Jefferson County profile

By Jim Vleming Regional labor economist *Updated May 2022*



Overview | *Geographic facts* | *Outlook* | *Labor force and unemployment* | *Industry employment* | *Wages and income* | *Population* | *Useful links*

Overview

Regional context

Jefferson County is located on the Olympic Peninsula in northwestern Washington state. Jefferson County is nestled between the Admiralty Inlet and Clallam, Mason, Grays Harbor and Kitsap counties. It faces the Pacific Ocean to the west and Hood Canal to the east. Named for President Thomas Jefferson, it was created in 1852 from a portion of Lewis County. The county seat is Port Townsend.

Much of the county is publicly owned land. About 60.0 percent of the county comprises the Olympic National Park and Olympic National Forest and roughly 20.0 percent is under the jurisdiction of federal and state agencies. The Hoh Reservation and a small corner of the Quinault Reservation are also located in Jefferson County.

Jefferson County is a mid-sized county, ranking 18th in the state in land area. Its population density, as measured by people per square mile, ranks 29th among the other counties.

Local economy

Jefferson County's current economic base grew from a rich history of natural resources extraction including logging and fishing in the late 1880s. By the turn of the 20th century, sawmills, fish processing and shipbuilding were firmly established in the coastal areas of the county. The county also was known for smuggling spirits from Canada in and out of the county's many hidden coves and forests during prohibition.

Port Townsend, the economic center of the county, has experienced periods of boom and bust over the century due to its dependency on these volatile industries. During 2011, Port Townsend finally started to recover from the Great Recession with visible signs of economic growth including new shops, new investments and rebounds in tourism. Annual taxable sales in the county have grown strongly since 2013. In 2018, the port of Port Townsend had the highest revenue in five years for its major operating units.

The economy of Jefferson County is comprised of both an industrial and an agricultural base. Industrially, the county's history, climate and terrain supports healthy forest products and maritime sectors, including lumber, fish processing, ship repair and maintenance as well as ship and boatbuilding. The agricultural base encompasses tree farms for logging, aquaculture and a flourishing organic farming sector. Food production, stemming from this growing agricultural segment, includes artisan cheeses and breads. Tourism also provides revenue streams to the county. Economic activity is supported by a vibrant port and airport, ferry terminal and state highways. A recent development is the Emerald Coast Opportunity Zone (ECOZ), which consists of a diverse group of geographical census tracts intended to make the Olympic Coast more attractive to investors. Working together, ECOZ is catalyzing economic development in rural areas by engaging with communities and connecting the best opportunities with private capital.

This Opportunity Zone is a unique collaboration of five Tribal Nations, four cities, two counties (Clallam and Jefferson) and two port authorities that spans 14 federally designated Opportunity Zone census tracts. Together, the partners of the Emerald Coast Opportunity Zone are building a deal "engine" of community-driven projects that both present good investments but also create good jobs, construct affordable and high-end housing, and support innovative entrepreneurs.

Geographic facts

	Jefferson County	Rank in state
Land area, 2010 (square miles)	1,803.7	18
People per square mile, 2010	16.6	29

Source: U.S. Census Bureau QuickFacts

Outlook

The outlook for Jefferson County for 2021 was going to be one of recovery as the county battled back from the COVID-19 pandemic. While unemployment rates fell from 2020 levels, nonfarm employment lost only 10 jobs from 2020 and remains over 500 jobs short of the 2019 county total. The outlook for 2022 should continue progress toward 2019 nonfarm job totals.

Labor force and unemployment

Current labor force (CLF) and unemployment statistics are available on the <u>Labor area summaries</u> page on ESD's labor market information website.

The 2021 CLF was 12,850, down slightly from the 2020 total of 12,908. In 2019, the county civilian labor force was 13,000.

The civilian labor force has steadied over the last several years and continues to be stable.

The 2021 figures show an unemployment rate of 6.2 percent compared to 9.5 percent in 2020. The unemployment rate, due to the pandemic, spiked in April 2020 at 19.6 percent and fell as the year progressed. The drop in unemployment rate should continue into 2022 and fall into the upper 5 to low 6 percent figures.

Source: Employment Security Department

Industry employment

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

In Jefferson County, the nonfarm sector averaged 8,670 jobs in 2021. That is 10 jobs fewer than in 2020 and 520 fewer jobs in 2019.

• The goods-producing sector was up 10 jobs year over year with construction down 10 jobs and manufacturing up 20.

• The service-providing sector was down 20 jobs from 2020. The leisure and hospitality sector took the brunt of the COVID-19 shutdown, regained 70 jobs between 2020 and 2021, but still lags pre-pandemic levels.

For historical industry employment data, contact an economist.

Source: Employment Security Department

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.

Jefferson County highlights:

The population of Jefferson County is older than that of the state, which is also reflected in the labor force figures. Over 31.3 percent of the workforce was aged 55 or older in 2020.

• Those aged 55 and older dominated the utilities, educational services and transportation services jobs, while younger workers (14 to 24) made up the bulk of accommodation and food services positions.

When looking at all industries, men held 47.7 percent of the jobs while women made up 52.3 of all workers in 2020. Despite this imbalance, males in the county tended to be employed in higher-wage jobs in what are generally considered traditionally male fields such as manufacturing and construction. There are wide differences in the composition of industry sector by gender in Jefferson County.

- Male-dominated industries included construction (79.2 percent), manufacturing (71.2 percent), agriculture, and forestry and fishing and hunting (69.8 percent).
- Female-dominated industries included finance and insurance (77.3 percent), health care and social assistance (80.5 percent) and educational services (72.5 percent).

Source: The Local Employment Dynamics

Wages and income

In 2020, Jefferson County had 8,640 jobs covered by the unemployment insurance system, with a payroll of over \$393 million.

The 2020 average annual wage for Jefferson County was \$45,522, below the state's average of \$76,801.

The median hourly wage in 2020 was \$24.61, less than that of the state's median hourly wage at \$29.28 and for the state less King County at \$25.01.

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 personal income in Jefferson County in 2020 was \$56,585 compared to \$67,126 for the state and \$59,510 for the nation.

The median household income in Jefferson County was \$57,693 during the period surveyed between 2016 and 2020. The county's median was less than the state's (\$77,006) and the nation's (\$64,994) over this same period.

Over the period 2016 through 2020, 10.6 percent of those in the county were living below the poverty level compared to 9.5 percent of the state population and 11.4 percent of the U.S. population. The state and national rates are not directly comparable to the county rate because they each use different data sources.

Population

The population of Jefferson County was 33,605 in 2021. It grew from 29,872 in 2010.

Jefferson County's largest city, Port Townsend, had a population of 10,220 in 2021, up from 9,113 in 2010, an increase of 1,100 people.

Population facts

	Jefferson County	Washington state
Population 2021	33,605	7,738,692
Population 2010	29,872	6,724,540
Percent change, 2010 to 2021	12.5%	15.1%

Source: U.S. Census Bureau QuickFacts

Age, gender and ethnicity

Jefferson County's population was older than the population of the state in 2020.

- The county's residents in the 65 and older category made up 37.9 percent of its population compared to 15.9 percent of the state's population.
- There were proportionately fewer young residents in Jefferson County compared to the state.

Females made up 51.1 percent of the county's population compared to 49.9 percent in the state in 2020.

The population is less diverse than the state's, except for American Indians and Alaskan Natives.

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

Demographics

	Jefferson County	Washington state
Population by age, 2020		
Under 5 years old	2.9%	6.0%
Under 18 years old	11.8%	21.8%
65 years and older	37.9%	15.9%
Females, 2020	51.1%	49.9%
Race/ethnicity, 2020		
White	91.1%	78.5%
Black	1.1%	4.4%
American Indian, Alaskan Native	2.2%	1.9%
Asian, Native Hawaiian, other Pacific Islander	2.2%	10.4%
Hispanic or Latino, any race	3.8%	13.0%

Educational attainment

Most of Jefferson County residents age 25 and older (96.3 percent) were high school graduates, which compares favorably with 91.7 percent of Washington state's residents and 88.5 percent of U.S. residents in the period 2016 to 2020.

Those with a bachelor's degree or higher made up 42.5 percent of Jefferson County residents age 25 and older compared to 36.7 percent of state residents and 32.9 percent of U.S. residents over the same period.

Source: U.S. Census Bureau QuickFacts

Useful links

- <u>County data tables</u>
- <u>Census Bureau Profile</u>
- Jefferson County Chamber of Commerce
- Jefferson County Economic Development Council
- <u>Visit Jefferson County</u>
- Jefferson County History
- Jefferson County home page
- Jefferson County on ofm.wa.gov
- Jefferson County on ChooseWashington.com
- Olympic Consortium WorkSource
- Port of Port Townsend
- <u>Self Sufficiency Calculator for Washington State</u>
- <u>U.S. Census Bureau QuickFacts</u>
- Washington Ports
- Workforce Development Areas and WorkSource Office Directory
- Emerald Coast Opportunity Zone
- <u>City of Port Townsend</u>

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.