

CF Round 8 Development of Regional Totals

June 2, 2009

Pew Research Center

- Change in US Working Age Population, 2005-2050:
 - Immigrants and descendants +76,000,000
 - Non-immigrants - 7,000,000

Global Insight Methodology

- Each economic area (metro and state) modeled individually and then linked into national: top-down/bottom-up
- Methodology captures internal growth dynamics and differential business cycle response
- Initial forecasts from econometric models with analyst judgments to make refinements due to behavioral relationships – Focus on judgements is short-term (5-8 years), econometric thereafter.

Three Regional Definitions

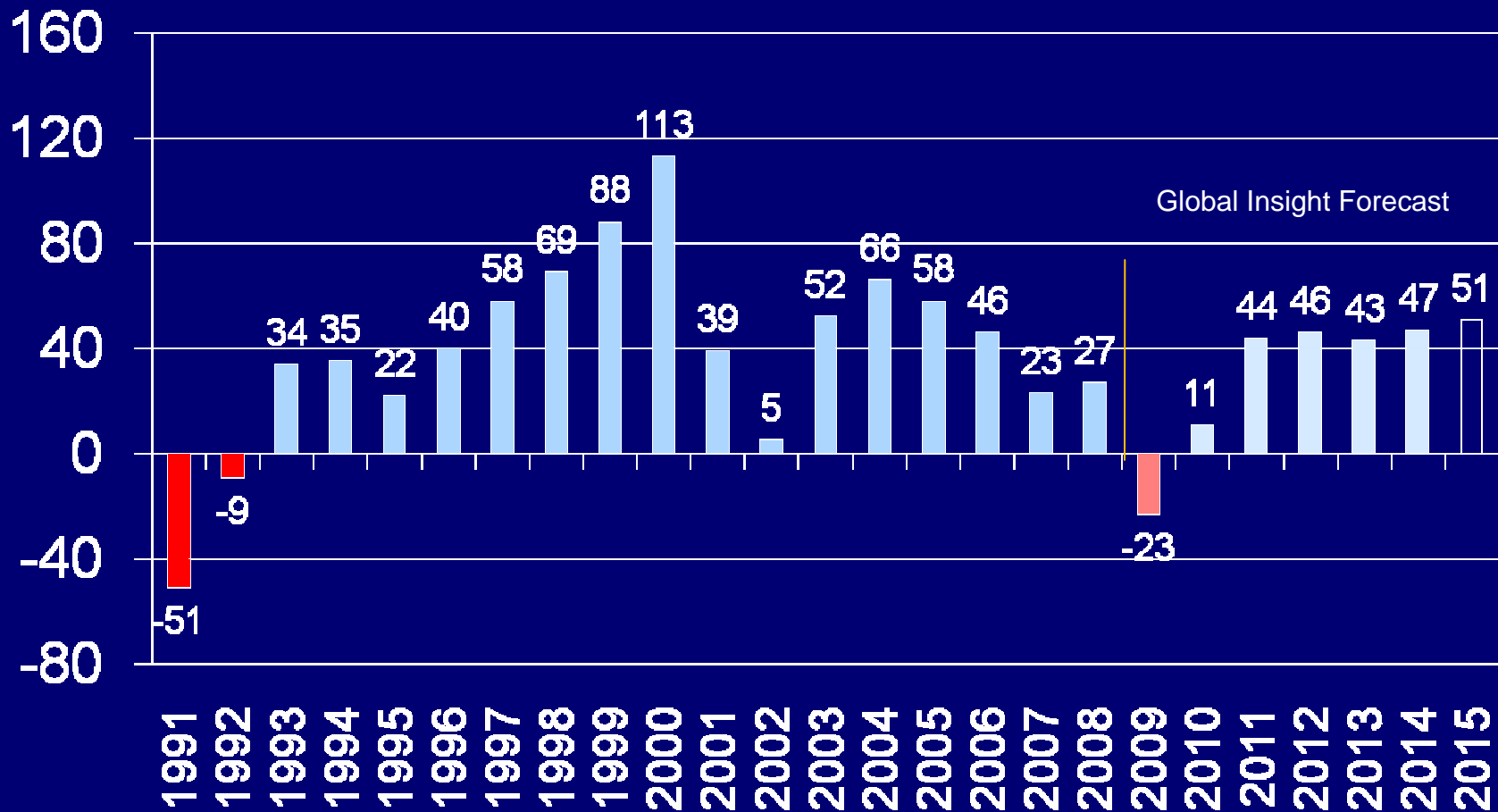
- COG Region (1983 MSA + Calvert, Charles, Stafford) = **COG**
- Washington Metropolitan Statistical Area (current) = **MSA**
- TPB Model Region (Current MSA - Warren + King George + Ann Arundel, Carroll, Howard, St Mary's) = **TPB**

Key Factors

- Short-Term Forecasts Given Economic Cycle
- Total Employment – Account for self-employed
- Forecasts by NAICS
- Employment / Household Relationship including in-commuting

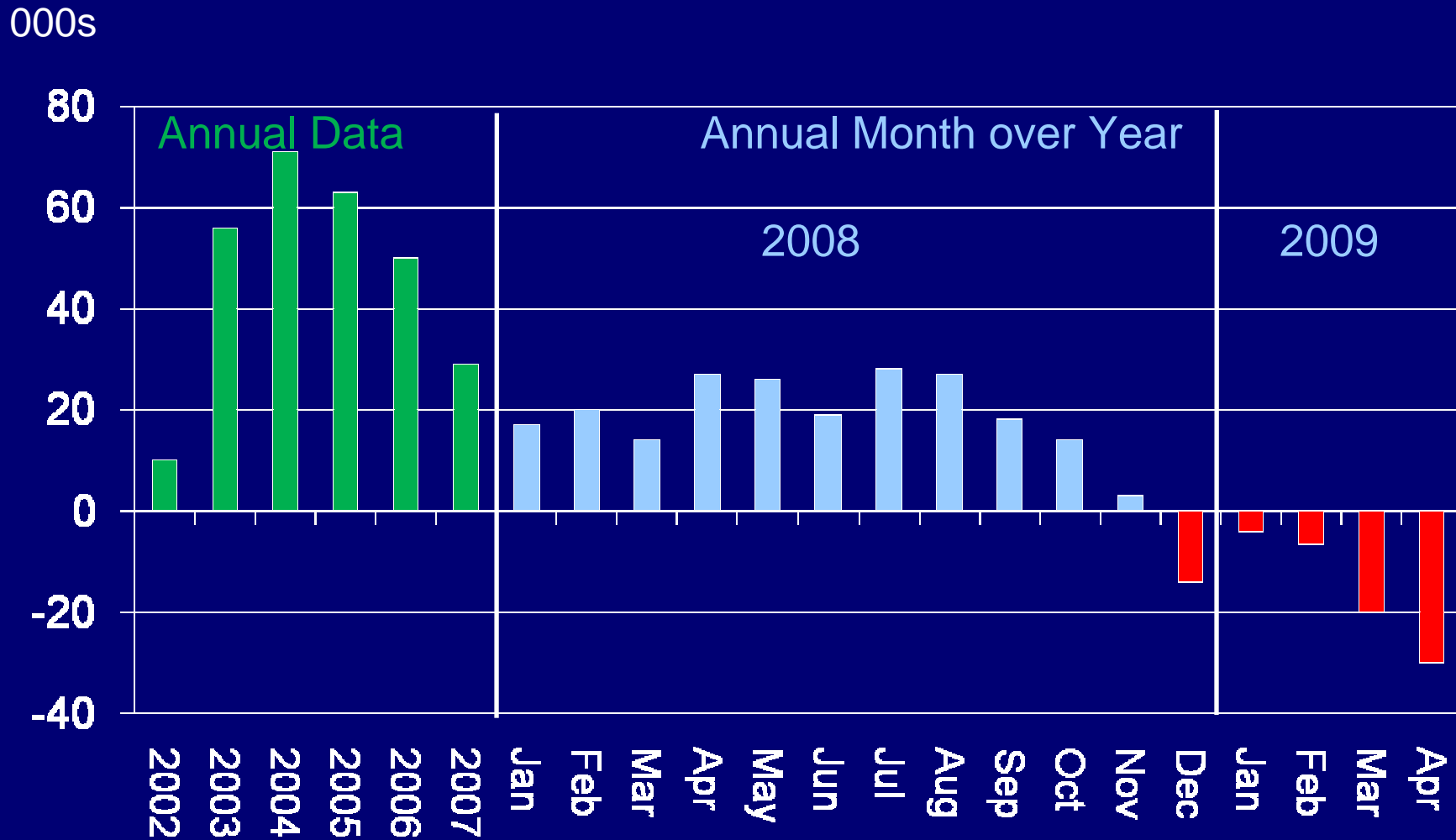
Annual Change in Jobs COG Region 1991 - 2015

Thousands



Source: BLS March 2009 Benchmark, GMU Center for Regional Analysis, Global Insight

Annual Job Change Washington MSA

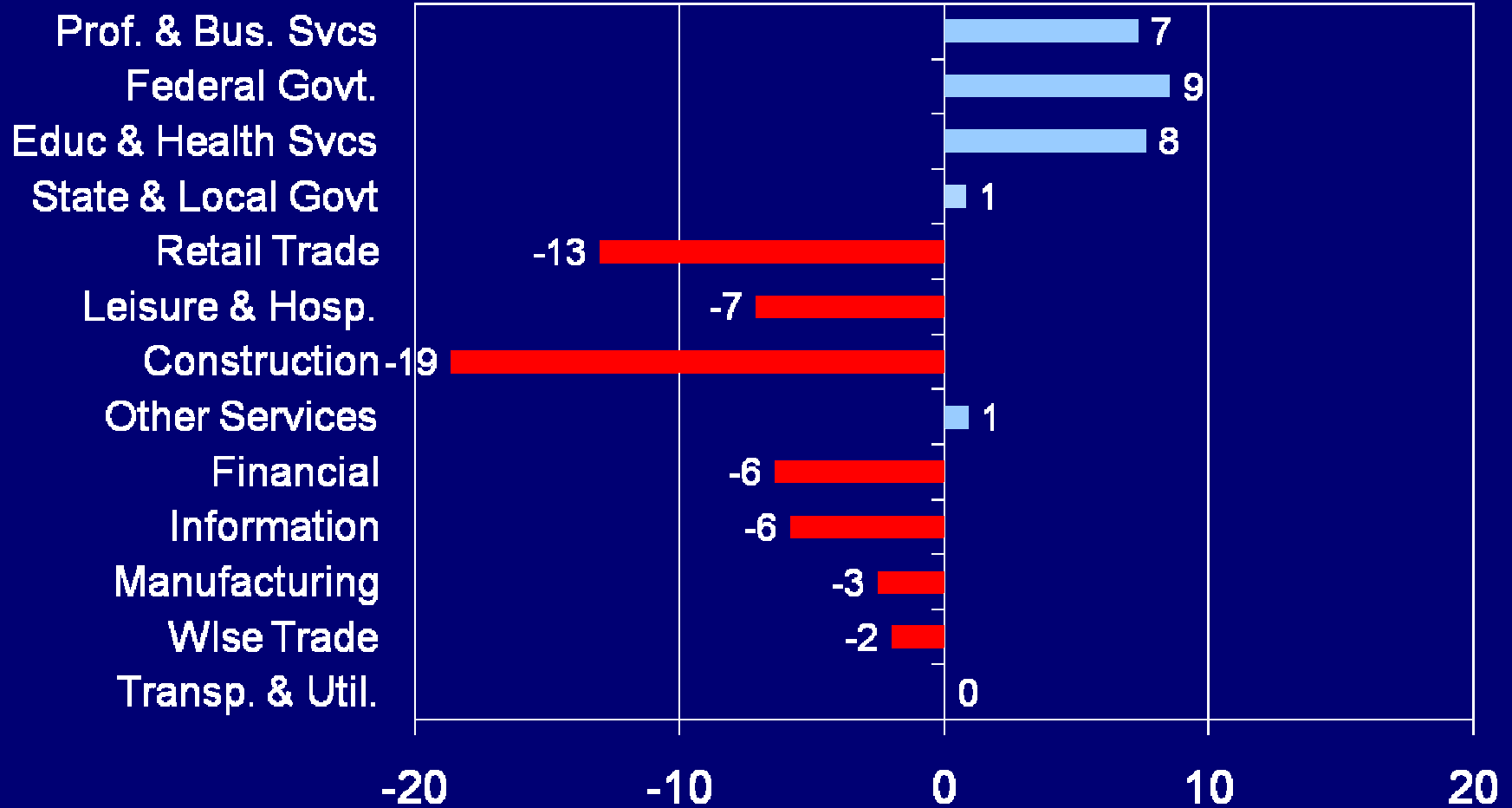


Source: BLS March 2009 Benchmark, GMU Center for Regional Analysis

Job Change by Sector April 2008 – April 2009 Washington MSA

(000s)

Total - 30,300



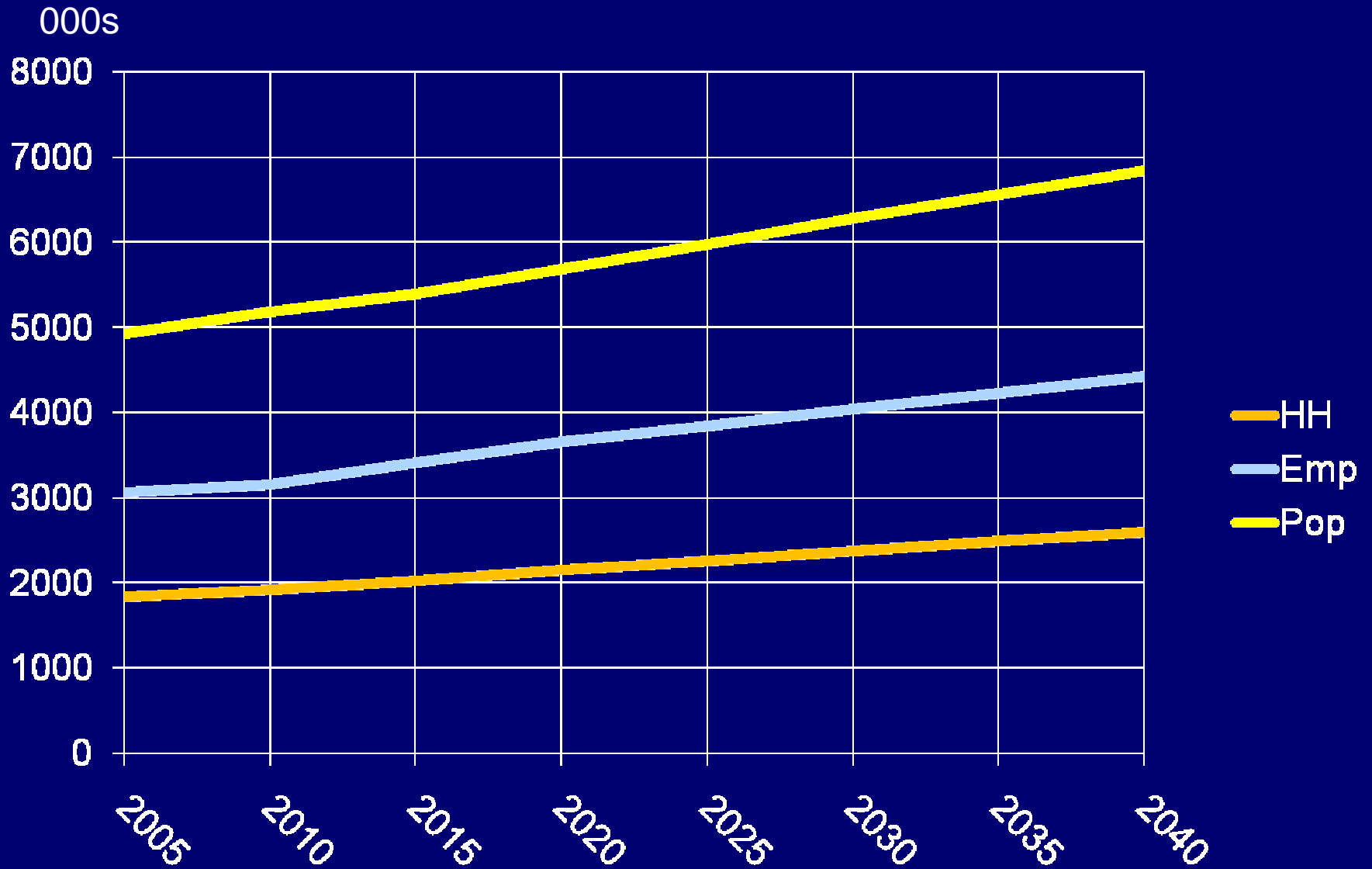
Source: BLS March 2009 Benchmark, GMU Center for Regional Analysis

Employment/Households

- Scenario 1 – Adjust Households and Population in Later Years, Not Enough Households to Supply Workers for Projected Jobs – Implies Significant In-Commuting. Household Growth Constrains Potential Job Growth
- Scenario 2 – Employment is the Driver, and More Households Needed to Provide the Workers for the Jobs

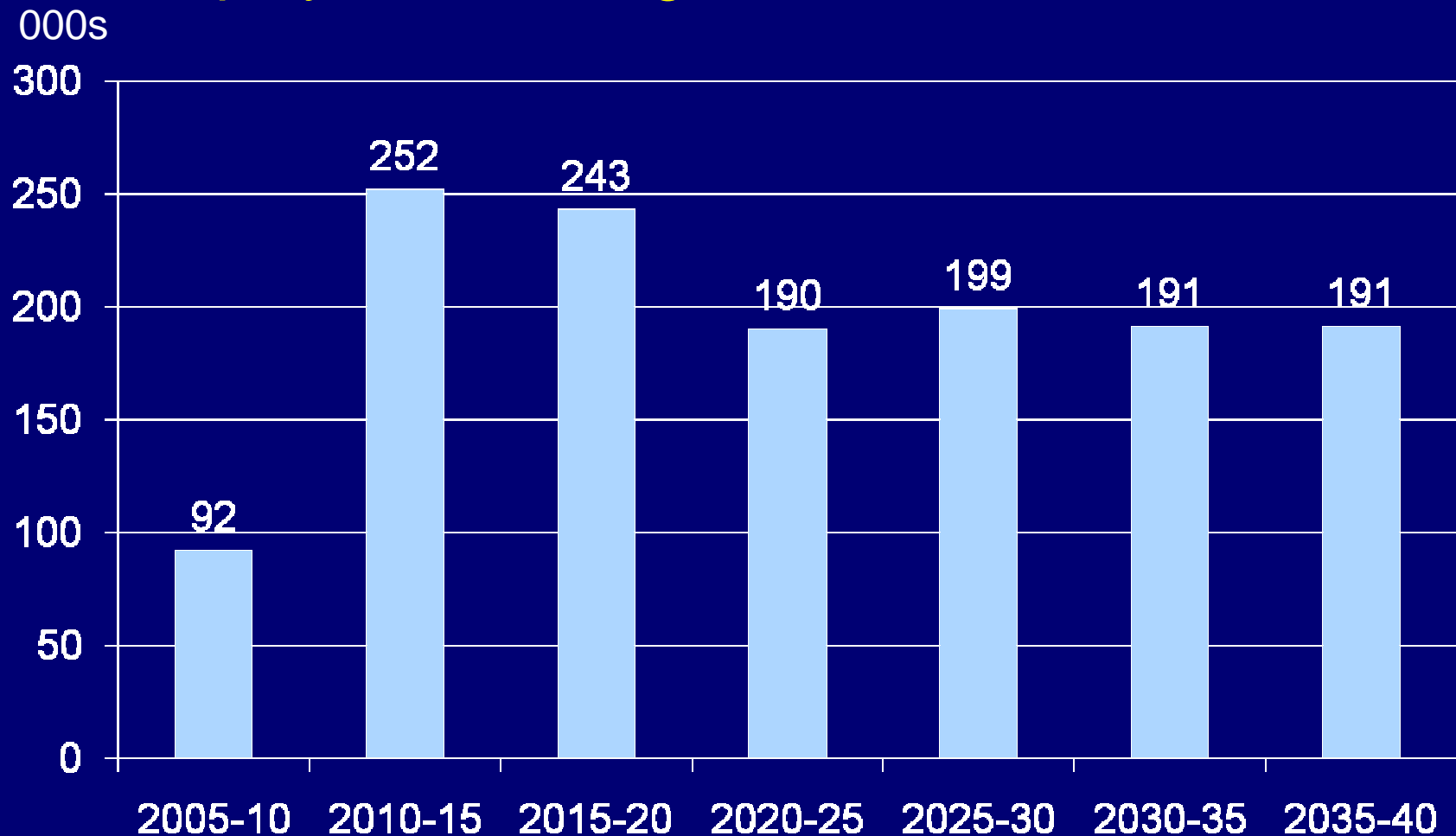
For both Scenarios, $E/HH = 1.70$ is Assumed
In Adjusting the Forecasts

Scenario 1



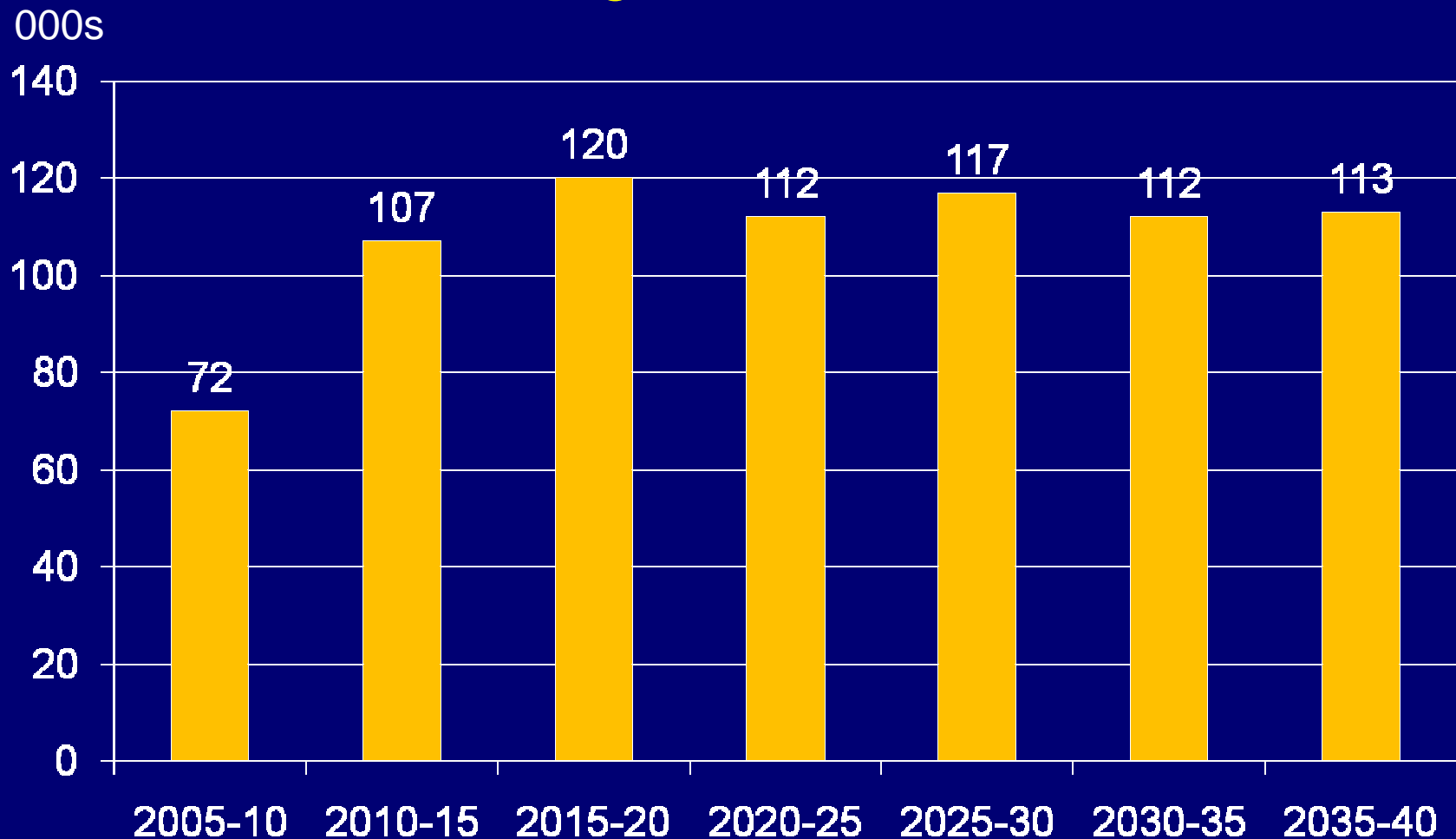
Scenario 1

Employment Change in Five-Year Increments

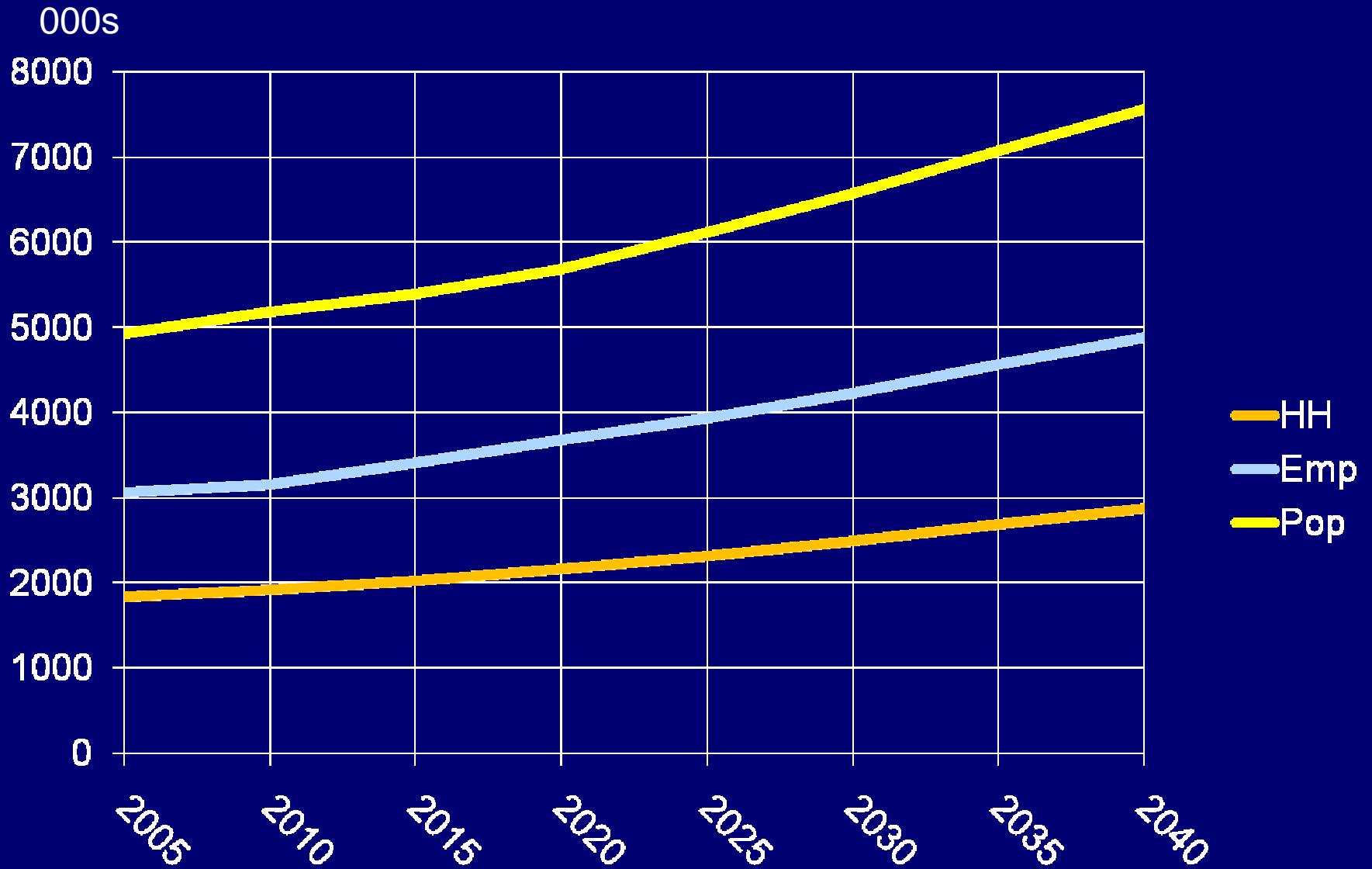


Scenario 1

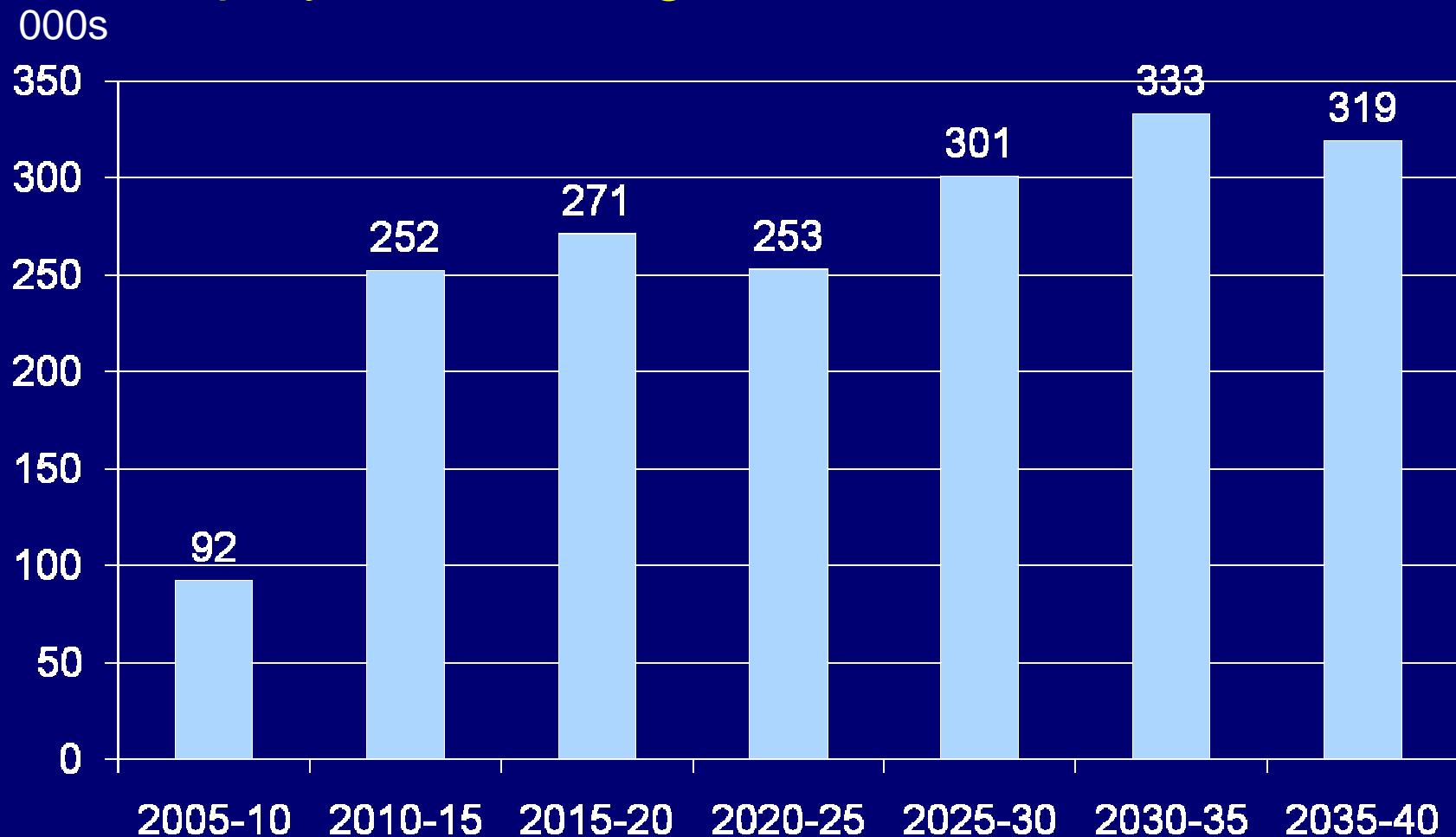
Household Change in Five-Year Increments



Scenario 2

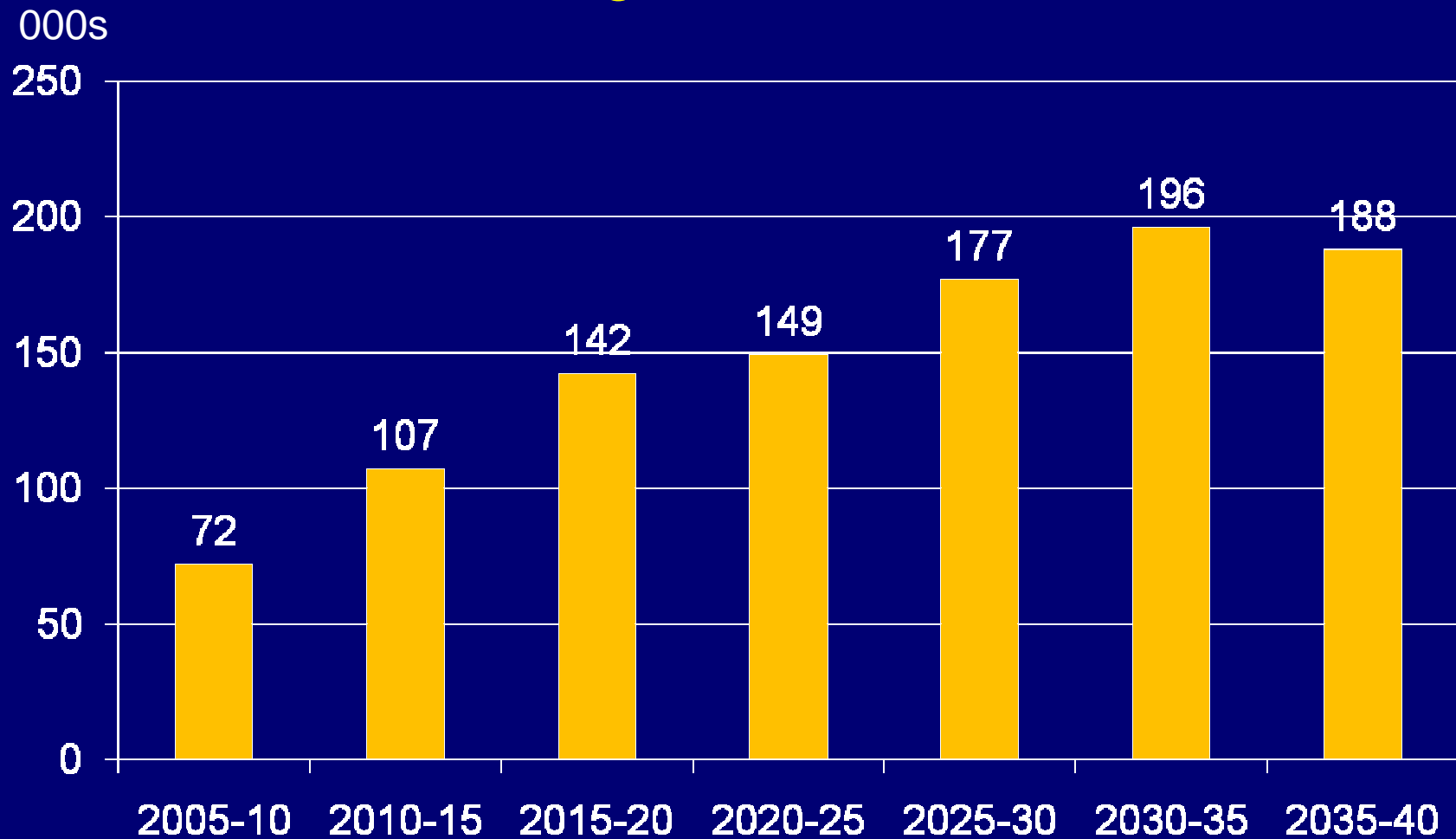


Scenario 2 Employment Change in Five-Year Increments

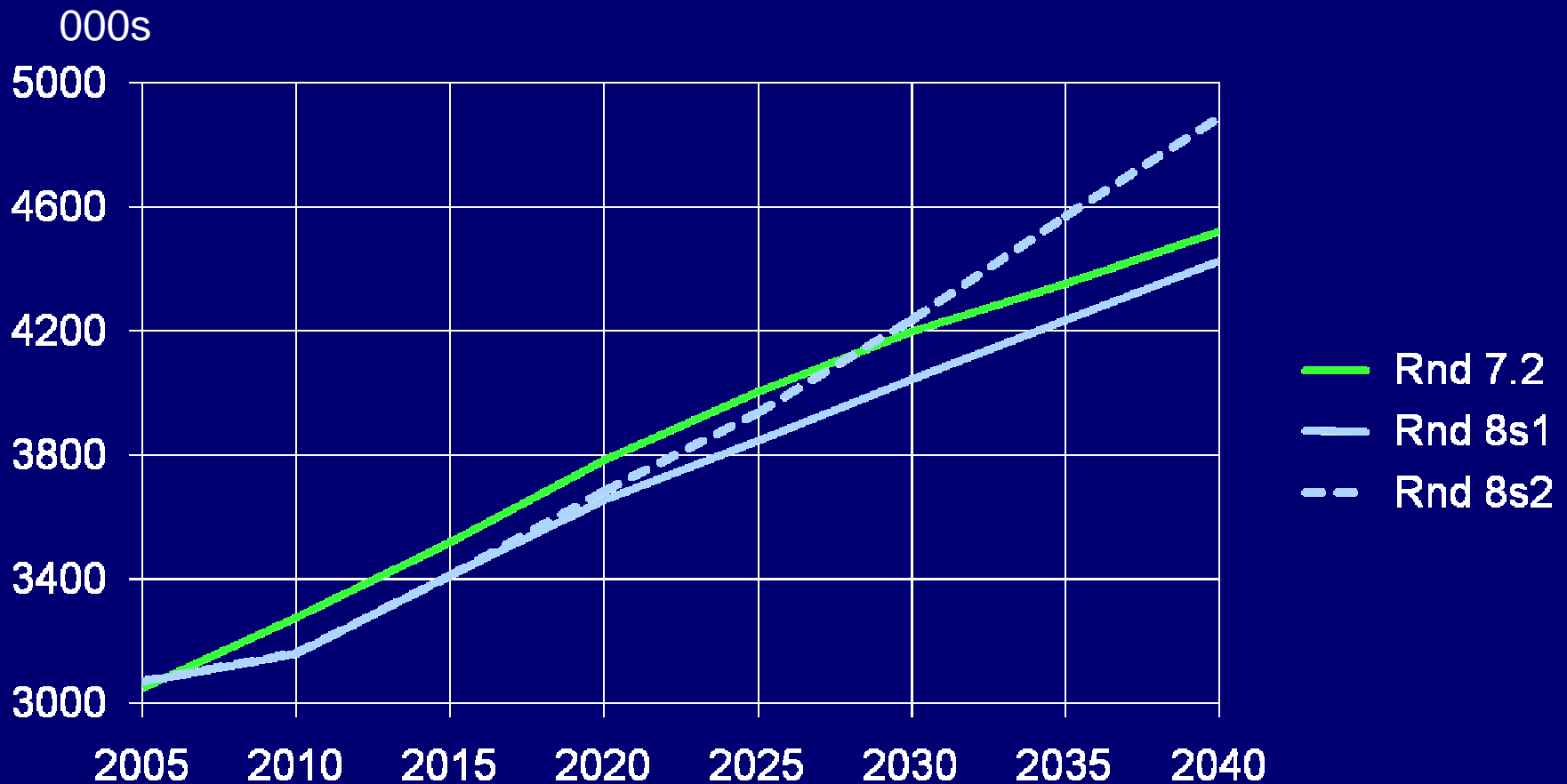


Scenario 2

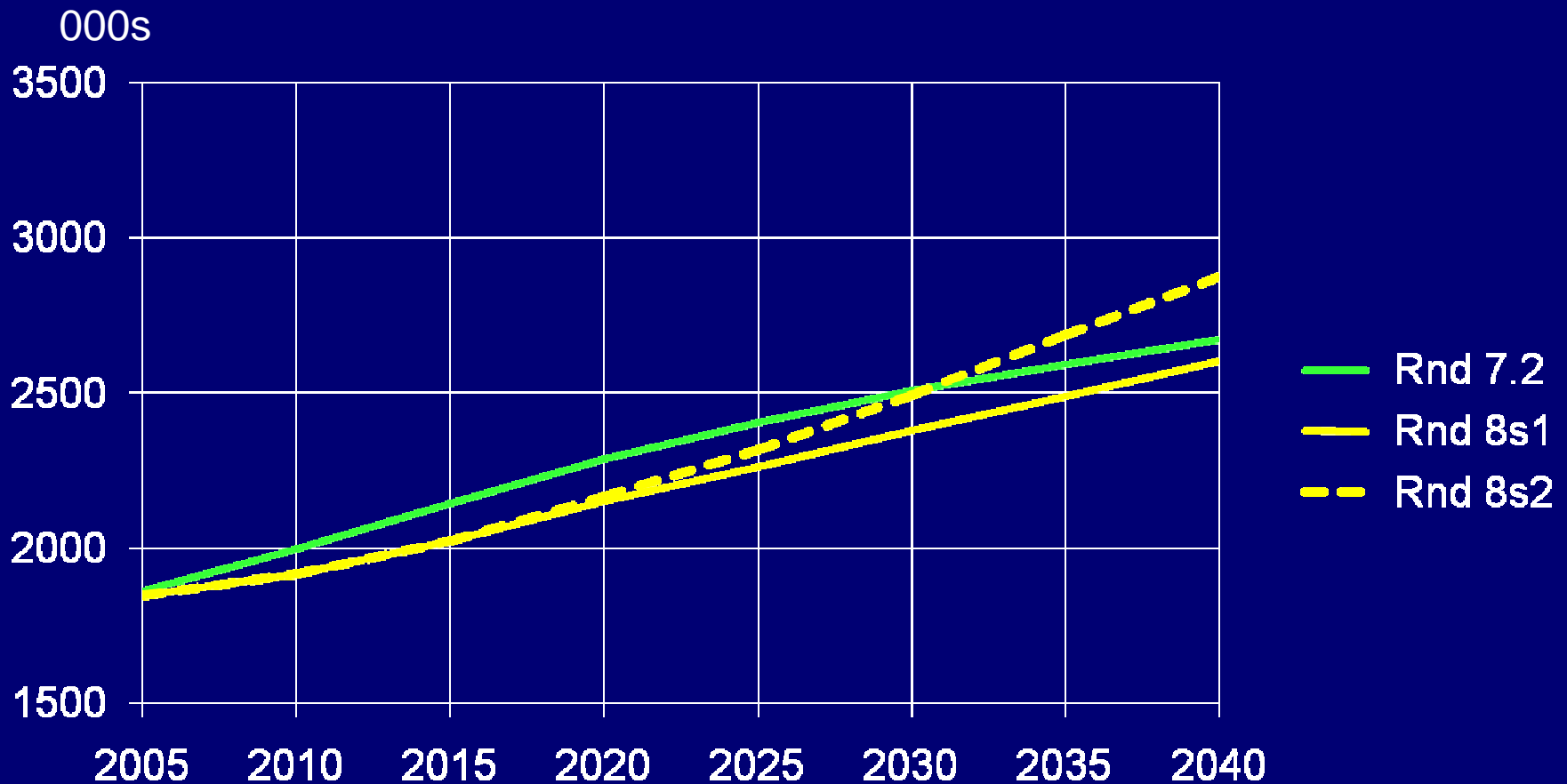
Household Change in Five-Year Increments



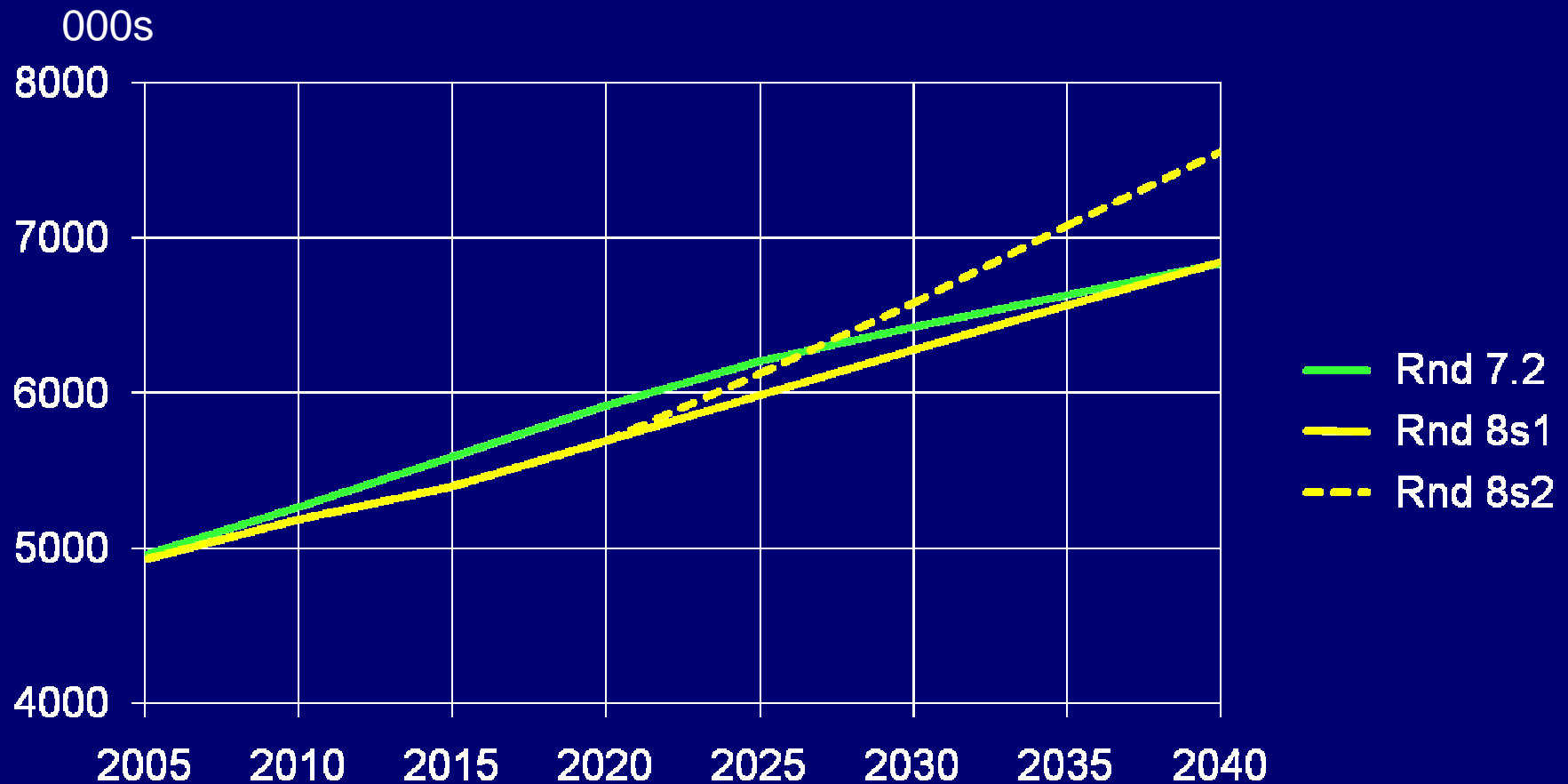
Forecast Comparisons Employment



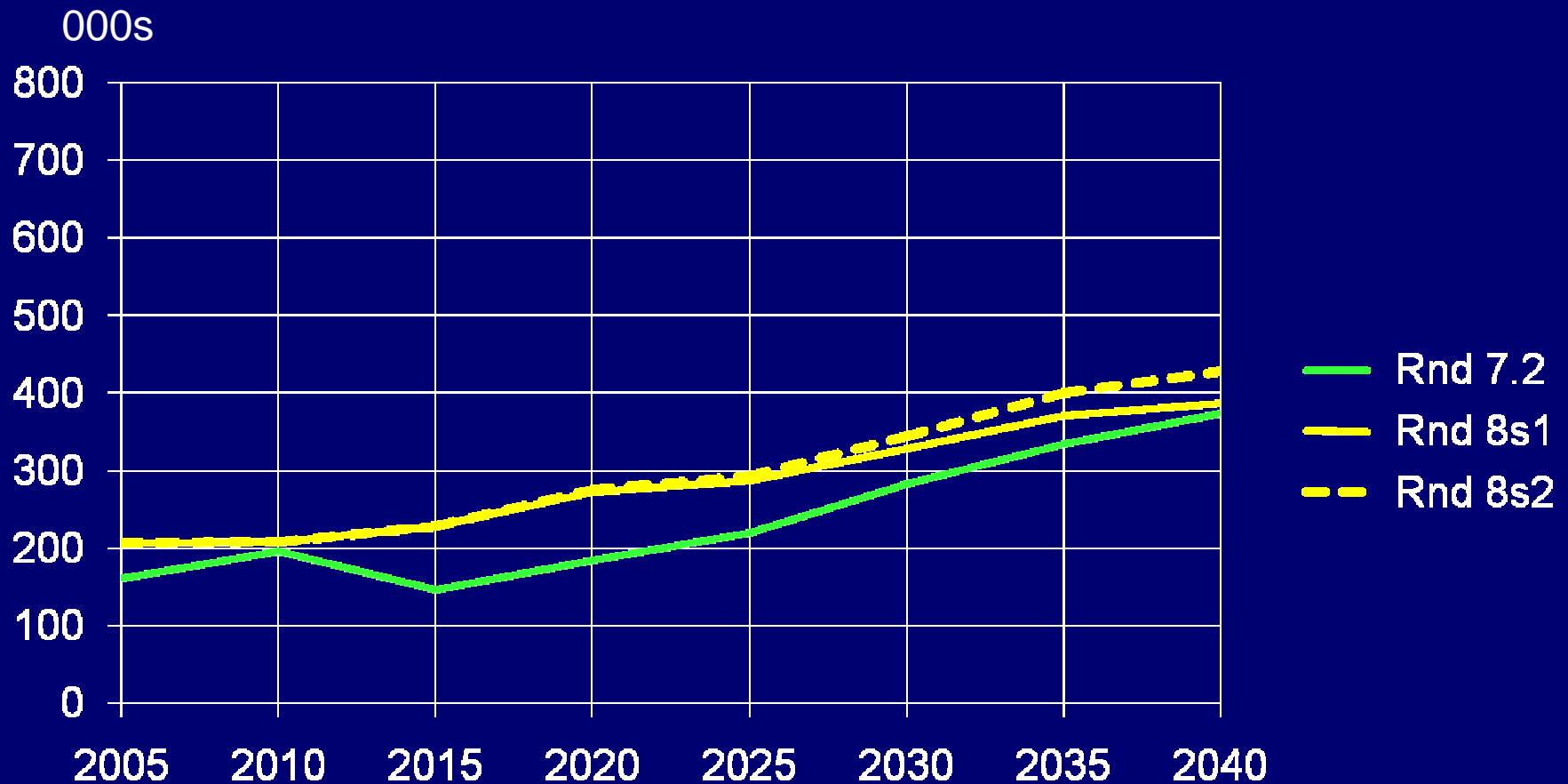
Forecast Comparisons Households



Forecast Comparisons Population



Forecast Comparisons Imputed Net In-Commuting



Additional Adjustments?

- Federal Employment

Change in Federal Employment by Administration

Administration	Period	Wash. Metro	U.S.
Eisenhower	1953 – 1960	- 22,200	-158,000
Kennedy-Johnson	1961 – 1968	+ 80,200	+490,000
Nixon-Ford	1969 – 1976	+ 36,000	+ 11,000
Carter	1977 – 1980	+ 18,000	+ 12,000
Reagan	1981 – 1988	- 6,200	+195,000
Bush 1	1989 – 1992	+ 23,500	+ 21,000
Clinton	1993 – 2000	- 41,500	-341,000
Bush 2	2001 – 2008	+ 18,500	-35,000

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