

# Northwest Washington Labor Area Summary

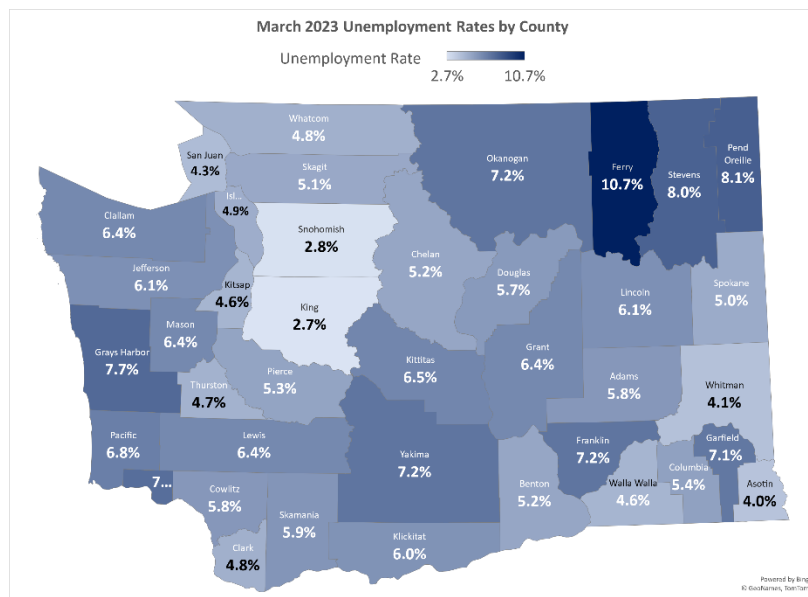
Volume 2023, Number 3

March 2023

Compiled by **Anneliese Vance-Sherman, Ph.D., Regional Labor Economist**  
Phone: (425)258-6315 (Mobile: 564-900-0748) [anneliese.vance-sherman@esd.wa.gov](mailto:anneliese.vance-sherman@esd.wa.gov)  
[www.esd.wa.gov/labormarketinfo](http://www.esd.wa.gov/labormarketinfo)

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 1,500 in March 2023. BLS estimates the private sector gained 300 jobs during the month and the public sector gained 1,200 jobs.



On a not seasonally adjusted basis, estimates for March 2022 through March 2023

indicate an increase in employment of 113,400 for the state. The private sector gained 95,900 jobs while the public sector gained an estimated 17,500 jobs over the year.

Washington’s preliminary seasonally adjusted unemployment rate for March 2023 is 4.5 percent. The revised estimated February 2023 unemployment rate is at 4.6 percent. The March 2022

unemployment rate was 4.1 percent.

Unemployment rate (not seasonally adjusted)

Area	(Prelim.) Mar-23	Feb-23	Mar-22	Year-to-Year Change
USA	3.6%	3.9%	3.8%	-0.2%
Washington state	4.2%	4.9%	4.2%	0.0%
<b>Northwest Workforce Development Area</b>	<b>4.9%</b>	<b>6.3%</b>	<b>5.1%</b>	<b>-0.2%</b>
Whatcom County	4.8%	6.2%	5.0%	-0.2%
Skagit County	5.1%	6.6%	5.6%	-0.5%
Island County	4.9%	6.2%	5.0%	-0.1%
San Juan County	4.3%	5.2%	4.9%	-0.6%

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The February 2023 preliminary estimated gain of 15,300 jobs was revised to a gain of 15,400 jobs.

# Whatcom County

## Local Area Unemployment Statistics

The unemployment rate in Whatcom County was 4.8% in March 2023 (preliminary), below 6.2% reported in February and 5.0% in March 2022 (revised). The unemployment rate reached a record 17.3% in April 2020.

- Compared to March 2022, the labor force expanded by 1,886 workers (1.6%). Within that estimate, the number of employed workers increased by 1,963 and the number of unemployed workers decreased by 77. Whatcom County's estimated labor force was 117,879 in March 2023.

## Whatcom County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted  
**Bellingham Metropolitan Statistical Area (Whatcom County)**  
 Data benchmarked through September 2022

NAICS Industry Title	Prelim Mar-23	Revised Feb-23	Revised Mar-22	Change		
				Feb-23 Mar-23	Mar-22 Mar-23	Mar-22 Mar-23
Total Nonfarm	96,700	96,200	94,500	500	2,200	2.3%
Total Private	78,200	77,500	76,600	700	1,600	2.1%
Goods Producing	17,700	17,600	17,700	100	0	0.0%
Mining, Logging, and Construction	8,500	8,400	8,400	100	100	1.2%
Manufacturing	9,200	9,200	9,300	0	-100	-1.1%
Service Providing	79,000	78,600	76,800	400	2,200	2.9%
Private Services Providing	60,500	59,900	58,900	600	1,600	2.7%
Trade, Transportation, Warehousing, and Utilities	16,200	16,000	16,200	200	0	0.0%
Retail Trade	11,300	11,200	11,000	100	300	2.7%
Financial Activities	4,200	4,200	4,000	0	200	5.0%
Professional and Business Services	8,900	8,900	9,200	0	-300	-3.3%
Leisure and Hospitality	10,300	10,200	10,300	100	0	0.0%
Government	18,500	18,700	17,900	-200	600	3.4%
Federal Government	1,500	1,500	1,400	0	100	7.1%
Total State Government	5,800	6,100	6,200	-300	-400	-6.5%
Total Local Government	11,200	11,100	10,300	100	900	8.7%

Total nonfarm payroll in Whatcom County (not seasonally adjusted) increased from 96,200 in February (revised) to 96,700 in March 2023 (preliminary). Over the year, nonfarm employment increased by 2,200 (2.3%). Whatcom County has exceeded pre-pandemic levels of employment.

- In March, the only sector reporting one-month losses was government, with losses attributable to the state. Trade, transportation and utilities (including retail) posted the largest one-month net gains (+200)

- Over the year, most sectors detailed in this report expanded employment, with the largest gains attributable to government (+600, concentrated in local government) and retail trade (+200). Professional and businesses dipped by 300 and manufacturing shed 100 jobs.

## Skagit County

### Local Area Unemployment Statistics

The unemployment rate in Skagit County was 5.1% (preliminary) in March 2023—down over the month from 6.6% (revised). The unemployment rate 12 months ago was 5.6%. The unemployment rate in April 2020 reached a record 18.6%.

- Compared to March 2022, the labor force expanded by 1,223 (2.0%). Within that, the number of people counted as ‘employed’ increased by 1,426 and the number of people counted as ‘unemployed’ decreased by 203. Skagit County’s resident labor force was estimated at 63,137 in March 2023.

### Skagit County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted

#### Mount Vernon-Anacortes Metropolitan Statistical Area (Skagit County)

Data benchmarked through September 2022

NAICS Industry Title	Prelim Mar-23	Revised Feb-23	Revised Mar-22	Change		
				Feb-23 Mar-23	Mar-22 Mar-23	Mar-22 Mar-23
Total Nonfarm	51,600	51,000	50,200	600	1,400	2.8%
Total Private	39,600	39,200	38,500	400	1,100	2.9%
Goods Producing	10,400	10,300	10,200	100	200	2.0%
Mining, Logging, and Construction	4,400	4,300	4,200	100	200	4.8%
Manufacturing	6,000	6,000	6,000	0	0	0.0%
Service Providing	41,200	40,700	40,000	500	1,200	3.0%
Private Services Providing	29,200	28,900	28,300	300	900	3.2%
Trade, Transportation, Warehousing, and Utilities	10,300	9,900	9,900	400	400	4.0%
Retail Trade	7,100	6,900	6,900	200	200	2.9%
Leisure and Hospitality	5,000	4,900	4,700	100	300	6.4%
Government	12,000	11,800	11,700	200	300	2.6%
Federal Government	400	300	300	100	100	33.3%
State Government	1,200	1,200	1,200	0	0	0.0%
Local Government	10,400	10,300	10,200	100	200	2.0%

Total nonfarm employment in Skagit County increased by 600 jobs over the month. Year-over-year, the tally of nonfarm jobs expanded by 1,400 or 2.8%. For context, the current level of employment (51,600) is still 700 jobs shy of March 2019 – before the pandemic.

- March was generally characterized by growth in Skagit County. Trade, transportation, warehousing and utilities posted the largest one-month gains (+300); no net sectoral losses were detailed in this report.

- Over the year, all industries detailed in this report either added jobs or remained unchanged. The largest increases were observed in trade, transportation, warehousing and utilities (which includes retail trade) – up 400 over the year.

## Island County

### Local Area Unemployment Statistics

The unemployment rate in Island County was estimated at 4.9% (preliminary) in March 2023, down from 5.0% in February (revised). The unemployment rate 12 months ago was 5.0%. In April 2020, the unemployment rate for Island County was a record 16.3%.

- Compared to March 2022, the Island County labor force expanded by 856. Within that estimate, the number of people counted as ‘employed’ increased by 857 and the number of people counted as ‘unemployed’ or actively seeking work decreased by 1. Island County’s civilian labor force was estimated as 37,682, up 2.3% 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 September 2022

NAICS Industry Title	Prelim Mar-23	Revised Feb-23	Revised Mar-22	Change		
				Feb-23 Mar-23	Mar-22 Mar-23	Mar-22 Mar-23
Total Nonfarm	17,820	17,580	17,520	240	300	1.7%
Total Private	13,250	13,100	12,990	150	260	2.0%
Goods Producing	2,030	1,990	1,940	40	90	4.6%
Mining, Logging, and Construction	1,320	1,290	1,290	30	30	2.3%
Manufacturing	710	700	650	10	60	9.2%
Service Providing	15,790	15,590	15,580	200	210	1.3%
Trade, Transportation, and Utilities	2,700	2,680	2,720	20	-20	-0.7%
Retail Trade	2,170	2,150	2,200	20	-30	-1.4%
Information and Financial Activities	930	930	910	0	20	2.2%
Professional and Business Services	1,670	1,670	1,690	0	-20	-1.2%
Education and Health Services	2,590	2,600	2,510	-10	80	3.2%
Leisure and Hospitality	2,350	2,280	2,260	70	90	4.0%
Government	4,570	4,480	4,530	90	40	0.9%
Federal Government	1,250	1,200	1,230	50	20	1.6%
State and Local Government	3,320	3,280	3,300	40	20	0.6%
State and Local Government Education	1,540	1,500	1,510	40	30	2.0%

Total nonfarm payroll jobs in Island County increased by 240 from February (revised) to March (preliminary) 2023. Year-over-year, the tally of nonfarm jobs expanded by 300 or 1.7%. The tally of Island County jobs reached pre-recession levels one year ago.

- From February to March, most sectors experienced added jobs. The largest increase was 90 jobs attributable to government. Education and health services shed 10 jobs over the month.
- Year-over-year, most sectors detailed in this report added jobs. The largest observed employment gains were attributable to leisure and hospitality (+90) and education and health services (+80). Professional and business services, and trade, transportation and utilities each shed jobs over the year.

*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 4.3% in March 2023 (preliminary), down from 5.2% (revised) in February. The unemployment rate 12 months ago was 4.9%. San Juan's unemployment rate in April 2020 (the height of the pandemic recession) was 19.0%.

- Compared to March 2022, the number of residents counted as 'employed' increased by 881 and the number counted as 'unemployed' or actively seeking work decreased by 5. Altogether, the San Juan County labor force consisted of an estimated 8,787 resident workers and expanded by 11.1% over the year.

### San Juan County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted

#### San Juan County

Data benchmarked through September 2022

NAICS Industry Title	Prelim Mar-23	Revised Feb-23	Revised Mar-22	Change		
				Feb-23 Mar-23	Mar-22 Mar-23	Mar-22 Mar-23
Total Nonfarm	5,980	6,020	5,540	-40	440	7.9%
Total Private	5,090	5,100	4,690	-10	400	8.5%
Goods Producing	1,060	1,040	990	20	70	7.1%
Mining, Logging, and Construction	790	780	760	10	30	3.9%
Manufacturing	270	260	230	10	40	17.4%
Service Providing	4,920	4,980	4,550	-60	370	8.1%
Trade, Transportation, and Utilities	990	1,040	980	-50	10	1.0%
Information and Financial Activities	450	460	400	-10	50	12.5%
Professional and Business Services	630	630	540	0	90	16.7%
Education and Health Services	580	560	570	20	10	1.8%
Leisure and Hospitality	1,160	1,160	1,000	0	160	16.0%
Government	890	920	850	-30	40	4.7%

Net nonfarm payroll in San Juan County dipped by 40 in March (preliminary). Year-over-year, total nonfarm employment was up 440 or 7.9%. Employment in San Juan County is highly seasonal. The small sampling size for this small county also means that routine revisions can be substantial.

- From February (revised) to March 2023 (preliminary), 3 sectors included in this report expanded employment and 3 experienced net losses. The largest number of jobs added in March (a slow time of the year) was 20 in education and health services. The deepest losses were observed in trade, transportation and utilities (-50).
- Over the year, the total nonfarm payroll tally in San Juan County expanded by 440. The county's largest sector, leisure and hospitality, was responsible for the largest share of growth, adding 160 jobs. Professional and business services and information and financial services also added a large number of jobs (90 and 50 respectively).

### **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 expanded by 5.5% from 2021 to 2022 but forecasts a slowdown in 2023; employment is expected to expand by 3.6% this year. This forecast is up slightly compared to the previous report. The average annual unemployment rate is expected to remain in the 4% range for the next few years. The March forecast and April revisions are published online at [www.ercf.wa.gov](http://www.ercf.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.*