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UNEMPLOYMENT IN THE DISTRICT IS ON THE RISE IN 2011

By Caitlin Biegler

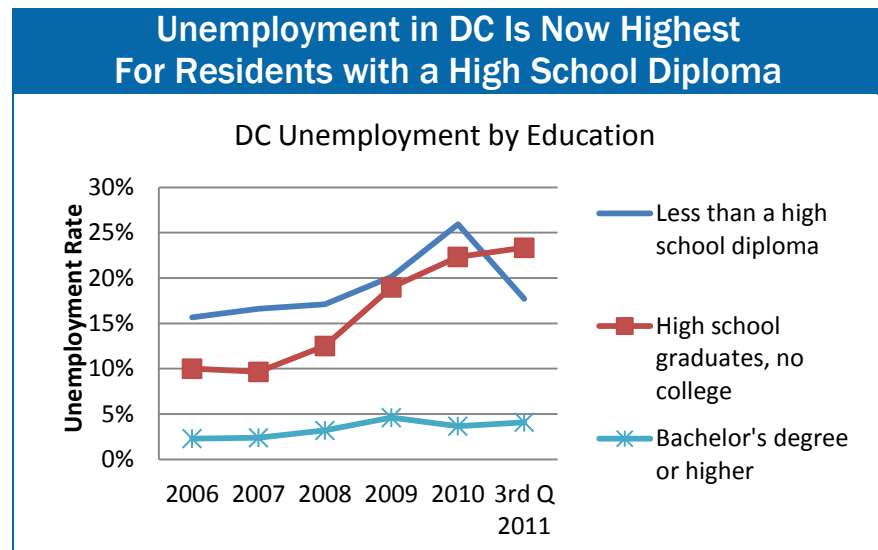
After starting to fall in 2010, DC's unemployment rate is on the rise again in 2011. As of September 2011, unemployment rate was 11.1 percent, up from 9.6 percent at the end of 2010.ⁱ

Who are the District's unemployed residents? An analysis of monthly data from the Census Bureau's Current Population Surveyⁱⁱ shows that the increase in unemployment has been widespread, but that DC's most economically vulnerable residents have been especially hurt by the recession. The residents most likely to be unemployed have low levels of formal education and are in low-wage occupations.

DCFPI will be tracking changes in unemployment on a quarterly basis, looking at how the rate has changed overall but also among groups of DC residents. We will look at unemployment by education, race/ethnicity, age, household, and occupation. This analysis focuses on unemployment in the third quarter of 2011 (July to September), the most recent three months for which data are available.

Unemployment by Education Level

Unemployment has increased since 2007 for DC residents of all education levels, but the increases have been greatest for those with a high school diploma but no further education. Since the start of 2011, unemployment rates have dropped for residents with less than a high school diploma.



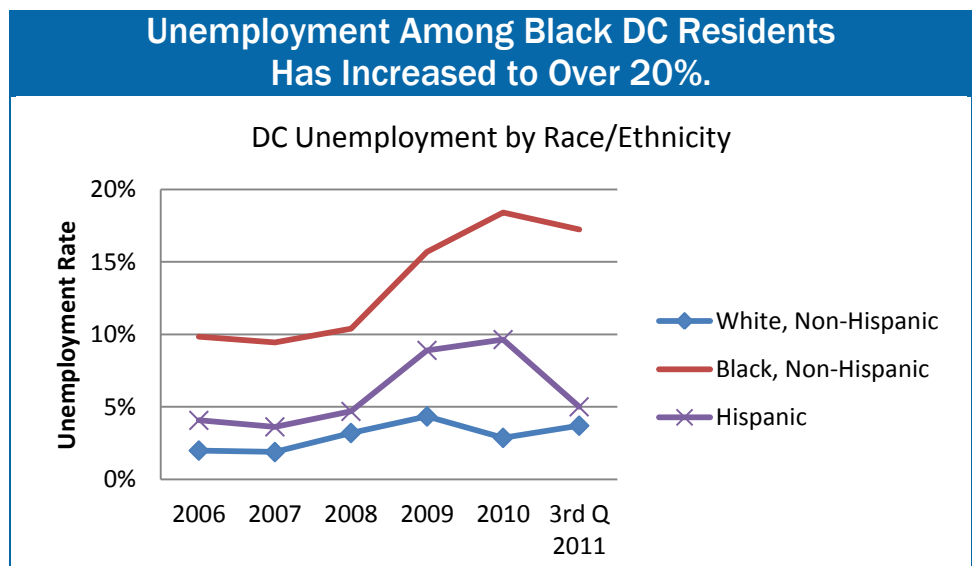
- **Residents with a high school diploma have had the highest rate of increase in unemployment since the start of the downturn.** The unemployment rate for DC residents with a high school degree rose from 9.7 percent in 2007 to 22.3 percent in 2010 and then to

23.9 percent in the third quarter of 2011. Unemployment for DC high school graduates now surpasses that of residents without a high school diploma.

- **College graduates also have seen large unemployment increases, but rates remain far lower than for other groups.** For residents with a bachelor’s degree or higher, the unemployment rate has more than doubled –from 2.4 percent in 2007 to 5.4 percent in third quarter 2011 – yet they still have the lowest unemployment rate by education.
- **Residents with less than a high school diploma have seen a drop in unemployment this year.** While unemployment rose for both high school and college graduate this year, the rate for workers without a high school degree dropped from 25.9 percent in 2010 to 21.3 percent in the third quarter of 2011.

Unemployment by Race/Ethnicity

DC’s Black residents have seen the largest increase in unemployment in the downturn. In this past year, there have been continued unemployment rate increases for all races and ethnicities except for the Hispanic population.



- **Unemployment among Black residents has risen notably.** The unemployment rate for Black DC residents has doubled since 2007, from 10 percent in 2007 to 20.6 percent in third quarter 2011. Since the start of 2011, unemployment has continued to grow among DC’s Black residents, while it has been steady or declining for others.
- **Hispanics have seen a slight decrease in unemployment this year.** From 2010 to third quarter 2011, the unemployment rate for Hispanics in DC decreased from 9.6 percent to 7.9 percent. Nevertheless, Hispanic unemployment today remains far higher than in 2007.
- **Unemployment among White DC residents has seen small overall increases.** From 2007 to third quarter 2011, the unemployment rate for White (non-Hispanic) DC residents rose from 1.9 percent to 3.7 percent. While this represents a near doubling of unemployment, the rate remains very low.

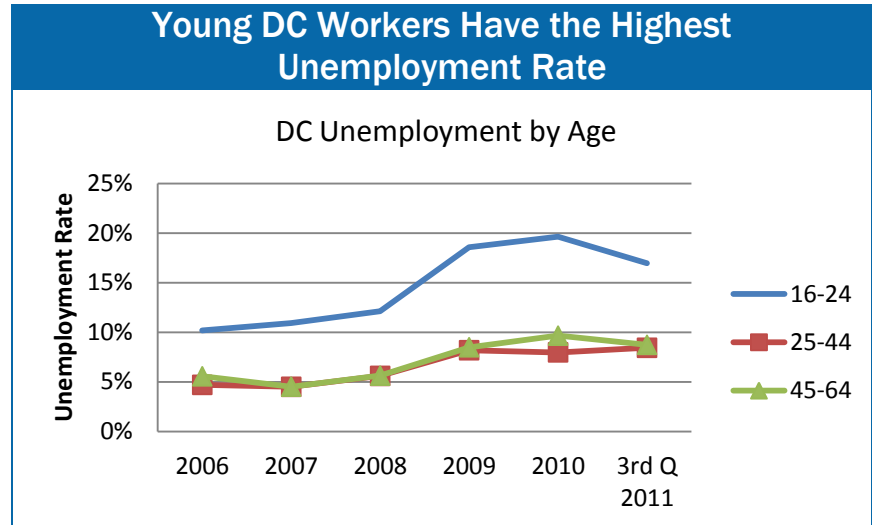
Unemployment by Age

Young DC workers have seen the greatest increases in unemployment since 2007. In the current year, though, older workers have seen a much higher increase in unemployment rates.

- **Young workers consistently hold the highest unemployment rate.** The unemployment

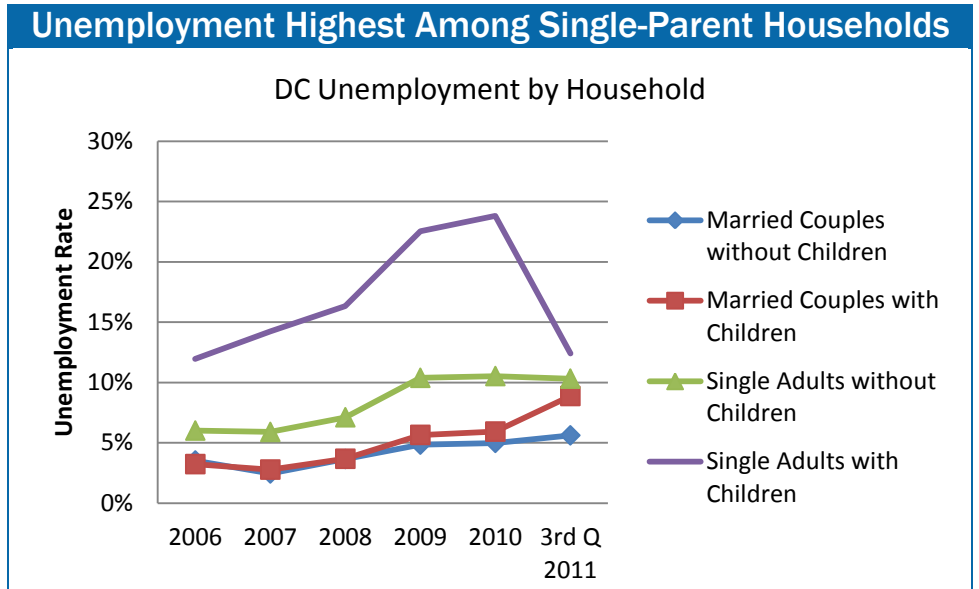
rate for 16-24 year DC workers — 20.5 percent in third quarter 2011 — was the highest among all age groups. The unemployment rate for this young age group is growing at a faster rate than the overall unemployment rate.

- **Older workers have seen a jump in unemployment recently.** Unemployment for 45-64 year old DC workers jumped from 9.7 percent in 2010 to 12.7 percent in third quarter 2011. This was a larger increase than for any other age group.



Unemployment by Household Type

While unemployment has increased for all family types since 2007, unemployment rates have been far higher for households with one adult than for married-couple households. This year, unemployment rates have continued to rise, but for families with children, the increase has been smallest.

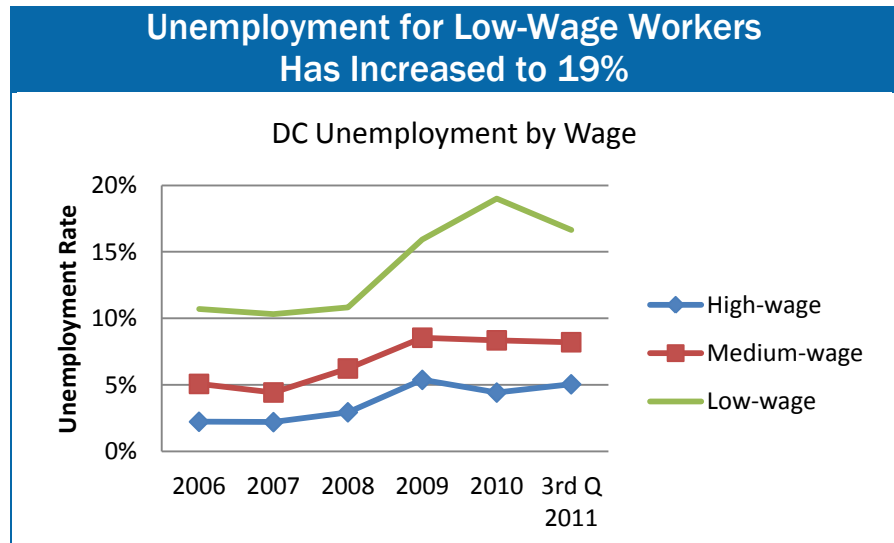


- **Single-parent households consistently have higher unemployment rates.** The current unemployment rate for single adults with no children is 11.9 percent, while the rate for workers in married-couple households with no children is only 6.9 percent. Among families with children, workers in single-parent families face an unemployment rate of over 24 percent compared to 6.2 percent for workers in two-parent families.
- **Households with children have seen a small increase in unemployment recently.** The unemployment rate for workers in households with children rose by less than half a percentage-

point this year. Meanwhile, single parent households without children saw almost a 1.5 percentage-point increase, and married-couple households without children saw an increase of 2 percentage-points.

Unemployment by Occupation

Unemployment rates have increased for DC workers at all wage levels since 2007. At the same time, the unemployment rate has been consistently higher for workers in low-wage occupations, and the absolute increase – in percentage point terms – has been greatest for this group. The current year has seen a continued trend of unemployment rate increases for high and medium-wage workers, but low-wage workers have seen a slight decrease.



- **Workers at all wage-levels have seen large increases in unemployment.** High-wage workers saw an increase from 2.2 percent to 5.9 percent from 2007 to the present. Medium-wage workers' unemployment jumped from 4.4 percent to 10 percent in the same time period, and low-wage workers experienced an increase from 10.3 percent to 17.2 percent.ⁱⁱⁱ
- **Low-wage workers experienced the highest percentage-point increase in unemployment.** DC's low-wage workers group consistently has faced the highest unemployment rate. Unemployment among this group increased almost 9 percentage-points from 2007 to the 2010.
- **This year, low-wage workers saw a slight decrease in unemployment rates.** The rate for low-wage workers decreased from 19 percent in 2010 to 17.2 percent in July-September 2011. However, low-wage workers still hold the highest unemployment rate, even with this recent decrease.

ⁱBureau of Labor Statistics. Local Area Unemployment Statistics. <http://data.bls.gov/timeseries/LASST11000003>

ⁱⁱ Due to the small sample size for DC unemployment data, the percentages reported here should be considered as best estimates of the demographics of DC's unemployed residents.

ⁱⁱⁱ Low wage occupations were defined as those in which the average wage was below the 25th percentile of overall DC wages. High wage occupations were defined as those in which the average wage was above the 75th percentile of overall DC wages. The medium wage category encompassed those occupations that fell within the 25th and 75th percentiles.