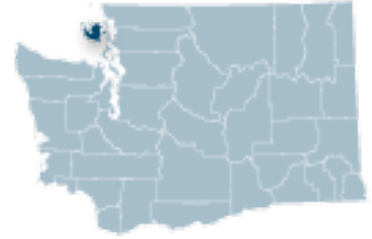


# San Juan County profile



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## Overview

### Regional context

San Juan County located in northwest Washington state, includes four large islands: San Juan, Orcas, Lopez and Shaw and hundreds of smaller islands, reefs and rocks. About 20 islands are inhabited. San Juan County is the smallest county in Washington by total landmass.

San Juan County is located in the Salish Sea to the west of Skagit and Whatcom counties and east of lower Vancouver Island, Canada. The islands are spectacularly scenic. Consequently, the archipelago is a popular tourism destination. Tourists arrive via ferry, private boat and float plane throughout the year, but with a pronounced uptick in the summer. The picturesque and laid-back islands have in turn attracted many retirees. Today, tourism-related industries and retirement communities form the economic base of the San Juan County economy. While the natural beauty and relative isolation of island life supports a vibrant seasonal tourism-based economy, the relative isolation presents a challenge for economic diversification.

### Local economy

The Lummi and Salish peoples have called the San Juan Islands home for thousands of years. Early European settlements were established by the British Hudson Bay Company in the 1850s (although British and Spanish adventurers had explored the islands as early as the 1700s). The San Juan Islands were a disputed territory between Canada and the United States, which led to the short-lived Pig War of 1859 and a 13-year process to resolve the international boundary between British-controlled Canada and the United States. The German Kaiser was asked to arbitrate, and he decided in favor of the Americans in 1872.

Fishing and farming formed the economic mainstay for most inhabitants until the already well-established tourism economy took off in the 1970s. However, some more colorful parts of the economic history of the San Juan includes smuggling, rum running and trade and manufacturing of other illicit commodities.

Due to a large tourism component in the economy, employment levels are highly seasonal. Using a 10-year average from 2010 through 2019, the following pattern emerges – peak private nonfarm employment occurs each summer (usually August), with an average gain of 1,808 jobs (38.0 percent) from the January low point of the jobs cycle. In 2020, this steady and predictable pattern was severely disrupted by the COVID-19 pandemic and resulting recession. Rather than the predictable summer uptick, summer employment expanded by only 520 jobs from January to August; disrupting the usual seasonal rhythm. San Juan tourism picked up in 2021, as would-be international travelers opted for more predictable and local vacations.

Average annual employment in 2021 expanded by 510 or 9.9 percent compared to 2020. If the last few months of 2021 and the first few months of 2022 were any indication, San Juan County has more than recovered pandemic-related job losses.

San Juan County's largest job-providing sector is private services, accounting for about 67.0 percent of all nonfarm jobs. Leisure and hospitality is consistently the largest set of industries on an annualized basis. This is consistent with the county's orientation toward tourism. In 2021, employers in the leisure and hospitality hosted an average of 1,180 jobs or 20.8 percent. Other large industries include trade, transportation and utilities – which includes retail trade (18.3 percent), government (14.6 percent), construction (13.7 percent) and education and health services (9.3 percent).

## Geographic facts

	San Juan County	Rank in state
Land area, 2010 (square miles)	173.9	39
People per square mile, 2021	102.64	11

Source: Washington State Office of Financial Management

## Outlook

On an annual average basis, from 2008 to 2010, Washington state and the United States each lost an estimated 5.0 percent of their respective employment bases. San Juan County lost about 11.0 percent of total nonfarm jobs from 2008 to 2013. In short, employment losses during the Great Recession were deeper, and the downfall was longer than for either the nation or the state. Recovery from the Great Recession was also slow in San Juan County. With an orientation toward tourism, San Juan County's most pronounced economic growth has generally been observed seasonally rather than annually.

The black swan event of the global COVID-19 pandemic swooped into Washington state in early 2020. The delicate and geographically isolated tourism-based economy of the San Juan Islands was impacted swiftly by statewide stay-at-home orders and widespread vacation cancellations. On an annual average basis, employment dropped by 12.7 percent in 2020. (For reference, the state suffered 5.4 percent job losses over the same year).

In 2021, the domestic tourism-based economy returned quickly, lifting San Juan County employment by 9.9 percent, and within reach of pre-recession employment.

## Labor force and unemployment

Current labor force and unemployment statistics are available on the [Labor area summaries](#) page on ESD's labor market information website.

The dynamics of the labor force in San Juan County are very seasonal, with peak unemployment rates occurring each year in the winter months and lowest unemployment rates reported each summer during the peak tourism season.

In April 2020, the unemployment rate in San Juan County reached 19.2 percent, but came down quickly (when accounting for the usual seasonal rhythm). The unemployment rate dipped to 3.6 percent in the final months of 2021.

San Juan County's labor force follows the same seasonal trend described above. In a highly seasonal tourism-driven economy, the labor force swells during the summer months and contracts during off-peak seasons. In 2021, employment expanded during the winter months, possibly indicating a change in the seasonal rhythm.

Source: Employment Security Department

## Industry employment

Current industry employment statistics are available on the [Labor area summaries](#) page on ESD's labor market information website.

San Juan County averaged 5,680 nonfarm jobs in 2021, 510 jobs or 9.9 percent above the previous year. The San Juan job market took longer than the state or the nation to recover from the Great Recession, and suffered devastating initial impacts from the pandemic recession. The months since the pandemic-induced disruption, San Juan County's employment landscape appears to be thriving; likely an effect of travelers opting to stay locally for reasons of health and predictability in a still highly-uncertain environment with respect to COVID-19 and policy responses. As of March 2022, most industries appear to have recovered to pre-pandemic levels.

- San Juan County's goods-producing industries is dominated by construction, but also includes some manufacturing. In 2021, employment in construction expanded by 90 and manufacturing expanded by 30. Both industries had higher levels of employment in 2021 than in 2019, before the pandemic.
- Service-providing employment in San Juan County was impacted severely during the pandemic, but has shown signs of rapid recovery. Employment expanded in 2021 for all major service sectors except education and health services. Comparing 2021 with 2019, information and financial activities, professional and business services, and government have fully recovered the number of jobs lost. Education and health services, trade transportation and utilities and leisure and hospitality are almost fully recovered.

For historical industry employment data, [contact an economist](#).

Source: Employment Security Department, DATA Division

## Industry employment by age and gender

The Local Employment Dynamics (LED) database, a joint project of state employment departments and the U.S. Census Bureau, matches state employment data with federal administrative data. Among the products is industry employment by age and gender. All workers covered by state unemployment insurance data are included; federal workers and non-covered workers, such as the self-employed, are not. Data are presented by place of work, not place of residence.

### **San Juan County highlights:**

In 2020, San Juan County's labor market was characterized by a relatively older age profile than the state. Statewide, 23.0 percent of the workforce was age 55 or older. Compare with San Juan County where 30.6 percent of the workforce was age 55 or older. All other age categories are proportionally under-represented relative to the statewide labor force. This is largely a reflection of migration and settlement patterns; San Juan County is well known as a retirement destination.

Males held 49.2 percent and females held 50.8 percent of San Juan County jobs in 2020.

- Top male-dominated industries in 2020 included construction (81.7 percent), utilities (68.6 percent) and transportation and warehousing (67.0percent).
- Female-dominated industries in 2020 included health care and social assistance (79.4 percent), management of companies and enterprises (76.5 percent), and finance and insurance (75.7 percent).

Source: U.S. Census Bureau, Local Employment Dynamics

## Wages and income

In 2020, San Juan County averaged 5,277 jobs covered by unemployment insurance, with a total payroll of \$228.3 million dollars.

The county's 2020 average annual wage was \$43,258; far below the statewide average wage of \$73,504. In terms of wage income, San Juan County ranked 33rd out of 39 Washington counties.

San Juan County's median hourly wage was \$25.88 in 2020, lower than the state median of \$29.28, but slightly higher than the state median when King County is removed from the dataset.

- Note that the average annual wage is a direct calculation of the dollars paid to workers over the course of the full year. Median hourly wage, by comparison, divides wages distributed by hours worked (rather than by worker). Together, these data points indicate that wages paid are not necessarily *low*, but they are largely part time and/or seasonal.

## Personal income

Personal income includes earned income, investment income, and government payments such as Social Security and Veterans Benefits. Investment income includes income imputed from pension funds and from owning a home. Per capita personal income equals total personal income divided by the resident population.

In 2020, per capita personal income in San Juan County (\$81,858) was well above both state (\$67,126) and U.S. (\$59,510) averages. It is worth noting that personal income includes all types of income, not limited to earned wages. This is particularly important to recognize in the case of San Juan County, as a large portion of the residents are retired and collect non-wage income.

According to the U.S. Census Bureau, San Juan County's median household income was \$64,753, below the state (\$77,006) and slightly below the U.S. (\$64,994) medians over the period 2016 to 2020.

Over the 2016 to 2020 period, 9.6 percent of the resident population in San Juan County was living below the official poverty line. The statewide average was similar at 9.5 percent, while the national average stood at 11.4 percent, according to the U.S. Census Bureau. Children living in San Juan County were more likely than the resident population as a whole to live in poverty.

Source: Employment Security Department; Bureau of Labor Statistics; Bureau of Economic Analysis; U.S. Census Bureau; American Community Survey

## Population

The estimated resident population of San Juan County was 17,850 in 2021. Over the past decade, the resident population expanded by 11.9 percent, slower than population growth statewide (14.5 percent from 2011 to 2021).

The only incorporated city in San Juan County is Friday Harbor (population 2,630 in 2021), up 20.0 percent in 10 years.

### Population facts

	San Juan County	Washington state
Population 2021	17,850	7,766,975
Population 2011	15,946	6,781,551
Percent change, 2011 to 2021	11.9%	14.5%

Source: Washington State Office of Financial Management

### Age, gender and ethnicity

Overall, San Juan County has considerably more individuals age 65 and older (35.2 percent) compared to 15.9 percent statewide. It also has a lower percentage of those under 18 (12.7 percent) compared to 21.8 percent statewide.

In 2019, females made up 51.7 percent of the estimated population.

San Juan County was less diverse than Washington state in terms of race and ethnicity, with smaller proportions of all racial or ethnic minorities compared to the state. About 93.9 percent of its population identified as white in 2019.

### Demographics

	San Juan County	Washington state
<b>Population by age, 2019</b>		
Under 5 years old	2.8%	6.0%
Under 18 years old	12.7%	21.8%
65 years and older	35.2%	15.9%
<b>Females, 2019</b>	51.7%	49.9%
<b>Race/ethnicity, 2019</b>		
White	93.9%	78.5%
Black	0.8%	4.4%
American Indian, Alaskan Native	1.1%	1.9%
Asian, Native Hawaiian, other Pacific Islander	1.7%	10.3%
Hispanic or Latino, any race	6.8%	13.0%

Source: U.S. Census Bureau QuickFacts

### Educational attainment

Generally speaking, the resident population of San Juan County is well educated.

- In the period 2016 to 2020, 95.9 percent of San Juan County residents aged 25 and up had at least a high school education. Statewide, 91.7 percent of all residents were estimated to have an equivalent educational level.

- In San Juan County, 51.7 percent of the resident population aged 25 and up have earned a bachelor's degree or attained a higher level of formal education. Statewide, 36.7 percent of the adult population have a bachelor's degree or higher.

Source: Employment Security Department/ DATA Division, County Data Tables; U.S. Census Bureau, American Community Survey

## Useful links

- [Census Bureau Profile](#)
- [Center for Business and Economics Research, Western Washington University](#)
- [History of San Juan County](#)
- [Northwest Washington Labor Market Review \(Monthly\)](#)
- [Northwest Washington Workforce Development Council](#)
- [San Juan Islands Visitors Bureau](#)
- [San Juan Economic Development Council](#)
- [Port of Friday Harbor](#)
- [Port of Lopez](#)
- [Port of Orcas](#)
- [San Juan County Extension](#)
- [San Juan County home page](#)
- [San Juan County on ofm.wa.gov](#)
- [San Juan County on ChooseWashington.com](#)
- [Self Sufficiency Calculator for Washington State](#)
- [Bureau of Economic Analysis Regional Economic Accounts](#)
- [Census Bureau QuickFacts](#)
- [Workforce Development Areas and WorkSource Office Directory](#)

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