

# Washington's Economic Recovery

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Chris Green

ASST. DIRECTOR, WASHINGTON STATE DEPT. OF COMMERCE  
OFFICE OF ECONOMIC DEVELOPMENT AND COMPETITIVENESS

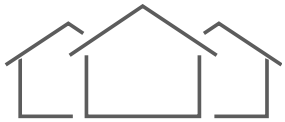
FEBRUARY 2, 2021



Washington State  
Department of  
**Commerce**

# We strengthen communities

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**HOUSING  
HOMELESSNESS**



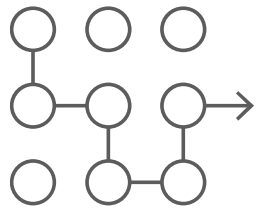
**INFRASTRUCTURE**



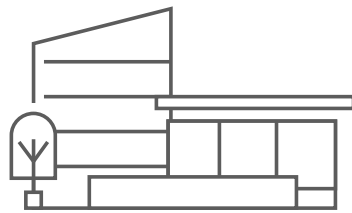
**BUSINESS  
ASSISTANCE**



**ENERGY**



**PLANNING**



**COMMUNITY FACILITIES**

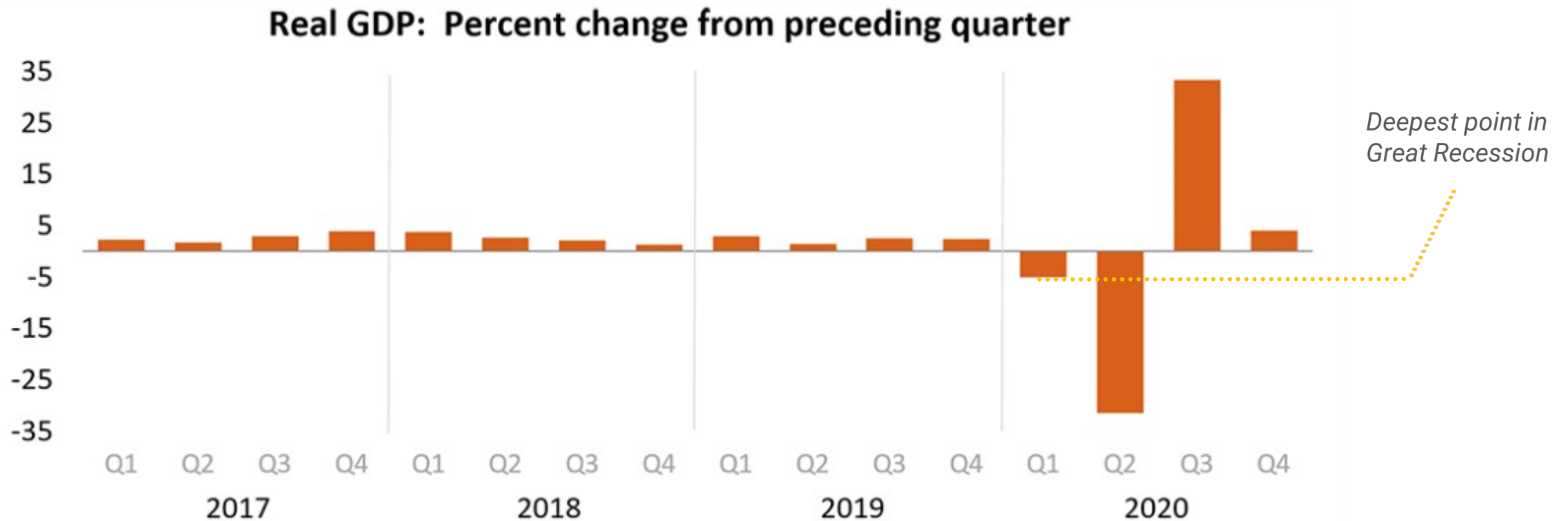


**CRIME VICTIMS &  
PUBLIC SAFETY**



**COMMUNITY  
SERVICES**

# Economic Impact in 2020 (National)

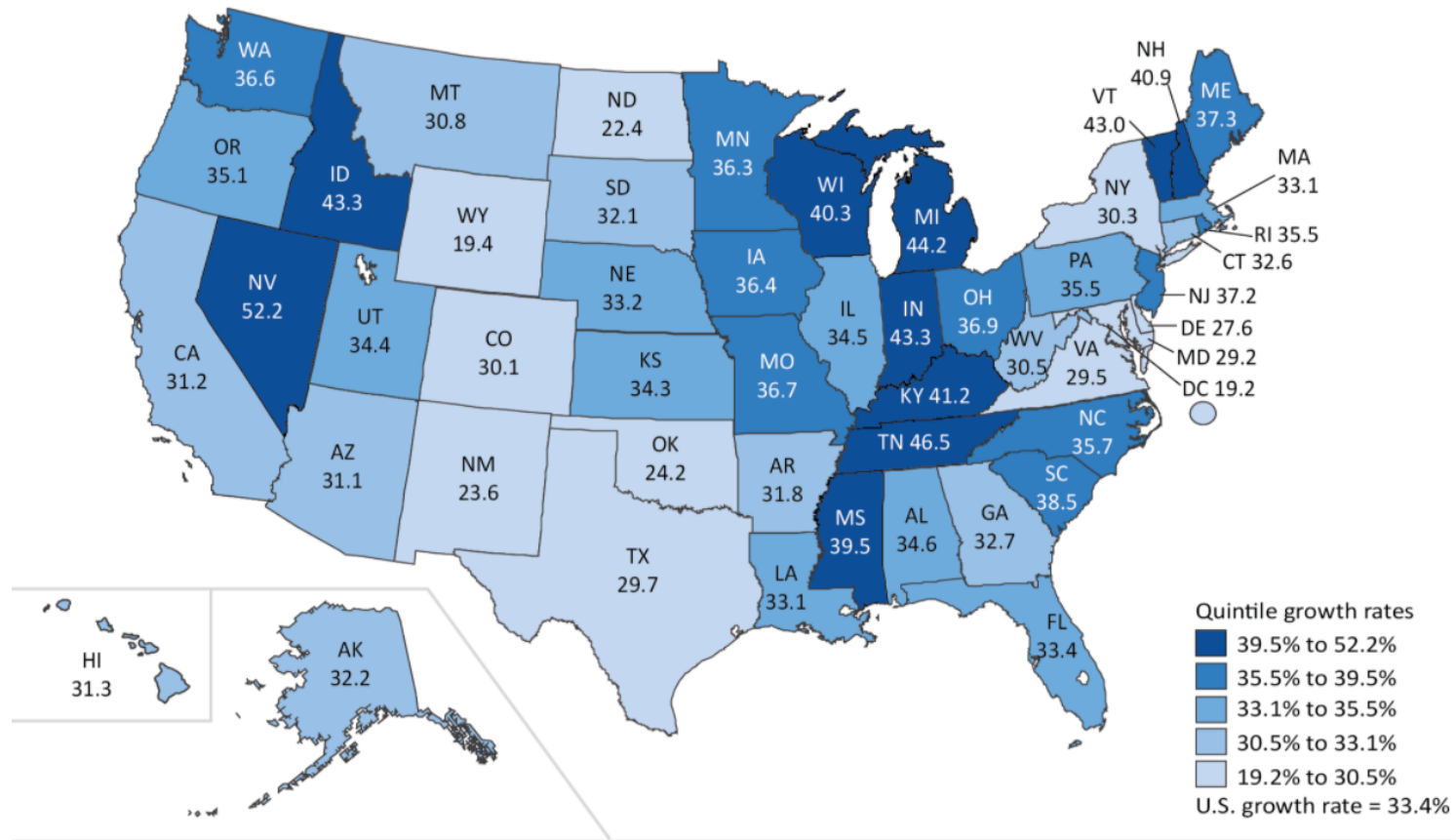


U.S. Bureau of Economic Analysis

Seasonally adjusted at annual rates

# How Washington state compares to US

Real GDP: Percent Change at Annual Rate, 2020:Q2–2020:Q3

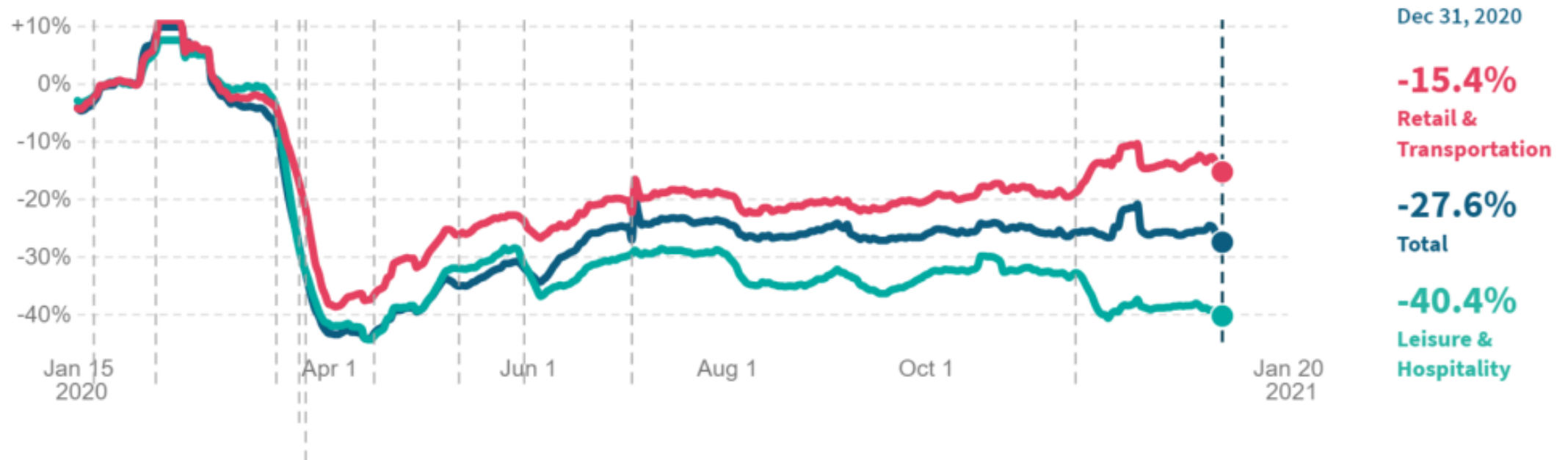


U.S. Bureau of Economic Analysis

# Impact to Small Businesses

## Percent Change in Number of Small Businesses Open\*

In **Washington**, as of **December 31 2020**, the number of small businesses open **decreased** by **27.6%** compared to January 2020.



\*Change in small businesses open (defined as having financial transaction activity), indexed to January 4-31 2020 and seasonally adjusted. This series is based on data from Womply.

last updated: **January 16, 2021** next update expected: **January 22, 2021**

# Economic Recovery Dashboard

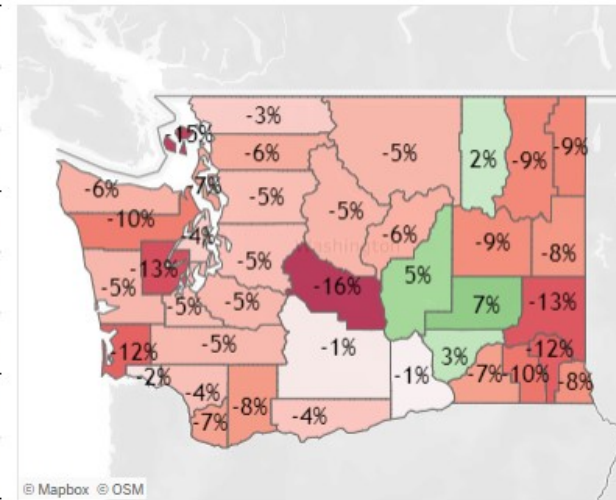
## Measuring the impact of COVID-19 and tracking our recovery

### Economic Recovery Dashboard

Best viewed in full screen

		Current Level	% Change <sup>1</sup>	Absolute Change <sup>1</sup>	Trend
<b>Employment</b> <a href="#">Detailed views</a>	Total Employment	3,609K	-5% ▼	-186K	
	Unemployment Rate <sup>4</sup>	5.9%	2.0% ▲		
	Job Postings		-2% ▼		
<b>Business</b> <a href="#">Detailed views</a>	Taxable Retail Sales	\$13,943M	-8% ▼	-\$1,245M	
	Taxable Business Income	\$56.09B	-7% ▼	-\$4.16B	
	Export Volume	\$4.02B	-18% ▼	-\$0.88B	
<b>Support Programs</b> <a href="#">Detailed views</a>	Basic Food <sup>2</sup> Participants	933.2K	16% ▲	129.3K	
	TANF <sup>3</sup> Participants	69.1K	27% ▲	14.5K	
<b>Consumer Behavior</b> <a href="#">Detailed views</a>	Credit Card Spend		0% ▼		
	Time Outside Home		-16% ▼		

Year-over-year employment change by county



Click a county to view county-specific statistics in the table to the left - click in the gray area outside Washington to clear the filter

1. Change over time period shown in trend-line. Time periods differ due to differences in publication schedules. Percentage change reflects change over last 12 months or since the first available month in last 12 months.  
 2. Supplemental Nutrition Assistance Program (SNAP) and State Food Assistance Program (FAP)  
 3. Temporary Assistance for Needy Families  
 4. Employment Rate is not seasonally adjusted

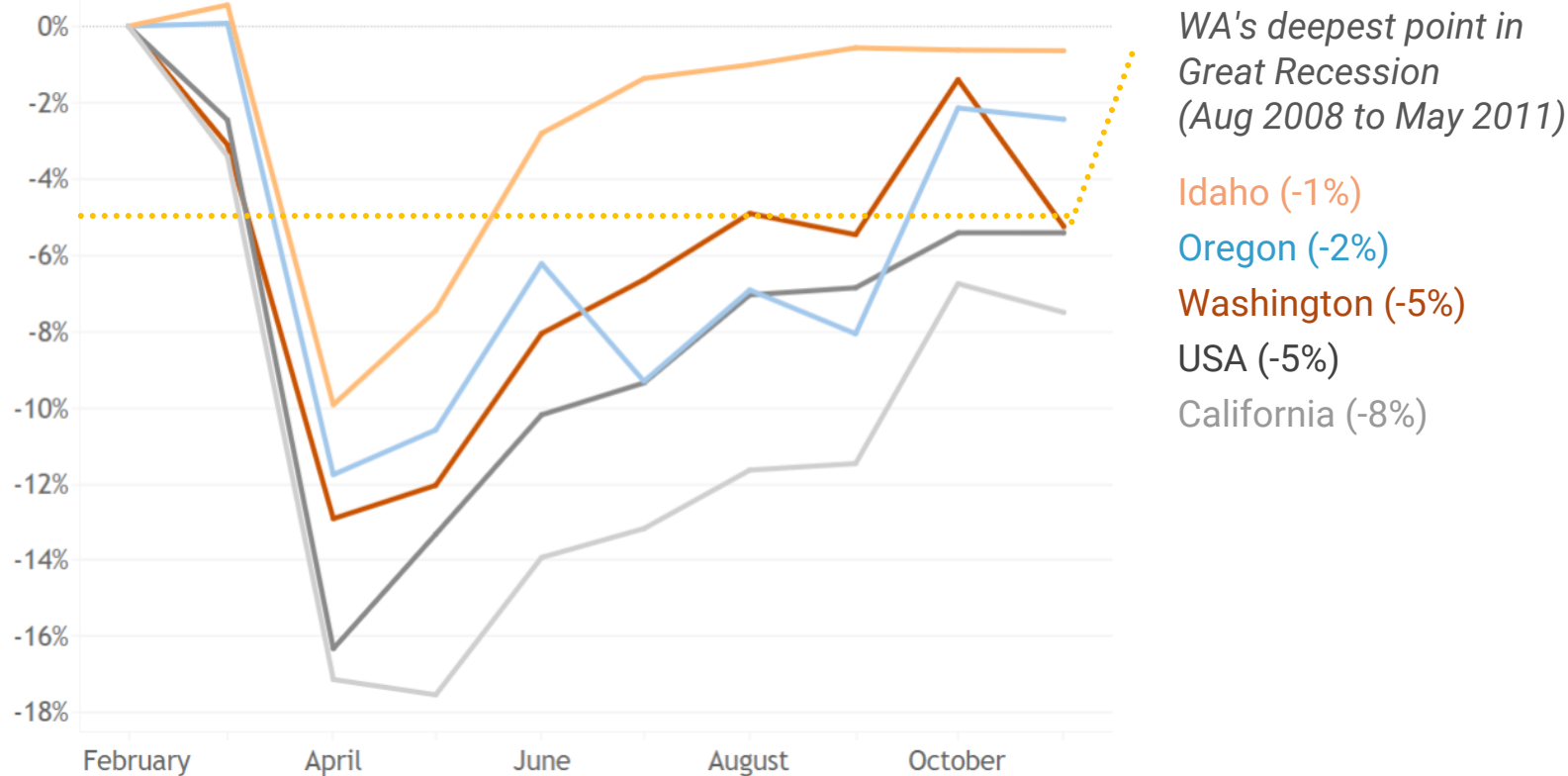
The Economic Recovery Dashboard is a visualization tool that uses an assortment of data sources to track Washington state's economic recovery and resiliency. It displays the latest available data on employment, businesses, government assistance programs, and consumer behavior, helping monitor the economic impact of COVID-19 across Washington state. This dashboard is intended to provide the public access to key metrics that may help inform policy and economic recovery initiatives. As this dashboard is still evolving, we may update the available views and data sources where possible. Updates are made on a monthly basis.

Dashboard last updated: January 19, 2021

# The economic impact of COVID-19 is unprecedented

## Employment declines greater than the deepest point of the Great Recession

**Dashboard screenshot:** % change in total employment in November 2020 versus January 2020 by geography (seasonally adjusted)



Source: Local Area Unemployment Statistics (LAUS) - Seasonally Adjusted, Bureau of Labor Statistics (Includes all workers in the labor force)

### Impact is deep

WA employment rates are steadily improving but the drop in total employment is still near Great Recession levels

### WA tracking with other states

WA curve shaped similarly to other Western states with improved economic outlook through October 2020

### Significant uncertainty around near-term recovery

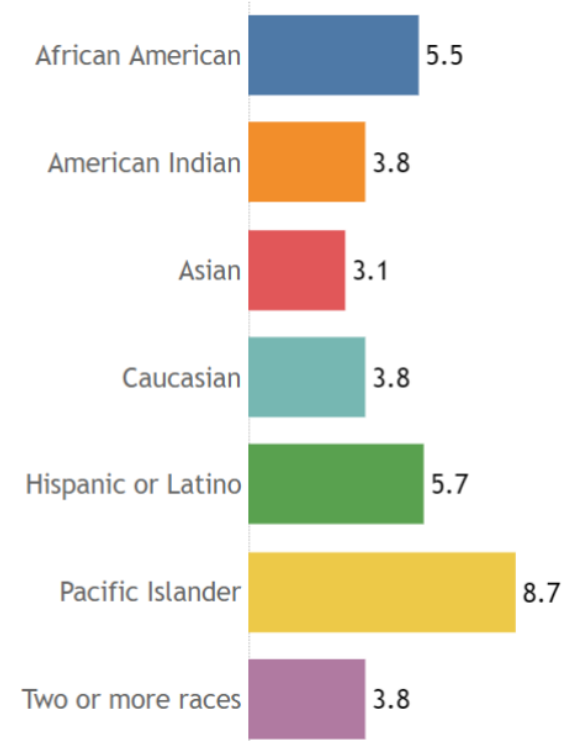
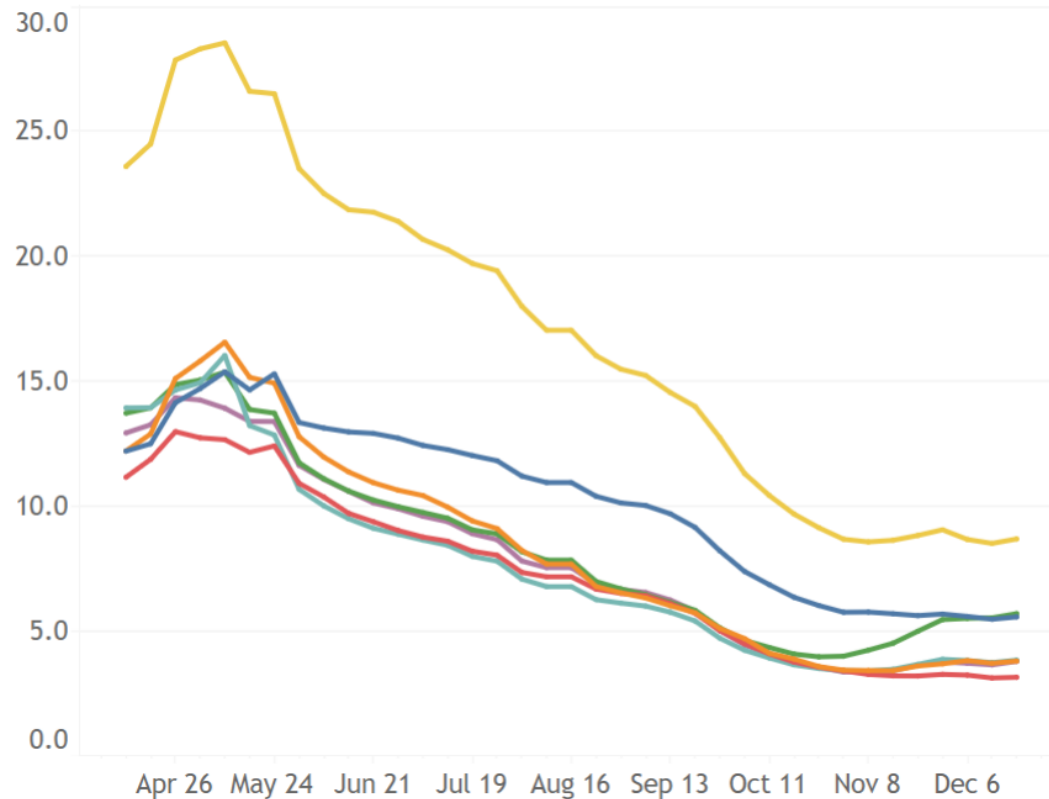
Alarming disease trajectory during winter; new fed support on the way; awaiting news on additional state support



# Trends: Demographic impacts

## Continued claims per 100 workers by demographic group

Only includes regular program claims (No PUA, PEUC, or Shared Work)



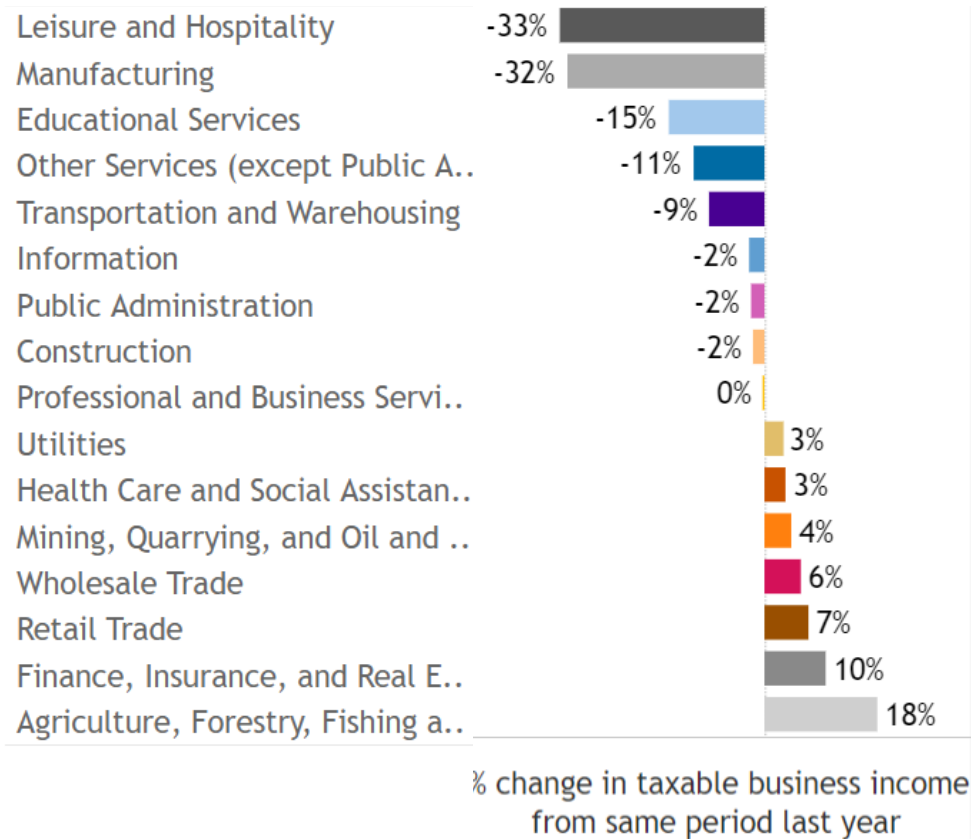
Source: [Washington State UI Claims](#), [WA State Employment Security Department](#)



# Trends: Industry sectors

## Taxable business income by industry

Viewing 3 months ending November 2020

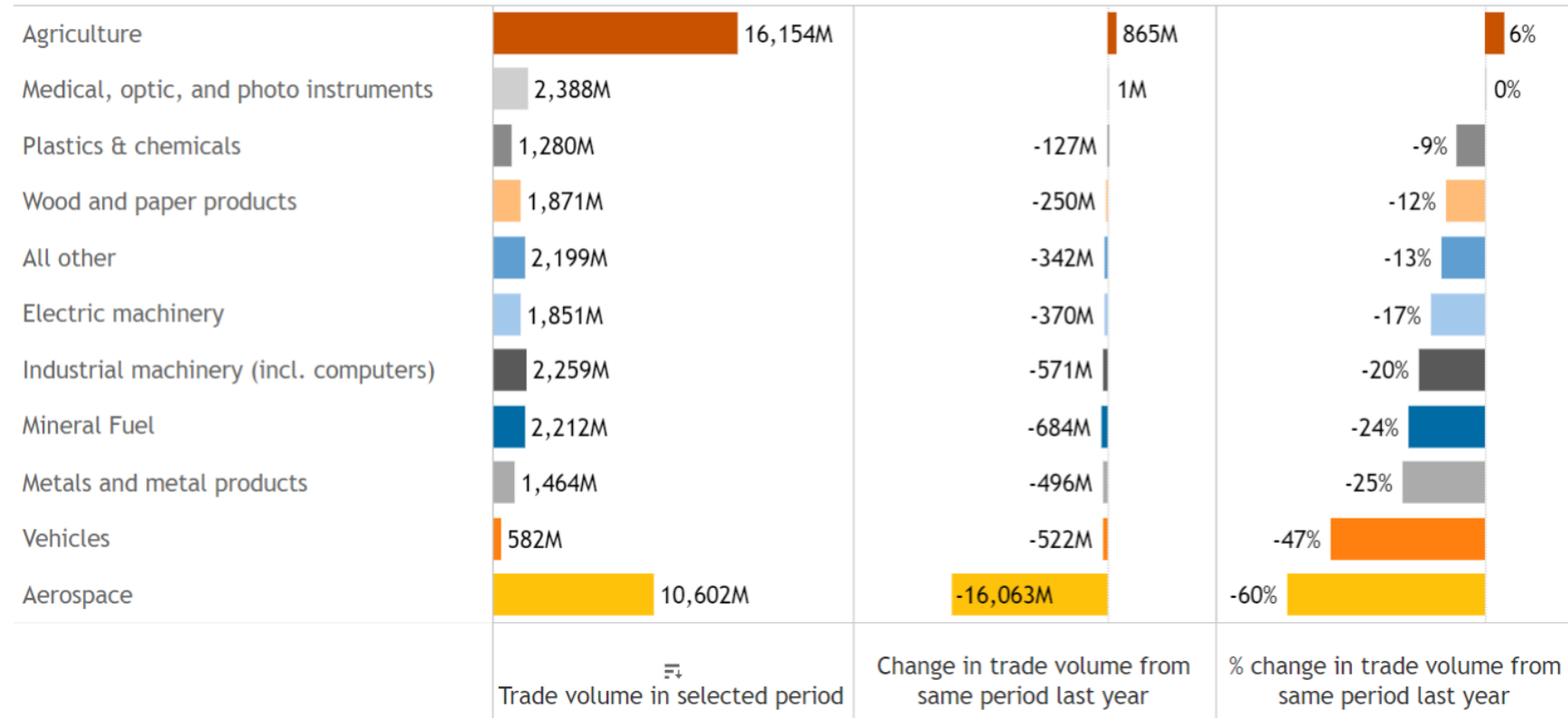


- Manufacturing decline largely driven by aerospace sector
- Tourism/Hospitality continued challenges
- Agriculture improved – but data does not include many small agriculture businesses that do not have taxable business income

# Trade: Past 12 months

## WA export volume by commodity category

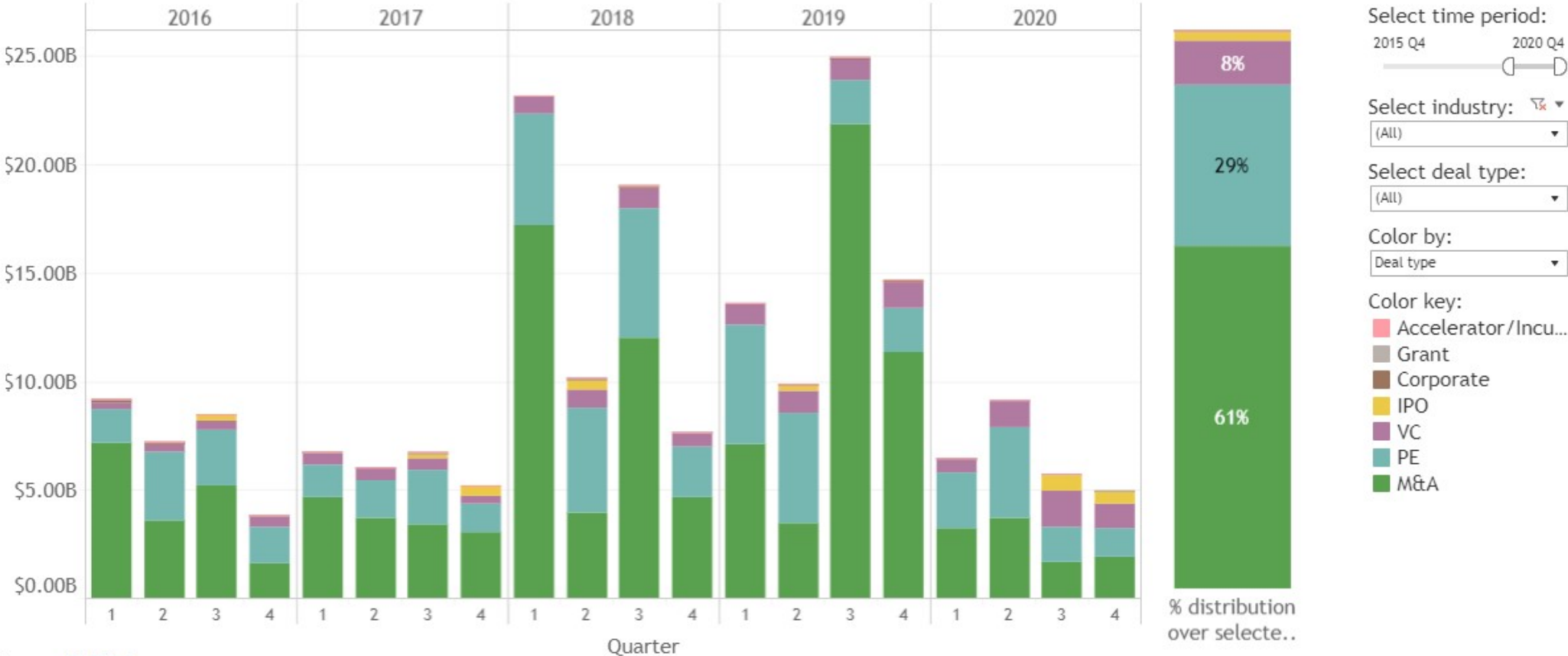
Viewing 12 months ending November 2020



Source: [WISERTrade](#)

# Economic Indicator: Inbound Investment to WA

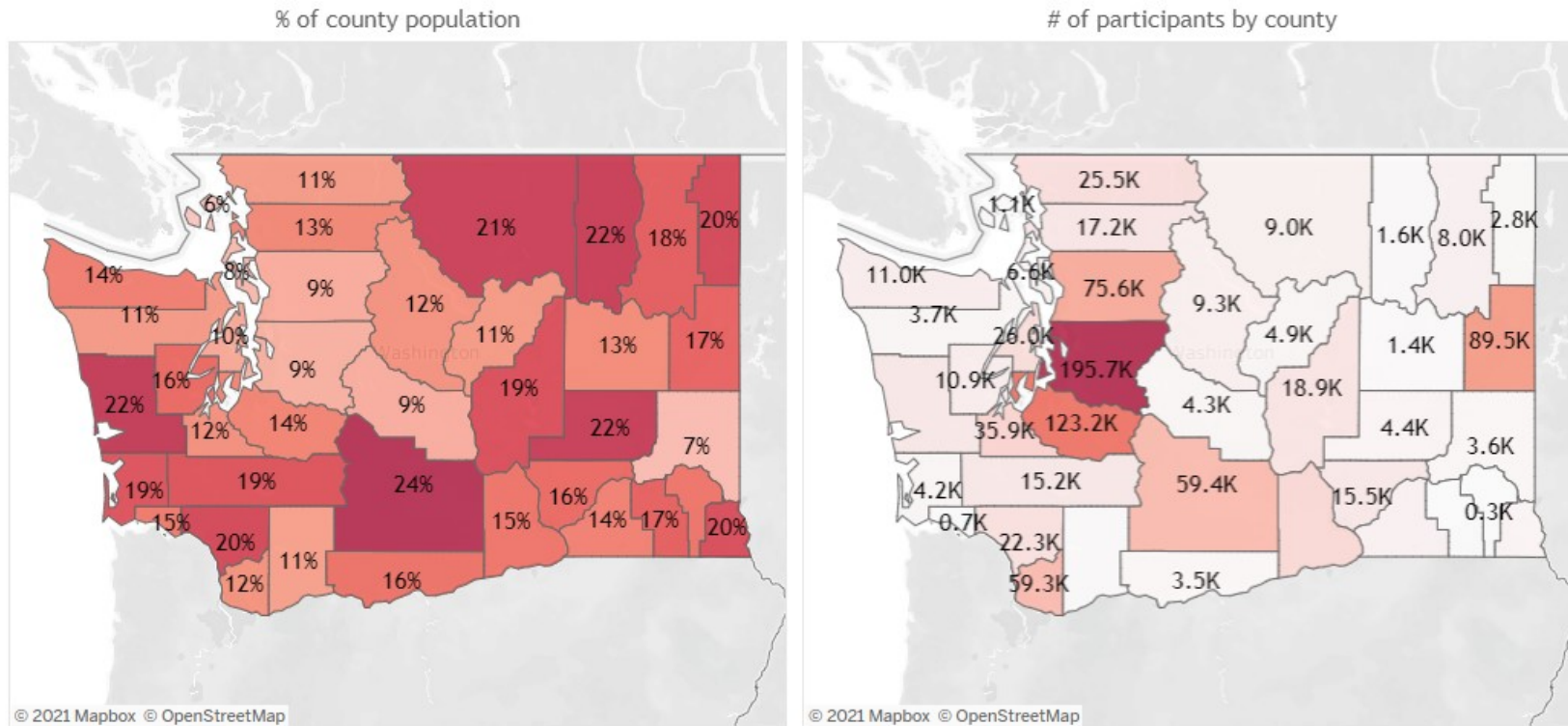
Investments in Washington businesses by quarter



Source: [PitchBook](#)

# Support Programs

## Program participants by county

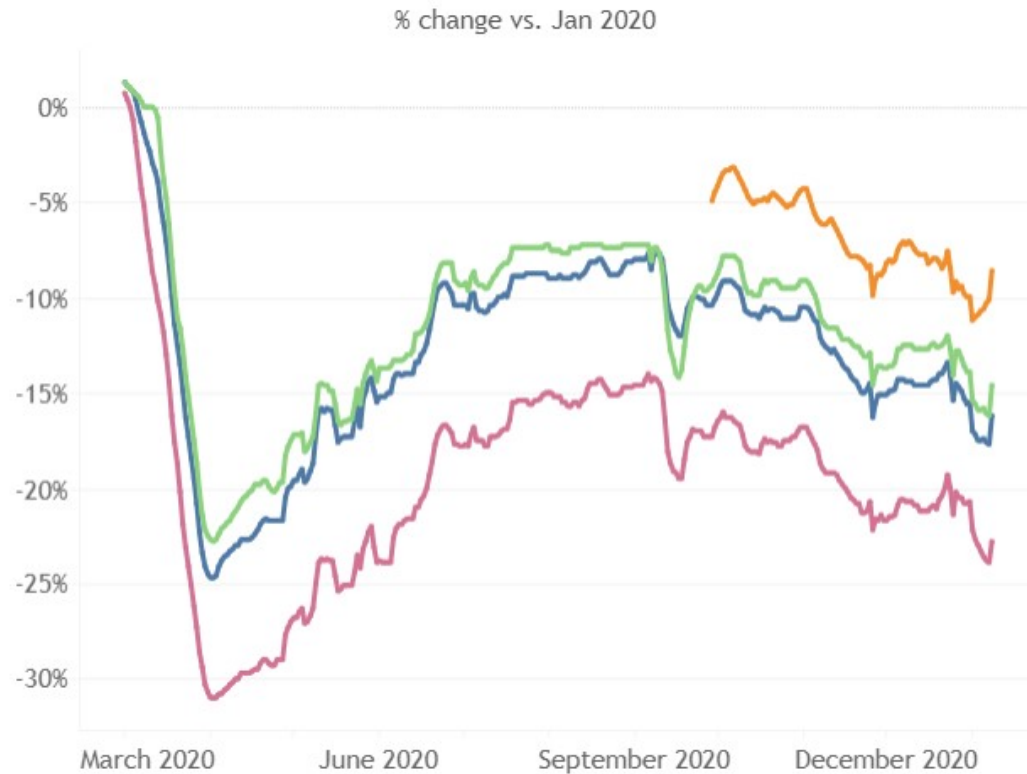


## Basic Food Program

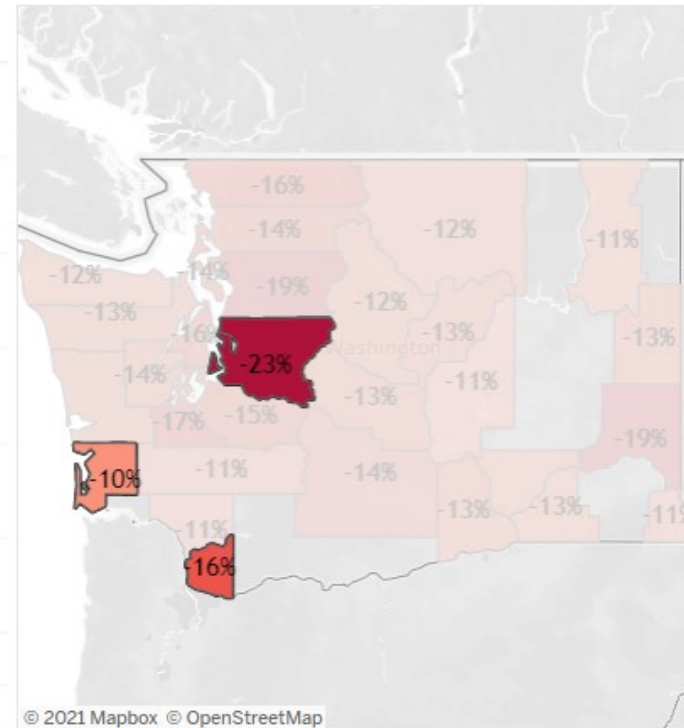
- Feb. 2020 total participants 801k
- Aug. 2020 total participants 989k (12 month peak)
- Nov. 2020 total participants 933k

Source: [WA State Department of Social and Health Services](https://www.wa.gov/department-of-social-and-health-services)

# Economic Indicator: Time Spent outside home



% change vs. Jan 2020 at end of period (7-day rolling avg)



Select time period:

3/1/2020 1/8/2021



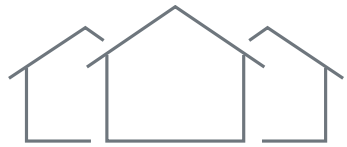
Color key

- Clark
- King
- Pacific
- WA State

Source: [Opportunity Insights Economic Tracker](#)

# COVID response and recovery funding through Commerce

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HOUSING

**\$183M**



BUSINESS

**\$180M**



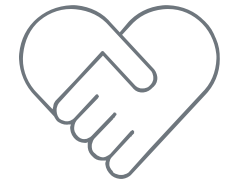
LOCAL GOV

**\$457M**



TRIBES

**\$30M**



NONPROFITS

**\$20M**

**Total to date: >\$800M**

# Future Recovery and Resiliency

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- Small business support, technical assistance, language access remain in high demand
- Washington Recovery Loan Fund will launch in the spring offering low or no interest loans to small, rural, disadvantaged businesses
- Small Business Export Assistance – Commerce pivoting to combine virtual and in person B2B services
- Compete (domestically and globally for high impact investments and growth of 21<sup>st</sup> century industries)

# Manufacturing sector opportunities

gtm:

Solar Grid Edge Storage Wind Trending Podcasts White Papers Webinars



SOLAR

## Violet Power Plans Only Vertically Integrated Crystalline Solar Factory in US

Startup will build a plant in Washington state amid growing bipartisan emphasis on local clean-energy manufacturing.

EMMA FOEHRINGER MERCHANT | SEPTEMBER 09, 2020



Violet will make solar equipment for the residential market.

Violet Power, an Oregon-based solar startup helmed by the recently retired director of the Department of Energy's solar office, plans to build a fully integrated manufacturing plant in

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TOP ARTICLES

MOST POPULAR MOST COMMENTS

EDA grant – Commerce will provide \$3m for new cluster development initiatives

## Competitive Advantages for WA

- Forest products
- Solar
- Batteries
- Grid storage
- Electric aviation
- Space and satellites
- Autonomous vehicles



# LOOKING AHEAD: Economic Recovery Focus

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**EQUITY:** Ensure equitable access to resources for underserved entrepreneurs and communities

**SMALL BUSINESS:** Assist small businesses in retooling and pivoting for safe and successful operations

**HIGH-IMPACT INVESTMENTS:** Advocate for investment in innovation, sustainability, and resilience

**DATA:** Track and promote recovery in jobs and economic activity by sector, industry, and region



Washington State  
Department of  
**Commerce**

[www.commerce.wa.gov](http://www.commerce.wa.gov)



# Thank you.

Chris Green

ASSISTANT DIRECTOR

[Chris.green@commerce.wa.gov](mailto:Chris.green@commerce.wa.gov)

206.256.6100