Regionomics™ LLC
from Trends to Insight to Action

ColumbusForecast2014

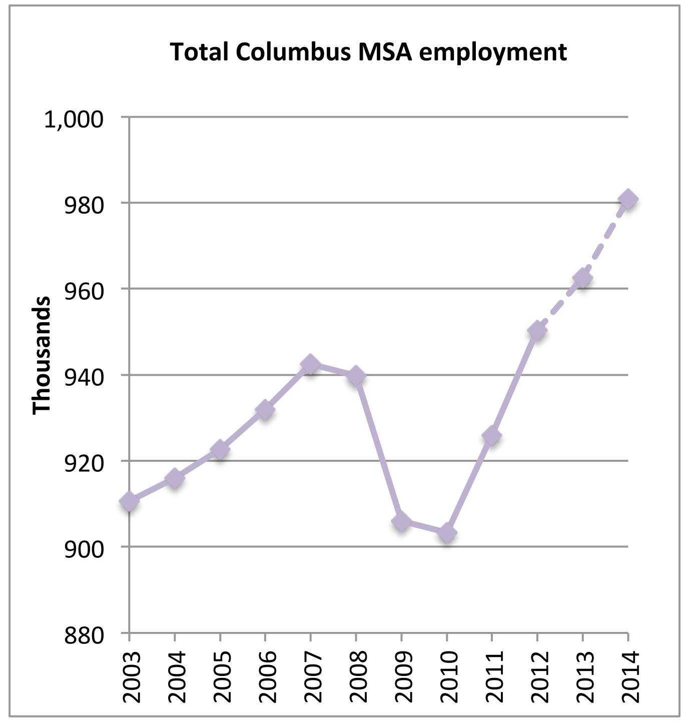
Number Fifteen

Columbus MSA employment growth will continue in 2014 with an above-average net gain of 18,200 (1.9%).

The national and local economies will continue their gradual strengthening. U.S. employment growth is expected at around 1.6%. Ohio will continue to underperform, with job growth burdened by increasing reliance on technology in manufacturing and slow population growth.

MSA growth in 2013 (as currently estimated) was 1.3% versus the 1.6% national average. However, this estimate is preliminary and may well be revised upward in new estimates due in March. The forecast assumes this, and that 2014 employment growth will be only somewhat better than the revised 2013 rate.

Central Ohio recovered the last of 53,000 jobs lost in the recession in March 2012; employment is now 16,000 jobs above its December 2007 peak. The U.S. will likely surpass its previous high in mid-2014. Ohio, however, has to date recovered only 49% of its 414,000-job loss. Thus, it will be several years at least before Ohio recovers all of these lost jobs.



2014 Regionomics® Columbus MSA Forecast

Sector	Percentage change, 2012-2013			MSA employment		MSA Change, 2013-14	
	MSA	Ohio	U.S.	2013	2014	Change	Pct.
Total	**1.3%**	**0.5%**	**1.6%**	**962,600**	**980,900**	**18,200**	**1.9%**
Construction and mining	1.4%	(2.6%)	2.9%	30,100	31,400	1,200	4.1%
Manufacturing	0.6%	1.0%	0.5%	66,300	66,400	100	0.1%
Wholesale trade	3.5%	1.9%	1.6%	39,800	40,900	1,000	2.6%
Retail trade	(2.6%)	0.5%	2.0%	96,800	99,100	2,300	2.4%
Transportation and utilities	3.8%	0.3%	1.4%	46,700	48,100	1,300	2.9%
Information	(1.6%)	(2.6%)	0.4%	16,300	16,100	(200)	(1.5%)
Financial activities	0.8%	0.3%	1.3%	72,000	73,100	1,100	1.5%
Professional and business svcs.	1.7%	0.7%	3.4%	160,200	164,700	4,500	2.8%
Professional and tech.svcs.	(0.4%)	(0.3%)	2.9%	58,300	59,700	1,500	2.5%
Management of companies	2.5%	0.5%	1.8%	31,900	32,600	700	2.3%
Administrative support	3.2%	1.6%	4.3%	70,100	72,400	2,300	3.2%
Education and health services	3.8%	1.7%	1.8%	141,900	146,100	4,200	2.9%
Private educational services	4.5%	2.2%	0.8%	22,500	23,500	1,000	4.4%
Healthcare and social services	3.7%	1.7%	2.0%	119,400	122,600	3,200	2.7%
Leisure and hospitality	3.6%	1.6%	2.9%	96,200	99,000	2,800	2.9%
Other services	(1.1%)	0.3%	0.9%	36,100	36,300	300	0.7%
Government	(0.1%)	(1.4%)	(0.3%)	160,100	159,800	(300)	(0.2%)
Federal government	(4.8%)	(2.6%)	(2.4%)	13,600	13,300	(400)	(2.6%)
State government	2.3%	(0.8%)	(0.2%)	68,900	69,900	1,000	1.4%
Local government	(1.3%)	(1.4%)	0.1%	77,500	76,600	(900)	(1.2%)

Employment totals and changes rounded to the nearest hundred.

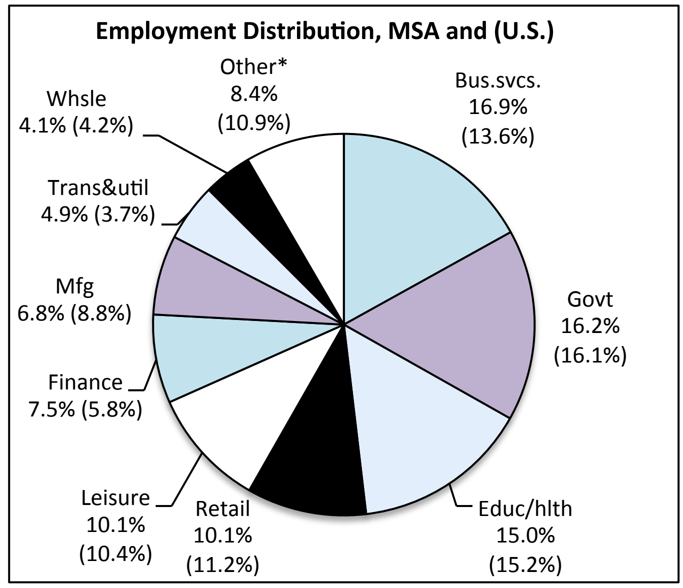
About this Forecast and Regionomics®

This is the 15th annual Columbus MSA forecast by Bill LaFayette, Ph.D., founder and owner, Regionomics® LLC.

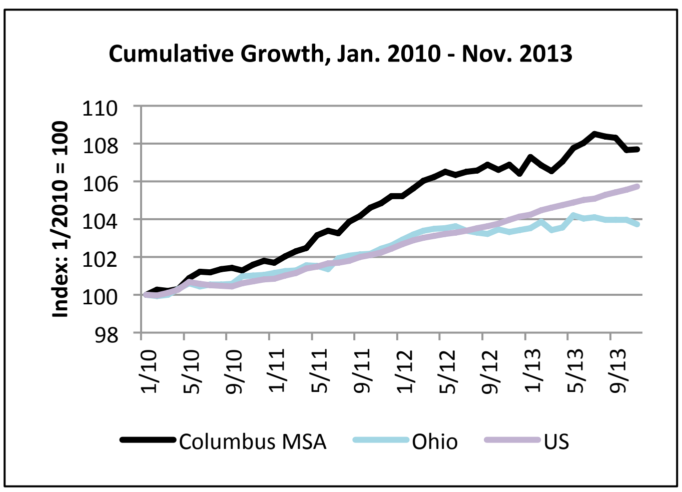
Regionomics is a Columbus-based economic and workforce strategy firm focusing on local economies (neighborhoods to regions), employment analysis and forecasting, and economic and workforce development policy.

Dr. LaFayette has 16 years of experience in Central Ohio economic development organizations, including 12 years as vice president of economic analysis at the Columbus Chamber. Previously, he was a finance and real estate faculty member of Ashland University and the University of North Texas.

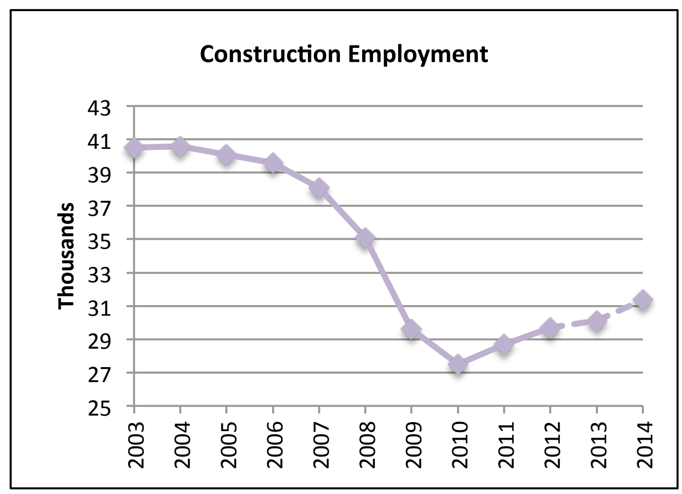
Please contact Regionomics at 614.443.3992 or bill.lafayette@att.net. You can also follow Bill on Twitter @RegionomicsLLC and by liking the Regionomics LLC page on Facebook. Learn more about Regionomics at www.regionomicsllc.com.



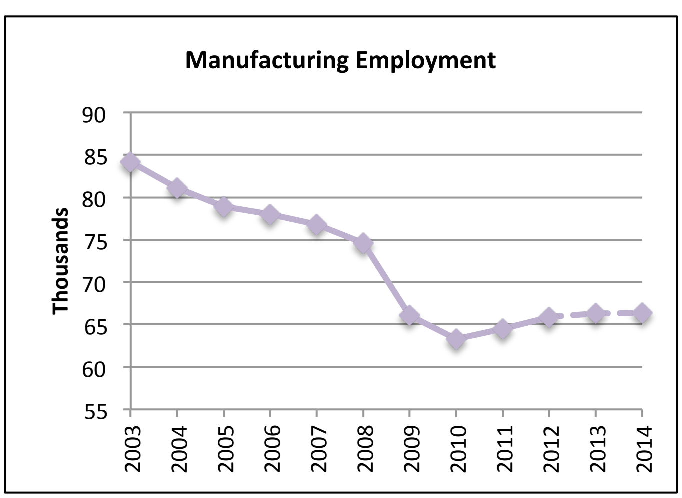
*Other services, construction, and information.



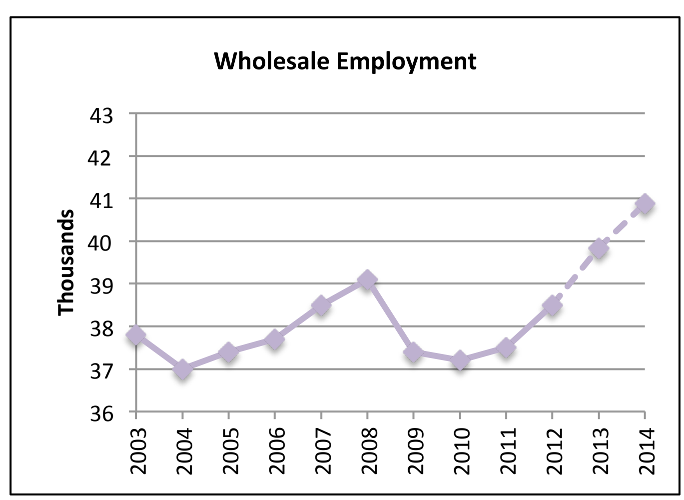
Columbus employment has increased 7.7% since the Jan. 2010 employment trough, better than Ohio (3.7%) or the U.S. (5.7%).



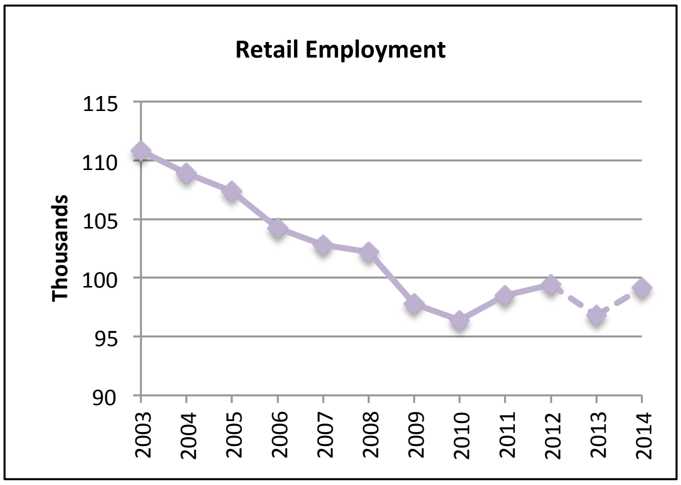
Construction jobs have increased 16.9% since Jan. 2010, douple the U.S. average. Multi-unit residential properties have been an especially important contributor to regional construction activity.



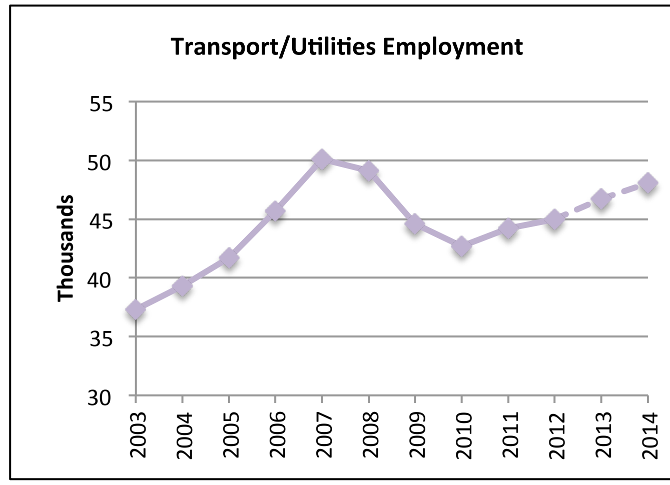
Employment increases earlier in the recovery have abated as producers substitute technology for labor. The manufacturing companies are healthier than the stagnant employment suggests.



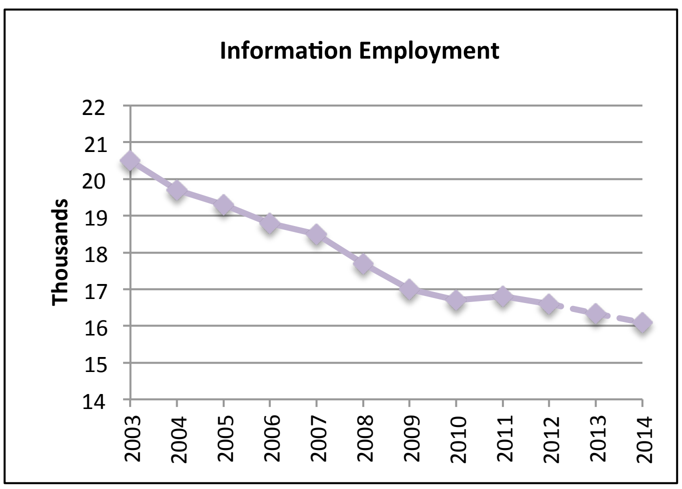
Wholesalers' employment growth has been extremely strong, but may be overestimated. The forecast expects slower growth in 2014, but still above average.



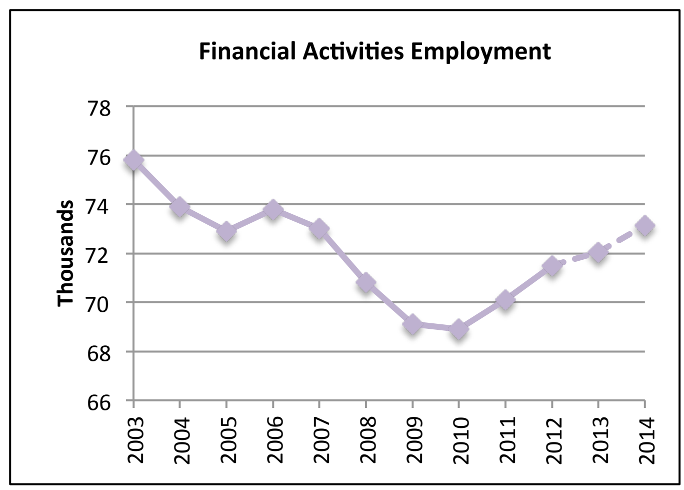
The large decrease in the preliminary employment figures will likely be reduced or eliminated in the revisions. The forecast calls for a healthy increase in 2014.



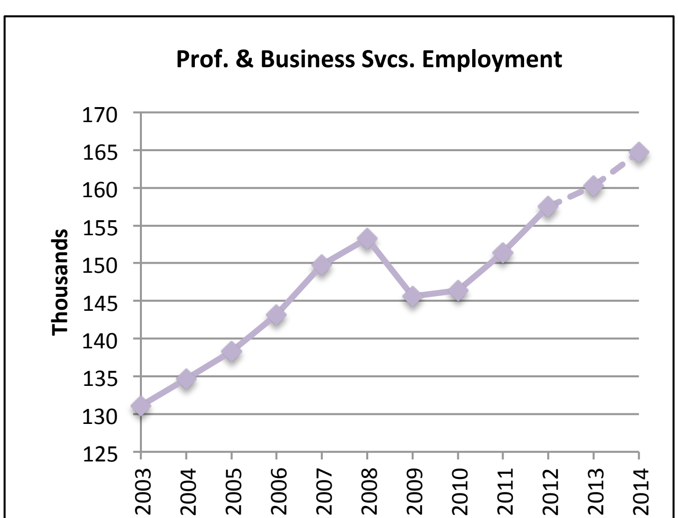
After a slow start in the early stages of the recovery, this crucial sector enjoyed above-average growth in 2013. Growth will continue stronger than average in 2014.



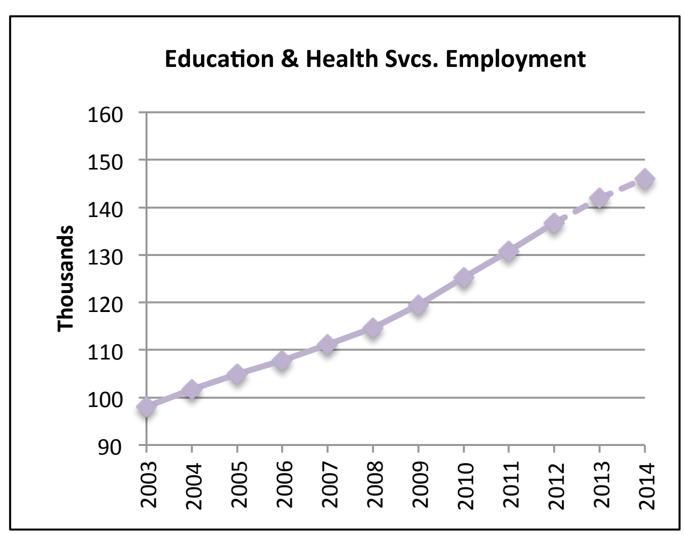
The publishing segment of information has experienced fundamental challeges to its business model, leading to more than a decade of sustained employment declines.



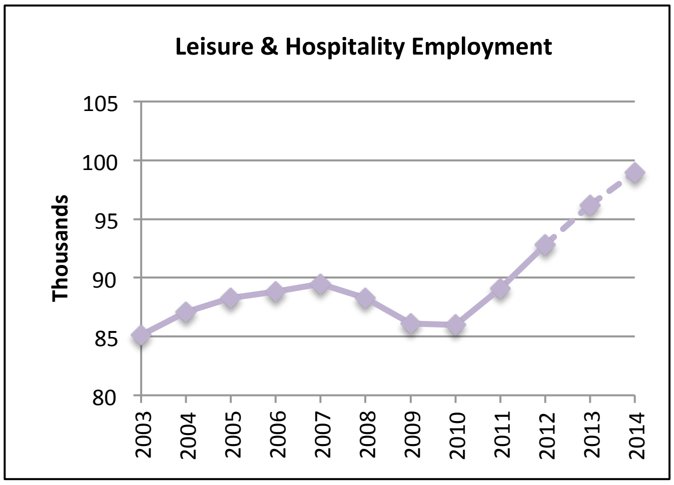
The improving economy and real estate market will generate increasing demand for financing, insurance underwriting, and real estate services.



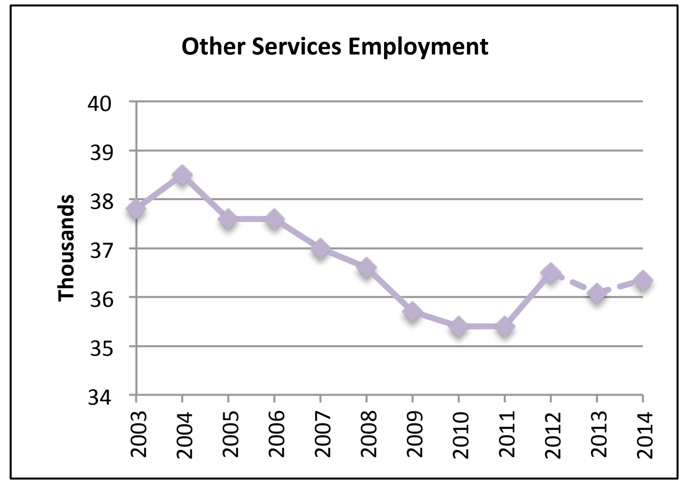
The estimates implying a net decline in professional and technical services in 2013 are likely incorrect. The forecast predicts fairly strong growth in 2014.



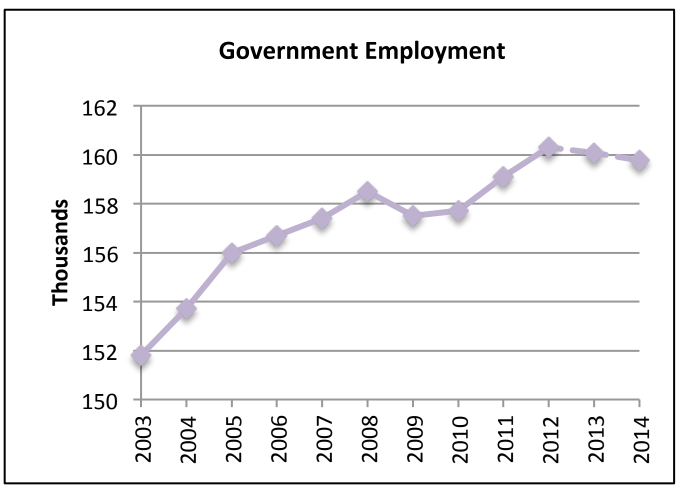
Growth of both private education services and healthcare has been twice the U.S. rate since 2010. Continued growth is likely in 2014, but at some point the rate must slow.



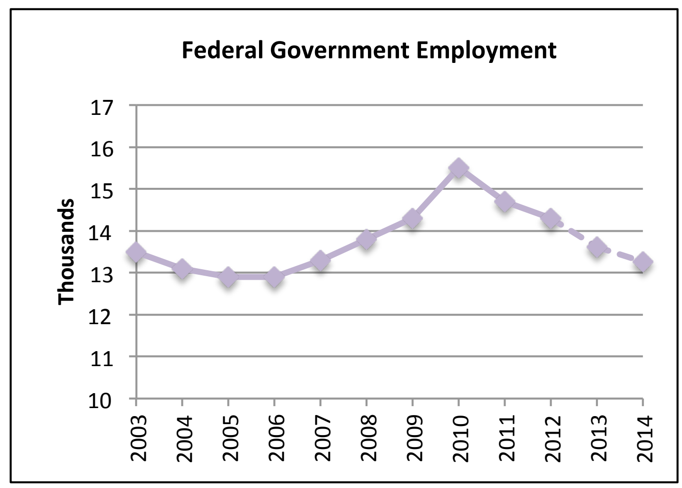
Columbus leisure employment has grown at a rate greater than average since 2010. Though slightly slower, above-average growth will continue in 2014.



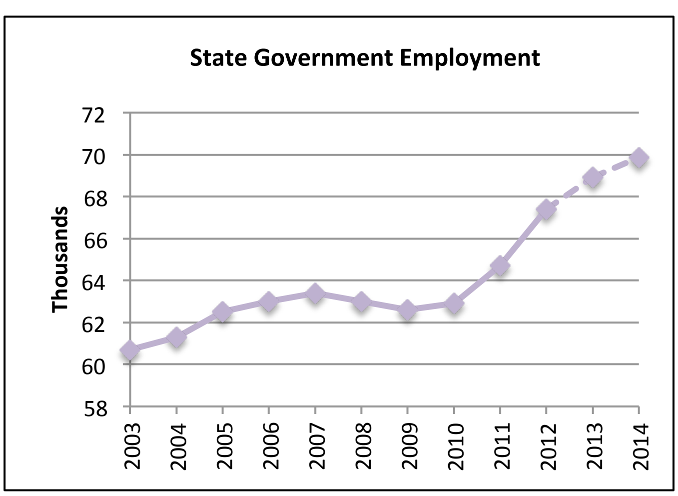
The 2013 decline in this sector may have been a correction of the very strong growth in 2012. Growth near the U.S. average is expected for 2014.



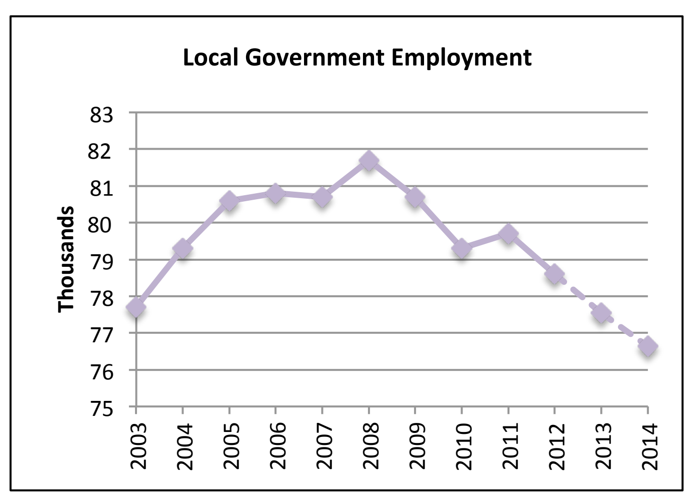
Government employment suffered its second consecutive net decline in 2013, a record unmatched since the early 1980s.



Federal government employment has been in decline since its Census-fed 2010 peak. Nationally, postal jobs have been falling since 1999, while military jobs declined last year.



The share of state government employment in the Columbus MSA has been increasing since 1989 and is now at its highest level since 1965.



Local governments have shed 5,000 jobs since November 2008. The majority of these losses have been felt in non-education government services.