



Summer 2024

Washington Employers Survey

Association of Washington Business

Summer 2024



Washington Employers Survey

Executive Summary

Employers are taking an increasingly dim view of the prospects for their business through the rest of the year, although they aren't necessarily expecting the overall state economy to dip into a recession, according to AWB's latest survey of Washington employers.

While two-thirds of respondents say their business is currently either growing (27%) or flat (41%), they have a less optimistic outlook compared with previous surveys.

When asked what they expect over the next six months, 46% say they expect business to stay flat and 43% expect it to grow. That's a gloomier view than in AWB's spring survey, when 46% expected growth and 40% expected their business to stay flat. (On the bright side, only 9% of employers currently expect their business to decline, which is better than the 12% who were anticipating a downturn in the spring survey).

For comparison, one year ago in AWB's summer 2023 survey, 48% of employers expected growth over a six-month horizon, with 36% expecting business to stay flat and 14% bracing for a decline.

Nineteen percent of employers expect Washington to enter a recession in the next year and 38% do not think a recession is likely, with 43% unsure. That's a change from AWB's spring survey, when respondents were tied at 28% each on whether they expected a recession or not, with 44% unsure.

At the same time, 22% of employers say they plan to expand in the next year, up from 15% who said yes to that

question in AWB's spring survey. Twenty-percent plan to expand in another state and six percent plan to relocate to another state entirely, citing taxes and public safety as their primary reasons for moving.

In a new question, employers were asked how much they expect wages to change for their employees over the next year. More than three-quarters of employers expect to be giving raises, with the biggest group expecting a 3.6% to 4% raise, and almost one in five employers expecting to give a raise of more than 4%.

Supply chain issues continue to slowly moderate, with only 12% of employers saying supply chain problems continue to be a major disruption to their business. That's down from 18% in last quarter's survey and fewer than half of the 27% of employers facing major supply chain issues a year ago.

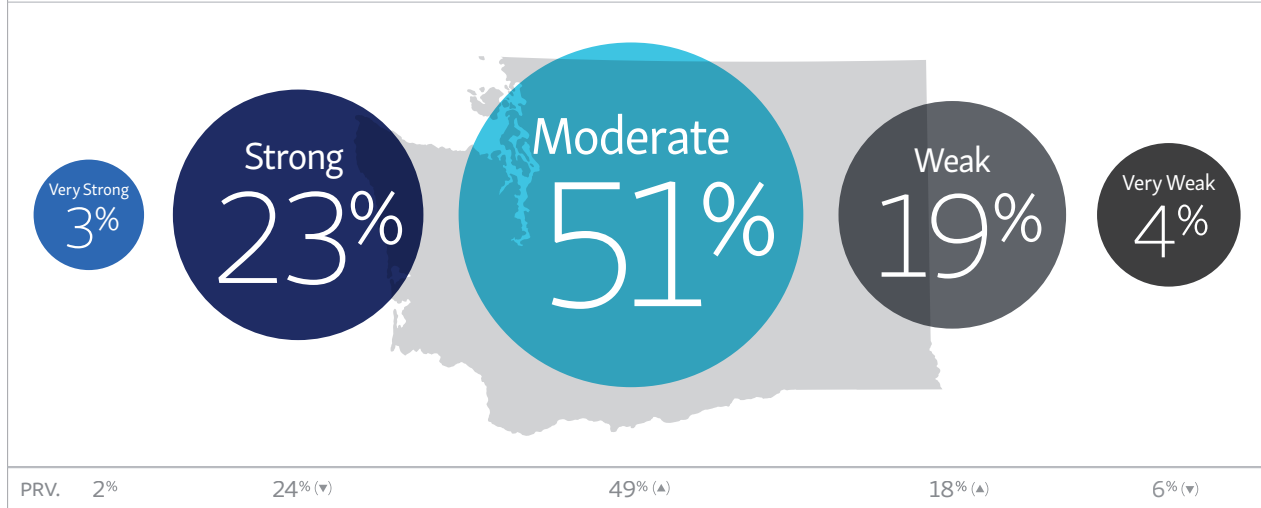
Almost half of Washington employers say AI is or could be part of their business plan, with 7% currently using AI and 38% curious about AI and/or exploring potential uses.

When asked about the most important public policy issues facing the state, 60% listed Washington's overall tax burden, 46% listed homelessness and 42% listed public safety.

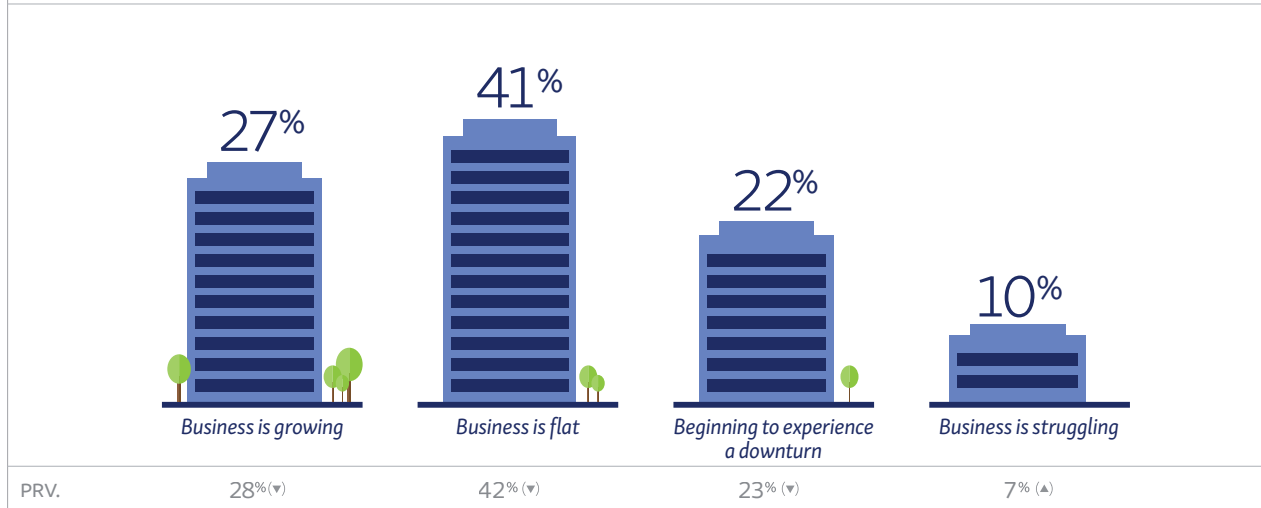
When asked about what state government could do to help their business, the top answers were to reduce taxes and reduce/reform government regulations.

Washington Employers Survey

How would you rate the current Washington economy?

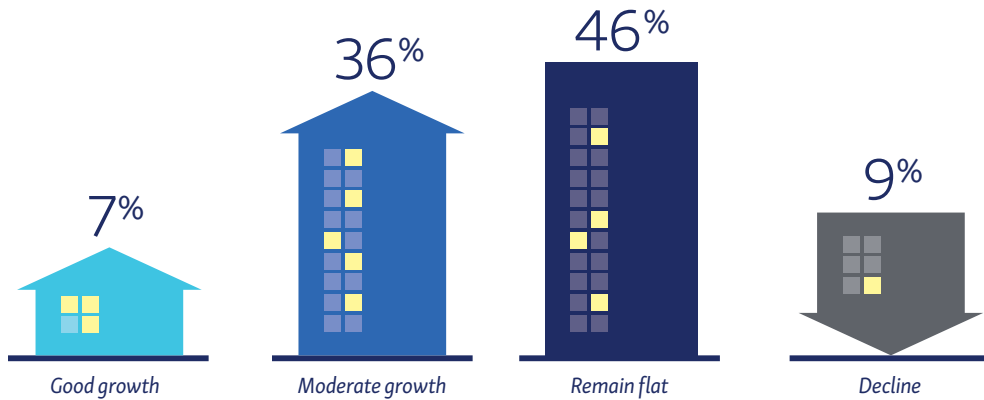


How healthy would you say your business is at this moment?



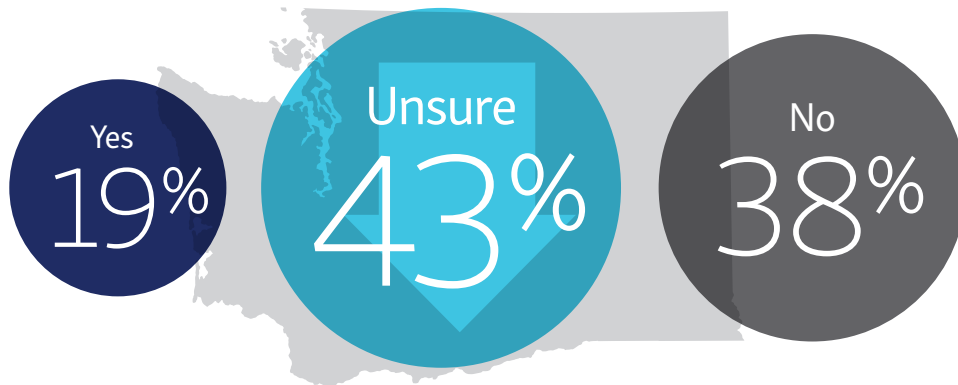
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In the next six months, will your business experience...



PRV. 4% (▲) 42% (▼) 40% (▲) 12% (▼)

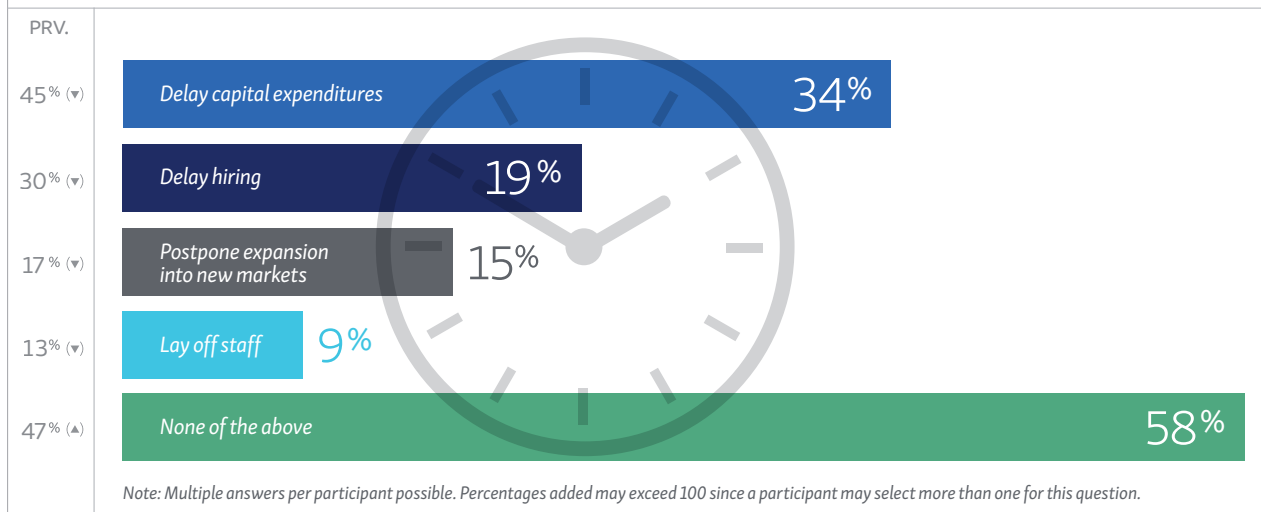
Do you expect the Washington economy to enter a recession in the next year?



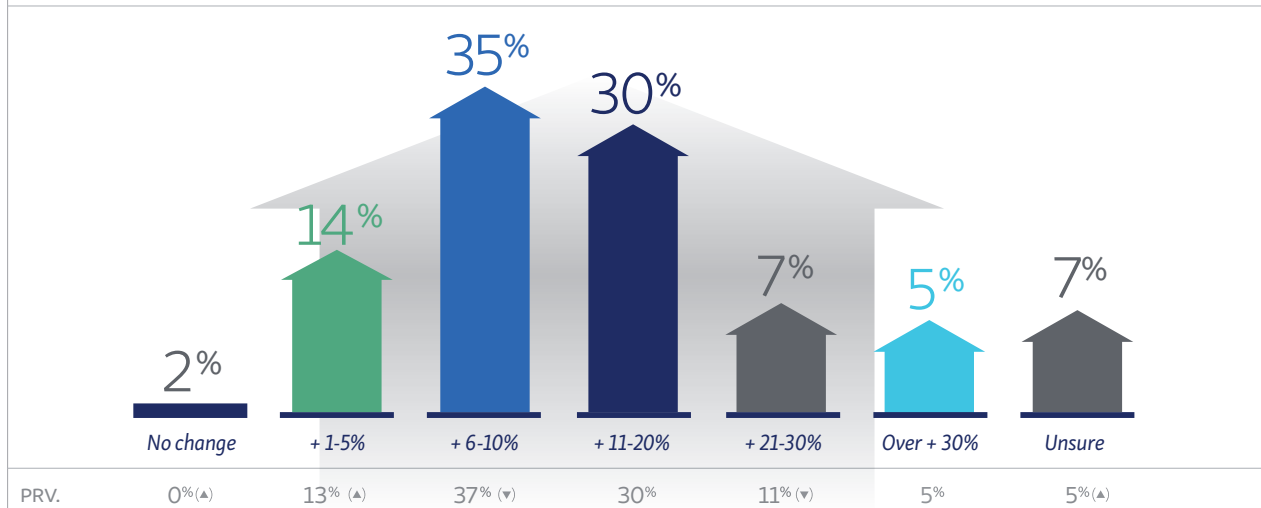
PRV. 28% (▼) 44% (▼) 28% (▼)

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Has concern about the possibility of a recession caused you to do any of the following?

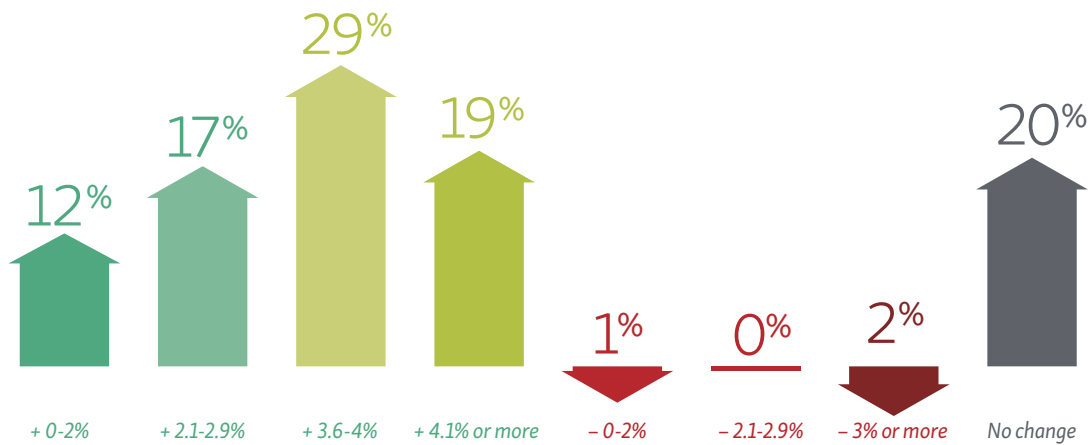


How much has inflation increased your cost to do business in the last year?



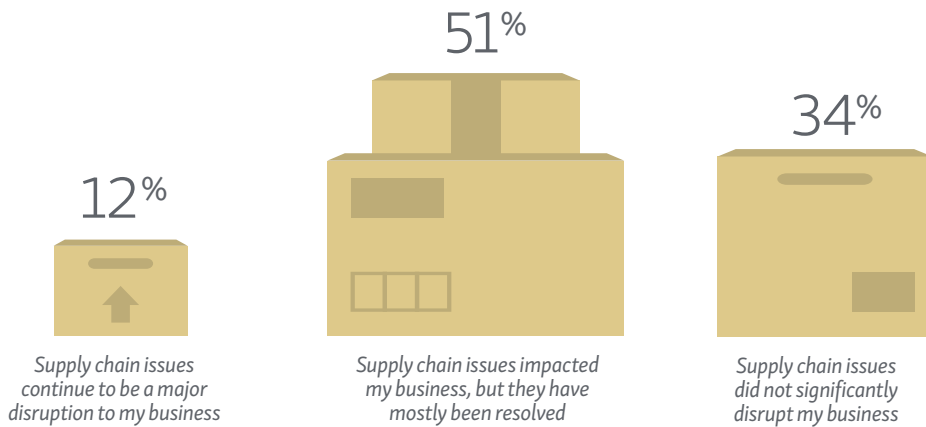
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How much do you expect hourly wages to increase or decrease in your company in the next year?



PRV.

How have supply chain disruptions impacted your business?



PRV.

18% (▼)

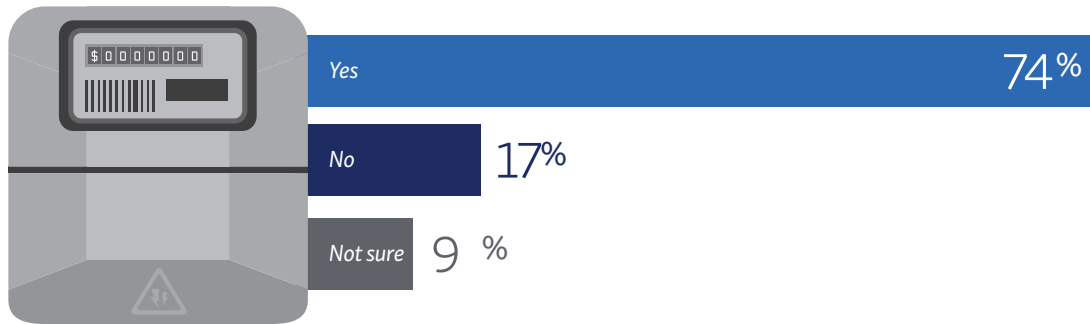
53% (▼)

26% (▲)

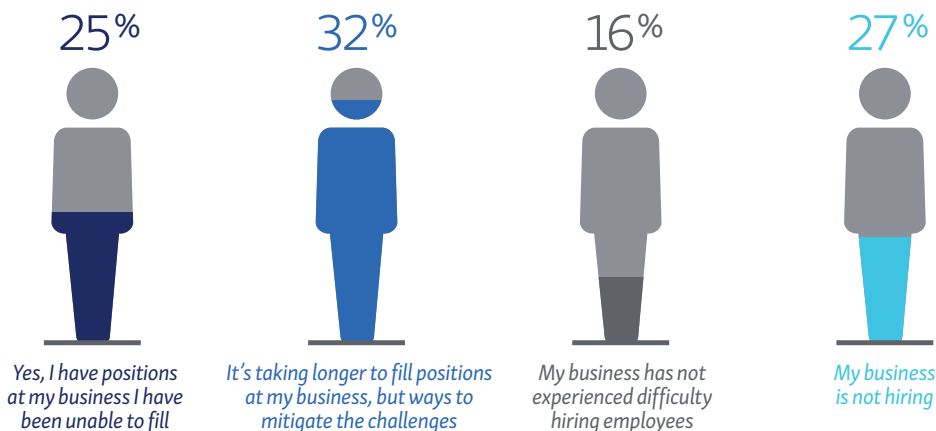
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Has your business experienced rising energy costs in the last two years?

PRV.



Is your business experiencing difficulty finding enough workers?



PRV.

22% (▼)

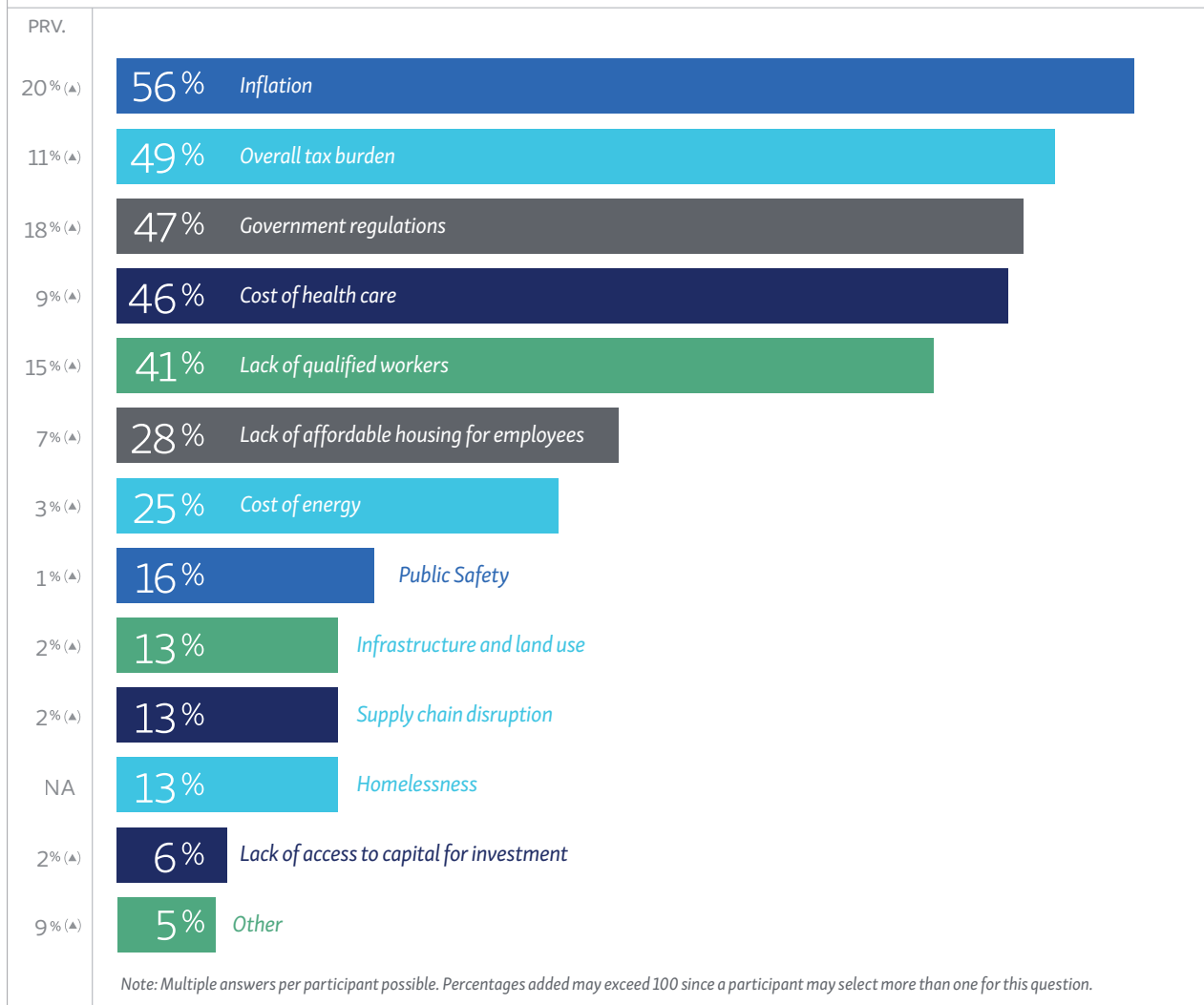
39% (▼)

13% (▲)

26% (▲)

Washington Employers Survey

In your opinion, what are the most important challenges facing your business today?

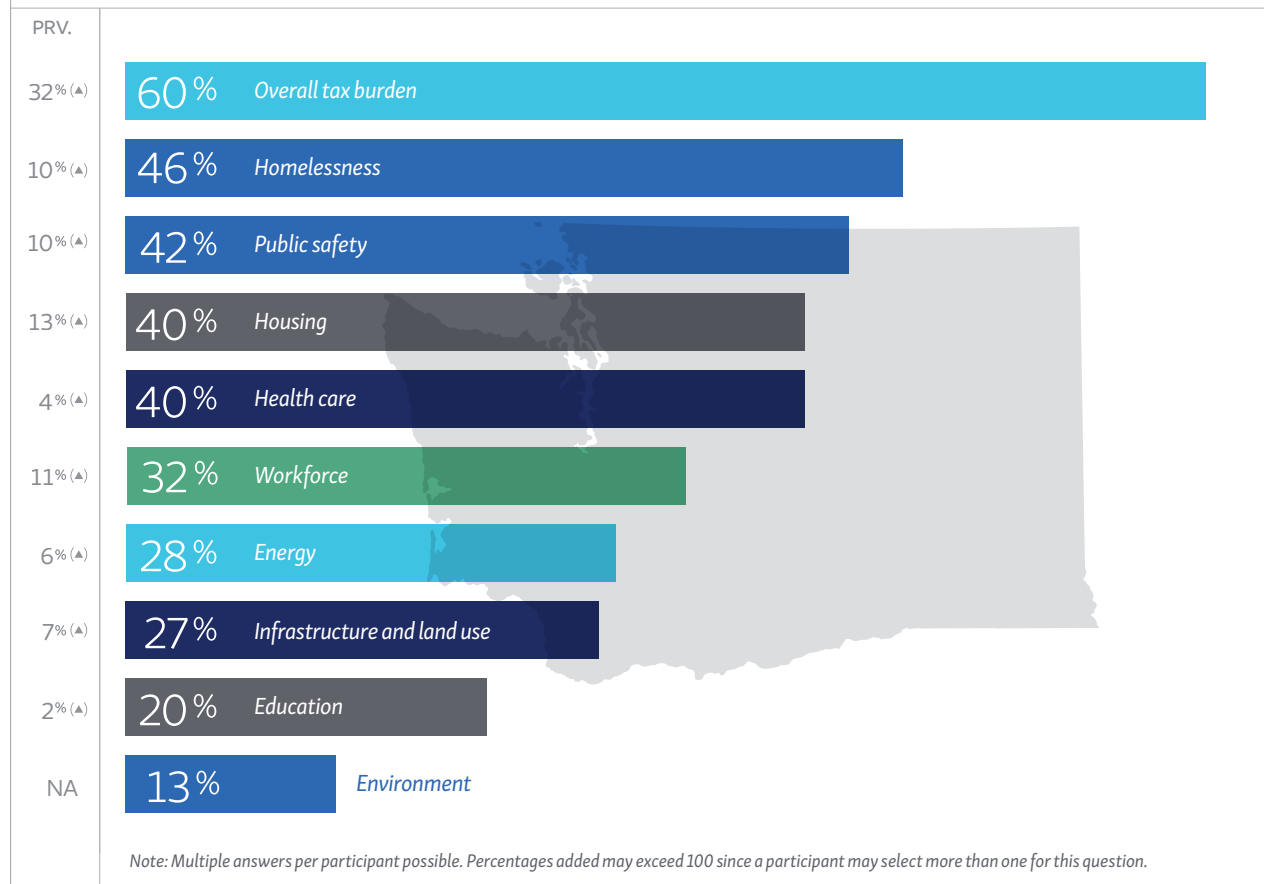


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In your opinion, what are the most important public policy issues facing Washington state?





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AWB is the catalytic leader and unifying voice for economic prosperity throughout Washington state.

About the AWB Employer Survey

AWB's summer 2024 employer survey was conducted from July 15-Aug. 5 and had 226 respondents. The top industry sectors represented by respondents were manufacturing, services/IT/professional, construction, wholesale and retail. Thirty-five percent of respondents have fewer than 10 employees and 38% have 10-50 employees.

Contact AWB Vice President of Communications [Jason Hagey](#) to learn more.

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