State and Local Economic Conditions

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Web Slides

- [http://www.csb.uncw.edu/cbes/events/index.htm](http://www.csb.uncw.edu/cbes/events/index.htm)
Real Gross Domestic Product Growth Rates

Unemployment Rates

Unemployment Rates

Unemployment Rates (Seasonally Adjusted)

Wilmington MSA Employment “Spider” Chart
(Brunswick, New Hanover, and Pender Counties)

Source: Employment Security Commission of NC; H. David and Diane Swain Center for Business and Economic Services, Cameron School of Business, UNC Wilmington.
## Wilmington MSA 3Q2012 Employment and Wages

<table>
<thead>
<tr>
<th>NAICS Sector</th>
<th>% of Total Employment</th>
<th>% Change from 3Q2011</th>
<th>% Change from 3Q2007</th>
<th>Wage ($)</th>
<th>% of MSA All-Sector Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health Care &amp; Social Assistance</td>
<td>15.9</td>
<td>5.3</td>
<td>10.9</td>
<td>755.90</td>
<td>108.5</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>14.6</td>
<td>2.5</td>
<td>-5.3</td>
<td>463.63</td>
<td>66.5</td>
</tr>
<tr>
<td>Accommodation &amp; Food Services</td>
<td>14.5</td>
<td>7.1</td>
<td>4.6</td>
<td>290.17</td>
<td>41.6</td>
</tr>
<tr>
<td>Local Government</td>
<td>12.5</td>
<td>2.2</td>
<td>1.5</td>
<td>804.00</td>
<td>115.4</td>
</tr>
<tr>
<td>Educational Services</td>
<td>7.2</td>
<td>0.6</td>
<td>0.4</td>
<td>767.28</td>
<td>110.1</td>
</tr>
<tr>
<td>Public Administration</td>
<td>6.1</td>
<td>2.2</td>
<td>3.6</td>
<td>831.34</td>
<td>119.3</td>
</tr>
<tr>
<td>Professional &amp; Technical Services</td>
<td>5.6</td>
<td>0.2</td>
<td>-6.9</td>
<td>1,140.52</td>
<td>163.6</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>5.4</td>
<td>-3.2</td>
<td>-19.0</td>
<td>1,267.03</td>
<td>181.8</td>
</tr>
<tr>
<td>Administrative &amp; Waste Services</td>
<td>5.3</td>
<td>4.3</td>
<td>-8.0</td>
<td>532.54</td>
<td>76.4</td>
</tr>
<tr>
<td>Construction</td>
<td>5.2</td>
<td>-24.0</td>
<td>-44.5</td>
<td>716.48</td>
<td>102.8</td>
</tr>
<tr>
<td>All Sectors</td>
<td>0.8</td>
<td>-7.0</td>
<td>-</td>
<td>697.00</td>
<td></td>
</tr>
</tbody>
</table>

Source: Division of Employment Security, NC Department of Commerce.
Retail Sales Growth Rates

Year Ending November 2011
Year Ending November 2012

Brunswick County
New Hanover County
Pender County
NC

Source: NC Department of Revenue.
Retail Sales Growth Rates (Compared to Year-Earlier Quarter)

Source: NC Department of Revenue.
Wilmington International Airport
Air Passenger Traffic Growth Rates

Source: Wilmington International Airport.
Wilmington International Airport
Air Passenger Traffic Growth Rates
(Compared to Year-Earlier Quarter)

Source: Wilmington International Airport.
Port of Wilmington Container Tonnage Growth Rates

Source: North Carolina State Ports Authority.
Port of Wilmington Container Tonnage Growth Rates (Compared to Year-Earlier Quarter)

Source: North Carolina State Ports Authority.
Sales of Existing Single-Family Homes
(5-Month Centered Moving Average)

Source: NC Association of Realtors.
Average Quarterly Sales Prices of Existing Single-Family Homes

Source: NC Association of Realtors.
Average Annual Sales Prices of Existing Single-Family Homes

Source: NC Association of Realtors.
# Residential Foreclosures

<table>
<thead>
<tr>
<th></th>
<th>Brunswick County</th>
<th>New Hanover County</th>
<th>Pender County</th>
<th>North Carolina</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>900</td>
<td>1,107</td>
<td>327</td>
<td>53,939</td>
</tr>
<tr>
<td>% Change 2007-08</td>
<td>83.3</td>
<td>41.2</td>
<td>36.8</td>
<td>9.0</td>
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<tr>
<td>2009</td>
<td>1,642</td>
<td>1,483</td>
<td>473</td>
<td>60,249</td>
</tr>
<tr>
<td>% Change 2008-09</td>
<td>82.4</td>
<td>45.8</td>
<td>44.6</td>
<td>11.7</td>
</tr>
<tr>
<td>2010</td>
<td>1,693</td>
<td>1,881</td>
<td>521</td>
<td>66,296</td>
</tr>
<tr>
<td>% Change 2009-10</td>
<td>3.1</td>
<td>26.8</td>
<td>10.1</td>
<td>10.0</td>
</tr>
<tr>
<td>2011</td>
<td>1,458</td>
<td>1,559</td>
<td>419</td>
<td>53,218</td>
</tr>
<tr>
<td>% Change 2010-11</td>
<td>-13.9</td>
<td>-17.1</td>
<td>-19.6</td>
<td>-19.7</td>
</tr>
<tr>
<td>2012</td>
<td>1,173</td>
<td>1,432</td>
<td>426</td>
<td>54,749</td>
</tr>
<tr>
<td>% Change 2011-12</td>
<td>-19.5</td>
<td>-8.1</td>
<td>1.7</td>
<td>2.8</td>
</tr>
</tbody>
</table>

Source: NC Administrative Office of the Courts.
Special Thanks

Bank of America
Quarterly Barometer

- [http://www.csb.uncw.edu/cbes/newsletter/index.htm](http://www.csb.uncw.edu/cbes/newsletter/index.htm)

The Domestic Outlook

The Fiscal Cliff—Round One

The fiscal package that was completed on New Year's Day avoided a fiscal train wreck but did little to address the gaping fiscal deficits that extend beyond where the eye can see. Moreover, it postpones the next fiscal budget battle only a few weeks. Pretty harsh spending cuts—the so-called sequestration cuts enacted in August 2011—were postponed from January to March of this year and the debt ceiling will need to be raised around the same time to avoid the federal government defaulting on its debt or going into arrears on disbursements. The political posturing during the current round of negotiations is likely to again be very unappealing to the public and to global financial markets. Furthermore, there is very little common ground for meaningful permanent deficit reduction—with one side hardened on tax hikes and the other on entitlement spending cuts. This suggests that it may take a more dire crisis to forge a lasting solution.

Meanwhile, even if we again muddle through the next-term budget morass, the federal sector will be placing a little more restraint on economic growth this year than last year—which could be magnified if consumer and business confidence deteriorates further in response to budget worries. The agreed-to ending of payroll tax reductions and higher tax rates on upper-end earners, along with diminished fiscal stimulus spending, will be restraining growth. But this restraint would be augmented by sequestered spending cuts in the absence of a political agreement. Tending to diminish the drag from the government sector more broadly will be improving budgetary positions at the state and local government levels.

Housing—Better Late than Never

Residential construction activity has shown some long-awaited signs of life. As the chart on the next page illustrates, housing starts have been drifting upward over the past year, though the pace has been slow and the level of starts remains very low in relation to the previous peak.
North Carolina’s Southeast

• http://www.ncse.org/