



**D.C. Office of Revenue Analysis Briefing Document**    *Number: 2014-3*    *Date: March 2014*

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**Revised data added 11,000 to DC’s private sector, mostly in education and retail**

*Revisions also show professional jobs in the suburbs were more affected than in DC as the sequester took effect*

Each March the US Bureau of Labor Statistics revises prior estimates of state and metropolitan area wage and salary employment based on more complete source data. Two notable points about DC’s private sector employment contained in this year’s revisions concern (1) the size and composition of DC’s private sector, and (2) the impact of the federal sequester on professional and technical services in both DC and the suburbs.

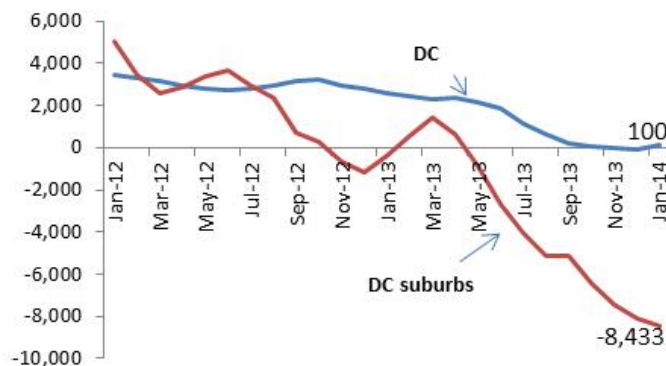
**DC’s private sector.** DC’s private sector was revised upward to 511,500 jobs as of December 2013, an increase of 11,000 (2.2%) from the prior estimate. By far the biggest increase was in education, where the total was increased by 7,500 (13.9%), all in higher education. Retail, the next big gainer, increased by 2,800 (14.6%). See detail on p. 17.

This boost to DC’s private sector shows that it grew more, rather than less, quickly than the US private sector as a whole over most of the past 2 years. It should be noted, however, that the upward revision to the level of DC’s private sector does not change the fact that month-to-month growth in DC’s private sector has virtually come to a halt over the past several months. (See p. 17 graph.)

**Sequester’s impact on professional and technical services.** High wage professional and technical service jobs are an important part of the economy in the DC metropolitan area. They account for about one in every 5 private sector jobs in both DC and the suburbs; the sector is about half the size of the federal government in DC and twice the size of the federal government in the suburbs. Revised data show that over the past year when the federal sequester was authorized and implemented professional and technical employment ceased to become a source of growth in both DC and the suburbs. *(Continued on p.2)*

**Professional and technical employment in DC and the DC suburbs: January 2012 to January 2014**

(change in number of employees from prior year, calculated from 3-month moving averages)



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

*This brief first appeared in the March 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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## Private sector employment, continued from p.1

However, the impact on the suburbs was much greater than in DC. From January 2013 to January 2014, suburban professional and technical employment declined by 8,433 (-2.3%). This decline was three times as great as the 2,800 suburban decline in federal employment. DC still had 100 more professional and technical jobs in January 2014 than a year earlier, but it also experienced a decline of 6,000 in federal employment.

Looking back two years, private sector employment in the suburbs grew at a pace of about 25,000 to 30,000 a year until the spring of 2013, when the increase began to fall. In January 2014 the increase was 10,467 over the prior year. DC's private sector added jobs at a pace close to 15,000 per year until the fall of 2013, the period when the federal sequester took effect, at which time the pace fell to about 10,000 and the percentage change in DC's private sector fell to that of the nation as a whole.

—Stephen Swaim, Office of Revenue Analysis

**Private sector jobs in DC in December 2013: original and revised estimates**

Sector	Level in Dec .2013		Amount of revision	% change
	Original	Revised		
Professional and technical	110,500	108,000	-2,500	-2.3
Business services	46,600	48,400	1,800	3.9
Educational Services	54,000	61,500	7,500	13.9
Health care	65,100	66,500	1,400	2.2
Organizations	60,600	61,000	400	0.7
Retail Trade	19,200	22,000	2,800	14.6
Leisure and Hospitality	68,600	67,300	-1,300	-1.9
Information	16,300	17,000	700	4.3
Financial Activities	29,200	28,900	-300	-1.0
Construction	12,700	13,300	600	4.7
Other Services	7,700	7,900	200	2.6
All other private sector	10,000	9,700	-300	-3.0
<b>Private sector</b>	<b>500,500</b>	<b>511,500</b>	<b>11,000</b>	<b>2.2</b>
Federal Government	200,100	202,300	2,200	1.1
State and local government	34,100	34,800	700	2.1
<b>Total, all sectors</b>	<b>734,700</b>	<b>748,600</b>	<b>13,900</b>	<b>1.9</b>

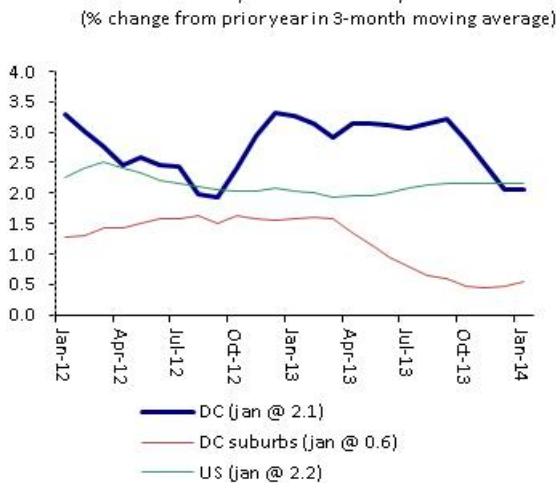
Source: BLS, not seasonally adjusted.

**Wage and salary employment in (1) Professional and technical services, (2) the entire private sector, and (3) the federal government: January 2012 to January 2014 (3 months moving average for dates shown)**

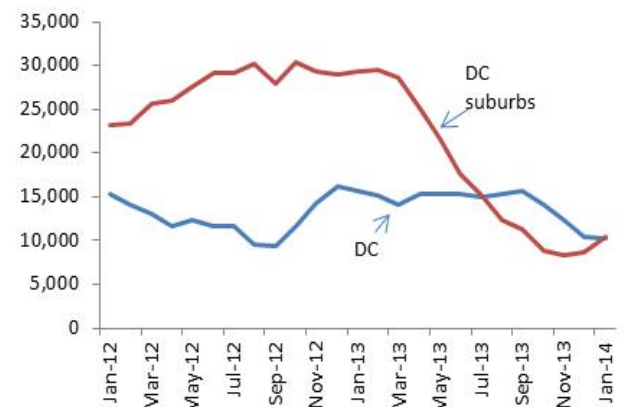
	Level			Change:	
	Jan 2012	Jan 2013	Jan 2014	Jan 12 to Jan 13	Jan 13 to Jan 14
<b>DISTRICT OF COLUMBIA</b>					
Professional and technical	104,800	107,367	107,467	2,567	100
All private sector	484,033	499,800	510,133	15,767	10,333
Federal government	208,933	207,400	201,433	-1,533	-5,967
<b>DC SUBURBS</b>					
Professional and technical	374,133	373,767	365,333	-367	-8,433
All private sector	1,850,467	1,879,867	1,890,333	29,400	10,467
Federal government	168,800	170,133	167,333	1,333	-2,800

Source: BLS

Change in private sector wage and salary jobs located in DC, the DC suburbs, and the US: January 2012 to January 2014 (% change from prior year in 3-month moving average)



**Change from prior year in all private sector employment in DC and the DC suburbs (change in 3-)**



**DC private sector employment, January 2013 to January 2014 (seasonally adjusted)**

