



WA Economic Development Assn – March 22, 2017

Kris Johnson | President, AWB

AWB Mission & Vision

Mission: AWB is the catalytic leader and unifying voice for economic prosperity throughout Washington state.

Vision: Washington will excel as a globally competitive state built on a solid foundation of innovation, a world class workforce, and a quality of place second to none.

Strategies for Achieving Mission & Vision

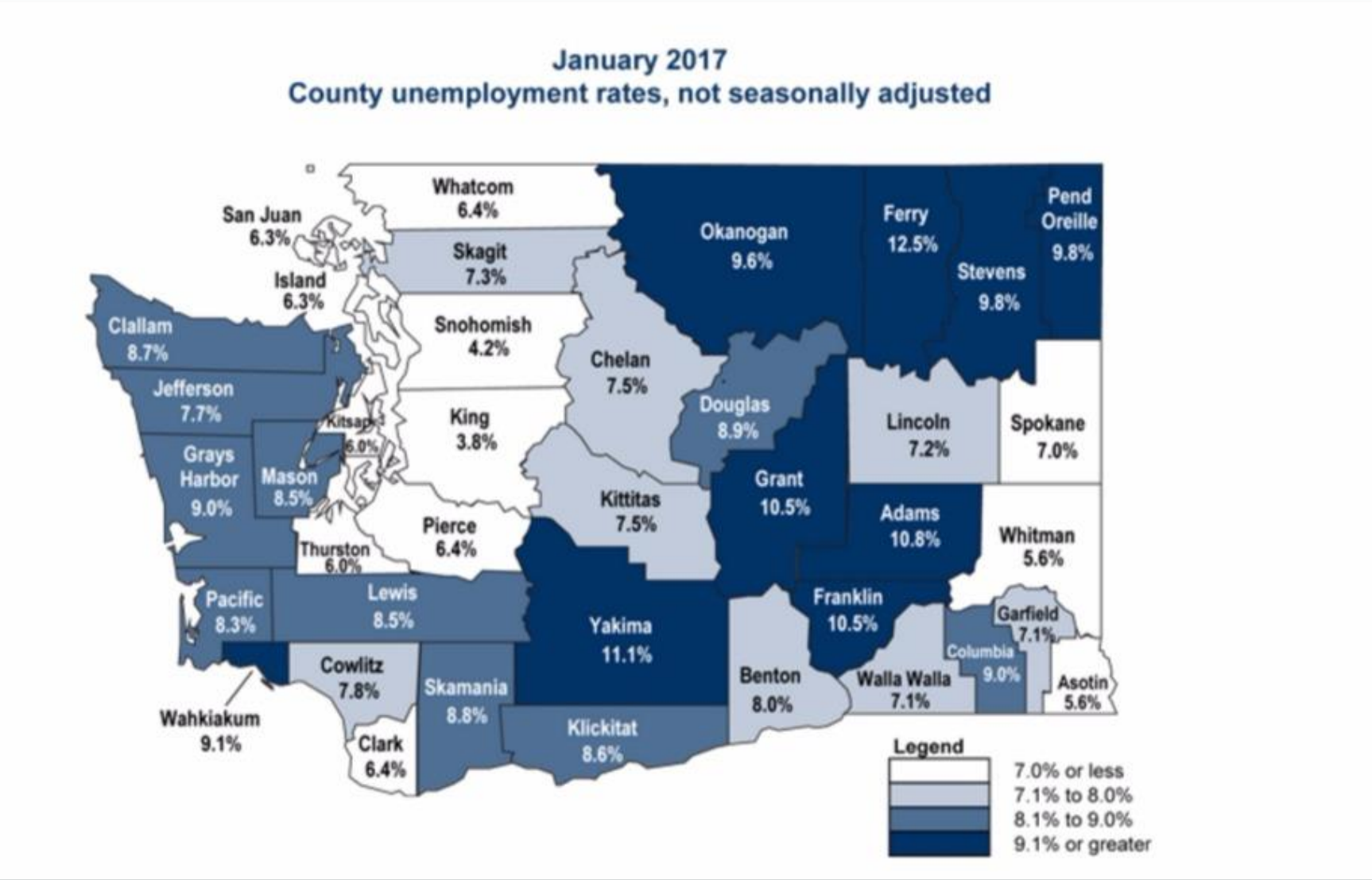
- Achieve:** Provide a high-caliber education and workforce development system aligned with the demands of the 21st century.
- Connect:** Create an efficient infrastructure system that links Washington's employers and communities to each other and to the world.
- Employ:** Encourage and support innovation, entrepreneurship, job retention and creation.
- Compete:** Foster a business environment conducive to creating a resilient and growing, statewide economy.
- Place:** Cultivate actions that enable vibrant communities and environments.

Inside Washington

State of the State: Washington Economy

- March revenue forecast shows \$571 million more in state tax collections through 2019 due to economic growth in addition to the 6% growth previously forecast.
- Washington state has the **lowest** cost electricity for industrial customers in the nation.
- The state is a leader in innovation, 5th in the nation with over **\$1 billion** in venture capital investment.
- Washington state's **\$82 billion** in annual exports makes it the 4th largest exporter in the country.
- Washington is a high cost state to do business
 - **9th highest** in the nation in business taxes
 - Employers pay nearly **54%** of total taxes
 - The state's minimum wage is the highest in the nation, **\$9.32**

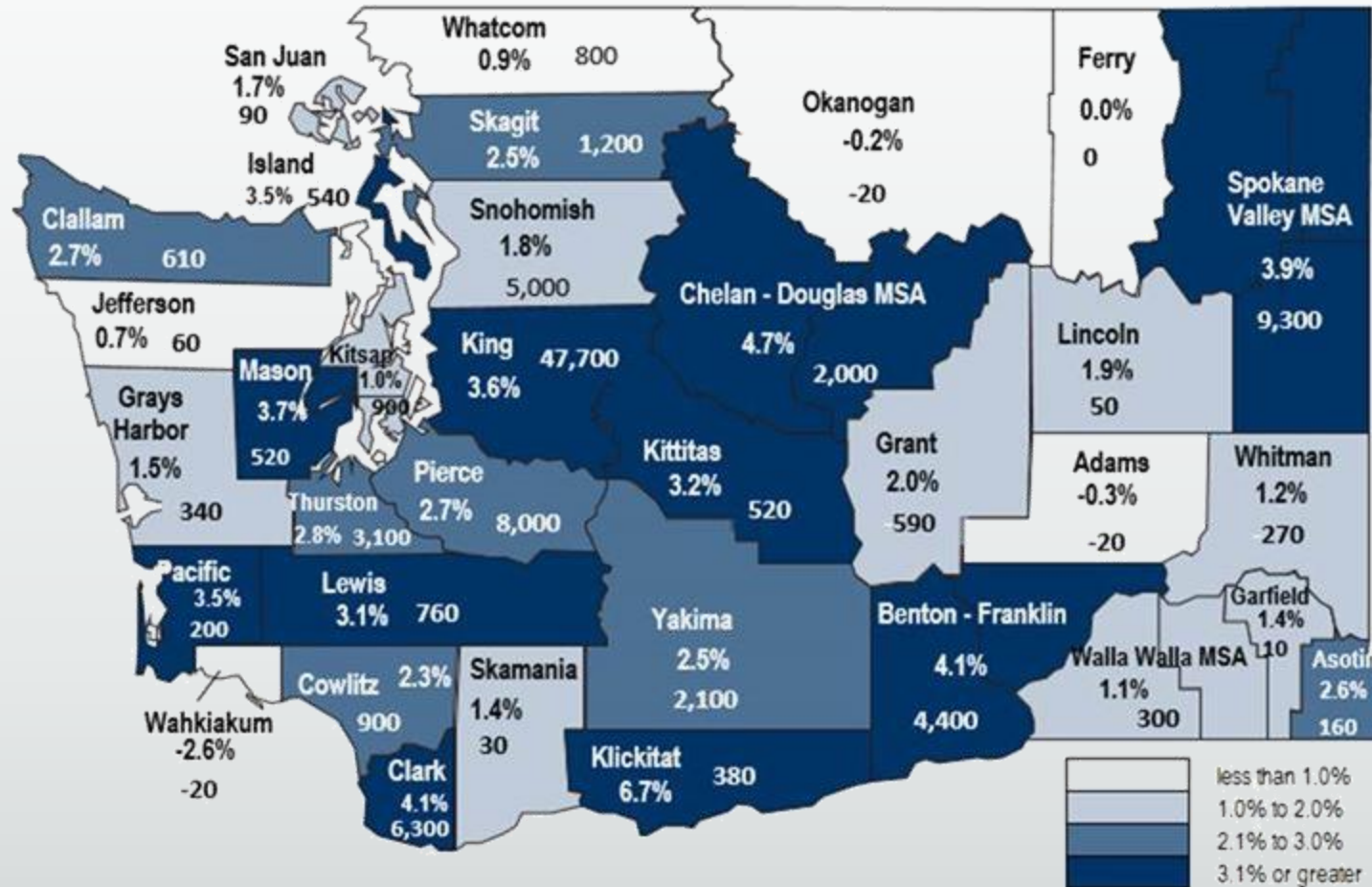
Washington Unemployment by Counties



Economy

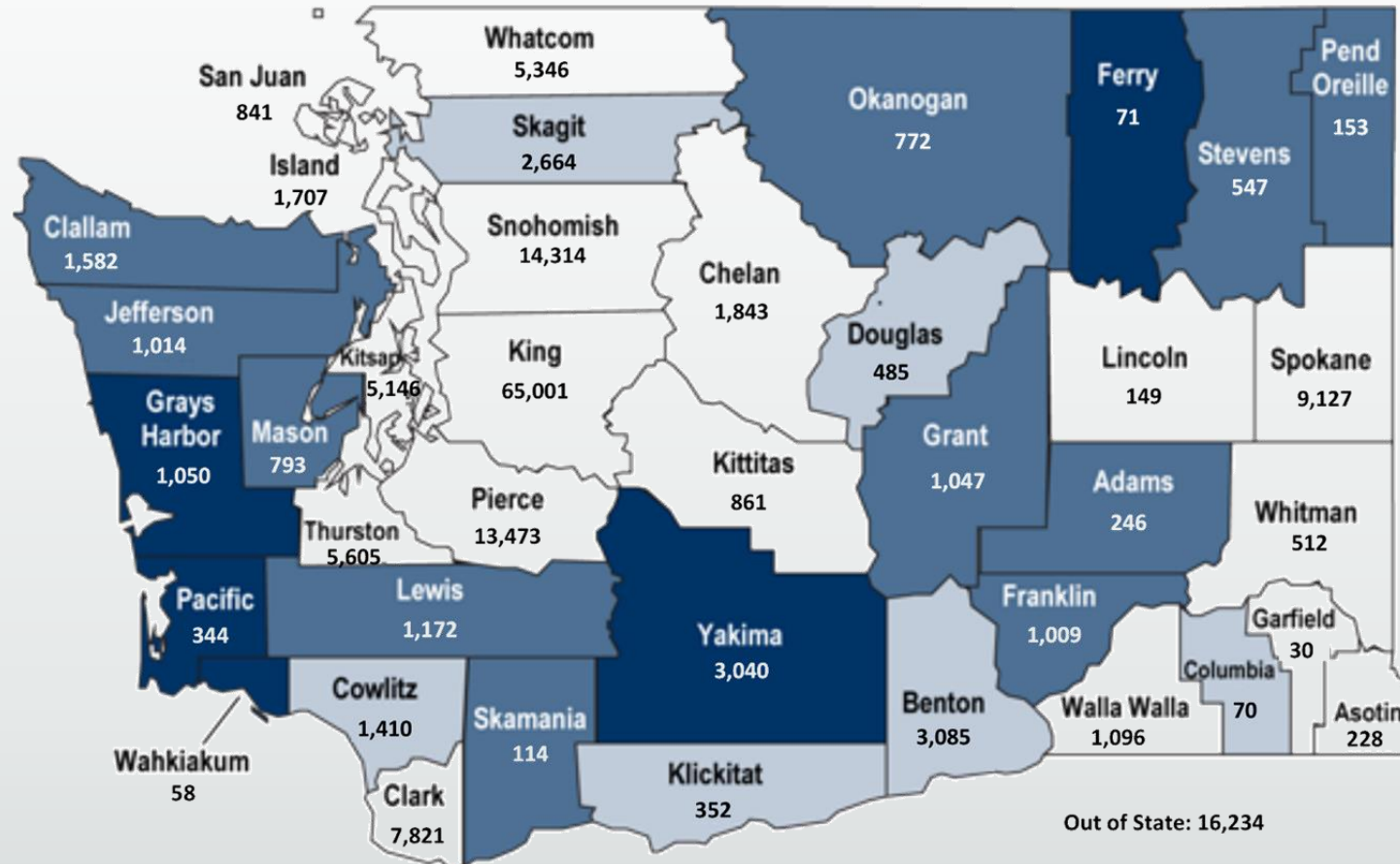
October 2015 To October 2016
Job-growth (percent and job change)
Washington state added 102,000 (3.2%) jobs

Job growth
and decline
across state



Economy

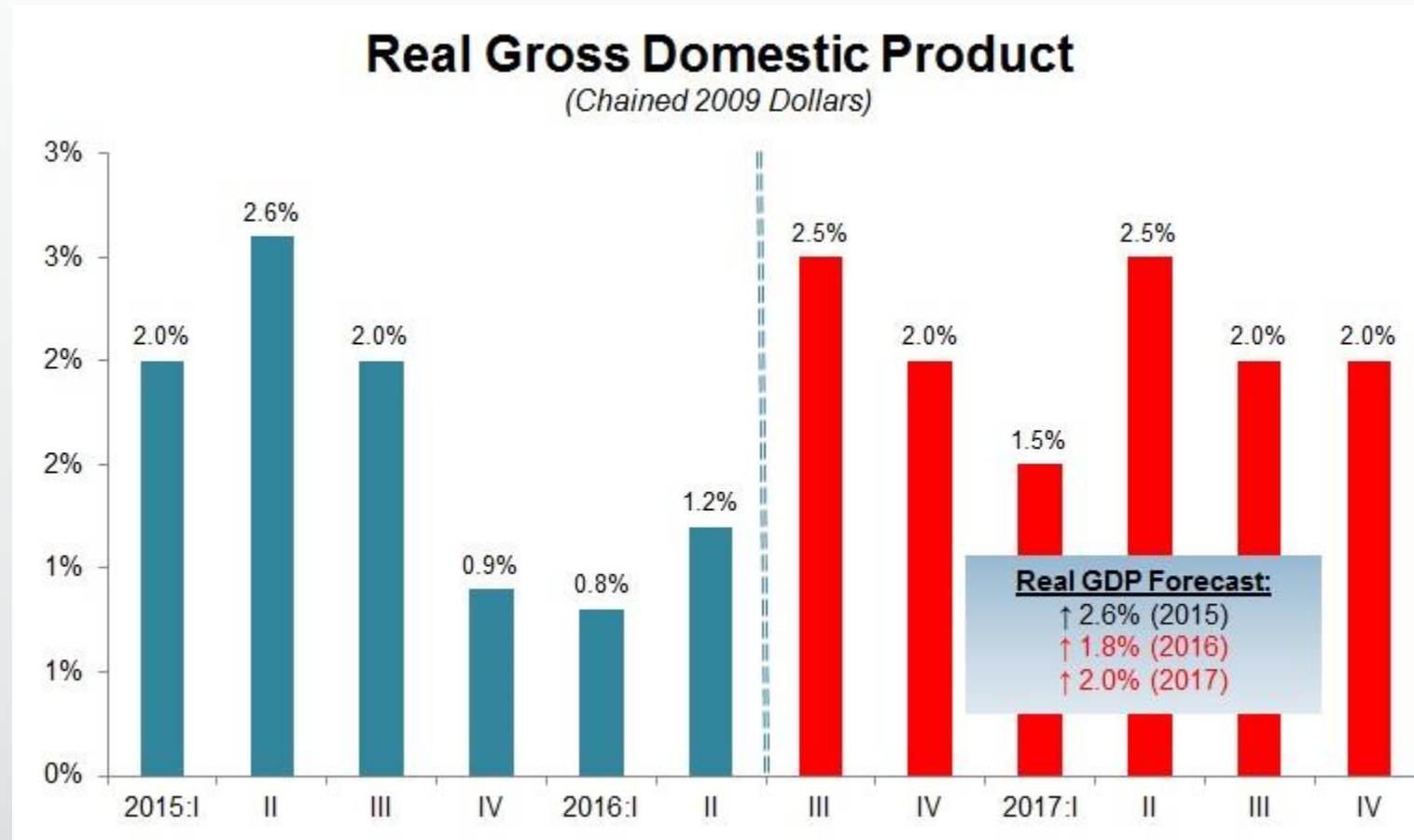
Business Totals By Location
Service & Other Activities
Fiscal Year 2016



Nationwide

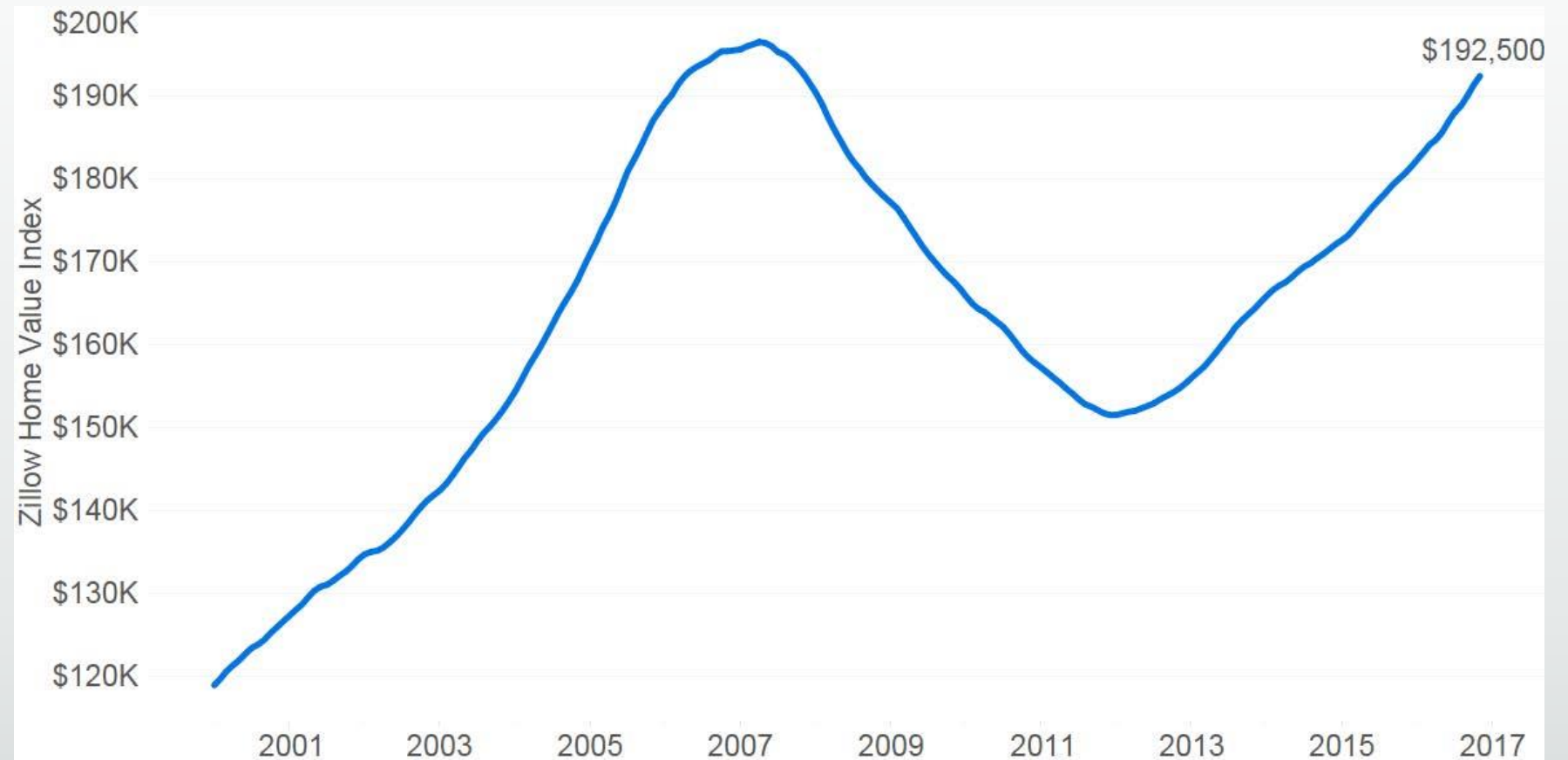
National Picture – Years of Slow Growth

- December non-farm private-sector job growth was lackluster at 153,000
- Federal Reserve announced a rate hike of 0.25 percent in December
- U.S. economy is predicted to grow at 2 percent; 4 percent is needed
- Health care costs skyrocketing
- Regulation hurting economy
- Fourth quarter 2016 Real GDP Growth = 1.9%

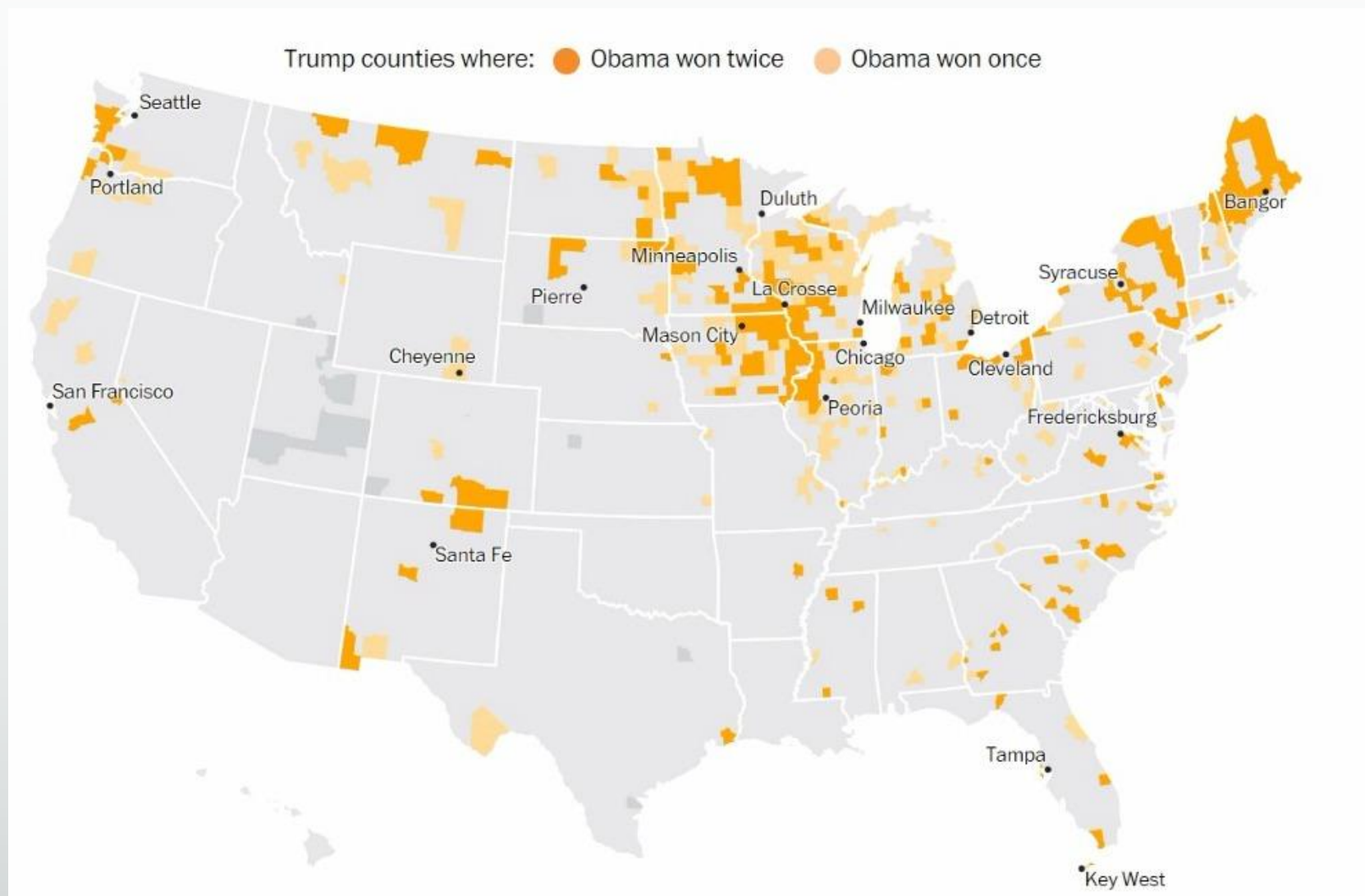


Housing Recovery

U.S.
home
values
continue
to regain
value
lost since
2007



Obama Counties that went to Trump



National Infrastructure

- Convened cities, counties and ports to prepare one statewide report to ensure we are ready to respond when Congress takes action

Coalition says Washington needs \$190 billion for better infrastructure

UPDATED: MONDAY, MARCH 20, 2017, 9:58 P.M.

By Jim Camden 
jimc@spokesman.com
(360) 664-2598

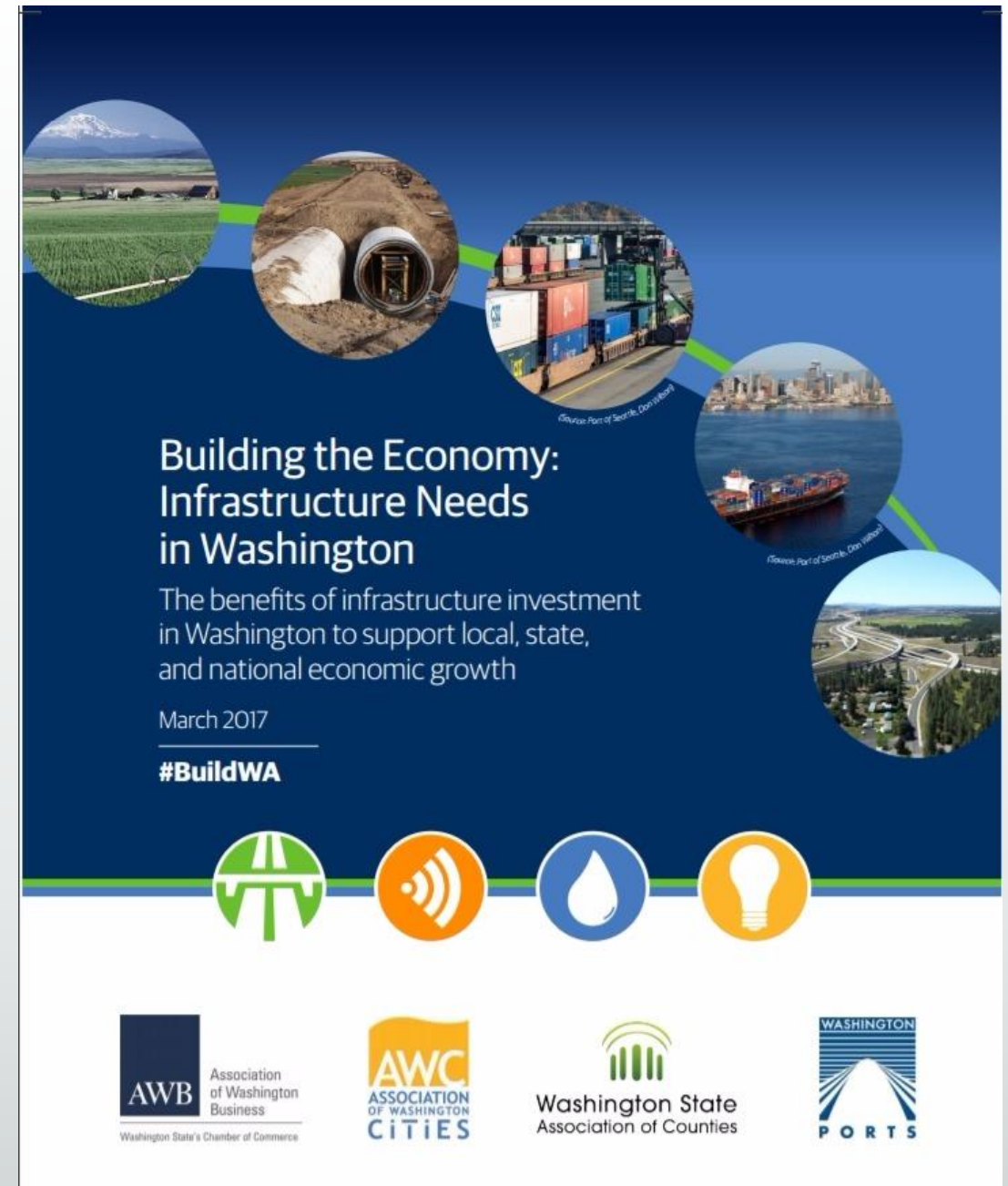
 Twitter

 Facebook

 Email

 Reddit

OLYMPIA – Washington needs some \$190 billion in infrastructure improvements over the next 20 years and must be ready to take advantage of any new federal program to help rebuild them, a coalition of business and government groups said Monday.



**Building the Economy:
Infrastructure Needs
in Washington**

The benefits of infrastructure investment
in Washington to support local, state,
and national economic growth

March 2017

#BuildWA

The infographic features a series of circular images connected by a green line, illustrating various infrastructure projects: a farm, a tunnel, a port with containers, a city skyline, a ship, and a highway interchange. Below the images are four icons representing different infrastructure sectors: a green bridge icon, an orange Wi-Fi icon, a blue water drop icon, and a yellow lightbulb icon.

AWB Association of Washington Business
Washington State's Chamber of Commerce

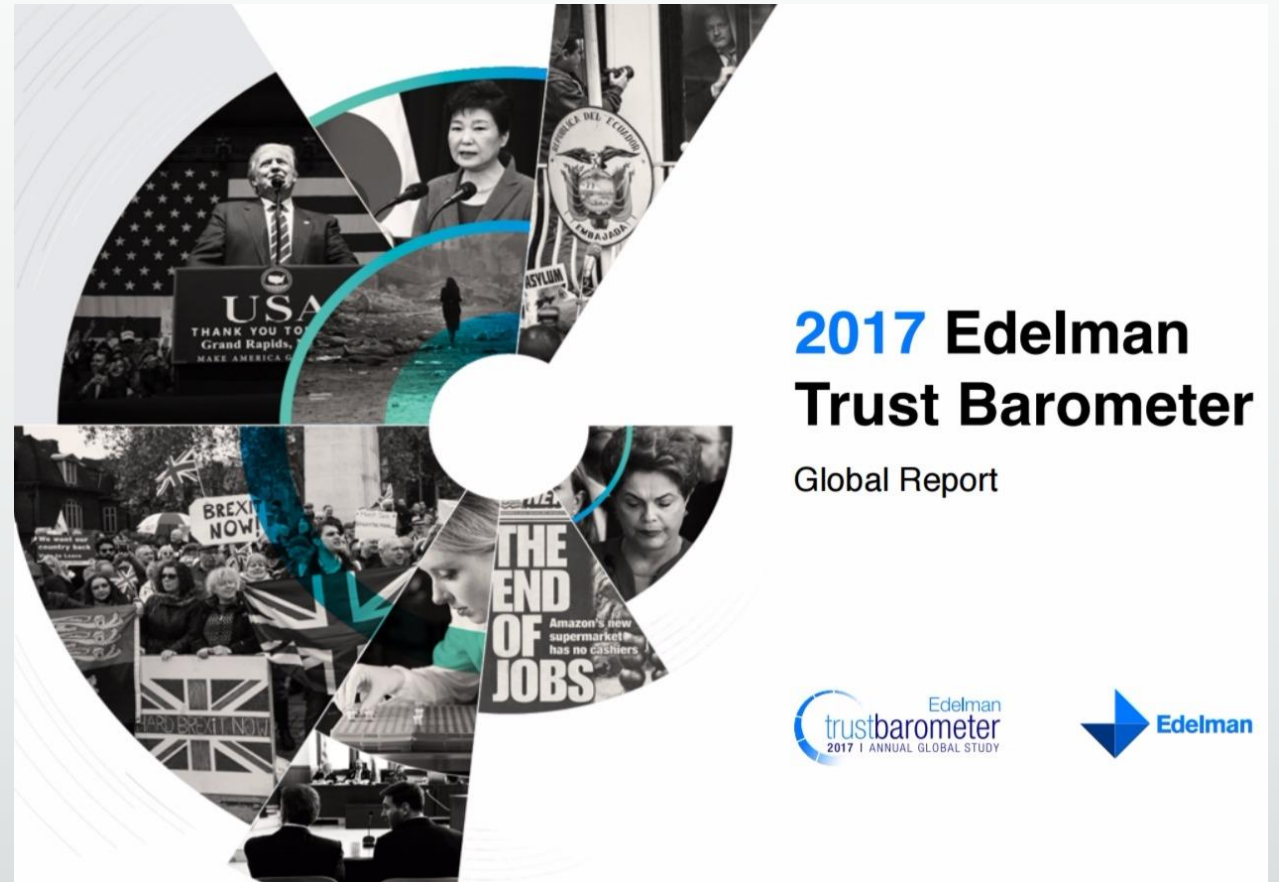
AWC ASSOCIATION OF WASHINGTON CITIES

Washington State Association of Counties

WASHINGTON PORTS

2017 Edelman Trust Barometer

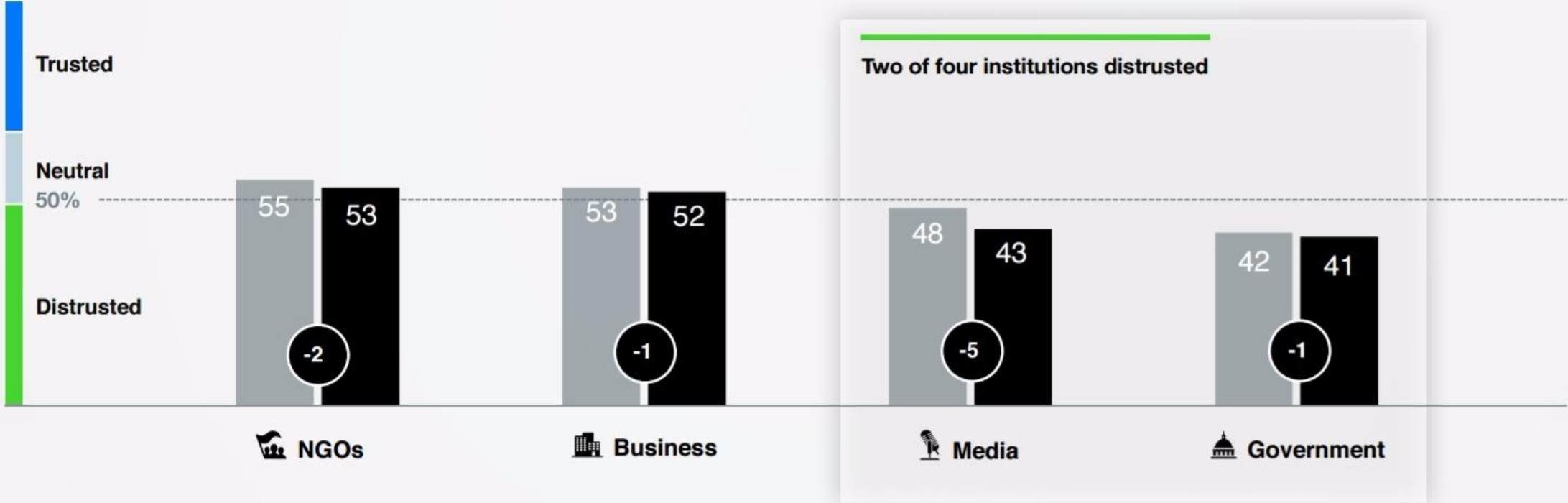
- Measures public confidence in four major institutions
 - Media
 - Government
 - NGOs
 - Business
- 2017 report shows “implosion” of trust as all four decline
- Government and Media fare worst
- Business and NGOs fare best



Trust in All Four Institutions Declines

2016 2017

Percent trust in the four institutions of government, business, media and NGOs, 2016 vs. 2017



Source: 2017 Edelman Trust Barometer Q11-620. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right using a nine-point scale, where one means that you "do not trust them at all" and nine means that you "trust them a great deal." (Top 4 Box, Trust) General Population, 28-country global total.

Opportunity & Obligation for Business to Lead



Outlook

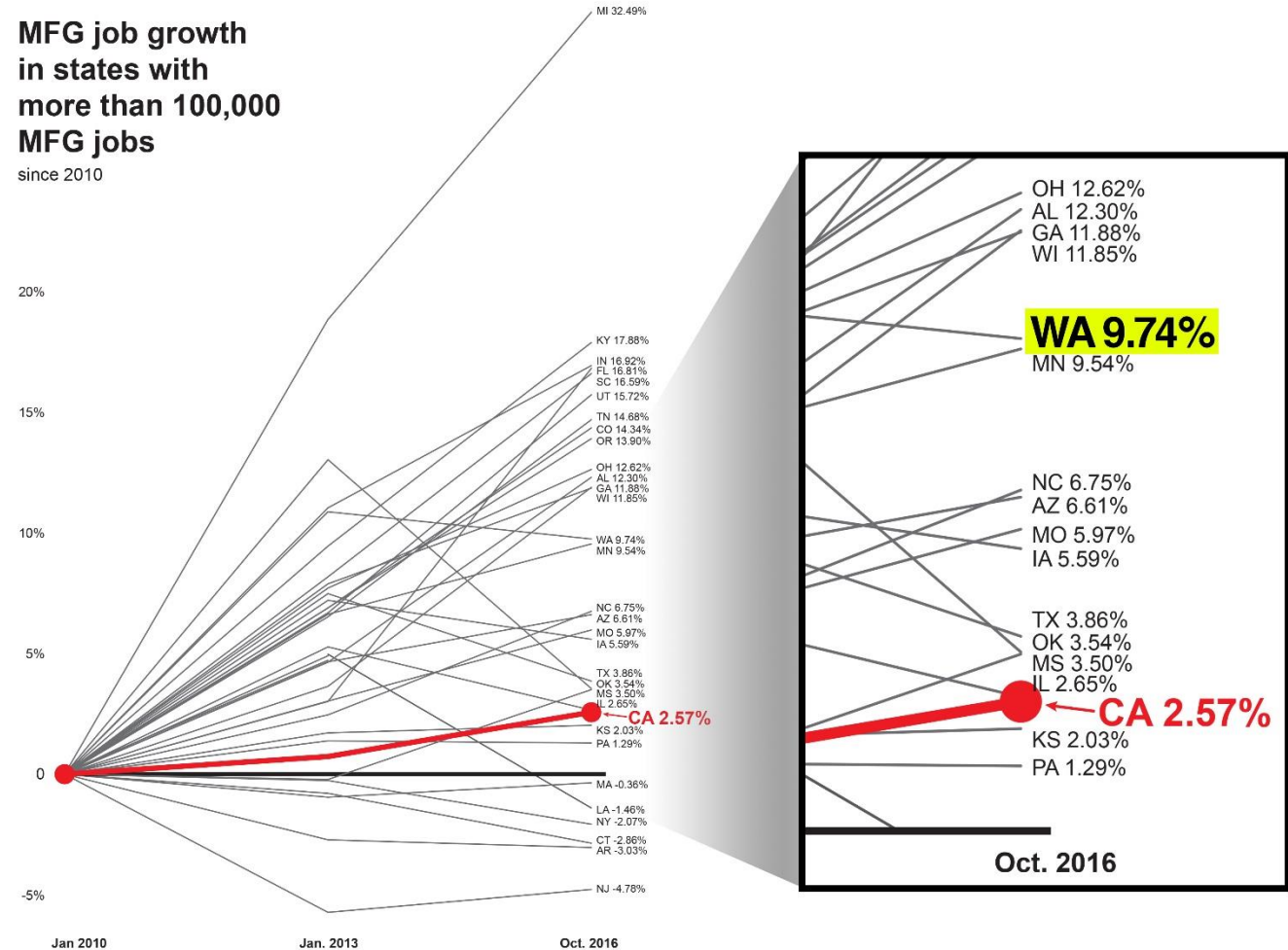
State of the State: Washington Critical Issues

Legislative session

- 2017 Issues
 - Education funding (“McCleary Decision”)
 - Carbon cap
 - Predictive/Restrictive scheduling
 - Paid vacation, FMLA, pay & equity
 - State budget
 - State taxes – B&O, capital gain, carbon, removal of incentives

Manufacturing – Best Growth Since Recession

- Of the 32 states that average more than 100,000 manufacturing jobs overall, Michigan has attracted largest percent of growth with 32.49% since 2010
- Washington ranks No. 14 at 9.74%
- California, which published this graphic, was 24th out of 32 with 2.57%



Seattle Trends

- Economy is booming, fueled by tech sector
- \$4.4 billion worth of construction
- 68 buildings under construction at end of 2016
- The most in more than a decade



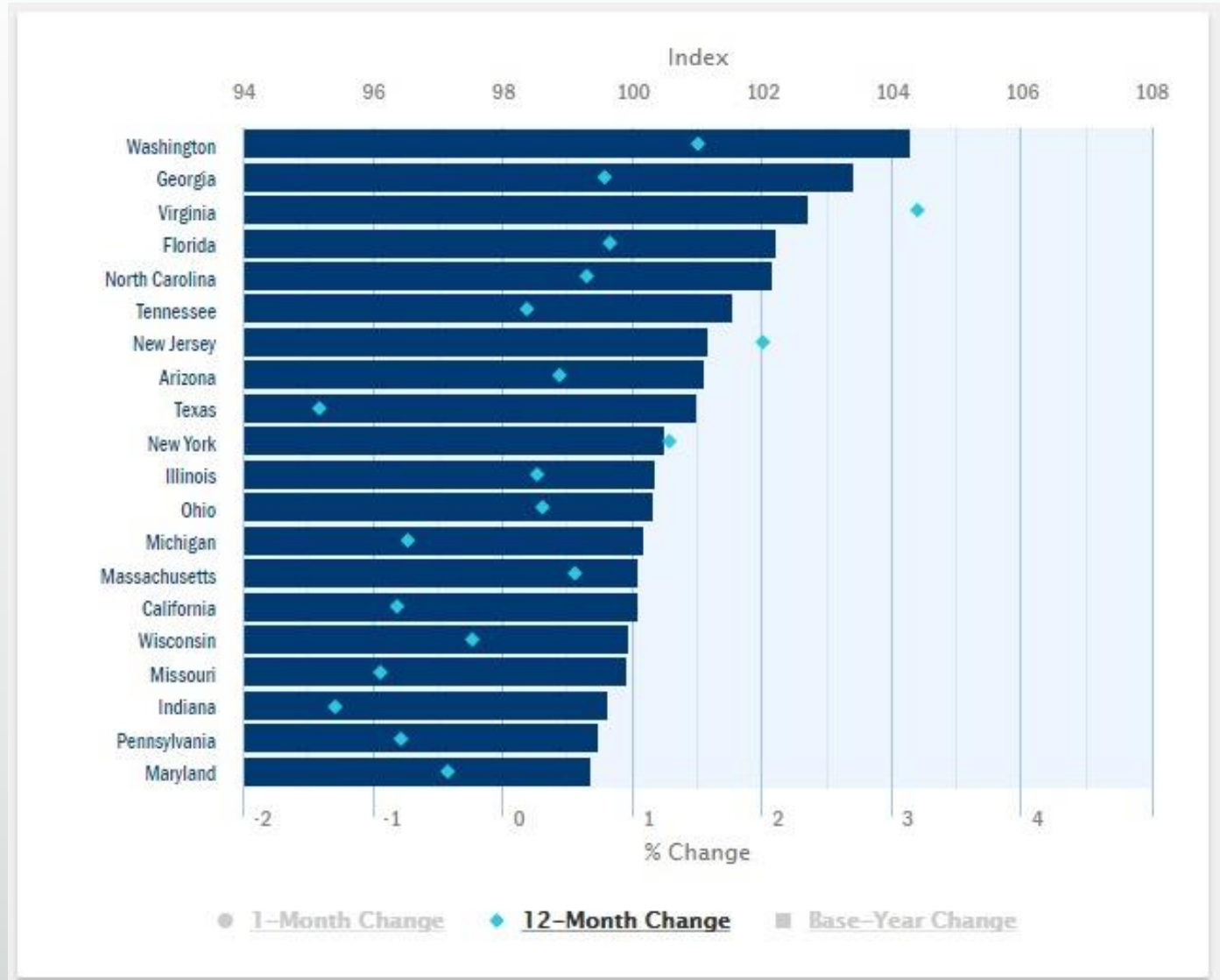
Rural Jobs Summit



</> Embed

Small Business Strength

- Washington top-ranked state for small business in Paychex/IHS Small Business Jobs Index
- Seattle is the top-ranked city
- Nationally, small business growth has plateaued, but at a solid pace of employment gains



Focus on Jobs – Washington's Working Waterfront



ANNUAL ECONOMIC IMPACT IN WASHINGTON



**Additional revenue refers to indirect impacts associated with first round purchases through suppliers as well as induced impacts through labor income and additional jobs, income, and output resulting from the spending of this income in Washington.*

#GrowHere Employer Image Campaign

- Telling the story of Washington employers who are succeeding in business *and* improving the community.
- Multi-media campaign began Feb. 26 during the Oscars
- M3 Biotechnology – Working on a cure for Alzheimer’s disease
- The McGregor Company – Century old ag company cares passionately about rural communities and farm families
- Alaffia – Mission-driven fair trade skin products company putting people to work in Washington and waging war on poverty in the West African nation of Togo.



Thank You

KrisJ@AWB.org or @KrisJohnson_IOM