 years from 2006 and up 0.1 year from 2000.

Sex and Age	Population Estimates		Census	Change From		Percent Change	
	July 1, 2007	July 1, 2006	April 1, 2000	2006	2000	From	
						2006	2000
<b>Both Sexes</b>	588,292	585,459	572,059	2833	16233	0.48	2.84
Under 16 years	100,397	101,628	103,484	-1231	-3087	-1.21	-2.98
16 years and over	487,895	483,831	468,575	4064	19320	0.84	4.12
Median age (years)	35.0	35.0	34.6	0	0	0.00	1.09
<b>Male</b>	278,107	276,620	269,366	1487	8741	0.54	3.25
Under 16 years	51,301	51,757	52,171	-456	-870	-0.88	-1.67
16 years and over	226,806	224,863	217,195	1943	9611	0.86	4.43
Median age (years)	34.0	34.0	33.7	0	0	-0.13	0.83
<b>Female</b>	310,185	308,839	302,693	1346	7492	0.44	2.48
Under 16 years	49,096	49,871	51,313	-775	-2217	-1.55	-4.32
16 years and over	261,089	258,968	251,380	2121	9709	0.82	3.86
Median age (years)	35.9	35.9	35.6	0	0	-0.08	0.96

Source: Population Division, U.S. Census Bureau, Annual Estimates of the Population by Age and Sex for the District of Columbia

From the 2007 U.S. Census Bureau's population estimates for the District of Columbia (Figure 1) shows the District has a much larger proportion of population distributed among the younger working age population than in the nation. This is particularly evident in the 20 – 34 age groups which together account for 27.3 percent of the District's population compared to 20.4 percent nationally. By contrast, the District's proportion of the population in the 50 – 64 age group is 16.9 percent compared to 17.8 percent nationally.

<sup>6</sup>U.S. Bureau of Labor Statistics, Occupational Employment Statistics (OES) Survey, May 2007



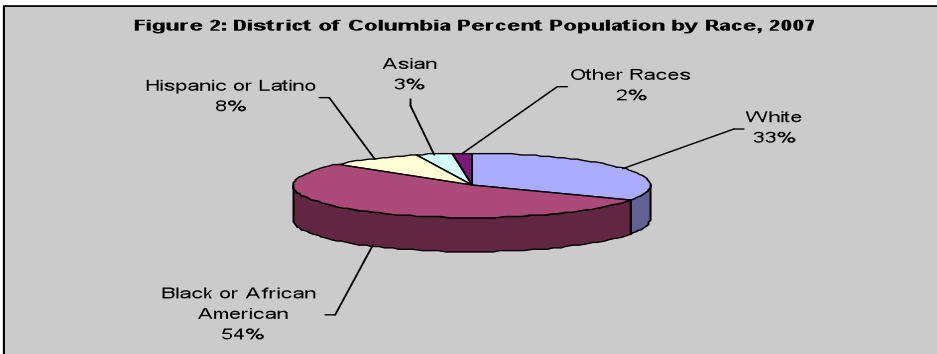
As shown in table 2 and figure 2, African Americans were the largest racial group with 318,468 persons (or 54.1%), followed by Whites with 191,463 persons (or 32.5%), then Hispanics or Latinos with 49,016 persons (or 8.3%), then Asians with 19,388 persons (or 3.2%), and other races with 9,957 persons (or 1.7%).

**Table 2: District of Columbia Population by Race and Ethnicity, 2000-2007**

Race*	Population**			Change		Percent Change	
	2007	2006	2000	2006-2007	2000-2007	2006-2007	2000-2007
Total All Races	588,292	581,530	572,059	6,762	16,233	1.16	2.84
White	191,463	184,255	161,260	7,208	30,203	3.91	18.73
Black or African American	318,468	321,922	342,464	-3,454	-23,996	-1.07	-7.01
Hispanic or Latino	49,016	47,774	44,953	1,242	4,063	2.60	9.04
Asian	19,388	18,470	15,402	918	3,986	4.97	25.88
Other Races	9,957	9,109	7,980	848	1,977	9.31	24.77

\*Other Races include American Indian and Alaska Native, Native Hawaiian and Pacific Islander, and two or more races  
 \*\*The 2000 population is census data and the 2001-2006 are population estimates.  
 Source: U.S. Census Bureau, American Community Survey

The African American population in the District has steadily declined over the years. From 2000 to 2007, the African American population has decreased by 7% (23,996 persons) from 342,464 persons to 318,468 persons. At the same time, Asian population increased by 26% (3,989 persons); White population increased by 19% (30,203 persons); Latino population increased by 7% (4,063 persons); and other races increased 25% (1,977 persons). In 2007, the African American population declined by 3,454 persons, while the White increased by 7,208 persons; Latinos increased by 1,242 persons; Asians increased by 918 persons; and all other races increased by 848 persons.



## Income and Poverty

According to the U.S. Census Bureau, in 2007 the District had a per capita personal income of \$40,379 which was 87% of the national average of \$21,587 (table 3). The 2007 PCPI for the District reflected an increase of 9% from 2006 while the national PCPI decreased by 15%. In 2007, the median household income was \$54,317 (\$41,994 for U.S.), and the median family income was \$66,672 (\$61,335 for U.S.). About 13.0% of families and 16.4% of the population were below the poverty line.

	<b>Median Household Income</b>	<b>Median Family Income</b>	<b>Per Capita Personal Income</b>	<b>Families Below Poverty Level</b>	<b>Individuals Below Poverty Level</b>
<b>Area</b>					
D.C.	\$ 54,317	\$ 66,672	\$ 40,379	13.00%	16.40%
U.S.	\$ 41,994	\$ 61,335	\$ 21,587	9.20%	12.40%

\* In 2007 Inflation Adjusted Dollars  
Source: U.S. Census Bureau, 2007 American Community Survey

## Educational Attainment

The District has a more highly educated population than the nation as a whole. As shown in table 4, in 2007, 47.9 percent of the population 25 years and over in the District were college graduates compared to 27% for the nation. Also, the percent of high school graduates in the District was 85.7% compared to 84.5% for the nation. In 2007 the percent of college graduates in the District increased by 1.6 percent, while decreasing in the nation by 2.5 percent; the percent of high school graduates in the District increased by 1.4 percent while increasing by 0.4 percent in the nation. From 2000 to 2007, the percent of college graduates in the District rose by a significant 8.4 percent while increasing by 0.1 percent in the nation; the percent of high school graduates in the District increased by 7.9% while increasing by only 4.1% in the nation.

<b>Area</b>	<b>Percent High School Graduates</b>			<b>Percent College Graduates</b>		
	<b>2007</b>	<b>2006</b>	<b>2000</b>	<b>2007</b>	<b>2006</b>	<b>2000</b>
District of Columbia	85.70%	84.30%	77.80%	47.50%	45.90%	39.10%
National	84.50%	84.10%	80.40%	24.50%	27.00%	24.40%

Source: U.S. Census Bureau, American Community Survey

## Rental Housing

Table 5 shows the U.S. Department of Housing and Urban Development Fair market Rent for the District of Columbia. Between 2000 and 2007, rental cost in the District of Columbia increased by 58% for efficiency and one-bedroom apartment; increased by 57% for a four-bedroom apartment; increased by 53% for two-bedroom apartment; and increased by 45% for a three-bedroom apartment<sup>7</sup>.

<sup>7</sup> <http://www.huduser.org/datasets/fmr.html>

<b>Year</b>	<b>Efficiency</b>	<b>One-Bedroom</b>	<b>Two-Bedroom</b>	<b>Three-Bedroom</b>	<b>Four-Bedroom</b>
2000	\$630	\$716	\$840	\$1,145	\$1,380
2001	\$680	\$773	\$907	\$1,236	\$1,491
2002	\$707	\$804	\$943	\$1,285	\$1,550
2003	\$865	\$984	\$1,154	\$1,573	\$1,897
2004	\$913	\$1,039	\$1,218	\$1,660	\$2,002
2005	\$915	\$1,045	\$1,187	\$1,537	\$2,000
2006	\$948	\$1,080	\$1,225	\$1,580	\$2,068
2007	\$995	\$1,134	\$1,286	\$1,659	\$2,171

Source: U.S. Housing and Development Department

### **Commuting Patterns**

The Census Bureau 2000 District of Columbia worker commuting flows (table 6), show that out of 671,678 total workers in the District, seventy-two percent (481,112) were commuters from other states; seventy-percent of these commuters were from Maryland (279,479) and Virginia (191,253). In contrast, the total number of the District's residents to other states was 70,318 persons; the number of commuters from the District to Maryland and Virginia were 36,450 and 31,263, respectively.

<b>Place of Commute</b>	<b>Number</b>
Total workers working in DC	671,678
Total workers living in DC	260,884
DC residents working in DC	190,566
Total commuters from all other areas to DC	481,112
Commuters from MD to DC	279,479
Commuters from VA to DC	191,253
Commuters from WV to DC	1,350
Commuters from PA to DC	1,032
Commuters from DE to DC	272
Total DC commuters to all other areas	70,318
Commuters from DC to MD	36,450
Commuters from DC to VA	31,263
Commuters from DC to PA	251
Commuters from DC to WV	49
Commuters from DC to DE	15

Source: U.S. Census Bureau

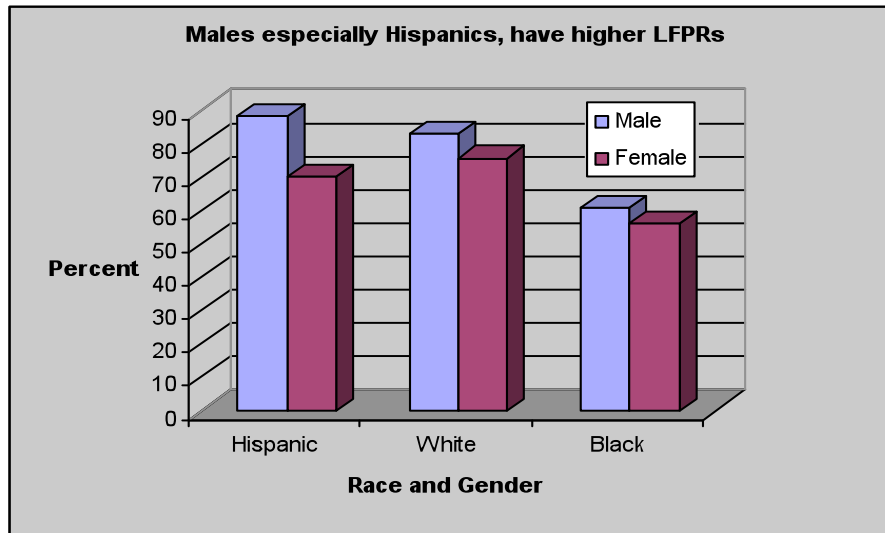
### **Labor Force Participation Rates and Unemployment Rates by Demographic Groups**

Labor force participation rates (LFPRs) measure the number of citizens employed or looking for employment as a percent of the civilian non-institutional population of 16 years and older. LFPR data help to identify the degree of attachment to the labor force for



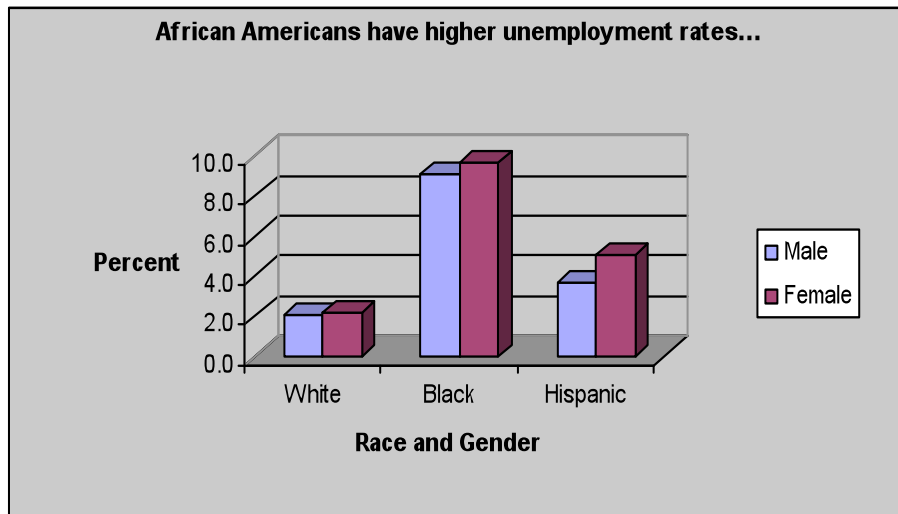
segments of the population and may provide an indication of the potential existence of discouraged workers, or workers that have dropped out of the labor force. As indicated in figure 3, figure 4, and table 7, overall males (72%) have higher participation rates than females (65%); Hispanic males had the highest participation rates (88%); Black females had the lowest participation rates (56%); and African Americans had a high unemployment rate (9.4%) and lower LFPR (58%). In 2007, fifty two percent of the District's civilian labor force were women, 52 percent were White, 43 percent were African Americans, and 10 percent were Latinos. White males accounted for the largest percent of persons in the labor force at 28 percent.

**Figure 3: 2007 District of Columbia LFPR by Race/Gender**



Source: U.S. Census Bureau, Current Population Survey

**Figure 4: 2007 District of Columbia Unemployment Rates by Race/Gender**

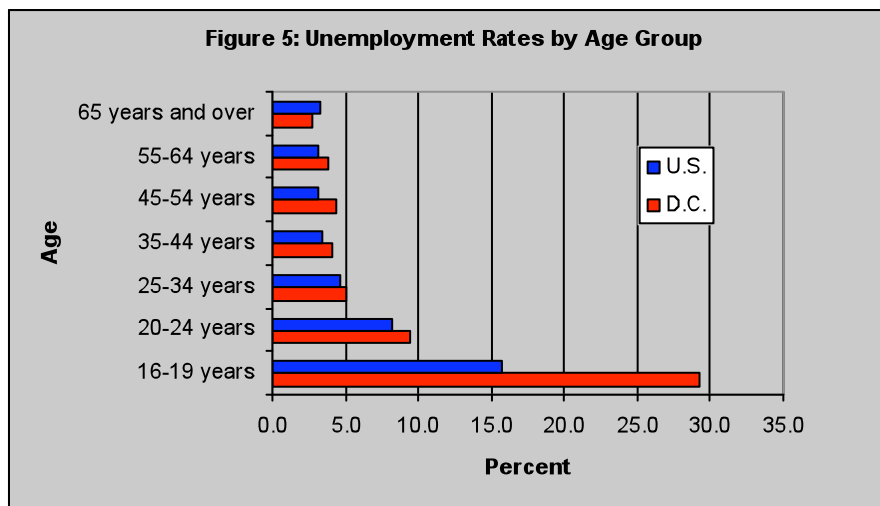


Source: U.S. Census Bureau, Current Population Survey

Table 7: Employment Status of the Civilian Non-Institutional Population By Sex, Age, Race and Hispanic Origin, 2007 Annual Averages (in 000's)						
Hispanic Origin, 2007 Annual Averages (in 000's)						
Race & Sex	Civilian Labor Force				Unemployment	
	Civilian Population	Participation Rate	Number	Employment	Number	Rate
Total Pop 16+	467.0	68.1	318.0	300.0	18.0	5.5
Men	213.0	72.0	154.0	146.0	8.0	5.0
Women	254.0	64.7	164.0	154.0	10.0	6.0
White	199.0	79.5	158.0	155.0	3.0	2.2
Men	99.0	83.2	82.0	80.0	2.0	2.1
Women	100.0	75.7	76.0	74.0	2.0	2.2
Black or African Americans	245.0	58.0	142.0	129.0	13.0	9.4
Men	105.0	60.7	64.0	58.0	6.0	9.1
Women	140.0	56.1	79.0	71.0	8.0	9.7
Hispanic or Latino Ethnicity	37.0	80.0	30.0	29.0	1.0	4.3
Men	21.0	88.0	18.0	18.0	1.0	3.7
Women	17.0	70.1	12.0	11.0	1.0	5.1

Source: U.S. Census Bureau, Current Population Survey

In terms of age groups, generally the groups with the least number of years experience in the labor market have the highest unemployment rates and those with the most number of years, the lowest rates (figure 5). In 2007, unemployment rates for the District were higher than the national averages in all age categories except the 65+ age group. The age group 16 – 19 year-olds had the highest unemployment rate at 29.2 percent, almost double the U.S. rate of 15.7 for this age group. The lowest unemployment rates were for the age group 65+ years, with unemployment rate of 2.8 percent for the District compared to U.S. rate of 3.3 percent.



Source: U.S. Census Bureau, Current Population Survey

## Resident Labor Force, Employment and Unemployment

In 2007, the number of employed District residents increased by 10,092 to 307,049. At the same time, the number of unemployed residents decreased by 404 to 18,513. As a result, the resident's civilian labor force rose by 9,688 to 325,562, while the unemployment rate decreased by 0.3 percent to 5.7 percent (see table 8). The same general movements were observed in 2006. Since 2000, the District's labor force has grown by 16,141 persons with the number of employed residents increasing by 15,133 and the number of unemployed rising by 1,008 resulting in unemployment rate unchanged at 5.7 percent.

	2007	2006	2000	Change From	
				2006	2000
Civilian Labor Force	325,562	315,874	309,421	9,688	16,141
Total Employed	307,049	296,957	291,916	10,092	15,133
Total Unemployed	18,513	18,917	17,505	-404	1,008
Unemployment Rate	5.7	6.0	5.7	-0.3	0.0

Source: U.S. Bureau of Labor Statistics, Local area Unemployment Statistics (LAUS)

Figure 6 shows a comparison of the District's historical unemployment rates with the national rates for the period 1990-2007. With the exception of 1995 and 2004, the District's rate followed the national trend, rising to its highest level at 8.6% in 1992, and dropping to its lowest level at 5.7% in 2000. After 2000, the District's unemployment rate rose, reaching 7.5% in 2004 before declining to 6.0% in 2006. During the early and mid 90's, the gap between the national and the District rate widened as the District was undergoing a fiscal crisis and employed residents were moving to the suburbs. Following the 2001 recession, the gap in the rates had narrowed to 1 percent by 2003 as the District was less impacted by the recession. The same observation is noticeable in 2007, as the national economy starts to experience an economic slowdown.

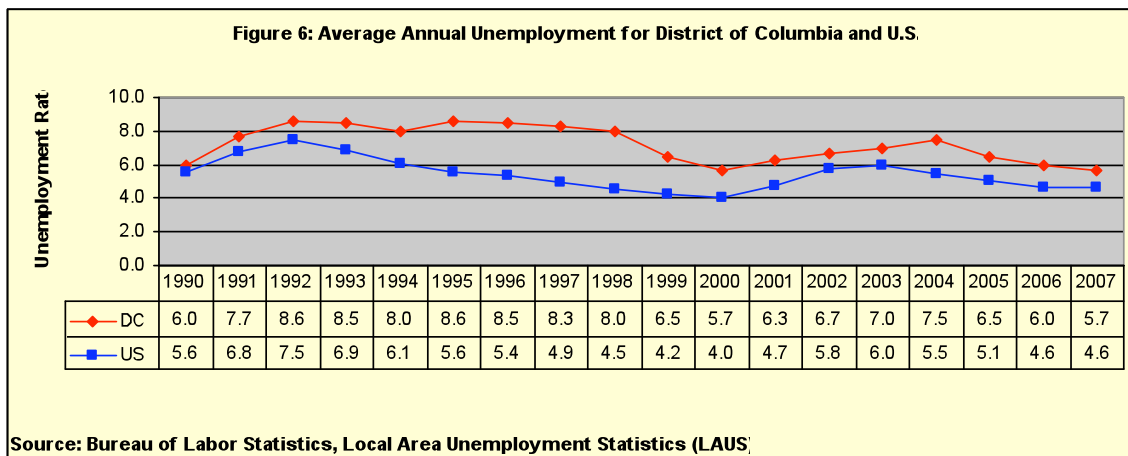
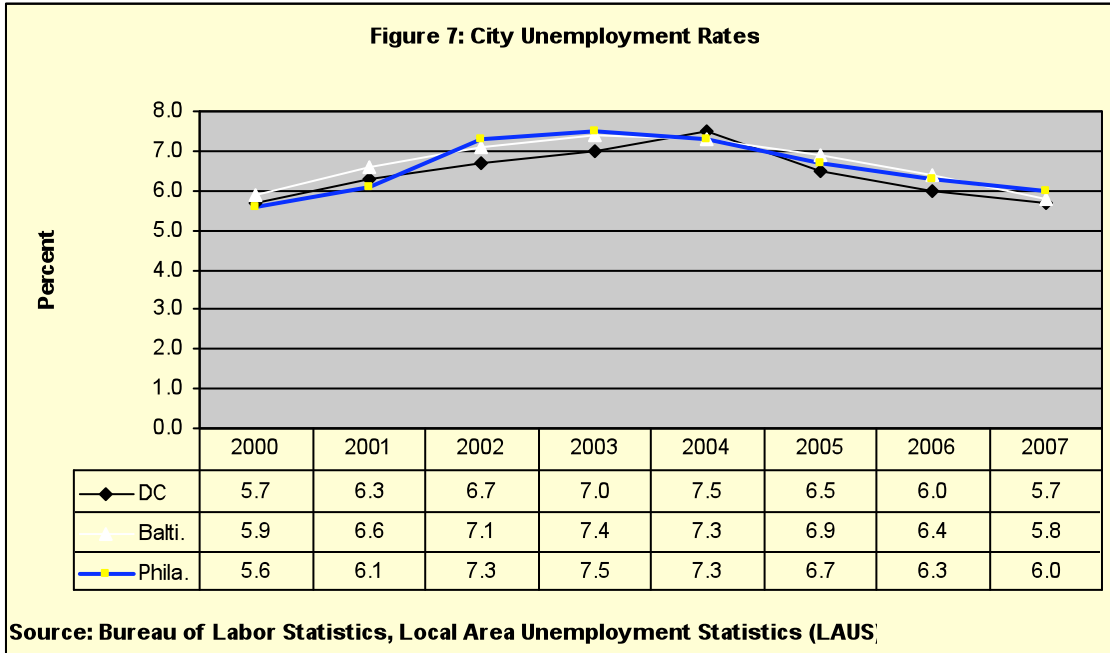
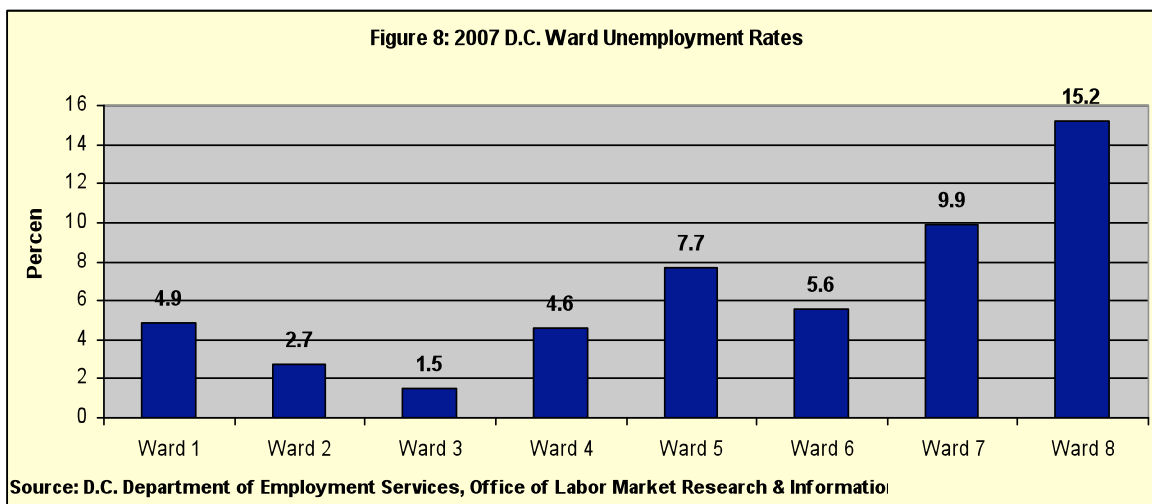


Figure 7, shows a comparison of the District's unemployment rate with Baltimore and Philadelphia, two cities in close proximity to the District with population of at least 500,000. The graphic shows that in 2007, the District's unemployment rate at 5.7 percent was 0.1 percent and 0.2 percent lower than the rates in Baltimore and Philadelphia, respectively. Over the period 2000 to 2007, the difference in the unemployment rates

ranged from a low of 0.2 percent to a high of 0.5 percent. The District had the lowest unemployment rate of the three cities in 5 of the 7 years.



As indicated in figure 8, Ward unemployment rates<sup>8</sup> in the District, ranged from 1.5% in Ward 3 (upper North West) to 15.2% in Ward 8 (East of Anacostia River). In 2007, unemployment rates for Wards 5, 7, and 8 were above the annual average for the District. Wards 5, 7 and 8 had significantly high unemployment rates, at 7.7%, 9.9% and 15.2%, respectively. The rates for Wards 1, 2, 3, and 4 were below the District's average with Ward 3 and Ward 2 having rates substantially below the U.S rate. Ward 3 had the lowest unemployment rate, at 1.5 percent, followed by Ward 2, at 2.7 percent, and Ward 4, at 4.6 percent. The unemployment rate in Ward 1 was 4.9 percent while the rate for ward 6 was just below the District rate at 5.6 percent.



<sup>8</sup> Developed by D.C. Department of Employment Services, Office of Labor Market Research and Information using household labor force data from 2000 Census.

## Unemployment by U.S. Census Tracts

As shown in Table 9 and figure 9, the District's unemployment rates within census tracts reflect the economic disparity that exists across the city related to significant differences in levels of educational attainment<sup>9</sup>. Using census share method and household data from 2000 U.S. Census to compute the 2007 District's census tract unemployment rates, reveals census tracts in upper northwest have significantly lower unemployment rates and census tracts east of Anacostia River have significantly higher unemployment rates. The lowest unemployment rate was 0.3 percent recorded in census tract 2.02 in Ward 2 and the highest unemployment rate was 38.7 percent recorded in census tracts 99.06 and 74.04 in Ward 7 and Ward 8, respectively.

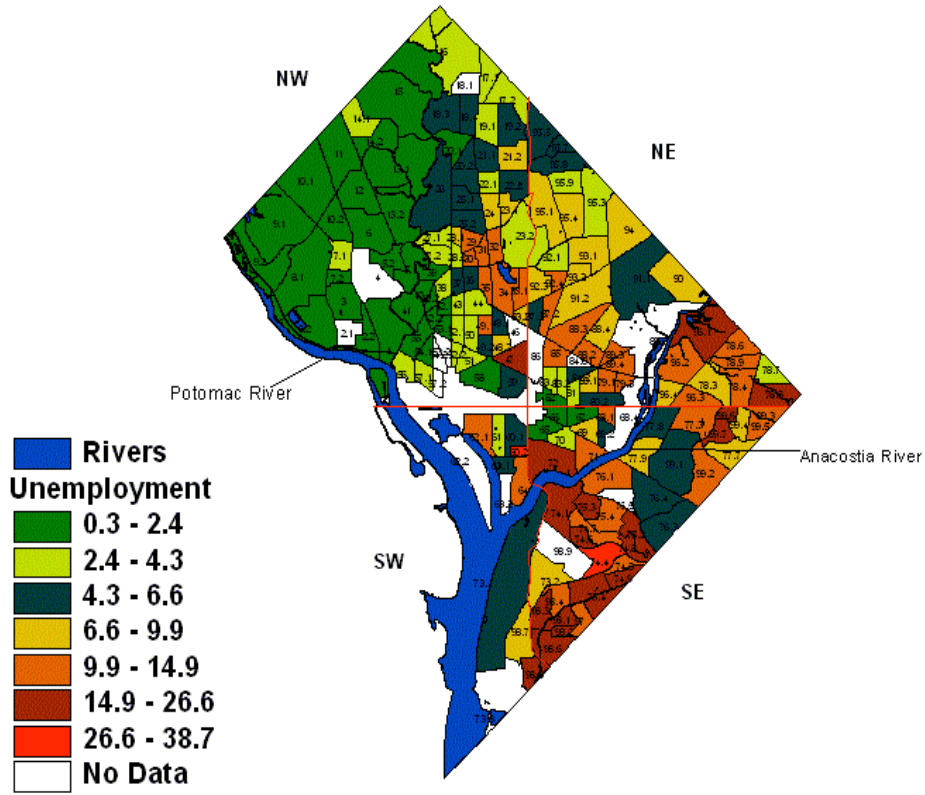
Overall, eighty eight census tracts had unemployment rates lower than the average; eighty nine had unemployment rates higher than the average; and census tract 95.08 in Ward 5 recorded the District's average unemployment rate. Sixteen census tracts did not have enough data for the unemployment rates to be computed. Five (5) census tracts in Ward 5, four (4) census tracts in Ward 7, and one (1) census tract in Ward 8, had unemployment rates below the District's average.

Table 9: D.C. Unemployment Rates by Census Tracts, 2007				
	Lowest		Highest	
	Unemployment	Census Tract	Unemployment	Census Tract
Ward	Rate	Number	Rate	Number
1	0.50%	40.01	13.70%	31
2	0.30%	2.02	10.50%	49.01
3	0.60%	9.02	2.80%	7.01, 14.01
4	1.20%	15	8.90%	24
5	3.10%	92.01	14.80%	88.02
6	0.40%	82	38.70%	60.02
7	4.60%	76.04	19.30%	99.06
8	4.70%	73.01	38.70%	74.04

Source: Department of Employment Services, Office of Labor Market Research & Information.

<sup>9</sup> D.C. Office of Planning, 2000

**Figure 9: D.C. Unemployment Rates by U.S. Census Tracts, 2007**



Note: Census tract rates developed by Census Share method using household data from 2000 Census

Source: Department of Employment Services, Office of Labor Market Research & Information

## Employment by Place of Work

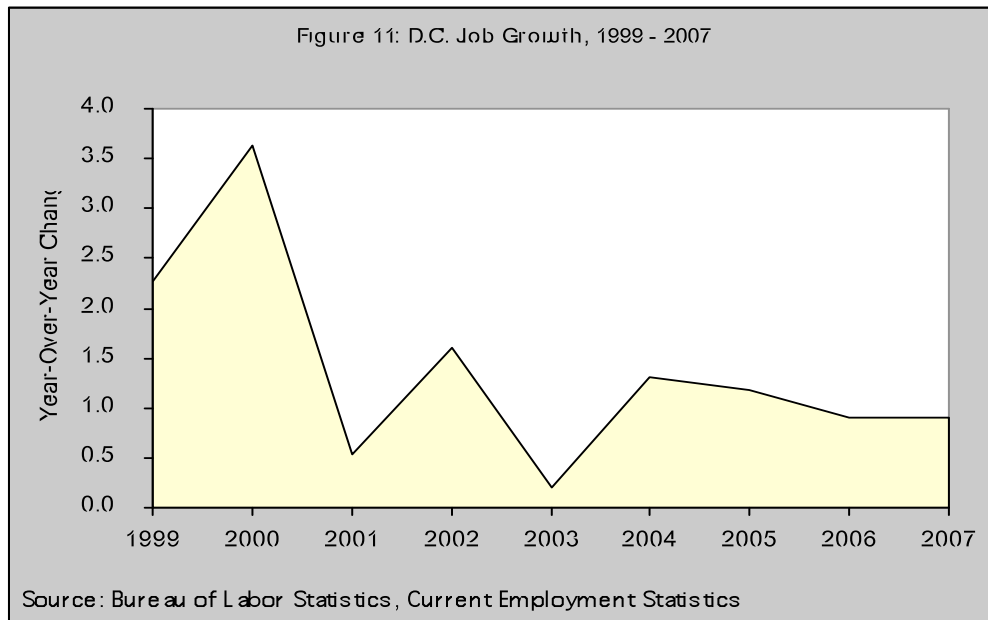
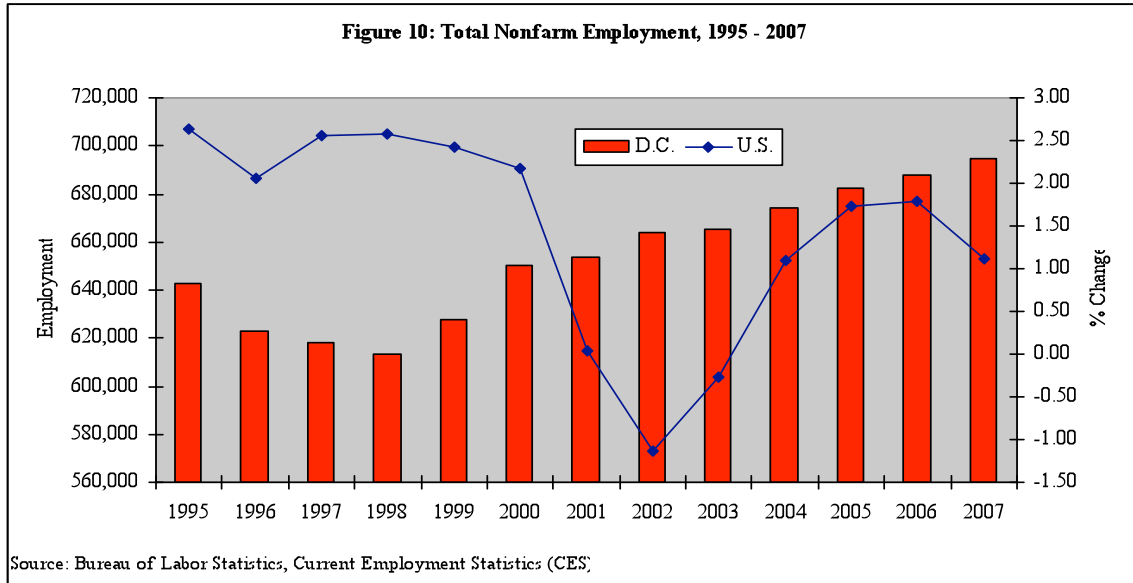
In 2007, non-farm wage and salary employment grew by 7,200 jobs or 0.9 percent to 694,800<sup>1</sup>. Table 10 shows 1995 – 2007 total non-farm employment annual estimates for the U.S. and the District of Columbia.

Year	Employment	Over-Year Change	Over-Year % Change	
	D.C.	D.C.	D.C.	U.S.
1995	642,600		-2.44	2.63
1996	623,000	-19,600	-3.05	2.05
1997	618,400	-4,600	-0.74	2.56
1998	613,500	-4,900	-0.79	2.57
1999	627,400	13,900	2.27	2.43
2000	650,200	22,800	3.63	2.16
2001	653,700	3,500	0.54	0.03
2002	664,200	10,500	1.61	-1.13
2003	665,500	1,300	0.20	-0.26
2004	674,200	8,700	1.31	1.10
2005	682,200	8,000	1.19	1.73
2006	687,600	5,400	0.89	1.78
2007	694,800	7,200	0.90	1.12

Note: \* Annual Averages  
Source: Bureau of Labor Statistics, Current Employment Statistics (CES)

The data shows decreasing job growth for the District in the 90's and nine years of uninterrupted growth from 1999 to 2007 (figure 10). Between 2006 and 1995 non-farm employment grew by 7.1 percent and added 45,700 to the work force. The nation experienced growth rates in non-farm employment of over 2 percent in the 90's through 2000 and then, with the effects of the 2001 recession, slackened substantially through 2003 and started to recover in 2004 (figure 11). The 2001 recession did not seem to have affected the District's employment. In contrast, The District's non-farm employment grew at 1.6 percent, the highest growth rate since 2000; however the growth rate slowed to 0.2 percent in 2003. The District seem to show some resiliency when the national economy experiences a downturn. For example, in 2002, the District's non-farm payroll employment increased by 10,500 jobs or 1.61 percent, while the nation contracted by 1.13 percent.

<sup>1</sup> U.S. Bureau of Labor Statistics, Current Employment Statistics (CES)

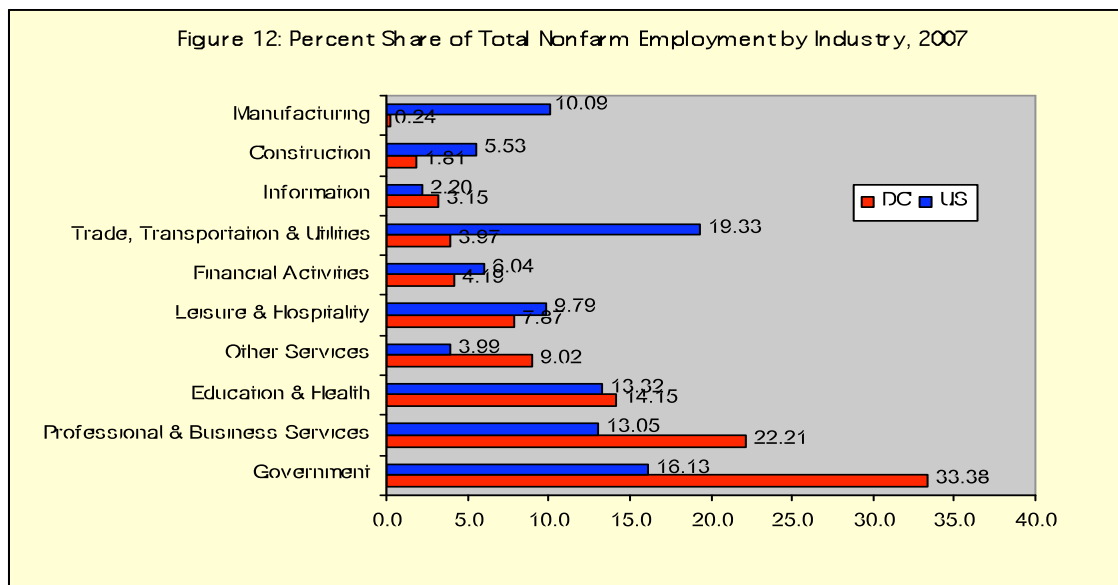


As shown in table 11 and figure 12, total non-farm employment in the District in 2007 was 694,800: private sector employment made up 66% of the total with an employment of over 462,000 workers; federal government alone was 27% twice as much as the U.S. percentage and employing over 190,000 workers. The private sector employment was concentrated in four industries which together made up over half of the total non-farm employment: professional and business services (22%), educational and health (14%), other services except public administration (9%), and leisure and hospitality (8%).



Industry	2007	2006	2000	Change 2006 - 2007	
				Number	Percent
Total Nonfarm	694,800	687600	650200	7,200	1.05
Total Private	462,900	454,600	426,300	8,300	1.21
Construction	12,600	12500	11300	100	0.01
Manufacturing	1,700	1800	3700	-100	-0.01
Trade, Transportation & Utilities	27,600	27900	29600	-300	-0.04
Information	21,900	22200	25500	-300	-0.04
Financial Activities	29,100	29400	30000	-300	-0.04
Professional & Business Services	154,300	152100	133800	2,200	0.32
Educational & Health	98,300	93900	87400	4,400	0.64
Leisure & Hospitality	54,700	54200	48100	500	0.07
Other Services	62,700	60700	57000	2,000	0.29
Government	231,900	233000	223900	-1,100	-0.16

\* Annual Averages  
Source: Bureau of Labor Statistics, Current Employment Statistics (CES)

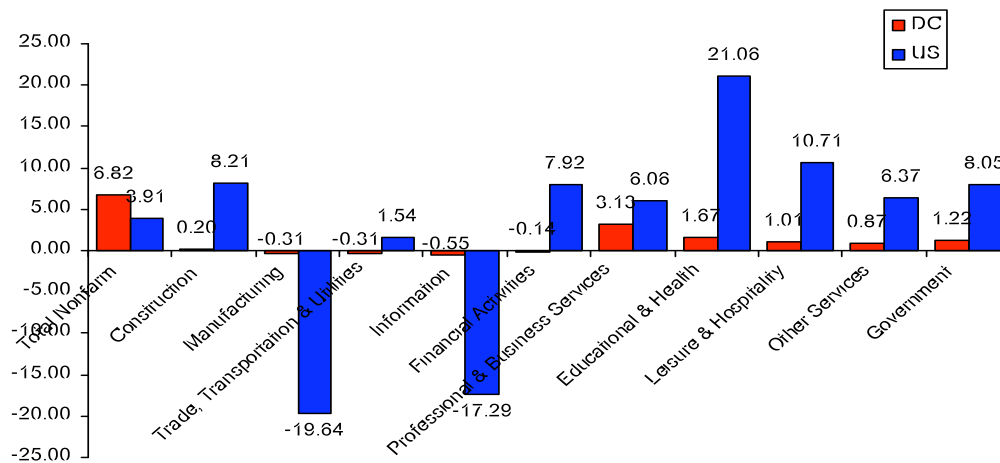


From 2000 to 2007, the District's total non-farm employment grew by 6.8% (up 44,600 jobs) compared to the national growth rate of 3.9%. In the private sector, professional and business services was up 3.1%, leisure and hospitality was up 1.0%, and other services was up 0.9%, compared to 6.1%, 10.7%, and 6.4%, respectively for the nation; while education and health services grew at 1.7% compared to 21.1% for the nation. Construction had an insignificant growth rate of 0.2% compared to 8.2% for the nation. The government was up 1.2% compared to 8.1% for the nation. Losses occurred in financial activities (-0.1%), information (-0.6%), manufacturing (-0.3%), and trade, transportation and utilities (-0.3%) compared to +7.9%, -17.3%, -19.6%, +1.5%, respectively for the nation (see table12 and figure 13).

Table 12: Change in Employment by Industry Super-Sector, 2000-2007*			
	DC	% Change	% Change
	Change		
Industry	In Jobs	DC	US
Total Nonfarm	44,600	6.82	3.91
Construction	1,300	0.20	8.21
Manufacturing	-2,000	-0.31	-19.64
Trade, Transportation & Utilities	-2,000	-0.31	1.54
Information	-3,600	-0.55	-17.29
Financial Activities	-900	-0.14	7.92
Professional & Business Services	20,500	3.13	6.06
Educational & Health	10,900	1.67	21.06
Leisure & Hospitality	6,600	1.01	10.71
Other Services	5,700	0.87	6.37
Government	8,000	1.22	8.05

\*Annual Averages  
Source: Bureau of Labor Statistics, Current Employment Statistics

Figure 13: Percent Change by Industry Sectors, 2000 - 2007



Source: Bureau of Labor Statistics, Current Employment Statistics (CES)

## Quarterly Census of Employment and Wages

The 2007 QCEW data in table 13 show that, in the District of Columbia: the private sector makes up 66 percent of all employment, 99 percent of all establishments, and 62 percent of the total wage. The top four private sectors represent about 52 percent of all employment, 67 percent of all establishments, and 46 percent of the total wage: professional and business services represents 21.7 percent of all employment, 27.2 of all establishments, and 26.4 percent of the total wage; education and health services makes up 13.4 percent of all employment, 7.4 percent of all establishments, and 9.17 percent of the total wage; other services is about 8 percent of all employment, 25.7 percent of all establishments, and 8 percent of the total wage; and leisure and hospitality represent

about 8 percent of all employment, 7 percent of all establishments, and 4 percent of the total wage. In 2007, while the federal government represented only 1 percent of all establishments, it represented over 28 percent of all employment and 33 percent of the total wage in the District of Columbia.

<b>Table 13: Wage and Salary Employment by Major Industry Sectors, 2007</b>						
	<b>Number</b>	<b>% Share</b>	<b>Average</b>	<b>% Share of</b>	<b>Total</b>	<b>% Share of</b>
<b>Industry</b>	<b>of Firms</b>	<b>of Firms</b>	<b>Employment</b>	<b>Employment</b>	<b>Wage (\$m)</b>	<b>Wage</b>
Total, all industries	33,056		677,159		\$49.83	
Construction	935	2.8	12,629	1.9	\$0.68	1.37
Manufacturing	209	0.6	1,686	0.2	\$0.13	0.26
Trade, Transportation, & Utilities	3,136	9.5	27,801	4.1	\$1.30	2.62
Information	909	2.7	21,917	3.2	\$2.13	4.28
Financial Activities	2,068	6.3	27,118	4.0	\$2.99	6.01
Professional & Business Services	8,986	27.2	146,747	21.7	\$13.17	26.43
Education & Health Services	2,458	7.4	90,474	13.4	\$4.57	9.17
Leisure & Hospitality	2,280	6.9	54,954	8.1	\$1.67	3.36
Other Services, Exc. Pub. Admin.	8,493	25.7	59,287	8.8	\$3.94	7.91
Total Government	332	1.0	228,276	33.7	\$18.81	37.74
Federal Government	292	0.9	190,835	28.2	\$16.46	33.04

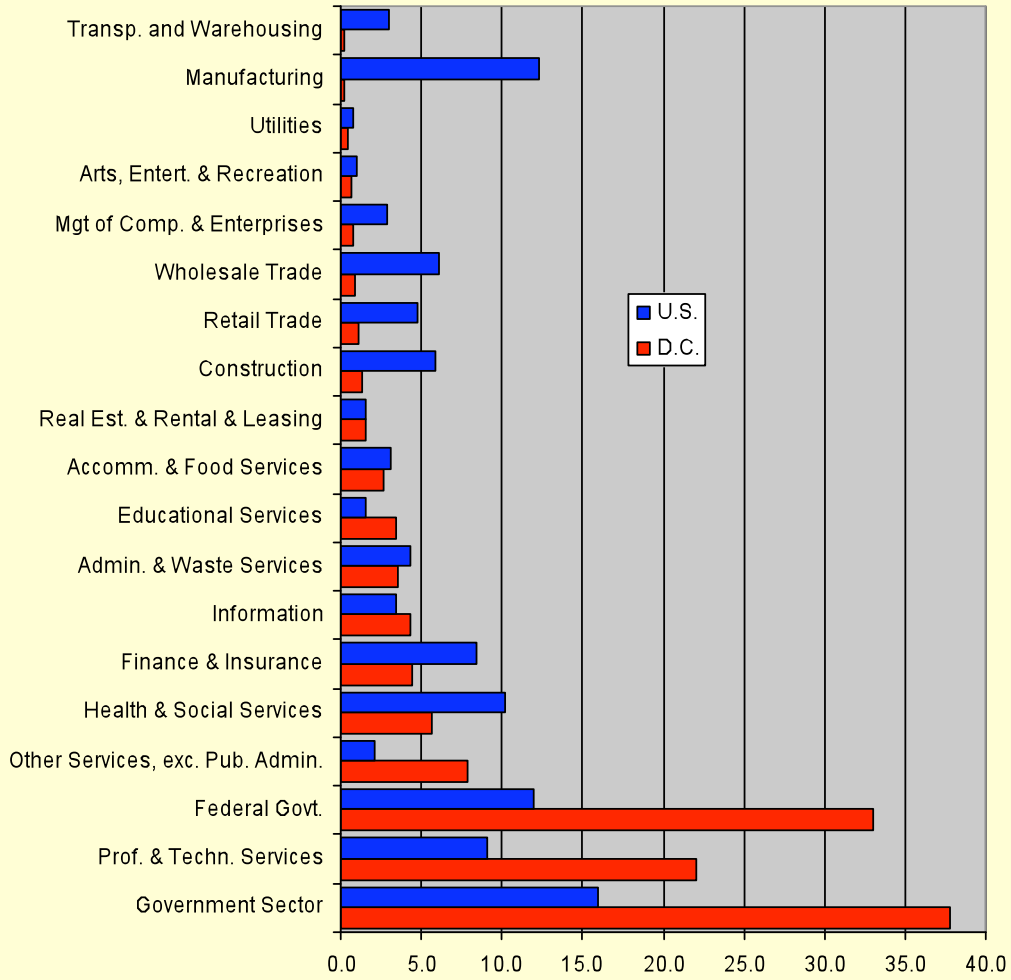
Source: Bureau of Labor Statistics, Quarterly Census of Employment & Wages

## Wage Earnings by Industries

Table 14 and figure 14 show the 2007 QCEW average weekly earnings data. What is apparent from the data is that, the District's average earnings are well above the national average. The District's average weekly wage for all industries is \$1,415 compared to \$855 for the nation. In the District the private sector accounted for about 62 percent of all the wage earnings: the top three highest paying private sectors were management of companies and enterprises (\$5,195), finance and insurance (\$2,646), and professional and technical services (\$2,093) compared to \$1,837, \$1,634, and \$1,383 respectively for the nation. The professional and technical services sector – which includes legal services, accounting and bookkeeping, management and technical consulting, scientific research and development services, and advertising – paid more in wages than any other sector, paying 22.1 percent of all wages. The federal government accounted for 33 percent of the total wage in the District of Columbia.

Industry	Average Weekly		Percent Share of	
	Wage		Total Wage	
	D.C.	U.S.	D.C.	U.S.
Total, All Industries	\$1,415	\$855		
Management of Companies & Enterprises	\$5,195	\$1,837	0.80	2.92
Finance & Insurance	\$2,646	\$1,634	4.48	8.46
Professional & Technical Services	\$2,093	\$1,383	22.05	9.14
Information	\$1,870	\$1,330	4.28	3.48
Wholesale Trade	\$1,739	\$1,168	0.93	6.04
Utilities	\$1,710	\$1,582	0.42	0.75
Federal Government	\$1,659	\$1,248	33.04	12.00
Government Sector	\$1,584	\$865	37.74	15.96
Manufacturing	\$1,462	\$1,029	0.26	12.29
Real Estate & Rental & Leasing	\$1,340	\$836	1.52	1.55
Other Services, except Public Administration	\$1,279	\$538	7.91	2.06
Construction	\$1,043	\$900	1.37	5.88
Arts, Entertainment & Recreation	\$1,034	\$594	0.65	1.00
Health & Social Services	\$1,020	\$782	5.67	10.24
Educational Services	\$901	\$759	3.49	1.50
Transportation and Warehousing	\$880	\$820	0.20	3.04
Administrative & Waste Services	\$776	\$594	3.59	4.30
Retail Trade	\$563	\$502	1.07	4.73
Accommodation & Food Services	\$530	\$315	2.70	3.09
Source: Bureau of Labor Statistics, Quarterly Census of Employment & Wages				

**Figure 14: Percent Share of Total Wage, 2007**



Source: Bureau of Labor Statistics, Quarterly Census of Employment & Wage

## Business Employment Dynamics

The Business employment dynamics (BED) is a virtual census of the private sector firms. It includes all establishments covered by State Unemployment Insurance (UI) programs and compiled in the Quarterly Census of Employment and Wages (QCEW), also known as the ES-202 program. Each quarter, these firms include gross job gains – the sum of increases in employment from existing businesses and the addition of new jobs at opening businesses; and gross job losses – the sum of decreases in employment from contractions at existing businesses and the loss of jobs at closing businesses. Employment changes in the BED are measured from the third month of one quarter to the third month of the next quarter. The net job change is the difference between gross job gains and gross job losses.

The seasonally adjusted gross job gains and gross job losses in 2000, 2006, and 2007 are presented in table 14. During 2007, the District gained a total of 4,262 jobs. This employment gain is a net result of: 109,166 gross job gains (89,204 from expanding establishments and 19,962 from opening establishments) and 104,904 gross job losses (83,050 contracting establishments and 21,854 closing establishments). Compared to a year earlier in 2006, the District had gained a total of 5,748 jobs: 107,507 gross job gains (87,515 from expanding establishments and 19,992 from opening establishments) and 101,759 gross job losses (81,927 contracting establishments and 19,832 closing establishments).

Table 14: District of Columbia Private Sector Gross Job Gains and Job Losses								
Year	Quarter	Net Change	Total	Gross Job Gains		Total	Gross Job Losses	
				Expanding	Openings		Contracting	Closing
2006	March	2,284	25,795	21,360	4,435	23,511	19,768	3,743
	June	2,645	29,069	23,930	5,139	26,424	20,879	5,545
	September	1,663	27,044	21,318	5,726	25,381	20,715	4,666
	December	-844	25,599	20,907	4,692	26,443	20,565	5,878
2007	March	5,210	28,423	23,344	5,079	23,213	18,657	4,556
	June	1,115	27,543	22,463	5,080	26,428	21,089	5,339
	September	-2,575	26,296	22,496	3,800	28,871	22,182	6,689
	December	512	26,904	20,901	6,003	26,392	21,122	5,270
(1) Net change is the difference between total gross job gains and total gross job losses.								
*Seasonally adjusted								
Source: Bureau of Labor Statistics, Business Employment Dynamics								

Figure 15 shows the seasonally adjusted time series of gross job gains and gross job losses from 2000 to 2007. The data shows that the District mostly experienced job gains than job losses, except during economic downturns in 2001 and 2003. The series also seem to follow a seasonal pattern with expansions occurring mostly in the 3<sup>rd</sup> and 4<sup>th</sup> quarters, and contractions occurring in the 1<sup>st</sup> and 2<sup>nd</sup> quarters. The year 2007 shows signs of an economic slowdown in the District: in March 2007, the District had a net job gain of 5,210, the highest since March of 2000; in June the number of job gains slowed to 1,115; in September the District had net job losses of 2,575 - the highest net job loss

since March 2001; in December the number of job gains was 512 - the lowest job gain since December 2004.

Figure 16 displays components of gross job gains and gross job losses: gross job gains are mostly a result of expansions from existing establishments than openings from new establishments; and gross job losses are mostly a result of contractions from existing establishments than closings from establishments going out of business.

Figure 15:

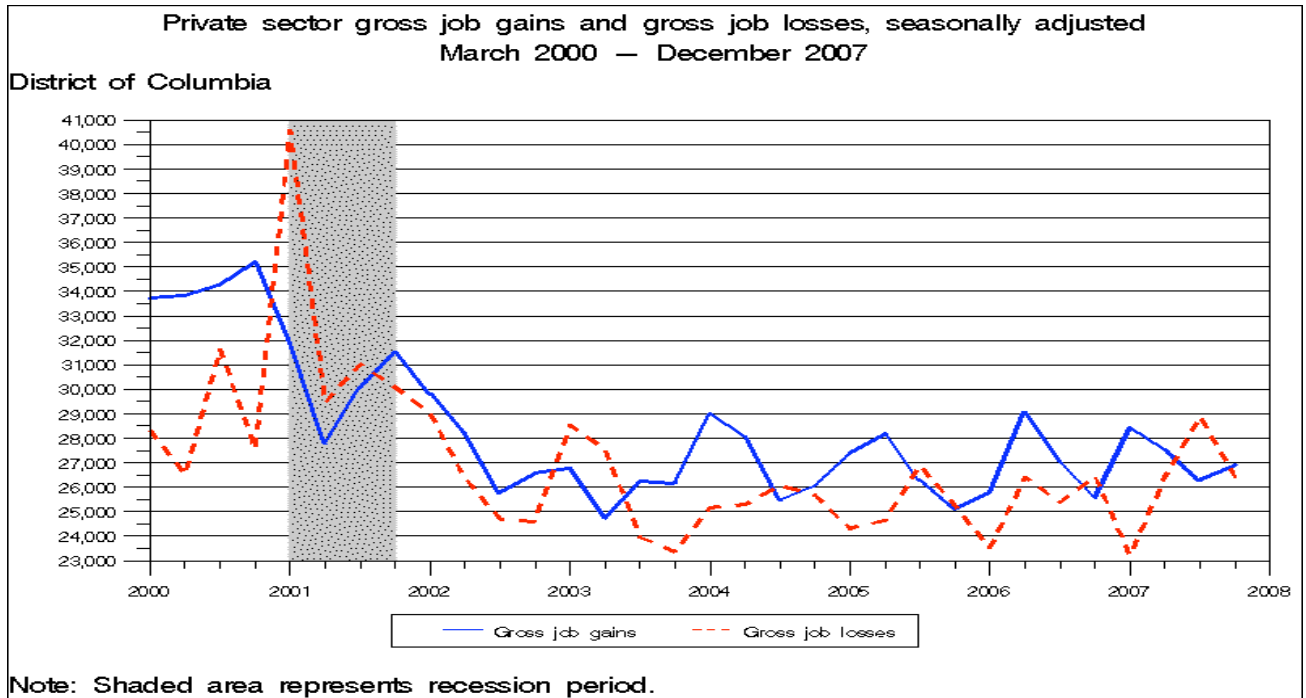
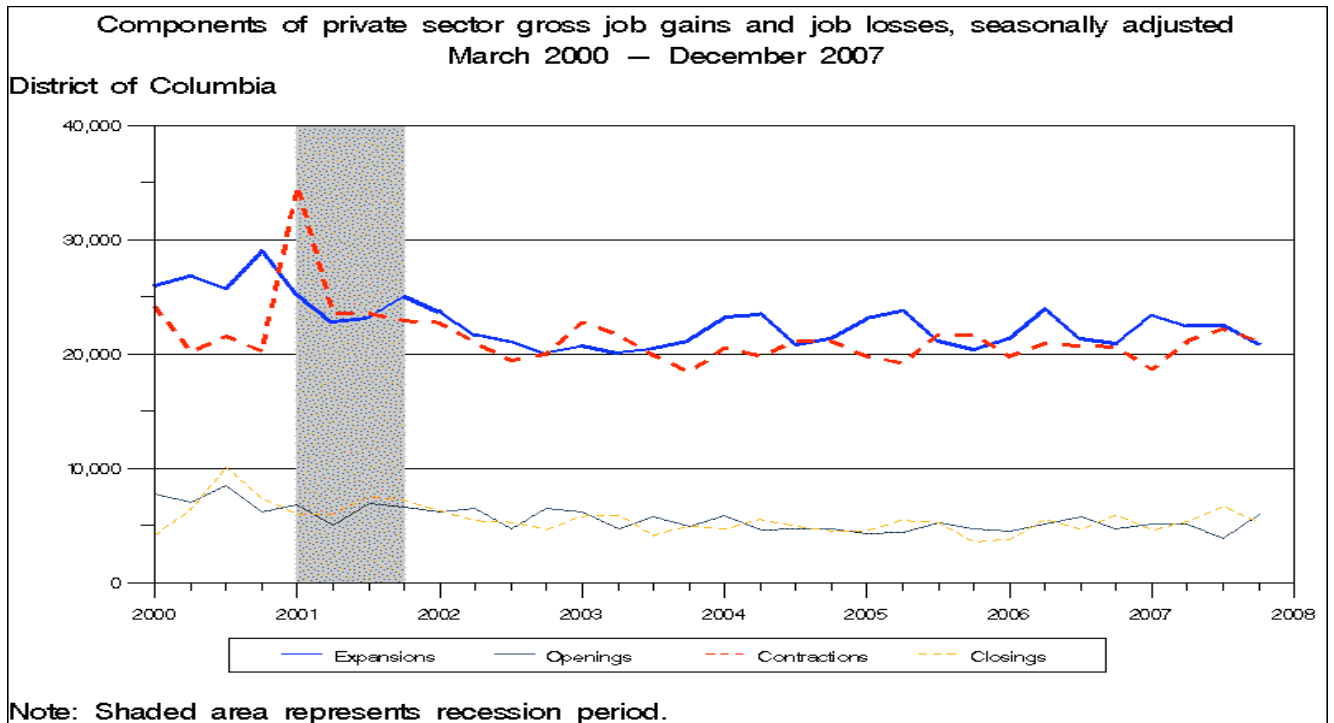


Figure 16



## Occupational Employment

As indicated in table 15, the top three occupational groups in the District in 2007 were office and administrative support accounting for 16.3 percent of total employment, followed by business and financial operations at 11.9%, and management at 10.6%. These three occupational groups accounted for 38.8 percent of total employment in the District while nationally, they accounted for 26.3 percent of total employment. The single occupational group with the largest number of employees in the District and in the nation was office and administrative support which accounted for 101,400 jobs in the District. Sales and related occupations had the second largest number of jobs nationally, accounting for 10.7 percent of total employment. The percentage of sales jobs in the District was 4.5 percent, less than half the national percentage.

<b>Table 15: 2007 Employment by Occupational Group</b>			
<b>Occupation (SOC Code)</b>	<b>Employment</b>	<b>Percent of Total Employment</b>	
		<b>D.C.</b>	<b>U.S.</b>
Total, All Occupations (000000)	620,970	100.0	100.0
Management Occupations (110000)	65,750	10.6	4.5
Business and Financial Operations Occupations (130000)	74,070	11.9	4.5
Computer and Mathematical Occupations (150000)	34,320	5.5	2.4
Architecture and Engineering Occupations (170000)	10,960	1.8	1.9
Life, physical, and Social Science Occupations (190000)	22,580	3.6	0.9
Community and Social Services Occupations (210000)	9,650	1.6	1.3
Legal Occupations (230000)	37,910	6.1	0.7
Education, Training, and Library Occupations (250000)	33,220	5.3	6.2
Arts, Design, Entertainment, Sports, and Media Occupations (270000)	29,750	4.8	1.3
Healthcare Practitioners and Technical Occupations (290000)	25,570	4.1	5.1
Healthcare Support Occupations (310000)	7,470	1.2	2.7
Protective Service Occupations (330000)	24,990	4.0	2.3
Food Preparation and Serving Related Occupations (350000)	40,290	6.5	8.4
Building and Grounds Cleaning and Maintenance Occupations (370000)	24,790	4.0	3.3
Personal Care and Service Occupations (390000)	*	*	2.5
Sales and Related Occupations (410000)	27,840	4.5	10.7
Office and Administrative Support Occupations (430000)	101,140	16.3	17.3
Farming, Fishing, and Forestry Occupations (450000)	*	*	0.3
Construction and Extraction Occupations (470000)	11,420	1.8	5.0
Installation, Maintenance, and Repair Occupations (490000)	8,600	1.4	4.0
Production Occupations (510000)	7,660	1.2	7.6
Transportation and Material Moving Occupations (530000)	12,570	2.0	7.2
Note: *Estimates suppressed			
Source: Bureau of Labor Statistics, Occupational Employment Statistics (OES) Survey, May 2007			

Table 16 shows top 30 occupations in the District based on employment. These occupations accounted for just over 43 percent of employment in 2007. The list contains a mix of high wage/high skill and low wage/low skill occupations. The single large largest employer in the District, with employment of 29,060 was lawyers, followed by general and operations managers, with employment of 21,430, and janitors, cleaners, except maids and housekeeping cleaners with employment of 16,540. The data also shows that, legal and management occupations had the three highest paying occupations:



lawyers paying an annual average wage of \$143,520, followed by general and operations managers at \$122, 050, and financial managers at \$112,550. These three occupations paid well above the District annual average wage of \$64,150<sup>11</sup>.

<b>Table 16: 2007 Top 30 Occupations in The District of Columbia*</b>		
	<b>Average</b>	<b>Average</b>
	<b>Annual</b>	<b>Annual</b>
<b>Occupation</b>	<b>Employment</b>	<b>Wage</b>
Lawyers	29,060	\$143,520
General and operations managers	21,430	\$122,050
Janitors and cleaners, except maids and housekeeping cleaners	16,540	\$24,430
Management analysts	14,160	\$78,150
Office clerks, general	13,430	\$32,630
Secretaries, except legal, medical, and executive	12,810	\$42,450
Security guards	11,740	\$29,600
Accountants and auditors	11,450	\$71,170
Public relations specialists	11,150	\$91,650
Executive secretaries and administrative assistants	11,060	\$47,760
Waiters and waitresses	9,260	\$22,700
Registered nurses	8,110	\$66,750
Legal secretaries	7,390	\$60,110
Cashiers	6,720	\$21,970
Retail salespersons	6,690	\$26,290
Paralegals and legal assistants	6,580	\$57,450
All other information and record clerks	5,930	\$43,790
Combined food preparation and serving workers, including fast food	5,610	\$23,340
Customer service representatives	5,580	\$36,110
Police and sheriff's patrol officers	5,300	\$63,810
Financial managers	5,270	\$112,550
Receptionists and information clerks	5,270	\$30,030
Administrative services managers	5,250	\$76,030
Bookkeeping, accounting, and auditing clerks	5,150	\$41,400
Maids and housekeeping cleaners	4,990	\$27,560
Food preparation workers	4,860	\$22,160
First-line supervisors/managers of office and administrative support workers	4,690	\$62,790
Elementary school teachers, except special education	4,410	\$55,200
Maintenance and repair workers, general	4,330	\$39,910
Computer software engineers, applications	4,250	\$80,230
* Ranked by employment size. Excludes "all other" occupations		
Source: Bureau of labor Statistics, Occupational Employment Statistics (OES) Survey, May 2007		

<sup>11</sup>Source: Bureau of Labor Statistics, May 2007 OES State Occupational Employment and Wages, District of Columbia

## Top Twenty Private Sector Employers

Thirteen of the top twenty employers in the District in 2007 listed in table 17 were either universities or hospitals, including Howard University, Georgetown University, George Washington University, Washington Hospital Center, and Children's National Hospital ranked as the top five private employers in the District.

<b>Table 17: 2007 Top 20 Employers in the District of Columbia*</b>
<b>Employer</b>
<p style="text-align: center;">Howard University            Georgetown University            George Washington University            Washington Hospital Center            Children's National Hospital            Fannie Mae            Georgetown University Hospital            American University            Providence Hospital            The Catholic University Of America            Howard University Hospital            The Washington Post Newspaper            Corporate Executive Board (Advisory Board)            Sibley Memorial Hospital            The George Washington University Hospital            American National Red Cross            Admiral Security Service            Gallaudet University            Computer Science Corporation            American Association Of Retired People (AARP)</p>
<p>*Ranking by size of workforce</p> <p>Source: D.C. Department of Employment Services, Office of Labor Market Research &amp; Information.</p>



Government of the District of Columbia  
Adrian M. Fenty, Mayor