

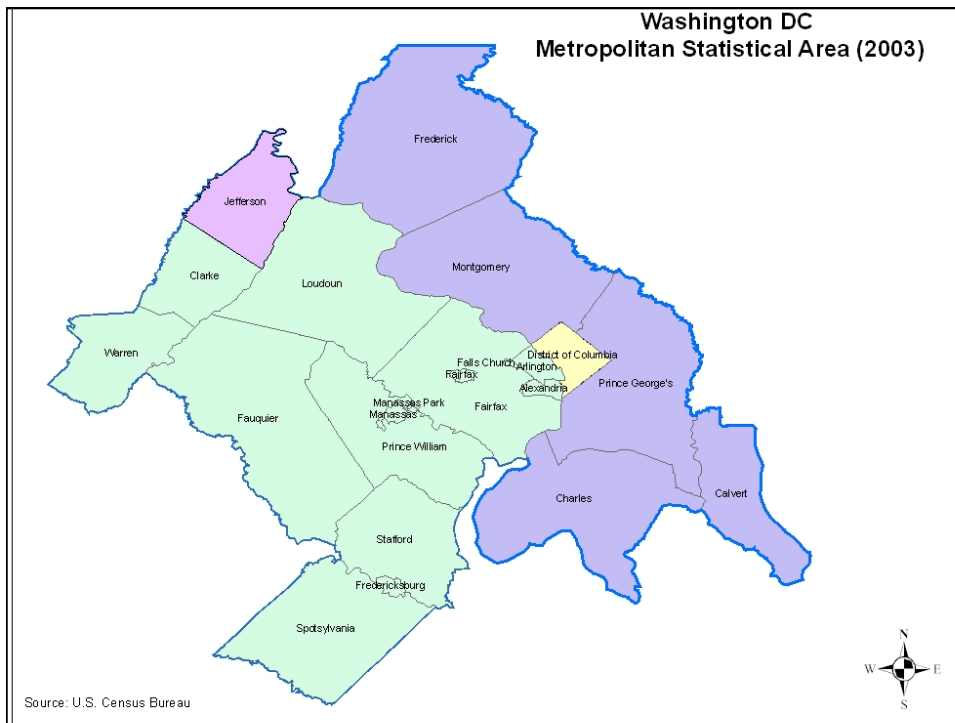
 


# Virginia Association of Economists

## **The Washington Area Economy: Major Conditions and Trends Shaping Its Future**

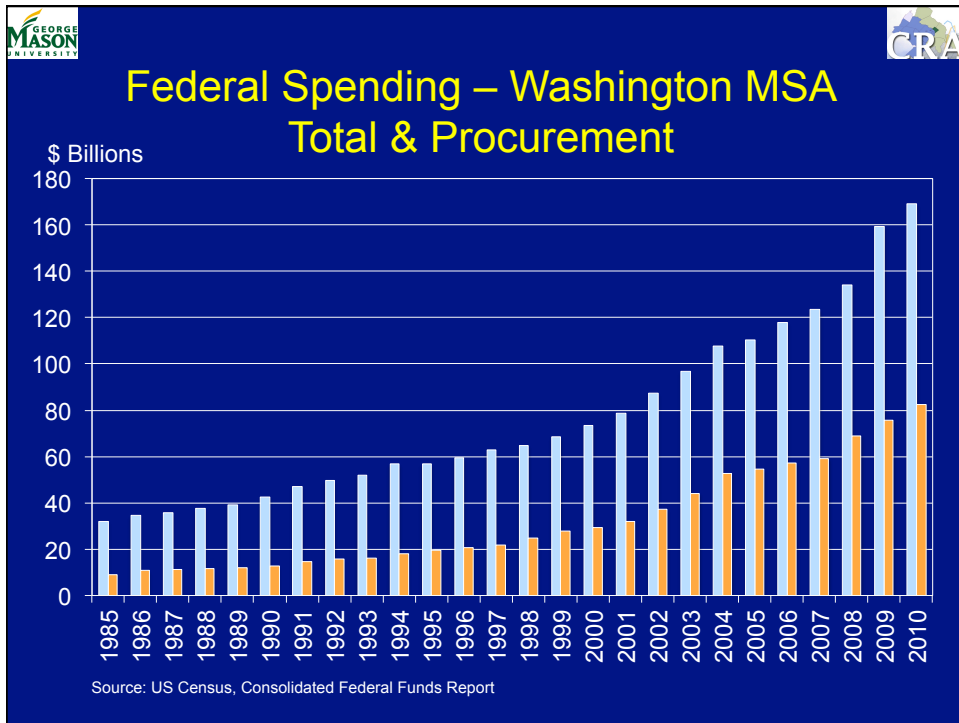
Stephen S. Fuller, Ph.D.  
Dwight Schar Faculty Chair and University Professor  
Director, Center for Regional Analysis  
George Mason University

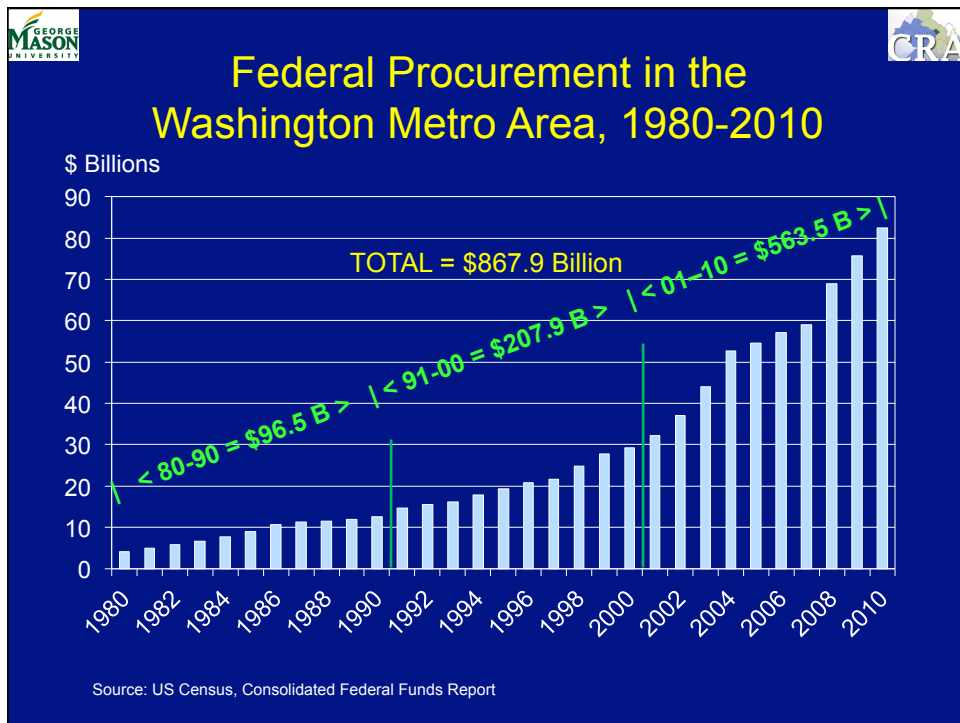
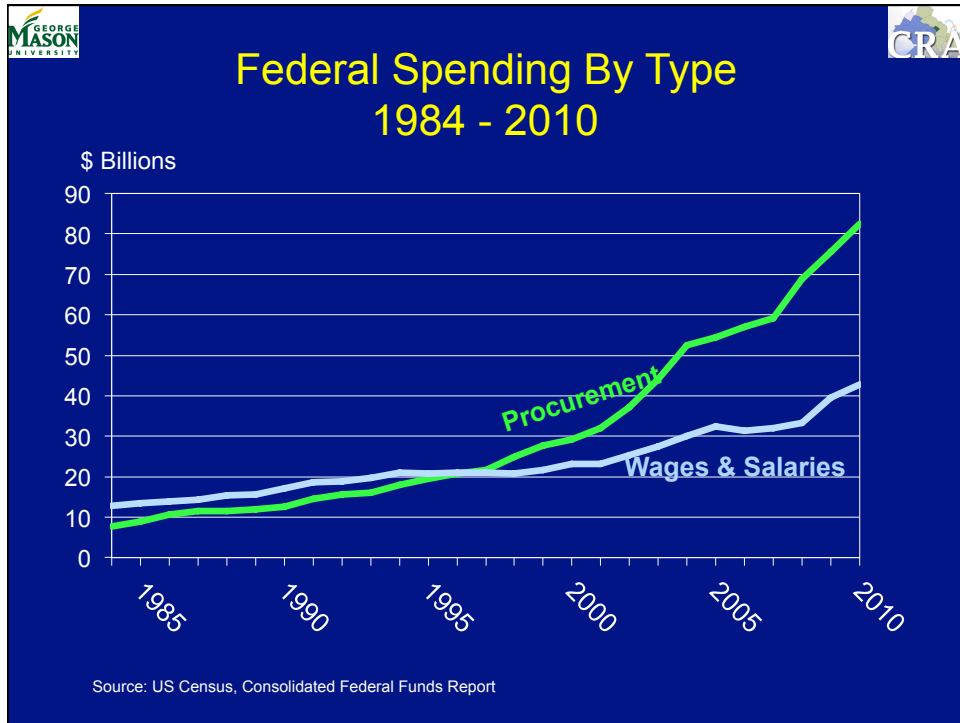
March 21, 2013

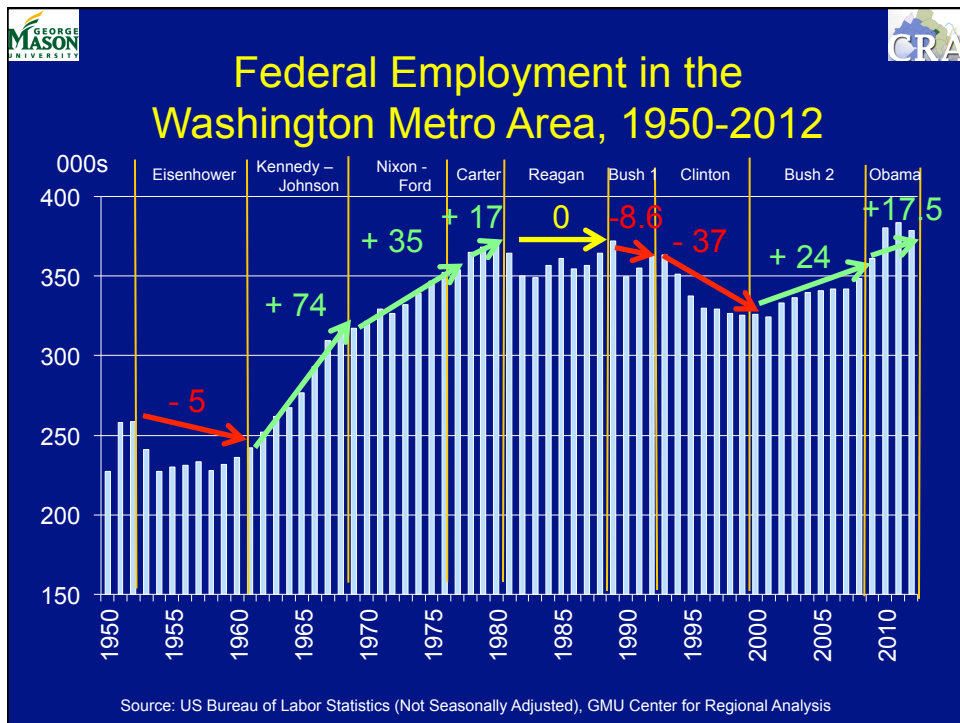
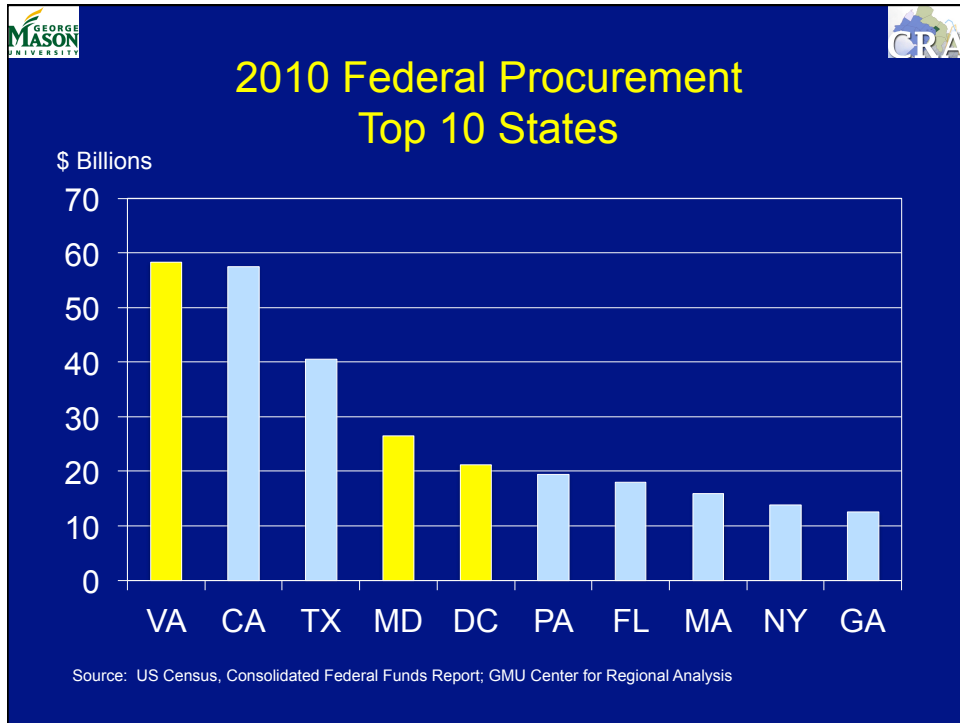


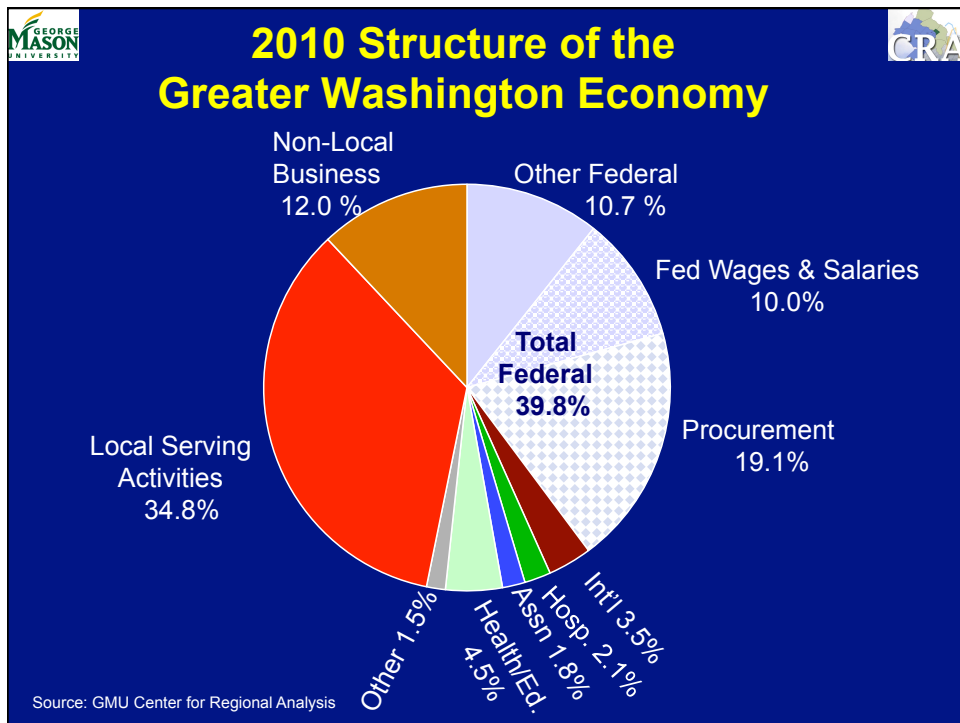
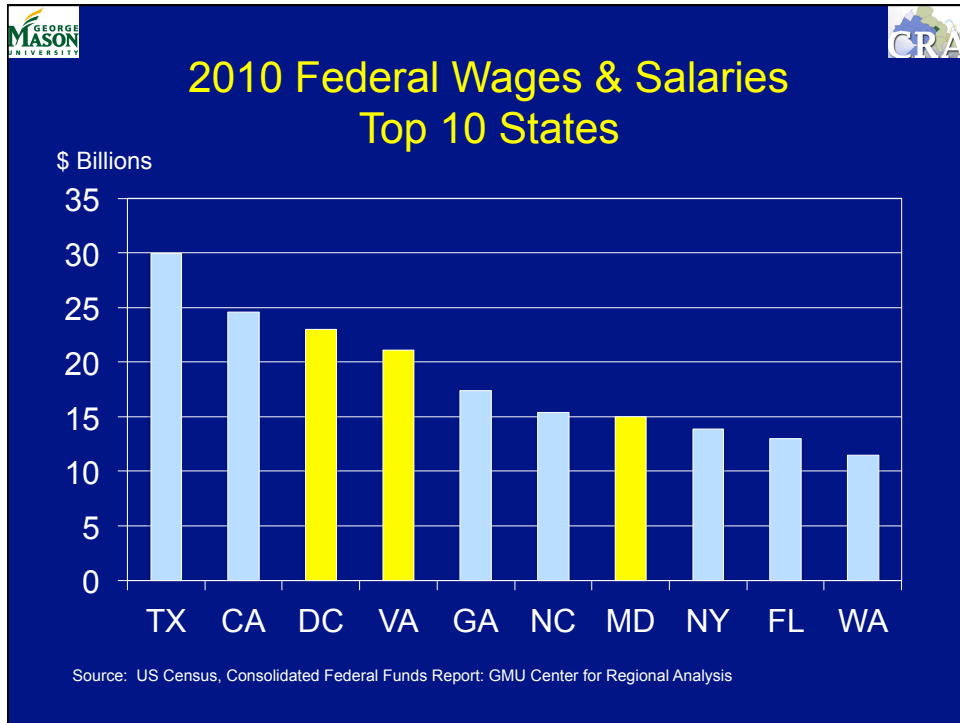
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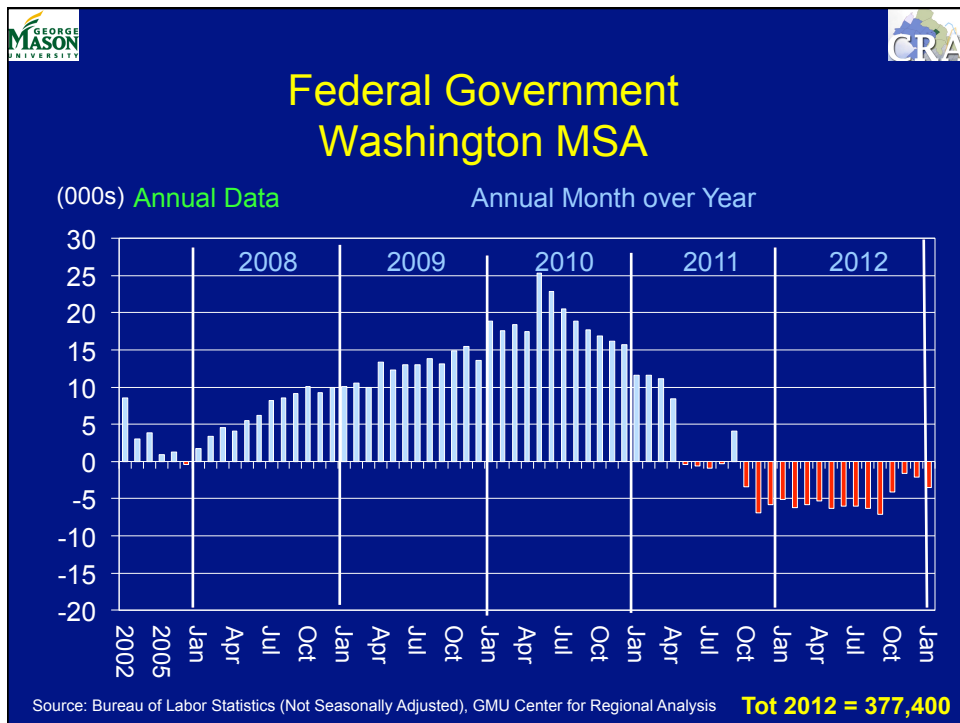
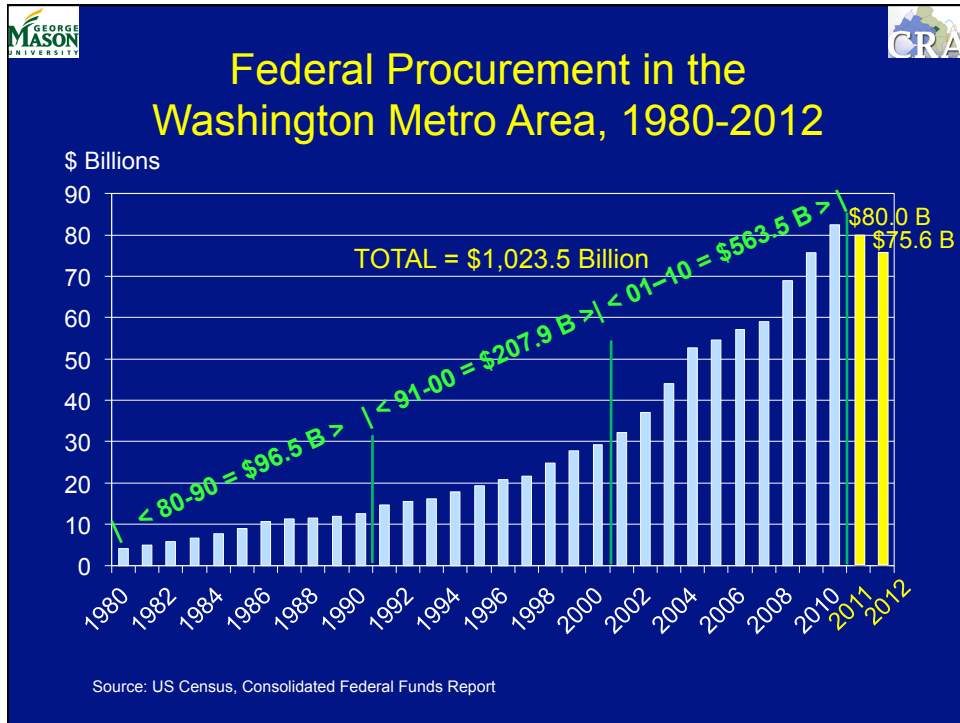
# Federal Spending Patterns In the Washington Area













## Summary for Federal Spending Trends in the Washington Metropolitan Area, 2010-2012

- Federal Procurement Outlays declined 8.4% between FY 2010 and FY 2012.
- Federal employment has declined since peaking in July 2010, losing 8,700 jobs or 2.25%.
- Federal payroll declined by 0.6% between FY 2010 and FY 2011 and will continue to decline as the workforce shrinks and older workers retire and are replaced by younger workers.

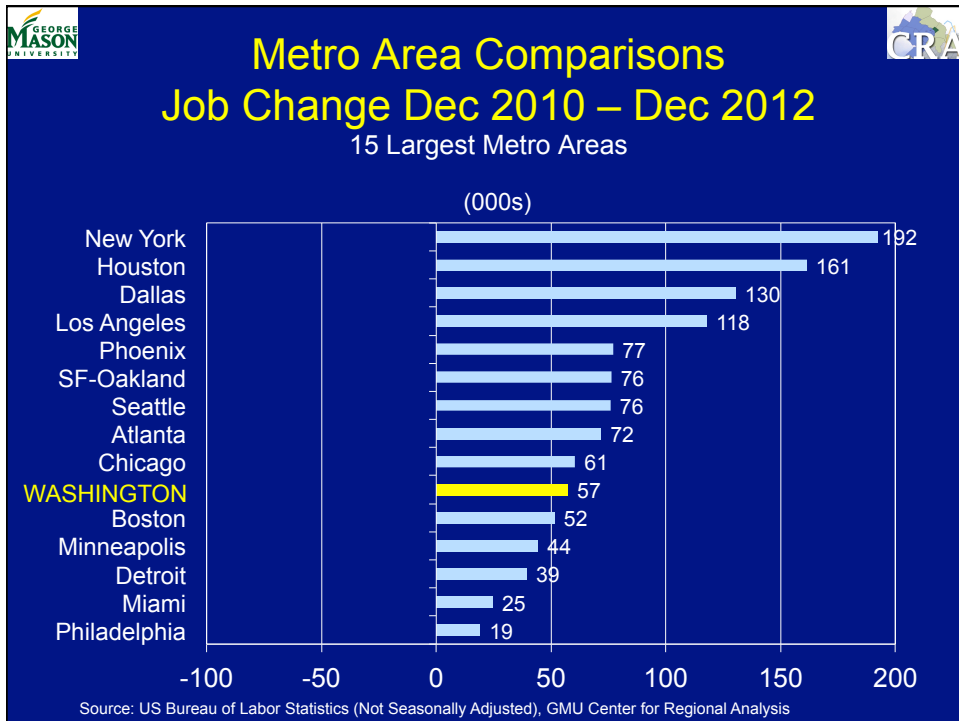


## The Relative Importance of Federal Spending in the Maryland-DC-Virginia Region

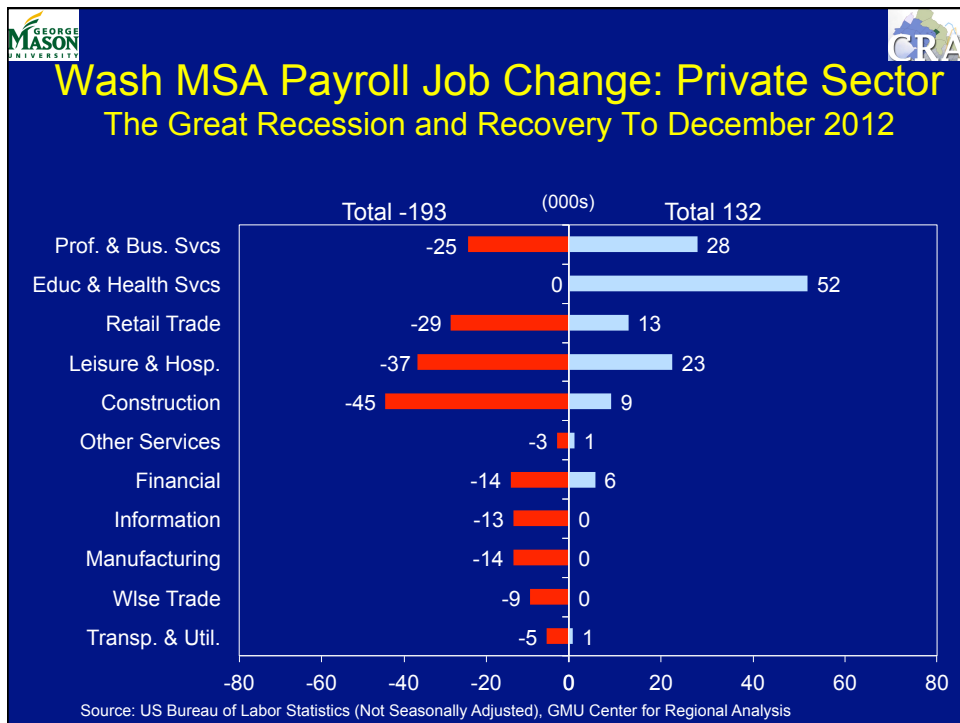
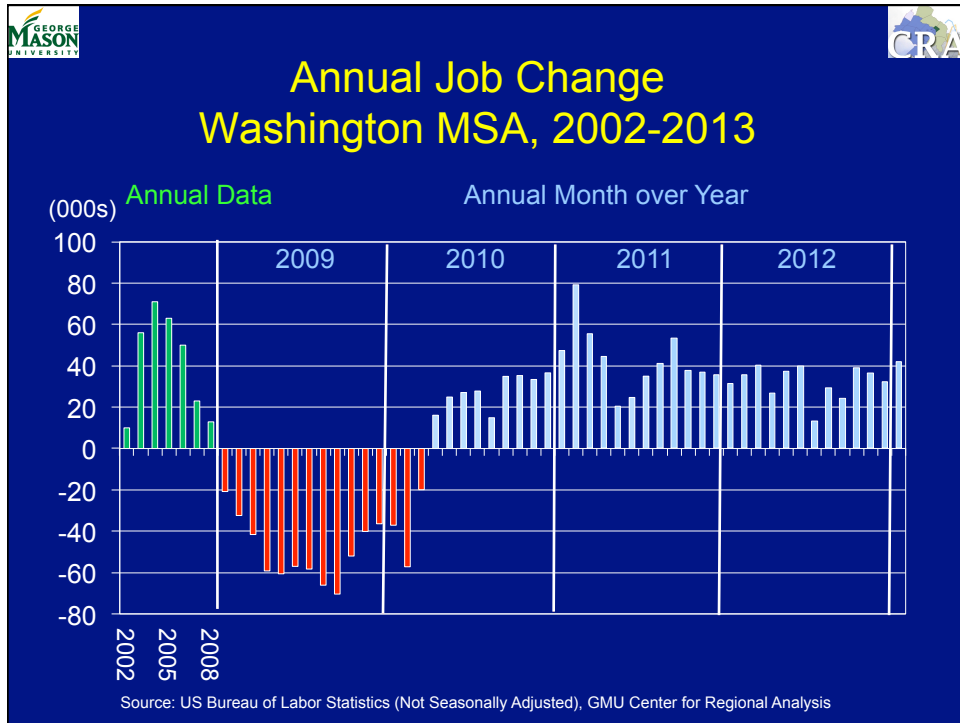
The Region's Share of U.S. Population	4.7%
The Region's Share of All Federal \$s	9.0%
The Region's Share of All DOD \$s	15.0%
Share of Total Federal Spending	
Subject to Sequestration	21.0%
Federal Spending as a Percent of the Region's GRP in 2011	39.0%

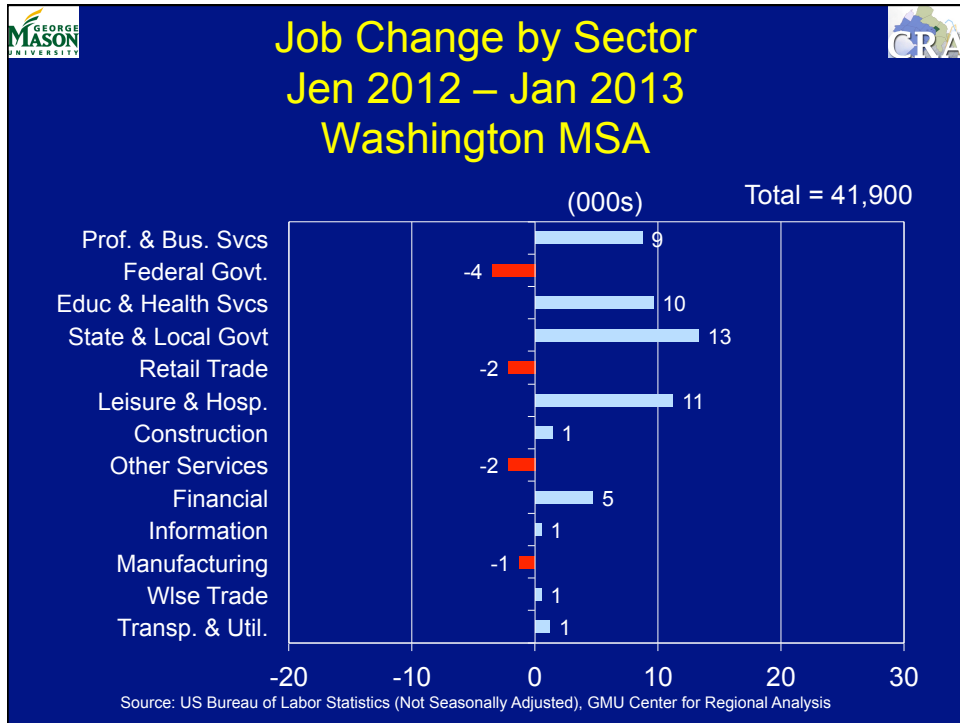
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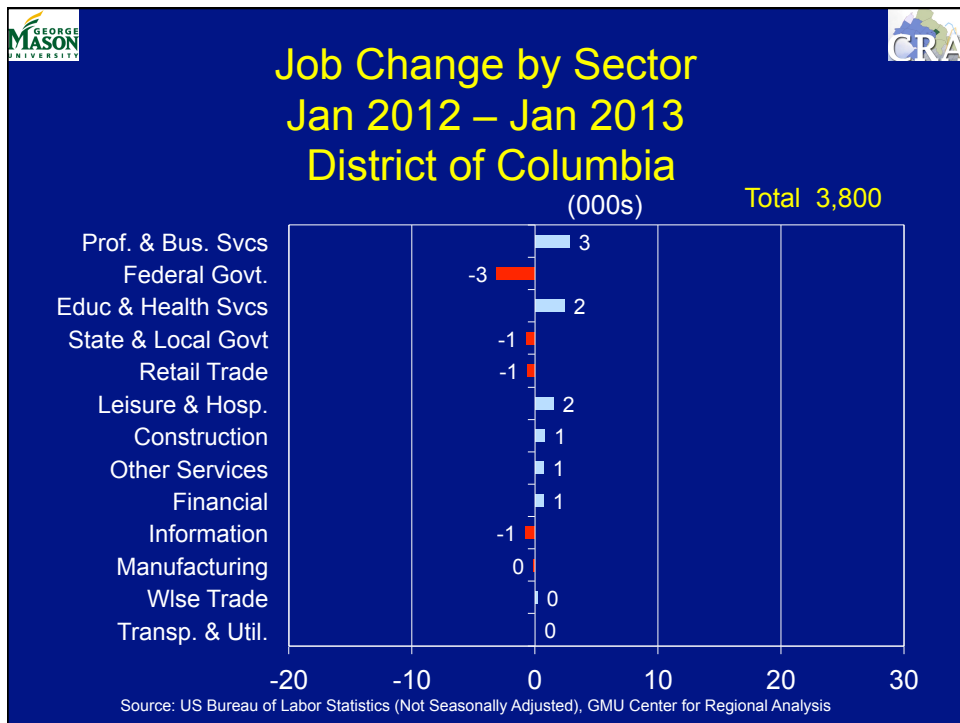
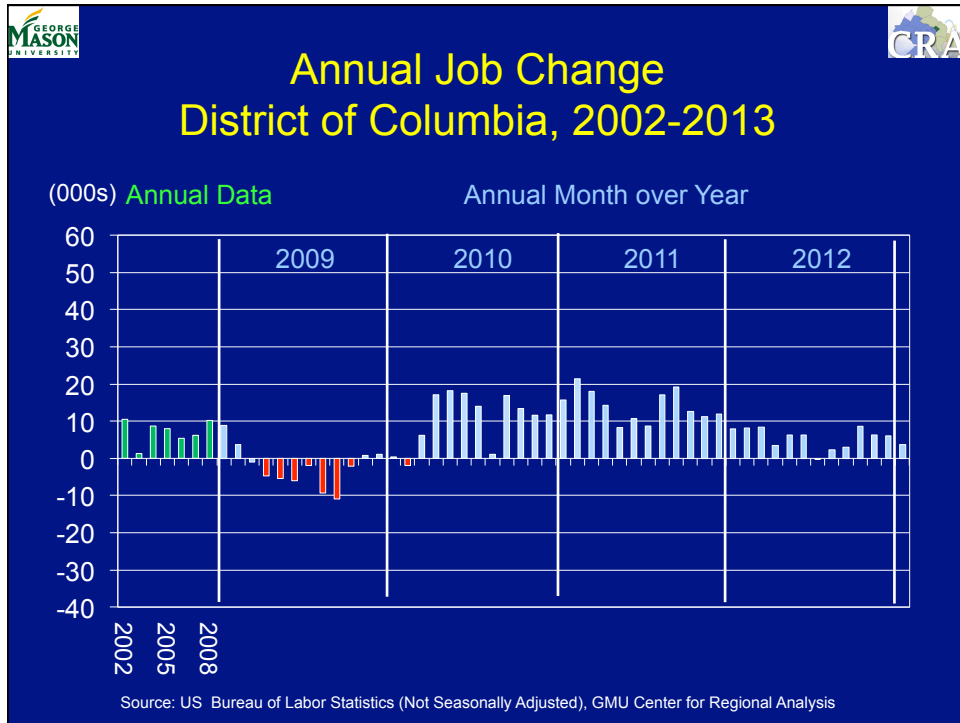
## How did the recession change the Washington Area economy?

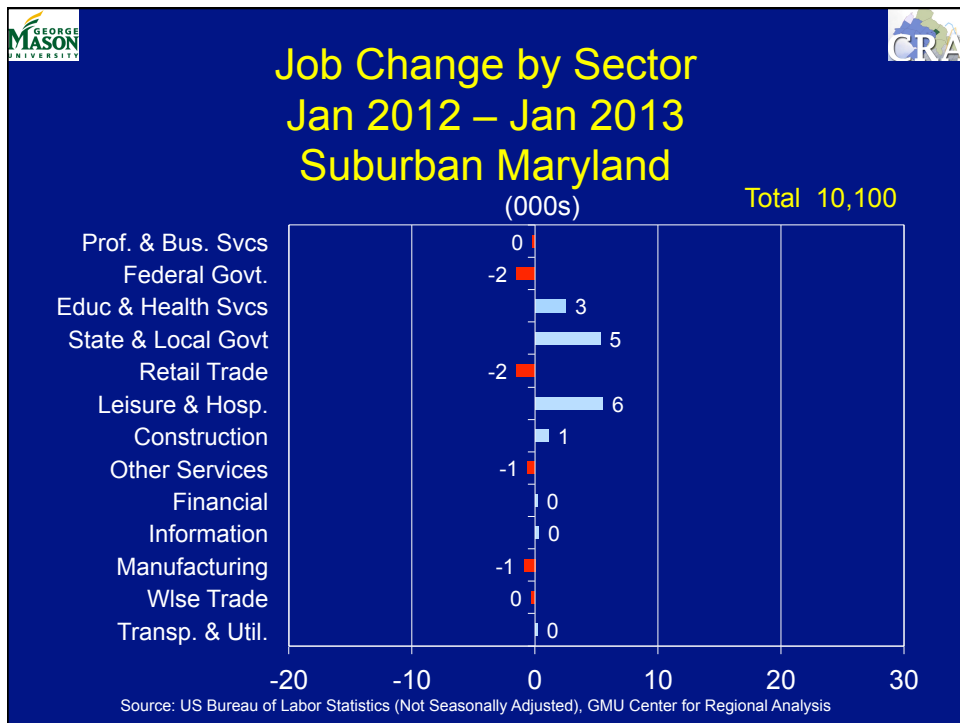
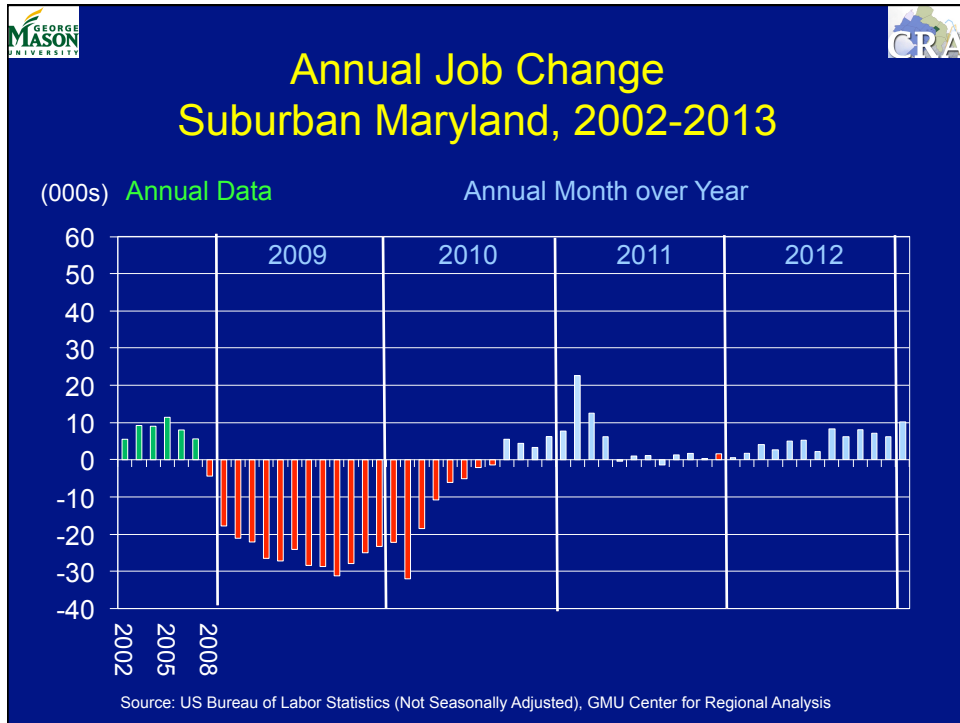


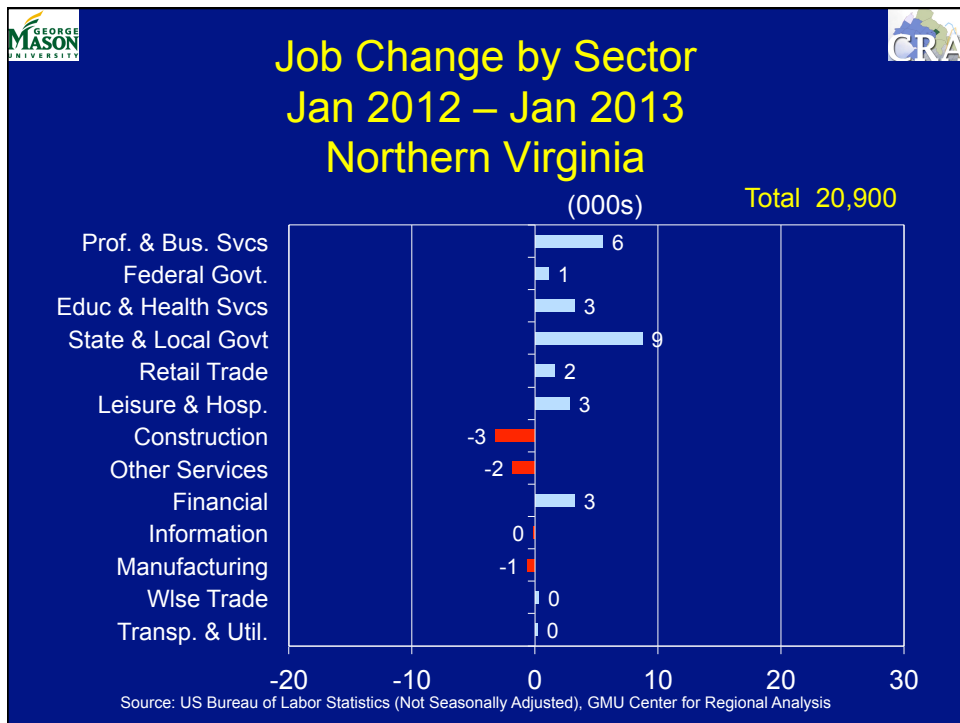
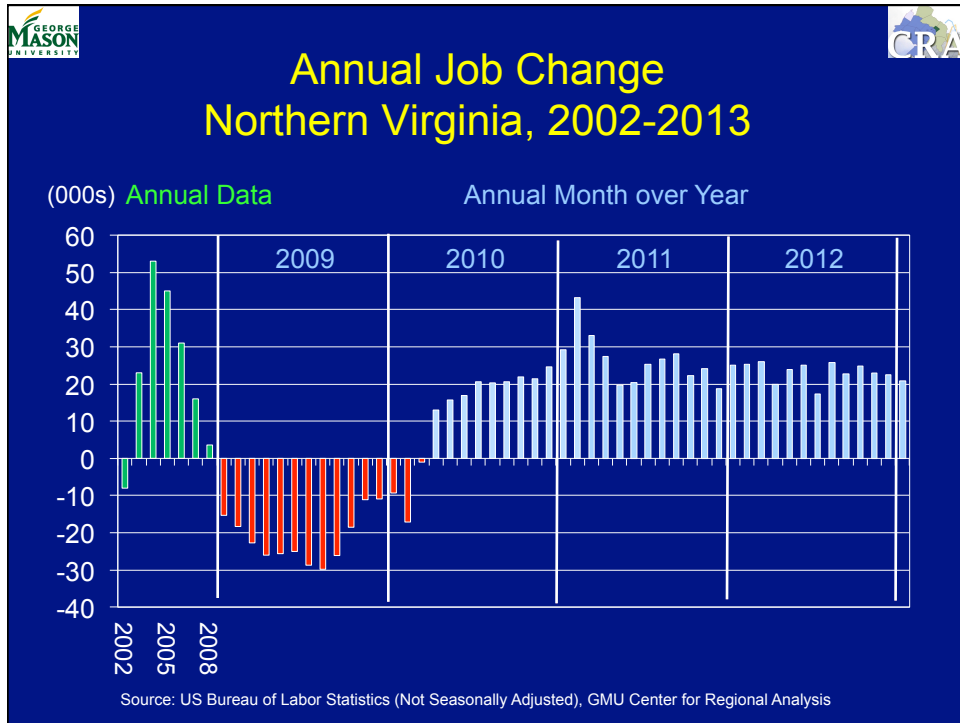


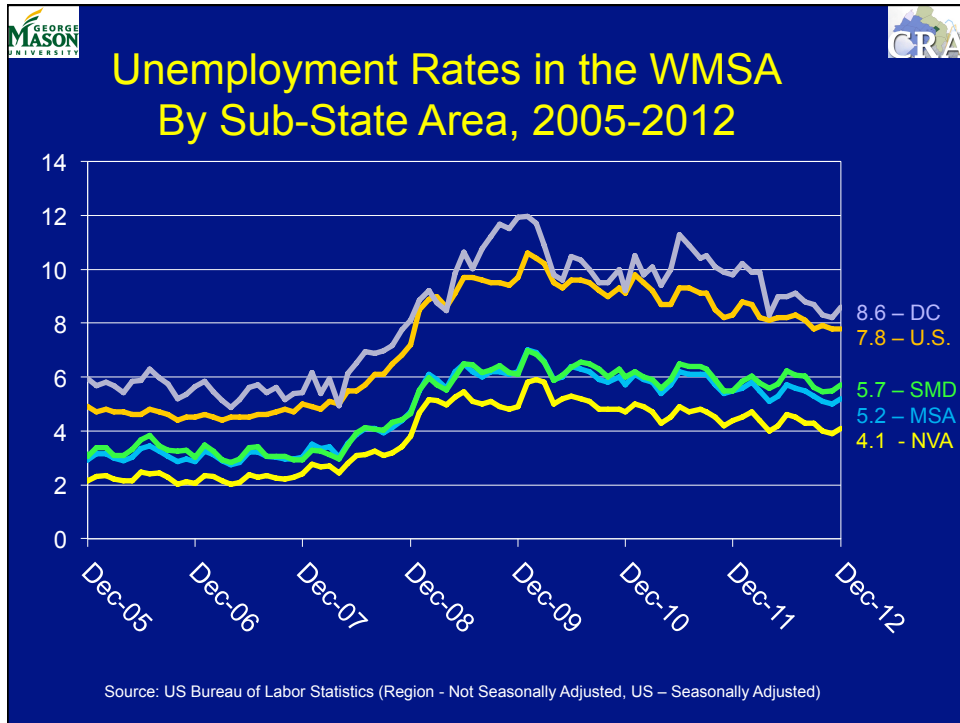













# The Washington Area's Post-Federally Dependent Economy






### Job Growth in the Washington Area By Sector, 2012-2017 (in thousands)

<u>Sector</u>	<u>2012</u>	<u>2017</u>	<u>Change</u>	<u>Percent</u>
Prof. & Bus. Ser.	697.4	841.2	143.8	20.6
Federal Gov't	380.4	358.4	- 22.0	- 5.8
Education/Health	380.2	419.0	38.8	10.2
S & L Gov't	309.7	321.6	11.9	3.8
Hospitality	276.8	285.0	8.2	3.0
Retail Trade	254.1	266.6	12.5	4.9
Other Services	182.8	185.3	2.5	1.4
Financial Services	150.0	154.7	4.7	3.1
Construction	146.4	201.8	55.4	37.8
Information Ser.	80.6	87.6	7.0	8.7
Other Sectors (3)	175.0	193.2	18.2	10.4
<b>Total Jobs</b>	<b>3,033.4</b>	<b>3,314.4</b>	<b>281.0</b>	<b>9.3</b>




### GRP Per Job in the Washington Area By Sector (in 2005 dollars)



<u>Sector</u>	<u>2012</u>	<u>2017</u>	<u>% Change</u>
Prof. & Bus. Services	\$134,750	\$154,656	14.8%
Federal Gov't	138,361	138,566	0.1
Education/Health	59,730	57,508	- 3.7
S & L Gov't	60,975	56,920	- 6.6
Hospitality	42,883	42,391	- 1.1
Retail Trade	60,807	64,136	5.5
Other Services	70,339	69,151	- 1.7
Financial Services	543,482	578,062	6.4
Construction	98,824	82,490	- 16.5
Information Services	349,868	468,376	33.9
Other Sectors	147,903	151,120	2.2
<b>GRP per Job</b>	<b>\$130,653</b>	<b>\$138,881</b>	<b>6.3</b>

## GRP, Job and Workforce Growth in the Washington Metropolitan Area, 2012 – 2017

(in billions of current \$s, jobs in thousands)

Indicator	2012	2017	Change
GRP Growth	\$450.9	\$571.8	26.8%
Net Job Growth	3,915.3	4,271.5	356.2 9.1%
Replacement Job Growth		459.1	11.7%
Resident Workforce	3,203.1	3,427.9	224.8 7.0%

## Washington Metropolitan Area: Major Sources of Net New Jobs 2012-2017

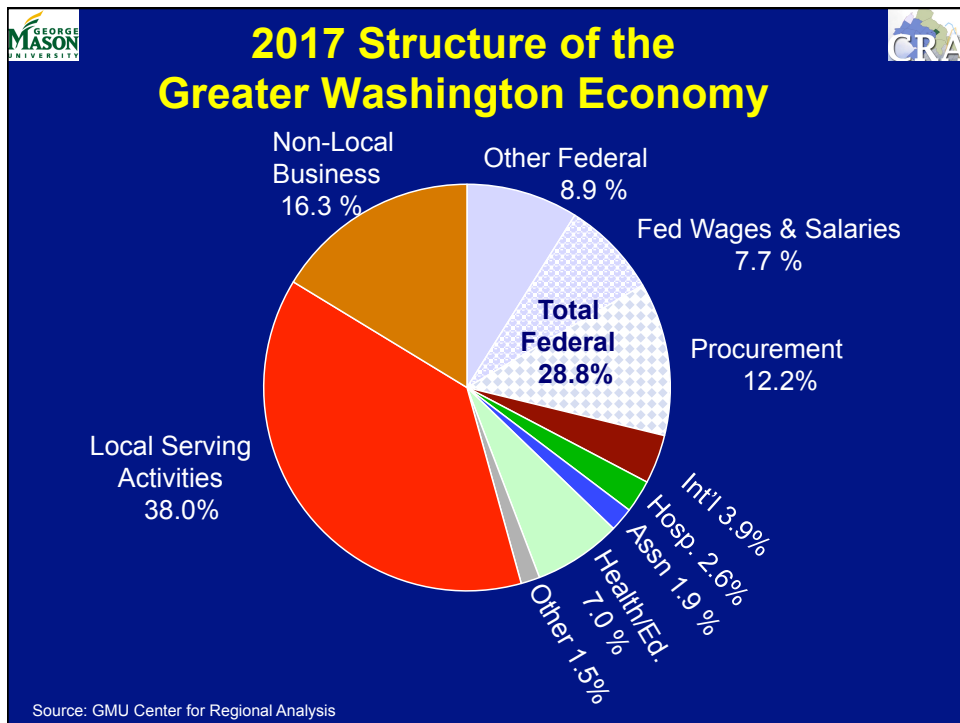
Occupation	Net New	% of Total	% Change
Business and Financial	52,253	14.7	13.7
Computer, Math and Sci	33,630	9.4	14.2
Health Care (all occup.)	31,915	9.0	13.7
Office Admin Support	30,334	8.5	6.3
Sales & Related Occup.	29,246	8.2	7.0
Personal Care Occup.	23,892	6.7	15.2
Management Occupations	22,964	6.4	7.1
Education & Training	21,642	6.1	10.6
Totals	224,234	63.0	10.0

Source: EMSI Inc., GMU Center for Regional Analysis



**Washington Metropolitan Area:  
Major Sources of Replacement Jobs  
2012-2017**

<u>Occupation</u>	<u>Total Openings</u>	<u>% of Total</u>	<u>% Change</u>
Sales Occupations	63,310	13.8	15.2
Business and Financial	36,805	8.0	9.6
Office Admin Support	54,986	12.0	11.4
Food Prep & Serving	54,587	11.9	23.6
Management Occupations	36,239	7.9	11.1
Computer, Math and Sci	21,429	4.7	9.1
Health Care (all occup.)	21,679	4.7	9.3
Education & Training	21,310	4.6	10.5
Personal Care Occup.	18,479	4.0	11.7
<b>Totals</b>	<b>328,824</b>	<b>71.6</b>	<b>12.3</b>





Thank You  
Questions

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