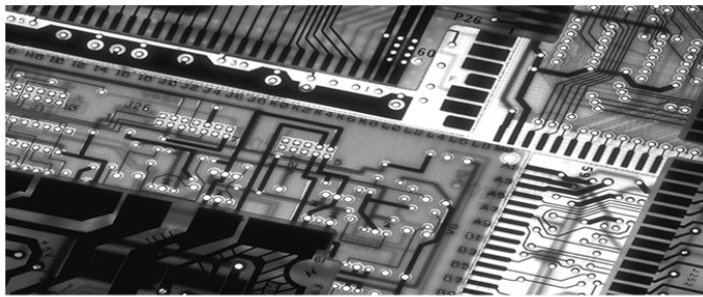


Washington State Labor Area Summaries



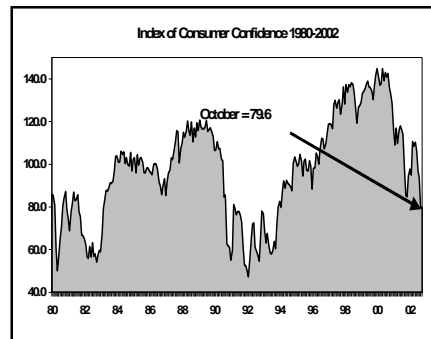
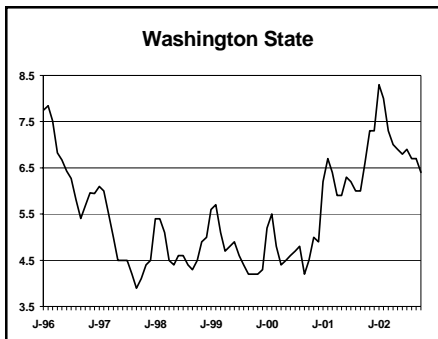
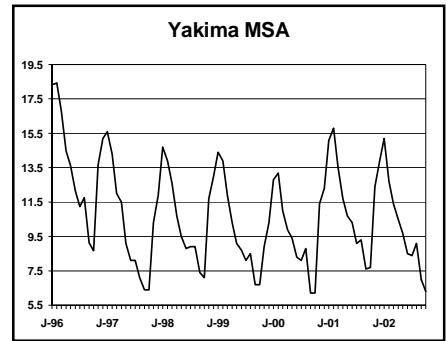
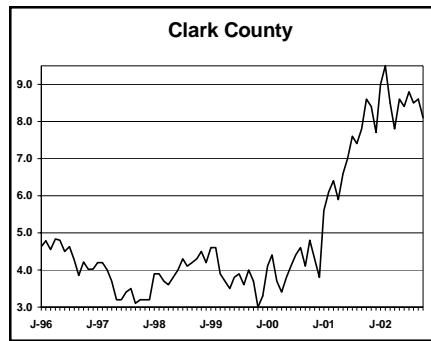
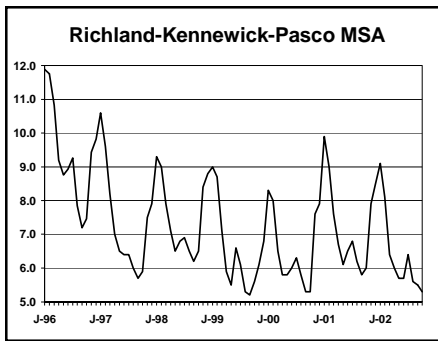
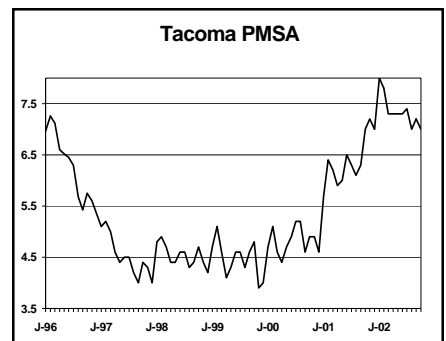
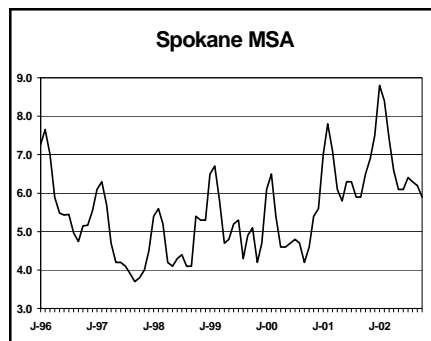
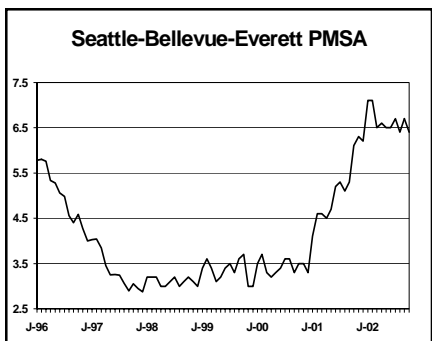
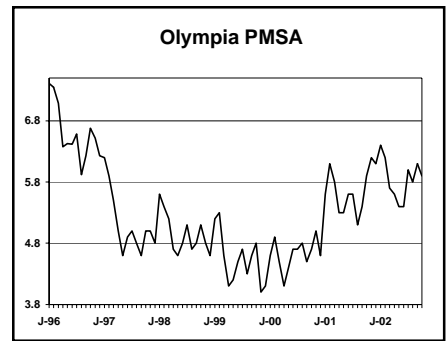
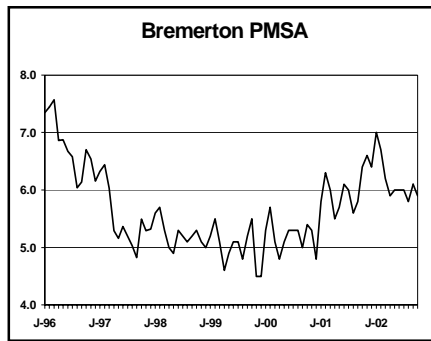
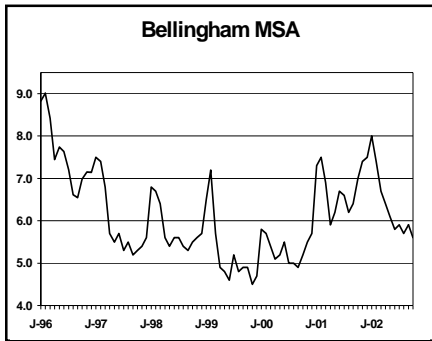
Prepared by the
Labor Market and
Economic Analysis Branch
(360) 438-4800
Greg Weeks, Director

In This Issue

Bellingham MSA.....	5
Bremerton PMSA	7
Olympia PMSA.....	9
Seattle-Bellevue-Everett PMSA	11
Snohomish County.....	15
Spokane MSA	17
Tacoma PMSA	19
Richland-Kennewick-Pasco MSA	21
Clark County	23
Yakima MSA	25
Consumer Price Indexes.....	33

**Washington State
Employment Security**

MSA Jobless Rates 1996-2002



Also in This Issue

<i>Wenatchee LMA</i>	27
<i>Walla Walla County</i>	29
<i>Cowlitz County</i>	31
<i>MSA Economic Profiles</i>	35

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

Not Seasonally Adjusted	September 2002 Preliminary				August 2002 Revised				September 2001 Revised			
	Labor Force	Employment	Unemp.	Rate	Labor Force	Employment	Unemp.	Rate	Labor Force	Employment	Unemp.	Rate
Washington State Total	3,046,500	2,841,500	205,000	6.7	3,042,200	2,838,900	203,300	6.7	2,947,100	2,771,100	176,000	6.0
Bellingham MSA	79,400	74,800	4,700	5.9	81,600	76,900	4,600	5.7	78,700	73,700	5,000	6.4
Bremerton PMSA	95,300	89,500	5,800	6.1	95,800	90,200	5,600	5.8	90,300	85,100	5,200	5.8
Olympia PMSA	101,400	95,900	5,500	5.4	101,500	96,200	5,300	5.2	96,400	91,200	5,200	5.4
Seattle-Bellevue-Everett PMSA	1,362,300	1,270,200	92,000	6.8	1,369,400	1,281,300	88,100	6.4	1,329,200	1,258,300	70,900	5.3
King County 2/	996,500	932,000	64,500	6.5	1,001,900	940,200	61,800	6.2	975,700	923,300	52,500	5.4
Snohomish County 2/	337,300	311,500	25,900	7.7	338,900	314,200	24,700	7.3	325,700	308,500	17,100	5.3
Island County 2/	28,400	26,700	1,700	5.9	28,600	27,000	1,600	5.6	27,790	26,480	1,310	4.7
Spokane MSA	204,600	191,700	12,800	6.3	202,100	189,400	12,700	6.3	201,400	189,600	11,800	5.9
Tacoma PMSA	341,400	316,500	24,900	7.3	338,400	314,600	23,800	7.0	322,800	302,600	20,200	6.3
Tri-Cities MSA	102,700	97,100	5,600	5.5	101,000	95,300	5,600	5.6	94,400	89,000	5,500	5.8
Benton County 2/	78,700	74,400	4,300	5.4	77,300	73,000	4,300	5.5	72,400	68,200	4,200	5.8
Franklin County 2/	24,100	22,700	1,400	5.7	23,700	22,300	1,400	5.8	22,000	20,800	1,300	5.7
Yakima MSA	114,100	106,100	8,000	7.0	110,100	100,000	10,000	9.1	112,300	103,800	8,500	7.6
Adams	8,910	8,440	470	5.3	9,240	8,770	470	5.1	8,630	8,080	560	6.4
Asotin 2/	11,640	11,010	630	5.4	12,040	11,420	610	5.1	11,440	11,020	430	3.7
Chelan-Douglas LMA	57,760	54,490	3,260	5.7	55,000	50,370	4,630	8.4	56,090	52,640	3,450	6.2
Chelan County 2/	37,010	34,750	2,260	6.1	35,340	32,120	3,230	9.1	35,910	33,570	2,350	6.5
Douglas County 2/	20,750	19,750	1,000	4.8	19,650	18,250	1,400	7.1	20,180	19,070	1,110	5.5
Clallam	24,260	22,770	1,490	6.1	24,520	22,990	1,530	6.2	23,610	22,140	1,470	6.2
Clark 2/	181,900	166,800	15,100	8.3	183,300	167,700	15,600	8.5	174,900	161,400	13,600	7.8
Columbia	1,250	1,120	130	10.0	1,250	1,140	100	8.2	1,140	1,020	120	10.5
Cowlitz	39,490	35,410	4,080	10.3	39,870	36,010	3,860	9.7	39,250	34,810	4,440	11.3
Ferry	2,430	2,230	200	8.1	2,450	2,250	200	8.3	2,320	2,090	230	9.8
Garfield	1,150	1,110	40	3.2	1,220	1,190	30	2.6	1,100	1,090	20	1.4
Grant	41,020	38,550	2,470	6.0	39,340	36,710	2,630	6.7	38,500	35,930	2,570	6.7
Grays Harbor	25,630	23,440	2,190	8.5	25,550	23,460	2,090	8.2	25,060	22,890	2,170	8.6
Jefferson	11,620	10,980	650	5.6	11,630	10,980	640	5.5	11,080	10,530	550	5.0
Kittitas	15,590	14,850	740	4.8	14,640	13,910	730	5.0	14,550	13,870	680	4.7
Klickitat	8,530	7,650	880	10.4	8,160	7,110	1,040	12.8	8,370	7,450	910	10.9
Lewis	29,130	26,860	2,280	7.8	29,130	26,900	2,220	7.6	27,290	25,220	2,070	7.6
Lincoln	4,890	4,670	220	4.5	5,000	4,790	220	4.4	4,590	4,410	180	4.0
Mason	19,120	17,790	1,320	6.9	19,440	18,120	1,320	6.8	17,840	16,630	1,200	6.8
Okanogan	21,760	20,380	1,390	6.4	20,180	18,740	1,450	7.2	21,720	20,260	1,460	6.7
Pacific	7,780	7,220	560	7.1	7,950	7,400	560	7.0	7,560	7,020	540	7.2
Pend Oreille	4,720	4,430	290	6.1	4,580	4,290	300	6.5	4,220	3,910	320	7.5
San Juan	7,220	7,010	210	2.9	7,650	7,430	220	2.8	6,720	6,540	180	2.7
Skagit	52,170	48,420	3,760	7.2	53,530	49,920	3,620	6.8	50,670	47,410	3,260	6.4
Skamania	3,850	3,520	330	8.5	4,050	3,680	360	9.0	3,740	3,410	330	8.8
Stevens	16,200	14,990	1,210	7.5	16,510	15,180	1,330	8.0	15,950	14,690	1,260	7.9
Wahkiakum	1,670	1,560	110	6.7	1,720	1,620	100	5.9	1,620	1,520	100	6.2
Walla Walla	25,810	24,690	1,130	4.4	25,900	24,650	1,250	4.8	24,740	23,540	1,200	4.9
Whitman	19,890	19,520	380	1.9	18,480	18,060	420	2.3	18,820	18,390	430	2.3

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	October 2002 Preliminary				September 2002 Revised				October 2001 Revised			
	Labor Force	Employment	Unemp.	Rate	Labor Force	Employment	Unemp.	Rate	Labor Force	Employment	Unemp.	Rate
Washington State Total	3,085,000	2,887,700	197,300	6.4	3,046,900	2,842,100	204,800	6.7	3,003,500	2,804,600	198,900	6.6
Bellingham MSA	80,700	76,200	4,500	5.6	79,600	74,900	4,700	5.9	81,100	75,400	5,700	7.0
Bremerton PMSA	97,200	91,400	5,800	5.9	95,600	89,700	5,900	6.1	92,000	86,200	5,800	6.4
Olympia PMSA	103,800	98,300	5,500	5.3	101,300	95,800	5,500	5.5	98,800	93,100	5,800	5.9
Seattle-Bellevue-Everett PMSA	1,376,200	1,288,500	87,700	6.4	1,361,900	1,270,400	91,500	6.7	1,354,300	1,272,000	82,300	6.1
King County 2/	1,007,000	945,400	61,600	6.1	996,400	932,200	64,200	6.4	993,800	933,300	60,500	6.1
Snohomish County 2/	340,300	316,000	24,400	7.2	337,100	311,500	25,600	7.6	332,200	311,900	20,300	6.1
Island County 2/	28,800	27,100	1,700	5.9	28,400	26,700	1,700	5.9	28,260	26,770	1,490	5.3
Spokane MSA	207,800	195,500	12,300	5.9	204,600	191,900	12,800	6.2	206,000	192,600	13,400	6.5
Tacoma PMSA	347,800	323,600	24,200	7.0	342,200	317,400	24,700	7.2	327,900	304,900	23,000	7.0
Tri-Cities MSA	104,100	98,500	5,500	5.3	102,700	97,100	5,600	5.5	96,200	90,400	5,800	6.0
Benton County 2/	79,700	75,500	4,200	5.3	78,600	74,400	4,200	5.4	73,700	69,300	4,500	6.1
Franklin County 2/	24,400	23,000	1,300	5.5	24,100	22,700	1,400	5.7	22,500	21,100	1,300	5.9
Yakima MSA	115,300	108,000	7,300	6.3	113,800	105,900	7,900	7.0	113,600	104,800	8,700	7.7
Adams	8,870	8,430	450	5.0	8,840	8,360	480	5.4	8,770	8,310	460	5.3
Asotin 2/	11,870	11,300	560	4.8	11,620	11,010	610	5.3	11,620	11,080	540	4.6
Chelan-Douglas LMA	56,070	53,310	2,750	4.9	58,110	54,860	3,250	5.6	55,800	52,370	3,430	6.1
Chelan County 2/	35,960	34,000	1,970	5.5	37,230	34,980	2,250	6.0	35,780	33,400	2,390	6.7
Douglas County 2/	20,100	19,320	790	3.9	20,880	19,880	1,010	4.8	20,020	18,980	1,040	5.2
Clallam	24,510	22,970	1,540	6.3	24,300	22,770	1,530	6.3	23,710	22,090	1,620	6.8
Clark 2/	185,200	170,200	15,000	8.1	181,800	166,100	15,700	8.6	179,500	164,200	15,400	8.6
Columbia	1,180	1,050	120	10.3	1,240	1,120	130	10.4	1,050	930	120	11.6
Cowlitz	40,200	36,320	3,890	9.7	39,590	35,510	4,080	10.3	40,090	35,660	4,430	11.0
Ferry	2,460	2,260	190	7.9	2,500	2,310	200	7.8	2,350	2,110	240	10.1
Garfield	1,100	1,070	40	3.5	1,160	1,110	50	4.2	1,080	1,060	20	1.5
Grant	41,570	39,270	2,300	5.5	40,950	38,520	2,430	5.9	39,510	37,000	2,510	6.3
Grays Harbor	25,840	23,430	2,420	9.3	25,620	23,430	2,190	8.5	25,610	23,030	2,580	10.1
Jefferson	11,650	11,000	650	5.6	11,550	10,880	670	5.8	11,120	10,450	670	6.0
Kittitas	16,490	15,680	810	4.9	15,630	14,890	740	4.7	15,700	14,960	740	4.7
Klickitat	8,160	7,380	780	9.6	8,520	7,630	880	10.4	8,010	7,080	930	11.6
Lewis	29,650	27,380	2,270	7.6	29,140	26,880	2,270	7.8	28,220	25,810	2,400	8.5
Lincoln	4,710	4,490	220	4.6	4,890	4,660	230	4.6	4,440	4,210	230	5.2
Mason	20,230	18,870	1,360	6.7	19,090	17,740	1,350	7.1	18,360	16,980	1,380	7.5
Okanogan	22,000	20,700	1,290	5.9	21,710	20,330	1,380	6.3	23,050	21,550	1,490	6.5
Pacific	7,700	7,090	610	7.9	7,730	7,160	570	7.3	7,520	6,880	640	8.5
Pend Oreille	4,420	4,120	300	6.8	4,460	4,170	290	6.4	4,260	3,900	350	8.3
San Juan	6,750	6,500	250	3.7	7,120	6,900	220	3.1	6,590	6,360	220	3.4
Skagit	52,800	49,170	3,630	6.9	52,310	48,580	3,730	7.1	50,560	46,710	3,850	7.6
Skamania	3,810	3,500	310	8.2	3,890	3,540	350	9.0	3,840	3,460	380	9.9
Stevens	16,370	15,170	1,210	7.4	16,410	15,190	1,220	7.5	15,730	13,960	1,770	11.3
Wahkiakum	1,600	1,510	100	5.9	1,650	1,540	110	6.4	1,610	1,490	120	7.7
Walla Walla	26,990	25,880	1,110	4.1	25,850	24,680	1,170	4.5	26,280	24,940	1,340	5.1
Whitman	19,980	19,590	400	2.0	19,620	19,240	380	2.0	19,130	18,660	480	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.

Notice to readers: Due to the retirement of Jack Schillinger, our long-time editor of the Labor Area Summaries (LAS), and the resulting changes in the preparation process, the publication of the LAS has been delayed by a month. Consequently, this is a double issue. It contains the revised industry employment numbers for August, September and October 2002.

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

September nonagricultural employment in the Bellingham MSA fell by 400 over the month to 68,400. Most of the drop can be pinned on seasonal changes in government, construction and transportation. Government jobs also shrunk by 300 positions, as construction (-200) and transportation (-100) each cut paychecks from payroll. On the upside, manufacturing, which has struggled over the past year, added 100 jobs, as did the service sector.

In the past twelve months, the MSA total nonag employment remained steady, with only a 100 difference between Septembers. The big, over-the-year loss, to no ones surprise, is manufacturing, which was off by 300 jobs from the previous September. Helping pick up the slack from that loss was the gain of 400 construction jobs over the same time period. Employment in services and trade also gained 100 jobs over the year.

In the coming months, seasonal growth in government will offset the seasonal losses that will occur in construction and services, while trade will hope for gains, as the end of year looms in the not so distant future.

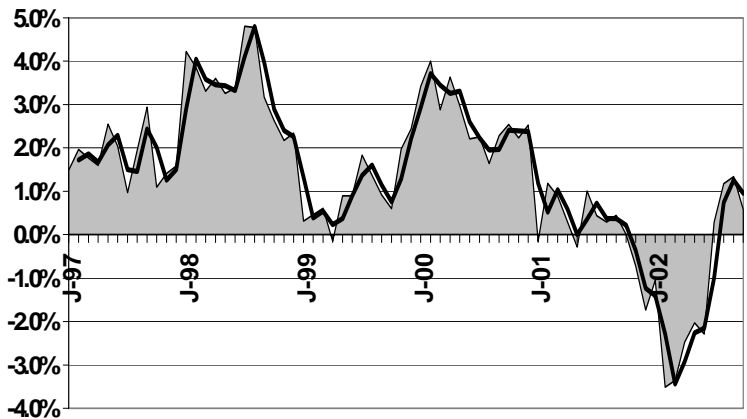
The unemployment numbers show some good and some bad. First the bad: over the month, the MSA unemployment rate was up to 5.9 percent from the 5.7 posted in August. Now the good: the September figure is half a point below the September rate of 2001 (6.4%). September this year, 4,700 Whatcom County residents were actively seeking work. Last September, 5,000 were in that position. On the employment side, 74,800 are now counted as employed in the MSA.

October in the Bellingham MSA was positive, as the unemployment rate fell and nonag employment increased over the month. In October 2002, the Bellingham MSA had 76,200 residents employed while 4,500 sought work. The end result? An unemployment rate of 5.6 percent, down from the 5.9 of October and way down from the October 2001 rate of 7 percent. While the yearly rate difference looks large, it is pretty much the over-the-year pattern we have seen the last few years. The next couple months should find the MSA unemployment moving slightly higher as winter's influence cuts into employment figures.

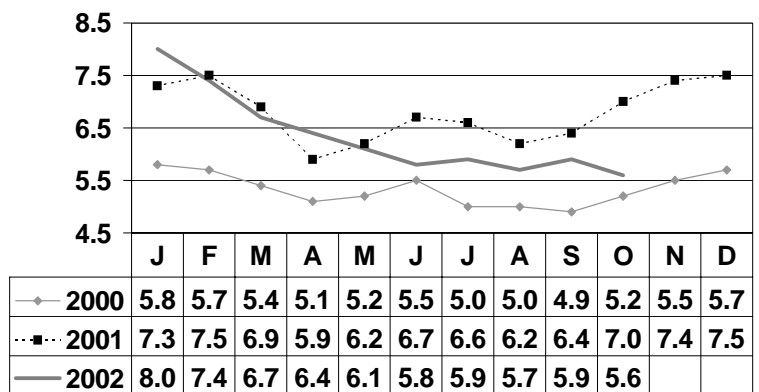
Statewide, the unemployment rate shifted downward to 6.4 percent from the 6.7 of September and the 6.6 rate of last October.

Nonag employment over the month was up 400 jobs to total 68,800 employed in the Bellingham MSA. The sector detail has little in the way of excitement, as change was found in only two areas. The

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



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



Continued...

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

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	68,800	68,400	68,800	68,800	-400	400	0	0.0%
MANUFACTURING	8,900	8,900	8,800	8,900	100	0	0	0.0%
Lumber & Wood Products	1,400	1,400	1,400	1,500	0	0	-100	-6.7%
Food Processing	1,400	1,400	1,400	1,500	0	0	-100	-6.7%
MINING & MISCELLANEOUS	600	600	600	700	0	0	-100	-14.3%
CONSTRUCTION	5,900	6,100	6,300	5,600	-200	-200	300	5.4%
TRANSPORT., COMM. & UTILITIES	3,400	3,400	3,500	3,400	-100	0	0	0.0%
WHOLESALE & RETAIL TRADE	17,600	17,700	17,700	17,600	0	-100	0	0.0%
FINANCE, INS. & REAL ESTATE	2,500	2,500	2,500	2,500	0	0	0	0.0%
SERVICES	17,800	17,800	17,700	17,800	100	0	0	0.0%
GOVERNMENT	12,100	11,400	11,700	12,300	-300	700	-200	-1.6%
Federal Government	900	900	900	900	0	0	0	0.0%
State Government	3,500	2,900	3,100	3,500	-200	600	0	0.0%
Local Government	7,700	7,600	7,700	7,900	-100	100	-200	-2.5%
Workers in Labor/Mgmt. Disputes	0	0	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...

construction industry was one; employment numbers dropped off by 200 jobs between September and October. The other area was in government, where state government schools bolstered payroll by 600 jobs.

October-to-October was steady, no gains or losses. Once again, construction and government play an integral role. Jobs on the construction side have grown by 300 jobs over the year, while government payroll has cut 200 between Octobers.

Nonag employment in the next couple of months will see modest growth, and then an end-of-the-year drop, as seasonal factors will drive the data. Things have been steady in the MSA for some time now, and nothing in the crystal ball indicates that will change. With the holiday shopping outlook appearing to be poor it would seem that little help is on the horizon, and a steady forecast is all we could expect.

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

September and October employment rose in the Bremerton PMSA.

September bumped up three-tenths of a point to 6.1 percent from the 5.8 rate in August, as well as the 5.8 posted a year ago. For the month, 89,500 PMSA residents were at work as 5,800 sought employment, while a year ago, 5,200 were looking for work as 85,100 were employed.

Statewide, the unemployment rate remained unchanged at 6.7 percent, while the previous year, the September rate was a flat 6.

Nonag employment MSA remained sluggish, as the over-the-month job change was a loss of 100. Between August and September, trade and government each fell by 100. The twelve-month increase was a tepid 500 jobs; government gained 500, trade and services each posted increases of 200, while construction fell by 200.

The backbone of the local economy (naval shipyard and military) looks to be strong, if not spectacular, when the future outlook is scanned. The coming months will find seasonal gains in government as the new school year kicks in, and trade should begin to perk up as we head towards the holidays.

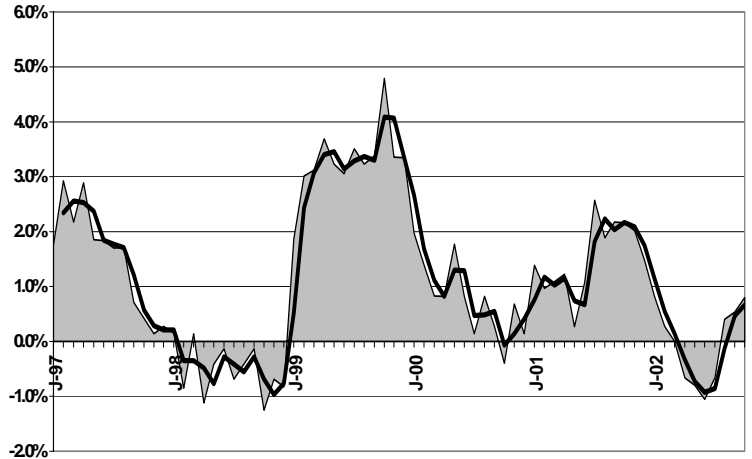
While the state economy continues to feel the bite of the slow-down, the Bremerton PMSA nonagricultural industries will not feel the pinch of a lagging Boeing or a faltering high tech sector. Look for PMSA numbers to remain steady with little in the way of jolts or quakes.

The great pumpkin of October delivered a positive employment report for the Bremerton PMSA, as the unemployment rate slipped from 6.1 percent of the civilian labor force to 5.9 percent. Over the year, the October rate represents a half-point drop from the 6.4 rate posted in October 2001. This rate is the first October since 1999 where the PMSA's rate was below the 6 percent mark. The detail shows 91,400 Kitsap county residents employed as 5,800 were seeking work.

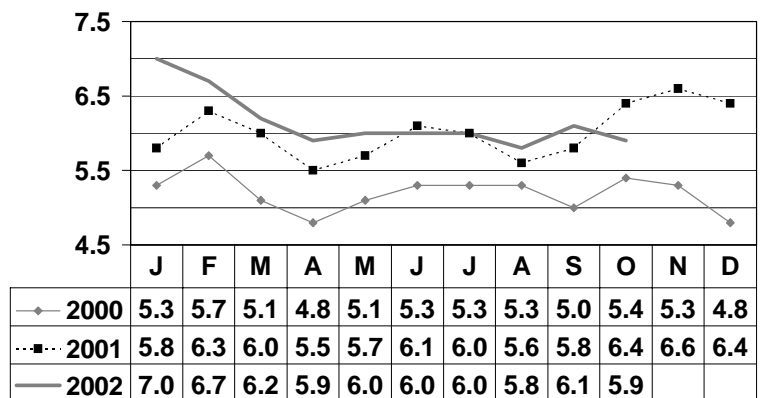
Statewide, the October unemployment rate dipped from 6.7 percent to 6.4. In October of last year the statewide rate was 6.6 percent.

Overall, nonagricultural employment rose by 500 jobs over the month to a total of 76,200. That increase is also the same as the over-the-year figure. Between September and October, seasonal surge in government spurred that sector to grow by 500 jobs. The majority of the gain can be attributed to local schools bulking up their hiring

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



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



Continued...

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

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	76,200	75,700	75,800	75,700	-100	500	500	0.7%
MANUFACTURING	2,100	2,100	2,100	2,200	0	0	-100	-4.5%
MINING & MISCELLANEOUS	800	800	800	800	0	0	0	0.0%
CONSTRUCTION	4,400	4,600	4,500	4,600	100	-200	-200	-4.3%
TRANSPORT., COMM. & UTILITIES	2,200	2,200	2,200	2,100	0	0	100	4.8%
WHOLESALE & RETAIL TRADE	17,700	17,300	17,400	17,500	-100	400	200	1.1%
FINANCE, INS. & REAL ESTATE	2,700	2,700	2,700	2,600	0	0	100	3.8%
SERVICES	19,500	19,700	19,700	19,200	0	-200	300	1.6%
GOVERNMENT	26,800	26,300	26,400	26,700	-100	500	100	0.4%
Workers in Labor/Mgmt. Disputes	0	0	0	0	xx	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...

numbers for the new school year. Also on the upswing was trade, which posted a gain of 400. On the downside, construction and services; each suffered job losses of 200 for the month.

Over the year, the 500-gain is spread out differently. The down numbers were seen in manufacturing and construction, with a loss of 100 and 200 paychecks, respectively. On the upswing were services, adding 300 positions over the year, as transportation, finance and government each added 100 jobs to their payrolls, while trade gained 200.

The coming months will show only small changes. The unemployment rate should remain fairly stable with only small seasonal changes expected. On the other side of the ledger nonag employment barring unforeseen activities will continue to show only modest activity with no surprises expected. What changes we do see will be tied to weather and other seasonal factors.

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

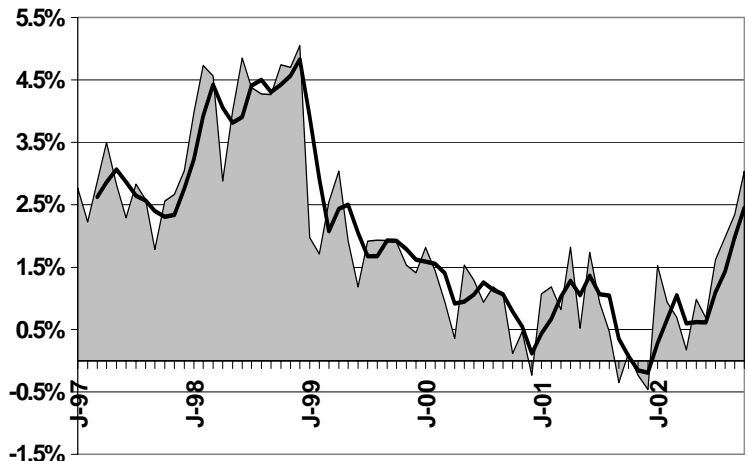
HIGHLIGHTS

The Olympia PMSA economy received an October bounce from the trade sector in the form of two new store openings in the Lacey area. The new Safeway and Wal-Mart stores helped to contribute to this month's 300 gain in trade employment, and will continue to extend the South Sound's retail sales growth rate beyond the state average this year. The retail revitalization gives area consumers more shopping options and has helped to offset the recessionary drag of the state and national economies. Lower interest rates, which have created refinancing options for area homeowners, have also effectively put more monthly income into consumer's pockets and kept purchasing activity afloat. The stable state government employment base also plays a significant role in maintaining local consumption habits. Although state government revenues have weakened and produced a budget deficit in excess of two billion dollars, this has yet to be reflected in public payrolls. A lengthy budgetary process will undoubtedly unfold in 2003 and some belt-tightening is expected.

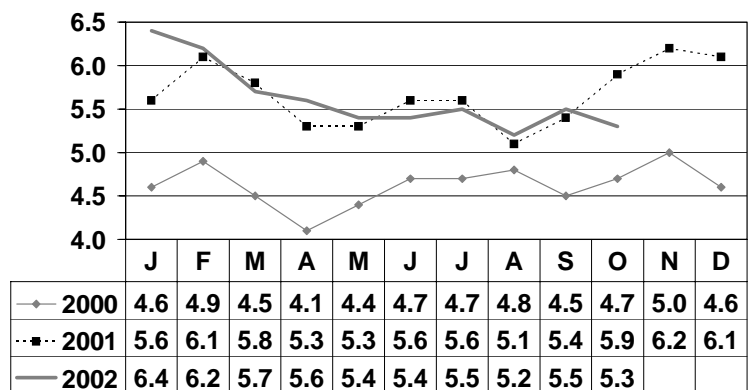
Overall, the local economy registered an employment gain of 900 jobs. Outside of trade, the job gains are concentrated almost entirely in state and local education as faculty, teachers, and other school personnel returned to work. Construction activity began its seasonal slowdown while manufacturing remains weak.

The strong October employment report served to just barely dent the unemployment rate for Thurston County, pushing it down two-tenths of a percent from September to 5.3 percent. The corresponding state unemployment rate showed some improvement in October and dropped seven-tenths of one percentage point to 6.7 percent. Thurston County's annual average jobless rates have tracked fairly closely with the state level over the past fifteen to twenty years. The history suggests the rates should move closer together in the near future. The question will be whether it is the state that moves closer to Thurston or whether it is Thurston that moves closer to the state.

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



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



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

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change		Oct-01 Oct-02	Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02		
TOTAL 1/ 2/	88,300	87,400	87,200	87,400	200	900	900	1.0%
GOODS PRODUCING	8,100	8,100	8,300	8,200	-200	0	-100	-1.2%
MINING	100	100	100	100	0	0	0	0.0%
CONSTRUCTION	4,100	4,100	4,200	4,300	-100	0	-200	-4.7%
MANUFACTURING	3,900	3,900	4,000	3,800	-100	0	100	2.6%
SERVICES PRODUCING	80,200	79,300	78,900	79,200	400	900	1,000	1.3%
TRANSPORT., COMM. & UTILITIES	2,400	2,500	2,400	2,400	100	-100	0	0.0%
WHOLESALE & RETAIL TRADE	17,900	17,600	17,500	17,200	100	300	700	4.1%
FINANCE, INS. & REAL ESTATE	3,300	3,300	3,300	3,300	0	0	0	0.0%
SERVICES	21,100	21,100	20,900	20,900	200	0	200	1.0%
GOVERNMENT	35,500	34,800	34,800	35,400	0	700	100	0.3%
Federal Government	1,100	1,100	1,200	1,100	-100	0	0	0.0%
U.S. Postal Service	400	500	500	500	0	-100	-100	-20.0%
Other Federal Government	700	600	700	600	-100	100	100	16.7%
State Government 5/	23,000	22,800	22,700	23,600	100	200	-600	-2.5%
Education Services	1,900	1,700	1,500	2,500	200	200	-600	-24.0%
Non-Education	21,100	21,100	21,200	21,100	-100	0	0	0.0%
Local Government	11,400	10,900	10,900	10,700	0	500	700	6.5%
Education Services	6,900	6,100	5,800	6,600	300	800	300	4.5%
Non-Education	4,500	4,800	5,100	4,100	-300	-300	400	9.8%
Cities and Towns	2,900	3,200	3,300	2,500	-100	-300	400	16.0%
Other Local Non-Education	1,600	1,600	1,800	1,600	-200	0	0	0.0%
Workers in Labor/Mgmt. Disputes	0	0	0	0	xx	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

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

October's labor market data was as sunny as the weather—unemployment dropped and hiring was good. But will it last?

The exceptionally dry weather across the state created seasonally unusual hiring patterns in construction, outdoor recreation, tourism, travel and related retail activities. That kind of weather effect, however, is not at all the same as true growth in the job supply, and it will not produce a sustainable draw-down in the number of unemployed people. Only a real turnaround in the economy will accomplish that.

So caution remains the word of the day. The economy is very probably still in a flat place, with the worst of the recession well over. But a consistent pattern of growth has yet to emerge. Rather, sluggish emergence from recession appears likely by year-end, with restoration of the economy to pre-recession employment levels not expected until 2005.

Seattle:

Metropolitan Seattle saw unemployment drop from September's 6.7 percent to 6.4 percent in October (not seasonally adjusted). That placed Seattle's rate the same as the statewide unemployment rate (not seasonally adjusted) of 6.4 percent. However, because the statewide economy is much more seasonal than the metropolitan Seattle labor market, comparison to the statewide figure of 6.7 percent is more reasonable. (There are no seasonally adjusted unemployment figures for counties or labor markets within the state.) Still, the unemployment rate margin between Seattle and the rest of the state has markedly closed in the last few years. And that is a result of the concentration of the statewide recession within the metropolitan Seattle economy.

Since the Washington State recession began in January 2001, the Seattle economy has accounted for 95 percent of statewide job losses despite having only 50 percent of the state's job base.

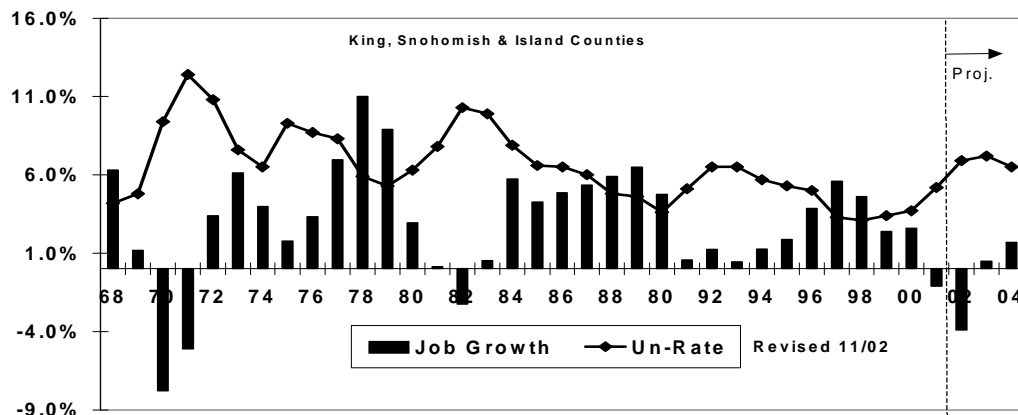
Statewide:

Statewide, seasonally adjusted unemployment fell sharply from 7.4 percent in September to 6.7 percent in October. (Seasonal adjustment removes effects on the data of long term averages in purely seasonal hiring and laying off; it can not adjust for an unusual temporary weather condition.) The 6.7 percent figure (seasonally adjusted) represents the lowest rate statewide since September 2001, when the rate was 6.6 percent.

September unemployment fell to 6.4 percent in October. But purely seasonal employment patterns with no underlying growth or contraction in the economy would have resulted in the not seasonally adjusted rate actually rising (not falling), from 6.7 percent to 7.1 percent. So October's unemployment figures were quite surprising.

Statewide job growth was positive, when adjusting for the average of purely seasonal patterns. A net employment gain of 6,900 was registered. But the role of the phenomenally dry and sunny weather appears to have played a part in the positive job gain. During the late spring and summer, the economy bumped around, going up some months and down others. So the current month's jobs gains should be very cautiously viewed, given the up and down nature of the last few months' data plus the unusual October weather.

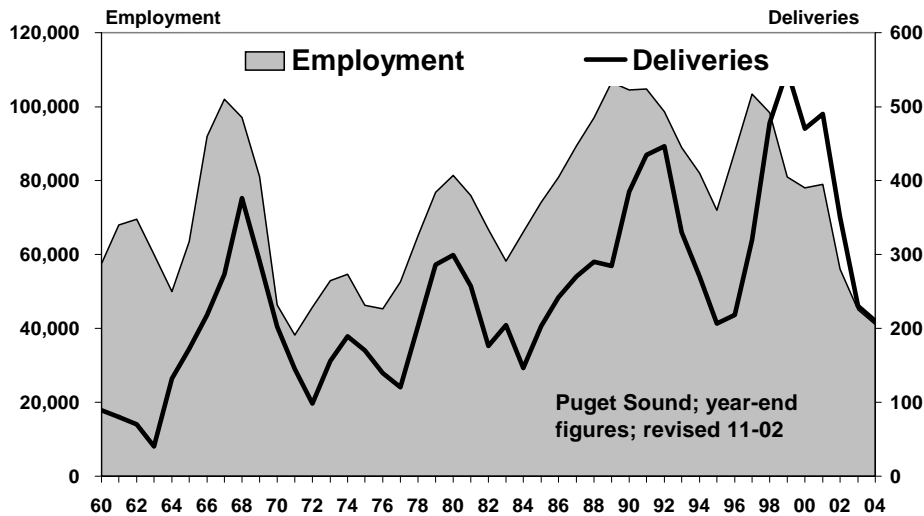
**Job Growth and Unemployment
Seattle-Bellevue-Everett PMSA 1968-2001;'02-'04
Projected**



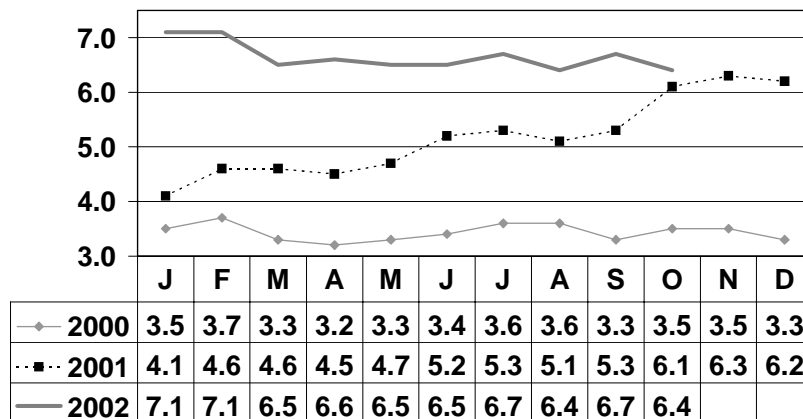
Tech Notes:

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.

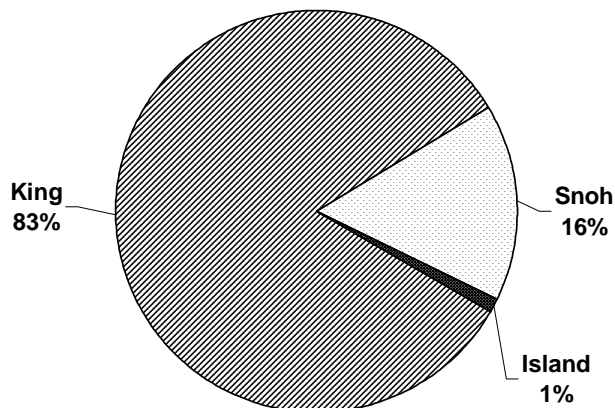
Boeing Cycles: Plane Deliveries & Employment 1960-2001; 2002-2004 Projected



Unemployment Rates by Month Seattle-Bellevue-Everett PMSA 1999-2002



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 INDUSTRY (in thousands)	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	1351.6	1354.3	1353.3	1393.1	1.0	-2.7	-41.5	-3.0%
MANUFACTURING	174.1	174.7	178.2	193.4	-3.5	-0.6	-19.3	-10.0%
Durable Goods	134.5	135.0	137.8	152.3	-2.8	-0.5	-17.8	-11.7%
Lumber & Wood Products	8.3	8.4	8.4	8.5	0.0	-0.1	-0.2	-2.4%
Stone, Clay & Glass Products	3.4	3.5	3.5	3.6	0.0	-0.1	-0.2	-5.6%
Primary Metal Industries	1.2	1.3	1.3	1.4	0.0	-0.1	-0.2	-14.3%
Fabricated Metal Products	6.9	6.9	6.9	7.3	0.0	0.0	-0.4	-5.5%
Industrial Machinery & Equipment	9.8	9.8	10.0	10.9	-0.2	0.0	-1.1	-10.1%
Electronic & Other Electrical Equip.	8.8	8.8	9.0	9.5	-0.2	0.0	-0.7	-7.4%
Transportation Equipment	76.9	77.2	79.3	91.0	-2.1	-0.3	-14.1	-15.5%
Aircraft & Parts	70.3	70.7	72.6	84.5	-1.9	-0.4	-14.2	-16.8%
Ship & Boat Build/Repair	3.5	3.4	3.6	3.5	-0.2	0.1	0.0	0.0%
Instruments & Related Products	10.9	10.9	11.0	11.4	-0.1	0.0	-0.5	-4.4%
Nondurable Goods	39.6	39.7	40.4	41.1	-0.7	-0.1	-1.5	-3.6%
Food & Kindred Products	13.5	13.6	13.9	13.7	-0.3	-0.1	-0.2	-1.5%
Textiles, Apparel & Leather	3.7	3.7	3.8	4.0	-0.1	0.0	-0.3	-7.5%
Paper & Allied Products	3.1	3.1	3.2	3.3	-0.1	0.0	-0.2	-6.1%
Printing & Publishing	12.9	12.9	13.0	13.3	-0.1	0.0	-0.4	-3.0%
Chemicals & Allied Products	2.5	2.5	2.5	2.9	0.0	0.0	-0.4	-13.8%
Petroleum, Coal & Plastics	3.9	3.9	4.0	3.9	-0.1	0.0	0.0	0.0%
MINING & QUARRYING	1.1	1.1	1.1	1.1	0.0	0.0	0.0	0.0%
CONSTRUCTION	78.4	79.2	79.2	80.8	0.0	-0.8	-2.4	-3.0%
Building Construction	22.0	21.9	21.8	21.4	0.1	0.1	0.6	2.8%
Heavy Construction	8.0	8.1	8.1	8.7	0.0	-0.1	-0.7	-8.0%
Special Trade Contractors	48.4	49.2	49.3	50.7	-0.1	-0.8	-2.3	-4.5%
TRANSPORT., COMM. & UTILITIES	80.8	82.4	82.1	85.7	0.3	-1.6	-4.9	-5.7%
Transportation	53.8	55.4	55.0	56.0	0.4	-1.6	-2.2	-3.9%
Water Transportation	5.8	5.9	5.9	5.9	0.0	-0.1	-0.1	-1.7%
Transportation by Air	19.6	20.7	20.8	21.1	-0.1	-1.1	-1.5	-7.1%
Communications	22.8	22.8	22.9	25.4	-0.1	0.0	-2.6	-10.2%
Gas, Electric & Sanitary Services	4.2	4.2	4.2	4.3	0.0	0.0	-0.1	-2.3%
WHOLESALE & RETAIL TRADE	313.9	315.1	317.3	321.2	-2.2	-1.2	-7.3	-2.3%
Wholesale Trade	82.4	82.7	83.3	85.0	-0.6	-0.3	-2.6	-3.1%
Durable Goods	52.3	52.5	53.0	53.0	-0.5	-0.2	-0.7	-1.3%
Nondurable Goods	30.1	30.2	30.3	32.0	-0.1	-0.1	-1.9	-5.9%
Retail Trade	231.5	232.4	234.0	236.2	-1.6	-0.9	-4.7	-2.0%
Building Materials & Garden Supplies	9.3	9.4	9.6	9.4	-0.2	-0.1	-0.1	-1.1%
General Merchandise	22.5	22.3	22.1	22.6	0.2	0.2	-0.1	-0.4%
Food Stores	30.7	30.7	30.7	31.2	0.0	0.0	-0.5	-1.6%
Apparel & Accessory Stores	15.6	15.7	15.8	15.8	-0.1	-0.1	-0.2	-1.3%
Furniture & Home Furnishings	12.6	12.5	12.5	12.9	0.0	0.1	-0.3	-2.3%
Eating & Drinking Places	87.1	88.7	90.1	88.1	-1.4	-1.6	-1.0	-1.1%

Continued...

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

Continued...

Not Seasonally Adjusted INDUSTRY (in thousands)	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
FINANCE, INS. & REAL ESTATE	87.7	87.6	87.7	88.7	-0.1	0.1	-1.0	-1.1%
Finance	37.4	37.3	37.3	38.5	0.0	0.1	-1.1	-2.9%
Insurance	29.0	29.0	29.0	28.8	0.0	0.0	0.2	0.7%
Real Estate	21.3	21.3	21.4	21.4	-0.1	0.0	-0.1	-0.5%
SERVICES	417.5	418.0	420.3	424.2	-2.3	-0.5	-6.7	-1.6%
Hotels & Other Lodging Places	14.0	13.9	14.1	14.1	-0.2	0.1	-0.1	-0.7%
Business Services	120.7	120.8	121.8	127.5	-1.0	-0.1	-6.8	-5.3%
Computer & Data Processing Services	57.2	57.3	58.0	58.6	-0.7	-0.1	-1.4	-2.4%
Health Services	88.9	88.7	88.5	86.7	0.2	0.2	2.2	2.5%
Nursing & Personal Care	14.5	14.6	14.6	14.1	0.0	-0.1	0.4	2.8%
Hospitals	26.4	26.4	26.4	26.3	0.0	0.0	0.1	0.4%
Legal Services	12.5	12.5	12.7	12.7	-0.2	0.0	-0.2	-1.6%
Educational Services	20.9	18.7	17.0	19.9	1.7	2.2	1.0	5.0%
Social Services	28.7	28.7	28.6	28.3	0.1	0.0	0.4	1.4%
Engineering & Management Services	45.1	45.2	45.6	47.3	-0.4	-0.1	-2.2	-4.7%
GOVERNMENT	198.1	196.2	187.4	198.0	8.8	1.9	0.1	0.1%
Federal Government	25.3	24.1	24.2	24.3	-0.1	1.2	1.0	4.1%
U.S. Postal Service	8.0	8.0	8.1	8.4	-0.1	0.0	-0.4	-4.8%
State Government	57.4	55.5	52.7	59.1	2.8	1.9	-1.7	-2.9%
State Education	40.7	39.0	36.1	42.6	2.9	1.7	-1.9	-4.5%
Local Government	115.4	116.6	110.5	114.6	6.1	-1.2	0.8	0.7%
Local Education	54.2	49.7	46.5	53.1	3.2	4.5	1.1	2.1%
Workers in Labor/Mgmt. Disputes	0.0	0.0	0.0	0.0	xx	xx	xx	xx
GOODS PRODUCING	253.6	255.0	258.5	275.3	-3.5	-1.4	-21.7	-7.9%
SERVICES PRODUCING	1098.0	1099.3	1094.8	1117.8	4.5	-1.3	-19.8	-1.8%

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
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

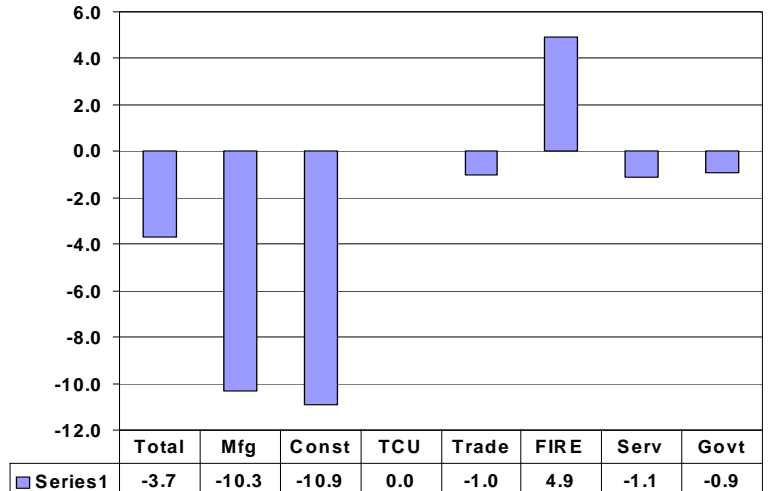
While there have been some indications of a recovery in the national economy, the picture in Snohomish County continues to be one of weakness. Since February of 2002, when the Unemployment Rate peaked at 8.1%, it has been hovering around in the mid-sevens. The third quarter saw a bit more volatility in the rate, as it bounced from 7.3% in August up to 7.6% in September and then back down to 7.1% in October. We must keep in mind that this rate, which is partially based on sample data, can reflect arbitrary fluctuations in the sample itself. In the bleak economic environment we are currently experiencing, it is tempting to look for signs of a turnaround and it is easy to attach too much significance to this one economic indicator.

Boeing layoffs continued to ripple through the job market offsetting increases in education as students and teachers returned to the classroom. Retail suffered a modest setback as consumers pulled back spending amid a variety of local and national concerns. A turn-around in the state's economy is expected to trail a national recovery and that, unfortunately, may be what is needed to finally spur a local recovery.

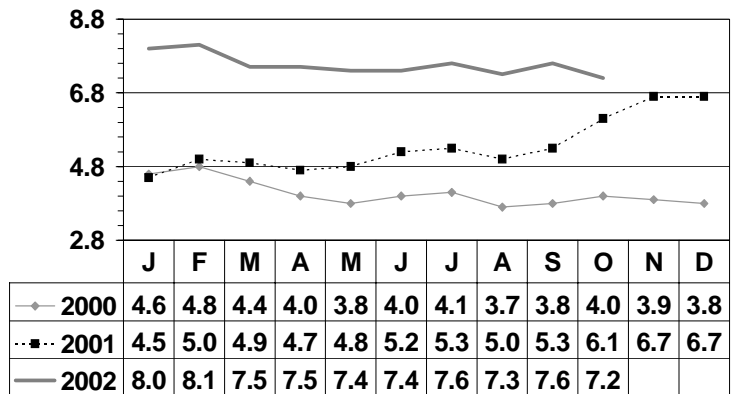
Non-farm jobs inched up by 6/10ths of a percentage point in September boosting the total number up to 207,100 for an increase of 1,200 jobs. Education boosted the Government job total up by 1,500 with Local Education increasing by 1,000 and State Education increasing by 300. Manufacturing continued its long slide losing 1,000 jobs over the month bringing the total down to 47,300. Aircraft and Parts dropped 700 jobs and Food and Kindred Products fell by 200. Insurance added 200 jobs and Services added a total of 500 jobs with 300 of that increase coming in Educational Services.

Non-farm jobs dropped by 2/10ths of a percentage point in October falling to 206,700 for a net loss of 400 jobs. This is a change of minus 3.7% or -8,000 jobs from the year-ago figure of 214,700. Aircraft and Parts fell by 200 for an annual loss of 4,700. Retail trade continued to decline, losing 200 jobs over the month. On a brighter note, the strength in the housing market continued to stabilize the Finance Sector, which was even over the month and helped boost Insurance and Real Estate by 100 jobs apiece. Health Services increased by 200 while Other Business Services dropped 300. The Federal Government and State Government Sectors remained flat over the month. Local Government had a net increase of 500 jobs as Local Education increased by 1,400. Other Local Government shed 900 jobs reflecting the job cuts that the county and local municipalities are making due to falling revenue.

**Snohomish County % Change by Industry
 October 2001-October 2002**



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



Nonagricultural Wage and Salary Workers Employed in Snohomish County

	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	206,700	207,100	205,900	214,700	1,200	-400	-8,000	-3.7%
MANUFACTURING	47,000	47,300	48,300	52,400	-1,000	-300	-5,400	-10.3%
Durable Goods	40,500	40,900	41,800	46,300	-900	-400	-5,800	-12.5%
Lumber & Wood Products	2,900	2,900	3,000	3,000	-100	0	-100	-3.3%
Fabricated Metals	1,700	1,700	1,700	1,700	0	0	0	0.0%
Industrial Machinery & Equipment	2,400	2,500	2,500	2,500	0	-100	-100	-4.0%
Electronic & Other Electrical Equip	2,000	2,000	2,000	2,200	0	0	-200	-9.1%
Transportation Equipment	26,100	26,300	27,000	30,800	-700	-200	-4,700	-15.3%
Aircraft & Parts	25,000	25,200	25,900	29,700	-700	-200	-4,700	-15.8%
Instruments & Related	3,800	3,900	4,000	4,300	-100	-100	-500	-11.6%
Nondurable Goods	6,500	6,400	6,500	6,100	-100	100	400	6.6%
Food & Kindred Products	1,400	1,300	1,500	1,400	-200	100	0	0.0%
Printing & Publishing	2,300	2,300	2,300	2,100	0	0	200	9.5%
Petroleum, Coal, Plastics	1,000	1,000	900	800	100	0	200	25.0%
MINING & QUARRYING	500	500	500	500	0	0	0	0.0%
CONSTRUCTION	14,700	14,800	14,700	16,500	100	-100	-1,800	-10.9%
General Building Contractors	2,900	2,900	2,900	3,300	0	0	-400	-12.1%
Heavy Construction, except Bldgs	2,000	2,000	1,900	2,100	100	0	-100	-4.8%
Special Trade Contractors	9,800	9,900	9,900	11,100	0	-100	-1,300	-11.7%
TRANSPORT., COMM. & UTILITIES	5,700	5,800	5,600	5,700	200	-100	0	0.0%
Transportation	3,600	3,700	3,500	3,600	200	-100	0	0.0%
Communications	1,900	1,900	1,900	1,900	0	0	0	0.0%
Electric, Gas & Sanitary Services	200	200	200	200	0	0	0	0.0%
WHOLESALE & RETAIL TRADE	47,800	48,200	48,400	48,300	-200	-400	-500	-1.0%
Wholesale Trade	6,900	7,100	7,200	7,600	-100	-200	-700	-9.2%
Durable Goods	4,500	4,600	4,700	4,700	-100	-100	-200	-4.3%
Nondurable Goods	2,400	2,500	2,500	2,900	0	-100	-500	-17.2%
Retail Trade	40,900	41,100	41,200	40,700	-100	-200	200	0.5%
Building Materials/Garden Supplies	2,300	2,200	2,300	2,200	-100	100	100	4.5%
General Merchandise	4,600	4,600	4,500	4,800	100	0	-200	-4.2%
Food Stores	6,300	6,400	6,300	6,400	100	-100	-100	-1.6%
Apparel & Accessory Stores	1,200	1,200	1,300	1,400	-100	0	-200	-14.3%
Furniture & Home Furnishings	1,700	1,700	1,700	1,800	0	0	-100	-5.6%
Eating & Drinking Places	14,100	14,300	14,300	14,300	0	-200	-200	-1.4%
FINANCE, INS. & REAL ESTATE	10,700	10,500	10,400	10,200	100	200	500	4.9%
Finance	3,800	3,800	3,800	3,600	0	0	200	5.6%
Insurance	4,700	4,600	4,400	4,400	200	100	300	6.8%
Real Estate	2,200	2,100	2,200	2,200	-100	100	0	0.0%
SERVICES	46,000	46,200	45,700	46,500	500	-200	-500	-1.1%
Hotels & Other Lodging Places	700	800	800	800	0	-100	-100	-12.5%
Business Services	6,800	7,000	7,000	7,600	0	-200	-800	-10.5%
Personnel Supply	2,600	2,500	2,500	2,700	0	100	-100	-3.7%
Computer & Data Processing Services	800	800	800	900	0	0	-100	-11.1%
Health Services	15,100	14,900	14,800	14,000	100	200	1,100	7.9%
Nursing & Personal Care	2,800	2,800	2,800	2,700	0	0	100	3.7%
Hospitals	3,200	3,200	3,200	2,900	0	0	300	10.3%
Educational Services	1,300	1,400	1,100	1,300	300	-100	0	0.0%
Social Services	4,400	4,400	4,400	4,300	0	0	100	2.3%
Engineering & Management Services	3,100	3,200	3,100	3,700	100	-100	-600	-16.2%
GOVERNMENT	34,300	33,800	32,300	34,600	1,500	500	-300	-0.9%
Federal Government	2,000	2,000	2,000	2,300	0	0	-300	-13.0%
U.S. Postal Service	1,000	1,000	1,000	1,300	0	0	-300	-23.1%
State Government	4,800	4,800	4,500	5,300	300	0	-500	-9.4%
State Education	1,800	1,800	1,500	2,200	300	0	-400	-18.2%
Local Government	27,500	27,000	25,800	27,000	1,200	500	500	1.9%
Local Education	15,000	13,600	12,600	14,600	1,000	1,400	400	2.7%
Workers in Labor/Mgmt. Disputes	0	0	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

October 2002 nonagricultural numbers in Spokane County showed a rise over the month of 600 jobs, most of which were due to the seasonal returns in government and education. However, when compared to the previous year, the bottom line is obvious; 2002 has not been good for employment.

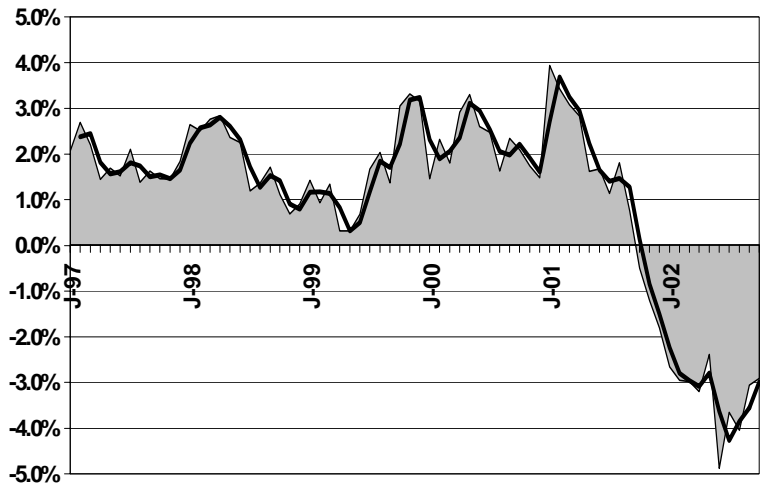
But that's not to say the news is all bad; there have been areas of sunlight creeping into the overall numbers in the past few months. August and September unemployment numbers were 5.2 and 5.5 percent respectively, and for a change, even October dropped two-tenths of a percent to 5.3, when typically, October starts the winter blahs.

Comparisons of the October-to-October numbers still show a decline of 5,800 jobs, but there were a few up-notes in finance, +100, services, +500, and health providers, local government, and local education each rose 200 jobs. That puts the yearly loss at -2.9 percent, much better than the August-to-August -4.9.

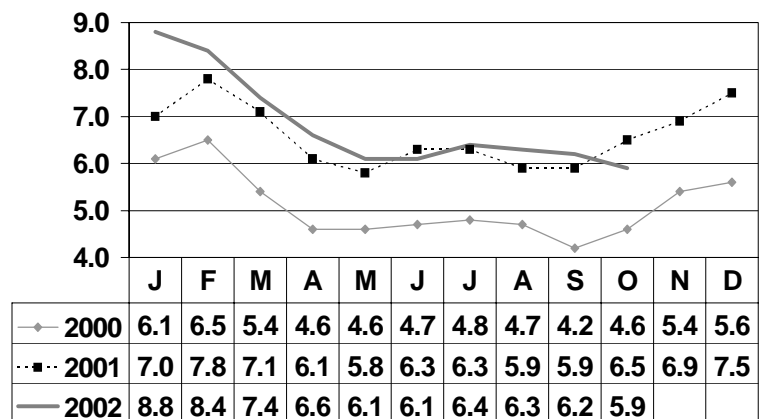
The rest of the nonagricultural numbers were down. Construction fell 1,400, manufacturing was minus 2,100, transportation -500, wholesale/retail trades -1,800, and government with an overall decline of 500. Even though most areas of Washington show an improvement with the upcoming holiday season, Spokane County routinely hits its low point through the winter months.

Yet, that "routine" could be broken. If you look at the Nonag Employment chart to your right, perhaps the worst of 2002 has passed. One can always hope.

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



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



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

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	195,000	192,800	189,100	199,200	3,700	2,200	-4,200	-2.1%
CONSTRUCTION & MINING	10,700	10,900	10,800	12,100	100	-200	-1,400	-11.6%
MANUFACTURING	17,800	18,000	18,100	19,900	-100	-200	-2,100	-10.6%
TRANSPORT., COMM. & UTILITIES	7,500	7,500	7,500	7,900	0	0	-400	-5.1%
WHOLESALE & RETAIL TRADE	48,100	48,000	48,300	49,800	-300	100	-1,700	-3.4%
Wholesale Trade	11,800	11,700	11,800	12,300	-100	100	-500	-4.1%
Retail Trade	36,300	36,300	36,500	37,500	-200	0	-1,200	-3.2%
General Merchandise & Apparel	6,200	6,000	6,100	6,200	-100	200	0	0.0%
Food Stores	5,700	5,800	5,700	5,800	100	-100	-100	-1.7%
Eating and Drinking Places	12,300	12,300	12,300	12,800	0	0	-500	-3.9%
FINANCE, INS. & REAL ESTATE	11,300	11,300	11,400	11,300	-100	0	0	0.0%
Finance	5,700	5,700	5,800	5,600	-100	0	100	1.8%
SERVICES	65,300	65,100	63,600	64,600	1,500	200	700	1.1%
Business Services	8,900	8,900	8,900	9,400	0	0	-500	-5.3%
Health Services	23,100	23,100	23,200	22,900	-100	0	200	0.9%
Educational Services	4,300	4,100	2,600	4,600	1,500	200	-300	-6.5%
GOVERNMENT	34,300	32,000	29,400	33,600	2,600	2,300	700	2.1%
Federal Government	4,600	4,600	4,600	4,600	0	0	0	0.0%
State Government	10,800	9,400	8,800	10,500	600	1,400	300	2.9%
State Education	5,700	4,300	3,600	5,700	700	1,400	0	0.0%
Local Government	18,900	18,000	16,000	18,500	2,000	900	400	2.2%
Local Education	12,000	11,000	8,900	11,600	2,100	1,000	400	3.4%
Workers in Labor/Mgmt. Disputes	0	0	0	0	0	xx	xx	xx
GOODS PRODUCING	28,500	28,900	28,900	32,000	0	-400	-3,500	-10.9%
SERVICES PRODUCING	166,500	163,900	160,200	167,200	3,700	2,600	-700	-0.4%

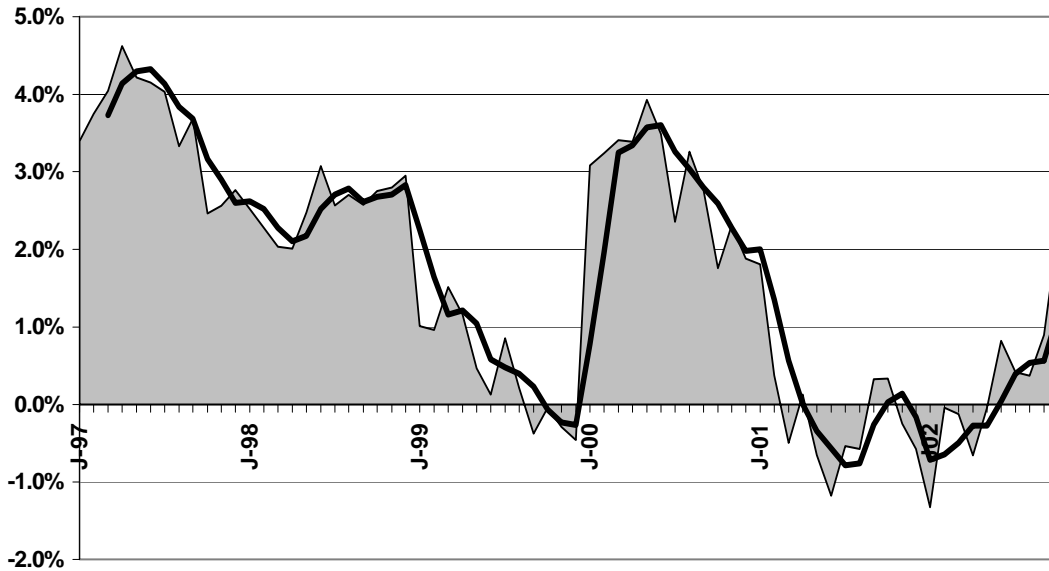
1/ Detail may not add due to rounding. 2/ Excludes proprietors, self-employed, members of the armed services, unpaid family, workers in private households and agricultural workers. Includes full- and part-time workers who receive pay during the pay period including the 12th of the month, by place of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

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

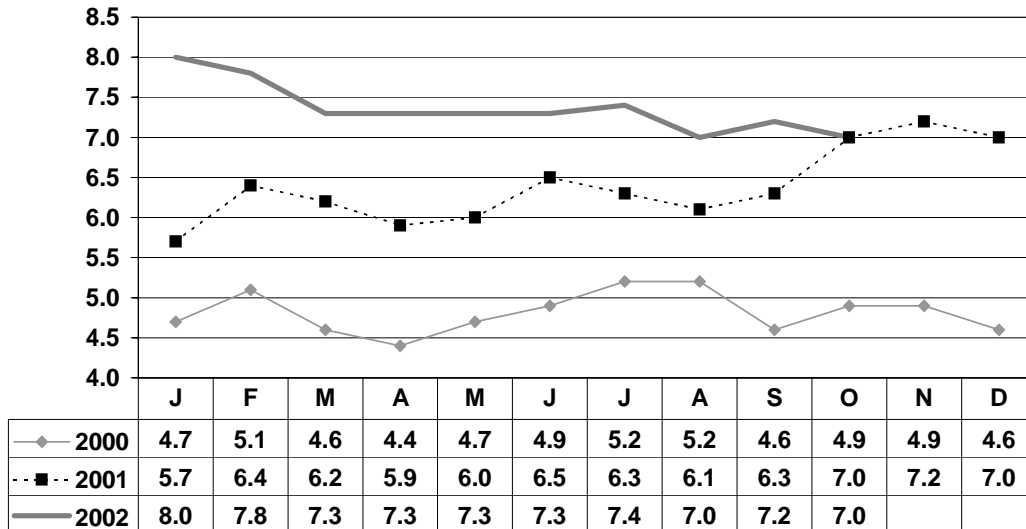
Washington State
LABOR AREA SUMMARY
Tacoma PMSA

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

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



Unemployment Rates by Month
Tacoma PMSA 2000-2002



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

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	249,600	248,200	243,400	245,000	4,800	1,400	4,600	1.9%
GOODS PRODUCING	40,400	40,800	41,000	39,100	-200	-400	1,300	3.3%
MINING	300	300	200	300	100	0	0	0.0%
CONSTRUCTION	19,000	19,300	19,300	16,500	0	-300	2,500	15.2%
Buildings & Heavy Construction	7,600	7,700	7,700	7,000	0	-100	600	8.6%
Special Trade Contractors	11,400	11,600	11,600	9,500	0	-200	1,900	20.0%
MANUFACTURING	21,100	21,200	21,500	22,300	-300	-100	-1,200	-5.4%
Nondurable Products	8,000	7,900	8,100	8,800	-200	100	-800	-9.1%
Food & Kindred Products	1,400	1,400	1,400	1,600	0	0	-200	-12.5%
Textiles, Apparel & Leather	1,000	1,000	1,000	1,200	0	0	-200	-16.7%
Paper & Allied Products	1,200	1,200	1,200	1,200	0	0	0	0.0%
Printing, Publishing & Allied	1,900	1,800	2,000	2,200	-200	100	-300	-13.6%
Chemicals, Petroleum & Allied Prod.	900	900	900	900	0	0	0	0.0%
Rubber & Misc. Plastics Products	1,600	1,600	1,600	1,700	0	0	-100	-5.9%
Durable Products	13,100	13,300	13,400	13,500	-100	-200	-400	-3.0%
Lumber & Wood Products	3,900	3,900	4,000	3,600	-100	0	300	8.3%
Stone, Clay, Glass & Concrete Prod.	1,900	1,900	1,900	1,700	0	0	200	11.8%
Metals, Primary & Fabricated	1,700	1,700	1,700	2,000	0	0	-300	-15.0%
Mach., Elec. & Electrical Eq.	2,300	2,400	2,500	2,600	-100	-100	-300	-11.5%
Transportation Equipment	2,100	2,200	2,100	2,300	100	-100	-200	-8.7%
Aircraft, Gded Msls, Spc Veh & Parts	1,400	1,500	1,500	1,600	0	-100	-200	-12.5%
SERVICES PRODUCING	209,200	207,400	202,400	205,900	5,000	1,800	3,300	1.6%
TRANSPORT., COMM. & UTILITIES	10,700	10,600	10,600	10,500	0	100	200	1.9%
Transportation	8,100	8,000	8,000	7,800	0	100	300	3.8%
Water Transportation	1,400	1,300	1,300	1,300	0	100	100	7.7%
Communications & Utilities	2,600	2,600	2,600	2,700	0	0	-100	-3.7%
TRADE	57,600	57,300	57,400	58,400	-100	300	-800	-1.4%
Wholesale Trade	11,000	11,000	10,900	11,200	100	0	-200	-1.8%
Retail Trade	46,600	46,300	46,500	47,200	-200	300	-600	-1.3%
Food Stores	6,700	6,500	6,600	6,700	-100	200	0	0.0%
Automotive Dealers & Service Stations	5,500	5,500	5,500	5,300	0	0	200	3.8%
Dept., Apparel & Accessory Stores	6,500	6,500	6,500	6,700	0	0	-200	-3.0%
Eating & Drinking Places	19,100	18,900	19,100	18,800	-200	200	300	1.6%
FINANCE, INS. & REAL ESTATE	13,500	13,400	13,500	13,200	-100	100	300	2.3%
SERVICES	73,900	74,100	70,700	71,500	3,400	-200	2,400	3.4%
Hotels, Rmg Hses, Camps & Other Ldg.	1,300	1,300	1,300	1,400	0	0	-100	-7.1%
Business Services	9,500	9,300	9,200	9,500	100	200	0	0.0%
Health Services	23,800	24,000	24,100	23,000	-100	-200	800	3.5%
Nursing & Personal Care Facilities	3,100	3,100	3,000	3,100	100	0	0	0.0%
Hospitals	8,000	8,000	8,000	7,800	0	0	200	2.6%
Educational Services (private)	8,700	6,600	4,900	7,000	1,700	2,100	1,700	24.3%
GOVERNMENT	53,500	52,000	50,200	52,300	1,800	1,500	1,200	2.3%
Federal	10,800	10,900	10,900	10,400	0	-100	400	3.8%
United States Postal Service	1,600	1,600	1,600	1,700	0	0	-100	-5.9%
Department of Defense 3/	7,600	7,700	7,700	7,200	0	-100	400	5.6%
State	11,500	11,100	10,500	11,600	600	400	-100	-0.9%
Educational Services	3,800	3,400	2,800	3,800	600	400	0	0.0%
Local	31,200	30,000	28,800	30,300	1,200	1,200	900	3.0%
Educational Services (Public Schools)	17,700	16,400	15,000	17,200	1,400	1,300	500	2.9%
Workers in Labor/Mgmt Disputes	0	0	0	0	xx	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>

Washington State

LABOR AREA SUMMARY

Richland-Kennewick-Pasco MSA

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

In the Tri-Cities, total nonfarm employment remained flat from September to October, but was ahead of last year by 4.8 percent. The slower rate of over-the-year growth may be a signal that the torrid rate of local growth is slowing from pell-mell to mealy hectic.

From September to October, food processing, construction, and wholesale trades were seasonally down. Offsetting this was the 700-job increase in public education. This growth over the year has been 500 or 7 percent. It ranks the Tri-Cities education as the third fastest growing segment of the area economy, following the 16 percent increase in engineering services and the 13 percent gain in construction.

The potato harvest in Franklin County helped post one mini upturn in farm employment from September to October. This year, the job count went from 12,840 to 13,180, which was down from October 2001, when the total was 13,390.

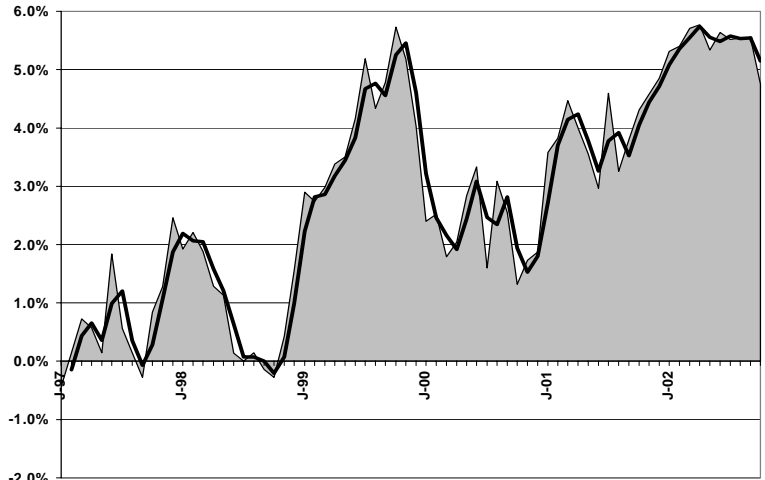
While the state's economy searches for a bottom, the Tri-Cities economy posted a near record levels of unemployment. During this month, the local rate was 5.3 percent as opposed to last October's 6.0 percent.

In 2001, Tri-Cities Food Processing had forty-four small to very large plants operating in the Benton-Franklin counties. Combined, they generated a yearly payroll of \$11,209,723 paid out to 3,400 workers. The largest source of jobs in local food processing was in vegetables (mainly frozen potato products), and employment last year was 2,978. Remarkably, that means that 45 percent of all workers in the state were based in the Tri-Cities.

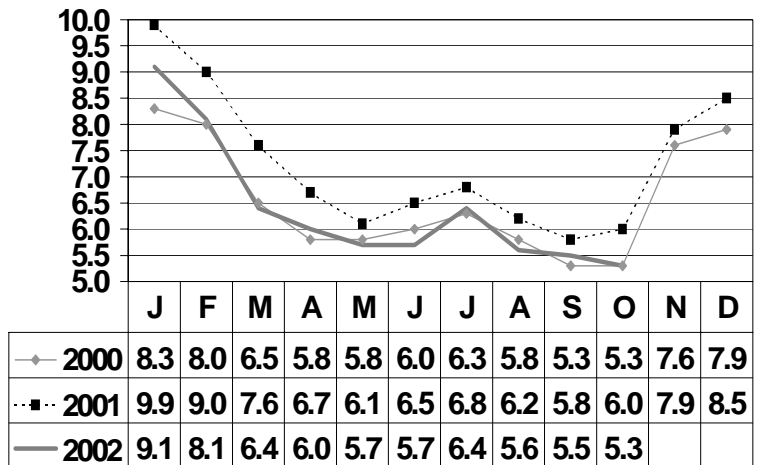
In 2001, Benton County had more jobs in frozen vegetables, 1,768, and a payroll of roughly \$62 million, while Franklin had 1,210 jobs and a yearly payroll of \$37.5 million. In Franklin County, the average pay was \$30,972, while Benton County, with the more corporate facilities, pay last year averaged \$38,631.

The wine industry last year generated 306 jobs, and this was at the processing and tasting level that does not include strictly farming activities. Our local wineries last year had an overall payroll of \$9.8 million and average pay of \$32,156. Statewide, 949 jobs are represented by the wineries and the Tri-Cities represented roughly 32 percent. This economist would argue that much of the impact of the local wineries is found in surrounding industries that capture the tourist dollars coming into the Tri-Cities to enjoy the local wines.

**Richland-Kennewick-Pasco MSA Nonag Employment
% Change Over the Year, 1997-October 2002**



**Unemployment Rates by Month
Richland-Kennewick-Pasco MSA 2000-2002**



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

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	83,700	83,700	83,700	79,900	0	0	3,800	4.8%
MANUFACTURING	6,200	6,500	6,700	6,400	-200	-300	-200	-3.1%
Food & Kindred Products	3,800	4,000	4,100	3,800	-100	-200	0	0.0%
Printing & Publishing	400	400	400	400	0	0	0	0.0%
Chemicals & Allied Products	800	800	900	900	-100	0	-100	-11.1%
Primary & Fabricated Metal Products	300	300	300	400	0	0	-100	-25.0%
Other Manufacturing	900	1,000	1,000	900	0	-100	0	0.0%
CONSTRUCTION	5,200	5,400	5,500	4,600	-100	-200	600	13.0%
TRANSPORT., COMM. & UTILITIES	9,600	9,600	9,600	9,400	0	0	200	2.1%
WHOLESALE & RETAIL TRADE	18,300	18,500	18,500	18,100	0	-200	200	1.1%
FINANCE, INS. & REAL ESTATE	2,500	2,400	2,400	2,400	0	100	100	4.2%
SERVICES	26,500	26,500	26,700	24,400	-200	0	2,100	8.6%
Business Services	3,600	3,600	3,700	3,600	-100	0	0	0.0%
Research Services	8,700	8,600	8,700	7,500	-100	100	1,200	16.0%
GOVERNMENT	15,400	14,800	14,300	14,600	500	600	800	5.5%
Federal Government	1,340	1,350	1,320	1,340	30	-10	0	0.0%
State & Local Government	14,060	13,450	12,980	13,260	470	610	800	6.0%
Public Education (State & Local)	7,600	6,900	6,200	7,100	700	700	500	7.0%
Workers in Labor/Mgmt. Disputes	0	0	0	0	xx	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

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

Another month, another thirty-one days with no signs of economic recovery on the horizon.

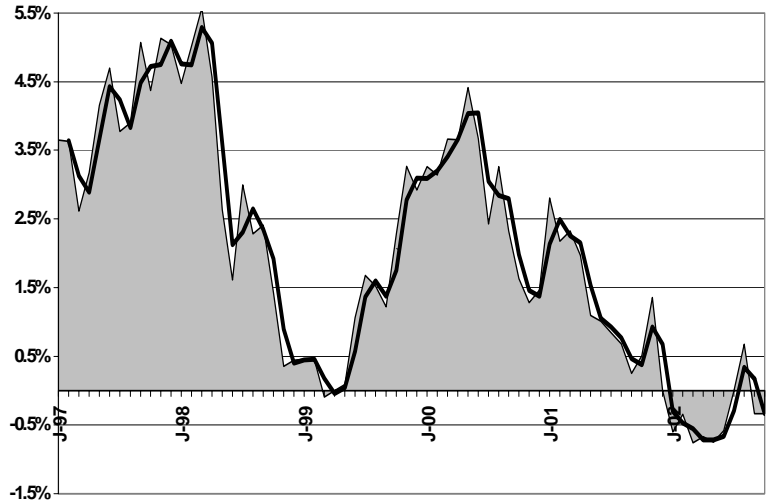
The nation's unemployment rate continues to flatline, despite Federal Reserve Bank chief Alan Greenspan's cut of short-term interest rates by half a point the day after the election. Non-farm employment, which showed signs of a rally from April through July, has also gone horizontal. Manufacturing employment continued downward, dropping another 49,000 jobs, for a total of 140,000 just in the last three months. This marked the 27th straight month of decline. Electronics, once again, were one of the loss leaders.

Clark County's October unemployment rate was 8.1 percent, sixth highest in the state, but given the record of the past few months, it will likely be revised upward next month. Preliminary rates in August and September were both revised upward, the latter by three tenths of a point. October's rate was lower a half-point than a year earlier, precious little progress over twelve months. Fifteen thousand county residents remain unemployed.

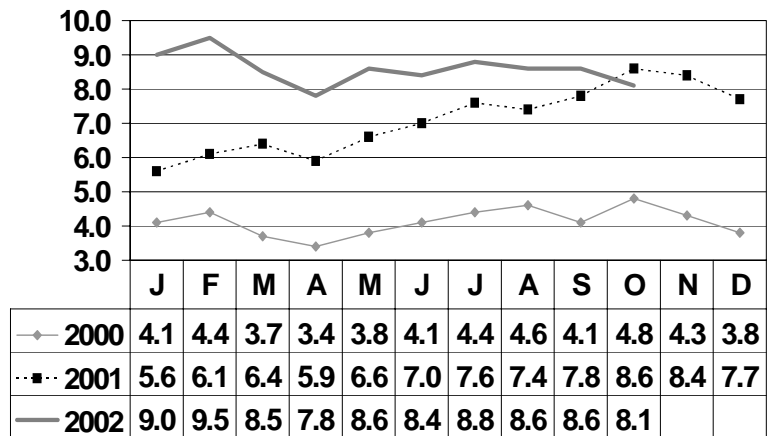
Seasonally adjusted nonfarm employment dropped by almost 400 jobs over the month. Electronics dropped another 260 jobs; the industry is down 2,600 from its December 2000 peak, a loss of 44 percent. Transportation fell by 360 jobs, in large part to the final closure of Consolidated Freightways. Construction was down 100, as well. However, there were gains in retail trade, services, and government.

Unadjusted nonfarm employment fell 200 jobs to 118,500. Virtually every sector lost jobs: manufacturing was down 200, construction 300, transportation & utilities 400, retail trade 100, services 200. Only government was hiring, with the completion of education hiring bringing back 1,100 workers. Employment came up 100 over the year. Manufacturing and transportation & utilities have been battered. Construction, retail trade, services, and government have helped staunch the bleeding.

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



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



Nonagricultural Wage and Salary Workers Employed in Clark County

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	118,500	118,700	118,800	118,400	-100	-200	100	0.1%
MANUFACTURING	16,300	16,500	16,900	17,200	-400	-200	-900	-5.2%
Durable Goods	10,100	10,200	10,700	10,800	-500	-100	-700	-6.5%
Lumber & Wood Products	1,000	1,000	1,100	1,000	-100	0	0	0.0%
Metals & Metal Products	900	900	900	800	0	0	100	12.5%
Machinery & Computers	3,400	3,300	3,400	3,200	-100	100	200	6.3%
Electronics & Instruments	3,400	3,600	3,900	4,500	-300	-200	-1,100	-24.4%
Other Durable Goods	1,400	1,400	1,400	1,300	0	0	100	7.7%
Nondurable Goods	6,200	6,300	6,200	6,400	100	-100	-200	-3.1%
Food Processing	1,400	1,400	1,300	1,400	100	0	0	0.0%
Textiles & Apparel	600	600	600	600	0	0	0	0.0%
Paper Products	2,400	2,500	2,500	2,500	0	-100	-100	-4.0%
Plastics	800	800	800	900	0	0	-100	-11.1%
Other Nondurable Goods	1,000	1,000	1,000	1,000	0	0	0	0.0%
CONSTRUCTION & MINING	10,400	10,700	10,700	10,100	0	-300	300	3.0%
TRANSPORT., COMM. & UTILITIES	6,000	6,400	7,000	7,400	-600	-400	-1,400	-18.9%
Transportation	4,000	4,400	4,900	5,100	-500	-400	-1,100	-21.6%
Communication & Utilities	2,000	2,000	2,100	2,300	-100	0	-300	-13.0%
WHOLESALE TRADE	4,800	4,800	5,000	4,900	-200	0	-100	-2.0%
RETAIL TRADE	22,700	22,900	22,900	22,200	0	-200	500	2.3%
General Merchandise	2,900	2,900	2,800	2,800	100	0	100	3.6%
Grocery Stores	3,500	3,500	3,400	3,500	100	0	0	0.0%
Auto Dealers & Service Stations	2,500	2,400	2,500	2,300	-100	100	200	8.7%
Other Retail Trade	13,800	14,100	14,200	13,600	-100	-300	200	1.5%
FINANCE, INS. & REAL ESTATE	4,900	4,800	4,900	4,700	-100	100	200	4.3%
SERVICES	31,900	32,000	32,100	31,100	-100	-100	800	2.6%
Business Services	6,300	6,400	6,400	6,300	0	-100	0	0.0%
Health Care Services	9,900	9,900	9,700	9,200	200	0	700	7.6%
Social Services	3,500	3,400	3,300	3,500	100	100	0	0.0%
Other Services	12,200	12,300	12,700	12,100	-400	-100	100	0.8%
GOVERNMENT	21,600	20,600	19,300	20,800	1,300	1,000	800	3.8%
Federal Government	2,900	2,900	3,100	2,800	-200	0	100	3.6%
State Government	3,400	3,200	2,900	3,300	300	200	100	3.0%
Local Government	15,300	14,500	13,300	14,700	1,200	800	600	4.1%
K-12 Education	10,600	9,600	8,300	10,000	1,300	1,000	600	6.0%
Other Local Government	4,700	4,900	5,000	4,700	-100	-200	0	0.0%
Workers in Labor/Mgmt. Disputes	0	0	0	0	xx	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

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

Over the months of September and October 2002, nonagricultural employment in Yakima expanded by 1,800 and 100 jobs respectively. The lion's share of this upturn was caused by the 1,300 seasonal jobs picked up in September by the food and kindred products industry. Wholesale trade employers, primarily fresh fruit and vegetable packinghouses, chimed in with another 500 new jobs in that month and another 100 in October.

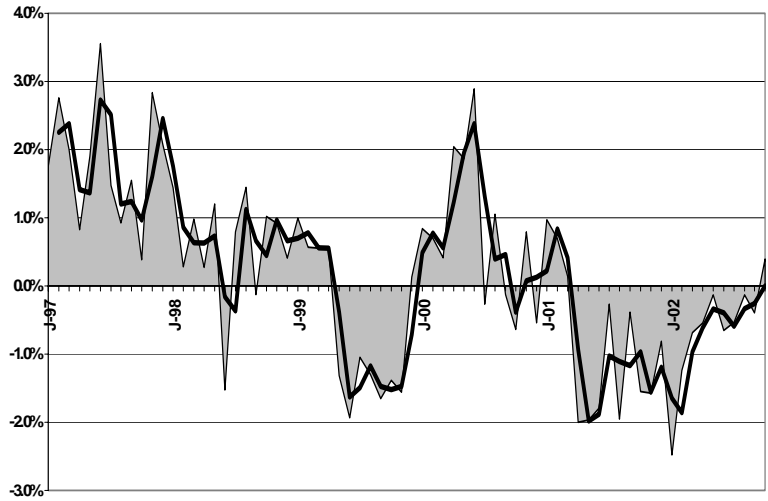
Washington's labor market has been losing jobs since May 2001, and its job growth-rates were slowing long before that. However, Yakima County has not been shedding jobs as quickly as the rest of the state. In fact, preliminary employment estimates show that the local labor market stabilized (i.e., nonagricultural employment was stagnant over the year).

Despite some substantial hiring in September, the local food processing industry has been losing jobs most months this year versus corresponding months of the last two years. According to Dan Kelly, Assistant Manager of the Washington Growers Clearinghouse in Wenatchee, this year's apple crop across Washington is projected to produce a harvest close in quantity to the 84 million boxes fresh-packed in 2001. Kelly also stated that apple prices are higher; early October 2002, Red Delicious apples were selling for \$16.49/box versus \$14.49/box in early October of last year, and Golden Delicious were \$20.00/box versus \$16.76/box a year ago. Domestic demand also appears strong so far this year and, conceivably, could mean more apples would be fresh packed and fewer sent to the processors—all of which affects food-processing employment. Further, the dock worker labor dispute was resolved and the West Coast ports were opened according to Kelly, before the bulk of Washington's apples are to be exported (November to January). Thus the quick ending of this dock dispute may have minimized damage done to local growers by the shipping industry lockout.

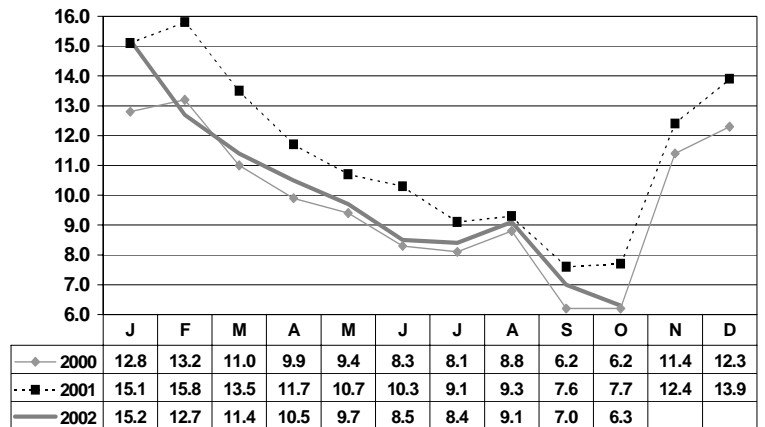
The personal and business services employment group has been gaining jobs during most months this year versus corresponding months over the last two years. They lengthened payrolls by approximately 200 jobs across the county in September, but added nothing more for October. As a rule of thumb, business services firms provide about three out of four of the county's "personal and business services" jobs. It is safe to say that the business service category has been doing quite well locally and nationwide. It is a diverse employment group, which includes credit reporting and collection agencies, building cleaning and maintenance firms, employment agencies, computer and data processing service providers, etc. A local computer and data processing business that has been lengthening its payrolls lately is ClientLogic. According to the October 2002 edition of the Yakima Valley Business Journal, "ClientLogic will add 60 more employees to its 200-person staff." ClientLogic's Yakima call center has the capacity for 400 workers and the 60 new hires will serve one of their existing clients. The center currently serves three clients—an Internet

Continued...

**Yakima MSA Nonag Employment
% Change Over the Year, 1997-October 2002**



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



Nonagricultural Wage and Salary Workers Employed in the Yakima MSA

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	76,800	76,600	74,800	76,400	1,800	200	400	0.5%
MANUFACTURING	12,400	12,400	11,100	12,400	1,300	0	0	0.0%
Food & Kindred Products	5,200	5,100	3,800	5,300	1,300	100	-100	-1.9%
Canned, Frozen, & Preserved Foods	3,800	3,700	2,400	4,000	1,300	100	-200	-5.0%
Lumber & Wood Products	1,500	1,500	1,500	1,600	0	0	-100	-6.3%
Paper & Allied Products	800	800	800	800	0	0	0	0.0%
Printing & Publishing	500	500	500	500	0	0	0	0.0%
Machinery, excluding Electrical	800	800	800	800	0	0	0	0.0%
Transportation Equipment	900	900	900	800	0	0	100	12.5%
NONMANUFACTURING	64,400	64,200	63,700	64,000	500	200	400	0.6%
CONSTRUCTION & MINING	3,100	3,100	3,200	3,200	-100	0	-100	-3.1%
TRANSPORT., COMM. & UTILITIES	3,200	3,100	2,900	3,300	200	100	-100	-3.0%
Motor Freight Transportation	1,900	1,800	1,700	2,000	100	100	-100	-5.0%
WHOLESALE TRADE	5,200	5,100	4,700	5,300	400	100	-100	-1.9%
Fresh Fruit & Vegetables	2,300	2,100	1,700	2,300	400	200	0	0.0%
RETAIL TRADE	13,500	13,700	13,500	13,200	200	-200	300	2.3%
General Merchandise & Apparel	2,600	2,600	2,500	2,300	100	0	300	13.0%
FINANCE, INS. & REAL ESTATE	2,400	2,500	2,500	2,300	0	-100	100	4.3%
SERVICES & MISCELLANEOUS	21,300	21,500	21,600	20,800	-100	-200	500	2.4%
Business & Personnel Services	3,400	3,400	3,200	3,100	200	0	300	9.7%
Health Services	8,700	8,800	8,800	8,500	0	-100	200	2.4%
GOVERNMENT	15,700	15,200	15,300	15,900	-100	500	-200	-1.3%
Federal Government	1,400	1,500	1,500	1,400	0	-100	0	0.0%
State & Local Governments	14,300	13,700	13,800	14,500	-100	600	-200	-1.4%
Workers in Labor/Mgmt. Disputes	0	0	0	0	XX	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...

Service Provider, a major software company, and a roadside assistance program. The Yakima Valley Business Journal article quotes Scott Washburn, the human resources manager of the firm: "There are usually large turnover rates in the call center business of about 110 percent. Our turnover rate is about half the national norm." Call center employees become more effective the longer they stay with the project, and the firm saves money on retraining.

Unemployment

The unemployment rate in the MSA declined over the year: September 2001, it stood at 7.6; September 2002, it was 7.0 percent. October-to-October showed a much greater variance; 7.7 October 2001 and 6.3 October 2002. Such drops are typical for this time of year. Although certainly a step in the right direction, the numbers are not necessarily a sign that the local economy has significantly improved. It may simply mean that conditions are not getting any worse.

An analysis of the over-the-year resident labor force and employment data reveals a mix of news—bad for the local economy. In September 2002, the number of "unemployed" in Yakima County declined to 8,000 people, 500 below the September 2001 level of 8,500. More encouraging news; the number of people "employed" in the Yakima County labor force expanded over the year by 2,300, to an estimated 106,100 people. Although this indicates that 2,300 more MSA residents are now working, it does not indicate where they are working. In fact, this is where the "bad news" starts. Nonagricultural employment was stagnant this September compared with the corresponding month in 2001, while the October total was up 400. On a quantitative basis, job losses in construction, transportation, wholesale trade and government were roughly offset by job gains in retail trade, FIRE and in services. However on a qualitative basis, the pay scale of manufacturing and construction jobs are frequently higher than many retail trade and services jobs. Further, preliminary estimates indicate that agricultural employment was 300 jobs lower in September 2002 than in the same month last year.

In summary, the good news is that more Yakima residents are employed and fewer are unemployed in this timeframe, but the bad news is that most of these new jobs are not being generated within the county. "Where are these people commuting?" is a question for which current data is not readily available. At least some Yakima County residents are commuting to jobs in the Tri-Cities, where the local labor market has been growing at a rather robust pace over the year.

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

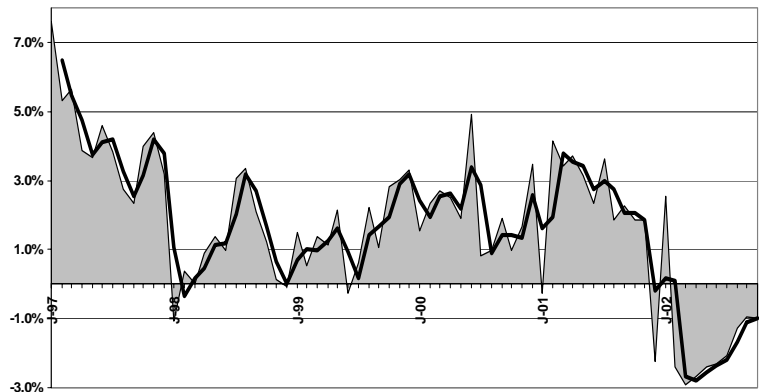
Total nonagricultural employment in Chelan and Douglas counties (Wenatchee LMA) contracted by 490 jobs for a 1.3 percent shortening of payrolls over the month of October 2002. Nonagricultural employment provided 37,340 jobs. The 490-job, over-the-month downturn was caused primarily by seasonal layoffs in retail trade (i.e., lumber, building material stores, general merchandise stores, and eating and drinking establishments), and in services (i.e., amusement and recreation services, and hotels). Conversely, Washington's nonagricultural employers contributed 11,200 new jobs over the month, a move forward of 0.4 percent. Washington's gains were concentrated almost entirely in state and local education as faculty, teachers, and other school personnel returned to work.

An October-to-October comparison has a 1.5 percent expansion locally in total nonagricultural employment (a 540-job gain), versus a negative 1.3-percent contraction statewide (a 36,200-job loss). Eighty percent of the statewide decline has been caused by job losses in manufacturing. Also in this time period, services grew by roughly 310 jobs, retail trade advanced by 140, and construction contributed another 190. These three groups accounted for the lion's share of the 540-job advance in total nonagricultural employment. This upturn in the nonagricultural sector of the local economy is a positive trend, especially when one notes that the statewide nonagricultural sector has consistently lost jobs since May 2001. Further, a two-month forecast for the Wenatchee LMA indicates that job growth will likely continue through the rest of 2002.

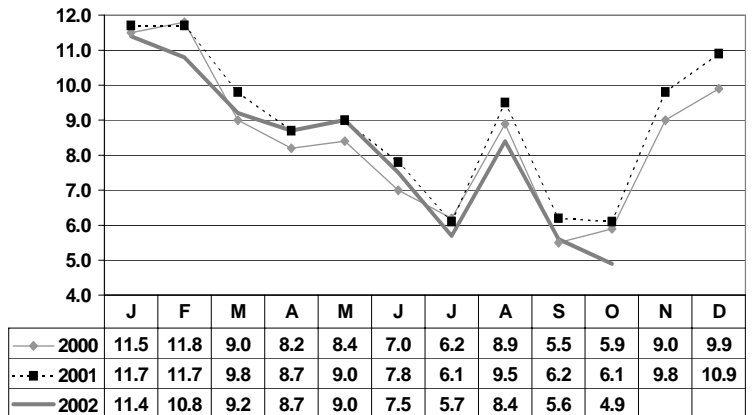
This October, local retail trade employment ran about 140 jobs higher than in October 2001. Taxable retail sales for the first two calendar quarters of 2002, the most recent data available, also stretched ahead of the same quarters last year. This tends to corroborate the rise in retail employment. In the second quarter of 2002 retail sales in Chelan County moved \$4.2 million above the corresponding quarter in 2001, which equated to a 3.3 percent improvement in taxable retail sales. In the second quarter of this year, retail sales in Douglas County livened up by \$8.7 million versus the corresponding quarter in 2001, which equated to a 23.6-percent advance in taxable retail sales. Clearly, retail development in or near the Wenatchee Valley Mall substantially expanded taxable retail sales and retail employment in 2002 in Douglas County.

Continued...

**Chelan & Douglas Counties Nonag Employment
 % Change Over the Year, 1997-October 2002**



**Unemployment Rates by Month
 Chelan & Douglas Counties 2000-2002**



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

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	37,210	37,830	37,100	36,670	730	-620	540	1.5%
MANUFACTURING	2,680	2,750	2,680	2,770	70	-70	-90	-3.2%
Food & Kindred Products	470	490	430	550	60	-20	-80	-14.5%
Lumber & Wood Products	280	290	290	280	0	-10	0	0.0%
Primary Metals	650	670	670	670	0	-20	-20	-3.0%
Other Manufacturing	1,280	1,300	1,290	1,270	10	-20	10	0.8%
NONMANUFACTURING	34,530	35,080	34,420	33,900	660	-550	630	1.9%
CONSTRUCTION & MINING	2,370	2,480	2,490	2,180	-10	-110	190	8.7%
TRANSPORT., COMM. & UTILITIES	1,850	1,860	1,390	1,800	470	-10	50	2.8%
WHOLESALE TRADE	2,610	2,550	2,070	2,570	480	60	40	1.6%
RETAIL TRADE	8,570	8,860	8,940	8,430	-80	-290	140	1.7%
FINANCE, INS. & REAL ESTATE	1,280	1,330	1,380	1,330	-50	-50	-50	-3.8%
SERVICES & MISCELLANEOUS	9,340	9,630	9,740	9,030	-110	-290	310	3.4%
Health Services	3,950	3,970	3,980	3,850	-10	-20	100	2.6%
GOVERNMENT	8,510	8,370	8,410	8,560	-40	140	-50	-0.6%
Federal Government	1,000	1,060	1,100	1,060	-40	-60	-60	-5.7%
State & Local Governments	7,510	7,310	7,310	7,500	0	200	10	0.1%
Workers in Labor/Mgmt. Disputes	0	0	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...

The unemployment rate in Chelan and Douglas counties fell from 5.6 percent this September to 4.9 percent in October 2002. Over the month, the number of people unemployed locally decreased by 500, from 3,250 to 2,750, respectively. This was the good news. However, nonagricultural employment shrank by 490 jobs, led by seasonal layoffs in retail trade and in services. Agricultural employers also shed approximately 1,780 jobs over the month, and thus, the seven-tenths point dip in the unemployment rate was attributable to the 500-person drop in the number of people unemployed.

Unemployment also retrenched substantially over the year, from 6.1 percent in October 2001 to the October 2002 reading of 4.9 percent. Approximately 670 more people were working at nonagricultural jobs and about 680 fewer residents were unemployed this October than last. The resident labor force grew slightly from 55,800 in October 2001 to the present figure of 56,070, the fifth consecutive month in 2002 that the labor force expanded. These are encouraging signals. However, seasonal agricultural employment has been softer this year than last. Also, cold weather in late October and early November 2002 froze about 5 percent of the state's apple harvest, which could edge the local unemployment rate back up this November and December - to levels closer to "normal."

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

Walla Walla County has always had a more or less healthy manufacturing sector. Industries shift and companies die, but others emerge and the economy moves forward. A little more than half of all manufacturing jobs in the county are in food processing. Of these ninety-five manufacturing firms local and listed with the state, 29 are in food processing, where Iowa Beef Processors dominates the industry, and is a huge presence on the west side of the county.

On the east side, vegetable processing has provided a large number of jobs, many seasonal, but there has also been a great deal of change. In 1992, vegetable processing generated 608 annual average jobs, with a peak of 1,018 in May, but a low of 238 in January. Much of the difference was seasonal workers, many who came into the county for the work. By the year 2000, the average for the industry was down to 384 with a peak of 652 jobs in July. In 2001, there was further erosion, with an average of 208 jobs and a peak of 363 during May.

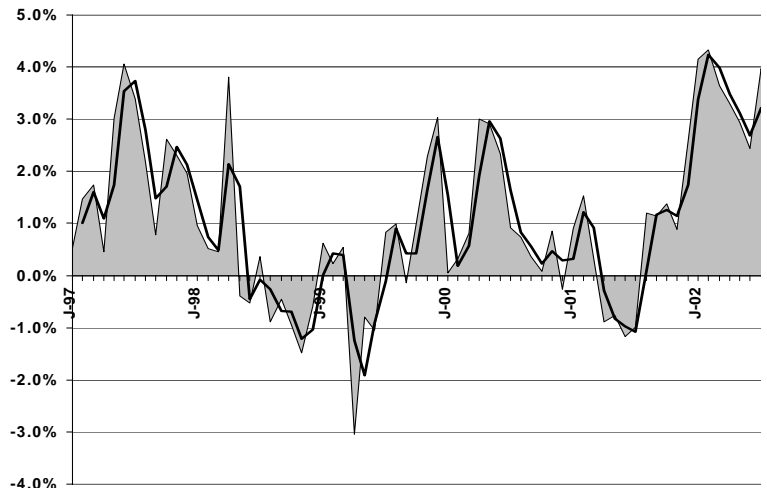
However, offsetting the loss of the vegetable workers has been the emergence of the wineries; not yet quite as many jobs, but the industry undoubtedly has a greater impact on the community. The wine industry is far less seasonal and the payroll dollars are more likely to remain in the community. Also, the average pay is slightly higher. In vegetable processing in the year 2000, the average pay was \$19,940. In wine processing, the average was \$20,548. Also magnifying the impact, visiting outsiders are much more likely to come to Walla Walla County to sip wine rather than to taste cooked vegetables.

Total nonfarm employment advanced modestly and seasonally from September to October. Much of this was due to 500 public school employees and 260 private sector educators returning for the new school year. Offsetting this gain was roughly a 60-job reduction in county government and municipal employment as they ramped down their summer programs.

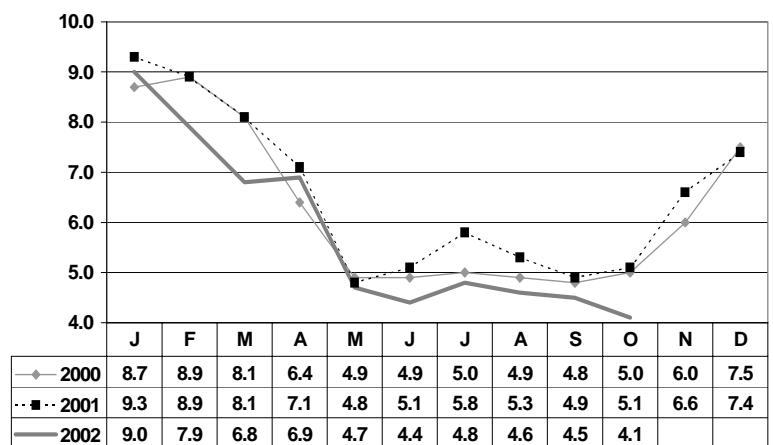
The apple harvest, particularly on the west end of the county, pushed farm employment from 3,430 in September to 3,620 for October, this compared to October of 2001, when the count was 3,680.

While the state's economy searches for a bottom, the Walla Walla County economy posted near record levels of unemployment. The local rate of unemployment last year was 5.1 percent, while for October 2002 was 4.1 percent.

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



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



Nonagricultural Wage and Salary Workers Employed in Walla Walla County

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	23,240	22,610	22,480	23,080	130	630	160	0.7%
MANUFACTURING	4,280	4,260	4,310	4,070	-50	20	210	5.2%
Food & Kindred Products	2,390	2,370	2,370	2,200	0	20	190	8.6%
Other Manufacturing	1,890	1,890	1,940	1,870	-50	0	20	1.1%
CONSTRUCTION	880	910	940	970	-30	-30	-90	-9.3%
TRANSPORT., COMM. & UTILITIES	570	560	560	590	0	10	-20	-3.4%
WHOLESALE & RETAIL TRADE	4,680	4,680	4,830	4,680	-150	0	0	0.0%
FINANCE, INS., & REAL ESTATE	770	770	790	790	-20	0	-20	-2.5%
SERVICES	6,920	6,700	6,430	6,910	270	220	10	0.1%
Private Education	1,700	1,440	1,140	1,670	300	260	30	1.8%
GOVERNMENT	5,140	4,730	4,620	5,070	110	410	70	1.4%
Federal Government	900	920	930	890	-10	-20	10	1.1%
State Government	1,860	1,530	1,510	1,840	20	330	20	1.1%
Public Education (State & Local)	2,090	1,590	1,520	2,110	70	500	-20	-0.9%
Worker in Labor/Mgmt. Disputes	0	0	0	0	xx	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

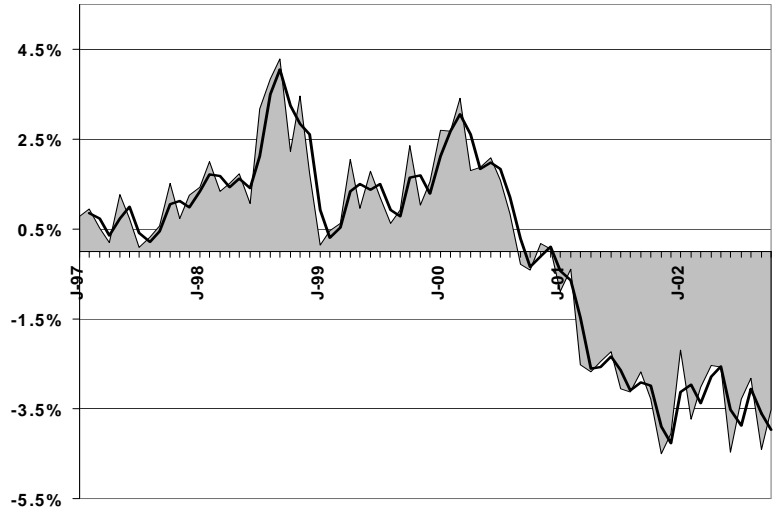
HIGHLIGHTS

In Cowlitz County, the unemployment rate fell six tenths of a percent to 9.7, but was still second highest in the state behind Columbia County. Still, that was a substantial improvement over the 11.0 percent from October 2001. The number of idled county residents was estimated at 3,880.

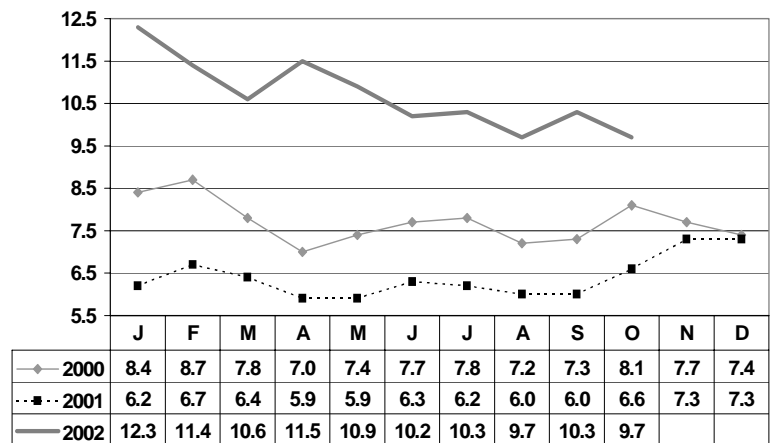
Seasonally-adjusted nonfarm employment rose by 240 jobs over the month, due largely to hiring in the transportation industry, along with a bump up in construction. Unadjusted employment was up 260, reaching a total of 36,280. Most of the net gain came in K-12 education. Transportation rose by 180, while manufacturing lost half that amount. Retail and services also retrenched, by 60 and 70 jobs, respectively.

Revised job counts show the county to be in a substantially weaker position. Job losses total 1,150 for the past twelve months, the bulk of which (-860) were in manufacturing. Outside of transportation and finance, every other sector is also in the red.

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



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



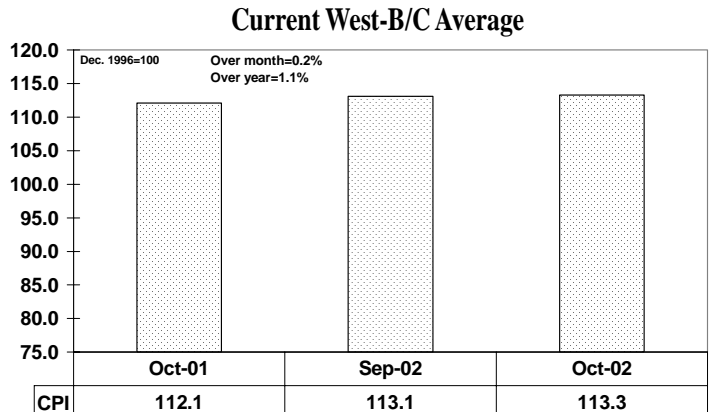
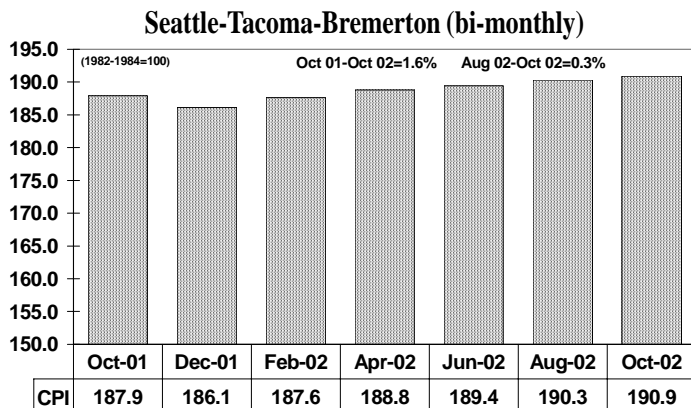
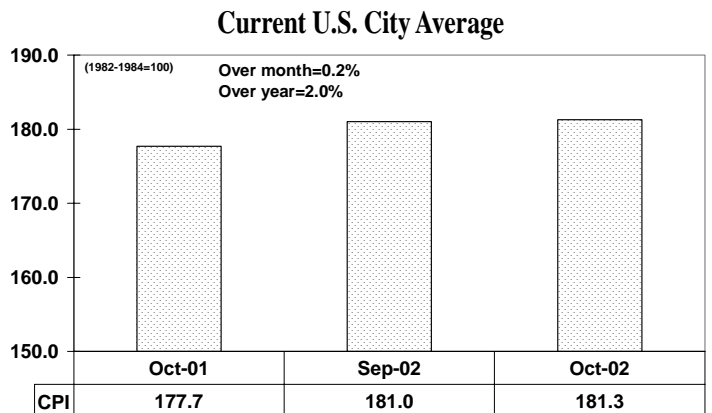
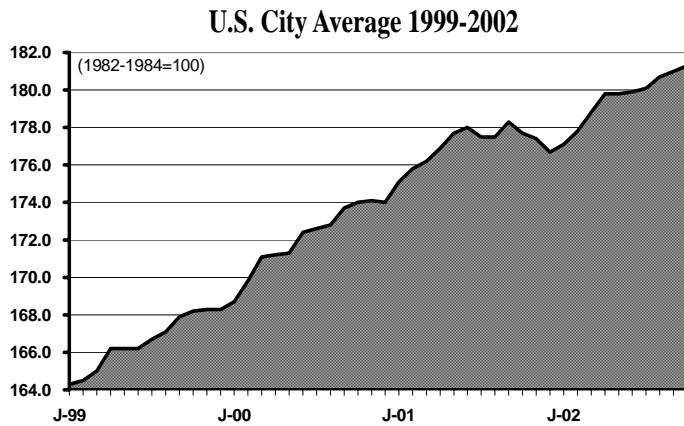
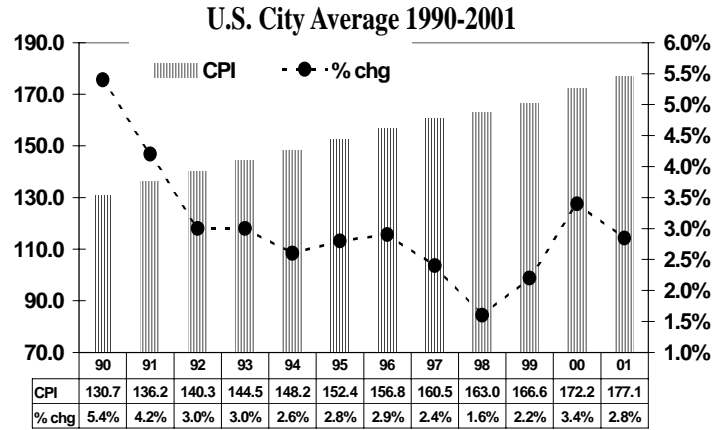
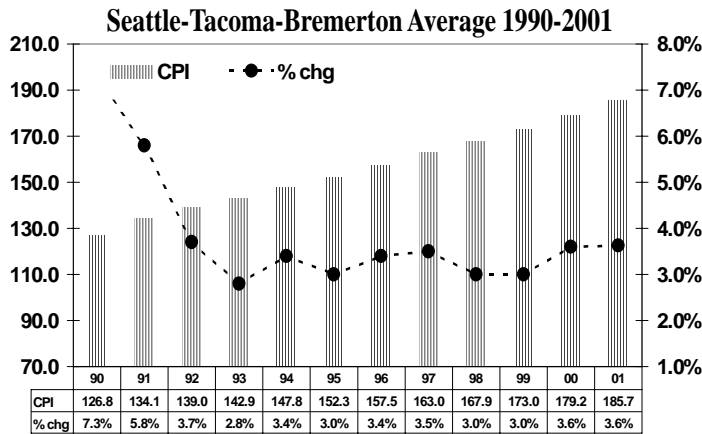
Nonagricultural Wage and Salary Workers Employed in Cowlitz County

INDUSTRY	Revised Oct-02	Revised Sep-02	Revised Aug-02	Revised Oct-01	Change			Yr-Yr %
					Aug-02 Sep-02	Sep-02 Oct-02	Oct-01 Oct-02	
TOTAL 1/ 2/	36,330	36,020	36,240	37,430	-220	310	-1,100	-2.9%
MANUFACTURING	7,790	7,940	7,860	8,710	80	-150	-920	-10.6%
Lumber & Wood Products	1,980	2,020	2,000	2,020	20	-40	-40	-2.0%
Other Durables	1,400	1,430	1,410	1,630	20	-30	-230	-14.1%
Paper Products	2,820	2,890	2,850	3,350	40	-70	-530	-15.8%
Other Nondurables	1,590	1,600	1,600	1,710	0	-10	-120	-7.0%
CONSTRUCTION & MINING	2,780	2,750	2,950	2,930	-200	30	-150	-5.1%
TRANSPORT., COMM. & UTILITIES	1,600	1,410	1,370	1,530	40	190	70	4.6%
WHOLESALE TRADE	1,260	1,230	1,240	1,260	-10	30	0	0.0%
RETAIL TRADE	6,770	6,820	7,310	6,840	-490	-50	-70	-1.0%
General Merchandise	1,030	1,000	1,010	980	-10	30	50	5.1%
Grocery Stores	1,230	1,240	1,320	1,270	-80	-10	-40	-3.1%
Other Retail Trade	4,510	4,580	4,980	4,590	-400	-70	-80	-1.7%
FINANCE, INS. & REAL ESTATE	1,230	1,230	1,200	1,210	30	0	20	1.7%
SERVICES	9,090	9,150	9,380	9,160	-230	-60	-70	-0.8%
Health Care Services	3,770	3,780	3,740	3,770	40	-10	0	0.0%
Other Services	5,320	5,370	5,640	5,390	-270	-50	-70	-1.3%
GOVERNMENT	5,810	5,490	4,930	5,790	560	320	20	0.3%
State & Federal Government	1,490	1,470	1,290	1,560	180	20	-70	-4.5%
Local Government	4,320	4,020	3,640	4,230	380	300	90	2.1%
Primary & Secondary Education	2,810	2,500	2,000	2,670	500	310	140	5.2%
Other Local Government	1,510	1,520	1,640	1,560	-120	-10	-50	-3.2%
Workers in Labor/Mgmt. Disputes	0	0	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>

Consumer Price Indexes



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, 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.

Use our toll free number **1-800-215-1617** to obtain up-to-date LMI. Please direct subscription requests or address changes to the Labor Market and Economic Analysis Branch, Employment Security Department, PO Box 49046, Olympia, Washington 98507-9046, or call (360) 498-3152. Comments, suggestions and requests for information are also welcome at the editor's e-mail address: mcamilon@esd.wa.gov

Please check here if your address has changed. Print new address above the mailing label on the back page and return it to LMEA.

Check here if you no longer wish to receive this publication, and return this page with your mailing label.

catch us on the internet

**Washington State Employment Security
Labor Market & Economic Analysis Branch**

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

The Right Connection for
Labor Market Information

metro area nonag information updated on the 15th of each month

Washington State Labor Area Summaries are published monthly by the Labor Market and Economic Analysis Branch:

Greg Weeks, Director

Ivars Graudins, Supervisor, Planning and Economic Development Information

Tess Camilon, Editor

L. J. Ojard, Graphic Designer