

# Benton and Franklin Counties Regional Economic Update



**Employment  
Security  
Department**  
WASHINGTON STATE



The state of economy before COVID-19



# 2019 in Review



# Business and Labor 2019 Review



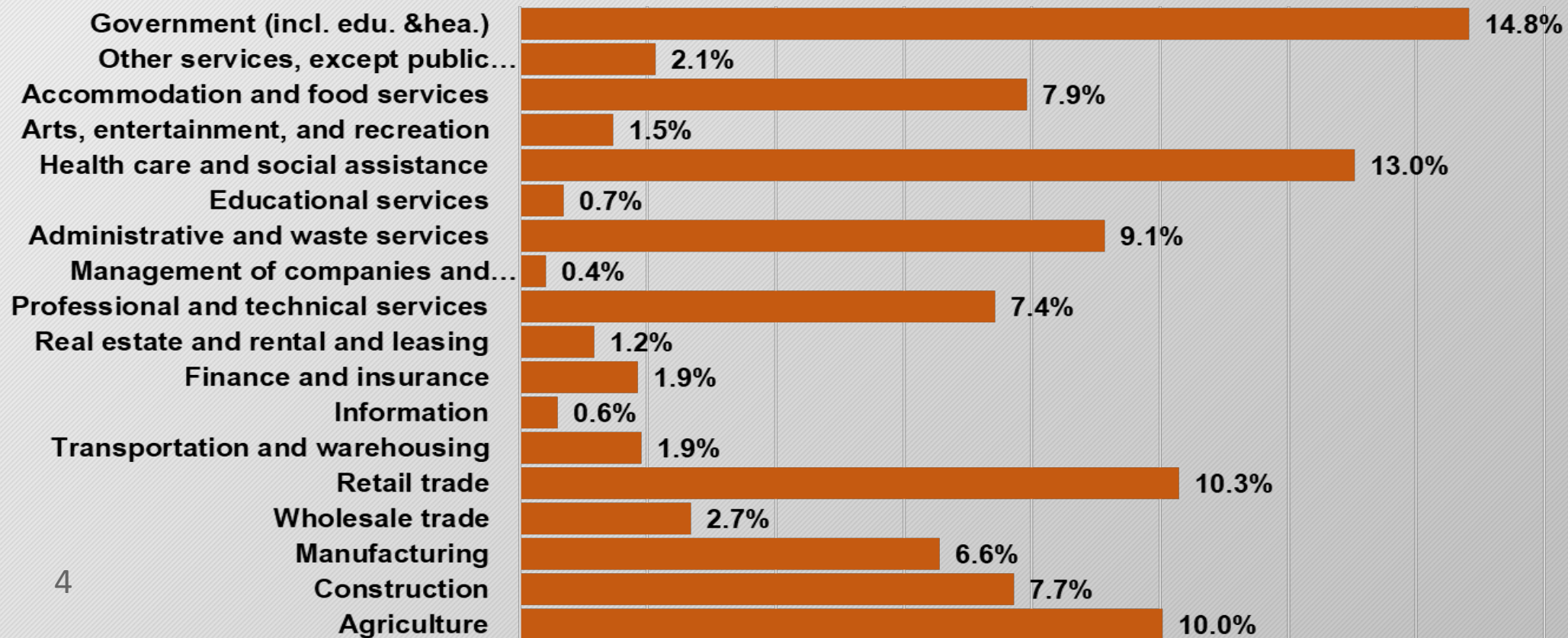
- Total covered employment was at 126,735
  - (an increase of 1.8% OTY)
- Total covered payrolls were at \$6.8 bill
  - (an increase of 5.7% OTY)
- Total covered firms were at 8,545
  - (an increase of 4.3% OTY)
- Total active Civilian Labor Force (CLF) was at 146,283
  - ( an increase of 4.0% OTY)
- Total CLF employment was at 138,142
  - ( an increase of 4.1% OTY)
- Total CLF unemployment was at 8,141
  - ( an increase of 2.7% OTY)
- Total nonemployer firms at 12,500 in 2018
- Total nonemployer firm revenue at \$573.4 mill



# Covered business... over 8,500 firms with over 126,700 employees and over \$6.8 bill in payroll



**Total payroll employment share by industry, percent 2019**

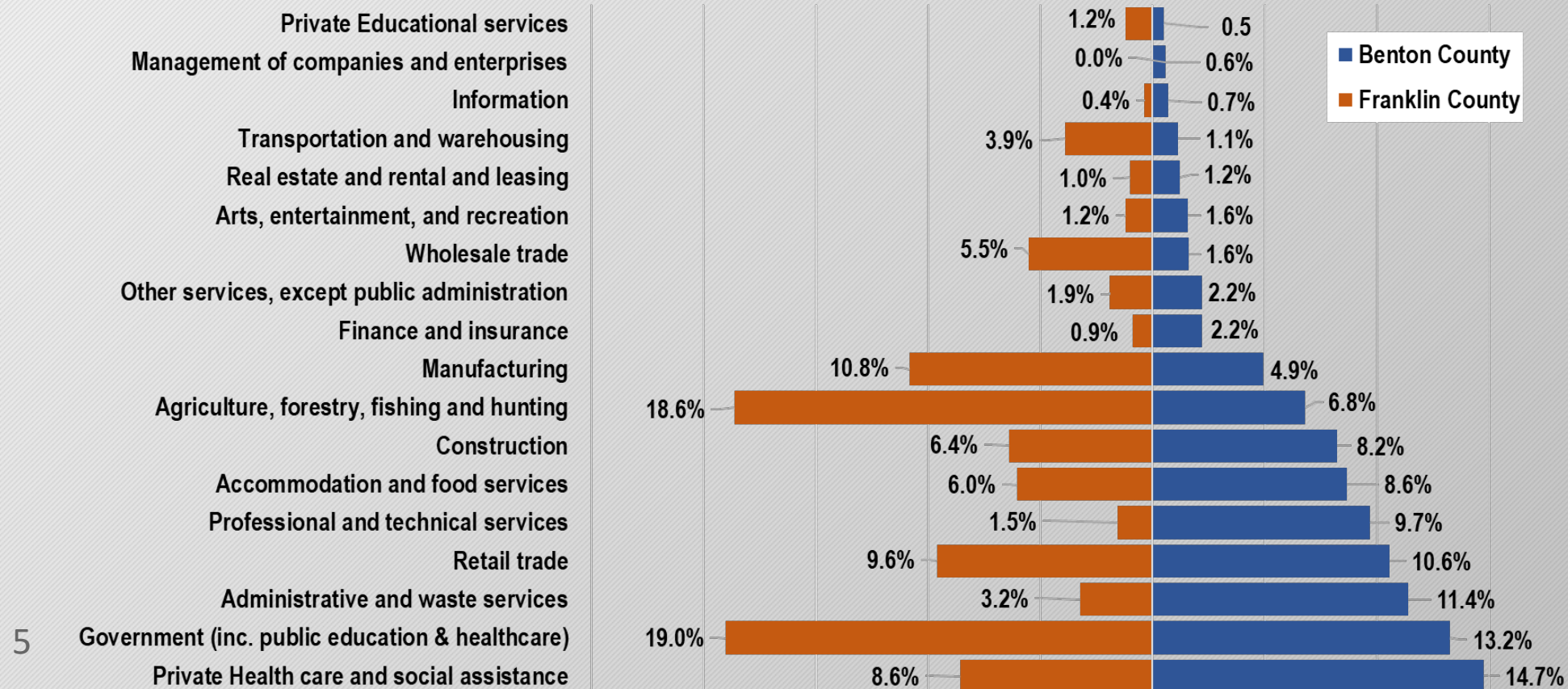




# Business \*County industry make up\*



Total Industry Percentage Share of Employment by County, 2019





# Nonemployer business...over 12,500 firms with over \$573.4 million in revenue



Industry	% of Nonemployer Firms by Industry	% Share of Revenue of Nonemployer Firms
<b>Total for all sectors</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Agriculture, forestry, fishing and hunting</b>	<b>1.6%</b>	<b>1.4%</b>
<b>Construction</b>	<b>6.8%</b>	<b>10.8%</b>
<b>Manufacturing</b>	<b>1.6%</b>	<b>1.2%</b>
<b>Wholesale trade</b>	<b>1.2%</b>	<b>2.0%</b>
<b>Retail trade</b>	<b>13.6%</b>	<b>9.2%</b>
<b>Transportation and warehousing</b>	<b>6.0%</b>	<b>11.2%</b>
<b>Information</b>	<b>1.2%</b>	<b>0.7%</b>
<b>Finance and insurance</b>	<b>2.4%</b>	<b>3.5%</b>
<b>Real estate and rental and leasing</b>	<b>12.0%</b>	<b>25.8%</b>
<b>Professional, scientific, and technical services</b>	<b>14.4%</b>	<b>11.1%</b>
<b>Administrative and support and waste management and remediation ser.</b>	<b>6.4%</b>	<b>2.9%</b>
<b>Educational services</b>	<b>3.2%</b>	<b>0.8%</b>
<b>Health care and social assistance</b>	<b>8.8%</b>	<b>7.3%</b>
<b>Arts, entertainment, and recreation</b>	<b>5.6%</b>	<b>1.8%</b>
<b>Other services (except public administration)</b>	<b>15.2%</b>	<b>9.0%</b>
<b>Accommodation and food services</b>	<b>1.2%</b>	<b>1.1%</b>



Total population over 299,600 in 2019  
Labor force...over 146,200 ~94.4% emd. ~5.6% une.



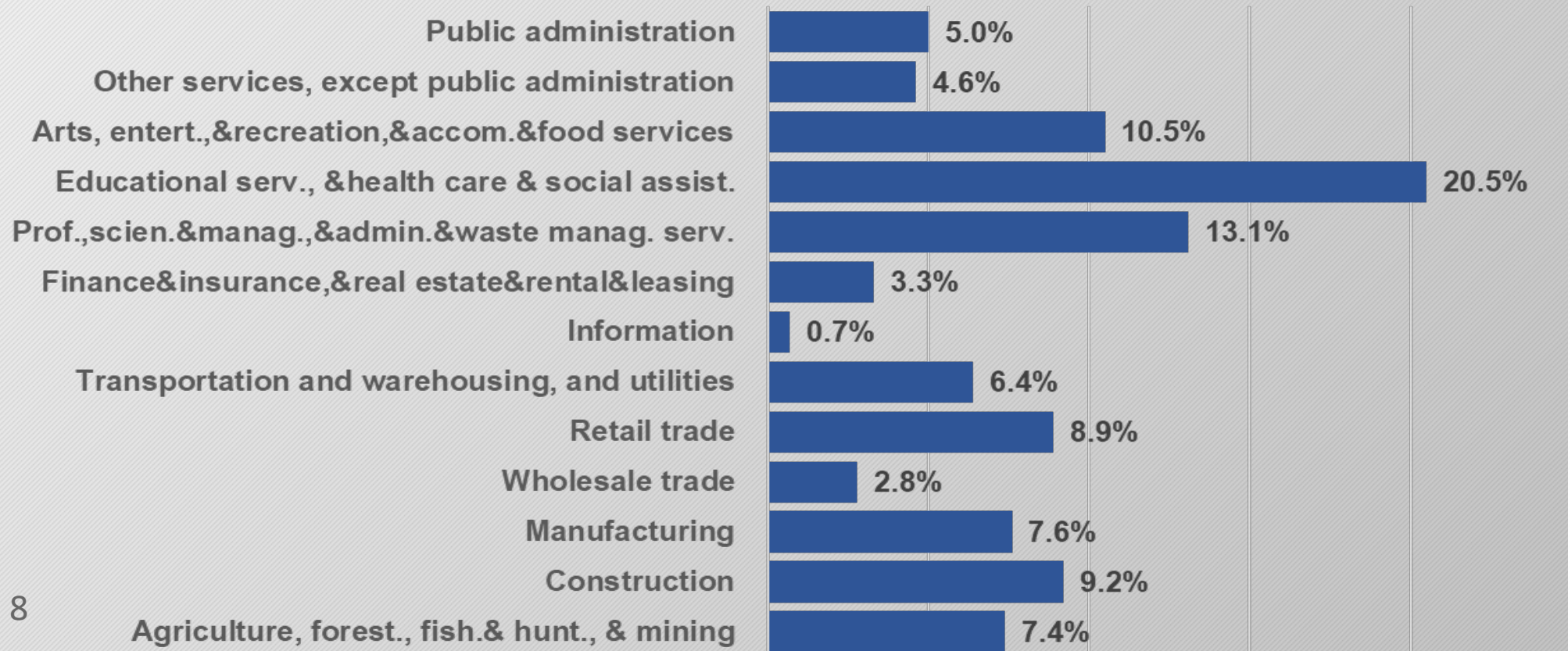
- Labor force participation rate at 64.1% in 2019 ( Benton at 62.2%, Franklin at 66.0% - 3<sup>rd</sup> in the state after King and Snohomish)
- Over 81.3% of labor force is between 25 and 64 years of age
- Over 31.1% of labor force is Hispanic or Latino, 61.7% is white alone, not Hispanic or Latino, and 7.2% all other race
- Over 44.5% of labor force are female workers and of those 41.8% have children under 6 years of age. Franklin county female LF  
7 participate at 59.7% vs. Benton county participation of 56.2%



Total population over 299,600 in 2019  
Labor force...over 146,200 ~94.4% emd. ~5.6% une.



### Labor force by industry

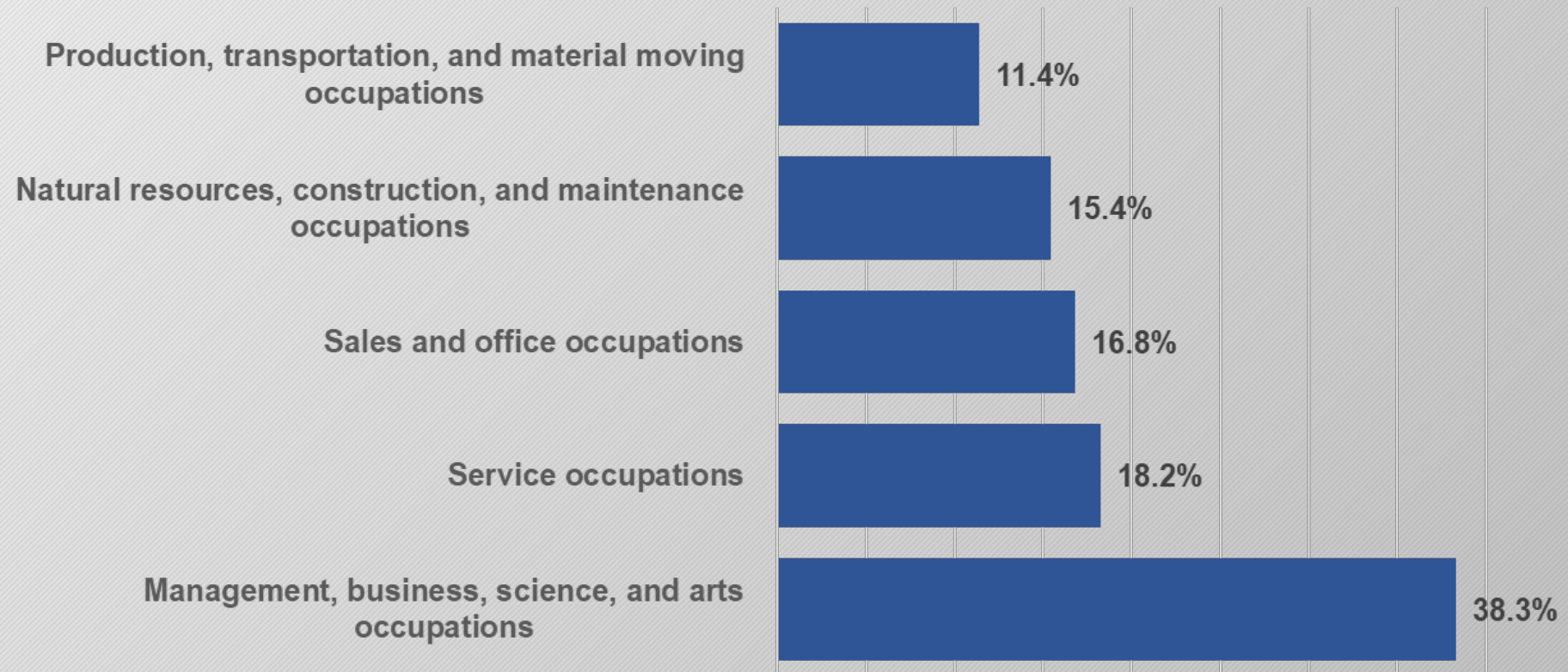




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### Labor force by occupational group





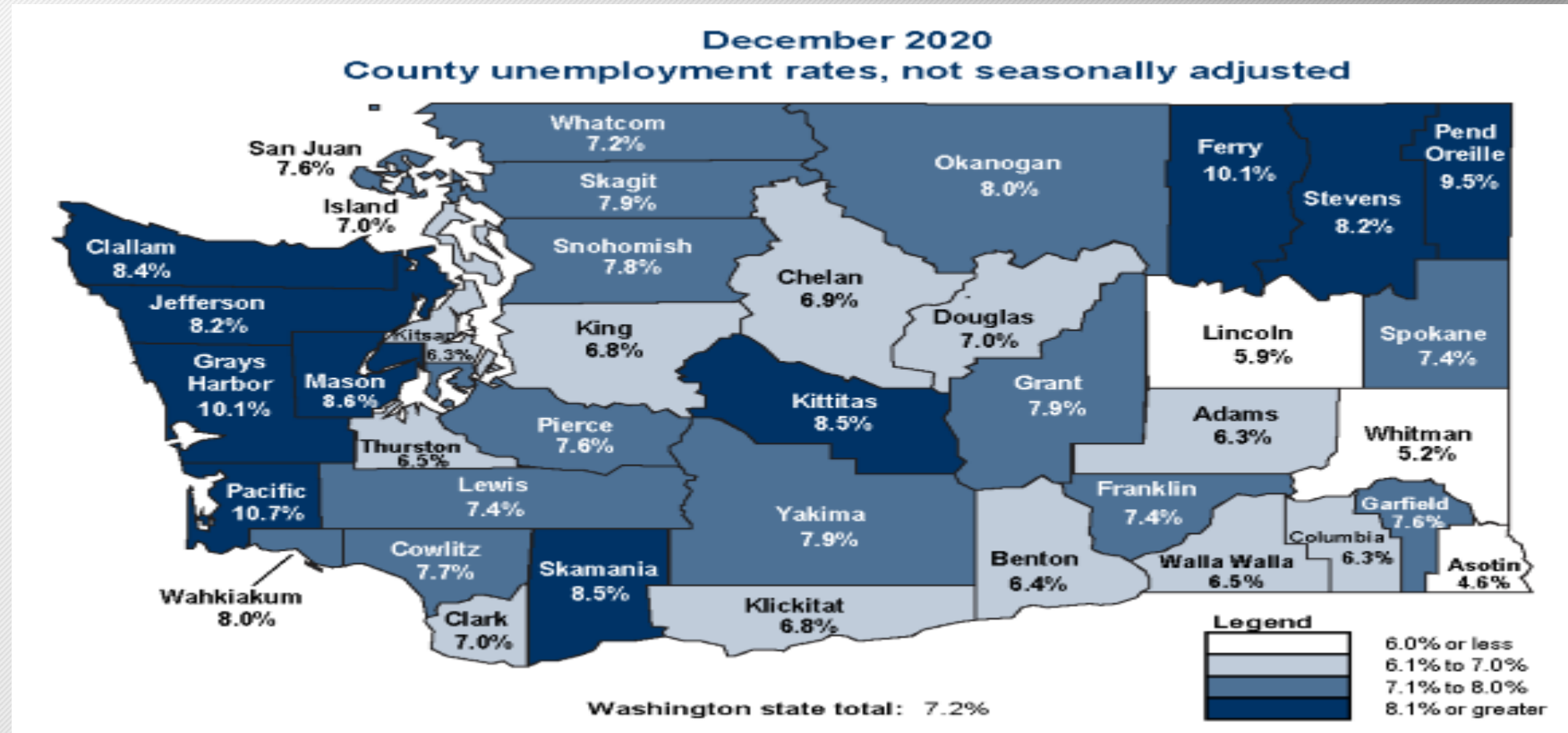
# Survival 101...



## 2020 and COVID-19

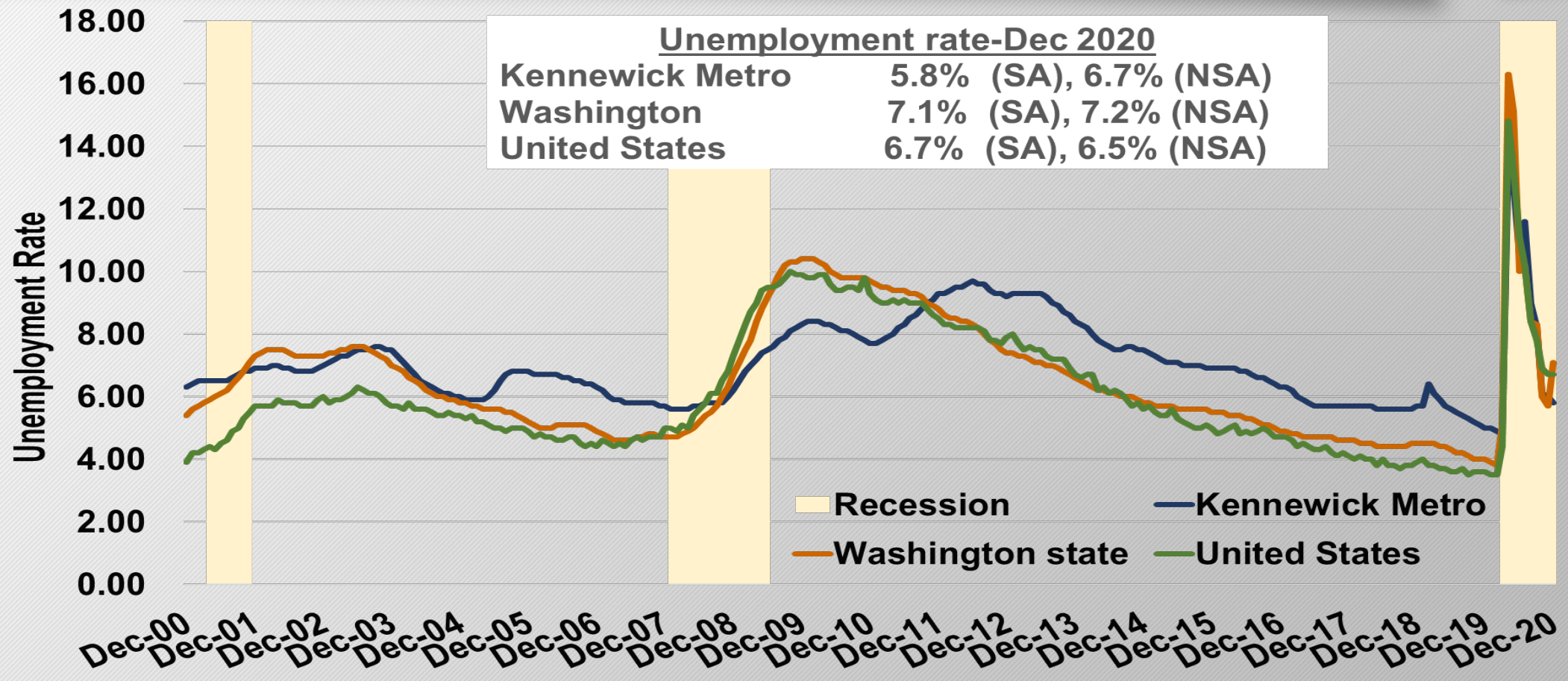


# Resident unemployment statistics



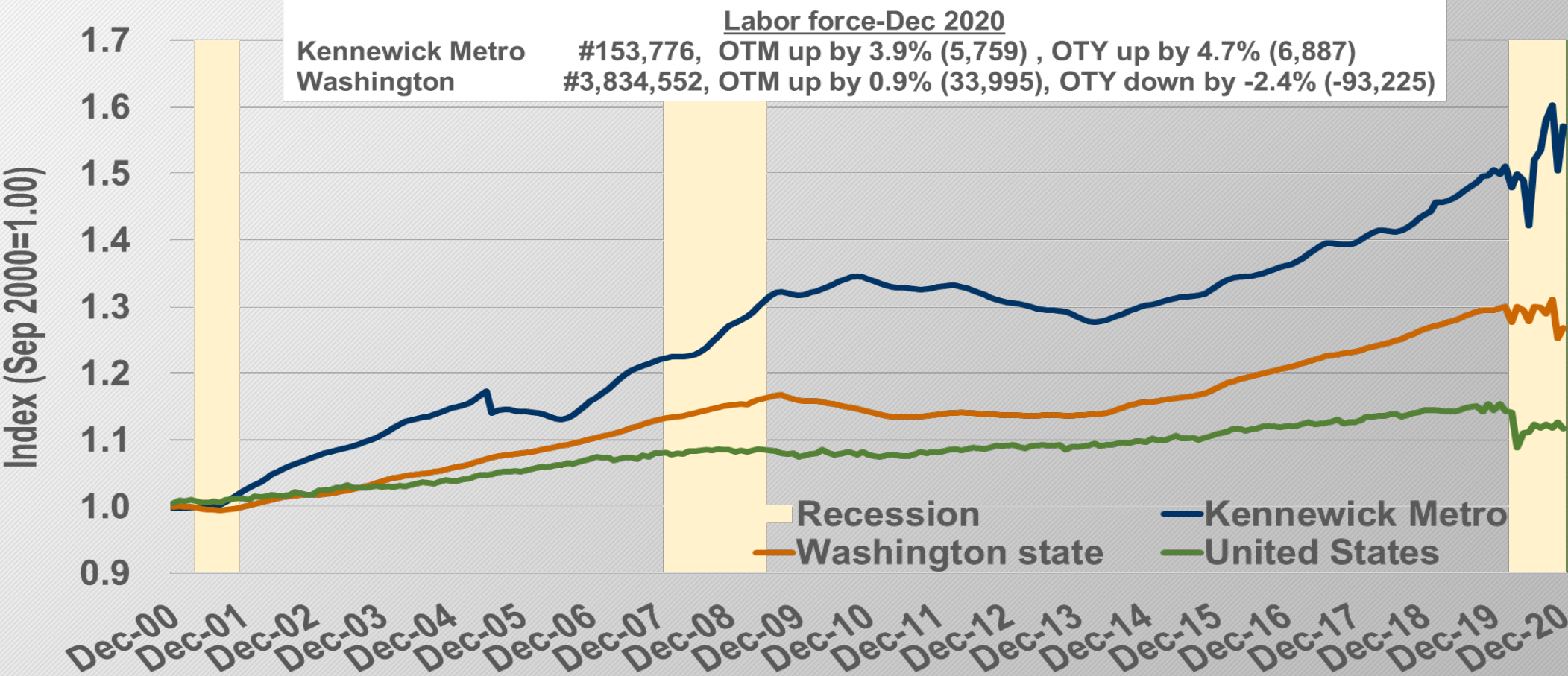


# Resident unemployment statistics: UI Rate





# Resident unemployment statistics Benton and Franklin MSA





# Resident labor force initial claims by industry-Benton-Franklin MSA

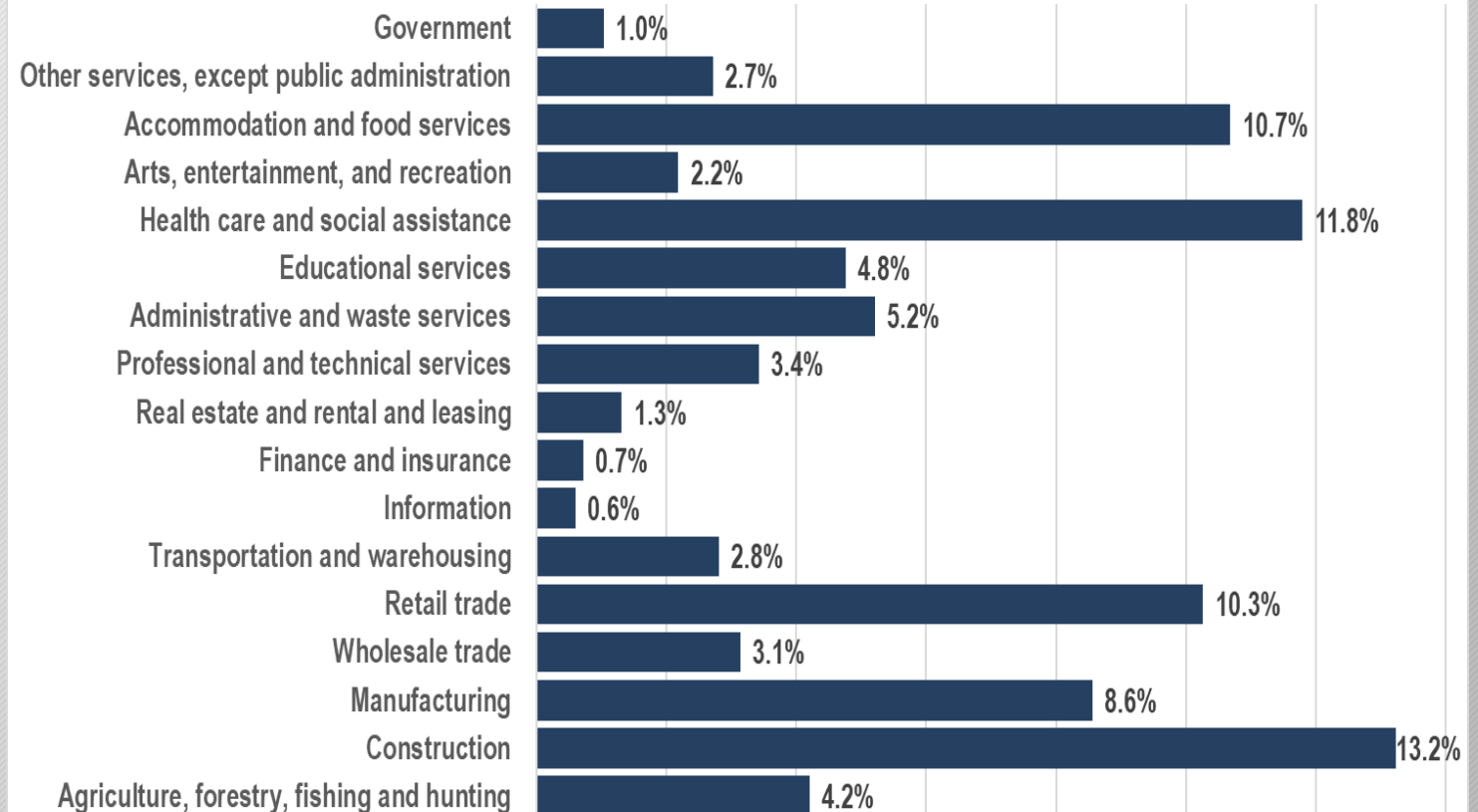


## ■ Top Five industries:

1. Construction
2. Healthcare and social assistance
3. Accommodation and food services
4. Retail trade
5. Manufacturing

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Resident labor force initial claims by 2-digit industry W9'20-W5'21



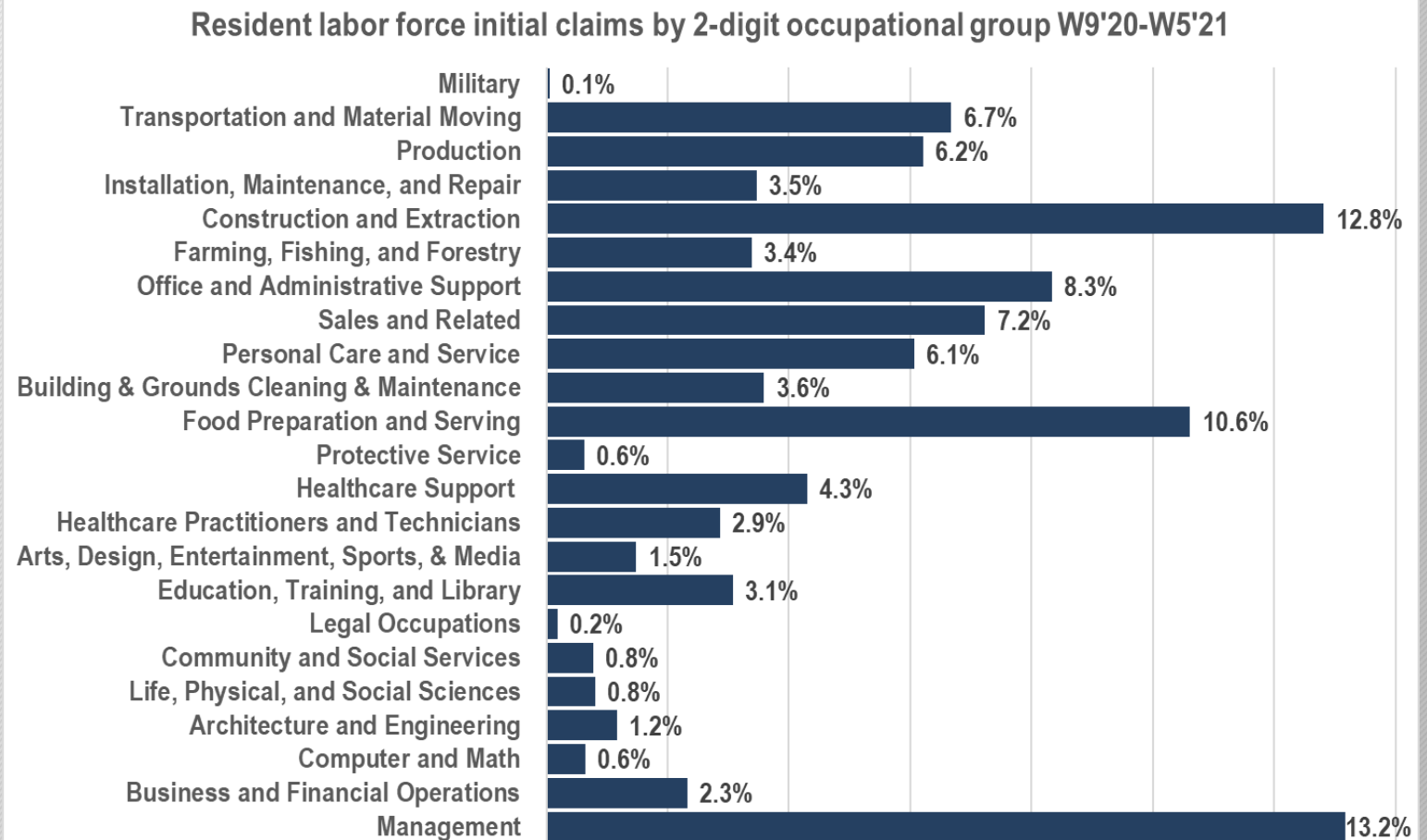


# Resident labor force initial claims by occupational group Benton and Franklin MSA



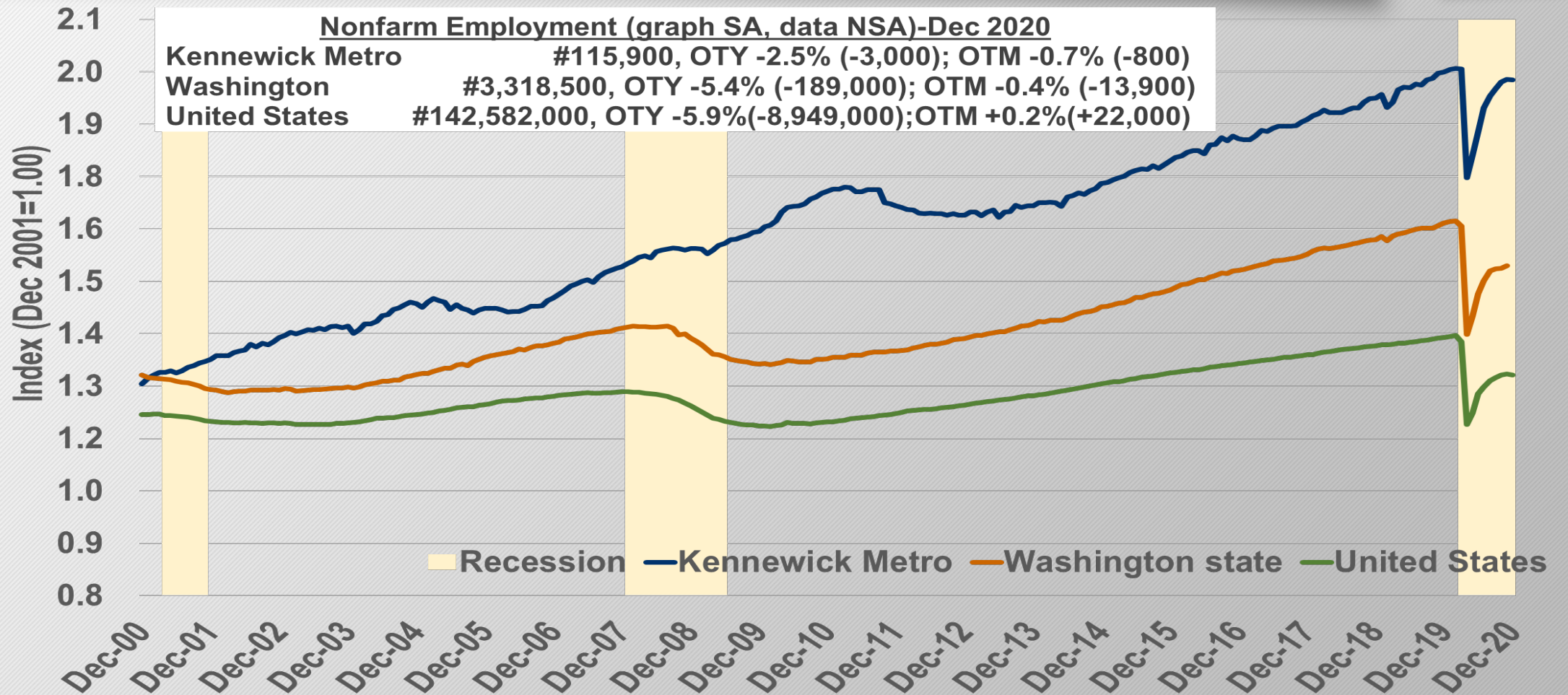
## ■ Top Five occupational groups:

1. Management
2. Construction and Extraction
3. Food Preparation and Serving
4. Office and Administrative Support
5. Sales and Related





# Nonfarm employment Kennewick-Pasco-Richland MSA (Benton and Franklin Counties)





# Most impacted nonfarm industries in Kennewick-Pasco-Richland MSA (Benton and Franklin Counties)

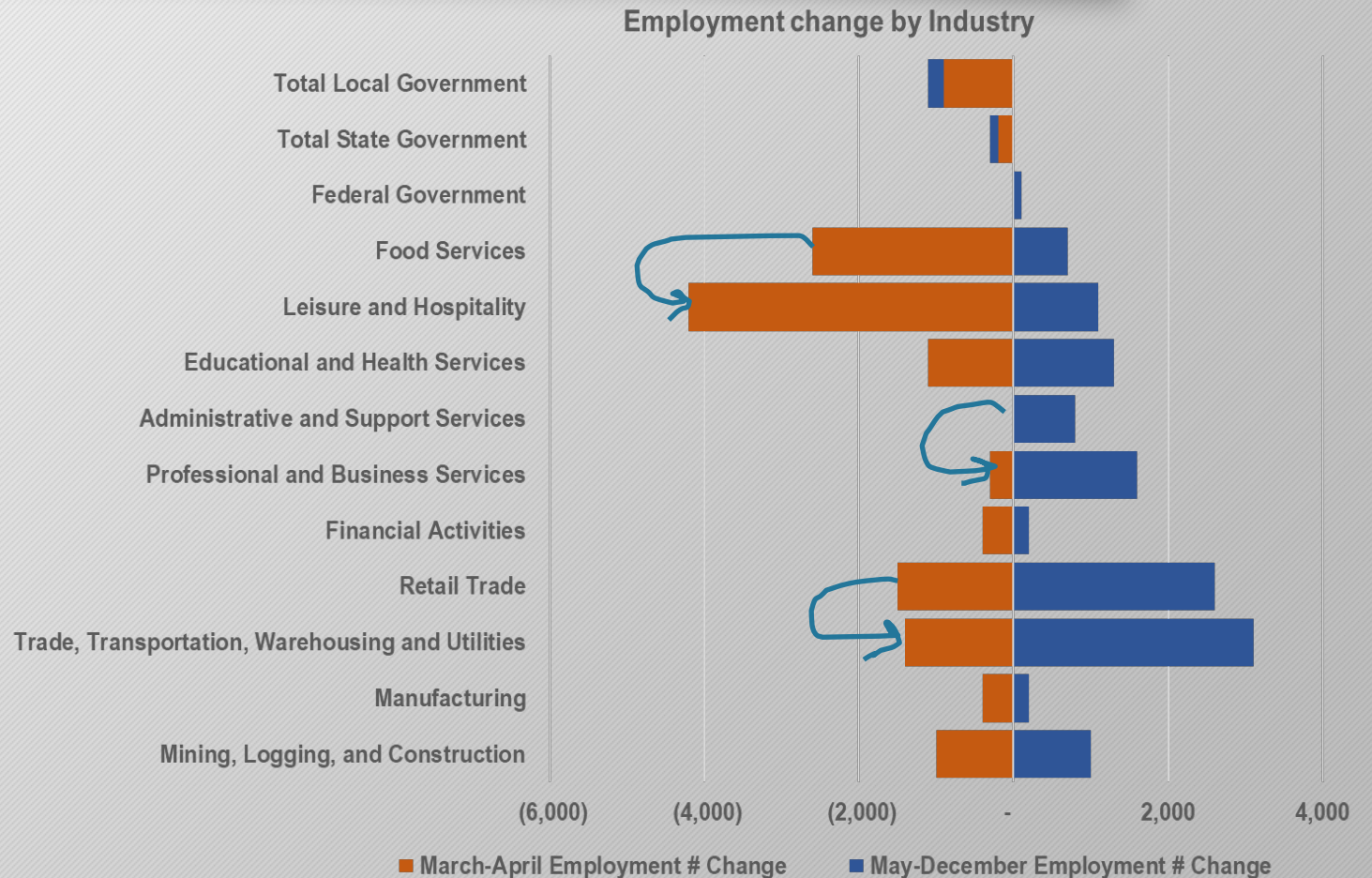


- Total are nonfarm employment loss at 8.8% (10,400) in April (from March of 117,800 to 107,400 in April)

Largest contributors to the total loss were:

- Leisure and hospitality 40.4% or 4,200 jobs
- Private Educational and Healthcare Services 10.6% or 1,100 jobs
- Retail trade 14.4% or 1,500 jobs
- Construction 9.6% or 1,000 jobs

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## Nonfarm industry total change (May, Jun., Jul., Aug., Sep.) Kennewick-Pasco-Richland MSA (Benton and Franklin Counties)



- Total are nonfarm employment gained 81.7% (8,500) jobs compared to April loss of 10,400
- In December, employment stood at 115,900, only 2.5% less than in 2019

### Most impacted industry recovery

- Leisure and hospitality 26.2% or 1,100 jobs of 4,200 lost in April
- Private Educational and Healthcare Services 100.0% or 1,100 jobs and added 200 more
- Retail trade recovered all 1,500 lost jobs and added 1,100 more to its payrolls
- Construction recovery is at 100%

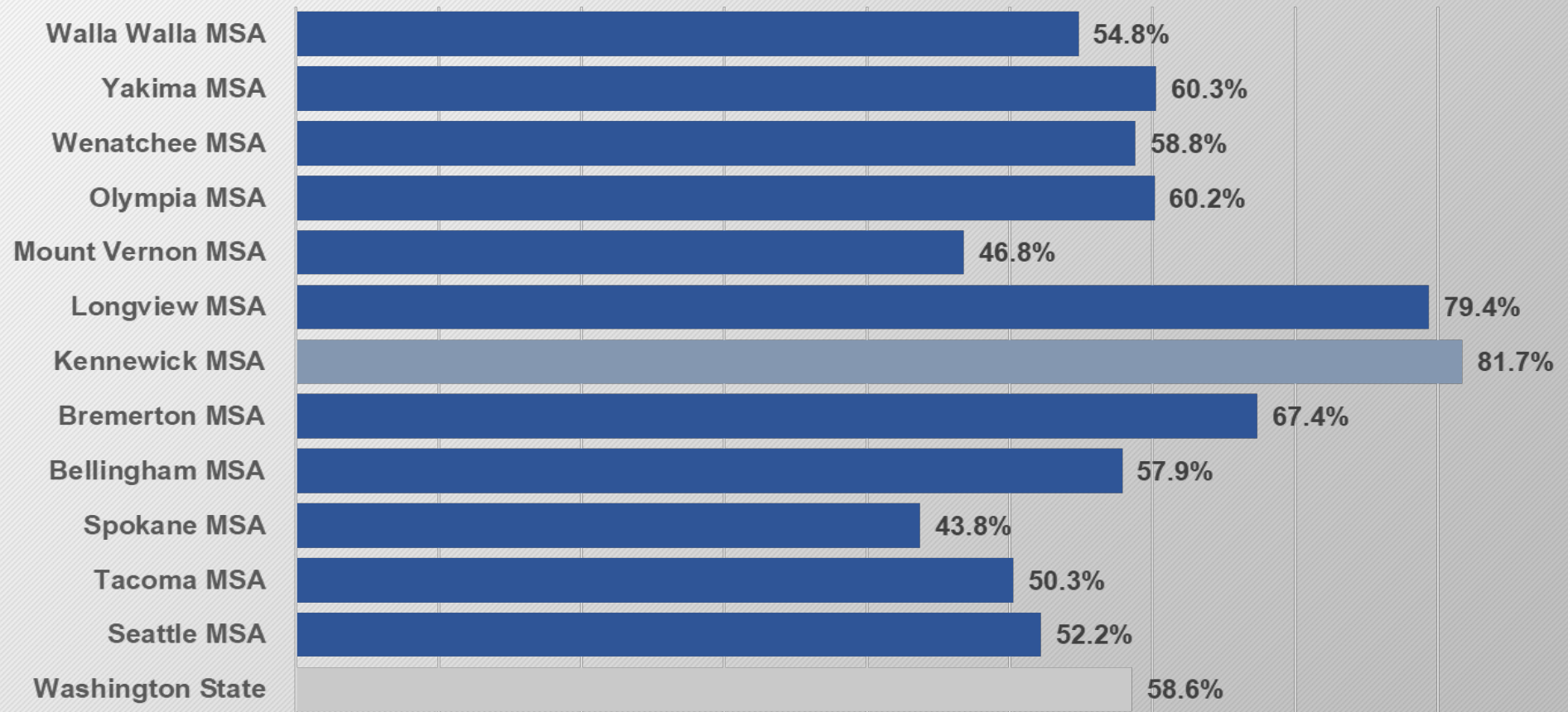
- Government is the only industry with additional loss from May through December with no positive job recover (-18.2%)



# Statewide MSA job recovery comparison



Percent of April's job loss recovery from May through December 2020





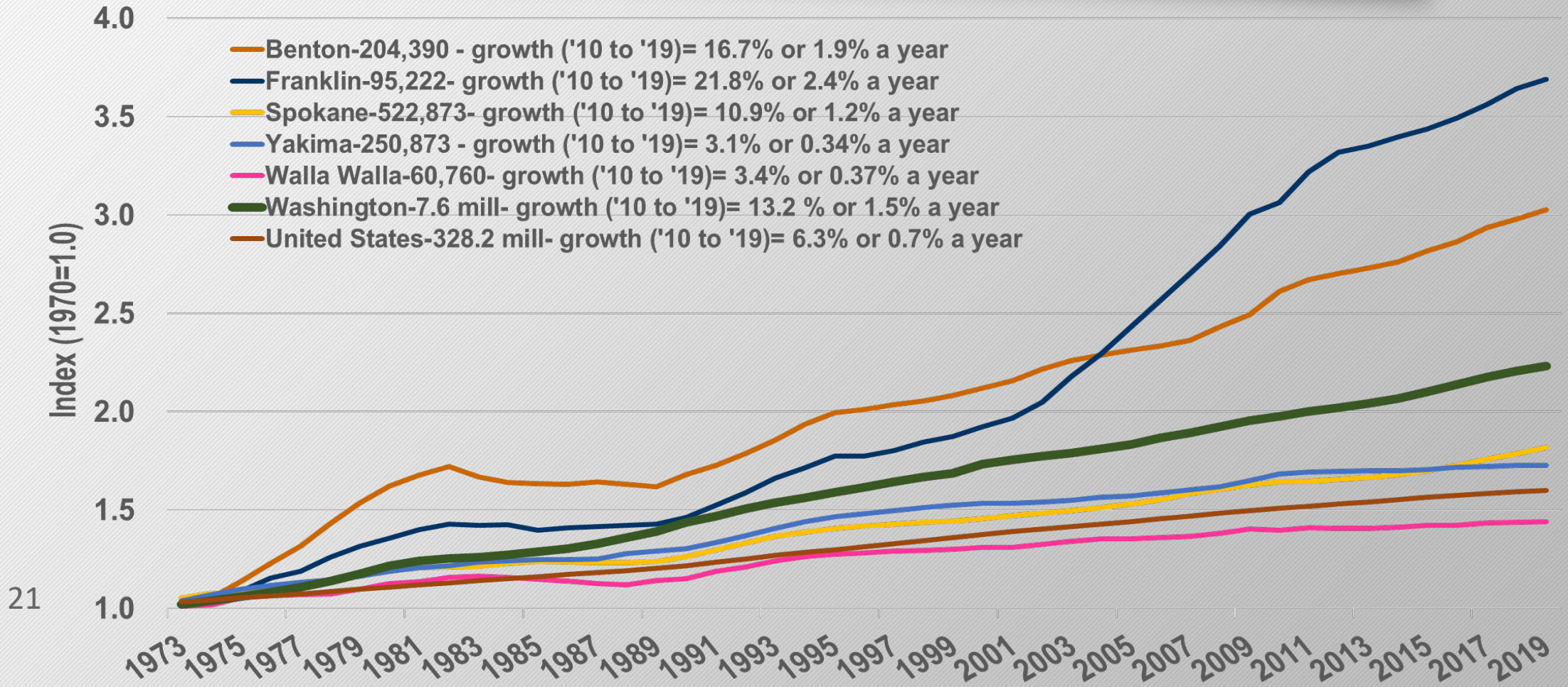
# Population dynamics...



**Employment  
Security  
Department**  
WASHINGTON STATE



# Population growth to drive service delivery jobs (U.S. Census)





# Population growth rate is fastest in the state (from OFM 2020 est.)



County B7th F10th	2019-2020 Numeric Change in Population	2010-2020 Numeric Change in Population	2019-2020 Percentage Change in Population	2010-2020 Percentage Change in Population
<b>Franklin</b>	<b>2,080</b>	<b>18,597</b>	<b>2.20</b>	<b>23.79</b>
Kittitas	1,570	7,225	3.37	17.66
<b>Benton</b>	<b>3,900</b>	<b>30,523</b>	<b>1.93</b>	<b>17.42</b>
Clark	10,700	73,837	2.19	17.36
King	34,500	329,551	1.55	17.06
Snohomish	11,800	117,165	1.44	16.42
Thurston	5,200	38,736	1.82	15.36
<b>State Total</b>	<b>109,790</b>	<b>931,660</b>	<b>1.45</b>	<b>13.85</b>
Douglas	930	5,319	2.17	13.84
Whatcom	2,700	26,860	1.20	13.35
Pierce	12,400	105,475	1.40	13.26
Whitman	350	5,704	0.70	12.74
Grant	1,390	11,010	1.41	12.35
Klickitat	340	2,452	1.52	12.07
Skagit	1,250	13,549	0.97	11.59
Spokane	7,350	51,379	1.43	10.90
Skamania	160	1,154	1.33	10.43
San Juan	190	1,571	1.11	9.96
Chelan	1,240	7,207	1.58	9.95
Adams	300	1,722	1.49	9.19

County B7th F10th Numeric	2019-2020 Numeric Change in Population	2010-2020 Numeric Change in Population	2019-2020 Percentage Change in Population	2010-2020 Percentage Change in Population
Island	710	7,024	0.84	8.95
Kitsap	2,100	21,067	0.78	8.39
Mason	670	4,951	1.03	8.16
Cowlitz	1,550	8,090	1.42	7.90
Jefferson	290	2,318	0.91	7.76
Clallam	760	5,366	1.00	7.51
Pend Oreille	110	849	0.80	6.53
<b>Walla Walla</b>	<b>380</b>	<b>3,799</b>	<b>0.61</b>	<b>6.46</b>
Lewis	770	4,795	0.97	6.35
Yakima	2,250	14,969	0.88	6.15
Wahkiakum	20	232	0.48	5.83
Stevens	350	2,389	0.77	5.49
Okanogan	400	2,010	0.94	4.89
Ferry	80	359	1.02	4.75
Asotin	120	1,017	0.53	4.70
Lincoln	90	480	0.82	4.54
Pacific	200	920	0.92	4.40
Grays Harbor	560	1,923	0.76	2.64
<b>Columbia</b>	<b>25</b>	<b>107</b>	<b>0.60</b>	<b>2.62</b>
Garfield	5	-41	0.23	-1.81



# Demographics...



	<b>Benton County</b>	<b>Franklin County</b>	<b>Washington state</b>
<b>Population by age</b>			
Under 5 years old	6.9%	8.7%	6.0%
Under 18 years old	26.6%	32.0%	21.8%
65 years and older	15.4%	9.7%	15.9%
<b>Females</b>	<b>49.9%</b>	<b>48.4%</b>	<b>49.9%</b>
<b>Race/ethnicity</b>			
White, not Hispanic	90.0%	39.9%	67.5%
Black	1.8%	2.8%	4.4%
American Indian, Alaskan Native	1.3%	1.7%	1.9%
Asian, Native Hawaiian, other Pacific Islander	3.6%	2.8%	10.4%
Hispanic or Latino, any race	22.6%	53.6%	12.9%



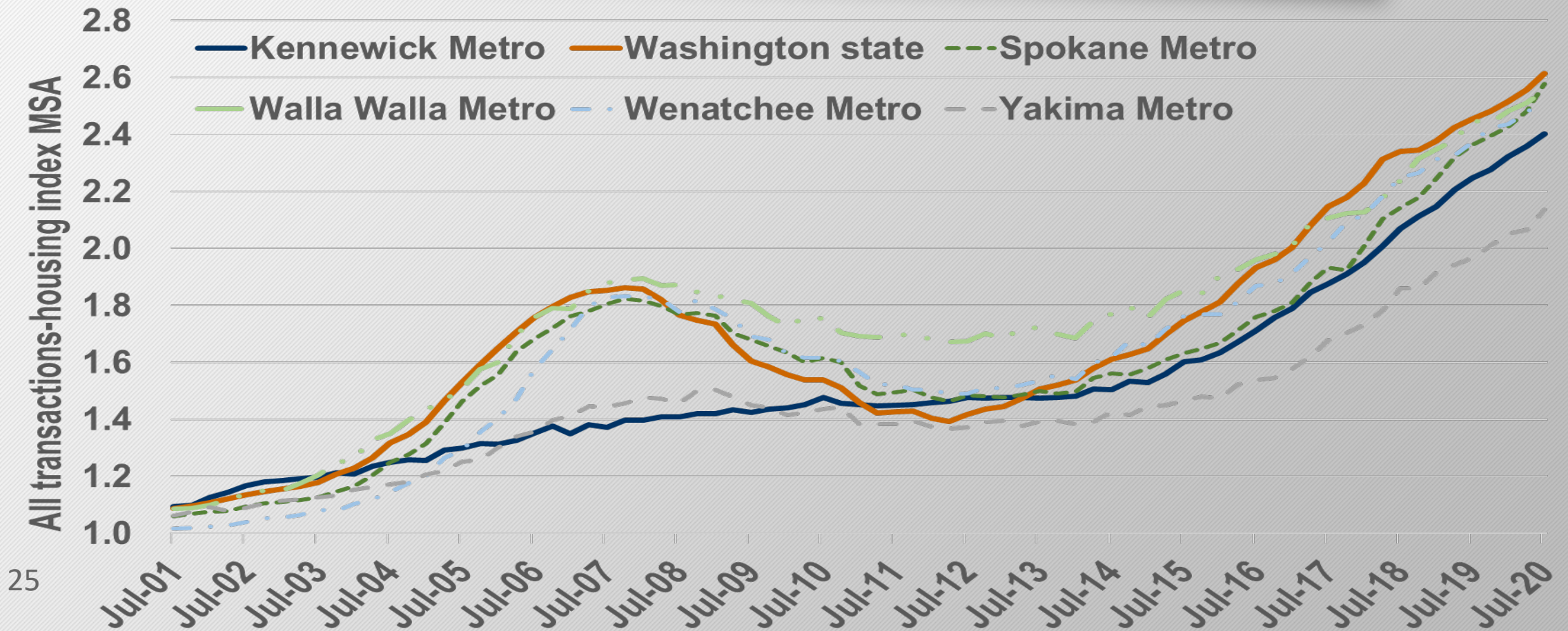
# Wages and Income



- Franklin County average annual wage was at \$43,996 in 2019, below that of Benton County of \$57,182 and the state at 69,615 or \$52,669 (Less King)
- Franklin County per capita personal income was at \$39,526 in 2019, below that of Benton County of \$49,354 and the state of \$64,758
- Franklin County median household income was at \$62,002 in 2019, less than Benton County of \$72,084 and the state of \$85,169

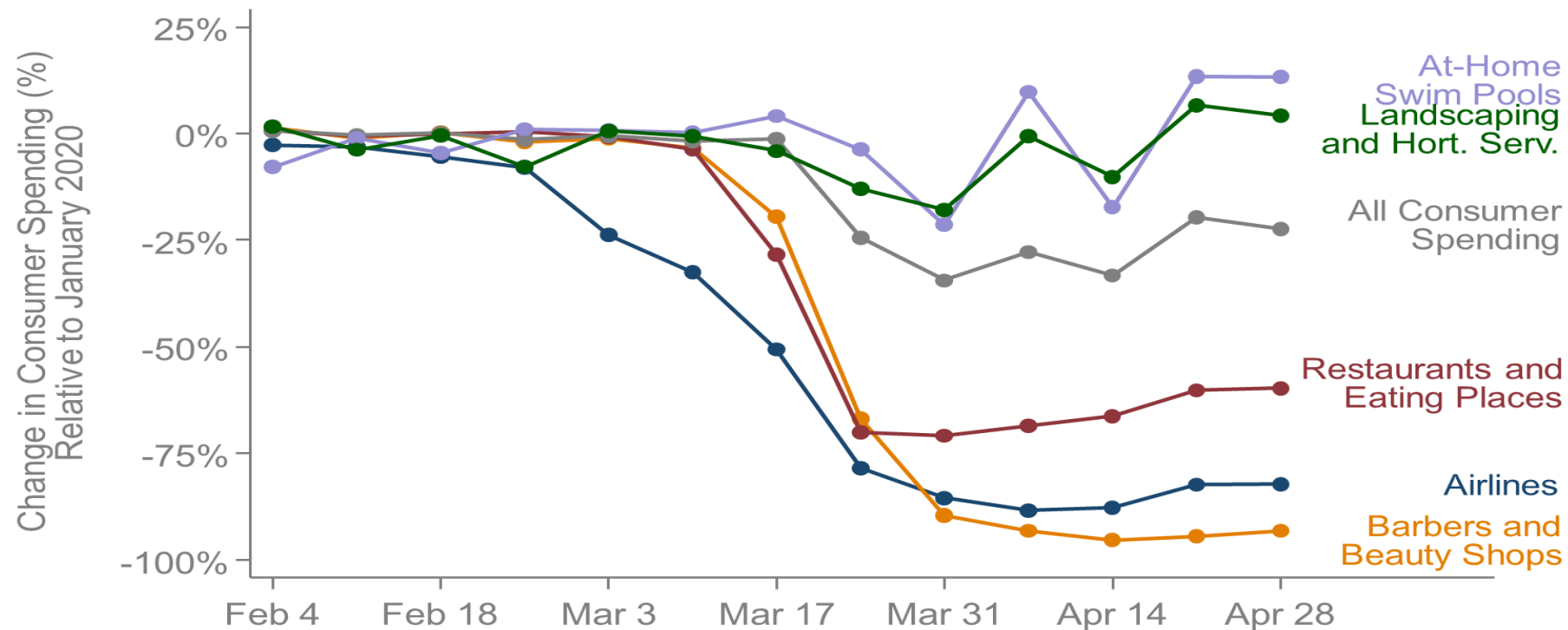


# Real estate-All transactions housing index





# Change in Consumer Spending by Category- from Opportunity Insights (Chetty et.,)





# Stimulus Payments and Consumer spending

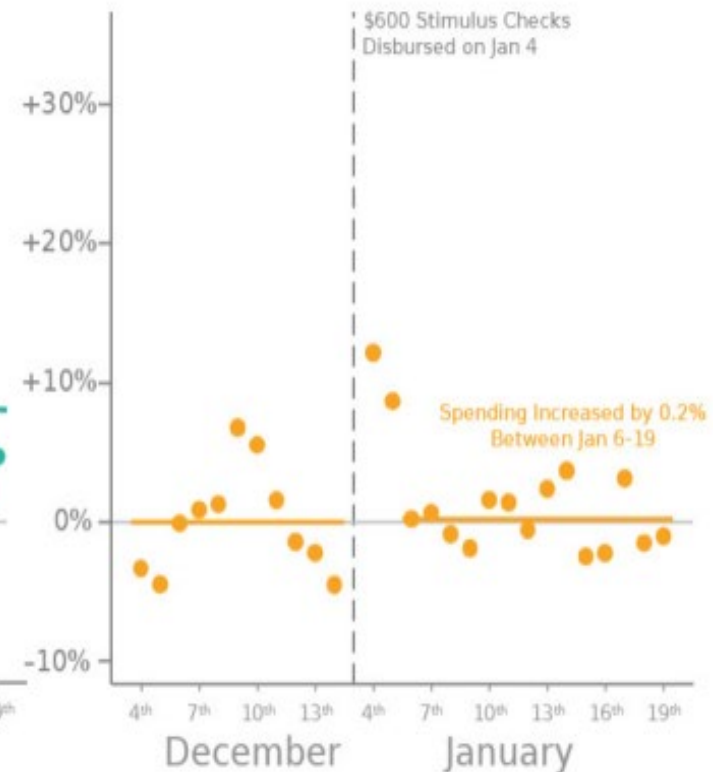


## DAILY CONSUMER SPENDING ON DEBIT AND CREDIT CARDS, PRE VS. POST \$600 STIMULUS

Household Income Below \$46,000

Household Income Above \$78,000

Consumer Spending  
Seasonally Adjusted



Data Source: [Affinity Solutions](#)



# Outlook...



- Workforce and labor force continuous adjustments to induced changes in the job requirements and expectations
- Educational adjustments to the change and preparedness
- Continuation of Monetary and Fiscal Support at least until recessions' end
- Local industries adding stability include healthcare, professional and business services, food manufacturing, construction, retail
- Consumer spending and habits will drive many service industries towards recovery or growth
- In return, local community will have a benefit of population growth driven demand



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Thank You!  
Any Questions or Comments?

Contact me:  
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or 509-734-5928

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All data sources are from UI data research, LAUS, CES and HWOL programs, US Census and BEA

