

# REGIONAL COMPETITIVENESS

Elements of Growth and Implications for Hampton Roads

Presented to the Hampton Roads Planning District Commission

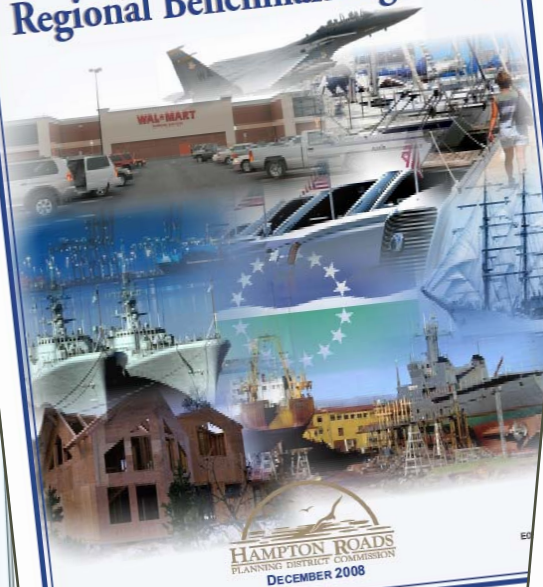
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May 20, 2009

# RECURRENT TASKS ...

## Hampton Roads Regional Benchmarking Study



## THE HAMPTON ROADS ECONOMIC QUARTERLY

Bruce C. Goodson, Chair • Dwight L. Farmer, Executive Director/Secretary • John M. Carlock, Deputy Executive Director

Vol. 1, No. 3 • Spring 2009

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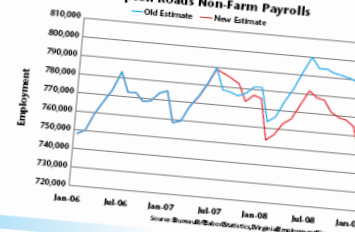
### Employment Figures Revised

Economists recognize that the monthly data produced through the Current Employment Survey (CES) serves as a sensitive gauge to the relative health of the economy. The CES, commonly referred to as payroll data, faces the tradeoff between timeliness of reporting data, expenses collecting responses, and the potential errors inherent to all surveys. This year errors in the payroll estimates led to significant revisions of the payroll series for both the State of Virginia and for the Hampton Roads metropolitan area.

The Federal and State Governments collaborate on the CES program. The State level, and reports both the data and its estimates to the Bureau of Labor Statistics (BLS). The Virginia Employment Commission (VEC), which estimates the non-farm employment for Virginia and its constituent regions, is able to produce data on a timely basis using surveys of state businesses (the BLS determines the businesses to be surveyed). The responsible agency estimates the employment in the nation/state/region by surveying a significant sample of the 14,000 businesses. Theory indicates that any estimate derived from a sample is subject to both sampling error and non-sampling error. Poor sample selection, which results in a sample that poorly represents the population of interest, is the primary source of sampling error, while non-sampling errors stem from issues both in the recording of the survey and in the processing/calculating of the statistics.

The VEC annually benchmarks the employment figures, primarily using the state unemployment insurance tax records, which are the most accurate total employment counts currently available. The payroll estimates were replaced by actual employment numbers from April 2007 to March 2008, and using models updated with the most recent data, new payroll estimates were made for the months from April 2008 to the present. In addition to

### Comparison of Estimates for Hampton Roads Non-Farm Payrolls



Preparation of this document was included in the HRPDC Unified Planning Work Program for Fiscal Year 2009 that was approved by the Commission at its Executive Committee Meeting on March 19, 2008. If you would like to be included on the electronic distribution list, please contact James Clary at 420-8300. This document is available for download from the Commission's website, visit [www.hrpdcva.gov](http://www.hrpdcva.gov).

### REVENUE GENERATION SCENARIOS

Strategy	Estimated Revenue
Local income tax of one-half of one percent (0.5%) <sup>1</sup>	\$ 103,006,332
Local sales & use tax of 1% (levied according to existing local option) <sup>2</sup>	\$ 188,332,667
Recordation tax of 1¢ per \$100 of assessed value <sup>3</sup>	\$ 4,484,511
Building permit tax of 1¢ per \$100 of assessed value <sup>4</sup>	\$ 145,328
	\$ 509,300
	\$ 13,983,280
	\$ 42,496,583
	\$ 6,747,435
	\$ 15,301,103
	\$ 10,467,300
	\$ 63,600,000
	\$ 1,663,663

Revenue Generated from Increase of 1¢ per \$100 of Assessed Value
\$1,241,243
\$36,925
\$198,295
\$620,672
\$201,845
\$595,316
\$822,848
\$927,852
\$83,200
\$341,994
\$85,669
\$404,441
\$45,648
\$2,737,680
\$115,460
\$433,270
\$892,268

Updated 1/17/2007



# COMPETITION AROUND THE GLOBE





# ECONOMIC GROWTH, WHAT IS IT?

- Population
- Employment
- Per Capita Income
- Economic Diversity
- Gross Regional Product
- Quality of Life

# ASSESSING GROWTH . . .

- Short-term vs. Long-term
- Cause vs. Effect
- Controlled vs. Uncontrolled Variables
- Distribution
- Factors that Contribute to Growth
- Factors that Restrict Growth

# SCOPE OF WORK

- Evaluate Regional Assets
  - Defense
  - Tourism
  - Ports
  - Location
  - Educational Institutions
  - Other
- Assess Industrial & Occupational Structure
- Determine Growth Factors that are Relevant to Hampton Roads

# COMMENTS