



Washington State COVID-19 Impact Analysis

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COVID job impacts smaller than feared early in pandemic; recovery speed faster than prior shocks...

Near-term impact (By end of May)

Actual Early April est. Pre-Cares Act Est.

~350K ~550K ~650K
jobs lost

Mid-term impact (End of 2020)

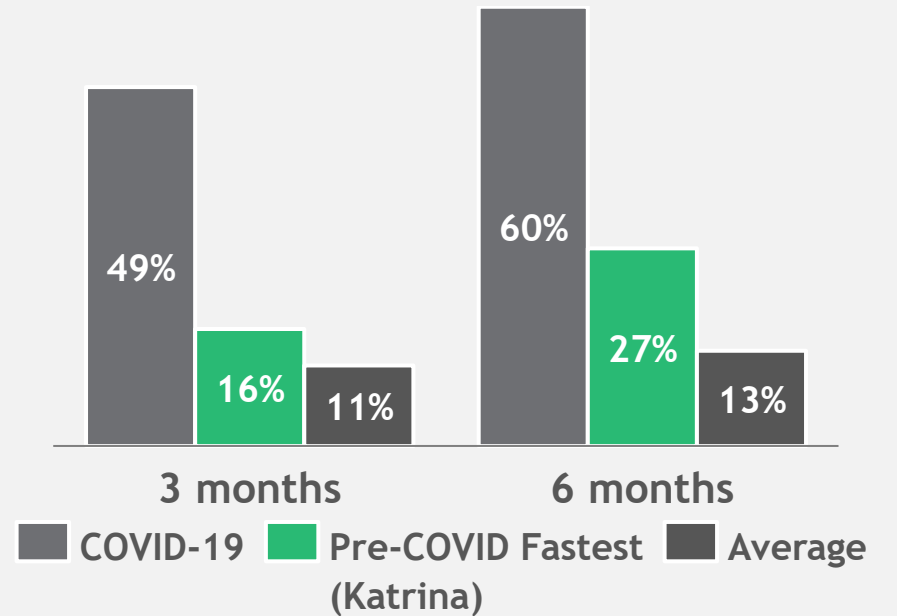
Actual Early April est. Pre-Cares Act Est.

~150K ~350K ~450K
jobs not yet recovered¹

JOBS
(difference to pre-COVID-19)

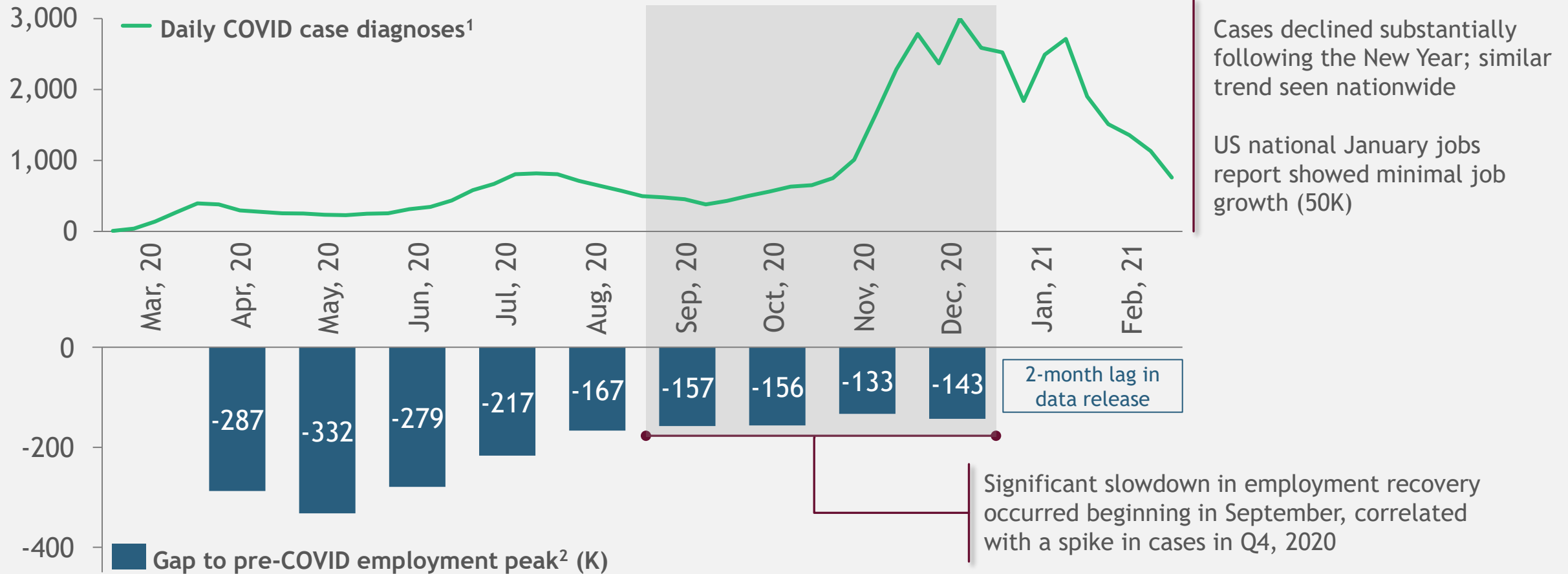
Pace of job recovery

% of job loses recovered 3, 6 months from bottom of trough



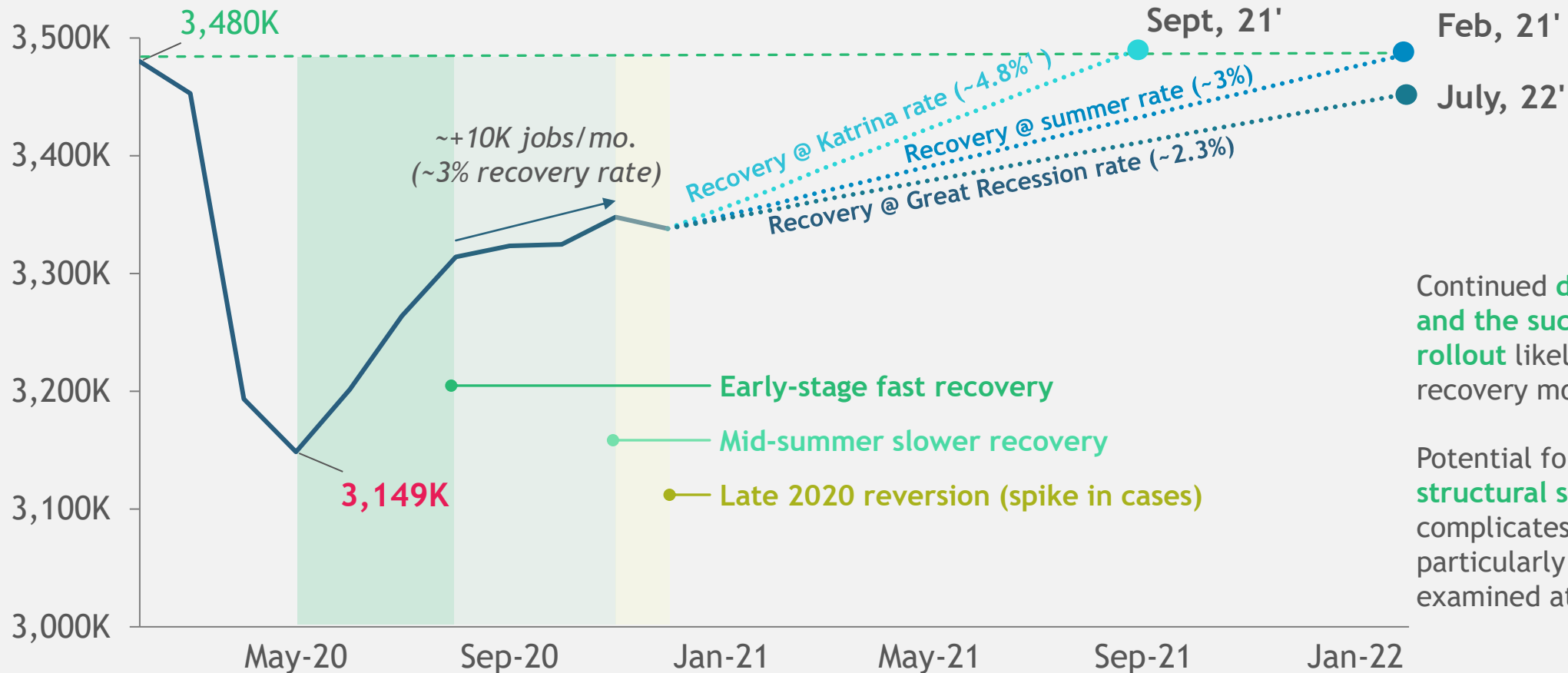
Note: Based on seasonally adjusted, non-agricultural wage & salary employment for Washington State
 Note: Figures are directional and rounded to nearest 50K jobs 1. Includes data to December 2020 report
 Source: US Bureau of Labor Statistics, State of Washington, BCG analysis

...but rate of recovery slowed significantly towards end of year as cases rebounded



Note: Based on seasonally adjusted, non-agricultural wage & salary employment for Washington State
 1. Based on 7-day rolling average of daily cases diagnoses, both confirmed and probably, 2. Peak employment is taken from Feb, 2020 release.
 Source: US Bureau of Labor Statistics, State of Washington Department of Health, NY Times, BCG analysis

Should cases continue to fall and positive trend recovers, pasts shocks imply potential to return to pre-COVID employment as early as this September



Continued **decrease in new cases and the success of the vaccine rollout** likely to dictate pace of recovery moving forward

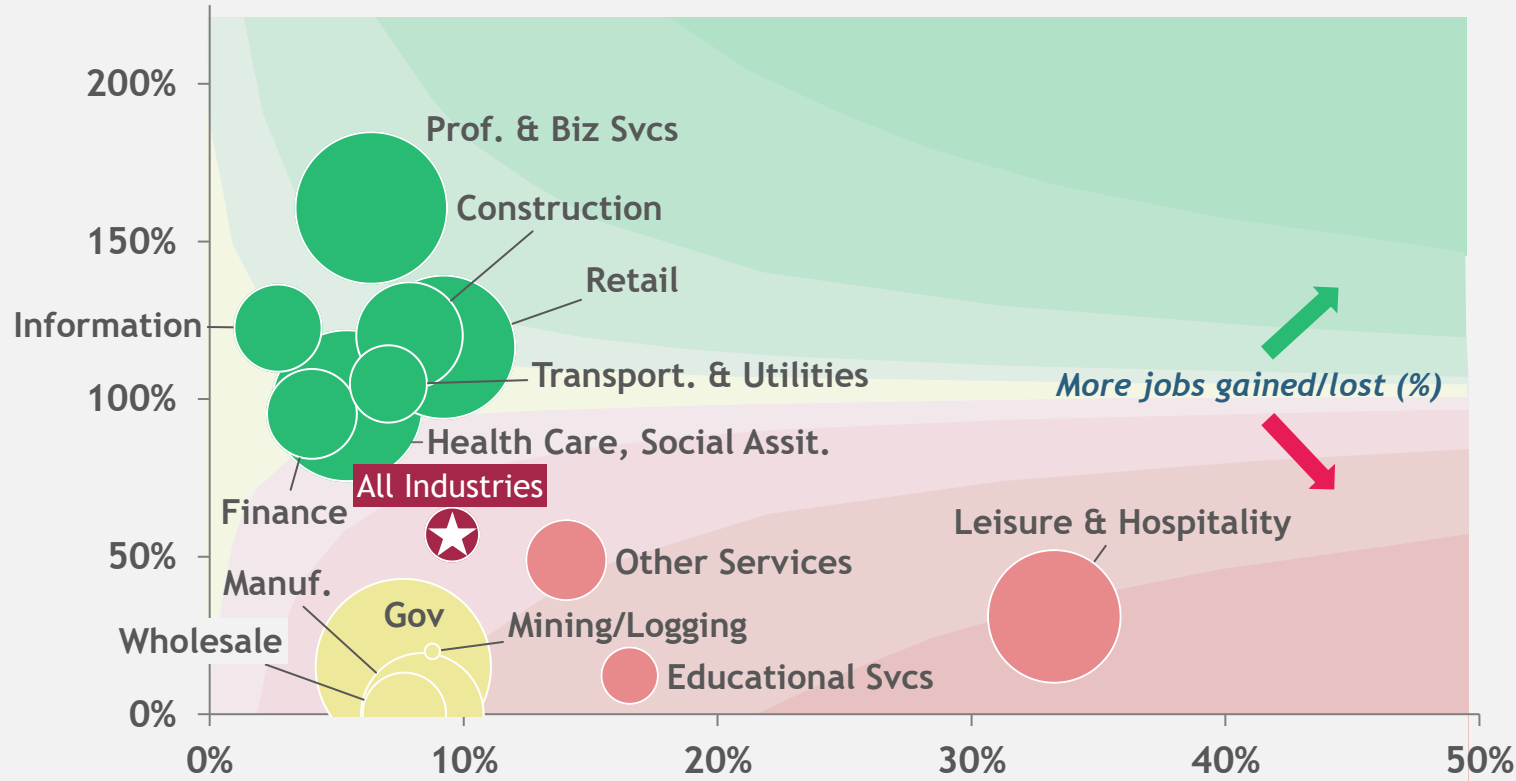
Potential for **long-term structural shifts** to the economy complicates prediction, particularly when recovery is examined at industry level

Note: Based on seasonally adjusted, non-agricultural wage & salary employment for Washington State
 1. Rates calculated a simple linear averages per shock, e.g. Katrina recovery time = 22 months or 4.8% per month.
 Source: US Bureau of Labor Statistics, State of Washington Department of Health, NY Times, BCG analysis

Several sectors have surpassed pre-COVID employment levels

Hard-hit sectors directly connected to social distancing measures still lagging (Leisure/Hosp., Ed. Services)

% recovery of jobs lost during COVID



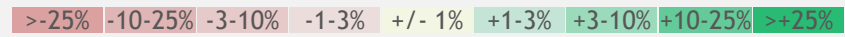
Impact & recovery speed by industry

(XX%)= Δ Total Employment from Feb-Dec, 20'

- Substantial impact, slow recovery**
 - Leisure and Hospitality (-23%)
 - Educational Services (-15%)
 - Other Services (-7%)
- Moderate impact, slow/no recovery**
 - Manufacturing (-8%)
 - Wholesale (-8%)
 - Mining & Logging (-7%)
 - Government (-6%)
- Small-moderate impact, strong recovery**
 - Financial Activities (0%)
 - Healthcare & Social Services (0%)
 - Transportation & Utilities (0%)
 - Information (+1%)
 - Retail (+2%)
 - Construction (+2%)
 - Professional and Business Services (+4%)

Drop in employment from pre-COVID employment peak (%)²

Background shade coloring = Δ Total Employment from Feb-Dec, 20'



Note: Bubble size relative to total employment, based on seasonally adjusted Feb. 2020 employment rates. 1. Bottom of trough calculated as lowest monthly reported level of employment, by sector, from February to December 2020. 2. Peak employment is taken from Feb, 2020 release. Source: ESD Washington State, US Bureau of Labor Statistics, State of Washington Department of Health, NY Times, BCG analysis



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