

Clallam County Profile

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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 3.25 million visitors in 2019.

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 2019, it accounted for over 88 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.

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 span 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.

The 14 Opportunity Zone census tracts were designated under the federal 2017 Tax Cuts and Jobs Act. This federal law gives tax incentives to investors who invest their unrealized capital gains in qualified businesses and real estate located in Opportunity Zones through:

- Temporary deferral of capital gains taxes until 2026
- Tax reduction on capital gains (at 5 and 7 years)
- Elimination of taxes on gains from Opportunity Zone investments (if held for 10 years)

In summary, 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.

Geographic facts

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

Source: U.S. Census Bureau QuickFacts

Outlook

The year 2019 was yet another year of inertia 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. The port operates a marine terminal and trades area, a log yard, airport and rental properties, and two marinas. Current projects at the port include a composites training institute.

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 including advanced manufacturing, community education and worker retraining. It has three campus locations – Port Angeles, Port Townsend and Forks. In the 2018 to 2019 school year, total enrollment was 3,880 students.

Labor force and unemployment

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

The 2019 civilian labor force (28,453) took a slight increase from 2018 levels (28,030). The total number of employed residents declined by 225 over the period. The number of unemployed residents was up nearly 200 over the year. The not-seasonally adjusted 2019 unemployment rate stood at 7.0 percent, up from the 6.4 percent rate posted in 2018.

Source: Employment Security Department

Industry employment

Current industry employment statistics are available on the [Labor area summaries](#) page on ESD's labor market information website.

Clallam County had an estimated 23,190 nonfarm jobs in 2018 up from the 23,540 posted in 2018. The jobs picture appears murky heading into 2020.

- The goods-producing sector in the county employed 2,650 during 2019. The manufacturing sector accounted for 1,090 of those jobs.
- The service-providing sector employed 20,540 in 2019, with retail trade and leisure and hospitality combined accounting for 6,030 jobs.
- Government was the leader in nonfarm employment providing 7,800 jobs in 2019.

Nonfarm job growth in the county has been less than spectacular, averaging less than half the state's growth over the last 19 years.

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.

Clallam County highlights:

In 2018, the largest job holder age group in Clallam County was the 55 and older age category, making up 28.6 percent of employment across all industries. The next largest share was among persons aged 55 to 64 with 21 percent of employment.

- In 2018, the county's workers mirrored state patterns with workers ages 14 to 24 dominating the accommodation and food services jobs in the county. 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, educational services, transportation and warehousing, real estate and rental and leasing and healthcare and social assistance.

Females made up 52.7 percent of the labor force in Clallam County with males making up the difference at 47.3 percent in 2018. Men were more often represented in higher paying industries.

- Male-dominated industries included construction (84.1 percent), manufacturing (81.1 percent) and transportation and warehousing (77.6 percent).
- Female-dominated industries included finance and insurance (76.3 percent), healthcare and social assistance (76.9 percent) and educational services (69.0 percent).

Source: The Local Employment Dynamics

Wages and income

In 2018, there were 23,341 jobs covered by unemployment insurance, with a total payroll of over \$938.5 million.

The average annual wage was \$40,210 below the state's average annual wage of \$66,156.

The median hourly wage in 2018 was \$20.09, below the state's median hourly wage of \$25.98 and the state excluding King County median hourly wage of \$23.37.

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 2018, the per capita personal income was \$46,120, less than the state (\$62,026) and the nation's (\$54,446). Clallam County ranked 20th in the state in its per capita personal income in 2018.

The median household income was \$59,001 in 2018. The county's median was less than the state's (\$74,073) and the nation's (\$69,937).

In 2018, 13.4 percent of the population was living below the poverty level, higher than the state at 10.3 percent and the nation (13.1 percent). The state and national rates are not directly comparable to the county rate because they each use different data sources.

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

Population

Clallam County's population estimate in 2018 was 76,737. The population in Clallam County has increased from the 71,404 residents counted in the 2010 census.

Port Angeles is the largest city in the county with 20,076 residents in 2018, up from 19,040 in 2010.

Sequim is the next largest city with 7,481 residents in 2018, up from 6,596 in 2010.

Source: U.S. Census Bureau

Population facts

	Clallam County	Washington state
Population 2018	76,737	7,535,591
Population 2010	71,404	6,724,540
Percent change, 2010 to 2018	7.5%	12.1%

Age, gender and ethnicity

Clallam County had almost double the population in the 65 and older age category compared to the state in 2018.

- Clallam County's population of those aged 65 and older was 29.6 percent compared to the state's 15.4 percent.
- The next largest group, those under 18, was 17 percent in the county, less than that of the state's 22.1 percent.
- The youngest group, those under five years old, was 4.6 percent in Clallam County compared to the state's 6.1 percent.

Females in 2018 made up 50.7 percent of the county's population compared to 50.0 percent of the state.

Clallam County showed much less diversity in 2018 than the state. In 2018, the white alone category accounted for 87.2 percent of the county population followed by Hispanic or Latino at 6.4 percent and American Indian and Alaskan Native at 5.6 percent.

Demographics

	Clallam County	Washington state
Population by age, 2018		
Under 5 years old	4.6%	6.1%
Under 18 years old	17.0%	22.1%
65 years and older	29.6%	15.4%
Females, 2018	50.7%	50.0%
Race/ethnicity, 2018		
White	87.2%	78.9%
Black	1.2%	4.3%
American Indian, Alaskan Native	5.6%	1.9%
Asian, Native Hawaiian, other Pacific Islander	2.1%	10.1%
Hispanic or Latino, any race	6.4%	12.9%

Educational attainment

Most of Clallam County residents age 25 and older (92.7 percent) were high school graduates, which compares with 91.1 percent of Washington state's residents and 81.7 percent of U.S. residents during the period 2014 through 2018.

Those with a bachelor's degree or higher made up 26.1 percent of Clallam County residents age 25 and older compared to 35.3 percent of state residents and 31.5 percent of U.S. residents during the same period.

Source: U.S. Census Bureau QuickFacts

Useful links

- [County data tables](#)
- [Census Bureau Profile](#)
- [Clallam County on ChooseWashington.com](#)
- [Clallam Economic Development Council](#)
- [Clallam County History](#)
- [Clallam County home page](#)
- [Clallam County on ofm.wa.gov](#)
- [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](#)
- [Emerald Coast Opportunity Zone](#)
- [City of Forks](#)
- [City of Port Angeles](#)
- [City of Sequim](#)
- [Jamestown S'Klallam Tribe](#)

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.