

Northwest Washington Labor Market Review

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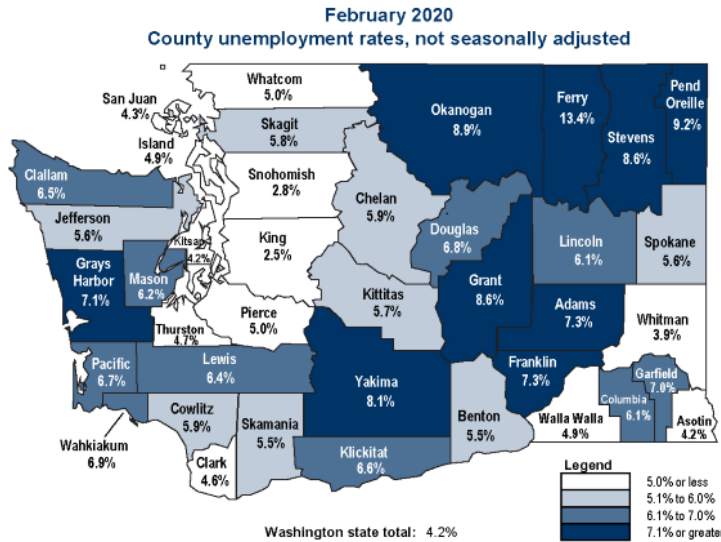
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On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 3,500 in February 2020.¹ BLS estimates the private sector gained 2,800 jobs during the month and the public sector gained 700 jobs.

On a not seasonally adjusted basis, estimates for February 2019 through February 2020 indicate an increase in employment of 100,900 for the state. The private sector added 91,400 jobs while the public sector gained an estimated 9,500 jobs over the year.



Washington’s preliminary seasonally adjusted unemployment rate for February 2020 is 3.8 percent. The revised estimated January 2020 unemployment rate is at 3.9 percent. The February 2019 unemployment rate was 4.5 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary Unemployment rate (not seasonally adjusted) estimates are

Area	(Prelim.) Feb-20	Jan-20	Feb-19	Year-to-Year Change
USA	3.8%	4.0%	4.1%	-0.3%
Washington state	4.2%	4.4%	5.2%	-1.0%
Northwest Workforce Development Area	5.2%	5.6%	6.1%	-0.9%
Whatcom County	5.0%	5.5%	5.9%	-0.9%
Skagit County	5.8%	6.2%	6.8%	-1.0%
Island County	4.9%	5.1%	5.8%	-0.9%
San Juan County	4.3%	4.6%	4.8%	-0.5%

estimates are subject to revision. January’s preliminary estimated gain of 6,800 jobs was revised to a gain of 7,700 jobs.

Important note: The first documented case of coronavirus in Washington state was in late January. The proliferation of cases and implementation of social distancing measures began gradually taking hold in mid-February and gained momentum throughout the month of March. This report compares the week containing the 12th of February with the previous month and year. Therefore, all traditional measures in this report reflect the state of the local economy prior to the arrival of COVID-19. For now, the most reliable closer-to-real-time indicator is weekly Unemployment Insurance claims. A supplemental section dedicated to weekly UI claims tracking for Northwest Washington for the first couple weeks of March is included at the end of this report.

Whatcom County

Local Area Unemployment Statistics

The unemployment rate in Whatcom County was 5.0 percent in February 2020 (preliminary), down from 5.5 percent reported in January 2020 (revised). The unemployment rate in February 2019 was 5.9 percent.

- Compared to 12 months ago, the number of people counted as ‘employed’ increased by 3,093 and the number of people counted as ‘unemployed’ or actively seeking work decreased by 933, nudging the unemployment rate down over the year. The labor force increased by 1.9 percent. Whatcom County’s labor force was estimated at 118,137 in February 2020.
- Initial claims for unemployment benefits in Whatcom County decreased from 1,361 in January to 649. Altogether, 1,986 Whatcom County residents collected unemployment insurance benefits in February; down from 2,545 in January.

Whatcom County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted
Bellingham Metropolitan Statistical Area (Whatcom County)

Data benchmarked through September 2019

NAICS Industry Title	Prelim Feb-20	Revised Jan-20	Revised Feb-19	Change		
				Jan-20 Feb-20	Feb-19 Feb-20	Feb-19 Feb-20
Total Nonfarm	96,300	95,800	94,400	500	1,900	2.0%
Total Private	76,800	76,500	75,500	300	1,300	1.7%
Goods Producing	18,400	18,100	18,400	300	0	0.0%
Mining, Logging, and Construction	7,800	7,600	7,800	200	0	0.0%
Manufacturing	10,600	10,500	10,600	100	0	0.0%
Service Providing	77,900	77,700	76,000	200	1,900	2.5%
Private Services Providing	58,400	58,400	57,100	0	1,300	2.3%
Trade, Transportation, Warehousing, and Utilities	16,200	16,500	16,100	-300	100	0.6%
Retail Trade	10,900	11,100	10,900	-200	0	0.0%
Financial Activities	4,000	4,000	3,800	0	200	5.3%
Professional and Business Services	8,500	8,400	8,200	100	300	3.7%
Leisure and Hospitality	10,500	10,500	10,400	0	100	1.0%
Government	19,500	19,300	18,900	200	600	3.2%
Federal Government	1,400	1,500	1,500	-100	-100	-6.7%
Total State Government	7,100	7,000	7,000	100	100	1.4%
Total Local Government	11,000	10,800	10,400	200	600	5.8%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm payroll in Whatcom County (not seasonally adjusted) increased by 500 from January to February 2020. Year-over-year, the tally of nonfarm jobs increased by 1,900.

- In February, net employment expanded, including gains in most industries detailed in this report. The only major industry reporting job loss was trade, transportation, warehousing and utilities (-300), of which retail bore the brunt of the losses (-200).
- Over the year, the largest increases detailed in this report were observed in government (+600), although it is worth noting that private service providing industries collectively added 1,300 jobs. Goods producing industries saw no movement over the year.

Skagit County

Local Area Unemployment Statistics

The unemployment rate in Skagit County was 5.8 percent in February 2020 (preliminary), down from 6.2 percent in January (revised). The unemployment rate 12 months ago was 6.8 percent.

- Compared to February 2019, the number of people counted as ‘employed’ increased by 2,375 and the number of people counted as ‘unemployed’ decreased by 544. Skagit County’s resident labor force was estimated at 63,548, increasing by 3.0 percent over the year.

- Initial claims for unemployment benefits in Skagit County decreased from 924 in January to 479 in February. Altogether, 1,370 Skagit County residents received unemployment insurance benefits in February; down from 1,701 in January.

Skagit County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted

Mount Vernon-Anacortes Metropolitan Statistical Area (Skagit County)

Data benchmarked through September 2019

NAICS Industry Title	Prelim Feb-20	Revised Jan-20	Revised Feb-19	Change		
				Jan-20 Feb-20	Feb-19 Feb-20	Feb-19 Feb-20
Total Nonfarm	51,400	51,600	50,800	-200	600	1.2%
Total Private	39,500	39,600	38,800	-100	700	1.8%
Goods Producing	10,300	10,300	10,600	0	-300	-2.8%
Mining, Logging, and Construction	4,600	4,600	4,600	0	0	0.0%
Manufacturing	5,700	5,700	6,000	0	-300	-5.0%
Service Providing	41,100	41,300	40,200	-200	900	2.2%
Private Services Providing	29,200	29,300	28,200	-100	1,000	3.5%
Trade, Transportation, Warehousing, and Utilities	10,100	10,500	9,600	-400	500	5.2%
Retail Trade	7,300	7,400	6,900	-100	400	5.8%
Leisure and Hospitality	5,300	5,300	4,800	0	500	10.4%
Government	11,900	12,000	12,000	-100	-100	-0.8%
Federal Government	300	300	300	0	0	0.0%
State Government	1,400	1,400	1,500	0	-100	-6.7%
Local Government	10,200	10,300	10,200	-100	0	0.0%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm employment in Skagit County decreased by 200 from January to February 2020. Year-over-year, the tally of nonfarm jobs expanded by 600 or 1.2 percent.

- Over the month, losses were evenly split between the public and private sectors. The deepest losses were observed in trade, transportation, warehousing and utilities (-400).
- Over the year, losses were concentrated in goods providing industries. Manufacturing had the deepest losses (-300); the largest net increases were observed in trade, transportation, warehousing and utilities and leisure and hospitality (+500 each).

Island County

Local Area Unemployment Statistics

The unemployment rate in Island County was 4.9 percent (preliminary) in February 2020. This is down from 5.1 percent reported in January (revised). The unemployment rate 12 months ago was 5.8 percent.

- Compared to February 2019, the number of people counted as 'employed' increased by 1,842 and the number of people counted as 'unemployed' or actively seeking work decreased

by 221. Island County's civilian labor force was estimated as 37,065, an increase of 4.6 percent over the year.

- There were 157 initial claims for unemployment benefits in Island County in February, down from 288 in January. Altogether, 420 Island County residents collected unemployment insurance benefits in February. This is down from 490 in January.

Island County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted
Oak Harbor Micropolitan Statistical Area (Island County)

Data benchmarked through September 2019

NAICS Industry Title	Prelim Feb-20	Revised Jan-20	Revised Feb-19	Change		
				Jan-20 Feb-20	Feb-19 Feb-20	Feb-19 Feb-20
Total Nonfarm	17,350	17,360	16,650	-10	700	4.2%
Total Private	12,600	12,680	11,880	-80	720	6.1%
Goods Producing	1,980	1,990	1,830	-10	150	8.2%
Mining, Logging, and Construction	1,170	1,180	1,070	-10	100	9.3%
Manufacturing	810	810	760	0	50	6.6%
Service Providing	15,370	15,370	14,820	0	550	3.7%
Trade, Transportation, and Utilities	2,750	2,740	2,630	10	120	4.6%
Retail Trade	2,110	2,100	2,080	10	30	1.4%
Information and Financial Activities	820	820	770	0	50	6.5%
Professional and Business Services	1,250	1,290	1,220	-40	30	2.5%
Education and Health Services	2,470	2,460	2,340	10	130	5.6%
Leisure and Hospitality	2,460	2,530	2,270	-70	190	8.4%
Government	4,750	4,680	4,770	70	-20	-0.4%
Federal Government	1,330	1,320	1,330	10	0	0.0%
State and Local Government	3,420	3,360	3,440	60	-20	-0.6%
State and Local Government Education	1,590	1,530	1,610	60	-20	-1.2%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm payroll jobs in Island County dipped by 10 from January to February 2020 on a not seasonally adjusted basis. Year-over-year, the tally of nonfarm jobs expanded by 700.

- From January to February, three major industries detailed in this report expanded and three contracted. The largest increases were attributable to hiring by government (+70), specifically state and local education. The deepest losses were in observed in professional and business services (-40).
- Year-over-year, all major private industries added jobs, with the largest gains attributable to hiring by employers in leisure and hospitality (+190). Government shed 20 jobs over the year.

Note that employment statistics for Island County do not include military employment.

San Juan County

Local Area Unemployment Statistics

The unemployment rate in San Juan County decreased from 4.6 percent in January (revised) to 4.3 percent in February (preliminary). The unemployment rate 12 months ago was 4.8 percent.

- Compared to February 2019, the number of people counted as ‘employed’ increased by 749 and the number counted as ‘unemployed’ or actively seeking work decreased by 9. Altogether, the San Juan County labor force consisted of an estimated 8,482 resident workers and expanded by 9.6 percent over the year.
- Initial claims for unemployment benefits in San Juan County totaled 17 in February, down from 72 initial claims filed in January. Altogether, 113 San Juan County residents received unemployment insurance benefits in February. This is down from 123 in January.

San Juan County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted

San Juan County

Data benchmarked through September 2019

NAICS Industry Title	Prelim Feb-20	Revised Jan-20	Revised Feb-19	Change		
				Jan-20 Feb-20	Feb-19 Feb-20	Feb-19 Feb-20
Total Nonfarm	5,650	5,920	5,130	-270	520	10.1%
Total Private	4,840	5,100	4,350	-260	490	11.3%
Goods Producing	970	980	870	-10	100	11.5%
Mining, Logging, and Construction	740	750	680	-10	60	8.8%
Manufacturing	230	230	190	0	40	21.1%
Service Providing	4,680	4,940	4,260	-260	420	9.9%
Trade, Transportation, and Utilities	1,040	1,070	930	-30	110	11.8%
Information and Financial Activities	370	380	320	-10	50	15.6%
Professional and Business Services	440	450	380	-10	60	15.8%
Education and Health Services	630	640	610	-10	20	3.3%
Leisure and Hospitality	1,200	1,380	1,070	-180	130	12.1%
Government	810	820	780	-10	30	3.8%
Workers in Labor/Management Disputes	0	0	0	0	0	

Net nonfarm payroll in San Juan County decreased over the month (-270). Year-over-year, total nonfarm employment was up 520 or 10.1 percent.

- San Juan County has a highly seasonal economy, due to its orientation toward tourism. Most industries shed jobs in the winter and return with the sun. The deepest one-month losses were observed in leisure and hospitality (-180).
- Over the year, there was a net employment gain, with industries reporting 12-month gains. The largest one-year gains were observed in leisure and hospitality (+130).

Weekly Unemployment Insurance Claims information:

In March, the Employment Security Department began publishing weekly counts of initial claims for Unemployment Insurance. Initial claims provide an indicator of layoffs. Because they are entered weekly, they are a bit more nimble than our survey-based datasets.

Northwest weekly initial claims for March 2020:

Claim week	Whatcom	Skagit	Island	San Juan
Week 9 (March 1-7)	198	127	63	8
Week 10 (March 8-14)	238	163	66	17
Week 11 (March 15-21)	4,428	1,966	949	279
Week 12 (March 22-28)	6,268	3,425	1,520	465

Weekly initial claims information is published every Thursday.

Weekly claims data can be found here: <https://esd.wa.gov/labormarketinfo/unemployment-insurance-data>

Additional information can be found here: <https://esd.wa.gov/newsroom/covid-19>

Forecast information for Washington state:

The Washington State Economic and Revenue Forecast Council issues quarterly forecasts that address Washington's projected economic health. The most recent forecast was issued in February and updated in March. Forecast information is available at www.erfc.wa.gov.

The Employment Security Department is an equal-opportunity employer and provider of programs and services. Auxiliary aids and services are available upon request to people with disabilities. Washington Relay Service 711.