

Northwest Washington Labor Area Summary

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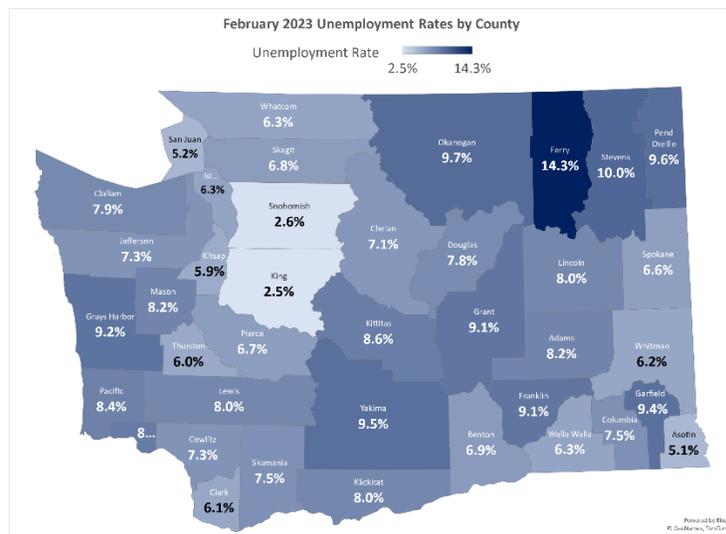
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Pandemic-related employment effects began to show up in Washington state as early as March 2020, and swiftly led to unprecedented levels of unemployment in April 2020. Many jobs have recovered in the meantime, with significant variation by location 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 15,300 in February 2023. BLS estimates the private sector gained 12,600 jobs during the month and the public sector gained 2,700 jobs.

On a not seasonally adjusted basis, estimates for February 2022 through February 2023 indicate an increase in employment of 125,000 for the state. The private sector gained 106,700 jobs while the public sector gained an estimated 18,300 jobs over the year.

Washington’s preliminary seasonally adjusted unemployment rate for February 2023 is 4.6%. The revised estimated January 2023 unemployment rate is at 4.6%. The February 2022 unemployment rate was 4.3%.



Unemployment rate (not seasonally adjusted)

Area	(Prelim.) Feb-23	Jan-23	Feb-22	Year-to-Year Change
USA	3.9%	3.9%	4.1%	-0.2%
Washington state	5.0%	5.0%	4.5%	0.5%
Northwest Workforce Development Area	6.4%	5.6%	5.4%	1.0%
Whatcom County	6.3%	5.5%	5.3%	1.0%
Skagit County	6.8%	6.0%	5.9%	0.9%
Island County	6.3%	5.5%	5.3%	1.0%
San Juan County	5.2%	4.6%	5.0%	0.2%

BLS estimates of monthly job gains and losses are based on a survey of businesses. Preliminary estimates are subject to revision. The January 2023 preliminary estimated gain of 10,800 jobs was revised to a gain of 12,700 jobs.

Whatcom County

Local Area Unemployment Statistics

The unemployment rate in Whatcom County was 6.3% in February 2023 (preliminary), above 5.5% reported in January and 5.1% in December 2022 (revised). For comparison, the unemployment rate 12 months ago was a full percentage point lower at 5.3%. The unemployment rate reached a record 17.3% in April 2020.

- Compared to February 2022, the labor force expanded by 3,167 workers (2.7%). Within that estimate, the number of employed workers expanded by 1,757 and the number of unemployed workers expanded by 1,410. Whatcom County's estimated labor force was 118,475 in February 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 Feb-23	Revised Jan-23	Revised Feb-23	Change		
				Jan-23 Feb-23	Feb-23 Feb-23	Feb-23 Feb-23
Total Nonfarm	95,900	96,300	93,900	-400	2,000	2.1%
Total Private	77,500	77,900	76,100	-400	1,400	1.8%
Goods Producing	17,600	17,600	17,500	0	100	0.6%
Mining, Logging, and Construction	8,400	8,400	8,400	0	0	0.0%
Manufacturing	9,200	9,200	9,100	0	100	1.1%
Service Providing	78,300	78,700	76,400	-400	1,900	2.5%
Private Services Providing	59,900	60,300	58,600	-400	1,300	2.2%
Trade, Transportation, Warehousing, and Utilities	16,000	16,600	16,300	-600	-300	-1.8%
Retail Trade	11,200	11,400	11,100	-200	100	0.9%
Financial Activities	4,200	4,200	4,000	0	200	5.0%
Professional and Business Services	8,900	8,900	8,900	0	0	0.0%
Leisure and Hospitality	10,300	10,200	10,200	100	100	1.0%
Government	18,400	18,400	17,800	0	600	3.4%
Federal Government	1,500	1,500	1,400	0	100	7.1%
Total State Government	5,800	6,000	6,100	-200	-300	-4.9%
Total Local Government	11,100	10,900	10,300	200	800	7.8%

Total nonfarm payroll in Whatcom County (not seasonally adjusted) dipped from 96,300 in January (revised) to 95,900 in February 2023 (preliminary). Over the year, nonfarm employment increased by 2,000 (2.1%). Whatcom County reached pre-recession payroll levels nearly one year ago.

- In February, the largest one-month losses were observed in trade, transportation, warehousing and utilities (-600), with 200 jobs attributable to retail trade. This is not unexpected, as trade-related employment tends to hit a lull after the holidays. Leisure and hospitality added 100 jobs over the month.

- Over the year, most sectors detailed in this report expanded employment, with the largest gains attributable to government (+600, concentrated in local government) and financial activities (+200). Employment in transportation, warehousing and utilities dipped by 300.

Skagit County

Local Area Unemployment Statistics

The unemployment rate in Skagit County was 6.8% (preliminary) in February 2023—up over the month from 6.0% (revised). The unemployment rate 12 months ago was 5.9%. The unemployment rate in April 2020 reached a record 18.6%.

- Compared to February 2022, the labor force expanded by 1,679 (2.7%). Within that, the number of people counted as ‘employed’ increased by 998 and the number of people counted as ‘unemployed’ increased by 681. Skagit County’s resident labor force was estimated at 63,296 in February 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 Feb-23	Revised Jan-23	Revised Feb-23	Change		
				Jan-23 Feb-23	Feb-23 Feb-23	Feb-23 Feb-23
Total Nonfarm	50,900	50,800	49,900	100	1,000	2.0%
Total Private	39,100	39,100	38,300	0	800	2.1%
Goods Producing	10,300	10,300	10,200	0	100	1.0%
Mining, Logging, and Construction	4,300	4,300	4,300	0	0	0.0%
Manufacturing	6,000	6,000	5,900	0	100	1.7%
Service Providing	40,600	40,500	39,700	100	900	2.3%
Private Services Providing	28,800	28,800	28,100	0	700	2.5%
Trade, Transportation, Warehousing, and Utilities	9,900	10,200	9,900	-300	0	0.0%
Retail Trade	6,900	6,900	6,900	0	0	0.0%
Leisure and Hospitality	4,900	4,900	4,700	0	200	4.3%
Government	11,800	11,700	11,600	100	200	1.7%
Federal Government	300	300	300	0	0	0.0%
State Government	1,200	1,200	1,200	0	0	0.0%
Local Government	10,300	10,200	10,100	100	200	2.0%

Total nonfarm employment in Skagit County increased by 100 jobs over the month. Year-over-year, the tally of nonfarm jobs expanded by 1,000 or 2.0%. For context, the current level of employment (50,900) is still 700 jobs shy of the last pre-pandemic recession observation.

- February was a relatively quiet month, with few changes. Employment in trade, transportation, warehousing and utilities dipped by 300 over the month and government employment expanded by 100.

- Over the year, manufacturing, leisure and hospitality, and government each expanded by 200 jobs and manufacturing employment expanded by 100. All other industries broken out in this report remained unchanged over the year.

Island County

Local Area Unemployment Statistics

The unemployment rate in Island County was estimated at 6.3% (preliminary) in February 2023, up from 5.5% in January (revised). The unemployment rate 12 months ago was 5.3%. In April 2020, the unemployment rate for Island County was a record 16.3%.

- Compared to February 2022, the Island County labor force expanded by 1,143. Withing that, the number of people counted as ‘employed’ increased by 706 and the number of people counted as ‘unemployed’ or actively seeking work increased by 437. Island County’s civilian labor force was estimated as 37,777, up 3.1% 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 September 2022

NAICS Industry Title	Prelim Feb-23	Revised Jan-23	Revised Feb-23	Change		
				Jan-23 Feb-23	Feb-23 Feb-23	Feb-23 Feb-23
Total Nonfarm	17,600	17,640	17,330	-40	270	1.6%
Total Private	13,110	13,170	12,820	-60	290	2.3%
Goods Producing	1,990	1,970	1,910	20	80	4.2%
Mining, Logging, and Construction	1,290	1,280	1,280	10	10	0.8%
Manufacturing	700	690	630	10	70	11.1%
Service Providing	15,610	15,670	15,420	-60	190	1.2%
Trade, Transportation, and Utilities	2,680	2,670	2,680	10	0	0.0%
Retail Trade	2,150	2,140	2,160	10	-10	-0.5%
Information and Financial Activities	930	920	900	10	30	3.3%
Professional and Business Services	1,640	1,800	1,660	-160	-20	-1.2%
Education and Health Services	2,600	2,600	2,470	0	130	5.3%
Leisure and Hospitality	2,310	2,280	2,240	30	70	3.1%
Government	4,490	4,470	4,510	20	-20	-0.4%
Federal Government	1,200	1,190	1,240	10	-40	-3.2%
State and Local Government	3,290	3,280	3,270	10	20	0.6%
State and Local Government Education	1,510	1,490	1,500	20	10	0.7%

Total nonfarm payroll jobs in Island County contracted by 40 from January (revised) to February (preliminary) 2022. Year-over-year, the tally of nonfarm jobs expanded by 270 or 1.6%. The tally of Island County jobs has reached pre-recession levels one year ago.

- From January to February, most sectors experienced slight employment gains. The largest increase was 30 jobs attributable to leisure and hospitality. One industry experienced large losses in February. Professional and business services shed 160 jobs.
- Year-over-year, most sectors detailed in this report added jobs. The largest observed employment gains were attributable to education and health services (+130) and manufacturing and leisure and hospitality (+70 each). Professional and business services, government and retail trade 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 5.2% in February 2023 (preliminary), up from 4.6% (revised) in January. The unemployment rate 12 months ago was 5.0%. San Juan’s unemployment rate in April 2020 (the height of the pandemic recession) was 19.0%.

- Compared to February 2022, the number of residents counted as ‘employed’ increased by 1,035 and the number counted as ‘unemployed’ or actively seeking work increased by 75. Altogether, the San Juan County labor force consisted of an estimated 8,992 resident workers and expanded by 14.1% 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 Feb-23	Revised Jan-23	Revised Feb-23	Change		
				Jan-23 Feb-23	Feb-23 Feb-23	Feb-23 Feb-23
Total Nonfarm	6,050	5,930	5,480	120	570	10.4%
Total Private	5,130	5,010	4,640	120	490	10.6%
Goods Producing	1,040	1,010	970	30	70	7.2%
Mining, Logging, and Construction	780	760	740	20	40	5.4%
Manufacturing	260	250	230	10	30	13.0%
Service Providing	5,010	4,920	4,510	90	500	11.1%
Trade, Transportation, and Utilities	1,060	1,060	980	0	80	8.2%
Information and Financial Activities	460	450	370	10	90	24.3%
Professional and Business Services	630	630	540	0	90	16.7%
Education and Health Services	560	510	560	50	0	0.0%
Leisure and Hospitality	1,160	1,140	1,000	20	160	16.0%
Government	920	920	840	0	80	9.5%

Net nonfarm payroll in San Juan County expanded by 120 in February (preliminary). Year-over-year, total nonfarm employment was up 570 or 10.4%. 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 January (revised) to February 2023 (preliminary), all sectors included in this report either remained unchanged or expanded employment. Education and health services added the largest number of jobs in February (+50).
- Over the year, the payroll tally in San Juan County expanded by 570. The county's largest sector, leisure and hospitality, was responsible for the largest share of growth, adding 160 jobs.

Forecast information for Washington state:

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