Spokane County Profile

By Doug Tweedy, regional labor economist *Updated November 2020*



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Overview

Regional context

Spokane County is situated east of the Cascade Range and on the western slope of the Coeur d'Alene Mountains next to the Idaho border. Spokane County ranks in the middle of other counties in terms of land area, which was 1,763.79 square miles in 2010. It was the eighth most densely populated county at 267.2 persons per square mile in 2010. Spokane is the most populous county in Eastern Washington and ranks fourth in the state.

The city of Spokane is the second-largest city in Washington state. It serves as the business, transportation, medical, industrial and cultural hub of the region, the inland Northwest. In 2019, the city of Spokane had 222,000 residents, 43 percent of the county's population.

Local economy

Spokane County was created by an act passed by the Territorial Assembly in 1858. After settlement in the 1870s, Spokane became the hub in the inland Northwest for mining, timber and railroad activities.

Of all the forces that shaped the Spokane County economy, none is more powerful than Spokane's historic role as a regional center of services for the surrounding rural populations of Eastern Washington and Northern Idaho. Regional services include government and higher education, medical services, retail trade and finance.

Fairchild Air Force Base is the county's largest employer. Fairchild will be getting more planes in 2021 with an increase of 200 service personnel. In addition, manufacturing has had a solid base due to the nexus of the Bonneville dam power generation, rail systems and the Interstate highway system. Spokane is competitive with other urban centers in attracting national and international investment in the form of tourism and conventions, the military and research. These investments in turn support the creation and expansion of still other complementary businesses, creating a well-rounded and diversified economy.

Geographic facts

	Spokane County	n state
Land area, 2010 (square miles)	1,763.79	19
People per square mile, 2010	267.2	8

Source: U.S. Census Bureau QuickFacts

Outlook

For 2020, a significant decrease in jobs was posted in the private sector. The decrease was mainly due to business shutting down because of the impact of the COVID-19 pandemic starting in March 2020. The decrease will probably be divided between temporary decreases because of COVID-19 and permanent decreases going forward in changing staffing patterns such as telework.

Key industries posting increases in 2020 are transportation and warehousing, advanced manufacturing, finance and insurance, information (IT), and agriculture. Not only are jobs being created, but also an increasing number of replacement workers are needed for workers who are retiring.

Several new developments will continue to create jobs. A new Health Sciences campus opened in 2014 with health programs from Washington State University, Eastern Washington University and Gonzaga. Private firms specializing in research, development and biotechnology have made Spokane their home because of the Health Sciences/Medical School campus at River Pointe and will play an increasingly important role in the area's economy. Amazon is building a fulfillment center (warehouse) to be opened in 2020, which in addition to warehousing will increase air and road transportation employment. Spokane may benefit from a migration of IT firms moving to Spokane trying to reduce stress for their workers. Contributing to labor stress in major urban areas are increased cost of living, labor shortages and high commute times. Economic development targets will continue in industries such as advanced manufacturing and materials, energy products and services, information technology and digital services, and logistics and distribution businesses.

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.

In the first nine months of 2020, the Spokane county labor force averaged 256,490. The unemployment rate was estimated at 9.5 percent, with 24,419 unemployed residents. The number of unemployed is double what it was last year during the same time period, and due almost entirely to the pandemic.

Source: Employment Security Department/LMEA, County Data Tables

Industry employment

Current industry employment statistics are available on the *Labor area summaries* page on ESD's labor market information website.

Spokane County is the largest labor market in Eastern Washington and Northern Idaho. Spokane's economy survived the "Great Recession" and emerged more diversified. Steady growth is forecasted for the future.

Spokane MSA (which includes Stevens and Pend Oreille counties) posted job decreases in 2020. Business was impacted significantly from the COVID-19 pandemic, with a nine-month average loss of 15,900 jobs compared to the same period in 2019. To stop the spread of the virus, some industries were shut down. Everyone was impacted, workers and business. For Spokane, industries listed as essential, and thus not locked down, were the same industries that were increasing before the pandemic reducing the impact that most urban areas experienced. Those include, advanced manufacturing, finance and insurance, and transportation and warehousing. Health services and education were also impacted, but probably more of a temporary impact, and should return to 2019 levels in 2021. Altogether, the five industries have medium sized employers that are flexible and

efficient in their markets. The health sciences and medical school development has been a game changer for Spokane-Spokane Valley MSA. High-tech companies in manufacturing, scientific and technical industries are creating new jobs and will continue to expand the economic base in 2021.

- For the first nine months of 2020, Spokane-Spokane Valley MSA nonfarm jobs averaged 238,500 compared to the same months in 2019 of 254,400.
- Goods-producing employment recorded 31,200 jobs in 2020, down 1,940 jobs from the same period in 2019.
- Service-providing employment totaled 207,300 in 2020, down 13,900 jobs from the same period in 2019. Leisure and hospitality jobs posted the largest decreases.

For historical industry employment data, contact an economist.

Source: Employment Security Department/LMEA, County Data Tables

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.

Spokane County highlights:

In 2019, the largest job holder age group in Spokane County was the 25 to 34-year-olds with 22.9 percent of the workforce. This percentage was closely followed by job holders aged 55 and older at 22.5 percent of the workforce

In 2019, men held 50.2 percent and women held 49.8 percent of the jobs in Spokane County.

- Male-dominated industries included construction (84.6 percent), manufacturing (75.5 percent) and transportation and warehousing (75.5 percent).
- Female-dominated industries included healthcare and social assistance (74.8 percent), educational services (66.6 percent) and finance and insurance (63.6 percent).

Source: Employment Security Department/LMEA, County Data Tables

Wages and income

In 2019, Spokane County averaged 228,402 jobs covered by unemployment insurance with a total payroll over \$11.5 billion.

The county's average annual wage was \$50,234 in 2019, which ranked 13th among all Washington counties. The state's average annual wage was \$69,615 and the state less King County was \$52,669.

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.

Per capita income reached \$48,436 in 2019, 17th in the state. This is 14 percent below the U.S. average and 25 percent below the state average of \$64,758.

Median household income over the period 2014 to 2018 was \$54,852, well below the state's \$70,116 according to the U.S. Census Bureau QuickFacts.

Over the period 2014 to 2018, 13.0 percent of the population was living below the poverty level in Spokane County. This is well above 9.8 percent for the state.

Source: Employment Security Department/LMEA, County Data Tables; Bureau of Economic Analysis; U.S. Census Bureau QuickFacts.

Population

Spokane County's population was estimated at 522,798 in 2019, making it the fourth-largest county in the state. The city of Spokane recorded a population of 222,000 in 2019, 43 percent of the county's population.

The population's total percent change from 2010 to 2019 was 10.9 percent. The increase was due to both natural increase and in-migration.

Source: U.S. Census Bureau QuickFacts

Population facts

	Spokane County	Washington state
Population 2019	522,798	7,614,863
Population 2010	471,229	6,724,540
Percent change, 2010 to 2019	10.9%	13.2%

Source: U.S. Census Bureau QuickFacts

Age, gender and ethnicity

Most of the people moving into the county are in search of jobs and tend to be younger. Even with the in-migration of younger individuals, the large swell of baby boomers will continue to increase the median age. At some point, the aging of Spokane County may decrease with the influx of younger individuals, who may stay in the area and start families and a concurrent loss of retirees who migrate out of Spokane County to follow the sun.

Spokane County is far less diverse than either the state or the nation. In 2019, 88.9 percent of the county was white compared to 78.5 percent of the state and 76.3 percent of the nation. Hispanics or Latinos made up 6.1 percent of the population compared to 13.0 percent in the state.

Source: U.S. Census Bureau QuickFacts

Demographics

	Spokane County	Washington state		
Population by age, 2019				
Under 5 years old	6.0%	6.0%		
Under 18 years old	22.0%	22.8%		
65 years and older	16.6%	15.9%		
Females, 2019	50.4%	49.6%		
Race/ethnicity, 2019				
White	89.9%	78.5%		
Black	2.0%	4.4%		
American Indian, Alaskan Native	1.8%	1.9%		
Asian, Native Hawaiian, and other Pacific Islander	3.0%	10.4%		
Hispanic or Latino, any race	6.1%	13.0%		

Source: U.S. Census Bureau QuickFacts

Educational attainment

Spokane County had more adults 25 years and older who were high school graduates in the 2014 to 2018 period at 93.7 percent than the state at 91.1 percent or the nation at 87.2 percent.

In terms of a bachelor's degree or higher, Spokane County had fewer adults age 25 and older with higher education at 30.4 percent than the state at 35.3 percent.

Source: U.S. Census Bureau QuickFacts

Useful links

- County data tables
- Census Bureau Profile
- Community Indicators Initiative of Spokane
- EWU | Institute for Public Policy and Economic Analysis
- Greater Spokane Incorporated
- Self Sufficiency Calculator for Washington State
- Spokane County home page
- Spokane County on ChooseWashington.com
- Spokane County on ofm.wa.gov
- Spokane County Thumbnail History
- U.S. Census Bureau QuickFacts
- Washington Ports
- Workforce Development Areas and WorkSource Office Directory

Employment Security Department is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Language assistance services for limited English proficient individuals are available free of charge. Washington Relay Service: 711.