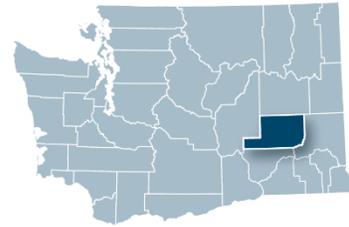


Adams County profile

By Donald W. Meseck, regional labor economist
Updated March 2019



[Overview](#) | [Geographic facts](#) | [Outlook](#) | [Labor force and unemployment](#) | [Industry employment](#) | [Wages and income](#) | [Population](#) | [Useful links](#)

Overview

Regional context

Adams County is the 14th largest county in Washington state, and covers 1,925 square miles. Located in southeastern Washington, it is bounded by Lincoln County on the north, Whitman to the east, Franklin to the south and Grant on the west. Two-thirds of its population is rural as its low population density of 9.4 people per square mile indicates. Since its creation in 1883, the area has been known as an agricultural and livestock ranching area that continues to prosper today. Wheat, corn, apples and potatoes (among other crops) are grown in Adams County.

The Palouse tribe was well established as the dominant indigenous tribe. They traveled the county, ranging their horses. The first white settlers began arriving in 1869. They found the area suitable to raising cattle, horses and sheep. Others followed, seeking land for ranching and farming.

James G. Bennett harvested a small wheat crop near Ritzville in 1880. Russian-German settlers (Volga Germans) who arrived in Adams County in 1883 had farmed wheat in Russia and planted it in Adams County. Seeing their success, other settlers also planted wheat. Adams County wheat farmers soon found that the region was so dry that they must let their fields lie fallow every other year to conserve enough moisture in the soil to raise profitable crops.

In 1897, Adams County produced its first bumper crop of wheat, marking the beginning of wheat farming's eclipse over cattle ranching in the county. The 1897 crop inspired a major influx of new settlers. In 1901 Ritzville exported more wheat than any other town in world – two million bushels filling nearly 2,000 boxcars. By 1904, Ritzville was the largest initial shipping point for wheat in the United States. By 1909, giddy with prosperity, Adams County published a pamphlet distributed at the Alaska-Yukon-Pacific Exposition in Seattle. The pamphlet read, "Adams County, Washington, the bread basket of the world." However, a severe drought from 1928 to 1931 resulted in dustbowl conditions and many people left the area. The remaining wheat farmers consolidated the abandoned farms and worked thousands of acres to produce a commercial crop.

In addition to its agriculture and livestock ranching, Adams County has some unique recreation and tourism draws. Othello hosts an annual Sandhill Crane Festival the third weekend in March, where thousands of bird watchers attend. The refuge is an excellent environment for wintering ducks, geese and many other varieties of waterfowl. The Sandhill Crane Festival takes place at the Columbia National Wildlife Refuge, and is

supported by the Othello Chamber of Commerce. The refuge includes 23,200 acres immediately downstream from Potholes Reservoir, and another 6,000 acres of scattered tracts toward the Columbia River.

Local economy

Adams County started as an agriculturally based area, and is still agriculturally based today. There are both dry-land based crops, such as wheat, along with irrigated farming that supports apple orchards and potato fields. Today, Adams County is one of the largest wheat producers in the state. Even many manufacturing operations in Adams County are categorized in the “non-durable goods” versus “durable goods” manufacturing sector, specifically in vegetable and fruit processing. For example, French fry production provides many of the county’s manufacturing jobs. The transportation (primarily truck transportation) and warehousing sector is another major employment category, which is heavily dependent on the fortunes of the local agricultural industry.

According to the National Bureau of Economic Research (NBER), the national recession occurred from December 2007 through June 2009. Many counties in Central Washington lost jobs following the recession, and even Adams County saw total covered employment dip from 6,834 jobs in 2008 to an average of 6,771 in 2009. Fortunately, total covered employment advanced during each of the next eight years, increasing from 2009 (6,771 jobs) through 2017 (8,117 jobs), a 1,346 job and 19.9 percent aggregate upturn. The local industries that added the most jobs during this timeframe were:

- Agriculture – up 1,091 jobs (81.1 percent)
- Private health services – up 125 jobs (24.0 percent)
- Local government – up 123 jobs (8.5 percent)
- Retail trade – up 99 jobs (17.8 percent)
- Transportation and warehousing – up 62 jobs (18.9 percent)

It is apparent that the agricultural industry has accounted for the lion’s share of covered employment growth in Adams County since the recent recession. Specifically, 1,091 (or 81.1 percent) of the 1,346 jobs added to the local job market between 2009 and 2017 were agricultural jobs.

Geographic facts

	Adams County	Washington state
Land area, 2010 (square miles)	1,924.98	66,455.52
People per square mile, 2010	9.7	101.2

Source: U.S. Census Bureau QuickFacts

Outlook

As previously mentioned, the national recession occurred from December 2007 through June 2009. The effects were manifested in Adams County by a downturn during 2009 in total covered employment (which includes agricultural and nonfarm jobs) which slipped from 6,834 jobs in 2008 to 6,771 in 2009, a 63 job and 0.9 percent downturn. This

downturn was centered in Adams County's agricultural sector, which declined from 1,412 jobs (in 2008) to 1,346 (in 2009), a 66 job and 4.7 percent contraction. The good news is that agricultural employment has been increasing ever since.

Conversely, the job growth picture painted by Adams County's nonfarm employers from the recession through 2017 was generally not as "uplifting:"

- Total nonfarm employment virtually stagnated countywide in the six-year period from 2008 (5,640 jobs) through 2013 (5,600 jobs).
- The nonfarm economy had a modest growth spurt in 2014 as employment rose to 5,750, a 150 job and 2.7 percent upturn; led by manufacturing (up 20 jobs), wholesale trade (up 20 jobs), retail trade (up 50 jobs), and private education and health services (up 30 jobs).
- However, in 2015, 2016 and 2017, total nonfarm employment virtually "plateaued;" averaging 5,770 jobs in 2015; 5,760 in 2016; and 5,800 in 2017.

Fortunately, the local nonfarm market expanded 3.3 percent (up 190 jobs) to 5,990 jobs in 2018. Job growth was led by a 70-job average annual upturn in manufacturing (up 6.7 percent), a 50-job increase in government (up 2.9 percent), and a 40-job advance in health services (up 6.2 percent). This 2018 nonfarm job market expansion of 3.3 percent in Adams County surpassed the average annual nonfarm growth pace of 2.6 percent for Washington state. It was the most robust, nonfarm job growth pace in at least the past 12 years for Adams County. Whether this momentum can be carried into calendar year 2019 and beyond remains to be seen – but it can certainly be said that 2018 was a good year for the Adams County nonfarm job market.

According to the Employment Security Department's ten-year nonfarm employment projections, the North Central Workforce Development Area's (i.e., Adams, Chelan, Douglas, Grant and Okanogan counties) labor market is expected to grow at an average annual rate of 1.3 percent between 2016 and 2026, a little slower than the projected average annual growth rate of 1.6 percent for Washington.

Labor force and unemployment

Current labor force and unemployment statistics are available on the [Labor force page](#) on ESD's labor market information website.

In Adams County, unemployment rates were in the six percent range during the three-year period from 2006 to 2008 (before the recession). Then the recession hit and the local unemployment rate rose to 9.0 percent in 2009 before peaking at 10.5 percent in 2010. However, during the past eight consecutive years (2011 through 2018, inclusive) average annual unemployment rates in Adams County have been declining. Rates in calendar years 2017 and 2018 reached historic lows, and the average annual 5.4 percent reading for 2018 in Adams County was the lowest average annual unemployment rate recorded since electronic records were implemented by the Employment Security Department (ESD) in 1990 (28 years ago) – excellent news for the local economy.

What about the most recent Civilian Labor Force (CLF) and unemployment rate trends in Adams County? At the time of report preparation, January 2019 CLF data are the most current data available and these data show that between January 2018 and January 2019, the labor force expanded by 6.3 percent, from 8,310 residents to 8,833 (meaning that 523 more Adams County residents entered the labor force). Simultaneously, the number of unemployed Adams County residents dropped by 6.4 percent from 832 in January 2018 to 779 in January 2019. The result was that the unemployment rate plummeted from 10.0 to 8.8 percent between the January 2018 and January 2019. The current 8.8 percent unemployment rate is the lowest reading for the month of January in Adams County since electronic records were implemented.

In Washington state, unemployment rates were in the four- to five-percent range during the three-year period from 2006 to 2008 (before the recession). As in Adams County, the recession hit and Washington’s unemployment rate rose to 9.2 percent in 2009, before peaking at 10.0 percent in 2010. During the past eight consecutive years (2011 through 2018, inclusive), average annual unemployment rates in Washington have been declining. The average annual 4.5 percent reading for 2018 in Washington state was the lowest average annual unemployment rate recorded statewide since electronic records were implemented.

Source: Employment Security Department

Industry employment

Current industry employment statistics are available on the [Covered employment \(QCEW\) page](#) on ESD’s labor market information website.

The North American Industry Classification System (NAICS) is an industry classification system that assigns every businesses and government organization in America a six-digit NAICS code based primarily on the activities in which that business or government organization is engaged. All business and government organizations are also more broadly categorized into one of 22 two-digit NAICS sectors. Nineteen sectors are in private enterprise and three sectors are in government service – either at the federal, state, or local level.

Top five Adams County industry sectors in 2017 in terms of employment were:

Industry sector	Number of jobs	Share of employment
1. Agriculture, forestry and fishing	2,437	30.0%
2. Local government	1,563	19.3%
3. Manufacturing	1,059	13.0%
4. Retail trade	654	8.1%
5. Health services	645	7.9%
All other industries	1,759	21.7%
Total covered employment	8,117	100%

The “big kid on the block” in the Adams County economy is agriculture. In 2017, QCEW data showed that Adams County’s labor market provided 8,117 jobs with approximately 78.3 percent of all local jobs provided in just five (agriculture, local government, manufacturing, retail trade and health services) two-digit NAICS industries or sectors.

However, three of every ten covered jobs (or 30.0 percent of totaled covered employment) were categorized under “agricultural, forestry and fishing” – in which the lion’s share of jobs were provided by the local agricultural industry.

Three industries – agriculture, local government and manufacturing (particularly food processing) – accounted for more than six in every ten (62.3 percent) covered employment jobs in Adams County in 2017.

Covered employment and wage trends for the 10-year period (eleven years, inclusive from 2007 through 2017) were analyzed using the Employment Security Department’s annual average Quarterly Census of Employment and Wage (QCEW) data for the 22 two-digit NAICS sectors in Adams County. Following are two of the findings:

- Between 2007 and 2017, the industry in Adams County which added the most jobs was agriculture. In 2007, local agricultural employers provided 1,388 jobs, 20.7 percent of total covered employment. By 2017, this industry tallied 2,437 jobs and accounted for 30.0 percent of all covered employment countywide. This 1,049 job and 75.5 percent uptrend indicates not only is the agricultural industry key to the Adams County economy, but that its “share” of jobs in the local labor market has grown substantially during this recent ten-year period.
- Between 2007 and 2017, the industry that lost the most jobs was “Other services (NAICS 81).” This sector provided 253 jobs and 3.8 percent of total covered employment in 2007. By 2017, other services accounted for only 82 jobs or 1.0 percent of all covered employment countywide. However, this 171 job and 67.6 percent downturn was primarily caused by a NAICS “code change” directed by the federal Bureau of Labor Statistics (BLS). The short story is that many of these jobs were simply transferred in 2014 from NAICS 814 (Private households) to NAICS 624 (Social Assistance) – not just in Adams County, but also all counties statewide.

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

Source: Quarterly Census of Employment and Wages (QCEW)

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.

Adams County highlights:

The largest jobholder group in Adams County in 2017 was the 55 and older age group with 24.7 percent of the workforce. They were followed by the 25 to 34 age group with 21.7 percent of the workforce.

In 2017, 52.7 percent of all industry jobs were held by men and 47.3 percent were held by women. Industry differences are discussed below.

- Male-dominated industries included construction (89.5 percent), transportation and warehousing (83.0 percent) and utilities (80.2 percent).

- Female-dominated industries included healthcare and social assistance (77.6 percent), finance and insurance (73.0 percent) and arts, entertainment and recreation (71.9 percent).

Source: The Local Employment Dynamics

Wages and income

The Adams County median hourly wage (unadjusted for inflation) was \$17.28 in 2017, which was 69.4 percent of the state’s median hourly wage of \$24.89.

In 2017, there were 8,117 jobs in Adams County covered by unemployment insurance, with a total payroll of nearly \$314.0 million. The county average annual wage was \$38,682 in 2017, which was 62.3 percent of the state’s average annual covered wage of \$62,073. In 2017, Adams County was ranked 29th (out of 39 counties) in the state for its average annual covered wage.

The top five Adams County industry sectors in 2017 in terms of payrolls were:

Industry sector	Payroll	Share of payrolls
1. Agriculture, forestry and fishing	\$78,400,998	25.0%
2. Local government	\$65,415,325	20.8%
3. Manufacturing	\$55,976,102	17.8%
4. Health services	\$27,019,689	8.6%
5. Wholesale trade	\$22,446,220	7.1%
All other industries	\$64,724,874	20.6%
Total covered payrolls	\$313,983,208	100%

Source: Quarterly Census of Employment and Wages (QCEW)

In 2017, approximately \$314.0 million of wage income was paid countywide. Agricultural employers provided 25.0 percent of it, or \$78.4 million. Local government placed second by accounting for 20.8 percent or \$65.4 million. Manufacturing ranked third by providing 17.8 percent of total payroll and \$56.0 million in wage income. Hence, agriculture, local government and manufacturing combined provided 63.6 percent of all wages earned countywide, and 63.3 percent of total covered employment. These sectors were definitely the “Big 3” in the Adams County economy in 2017.

Personal income

Personal income includes earned income, investment income and government transfer 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.

Inflation-adjusted per capita personal income in Adams County was \$41,603 in 2017. This figure is below the state’s figure of \$57,896 and the nation’s figure of \$51,640. A personal income trend for Adams County residents over the last 30 years (primarily between 1987 and 2017) is that the percent of residents’ personal income originating from earnings has been shrinking, while the percent of income from transfer payments has been rising. Following are Adams County personal income data in ten-year increments:

- In 1987, 61 percent of personal income in Adams County came from earnings, 24 percent from investments and 15 percent from transfer payments.
- In 1997, 56 percent of personal income came from earnings, 23 percent from investments and 21 percent from transfer payments.
- In 2007, 62 percent of personal income came from earnings, 16 percent from investments and 22 percent from transfer payments.
- In 2017, 54 percent of personal income came from earnings, 24 percent from investments and 22 percent from transfer payments.

According to U.S. Census Bureau QuickFacts, the median household income in 2017 dollars was \$48,131, which was 72.7 percent of Washington’s 2017 median household income of \$66,174 (using ACS data from 2013 to 2017). In this period, 15.8 percent of the county’s population was living below the poverty level, which was greater than 11.0 percent for Washington state and 12.3 percent for the nation, according to U.S. Census Bureau QuickFacts.

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

Population

Adams County’s population was 18,728 in 2010. From April 1, 2010 to July 1, 2017, the county’s population grew 4.2 percent – less robust than Washington state’s 10.1 percent growth rate.

The largest city in Adams County is Othello with an estimated population of 8,175 in 2017. The second-largest city is Ritzville with an estimated population of 1,660 in 2017. Othello is growing much faster than other, smaller cities in Adams County.

Source: U.S. Bureau of Economic Analysis; Washington of Financial Management

Population facts

	Adams County	Washington state
Population 2017 estimate	19,506	7,405,743
Population 2010 (April 1) estimates base	18,728	6,724,545
Percent change, April 1, 2010 to July 1, 2017	4.2%	10.1%

Age, gender and ethnicity

Adams County, as a percent, had a much younger age demographic than the state or nation in 2017.

- Adams County's population age 65 and older was 10.9 percent in 2017 compared to the state's 15.1 percent.
- The largest age group, those under 18 years of age, was 35.4 percent in 2017 compared to the state's 22.2 percent.
- The youngest age group, those under 5 years of age, was 9.6 percent in 2016 compared to the state's 6.2 percent.

Females' made up 49.1 percent of the population in Adams County in 2017, which is slightly below the state's 50.0 percent. The county has a much higher percentage of people of Hispanic or Latino origin, 63.3 percent, compared to the state's 12.7 percent. White people who are not of Hispanic descent made up 34.2 percent of the county's population compared to 68.7 percent of the state's population.

Demographics

	Adams County	Washington state
Population by age, 2017		
Under 5 years old	9.6%	6.2%
Under 18 years old	35.4%	22.2%
65 years and older	10.9%	15.1%
Females, 2017	49.1%	50.0%
Race/ethnicity, 2017		
White	89.8%	79.5%
Black	1.8%	4.2%
American Indian, Alaskan Native	5.4%	1.9%
Asian, Native Hawaiian, other Pacific Islander	1.5%	9.7%
Hispanic or Latino, any race	63.3%	12.7%

Educational attainment

Over the period 2013 to 2017, 65.2 percent of individuals age 25 and older were high school graduates in Adams County. This figure is considerably lower than that of Washington state (90.8 percent) and the nation (87.3 percent).

Over the same period, 13.6 percent of Adams County residents 25 and older have a bachelor's degree or higher compared with the state (34.5 percent) and nation (30.9 percent).

Source: U.S. Census Bureau QuickFacts

Useful links

- [County data tables](#)
- [Adams County on ChooseWashington.com](#)
- [Adams County on ofm.wa.gov](#)
- [Adams County History](#)
- [Adams County home page](#)
- [Othello Chamber of Commerce](#)
- [Adams County Development Council](#)
- [North Central Workforce Development Council](#)
- [Self Sufficiency Calculator for Washington State](#)
- [Census Bureau QuickFacts](#)
- [Port of Othello](#)
- [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.