Washington Area Economy: Performance and Outlook

Presentation to:
Committee for Dulles

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What’s new?
Economic Trends?
Regional Implications?
5.2 % Real median household income
2.4 M More workers
1.2 % Decrease in poverty rate
3.5 M Fewer in poverty

U.S. Census Bureau
Income and Poverty in the United States: 2015
Current Population Reports
Issued September 2016, P60-256
GDP Trends since 2001

Source: US Bureau of Economic Analysis, *2009 Chained Dollars
New Numbers

The region's 2015 GDP number is in. And it's not impressive.

Courtesy of Washington Business Journal
Recession Recovery Patterns of GDP
Past Four Recessions

% Change in GDP*  
Quarters After Trough

*in 1992 or 2009 Chained Dollars

Sources: Bureau of Economic Analysis, 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

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Annual Change in Payroll Jobs – US
Month-Over-Year

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

Annual Data

Annual Month over Year

Source: Bureau of Labor Statistics (Not Seasonally Adjusted), GMU Center for Regional Analysis
Index of Population and Employment Growth in the Washington Region

Washington Metro Area
Population Components of Change

2012-2013: 47,989
2013-2014: 47,150
2014-2015: 47,495

- Net Domestic Migration
- Net International Migration
- Natural Increase

Source: Census Bureau
Long commutes diminish quality of life

Proportion of workers with travel time to work of 60 or more minutes

Source: US Census Bureau, 2014 American Community Survey, Table S0802
Median House Sales Price
Washington MSA

Source: Metropolitan Regional Information Systems (MRIS), GMU Center for Regional Analysis

$399.3K
Aug 2016
What’s Next for the Regional Economy?

- Job Growth continues
- Less federal dependency
- Strength in small business development
- Key opportunities
  - Sci-Tech services
  - Bio-tech & health services
  - Higher Education
  - Advocacy
  - Tourism
  - Global
- Attractive to talent
- New transportation investments economic and transportation benefit

- Vulnerable to Federal sequestration, BRAC
- Small firms bought by out-of-area companies and moved
- Diverse education requirements
- Retaining talent challenging
  - High costs for housing, childcare
  - Opportunities elsewhere
  - Long Commutes
  - Metrorail Unreliable
Comments?