

2023 FLORIDA BUSINESS & ECONOMIC MID- YEAR REPORT

A mid-year analysis of the local and national economic trends impacting the way Florida does business.

JUNE 2023



2023 in Florida is reflecting another year of population growth, wealth migration, more jobs, and a flourishing economy. Uniting and keeping Florida leaders up to date on Florida's trajectory, based on local and national impacts, is essential on the path to growing Florida to a top 10 global economy by 2030.

MARK WILSON, PRESIDENT



FLORIDA CHAMBER FOUNDATION

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To learn more about the Florida Chamber Foundation and its other research initiatives, visit www.flfoundation.org.





Introduction

THE STATE OF PLAY

The Florida Chamber Foundation has its gaze set on 2030 as we work to unite the Florida business community for good on the *Florida 2030 Blueprint* mission of growing Florida to a top 10 global economy. Currently, if Florida were a country, it would be the 16th largest economy in the world. We've got some work to do.

As we prepare for growth over the next seven years, strengthening and advancing Florida's economy starts with identifying the headwinds and opportunities facing our state, with the ultimate goal of ensuring Florida's businesses and residents are set up for success.

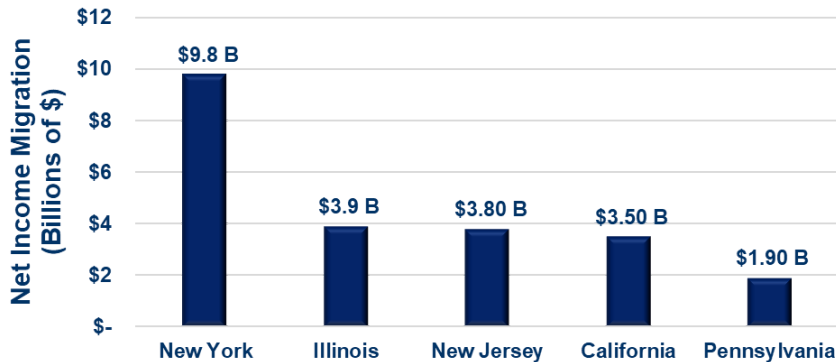
The *2023 Florida Business & Economic Mid-Year Report* covers seven aspects of Florida's economy, each playing an essential role in strengthening Florida's businesses, communities and economic trajectory. This report sets the stage for where Florida's economy stands mid-year, including data and analysis that will help Florida leaders lead the 2030 effort in their communities.

-FLORIDA CHAMBER FOUNDATION

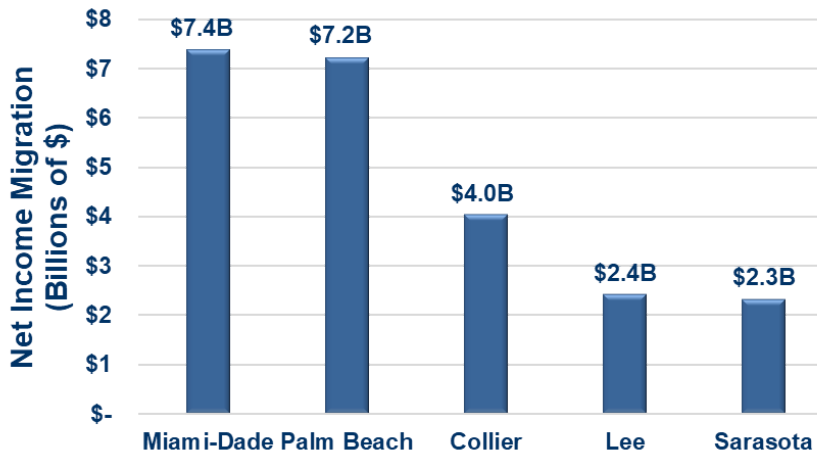
POPULATION INFLUX

THE KEY TO A THRIVING ECONOMY AND FLOURISHING QUALITY OF LIFE IN FLORIDA IS THE PEOPLE WHO CALL IT HOME. FLORIDA'S POPULATION IS GROWING RAPIDLY AND WILL CONTINUE ITS GROWTH TRAJECTORY AS WE APPROACH 2030 AND BEYOND. BY 2030, FLORIDA'S POPULATION WILL HAVE INCREASED BY 2.9 MILLION RESIDENTS AS WE WELCOME INCOME FROM STATES SUCH AS NEW YORK, NEW JERSEY, CALIFORNIA, ILLINOIS AND PENNSYLVANIA.

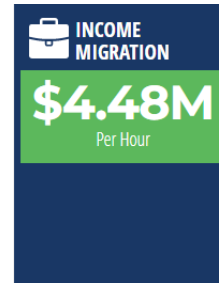
>50% of Total Net Income Migration into Florida is from the Top 5 States



Top 5 Counties for Income Inflow



Source: IRS Individual Master File, Statistics of Income, April 2023

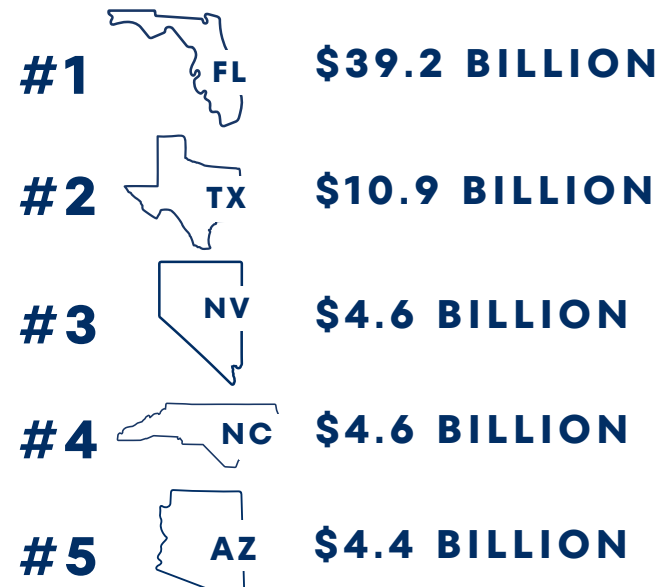


Income Migration

Most of the growth in Florida's population by 2030 will come from migration, and with migration comes income. According to the most recently released numbers, Florida continues to lead the nation in income migration with over \$39.2 billion dollars of new net income. This breaks down to \$4.48 million dollars in net income migration per hour.

Visit TheFloridaScorecard.org to view this 2030 figure and hundreds of other state and county level metrics impacting the future of Florida.

#1 STATE FOR INCOME MIGRATION

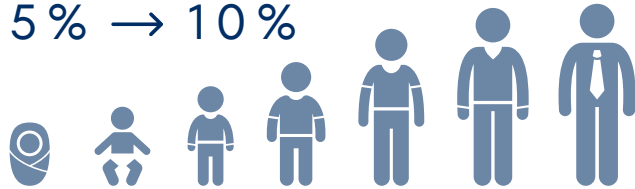


CHANGING DEMOGRAPHICS

AS WE WELCOME MORE THAN 1000 NET NEW RESIDENTS DAILY, HOW ARE FLORIDA'S DEMOGRAPHICS CHANGING?

80+ as a percentage of the population will double by 2050
years old

5% → 10%



Age Range	Current	2035	2050
0-4	6%	5%	5%
18-24	9%	8%	8%
25-54	37%	36%	35%
5-17	15%	14%	14%
55-64	14%	11%	12%
65-79	15%	17%	15%
80+	5%	8%	10%

Hispanic as a percentage of the population will increase 5 percentage points by 2050

27% → 32%



5% in 2050 = 1.4M more Hispanic Floridians

Race	Current	2035	2050
Non-Hispanic White	53%	49%	46%
Non-Hispanic Black	16%	17%	18%
Hispanic	27%	30%	32%

WHAT TO WATCH FOR

Florida's population is projected to continue to skyrocket, and as the population increases, demographics will change as well. An aging population means an already strained workforce shrinking even further. Armed with this knowledge, Florida's business community has a personal stake in taking steps to train the generation that will make up Florida's workforce in the near and distant future.

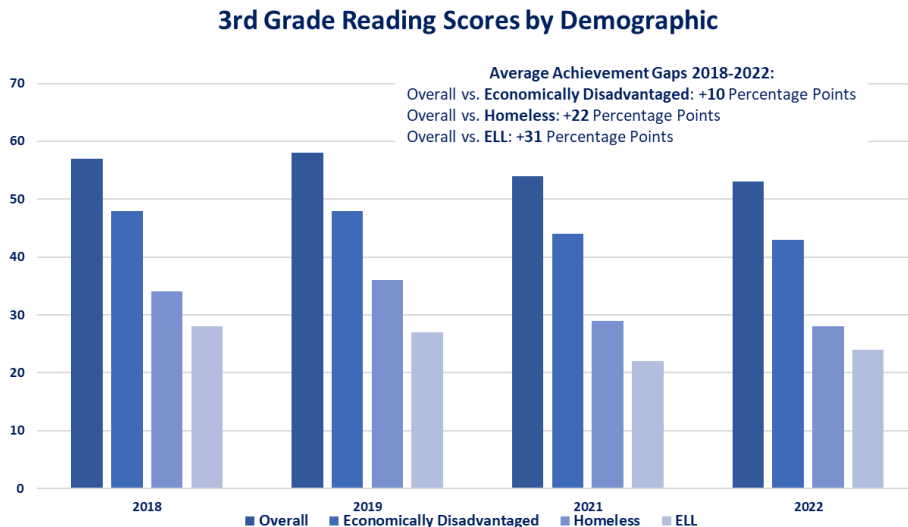
STATE OF K-12 EDUCATION

SECURING FLORIDA'S TALENT PIPELINE MUST START EARLY. EVERY FLORIDA BUSINESS HAS A VESTED INTEREST IN THE PATH TO PROSPERITY FOR FLORIDA'S YOUNGEST RESIDENTS AS TODAY'S LEARNERS REPRESENT THE FUTURE WORKFORCE. LET'S TAKE A LOOK AT SOME OF THE LATEST NUMBERS HIGHLIGHTING K-12 EDUCATION PERFORMANCE.

3rd Grade Reading Scores

According to [TheFloridaScorecard.org](https://www.floridascorecard.org), only 53% of Florida's third graders are reading at grade level. Third grade is when students stop "learning to read" and start "reading to learn." A learner's success in future grades is significantly impacted by their proficiency at this vital crossroads.

The below graph highlights the gap in this milestone in education between all children and children who are specifically economically disadvantaged, homeless or English language learners.



Source: Florida Department of Education

3RD GRADE READING SCORES

53%
(Declining)

98,835
Not Reading at Grade Level
(Increasing)

[View Statewide Heat Map](#)

100%
2030 Goal

Visit [TheFloridaScorecard.org](https://www.floridascorecard.org) to see how your county third graders are performing.



Florida Business Alliance for Early Learning Project

Through strategic partnerships with Florida businesses, and non-profit and community organizations, the Florida Chamber Foundation's Florida Business Alliance for Early Learning Project is working to bring awareness to the gaps in the future workforce. To learn more and get involved, [visit our website](#) today.



To see what school's in your neighborhood need most attention, visit [TheFloridaGapMap.org](https://www.floridagapmap.org).

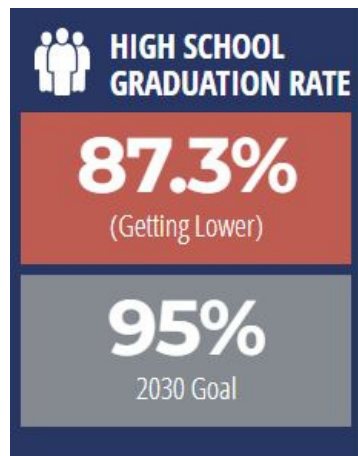
STATE OF K-12 EDUCATION

High School Graduation Rates



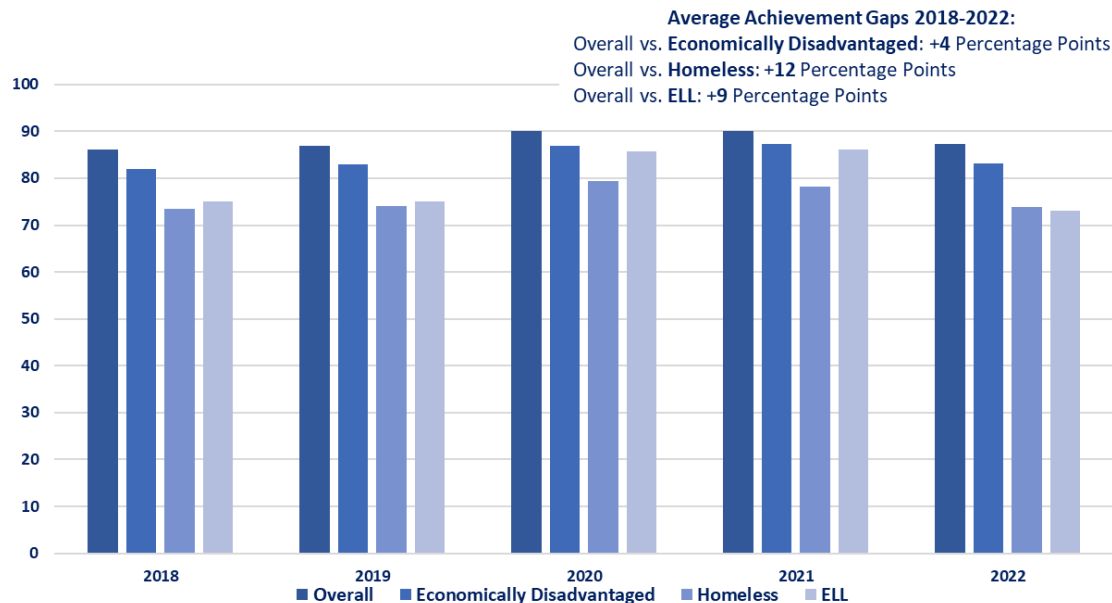
Third grade is not the only level of education experiencing gaps in achievement, linked ultimately to gaps in opportunity. The disparity between all students and students who lack access to quality education remains as high schoolers graduate. Currently, the high school graduation rate is 87.3% in Florida.

As this group continues to higher education or enters the workforce, the connection between talent gaps and educational opportunities becomes clearer.



Visit [TheFloridaScorecard.org](https://www.floridascorecard.org) to see how your county's high school graduation rate.

High School Graduation Rates by Demographic



Source: Florida Department of Education

WHAT TO WATCH FOR

The educational success of Florida's up-and-coming talent is instrumental to the success of Florida's businesses. Education outcomes are key predictors of other economic outcomes, including but not limited to poverty levels, workforce readiness and supply, and more. As Florida's business, education, workforce leaders and policymakers unite and continue to prioritize strategic investments in Florida's future talent, educational to workforce outcomes in Florida will reap the benefits.

WORKFORCE & CAREER DEVELOPMENT

Florida Leads the Nation in Higher Education

1

State for Higher Education



Florida has been ranked the top state in the nation for higher education by U.S. News and World Report for the past 5 years. The future workforce is coming to and staying in Florida to receive education at an affordable price, graduating at impressive rates, and entering the workforce with low debt.

CHANGE IN NUMBER OF FLORIDIANS COMPLETING PROGRAMS FROM 2016 TO 2021

+27.9%

Certificates

+6.6%

Associate's Degree

CHANGE IN AVERAGE ANNUAL EARNINGS FOR COMPLETERS FROM 2016 TO 2021

+24.4%

Certificates

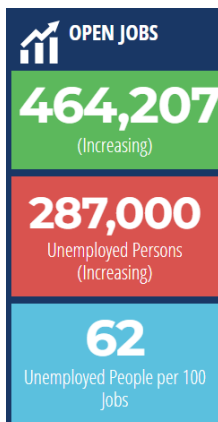
+26.3%

Associate's Degree

Source: Florida Department of Education

Workforce Education

Data from the Florida Department of Education sheds light on a changing makeup of educational achievement in areas of the workforce. In the last four years, there has been growth of nearly 28% in the number of Floridians completing select vocational certificates. This growth is rapid in comparison to a growth of just under 7% for those earning Associate's degrees. Florida businesses are in a new hiring landscape, where career and technical education skills seem to be rising as a top priority.



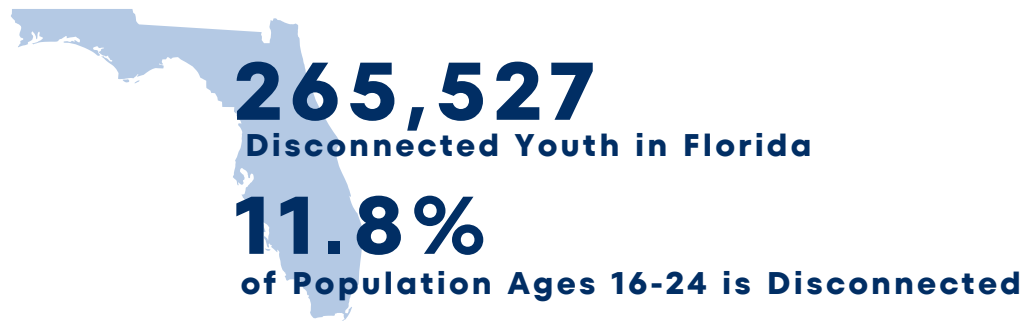
WHAT TO WATCH FOR

The Florida Chamber Foundation predicts that Florida will continue to see strong job growth in 2023. Even with a top ranking higher education system and increase in certificate achievement, Florida must prioritize securing its workforce. Currently, for every 100 open jobs, 62 Floridians are looking for work. As the Florida Chamber Foundation continues to unite Florida's business community with workforce and education partners to tackle Florida's workforce crisis, through targeted research such as the [Florida Workforce Needs Study](#) and the [Future of Work Florida Initiative](#), Florida has an opportunity to close skills gaps and keep Florida produced talent in Florida. Visit TheFloridaScorecard.org to see the outlook on open jobs in your county.

WORKFORCE & CAREER DEVELOPMENT

Untapped Potential

Teenagers and young adults, ages 16 to 24, that are neither in school nor employed are considered "disconnected youth." In Florida, this is nearly 266,000 people - almost 12% of the population in that age range. Typically, they are lacking the skills required by today's employers or are unable to finance the education to develop these skills.



Percentage of Disconnected Youth in Top 10 Most Populous States

State	Percentage of People Ages 16-24 who are Disconnected	Percentage of Disconnected Youth with a High School Diploma or Higher
Texas	13.7%	76.70%
Georgia	13.0%	74.83%
New York	12.9%	77.80%
California	12.5%	81.59%
North Carolina	12.1%	78.97%
Michigan	12.1%	74.36%
Illinois	12.0%	80.93%
Florida	11.8%	72.78%
Pennsylvania	11.4%	79.55%
Ohio	11.1%	78.16%

Source: American Community Survey, 2021 1-Year Estimates
Calculations by Florida Chamber Foundation

Opportunity Youth

This population of students should be considered "opportunity youth." There is an opportunity for the business community to develop talent within this population through skills training and assistance in higher education.

Re-Entry Opportunities

For some in the population of disconnected youth, assisted re-entry into the workforce after incarceration is a critical step. The Florida Department of Juvenile Justice and Florida Department of Corrections is looking to partner with Florida businesses in providing workforce opportunities for this often overlooked and underutilized talent pipeline.

FUTURE OF WORK
FLORIDA

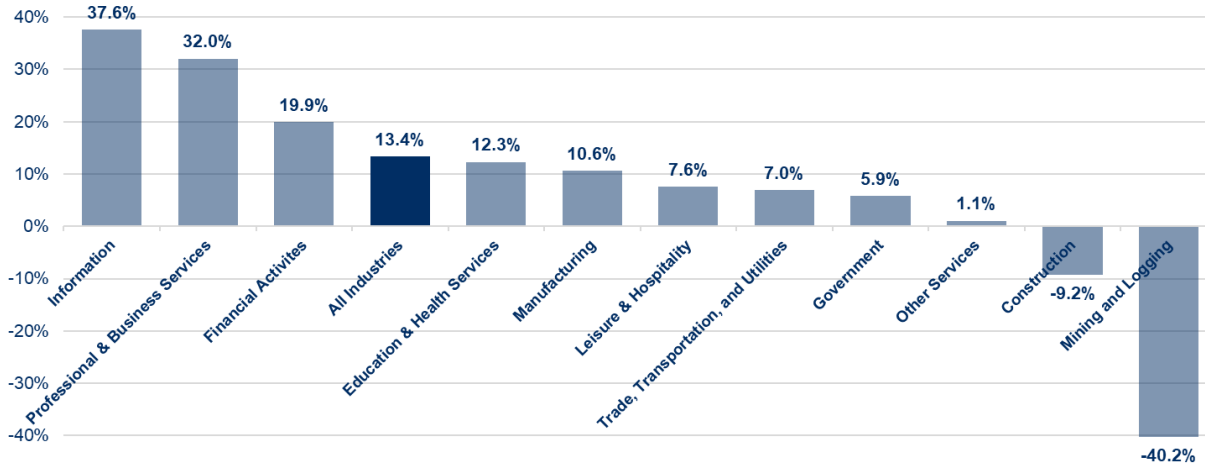
Powered by The Florida Chamber Foundation

The Florida Chamber Foundation's Future of Work Florida initiative is leading the charge to connect Florida's business leaders with workforce, education, and re-entry partners to ensure Florida's current and future talent possesses the necessary skillsets to be a valuable asset to Florida's workforce. To learn more and get involved, [visit our website](#) today.

INDUSTRY IMPACT ON FLORIDA'S GDP

THE SIZE OF FLORIDA'S ECONOMY IS MEASURED BY GROSS DOMESTIC PRODUCT (GDP) – A MEASURE THAT REFLECTS THE VALUE OF THE PRODUCTION AND ECONOMIC ACTIVITY IN A STATE. FLORIDA'S ECONOMY AS A WHOLE IS ONLY AS GOOD AS ITS PARTS. LET'S TAKE A LOOK AT INDUSTRY IMPACT ON FLORIDA'S CURRENT \$1.44 TRILLION GROSS DOMESTIC PRODUCT (GDP).

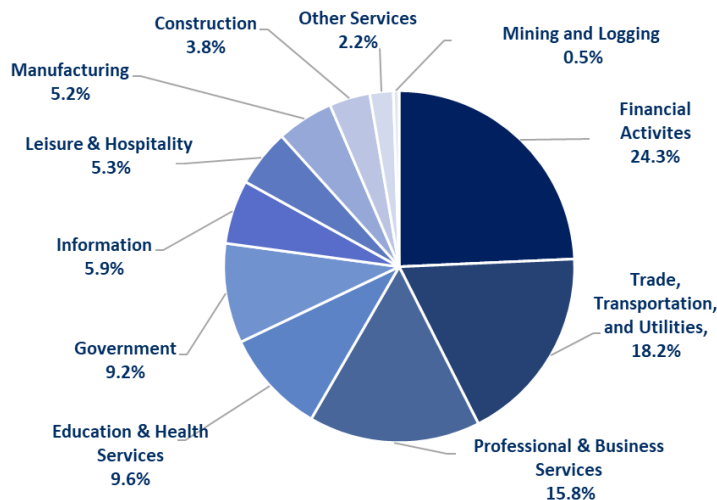
**Percentage Change in Industry Real GDP
2018:Q4 - 2022:Q3**



Current Big Picture:



Florida's Industries as a Percentage of Total GDP

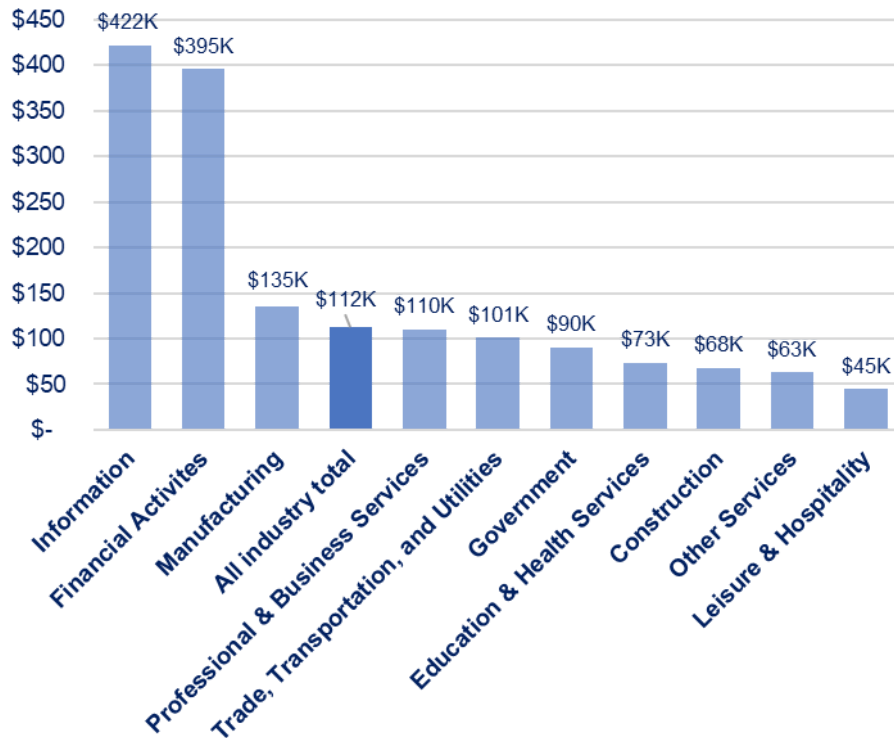


GDP by Industry

Although many think Florida's economy is driven by the Leisure and Hospitality industry, Florida's GDP is actually led by the Financial Activities, Trade, Transportation and Utilities and Professional & Business Services industries.

INDUSTRY IMPACT ON FLORIDA'S GDP

GDP Per Worker by Industry Q3:2022



Source: Bureau of Economic Analysis

GDP per Worker

Behind the size of the economy is the workers that fuel it. GDP per worker can serve as a proxy for the productivity of an employed Floridian. Broken down by industry, this enables us to compare the role each industry's labor market plays in the overall success of the economy.

Information, Financial Activities and Manufacturing all have productivity per worker that is higher than the aggregate, making them the industries that lead Florida by this measure.



WHAT TO WATCH FOR

Florida's businesses and economy are better equipped than most states to handle the headwinds and tailwinds of the national economy. The Florida Chamber Foundation predicts that Florida will continue to see strong GDP growth in 2023, along with the contribution of the industries that help drive that growth. While just one piece of the puzzle, staying up to date on Florida's GDP (particularly GDP by industry), allows businesses to see what areas have the most productivity and which are the most positioned for growth. The manufacturing industry, while one of the smallest sectors in the economy, has a GDP per worker higher than the state average - insight like this equips businesses as they engage with the economy moving forward.

TECH & INNOVATION ECONOMY

AS INNOVATION CONTINUES TO BECOME MORE WIDESPREAD, TECHNOLOGY CONTINUES TO STRETCH BEYOND A SELF-CONTAINED INDUSTRY, NOW BEING A NECESSITY IN ALL FACETS OF THE ECONOMY AND THE WORK OF ALL FLORIDIANS. TECHNOLOGY-SPECIFIC OCCUPATIONS ARE CONSIDERED TO BE HIGH-DEMAND POSITIONS IN FLORIDA AND PRESENT AN OPPORTUNITY FOR FLORIDA'S TALENT PIPELINE TO ENTER HIGH-WAGE OCCUPATIONS.

Current Big Picture:

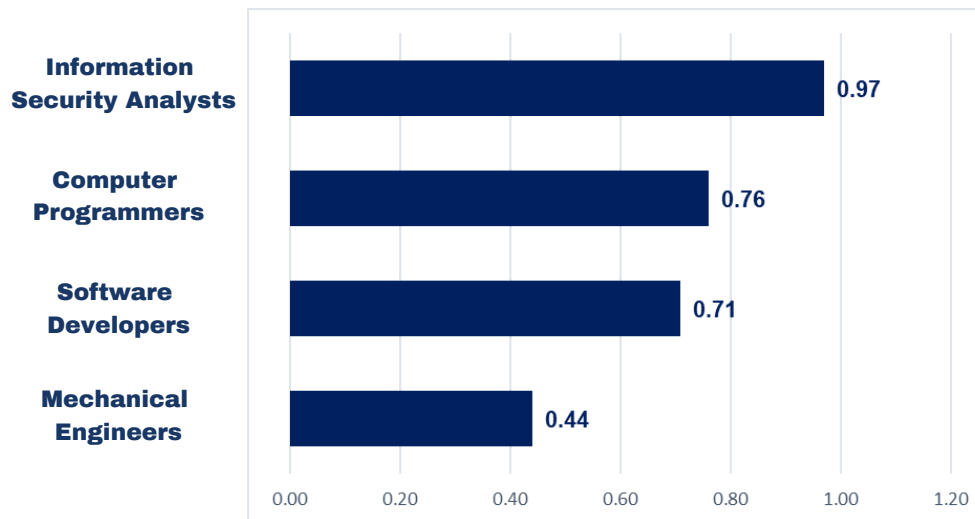
 TECHNOLOGY JOBS

4th
(Unchanged)

Top 3
2030 Goal

Technology & Innovation Occupations

Relative Concentration of Select Florida Technology & Innovation Occupations



Source: Bureau of Labor Statistics

The bar chart illustrates how regional concentrations of select technology and innovation-related occupations in Florida compare to the national level. The location quotient, or relative concentration, for each are less than one - meaning the occupations make up a smaller percentage in Florida's workforce than they do in the United States. Yet, these occupations all have significantly higher wages than the state average. Technology and Innovation positions play an essential role in Florida's national and global competitiveness..

Software Developers



\$105,200 Mean Annual Wage

103% Greater than FL Average

Computer Programmers



\$83,040 Mean Annual Wage

60% Greater than FL Average

Information Security Analysts



\$102,850 Mean Annual Wage

98% Greater than FL Average

Mechanical Engineers

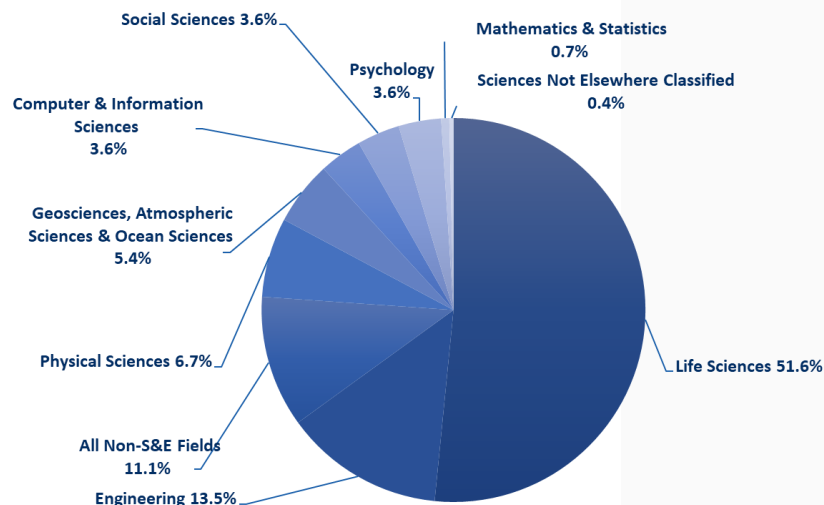


\$90,060 Mean Annual Wage

73% Greater than FL Average

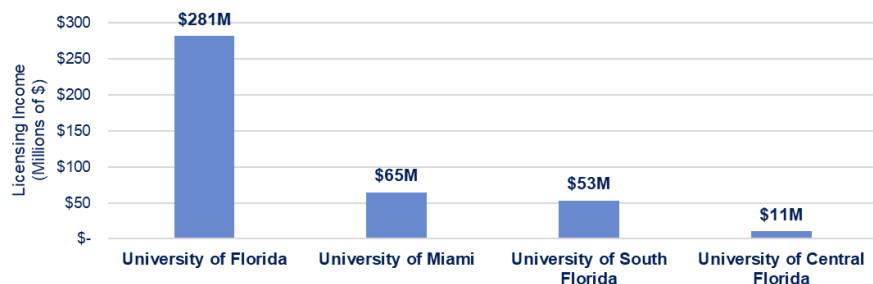
TECH & INNOVATION ECONOMY

Florida's Industries as a Percentage of Florida Higher Education Research and Development Expenditures by Top 10 Fields



Source: National Center for Science and Engineering Statistics, Higher Education Research and Development Survey, FY 2021.

2017 - 2021 Total Licensing Income by University*



*only includes universities with 5 year total licensing income >\$5M as reported by database

Source: AUTM Licensing Survey

WHAT TO WATCH FOR

The value of tech and innovation in Florida's economy can be seen in the size of the industry, the funding of innovation, and the return on investment in this field through licensing. As tech and innovation continues to grow as a necessity for Florida's businesses to compete for customers and talent, we will see it incorporated more and more over time in the way we work and play.

Research & Development Funding

The higher education system in Florida plays a vital role in fostering the research that leads to advances in technology and innovation. The chart on the left showcases the allocation of funds to various areas of research and development (R&D) in Florida, specifically highlighting the areas receiving the most investment from Florida colleges and universities.

Licensing

A university earns licensing income when innovation from within the school leads to income from licensing of the resulting technology. Many universities in Florida see income from innovation, with the University of Florida seeing the highest returns.

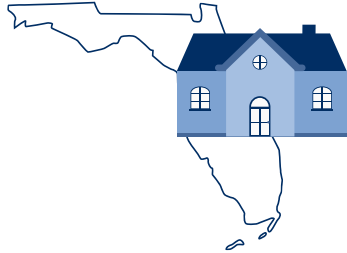


[Register here](#) to join your Florida business peers, leaders in tech and innovation, and legislators, at our annual Solution Summit on August 31. The agenda will cover AI and other emerging technologies, and available R&D funding and licensing opportunities, that can be leveraged to grow Florida's workforce, businesses, economy, and more.

HOUSING & REAL ESTATE

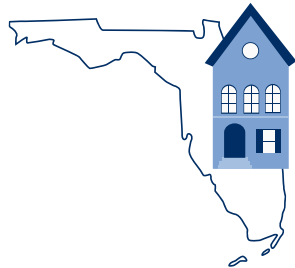
WHILE SEEMINGLY IMPERTINENT TO OTHER MARKETS, STAYING IN TUNE WITH THE HOUSING AND REAL ESTATE MARKET IS CRUCIAL KNOWLEDGE FOR BUSINESSES TO MAKE STRATEGIC DECISIONS ON GROWTH, EXPANSION, AND INTERACTION OPPORTUNITIES WITH THEIR NEW AND EXISTING CUSTOMER BASE. CHANGES IN THE HOUSING MARKET CAN BE KEY SIGNALS OF POPULATION CHANGES, ECONOMIC OUTLOOK, LEVEL OF ECONOMIC ACTIVITY AND DIRECTION OF THE FUTURE ECONOMY.

Annual Change in Sales and Prices Single Family Home



Sales
-32.5%
Median Sale Price
+4.0%

Townhouse and Condo



Sales
-40.7%
Median Sale Price
+8.8%

Annual Change Represents Period of
January 2022 - January 2023

Changing Housing Market

Change in Single Family Home Sales

Smallest Decline in Sales

Gainesville **-14.3%**
Cape Coral-Fort Myers **-21.0%**
Palm Bay-Melbourne-Titusville **-23.2%**

Largest Decline in Sales

Tallahassee **-37.2%**
Miami-Fort Lauderdale-West Palm Beach **-37.6%**
Crestview-Fort Walton Beach-Destin **-42.3%**

Change in Townhouse and Condo Sales

Smallest Decline in Sales

Jacksonville **-14.7%**
Ocala **-17.9%**
Sebastian-Vero Beach **-21.5%**

Largest Decline in Sales

Pensacola-Ferry Pass-Brent **-57.3%**
Crestview-Fort Walton Beach-Destin **-58.3%**
Gainesville **-65.8%**

HOUSING & REAL ESTATE

Growth in Single Family Home Sale Price

Largest Growth in Sale Price

Panama City **13.6%**
Homosassa Springs **10.6%**
Ocala **9.5%**

Smallest Growth in Sale Price

The Villages **1.7%**
Cape Coral-Fort Myers **1.6%**
Crestview-Fort Walton Beach-Destin **-4.9%**

Growth in Townhouse and Condo Sale Price

Largest Growth in Sale Price

Gainesville **24.7%**
Tallahassee **21.6%**
Punta Gorda **18.9%**

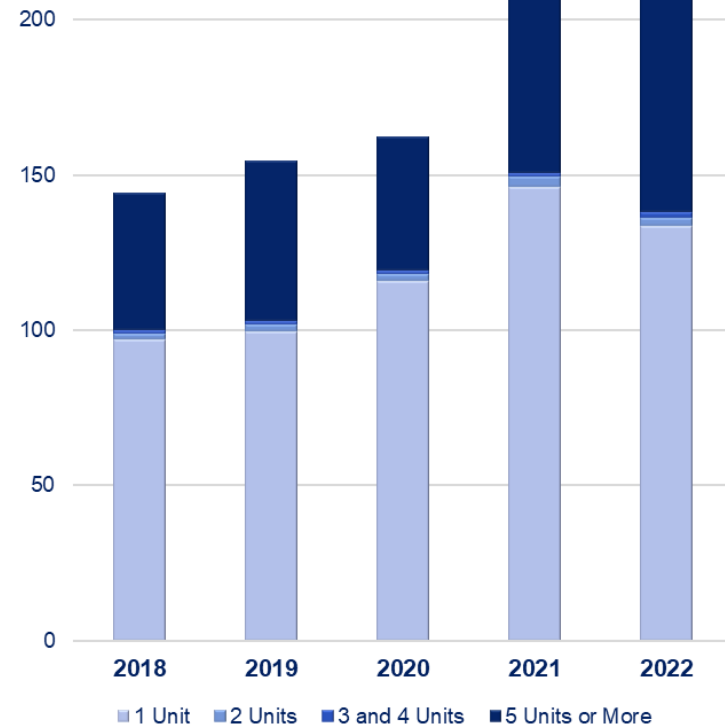
Smallest Growth in Sale Price

Deltona-Daytona Beach-Ormond Beach **-3.5%**
Panama City **-3.5%**
Pensacola-Ferry Pass-Brent **-24.1%**

WHAT TO WATCH FOR

The housing market has been cooling in recent months. This tightening is likely due to a large number of indicators, which is further evidence of it serving as a gauge for the direction of the economy. The Florida Chamber Foundation predicts that single-family home sales will return to pre-pandemic levels, without much erosion in prices.

Change in Building Composition 2018-2022



Source: United States Census Bureau Building Permits Survey

GLOBAL CONNECTIONS

TRADE IS THE FOUNDATION OF FLORIDA'S ECONOMIC ROLE AND POSITION IN THE WORLD. 2022 WAS A RECORD-BREAKING YEAR FOR FLORIDA'S SEAPORTS WITH \$67.5 BILLION SEEN IN FLORIDA-ORIGIN EXPORTS.



Florida Total Imports



International Activity

2022 Total Seaport Activity



Florida Total Cruise Passengers

10.9 Million



Florida Total Containers (TEUs)

4.3 Million



Florida Total Cargo (Total Tonnage)

112.5 Million

GLOBAL CONNECTIONS

2022 Seaport Activity by Port



CRUISE PASSENGERS

- 1 **PORT CANAVERAL**
4.2M
- 2 **PORT MIAMI**
4.0M
- 3 **PORT EVERGLADES**
1.7M
- 4 **PORT TAMPA BAY**
418K
- 5 **PORT OF KEY WEST**
198K

TONNAGE

- 1 **PORT TAMPA BAY**
34.4M
- 2 **PORT EVERGLADES**
27.4M
- 3 **JAXPORT**
18.2M
- 4 **SEAPORT MANATEE**
10.8M
- 5 **PORT MIAMI**
9.9M

TEUS

- 1 **JAXPORT**
1.3M
- 2 **PORT MIAMI**
1.2M
- 3 **PORT EVERGLADES**
1.1M
- 4 **PORT OF PALM BEACH**
262K
- 5 **PORT TAMPA BAY**
179K

Source: Florida Ports Council

WHAT TO WATCH FOR

Exports and imports shed light on how Florida's economy is engaging with other nations. Our seaports are bustling with activity, as they rebound from the global pandemic. Keeping an eye on the current activity helps us gauge the capacity and potential of Florida's engagements with the global market. The U.S. dollar continues to be the safest investment globally, and as such, the Florida Chamber Foundation anticipates the dollar to rise in value relative to global currencies. This could potentially dampen international demand for U.S. goods and services.

TOOLS AND RESOURCES TO MOVE THE NEEDLE

THE FLORIDA CHAMBER FOUNDATION IS PROUD TO OFFER THE FOLLOWING TOOLS AND RESOURCES TO HELP FLORIDA LEADERS LEAD:

THE FLORIDA SCORECARD METRICS TO HELP SECURE FLORIDA'S FUTURE

Hundreds of state and county level metrics showing Florida's economic progress on its way to becoming a top 10 global economy by 2030.

TheFloridaScorecard.org

Follow [@FloridaBTN](https://twitter.com/FloridaBTN) on Twitter where updated figures and accompanying analysis are shared upon release.

The Florida GAPMAP

This data visualization and analysis tool helps users identify the poverty root cause challenges Florida's children and families face that ultimately impact Florida's workplace and economy.

TheFloridaGapMap.org

UPCOMING EVENTS

Join us as we unite the Florida business community for good at our upcoming Florida Chamber and Foundation events.

FLChamber.com/events

FLORIDA CHAMBER *Foundation*

Thank you for your interest in the Florida Chamber Foundation's research aimed at propelling our *Florida 2030 Blueprint* mission of making Florida a top 10 global economy by 2030. If you would like to view additional research, please **visit our website**.

Unite With Us in Our Mission Efforts

To learn about how you can get involved with our initiatives and efforts to unite the business community in securing the future of Florida's businesses and economy, please contact Dave Sobush, CECD, Director of Research, at dsobush@flchamber.com or 850-521-1271.