



Grant County

Labor Area Summary

September 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 Septembers of 2013 and 2014) and average annual (between 2012 and 2013) labor market changes.

Unemployment rates

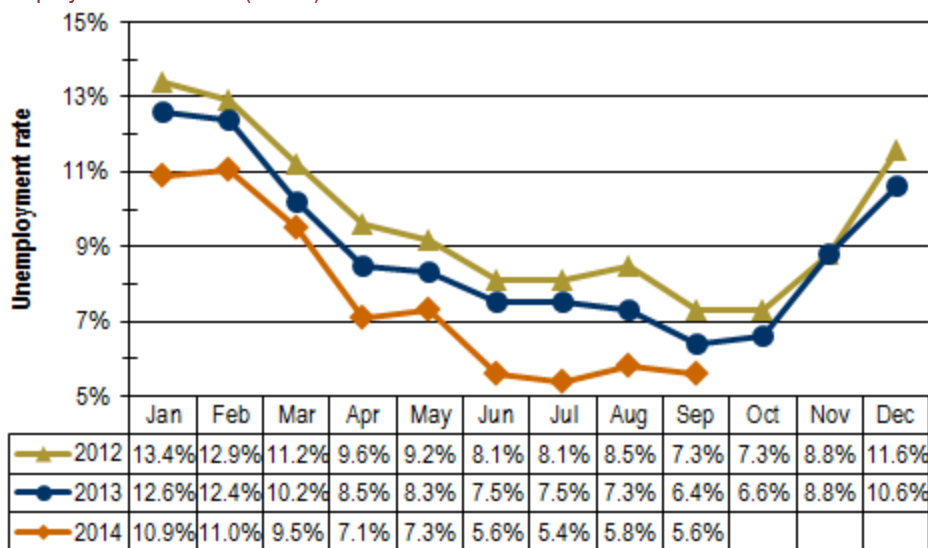
Washington state's annual average not seasonally adjusted unemployment rate decreased one and one-tenths percentage points between 2012 and 2013, from 8.1 percent to 7.0 percent. Between the Septembers of 2013 and 2014 the rate decreased from 6.4 to 5.4 percent, a drop of one full percentage point.

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 eight-tenths of a percentage point this September to 5.6 percent from the 6.4 percent reading in September 2013 (as shown in *Figure 1*) – a step in the right direction for the local economy. The last time a September unemployment rate was this low in Grant County was six years ago (in September 2008) when the rate was 4.8 percent.

Figure 1. Unemployment rates, not seasonally adjusted

Grant County, January 2012 through September 2014

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



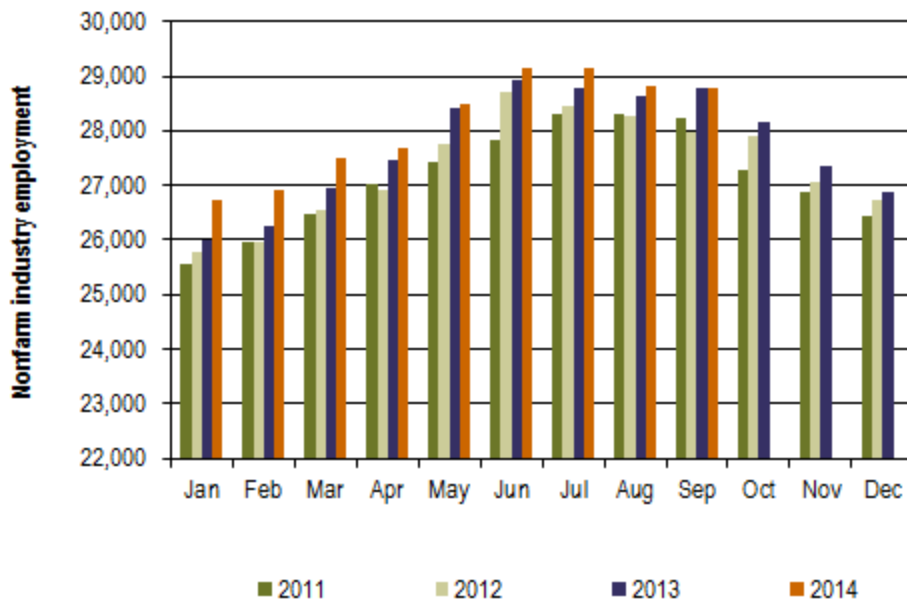
The Grant County unemployment rate decreased eight-tenths of a percentage point between September 2013 and September 2014.

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 September, businesses and government organizations across Washington supplied 3,094,200 nonfarm jobs (not seasonally adjusted), compared to 3,018,400 jobs in September 2013, a 2.5 percent year-over-year employment increase. The state's economy has posted nonfarm employment increases for the past 48 consecutive months (October 2010 through September 2014).

Between 2012 and 2013, Grant County's labor market provided 390 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. In September 2014, nonfarm employment in Grant County slipped 0.1 percent below total nonfarm employment in September 2013 as local nonfarm employers provided 28,770 jobs, a 30 job decrease from the 28,800 jobs tallied in September 2013. This was a step backwards for local economy following 23 months of year over year gains in total nonfarm employment (from October 2012 through August 2014).

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



Nonfarm employers in Grant County provided 28,770 nonfarm jobs in September 2014, a 0.1 percent downturn from September 2013.

Employment and unemployment

Washington's Civilian Labor Force (CLF) shrank by 23,600 residents (a 0.7 percent downturn) between 2012 and 2013 and it continued to decline during the first six months of 2014. However, the CLF expanded year over year in July, August and September 2014. Most recently, from September 2013 to September 2014, the state's labor force increased 0.4 percent. This September, Washington's CLF tallied 3,479,250 residents versus 3,465,480 in September 2013, equating to 13,770 more Washingtonians in the labor force.

The Grant County CLF expanded by 0.5 percent in 2013. The local labor force continued to recede in each of the first six months of 2014, before posting year over year expansions in July, August and September 2014. Between the Septembers of 2013 and 2014 the CLF advanced 1.4 percent, from 44,140 to 44,770 residents (meaning that 630 more residents were in the labor force) while the number of unemployed declined from 2,840 in September 2013 to 2,490 in September 2014 (meaning that 350 fewer residents were out of work). The result was that Grant County's unemployment rate dropped by eight-tenths of a percentage point between the Septembers of 2013 and 2014 (see *Figure 3*).

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

Grant County	Preliminary Sep-14	Revised Aug-14	Revised Sep-13	Change		
				Aug-14	Sep-13	Sep-13
				Sep-14	Sep-14	Sep-14 %
Labor force and unemployment						
Civilian labor force	44,770	44,390	44,140	380	630	1.4%
Resident employment	42,280	41,820	41,300	460	980	2.4%
Unemployment	2,490	2,570	2,840	-80	-350	-12.3%
Unemployment rate	5.6	5.8	6.4	-0.2	-0.8	
Industry employment						
Total nonfarm ¹	28,770	28,810	28,800	-40	-30	-0.1%
Total private	20,800	20,970	20,950	-170	-150	-0.7%
Goods producing	6,620	6,690	6,140	-70	480	7.8%
Mining, logging and construction	1,320	1,330	1,220	-10	100	8.2%
Manufacturing	5,300	5,360	4,920	-60	380	7.7%
Durable goods	2,240	2,230	1,950	10	290	14.9%
Nondurable goods	3,060	3,130	2,970	-70	90	3.0%
Service providing	22,150	22,120	22,660	30	-510	-2.3%
Trade, transportation and utilities	5,720	5,780	5,690	-60	30	0.5%
Wholesale trade	1,660	1,680	1,440	-20	220	15.3%
Retail trade	3,090	3,120	3,230	-30	-140	-4.3%
Transportation, warehousing and utilities	970	980	1,020	-10	-50	-4.9%
Information and financial activities	1,150	1,190	1,240	-40	-90	-7.3%
Professional and business services	1,620	1,560	1,760	60	-140	-8.0%
Education and health services	2,930	2,880	2,830	50	100	3.5%
Leisure and hospitality	2,270	2,370	2,690	-100	-420	-15.6%
Government	7,970	7,840	7,850	130	120	1.5%
Federal government	710	720	730	-10	-20	-2.7%
State and local government	7,260	7,120	7,120	140	140	2.0%
State and local government education	3,200	2,870	3,160	330	40	1.3%
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 0.1 percent, a loss of 30 jobs, between September 2013 and September 2014.

Nonfarm industry employment

Preliminary estimates (see *Figure 3*) illustrate that Grant County’s nonfarm employers provided 30 fewer jobs in September 2014 than in September 2013, a 0.1 percent downturn. 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 four months (from

June through September 2014). Between the Septembers of 2013 and 2014 construction grew 8.2 percent, a 100 job expansion. Statewide, the construction has been adding workers for the past 31 months (from March 2012 through September 2014).

- Grant County's manufacturing industry has been adding workers for the past 12 months. This industry increased 7.7 percent between the Septembers of 2013 and 2014, from 4,920 to 5,300, a 380 job expansion. This year over year expansion was led by local durable goods manufacturing firms (up 290 jobs and 14.9 percent) and helped by nondurable goods manufacturing companies (up 90 jobs and 3.0 percent), as shown in *Figure 3*. Statewide, manufacturing employment has posted year-over-year growth for 48 consecutive months (from October 2010 through September 2014). However, manufacturing job growth rates have differed statewide and countywide from January through September 2014. Specifically, in each of the first nine months of 2014 Washington's manufacturing sector has grown at rates less than one percent while Grant County's manufacturing sector has consistently posted job growth rates of 4.9 percent or more.
- Wholesale trade accounted for 1,440 jobs in September 2013 versus 1,660 in September 2014, a 15.3 percent increase and a gain of 220 jobs.
- Retail trade stores provided 3,230 jobs in September 2013 versus 3,090 in September 2014, a 4.3 percent decrease and a loss of 140 part- or full-time jobs. In Grant County, retail trade employment declined in each of the past seven months (March through September) of 2014 versus corresponding months in 2013. Statewide, retail trade employment has increased for the past 48 months (October 2010 through September 2014).
- Information and financial activities contracted from 1,240 positions in September 2013 to 1,150 in September 2014, a 90 job and 7.3 percent downtrend.
- Professional and business services declined by 140 jobs, an 8.0 percent decrease, between the Septembers of 2013 and 2014. Professional and business services is a broad category that includes legal offices, accounting and tax preparation firms, private security companies, temporary job placement agencies, etc. It should be noted that temporary placement agency positions are tallied under this broad professional and business services category in Grant County, regardless of the industry in which work is performed.
- Leisure and hospitality (primarily hotels and restaurants) posted substantial year-over-year losses for the last six months (April through September 2014). Specifically, between the Septembers of 2013 and 2014, this industry lost 420 jobs countywide, a 15.6 percent contraction. One of the likely reasons for the softness in Grant County's leisure and hospitality industry this spring and summer was that the damaged Wanapum Dam and the subsequent closure of the reservoir shoreline in March 2014 reduced the number of vacationers. Conversely, Washington's leisure and hospitality industry has grown for 48 months (from October 2010 through September 2014).

Agricultural employment/production

An October 15, 2014 Wenatchee World newspaper article entitled "Record apple crop, now what?" reported that the Washington Apple Commission held a meeting in Wenatchee on Tuesday, October 14, 2014 to rally "its international marketing forces this week to better sell 2014's record-shattering apple crop in countries all around the world. A dozen fruit brokers representing the apple industry's top 25 foreign export markets gathered here Tuesday to end six days of orchard tours and fruit-packing demos – all in preparation to sell 25 percent more apples to Mexico, Canada and nations overseas." The article forecasted a bumper apple crop in Washington state this year and stated: "The 140 million (fresh packed boxes of apples) total – some insiders say the crop could reach 150 million boxes – would be 12 million more than 2012's record breaker of 128 million. Shippers export about 30 percent of each harvest annually and are aiming this year to sell millions more boxes in foreign markets." This large apple crop will help paint a bright employment picture this autumn for local growers, fresh-fruit packinghouses and trucking firms throughout Central Washington.