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**Jobs serving DC residents and tourists are a growing share of DC’s private sector**

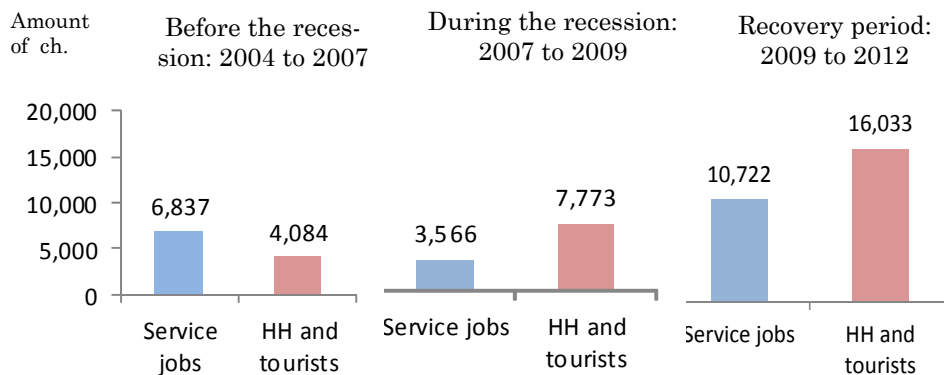
***Retail, hospitality, and personal services grew by 24% (21,125) from 2004 to 2012; the rest of the private sector grew by 10%.***

According to the US Census Bureau total employment (including self-employed and proprietors) in service sectors devoted to serving DC residents and tourists increased from 87,409 in 2004 to 108,534 in 2012, an increase of 21,125 (24.2%). These services—retail, hospitality, and personal services—accounted for 32.9% of all net private sector job gains over the 8-years, an increase which raised their share of all private sector jobs to 18.8% by 2012. More than 60% of the service employment gains were in food and beverage establishments.

Growing demand from additional people and tourists clearly have contributed to service sector growth. From 2004 to 2012, the number of households in DC rose by 26,150 (10.4%), while the daily average number of occupied hotel rooms grew by 1,740 (9.2%). (Hotels are included because a room occupied for 365 days can be viewed as equivalent to a household, defined by Census as an occupied housing unit. The hotel room is, however, like a higher income household: a daily rate of \$200 translates into an annual cost of \$73,000 just for a place to stay.)

Other factors are also at work. For example, the 40% gain in food services employment is much greater than the percent increase in households and tourism. Furthermore, from 2004 to 2007 every new household or filled hotel room was associated with an increase of 1.67 new service jobs. During the recession, as the pace of population growth picked up, this ratio fell to only about a quarter of that (0.46), rising to 0.67 for every new household or filled hotel room during the 2009 to 2012 recovery period. Changes in technology, such as (*Cont’d p. 2.*)

**Change in (1) number DC service jobs for DC residents and tourists, and (2) number of DC households and average number of tourists each day: 2004 to 2012**



**This briefing document was prepared by Stephen Swaim, DC Office of Revenue Analysis.**

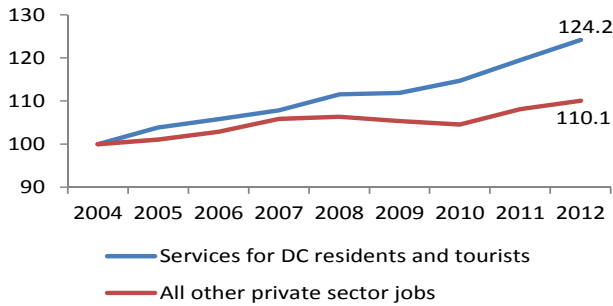
This brief first appeared in the January 2014 DC Economic and Revenue Trends. District of Columbia briefing documents are prepared by the Office of Revenue Analysis, which is part of the Office of the Chief Financial Officer of the District of Columbia government. The purpose of these documents is to make information available that is not of a policy nature. See also *District of Columbia Economic and Revenue Trends* and *Economic Indicators* issued monthly by the D.C. Office of the Chief Financial Officer ([www.cfo.dc.gov/Economy and Revenue](http://www.cfo.dc.gov/Economy%20and%20Revenue)).

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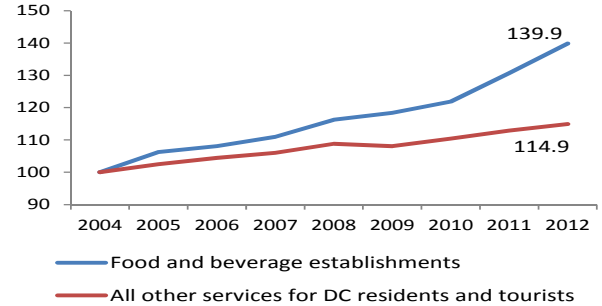
## Services for DC residents and tourists, continued from p.1

automated check-out and on-line purchases appear to be reducing some aspects of service sector job growth (especially that not related to eating and drinking establishments) associated with more population and tourism. Additional details are contained in the following tables and charts. —Stephen Swaim, DC Office of Revenue Analysis

**DC private sector employment in (1) service jobs for DC residents and tourists, and (2) all other private sector: 2004 to 2012** (Index numbers: 2004 =



**DC service employment for DC residents and tourists in (1) food and beverage establishments, and (2) all other: 2004 to 2012** (Index



**DC private sector jobs in (1) food services, personal services, and retail serving DC residents and tourists and (2) all other: 2004 to 2012**

Sector	Level (calendar years)				Change from 2004 to 2012 by subperiod:						Total change from 2004 to 2012	
	2004	2007	2009	2012	Amount			%			Amount	%
					04 to 07	07 to 09	09 to 12	04 to 07	07 to 09	09 to 12		
Total jobs serving households and tourists	87,409	94,246	97,812	108,534	6,837	3,566	10,722	7.8	3.8	11.0	21,125	24.2
All other private sector	427,188	452,317	450,058	470,309	25,129	-2,259	20,251	5.9	-0.5	4.5	43,121	10.1
Total private	514,597	546,563	547,870	578,843	31,966	1,307	30,973	13.7	3.3	15.5	64,246	12.5
Service as % of private	17.0	17.2	17.9	18.8	21.4	272.8	34.6				32.9	

Source: US Bureau of Economic Analysis (BEA). Data includes self employed and proprietors in addition to wage and salary employment.

**DC households and daily average of occupied hotel rooms: 2004 to 2012**

Sector	Level (calendar years)				Change from 2004 to 2012 by subperiod:						Total change from 2004 to 2012	
	2004	2007	2009	2012	Amount			%			Amount	%
					04 to 07	07 to 09	09 to 12	04 to 07	07 to 09	09 to 12		
DC households	252,400	255,969	263,566	278,550	3,569	7,597	14,984	1.4	3.0	5.7	26,150	10.4
Occupied hotel rooms (daily average)	18,951	19,466	19,641	20,691	515	175	1,050	2.7	0.9	5.3	1,740	9.2
Total	271,351	275,435	283,207	299,240	4,084	7,773	16,033	1.5	2.8	5.7	27,889	10.3
Hotel as % of total	7.5	7.1	6.9	6.9	14.4	2.3	7.0				6.7	

Source: DC households estimated by DC Office of Revenue Analysis based on data from US Census and DC Office of Planning; hotel occupancy from Smith Travel Research.

**DC employment in food services, personal services, and retail serving DC residents and tourist: Calendar years 2004 to 2012**

Sector	Level (calendar years)				Change from 2004 to 2012 by subperiod:						Total change from 2004 to 2012	
	2004	2007	2009	2012	Amount			%			Amount	%
					04 to 07	07 to 09	09 to 12	04 to 07	07 to 09	09 to 12		
Restaurants and other food and beverage establishments	32,455	36,013	38,426	45,400	3,558	2,413	6,974	11.0	6.7	18.1	12,945	39.9
Personal care and services	11,460	12,292	12,677	14,517	832	385	1,840	7.3	3.1	14.5	3,057	26.7
Entertainment	10,899	12,271	13,549	13,809	1,372	1,278	260	12.6	10.4	1.9	2,910	26.7
Retail food and beverage stores	5,767	5,768	6,221	6,580	1	453	359	0.0	7.9	5.8	813	14.1
Household furniture and items	1,576	1,788	1,479	1,698	212	-309	219	13.5	-17.3	14.8	122	7.7
Clothing, general merchandise, and other retail except food and beverage stores	9,886	10,384	10,050	10,730	498	-334	680	5.0	-3.2	6.8	844	8.5
Hotels	15,366	15,730	15,410	15,800	364	-320	390	2.4	-2.0	2.5	434	2.8
<b>Total jobs serving households and tourists</b>	<b>87,409</b>	<b>94,246</b>	<b>97,812</b>	<b>108,534</b>	<b>6,837</b>	<b>3,566</b>	<b>10,722</b>	<b>7.8</b>	<b>3.8</b>	<b>11.0</b>	<b>21,125</b>	<b>24.2</b>
All except restaurants and other food and beverage establishments	54,954	58,233	59,386	63,134	3,279	1,153	3,748	6.0	2.0	6.3	8,180	14.9
<b>Ratio or service jobs to hh and tourists</b>	<b>0.32</b>	<b>0.34</b>	<b>0.35</b>	<b>0.36</b>	<b>1.67</b>	<b>0.46</b>	<b>0.67</b>				<b>0.76</b>	

Note: (1) Categories of clothing, general merchandise, and other retail except food and beverage stores, and of personal services, exclude services related to automobiles.

(2) Clothing, general merchandise, and other retail except food and beverage stores includes sporting goods, electronics, and miscell. store and non-store retailers.

Source: US Bureau of Economic Analysis (BEA). Data includes self employed and proprietors in addition to wage and salary employment.