

# Washington, DC region has worst year of jobs growth since 2008 crash

Nick Barrickman  
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The Washington, DC region added only 4,800 jobs in the twelve months ending in February, the worst rate of jobs growth since the 2008 crash, according to a report issued by the Labor Department last month.

In those twelve months, the region lost 15,100 professional service workers, including temporary government contractors. The fall in this category was the worst in statistics dating back to 1991.

The nation's capital added no new jobs during the month of March, while the city's unemployment rate grew to 7.5 percent, up from 7.4 percent the month before.

The year that ended in March also saw the region shed 11,400 federal positions. Virginia saw a net loss of 5,100 jobs last month, the majority of which came from professional services and the health sector. Maryland added only 2,300 positions, and its jobless rate remained stuck at 5.6 percent from February.

The weak economic growth in the region is largely attributable to the government spending cuts known as the "sequester," which began in March of 2013, and are slated to slash most government programs by five percent per year. The DC region is largely reliant upon government spending and government contracting. "[Agencies] have contractors on a contract, and then all of a sudden, they say, 'We don't need these people after next week, they're done,'" Ginger Groeber of the contracting job search web site Exfederal.com told the *Washington Post*.

"From what our member companies are telling us, they're not laying off people. But as vacancies occur, they're not rushing to fill them," said Alan Chvotkin, vice-president of the Professional Services Council, to the *Post*. "They're bringing different sorts of technology solutions to bear instead of people," he added.

The pay of top executives at government contracting firms has skyrocketed while these layoffs have occurred. The *Washington Post* reported last month that Maryllin Hewson, CEO of military contracting firm Lockheed Martin, received \$25.3 million in total pay last year, a doubling of her compensation from 2012. Phebe N. Novakovic, CEO of General Dynamics, saw her pay triple to \$19 million.

The *Post* noted that for both women, "the spikes in pay represent a vote of confidence in two new executives who took over during a turbulent time of a government shutdown and spending cuts. Both executives preserved profits by cutting jobs..." Hewson and Novakovic are two of the highest-paid female executive officers in the country, according to the executive compensation tracking firm Equilar.

The Washington, DC region is one of the most unequal areas in the world, with the top five percent of the city's population receiving an average annual income of \$493,000, while the bottom ten percent brings in less than \$10,000.

The District's legislative body endorsed a "living wage" bill that would raise the minimum wage from \$8.25 to \$11.50 an hour for those employed in the city. The superficiality of this gesture was underlined by a report released by the National Low Income Housing Coalition that showed that a worker in the District would require a minimum wage of \$28.25 simply to afford a home at what the Department of Housing and Urban Development termed a "fair market rate."

The District of Columbia has one of the highest rates of food insecurity in the country, according to a report issued last week by Feeding America, with 28 percent of the city's children living in food-insecure households.

The continued economic stagnation and prevalence of

mass unemployment for the nation's capital undercut the assertions made by the Obama Administration and the media that the United States has entered an economic "recovery."

The reports of slowing growth in the DC area comes amid the continuing prevalence of long-term unemployment. More than a third of all unemployed people at the national level have been out of a job for over six months, while the current labor force participation rate, 63.2 percent, is near its lowest level since the early 1980s.

Last month, the Senate reached a deal to extend jobless benefits for the more than 2.13 million Americans that saw their payments expire at the end of last year. In supporting the extension, congressional Democrats have attempted to posture as defenders of the "middle class," even though they allowed the benefits to lapse by not making them the precondition for last year's budget deal with the Republicans. The Democrats' proposed extension would only extend the benefits for five months since their expiration, meaning that they would once again lapse immediately after being reinstated.



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