

Northwest Washington Labor Market Review

Volume 2021, Number 12

December 2021

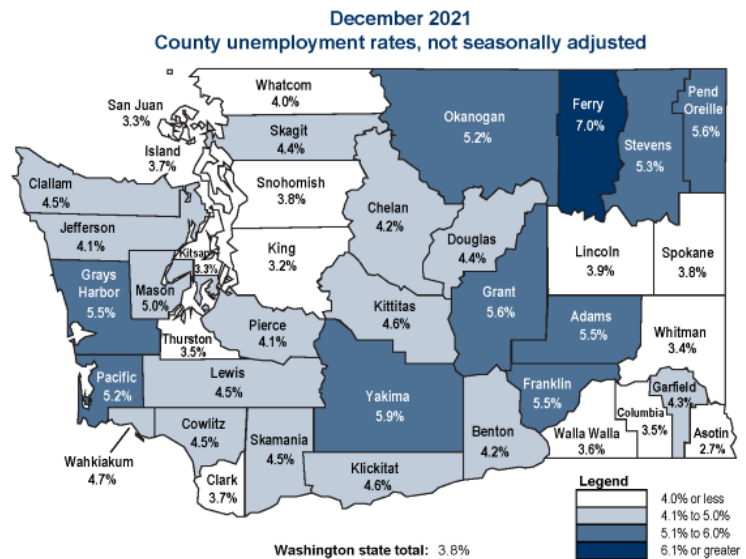
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This report marks the ninth report whereby the year-over-year narrative shifts from pandemic-related losses to recovery since the start of the economic crisis. Pandemic-related employment effects began to show up in March last year, and swiftly led to unprecedented levels of unemployment in April 2020. Many jobs have recovered in the meantime, with significant variation by location and industry. This report tracks 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 14,000 in December 2021. BLS estimates the private sector gained 10,300 jobs during the month and the public sector gained 3,700 jobs.

On a not seasonally adjusted basis, estimates for December 2020 through November 2021 indicate an increase in employment of 178,100 for the state. The private sector gained 159,700 jobs while the public sector gained an estimated 18,400 jobs over the year.

Washington’s preliminary seasonally adjusted unemployment rate for December 2021 is 4.5 percent. The revised estimated November 2021 unemployment rate is at 4.7 percent. The December 2020 unemployment rate was 6.3 percent.



Unemployment rate (not seasonally adjusted)

Area	(Prelim.) Dec-21	Nov-21	Dec-20	Year-to-Year Change
USA	3.7%	3.9%	6.5%	-2.8%
Washington state	3.8%	3.6%	6.6%	-2.8%
Northwest Workforce Development Area	4.0%	3.8%	7.1%	-3.1%
Whatcom County	4.0%	3.8%	7.1%	-3.1%
Skagit County	4.4%	4.3%	7.6%	-3.2%
Island County	3.7%	3.5%	6.6%	-2.9%
San Juan County	3.3%	3.1%	7.1%	-3.8%

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The November 2021 preliminary estimated gain of 12,800 jobs was revised to a gain of 17,800 jobs.

Whatcom County

Local Area Unemployment Statistics

The unemployment rate in Whatcom County was 4.0 percent in December 2021 (preliminary), up from 3.8 percent in November (revised). For comparison, the unemployment rate 12 months ago was 7.1 percent.

- Compared to December 2020, the labor force expanded by 6,327 workers. Within that estimate, the number of employed workers expanded by 9,502 (9.2 percent) and the number of unemployed workers contracted by 3,175 (40.5 percent). Whatcom County's estimated labor force was 117,270 in December 2021.

Whatcom County local area payroll jobs

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

NAICS Industry Title	Prelim Dec-21	Revised Nov-21	Revised Dec-20	Change		
				Nov-21 Dec-21	Dec-20 Dec-21	Dec-20 Dec-21
Total Nonfarm	93,800	94,200	87,300	-400	6,500	7.4%
Total Private	76,000	76,300	71,300	-300	4,700	6.6%
Goods Producing	16,900	17,200	16,900	-300	0	0.0%
Mining, Logging, and Construction	7,700	8,000	7,800	-300	-100	-1.3%
Manufacturing	9,200	9,200	9,100	0	100	1.1%
Service Providing	76,900	77,000	70,400	-100	6,500	9.2%
Private Services Providing	59,100	59,100	54,400	0	4,700	8.6%
Trade, Transportation, Warehousing, and Utilities	16,400	16,400	16,300	0	100	0.6%
Retail Trade	11,200	11,200	11,100	0	100	0.9%
Financial Activities	3,900	3,900	3,900	0	0	0.0%
Professional and Business Services	8,400	8,400	8,100	0	300	3.7%
Leisure and Hospitality	9,600	9,700	7,400	-100	2,200	29.7%
Government	17,800	17,900	16,000	-100	1,800	11.3%
Federal Government	1,400	1,500	1,400	-100	0	0.0%
Total State Government	6,100	6,100	5,400	0	700	13.0%
Total Local Government	10,300	10,300	9,200	0	1,100	12.0%

Total nonfarm payroll in Whatcom County (not seasonally adjusted) decreased by 400 from November to December 2021. Over the year, nonfarm employment increased by 6,500 (7.4 percent).

- In December, construction, leisure and hospitality and government all decreased employment. All other sectors detailed in this report remained unchanged over the month.
- Most service-providing sectors added jobs over the year. Leisure and hospitality and government added the largest number of jobs over the year (+2,200 and 1,800 jobs respectively). Employment in construction contracted over the year.

Skagit County

Local Area Unemployment Statistics

The unemployment rate in Skagit County was 4.4 percent (preliminary) in December—just up from 4.3 percent (revised) in November. The unemployment rate 12 months ago was 7.6 percent.

- Compared to December 2020, the number of people counted as ‘employed’ increased by 4,749 and the number of people counted as ‘unemployed’ contracted by 1,807 (39.7 percent). Skagit County’s resident labor force was estimated at 63,042, increasing by 4.9 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 June 2021

NAICS Industry Title	Prelim Dec-21	Revised Nov-21	Revised Dec-20	Change		
				Nov-21 Dec-21	Dec-20 Dec-21	Dec-20 Dec-21
Total Nonfarm	49,900	50,000	47,200	-100	2,700	5.7%
Total Private	38,500	38,600	36,500	-100	2,000	5.5%
Goods Producing	10,100	10,200	10,100	-100	0	0.0%
Mining, Logging, and Construction	4,200	4,300	4,000	-100	200	5.0%
Manufacturing	5,900	5,900	6,100	0	-200	-3.3%
Service Providing	39,800	39,800	37,100	0	2,700	7.3%
Private Services Providing	28,400	28,400	26,400	0	2,000	7.6%
Trade, Transportation, Warehousing, and Utilities	10,300	10,000	9,600	300	700	7.3%
Retail Trade	7,200	7,000	6,900	200	300	4.3%
Leisure and Hospitality	4,800	4,900	3,500	-100	1,300	37.1%
Government	11,400	11,400	10,700	0	700	6.5%
Federal Government	400	400	400	0	0	0.0%
State Government	1,300	1,200	1,000	100	300	30.0%
Local Government	9,700	9,800	9,300	-100	400	4.3%

Total nonfarm employment in Skagit County decreased by 100 jobs over the month. Year-over-year, the tally of nonfarm jobs expanded by 2,700 or 5.7 percent.

- Over the month, trade, transportation, warehousing and utilities (a sector that includes retail trade) expanded employment. Construction and leisure and hospitality both shed jobs in December.
- Most major industries have recovered jobs over the year. The largest 12-month increases were attributable to leisure and hospitality (+1,300), trade transportation, warehousing, and utilities (+700), and government (+700). Manufacturing employment dropped by 200 over the year.

Island County

Local Area Unemployment Statistics

The unemployment rate in Island County was 3.7 percent (preliminary) in December 2021, above the (revised) unemployment rate (3.5 percent) reported in November. The unemployment rate 12 months ago was 6.6 percent.

- Compared to December 2020, the number of people counted as ‘employed’ increased by 3,003 (9.1 percent) and the number of people counted as ‘unemployed’ or actively seeking work contracted by 941 (40.6 percent). Island County’s civilian labor force was estimated as 37,476 in December 2021, up 5.8 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 March 2021

NAICS Industry Title	Prelim Dec-21	Revised Nov-21	Revised Dec-20	Change		
				Nov-21 Dec-21	Dec-20 Dec-21	Dec-20 Dec-21
Total Nonfarm	17,480	17,250	16,400	230	1,080	6.6%
Total Private	13,090	12,880	12,020	210	1,070	8.9%
Goods Producing	1,990	1,960	1,920	30	70	3.6%
Mining, Logging, and Construction	1,340	1,320	1,200	20	140	11.7%
Manufacturing	650	640	720	10	-70	-9.7%
Service Providing	15,490	15,290	14,480	200	1,010	7.0%
Trade, Transportation, and Utilities	2,620	2,600	2,710	20	-90	-3.3%
Retail Trade	2,280	2,260	2,140	20	140	6.5%
Information and Financial Activities	920	910	830	10	90	10.8%
Professional and Business Services	1,690	1,680	1,480	10	210	14.2%
Education and Health Services	2,410	2,410	2,360	0	50	2.1%
Leisure and Hospitality	2,510	2,390	1,860	120	650	34.9%
Government	4,390	4,370	4,380	20	10	0.2%
Federal Government	1,230	1,230	1,280	0	-50	-3.9%
State and Local Government	3,160	3,140	3,100	20	60	1.9%
State and Local Government Education	1,420	1,420	1,270	0	150	11.8%

Total nonfarm payroll jobs in Island County expanded by 230 from November to December 2021. Year-over-year, the tally of nonfarm jobs expanded by 1,080 or 6.6 percent.

- From November to December, all industries detailed in this report either expanded or maintained employment. The largest increase was attributable to leisure and hospitality.
- Year-over-year, the largest employment gains were attributable to leisure and hospitality and professional and business services. Trade, transportation and utilities and manufacturing each shed jobs over the year.

Employment statistics for Island County do not include military employment.

San Juan County

Local Area Unemployment Statistics

The unemployment rate in San Juan County was 3.3 percent in December 2021 (preliminary), up from 3.1 percent (revised) over the month. For comparison, the unemployment rate 12 months ago was 7.1 percent.

- Compared to December 2020, the number of residents counted as ‘employed’ increased by 1,420 and the number counted as ‘unemployed’ or actively seeking work decreased by 243. Altogether, the San Juan County labor force consisted of an estimated 8,638 resident workers and expanded by 15.8 percent over the year.

San Juan County local area payroll jobs

Nonfarm Employment Estimates, Not Seasonally Adjusted

San Juan County

Data benchmarked through June 2021

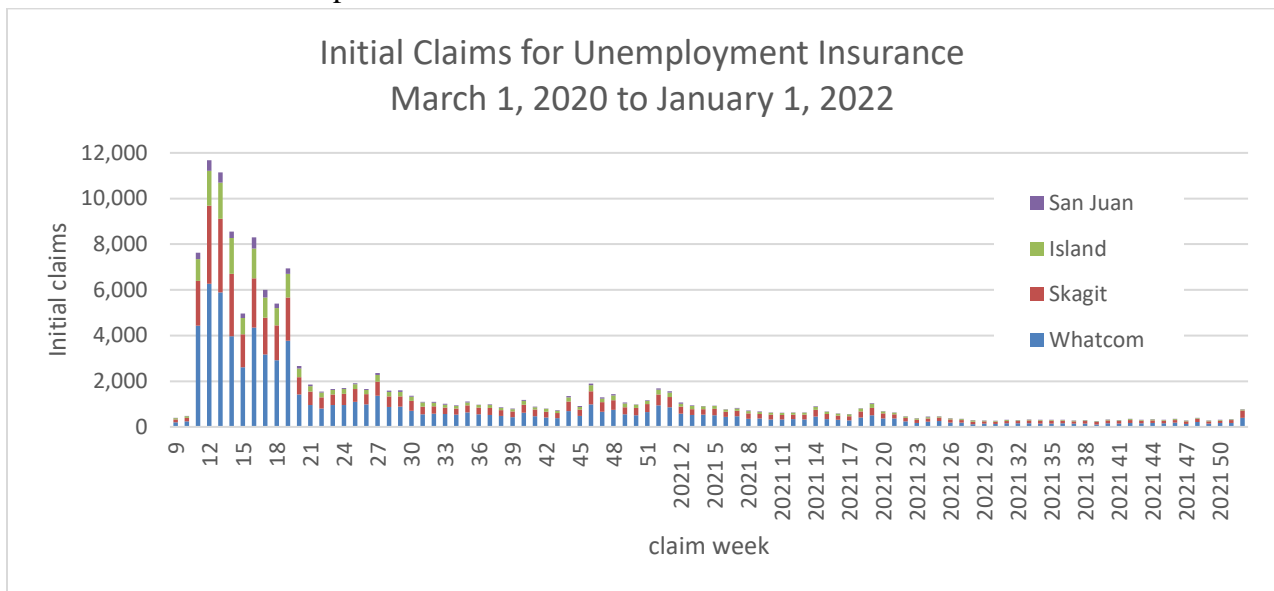
NAICS Industry Title	Prelim Dec-21	Revised Nov-21	Revised Dec-20	Change		
				Nov-21 Dec-21	Dec-20 Dec-21	Dec-20 Dec-21
Total Nonfarm	5,460	5,430	4,960	30	500	10.1%
Total Private	4,610	4,590	4,200	20	410	9.8%
Goods Producing	1,060	1,010	960	50	100	10.4%
Mining, Logging, and Construction	800	780	750	20	50	6.7%
Manufacturing	260	230	210	30	50	23.8%
Service Providing	4,400	4,420	4,000	-20	400	10.0%
Trade, Transportation, and Utilities	1,120	1,120	990	0	130	13.1%
Information and Financial Activities	390	390	370	0	20	5.4%
Professional and Business Services	510	490	460	20	50	10.9%
Education and Health Services	540	540	530	0	10	1.9%
Leisure and Hospitality	770	840	720	-70	50	6.9%
Government	850	840	760	10	90	11.8%

Net nonfarm payroll in San Juan County expanded by 30 over the month. Year-over-year, total nonfarm employment was up 500 or 10.1 percent. Employment in San Juan County is highly seasonal. Comparing the total tally of jobs in December 2021 with December 2019 (pre-pandemic), total nonfarm employment appears to have recovered, albeit with losses in some key sectors such as leisure and hospitality.

- From November to December 2021, most industries detailed in this report expanded employment. Only leisure and hospitality shed jobs over the month (-70). The largest one-month expansion was documented in manufacturing. (+30).
- Over the year, the employment situation in San Juan County is showing substantial improvements in general. All industry sectors detailed in this report expanded employment over the year, with the largest employment gains attributable to trade, transportation and utilities (+130).

Weekly Unemployment Insurance Claims information:

In March 2020, the Employment Security Department began publishing weekly counts of initial claims for Unemployment Insurance. The data were an important indicator during the unemployment crisis that characterized the first several months of the pandemic. This is the final report that will include weekly UI breakouts, as the UI crisis has passed and levels have returned to normal for a sustained period of time.



New claims for unemployment insurance have finally reached pre-pandemic levels. There were 812 new claims for unemployment insurance filed in the Northwest WDA during the week of December 26, 2021 – January 1, 2022.

**Labor force and payroll reporting reflects employment during the week of December 12-18.*

Forecast information for Washington state:

The Washington State Economic and Revenue Forecast Council issues quarterly forecasts that address Washington's projected economic health. The November forecast is currently 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.