

Northwest Washington Labor Area Summary

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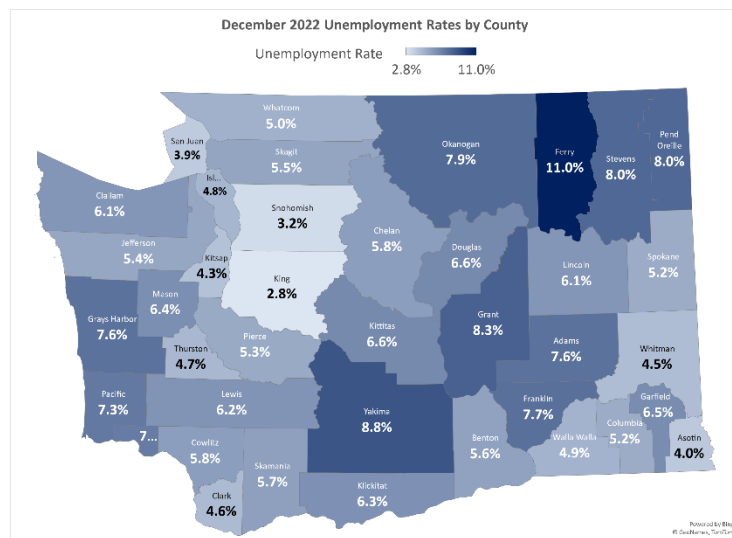
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Pandemic-related employment effects began to show up in Washington state as early as March 2020, and swiftly led to unprecedented levels of unemployment in April 2020. Many jobs have recovered in the meantime, with significant variation by location and industry. This report describes a moment in that recovery.

On a seasonally adjusted basis, preliminary estimates from the federal Bureau of Labor Statistics (BLS) indicate nonfarm employment in Washington rose by 2,500 in December 2022. BLS estimates the private sector gained 1,600 jobs during the month and the public sector gained 900 jobs.

On a not seasonally adjusted basis, estimates for December 2021 through December 2022 indicate an increase in employment of 121,200 for the state. The private sector gained 110,000 jobs while the public sector gained an estimated 11,200 jobs over the year.

Washington’s preliminary seasonally adjusted unemployment rate for December 2022 is 4.2 percent. The revised estimated November 2022 unemployment rate is at 4.0 percent. The December 2021 unemployment rate was 4.5 percent.



Unemployment rate (not seasonally adjusted)

Area	(Prelim.) Dec-22	Nov-22	Dec-21	Year-to-Year Change
USA	3.3%	3.4%	3.7%	-0.4%
Washington state	4.4%	4.2%	4.0%	0.4%
Northwest Workforce Development Area	5.0%	4.9%	4.4%	0.6%
Whatcom County	5.0%	4.8%	4.4%	0.6%
Skagit County	5.5%	5.2%	4.8%	0.7%
Island County	4.8%	4.9%	4.1%	0.7%
San Juan County	3.9%	4.0%	3.7%	0.2%

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The November 2022 preliminary estimated gain of 13,100 jobs was revised to a gain of 12,000 jobs.

Whatcom County

Local Area Unemployment Statistics

The unemployment rate in Whatcom County was 5.0 percent in December 2022 (preliminary), above 4.8 percent reported in November (revised). For comparison, the unemployment rate 12 months ago was 4.4 percent. The unemployment rate reached 17.4 percent in April 2020.

- Compared to December 2021, the labor force expanded by 754 workers (0.6 percent). Within that estimate, the number of employed workers expanded by 78 and the number of unemployed workers expanded by 676. Whatcom County's estimated labor force was 117,580 in December 2022.

Whatcom County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted
Bellingham Metropolitan Statistical Area (Whatcom County)
 Data benchmarked through December 2021

NAICS Industry Title	Prelim Dec-22	Revised Nov-22	Revised Dec-21	Change		
				Nov-22 Dec-22	Dec-21 Dec-22	Dec-21 Dec-22
Total Nonfarm	97,200	97,200	93,600	0	3,600	3.8%
Total Private	79,300	79,000	76,200	300	3,100	4.1%
Goods Producing	17,700	17,900	17,500	-200	200	1.1%
Mining, Logging, and Construction	7,900	8,100	8,300	-200	-400	-4.8%
Manufacturing	9,800	9,800	9,200	0	600	6.5%
Service Providing	79,500	79,300	76,100	200	3,400	4.5%
Private Services Providing	61,600	61,100	58,700	500	2,900	4.9%
Trade, Transportation, Warehousing, and Utilities	17,600	17,100	16,700	500	900	5.4%
Retail Trade	11,300	11,200	11,300	100	0	0.0%
Financial Activities	3,900	3,900	3,900	0	0	0.0%
Professional and Business Services	9,000	9,100	8,700	-100	300	3.4%
Leisure and Hospitality	11,000	11,000	10,300	0	700	6.8%
Government	17,900	18,200	17,400	-300	500	2.9%
Federal Government	1,400	1,400	1,400	0	0	0.0%
Total State Government	5,700	6,100	5,900	-400	-200	-3.4%
Total Local Government	10,800	10,700	10,100	100	700	6.9%

Total nonfarm payroll in Whatcom County (not seasonally adjusted) remained unchanged at 97,200 in November (revised) and December (preliminary) 2022, after a downward revision of 500 jobs. Over the year, nonfarm employment increased by 3,600 (3.8 percent). Whatcom County reached pre-recession payroll employment levels in 2022.

- In December, the largest one-month gains were observed in trade, transportation, warehousing and utilities (+500), with 100 jobs attributable to retail trade. The deepest one-month losses were observed in government (-300 and concentrated in state government) and construction (-200). These one-month adjustments are consistent with patterns observed every year in December.

- Over the year, most sectors detailed in this report expanded employment, with the largest gains attributable to trade, transportation, warehousing and utilities (+900), leisure and hospitality (+700) and manufacturing (+600). Employment in construction dipped by 200.

Skagit County

Local Area Unemployment Statistics

The unemployment rate in Skagit County was 5.5 percent (preliminary) in December 2022—up over the month from 5.2 percent (revised). The unemployment rate 12 months ago was 4.8 percent. The unemployment rate in April 2020 reached a record 18.8 percent.

- Compared to December 2021, the labor force contracted by 656 (1.0 percent). Within that, the number of people counted as ‘employed’ decreased by 1,052 and the number of people counted as ‘unemployed’ increased by 396. Skagit County’s resident labor force was estimated at 62,554 in December.

Skagit County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted

Mount Vernon-Anacortes Metropolitan Statistical Area (Skagit County)

Data benchmarked through December 2021

NAICS Industry Title	Prelim Dec-22	Revised Nov-22	Revised Dec-21	Change		
				Nov-22 Dec-22	Dec-21 Dec-22	Dec-21 Dec-22
Total Nonfarm	50,800	50,900	49,900	-100	900	1.8%
Total Private	39,100	39,200	38,300	-100	800	2.1%
Goods Producing	10,500	10,600	10,200	-100	300	2.9%
Mining, Logging, and Construction	4,100	4,200	4,200	-100	-100	-2.4%
Manufacturing	6,400	6,400	6,000	0	400	6.7%
Service Providing	40,300	40,300	39,700	0	600	1.5%
Private Services Providing	28,600	28,600	28,100	0	500	1.8%
Trade, Transportation, Warehousing, and Utilities	9,800	9,500	10,100	300	-300	-3.0%
Retail Trade	6,700	6,600	7,100	100	-400	-5.6%
Leisure and Hospitality	4,900	4,900	4,600	0	300	6.5%
Government	11,700	11,700	11,600	0	100	0.9%
Federal Government	300	300	400	0	-100	-25.0%
State Government	1,200	1,300	1,200	-100	0	0.0%
Local Government	10,200	10,100	10,000	100	200	2.0%

Total nonfarm employment in Skagit County decreased by 100 jobs over the month. Year-over-year, the tally of nonfarm jobs expanded by 900 or 1.8 percent. For context, the current level of employment (50,800) is 3,600 (7.6 percent) higher than the observed level in December 2020 but still 1,300 jobs (2.5 percent) shy of the December 2019 reading prior to the pandemic.

- In December, construction employment dipped by 100. Trade, transportation, warehousing and utilities added 300 jobs (including 100 retail jobs) All other major industry sectors remained unchanged over the month. One-month movements were seasonal in nature.
- Over the year, manufacturing, leisure and hospitality, and government each expanded employment. Trade, transportation, warehousing and utilities shed 300 jobs, with the deepest losses attributed to retail trade (-400).

Island County

Local Area Unemployment Statistics

The unemployment rate in Island County was 4.8 percent (preliminary) in December 2022, down slightly from 4.9 percent (revised) over the month. The unemployment rate 12 months ago was 4.1 percent. In April 2020, the unemployment rate for Island County was a record 16.5 percent.

- Compared to December 2021, the number of people counted as ‘employed’ decreased by 205 and the number of people counted as ‘unemployed’ or actively seeking work increased by 261. Island County’s civilian labor force was estimated as 37,150, up 0.2 percent over the year.

Island County local area payroll jobs

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

Data benchmarked through December 2021

NAICS Industry Title	Prelim Dec-22	Revised Nov-22	Revised Dec-21	Change		
				Nov-22 Dec-22	Dec-21 Dec-22	Dec-21 Dec-22
Total Nonfarm	17,470	17,600	17,080	-130	390	2.3%
Total Private	12,940	13,060	12,600	-120	340	2.7%
Goods Producing	2,020	2,060	1,890	-40	130	6.9%
Mining, Logging, and Construction	1,400	1,420	1,290	-20	110	8.5%
Manufacturing	620	640	600	-20	20	3.3%
Service Providing	15,450	15,540	15,190	-90	260	1.7%
Trade, Transportation, and Utilities	2,700	2,700	2,680	0	20	0.7%
Retail Trade	2,200	2,210	2,170	-10	30	1.4%
Information and Financial Activities	880	890	860	-10	20	2.3%
Professional and Business Services	1,590	1,590	1,550	0	40	2.6%
Education and Health Services	2,470	2,500	2,410	-30	60	2.5%
Leisure and Hospitality	2,420	2,460	2,360	-40	60	2.5%
Government	4,530	4,540	4,480	-10	50	1.1%
Federal Government	1,260	1,260	1,230	0	30	2.4%
State and Local Government	3,270	3,280	3,250	-10	20	0.6%
State and Local Government Education	1,470	1,490	1,480	-20	-10	-0.7%

Total nonfarm payroll jobs in Island County contracted by 130 from November (revised) to December (preliminary) 2022. Year-over-year, the tally of nonfarm jobs expanded by 390 or 2.3 percent. The tally of Island County jobs has reached pre-recession levels.

- From November to December, all sectors either maintained employment levels or shifted downward. The largest decreases were observed in leisure and hospitality (-40) and education and health services (-30).
- Year-over-year, all major industries detailed in this report added jobs. The largest observed employment gains were attributable to construction (+110).

Employment statistics for Island County do not include direct military employment.

San Juan County

Local Area Unemployment Statistics

The unemployment rate in San Juan County was 3.9 percent in December 2022 (preliminary), down slightly from 4.0 percent (revised) in November. The unemployment rate 12 months ago was 3.7 percent. San Juan’s unemployment rate in April 2020 (the height of the pandemic recession) was 19.2 percent.

- Compared to December 2021, the number of residents counted as ‘employed’ increased by 36 and the number counted as ‘unemployed’ or actively seeking work increased by 22. Altogether, the San Juan County labor force consisted of an estimated 8,493 resident workers and expanded by 0.7 percent over the year.

San Juan County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted

San Juan County

Data benchmarked through December 2021

NAICS Industry Title	Prelim Dec-22	Revised Nov-22	Revised Dec-21	Change		
				Nov-22 Dec-22	Dec-21 Dec-22	Dec-21 Dec-22
Total Nonfarm	5,630	5,670	5,400	-40	230	4.3%
Total Private	4,810	4,850	4,570	-40	240	5.3%
Goods Producing	1,010	1,030	990	-20	20	2.0%
Mining, Logging, and Construction	760	780	750	-20	10	1.3%
Manufacturing	250	250	240	0	10	4.2%
Service Providing	4,620	4,640	4,410	-20	210	4.8%
Trade, Transportation, and Utilities	1,060	1,000	1,010	60	50	5.0%
Information and Financial Activities	400	400	380	0	20	5.3%
Professional and Business Services	510	510	500	0	10	2.0%
Education and Health Services	560	560	570	0	-10	-1.8%
Leisure and Hospitality	1,060	1,150	910	-90	150	16.5%
Government	820	820	830	0	-10	-1.2%

Net nonfarm payroll in San Juan County contracted by 40 in December (preliminary). Year-over-year, total nonfarm employment was up 230 or 4.3 percent. Employment in San Juan County is highly seasonal. The small sampling size for this small county also means that routine revisions can be substantial. November was revised upward, and our large-scale annual revision is coming up in February.

- From November (revised) to December (preliminary) 2022, employment in the county's largest sector – leisure and hospitality- dropped by an estimated 90 jobs. Trade, transportation, and utilities posted the largest gains over the month (+60).
- Over the year, the payroll tally in San Juan County expanded by 230. The county's largest sector, leisure and hospitality, was responsible for the lions' share of growth, adding 150 jobs. Other relatively large gains were observed in trade, transportation, and utilities (+50) and information and financial activities (+20). All other sectors in this report changed by +/-10 jobs.

Forecast information for Washington state:

The Washington State Economic and Revenue Forecast Council issues quarterly forecasts that address Washington's projected economic health. ERFC estimates indicate that Washington state employment will have expanded by 5.5 percent from 2021 to 2022, and will expand by 3.3 percent in 2023. The November forecast and December revised forecast are published online at www.erfc.wa.gov.

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