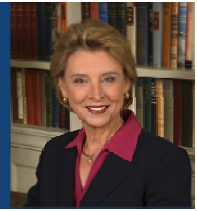




Governor Chris Gregoire

GOVERNMENT MANAGEMENT ACCOUNTABILITY & PERFORMANCE



Economic Vitality

JULY 15, 2009

State economic development efforts made progress in the first quarter of 2009, despite overall decline in the national and state economies, according to an economic vitality performance report released today.

A performance report was delivered to the Governor and her Leadership Team today from the state's economic agencies – the departments of:

- Agriculture
- Commerce
- Ecology
- Employment Security
- Fish & Wildlife
- Revenue
- Labor & Industries
- State Board for Community and Technical Colleges
- Workforce Training and Education Coordinating Board
- Higher Education Coordinating Board

Highlights:

- In the first three months of 2009, a total of 109 businesses were recruited, retained, or expanded through the Department of Commerce's efforts and its local economic development organization partners. This is the most successful quarter for business recruitment, retention, and expansion in the last 18 months, which is particularly exceptional given the overall decline in the economy.
- From May 2008 to May 2009, the state economy lost 116,000 jobs, about 3.9% of total employment. While the state economy is still losing jobs, the pace of the loss slowed in April and May.
- Today's report also shows that electronic tax-paying options are increasingly popular with the state's business customers:
 - 76% of the Employment Security Department's unemployment insurance tax reports are filed electronically. The current rate compares with 55% three years ago;
 - 54% of taxpayers filed electronically with the Department of Revenue during the first three months of the year, compared to 32% in 2005. The error rate remains lower for E-filers than for paper filers; and
 - 35% of employers pay their quarterly workers' compensation premiums electronically to the Department of Labor & Industries, compared to 18% three years ago. The agency upgraded and improved their electronic filing system in March, which led to a 15% increase in use.

The performance report also includes updates on infrastructure construction, environmental permitting, workforce training, and other business-related programs. For more information, visit:
<http://www.accountability.wa.gov/reports/economy/default.asp>