

# Northwest Washington Labor Market Review

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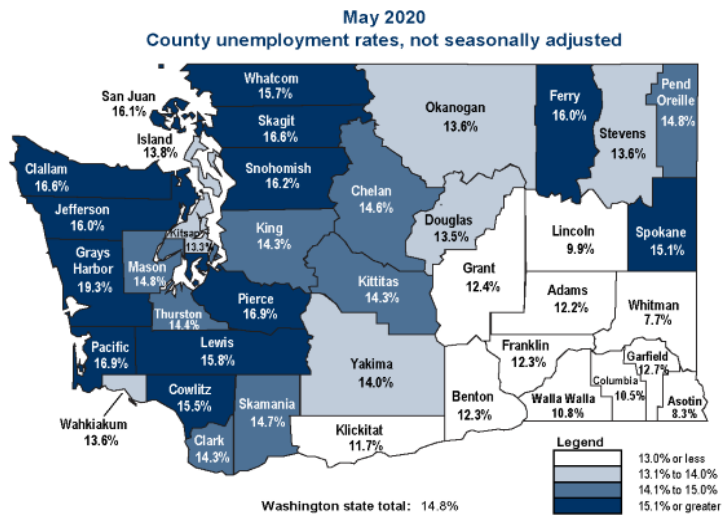
[www.esd.wa.gov/labormarketinfo](http://www.esd.wa.gov/labormarketinfo)

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

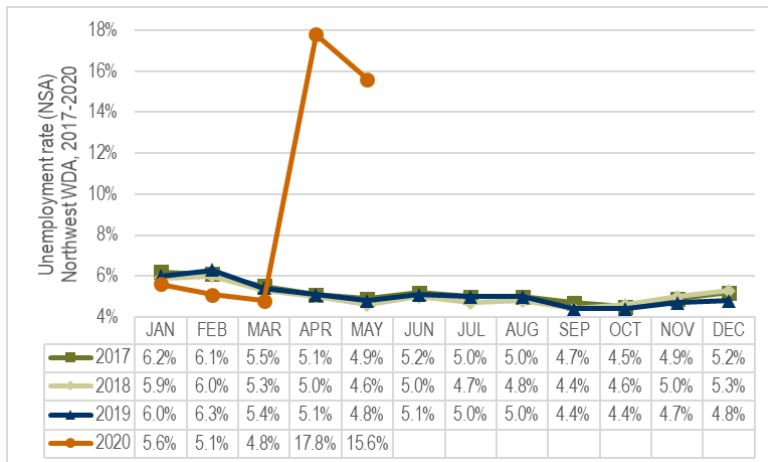
On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 52,500 in May 2020.<sup>1</sup>

BLS estimates the private sector gained 72,600 jobs during the month and the public sector lost 20,100 jobs.

On a not seasonally adjusted basis, estimates for May 2019 through May 2020 indicate a decrease in employment of 408,200 for the state. The private sector lost 360,100 jobs while the public sector lost an estimated 48,100 jobs over the year.



Washington’s preliminary seasonally adjusted unemployment rate for May 2020 is 15.1 percent. The revised estimated April 2020 unemployment rate is at 16.3 percent. The May 2019 unemployment rate was 4.4 percent.



BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. April’s preliminary estimated loss of 527,000 jobs was revised to a loss of 457,800 jobs.

*The unemployment rate for the Northwest Workforce Development Area jumped to 17.8 percent in April. In May, the four-county area had an unemployment rate of 15.6 percent.*

# Whatcom County

## Local Area Unemployment Statistics

The unemployment rate in Whatcom County was 15.7 percent in May 2020 (preliminary), down from a record-breaking 17.7 percent reported in April 2020 (revised). The unemployment rate in May 2019 was 4.7 percent.

- Compared to 12 months ago, the number of people counted as ‘employed’ decreased by 8,711 and the number of people counted as ‘unemployed’ or actively seeking work increased by 13,316. The labor force increased by 4.0 percent. Whatcom County’s labor force was estimated at 119,541 in May 2020.

## 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 May-20	Revised Apr-20	Revised May-19	Change		
				Apr-20 May-20	May-19 May-20	May-19 May-20
Total Nonfarm	86,200	83,100	97,300	3,100	-11,100	-11.4%
Total Private	69,700	65,100	78,100	4,600	-8,400	-10.8%
Goods Producing	16,200	14,800	19,000	1,400	-2,800	-14.7%
Mining, Logging, and Construction	6,600	5,600	8,300	1,000	-1,700	-20.5%
Manufacturing	9,600	9,200	10,700	400	-1,100	-10.3%
Service Providing	70,000	68,300	78,300	1,700	-8,300	-10.6%
Private Services Providing	53,500	50,300	59,100	3,200	-5,600	-9.5%
Trade, Transportation, Warehousing, and Utilities	15,000	14,800	16,500	200	-1,500	-9.1%
Retail Trade	9,600	9,700	11,100	-100	-1,500	-13.5%
Financial Activities	3,700	3,700	3,900	0	-200	-5.1%
Professional and Business Services	8,300	8,200	8,500	100	-200	-2.4%
Leisure and Hospitality	5,700	4,600	11,000	1,100	-5,300	-48.2%
Government	16,500	18,000	19,200	-1,500	-2,700	-14.1%
Federal Government	1,400	1,400	1,500	0	-100	-6.7%
Total State Government	5,700	6,200	7,100	-500	-1,400	-19.7%
Total Local Government	9,400	10,400	10,600	-1,000	-1,200	-11.3%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm payroll in Whatcom County (not seasonally adjusted) increased by 3,100 from April to May 2020. Year-over-year, the tally of nonfarm jobs decreased by 11,100 (11.4 percent).

- In May, net employment expanded, with most major industries reporting increases. The largest increases attributable to hiring in leisure and hospitality (+1,100) and construction (+1,000). Government employment dropped in May.
- All industries detailed in this report shed jobs over the year. The largest decreases came from leisure and hospitality (down 5,300 or 48.2 percent) and government (down 2,700 or 14.1 percent).

## Skagit County

### Local Area Unemployment Statistics

The unemployment rate in Skagit County was 16.6 percent in May 2020 (preliminary); this is down over the month, following a record-setting high unemployment rate of 19.1 percent in April. The unemployment rate 12 months ago was 5.2 percent.

- Compared to May 2019, the number of people counted as ‘employed’ dropped by 5,658 and the number of people counted as ‘unemployed’ expanded by 7,421. Skagit County’s resident labor force was estimated at 64,507 increasing by 2.8 percent over the year.

### Skagit County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted  
Mount Vernon-Anacortes Metropolitan Statistical Area (Skagit County)

Data benchmarked through December 2019

NAICS Industry Title	Prelim May-20	Revised Apr-20	Revised May-19	Change		
				Apr-20 May-20	May-19 May-20	May-19 May-20
Total Nonfarm	45,100	43,800	52,800	1,300	-7,700	-14.6%
Total Private	34,900	32,800	40,700	2,100	-5,800	-14.3%
Goods Producing	8,900	8,000	11,100	900	-2,200	-19.8%
Mining, Logging, and Construction	3,600	2,800	5,200	800	-1,600	-30.8%
Manufacturing	5,300	5,200	5,900	100	-600	-10.2%
Service Providing	36,200	35,800	41,700	400	-5,500	-13.2%
Private Services Providing	26,000	24,800	29,600	1,200	-3,600	-12.2%
Trade, Transportation, Warehousing, and Utilities	9,200	9,400	10,000	-200	-800	-8.0%
Retail Trade	6,800	7,100	7,200	-300	-400	-5.6%
Leisure and Hospitality	2,700	2,100	5,500	600	-2,800	-50.9%
Government	10,200	11,000	12,100	-800	-1,900	-15.7%
Federal Government	400	400	400	0	0	0.0%
State Government	1,300	1,400	1,500	-100	-200	-13.3%
Local Government	8,500	9,200	10,200	-700	-1,700	-16.7%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm employment in Skagit County increased by 1,300 from April to May 2020. Year-over-year, the tally of nonfarm jobs contracted by 7,700 or 14.6 percent.

- Over the month, the two major industries adding the most jobs were leisure and hospitality and construction. The deepest losses were observed in government.
- Covid-19 related losses reverberated throughout the economy, showing up in the year over year estimates for all industries. The deepest were observed in leisure and hospitality (down 2,800 or 50.9 percent over the year).

## Island County

### Local Area Unemployment Statistics

The unemployment rate in Island County was 13.8 percent (preliminary) in May 2020. This is down from 15.8 percent reported in April (revised). The unemployment rate 12 months ago was 4.9 percent.

- Compared to May 2019, the number of people counted as ‘employed’ decreased by 2,608 and the number of people counted as ‘unemployed’ or actively seeking work expanded by 3,268. Island County’s civilian labor force was estimated as 36,351 in May 2020.

### Island County local area payroll jobs

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

Data benchmarked through December 2019

NAICS Industry Title	Prelim May-20	Revised Apr-20	Revised May-19	Change		
				Apr-20 May-20	May-19 May-20	May-19 May-20
Total Nonfarm	15,450	15,660	17,380	-210	-1,930	-11.1%
Total Private	10,890	10,970	12,610	-80	-1,720	-13.6%
Goods Producing	1,360	1,340	1,950	20	-590	-30.3%
Mining, Logging, and Construction	560	550	1,160	10	-600	-51.7%
Manufacturing	800	790	790	10	10	1.3%
Service Providing	14,090	14,320	15,430	-230	-1,340	-8.7%
Trade, Transportation, and Utilities	2,630	2,680	2,760	-50	-130	-4.7%
Retail Trade	2,040	2,070	2,150	-30	-110	-5.1%
Information and Financial Activities	780	800	820	-20	-40	-4.9%
Professional and Business Services	1,230	1,220	1,250	10	-20	-1.6%
Education and Health Services	2,340	2,380	2,430	-40	-90	-3.7%
Leisure and Hospitality	1,680	1,670	2,540	10	-860	-33.9%
Government	4,560	4,690	4,770	-130	-210	-4.4%
Federal Government	1,320	1,300	1,330	20	-10	-0.8%
State and Local Government	3,240	3,390	3,440	-150	-200	-5.8%
State and Local Government Education	1,390	1,530	1,590	-140	-200	-12.6%
Workers in Labor/Management Disputes	0	0	0	0	0	

Total nonfarm payroll jobs in Island County continued to decline into May 2020, with one-month losses of 210 jobs. Year-over-year, the tally of nonfarm jobs plunged by 1,930 or 11.1 percent.

- From April to May, the deepest losses were observed in government (-130) and trade transportation and utilities (-50); minor increases were observed in construction, manufacturing, professional and business services and leisure and hospitality (10 each).
- Year-over-year, the deepest losses were observed in leisure and hospitality (-860) and construction (-600). Manufacturing is the only industry in this report that expanded 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 17.8 percent in April (revised) to 16.1 percent in May (preliminary). The unemployment rate 12 months ago was 3.6 percent.

- Compared to May 2019, the number of people counted as ‘employed’ decreased by 1,449 and the number counted as ‘unemployed’ or actively seeking work increased by 996. Altogether, the San Juan County labor force consisted of an estimated 8,084 resident workers and contracted by 5.3 percent over the year.

### San Juan County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted

#### San Juan County

Data benchmarked through December 2019

NAICS Industry Title	Prelim May-20	Revised Apr-20	Revised May-19	Change		
				Apr-20 May-20	May-19 May-20	May-19 May-20
Total Nonfarm	4,580	4,590	5,950	-10	-1,370	-23.0%
Total Private	3,790	3,800	5,130	-10	-1,340	-26.1%
Goods Producing	910	910	970	0	-60	-6.2%
Mining, Logging, and Construction	710	710	730	0	-20	-2.7%
Manufacturing	200	200	240	0	-40	-16.7%
Service Providing	3,670	3,680	4,980	-10	-1,310	-26.3%
Trade, Transportation, and Utilities	940	980	1,050	-40	-110	-10.5%
Information and Financial Activities	340	340	350	0	-10	-2.9%
Professional and Business Services	410	410	420	0	-10	-2.4%
Education and Health Services	520	520	640	0	-120	-18.8%
Leisure and Hospitality	470	450	1,510	20	-1,040	-68.9%
Government	790	790	820	0	-30	-3.7%
Workers in Labor/Management Disputes	0	0	0	0	0	

Net nonfarm payroll in San Juan County decreased over the month (-10). Year-over-year, total nonfarm employment was down 1,370 or 23.0 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. There was little movement over the month. The deepest losses came from trade, transportation and utilities and leisure and hospitality added 20 jobs. May is typically characterized by a seasonal ramp-up of hiring. 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 all industries reporting 12-month losses. The largest one-year losses were observed in leisure and hospitality (-1,040; a 68.9 percent drop).

## 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 June 20, 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
Week 21 (May 24-30)	959	590	238	64
Week 22 (May 31-June 6)	801	487	215	47
Week 23 (June 7-13)	955	468	192	37
Week 24 (June 14-20)	952	502	208	43

\*Labor force and payroll reporting reflects employment during week 19 (May 10-16)

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 June. Forecast information is available at [www.erfc.wa.gov](http://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.*