DISTRICT OF COLUMBIA AND WASHINGTON DC-MD-VA-WV METROPOLITAN STATISTICAL AREA OCCUPATIONAL WAGE, MAY 2012

DC Department of Employment Services
Office of Labor Market Research & Information

DEPARTMENT OF EMPLOYMENT SERVICES

ONE CITY

Government of the District of Columbia
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INTRODUCTION

This publication provides occupational wage data for the District of Columbia and Washington, DC-MD-VA-WV metropolitan statistical area. The District's occupational wage data is derived from the Bureau of Occupational Employment Statistics (OES) May 2012 survey, a semi-annual voluntary mail survey of approximately 600 (per year) District employers. The DC-MD-VA-WV metropolitan statistical area wage data is also obtained from the BLS OES May 2012 survey, and the OES wage estimates are calculated with data collected from employers in all industry sectors in Washington, DC-MD-VA-WV, a metropolitan statistical area that includes the District of Columbia, and parts of Maryland, Virginia, and West Virginia.

FINDING OCCUPATIONAL WAGES

Occupational wages are categorized using the Standard Occupational Classification (SOC) codes. To find relevant wages for a particular occupation, locate the occupational title that most closely matches the occupation in question. Detailed information and a listing of Standard Occupational Classification-based occupational codes, titles, and definitions can be found at the Bureau of Labor Statistics OES website.

How Are Wages Affected by Education and Work Experience?

The occupational wages do not take into account levels of education and work experience. The OES survey used to collect wage data from employers does not ask for wages paid based on education or work experience. The survey asks employers only what wage level is paid to each employee in each occupation. Wages vary by education and experience, and, generally, the more education and work experience people have, the higher their pay.

What are the Uses of the OES Wage Data?

As explained on the OES website, occupational employment and wage data are used to develop information regarding current and projected employment needs and job opportunities. This information is used in the production of state education and workforce development plans. These data enable the analysis of the occupational composition of different industries and the comparison of occupational composition across states and local areas, including analysis for economic development purposes. OES employment estimates also are used as job placement aids by helping to identify industries that employ the skills gained by enrollees in career-technical training programs. In addition, OES survey data serve as primary inputs into occupational information systems designed for those who are exploring career opportunities or assisting others in career decision making.

HOW EMPLOYERS AND JOB SEEKERS CAN USE OCCUPATIONAL WAGE DURING WAGE AND SALARY NEGOTIATIONS

As noted on the OES website, the average wage for a prospective occupation is useful starting information. It is important to note, however, that wage averages reflect the outcome of many factors, such as how an individual's experience compares with others in the occupation and how wages vary depending on the location and industry of the work. Information on average wages and wage distributions for occupations is available by industry and area on the OES website. Familiarity with the full distribution of wages for an occupation can provide a more complete perspective on wage expectations.

Employers looking to hire new employees or analyze wages paid to current employees should look at the entire range of wages published. If an employer wants to hire a worker but is unsure what wage to offer, the employer should consider the duties of the position and the education and work experience required for the job. If the job is an entry-level position, the employer may want to consider offering a wage in the 10^{th} or 25^{th} percentile range; and if the employer is looking to hire a person with years of experience, the more appropriate wage may be near the 90^{th} percentile.

Job seekers trying to determine the most appropriate wages need to evaluate their experience and education level. For new entrants into an occupation with minimal education level, the most appropriate wage may be at a lower percentile, near the 10^{th} or 25^{th} percentile, for example. For those with years of experience in an occupation, the 75^{th} or 90^{th} percentile may be the most appropriate level consistent with experience and education. Table 1 shows how employers and job seekers can use a wage range in an occupation to determine an appropriate wage depending on experience and education.

Average wages and wage distributions

A wage distribution, or wage range, can be useful in determining a base or target wage. Where an individual should expect to fall in a wage distribution is not always an easy judgment. Those who are just starting their careers may expect wages at the lower end of the distribution, near the 10^{th} or 25^{th} percentile, and those with more experience and education may expect wages near the 75^{th} or 90^{th} percentile. The wage distribution can also be used as an indicator of the variability in wages for an occupation and can be helpful in understanding potential wage growth as the worker gains more experience or education. Still, 10 percent of workers in the occupation earn more than the 90^{th} percentile wage.

Percentile wages are helpful to know during wage negotiations because occupations with similar average wages may have different distributions. For example, in the District, general pediatricians typically face highly variable wages, whereas radiologic technologists have a much flatter pay distribution, as shown by Table 1. Although these two occupations may have similar median wages, hourly earnings for workers at the lower and upper ends of the distribution are quite different.

Table 1: Occupations in the District of Columbia with similar medians, but differing wage variation, May 2012					
Occupation	**10th percentile**	**25th percentile**	**Median**	**75th percentile**	**90th percentile**
General Pediatricians	$24.81	$26.71	$32.34	$68.04	$84.78
Dietitians and nutritionists	20.85	26.5	35.32	50.53	62.26
Film and video editors	16.22	26.26	35.88	47.27	58.47
Radiologic Technologists	20.54	25.84	32.53	39.58	44.76
Forensic science technicians	24.11	27.04	32.64	39.87	51.11

Source: Bureau of Labor Statistics, US Department of Labor, Occupational Employment statistics (OES), May 2012 survey

Employer benefits

The OES wage estimates include only wages and salaries, but not all compensation is in the form of wages and salaries. Benefits such as training opportunities, health insurance, and paid time off are not included in an individual's wages, but they add considerable value and are important to many prospective employees. Benefits are not always comparable between employers and should be considered along with wage compensation. Information on employee benefits is available from the BLS Employee Benefits Survey.

Success in wage negotiation depends in large part on the job seeker's and employer's ability to objectively match the experience and skills of the worker with the needs of the employer. A number of factors play a role in the wage that an employer offers, including the employer's industry and geographic location. These indicators can suggest where an employee's wage should be on the distribution of incomes for the occupation.

DEFINITIONS, CONCEPTS, AND CLASSIFICATIONS

The definition of a wage for the Occupational Employment Statistics (OES) program is straight-time, gross pay, exclusive of premium pay. Among the inclusions in the wage are base rate, cost-of-living allowances, guaranteed pay, hazardous-duty pay, incentive pay including commissions and production bonuses, and on-call pay. Some exclusions from the wage are back pay, jury duty pay, overtime pay, severance pay, shift differentials, non-production bonuses, and tuition reimbursements.

There are certain occupations for which the mean hourly wage is not typical. Individuals in these occupations are paid on an annual basis and generally work fewer than 2,080 hours per year (40 hours per week multiplied by 52 weeks). Occupations for which annual data are provided are teachers, musical and entertainment occupations, aircraft pilots, and flight attendants.

Occupation is a set of activities or tasks that employees are paid to perform. Employees that perform essentially the same tasks are in the same occupation, whether or not they are in the same industry. Some occupations are concentrated in a few industries, while other occupations are found in the majority of industries.

Employment, as defined by the Occupation Employment Statistics Survey, is the number of workers who can be classified as full- or part-time employees; workers on paid leave; paid owners, officers, and staff of incorporated firms; and workers assigned temporarily to other units. Excluded are contractors and temporary agency employees not on the payroll; self-employed; unpaid family workers; workers on unpaid leave; and proprietors, owners and partners of unincorporated firms.

Employment represents the estimate of total wage and salary employment in an occupation across the industries in which it was surveyed. Not every occupation appears on every survey form. Data for specific occupations are collected from establishments within industries that are the predominant employers of labor in those occupations.

The Standard Occupational Classification (SOC) is a system used to classify workers into detailed occupations according to their occupational definition. The SOC classifies workers at four levels of aggregation: major group; minor group; broad occupation; and detailed occupation. All occupations are clustered into 23 major groups. Within these 23 major groups are 96 minor groups, 449 broad occupations, and 821 detailed occupations. Occupations with similar skills or work activities are grouped at each of the four levels of hierarchy to facilitate comparisons. For example, "Life, Physical and Social Science Occupations" (19-0000) is divided into four minor groups, "Life Scientists" (19-1000), "Physical Scientists" (19-2000), "Social Scientists and Related Workers" (19-3000), and "Life, Physical and Social Science Technicians" (19-4000). Life Scientists contains broad occupations such as "Agriculture and Food Scientists" (19-1010) and "Biological Scientists" (19-1020). The broad occupation Biological Scientists includes detailed occupations such as "Biochemists and Biophysicists" (19-1021) and "Microbiologists" (19-1022). Links to major groups, the complete hierarchical structure, broad occupational definitions, and detailed occupational definitions can be accessed here: http://www.bls.gov/soc/major_groups.htm. The entire Bureau of Labor Statistics (BLS) 2010 SOC User Guide which includes coding guidelines, SOC and coding structure, and Frequently Asked Questions, is located here: http://www.bls.gov/soc/soc_2010_user_guide.pdf.

Occupational Title is the SOC title for the occupation.

Percentile Wage is a boundary that shows the percentage of workers in an occupation that earn less than a given wage and the percentage that earn more. For example, an occupational median wage (50th percentile) estimate is the boundary between the highest paid 50 percent and the lowest paid 50 percent of workers in that occupation. Half of the workers in a given occupation earn more than the median wage, and half the workers earn less than the median wage.

10th Percentile Wage is the estimated 10th percentile of the distribution of wages. Ten percent of workers in an occupation earn wages below, and 90 percent earn wages above the 10th percentile wage. For example, 10th percentile with an hourly wage of $11.00 means that 10 percent of workers earn $11.00; therefore 90 percent of workers earn more than $11.00.

25th Percentile Wage is the estimated 25th percentile of the distribution of wages. Twenty five percent of workers in an occupation earn wages below, and 75 percent earn wages above the 25th percentile wage.

Mean Hourly Wage is an average wage. The mean hourly wage is the estimated total wages for an occupation divided by its weighted survey employment.

Median Hourly Wage is the estimated 50th percentile of the distribution of wages. Fifty percent of workers in an occupation earn wages below, and 50 percent earn wages above the median wage.

75th Percentile Wage is the estimated 75th percentile of the distribution of wages. Seventy-five percent of workers in an occupation earn wages below, and 25 percent earn wages above the 75th percentile wage.

90th Percentile Wage is the estimated 90th percentile of the distribution of wages. Ninety percent of workers in an occupation earn wages below, and 10 percent earn wages above the 90th percentile wage. For example, 90th percentile wage of $25.00, means 90 percent earn less than $25.00, and 10 percent earn more than $25.00.

Annual Mean Wage is calculated by multiplying the hourly mean wage by a "year-round, full-time" figure of 2,080 hours, the yearly equivalent of a 40-hour work week.

Median Annual Wage is the median hourly wage times 2,080 work hours per year.

ATTACHMENTS/LINKS

- **Table 2: DC Wages by Major Occupational Group**
- **Table 3: DC MSA Wages by Major Occupational Group**
- **Table 4: DC Wages by Detailed Occupations**
- **Table 5: DC MSA Wages by Detailed Occupations**

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