

# RETAIL EMPLOYMENT

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## Differences in Economic Industry and Local Land Use Definitions of Retail Employment

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Cooperative Forecasting and Data Subcommittee  
10/10/2017



# Background



National Capital Region  
Transportation Planning Board

## MEMORANDUM

**TO:** Transportation Planning Board  
**FROM:** Robert Griffiths, TPB Planning and Programming Director  
 Nicole McCall, Transportation Planner, Department of Transportation Planning  
**SUBJECT:** Differences in Economic Industry and Local Land Use Definitions of Retail Employment  
**DATE:** April 13, 2016

During the presentation on the Round 9.0 Cooperative Forecasts at the March 16, 2016 Transportation Planning Board meeting, a question was raised about the relatively small amount of future growth projected for the Trade Sector of the region's economy compared to the projected 28% increase in the region's population. The purpose of this memo is to explain the differences in the definition of "retail jobs" categorized by the industry classification system used for reporting national economic statistics and "retail jobs" categorized by local land use type. From a local land use perspective, retail jobs in the region grew by 19% between 2000 and 2014 while population increased by 22%. Similarly, the draft Round 9.0 Cooperative Forecasts project retail jobs (land use definition) to increase by 31% between 2015 and 2040 relative to a total population increase of 28% in this period.

### ECONOMIC INDUSTRY CLASSIFICATION OF RETAIL EMPLOYMENT

The IHS US Economic Services econometric model used by COG to develop 30-year regional benchmark employment projections utilizes the North American Industrial Classification System (NAICS) to categorize employment by industry type. NAICS provides a consistent national framework for the collection, reporting and analysis of employment statistics for different industrial sectors within the U.S. economy. More information about NAICS is available from the US Census Bureau at: <http://www.census.gov/eos/www/naics/>.

Employment projections from the econometric model by NAICS industry groupings, called "Supersectors", are used by staff and the members of COG's Cooperative Forecasting Subcommittee to examine how employment for different groups of industries in the region are projected to change in the future. Table 1 shows how different industries are grouped within NAICS Supersectors. Retail Trade is grouped within the NAICS Trade, Transportation, and Utilities Supersector.

Table 1 NAICS Supersector Industry Groupings

Super-sector	Sector
1011 Natural Resources and Mining	Sector 11 Agriculture, forestry, fishing and hunting Sector 21 Mining
1012 Construction	Sector 23 Construction
1013 Manufacturing	Sector 31-33 Manufacturing
1021 Trade, Transportation, and Utilities	Sector 42 Wholesale Trade Sector 44-45 Retail Trade Sector 48-49 Transportation and Warehousing Sector 22 Utilities

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Waste Services

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, and recreation

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ept Public Administration)

**UTILITIES**

ablishments performing

ctivities in addition to retail

primarily engaged in

nd home furnishing stores,

er sellers of miscellaneous

employment increased in the

ector

	Growth	Percent
2014	2000-2014	Growth 2000-2014
092	-5,730	-11%
309	6,896	3%
744	-6,464	-13%
239	-1,234	-19%
<b>436</b>	<b>-11,110</b>	<b>-3%</b>

(QCEW)

forecasts by land use

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in Table 3. Retail  
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as shown in Figure 1.

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rsing home, churches,

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**nts**

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Cleaners and  
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**Use**  
**Category**

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(Alcoholic  
Beverages)

**EMPLOYMENT**

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ganized to serve the  
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land use perspective can  
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the NAICS Other Services  
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poses. As shown in Table  
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increased by 19% between  
and drinking

Retail Employment Definition

	2010	2014	Growth 2000-2014
	119	238,165	2%
	893	185,603	52%
	208	35,619	14%
	<b>219</b>	<b>459,387</b>	<b>19%</b>

**POPULATION GROWTH**

tion) and population for the  
tive retail jobs grew roughly  
0 and 2014. Similarly, the  
on to increase by 28%  
by 31%.

*the Region, 2000-2014*

	2014	Growth
	459,387	19%
	3,388,700	22%

# Trade, Transportation, and Utilities Supersector

NAICS Code	Industry	2000	2010	2014	Growth 2000-2014	Percent Growth 2000-2014
42	Wholesale Trade	51,822	49,101	46,092	-5,730	-11%
44-45	Retail Trade	235,413	230,100	242,309	6,896	3%
48-49	Transportation And Warehousing	51,208	37,754	44,744	-6,464	-13%
22	Utilities	6,473	4,507	5,239	-1,234	-19%
<b>Total</b>		<b>355,546</b>	<b>331,741</b>	<b>344,436</b>	<b>-11,110</b>	<b>-3%</b>



# Economic Industry vs Land Use Category

## Retail Establishments



# NAICS Approach to Estimate of Land Use Retail Employment

## Retail Trade

Retailers (Automobile Dealers, Furniture and Home Furnishings Stores, Grocery Stores, Gasoline Stations, Miscellaneous) except for non-store retailers.



## Food Services and Drinking Establishments

Drinking places (alcoholic beverages), restaurants and other eating places



Other Services, including:  
Automotive Repair and Maintenance, Personal Care Services, and Dry Cleaning and Laundry Services



# Growth in Land Use Retail Employment Relative to Population Growth

	Retail Employment	Population	Difference (Absolute Value)	Population/ New Retail Job
Estimates, 2000 to 2014	19%	22%	3%	13
Cooperative Forecast Round 9.0, 2015 to 2045	37%	28%	9%	8
Cooperative Forecast, Range of Growth, Jurisdictions, 2015-2045	12% to 53%	10% to 57%	-30% to 41%	4 to 23

With the exception of a couple of jurisdictions, the absolute difference was 16 percent and population/new retail job ranged between 6 and 11.



# Next Steps

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- With current disruption to the retail sector, we will want to watch this sector closely.
- Please include a note in your transmittal letter if either:
  - the absolute difference between your retail employment and population growth rates is greater than 16 percent or
  - There are fewer than 6 or greater than 13 new residents per retail job
- Would it be helpful to update this memo? What resources are helpful?

## Nicole McCall

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