



Grant County

Labor Area Summary

December 2015

Donald W. Meseck, Regional Labor Economist
 Employment Security Department
 Yakima WorkSource, 306 Division Street, Yakima, WA 98902
 Phone: (509) 573-4564; E-mail: dmeseck@esd.wa.gov
 Website: <https://fortress.wa.gov/esd/employmentdata/>

Overview

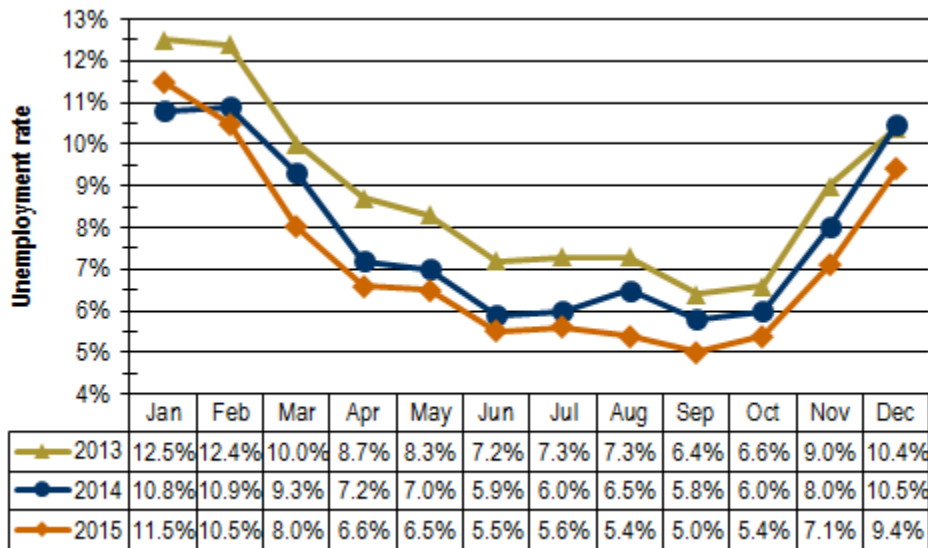
This report provides an update on the Grant County economy incorporating current, not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (between the Decembers of 2014 and 2015) and average annual (between 2014 and 2015) labor market changes.

Unemployment rates

Preliminary Civilian Labor Force (CLF) data show that Washington’s not seasonally adjusted average annual unemployment rate fell seven-tenths of a point between 2014 and 2015, from 6.2 percent to 5.5 percent. Between the Decembers of 2014 and 2015 the rate dipped four-tenths of a point, from 6.3 to 5.9 percent.

In Grant County, the average annual unemployment rate decreased six-tenths of a percentage point between 2014 and 2015, from 7.7 to 7.1 percent. The rate fell one and one-tenth points this December to 9.4 percent from the 10.5 percent reading in December 2014 (see *Figure 1*). The last time a December unemployment rate was this low in Grant County was eight years ago (in December 2007) when the rate was 7.9 percent.

Figure 1. Unemployment rates, not seasonally adjusted
 Grant County, January 2013 through December 2015
 Source: Employment Security Department/LMPA; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



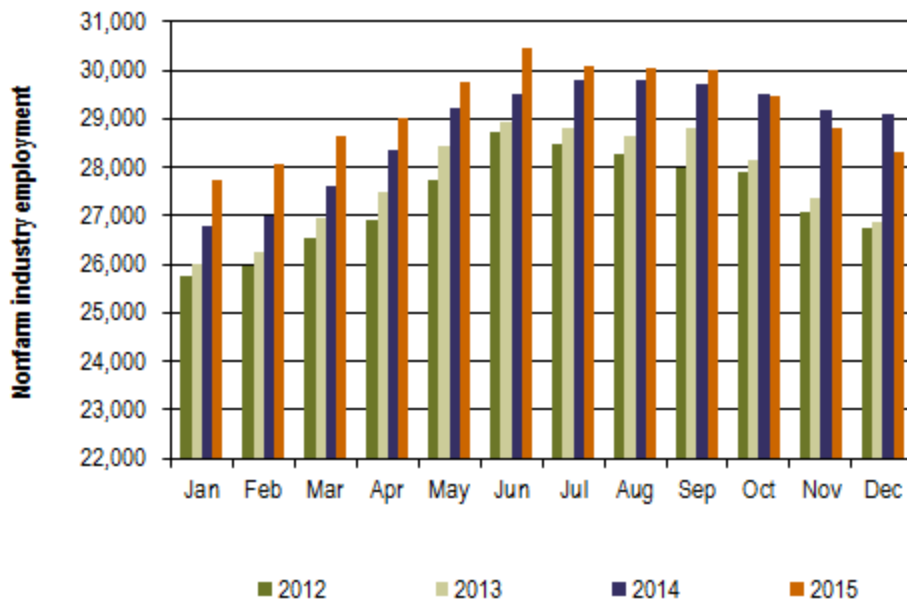
The Grant County unemployment rate decreased one and one-tenths points between the Decembers of 2014 and 2015.

Total nonfarm employment

Between 2014 and 2015, Washington's labor market provided 84,900 new nonfarm jobs, an annual average increase of 2.8 percent. This December, businesses and government organizations across Washington supplied 3,195,300 nonfarm jobs (not seasonally adjusted), compared to 3,127,300 jobs in December 2014, a 2.2 percent year-over-year employment increase. The state's economy has posted year-over-year nonfarm employment increases for the past 63 consecutive months (October 2010 through December 2015).

Between 2014 and 2015, Grant County's economy provided 400 new nonfarm jobs, an average annual increase of 1.4 percent, less robust than the state's 2.8 percent job growth rate. The County had posted year-over-year increases in nonfarm jobs for 36 months (from October 2012 through September 2015) until nonfarm employment decreased during each month of the 4th Quarter 2015. In December 2015 employers provided 28,330 jobs, a 750 job and 2.6 percent decrease from the 29,080 recorded in December 2014. In effect, the local job market started 2015 with a "bang" - but it ended the year with a "whimper."

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



Nonfarm employers in Grant County provided 26,750 nonfarm jobs in December 2015, a 2.6 percent downturn from December 2014.

Employment and unemployment

Washington's Civilian Labor Force (CLF) expanded by 48,261 residents (a 1.4 percent upturn) from 2014 to 2015. The state's labor force has increased, year over year, for the past 23 months (February 2014 through December 2015) but the growth pace has slowed to less than one percent in each of the past five months (August through December 2015). In December 2015, Washington's CLF tallied 3,544,002 residents versus 3,510,899 in December 2014 equating to 33,103 more Washingtonians in the labor force (up 0.9 percent).

Although Grant County's CLF increased 2.3 percent in 2015 and the labor force expanded for 15 months (May 2014 through July 2015), year over year growth rates slowed to less than one percent in September, November and December 2015 - and dipped into the negative column in August and October 2015. Fortunately, the CLF rose from 42,479 in December 2014 to 42,700 in December 2015 (meaning that 221 more residents were in the local labor force). The number of unemployed countywide dropped from 4,462 in December 2014 to 4,006 this December. The net result: the county's unemployment rate fell by one and one-tenths percentage points between the Decembers of 2014 and 2015 (see *Figure 3*).

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

Grant County	Preliminary Dec-15	Revised Nov-15	Revised Dec-14	Change		
				Nov-15	Dec-14	Dec-14
				Dec-15	Dec-15	Dec-15 %
Labor force and unemployment						
Civilian labor force	42,700	44,664	42,479	-1,964	221	0.5%
Resident employment	38,694	41,506	38,017	-2,812	677	1.8%
Unemployment	4,006	3,158	4,462	848	-456	-10.2%
Unemployment rate	9.4	7.1	10.5	2.3	-1.1	
Industry employment						
Total nonfarm ¹	28,330	28,810	29,080	-480	-750	-2.6%
Total private	20,080	20,500	20,800	-420	-720	-3.5%
Goods producing	5,950	6,180	6,330	-230	-380	-6.0%
Mining, logging and construction	1,050	1,140	1,190	-90	-140	-11.8%
Manufacturing	4,900	5,040	5,140	-140	-240	-4.7%
Durable goods	2,370	2,380	2,280	-10	90	3.9%
Nondurable goods	2,530	2,660	2,860	-130	-330	-11.5%
Service providing	22,380	22,630	22,750	-250	-370	-1.6%
Trade, transportation and utilities	6,070	6,130	5,910	-60	160	2.7%
Wholesale trade	1,730	1,740	1,580	-10	150	9.5%
Retail trade	3,260	3,310	3,320	-50	-60	-1.8%
Transportation, warehousing and utilities	1,080	1,080	1,010	0	70	6.9%
Information and financial activities	1,280	1,280	1,180	0	100	8.5%
Professional and business services	1,480	1,470	1,920	10	-440	-22.9%
Education and health services	2,650	2,700	2,770	-50	-120	-4.3%
Leisure and hospitality	2,110	2,180	2,150	-70	-40	-1.9%
Government	8,250	8,310	8,280	-60	-30	-0.4%
Federal government	740	750	740	-10	0	0.0%
State and local government	7,510	7,560	7,540	-50	-30	-0.4%
State and local government education	3,570	3,640	3,580	-70	-10	-0.3%
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 decreased 2.6 percent, a loss of 750 jobs, between December 2014 and December 2015.

Nonfarm industry employment

Preliminary estimates indicate that Grant County's nonfarm employers provided 750 fewer jobs in December 2015 than in December 2014, a 2.6 percent downturn. Washington's nonfarm market grew by a 2.2 percent growth pace during this period. Highlights of year-over-year changes in major industries follow (as shown in *Figure 3*):

- Most jobs in the combined “mining, logging and construction” category in Grant County are in construction and the local construction industry has been registering year-over-year employment losses for the past eight months (May through December 2015). Between the Decembers of 2014 and 2015 construction employment fell from 1,190 to 1,050, a 140 job and 11.8 percent contraction. Statewide, construction has been adding workers for the past 46 consecutive months (from March 2012 through December 2015).
- The number of jobs in Grant County's manufacturing industry decreased 4.7 percent between the December 2014 (5,140 jobs) and December 2015 (4,900 jobs). This recent slowdown in manufacturing employment has been centered in nondurable goods manufacturing (primarily in food processing) which registered year-over-year jobs losses in October, November and December 2015. Statewide, manufacturing employment grew for 62 months (from October 2010 through November 2015) before retrenching 0.2 percent between the Decembers of 2014 and 2015. Washington's nondurable goods manufacturers saw employment either stagnate or post year-over-year increases for 35 consecutive months (from January 2013 through November 2015) before receding by 0.4 percent between the Decembers of 2014 and 2015.
- Retail trade posted year-over-year gains from March through November 2015 (for nine consecutive months) before decreasing 1.8 percent between the Decembers of 2014 (3,320 jobs) and 2015 (3,260 jobs). This industry consists of such business as auto dealerships, general merchandise stores, hardware stores, food stores, etc. Statewide, retail trade employment has posted year-over-year upturns for the past 63 months (October 2010 through December 2015).
- 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 1,920 jobs countywide in December 2014 versus 1,480 in December 2015, a strong 22.9 percent decrease and a 440-job downturn.

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.