

**DC'S "TWO ECONOMIES" HEADED IN DIFFERENT DIRECTIONS, REPORT FINDS**

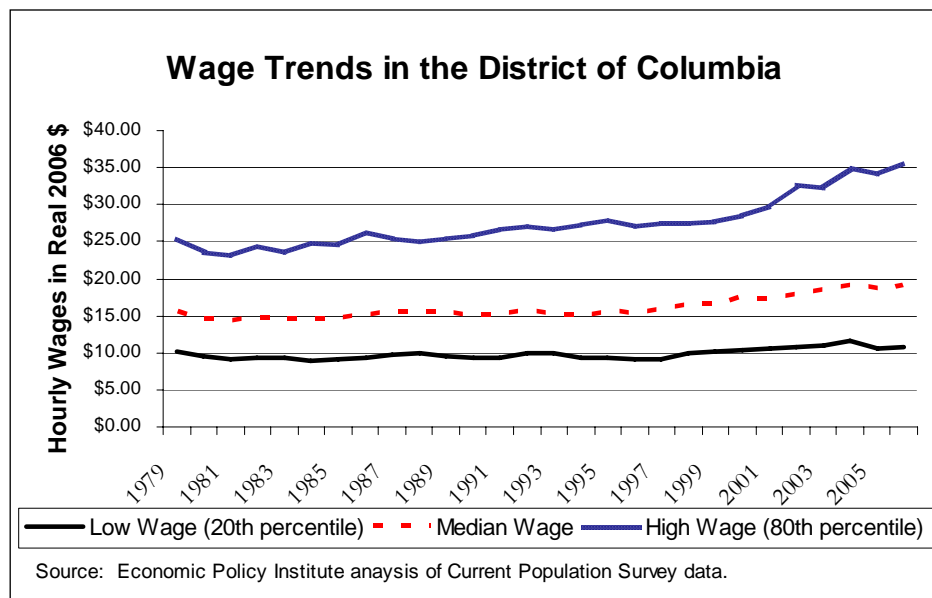
Despite dramatic improvements in the District's economy over the past decade, economic conditions have actually worsened for many residents, according to a new report by the DC Fiscal Policy Institute.

The study, entitled *DC's Two Economies: Many Residents Are Falling Behind Despite the City's Revitalization* — examines trends in employment, wages, income, and poverty. One of its most striking findings is that while the number of jobs in the District has grown every year since 1998, the percentage of African Americans who are employed has actually fallen, as has the employment rate among residents with no more than a high school diploma. For both groups, employment rates are near 30-year lows.

"It is surprising — and deeply troubling — that large numbers of DC residents are falling behind when so many of the city's economic indicators are at their best levels in decades," said Ed Lazere, executive director of the DC Fiscal Policy Institute. "The District's well-known economic disparities are getting even worse."

Other findings include:

- The earnings gap between DC's highest (top 20 percent) and lowest (bottom 20 percent) earners is at its widest level since 1979. Inflation-adjusted earnings have increased just 6 percent for low-wage workers in that period, while jumping 40 percent for workers at the top.

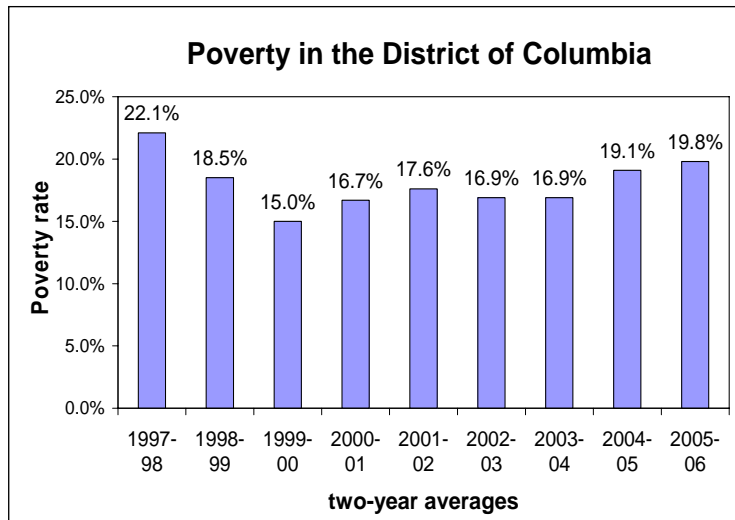


- Income inequality in the District is now wider than in every major U.S. city except Atlanta and Tampa.
- One in five DC residents is poor, a higher rate than in any year since 1997-98. Since the late 1990s, some 27,000 more DC residents have fallen into poverty.

“The District really has two economies. One is moving forward strongly, but the other one is stagnating, even deteriorating,” said Ed Lazere, executive director of the DC Fiscal Policy Institute.

Bridging DC’s economic divide will require improved access to quality education and training services — primary and secondary education, higher education, basic literacy, and workforce training. Help is also needed for residents who remain in low-wage jobs, including an adequate minimum wage and access to child care assistance, health care, and affordable housing.

“The gleaming side of DC’s economy could continue to grow and prosper, but there is little evidence that this would lead to any improvements for the thousands of residents who live on the economy’s other side,” said Lazere. “It will take bold new actions by DC leaders to help families acquire the skills needed to succeed in this economy.”



The full DCFPI analysis can be found at <http://www.dcfpi.org/?p=120>

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The [DC Fiscal Policy Institute](#) conducts research and public education on budget and tax issues in the District of Columbia, with a particular emphasis on issues that affect low- and moderate-income residents.