



Grant County

Labor Area Summary

December 2014

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Overview

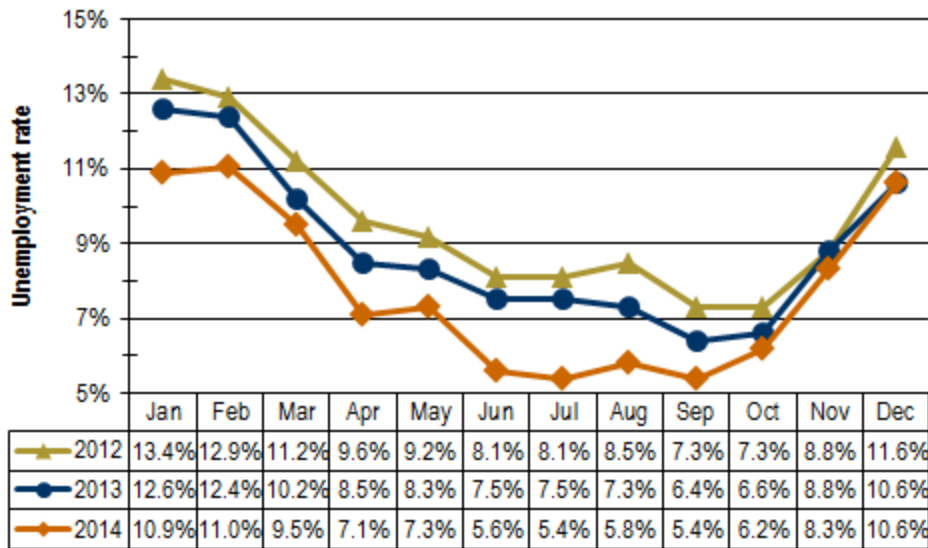
This report provides an update on the Grant County economy incorporating current, not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (between the Decembers of 2013 and 2014) and average annual (between 2013 and 2014) labor market changes.

Unemployment rates

Preliminary labor force data show that Washington state's average annual not seasonally adjusted unemployment rate decreased one percentage point between 2013 and 2014, from 7.0 percent to 6.0 percent. Between the Decembers of 2013 and 2014 the rate decreased from 6.6 to 6.2 percent, a drop of four-tenths of a percentage point.

In Grant County, the average annual unemployment rate decreased one and one-tenths percentage points between 2013 and 2014, from 8.8 to 7.7 percent. The unemployment rate was 10.6 percent in December 2014, unchanged from the 10.6 percent reading in December 2013 (as shown in *Figure 1*).

Figure 1. Unemployment rates, not seasonally adjusted
 Grant County, January 2012 through December 2014
 Source: Employment Security Department/LMPA; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



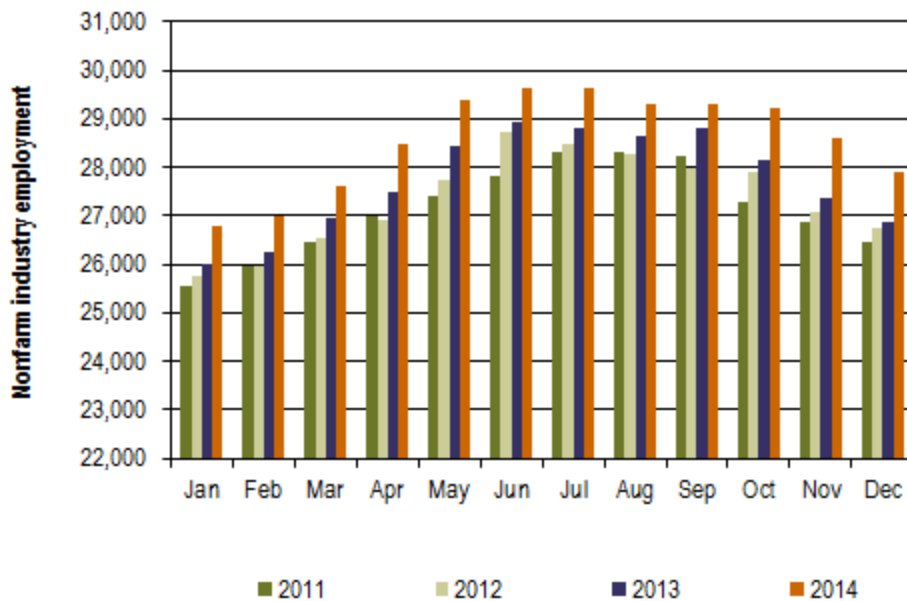
The Grant County unemployment rate stabilized at 10.6 percent in December 2013 and December 2014.

Total nonfarm employment

Between 2013 and 2014, Washington's labor market provided 83,000 new nonfarm jobs, an annual average increase of 2.8 percent. In December 2014, businesses and government organizations across Washington supplied 3,115,700 nonfarm jobs (not seasonally adjusted), compared to 3,032,800 jobs in December 2013, a 2.7 percent year-over-year employment increase. The state's economy has posted nonfarm employment increases for the past 51 consecutive months (October 2010 through December 2014).

Between 2013 and 2014, Grant County's labor market provided 850 new nonfarm jobs, an average annual increase of 3.1 percent, more robust than the State's 2.7 percent job growth rate in 2014. In December 2014, local nonfarm employers provided 27,900 jobs; a 3.8 percent and 1,020 job expansion from the 26,880 recorded in December 2013 (see Figure 2). The Grant County economy has registered year-over-year nonfarm employment increases for the past 27 months (from October 2012 through December 2014).

Figure 2. Nonfarm industry employment
Grant County, January 2011 through December 2014
Source: Employment Security Department/LMPA



Nonfarm employers in Grant County provided 27,900 nonfarm jobs in December 2014, a 3.8 percent upturn from December 2013.

Employment and unemployment

Preliminary data indicate that Washington's Civilian Labor Force (CLF) expanded by 18,090 residents (a 0.5 percent upturn) between 2013 and 2014. In effect, the State's labor force finished the year strong, by posting year-over-year increase in each of the last six months of 2014. Between the Decembers of 2013 and 2014 the state's labor force increased 1.4 percent. This past December, Washington's CLF tallied 3,485,880 residents versus 3,437,660 in December 2013, equating to 48,220 more Washingtonians in the labor force.

The Grant County CLF expanded by 1.5 percent in 2014. On a year-over-year basis, the labor force shrank from January through June 2014 before expanding strongly from July through December 2014. Between the Decembers of 2013 and 2014 the CLF jumped 8.5 percent, from 37,770 to 40,990 residents (meaning that 3,220 more residents were in the labor force). On the downside, the number of unemployed residing in Grant County rose from 3,990 in December 2013 to 4,340 in December 2014 (meaning that 350 more residents were out of work). The net result was the county's stabilized at 10.6 percent during this timeframe (see Figure 3).

Figure 3. Labor force and industry employment, not seasonally adjusted
 Grant County, December 2014
 Source: Employment Security Department/LMPA

Grant County	Preliminary Dec-14	Revised Nov-14	Revised Dec-13	Change		
				Nov-14	Dec-13	Dec-13
				Dec-14	Dec-14	Dec-14 %
Labor force and unemployment						
Civilian labor force	40,990	43,410	37,770	-2,420	3,220	8.5%
Resident employment	36,650	39,800	33,780	-3,150	2,870	8.5%
Unemployment	4,340	3,610	3,990	730	350	8.8%
Unemployment rate	10.6	8.3	10.6	2.3	0.0	
Industry employment						
Total nonfarm ¹	27,900	28,600	26,880	-700	1,020	3.8%
Total private	19,660	20,290	18,750	-630	910	4.9%
Goods producing	5,850	6,080	5,430	-230	420	7.7%
Mining, logging and construction	1,130	1,220	1,020	-90	110	10.8%
Manufacturing	4,720	4,860	4,410	-140	310	7.0%
Durable goods	2,250	2,240	1,910	10	340	17.8%
Nondurable goods	2,470	2,620	2,500	-150	-30	-1.2%
Service providing	22,050	22,520	21,450	-470	600	2.8%
Trade, transportation and utilities	5,670	5,720	5,590	-50	80	1.4%
Wholesale trade	1,530	1,540	1,400	-10	130	9.3%
Retail trade	3,220	3,240	3,200	-20	20	0.6%
Transportation, warehousing and utilities	920	940	990	-20	-70	-7.1%
Information and financial activities	1,260	1,260	1,150	0	110	9.6%
Professional and business services	1,010	1,200	1,200	-190	-190	-15.8%
Education and health services	2,870	2,940	2,690	-70	180	6.7%
Leisure and hospitality	2,470	2,520	2,150	-50	320	14.9%
Government	8,240	8,310	8,130	-70	110	1.4%
Federal government	740	740	720	0	20	2.8%
State and local government	7,500	7,570	7,410	-70	90	1.2%
State and local government education	3,580	3,700	3,530	-120	50	1.4%
Workers in labor/management disputes	0	0	0	0	0	
¹ Excludes proprietors, self-employed, members of the armed services, workers in private households and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding.						

Nonfarm employment in Grant County increased 3.8 percent, a gain of 1,020 jobs, between December 2013 and December 2014.

Nonfarm industry employment

Preliminary estimates (see *Figure 3*) illustrate that Grant County’s nonfarm employers provided 1,020 more jobs in December 2014 than in December 2013, a 3.8 percent upturn. Following is a summary of these recent over-the-year changes by industry:

- Most jobs in the combined “mining, logging and construction” category in Grant County are in construction and this category has been increasing year over year for the past seven months (from

June through December 2014). Between the Decembers of 2013 and 2014 construction grew 10.8 percent, a 110 job expansion. Statewide, the construction has been adding workers for the past 34 months (from March 2012 through December 2014).

- Grant County's manufacturing industry has been adding workers for the past 16 months. Between the Decembers of 2013 and 2014, this industry increased 7.0 percent, from 4,410 to 4,720 jobs, a strong 310 job expansion. This year over year expansion was led by local durable goods manufacturing firms (up 340 jobs and 17.8 percent). Conversely, nondurable goods manufacturing companies saw employment slip a bit from December 2013 to December 2014 (down 30 jobs and 1.2 percent) as shown in *Figure 3*. Statewide, manufacturing employment has posted year-over-year growth for 51 consecutive months (from October 2010 through December 2014).
- Wholesale trade accounted for 1,400 jobs in December 2013 versus 1,530 in December 2014, a 9.3 percent increase and a gain of 130 jobs.
- Transportation, warehousing, and utilities provided 990 jobs in December 2013 versus 920 in December 2014, a 7.1 percent decrease and a loss of 70 jobs. This industry averaged 990 jobs in 2013 versus 950 in 2014, a 40 job and 4.0 percent downturn. It was the only major Grant County industry to lose jobs in 2014, a contraction at least partially caused by the West Coast ports labor dispute and work slowdown (see the *Agricultural employment/production* section).
- Private education and health services advanced by 180 jobs, a 6.7 percent increase, between the Decembers of 2013 and 2014. Year over year, Grant County's private education and health services industry has added jobs for nine months (from April through December 2014). Statewide, this industry has been adding workers for at least the past seven years (from January 2008 through December 2014).
- Leisure and hospitality (primarily hotels and restaurants) posted year-over-year gains for the last seven months (June through December 2014). Between the Decembers of 2013 and 2014, this industry gained 320 jobs countywide, a 14.9 percent expansion. Washington's leisure and hospitality industry has grown for 51 months (from October 2010 through December 2014).

Agricultural employment/production

Although the 2014 bumper apple crop was great news for Central Washington's economy, the recent labor dispute affecting 29 West Coast seaports has hurt local fruit and hay exporters. The International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) have been in contract negotiations since May 2014 and the six-year contract expired in July, according to the Seattle Times.

A January 28, 2015 letter to President Barak Obama (published in the February 13, 2015 edition of the Columbia Basin Herald) from Washington's 13th Legislative District elected officials requests congressional involvement and Presidential action to help resolve this issue. The letter states: "If a resolution is not reached quickly not only will the national economy suffer, our state's operating budget could be well short of the tax collections expected from our trade and manufacturing sectors. A budget shortfall would hurt funding in education, social programs and our environmental efforts. Industries rely on long term forecasting and planning for their business plans and any instability within the processes severely impacts the entire system. Washington exports \$15.1 billion annually in food and agriculture products through Puget Sound ports, the third largest in the United States. Agricultural and ranching products total over 13 percent of the state's overall economy. Our state also relies heavily on imports of raw goods and materials that are critical to our vibrant manufacturing and aerospace industries. The Washington state economy is one of the most trade dependent states in the nation. We need immediate action if we are to salvage what remains of our market share for trade around the globe and to ensure our manufacturers can continue to produce high demand products."