

MAY 2018



IT & TELECOM

ANNUAL STATISTICAL REPORT



PACIFIC MOUNTAIN
WORKFORCE
DEVELOPMENT

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The Information Technology and Telecommunications sector includes software publishers, data storage and hosting, IT manufacturing, telecommunications carriers and equipment and other information technology industries.¹

Recent Developments

Pacific County EDC convenes Pacific County Internet Business Opportunity Organization (PCIBOO)

Tenino's Rainier Connect acquires Lacey's ReachOne Internet

St. Martin's University initiates Computer Game Development Summer Camp

Total Sector Employment:
3,687 jobs²

Number of worksites: 768³

Gross Domestic Product:
\$635,105,000⁴

Average Annual Wage:
\$87,089⁵

The IT-Telecom sector added 788 direct jobs to the PacMtn economy from 2010 to 2017.⁶

Sixty percent of the IT sector jobs in the PacMtn region in 2016 were not IT occupations.⁷

MAJOR INDUSTRIES—IT & TELECOM SECTOR PACMTN 2017

Industry	Number of Worksites (establishments)	GDP (economic output)	Jobs	Average Annual Wage	Location Quotient ⁸
Telecommunications	62	\$114,716,000	569	\$76,057	0.58
Software Publishing	17	\$22,100,000	144	\$70,834	0.30
Data Processing & Storage	31	\$53,517,000	193	\$69,437	0.69
Computer Systems Design	329	\$141,366,000	1,468	\$ 93.979	0.57
Internet Publishing	31	\$51,276,000	103	\$126,277	0.37

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INDUSTRY TRENDS

Data analysis done in 2017 shows some interesting trends in this sector, please see the tables below for a data snapshot of industries within the IT & Telecom sector.

WIRED TELECOMMUNICATIONS CARRIERS		
Year	GDP	Jobs
2015	\$12,569,000	406
2016	\$13,829,000	439
2017	Not Available	451

The wired telecommunications industry still commands an 80% share of employment in PacMtn's telecommunications sector, despite the emergence of wireless telecommunications.

COMPUTER & ELECTRONIC PRODUCT MANUFACTURING		
Year	GDP	Jobs
2015	\$35,902,000	1,319
2016	\$38,123,000	1,390
2017	Not Available	1,406

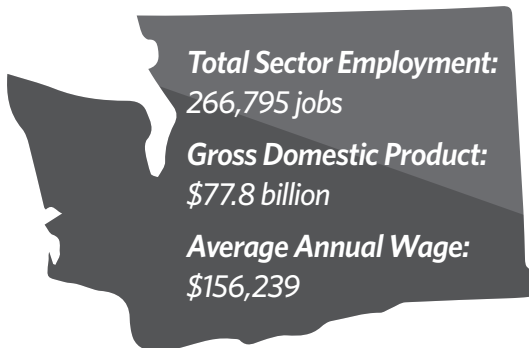
Although the semiconductor industry accounts for nearly a third of the employment in the IT manufacturing sector, semiconductor jobs have been declining. The regional growth in IT manufacturing jobs has been driven mainly by telecommunications equipment manufacturing.

COMPUTER SYSTEMS DESIGN SERVICES		
Year	GDP	Jobs
2015	\$14,294,000	184
2016	\$16,938,000	284
2017	Not Available	584

Computer Systems Design Services represents 25% of the jobs in the PacMtn IT sector.

CUSTOM COMPUTER PROGRAMMING SERVICES		
Year	GDP	Jobs
2015	\$26,469,000	761
2016	\$29,164,000	837
2017	Not Available	946

Employment has nearly doubled in this industry in recent years. Most of the establishments have ten employees or less.



Learn more at www.pacmtn.org

Grays Harbor, Lewis, Mason, Pacific, Thurston Counties

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FOOTNOTES

1. The IT/Telecommunications sector is defined by the following NAICS-coded industries: Computer and Electronic Product Manufacturing (334), Electronic Shopping (45411), Software Publishers (5112), Telecommunications (517), Data Processing (518), Internet Publishing (51913), Computer Systems Design (5415), Computer Training (61142), Electronic and Precision Equipment Repair and Maintenance (8112).

2. Employment data is derived from the federal Quarterly Census of Employment and Wages (QCEW). The QCEW quarterly and annual data is derived from a complete count of employer tax records and unemployment insurance records. Industry data only includes workers who work for an employer who designates the IT industry as their primary industry.

3. The U.S. Census Bureau defines "establishments" as "a single physical location where business is conducted or where services or industrial operations are performed." The term "worksites" is used interchangeably here with "establishments."

4. Regional Gross Domestic Product (GDP) is adapted from the U.S. Bureau of Economic Analysis (BEA) RIMS II chart of accounts and applied to data from the combined five-county PacMtn region. The BEA defines GDP as "the value of the goods and services produced by the [region's] economy less the value of the goods and services used up in production."

5. Average annual wage data is from Quarterly Census of Employment and Wages (QCEW) annualized averages of quarterly wage earnings.

6. PacMtn analysis of QCEW employment data aggregating the industries listed in footnote 1.

7. PacMtn analysis of JobsEQ Industry-Employment Mix data.

8. "Location Quotient" is the share of the region's employment in a particular industry relative to the national average. The base is 1. Therefore, if an industry in the PacMtn area has an LQ of 2.50, that means that the local percentage of jobs in that industry in this region is two-and-a-half times greater than the national average.