



Grant County

Labor Area Summary

July 2015

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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 Julys of 2014 and 2015) and average annual (between 2013 and 2014) labor market changes.

Unemployment rates

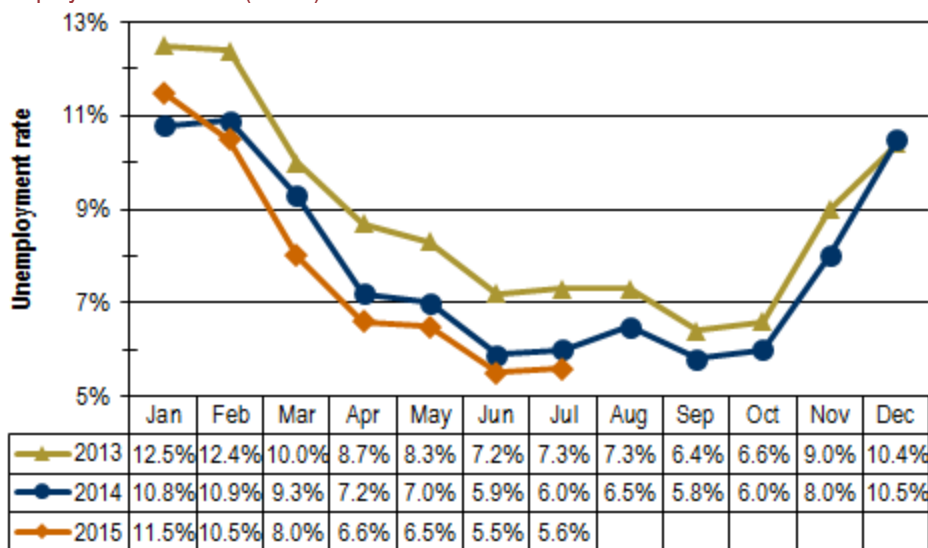
Civilian Labor Force (CLF) data show that Washington state's average annual not seasonally adjusted unemployment rate fell eight-tenths of a percentage point between 2013 and 2014, from 7.0 percent to 6.2 percent. Between the Julys of 2014 and 2015 the rate declined six-tenths of a point, from 6.0 to 5.4 percent.

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 rate decreased four-tenths of a point this July to 5.6 percent from the 6.0 percent reading in July 2014 (see *Figure 1*) as the number of unemployed residents dropped and the labor force expanded (see *Figure 3*). The last time a July unemployment rate was this low in Grant County was seven years ago (in July 2008) when the rate was 5.3 percent.

Figure 1. Unemployment rates, not seasonally adjusted

Grant County, January 2013 through July 2015

Source: Employment Security Department/LMPA; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



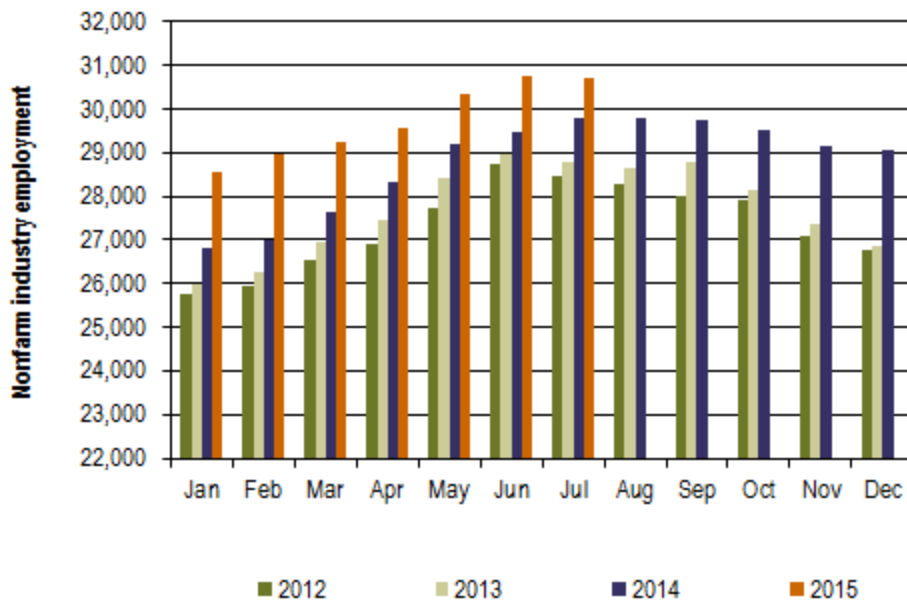
The Grant County unemployment rate decreased four-tenths of a point, from 6.0 percent in July 2014 to 5.6 percent in July 2015.

Total nonfarm employment

Between 2013 and 2014, Washington's labor market provided 77,600 new nonfarm jobs, an annual average increase of 2.6 percent. This July, businesses and government organizations across Washington supplied 3,192,200 nonfarm jobs (not seasonally adjusted), compared to 3,083,600 jobs in July 2014, a 3.5 percent year-over-year employment increase. The state's economy has posted year-over-year nonfarm employment increases for the past 58 consecutive months (October 2010 through July 2015).

Between 2013 and 2014, Grant County's labor market provided 1,070 new nonfarm jobs, an average annual increase of 3.9 percent, more robust than the state's 2.6 percent job growth rate in 2014. In July 2015, local nonfarm employers provided 30,710 jobs; a 3.1 percent and 920 job expansion from the 29,790 recorded in July 2014 (see *Figure 2*). The Grant County economy has registered year-over-year nonfarm employment increases for the past 34 months (from October 2012 through July 2015).

Figure 2. Nonfarm industry employment
Grant County, January 2012 through July 2015
Source: Employment Security Department/LMPA



Nonfarm employers in Grant County provided 30,710 nonfarm jobs in July 2015, a 3.1 percent upturn from July 2014.

Employment and unemployment

Washington's Civilian Labor Force (CLF) expanded by 28,145 residents (a 0.8 percent upturn) from 2013 to 2014. The state's labor force has increased for the past 18 months (February 2014 through July 2015).

Between the Julys of 2014 and 2015 the state's labor force grew by 1.2 percent. This July, Washington's CLF tallied 3,560,075 residents versus 3,516,818 in July 2014 equating to 43,257 more Washingtonians in the labor force.

The Grant County CLF increased 1.7 percent in 2014. The local labor force has expanded for 15 consecutive months (May 2014 through July 2015) and it grew 2.1 percent between the Julys of 2014 and 2015, from 48,930 to 49,953 residents (meaning that 1,023 more residents entered the labor force). The number of unemployed residing in Grant County declined from 2,958 in July 2014 to 2,775 in July 2015 (meaning that 183 fewer residents were out of work). The net result was the county's unemployment rate fell by four-tenths of a percentage point between the Julys of 2014 and 2015 (see *Figure 3*) – a good sign for the local economy.

Figure 3. Labor force and industry employment, not seasonally adjusted
 Grant County, July 2014, June and July 2015
 Source: Employment Security Department/LMPA

Grant County	Preliminary Jul-15	Revised Jun-15	Revised Jul-14	Change		
				Jun-15	Jul-14	Jul-14
				Jul-15	Jul-15	Jul-15 %
Labor force and unemployment						
Civilian labor force	49,953	49,661	48,930	292	1,023	2.1%
Resident employment	47,178	46,923	45,972	255	1,206	2.6%
Unemployment	2,775	2,738	2,958	37	-183	-6.2%
Unemployment rate	5.6	5.5	6.0	0.1	-0.4	
Industry employment						
Total nonfarm ¹	30,710	30,770	29,790	-60	920	3.1%
Total private	22,390	22,200	21,530	190	860	4.0%
Goods producing	7,200	7,110	6,850	90	350	5.1%
Mining, logging and construction	1,540	1,470	1,360	70	180	13.2%
Manufacturing	5,660	5,640	5,490	20	170	3.1%
Durable goods	2,380	2,280	2,320	100	60	2.6%
Nondurable goods	3,280	3,360	3,170	-80	110	3.5%
Service providing	23,510	23,660	22,940	-150	570	2.5%
Trade, transportation and utilities	6,050	6,010	5,790	40	260	4.5%
Wholesale trade	1,670	1,650	1,590	20	80	5.0%
Retail trade	3,440	3,430	3,280	10	160	4.9%
Transportation, warehousing and utilities	940	930	920	10	20	2.2%
Information and financial activities	1,110	1,130	1,250	-20	-140	-11.2%
Professional and business services	2,010	1,910	1,560	100	450	28.8%
Education and health services	3,000	2,960	2,850	40	150	5.3%
Leisure and hospitality	2,420	2,500	2,630	-80	-210	-8.0%
Government	8,320	8,570	8,260	-250	60	0.7%
Federal government	790	780	780	10	10	1.3%
State and local government	7,530	7,790	7,480	-260	50	0.7%
State and local government education	3,220	3,490	3,140	-270	80	2.5%
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 3.1 percent, a gain of 920 jobs, between July 2014 and July 2015.

Nonfarm industry employment

Preliminary estimates (see *Figure 3*) indicate that Grant County’s nonfarm employers provided 920 more jobs in July 2015 than in July 2014, a 3.1 percent upturn, slightly less than Washington’s 3.5 percent growth pace during this period. 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 14 months (June 2014

through July 2015). Between the Julys of 2014 and 2015 construction jumped 13.2 percent, a 180 job expansion. Statewide, the construction has been adding workers for the past 41 months (March 2012 through July 2015).

- Grant County's manufacturing industry has been growing for 23 months (from September 2013 through July 2015). Between the Julys of 2014 and 2015 manufacturing employment increased by 3.1 percent, from 5,490 to 5,660 jobs, a 170 job expansion. The July 2014 to July 2015 expansion was led by Grant County's nondurable goods manufacturers which rose from 3,170 jobs in July 2014 to 3,280 this July, a 110 job and 3.5 percent upturn (as shown in *Figure 3*). A local firm contributing to the nondurable goods manufacturing upturn was mentioned in a 1 September 2015 *Columbia Basin Herald* article entitled "Governor Inslee to visit AstaReal CEO in Japan." The article says that the Governor will visit the AstaReal's CEO on 4 September 2015 as part of his nine-day trade mission to Japan and Korea to "discuss the growth of their production facility in Moses Lake." The article continues: "AstaReal currently operates a \$34 million, 59,000-square-foot factory in Moses Lake that produces natural astaxanthin. They're planning on investing another \$30 million in an expansion that is expected to create another 50 jobs within two years."
- Professional and business services consists of a diverse set of niche industries, ranging from computer systems design and accounting/tax preparation services to management services, legal services and temporary employment services. In short, professional and business services is the umbrella industry of businesses that support other businesses. Professional and business services provided 1,560 jobs countywide in July 2014 versus 2,010 in July 2015, a strong 28.8 percent increase and an upturn of 450.
- Leisure and hospitality employment in Grant County has either stagnated or posted year-over-year losses for the past ten consecutive months (September 2014 through July 2015). This industry, which consists primarily of hotel and restaurants, declined 8.0 percent and lost 210 jobs between the Julys of 2014 and 2015 (see *Figure 3*). Conversely, Washington's leisure and hospitality industry has grown for 58 months (from October 2010 through July 2015).

Agricultural employment/production

The Bureau of Labor Statistics' Quarterly Census of Employment and Wage (QCEW) program, conducted by the Washington State Employment Security Department provides agricultural and nonagricultural employment and wages for firms, organizations and individuals whose employees are covered by the Washington State Employment Security Act. Frequently termed "covered" or "QCEW" data, this information provides a reliable data set for comparing employment and wage trends in major industries at the county level. In August 2015 preliminary annual average QCEW data for calendar year 2014 became available. A ten-year analysis (from 2004 through 2014) of these data show that in Grant County:

- Total covered employment rose from 31,807 in 2004 to 38,886 in 2014, a 7,079-job and 22.3 percent upturn. The number of agricultural jobs (a subset of total covered employment) increased from 7,459 in 2004 to 10,658 in 2014, a 3,199-job and 42.9 percent uptrend. In 2004 Grant County's agricultural industry accounted for 23.5 percent of total covered employment. In 2014 agricultural employment accounted for 27.4 percent of total covered employment countywide. Hence, agricultural employment rose 3.9 percentage points (from 23.5 to 27.4 percent) in Grant County during the past ten years.
- Total covered wages rose from \$821.0 million (in 2004) to \$1.39 billion (in 2014) a \$573.4 million and 69.8 percent upturn. The agricultural payroll (a subset of total covered wages) advanced from \$134.6 million in 2004 to \$263.0 million in 2014, a \$128.3 million and 95.3 percent uptrend. In 2004 Grant County's agricultural industry accounted for 16.4 percent of total covered wages. In 2014 agricultural wages accounted for 18.9 percent of total covered payroll countywide. Hence, agricultural wages rose 2.5 percentage points (from 16.4 to 18.5 percent) in Grant County during the past ten years.