Washington Area Economy: Performance and Outlook

Presentation to:

Virginia’s Economic Future
Thomas Jefferson Institute for Public Policy

Center for Regional Analysis
Schar School of Policy and Government
George Mason University

September 14, 2016
Annual Job Change
Washington MSA, 2002-2016

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Federal Government
Washington MSA

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis

Jul-16 Total: 371.4

TOTAL = $1,235.9 Billion

Source: US Census, Consolidated Federal Funds Report and USAspending.gov
Professional & Business Services
Washington MSA

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Professional & Business Services
Washington MSA
Annual Month Over the Year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Job Change by Sector
Washington MSA

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
15 Largest Job Markets

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
WMSA Payroll Job Change: Private Sector
The Great Recession and Recovery


Prof. & Bus. Svcs  -24  0  83
Educ & Health Svcs  -23  0  65
Retail Trade  -34  0  43
Leisure & Hosp.  -49  0  97
Construction  -8  0  34
Other Services  -10  0  24
Financial Information  -12  0  10
Manufacturing  -10  0  1
Wlse Trade  -7  2  0
Transp. & Util.  -5  5  0

Total -181  Total 363

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Annual Job Change
Northern Virginia, 2002-2016

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Job Change by Sector
Northern Virginia

Prof. & Bus. Svcs
1

Federal Govt.
1

Educ & Health Svcs
3

State & Local Govt
5

Retail Trade

Leisure & Hosp.

Construction

Other Services

Financial

Information

Manufacturing

Whse Trade

Transp. & Util.

Total 26,300

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Unemployment Rates in the WMSA
By Sub-State Area, 2009-2016

Washington MSA Leading Economic Index
Month-Over-Year Percent Change

Source: GMU Center for Regional Analysis
U.S. GDP and Washington Area GRP
2007 – 2015 – 2020
(Annual % Change)

Source: IHS Economics, GMU Center for Regional Analysis, Forecast: April 2016
Where are we?

• We are growing:
  • Some diversification
  • Some catch-up
  • Recent job growth across all wage levels

• Advantages
  • Government Center
  • International Institutions
  • Connectivity to the World
  • Concentration of Leaders
  • High Quality-of-Life
  • Diverse Population
  • Higher Educational Services
  • Educated Work Force
  • High Labor Force Participation
  • Advanced Occupational Specializations

• Headwinds
  • Sequester?
  • Further market shifts needed
  • Cost of living
  • Cost of doing business
  • Mobility
  • Access to capital
  • Lack of regional branding, economic development cooperation
  • Globally competitive?
Thank You

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