

Economic Indicators Dashboard



Photo: Courtesy of Getty Images



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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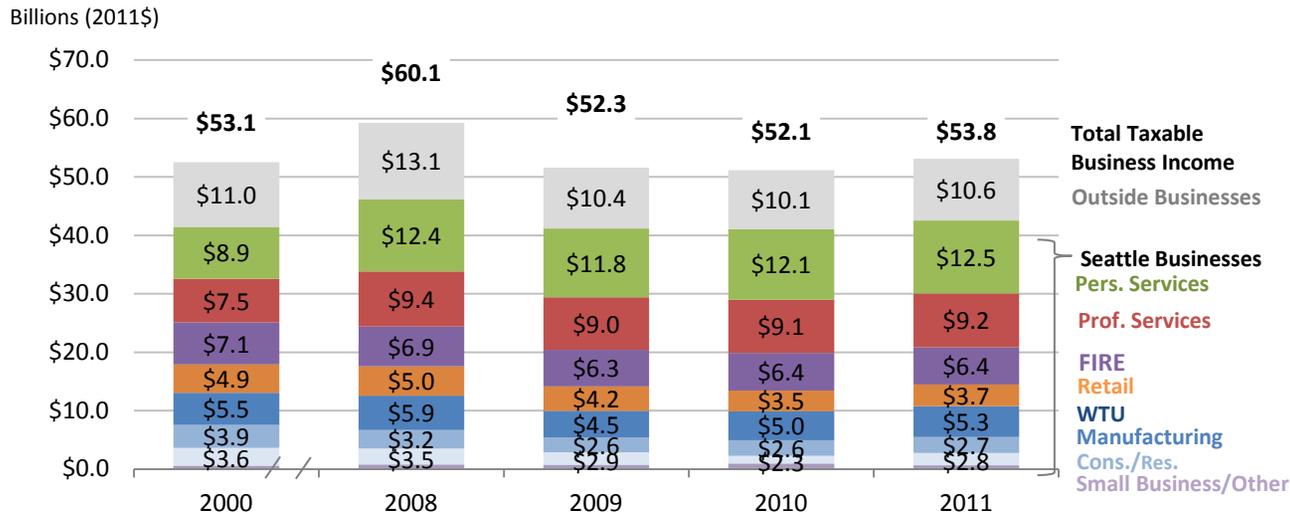
City of Seattle Economic Indicators as of October 2012

1. Business Income		2010	2011	Change	
Business income Update (billions, 2010\$)		\$52.1	\$53.8	↑	3.3%
2. Job Growth		2011	2012	Change	
Employment		474,000	485,700	↑	2.5%
Unemployment rate		7.6%	6.6%	—	-1.0%
3. Business Start-ups and Closures		2010	2011	Change	
New business licenses Update		7,900	7,500	↓	-5.1%
Total businesses Update		55,400	57,000	↑	2.9%
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%	↓	-0.3%

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).

1. Business Income

Exhibit 1-1. Seattle Taxable Business Income by Industry Sector, Select Years (2011\$)



Business Income Key Findings

In 2011, businesses generated \$53.8 billion in taxable revenues. Citywide taxable business income increased by 2.9% between 2010 and 2011 (Ex. 1-1).

Seattle-based businesses generated \$53.8 billion in taxable income in 2011, 82% of all business income reported in Seattle. Businesses based outside of Seattle reported \$10.6 billion in income earned from activity and transactions within Seattle. Out-of-town businesses account for approximately 20% of revenues reported in the City.

Total business income generated by tax-paying businesses increased by 3.3% in the same period. Sectors with projected 2011 revenue growth include all sectors except FIRE (finance, insurance and real estate).

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 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) 2010 and 2011 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 Q2 to 2012 Q2 (1)



Exhibit 1-3. Seattle Taxable Business Income Change by Sector (billions, 2011\$) (2)

Sector	2010	2011	2012 YTD	2010-2011	
				Change	% Change
Cons/Res	\$2.3	\$2.8	\$1.5	\$0.5	20.0%
Manufacturing	\$2.6	\$2.7	\$1.2	\$0.1	3.8%
WTU	\$5.0	\$5.3	\$2.1	\$0.3	6.5%
Retail	\$3.5	\$3.7	\$1.7	\$0.2	3.6%
FIRE	\$6.4	\$6.4	\$2.8	\$0.0	-0.6%
Prof. Services	\$9.1	\$9.2	\$4.2	\$0.1	1.4%
Pers. Services	\$12.1	\$12.5	\$5.6	\$0.4	3.1%
Small Biz and Other	\$0.9	\$0.7	\$0.0	-\$0.2	n/a
Outside Biz	\$10.1	\$10.6	\$5.3	\$0.5	4.7%
Total	\$52.1	\$53.8	\$24.4	\$1.7	3.3%

Source: City of Seattle Department of Finance and Administrative Services (September 2012)

2. Job Growth

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

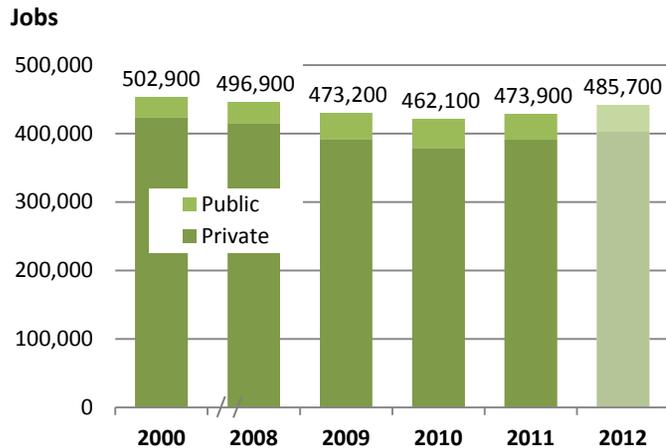
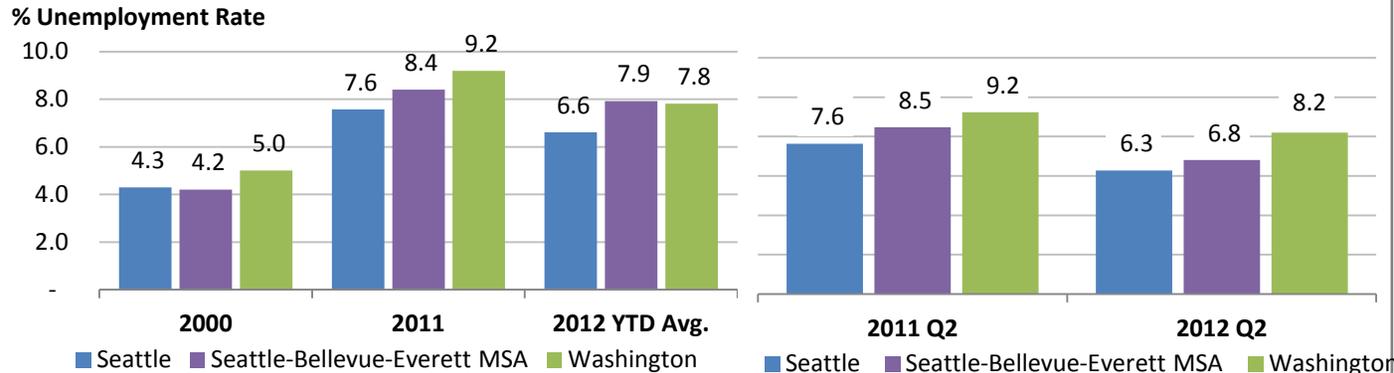


Exhibit 2-2. Job Change by Sector, Seattle (projection) and Seattle Metropolitan Area, 2011 – 2012 (4)

Sector	Actual	Actual MSA	Estimated Seattle
	Seattle Jobs	% Change	Job Change
Cons/Res	16,300	6.6%	1,080
Manufacturing	27,200	7.2%	1,960
WTU	29,700	0.7%	210
Retail	39,300	2.0%	780
FIRE	32,100	1.2%	380
Prof. Services	95,100	0.7%	690
Pers. Services	151,600	4.1%	6,250
Gov	47,700	0.7%	310
Ed	35,000	-0.2%	(70)
Total	474,000	2.5%	11,590

Source: Quarterly Census of Employment of Wages, Puget Sound Regional Council; Current Employment Statistics, Bureau of Labor Statistics (September 2012)

Exhibit 2-3. Seattle, Seattle Metropolitan Area, and Washington Unemployment Rate, 2000, 2011 and 2012, Quarter 2 2011 and Quarter 2 2012 (5)



Source: Local Area Unemployment Statistics, Bureau of Labor Statistics, Not Seasonally Adjusted (September 2012)

Job Growth Key Findings

Seattle covered employment is projected to total 486,000 jobs in March of 2012, which includes 403,000 private sector jobs and 83,000 public sector jobs. Private sector jobs account for 83% of all Seattle jobs.

Projected citywide jobs are up 2.6% from 2011 to 2012, based on Seattle MSA job trends. The private sector is projected to have gained 11,590 jobs.

Citywide covered employment declined from a recent peak in March 2008 of 496,900 to a recent low in March 2010 of 462,100, a decline of 7%.

City of Seattle unemployment is 6.3% in 2012 Q2, the latest unemployment figure available. Seattle unemployment is .5% lower than the Seattle Metropolitan Area and 1.9% lower than Washington State in 2012 Q2.

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) 2011 Seattle employment is estimated using Seattle MSA (Seattle-Bellevue-Everett) Monthly Current Employment Statistics. Seattle MSA CES are Non-Seasonally Adjusted and were obtained in September 2012. Projections are subject to revision.

(5) Unemployment rates are non-seasonally adjusted annual and quarterly averages. 2012 Unemployment rate reflects an average year-to-date.

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

3. Business Start-Ups and Closures

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

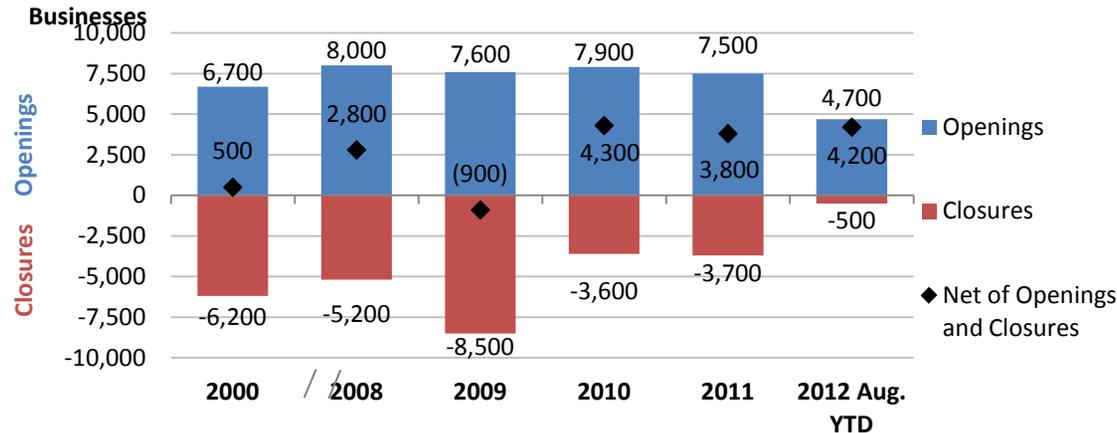


Exhibit 3-2. Annual Average of Paid Seattle Business Licenses, Select Years

	2000	2008	2009	2010	2011	2012 Aug. YTD
Total Business Licenses	48,100	54,600	55,000	55,400	57,000	53,400

Source: City of Seattle Department of Finance and Administrative Services (August 2012)

Business Start-ups and Closures Key Findings

In 2012, Seattle has reported 4,700 new business licenses. Business closures in 2011 total 500 year-to-date, only 13% of total closures in 2011, as of September 2012.

The total net number of citywide businesses increased from 2011 to 2012 by 10.5% (400 businesses) based on current Opening and Closing records to date.

Approximately 53,400 businesses are located in the City of Seattle, as of August 2012, based on City of Seattle business license records of payment.

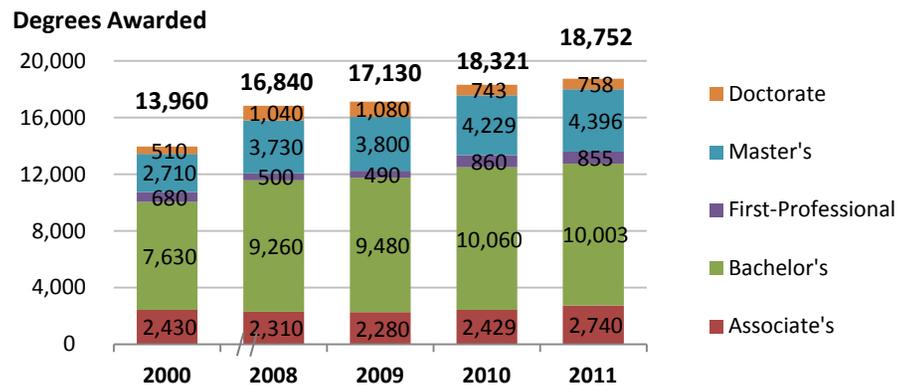
Notes:

(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 do not reflect a complete count of licensed businesses, only those that have paid to date. 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.

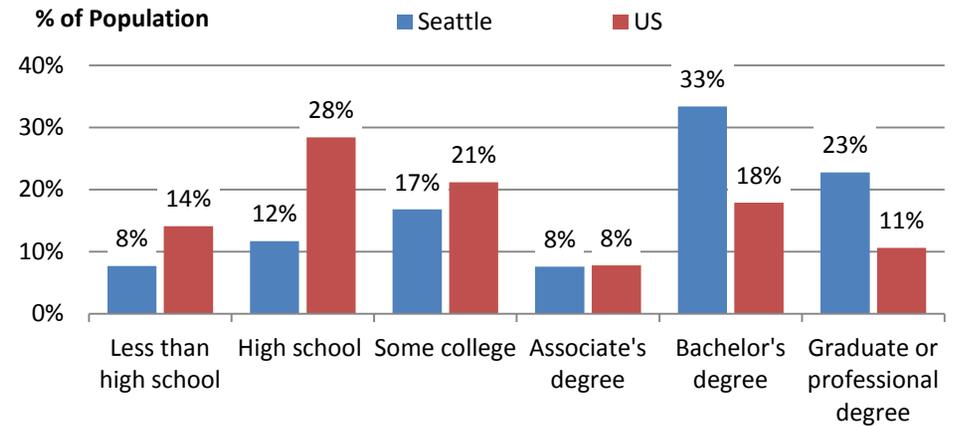
4. Educational Attainment

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



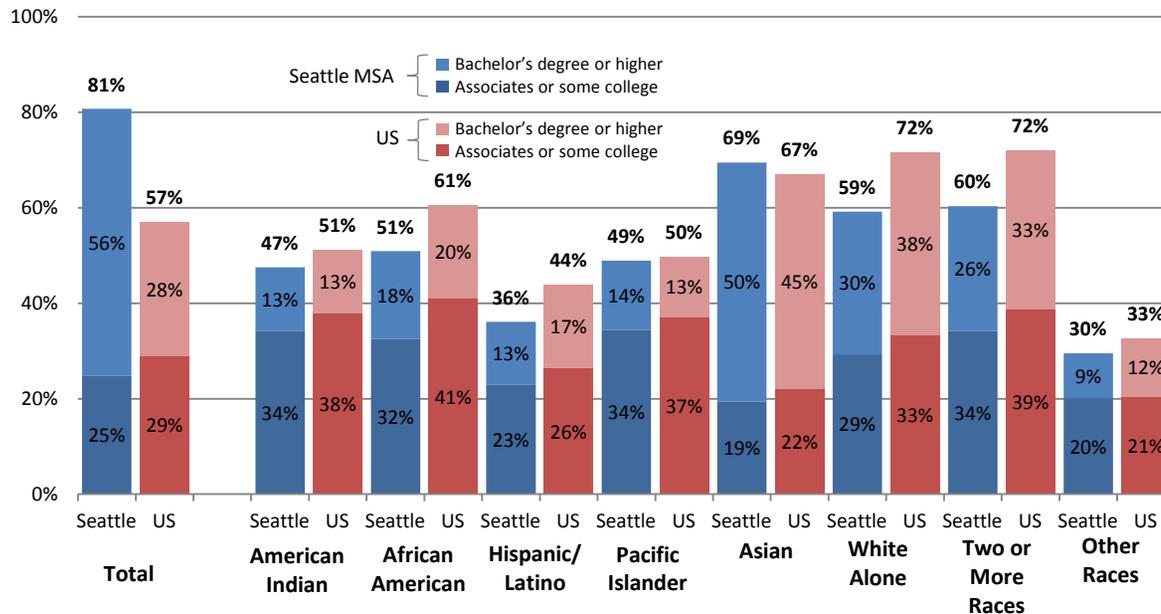
Source: National Center for Education Statistics (2012)

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).

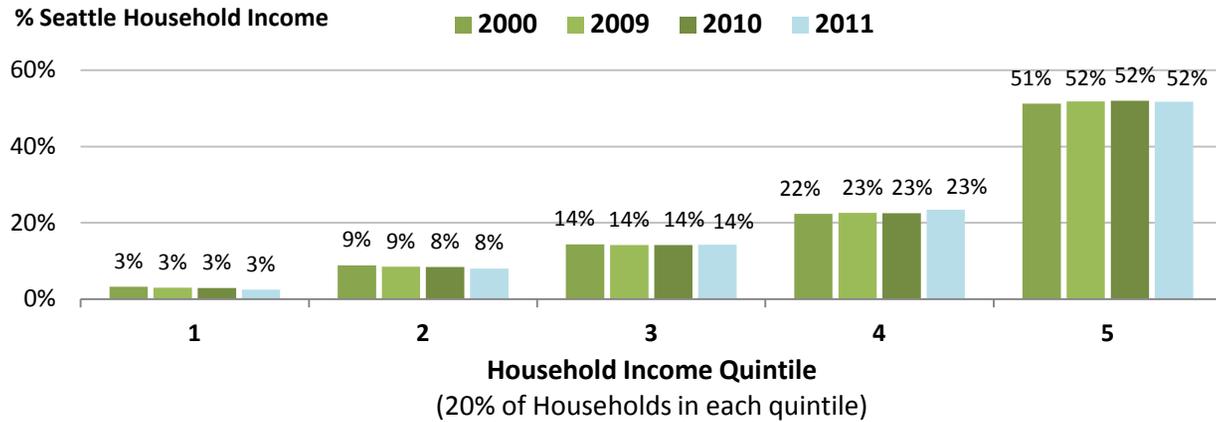
Sixty four percent of Seattle residents 25 years and older have a four year college degree or higher compared to the national average of 37% in 2011 (Ex. 4-2).

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.

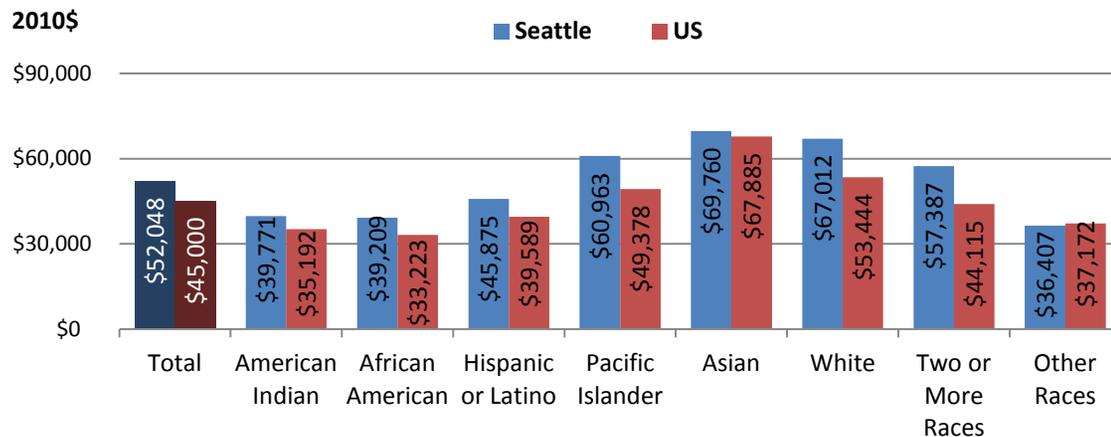
5. Income Distribution

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 2008 to 2011. In 2008, the top 20% highest income households accounted for approximately 52% of Seattle income. In 2010, the highest income households accounted for 52% of income, with an absolute decrease of 0.4%. In the 4th income quintile, 2011 households accounted for 23% of Seattle income, 0.1% higher than in 2008. 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.