

# Washington State Department of Commerce

## Skagit Envision Citizen Committee Long –Term Economic Development

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**Department of Commerce**  
Innovation is in our nature.

# Commerce Mission: Grow and improve jobs

**Key metrics:** 1. Overall job growth and for high, medium and low wage jobs;  
2. Income per job, hourly; 3. Growth in income per job vs. other states

## Global Priorities

Competitiveness

Education/  
Workforce Training

Efficient &  
Effective  
Regulation

Infrastructure  
Investment

## Specific Priorities

Community  
Capacity

Rural Focus

Sector Focus

Small Business

Commerce Strategic Plan available at [www.commerce.wa.gov](http://www.commerce.wa.gov)



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# Short-Term Job Creation

## Highlights of 2010 Session

1. **“Jobs Act” investment in energy efficiency in public schools & higher ed facilities**
  - \$100M in capital budget; \$500M as ballot initiative
  - Goal: 3x leverage of non-state funds
  - Estimated to create 36,000 jobs over five years
2. **Transportation Budget:** 1,535 projects statewide that will support an estimated 24,000 jobs at peak of construction cycle
3. **Washington Works Housing Program:** 1,100 jobs over four years
4. **Opportunity Express:** Worker retraining for high demand fields
5. **Tax incentives to hire in rural & distressed counties:** HB 3014 establishes sales and use tax deferral/waiver program for manufacturing and R&D in distressed counties. Estimated 270 jobs
6. **Local Revitalization Fund (LRF):** Funding increased. Estimated 700 jobs
7. **Tax incentives created/extended:** Data center, aluminum smelting and airline repair. Estimated >3,500 jobs





# Medium-Term Job Creation

## Key Commerce Activities

1. **Defining the Department of Commerce:** Aligning behind a new mission to grow and improve jobs
2. **Washington State Export Initiative:** Increase number of companies exporting by 30% in next five years
3. **Aerospace Council:** Driving activity and policy recommendations to ensure Washington remains the best place in the world for aerospace
4. **Clean Energy Leadership Council:** Advising the state on how to use the clean energy transition to drive economic growth
5. **State Energy Strategy:** Updating our state's 17 year old view

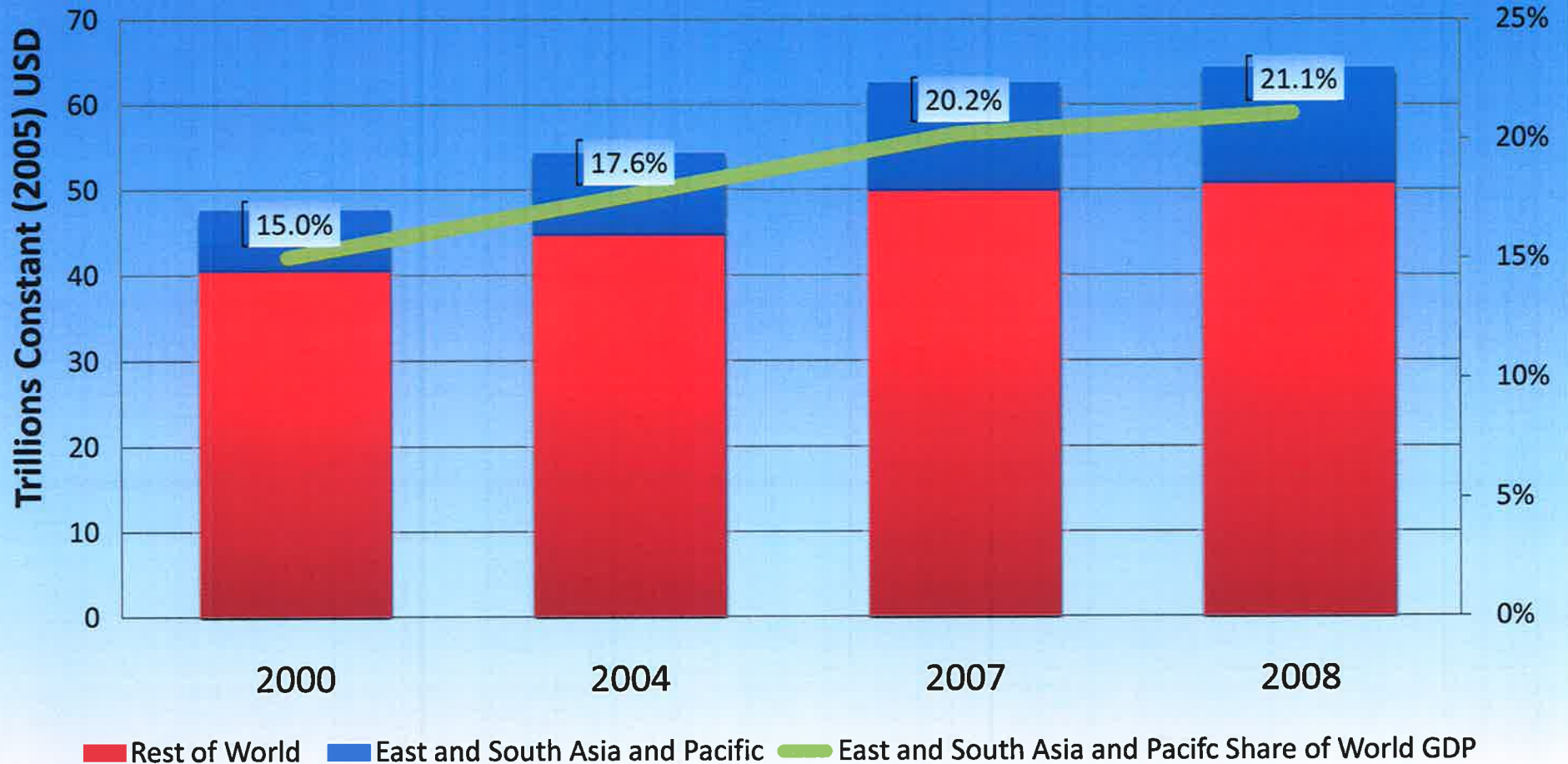


# Long-term Economy-wide Trends

- Rise of Asia
- Clean energy transition
- Prevalence of software



# Combined GDP: East Asia, South Asia, Pacific Regions Adjusted for Purchased Power Parity (PPP)



Data source: World Bank





# *The Economist on Asia-Pacific*

- Since 1995, Asia's economy (real GDP) has grown more than twice as fast as that of America or Western Europe
- Adjusting for currency differences, three of the world's four biggest economies (China, Japan and India) are in Asia
- Asian stock markets now account for **34%** of global market capitalization, ahead of the US (33%) and Europe (27%)
- Asia was the world's biggest market for automobiles (**35%**) and mobile phones (43%) last year
- Asia has accounted for **2/3** of world increase in energy demand since 2000
- In 2009, 40% of global capital investment took place in Asia, more than in the US and Europe combined
- 8 of the top 10 IPOs in 2009 were Asian firms – more than twice as much IPO capital was raised in China/Hong Kong last year as in the US
- Asia accounted for over half of world output in 18 of the last 20 centuries.



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# Clean Energy Leadership Council (CELC)

**Created in April 2009 by Senate Bill 5921 with a mission...**

*"...to create a clean energy leadership initiative that will set the path to leverage Washington's energy infrastructure and make Washington a hub for clean energy technology and a leader in the creation of green jobs and the development, deployment, and export of clean energy technologies and services"*

## **Progress**

- 23-member Council appointed by Gov. Gregoire in Sept. 2009
- Council held 10 meetings over the last 11 months to gather expert input
- Working with Navigant Consulting to analyze state's competitive strengths and industry potential to develop a clean energy leadership roadmap.

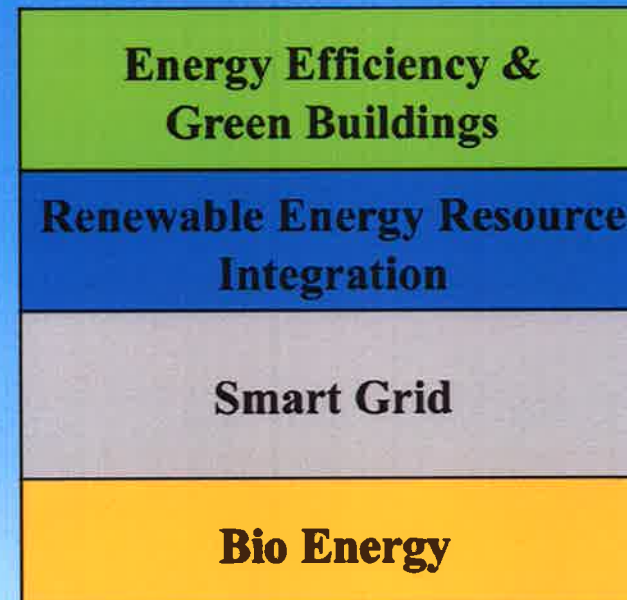
## **Key Milestones**

- An interim report was presented to the legislature in Dec. 2009
- Navigant Consulting chosen through RFP process to develop an in-depth analysis and roadmap for making Washington a national leader in clean energy technology
- Navigant presented the Council with its Phase 1 (April 2010) and Phase 2 (June 2010) reports based on input from the CELC as well as their own analysis



# Navigant Study Results: Where to focus

- Based on input from key stakeholders and detailed sector analysis by Navigant Consulting, the CELC has identified **four Target Clean Energy Technology Segments** in which the state is well positioned to lead



Navigant also identified two additional segments that warrant further pursuit but require additional analysis outside the scope of CELC's current efforts:

**Nuclear Energy Technology**

**High Efficiency Vehicles**



# Business Resources

