

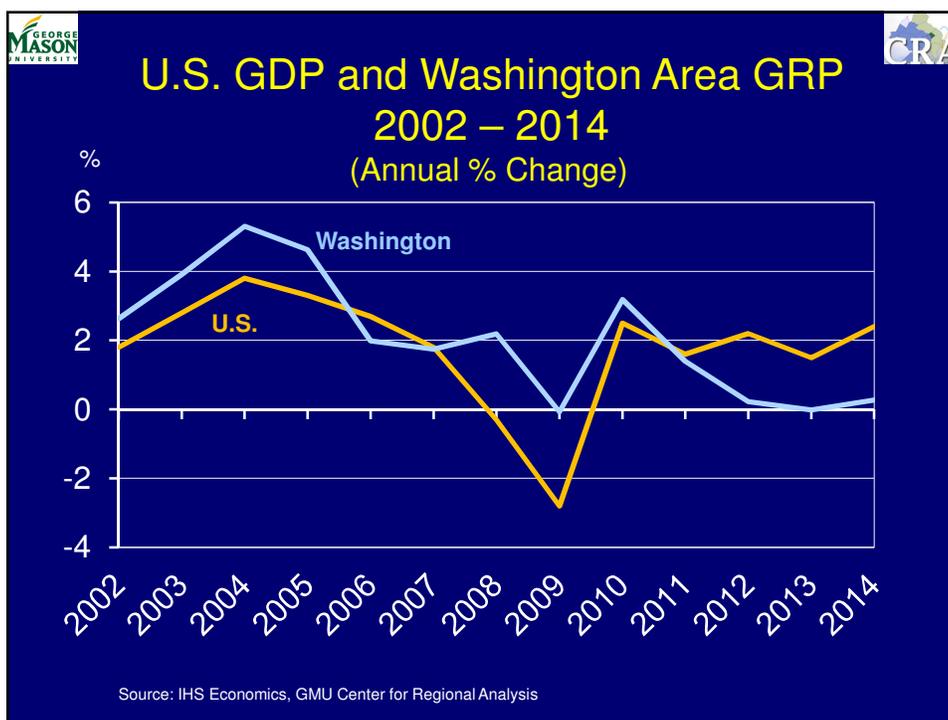



# Roadmap for Greater Washington's Economic Future - Update

## *The Washington Region's Economy Pivots Towards Its Future*

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

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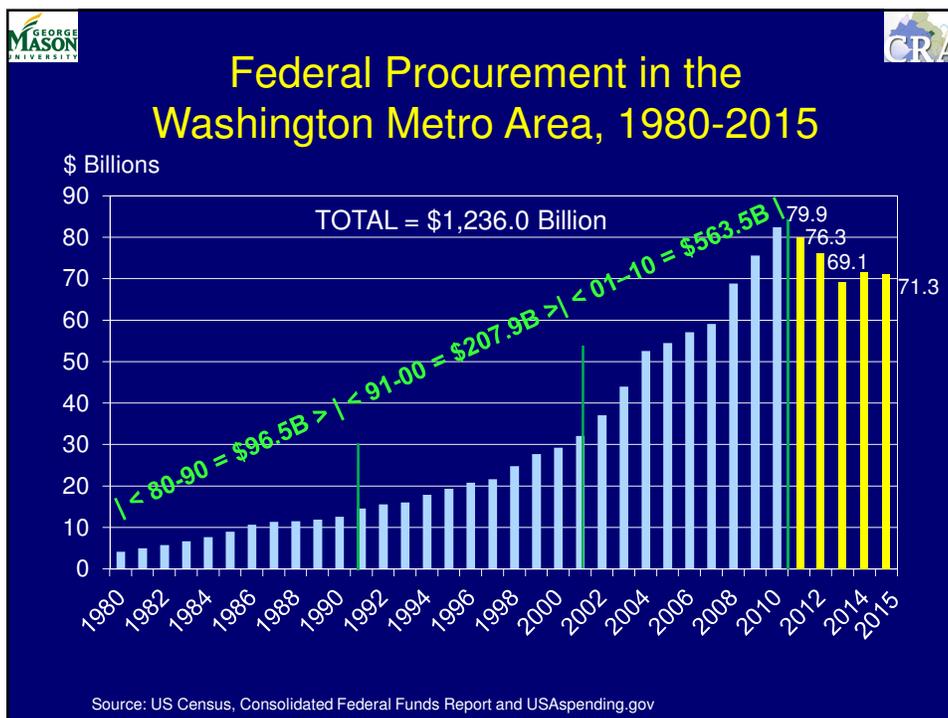
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### State and Metro Growth Rates and Rankings 2010-2014

(annual percent change)

<u>Year</u>	<u>U.S.</u>	<u>Maryland</u>	<u>DC</u>	<u>Virginia</u>	<u>WMSA</u>
2010	2.5	2.6	2.8	2.5	3.2
2011	1.6	1.4	2.0	0.7	1.4
2012	2.2	0.4	0.2	0.7	0.2
2013	1.5	- 0.2	- 0.7	- 0.2	0.0
Ranking		36 <sup>th</sup>	43 <sup>rd</sup>	35 <sup>th</sup>	
2014	2.4	1.2	2.2	0.4	0.3
Ranking		42 <sup>nd</sup>	22 <sup>nd</sup>	46 <sup>th</sup>	

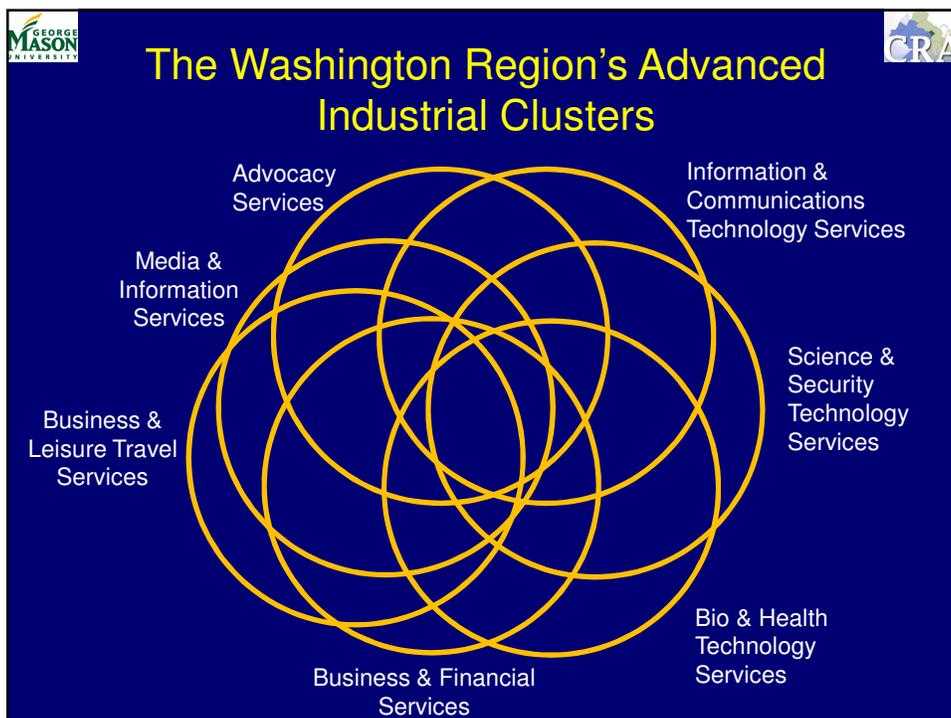
Source: U.S. Department of Commerce





**Objectives of the Roadmap**

- Re-position the economy away from Federal markets to national and global markets;
- Build on the region's competitive advantages;
- Focus on export-based, high-value added, high-growth potential businesses;
- Identify what these types of businesses need—their requirements—to grow in the Washington area;
- Formulate a call-to-action to address the region's "requirements" for future growth.






### The Washington Region's Advanced Industrial Clusters: 2014 Employment

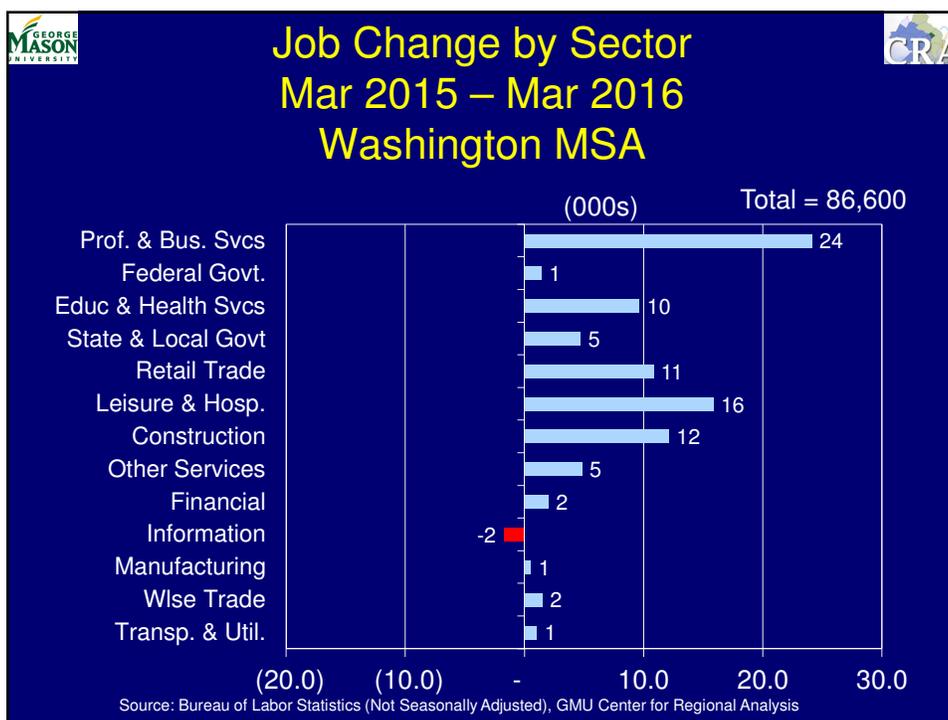
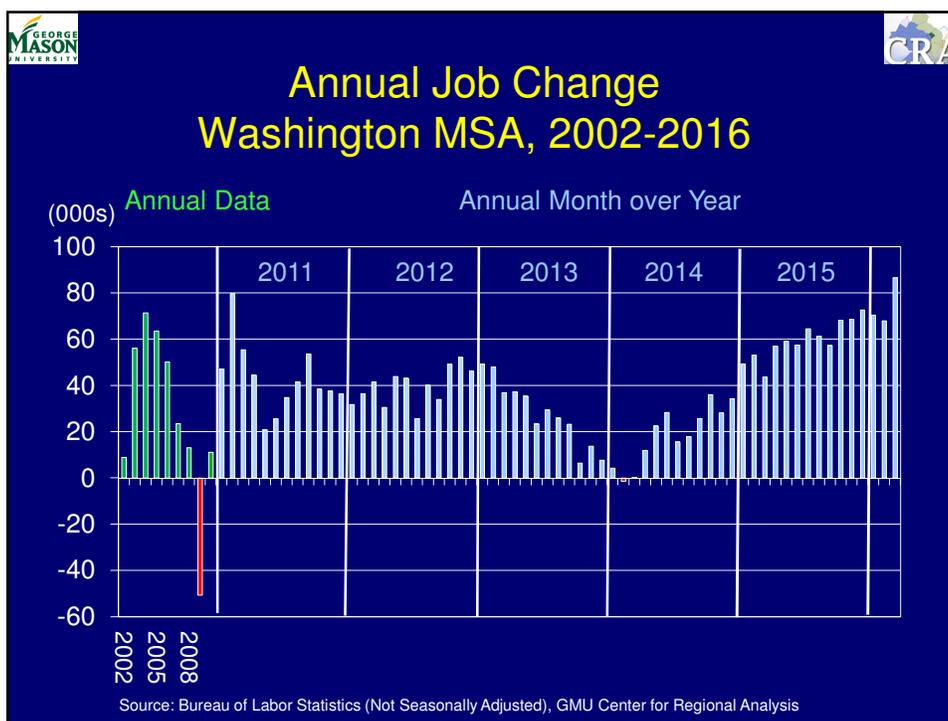
<u>Cluster</u>	<u>Jobs</u>	<u>%Change</u> <sup>1</sup>	<u>LQ</u> <sup>2</sup>	<u>Wage</u> <sup>3</sup>
Advocacy Services	115,731	19.0	3.5	1.7
Info & Comm. Tech	204,489	5.5	2.7	1.4
Sci & Security Tech	123,785	18.6	1.8	1.6
Bio & Health Tech	55,396	25.1	2.0	1.6
Business & Fin. Serv.	190,128	38.9	1.8	1.6
Media & Info Services	35,745	- 20.1	1.5	1.7
Business & Leisure T.	85,919	- 1.3	1.1	1.3
<b>All Clusters</b>	<b>811,193</b>	<b>14.5*</b>	<b>2.0</b>	<b>1.6</b>

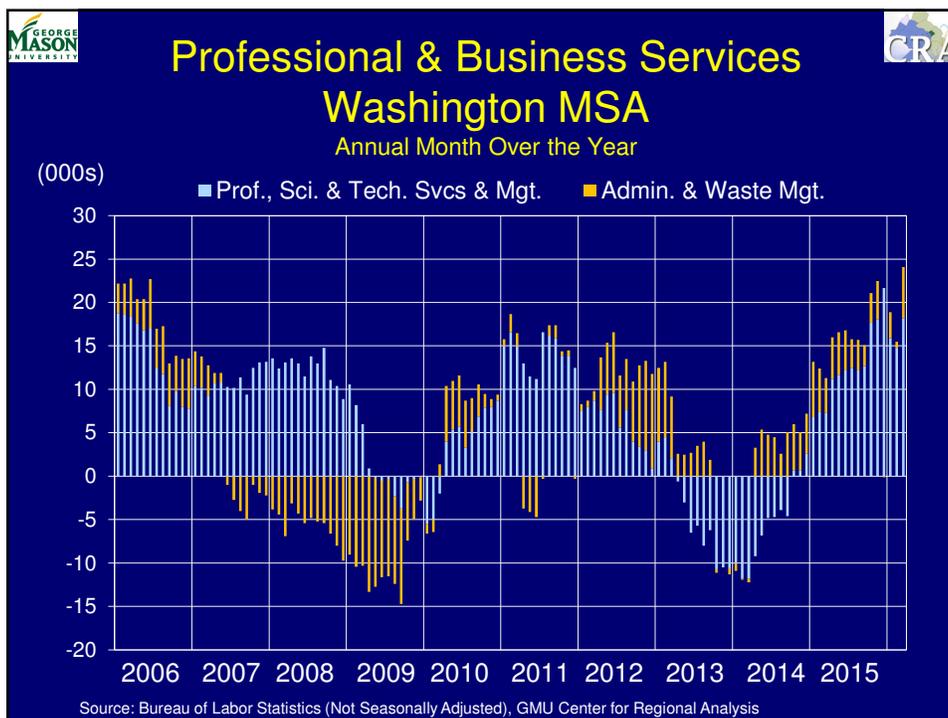
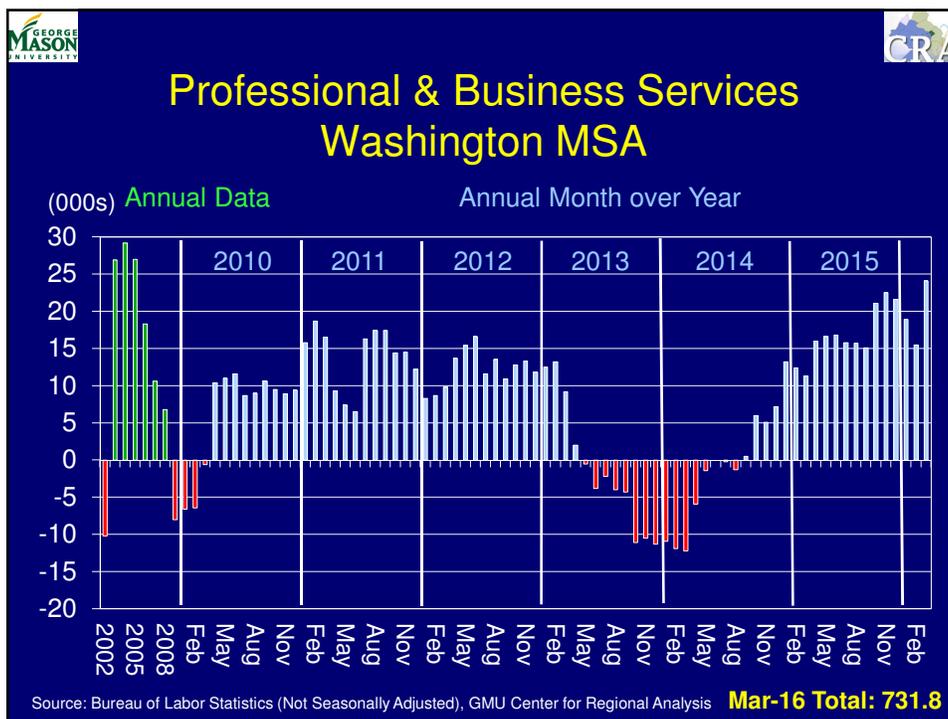
Sources: U.S. Bureau of Labor Statistics, JobsEQ, University of MD's Inforum  
<sup>1</sup>2003-2014 Percent Change; <sup>2</sup>percentage of local employment in a cluster divided by its respective percentage nationally; <sup>3</sup>WMSA/US wage ratio; \*total job change for WMSA, 9.3%;




### In 2015, the Washington region's economy pivoted away from its historic federal dependency.

- Job growth accelerated from 18,600 in 2014, a 0.6% growth rate and 15<sup>th</sup> ranking among the largest 15 metropolitan areas, to a net gain of 59,400 jobs in 2015 or a 1.9% growth rate and 12<sup>th</sup> ranking.
- For the first quarter of 2016, job growth has averaged 75,000 (annual rate) for a 2.8% gain and 6<sup>th</sup> ranking among the largest 15 metros.





 <b>Principal Sources of Job and GRP Growth in the Washington Area, 2015-2020</b> 			
(in thousands)			
<u>Growth Sectors</u>	<u>Job Change</u>	<u>% of Total Job Change</u>	<u>Average Value Added per Job*</u>
Prof. & Bus. Ser.	106.0	48.6	\$157,969
Construction	36.7	26.9	\$111,992
Education/Health	31.3	14.3	\$72,162
Hospitality Services	23.9	11.0	\$51,110
State and Local	19.1	8.8	\$81,736
Sub-Total	217.0	99.6	\$119,337
Overall Total	217.8	100.0	\$122,498

Sources: IHS Global Insight; GMU Center for Regional Analysis \*in 2014\$s

 <b>Job and GRP Gains and Losses for the Washington Area's Other Sectors, 2015-2020</b> 			
(in thousands)			
	<u>Job Change</u>	<u>% of Total Job Change</u>	<u>Average Value Added per Job*</u>
Federal Gov't	- 17.8	- 8.2	\$185,804
Retail Trade	2.2	1.0	\$64,478
Other Services	- 0.2	- 0.1	\$86,150
Financial Services	- 2.3	- 1.0	\$620,922
Information Services	7.0	3.2	\$410,371
Manufacturing	0.9	0.4	\$249,934
Transportation	7.4	3.4	\$203,015
Wholesale Trade	3.6	1.6	\$215,783
Job Losses	- 20.3		\$233,742
Job Gains	238.1		\$131,930
Overall Total	217.8	100.0	\$122,498

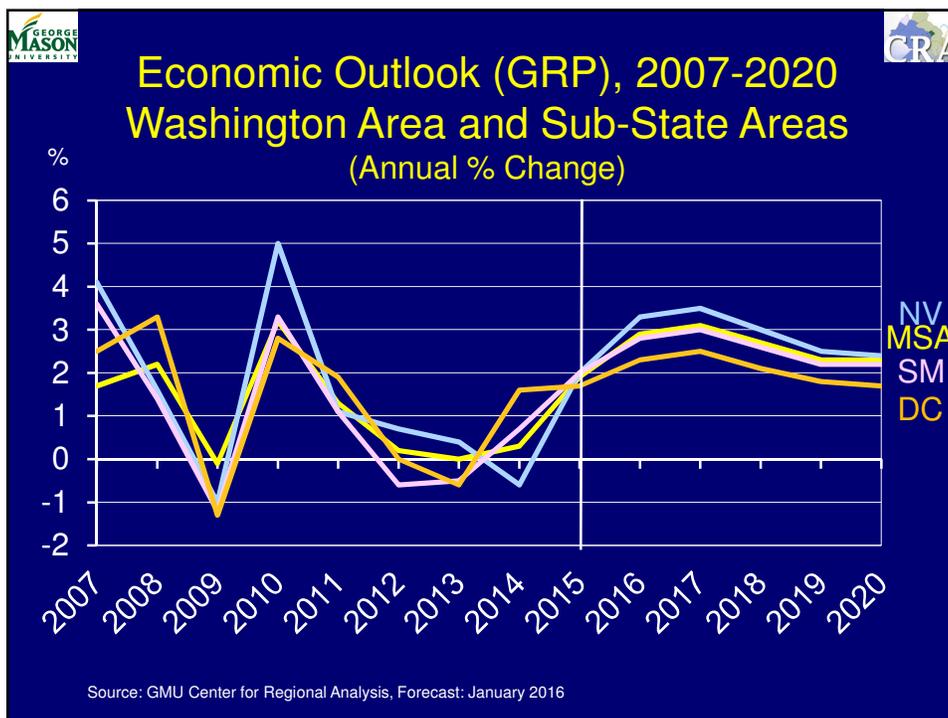
Sources: IHS Economics, Inc.; GMU Center for Regional Analysis \*in 2014 \$s

**Employment Change in the WMSA  
by Sub-State Area (000s)**

	2013	2014	2015	2016	2017	2018	2019	2020
<b>D.C.</b>	12.8	5.9	14.7	14.1	9.7	10.6	8.9	8.2
<b>Sub. MD</b>	6.5	11.8	17.4	20.2	17.7	14.1	12.0	11.0
<b>No. VA</b>	8.8	0.9	27.3	25.5	23.6	15.9	13.7	12.6
<b>REGION</b>	28.1	18.6	59.4	59.8	51.0	40.6	34.6	31.8

Average Annual Change 1990-2010 = 36,000

Source: BLS, IHS Economics, GMU Center for Regional Analysis (January 2016)  
NOTE: The regional totals do not include Jefferson, WV.





Thank You & Questions

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