

Walla Walla County Jobs Losses since mid-March, 2020 due the Corona Virus and Ensuing Washington State Policies

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Motivation

- To report out the Walla Walla County job losses due to:
 - Market response to the threat of the corona virus
 - Gov. Inslee's recent "Stay Home, Stay Safe" order
- Considering a very short timeframe: changes in employment in March, April and May to-date
- Should give a sense of the peak (trough) of job losses due the corona virus

Methods

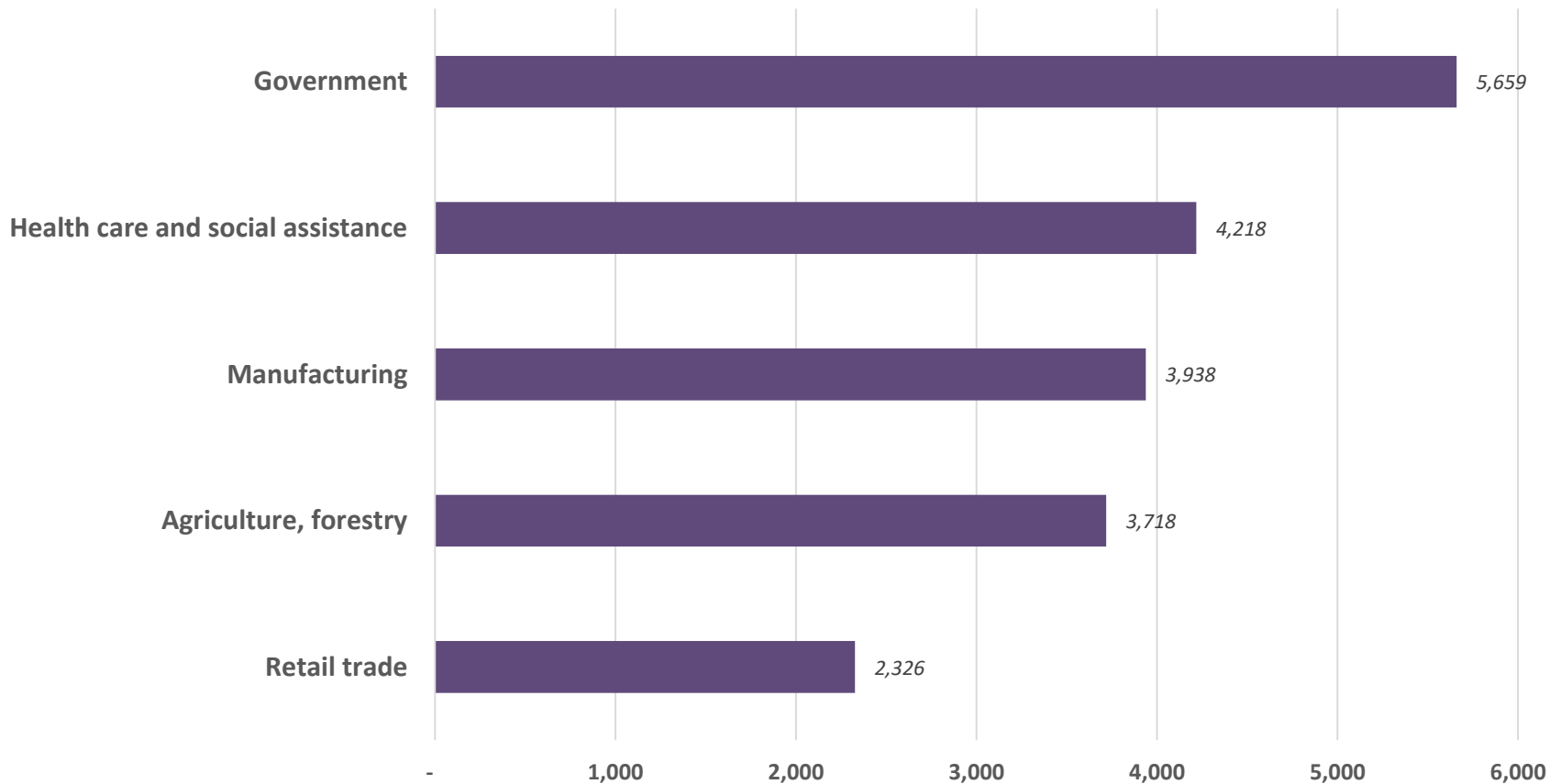
- Look at jobs lost on an industry-by-industry basis
- Tool: reports by Department of Employment Security on initial claims & continuing claims by residence of worker
- QCEW uses 20 sectors (manufacturing, healthcare, finance)
- Analysis now includes the self-employed and includes positive employment effects (grocery, big box stores)

A look at Walla Walla County's 5 largest sectors, by their share of total jobs

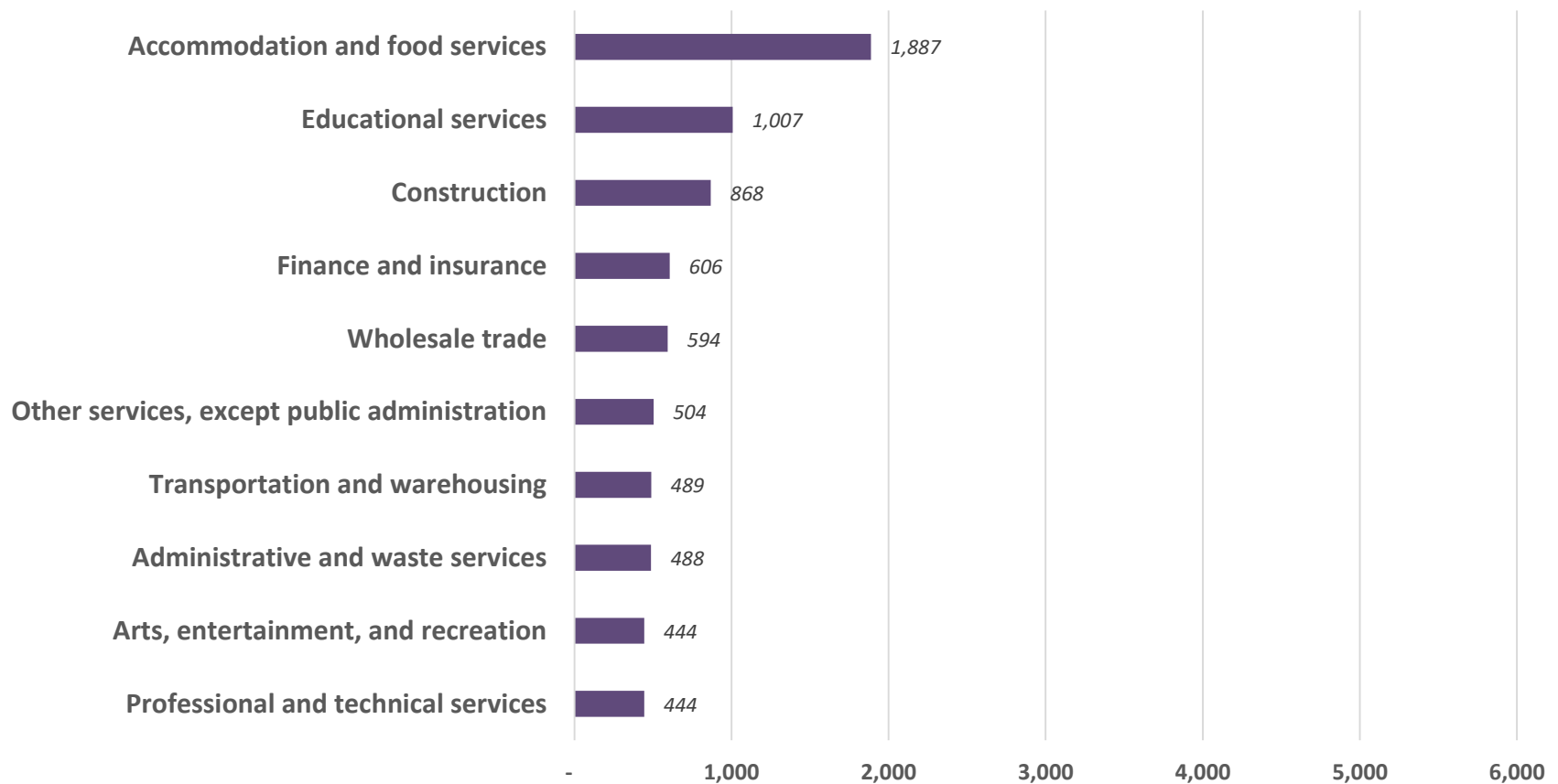
[see graph for top 5 sectors](#)

- Structure of Walla Walla economy differs from WA's, primarily due to larger agriculture, manufacturing & government sectors
- Number of people employed in 2018 in Walla Walla County ~ nearly 28,000
 - 2019 annualized numbers likely same or slightly higher
 - Total, again, does not include the self-employed (sole proprietors)

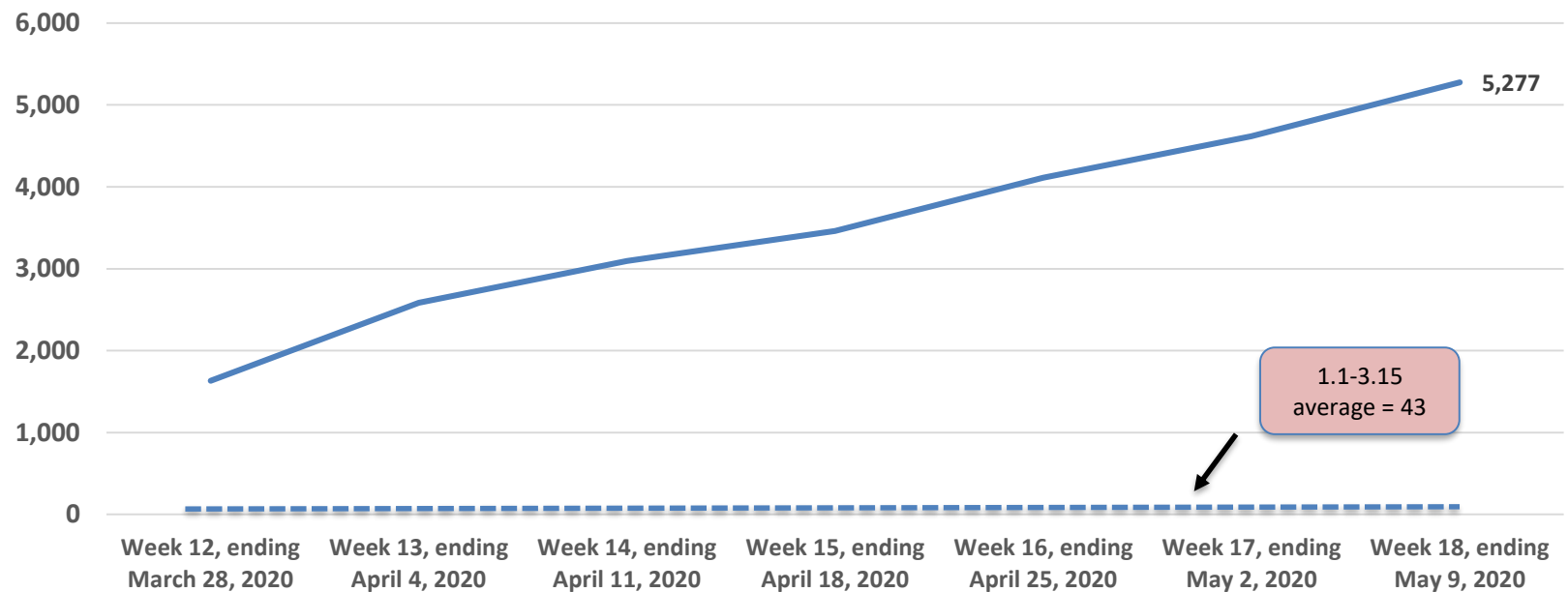
Walla Walla County's top 5 sectors, by jobs, in 2018



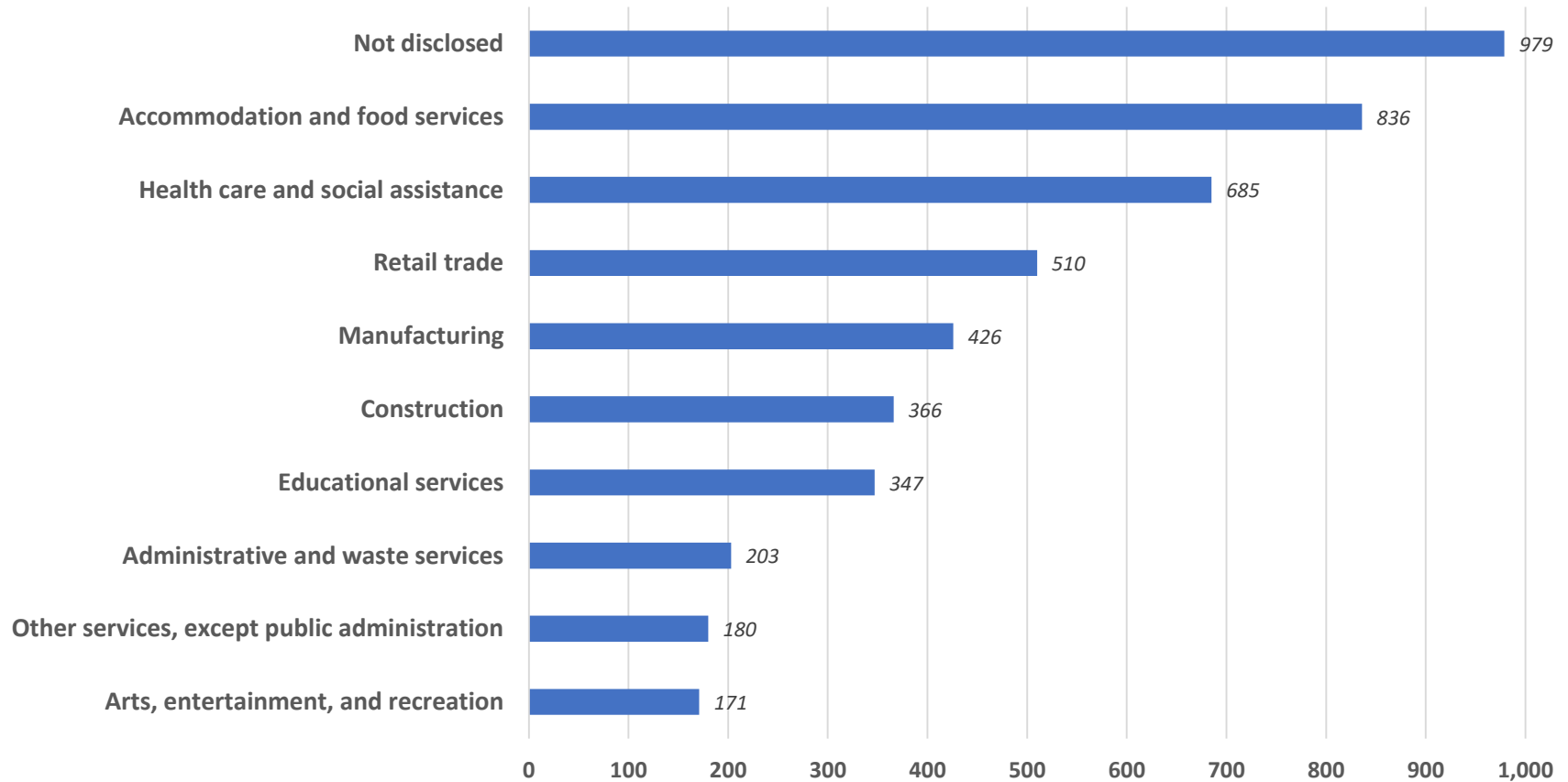
The next largest 10 sectors in Walla Walla County, by jobs, in 2018



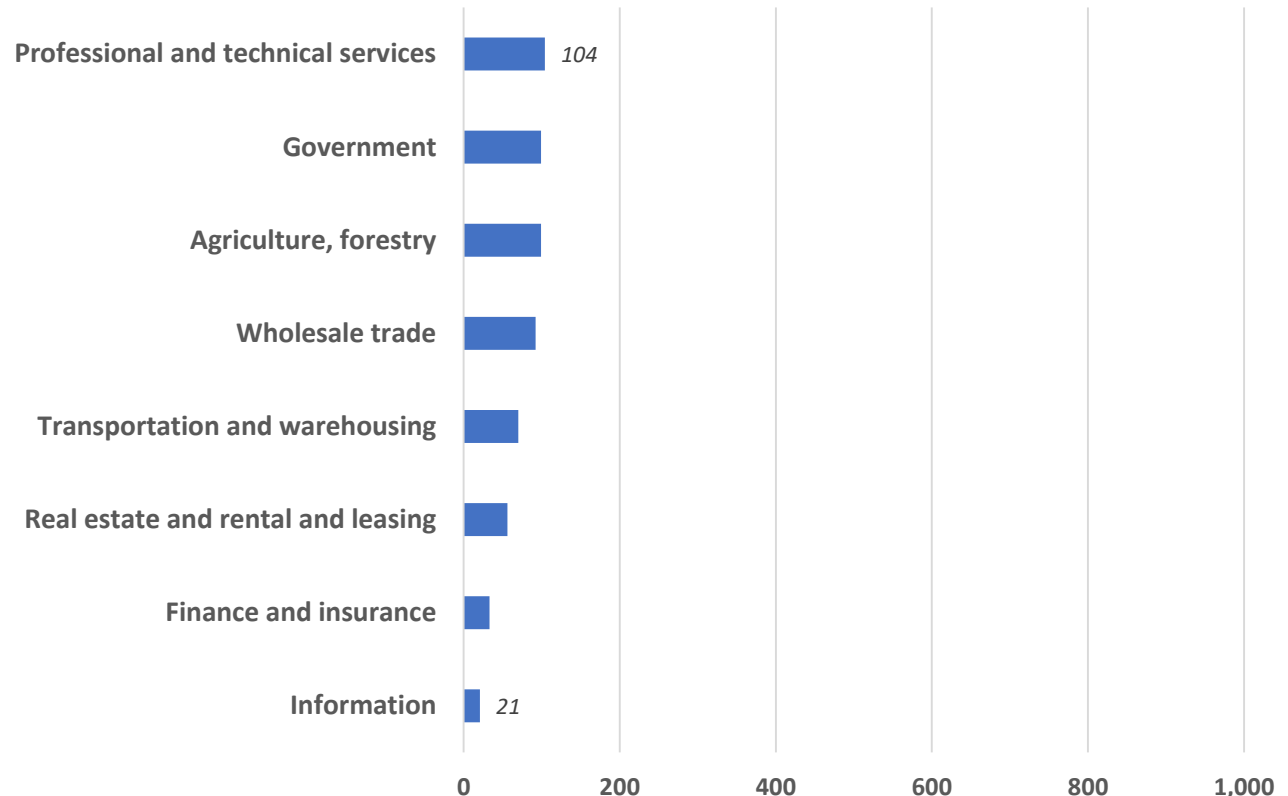
The “big picture”: weekly cumulative claims for unemployment insurance in Walla Walla



Findings: the most impacted sectors – 8 weeks of initial claims for unemployment insurance (as of 5.09)



Findings for the remaining sectors – initial claims at 8 weeks (5.09)



Discussion of the industry-by-industry look

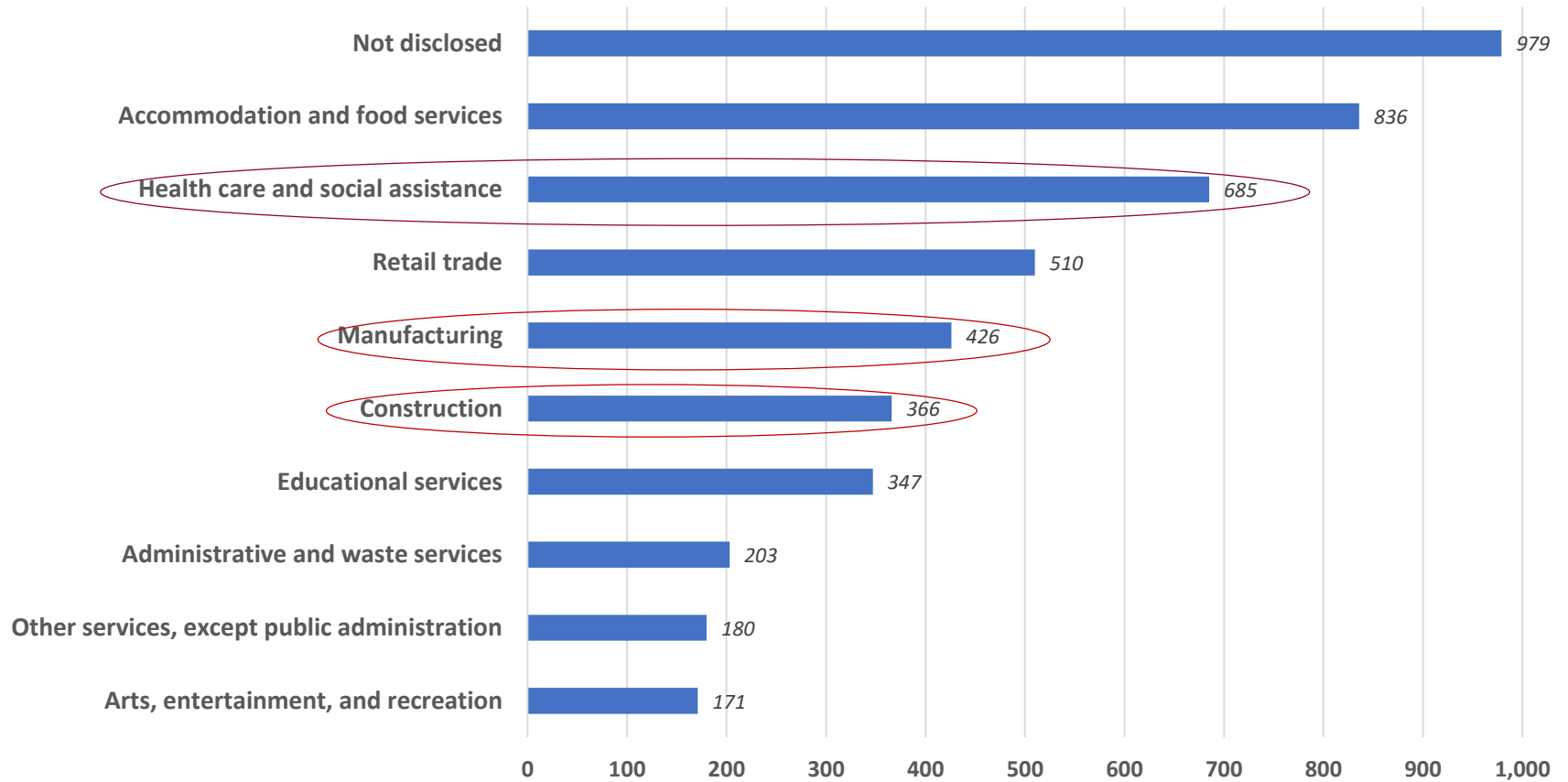
- According to ESD, reported numbers include some duplication; how much we'll know within a month
- This 8-week total includes non-traditional recipients of UI, such as sole proprietors & independent contractors, thanks to the CARES act
- Or, as share of number employed in 2018: ~ 18%
 - This is the “upper bound” of an estimate in early May
 - Lowest share among Eastern WA urban areas

The recovery will be led by certain sectors – guided by WA Phases (here I & II)

From the SafeStart guidelines for Phase II

- The remainder of construction
- The remainder of manufacturing
- All healthcare
- All real estate
- Some retail
- Restaurants at 50% of capacity
- Personal grooming
- Office-based businesses

Jobs likely to come back first



But maybe not...

- Construction seems most secure, but what if demand slumps?
- Manufacturing also seems secure, but WSJ recently reported the shrinking of many U.S. firms
- Healthcare & social assistance – elective surgeries need to come back & eldercare services, in particular, need to re-surface

Quick assessment of this short-run outlook

- Results would not be as dire if, instead of jobs, *payroll* were used in analysis
 - Equivalently, the impacts disproportionately affect low-wage workers
- Questions for group
 - Agree with our assessment of key comeback industries?
 - Will market conditions prohibit comeback of industries, even if WA gives a green light?
 - When will Phase II come to WW?

Questions?

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