



# Grant County Labor Area Summary July 2016

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## Overview

This report provides an update on the Grant County economy incorporating not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (between July 2015 and July 2016) and average annual (between 2014 and 2015) changes in the labor market.

## Unemployment rates

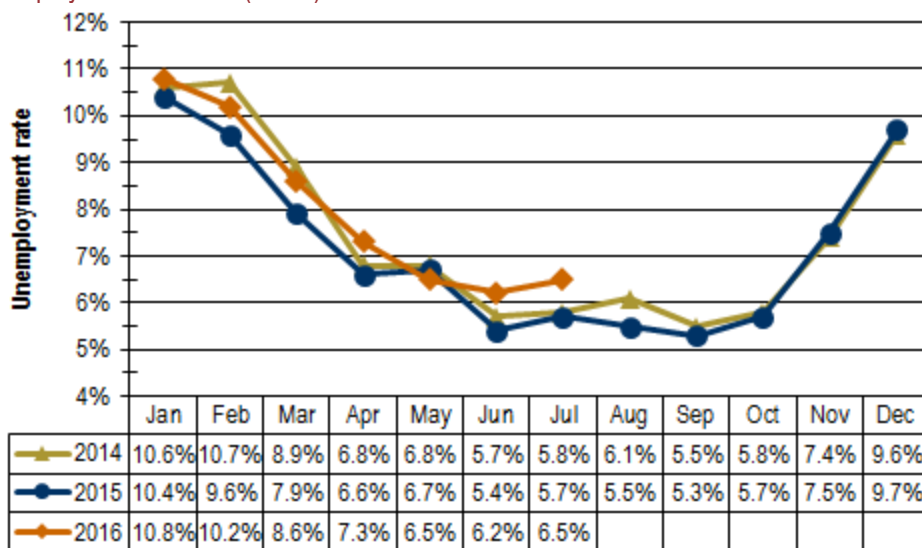
Civilian Labor Force (CLF) data show that Washington’s not seasonally adjusted average annual unemployment rate fell four-tenths of a point between 2014 and 2015, from 6.1 percent to 5.7 percent. However, between the Julys of 2015 and 2016 the rate rose two-tenths of a point, from 5.5 to 5.7 percent.

In Grant County, the average annual unemployment rate decreased three-tenths of a percentage point between 2014 and 2015, from 7.4 to 7.1 percent. However, the rate increased from the 5.7 percent reading in July 2015 to 6.5 percent this July, an eight-tenths point upturn (see *Figure 1*). The civilian labor force contracted modestly between the Julys of 2015 and 2016 while the number of unemployed expanded strongly during this timeframe – propelling the rate upward (see *Figure 3*).

**Figure 1.** Unemployment rates, not seasonally adjusted

Grant County, January 2014 through July 2016

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



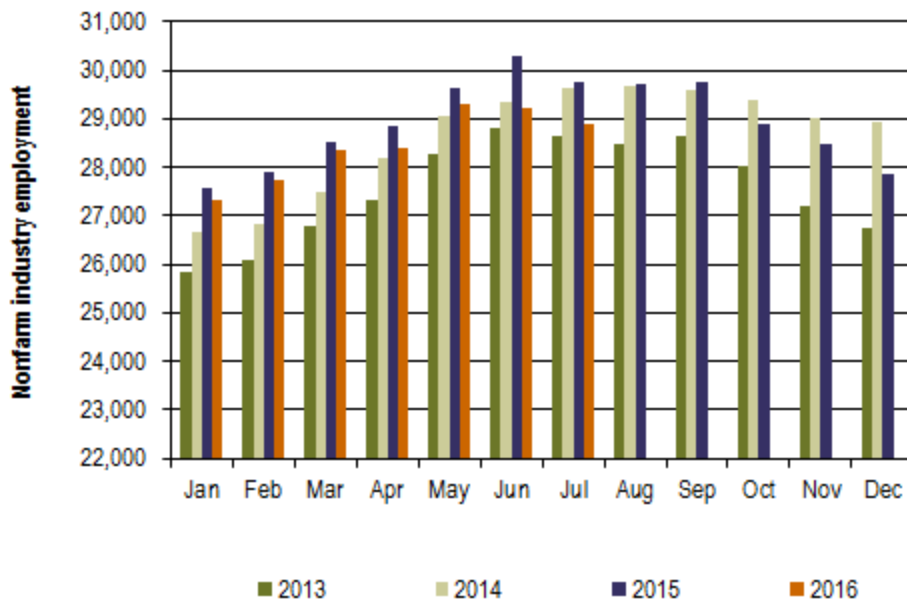
*The Grant County unemployment rate increased eight-tenths of a point between the Julys of 2015 and 2016.*

## Total nonfarm employment

Between 2014 and 2015, Washington's labor market provided 86,200 new nonfarm jobs, an annual average increase of 2.8 percent. This July, businesses and government organizations across Washington supplied 3,264,100 nonfarm jobs (not seasonally adjusted), compared to 3,164,100 jobs in July 2015, a 3.2 percent year-over-year employment increase. The state's economy has posted year-over-year nonfarm employment increases for the past 70 consecutive months (October 2010 through July 2016).

Between 2014 and 2015, Grant County's economy provided 290 new nonfarm jobs, an average annual increase of 1.0 percent, considerably less robust than the 3.9 percent growth rate and the 1,080 new jobs generated in 2014. More concerning news for the local economy: nonfarm employment has declined, year over year, for the past ten months (October 2015 through July 2016). This July employers in Grant County provided only 28,880 jobs, an 870 job and 2.9 percent decrease from the 29,750 recorded in July 2015.

**Figure 2. Nonfarm industry employment**  
Grant County, January 2013 through July 2016  
Source: Employment Security Department/LMPA



*Nonfarm employers in Grant County provided only 28,880 nonfarm jobs in July 2016, a 2.9 percent downturn since July 2015.*

## Employment and unemployment

Washington's Civilian Labor Force (CLF) expanded by 50,156 residents (a 1.4 percent upturn) from 2014 to 2015. The state's labor force has increased, year over year, for the past 31 months (January 2014 through July 2016). In July 2016, Washington's CLF tallied 3,658,687 residents versus 3,565,987 in July 2015 equating to 92,700 more Washingtonians in the labor force (up 2.6 percent).

Grant County's CLF expanded by 1.4 percent in 2015 on an average annual basis. However, this growth occurred primarily during the first half of 2015. In fact, the Grant County CLF has since registered year-over-year losses for the past eleven months (September 2015 through July 2016). Between the Julys of 2015 and 2016 the CLF shrank from 48,055 residents to 47,402 (meaning there were 653 fewer residents in the local labor force). Also, the number of unemployed rose from 2,717 to 3,077 (meaning that 360 more Grant County residents were out of work this July than in July 2015). This combination of a decrease in the CLF and an increase in the number of unemployed caused Grant County's unemployment to rise eight-tenths of a point between the Julys of 2015 and 2016 (see *Figure 3*).

**Figure 3. Labor force and industry employment, not seasonally adjusted**  
 Grant County, July 2015, June and July 2016  
 Source: Employment Security Department/LMPA

Grant County	Preliminary Jul-16	Revised Jun-16	Revised Jul-15	Change		
				Jun-16	Jul-15	Jul-15
				Jul-16	Jul-16	Jul-16 %
<b>Labor force and unemployment</b>						
Civilian labor force	47,402	47,351	48,055	51	-653	-1.4%
Resident employment	44,325	44,407	45,338	-82	-1,013	-2.2%
Unemployment	3,077	2,944	2,717	133	360	13.2%
Unemployment rate	6.5	6.2	5.7	0.3	0.8	
<b>Industry employment</b>						
Total nonfarm <sup>1</sup>	28,880	29,210	29,750	-330	-870	-2.9%
Total private	20,700	20,840	21,540	-140	-840	-3.9%
Goods producing	5,900	6,020	6,770	-120	-870	-12.9%
Mining, logging and construction	1,250	1,230	1,350	20	-100	-7.4%
Manufacturing	4,650	4,790	5,420	-140	-770	-14.2%
Durable goods	1,950	2,000	2,420	-50	-470	-19.4%
Nondurable goods	2,700	2,790	3,000	-90	-300	-10.0%
Service providing	22,980	23,190	22,980	-210	0	0.0%
Trade, transportation and utilities	6,130	6,160	6,010	-30	120	2.0%
Wholesale trade	1,700	1,720	1,680	-20	20	1.2%
Retail trade	3,420	3,420	3,340	0	80	2.4%
Transportation, warehousing and utilities	1,010	1,020	990	-10	20	2.0%
Information and financial activities	1,180	1,180	1,130	0	50	4.4%
Professional and business services	1,420	1,400	1,770	20	-350	-19.8%
Education and health services	2,670	2,690	2,660	-20	10	0.4%
Leisure and hospitality	2,790	2,770	2,610	20	180	6.9%
Government	8,180	8,370	8,210	-190	-30	-0.4%
Federal government	800	790	790	10	10	1.3%
State and local government	7,380	7,580	7,420	-200	-40	-0.5%
State and local government education	3,170	3,340	3,050	-170	120	3.9%
Workers in labor/management disputes	0	0	0	0	0	
<sup>1</sup> 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 2.9 percent, a loss of 870 jobs, between July 2015 and July 2016.*

## Nonfarm industry employment

Preliminary estimates indicate that Grant County’s nonfarm employers provided 870 fewer jobs in July 2016 than in July 2015, a 2.9 percent downturn. Conversely, Washington’s nonfarm market expanded at a 3.2 percent clip during this period. Highlights of year-over-year changes in major industries follow:

- 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 15 months (May 2015 through July 2016). Between the Julys of 2015 and 2016 construction employment fell from 1,350 to 1,250, a 100 job and 7.4 percent contraction. Statewide, construction has expanded for 53 consecutive months (from March 2012 through July 2016).

- The number of jobs in Grant County's durable goods manufacturing industry has declined, year over year, for the past nine months (November 2015 through July 2016). Between the Julys of 2015 and 2016, durable goods manufacturing fell 19.4 percent, a 470 job downturn (from 2,420 to 1,950 jobs) – certainly dismal economic news for the local economy. Statewide, durable goods manufacturing employment has also been slipping since November 2015 (for the past nine consecutive months) although the pace of this decline (2.8 percent between the Julys of 2015 and 2016) is nowhere near as discouraging as the 19.4-percent job loss rate in Grant County.
- Professional and business services consists of a 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. Year over year, Grant County's professional and business services industry has lost jobs for the last ten months, following twelve consecutive months of growth (October 2014 through September 2015). Statewide, this industry has been adding workers for the past 75 months (from May 2010 through July 2016).
- Leisure and hospitality (primarily hotels and restaurants) was the industry that added the most jobs to the local economy between July 2015 and July 2016. The number of part- and full-time jobs in Grant County's leisure and hospitality businesses advanced from 2,610 in July 2015 to 2,790 this July, a 180 job and 6.9 percent upturn.

## **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 July 2016 preliminary annual average QCEW data for calendar year 2015 became available. An analysis of employment changes from 2004 through 2015 shows that in Grant County:

- Total covered employment rose from 31,807 in 2004 to 38,987 in 2015, a 7,180-job and 22.6 percent upturn. The number of agricultural jobs (a subset of total covered employment) increased from 7,459 in 2004 to 10,513 in 2015, a 3,054-job and 40.9 percent uptrend. In 2004 Grant County's agricultural industry accounted for 23.5 percent of total covered employment. In 2014 agricultural employment accounted for 27.0 percent of total covered employment countywide. In fact, agricultural employment as a percentage of total covered employment has been in the 27 percent-range for the past four years (i.e., 27.7 percent in 2012, 27.0 percent in 2013, 27.4 percent in 2014 and 27.0 percent in 2015). Hence, the agricultural share of employment rose 3.5 percentage points (from 23.5 to 27.0 percent) in Grant County during this twelve-year (inclusive) period.
- Total covered wages rose from \$821.0 million (in 2004) to \$1.46 billion (in 2015) a \$639.0 million and 77.8 percent upturn. The agricultural payroll (a subset of total covered wages) advanced from \$134.6 million in 2004 to \$274.0 million in 2015, a \$139.4 million and 103.6 percent uptrend. In 2004 Grant County's agricultural industry accounted for 16.4 percent of total covered wages. In 2015 agricultural wages accounted for 19.7 percent of total covered payroll countywide. Hence, agricultural share of wages rose 3.3 percentage points (from 16.4 to 19.7 percent) in Grant County during this twelve-year (inclusive) period.