

Northwest Washington Labor Market Review

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For all intents and purposes, this is the first report to record the effects of the Covid-19 economic situation in Northwest Washington.

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington fell by 527,000 in April 2020.¹ BLS estimates the private sector lost 498,500 jobs during the month and the public sector lost 28,500 jobs.

On a not seasonally adjusted basis, estimates for April 2019 through

April 2020 indicate a decrease in employment of 485,800 for the state. The private sector lost 463,900 jobs while the public sector lost an estimated 21,900 jobs over the year.

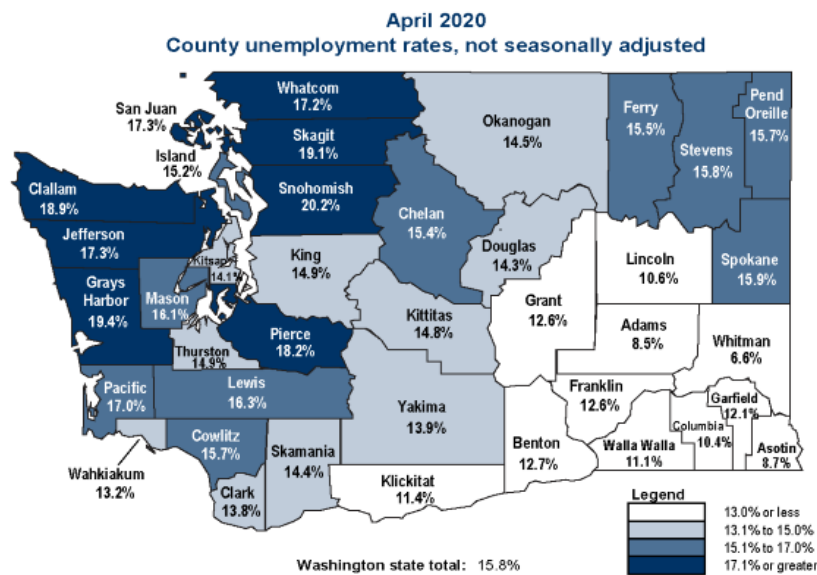
Washington's preliminary seasonally adjusted unemployment rate for April 2020 is 15.4 percent. The revised estimated March 2020 unemployment rate is at 5.1 percent. The April 2019 unemployment rate was 4.4 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary

Unemployment rate (not seasonally adjusted)

Area	(Prelim.) Apr-20	Mar-20	Apr-19	Year-to-Year Change
USA	14.4%	4.5%	3.3%	11.1%
Washington state	15.8%	5.4%	4.1%	11.7%
Northwest Workforce Development Area	17.4%	4.8%	5.1%	12.3%
Whatcom County	17.2%	4.7%	4.9%	12.3%
Skagit County	19.1%	5.2%	5.4%	13.7%
Island County	15.2%	4.6%	5.2%	10.0%
San Juan County	17.3%	4.3%	4.2%	13.1%

estimates are subject to revision. March's preliminary estimated loss of 11,100 jobs was revised to a loss of 25,400 jobs.



Whatcom County

Local Area Unemployment Statistics

The unemployment rate in Whatcom County was 17.2 percent in April 2020 (preliminary), up significantly from 4.7 percent reported in March 2020 (revised). The unemployment rate in April 2019 was 4.9 percent.

- Compared to 12 months ago, the number of people counted as ‘employed’ decreased by 10,470 and the number of people counted as ‘unemployed’ or actively seeking work increased by 14,828, sending the unemployment rate down over the year. The labor force increased by 3.8 percent. Whatcom County’s labor force was estimated at 119,559 in April 2020.
- Initial claims for unemployment benefits in Whatcom County increased from 11,532 in March to 15,356. Altogether, 10,270 Whatcom County residents collected unemployment insurance benefits in April; up from 6,185 in March. For reference, the previous peak number of initial claims was 2,950 in December 2008 and the previous peak number of continued claims was 5,201 in January 2010.

Whatcom County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted
Bellingham Metropolitan Statistical Area (Whatcom County)
 Data benchmarked through December 2019

NAICS Industry Title	Prelim Apr-20	Revised Mar-20	Revised Apr-19	Change		
				Mar-20 Apr-20	Apr-19 Apr-20	Apr-19 Apr-20
Total Nonfarm	83,300	96,500	96,900	-13,200	-13,600	-14.0%
Total Private	65,300	77,100	77,700	-11,800	-12,400	-16.0%
Goods Producing	15,400	18,700	19,100	-3,300	-3,700	-19.4%
Mining, Logging, and Construction	6,300	8,200	8,500	-1,900	-2,200	-25.9%
Manufacturing	9,100	10,500	10,600	-1,400	-1,500	-14.2%
Service Providing	67,900	77,800	77,800	-9,900	-9,900	-12.7%
Private Services Providing	49,900	58,400	58,600	-8,500	-8,700	-14.8%
Trade, Transportation, Warehousing, and Utilities	14,500	15,900	16,300	-1,400	-1,800	-11.0%
Retail Trade	9,400	10,600	11,000	-1,200	-1,600	-14.5%
Financial Activities	3,700	3,800	3,800	-100	-100	-2.6%
Professional and Business Services	8,000	8,600	8,600	-600	-600	-7.0%
Leisure and Hospitality	4,600	10,300	10,900	-5,700	-6,300	-57.8%
Government	18,000	19,400	19,200	-1,400	-1,200	-6.3%
Federal Government	1,400	1,300	1,500	100	-100	-6.7%
Total State Government	6,200	7,300	7,000	-1,100	-800	-11.4%
Total Local Government	10,400	10,800	10,700	-400	-300	-2.8%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm payroll in Whatcom County (not seasonally adjusted) decreased by 13,200 from March to April 2020. Year-over-year, the tally of nonfarm jobs decreased by 13,600 (14.0 percent).

- In April, net employment contracted, with all major industries reporting losses. The deepest losses were observed in leisure and hospitality (-5,700) and construction (-1,900).
- All industries detailed in this report shed employment over the year. The largest decreases came from leisure and hospitality (down 6,300 or 57.8 percent) and construction (down 2,200 or 25.9 percent).

Skagit County

Local Area Unemployment Statistics

The unemployment rate in Skagit County was 19.1 percent in April 2020 (preliminary); this is up significantly over the month (up from 5.2 percent in March). The unemployment rate 12 months ago was 5.4 percent.

- Compared to April 2019, the number of people counted as ‘employed’ dropped by 6,374 and the number of people counted as ‘unemployed’ expanded by 9,134. Skagit County’s resident labor force was estimated at 65,337, increasing by 4.4 percent over the year.
- Initial claims for unemployment benefits in Skagit County increased from 5,836 in March to 8,844 in April. For reference, the previous peak occurred in December 2008, when the Employment Security Department counted 2,198 initial claims for unemployment insurance. Altogether, 6,345 Skagit County residents received unemployment insurance benefits in April; up from 3,672 in March.

Nonfarm Employment Estimates, Not Seasonally Adjusted

Mount Vernon-Anacortes Metropolitan Statistical Area (Skagit County)

Data benchmarked through December 2019

NAICS Industry Title	Prelim Apr-20	Revised Mar-20	Revised Apr-19	Change		
				Mar-20 Apr-20	Apr-19 Apr-20	Apr-19 Apr-20
Total Nonfarm	43,600	51,100	52,600	-7,500	-9,000	-17.1%
Total Private	32,600	39,200	40,500	-6,600	-7,900	-19.5%
Goods Producing	8,700	10,200	11,200	-1,500	-2,500	-22.3%
Mining, Logging, and Construction	3,500	4,500	5,200	-1,000	-1,700	-32.7%
Manufacturing	5,200	5,700	6,000	-500	-800	-13.3%
Service Providing	34,900	40,900	41,400	-6,000	-6,500	-15.7%
Private Services Providing	23,900	29,000	29,300	-5,100	-5,400	-18.4%
Trade, Transportation, Warehousing, and Utilities	8,500	9,400	9,900	-900	-1,400	-14.1%
Retail Trade	6,100	7,100	7,100	-1,000	-1,000	-14.1%
Leisure and Hospitality	2,100	4,900	5,300	-2,800	-3,200	-60.4%
Government	11,000	11,900	12,100	-900	-1,100	-9.1%
Federal Government	400	400	400	0	0	0.0%
State Government	1,400	1,400	1,500	0	-100	-6.7%
Local Government	9,200	10,100	10,200	-900	-1,000	-9.8%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm employment in Skagit County decreased by 7,500 from March to April 2020. Year-over-year, the tally of nonfarm jobs contracted by 9,000 or 17.1 percent.

- Over the month, every industry detailed in this report shed jobs, with the deepest losses observed in leisure and hospitality (-2,800).
- Covid-19 related losses reverberated throughout the economy, showing up in the year over year estimates for all industries. Most industries detailed in this report was down by at least 1,000 jobs over the year.

Island County

Local Area Unemployment Statistics

The unemployment rate in Island County was 15.2 percent (preliminary) in April 2020. This is up from 4.6 percent reported in March (revised). The unemployment rate 12 months ago was 5.2 percent.

- Compared to April 2019, the number of people counted as ‘employed’ decreased by 1,546 and the number of people counted as ‘unemployed’ or actively seeking work expanded by 3,913. Island County’s civilian labor force was estimated as 37,892 in April 2020.
- There were 4,718 initial claims for unemployment benefits in Island County in April, up from 2,763 in March. For reference, the highest number of initial claims during the Great Recession was 661, observed in December 2008. Altogether, 2,953 Island County residents collected unemployment insurance benefits in April. This is up from 1,424 in March.

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

Data benchmarked through December 2019

NAICS Industry Title	Prelim Apr-20	Revised Mar-20	Revised Apr-19	Change		
				Mar-20 Apr-20	Apr-19 Apr-20	Apr-19 Apr-20
Total Nonfarm	15,930	17,310	17,150	-1,380	-1,220	-7.1%
Total Private	11,340	12,570	12,360	-1,230	-1,020	-8.3%
Goods Producing	1,950	1,970	1,900	-20	50	2.6%
Mining, Logging, and Construction	1,160	1,160	1,120	0	40	3.6%
Manufacturing	790	810	780	-20	10	1.3%
Service Providing	13,980	15,340	15,250	-1,360	-1,270	-8.3%
Trade, Transportation, and Utilities	2,580	2,770	2,720	-190	-140	-5.1%
Retail Trade	1,970	2,120	2,110	-150	-140	-6.6%
Information and Financial Activities	800	820	800	-20	0	0.0%
Professional and Business Services	1,280	1,250	1,230	30	50	4.1%
Education and Health Services	2,390	2,480	2,420	-90	-30	-1.2%
Leisure and Hospitality	1,460	2,430	2,440	-970	-980	-40.2%
Government	4,590	4,740	4,790	-150	-200	-4.2%
Federal Government	1,300	1,340	1,320	-40	-20	-1.5%
State and Local Government	3,290	3,400	3,470	-110	-180	-5.2%
State and Local Government Education	1,530	1,560	1,620	-30	-90	-5.6%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm payroll jobs in Island County plummeted by 1,380 from March to April 2020 on a not seasonally adjusted basis. Year-over-year, the tally of nonfarm jobs plunged by 1,220.

- From March to April, most industries shed jobs. The deepest losses were observed in leisure and hospitality (-970). The only industry reporting one-month gains was professional and business services (+30).
- Year-over-year, the deepest losses were observed in leisure and hospitality (-980). Goods producing industries (manufacturing and construction) and professional and business services added 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 increased from 4.3 percent in March (revised) to 17.3 percent in April (preliminary). The unemployment rate 12 months ago was 4.2 percent.

- Compared to April 2019, the number of people counted as ‘employed’ decreased by 881 and the number counted as ‘unemployed’ or actively seeking work increased by 1,112. Altogether, the San Juan County labor force consisted of an estimated 8,412 resident workers and expanded by 2.8 percent over the year.
- Initial claims for unemployment benefits in San Juan County reached a peak level of 167 claims during the Great Recession; this pales in comparison to the number of initial claims in March 2020, which reached 1,287. Altogether, 637 San Juan County residents received unemployment insurance benefits in April. This is up from 409 in March.

Nonfarm Employment Estimates, Not Seasonally Adjusted

San Juan County

Data benchmarked through December 2019

NAICS Industry Title	Prelim Apr-20	Revised Mar-20	Revised Apr-19	Change		
				Mar-20 Apr-20	Apr-19 Apr-20	Apr-19 Apr-20
Total Nonfarm	4,720	5,560	5,560	-840	-840	-15.1%
Total Private	3,910	4,760	4,750	-850	-840	-17.7%
Goods Producing	910	950	930	-40	-20	-2.2%
Mining, Logging, and Construction	710	730	710	-20	0	0.0%
Manufacturing	200	220	220	-20	-20	-9.1%
Service Providing	3,810	4,610	4,630	-800	-820	-17.7%
Trade, Transportation, and Utilities	970	1,030	990	-60	-20	-2.0%
Information and Financial Activities	310	370	340	-60	-30	-8.8%
Professional and Business Services	410	440	400	-30	10	2.5%
Education and Health Services	590	630	620	-40	-30	-4.8%
Leisure and Hospitality	530	1,150	1,280	-620	-750	-58.6%
Government	810	800	810	10	0	0.0%
Workers in Labor/Management Disputes	0	0	0	0	0	

Net nonfarm payroll in San Juan County decreased over the month (-840). Year-over-year, total nonfarm employment was down 840 or 15.1 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 (-620). Given the timing of Covid-19, there are concerns about how quickly and robustly tourism will return for summer 2020 tourism.
- Over the year, there was a net employment loss, with most industries reporting 12-month losses. The largest one-year losses were observed in leisure and hospitality (-750). Employment in professional and business service was up 10 over the year.

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 from March 1 to May 23, 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
Week 13 (March 29-April 4)	5,885	3,230	1,584	443
Week 14 (April 5-11)	3,968	2,731	1,577	271
Week 15 (April 12-18)	2,612	1,445	713	191
Week 16 (April 19-25)	4343	2164	1297	503
Week 17 (April 26-May 2)	3170	1609	882	336
Week 18 (May 3-9)	2914	1529	755	195
Week 19 (May 10-16)	3768	1902	1037	233
Week 20 (May 17-23)	1418	753	386	104

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 May. 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.