

Clallam County profile



by Jim Vleming, regional labor economist - *updated October 2017*

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Overview

Regional context

Clallam County occupies a long and narrow area in the most northwestern corner of Washington state. Encompassing part of the Olympic Peninsula, the county includes 1,738 square miles of mostly forested and mountainous land. Clallam County is full of natural wonders and many tourists and locals visit the [Olympic National Park](#) which attracted over 3.4 million visitors in 2016.

The region's 200 miles of coastline have fostered the maritime and fishing industries. Traditionally, much of the economy of the county has reflected this natural abundance with jobs in forestry, wood products and fisheries. As demand has declined for some of the goods-producing and agricultural products in the county, the service sector, including leisure and tourism has grown in their place. The labor market continues to develop, benefiting from the region's natural resources.

Local economy

Around 1851, the first white settlers staked their claims in the area. Clallam County was created in 1854 from bordering Jefferson County. The county's name is derived from the Klallam or S'Klallam people who continue to play a significant role in the county. In 1890, Port Angeles was named the county seat. Sequim and Forks are the other two incorporated cities in the county.

Logging was the primary industry, and benefitted greatly when railroads made it possible to reach further and further into the great conifer stands. Hydroelectric power from the Elwha River dam spurred the first large sawmill in the area. The "Big Mill" was the largest employer in the county for the next 25 years. World War I fueled the need for spruce, which was vital to building the first airplanes. In the 1920s, pulp production took off in Port Angeles, providing the growing need for newsprint and cellulose.

After World War II, growth continued in timber and agriculture. Commercial and sport fishing activities became increasingly important. In the 1960s, Clallam County tribes reclaimed

traditions and reasserted tribal rights to shares of the fish harvests. The Jamestown S’Klallam tribe won federal recognition in 1981, and received trust land at Blyn on Sequim Bay, which now houses a tribal center and casino.

The service sector has been experiencing growth over the past decade. In 2016 it accounted for 88.7 percent of all nonfarm employment. The county houses two prisons, a hospital and school district, which are top employers. The city of Forks continues to be a tourist attraction after the Twilight movies put it on the map.

Other new industries have moved into the county in the past decade. Advanced composites manufacturing has been established in and around the Port Angeles area, providing manufactured parts to the aerospace and marine industries. Advanced Composites recycling is also continuing with the new Composites Recycling Technology Center developments.

Over the past 20 years, the economy in Clallam County has experienced slow but steady growth. This economic growth has been shaped by a vibrant port district in the county’s major coastal city of Port Angeles. New in-migration is also on the rise as many retirees are attracted to Sequim’s “sunbelt” climate.

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Geographic facts

(Source: U.S. Census Bureau QuickFacts)

	Clallam County	Rank in state
Land area, 2010 (square miles)	1,738.33	20
Persons per square mile, 2010	41.1	18

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Outlook

The year 2017 has been a year of transition, as growth has proven to be a challenge in Clallam County. Some projects have continued over the years but new development has been a challenge. The county is primed to add jobs in many areas of the economy including healthcare, advanced composites, marine trades and outdoor tourism.

The Port of Port Angeles, the peninsula’s only deep-water port, supports local industry and employs office and trades staff which brings valued revenue into the community. Current projects at the port include a composites training institute. The port also handles an average of 60.5 million board-feet of logs per year.

Science and academic institutions in the county continue to research important topics and educate the next generation of the labor force. The Department of Energy’s Marine Sciences Laboratory is based at the Pacific Northwest National Laboratory in Sequim. Current projects at the lab include ocean energy development, impact of populations on marine environments and improved coastline security. The hope is to find a vibrant opportunity for growth in the areas of marine conservation and aquaculture.

Peninsula College continues to be a vibrant part of the community by offering programs in fields of business, healthcare and the trades. It has three campus locations at Port Angeles, Port Townsend and Forks.

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Labor force and unemployment

(Source: Employment Security Department)

Current labor force and unemployment statistics are available on the [Labor area summaries page](#).

The preliminary August 2017 civilian labor force (28,162) was above the August 2016 levels (27,483). The number of employed residents was also up over the period. The number of unemployed residents was also down over the year. The not-seasonally adjusted preliminary August 2017 unemployment rate stood at 6.2 percent, down dramatically from the 7.4 rate posted in August 2016.

The 2017 data through August indicates the unemployment rate in the county will remain below 2016 levels as 2017 draws to a close, with the unemployment rate rising seasonally into winter. What once was a declining labor force has reversed course as labor force participation expanded in 2017.

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Industry employment

(Source: Employment Security Department)

Current industry employment statistics are available on the [Labor area summaries page](#).

Clallam County had an estimated 23,650 nonfarm jobs in August 2017 up from the 23,510 posted in August 2016. The jobs picture has improved in 2017 compared to the same months in 2016.

- The goods-producing sector in the county employed 2,830 during August 2017. The manufacturing sector accounted for 1,170 of those jobs.
- While the service-providing sector employed 20,820 in August 2017, with retail trade and leisure and hospitality providing a large chunk of this.
- Government was the leader in nonfarm employment providing 7,730 jobs in August 2017.

Nonfarm job growth in the county has been less than spectacular, averaging less than the state and national increases.

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

Industry employment by age and gender

(Source: The Local Employment Dynamics)

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. Some highlights:

In 2016, the largest jobholder age group in Clallam County was the 55 and older age category, making up 28.5 percent of employment across all industries. The next largest share was among persons aged 55 to 64 with 21.4 percent of employment.

- In 2016, the county's workers mirrored state patterns with workers ages 14 to 24 dominating the accommodation and food services jobs in the county with 29.8 percent of the positions. This age group was also well represented in arts, entertainment and recreation and retail trade.
- Workers in the 55 year and older age category were prevalent in utilities (42.2 percent), educational services (39.4 percent), transportation and warehousing (40.2 percent), real estate and rental and leasing (41.0 percent) and healthcare and social assistance (32.4 percent).

Females made up 52.9 percent of the labor force in Clallam County with males making up the difference at 47.1 percent in 2016. Men were more often represented in higher paying industries.

- Male-dominated industries included construction (82.6 percent), manufacturing (81.5 percent) and transportation and warehousing (80.8 percent).
- Female-dominated industries included finance and insurance (78.4 percent), healthcare and social assistance (77.7 percent) and educational services (68.6 percent).

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Wages and income

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

In 2016, there were 22,714 jobs covered by unemployment insurance, with a total payroll of over \$851.9 million.

The average annual wage was \$37,510 below the state's average annual wage of \$59,073.

The median hourly wage in 2016 was \$18.90, below the state's median hourly wage of \$23.91 and the state excluding King County median hourly wage of \$20.68.

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 2015, the per capita personal income was \$39,738, less than the state's (\$51,898) and the nation's (\$48,112). Clallam County ranked 24th in the state in its per capita personal income in 2015.

The median household income was \$47,253 in 2015 dollars according to U.S. Census Bureau QuickFacts. The county's median was less than the state's (\$61,062) and the nation's (\$53,889).

In 2015, 15.6 percent of the population was living below the poverty level, higher than the state at 11.3 percent and the nation (12.7 percent). The state and national rates are not directly comparable to the county rate because they each use different data sources.

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Population

(Source: U.S. Census Bureau)

Clallam County's population estimate in 2016 was 74,570. The population in Clallam County has increased by just over 3,100 residents since the 2010 Census.

Port Angeles is the largest city in the county with 19,833 residents in 2016, up from 19,038 in 2010.

Sequim is the next largest city with 6,964 residents in 2016, up from 6,606 in 2010.

Population facts

(Source: U.S. Census Bureau QuickFacts)

	Clallam County	Washington state
Population 2016	74,570	7,288,000
Population 2010	71,404	6,724,540
Percent change, 2010 to 2016	4.4%	8.4%

Age, gender and ethnicity

(Source: U.S. Census Bureau QuickFacts)

Clallam County had almost double the population in the 65 and older age category compared to the state in 2016.

- Clallam County's population of those aged 65 and older was 28.3 percent compared to the state's 14.8 percent.

- The next largest group, those 40-59 was 24 percent in the county, less than that of the state's 26.3 percent.
- The youngest group, those under five years old, was 4.8 percent in Clallam County compared to the state's 6.2 percent.

Females in 2016 made up 50.6 percent of the county's population compared to 50.0 percent of the state.

Clallam County showed much less diversity in 2016 than the state. In 2016 the white alone category accounted for 87.6 percent of the county population followed by Hispanic or Latino at 6.2 percent and American Indian and Alaska Native at 5.6 percent.

Demographics

(Source: U.S. Census Bureau QuickFacts)

	Clallam County	Washington state
Population by age, 2016		
Under 5 years old	4.8%	6.2%
Under 18 years old	17.4%	22.4%
65 years and older	28.3%	14.8%
Females, 2016	50.6%	50.0%
Race/ethnicity, 2016		
White	87.6%	80.0%
Black	1.1%	4.1%
American Indian, Alaskan Native	5.6%	1.9%
Asian, Native Hawaiian, other Pacific Islander	1.9%	9.4%
Hispanic or Latino, any race	6.1%	12.4%

Educational attainment

(Source: U.S. Census Bureau QuickFacts)

Most of Clallam County residents age 25 and older (92.3 percent) were high school graduates, which compares with 90.4 percent of Washington state's residents and 87.1 percent of U.S. residents during the period 2011-2015.

Those with a bachelor's degree or higher made up 24.7 percent of Clallam County residents age 25 and older compared to 32.9 percent of state residents and 30.6 percent of U.S. residents during the same period.

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Useful links

- [County data tables](#)
- [Clallam County on ChooseWashington.com](#)
- [Clallam Economic Development Council](#)
- [Clallam County History](#)
- [Clallam County home page](#)

- [Port of Port Angeles](#)
- [Peninsula College](#)
- [Sequim Chamber of Commerce](#)
- [Pacific Northwest National Laboratory](#)
- [Elwha River Restoration](#)
- [Self Sufficiency Calculator for Washington State](#)
- [U.S. Census Bureau QuickFacts](#)
- [Washington Ports](#)
- [Workforce Development Areas and WorkSource Office Directory](#)

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