

*District of Columbia*

*Department of  
Employment Services*

*Workforce Information Grant*

*Program Year 2013  
Annual Performance Report*



Vincent C. Gray, Mayor

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Acting Director

**District of Columbia  
Annual Performance Report  
Workforce Information Grant  
Program Year 2013**

The District of Columbia (District) respectfully submits its Annual Performance Report for the Workforce Information Grant (WIG) for Program Year (PY) 2013, which began July 1, 2013, and ended June 30, 2014, as required by the Employment and Training Administration (ETA) of the U.S. Department of Labor.

In the District's PY2013 Plan of Work, the Office of Labor Market Research and Information (OLMRI) established the following deliverables:

1. Continue to populate the Workforce Information Database with state and local data.
2. Produce and disseminate industry and occupational employment projections.
3. Conduct and publish relevant economic analyses, special workforce information, or economic studies determined to be of benefit to the District's workforce development system. Some of these publications serve as substitutes for the annual economic analysis report.

Utilizing WIG funds, OLMRI develops and disseminates labor market data and workforce products, analysis, and related resources that help the office's stakeholders and customers understand, engage, and participate in the labor market at varying levels.

**i. Workforce Information Database (WIDb)**

The Workforce Information Database (WIDb) is a data storage system used as a source to populate and access labor market data, workforce information, and related products. In PY13, the District continued to employ the services of Geographic Solutions, Inc., through its DC Analyzer module, for maintenance of the District's WID. Since March 2013, Geographic Solutions has used version 2.5 of the WID, as stipulated in ETA guidance. However, the District opted to integrate DC Analyzer into its virtual one-stop system (VOS), DCNetworks, when the VOS system was upgraded in March 2014. Job seekers now have a single digital point of access for labor market information as well as an array of employment services.

The Office of Labor Market Research and Information (OLMRI) updated core labor market data in the DC Analyzer/DCNetworks system. Data includes resident employment and unemployment rates; non-farm jobs by industry; occupational wages and employment; occupational staffing patterns; industry and occupational projections; educational programs; locations of educational and training institutions; and contact information for local employers.

The web address for the integrated DCNetworks system is: <https://dcnetworks.org/>.

ii. **Industry and Occupational Employment Projections**

In PY 2013, LMRI produced long-term (2012-2022) and short-term (2013-2015) industry and occupational projections for the District of Columbia.

The projections were submitted for public dissemination following the procedures established by the Projections Consortium. The projections were also posted on the OLMRI website (at <http://does.dc.gov/page/labor-statistics>) and placed in the Workforce Information Database (at <https://dcnetworks.org/>).

DISTRICT OF COLUMBIA INDUSTRY PROJECTIONS, 2012 - 2022								
		Employment		Change		Annual Growth		
INDUSTRY TITLE	2012	2022*	Numeric	Percent	Rate (%)			
TOTAL, ALL INDUSTRIES	755,298	813,228	57,930	7.67	0.742			
DISTRICT OF COLUMBIA OCCUPATIONAL PROJECTIONS, 2012 - 2022								
		Employment		Change 2012-2022		Average Annual Openings		
SOC code	Occupational Title	2012	2022	Numeric	Percent	Replacement	Growth	Total
00-0000	Total, All Occupations	755,298	813,228	57,930	7.67	16,048	6,908	22,956
DISTRICT OF COLUMBIA OCCUPATIONAL PROJECTIONS, 2012 - 2022 (continued from above)								
Median Annual Wage (BLS, 2012)	Education Value		Work Experience		Job Training			
\$61,960								

iii. **Annual Economic Analysis and Other Reports**

In the District’s PY 2013 Plan of Work, it is stated that OLMRI will conduct and publish relevant economic analyses, special workforce information, or economic studies determined to be of benefit to the District’s workforce development system. Some of these publications serve as substitutes for the annual economic analysis report. Most of these publications can be found on the DOES website at <http://does.dc.gov/page/labor-statistics> under the “Publications” section.

The following materials, publications, and presentations were provided by the DOES Office of Labor Market Research and Information in PY 2013:

- i. **District of Columbia Labor Market Trends:** This is a monthly publication providing the latest labor market data, such as employment, labor force and unemployment rates, unemployment insurance claims filed, and the top private sector employers for the District of Columbia and the Washington, D.C. metropolitan statistical area (MSA).

- ii. **District of Columbia High Demand, High Wage Occupations:** The High Demand, High Wage analysis identifies those occupations that are both in demand and offer reasonable wages in the District. For this analysis, the D.C. Department of Employment Services (DOES) Office of Labor Market Research and Information (OLMRI) utilized data made available by the U.S. Bureau of Labor Statistics. The analysis reviews the Top 31 occupations according to the three-variable index employed by OLMRI. Subsequently, the analysis identifies the Top 31 occupations according to the three-variable index that typically require less than a bachelor's degree for entry. In order to compute and order the rankings for each 6-digit Standard Occupational Classification (SOC) Code, OLMRI reviewed the following three variables: projected percent change in D.C. employment for the period 2010-2020; projected annual total openings in D.C. for 2010-2020; and median annual wage in D.C. in 2011. The first two variables capture the projected occupational demand, while the third focuses on wages.
- iii. **Catalogue of Education and Training Programs:** As part of its contract with OLMRI, BW Research Partnership produced a catalogue of the District's education and training programs. A comprehensive review of training programs was conducted. This review collected information from 1,044 training programs in the District of Columbia, as well as sixteen survey responses from training providers to ask analytical questions about their workforce development. The catalogue focuses on the occupational programs of study that do not result in a Bachelor's (or higher) degree. It includes programs of study offered by high schools, community colleges, four-year universities, and other training providers. BW Research is expected to submit their final report to DOES in September 2014.
- iv. **Skills Gap Analysis:** As part of its contract with OLMRI, BW Research Partnership surveyed District employers and training providers. BW Research Partnership conducted employer and training provider research for 87 selected occupations in the District of Columbia. Questions included:
  - i. Profile of recent hires to include where the workers were found, what recruitment methods were preferred, what types of occupations were filled, what deficiencies are evident in the hires, the career level of the hires, and other pertinent information;
  - ii. Primary skill requirements;
  - iii. Secondary skill requirements;
  - iv. Training requirements and preferences, including DOES or other program awareness;
  - v. General skills and transferable skills of greatest importance in the workforce;
  - vi. Skill profiles discovered in the Texas Strategic Workforce Assessment Program (SWAP) profiling; and
  - vii. Occupational skills and employment pathways.

BW Research Partnership successfully surveyed 1,377 employers. Surveys were completed between 7/16/2013 and 6/16/2014, providing data in the form of nearly 2,500 occupational completes, defined as a respondent recording the total amount employed in the occupation

at the time of response. BW Research is expected to submit their final report to DOES in September 2014.

- v. **Understanding the Implications of Raising the Minimum Wage in the District of Columbia:** As part of its contract with OLMRI, the Urban Institute completed an economic study of the potential impacts of increasing the minimum wage in D.C. The District of Columbia will increase the minimum hourly wage employers must pay their covered workers from \$8.25 an hour to \$11.50 an hour by 2016 from the current rate of \$8.25. Increasing the minimum wage in D.C. will have implications for the employment opportunities and incomes of D.C. families as well as for D.C. employers and the D.C. government. This report examines the potential effects of raising the District's minimum wage on D.C. workers, their families, and on the government programs that serve them. Using data from the American Community Survey (ACS) as processed through and augmented by the TRIM3 micro-simulation model, Urban Institute finds that about 41,000 individuals who live and work in D.C. would be affected by the \$11.50 an hour minimum wage in 2016. Thirty percent have wages near the current minimum wage, while 45 percent earn near or slightly above the new minimum wage. Because so many affected workers would have had earnings near the new minimum wage, raising the minimum wage would have only modest effects on earnings and commensurately modest effects on employment. Further, because the majority of the workers affected by the minimum wage (70 percent) are unmarried and do not co-reside with children, their participation in public assistance programs and receipt of tax subsidies are also somewhat limited and the effects of the higher minimum wage on D.C. government programs are fairly small.

In addition to the report cited above, Urban Institute also completed a supplemental study assessing the employment impacts of an increase in the District's minimum wage. To see how raising the minimum wage might affect employment (and earnings) in D.C., researchers considered what happened in 1993 when D.C. raised its minimum wage ahead of other local jurisdictions. The ways in which small area differences in minimum wages affect employment for populations similar to those of D.C. was also considered using statistical methods adapted from other researchers. Specifically, Urban Institute combined county-level data from the Quarterly Census of Employment and Wages and the 2000 Census to explore how an increase in the D.C. minimum wage would affect workers in the food service industry. Next, Urban Institute weighted the data to find counties that are similar to D.C. in a variety of dimensions, including race and ethnicity, marriage, educational attainment, and population density. Urban Institute followed existing research by comparing counties along state borders that have different minimum wages. Based on historical patterns for the D.C. metro area and an analysis of workers in the food service industry nationwide, Urban finds little evidence that even a substantial increase in minimum wages in D.C. would result in lower employment. They acknowledge that their estimates of the relationship are imprecise, however, and that they cannot rule out modest negative impacts of perhaps half-a-percent

drop in affected industry employment for each ten percent increase in the minimum wage. To date, minimum wage changes have operated in a very low range of the wage distribution so that very few people should be affected by the policy, even under the traditional theories that predict negative employment impacts. If minimum wages were instead raised above the 20th percentile of area wide wages, larger impacts could result.

**iv. Customer Consultations**

In developing its PY 2013 Plan of Work, OLMRI consulted with and incorporated input from the administrators of Workforce Investment Act and Wagner-Peyser programming, the state/local workforce investment board, business services managers, and senior agency leadership. Throughout PY 2013, OLMRI regularly received feedback from internal agency partners, sister District entities, community-based non-profits, and the press.

**v. Activities Undertaken to Meet Customer Needs**

- a) At the request of the Office of the Deputy Mayor for Planning and Economic Development (DMPED), OLMRI used 2011 American Community Survey (ACS) micro-data to determine the amount of D.C. residents working in federal government in order to estimate the impact of the October 2013 federal shutdown on the District's labor market and economy.
- b) For DOES senior leadership, OLMRI used Current Population Survey (CPS) micro-data to analyze employed and unemployed D.C. residents attached to jobs in federal government and elsewhere to help explain the District's October 2013 elevated unemployment rate.
- c) For the D.C. Children and Youth Investment Trust Corporation, OLMRI used 2008-2012 ACS 5-year data to measure full employment status data by the District's Police Service Areas for those aged 16 and over, and the sub-group of youth aged 16-24.
- d) For the DOES Business Services Group (BSG), OLMRI used 2005-2011 ACS micro-data to compute the number of unemployed and the unemployment rate of D.C. residents by occupation. OLMRI also created a list of those occupations with the highest unemployment rates in the District. The analyses helped the BSG to better understand the local labor market and to strategically plan and coordinate their employer engagement efforts.
- e) Building on previous work completed by OLMRI to estimate the impact of federal sequestration in D.C., which is cited in the District's PY 2012 WIG Annual Performance Report, OLMRI utilized Bureau of Labor Statistics local area unemployment data, Census Bureau ACS micro-data, and the modeling capabilities of Economic Modeling Specialists, Intl. (EMSI) web-tools to estimate a counterfactual unemployment rate in November 2013 in the absence of the loss of federal government jobs. This estimate was computed for and provided to the Executive Office of the Mayor and the Office of the Deputy Mayor for Planning and Economic Development to assist in developing a clearer understanding of the

impacts of federal government personnel actions on the District's economy, and how District government can spur economic growth in the wake of those consequential actions.

- f) OLMRI provided data on unemployment by ward, demographics and duration of unemployment through the agency's Public Information Officer to MSNBC for a story on the job market that the news outlet was producing.
- g) OLMRI responded to an inquiry from the Executive Office of the Mayor regarding the extent to which the opening of multiple Walmart locations in the District of Columbia, and the associated hiring of District residents, reduced the unemployment rate from 8.6 percent to 8.1 percent in December 2013. OLMRI calculated several scenarios using actual unemployment data, hiring data from Walmart, and the Bureau of Economic Analysis multiplier effect of Discount Department Stores to estimate the stores' contribution to the District's observed unemployment rate decline.
- h) OLMRI responded to requests from the Executive Office of the Mayor and the Office of the Deputy Mayor for Planning and Economic Development regarding the profile of UI claimants in the District. OLMRI gathered relevant data from the DOES Office of Unemployment Compensation and the Office of Information Technology and presented the requesting parties with clean summary data tables and charts containing demographic descriptions of claimants in the District.
- i) OLMRI prepared the following statistical tables regarding the veteran population in D.C., as requested by the Workforce Investment Council: total population of veterans; population of veterans by educational attainment; population of veterans by gender; population of veterans by race; and labor force status of veterans (labor force, employment, unemployment, and unemployment rate).
- j) OLMRI provided updates and feedback on One City Action Plan workforce indicators to the District's Office of the City Administrator.
- k) OLMRI convened DOES Workforce Development and American Job Center Operations leadership to engage in discussions with the LMI Institute to design and provide training on labor market information for front-line AJC staff. All parties involved agreed upon a customized curriculum that will aid staff in assisting AJC customers to return to work more effectively. Training will occur in September 2014.
- l) For the Office of the Deputy Mayor for Planning and Economic Development, OLMRI used EMSI resources to produce D.C. location quotients for industries and occupations at the six-digit NAICS and SOC levels.
- m) OLMRI provided industry and occupational projections to researchers at the Urban Institute, who required them to complete a project for the D.C. Office of Human Rights related to the Language Access Law.

- n) For planning purposes, the Office of the Deputy Mayor for Planning and Economic Development requested labor force trends and projections for the District. OLMRI prepared a spreadsheet containing actual labor force figures for the period 1990Q1-2013Q2, and projections for the period 2013Q3-2016Q4.
- o) OLMRI provided data from the Quarterly Census of Employment and Wages program to the following state agencies and private institutions:
- o The Georgetown and Golden Triangle Business Improvement Districts (BIDs). This important labor market information helps the BIDs to achieve their mission of ensuring a vibrant cultural and physical environment and economy in their respective communities.
  - o The District's Office of the Chief Financial Officer, Office of Revenue Analysis (ORA). To assist ORA accomplish its mission to support the budget and policymaking process with forecasts, estimates, and analyses that ensure the District's financial integrity, OLMRI responded to a request for employment data captured in employer surveys. OLMRI provided ORA with geocoded QCEW data, covering 2012Q3 and 2013Q3 at the 4-digit NAICS level, by D.C. Wards, Census Tracts, and Census Blocks.
  - o The Washington, DC Economic Partnership (WDCEP). WDCEP looked to DOES for trustworthy information in order to create more accurate neighborhood profiles. OLMRI compiled total QCEW data at the Traffic Analysis Zone (TAZ) level, and provided interpretation and explanation of the data once delivered to WDCEP.
- p) The DOES Director, fulfilling duties as the statutorily mandated chief administrator of the District's Shared Work Program, sought OLMRI's assistance in discerning the potential population for Short Term Compensation in the District. To this aim, OLMRI worked with the Office of Unemployment Compensation to create a UI extract file, covering two years' worth of claims, which assisted the Director in this analysis.
- q) OLMRI provided assistance to the Office of Unemployment Compensation to ensure that applicable LMI requirements were satisfied for a necessary systems upgrade.
- r) Stemming from a D.C. Office of Inspector General request for information regarding the District's First Source law, OLMRI collected data to ascertain the unemployment rate in the construction industry for District of Columbia residents. Since the BLS does not provide industry employment data at the state or local level, OLMRI obtained Current Population Survey (CPS) micro-data for the month of March from 1984-2013 for D.C. From this data, OLMRI estimated, for D.C. residents, the size of the construction labor force, the amount employed and unemployed, and the unemployment rate. Due to the imprecision of these estimates, OLMRI also obtained UI claims data for District and non-District residents attached to the Construction industry, and computed seasonally adjusted monthly levels for



each population. In PY 2014, OLMRI plans to conduct a more extensive economic analysis of the impact of First Source on D.C. residents in the Construction industry workforce.

**vi. New Tools and Resources**

All of the publications and products listed in Section (iii) of this report were new for DOES OLMRI in PY 2013. In addition, the integration of the DC Analyzer system into DCNetworks, the District's virtual one-stop system, provided customers with more convenient access to valuable LMI.

**vii. Efforts to Create and Support Partnerships and Collaborations**

As described in Sections (iii) and (v), DOES OLMRI established and continued partnerships and collaborations with the Executive Office of the Mayor, Office of the Deputy Mayor for Planning and Economic Development, Workforce Investment Council, American Job Center-DC Operations, Office of Unemployment Compensation, District of Columbia Public Schools, Office of Planning, Office of the Chief Financial Officer, Office of Planning, D.C. Children and Youth Investment Trust Corporation, Urban Institute, BW Research, LMI Institute, Georgetown and Golden Triangle Business Improvement Districts, and the Washington, DC Economic Partnership.

OLMRI also collaborated with the BLS to improve the Target Employment Area (TEA) designation methodology using the 5-year American Community Survey (ACS) census tract data and current annual D.C. LAUS data.

**viii. Activities to Leverage LMI-WI funding**

- a) For the District's Office of the Chief Financial Officer (OCFO), OLMRI used 2012 ACS data to identify the employment status of D.C. residents aged 20-21 and 22-24 in order to estimate the fiscal impact for City Council Resolution 20-261, which amended the collective bargaining agreement between the Washington Teachers' Union and the District of Columbia Public Schools.
- b) At the request of the District of Columbia Public Schools (DCPS), OLMRI provided occupational projections and wage data for the Washington Metropolitan Statistical Area (MSA) for selected occupations of interest, in order to inform the school system's curriculum development and career planning efforts with reliable and relevant labor market information.
- c) OLMRI conducted an analysis of chronic and long-term unemployment, along with producing a presentation, at the request of the DOES Director for use in the Workforce Investment Council-led Chronic Unemployment working group meetings, comprised of other District government agencies, including The University of the District of Columbia Community College, Court Services and Offender Supervision Agency, and the Department

of Human Services. This work contributed to the group's mission of coordinating and enhancing employment services to residents across the vast array of agencies and entities that provide such services in the District.

- d) OLMRI provided requested labor market information to the Office of the Deputy Mayor for Planning and Economic Development in order to satisfy Target Employment Area (TEA) designations under the Immigration and Nationality Act and U.S. Citizenship and Immigration Service EB-5 Immigrant Visa Program. OLMRI used the methodology defined by the BLS in LAUS Technical Memorandum S-13-17, which provides instructions for the development of PY 2013 Areas of Substantial Employment under the Workforce Investment Act. The D.C. TEA designation projects included Capital Riverfront at Navy Yard, City Market at O, DC Hilton Hotels, DC Kids Club, Pizza Studio/Dupont Circle, Skyland Town Center SW Waterfront Intercontinental Hotel, Washington Post 15 and L Street NW, 4<sup>th</sup> and L Street NW Project, 13<sup>th</sup> and U Street NW Project, 418 7<sup>th</sup> Street NW LLC, and Uline/1304 3<sup>rd</sup> Street NE .
- e) The D.C. Office of Planning (OP) serves as the official State Census Data Center, and therefore publishes a variety of demographic information, covering population numbers, ethnic, age and economic breakdowns, commuter patterns, household data, and other statistics. In order to provide accurate numbers for their economic analyses, OP requested District of Columbia complete at-place employment numbers (both private sector and public sector) by Census Blocks for the most current two year period. In order to undertake efficient planning efforts, OP turned to OLMRI to provide the necessary data pertaining to at-place employment data by Census Blocks. Additionally, OLMRI provided the State Data Center with current D.C. and Washington MSA projections for OP's forecasting needs.

**ix. Recommendations to ETA for Changes and Improvements to WIGS Requirements**

The District of Columbia workforce system benefits significantly from funding provided by ETA through the WIGS. However, the District believes that the WIGS could enhance its impact on the state and local workforce system by improving alignment with WIA Youth programming, and bolstering coordination with the One-Stop network. ETA could therefore improve the WIGS requirements by explicitly incorporating the provision of direct support and resources to the wider workforce system.