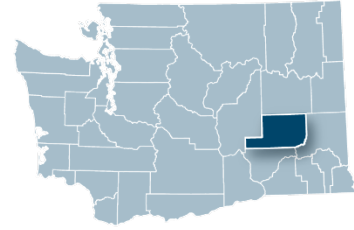


# Adams County profile

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## Overview

### Regional context

Adams County is the 14th-largest county in Washington state and covers 1,925 square miles. It is nearly the size of Delaware. 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 10.7 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 breadbasket 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 last great national recession occurred from December 2007 through June 2009. Many counties in Central Washington lost jobs following the recession. Even total covered employment in Adams County dipped by 0.9 percent; from 6,834 jobs in 2008 to an average of 6,771 in 2009. But the recession effects on the local labor market were not as pronounced as the effects on Washington state’s or our nation’s labor markets because of the moderating effect of agriculture on Adams County’s economy. The COVID-19 pandemic caused local covered employment to decline from 8,896 jobs in 2019 to an average of 8,446 in 2020 (-5.1 percent). But, by 2021, employment had bounced back to 8,867 jobs, close to the pre-pandemic average of 8,896 jobs in 2019. It is noteworthy that the COVID-19 pandemic in 2020 had virtually no effect on total covered payroll across Adams County. Covered wages totaled \$357.1 million in 2019, \$369.9 million in 2020, and \$398.6 in 2021; indicating that many of the jobs lost during 2020 were part time, seasonal, or in relatively lower-paying industries.

## Geographic facts

	Adams County	Washington state
Land area, 2020 (square miles)	1,925.0	66,455.1
People per square mile, 2020	10.7	115.9

Source: U.S. Census Bureau QuickFacts

## Outlook

In 2020 (during the heyday of COVID-19-related job losses), total nonfarm employment contracted by -1.7 percent in Adams County versus a -5.4 percent job loss rate across Washington state. The agricultural side of the Adams County economy seemed to be relatively less affected by the pandemic. In 2021 (during the recovery), total nonfarm employment expanded at a healthy 4.1 percent pace in Adams County versus a more modest 2.5 percent job growth rate across Washington state. Here again the local labor economy was buoyed up by a 6.3 job growth rate during 2021 in the “agriculture, forestry, fishing and hunting” (NAICS 11 sector).

Current Employment Statistics (CES) data show that, year over year, total nonfarm employment in Adams County expanded in each of the past 16 months (April 2021 through July 2022). Local Area Unemployment Statistics (LAUS) data show that the local Civilian Labor Force (CLF) has expanded in each of the past 16 consecutive months (April 2021 through July 2022). However, it is uncertain how long this economic resurgence will last. Much depends on whether the COVID-19 virus can be contained and/or eradicated. The effect of rising interest rates on national and local labor markets are also a concern. Nevertheless, staff in the DATA Division of the Washington State Employment Security Department (ESD) have prepared long-term (i.e., 10-year) industry employment projections indicating a 0.1 percent average annual nonfarm growth pace from 2019 to

2029 for the five-county (Adams, Chelan, Douglas, Grant and Okanogan) North Central Workforce Development Area (WDA), and a 0.4 percent growth rate for Washington state during this timeframe.

## 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 National Bureau of Economic Research (NBER) announced that the national Great Recession occurred from December 2007 through June 2009; however, the effects of this recession hit Adams County and Washington state labor markets primarily in 2010. Adams County's unemployment rate reached an apex of 10.5 percent in 2010 while Washington state's unemployment rate reached an apex of 10.0 percent in 2010. Unemployment rates reached 7.2 percent in Adams County and 8.5 percent across Washington state in 2020, due to COVID-19-related layoffs, but these average annual rates were still lower than during the Great Recession (which hit the local and statewide economies in 2010).

Adams County averaged 9,267 residents in the CLF in 2020 and 9,524 in 2021, a 2.8 percent expansion. Year over year, the local CLF has expanded in the past 16 consecutive months (April 2021 through July 2022). In June 2022, there were 793 more residents in the labor force than in June 2021, a 7.8 percent upturn. Also, estimates indicate a slightly more rapid resident employment growth pace of 9.4 percent between June 2021 and June 2022, faster than the CLF growth rate of 7.8 percent during this period. This could indicate that a greater proportion of employed residents commuted or teleworked to jobs outside of Adams County. Finally, the number of unemployed dropped by 111 (down -21.2 percent); from 524 residents in June 2021 to 413 in June 2022. This decrease in the number of unemployed combined with the 7.8 percent increase in the labor force caused Adams County's unemployment rate to decline to 3.8 percent in June 2022 from the 5.2 percent reading in June 2021 – a step forward for the local economy. But this excellent economic news is tempered by the fact that the Adams County labor force was still a bit smaller in June 2022 than in June 2019 (i.e., in the pre-COVID-19 era, three years ago). Specifically, the CLF this June (10,937 residents) was 226 residents (-2.0 percent) less than the 11,163 residents in the labor force in June 2019.

Source: Employment Security Department/DATA Division; Local Area Unemployment Statistics (LAUS)

## 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 business 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 2021 in terms of employment were:**

Industry sector	Number of jobs	Share of employment
1. Agriculture, forestry and fishing	2,814	31.7%
2. Local government	1,567	17.7%
3. Manufacturing	1,145	12.9%
4. Health services	844	9.5%
5. Retail trade	711	8.0%
All other industries	1,786	20.1%
<b>Total covered employment</b>	<b>8,867</b>	<b>100%</b>

Source: Employment Security Department/DATA Division; Quarterly Census of Employment and Wages (QCEW)

The “big kid on the block” in the Adams County economy is agriculture. In 2021, QCEW data showed that the agriculture, forestry and fishing sector (NAICS 11) tallied 31.7 percent, or nearly one-third, of all covered jobs countywide. Within this sector most jobs are in the agricultural industry. QCEW data for 2021 also showed that nearly four out of five (or 79.6 percent) of the 8,867 covered jobs in Adams County were provided by just five (agriculture, local government, manufacturing, health services and retail trade) two-digit NAICS industries or sectors, as illustrated in the preceding table.

Covered employment trends for the 10-year period (11 years, inclusive from 2011 through 2021) were analyzed using ESD’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 2011 and 2021, the industry in Adams County which added the most jobs was agriculture. Total covered employment countywide rose by 1,769 jobs, from 7,098 jobs in 2011 to 8,867 in 2021, a 24.9 percent expansion and an annualized growth rate of 2.3 percent; a little stronger than Washington’s 1.6 percent annualized growth rate during this timeframe. Of these 1,769 new jobs added between 2011 and 2021; 1,158 jobs (65.5 percent) were in the agricultural sector. In 2011, local agricultural employers provided 1,656 jobs (23.3 percent of total covered employment). By 2021, this industry tallied 2,814 jobs (31.7 percent of total covered employment countywide). This equates to a 1,158 job and 69.9 percent surge in agricultural employment, with an annualized growth rate of 5.4 percent. Hence, these data trends demonstrate not only that the agricultural industry is key to the Adams County economy – but that its share of employment in the local economy jumped substantially in this most recent 10-year period.
- Between 2011 and 2021, the local industry which lost the most jobs was “other services (NAICS 81).” This sector provided 308 jobs and 4.3 percent of total covered employment in 2011. By 2021 however, other services accounted for only 85 jobs and 1.0 percent of total covered employment, a loss of 223 jobs and a -72.4 percent downturn during this period. The “lion’s share” of this 223 job and -72.4 percent downturn occurred in calendar year 2014 because of a noneconomic “code change” directed by the federal Bureau of Labor Statistics (BLS). “Other services” jobs (performed by people who provided services for the elderly and persons with disabilities) were transferred from NAICS 814 (private households) to NAICS 624 (social assistance) – in Adams County and in all counties statewide. This noneconomic code change precipitated a decrease in “other services” jobs and a corresponding increase in “health services” jobs in 2014.

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

Source: Employment Security Department/DATA Division; County data tables

### **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 job holder group in Adams County in 2020 was the 55 and older age group with 26.6 percent of the workforce. They were followed by the 25 to 34 years age group with 22.0 percent of the workforce.

In 2020, 51.1 percent of all industry jobs were held by men and 48.9 percent were held by women. Industry differences are discussed below.

- Male-dominated industries included transportation and warehousing (83.7 percent), construction (80.5 percent) and utilities (78.6 percent).
- Female-dominated industries included health care and social assistance (76.9 percent), finance and insurance (73.0 percent) and information (72.7 percent).

Source: Employment Security Department/DATA Division; County data tables

### **Wages and income**

The Adams County median hourly wage in 2021 for all industries (adjusted for inflation) was \$19.93, which was 65.3 percent of the state's median hourly wage of \$30.50.

In 2021, there were 8,867 jobs in Adams County covered by unemployment insurance, with a total payroll of nearly \$398.6 million. Preliminary QCEW data show the county's average annual wage was \$44,953 in 2021 which was 54.5 percent of the state's average annual covered wage of \$82,513.

#### **The top five Adams County industry sectors in 2021 in terms of payrolls were:**

Industry sector	Payroll	Share of payrolls
1. Agriculture, forestry and fishing	\$109,294,815	27.4%
2. Local government	\$82,876,849	20.8%
3. Manufacturing	\$63,552,429	15.9%
4. Health services	\$38,317,641	9.6%
5. Wholesale trade	\$28,754,512	7.2%
All other industries	\$71,021,557	19.9%
<b>Total covered payrolls</b>	<b>\$398,595,396</b>	<b>100%</b>

Source: Employment Security Department/DATA Division; Quarterly Census of Employment and Wages (QCEW)

The local agricultural industry provided over a quarter (27.4 percent) of total covered payroll earned in 2021, ranking this industry as the top wage provider in Adams County. Local government placed second by accounting for 20.8 percent of total wages with a payroll of \$82.9 million. Manufacturing ranked third by providing 15.9 percent of total payroll and \$63.6 million in wage income. Roughly

four of every five dollars of covered wage income (80.1 percent) in Adams County were earned in five industrial sectors (agriculture, local government, manufacturing, health services and wholesale trade). Hence, the Adams County economy is not very diversified – like many other agriculturally based economies here in Central Washington (Chelan, Douglas, Grant, Okanogan and Yakima counties, etc.).

Covered wage trends over the last 10 years (from 2011 through 2021) were analyzed using the Employment Security Department’s annual average Quarterly Census of Employment and Wages (QCEW) data for the 22 two-digit NAICS sectors in Adams County. Covered wages countywide totaled approximately \$235.6 million in 2011 and \$398.6 million in 2021, a 69.2 percent upturn (not adjusted for inflation) and an annualized growth rate of 5.4 percent. Following are some findings reference the three sectors which ranked number one through number three in terms of payroll growth (in dollars) in this most recent 10-year period (2011 through 2021):

- The sector which registered the highest payroll growth (in dollars) in Adams County between 2011 and 2021 was agriculture. This category saw earned wage income rise by \$63.0 million, from \$46.3 million in 2011 to \$109.3 million in 2021, a pronounced 136.0 percent increase.
- Between 2011 and 2021, the Adams County sector which ranked number two in terms of payroll growth was local government. Local government includes a diverse array of agencies/organizations at the city and county levels such as local public schools, public hospitals and clinics, police and fire departments, courts, libraries, roads crews, public utility districts, etc. In 2011, QCEW data reported that local government wage income totaled \$49.3 million. Ten years later, in 2021, local government organizations paid out \$82.9 million in covered wages a payroll jump of \$33.6 million (up 68.1 percent).
- The Adams County industry which placed third in payroll growth during the past ten years was private health services (NAICS 62). This sector provided \$21.4 million in wages countywide in 2011, a wage figure which rose to \$38.3 million by 2021. This equated to a 79.4 percent upturn and a payroll gain \$17.0 million during this 10-year timeframe.

### **Personal income**

Personal income includes earned wage income, investment income, and government transfer payments (such as Social Security, welfare, and unemployment insurance 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.

Per capita personal income (adjusted for inflation) in Adams County was \$49,618 in 2020. This figure is considerably below the state figure of \$67,126 and the nation’s per capita income of \$59,510. A general trend over the last fifty years is that a larger proportion of Adams County residents’ personal income is coming from transfer payments, whereas the percentage of personal income coming from earnings is decreasing. For example:

- In 1970: earnings 79 percent, investments 15 percent, and transfer payments 6 percent.
- In 1980: earnings 74 percent, investments 15 percent, and transfer payments 10 percent.
- In 1990: earnings 65 percent, investments 21 percent, and transfer payments 14 percent.
- In 2010: earnings 61 percent, investments 15 percent, and transfer payments 24 percent.
- In 2020: earnings 58 percent, investments 17 percent, and transfer payments 25 percent.

According to U.S. Census Bureau QuickFacts, the median household income in Adams County in 2020 dollars was \$51,601, which was 67.0 percent of Washington’s 2020 median household income of \$77,006 (using ACS data from 2016 to 2020). During this period, 12.7 percent of the county’s population was living below the poverty level, which was greater than 9.5 percent for Washington state and 11.4 percent for the nation, according to U.S. Census Bureau QuickFacts.

Source: Employment Security Department/DATA Division; County data tables and U.S. Census Bureau QuickFacts

## Population

The population in Adams County was 20,613 in 2020. From April 1, 2020 to July 1, 2021, the county’s population virtually stagnated, versus Washington state’s 0.4 percent growth rate during this timeframe.

The largest city in Adams County is Othello with an estimated population of 8,725 in 2021. The second-largest city is Ritzville with an estimated population of 1,775 in 2021. Othello is generally growing much faster than other smaller cities in Adams County.

Source: Employment Security Department/DATA Division; County data tables

### Population facts

	Adams County	Washington state
Population estimate (July 1, 2021)	20,621	7,738,692
Population estimate (April 1, 2020)	20,613	7,705,281
Percent change, April 1, 2020 to July 1, 2021	0.0%	0.4%

Source: U.S. Census Bureau QuickFacts

### Age, gender and ethnicity

Adams County, as a percent, had a much younger age demographic than the state or nation in 2021.

- Population in Adams County age 65 and older was only 11.7 percent in 2021 compared to Washington state’s 16.2 percent.
- The largest age group, those under 18 years of age, was 35.7 percent in 2021 compared to the state’s 21.7 percent.
- The youngest age group, those under 5 years of age, was 9.0 percent in 2021 compared to the state’s 5.6 percent.

Females made up 48.7 percent of the population in Adams County in 2021, slightly below the state’s 49.6 percent.

The county has a much higher percentage of people of Hispanic or Latino origin, 65.5 percent, compared to the state’s 13.7 percent.

Source: U.S. Census Bureau QuickFacts

## Demographics

Population by age, 2021	Adams County	Washington state
Under 5 years old	9.0%	5.6%
Under 18 years old	35.7%	21.7%
65 years and older	11.7%	16.2%
<b>Females, 2021</b>	<b>48.7%</b>	<b>49.6%</b>
Population by race/ethnicity, 2021		
White alone	88.0%	77.5%
Black or African American alone	2.3%	4.5%
American Indian, Alaskan Native alone	6.2%	2.0%
Asian alone	1.4%	10.0%
Native Hawaiian and Other Pacific Islander	0.2%	0.8%
Hispanic or Latino, any race	65.5%	13.7%

## Educational attainment

Over the period 2016 to 2020, 68.9 percent of individuals aged 25 and older were high school graduates in Adams County. This figure is considerably lower than that of Washington state (91.7 percent) and the nation (88.5 percent).

Over the same period, 13.8 percent of Adams County residents 25 and older have a bachelor's degree or higher compared with the state (36.7 percent) and the U.S. (32.9 percent).

Source: U.S. Census Bureau QuickFacts

## Useful links

- [County data tables](#)
- [Census Bureau Profile](#)
- [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](#)

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