



# Grant County

## Labor Area Summary

### November 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 Novembers of 2013 and 2014) and average annual (between 2012 and 2013) labor market changes.

## Unemployment rates

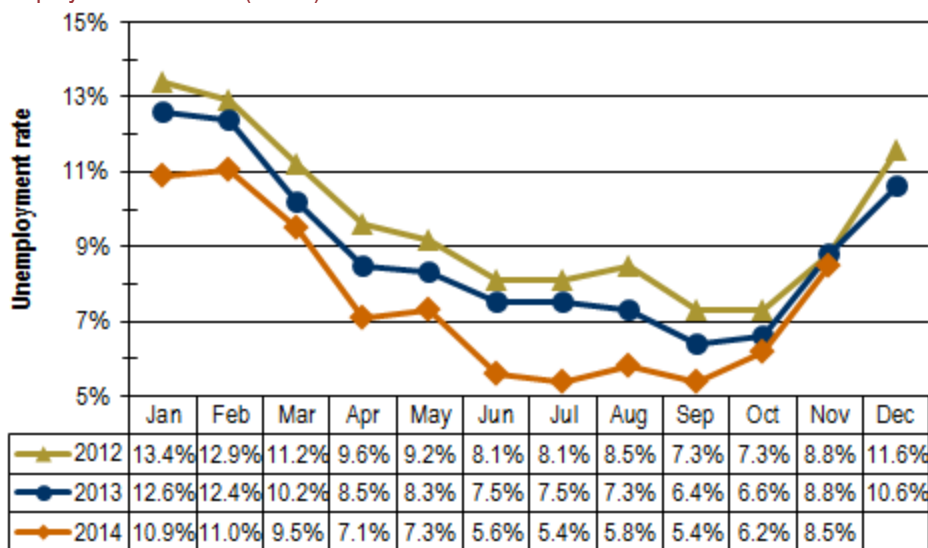
Washington state's annual average not seasonally adjusted unemployment rate decreased one and one-tenths percentage points between 2012 and 2013, from 8.1 percent to 7.0 percent. Between the Novembers of 2013 and 2014 the rate decreased from 6.5 to 6.1 percent, a drop of four-tenths of a percentage point.

In Grant County, the average annual unemployment rate decreased eight-tenths of a percentage point between 2012 and 2013, from 9.6 to 8.8 percent. It decreased three-tenths of a percentage point this November to 8.5 percent from the 8.8 percent reading in November 2013 (as shown in *Figure 1*) – a step in the right direction for the local economy. The last time a November unemployment rate was this low in Grant County was six years ago (in November 2008) when the rate was 7.1 percent.

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

Grant County, January 2012 through November 2014

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



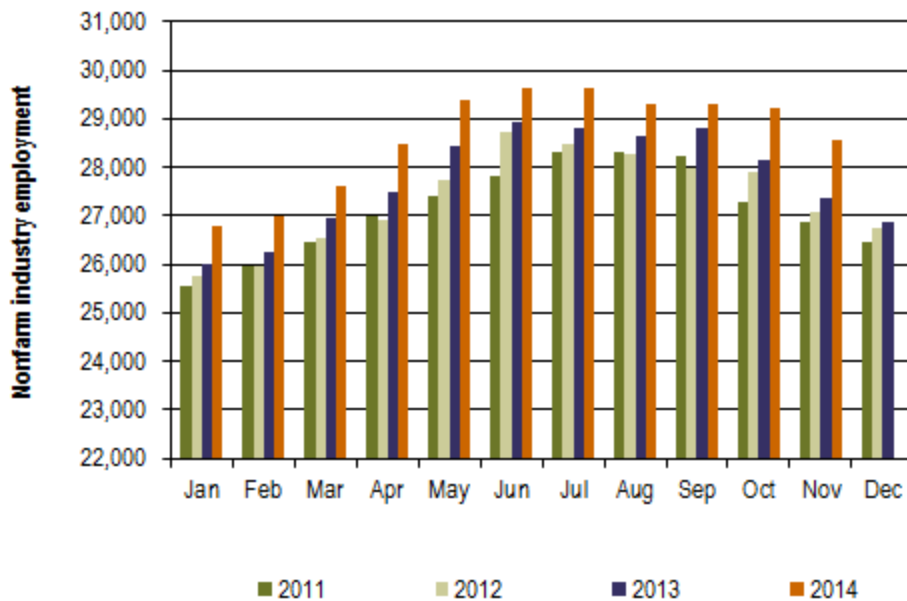
*The Grant County unemployment rate decreased three-tenths of a percentage point between November 2013 and November 2014.*

## Total nonfarm employment

Between 2012 and 2013, Washington's labor market provided 68,600 new nonfarm jobs, an annual average increase of 2.3 percent. This November, businesses and government organizations across Washington supplied 3,124,600 nonfarm jobs (not seasonally adjusted), compared to 3,041,900 jobs in November 2013, a 2.7 percent year-over-year employment increase. The state's economy has posted nonfarm employment increases for the past 50 consecutive months (October 2010 through November 2014).

Between 2012 and 2013, Grant County's labor market provided 380 new nonfarm jobs, an average annual increase of 1.4 percent, which was less robust than the State's 2.3 percent job growth rate in 2013. Local employers provided 28,560 nonfarm jobs this November, a 1,200 job and 4.4 percent expansion from the 27,360 recorded in November 2013 (see Figure 2). The Grant County economy has registered year-over-year nonfarm employment increases for the past 26 months (from October 2012 through November 2014).

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



*Nonfarm employers in Grant County provided 28,560 nonfarm jobs in November 2014, a 4.4 percent upturn from November 2013.*

## Employment and unemployment

Washington's Civilian Labor Force (CLF) shrank by 23,600 residents (a 0.7 percent downturn) between 2012 and 2013. It continued to decline on a year-over-year basis during three of the first six months of 2014. However, the CLF has expanded from July through November 2014. Between the Novembers of 2013 and 2014 the state's labor force increased 1.8 percent. This November, Washington's CLF tallied 3,509,360 residents versus 3,447,760 in November 2013, equating to 61,600 more Washingtonians in the labor force.

The Grant County CLF expanded by 0.5 percent in 2013. However, on a year-over-year basis, the labor force shrank from January through June 2014 before expanding from July through November 2014. Between the Novembers of 2013 and 2014 the CLF jumped 7.8 percent, from 40,270 to 43,420 residents (meaning that 3,150 more residents were in the labor force). One of the factors that drew workers back into the labor force in November 2014 was this year's bumper apple crop. Although the number of unemployed residing in Grant County rose from 3,560 in November 2013 to 3,670 in November 2014 (meaning that 110 more residents were out of work), the county's unemployment rate declined from 8.8 to 8.5 percent during this timeframe (see Figure 3).

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

Grant County	Preliminary Nov-14	Revised Oct-14	Revised Nov-13	Change		
				Oct-14	Nov-13	Nov-13
				Nov-14	Nov-14	Nov-14 %
<b>Labor force and unemployment</b>						
Civilian labor force	43,420	46,480	40,270	-3,060	3,150	7.8%
Resident employment	39,750	43,580	36,710	-3,830	3,040	8.3%
Unemployment	3,670	2,900	3,560	770	110	3.1%
Unemployment rate	8.5	6.2	8.8	2.3	-0.3	
<b>Industry employment</b>						
Total nonfarm <sup>1</sup>	28,560	29,220	27,360	-660	1,200	4.4%
Total private	20,290	20,970	19,150	-680	1,140	6.0%
Goods producing	6,120	6,370	5,660	-250	460	8.1%
Mining, logging and construction	1,240	1,300	1,160	-60	80	6.9%
Manufacturing	4,880	5,070	4,500	-190	380	8.4%
Durable goods	2,240	2,240	1,940	0	300	15.5%
Nondurable goods	2,640	2,830	2,560	-190	80	3.1%
Service providing	22,440	22,850	21,700	-410	740	3.4%
Trade, transportation and utilities	5,670	5,680	5,660	-10	10	0.2%
Wholesale trade	1,540	1,530	1,440	10	100	6.9%
Retail trade	3,220	3,230	3,240	-10	-20	-0.6%
Transportation, warehousing and utilities	910	920	980	-10	-70	-7.1%
Information and financial activities	1,260	1,260	1,190	0	70	5.9%
Professional and business services	1,200	1,420	1,160	-220	40	3.4%
Education and health services	2,960	3,030	2,700	-70	260	9.6%
Leisure and hospitality	2,520	2,650	2,220	-130	300	13.5%
Government	8,270	8,250	8,210	20	60	0.7%
Federal government	750	760	700	-10	50	7.1%
State and local government	7,520	7,490	7,510	30	10	0.1%
State and local government education	3,650	3,550	3,640	100	10	0.3%
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 increased 4.4 percent, a gain of 1,200 jobs, between November 2013 and November 2014.*

## Nonfarm industry employment

Preliminary estimates (see *Figure 3*) illustrate that Grant County's nonfarm employers provided 1,200 more jobs in November 2014 than in November 2013, a 4.4 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 six months (from June

through November 2014). Between the Novembers of 2013 and 2014 construction grew 6.9 percent, an 80 job expansion. Statewide, the construction has been adding workers for the past 33 months (from March 2012 through November 2014).

- Grant County's manufacturing industry has been adding workers for the past 15 months. This industry increased 8.4 percent between the Novembers of 2013 and 2014, from 4,500 to 4,880, a strong 380 job expansion. This year over year expansion was led by local durable goods manufacturing firms (up 300 jobs and 15.5 percent) and helped by nondurable goods manufacturing companies (up 80 jobs and 3.1 percent), as shown in *Figure 3*. Statewide, manufacturing employment has posted year-over-year growth for 50 consecutive months (from October 2010 through November 2014).
- Wholesale trade accounted for 1,440 jobs in November 2013 versus 1,540 in November 2014, a 6.9 percent increase and a gain of 100 jobs.
- Transportation, warehousing, and utilities provided 980 jobs in November 2013 versus 910 in November 2014, a 7.1 percent decrease and a loss of 70 jobs. Some of this over-the-year job loss was likely caused by the effects of the West Coast ports labor dispute and work slowdown (see the *Agricultural employment/production* section).
- Private education and health services advanced by 260 jobs, a 9.6 percent decrease, between the Novembers of 2013 and 2014. Year over year, Grant County's private education and health services industry has added jobs for eight months (from April through November 2014). Statewide, this industry has been adding workers for at least the past 83 months (from January 2008 through November 2014).
- Leisure and hospitality (primarily hotels and restaurants) posted year-over-year gains for the last six months (June through November 2014). Between the Novembers of 2013 and 2014, this industry gained 300 jobs countywide, a 13.5 percent expansion. Washington's leisure and hospitality industry has grown for 50 months (from October 2010 through November 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.

Examples of Central Washington firms affected by the slowdown were provided in a December 17, 2014 Seattle Times article entitled "More layoffs as slowdown at West Coast ports continues," as follows: "Chelan Fresh, one of Washington's major apple and pear exporters and based in Chelan, usually ships 120 containers of fruit through the ports each week. Running at only half speed for almost two months, Riggan (CEO of Chelan Fresh) could not keep 1,000 full-time employees packing and shipping boxes, he said. He has sent 250 employees home and reduced 70 from full time to part time." This article also provided information about the impact on potato exports: "McDonald's in Japan began rationing its fries Wednesday morning. It said prolonged labor negotiations with port workers on the West Coast have made it difficult to meet demand despite an emergency airlift of 1,000 tons of processed spuds and an extra shipment from the East Coast by sea. Matt Harris, director of government affairs with the Washington State Potato Commission, said every potato is contracted before it is grown and shipped. 'If you cannot supply that product, you jeopardize losing that entire contract,' he said. 'So what we see is that long-term impact of possibly not being able to regain that trust with our customers.'" Clearly this is not good economic news for many Central Washington growers, fresh-fruit packinghouses, food processors, trucking and related firms as 2014 draws to a close.