

Northwest Washington Labor Area Summary

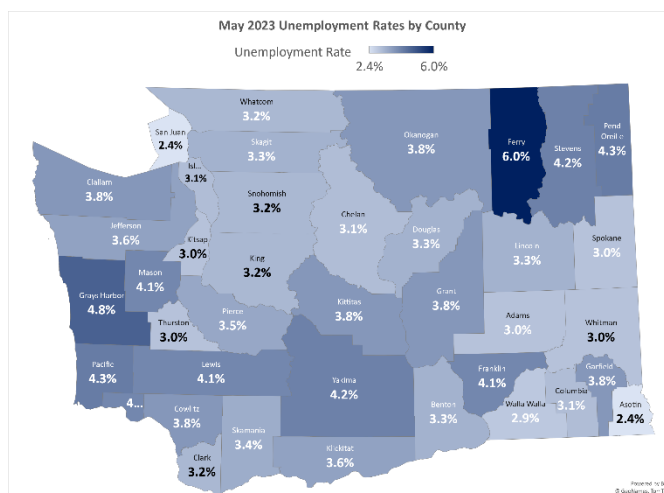
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Compiled by **Anneliese Vance-Sherman, Ph.D., Regional Labor Economist**
 Phone: (425)258-6315 (Mobile: 564-900-0748) anneliese.vance-sherman@esd.wa.gov
www.esd.wa.gov/labormarketinfo

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 2,900 in May 2023.¹ BLS estimates the private sector gained 3,500 jobs during the month and the public sector lost 600 jobs.



On a not seasonally adjusted basis, estimates for May 2022 through May 2023 indicate an increase in employment of 104,700 for the state. The private sector gained 85,600 jobs while the public sector gained an estimated 19,100 jobs over the year.

Washington’s preliminary seasonally adjusted unemployment rate for May 2023 is 4.1 percent. The revised estimated April 2023 unemployment rate is at 4.3 percent. The May 2022 unemployment rate was 3.9 percent.

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The April 2023 preliminary estimated gain of 6,100 jobs was revised to a gain of 5,600 jobs.

Unemployment rate (not seasonally adjusted)

Area	(Prelim.) May-23	Apr-23	May-22	Year-to-Year Change
USA	3.4%	3.1%	3.4%	0.0%
Washington state	3.3%	3.5%	3.8%	-0.5%
Northwest Workforce Development Area	3.2%	3.9%	4.6%	-1.4%
Whatcom County	3.2%	3.8%	4.5%	-1.3%
Skagit County	3.3%	4.1%	4.9%	-1.6%
Island County	3.1%	3.9%	4.6%	-1.5%
San Juan County	2.4%	3.1%	3.8%	-1.4%

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The March 2023 preliminary estimated gain of 1,500 jobs was revised to a gain of 4,300 jobs.

Whatcom County

Local Area Unemployment Statistics

The unemployment rate in Whatcom County was 3.2% in May 2023 (preliminary), below 3.8% reported in April and below 4.5% in May 2022 (revised). The unemployment rate reached a record high of 17.3% in April 2020.

- Compared to May 2022, the labor force expanded by 431 workers (0.4%). Within that estimate, the number of employed workers increased by 1,981 and the number of unemployed workers decreased by 1,550. Whatcom County's estimated labor force was 114,796 in May 2023.

Whatcom County local area payroll jobs

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

NAICS Industry Title	Prelim May-23	Revised Apr-23	Revised May-22	Change		
				Apr-23 May-23	May-22 May-23	May-22 May-23
Total Nonfarm	96,600	96,500	95,300	100	1,300	1.4%
Total Private	78,100	77,800	77,200	300	900	1.2%
Goods Producing	17,900	18,000	17,800	-100	100	0.6%
Mining, Logging, and Construction	8,900	9,000	8,500	-100	400	4.7%
Manufacturing	9,000	9,000	9,300	0	-300	-3.2%
Service Providing	78,700	78,500	77,500	200	1,200	1.5%
Private Services Providing	60,200	59,800	59,400	400	800	1.3%
Trade, Transportation, Warehousing, and Utilities	15,300	15,400	16,200	-100	-900	-5.6%
Retail Trade	10,300	10,300	10,900	0	-600	-5.5%
Financial Activities	4,200	4,100	4,100	100	100	2.4%
Professional and Business Services	9,100	9,000	9,100	100	0	0.0%
Leisure and Hospitality	10,800	10,700	10,500	100	300	2.9%
Government	18,500	18,700	18,100	-200	400	2.2%
Federal Government	1,600	1,500	1,400	100	200	14.3%
Total State Government	6,200	6,400	6,200	-200	0	0.0%
Total Local Government	10,700	10,800	10,500	-100	200	1.9%

Total nonfarm payroll in Whatcom County (not seasonally adjusted) increased from 96,500 in April (revised) to 96,600 in May 2023 (preliminary), following a downward revision. Over the year, nonfarm employment increased by 1,300 (1.4%). Whatcom County has exceeded pre-pandemic levels of employment.

- One-month gains were observed in financial activities, professional and business services, and leisure and hospitality (100 each). Government and trade, transportation, warehousing and utilities each shed jobs over the month (200 and 100 respectively).

- Over the year, construction and government added the most jobs (400 each). Trade, transportation, warehousing, and utilities shed the largest number of jobs (900), with losses concentrated in retail trade (down 600).

Skagit County

Local Area Unemployment Statistics

The unemployment rate in Skagit County was 3.3% (preliminary) in May 2023—down over the month from 4.1% (revised). The unemployment rate 12 months ago was 4.9%. The unemployment rate in April 2020 reached a record 18.6%. The preliminary unemployment rate – if it is maintained – is the lowest on record for Skagit County.

- Compared to May 2022, the labor force expanded by 222 (0.4%). Within that, the number of people counted as ‘employed’ increased by 1,195 and the number of people counted as ‘unemployed’ decreased by 973. Skagit County’s resident labor force was estimated at 61,606 in May 2023.

Skagit County local area payroll jobs

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

Data benchmarked through December 2022

NAICS Industry Title	Prelim May-23	Revised Apr-23	Revised May-22	Change		
				Apr-23 May-23	May-22 May-23	May-22 May-23
Total Nonfarm	52,100	51,600	51,100	500	1,000	2.0%
Total Private	39,900	39,500	39,200	400	700	1.8%
Goods Producing	10,900	10,900	10,400	0	500	4.8%
Mining, Logging, and Construction	4,600	4,600	4,400	0	200	4.5%
Manufacturing	6,300	6,300	6,000	0	300	5.0%
Service Providing	41,200	40,700	40,700	500	500	1.2%
Private Services Providing	29,000	28,600	28,800	400	200	0.7%
Trade, Transportation, Warehousing, and Utilities	9,900	9,900	9,900	0	0	0.0%
Retail Trade	7,100	7,100	6,900	0	200	2.9%
Leisure and Hospitality	5,000	4,800	5,100	200	-100	-2.0%
Government	12,200	12,100	11,900	100	300	2.5%
Federal Government	400	400	400	0	0	0.0%
State Government	1,300	1,200	1,300	100	0	0.0%
Local Government	10,500	10,500	10,200	0	300	2.9%

Total nonfarm employment in Skagit County increased by 500 jobs over the month. Year-over-year, the tally of nonfarm jobs expanded by 1,000 or 2.0%. Skagit County had an estimated 52,100 jobs (preliminary) in May; still 1,200 jobs below the pre-pandemic reading in May 2019.

- April was generally characterized by growth and stability in Skagit County. Leisure and hospitality each added jobs over the month. All other sectors detailed in this report remained at the levels observed the previous month.
- Over the year, most industries detailed in this report either added jobs or remained unchanged. The largest increases were observed in manufacturing and government; Each added 300 jobs over 12 months. The only sector reporting one-year losses was leisure and hospitality (-100).

Island County

Local Area Unemployment Statistics

The unemployment rate in Island County was estimated at 3.1% (preliminary) in May 2023, down from 3.9% in March (revised). The unemployment rate 12 months ago was 4.6%. In April 2020, the unemployment rate for Island County was a record 16.3%.

- Compared to May 2022, the Island County labor force expanded by 52 resident civilian workers. Within that estimate, the number of people counted as ‘employed’ increased by 584 and the number of people counted as ‘unemployed’ or actively seeking work decreased by 532. Island County’s civilian labor force was estimated as 36,551, up 0.1% 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 2022

NAICS Industry Title	Prelim May-23	Revised Apr-23	Revised May-22	Change		
				Apr-23 May-23	May-22 May-23	May-22 May-23
Total Nonfarm	18,110	18,060	17,850	50	260	1.5%
Total Private	13,490	13,440	13,280	50	210	1.6%
Goods Producing	2,030	2,030	2,000	0	30	1.5%
Mining, Logging, and Construction	1,310	1,320	1,330	-10	-20	-1.5%
Manufacturing	720	710	670	10	50	7.5%
Service Providing	16,080	16,030	15,850	50	230	1.5%
Trade, Transportation, and Utilities	2,720	2,680	2,710	40	10	0.4%
Retail Trade	2,190	2,170	2,180	20	10	0.5%
Information and Financial Activities	920	880	930	40	-10	-1.1%
Professional and Business Services	1,840	1,860	1,720	-20	120	7.0%
Education and Health Services	2,560	2,580	2,540	-20	20	0.8%
Leisure and Hospitality	2,470	2,410	2,410	60	60	2.5%
Government	4,620	4,620	4,570	0	50	1.1%
Federal Government	1,300	1,300	1,260	0	40	3.2%
State and Local Government	3,320	3,320	3,310	0	10	0.3%
State and Local Government Education	1,520	1,520	1,530	0	-10	-0.7%

Total nonfarm payroll jobs in Island County increased by 50 from April (revised) to May (preliminary) 2023. Year-over-year, the tally of nonfarm jobs expanded by 260 or 1.5%. The tally of Island County jobs reached pre-recession levels in early 2022.

- From April to May, most gains and losses were relatively small. The largest one-month increase was 60 jobs attributable to leisure and hospitality. Construction, education and health services and professional and business services each shed jobs over the month.
- Year-over-year, most sectors detailed in this report added jobs. The largest observed employment gains were attributable to professional and business services (+120) and leisure and hospitality (+60). Construction and information and financial activities 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 2.4% in May 2023 (preliminary), down from 3.1% (revised) in April. The unemployment rate 12 months ago was 3.8%. San Juan’s unemployment rate in April 2020 (the height of the pandemic recession) was 19.0%.

- Compared to May 2022, the number of residents counted as ‘employed’ increased by 476 and the number counted as ‘unemployed’ or actively seeking work decreased by 110. Altogether, the San Juan County labor force consisted of an estimated 8,792 resident workers and expanded by 4.3% 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 May-23	Revised Apr-23	Revised May-22	Change		
				Apr-23 May-23	May-22 May-23	May-22 May-23
Total Nonfarm	6,350	6,280	6,200	70	150	2.4%
Total Private	5,500	5,430	5,290	70	210	4.0%
Goods Producing	1,060	1,080	1,050	-20	10	1.0%
Mining, Logging, and Construction	800	820	800	-20	0	0.0%
Manufacturing	260	260	250	0	10	4.0%
Service Providing	5,290	5,200	5,150	90	140	2.7%
Trade, Transportation, and Utilities	1,070	980	1,050	90	20	1.9%
Information and Financial Activities	410	410	430	0	-20	-4.7%
Professional and Business Services	620	620	560	0	60	10.7%
Education and Health Services	580	580	580	0	0	0.0%
Leisure and Hospitality	1,540	1,530	1,400	10	140	10.0%
Government	850	850	910	0	-60	-6.6%

Net nonfarm payroll in San Juan County increased by 70 in May (preliminary). Year-over-year, total nonfarm employment was up 150 or 2.4%. 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 April (revised) to May 2023 (preliminary), trade, transportation, and utilities (a sector that includes retail trade) added the largest number of jobs. Employment in construction dipped by 20.
- Over the year, the total nonfarm payroll tally in San Juan County expanded by 150. The largest 12-month increases were attributable to hiring in leisure and hospitality (up 140) and professional and business services (up 60). Employment in information and financial activities was down over the year.

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 June revisions are published online 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.