



# Snohomish County Labor Area Summary June 2021



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\*Data used in this report available at the web address listed above.

## Overview

- In June 2021, the not seasonally adjusted unemployment rate in Snohomish County increased from 5.3 percent to 6.1 percent. Twelve months ago, the unemployment rate was 11.2 percent, following the highest local unemployment rate on record (19.3 percent) in April 2020.
- The labor force in Snohomish County increased by 6,498 (1.5 percent) over the year.
- There were an estimated 274,300 nonfarm jobs in Snohomish County in June 2021.
- Nonfarm employment in Snohomish County expanded by 100 over the month and by 2,700 (1.0 percent) over the year.
- From May to June 2021, two industries (construction and leisure and hospitality) added jobs. Four industries shed jobs over the month, with the deepest losses attributable to retail trade. Six major industries remained unchanged over the month.
- All but three major industries recovered jobs over the year. The largest one-year recoveries were observed in educational and health services and professional and business services. The three industries that remain down over the year are manufacturing, transportation, warehousing and utilities, and financial activities.

**Important note:** April 2020 was marked by the highest unemployment rates in recent memory. This report, 14 months after the peak of the pandemic employment crisis, shifts the narrative from crisis to recovery.

This report compares the week containing the 12<sup>th</sup> of June with the corresponding week in the previous month and year. For all intents and purposes, this is the sixteenth report that addresses the disruption caused by COVID-19 and the social distancing measures put into effect to slow the contagion. Until recently, the most reliable closer-to-real-time indicator has been weekly Unemployment Insurance claims. A supplemental section dedicated to weekly UI claims tracking for Snohomish County for the past several weeks is included in this report.

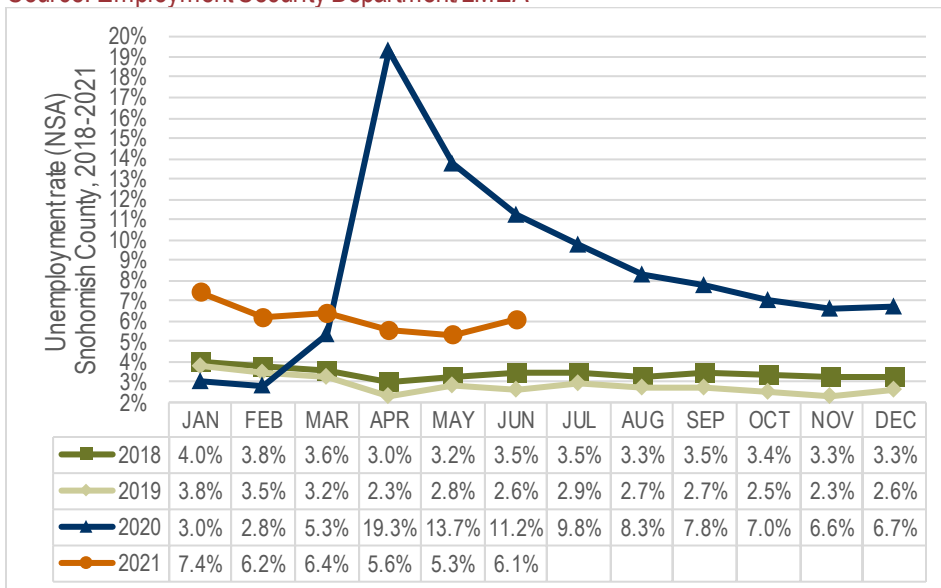
## Unemployment rates and labor force information

The not seasonally adjusted unemployment rate for Snohomish County was 6.1 percent (preliminary) in June 2021. The revised unemployment rate for May was 5.3 percent. For reference, the unemployment rate 12 months ago for Snohomish County was 11.2 percent.

Circumstances surrounding Covid-19, specifically social distancing measures, took hold in the Seattle area before expanding statewide and nationwide. The labor force statistics in this report detail the sixteenth month, to date. June 2021 estimates follow:

- Snohomish County labor force: 444,932
- Total employed: 417,802
- Total unemployed: 27,130
- Unemployment rate: 6.1%

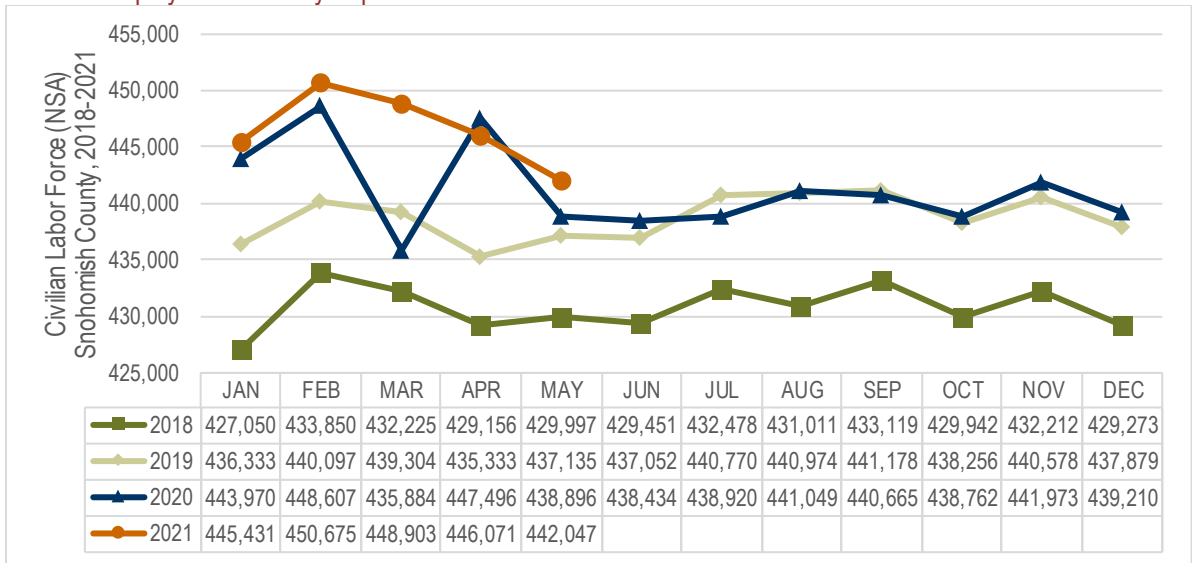
**Figure 1. Unemployment rates, not seasonally adjusted**  
Snohomish County, January 2018 through June 2021  
Source: Employment Security Department/LMEA



*The unemployment rate has stabilized in the five to six percent range over the past several months.*

Month-to-month, Snohomish County’s total resident labor force expanded by 2,885 workers. The number of residents reporting as “employed” contracted by 924 and the number of active job seekers increased by 3,809, pushing the unemployment rate up. Over-the-year, the labor force expanded by an estimated 6,498 resident workers or 1.5 percent; within that, the number of employed residents increased by 28,578 (7.3 percent) and the estimated number of unemployed decreased by 22,080 or about 44.9 percent. To place this in historical context, the first signs of economic turmoil related to the pandemic showed up 14 months ago. All year over year comparisons from this report forward will (hopefully) tell the story of economic recovery.

**Figure 1. Civilian labor force, not seasonally adjusted**  
 Snohomish County, January 2018 through June 2021  
 Source: Employment Security Department/LMEA



The size of the labor force in June 2021 was slightly higher than the size of the labor force 12 months ago.

### Washington state

The not seasonally adjusted unemployment rate for Washington State increased from 5.0 percent (not seasonally adjusted) in May 2021 to 5.3 percent (preliminary) in June. The statewide labor force increased by 34,506 over the month. Within that, the estimated number of employed people expanded by 18,395 and the number of unemployed job seekers expanded by 16,111, pushing the unemployment rate up. Over the year, the labor force is up 41,557 or 1.1 percent. Beneath the surface, the employed labor force expanded by 250,325 or 7.2 percent and the count of unemployed contracted by 208,768 or 49.8 percent. The unemployment rate 12 months ago was 10.8 percent.

The June forecast by Washington’s Economic and Revenue Forecast Council estimates that the statewide unemployment rate averaged 8.1 percent in 2020. The unemployment rate is expected to decrease to an average rate of 5.4 percent in 2021 and drop to 4.1 percent in 2022, signaling a positive adjustment compared to the March report. See [www.erfc.wa.gov](http://www.erfc.wa.gov) for more information.

### Seattle-Bellevue-Everett Metropolitan Division (MD)

The Seattle-Bellevue-Everett MD combines labor force information for Snohomish and King Counties. King County’s unemployment rate consistently runs below that of Snohomish County. The not seasonally adjusted unemployment rate for the combined MD increased from 4.8 percent (revised) in May to 5.5 percent (preliminary) in June. Twelve months ago, the unemployment rate was 10.7 percent, during the early days of the Covid-19 pandemic.

### City level estimates

The Bureau of Labor Statistics and Employment Security Department publish labor force information for cities with a population of 25,000 or more. Unemployment rates for selected cities can be found at [www.esd.wa.gov/labormarketinfo/labor-force](http://www.esd.wa.gov/labormarketinfo/labor-force)

## Unemployment Insurance (UI) Claims

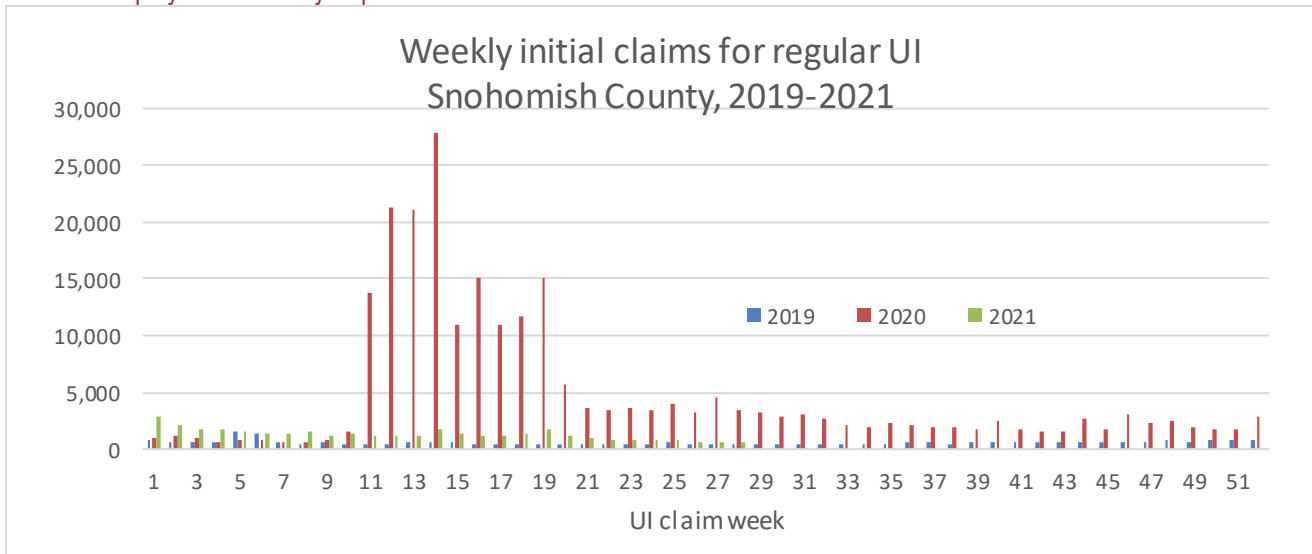
UI claims activity during the Great Recession peaked in May 2009 (22,458 continued claims were counted that month) and was on a downward trend with seasonal peaks and valleys until the arrival of the Coronavirus economy. In April 2020, 69,017 new claims were filed by Snohomish County residents. This is nearly 700 percent higher than the previous peak (9,939 initial claims were initiated in December 2008). Since April, the number of new claims has dropped and more-or-less leveled out. In June 2021, Snohomish County residents collectively filed 3,060 new claims, and 8,691 individuals received payments through the state UI system.

### Weekly Initial Claims

In March 2020, the Employment Security Department began publishing weekly counts of initial claims for Unemployment Insurance. Initial claims provide an indicator of layoffs. Because they are entered weekly, they are a bit more nimble than our survey-based datasets.

Although initial claims activity has more-or-less normalized in recent weeks, the number of claims continues to be substantially higher than the number of claims that we would normally expect. For reference, 561 applications for regular unemployment insurance were received during the 28th week of 2021 (July 11-17). This compares to 3,499 initial claims from Snohomish County residents during the 28th week of 2020, and with 407 claims during the corresponding week of 2019. In other words, we're through the worst of it, but we're still receiving more weekly initial claims than we received during our most recent "normal" year.

**Figure 3.** Initial Claims for Unemployment Insurance, not seasonally adjusted  
Snohomish County, January 2020 through July 2021  
Source: Employment Security Department/LMEA



The week of June 6-12 (week 23) is the reference week for labor force and payroll statistics in this report. Weekly initial claims information is published every Thursday.

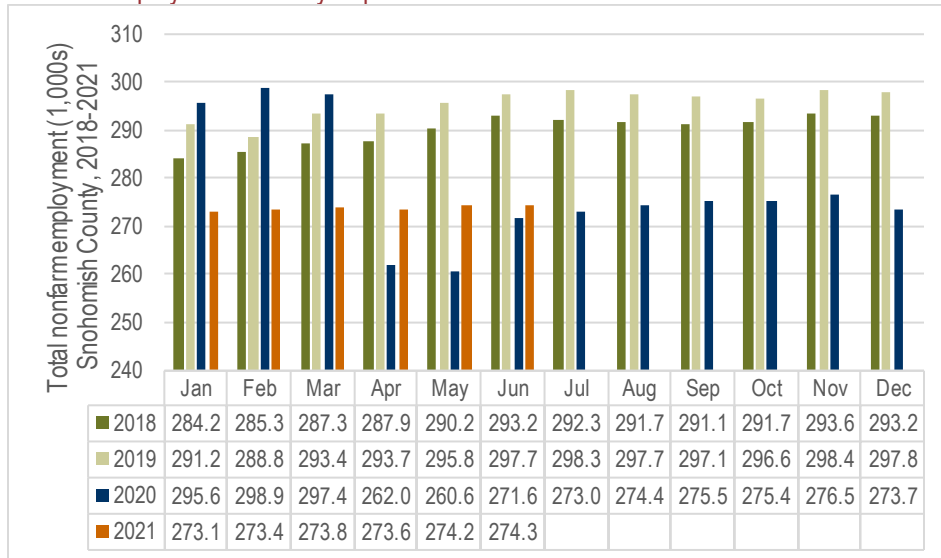
Weekly claims data can be found here: <https://esd.wa.gov/labormarketinfo>

Additional information can be found here: <https://esd.wa.gov/newsroom/covid-19>

## Total nonfarm employment

Total nonfarm employment in Snohomish County expanded by 100 over the month and by 2,700 or 1.0 percent over the year. The estimated tally of jobs in mid-June 2021 was 274,300. Snohomish County continues to struggle to increase employment following the precipitous drop in April and May 2020.

**Figure 4. Nonfarm industry employment**  
Snohomish County, January 2018 through June 2021  
Source: Employment Security Department/LMEA



*Employment in Snohomish County declined rapidly during the Covid-19 economic crisis. Recovery has been slow.*

The Puget Sound area was impacted before other areas in the state and nationally. This report reveals the initial impacts of Covid-19-related measures. Specifically, data in this report coincides with June 6-12, 2021.

**Figure 5. Total nonfarm industry employment, not seasonally adjusted  
Snohomish County, June 2020 and May and June 2021.**  
Source: Employment Security Department/LMEA

Nonfarm Employment Estimates, Not Seasonally Adjusted

**Snohomish County**

Data benchmarked through December 2020

NAICS Industry Title	Prelim Jun-21	Revised May-21	Revised Jun-20	Change		
				May-21 Jun-21	Jun-20 Jun-21	Jun-20 Jun-21
Total Nonfarm	274,300	274,200	271,600	100	2,700	1.0%
Total Private	236,200	236,100	234,500	100	1,700	0.7%
Goods Producing	75,400	74,900	81,100	500	-5,700	-7.0%
Mining, Logging, and Construction	24,900	24,300	23,200	600	1,700	7.3%
Construction of Buildings	4,000	4,100	3,900	-100	100	2.6%
Heavy and Civil Engineering Construction	1,800	1,800	2,100	0	-300	-14.3%
Specialty Trade Contractors	18,700	18,200	16,900	500	1,800	10.7%
Manufacturing	50,500	50,600	57,900	-100	-7,400	-12.8%
Durable Goods	46,600	46,700	54,200	-100	-7,600	-14.0%
Wood Product Manufacturing	800	800	800	0	0	0.0%
Fabricated Metal Product Manufacturing	3,500	3,400	3,700	100	-200	-5.4%
Computer and Electronic Product Mfg.	4,600	4,600	4,900	0	-300	-6.1%
Aerospace Product and Parts Mfg.	32,800	32,900	39,900	-100	-7,100	-17.8%
Nondurable Goods	3,900	3,900	3,700	0	200	5.4%
Service Providing	198,900	199,300	190,500	-400	8,400	4.4%
Trade, Transportation, and Utilities	46,600	47,100	45,200	-500	1,400	3.1%
Wholesale Trade	9,000	9,100	8,400	-100	600	7.1%
Retail Trade	33,000	33,400	31,700	-400	1,300	4.1%
Motor vehicle and parts dealers	4,400	4,400	4,200	0	200	4.8%
Food and beverage stores	7,000	7,100	7,400	-100	-400	-5.4%
General merchandise stores	7,500	7,500	7,400	0	100	1.4%
Transportation, Warehousing, and Utilities	4,600	4,600	5,100	0	-500	-9.8%
Information	4,000	4,000	3,600	0	400	11.1%
Telecommunications	2,800	2,800	2,400	0	400	16.7%
Financial Activities	13,100	13,100	13,300	0	-200	-1.5%
Finance and Insurance	9,400	9,400	9,700	0	-300	-3.1%
Credit intermediation and related activities	3,300	3,400	3,300	-100	0	0.0%
Insurance carriers and related activities	5,600	5,500	5,900	100	-300	-5.1%
Real estate and rental and leasing	3,700	3,700	3,600	0	100	2.8%
Professional and Business Services	29,300	29,500	26,900	-200	2,400	8.9%
Professional, Scientific, and Technical Services	13,500	13,600	12,800	-100	700	5.5%
Architectural and engineering services	2,700	2,600	2,700	100	0	0.0%
Administrative, Support, Waste Mgmt., & Remed.	14,600	14,800	13,000	-200	1,600	12.3%
Employment services	5,600	5,600	3,900	0	1,700	43.6%
Educational and Health Services	36,500	36,500	33,900	0	2,600	7.7%
Ambulatory health care services	12,400	12,600	11,300	-200	1,100	9.7%

Nursing and residential care facilities	4,800	4,800	5,000	0	-200	-4.0%
Social assistance	10,600	10,500	9,800	100	800	8.2%
Leisure and Hospitality	21,100	20,800	20,500	300	600	2.9%
Arts, Entertainment and Recreation	3,100	3,000	2,000	100	1,100	55.0%
Food Services and Drinking Places	17,100	16,900	17,500	200	-400	-2.3%
Other Services	10,200	10,200	10,000	0	200	2.0%
Government	38,100	38,100	37,100	0	1,000	2.7%
Federal Government	2,200	2,200	2,200	0	0	0.0%
State Government	4,700	4,700	5,100	0	-400	-7.8%
State Educational Services	1,800	1,800	2,200	0	-400	-18.2%
Local Government	31,200	31,200	29,800	0	1,400	4.7%
Local Educational Services	15,300	15,300	14,900	0	400	2.7%
Workers in Labor/Management Disputes	0	0	0	0	0	

*Snohomish County employment expanded by 1.0 percent from June 2020 to June 2021.*

## Nonfarm industry employment

### Goods-producing Industries

From May to June 2021, aggregate employment in goods-producing industries expanded by 500, with over the month gains observed in construction and losses in manufacturing. Year-over-year, goods producers in Snohomish County shed an estimated 5,700 jobs, a reflection of deep losses in manufacturing despite gains in the construction sector.

Total employment in **construction** expanded by 600 from May to June. Year-to-year, employment in construction was up 600 or 7.3 percent. The gains reflect a strong recovery following a steep drop in employment with the onset of physical distancing measures.

- Over the year, the largest gains were attributable to specialty trade contractors (up 1,800). Construction of buildings was up 100 and heavy and civil engineering was down by 300.

Net employment in **Manufacturing** declined by 100 over the month and by 7,400 (12.8 percent) over the year. Manufacturing is the largest set of industries in Snohomish County and accounts for an estimated 50,500 jobs in Snohomish County. Employment has been dropping throughout the year.

- Aerospace product and parts manufacturing (Snohomish County's largest manufacturing industry), accounted for 32,800 jobs. In June, employment in aerospace manufacturing was down 100. Over the year, the industry was down 7,100 jobs (17.8 percent).
- Demand for aircraft diminished due to reduced travel brought on by the pandemic. The Boeing Company announced planned reductions in the pace of production and the size and location of the workforce, prompting a series of layoff announcements by local suppliers in 2020. In recent months, new orders for aircraft have begun to trickle in again.
  - The count of aerospace products and parts manufacturing *only* catches those employers that are directly and primarily responsible for manufacturing aerospace products. Other products and services in the supply chain are counted under their best fit industries.

## Service-providing industries

Service providers represent an extremely diverse collection of sectors. Taken as a whole, service-providing employment declined by 400 over the month. From June 2020 to June 2021, service-providing employers collectively added 8,400 jobs (4.4 percent). The largest year-over-year gains among service-providing industries were observed in educational and health services, professional and business services and retail trade. Transportation, warehousing and utilities and financial activities were down over the year.

**Wholesale trade** employment neither decreased by 100 over the month but expanded by 600 over the year. Wholesale trade employed an estimated 9,000 in June.

Employers in **retail trade** collectively shed 400 jobs in June but expanded employment by 1,300 (4.1 percent) over the year. Retailers collectively supplied an estimated 33,000 Snohomish County jobs in June.

- Over the year, motor vehicle and parts dealers recovered 200 jobs, food and beverage stores (many of which were classified “essential” and have remained open) shed 400 jobs, and general merchandise stores added 100 jobs.

Employment in **transportation, warehousing and utilities** neither expanded nor contracted over the month. Over the year, the collection of industries responsible for moving people and goods contracted by 500 jobs.

Employment in the **information** sector – a small sector that is dominated by the telecommunications industry in Snohomish County – remained steady over the month and expanded by 400 jobs over the year (11.1 percent). Snohomish County information sector businesses employed 4,000 in June.

The **financial activities** sector includes the finance, insurance, real estate and rental and leasing industries. The employment level for this collection of industries remained unchanged over the month and contracted by 200 jobs since June 2020. Beneath the surface, employers classified as finance and insurance shed an estimated 300 jobs over the year while real estate and rental and leasing industries expanded by 100.

**Professional and business services** includes a variety of professional and technical services such as accounting and engineering services. It also includes administrative support and management services and supports day to day business operations with services such as housekeeping and temporary employment services. In short, these are the businesses that provide operational support to others in the business community. In June, employment in this diverse set of industries dipped by 200; over the year employment expanded by 2,400. There were an estimated 29,300 jobs in professional and business services.

- Professional, scientific and technical services employment levels dipped by 100 over the month but recovered 700 jobs over the year. There were an estimated 13,500 jobs supported in this set of industries.
- Employment in administrative support, waste management and remediation dipped by 200 over the month but expanded by 1,600 over the year. Employment services was up 1,700 (up 43.6 percent) compared to June 2020.

Employment in the **educational and health services** industries was unchanged compared to May. Total employment in educational and health services was up 2,600 or 7.7 percent over the year.

- Within this estimate, ambulatory health care services were up 1,100 jobs over the year; nursing and residential care facilities shed 200 jobs, and social assistance recovered 800 jobs.



**Leisure and hospitality** employment expanded by 300 over the month. Over the year, leisure and hospitality recovered 600 jobs (2.9 percent). Leisure and hospitality accounted for 21,100 Snohomish County jobs in June 2021.

- Jobs in leisure and hospitality were uniquely vulnerable in an environment of required social distancing, due to the frequent face-to-face interactions between workers and customers.
- Employment in arts, entertainment and recreation expanded by 1,100 jobs and food services and drinking places lost 400 jobs over the year. Despite the impressive gains, this collection of industries still has a long road ahead.

**Other services** represents a diverse collection of industries that do not fit elsewhere and include employers ranging from auto mechanics, barbers and dry cleaners to membership clubs and religious organizations. Net employment did not change over the month, but expanded by 200 over the year.

**Government** payrolls remained unchanged over the month but expanded by 1,000 (2.7 percent) over the year.

- The largest annual gains were observed in local government (up 1,400 jobs) with 400 directly associated with local educational services. State government jobs dropped over the year – with losses attributable to state educational services (i.e. public colleges and universities)

## **Forecast information for Washington state:**

The Washington State Economic and Revenue Forecast Council issues quarterly forecasts that address Washington's projected economic health. The June forecast is currently online at [www.erfc.wa.gov](http://www.erfc.wa.gov).

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