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2012 Washington State Input-Output Study Summary

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Introduction

WA IO Model History

- 9th estimates of input-output model for Washington State.
- Models benchmarked against 1963, 1967, 1972, 1982, 1987, 1997, 2002, 2007, 2012 (most current).
- Survey based models – 1963, 1967, 1972, 1982, 1987, 2007
- Non-survey-based models – 1997
- Combined survey and non-survey data – 2012
- Each of the model years correspond to Economic Census years

Description of WA IO Model contd.

- The 2012 IO model is a new estimate representing Washington's economy
- Used the structure of the 2007 Washington Input-Output mode,
- Other data sources 2012 Economic Census, Washington State Department of Revenue, Import-Export data from the World Institute for Strategic Economic Research (WISER), and other administrative databases

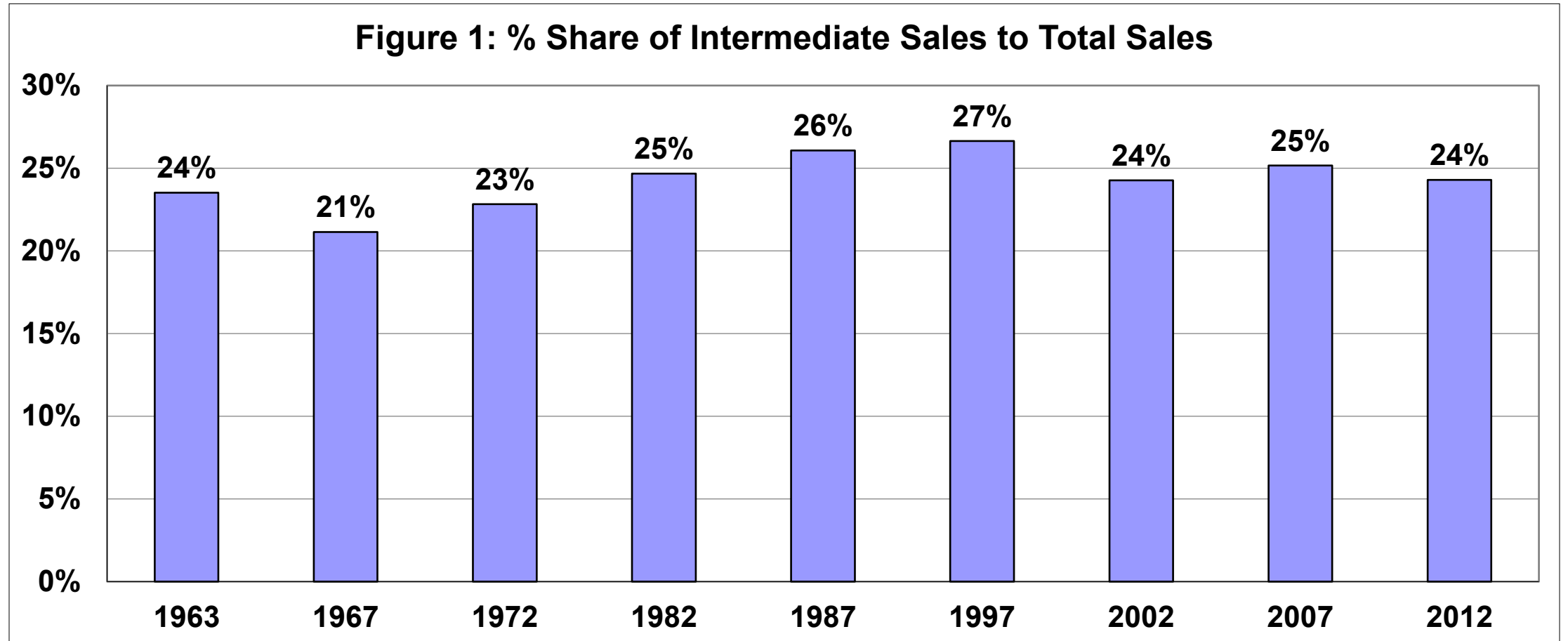
Table 1. Aggregate 2012 Washington Input-Output Table (Millions \$)

	Resources & Utilities	Manufacturing & Construction	Trade & Services*	Personal Consumption Expenditures	Investment & Government	Exports	Total Sales
Resources & Utilities	3065	4521	2498	6730	1353	8659	26826
Manufacturing & Construction	2056	16448	21499	11537	44917	125232	221689
Trade & Services*	3323	27752	76510	155828	27131	110033	400577
Value Added	13385	60005	216472	36463	47328	0	373652
Labor Income	7616	40451	141996	0	39717	0	229781
Imports	4998	112963	83596	59536	43652	0	304746
Total Inputs	26826	221689	400575	270094	164381	243924	1327491

The Input-Output Table

- Detailed set of accounts on economic activities at a point in time
- Rows show production and sales to industries and to final demand
- Columns shows an industry's input purchases, payments to labor, capital, and tax payments to government
- Total imports from other regions in the US and overseas
- Sum of a row is total output of an industrial sector. The sum of a column is the total inputs of each industrial sector

Figure 1. Changes In Economic Structure Over Time



Technical Structure is Stable

- The 2012 IO model is a new estimate representing Washington's economy
- Shares of the output of Washington sectors have changed over time
- Internal Washington interindustry structure has not exhibited dramatic change.
- The 2012 IO model is a statistically valid estimate of the interindustry structure of the state economy

Share of Intermediate Sales by Broad Sector

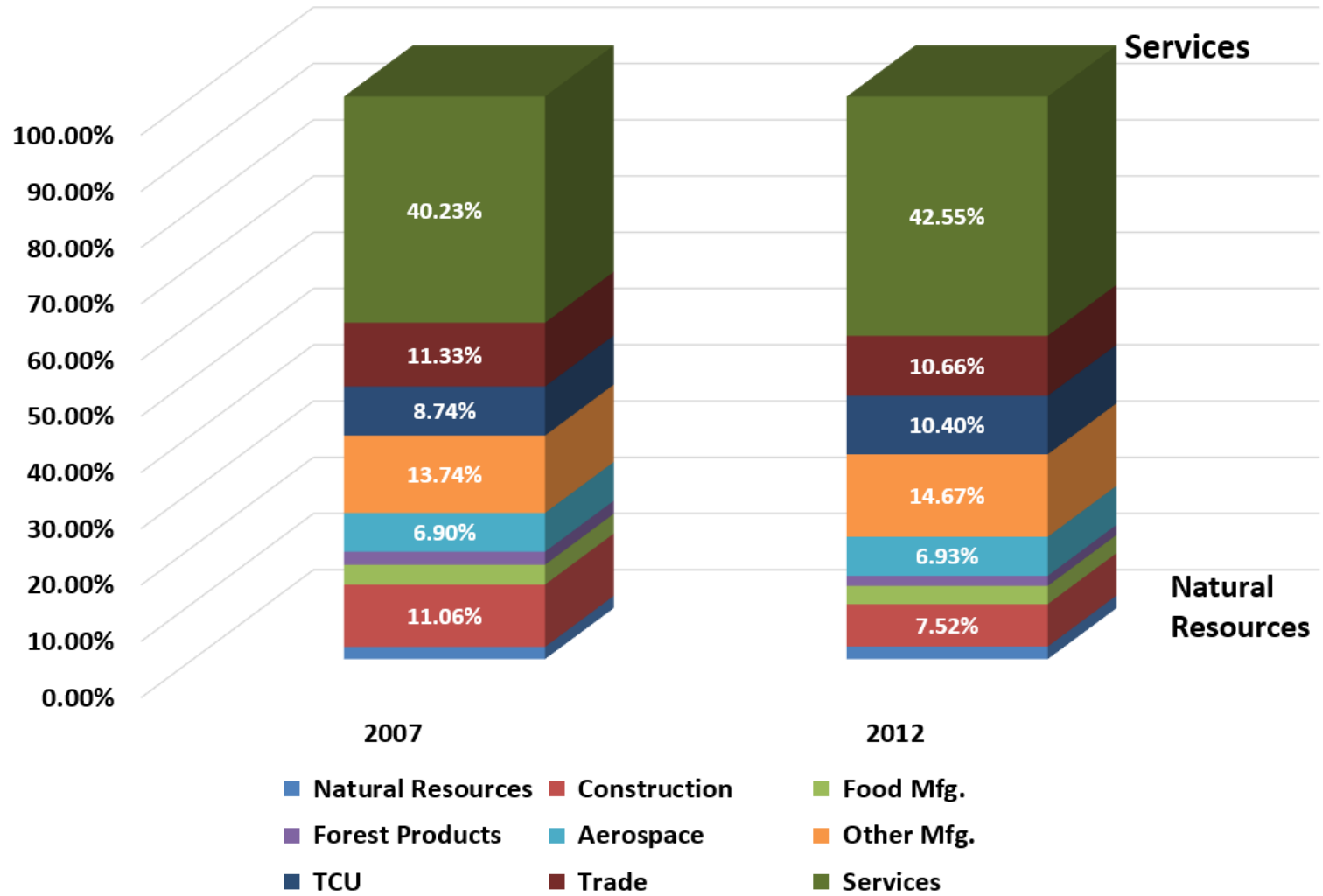
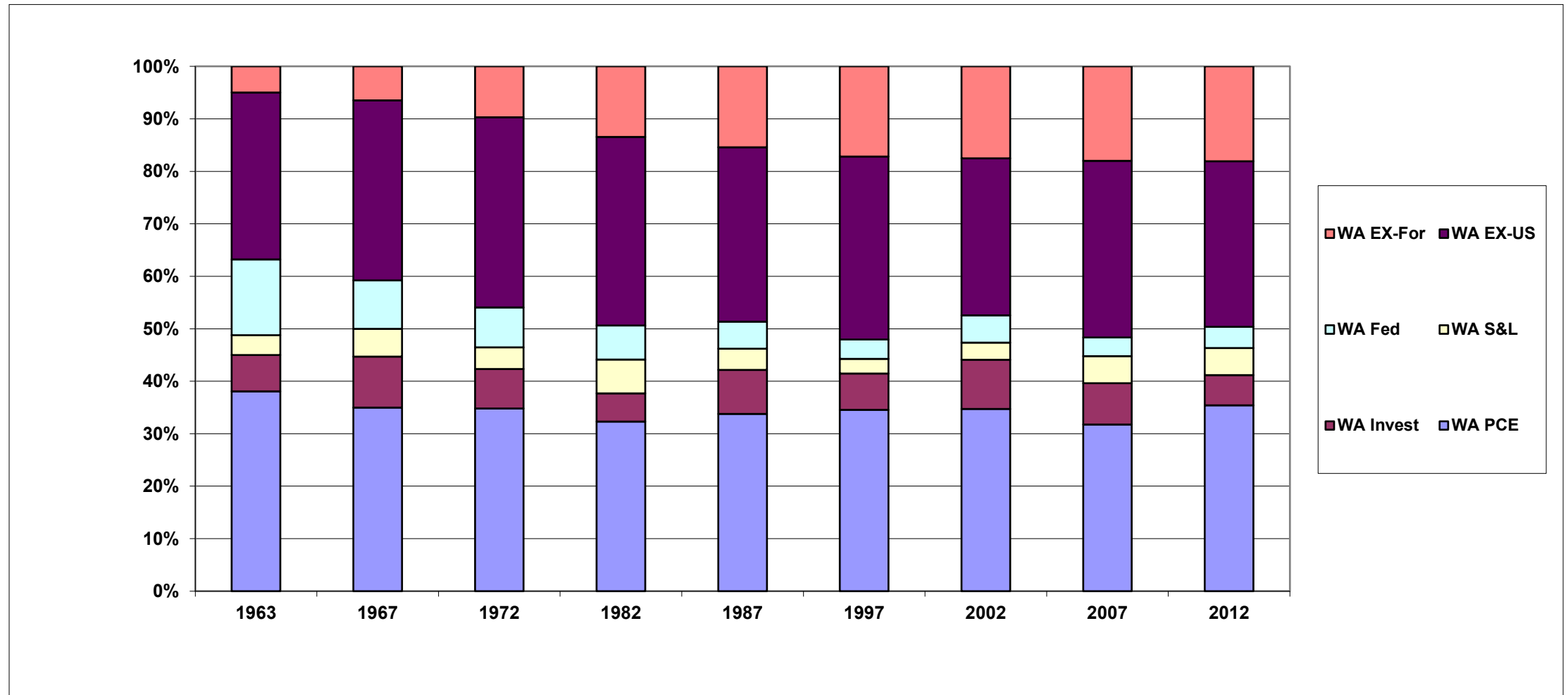
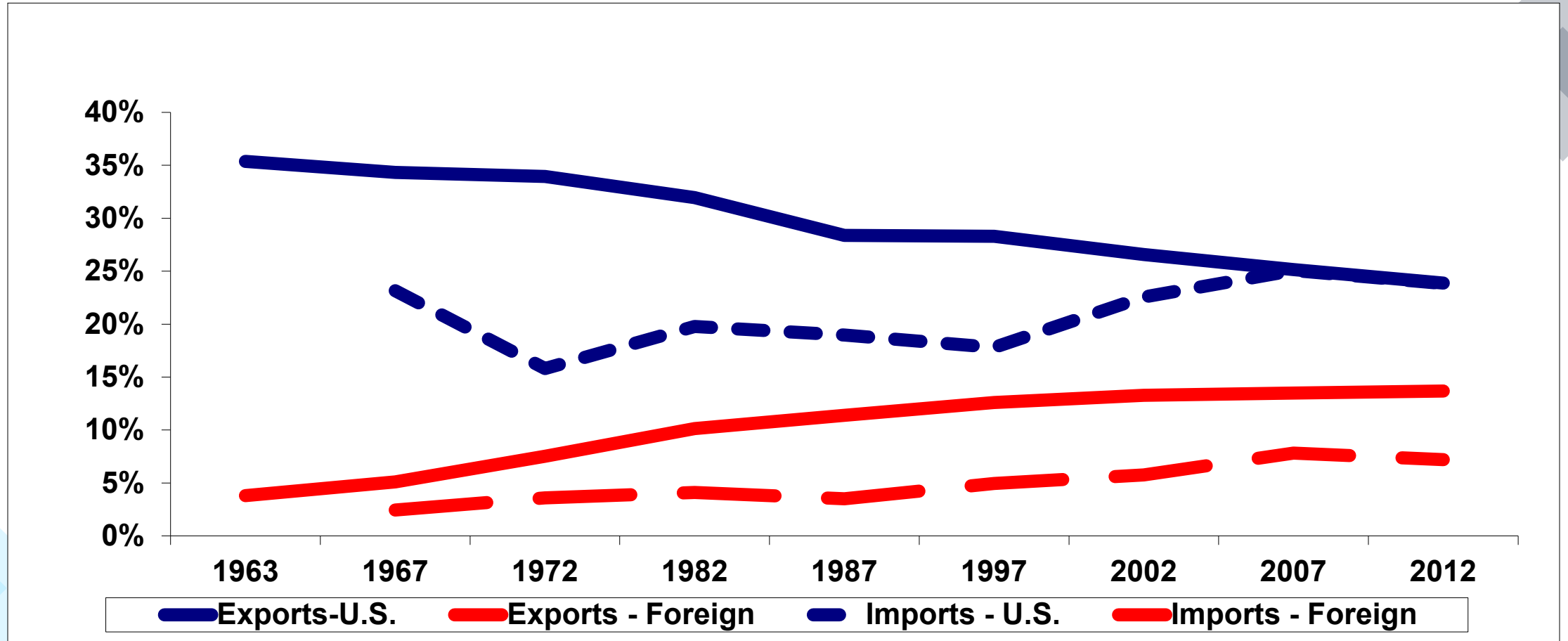


Figure 3. Changes in Components of Final Demand Over Time



Export and Import Shares of Total Industry Output



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Comparison of Multipliers in 2007 and 2012 Models

- Average multiplier in the 2007: 1.916
- Average multiplier in the 2012: 1.938
- Multipliers in the 2007 and 2012 models are quite similar
- The correlation between the 2012 and 2007 multipliers is 0.89

Conclusion: Technical Structure is Stable

- Sector Shares of Output Have Changed - Technical Structure is Stable
- The 2012 IO model is a new estimate representing Washington's economy
- Shares of the output of Washington sectors have changed over time
- Internal Washington interindustry structure has not exhibited dramatic change.
- The 2012 IO model is a statistically valid estimate of the interindustry structure of the state economy as shown in the correlation coefficients of the 2012 and 2007 IO models



For more information:

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