

BEYOND THE HEADLINES

At a Glance: Jobs, Workers & the Economy

FEBRUARY 2014

FOCUS: SEATTLE, KING COUNTY & WASHINGTON

Seattle's Economic Share in the Region

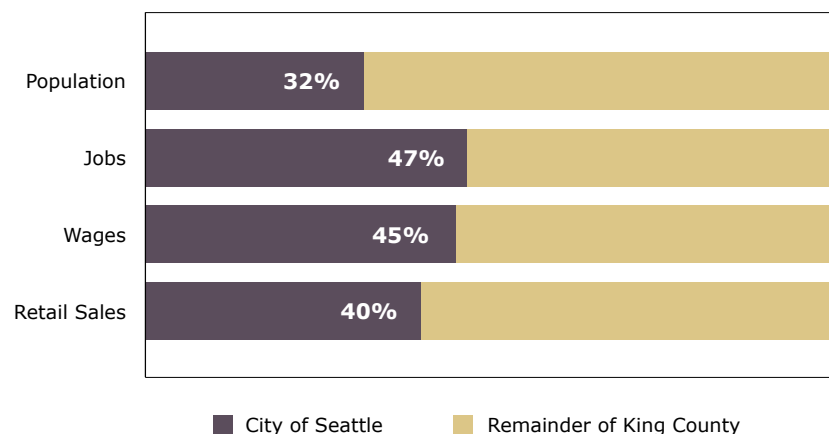
Metropolitan economies are of growing importance to regional, statewide, national, and global prosperity. In 2007, for example, half of the global GDP (gross domestic product) came from just 380 cities worldwide.ⁱ Cities and metropolitan areas are vital to national and global markets, as they contain a wide range of skills and resources, a concentration of income, a diversity of knowledge and institutions, a density of services, and a developed infrastructure that spurs innovation and economic growth.ⁱⁱ For these reasons, cities and urban areas provide a number of economic opportunities not available elsewhere.

Not all cities contribute the same amount to their region's prosperity, however. The metropolitan area of Pittsburgh, for example, constitutes about 20 percent of Pennsylvania's GDP, whereas the metropolitan area of Las Vegas makes up about 75 percent of Nevada's GDP.ⁱⁱⁱ The following figures display economic indicators for the City of Seattle (not the metropolitan area) relative to King County and Washington State at large.

Figure 1 displays Seattle's economic share in King County relative to the number of people that live in the city. While approximately 32 percent of King County residents live in the City of Seattle, the city houses nearly

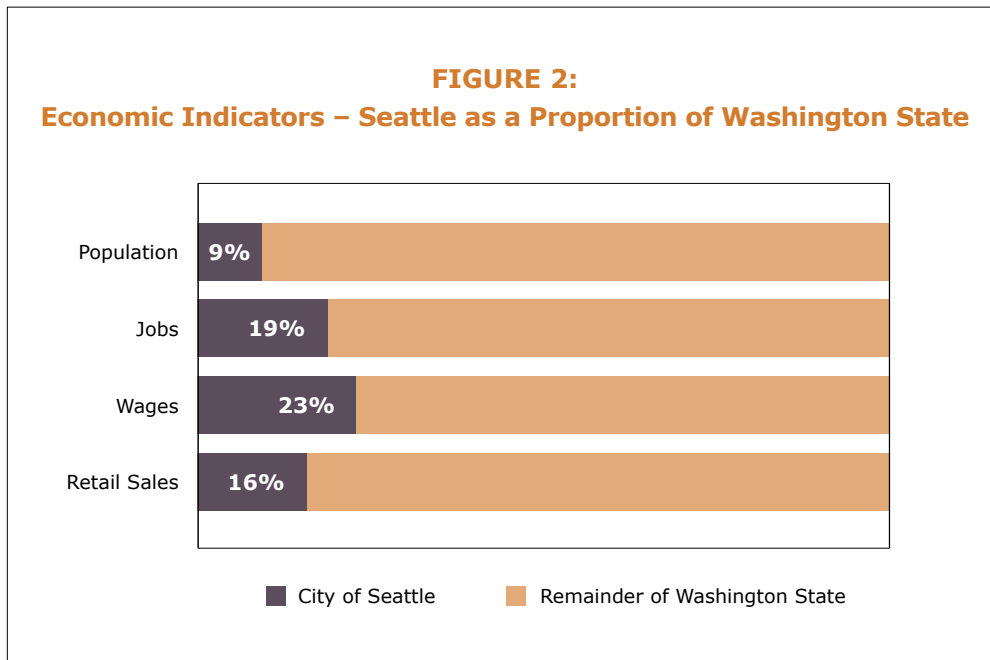
47 percent (approximately 540,000) of the jobs.^{iv} Further, approximately 45 percent (\$34.4 billion) of the wages earned in King County are earned in Seattle, and 40 percent (\$17.1 billion) of the taxable retail sales occur in Seattle.^v

FIGURE 1:
Economic Indicators – Seattle as a Proportion of King County



Similar to Figure 1, **Figure 2** displays economic indicators for Seattle relative to Washington State. Whereas just over 9 percent of Washington residents live in the City of Seattle, Seattle comprises nearly 19 percent of the nearly

3 million jobs statewide.^{vi} Approximately 23 percent of Washington State’s \$150 billion in wages are earned in Seattle, and 16 percent of the state’s nearly \$110 billion in taxable retail sales occur in the city.^{vii} (**Table 1** provides the population, jobs, wages, and retail sales estimates for Seattle, King County, and Washington State.)



Discussions of economic indicators often focus on metropolitan statistical areas (MSAs), which for Seattle includes King, Pierce, and Snohomish Counties. While the MSA is an important geographic area used to assess the regional economy, it can mask the importance and contribution of particular cities. As illustrated here, the City of Seattle *on its own* generates a tremendous amount of economic activity in Washington State. Relative to the number of people

that reside in Seattle, the city houses more than its share of county-wide and statewide employment, wages, and retail sales. This has implications for job seekers, city residents, employers and employees (among others), as the City of Seattle itself, not just the region, provides significant economic opportunity.

TABLE 1:
Economic Indicator Estimates for Seattle, King County & Washington State

	POPULATION	JOBS	WAGES	RETAIL SALES
City of Seattle	634,541	541,728	\$34,359,143,116	\$17,162,539,898
King County (TOTAL)	2,007,440	1,163,214	\$76,570,388,321	\$43,038,779,843
Washington State (TOTAL)	6,897,012	2,894,397	\$150,408,649,760	\$109,053,732,442

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- i. Richard Dobbs, Sven Smit, Jaana Remes, James Manyika, Charles Roxburgh, and Alejandra Restrepo, "Urban World: Mapping the Economic Power of Cities," *McKinsey Global Institute*, March 2011, http://www.mckinsey.com/insights/urbanization/urban_world
 - ii. Marc A. Weiss, "Teamwork: Why Metropolitan Economic Strategy is the Key to Generating Sustainable Prosperity and Quality of Life for the World," *Global Urban Development Magazine*, May 2005, <http://www.globalurban.org/Issue1PIMag05/Weiss%20article.htm>
 - iii. U.S. Bureau of Economic Analysis, "Economic Growth Widespread across Metropolitan Areas in 2012, Advance 2012, and Revised 2001–2011 GDP-by-Metropolitan-Area Statistics," *U.S. Department of Commerce* (accessed February 14, 2014), http://www.bea.gov/newsreleases/regional/gdp_metro/2013/xls/gdp_metro0913.xls; U.S. Bureau of Economic Analysis, "Widespread Economic Growth in 2012, Advance 2012 and Revised 2009–2011 GDP-by-State Statistics," *U.S. Department of Commerce* (accessed February 14, 2014), http://www.bea.gov/newsreleases/regional/gdp_state/2013/xls/gsp0613.xls
 - iv. Jobs estimates represent covered employment. Population estimates from: U.S. Census Bureau, *2012 American Community Survey 1-Year Estimates, Table DP05*, generated by Tyler Corwin, using American FactFinder (accessed February 14, 2014), <http://factfinder2.census.gov>; Jobs estimates from: Employment Security Department Washington State, *Quarterly Census of Employment and Wages, Annual Averages, 2012 - Revised*, State of Washington (accessed February 14, 2014), <https://fortress.wa.gov/esd/employmentdata/docs/industry-reports/qcew-annual-averages-2012-revised.xls>; Anneliese Vance-Sherman (Regional Labor Economist, Employment Security Department), email communication to the author, January 30, 2014.
 - v. Wage estimates from: Employment Security Department Washington State, 2014; Vance-Sherman, 2014; Retail sales estimates from: Washington State Department of Revenue, *Quarterly Business Review, 2012, Table 3 - Taxable Retail Sales for Counties*, State of Washington (accessed February 14, 2014), <http://dor.wa.gov/docs/reports/2012/qbrcal12/t3cal12.xls>; Washington State Department of Revenue, *Quarterly Business Review, 2012, Table 4 - Taxable Retail Sales for Selected Cities*, State of Washington (accessed February 14, 2014), <http://dor.wa.gov/docs/reports/2012/qbrcal12/t4cal12.pdf>
 - vi. U.S. Census Bureau, 2014; Employment Security Department Washington State, 2014; Vance-Sherman, 2014.
 - vii. Employment Security Department Washington State, 2014; Vance-Sherman, 2014; Washington State Department of Revenue, 2014.

BEYOND THE HEADLINES: Policy & Labor Market Updates for Those Working to Help Low-Income and Low-Skill Individuals Advance through Education, Training & Living-Wage Jobs

About Seattle Jobs Initiative

Seattle Jobs Initiative creates opportunities for students, workers and business to succeed by helping education and job training programs meet the demands of a new economy. We find and apply solutions for people to gain the skills they need for good jobs that create prosperity for all in today's marketplace.

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Contact Information

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