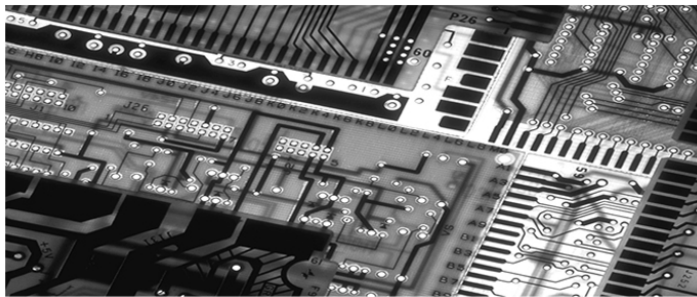


Washington State Labor Area Summaries



Prepared by the
Labor Market and
Economic Analysis Branch
(360) 438-4800
Greg Weeks, Director

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**Washington State
Employment Security**

December 2002-Volume 18, Number 12

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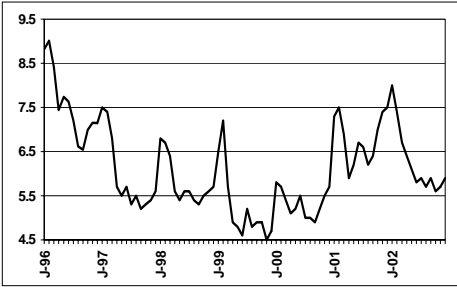
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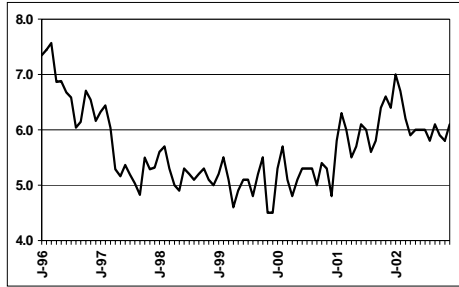
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MSA Jobless Rates 1996-2002

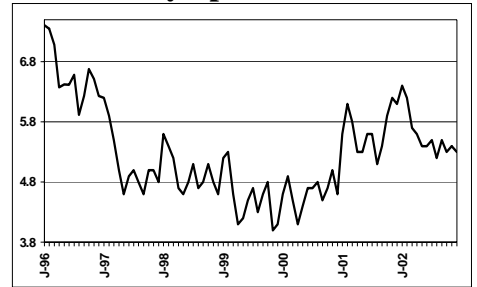
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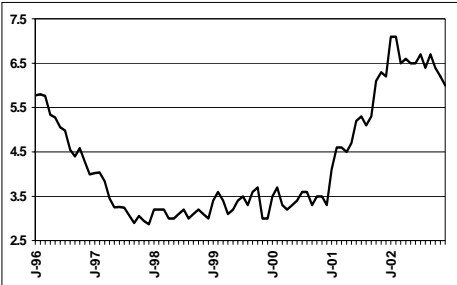
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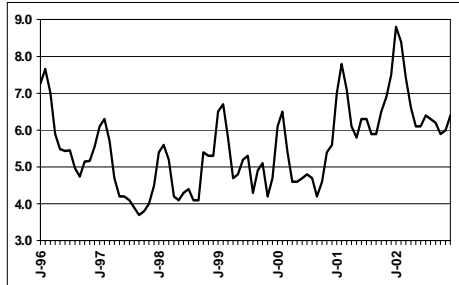
Olympia PMSA



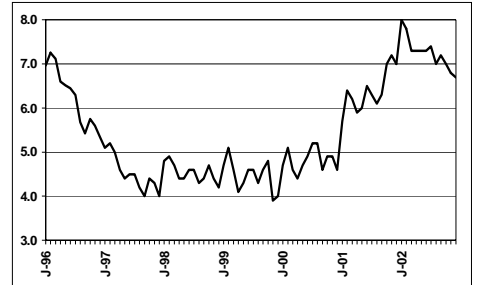
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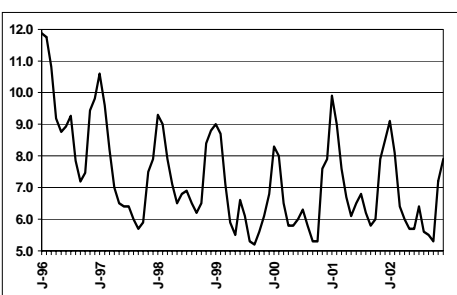
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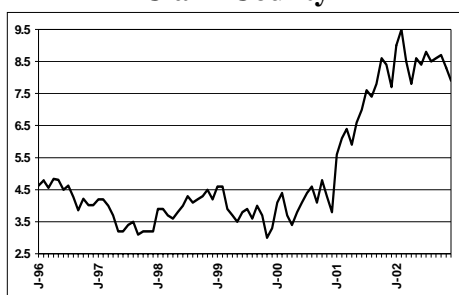
Tacoma PMSA



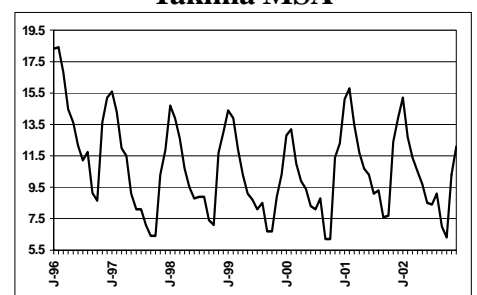
Richland-Kennewick-Pasco MSA



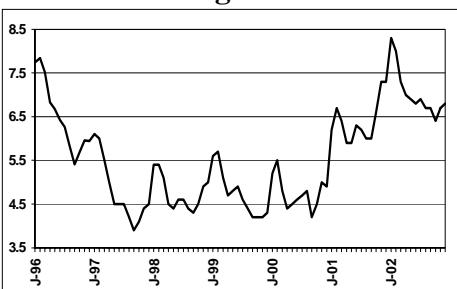
Clark County



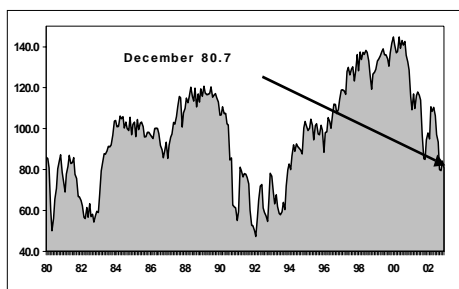
Yakima MSA



Washington State



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Resident Labor Force and Employment in Washington State and Labor Market Areas 1/

Not Seasonally Adjusted	November 2002 Preliminary			October 2002 Revised			November 2001 Revised					
	Labor Force	Emp	Unemp	UI Rate	Labor Force	Emp	Unemp	UI Rate	Labor Force	Emp	Unemp	UI Rate
Washington State Total	3,046,300	2,842,300	204,000	6.7	3,082,700	2,885,400	197,300	6.4	2,967,400	2,751,700	215,700	7.3
Bellingham MSA	80,600	76,000	4,600	5.7	80,700	76,300	4,500	5.5	79,500	73,600	5,900	7.4
Bremerton PMSA	97,400	91,700	5,700	5.8	97,300	91,500	5,700	5.9	92,400	86,300	6,100	6.6
Olympia PMSA	103,700	98,100	5,600	5.4	103,600	98,200	5,400	5.2	99,500	93,400	6,100	6.2
Seattle-Bellevue-Everett PMSA	1,375,700	1,290,500	85,100	6.2	1,372,900	1,286,000	86,900	6.3	1,356,500	1,270,800	85,700	6.3
King County 2/	1,006,800	946,900	59,800	5.9	1,004,700	943,600	61,100	6.1	994,100	932,400	61,700	6.2
Snohomish County 2/	340,200	316,500	23,700	7.0	339,500	315,300	24,200	7.1	334,000	311,600	22,400	6.7
Island County 2/	28,800	27,200	1,600	5.5	28,800	27,100	1,700	5.9	28,400	26,750	1,650	5.8
Spokane MSA	208,100	195,600	12,500	6.0	209,200	196,900	12,300	5.9	204,600	190,400	14,200	6.9
Tacoma PMSA	348,400	324,600	23,800	6.8	347,300	323,200	24,100	6.9	326,000	302,600	23,300	7.2
Tri-Cities MSA	100,200	93,000	7,200	7.2	104,000	98,500	5,500	5.3	93,000	85,700	7,300	7.9
Benton County 2/	76,000	71,300	4,700	6.2	79,700	75,500	4,200	5.2	70,500	65,700	4,800	6.9
Franklin County 2/	24,300	21,700	2,500	10.5	24,300	23,000	1,300	5.4	22,500	20,000	2,500	11.0
Yakima MSA	102,400	91,500	10,900	10.6	115,100	107,900	7,200	6.3	101,900	89,300	12,600	12.4
Adams	8,030	7,070	960	11.9	8,980	8,530	450	5.0	7,780	6,710	1,070	13.7
Asotin 2/	11,880	11,350	520	4.4	12,020	11,450	570	4.8	11,430	10,870	560	4.9
Chelan-Douglas LMA	49,640	45,600	4,040	8.1	56,000	53,270	2,720	4.9	49,810	44,910	4,900	9.8
Chelan County 2/	31,960	29,080	2,890	9.0	35,920	33,970	1,950	5.4	32,100	28,640	3,460	10.8
Douglas County 2/	17,680	16,520	1,160	6.5	20,080	19,300	780	3.9	17,710	16,270	1,440	8.1
Clallam	24,130	22,500	1,630	6.8	24,570	23,030	1,540	6.3	23,660	21,730	1,930	8.2
Clark 2/	183,800	169,300	14,500	7.9	185,500	169,300	16,200	8.7	179,300	164,300	15,000	8.4
Columbia	1,120	1,000	130	11.2	1,180	1,060	130	10.7	1,080	930	150	13.9
Cowlitz	39,560	35,760	3,800	9.6	39,720	35,830	3,890	9.8	39,870	35,330	4,550	11.4
Ferry	2,330	2,060	270	11.4	2,360	2,170	200	8.3	2,320	2,070	250	10.9
Garfield	1,160	1,120	50	4.1	1,190	1,150	40	3.5	1,070	1,030	40	3.7
Grant	37,100	33,700	3,410	9.2	41,530	39,250	2,280	5.5	34,930	31,200	3,740	10.7
Grays Harbor	25,530	23,160	2,370	9.3	25,910	23,510	2,400	9.2	25,500	22,680	2,820	11.1
Jefferson	11,550	10,820	730	6.3	11,720	11,060	660	5.6	11,110	10,360	750	6.7
Kittitas	15,270	14,440	830	5.4	16,320	15,510	810	4.9	14,790	13,870	910	6.2
Klickitat	8,020	7,110	910	11.3	8,310	7,550	760	9.2	7,950	6,870	1,080	13.6
Lewis	29,410	27,040	2,360	8.0	29,650	27,390	2,260	7.6	28,050	25,420	2,630	9.4
Lincoln	4,570	4,330	240	5.3	4,690	4,460	220	4.8	4,350	4,090	260	6.0
Mason	20,430	18,960	1,470	7.2	20,070	18,710	1,360	6.8	18,510	17,040	1,470	7.9
Okanogan	17,610	15,790	1,820	10.3	22,070	20,790	1,290	5.8	18,530	16,470	2,050	11.1
Pacific	7,490	6,850	650	8.6	7,640	7,030	600	7.9	7,490	6,770	710	9.5
Pend Oreille	4,320	3,990	330	7.6	4,370	4,060	310	7.0	4,250	3,880	370	8.7
San Juan	6,480	6,190	300	4.6	6,820	6,570	260	3.8	6,580	6,270	310	4.7
Skagit	52,130	48,330	3,800	7.3	52,950	49,360	3,600	6.8	49,780	45,500	4,290	8.6
Skamania	3,790	3,460	330	8.7	4,020	3,690	330	8.3	3,830	3,340	480	12.6
Stevens	16,230	14,920	1,310	8.1	16,310	15,110	1,200	7.4	15,550	13,800	1,760	11.3
Wahkiakum	1,690	1,580	110	6.3	1,720	1,610	110	6.2	1,610	1,470	140	8.8
Walla Walla	26,960	25,580	1,380	5.1	27,030	25,880	1,150	4.3	26,130	24,420	1,710	6.6
Whitman	19,680	19,260	420	2.1	19,860	19,460	390	2.0	18,870	18,400	470	2.5

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data. 2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding

Resident Labor Force and Employment in Washington State and Labor Market Areas 1/

Not Seasonally Adjusted	December 2002 Preliminary			November 2002 Revised			December 2001 Revised					
	Labor Force	Emp	Unemp	UI Rate	Labor Force	Emp	Unemp	UI Rate	Labor Force	Emp	Unemp	UI Rate
Washington State Total	3,067,200	2,858,200	209,000	6.8	3,051,600	2,845,700	205,900	6.7	2,976,800	2,758,200	218,600	7.3
Bellingham MSA	81,100	76,400	4,800	5.9	80,900	76,200	4,700	5.8	79,700	73,800	6,000	7.5
Bremerton PMSA	98,600	92,600	6,000	6.1	97,600	91,800	5,800	5.9	92,900	87,000	5,900	6.4
Olympia PMSA	105,100	99,500	5,600	5.3	104,300	98,700	5,600	5.4	100,600	94,500	6,100	6.1
Seattle-Bellevue-Everett PMSA	1,391,200	1,307,400	83,900	6.0	1,378,700	1,293,500	85,300	6.2	1,361,900	1,277,300	84,600	6.2
King County 2/	1,018,200	959,300	58,900	5.8	1,009,100	949,100	60,000	5.9	997,700	937,200	60,400	6.1
Snohomish County 2/	343,900	320,600	23,300	6.8	340,800	317,200	23,700	6.9	335,800	313,200	22,600	6.7
Island County 2/	29,100	27,500	1,600	5.6	28,800	27,200	1,600	5.6	28,430	26,880	1,550	5.5
Spokane MSA	210,400	197,000	13,400	6.4	208,200	195,600	12,600	6.0	207,100	191,700	15,400	7.5
Tacoma PMSA	351,500	327,900	23,700	6.7	347,800	323,900	23,900	6.9	330,000	306,900	23,100	7.0
Tri-Cities MSA	98,900	91,200	7,800	7.9	100,300	93,100	7,200	7.2	92,900	85,000	7,800	8.5
Benton County 2/	74,700	69,900	4,900	6.5	76,000	71,300	4,700	6.2	70,200	65,200	5,100	7.2
Franklin County 2/	24,200	21,300	2,900	12.0	24,300	21,800	2,500	10.4	22,600	19,900	2,800	12.3
Yakima MSA	100,600	88,400	12,200	12.1	101,600	90,800	10,800	10.7	101,400	87,400	14,100	13.9
Adams	7,630	6,550	1,080	14.1	8,090	7,120	970	12.0	7,310	6,140	1,170	16.0
Asotin 2/	12,040	11,500	540	4.5	11,720	11,210	510	4.4	11,420	10,940	480	4.2
Chelan-Douglas LMA	49,540	45,120	4,420	8.9	49,690	45,650	4,040	8.1	49,100	43,750	5,350	10.9
Chelan County 2/	31,850	28,770	3,070	9.7	31,990	29,110	2,880	9.0	31,620	27,900	3,720	11.8
Douglas County 2/	17,700	16,350	1,350	7.6	17,700	16,540	1,160	6.5	17,480	15,850	1,620	9.3
Clallam	24,660	22,620	2,030	8.2	24,240	22,550	1,690	7.0	23,720	21,750	1,970	8.3
Clark 2/	186,900	172,100	14,700	7.9	185,600	170,200	15,400	8.3	179,500	165,700	13,800	7.7
Columbia	1,170	1,020	150	12.7	1,120	990	130	11.3	1,120	970	150	13.7
Cowlitz	39,670	35,920	3,760	9.5	39,550	35,700	3,860	9.7	39,930	35,610	4,310	10.8
Ferry	2,310	2,010	300	12.9	2,340	2,060	280	11.8	2,340	2,050	300	12.6
Garfield	1,140	1,090	50	4.4	1,160	1,110	50	4.1	1,090	1,020	70	6.3
Grant	35,330	31,440	3,890	11.0	36,760	33,350	3,410	9.3	33,610	29,410	4,200	12.5
Grays Harbor	26,260	23,840	2,420	9.2	26,040	23,640	2,400	9.2	25,770	22,930	2,850	11.0
Jefferson	11,660	10,890	770	6.6	11,580	10,820	750	6.5	10,940	10,150	790	7.2
Kittitas	15,330	14,270	1,060	6.9	15,420	14,590	830	5.4	14,810	13,710	1,100	7.4
Klickitat	7,720	6,610	1,110	14.4	7,930	6,980	950	12.0	7,680	6,520	1,160	15.1
Lewis	29,380	27,010	2,370	8.1	29,500	27,130	2,370	8.0	27,580	24,880	2,700	9.8
Lincoln	4,480	4,210	270	6.1	4,560	4,310	250	5.5	4,330	4,020	310	7.2
Mason	19,560	18,090	1,480	7.6	20,300	18,820	1,490	7.3	18,810	17,190	1,610	8.6
Okanogan	16,800	14,860	1,940	11.5	17,630	15,800	1,830	10.4	18,140	15,680	2,460	13.6
Pacific	7,660	6,930	730	9.5	7,610	6,920	680	9.0	7,610	6,870	740	9.7
Pend Oreille	4,390	4,020	370	8.4	4,350	4,010	350	7.9	4,320	3,880	440	10.2
San Juan	6,560	6,190	370	5.7	6,520	6,210	310	4.7	6,490	6,170	320	4.9
Skagit	52,310	48,430	3,880	7.4	52,190	48,400	3,790	7.3	49,590	45,270	4,310	8.7
Skamania	3,640	3,250	390	10.7	3,650	3,290	360	9.8	3,850	3,320	530	13.8
Stevens	16,320	14,890	1,440	8.8	16,290	14,980	1,310	8.1	15,690	13,750	1,940	12.4
Wahkiakum	1,700	1,570	130	7.6	1,670	1,550	120	7.4	1,630	1,500	130	7.8
Walla Walla	26,060	24,450	1,610	6.2	27,070	25,600	1,470	5.4	25,060	23,210	1,850	7.4
Whitman	19,510	19,040	470	2.4	19,600	19,160	440	2.2	18,800	18,310	490	2.6

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data. 2/ Estimates are determined by using the Population/Claims Share disaggregation methodology.

Note: Detail may not add due to rounding

Across the MSA

SIC 'EM

This month marks the end of the line for the Standard Industrial Code (SIC), the system for designating employment by industry in use for, well, a long time. Beginning next month, employment will be reported using the new North American Industry Classification System (NAICS, rhymes with “bakes”). The new system promises to be a big improvement in many ways, with only one noticeable drawback—whoever was hired to name the new industries must have been paid by the word.

Many of the tried and true industries that readers have grown accustomed to over the years will remain with us, including such stalwarts as Mining, Construction, Manufacturing, Wholesale Trade, and Retail Trade. Some changes of note in these sectors:

- Logging has been reclassified from manufacturing into agriculture
- Eating & drinking establishments—or what normal folk refer to as restaurants, taverns, etc.—has been shifted out of retail trade and into a new industry (see below).

Some old SIC friends will hardly be recognized under NAICS. The former Transportation, Communication & Utilities has been split three ways. Finance, Insurance, and Real Estate is another broken home, with the latter being separated out and combined with rental and leasing activities.

And the old Service Industries sector has been blown to smithereens, with its remnants scattered and mixed into a host of new industries.

- Information Services, which would be dripping with hipness if only the dot com implosion hadn't occurred, includes print media, movies and recording, software, telecom, movies, the internet, and libraries.
- Professional, Scientific and Technical, and Services finally provides a single roof for higher-end corporate services.
- Non-technical services—from security guards to temp agencies, janitorial to those ubiquitous mailboxes ‘r’ us stores, travel agencies to landscaping services—have all been bundled into the Administrative and Support and Waste Management and Remediation Services industry.

- Education Services, thankfully, is short and to the point,
- Health Care and Social Assistance, while a bit longer, is also self-explanatory.
- Arts, Entertainment, and Recreation has taken the “amusement” out of industry classifications.
- Accommodation and Food Services sensibly combines the lodging and restaurant industries, and gets high marks at the more detailed level for differentiating between full-service and limited-service dining establishments.

Besides the change in nomenclature, NAICS brings a profound shift in how individual establishments are classified. Take, for example, a regional office of a manufacturer, that has administrative functions but no production facilities. Under SIC, that office and its employment would have been coded to manufacturing. Under NAICS, the employment is coded to match the primary function of the office, be it product development, accounting, etc. A new industry—Management of Companies and Enterprises—best represents this difference. Employment at all company headquarters, where separate from the operations of the rest of the company, will be coded into this industry.

Nonfarm employment tables for metropolitan areas will display a varied sample of the new industries come January, depending upon the size of the industry in the area and the adequacy of the sample of employers in each industry. For smaller counties, there will be little difference in the industries listed in monthly nonfarm employment reports. In many of these counties, the new industries are too small to list separately, and will likely be grouped into an “all other” category. In timber counties, the reclassification of logging from a manufacturing activity to an agricultural activity will impact the numbers. For example, Wahkiakum County’s manufacturing sector, estimated at 230 jobs this December, will be on the order of 40 or 50 jobs in January.

by Scott Bailey, Regional Labor Economist

Washington State
LABOR AREA SUMMARY
Bellingham MSA

Prepared by the Labor Market and Economic Analysis Branch, Jim Vleming, *Regional Labor Economist*, 605 Woodland Square Loop SE, Olympia, WA 98507-9046(360) 438-4821

HIGHLIGHTS

Seasonal happenings marked the end of the calendar year in the Bellingham MSA, and the state for that matter. The magnitude of the numbers was not of the earth shattering variety, as unemployment in the MSA went up to 5.9 from 5.7 in November, and nonag employment fell 600 over the same time span.

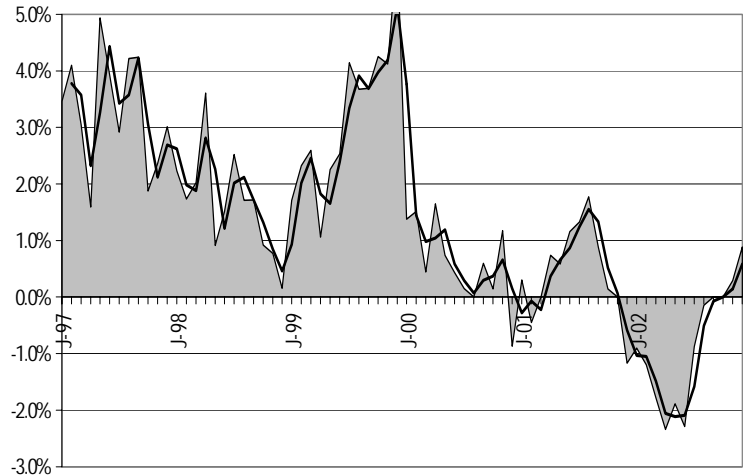
Unemployment first. While 76,400 Whatcom county residents worked in December, 4,800 were counted as unemployed. However, when that number is compared to a year ago December, when 6,000 were actively looking for work and the unemployment rate was 7.5 percent, this month's 5.9 is a positive. Statewide, the rate went up a tenth, to 6.9 percent from the 6.8 of November. In December 2001, the statewide rate was 7.3 percent.

Nonag employment in the MSA was down over the month, but let's start with the good news. Over the year, nonag employment was up 600 with Construction leading the way by increasing payroll 400, to a December 2002 total of 5,700. More over-the-year gainers were Trade, Finance and Services, each adding 100 jobs. On the downside, Government dropped 200 positions from payroll.

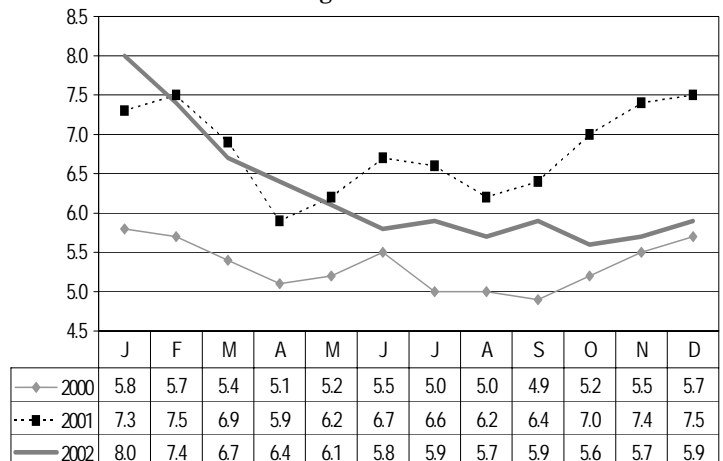
Over the month, seasonal factors played a roll as Trade crept up 200 in response to the holiday. Also on the upside were Manufacturing and Finance, that found an extra 100 jobs apiece under the tree. On the down-seasonal side was Government, which dropped 1,000 over the month, most of which (-900) were in Local Government (schools).

The New Year will be greeted with much anticipation. In the MSA, construction projects will no doubt keep construction numbers up over the year. The holiday season didn't bring much in the way of new hires, so the January layoffs will be minimal. A mild winter minus snow and storms will certainly aid the mood of the local economy.

**Bellingham MSA Nonag Employment
 % Change Over the Year 1997-2002**



**Unemployment Rates by Month
 Bellingham MSA 2000-2002**



Nonagricultural Wage and Salary Workers Employed in the Bellingham MSA (Whatcom County)

INDUSTRY 2/	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL	68,200	68,800	67,600	-600	600	0.9%
MANUFACTURING	8,900	8,800	8,800	100	100	1.1%
Lumber & Wood Products	1,400	1,400	1,500	0	-100	-6.7%
Food Processing	1,400	1,400	1,500	0	-100	-6.7%
MINING & MISCELLANEOUS	600	600	600	0	0	0.0%
CONSTRUCTION	5,700	5,700	5,300	0	400	7.5%
TRANSPORTATION, COMM. & UTILITIES	3,400	3,400	3,400	0	0	0.0%
WHOLESALE & RETAIL TRADE	17,800	17,600	17,700	200	100	0.6%
FINANCE, INSURANCE & REAL ESTATE	2,500	2,400	2,400	100	100	4.2%
SERVICES	17,800	17,800	17,700	0	100	0.6%
GOVERNMENT	11,500	12,500	11,700	-1,000	-200	-1.7%
Federal Government	900	900	900	0	0	0.0%
State Government	2,700	3,600	2,700	-900	0	0.0%
Local Government	7,900	8,000	8,100	-100	-200	-2.5%
Workers in Labor/Management Dispute	0	0	0	XX	XX	XX

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. This information is also available at:

<http://www.wa.gov/esd/lmea>

Washington State
LABOR AREA SUMMARY
Bremerton PMSA

Prepared by the Labor Market and Economic Analysis Branch, Jim Vleming, *Regional Labor Economist*, 605 Woodland Square Loop, Olympia, WA 98507-9046(360) 438-4821

HIGHLIGHTS

The December unemployment rate in the Bremerton PMSA rose to 6.1 percent of the civilian labor force from the 5.8 rate posted in November. Last year the unemployment rate was 6.4 percent in the PMSA. The December totals show 92,600 Kitsap county residents working, while 6,000 were actively seeking work. Statewide, the December unemployment rate rose to 6.8, up from 6.7 in November.

On the nonag side, employment fell in December by 600 jobs to a total of 76,100. The good news is that the December 2002 figure is 700 above last December's total of 75,400.

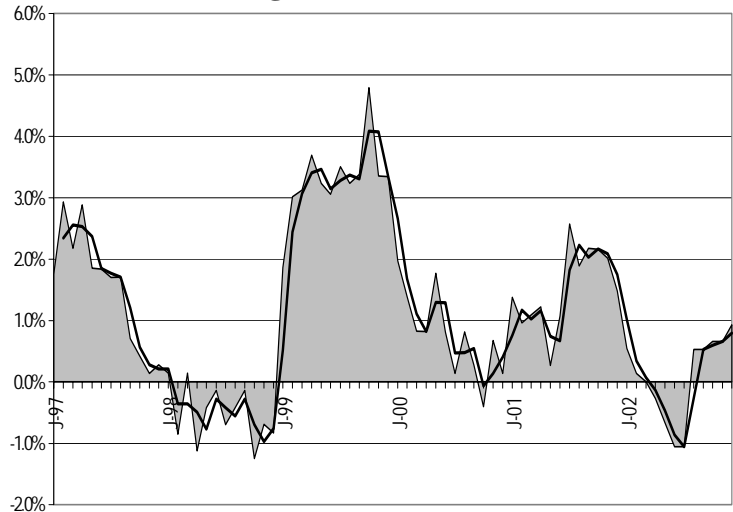
Over the month, job losses were felt in Construction, Transportation and Trade. Employment in Services also felt a loss over the month. The local economy apparently was not in the holiday spirit during the preliminary monthly data.

Over the year, the news was brighter, as Trade employment was up 700 over the month, and Finance, Services and Government also placed positive numbers. Unfortunately, a 300 loss in over the year Construction took a bite out of those gains.

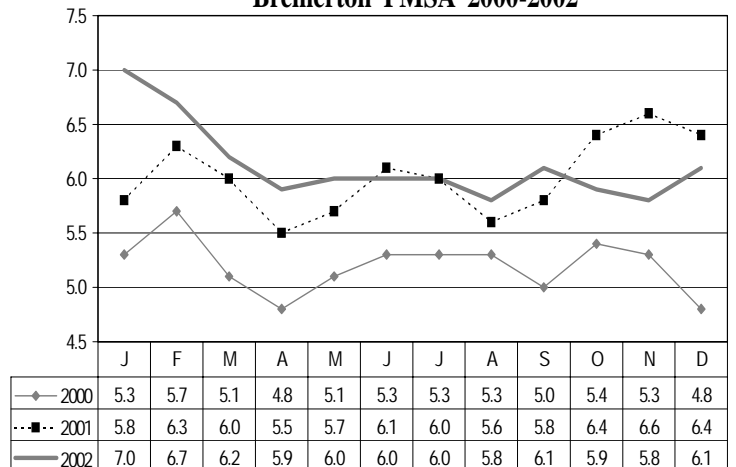
In the Bremerton PMSA, Government continues to be the employment leader, providing nearly 27,000 jobs. The employment totals in Services (19,400) and Trade (17,900) continue to lie second and third in job totals.

The 2003 crystal ball continues to be cloudy, as economic recovery and the threat of war hold court. Look for the Bremerton economy to remain steady in the coming months, with seasonal losses of small proportions occurring in Trade and Construction. The Federal portion of the economy is in good shape and will continue to provide a backbone to the remaining sectors of the market. Some local construction projects continue to be up in the air, but within the next quarter some clear resolution should play out and we will get a clearer picture of the local economy.

**Bremerton PMSA Nonag Employment
 % Change Over the Year 1997-2002**



**Unemployment Rates by Month
 Bremerton PMSA 2000-2002**



Nonagricultural Wage and Salary Workers Employed in the Bremerton PMSA (Kitsap County)

INDUSTRY 2/	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL	76,100	76,700	75,400	-600	700	0.9%
MANUFACTURING	2,100	2,100	2,100	0	0	0.0%
MINING & MISCELLANEOUS	700	700	700	0	0	0.0%
CONSTRUCTION	4,300	4,500	4,600	-200	-300	-6.5%
TRANSPORTATION, COMM. & UTILITIES	2,100	2,200	2,100	-100	0	0.0%
WHOLESALE & RETAIL TRADE	17,900	18,100	17,200	-200	700	4.1%
FINANCE, INSURANCE & REAL ESTATE	2,700	2,700	2,600	0	100	3.8%
SERVICES	19,400	19,500	19,300	-100	100	0.5%
GOVERNMENT	26,900	26,900	26,800	0	100	0.4%
Workers in Labor/Management Disputes	0	0	0	xx	xx	xx

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. This information is also available at:

<http://www.wa.gov/esd/lmea>

Washington State
LABOR AREA SUMMARY
Olympia PMSA

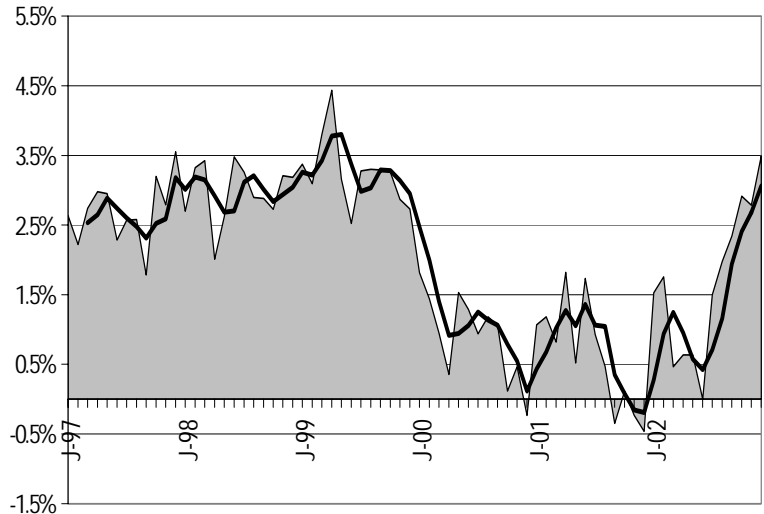
Prepared by the Labor Market and Economic Analysis Branch, Paul Turek, *Regional Labor Economist*, 605 Woodland Square Loop, Olympia, WA 98507-9046(360) 438-4813

HIGHLIGHTS

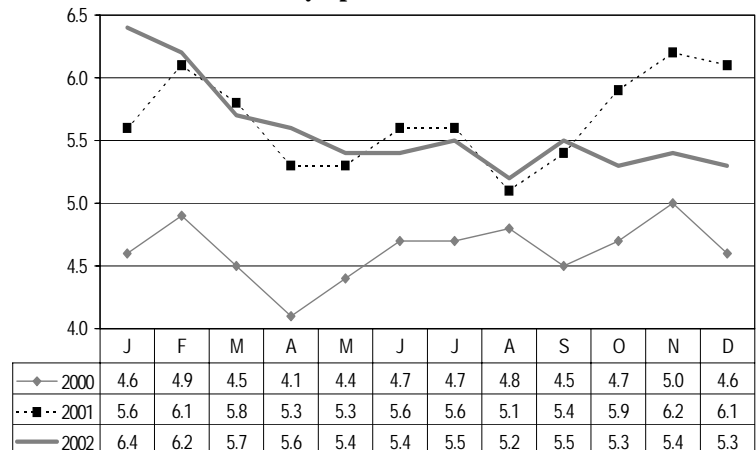
Employment activity in the Olympia PMSA mirrored the slow pace of economic recovery proceeding throughout the state and nation. Employment gains in December tend to be typical for the area during years when the economy displays healthy growth. As the area struggles to move forth, this month marks the third straight year that monthly employment declined. Thurston job losses in December totaled 200. The declines are attributed to seasonal swings in Construction and Manufacturing, each of which shed 100 jobs. Seasonal hiring in the Retail Trade industry was weaker than usual for this time of year. The small monthly gains in employment at many area department stores were offset by declines in payrolls at eating and drinking establishments and food stores. No other significant employment activity occurred throughout the remainder of the services sector for the month.

The outcome was slightly better than the 400 jobs lost in December 2001, and would appear to indicate that some forward progress is occurring on the labor front. The 1,700 net job increase over the year tends to reinforce that belief. The effect of lower interest rates and the subsequent rise in home ownership activity has encouraged and supported spin-off retail activity. A new Lowes retail store opened this month, employing approximately 175 people. Home Depot opened its new import warehouse as well, which employs 100 people for now. Another new Home Depot retail establishment is slated for Tumwater sometime later in the year. Taken collectively, the impact has helped maintain the generally stable condition of the local labor market. The December jobless rate for the Olympia area was essentially unchanged, dropping one tenth of a percentage point to 5.3 percent. The seasonally adjusted national unemployment rate is 6 percent while the analogous state rate is 6.8 percent.

Olympia PMSA Nonag Employment % Change Over the Year 1997-2002



Unemployment Rates by Month Olympia PMSA 2000-2002



Continued...

Nonagricultural Wage and Salary Workers Employed in the Olympia PMSA (Thurston County)

INDUSTRY 2/	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL	88,900	89,100	87,200	-200	1,700	1.9%
GOODS PRODUCING	7,700	7,900	7,800	-200	-100	-1.3%
MINING	100	100	100	0	0	0.0%
CONSTRUCTION	3,900	4,000	4,000	-100	-100	-2.5%
MANUFACTURING	3,700	3,800	3,700	-100	0	0.0%
SERVICES PRODUCING	81,200	81,200	79,400	0	1,800	2.3%
TRANSPORTATION, COMM. & UTILITIES	2,300	2,300	2,300	0	0	0.0%
WHOLESALE & RETAIL TRADE	18,200	18,200	17,500	0	700	4.0%
FINANCE, INSURANCE & REAL ESTATE	3,300	3,300	3,300	0	0	0.0%
SERVICES	21,100	21,100	20,600	0	500	2.4%
GOVERNMENT	36,300	36,300	35,700	0	600	1.7%
Federal Government	1,300	1,300	1,200	0	100	8.3%
U.S. Postal Service	500	500	500	0	0	0.0%
Other Federal Government	800	800	700	0	100	14.3%
State Government	23,400	23,400	23,600	0	-200	-0.8%
Education Services	2,400	2,400	2,500	0	-100	-4.0%
Non-Education	21,000	21,000	21,100	0	-100	-0.5%
Local Government	11,600	11,600	10,900	0	700	6.4%
Education Services	7,100	7,200	6,900	-100	200	2.9%
Non-Education	4,500	4,400	4,000	100	500	12.5%
Cities & Towns	2,800	2,800	2,400	0	400	16.7%
Other Local Non-Education	1,700	1,600	1,600	100	100	6.3%
Workers in Labor/Management Disputes	0	0	0	xxx	xxx	xx

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. This information is also available at:

<http://www.wa.gov/esd/lmea>

Continued...

The area's relative prosperity and guardedly optimistic outlook continues to be set back, however. The announcement of the impending closure of Tumwater's Miller brewery plant will result in the loss of 350 to 400 jobs. The plant is scheduled for closure on or before July 1, 2003. Budget deliberations by the State Legislature will continue in Olympia. The county will wait to see how many of the proposed 2,500 state worker cuts might eventually find their mark locally. Together these two significant events could reverse the momentum in the trade sector and create some fallout over the course of the year. The national economic picture is at best murky and for the moment offers the area's economic prospects little solace. Manufacturing activity, though slightly improved, is still languishing. Recovery in the national labor market has been virtually nonexistent, as employers remain extremely cautious with respect to the uncertain Middle East situation. Congress will also debate the merits of the administration's domestic economic policy proposal against the international backdrop. These are interesting times indeed.

Washington State LABOR AREA SUMMARY

Seattle-Bellevue-Everett PMSA

Prepared by the Labor Market and Economic Analysis Branch, Roberta Pauer, *Regional Labor Economist*, 400 East Pine, suite 310, Seattle, WA 98122, (206) 720-3394

HIGHLIGHTS

December's unemployment rate nudged up as the state's weather returned to normal patterns—namely, cloudy and wet. The temporary boon to labor market hiring from last fall's record-setting sunny and dry days definitely ended. But the inching up of the unemployment rate was not unexpected: Statewide, November's rate was revised up from last month's preliminary 6.6% seasonally adjusted to 6.7%, and December's preliminary rate was 6.8%. Unemployment rates for the counties and metropolitan statistical areas, such as the Seattle-Bellevue-Everett PMSA, are not published in seasonally adjusted form, but they followed similar trends when previous years' seasonal patterns are considered.

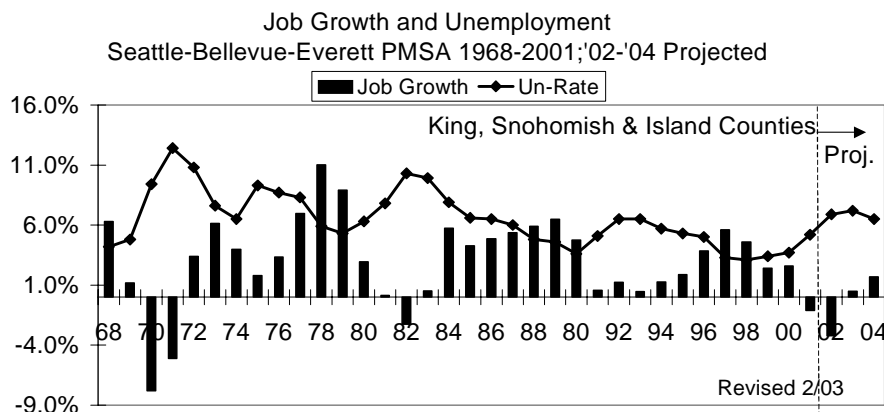
The discouraging news in the December month's data involved the employment numbers for the manufacturing arena in particular: Outside of the expected job losses in aircraft and parts (driven by Boeing Company layoffs), the rest of manufacturing continued to show employment declines, relative to purely seasonal trends. And that is poor news indeed. These declines indicate that the state's manufacturing economy—apart from Boeing and its suppliers—is not in recovery. In December, the aircraft & parts industry dropped an estimated 200 jobs, while the rest of manufacturing lost jobs spread across almost all sectors. Both Construction and Retail industry staffing were below seasonal averages. Overall total (net) hiring by the employers both statewide and in the metropolitan Seattle labor market during December was flattish: The total number of jobs in the statewide economy did rise by 1,000 (seasonally adjusted) but that is so slight an overall gain that the job supply truly should be considered unchanged. Job gains, relative to purely seasonal patterns, occurred in the broad services arena and, surprisingly, in state and local government payrolls as well.

Taking a longer view on the economic picture confirms the weak state of the overall economy: Last fall (2002) may turn out to have marked the trough of the state's recession, since, using preliminary estimates of industry employment, the overall job supply has grown since then. However, the all-important manufacturing arena has during the September to December time period lost an additional several thousand additional jobs only 1,600 of which are in aircraft and parts. Construction industries have declined as well. The broad services arena (everything but manufacturing and construction) has, since September, produced enough job growth to more than counter job losses in manufacturing. Still, our recovery from recession is very tentative. Best adjective to describe the current economic picture is, plateau.

Data Revisions & New Industry Classification System:

December marks the last month in the preliminary data cycle. All months of 2002 and 2001 will have been revised and reissued at the time of the release of next month's figures. January 2003, in other words, will be based on the revised data. Both unemployment rates and industry employment numbers as issued in preliminary monthly form during 2002 will no longer be valid. This data revision process is routine and occurs annually.

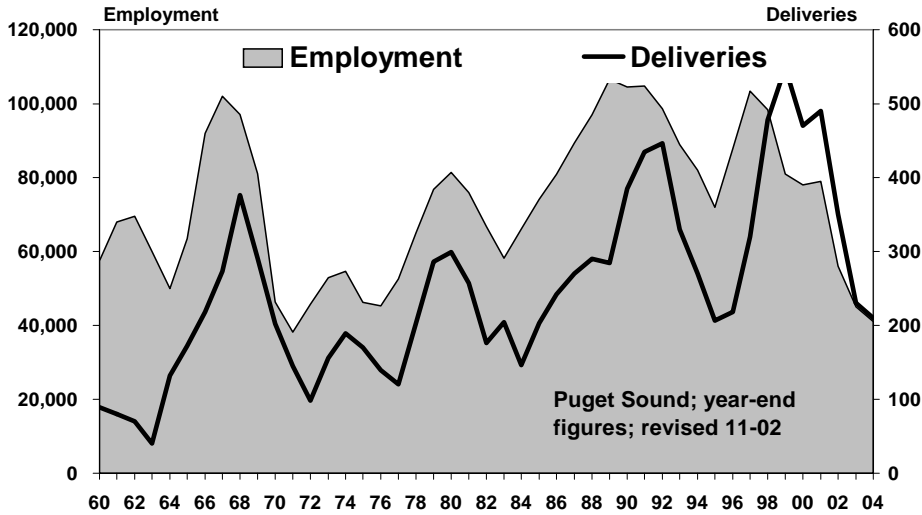
Concurrent with the routine annual data revisions is a special data event this year: namely, the transformation of the data from industry employment classification system "SIC" to "NAICS". The new NAICS system will be used for all the monthly industry employment figures from January 2003 forward. But in addition, a retroactively issued historical series for the past 10 years will also be published, to allow for as much perspective on trends as is feasible.



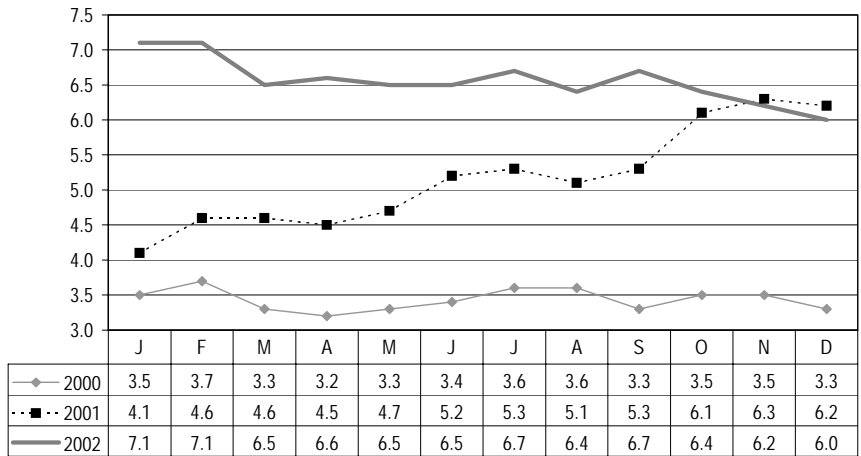
Tech Notes:

The term "Metropolitan Seattle", or even just "Seattle", is the informal title of a statistical labor market designated by the U.S. Dept. of Labor in 1958 to comprise King, Snohomish and Island Counties, combined. It is labelled "Seattle-Bellevue-Everett" in our tables, in accordance with federal naming conventions, but the area should not be mistaken for "cities". This 3-county "Seattle" labor market accounts for 50 percent of the state's nonfarm employment base.

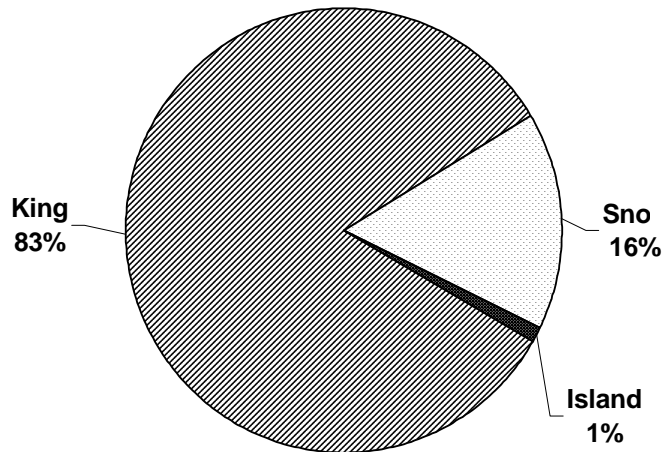
Boeing Cycles: Plane Deliveries & Employment 1960-2001; 2002-2004 Projected



Unemployment Rates by Month Seattle-Bellevue-Everett PMSA 2000-2002



Seattle Jobs 2001 King vs. Snohomish vs. Island



**Nonagricultural Wage and Salary Workers Employed in the
Seattle-Bellevue-Everett PMSA
(King, Island and Snohomish Counties)**

Not Seasonally Adjusted (in thousands)	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL 1/ 2/	1,356.8	1,360.3	1,378.9	-3.5	-22.1	-1.6%
MANUFACTURING	172.5	172.7	187.0	-0.2	-14.5	-7.8%
Durable Goods	133.4	133.5	146.6	-0.1	-13.2	-9.0%
Lumber & Wood Products	8.4	8.3	8.3	0.1	0.1	1.2%
Stone, Clay & Glass Products	3.4	3.4	3.5	0.0	-0.1	-2.9%
Primary Metal Industries	1.2	1.2	1.3	0.0	-0.1	-7.7%
Fabricated Metal Products	6.8	6.9	7.2	-0.1	-0.4	-5.6%
Industrial Machinery & Equipment	9.7	9.7	10.8	0.0	-1.1	-10.2%
Electronic & Other Electrical Equip.	8.6	8.6	9.3	0.0	-0.7	-7.5%
Transportation Equipment	76.3	76.3	86.3	0.0	-10.0	-11.6%
Aircraft & Parts	69.8	70.0	79.8	-0.2	-10.0	-12.5%
Ship & Boat Build/Repair	3.6	3.4	3.6	0.2	0.0	0.0%
Instruments & Related Products	11.0	10.9	11.4	0.1	-0.4	-3.5%
Nondurable Goods	39.1	39.2	40.4	-0.1	-1.3	-3.2%
Food & Kindred Products	13.3	13.2	13.3	0.1	0.0	0.0%
Textiles, Apparel & Leather	3.5	3.6	3.8	-0.1	-0.3	-7.9%
Paper & Allied Products	3.1	3.1	3.2	0.0	-0.1	-3.1%
Printing & Publishing	12.9	12.9	13.2	0.0	-0.3	-2.3%
Chemicals & Allied Products	2.5	2.5	3.1	0.0	-0.6	-19.4%
Petroleum, Coal, Plastics	3.8	3.9	3.8	-0.1	0.0	0.0%
MINING & QUARRYING	1.0	1.1	1.0	-0.1	0.0	0.0%
CONSTRUCTION	74.9	76.1	75.7	-1.2	-0.8	-1.1%
Building Construction	21.3	21.5	20.8	-0.2	0.5	2.4%
Heavy Construction	6.9	7.4	7.5	-0.5	-0.6	-8.0%
Special Trade Contractors	46.7	47.2	47.4	-0.5	-0.7	-1.5%
TRANSPORTATION, COMM. & UTILITIES	80.8	80.9	83.1	-0.1	-2.3	-2.8%
Transportation	53.5	53.6	54.3	-0.1	-0.8	-1.5%
Water Transportation	5.7	5.7	5.8	0.0	-0.1	-1.7%
Transportation by Air	19.7	19.6	20.5	0.1	-0.8	-3.9%
Communications	23.1	23.1	24.5	0.0	-1.4	-5.7%
Gas, Electric & Sanitary Services	4.2	4.2	4.3	0.0	-0.1	-2.3%
WHOLESALE & RETAIL TRADE	319.0	317.1	323.6	1.9	-4.6	-1.4%
Wholesale Trade	82.4	82.5	83.8	-0.1	-1.4	-1.7%
Durable Goods	52.3	52.3	52.7	0.0	-0.4	-0.8%
Nondurable Goods	30.1	30.2	31.1	-0.1	-1.0	-3.2%
Retail Trade	236.6	234.6	239.8	2.0	-3.2	-1.3%
Building Materials & Garden Supplies	9.2	9.3	9.0	-0.1	0.2	2.2%
General Merchandise	24.8	24.2	24.4	0.6	0.4	1.6%
Food Stores	30.3	30.7	31.3	-0.4	-1.0	-3.2%
Apparel & Accessory Stores	17.1	16.6	17.0	0.5	0.1	0.6%
Furniture & Home Furnishings	13.2	12.9	13.6	0.3	-0.4	-2.9%
Eating & Drinking Places	86.9	87.0	87.6	-0.1	-0.7	-0.8%

Continued...

**Nonagricultural Wage and Salary Workers Employed in the
Seattle-Bellevue-Everett PMSA
(King, Island and Snohomish Counties)**

Continued...

Not Seasonally Adjusted (in thousands)	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
FINANCE, INSURANCE & REAL ESTATE	87.9	87.9	88.8	0.0	-0.9	-1.0%
Finance	37.4	37.4	39.0	0.0	-1.6	-4.1%
Insurance	29.2	29.2	28.8	0.0	0.4	1.4%
Real Estate	21.3	21.3	21.0	0.0	0.3	1.4%
SERVICES	418.5	417.8	419.1	0.7	-0.6	-0.1%
Hotels & Other Lodging Places	13.7	13.9	13.4	-0.2	0.3	2.2%
Business Services	120.4	120.5	123.7	-0.1	-3.3	-2.7%
Computer & Data Processing Services	57.6	57.4	57.8	0.2	-0.2	-0.3%
Health Services	89.6	89.4	87.0	0.2	2.6	3.0%
Nursing & Personal Care	14.6	14.6	14.1	0.0	0.5	3.5%
Hospitals	26.5	26.4	26.5	0.1	0.0	0.0%
Legal Services	12.6	12.5	12.8	0.1	-0.2	-1.6%
Educational Services	21.3	21.5	20.3	-0.2	1.0	4.9%
Social Services	28.9	28.9	28.3	0.0	0.6	2.1%
Engineering & Management Services	45.1	45.1	47.2	0.0	-2.1	-4.4%
GOVERNMENT	202.2	206.7	200.6	-4.5	1.6	0.8%
Federal Government	26.1	25.7	24.9	0.4	1.2	4.8%
U.S. Postal Service	8.8	8.4	9.2	0.4	-0.4	-4.3%
State Government	59.9	60.5	59.4	-0.6	0.5	0.8%
State Education	43.2	43.8	42.8	-0.6	0.4	0.9%
Local Government	116.2	120.5	116.3	-4.3	-0.1	-0.1%
Local Education	55.7	56.1	54.9	-0.4	0.8	1.5%
Workers in Labor/Management Disputes	0.0	0.0	0.0	xx	xx	xx
GOODS PRODUCING	248.4	249.9	263.7	-1.5	-15.3	-5.8%
SERVICES PRODUCING	1,108.4	1,110.4	1,115.2	-2.0	-6.8	-0.6%

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<http://www.wa.gov/esd/lmea>

Washington State
LABOR AREA SUMMARY
Snohomish County

Prepared by the Labor Market and Economic Analysis Branch, Donna Thompson, *Regional Labor Economist*, 804 Broadway N., Bldg-B, Everett, WA 98201, (425) 339-4354

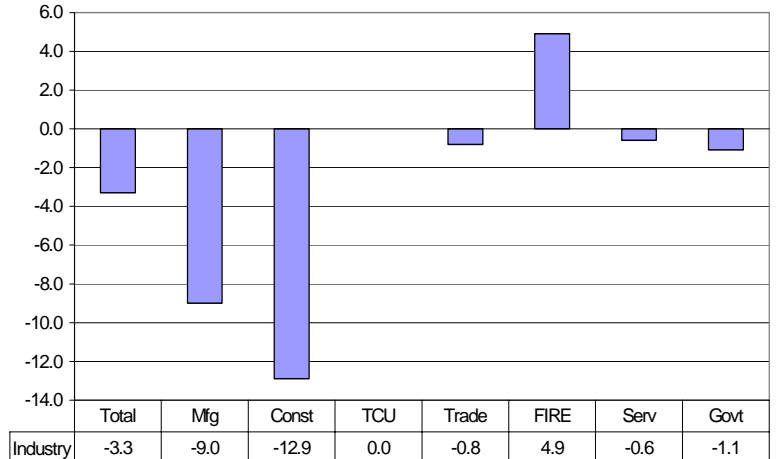
HIGHLIGHTS

The Unemployment Rate fell by 2/10th of a percentage point to 6.8% from the revised November figure of 7.0% bringing it even with the state at 6.8%. This is the first time since last February that the Snohomish County number hasn't come in higher than the state number. The relatively small monthly changes coupled with the fact that the rate is almost the same as it was last December, when it was 6.7%, may be welcome signs that the economy is stabilizing.

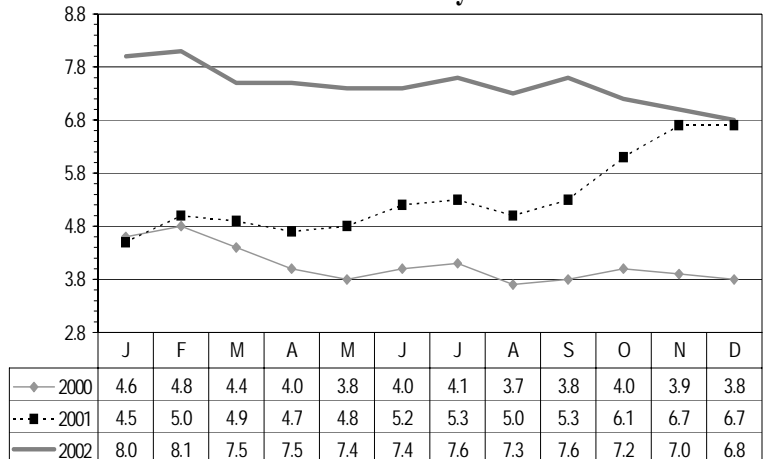
Seasonal trends, which contributed to job losses at the state level, were echoed in the Snohomish County figures. While the state posted a loss of 13,000 jobs, the County lost 1,600 jobs over the month. Locally, holiday shoppers helped boost the Retail sector by 500 jobs but it wasn't enough to offset losses in other sectors. Aircraft and Parts lost another 100 jobs during December which brought the total loss to -4,700 from the year ago figure of 29,500. Winter weather and a soggy economy contributed to a seasonal loss of 700 Construction jobs, with 500 of those losses in Special Trade Contractors. Business Services lost 300 jobs with 200 of that loss in Personnel Supply.

Bolstered by continuing low interest rates, Finance, Insurance and Real Estate remained flat over the month and is in fact up by 500 over the year. Federal and State Government also stayed flat over the month; however, Local Government lost 500 jobs. Belt-tightening by local municipalities was evidenced by a loss of 300 jobs and Local Education dropped by 200.

**Snohomish County Industry % Change
December 2001-2002**



**Unemployment Rates by Month
Snohomish County 2000-2002**



Nonagricultural Wage and Salary Workers Employed in Snohomish County

INDUSTRY	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL 1/ 2/	206,400	208,000	213,500	-1,600	-7,100	-3.3%
MANUFACTURING	46,700	47,000	51,300	-300	-4,600	-9.0%
Durable Goods	40,300	40,500	45,300	-200	-5,000	-11.0%
Lumber & Wood Products	2,900	2,900	2,800	0	100	3.6%
Fabricated Metals	1,800	1,800	1,600	0	200	12.5%
Industrial Machinery & Equipment	2,400	2,500	2,400	-100	0	0.0%
Electronic & Other Electrical Equipment	1,900	1,900	2,000	0	-100	-5.0%
Transportation Equipment	25,900	26,000	30,600	-100	-4,700	-15.4%
Aircraft & Parts	24,800	24,900	29,500	-100	-4,700	-15.9%
Instruments & Related	3,800	3,800	4,200	0	-400	-9.5%
Nondurable Goods	6,400	6,500	6,000	-100	400	6.7%
Food & Kindred Products	1,300	1,400	1,400	-100	-100	-7.1%
Printing & Publishing	2,500	2,400	2,100	100	400	19.0%
Petroleum, Coal, Plastics	900	1,000	800	-100	100	12.5%
MINING & QUARRYING	500	500	400	0	100	25.0%
CONSTRUCTION	13,500	14,200	15,500	-700	-2,000	-12.9%
General Building Contractors	2,700	2,800	3,200	-100	-500	-15.6%
Heavy Construction, except Buildings	1,800	1,900	1,900	-100	-100	-5.3%
Special Trade Contractors	9,000	9,500	10,400	-500	-1,400	-13.5%
TRANSPORTATION, COMM. & UTILITIES	5,600	5,700	5,600	-100	0	0.0%
Transportation	3,500	3,600	3,500	-100	0	0.0%
Communications	1,900	1,900	1,900	0	0	0.0%
Electric, Gas & Sanitary Services	200	200	200	0	0	0.0%
WHOLESALE & RETAIL TRADE	48,800	48,400	49,200	400	-400	-0.8%
Wholesale Trade	6,900	7,000	7,600	-100	-700	-9.2%
Durable Goods	4,500	4,600	4,700	-100	-200	-4.3%
Nondurable Goods	2,400	2,400	2,900	0	-500	-17.2%
Retail Trade	41,900	41,400	41,600	500	300	0.7%
Building Materials/Garden Supplies	2,200	2,300	2,100	-100	100	4.8%
General Merchandise	5,100	5,000	5,400	100	-300	-5.6%
Food Stores	6,200	6,300	6,500	-100	-300	-4.6%
Apparel & Accessory Stores	1,500	1,400	1,600	100	-100	-6.3%
Furniture & Home Furnishings	1,800	1,700	1,800	100	0	0.0%
Eating & Drinking Places	14,300	14,000	14,100	300	200	1.4%
FINANCE, INSURANCE & REAL ESTATE	10,700	10,700	10,200	0	500	4.9%
Finance	3,700	3,700	3,600	0	100	2.8%
Insurance	4,800	4,800	4,400	0	400	9.1%
Real Estate	2,200	2,200	2,200	0	0	0.0%
SERVICES	46,100	46,500	46,400	-400	-300	-0.6%
Hotels & Other Lodging Places	600	700	700	-100	-100	-14.3%
Business Services	6,800	7,100	7,500	-300	-700	-9.3%
Personnel Supply	2,500	2,700	2,600	-200	-100	-3.8%
Computer & Data Processing Services	800	800	900	0	-100	-11.1%
Health Services	15,000	15,000	14,100	0	900	6.4%
Nursing & Personal Care	2,800	2,800	2,800	0	0	0.0%
Hospitals	3,200	3,200	2,900	0	300	10.3%
Educational Services	1,300	1,400	1,300	-100	0	0.0%
Social Services	4,400	4,400	4,400	0	0	0.0%
Engineering & Management Services	3,100	3,000	3,800	100	-700	-18.4%
GOVERNMENT	34,500	35,000	34,900	-500	-400	-1.1%
Federal Government	2,000	2,000	2,300	0	-300	-13.0%
U.S. Postal Service	1,000	1,000	1,300	0	-300	-23.1%
State Government	5,200	5,200	5,300	0	-100	-1.9%
State Education	2,100	2,200	2,100	-100	0	0.0%
Local Government	27,300	27,800	27,300	-500	0	0.0%
Local Education	15,200	15,400	14,900	-200	300	2.0%
Workers in Labor/Management Disputes	0	0	0	xx	xx	xx

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. This information is also available at:

<http://www.wa.gov/esd/lmea>

Washington State
LABOR AREA SUMMARY
Spokane MSA

Prepared by the Labor Market and Economic Analysis Branch, 605 Woodland Square Loop, Olympia WA 98507-9046 (360) 438-4800

HIGHLIGHTS

That jingle you heard in December wasn't necessarily the joyous sound of holiday bells. Spokane County was minus 1,900 nonagricultural workers from a year ago, the larger percent coming from Goods Producing. That's a -1.0 percent drop in the workforce, which doesn't sound too bad when stated in percentages, but it's not so good when you're counting vacancies in the workplace.

The unemployment rate, up four tenths of a percent from November to 6.4, was actually lower than the Washington average, and a great deal lower than Spokane's 7.5 percent for December 2001. Doesn't it seem, with the workforce in the minus, the unemployment rate would be higher, too? One would think so, but with cutbacks, seasonal layoffs, and those job seekers who've just quit looking or found work elsewhere, it is possible. But the clouds haven't begun to clear yet, as the highest yearly unemployment figures for Spokane, and Washington in general, consistently peak in January.

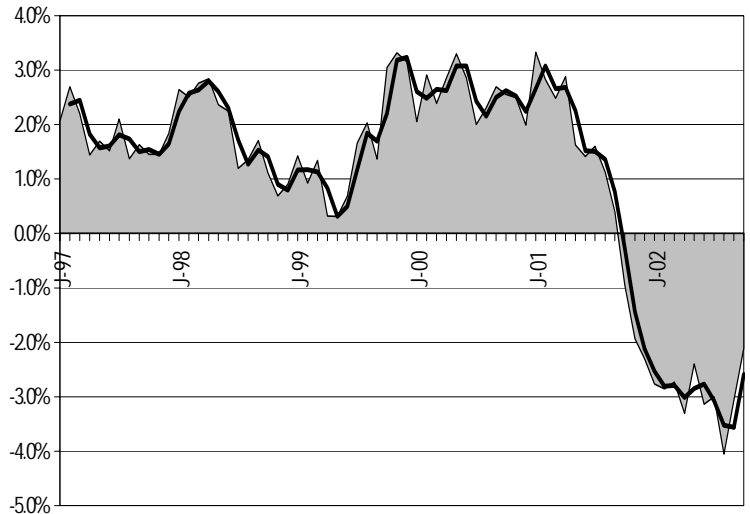
Nonag over-the-month numbers show losses in Construction (-600), Services (-100) and Government (-300), a typical winter trait. Monthly increases were in Manufacturing (+200) and Wholesale & Retail Trade (+300).

Over-the-year numbers, as in most areas in the State, paint a more accurate picture of a chilled economy. Manufacturing and Trade, despite the monthly gains, still felt the winds of winter with yearly losses of 1,000 and 1,700 workers, respectively. Construction (-200), and Transportation (-300), also felt the cold. The greatest overall decline came in the educational services sector, which stood at 4,700 employees in December 2001. It may not sound all that impressive in size or loss until you realize a yearly decline of 500 employees amounts to a 10.6 percent drop in jobs—a definite case of frostbite.

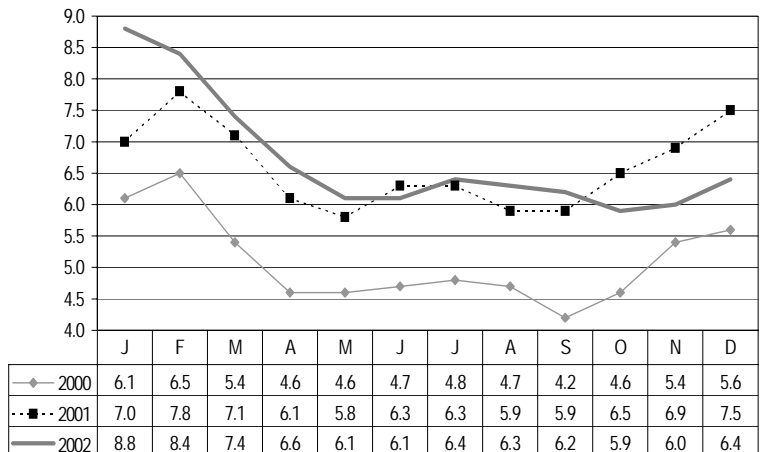
However, not everyone got bitten. Finance held it's ground, while Government gained 600 jobs, up in federal, state and local numbers. Services, too, added a yearly gain of 600.

Sometimes it takes more than boots, gloves, heavy coats and an extra dose of vitamins to stave off the winter blahs. But it's normal and expected for areas of the economy to slow with the season. Spring waits out there somewhere, and with it comes more light, warmth and new growth. If you'll note the unemployment figures, as early as February, that's held as true for the Spokane MSA as it does the garden.

**Spokane MSA Nonag Employment
 % Change Over the Year 1997-2002**



**Unemployment Rates by Month
 Spokane MSA 2000-2002**



Nonagricultural Wage and Salary Workers Employed in the Spokane MSA (Spokane County)

INDUSTRY	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL 1/ 2/	193,600	194,100	195,500	-500	-1,900	-1.0%
CONSTRUCTION & MINING	9,800	10,400	10,000	-600	-200	-2.0%
MANUFACTURING	17,700	17,500	18,700	200	-1,000	-5.3%
TRANSPORTATION, COMM. & UTILITIES	7,500	7,500	7,800	0	-300	-3.8%
WHOLESALE & RETAIL TRADE	48,500	48,200	50,200	300	-1,700	-3.4%
Wholesale Trade	11,500	11,500	11,900	0	-400	-3.4%
Retail Trade	37,000	36,700	38,300	300	-1,300	-3.4%
General Merchandise & Apparel	6,800	6,600	6,900	200	-100	-1.4%
Food Stores	5,600	5,600	5,800	0	-200	-3.4%
Eating & Drinking Places	12,500	12,300	12,700	200	-200	-1.6%
FINANCE, INSURANCE & REAL ESTATE	11,300	11,300	11,300	0	0	0.0%
Finance	5,700	5,700	5,700	0	0	0.0%
SERVICES	64,700	64,800	64,100	-100	600	0.9%
Business Services	9,100	9,000	9,000	100	100	1.1%
Health Services	23,100	23,100	23,000	0	100	0.4%
Educational Services	4,200	4,300	4,700	-100	-500	-10.6%
GOVERNMENT	34,100	34,400	33,400	-300	700	2.1%
Federal Government	4,800	4,700	4,700	100	100	2.1%
State Government	10,900	11,300	10,500	-400	400	3.8%
State Education	5,800	6,200	5,700	-400	100	1.8%
Local Government	18,400	18,400	18,200	0	200	1.1%
Local Education	11,700	11,700	11,600	0	100	0.9%
Workers in Labor/Management Disputes	0	0	0	xx	xx	xx
GOODS PRODUCING	27,500	27,900	28,700	-400	-1,200	-4.2%
SERVICES PRODUCING	166,100	166,200	166,800	-100	-700	-0.4%

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. This information is also available at:

<http://www.wa.gov/esd/lmea>

Washington State
LABOR AREA SUMMARY
Tacoma PMSA

Prepared by the Labor Market and Economic Analysis Branch, Chris Johnson, *Regional Labor Economist*, 1313 Tacoma Ave. South, Tacoma, WA 98402, (253) 593-7336

HIGHLIGHTS

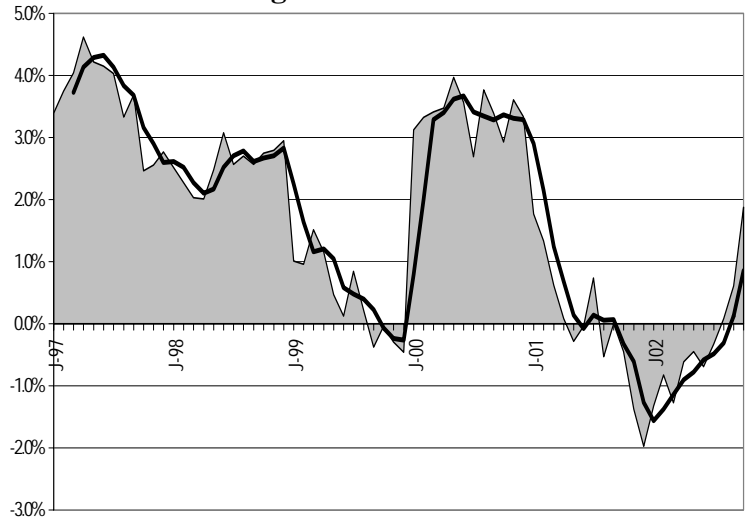
The Tacoma Primary Metropolitan Statistical Area (PMSA, all of Pierce County) unemployment rate for December was 6.7 percent, essentially identical to the statewide rate of 6.8 percent, but still a point above the comparable rate for the United States of 5.7 percent. Approximately 23,700 people were estimated to be unemployed in December, over eleven percent of the statewide total of 209,000. In December of last year, Tacoma area unemployed were just under eleven percent of the statewide total.

The Tacoma PMSA's nonagricultural wage and salary (place of work) employment has been improving since January 2002, and has strongly improved since July. Over the year, nonagricultural employment is now significantly up. There was a slight dip over the month, partially the result of seasonal losses in construction from November to December.

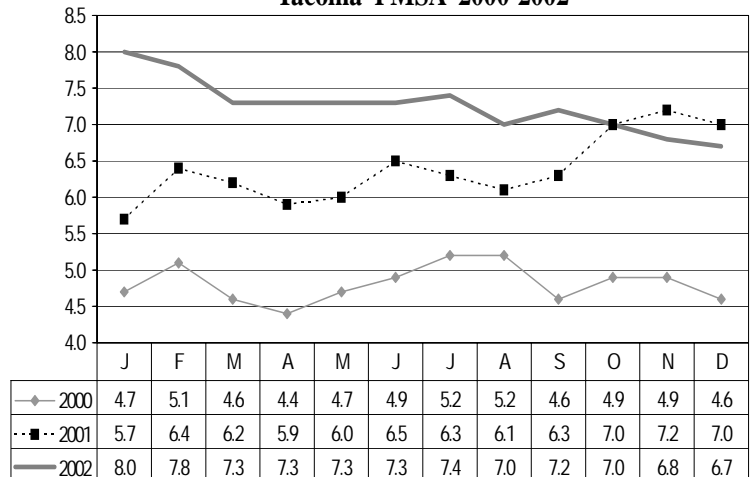
Steady improvement in the Tacoma metropolitan area's labor economy is driven by strong construction employment, government jobs and a resurgent services sector. Manufacturing employment in Pierce County continues to be soft, with downticks in printing and publishing (where a plant closure has been announced) and in the residual "other durable manufacturing" sector.

Trade employment was almost flat over the year (up by a tick), but services added jobs, largely in private education, health services and "other services." Also adding to over-the-year job gains was government, with more U.S. Department of Defense civilian jobs and local government.

**Tacoma PMSA Nonag Employment
 % Change Over the Year 1997-2002**



**Unemployment Rates by Month
 Tacoma PMSA 2000-2002**



Nonagricultural Wage and Salary Workers Employed in the Tacoma PMSA (Pierce County)

INDUSTRY	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		
				Nov-02 Dec-02	Dec-01 Dec-02	Yr-Yr %
TOTAL 1/ 2/	249,800	250,000	242,800	-200	7,000	2.9%
GOODS PRODUCING	39,000	39,400	37,400	-400	1,600	4.3%
MINING	300	300	200	0	100	50.0%
CONSTRUCTION	18,100	18,300	15,500	-200	2,600	16.8%
Buildings & Heavy Construction	7,100	7,100	6,200	0	900	14.5%
Special Trade Contractors	11,000	11,200	9,300	-200	1,700	18.3%
MANUFACTURING	20,600	20,800	21,700	-200	-1,100	-5.1%
Nondurable Products	7,800	7,900	8,600	-100	-800	-9.3%
Food & Kindred Products	1,300	1,300	1,600	0	-300	-18.8%
Textiles, Apparel & Leather	1,000	1,000	1,100	0	-100	-9.1%
Paper & Allied Products	1,200	1,200	1,200	0	0	0.0%
Printing, Publishing & Allied	1,800	1,900	2,200	-100	-400	-18.2%
Chemicals, Petroleum & Allied Products	900	900	900	0	0	0.0%
Rubber & Misc. Plastics Products	1,600	1,600	1,600	0	0	0.0%
Durable Products	12,800	12,900	13,100	-100	-300	-2.3%
Lumber & Wood Products	3,800	3,800	3,500	0	300	8.6%
Stone, Clay, Glass & Concrete Products	1,900	1,900	1,600	0	300	18.8%
Metals, Primary & Fabricated	1,700	1,700	1,900	0	-200	-10.5%
Machinery, Electronic & Electrical Equip.	2,300	2,300	2,600	0	-300	-11.5%
Transportation Equipment	2,000	2,000	2,200	0	-200	-9.1%
Aircraft, Spacecraft & Parts	1,300	1,300	1,500	0	-200	-13.3%
SERVICES PRODUCING	210,800	210,600	205,400	200	5,400	2.6%
TRANSPORTATION, COMM. & UTILITIES	10,700	10,600	10,500	100	200	1.9%
Transportation	8,100	8,000	7,800	100	300	3.8%
Water Transportation	1,300	1,300	1,200	0	100	8.3%
Communications & Utilities	2,600	2,600	2,700	0	-100	-3.7%
TRADE	58,900	58,400	58,800	500	100	0.2%
Wholesale Trade	10,900	10,900	10,900	0	0	0.0%
Retail Trade	48,000	47,500	47,900	500	100	0.2%
Food Stores	6,500	6,600	6,900	-100	-400	-5.8%
Auto Dealers & Service Stations	5,500	5,500	5,200	0	300	5.8%
Department, Apparel & Accessory Stores	7,700	7,400	7,200	300	500	6.9%
Eating & Drinking Places	19,200	19,100	18,700	100	500	2.7%
FINANCE, INSURANCE & REAL ESTATE	13,400	13,400	13,200	0	200	1.5%
SERVICES	73,900	74,100	70,000	-200	3,900	5.6%
Hotels & Other Lodging Places	1,400	1,400	1,300	0	100	7.7%
Business Services	9,200	9,500	9,200	-300	0	0.0%
Health Services	23,800	23,700	22,800	100	1,000	4.4%
Nursing & Personal Care Facilities	3,000	3,100	3,100	-100	-100	-3.2%
Hospitals	8,000	8,000	7,800	0	200	2.6%
Educational Services (private)	8,700	8,800	6,900	-100	1,800	26.1%
GOVERNMENT	53,900	54,100	52,900	-200	1,000	1.9%
Federal Government	11,100	10,900	10,700	200	400	3.7%
United States Postal Service	1,800	1,700	1,900	100	-100	-5.3%
Department of Defense 3/	7,700	7,700	7,300	0	400	5.5%
State Government	11,400	11,500	11,500	-100	-100	-0.9%
Educational Services	3,700	3,800	3,800	-100	-100	-2.6%
Local Government	31,400	31,700	30,700	-300	700	2.3%
Educational Services (Public Schools)	18,000	18,200	17,600	-200	400	2.3%
Workers in Labor/Management Disputes	0	0	0	xx	xx	xx

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. 3/ U.S. Department of Defense employment includes all civilian employees of the Defense Department regardless of industry, except employees of the Army Corps of Engineers. This information is also available at:

<http://www.wa.gov/esd/lmea>

Nonagricultural Wage and Salary Workers Employed in the Richland-Kennewick-Pasco MSA (Benton-Franklin Counties)

INDUSTRY	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL 1/ 2/	82,800	82,900	79,900	-100	2,900	3.6%
MANUFACTURING	6,000	5,800	5,900	200	100	1.7%
Food & Kindred Products	3,500	3,400	3,300	100	200	6.1%
Printing & Publishing	400	400	400	0	0	0.0%
Chemicals & Allied Products	800	800	900	0	-100	-11.1%
Primary & Fabricated Metal Products	300	300	400	0	-100	-25.0%
Other Manufacturing	1,000	900	900	100	100	11.1%
CONSTRUCTION	4,800	5,000	4,400	-200	400	9.1%
TRANSPORTATION, COMM. & UTILITIES	9,500	9,600	9,500	-100	0	0.0%
WHOLESALE & RETAIL TRADE	18,500	18,500	18,500	0	0	0.0%
FINANCE, INSURANCE & REAL ESTATE	2,400	2,400	2,400	0	0	0.0%
SERVICES	26,300	26,200	24,500	100	1,800	7.3%
Business Services	3,500	3,500	3,500	0	0	0.0%
Research Services	8,800	8,700	7,900	100	900	11.4%
GOVERNMENT	15,300	15,400	14,700	-100	600	4.1%
Federal Government	1,350	1,330	1,320	20	30	2.3%
State & Local Government	13,950	14,070	13,380	-120	570	4.3%
Public Education (State & Local)	7,500	7,600	7,200	-100	300	4.2%
Workers in Labor/Management Disputes	0	0	0	xx	xx	xx

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<http://www.wa.gov/esd/lmea>

Continued...

Industries showing gains over the month include food processing, other manufacturing, engineering services (Vit plant) and the federal government.

Over the year, the Tri-Cities economy continued to speed along as the fastest growing community in the state, though at a slightly slower pace. Some announced RIF (Reductions in Force) s, with the Fluor Daniel side of Hanford further impeding this pace. This will reduce the upward slope of growth, but by how much depends on several factors. One factor might be the martial ties that the effected worker has in the community. If the laid off worker has a spouse with a good job and benefits to rely upon, they are more likely to seek work locally. Offsetting this would be the professional worker, and perhaps the primary income earner, who must leave the community to seek employment elsewhere.

Also impacting the path of growth will be the shifting of employment needs for the Vitrification plant. Since December 2001, Bechtel National, the primary contractor, has added on 1,357 employees. A good proportion of these workers were well-paid professionals. Over the course of the next year, the pattern of hiring will shift from professional to craft. The craft workers will likely not be as well compensated and are more likely to commute or live in temporary local living arrangements.

Washington State
LABOR AREA SUMMARY
Clark County

Prepared by the Labor Market and Economic Analysis Branch, Scott Bailey, *Regional Labor Economist*, 5411 E. Mill Plain Blvd., Vancouver, WA 98661, (360) 735-5043

HIGHLIGHTS

The previous month's unemployment rate was revised upward once again in Clark County. November's preliminary rate of 7.9 percent was bumped up to 8.3 percent. December's preliminary rate was estimated at 7.9 percent. The number of unemployed residents continues to hover around 15,000.

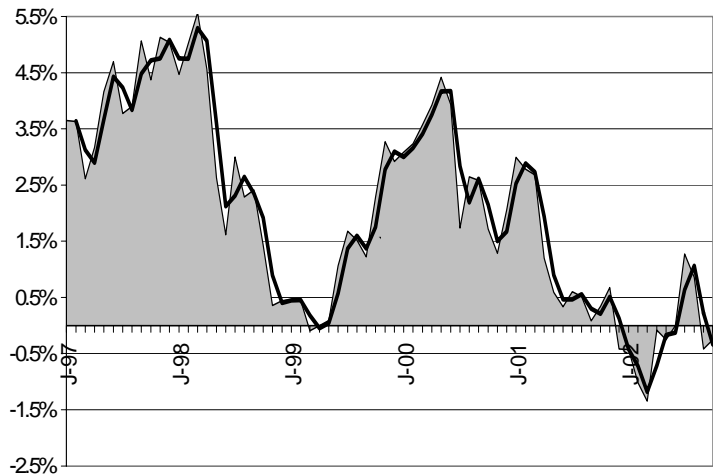
Seasonally-adjusted nonfarm employment was revised downward in November, and preliminary estimates show another small loss of 200 jobs in December. The decline was concentrated in manufacturing and construction.

Unadjusted nonfarm employment fell 500 jobs to 118,100. Manufacturing dropped by 400 jobs, and construction by 300. Other sectors showed little change.

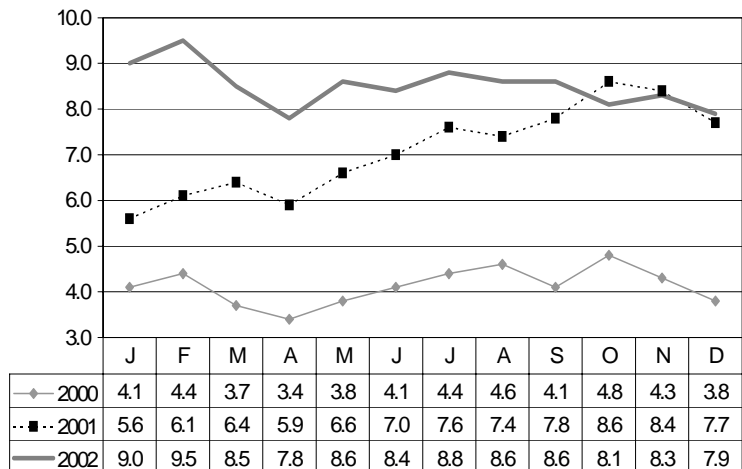
Employment growth over the year was 500 jobs, or 0.4 percent. The industry breakdown is much the same as in recent months: manufacturing is in the tank due to losses in electronics, transportation hit bottom with the closure of Consolidated Freightways, and telecom remains hungover from the fiber optic binge. Low mortgage rates have boosted construction and finance, health care continues to run ahead of the pack, and general population growth has boosted retail trade, K-12 education, and consumer services.

Announcements of note this month: expanded call center services coming for Wells Fargo, the final closure of the Time Warner fiber cable operations (formerly GST), and the resumption of construction at the Vancouver convention center. The first two involve shifts of employees between Vancouver and Portland.

**Clark County Nonag Employment
 % Change Over the Year 1997-2002**



**Unemployment Rates by Month
 Clark County 2000-2002**



Nonagricultural Wage and Salary Workers Employed in Clark County

INDUSTRY 3/ TOTAL 1/ 2/	Prelim	Revised	Revised	Nov-02	Change	Yr-Yr
	Dec-02	Nov-02	Dec-01	Dec-02	Dec-01 Dec-02	%
TOTAL 1/ 2/	118,100	118,600	117,600	-500	500	0.4%
MANUFACTURING	15,500	15,900	16,500	-400	-1,000	-6.1%
Durable Goods	9,800	9,900	10,700	-100	-900	-8.4%
Lumber & Wood Products	1,000	1,000	1,000	0	0	0.0%
Metals & Metal Products	800	800	800	0	0	0.0%
Machinery & Computers	3,400	3,400	3,200	0	200	6.3%
Electronics & Instruments	3,300	3,300	4,400	0	-1,100	-25.0%
Other Durable Goods	1,300	1,400	1,300	-100	0	0.0%
Nondurable Goods	5,700	6,000	5,800	-300	-100	-1.7%
Food Processing	1,100	1,200	1,000	-100	100	10.0%
Textiles & Apparel	500	600	600	-100	-100	-16.7%
Paper Products	2,400	2,400	2,400	0	0	0.0%
Plastics	700	800	800	-100	-100	-12.5%
Other Nondurable Goods	1,000	1,000	1,000	0	0	0.0%
CONSTRUCTION & MINING	9,800	10,100	9,300	-300	500	5.4%
TRANSPORTATION, COMM. & UTILITIES	6,000	6,000	7,200	0	-1,200	-16.7%
Transportation	4,000	4,000	4,900	0	-900	-18.4%
Communication & Utilities	2,000	2,000	2,300	0	-300	-13.0%
WHOLESALE TRADE	5,000	4,900	4,900	100	100	2.0%
RETAIL TRADE	23,400	23,300	22,800	100	600	2.6%
General Merchandise	3,200	3,100	3,100	100	100	3.2%
Grocery Stores	3,600	3,600	3,500	0	100	2.9%
Auto Dealers & Service Stations	2,600	2,600	2,300	0	300	13.0%
Other Retail Trade	14,000	14,000	13,900	0	100	0.7%
FINANCE, INSURANCE & REAL ESTATE	4,900	4,900	4,800	0	100	2.1%
SERVICES	31,900	31,800	30,900	100	1,000	3.2%
Business Services	6,100	6,300	6,000	-200	100	1.7%
Health Care Services	10,000	9,900	9,500	100	500	5.3%
Social Services	3,500	3,500	3,500	0	0	0.0%
Other Services	12,300	12,100	11,900	200	400	3.4%
GOVERNMENT	21,600	21,700	21,200	-100	400	1.9%
Federal Government	2,800	2,800	2,800	0	0	0.0%
State Government	3,400	3,400	3,300	0	100	3.0%
Local Government	15,400	15,500	15,100	-100	300	2.0%
K-12 Education	10,700	10,800	10,400	-100	300	2.9%
Other Local Government	4,700	4,700	4,700	0	0	0.0%
Workers in Labor/Management Disputes	0	0	0	xx	xx	xx

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<http://www.wa.gov/esd/lmea>

Washington State

LABOR AREA SUMMARY

Yakima MSA

Prepared by the Labor Market and Economic Analysis Branch, Don Meseck, *Regional Labor Economist*, 400-E 8th Ave., Ellensburg, WA 98926-7486, (509) 963-2606

HIGHLIGHTS

Nonagricultural Employment

Over the month of December 2002, nonagricultural employment in Yakima County/MSA contracted by 2,300 jobs, a 3.1-percent downturn. Employment usually wanes between November and December in Yakima County and this year was no exception to the rule, except that food and kindred products employment has been a little softer than normal. Specifically, a 1,500-job seasonal downturn at food processing firms that can, freeze, or preserve fruits and vegetables caused the lion's share of the reduction. It looks like things will not get better soon for this industry. The *Yakima Herald Republic* announced on December 27th that Tree Top will layoff 120 workers at their Selah juice-processing plant by February 2003. The article explained that, "a high quality apple crop this year has meant more apples being packed for the fresh market, with fewer culls available for juice processors." The local construction industry also shed 300 jobs over the month. During December 2002 Washington's non-adjusted wage and salary employment fell by 13,000, a retrenchment of 0.5-percent. Washington's losses were concentrated in manufacturing (-2,700), construction (-4,600), and government (-8,100). The decline in manufacturing was primarily caused by a seasonal cutback of 2,400 jobs at food processing companies that can, freeze or preserve fruits and vegetables.

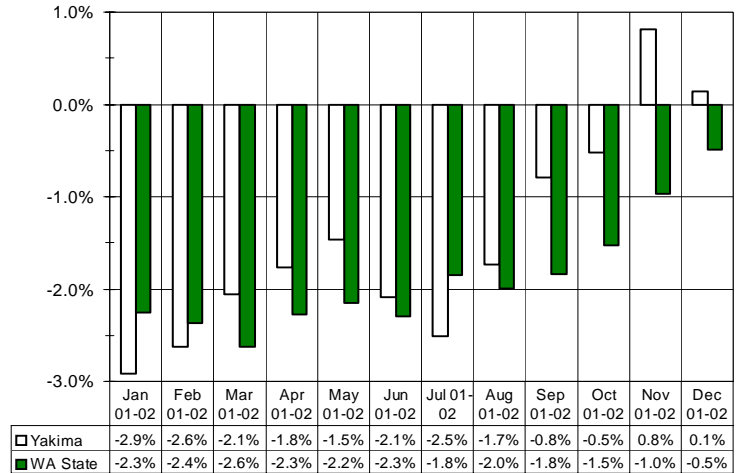
The first chart at right plots over-the-year total nonagricultural employment change rates in Yakima and in Washington for each of the last twelve months. Statewide the job growth pace registered a negative 0.5 percent between December 2001 and December 2002, a 13,200-job contraction. This was the smallest over the year decline in 2002 and the trend statewide is moving in the right direction. For example, the March 2001 to March 2002 job growth rate statewide was a minus-2.6 percent. Yakima County began 2002 by shedding jobs at a quicker pace than Washington. However, by November 2002 the job-growth rate reemerged into the positive column. This is a good sign. Barring unforeseen economic events, short-term industry employment forecasts indicate that job-growth rates are likely to continue to be slightly positive in the first quarter of 2003.

In the first three calendar quarters of 2002, nonagricultural employment across the county consistently lagged corresponding quarters in 2001. However, by the fourth quarter of 2002, total employment had virtually pulled up even to the fourth quarter of the preceding year. Preliminary nonagricultural employment estimates show that annual average employment for Yakima County in 2002 was 73,100, down 1.5 percent below the annual average employment in 2001 of 74,200.

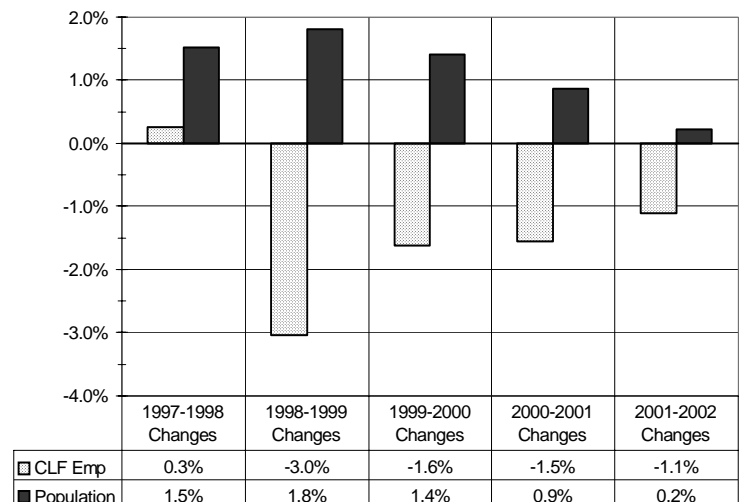
Unemployment

Over the year, the Yakima unemployment rate dropped substantially, from 13.9 percent to 12.1 percent. This 1.8 percent drop in the rate since December 2001 probably overstates the improvement in the local economy. Why? For an answer we must look a little bit deeper at agricultural and nonagricultural employment (which account for jobs by "place of work") and resident labor force numbers (which estimates the number of people working by "place of residence"). The good news for the county economy is that in December 2002, the number of "unemployed" declined to 12,200 people, which was 1,900 below the December 2001 level of 14,100. More encouraging news; the number of "employed" residents expanded over the year by 1,000, to an estimated

**Yakima County vs. Washington State
Over the Year Employment Change Rates**



Comparison of CLF & Population Growth Rates



Continued...

Nonagricultural Wage and Salary Workers Employed in the Yakima MSA

INDUSTRY	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL 1/ 2/	72,200	74,500	72,100	-2,300	100	0.1%
MANUFACTURING	10,100	11,700	10,400	-1,600	-300	-2.9%
Food & Kindred Products	3,400	4,800	3,700	-1,400	-300	-8.1%
Canned, Frozen & Preserved Foods	2,000	3,500	2,400	-1,500	-400	-16.7%
Lumber & Wood Products	1,500	1,500	1,500	0	0	0.0%
Paper & Allied Products	800	800	800	0	0	0.0%
Printing & Publishing	500	500	500	0	0	0.0%
Machinery, excluding Electrical	700	700	700	0	0	0.0%
Transportation Equipment	900	900	700	0	200	28.6%
NONMANUFACTURING	62,100	62,800	61,700	-700	400	0.6%
CONSTRUCTION & MINING	2,700	3,000	2,800	-300	-100	-3.6%
TRANSPORTATION, COMM. & UTILITIES	2,800	2,800	2,800	0	0	0.0%
Motor Freight Transportation	1,500	1,500	1,500	0	0	0.0%
WHOLESALE TRADE	4,900	5,100	4,900	-200	0	0.0%
Fresh Fruit & Vegetables	2,000	2,200	2,100	-200	-100	-4.8%
RETAIL TRADE	13,000	13,000	12,700	0	300	2.4%
General Merchandise & Apparel	2,500	2,500	2,200	0	300	13.6%
FINANCE, INSURANCE & REAL ESTATE	2,300	2,300	2,300	0	0	0.0%
SERVICES & MISCELLANEOUS	20,400	20,600	20,100	-200	300	1.5%
Business & Personnel Services	3,200	3,300	2,900	-100	300	10.3%
Health Services	8,600	8,500	8,500	100	100	1.2%
GOVERNMENT	16,000	16,000	16,100	0	-100	-0.6%
Federal Government	1,400	1,400	1,400	0	0	0.0%
State & Local Governments	14,600	14,600	14,700	0	-100	-0.7%
Workers in Labor/Management Disputes	0	0	0	xx	xx	xx

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. This information is also available at:

<http://www.wa.gov/esd/lmea>

Continued...

88,400 people. Even agricultural employment was estimated to be up 200 jobs over the year. The bad news is; although an estimated 1,000 more area residents were working in December 2002 versus December 2001, the labor force numbers do not indicate where they are working. Also, nonagricultural employment only grew by 100 jobs over the year. Obviously job growth as indicated in the labor force numbers is not coming from within the county borders. Many of the 1,000 additional residents estimated to be working this December commuted to jobs outside of the county, especially to the Tri-Cities where many jobs have been created by a new \$4 billion federal environmental clean-up program.

Resident Civilian Labor Force (CLF) and Population Changes

In the second chart, it is observed that the size of the resident civilian labor force in Yakima County declined in each of the last four years. The resident civilian labor force is defined as the sum of all employed and unemployed persons 16 years and older who reside in the county and who are actively seeking work. Only from 1997 to 1998 did the labor force show even slight growth, from 114,700 to 115,000 people. Yakima County's population edged upwards from 224,500 in 2001 to 225,000 in 2002 while the labor force fell from 108,000 to 106,800, in the corresponding period. It should be noted that the 2002 labor force figure is based on preliminary estimates. This over-the-year downturn of labor force size is primarily attributed to a slow statewide and regional economy that caused some residents to leave the county for jobs elsewhere, plus a rising number of discouraged workers (i.e., people who still live in the county, but have given up searching for work, and hence have dropped out of the resident civilian labor force figures). Also, the number of children and the number of retirees has generally been on a slight upswing during the five-year period, and of course, neither of these groups are counted in the labor force numbers.

Washington State
LABOR AREA SUMMARY
Wenatchee LMA
(Chelan & Douglas Counties)

Prepared by the Labor Market and Economic Analysis Branch, Don Meseck, *Regional Labor Economist*, 400-E 8th Ave., Ellensburg, WA 98926-7486, (509) 963-2606

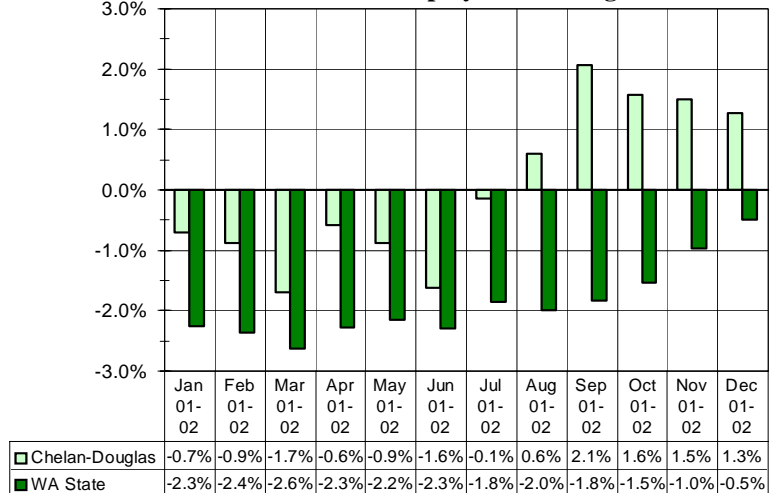
HIGHLIGHTS

Total nonagricultural employment in Chelan and Douglas counties (also called the Wenatchee Labor Market Area or LMA) contracted by 350 jobs for a 1.0-percent shortening of payrolls over the month of December 2002. Nonagricultural employment provided 35,980 jobs. The 350-job, over-the-month downturn was largely caused by a 240-job seasonal downturn in the local construction industry. Nevertheless, this over-the-month contraction was more than compensated for by over-the-year employment upturns among many local construction contractors.

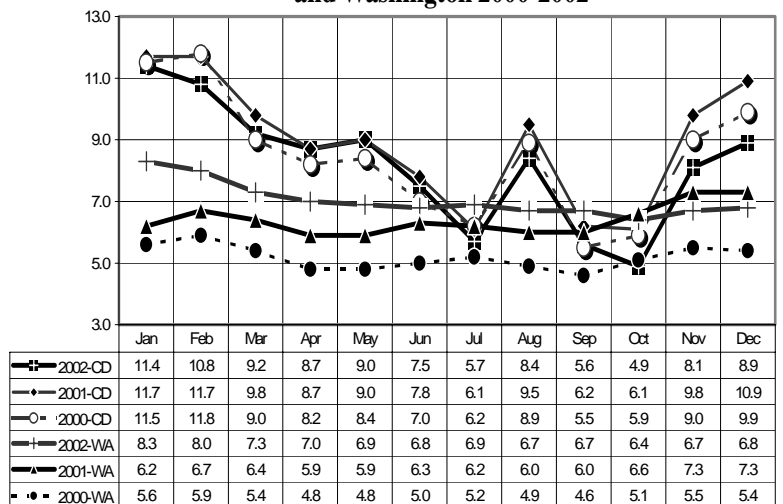
Employment estimates show that annual average nonagricultural employment in Chelan and Douglas Counties in 2002 was 36,000, just twenty jobs more than the annual average figure of 35,980 in 2001. However, if one observes the most recent over-the-year changes, from December 2001-2002, it is noted that total nonagricultural employment escalated by 450 jobs, a 1.3-percent expansion. Between December 2001 and December 2002, services grew by roughly 340 jobs, retail trade advanced by 160, and construction contributed another 100. These three groups more than accounted for the 570-job advance in the nonmanufacturing sector. On the down side, the manufacturing sector netted a 120-job loss in this period. When one combines the job-gains in nonmanufacturing with the job-losses in manufacturing, it equates to a 450-job, over-the-year increase in total nonagricultural employment. On a quantitative basis, this 450-job, 1.3-percent upturn is a good thing, especially when one considers that statewide, the nonagricultural sector consistently lost jobs since May 2001. On a qualitative basis however, it should be remembered that the average manufacturing job generally pays more than the average nonmanufacturing job. Thus, this erosion of manufacturing sector jobs should be viewed with concern, despite gains in the nonmanufacturing sector.

Continued...

**Chelan-Douglas Counties vs. Washington State
 Over the Year Employment Change Rates**



**Unemployment Rates in Chelan & Douglas Counties
 and Washington 2000-2002**



Nonagricultural Wage and Salary Workers Employed in the Wenatchee LMA (Chelan & Douglas Counties)

	Dec 2002 ¹	Nov 2002	Dec 2001	CHANGE ³		% CHANGE	
				Nov 02 Dec 02	Dec 01 Dec 02	Nov 02 Dec 02	Dec 01 Dec 02
TOTAL²	35,980	36,330	35,530	-350	450	-1.0%	1.3%
MANUFACTURING	2,410	2,440	2,530	-30	-120	-1.2%	-4.7%
Food & Kindred Products	420	440	480	-20	-60	-4.5%	-12.5%
Lumber and Wood Products	240	240	280	0	-40	0.0%	-14.3%
Primary Metals	530	530	550	0	-20	0.0%	-3.6%
Other Manufacturing	1,220	1,230	1,220	-10	0	-0.8%	0.0%
NONMANUFACTURING	33,570	33,890	33,000	-320	570	-0.9%	1.7%
CONSTRUCTION & MINING	2,250	2,490	2,150	-240	100	-9.6%	4.7%
TRANSPORTATION, COM, & UTILITIES	1,550	1,530	1,540	20	10	1.3%	0.6%
WHOLESALE TRADE	2,160	2,270	2,150	-110	10	-4.8%	0.5%
RETAIL TRADE	8,480	8,490	8,320	-10	160	-0.1%	1.9%
FINANCE, INSURANCE, & REAL ESTATE	1,320	1,330	1,360	-10	-40	-0.8%	-2.9%
SERVICES & MISCELLANEOUS	9,710	9,570	9,370	140	340	1.5%	3.6%
Health Services	3,990	4,010	3,880	-20	110	-0.5%	2.8%
GOVERNMENT	8,100	8,210	8,110	-110	-10	-1.3%	-0.1%
Federal Government	830	860	860	-30	-30	-3.5%	-3.5%
State and Local Governments	7,270	7,350	7,250	-80	20	-1.1%	0.3%
Workers in Labor Disputes	0	0	0	XXX	XXX	XXX	XXX

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. This information is also available at:

<http://www.wa.gov/esd/lmea>

Continued...

Unemployment

The unemployment rate in Chelan and Douglas counties increased from 8.1 percent in November to 8.9 percent in December 2002. Over the month the number of people unemployed locally increased by 380, from 4,040 to 4,420. Nonagricultural employment shrank by 350 jobs, led by a 240-job seasonal downturn in the local construction industry. Agricultural employers shed even more jobs, laying-off approximately 730 over the month as apple harvest work waned.

Over the year, unemployment retrenched substantially, from 10.9 percent in December 2001 to the December 2002 reading of 8.9 percent. Approximately 450 more people were working at nonagricultural jobs and about 930 fewer residents were unemployed this December than last. Agricultural employment rose a little in December 2002 over the same month one-year prior. A high quality 2002 apple crop this year meant more apples were picked and packed for the fresh market, with fewer culls available for juice processors. The December 2002 unemployment rate for Washington dipped to 6.8 percent, five-tenths of a point below the 7.3-percent figure in December 2001 - despite the over-the-year loss of 13,200 nonagricultural jobs.

Washington State
LABOR AREA SUMMARY
Walla Walla County

Prepared by the Labor Market and Economic Analysis Branch, Dean Schau, *Regional Labor Economist*, 3900 West Court St., Pasco, WA 99301, (509) 543-3017

HIGHLIGHTS

While the total number of nonfarm jobs this December was the same as last December, there were moderate changes on an industry to industry basis.

Large gainers over the year were in manufacturing where additional investment in wineries has paid off with more jobs in food processing. Also pushing the manufacturing total upwards was some slight positives in other areas of manufacturing.

The negative 60 in contract construction is more of a reflection of the county coming off of the best year in construction in 20 years during 2001. The 2002 has only been a relatively good year.

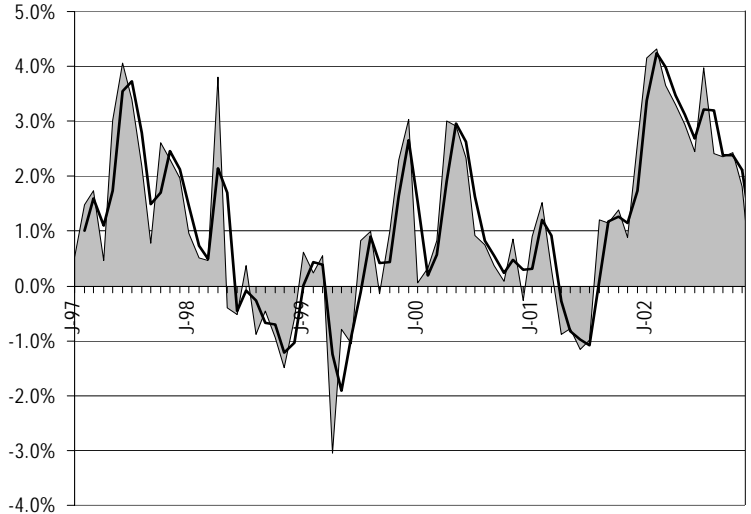
The 130 reduction in retail employment over the year very likely reflects the impact of greater competition for the consumer dollar with the entry of more labor efficient retailers.

Farm jobs within the community fell from 3,500 in November to 2,300 for December. During December of 2001, the farm employment count was moderately lower at 1,920.

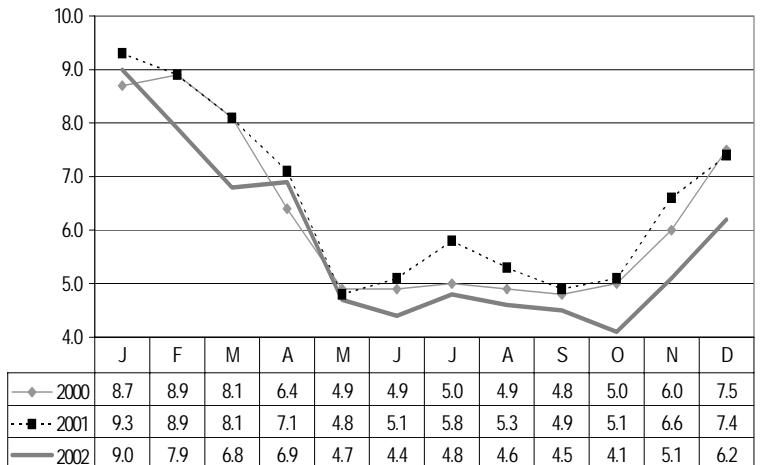
The loss of farm and nonfarm jobs over the month pushed the local rate of unemployment from 5.1 percent in November to 6.2 percent for December. The rate for December of 2002 was moderately lower than the state average at 6.8 percent. For December of 2001, the local rate of 7.4 percent was slightly higher than the state average at 7.3 percent.

With the coming of winter, the count of persons drawing unemployment benefits jumped from 694 in November to 843 for December. During December of 2001, the count was 914.

**Walla Walla County Nonag Employment
 % Change Over the Year 1997-2002**



**Unemployment Rates by Month
 Walla Walla County 2000-2002**



Nonagricultural Wage and Salary Workers Employed in Walla Walla County

INDUSTRY	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL 1/ 2/	22,960	23,140	22,960	-180	0	0.0%
MANUFACTURING	4,060	4,030	3,910	30	150	3.8%
Food & Kindred Products	2,160	2,140	2,050	20	110	5.4%
Other Manufacturing	1,900	1,890	1,860	10	40	2.2%
CONSTRUCTION	850	870	910	-20	-60	-6.6%
TRANSPORTATION, COMM. & UTILITIES	580	560	570	20	10	1.8%
WHOLESALE & RETAIL TRADE	4,720	4,700	4,850	20	-130	-2.7%
FINANCE, INSURANCE & REAL ESTATE	770	770	790	0	-20	-2.5%
SERVICES	6,870	6,940	6,890	-70	-20	-0.3%
Private Education	1,680	1,770	1,680	-90	0	0.0%
GOVERNMENT	5,110	5,270	5,040	-160	70	1.4%
Federal Government	900	900	870	0	30	3.4%
State Government	1,840	1,860	1,840	-20	0	0.0%
Public Education (State & Local)	2,130	2,130	2,120	0	10	0.5%
Worker in Labor/Management Disputes	0	0	0	XX	XX	XX

1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of work. This information is also available at:

<http://www.wa.gov/esd/lmea>

Washington State
LABOR AREA SUMMARY
Cowlitz County

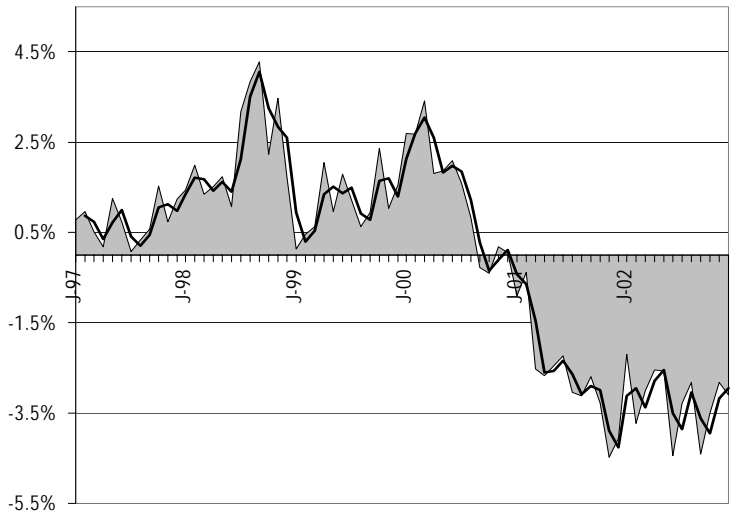
Prepared by the Labor Market and Economic Analysis Branch, Scott Bailey, *Regional Labor Economist*, 5411 E. Mill Plain Blvd., Vancouver, WA 98661, (360) 735-5043

HIGHLIGHTS

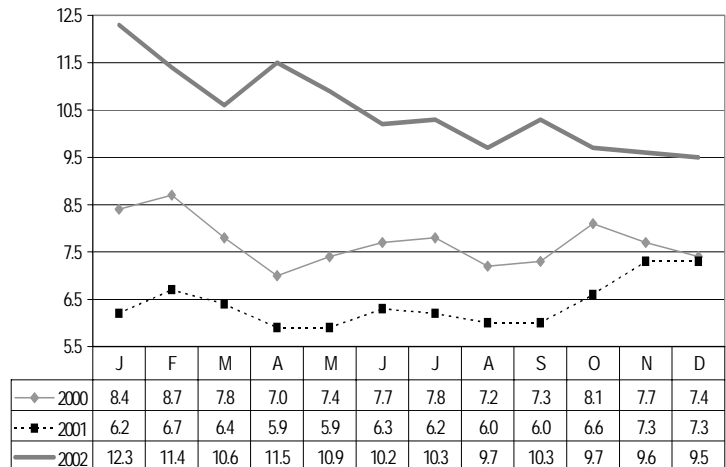
In Cowlitz County, the unemployment rate slid two tenths of a point to 9.5 percent in December. About 3,700 county residents were jobless and actively seeking work.

Seasonally-adjusted nonfarm employment was essentially unchanged over the month. Unadjusted employment dropped by 120 jobs to 36,030. Government fell by 130, and construction by 70, while manufacturing added 50 jobs. Job losses over the year are holding steady at 900+, or 2.5 percent, mostly in manufacturing.

**Cowlitz County Nonag Employment
 % Change Over the Year 1997-2002**



**Unemployment Rates by Month
 Cowlitz County 2000-2002**



Nonagricultural Wage and Salary Workers Employed in Cowlitz County

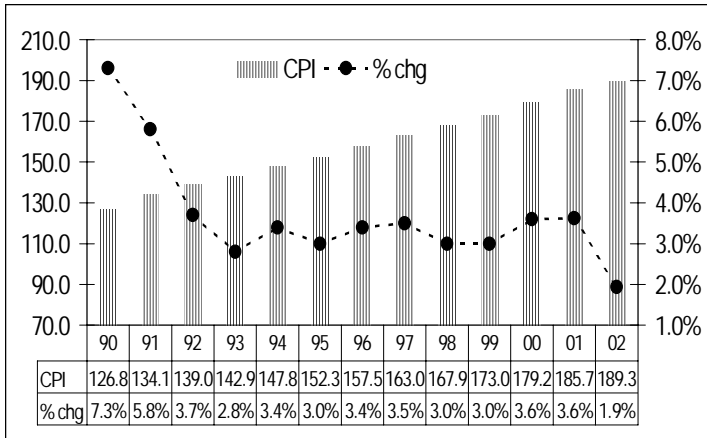
INDUSTRY	Prelim Dec-02	Revised Nov-02	Revised Dec-01	Change		Yr-Yr %
				Nov-02 Dec-02	Dec-01 Dec-02	
TOTAL 1/ 2/	36,030	36,150	36,940	-120	-910	-2.5%
MANUFACTURING	7,850	7,800	8,590	50	-740	-8.6%
Lumber & Wood Products	2,000	1,980	1,980	20	20	1.0%
Other Durables	1,410	1,420	1,600	-10	-190	-11.9%
Paper Products	2,800	2,810	3,260	-10	-460	-14.1%
Other Nondurables	1,640	1,590	1,750	50	-110	-6.3%
CONSTRUCTION & MINING	2,580	2,650	2,710	-70	-130	-4.8%
TRANSPORTATION, COMM. & UTILITIES	1,390	1,390	1,440	0	-50	-3.5%
WHOLESALE TRADE	1,250	1,260	1,250	-10	0	0.0%
RETAIL TRADE	6,870	6,860	7,030	10	-160	-2.3%
General Merchandise	1,100	1,090	1,110	10	-10	-0.9%
Grocery Stores	1,230	1,240	1,320	-10	-90	-6.8%
Other Retail Trade	4,540	4,530	4,600	10	-60	-1.3%
FINANCE, INSURANCE & REAL ESTATE	1,270	1,240	1,220	30	50	4.1%
SERVICES	9,050	9,050	9,020	0	30	0.3%
Health Care Services	3,800	3,780	3,760	20	40	1.1%
Other Services	5,250	5,270	5,260	-20	-10	-0.2%
GOVERNMENT	5,770	5,900	5,680	-130	90	1.6%
State & Federal Government	1,420	1,480	1,430	-60	-10	-0.7%
Local Government	4,350	4,420	4,250	-70	100	2.4%
Primary & Secondary Education	2,820	2,900	2,690	-80	130	4.8%
Other Local Government	1,530	1,520	1,560	10	-30	-1.9%
Workers in Labor/Management Disputes	0	0	0	XX	XX	XX

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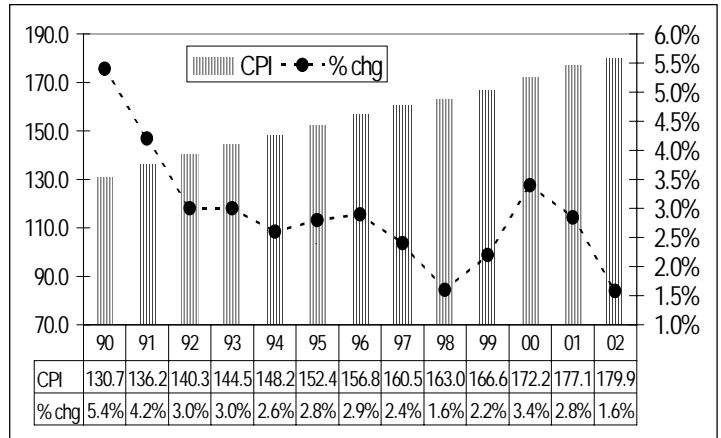
<http://www.wa.gov/esd/lmea>

Consumer Price Indexes

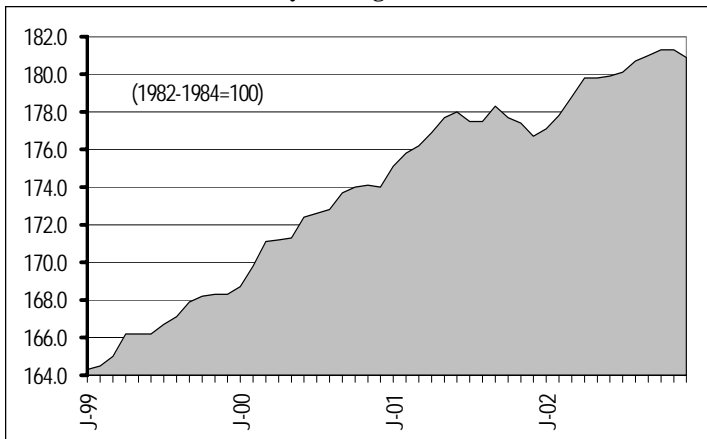
Seattle-Tacoma-Bremerton Average 1990-2002



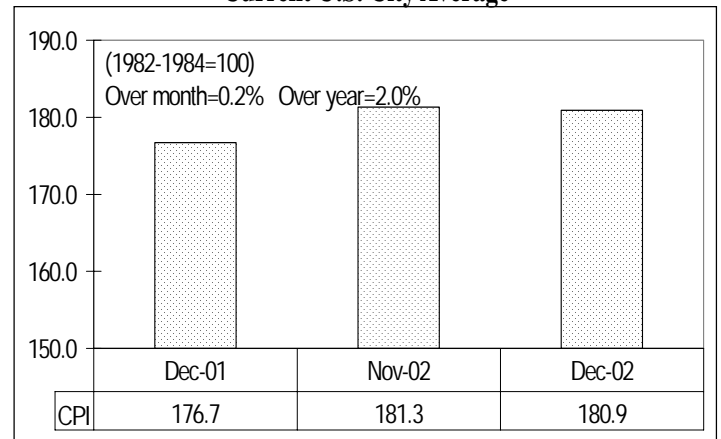
U.S. City Average 1990-2002



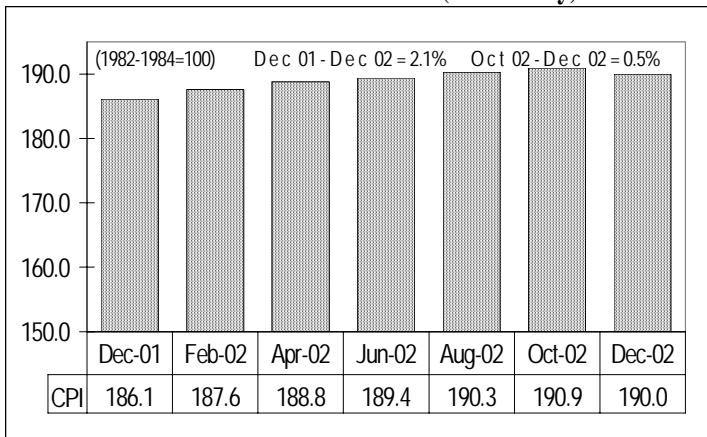
U.S. City Average 1999-2002



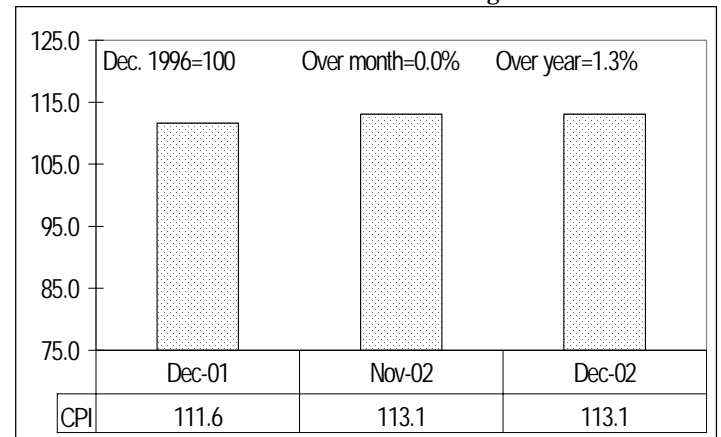
Current U.S. City Average



Seattle-Tacoma-Bremerton (bi-monthly)



Current West-B/C Average



Note: Seattle-Tacoma-Bremerton now published bi-monthly on even months. Class "West-B/C" index covers populations 1,500,000 or less. Local area CPI indexes are by-products of the national CIP program. Each index has a smaller sample size than the national index and is subject to more error. Local indexes show greater volatility than the national index, but long-term trends are similar. **The Bureau of Labor Statistics urges the use of the national average CXIP in escalator clauses.** The Consumer Price Index is a measure of the average change in prices over time in a fixed market basket of goods and services, such as food, clothing, shelter, transportation, medical care, and other goods and services that people buy for day-to-day living.

Technical Notes

This release is prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics. The current month's estimates are preliminary, while all previous months are subject to revisions. Industries are classified in accord with the *Standard Industrial Classification Manual (SIC), 1987*. The benchmark for all estimates is March 2001. Material in this publication may be reproduced without special permission (but credit is welcome).

Nonagricultural wage and salary employment estimates include all full- and part-time wage and salary employees who worked during or received pay for the pay period through the twelfth of each month. Estimates measure the number of jobs by industry and reflect **employment by place of work**. The data are not strictly comparable with labor force data, which represent persons by place of residence.

Excluded from wage and salary estimates are proprietors, self-employed workers, private household employees, and unpaid family workers. A small percentage of wage and salary workers cannot be assigned to specific counties because of the nature of their jobs. Therefore, county data will not necessarily sum to state totals.

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