

Miami-Dade Economy Expanding at a Solid Pace so Far in 2019

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The Miami-Dade Economy (MDE) is growing at a solid pace so far this year, in spite of a global economic slowdown. There are a number of factors accounting for this positive performance. Among main factors are the following:

- **Economic Diversification.** The Miami-Dade economy no longer depends on one or two industries as in past decades. Among other industries that have seen steady expansion are the Knowledge-Based Services sector, including Information Technology Services, Professional and Business Services, Higher Education and Health Services. All these industries are showing steady growth in output and in employment.
- **Population Growth** is another important factor. In the past few years, the Miami-Dade economy has received a steady and large influx of higher income and professional Venezuelans. In addition, the new tax code favors relocation to lower tax states and to local regions such as Miami-Dade. The Table below highlights the growth in employment among diversified Miami-Dade economy.

Miami-Dade County Payroll Employment Ranked by Size of Employment

Industries/Category	Jul-19	Jul-18	Over the Year Change	Over the Year % Change
Total Payroll Employment, of which	1,208,400	1,176,700	31,700	2.7%
1. Education & Health Services	194,000	182,500	11,500	6.3%
2. Professional & Business Services	184,300	178,800	5,500	3.1%
3. Leisure & Hospitality	145,100	141,500	3,600	2.5%
4. Transportation, Warehousing & Utilities	79,600	75,500	4,100	5.4%
5. Construction	54,900	51,900	3,000	5.8%

Source: Florida DEO, July Employment Report, August 16, 2019.

While the economy of Miami-Dade is likely to enter 2020 with positive momentum, there are a number of economic “headwinds” that bear consideration as the private sector develops business plans for next year. The main “headwinds” going into 2020 are presented in the following page:

HEADWINDS FOR 2020

- ❖ Ongoing trade dispute with China, a top trade partner of Miami-Dade
- ❖ The likely exit of the United Kingdom (UK) from the European Union
- ❖ Sluggish economic growth in top Latin America trade partners
- ❖ The ongoing slowdown in new construction activity, especially in multifamily units.

Source: The Washington Economics Group, Inc. (WEG)

However, unless the U.S. economy slows down sharply in 2020, the Miami-Dade economy will continue to expand at a moderate pace next year. This is due to the previously mentioned diversification of the economy toward 21st Century growth industries, and a positive tax and business climate to expand operations. Steady growth in population is another positive factor. The increase in population drives key sectors and industries such as retail sales, banking and financial services and residential housing among others. These factors provide resiliency to counter-act a slower U.S. and global economies.

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