

Economic Indicators Dashboard



Photo: Courtesy of Getty Images



City of Seattle Economic Indicators as of June 2013

The Seattle Economic Indicators Dashboard reports current and recent data for the following five economic indicators:

1. Business income
2. Job growth
3. Business start-ups and closures
4. Educational system performance
5. Income distribution

The Dashboard utilizes the most recent data available to report on local economic conditions. The data benchmarks established by the Dashboard will inform City leaders for policies, investments and actions, with a continued aim to sustain a business climate that supports quality job creation and sound public policies. Published twice each year, the Dashboard will provide a common understanding of Seattle's economy.

The five indicators are summarized on this page and presented in detail in the following sections.

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1. Business Income		2011	2012	Change	
Business income Update (billions, 2012\$)		\$53.5	\$58.3	↑	9.0%
2. Job Growth		2012	2013	Change	
Employment		487,264	501,969	↑	3.0%
Unemployment rate (April 3mma)		6.5%	4.7%	↓	-1.8%
3. Business Start-ups and Closures		2011	2012	Change	
New business licenses Update		7,500	7,800	↑	4.0%
Total businesses Update		57,000	58,200	↑	2.1%
4. Educational Attainment		2010	2011	Change	
Higher education degrees awarded		18,321	18,752	↑	2.4%
Seattle educational attainment (% Population with bachelor's degree or higher)		56.0%	55.9%	—	-0.1%
5. Income Distribution		2010	2011	Change	
Household income distribution by income quintile (Each quintile represents 20% of Seattle households)					
0-20%, lowest earning households		2.9%	2.5%	↓	-0.4%
20-40%		8.4%	8.0%	↓	-0.4%
40-60%		14.2%	14.3%	—	0.1%
60-80%		22.5%	23.4%	↑	0.9%
80-100%, highest earning households		52.0%	51.8%	↓	-0.2%

Note: Change reflects relative change for indicators that show actual counts. For percentage indicators (unemployment rate, educational attainment, and income distribution), change represents the subtracted difference of the indicators. "—" indicates very little or no change (criteria for this designation vary by indicator). 3mma = "three month moving average."

1. Business Income

Exhibit 1-1. Seattle Taxable Business Income by Industry Sector, Select Years (billions 2012\$)



Business Income Key Findings

In 2012, businesses generated \$58.3 billion in taxable revenues. Citywide taxable business income increased by 9% between 2011 and 2012 (Ex. 1-1).

Seattle businesses generated \$46.1 billion in taxable income in 2012, 79% of all business income reported in Seattle. Businesses based outside of Seattle reported \$12.2 billion in income earned from activity and transactions within Seattle, representing a 33.4% increase over 2011 (Ex. 1-2).

Sectors with the largest 2012 revenue growth were construction and resources (20.6%), retail (15.9%), and professional services (10.0%). Wholesale, transportation, and utilities (WTU) revenues declined 5.4% year-over-year in 2012 (Ex. 1-3).

Definitions:

Cons./Res is construction and resources.

WTU is wholesale, transportation and utilities.

FIRE is finance, insurance and real estate.

Professional services includes information and professional and business services.

Personal Services includes health care, private education, leisure and hospitality and other services.

Notes:

(1) 2011 and 2012 data has been revised to reflect new estimates. Quarterly data is controlled to annual taxable income estimates provided by Seattle Department of Finance and Administrative Services.

(2) 2011 and 2012 data updated to reflect most recent estimates. 2012 Small Business Taxable Income reflects only data collected to date.

Exhibit 1-2. Seattle Quarterly Taxable Business Income, 2011 Q4 to 2012 Q4 (1)

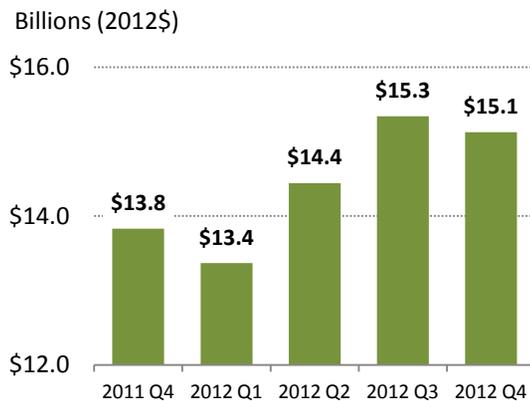


Exhibit 1-3. Seattle Taxable Business Income Change by Sector (billions, 2012\$) (2)

	2011	2012	2011-2012 % Change
Cons./Res.	\$2.8	\$3.4	20.6%
Manufacturing	\$2.8	\$2.8	-0.6%
WTU	\$5.6	\$5.3	-5.4%
Retail	\$3.6	\$4.2	15.9%
FIRE	\$6.6	\$6.6	-0.4%
Professional Services	\$9.4	\$10.3	10.0%
Personal Services	\$12.8	\$13.0	1.0%
Small Business/Other Subtotal	\$0.7	\$0.6	-21.8%
Outside Businesses	\$9.1	\$12.2	33.4%
TOTAL	\$53.5	\$58.3	8.9%

Source: City of Seattle Department of Finance and Administrative Services (June 2013)

2. Job Growth

Exhibit 2-1. Seattle Covered Employment, Public and Private Sectors, Select Years (3)

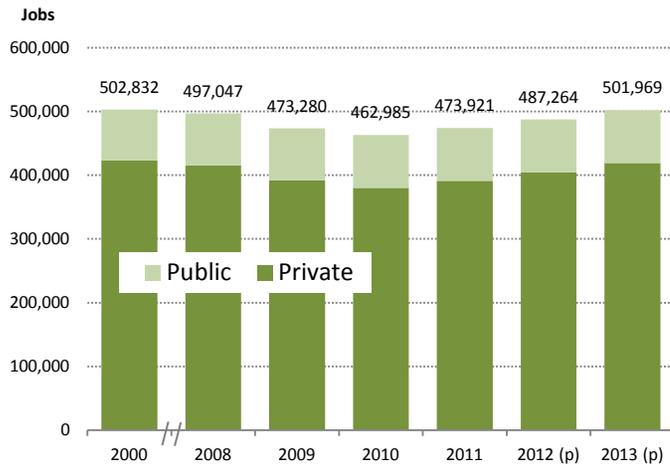
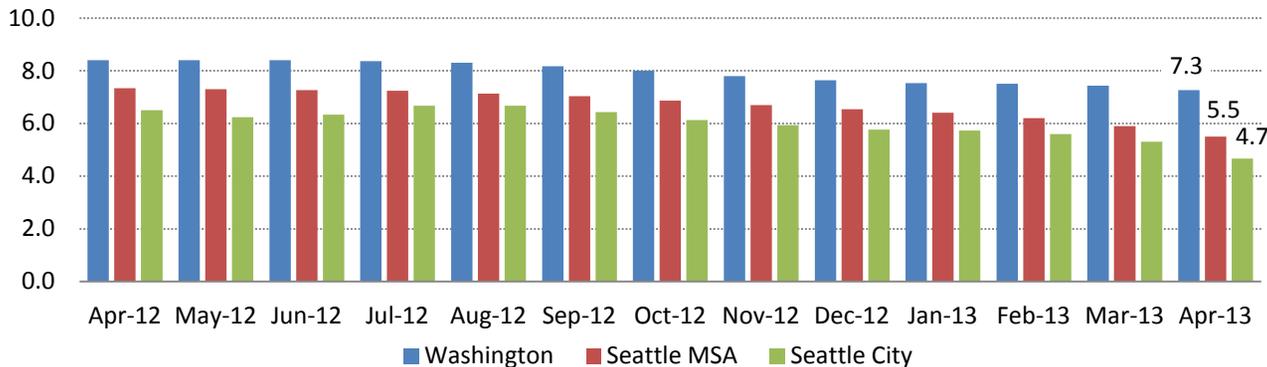


Exhibit 2-2. Job Change by Sector, Seattle (projection) and Seattle Metropolitan Area, 2011 – 2013 (4)

Sector	Actual Seattle Covered Jobs	Actual MSA % Change, March '11 - March '13	Estimated Seattle Job Change, March '11 - March '13
Cons/Res.	16,277	10.4%	17,974
FIRE	32,098	9.7%	35,216
Manufacturing	27,151	2.8%	27,915
Retail	39,318	10.1%	43,287
Professional Services	117,180	0.6%	117,913
Personal Services	151,631	7.2%	162,578
WTU	29,658	6.3%	31,515
Government	47,728	-0.9%	47,288
Education	34,988	1.4%	35,470
Total	473,921	5.9%	501,969

Data sources: Quarterly Census of Employment of Wages, Puget Sound Regional Council; Current Employment Statistics, Bureau of Labor Statistics (June 2013). 2012 and 2013 are projected (p)

Exhibit 2-3. Seattle City, Seattle Metropolitan Area, and Washington Unemployment Rate, Three Month Moving Average (5)



Sources: Local Area Unemployment Statistics, Bureau of Labor Statistics; Washington State Employment Security Department

Job Growth Key Findings

Seattle covered employment is projected to total approximately 502,000 jobs in March of 2013, which includes 403,000 private sector jobs and 83,000 public sector jobs. Private sector jobs account for 83.5% of all Seattle jobs (Ex. 2-1).

Projected citywide jobs are up 5.9% from 2011 to 2013, based on Seattle MSA job trends. The private sector is projected to have gained 28,000 jobs over this two-year period (Ex. 2-2).

Citywide covered employment declined from a recent peak in March 2008 of 497,900 to a recent low in March 2010 of 463,000, a decline of 7.4% (Ex. 2-3).

The Seattle MSA unemployment rate has not seen a month-over-month increase in 32 months (as of May 2013).

Notes:

(3) Covered employment is for March of the given year. Covered employment consists of employment covered by the Washington Unemployment Insurance Act, and excludes self-employed workers, proprietors, CEOs, and other non-insured workers. Typically, covered employment has represented 85-90% of total employment. City employment estimates use PSRC yearly estimates, released in June the following year.

(4) 2012 and 2013 Seattle employment is estimated using Seattle MSA (Seattle-Bellevue-Everett) Monthly Current Employment Statistics. Seattle MSA CES are seasonally adjusted and were obtained in June 2013 from the Washington State Employment Security Department. Projections are subject to revision.

(5) Unemployment rates are not seasonally adjusted for Seattle but seasonally adjusted for the Seattle MSA and Washington State.

Cons/Res is construction and resources; WTU is wholesale, transportation and utilities; FIRE is finance, insurance, and real estate.

3. Business Start-Ups and Closures

Exhibit 3-1. Seattle Businesses, Openings and Closures, Select Years (6)

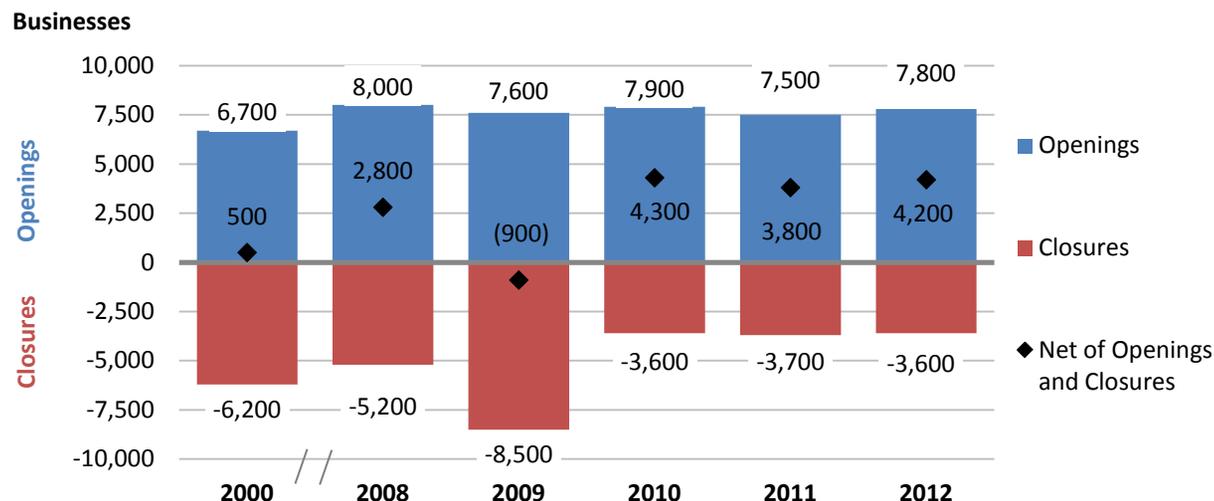


Exhibit 3-2. Annual Average of Paid Seattle Business Licenses, Select Years

	2000	2008	2009	2010	2011	2012
Total Business Licenses	48,100	54,600	55,000	55,400	57,000	58,200

Source: City of Seattle Department of Finance and Administrative Services (June 2013)

Business Start-ups and Closures Key Findings

In 2012, Seattle reported 7,800 new business licenses. Business closures in 2012 totaled 3,600, slightly less than in 2011 (Ex. 3-1).

The total net number of citywide businesses increased from 2011 to 2012 by 10.5% (Ex. 3-2).

Approximately 53,400 businesses are located in the City of Seattle, based on City of Seattle business license records of payment.

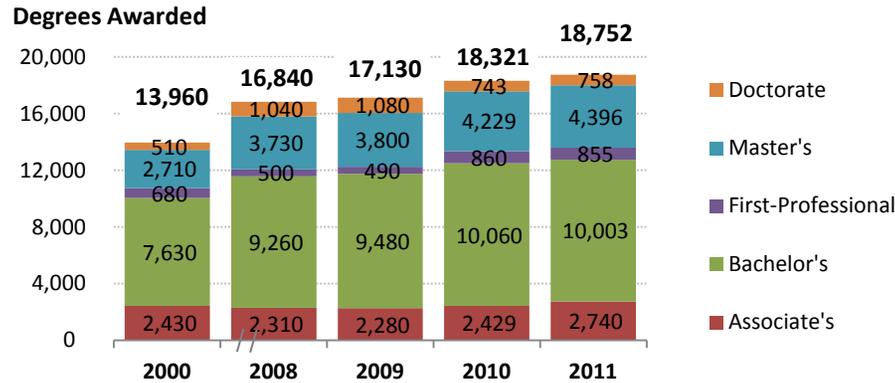
Notes:

(6) Citywide business license estimates are based on the total number of businesses with a Seattle address that have paid license fees within a given year. Openings represent businesses reporting a start date in that year, and closures represent business licenses that have been terminated within a given year. Data for 2012 business closures are only for reported closures as of June 2013. Additionally, data processing lag may attribute a large number of closures in years later than actual close-of-business.

Historical business license data are continually updated with new information on business openings, closures and licensing renewals. All historical estimates are subject to revision as new data become available. Net change in total businesses varies from the net change in openings and closures for a given year due to data limitations, such as lags in reporting and lags in processing license reports.

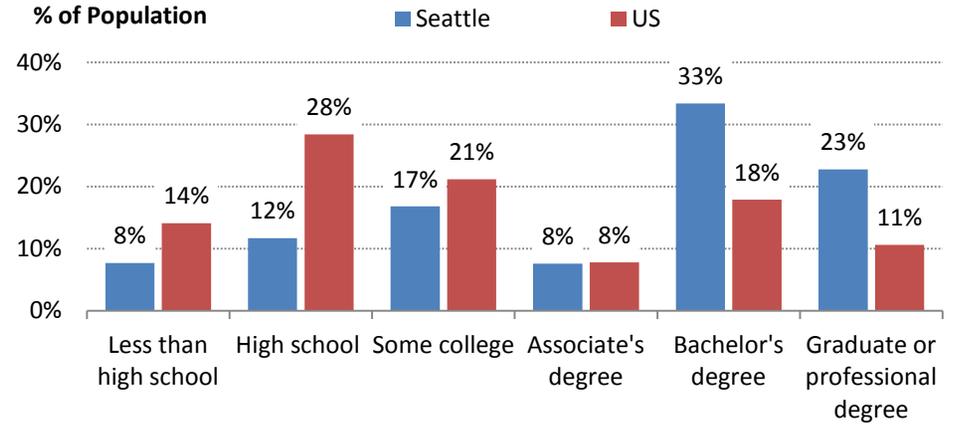
4. Educational Attainment

Exhibit 4-1. Higher Education Degrees Awarded by Seattle Post-Secondary Institutions, Select Years



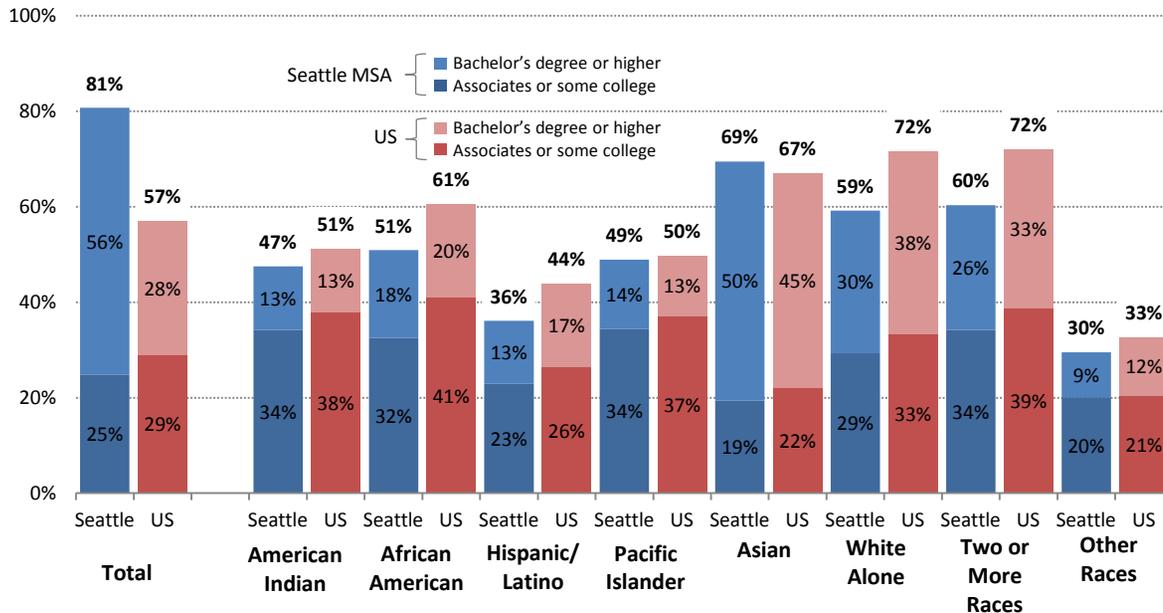
Source: National Center for Education Statistics (2012)

Exhibit 4-2. Seattle and US Educational Attainment, 2011



Source: US Census, 2011 American Community Survey (1-year average; 2012)

Exhibit 4-3. Seattle MSA and US Educational Attainment by Race, 2011 (7)



Source: US Census, 2011 American Community Survey (1-year weighted average; 2012)

Educational System Performance Key Findings

Seattle post-secondary institutions awarded a total of 18,752 degrees in 2011. From 2010 to 2011, Seattle institutions awarded approximately 12% more Associate's degrees and 4% more Doctorate degrees in 2011 than in 2010 (Ex. 4-1).

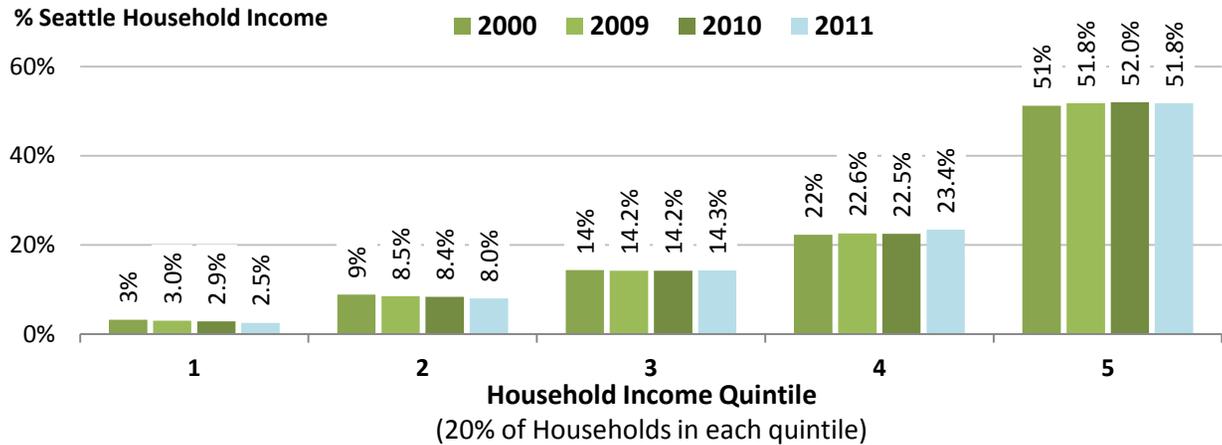
Sixty four percent of Seattle residents 25 years and older have a four-year college degree or higher, compared to the national average of 37% in 2011 (Ex. 4-2).

Pacific Islanders and Asians exceed the national average for educational attainment of a Bachelor's degree or higher. Minority populations trail the citywide average for a four-year college degree or higher (Ex. 4-3).

(7) 2011 data for Educational Attainment by race is only available for the Seattle-Bellevue-Tacoma MSA, and reflects preliminary estimates. 3-year averages are available in November 2012.

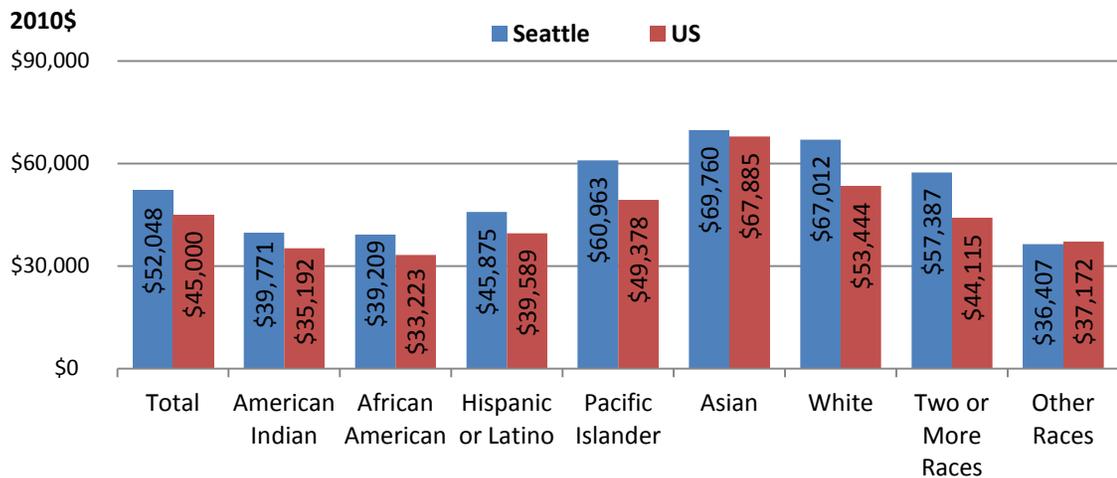
5. Income Distribution

Exhibit 5-1. Seattle Household Income Distribution by Income Quintile, Select Years



Source: 2000 U.S. Census, 2011 American Community Survey (1-year weighted average; 2012)

Exhibit 5-2. Seattle MSA and US Median Household Income by Race, 2011 (8)



Source: 2011 American Community Survey (1-year weighted average; 2012)

Income Distribution Key Findings

Exhibit 5-1 shows the distribution of household income by income quintile. Each quintile represents 20% of Seattle households.

Income has shifted little among the upper three quintiles from 2010 to 2011. In 2010, the top 20% highest income households accounted for 52.0% of Seattle income. In 2011, the highest income households accounted for 51.8% of income, with an absolute decrease of 0.2%. In the 4th income quintile, 2011 households accounted for 23.4% of Seattle income, 0.9% higher than in 2010. In 2009, income distribution was higher in all categories except for the 3rd and 5th quintiles (Ex. 5-1).

Seattle median household income was \$52,048 in 2011, about 15% higher than the US median income of \$45,000. Seven of eight population groups in Seattle have higher median incomes than their national counterparts (Ex. 5-2).

(8) Median income by race estimates reflect 2011 1-year averages for the Seattle MSA area. 2011 5-year averages for the City of Seattle will be released by the American Community Survey in December, 2012.