

Washington State Labor Area Summaries



Prepared by the
Labor Market and
Economic Analysis Branch
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Double Issue
January/February 2003, Volume 18-19, Numbers 1 and 2



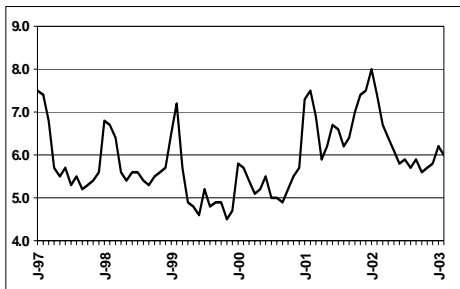
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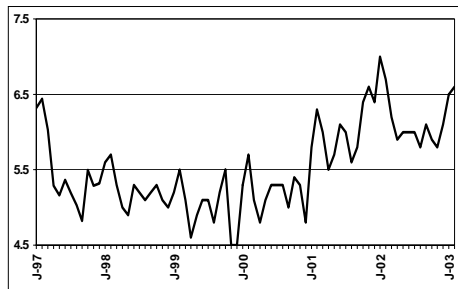
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MSA Jobless Rates 1997-2003

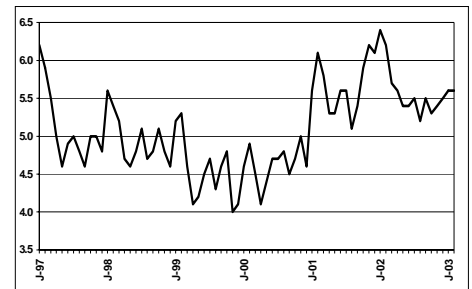
Bellingham MSA



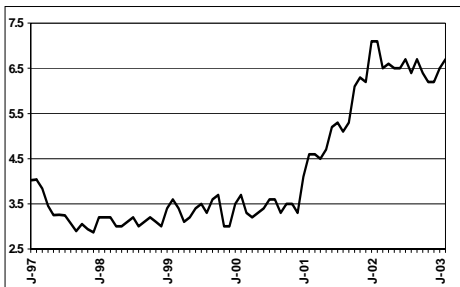
Bremerton PMSA



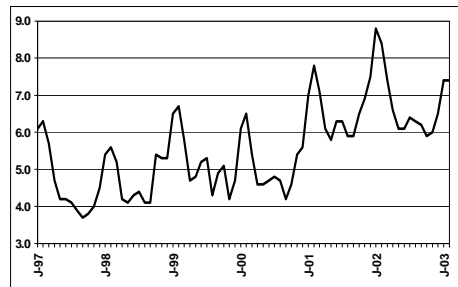
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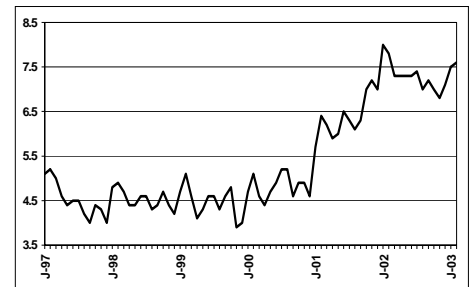
Seattle-Bellevue-Everett PMSA



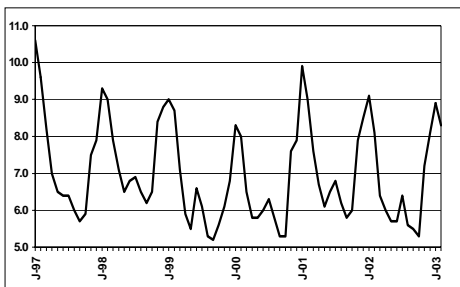
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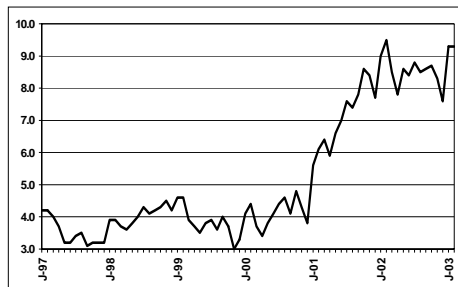
Tacoma PMSA



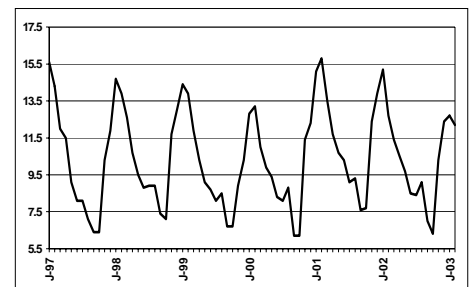
Richland-Kennewick-Pasco MSA



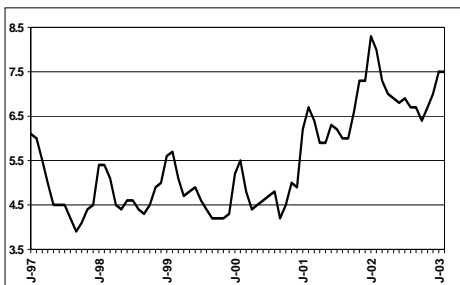
Clark County



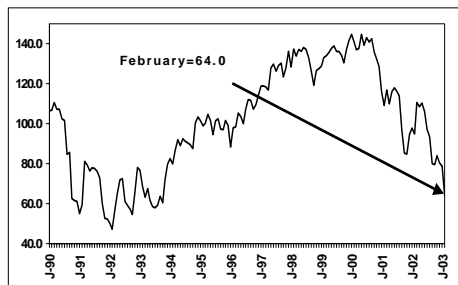
Yakima MSA



Washington State



Index of Consumer Confidence 1990-2003



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

Not Seasonally Adjusted	February 2003 Preliminary				January 2003 Revised				February 2002 Revised			
	Labor Force	Emp	Unemp	UI Rate	Labor Force	Emp	UI Rate	UI	Labor Force	Emp	Unemp	UI Rate
Washington State Total	3,101,300	2,867,200	234,100	7.5	3,121,200	2,887,300	233,900	7.5	3,050,900	2,804,400	246,500	8.1
Bellingham MSA	87,000	81,700	5,300	6.0	87,300	81,900	5,400	6.2	82,300	76,300	6,000	7.3
Bremerton PMSA	102,700	95,900	6,800	6.6	103,500	96,800	6,800	6.5	97,800	91,300	6,500	6.7
Olympia PMSA	108,700	102,600	6,100	5.6	109,000	102,900	6,200	5.6	103,600	97,200	6,400	6.2
Seattle-Bellevue-Everett PMSA	1,398,400	1,304,800	93,600	6.7	1,410,600	1,319,100	91,400	6.5	1,391,400	1,291,800	99,600	7.2
King County 2/	1,024,600	958,600	66,000	6.4	1,033,700	969,100	64,600	6.2	1,018,700	949,000	69,600	6.8
Snohomish County 2/	345,500	319,700	25,800	7.5	348,300	323,200	25,100	7.2	344,700	316,500	28,100	8.2
Island County 2/	28,200	26,500	1,700	6.0	28,600	26,800	1,800	6.2	28,050	26,240	1,810	6.5
Spokane MSA	214,200	198,400	15,800	7.4	216,200	200,200	15,900	7.4	213,500	195,700	17,900	8.4
Tacoma PMSA	350,500	324,000	26,500	7.6	352,100	326,000	26,200	7.4	340,500	313,700	26,800	7.9
Tri-Cities MSA	101,300	92,900	8,400	8.3	100,800	91,800	9,000	8.9	95,900	87,900	7,900	8.3
Benton County 2/	76,500	70,800	5,700	7.5	75,600	70,000	5,700	7.5	72,000	67,000	5,000	7.0
Franklin County 2/	24,800	22,100	2,700	10.9	25,100	21,900	3,300	13.0	23,820	20,940	2,880	12.1
Yakima MSA	103,500	90,900	12,600	12.2	104,100	90,900	13,200	12.7	101,600	88,600	13,000	12.8
Adams	7,310	6,340	970	13.2	7,400	6,280	1,120	15.2	7,310	6,240	1,070	14.6
Asotin 2/	12,160	11,550	610	5.0	11,970	11,330	640	5.3	11,680	10,860	820	7.0
Chelan-Douglas LMA	49,990	44,950	5,040	10.1	49,830	44,840	5,000	10.0	49,360	44,060	5,300	10.7
Chelan County 2/	33,560	30,030	3,530	10.5	33,390	29,960	3,430	10.3	33,150	29,440	3,700	11.2
Douglas County 2/	16,430	14,910	1,520	9.2	16,450	14,870	1,570	9.6	16,210	14,620	1,600	9.8
Clallam	24,740	22,650	2,100	8.5	25,010	22,760	2,250	9.0	24,550	22,400	2,150	8.8
Clark	186,500	169,100	17,400	9.3	188,300	170,900	17,500	9.3	185,700	167,600	18,100	9.7
Columbia	1,220	1,060	150	12.7	1,200	1,030	170	13.8	1,240	1,060	180	14.8
Cowlitz	39,780	35,620	4,160	10.5	40,360	36,140	4,220	10.4	40,420	35,770	4,650	11.5
Ferry	2,720	2,200	520	19.1	2,640	2,230	410	15.6	2,410	2,050	360	14.7
Garfield	1,210	1,140	80	6.3	1,170	1,080	90	7.3	1,070	1,010	60	6.0
Grant	35,110	30,910	4,200	12.0	34,570	30,300	4,280	12.4	34,790	30,300	4,490	12.9
Grays Harbor	26,460	23,820	2,630	10.0	26,520	23,910	2,610	9.8	25,530	22,720	2,810	11.0
Jefferson	11,600	10,780	830	7.1	11,700	10,830	870	7.4	11,100	10,270	830	7.5
Kittitas	16,010	14,600	1,400	8.8	16,020	14,700	1,320	8.2	15,180	13,920	1,260	8.3
Klickitat	7,950	6,710	1,240	15.6	7,990	6,630	1,360	17.0	8,240	6,780	1,460	17.7
Lewis	29,420	26,730	2,690	9.1	29,470	26,710	2,750	9.3	28,530	25,780	2,750	9.6
Lincoln	4,520	4,220	300	6.6	4,420	4,110	300	6.9	4,380	4,060	320	7.3
Mason	20,150	18,390	1,760	8.7	20,180	18,450	1,720	8.5	18,830	17,170	1,660	8.8
Okanogan	17,700	15,300	2,400	13.6	17,650	15,310	2,330	13.2	16,890	14,390	2,500	14.8
Pacific	7,920	7,210	710	9.0	8,010	7,280	730	9.1	7,470	6,730	740	9.8
Pend Oreille	4,360	3,840	530	12.1	4,400	3,890	510	11.6	4,360	3,850	510	11.7
San Juan	6,130	5,710	420	6.8	6,140	5,710	430	7.0	5,880	5,470	410	6.9
Skagit	52,680	48,590	4,090	7.8	53,140	48,940	4,200	7.9	51,160	46,760	4,400	8.6
Skamania	3,670	3,230	440	11.9	3,710	3,240	470	12.8	3,720	3,160	570	15.3
Stevens	16,930	15,030	1,900	11.2	16,860	15,050	1,810	10.7	16,840	14,680	2,160	12.8
Wahkiakum	1,660	1,550	110	6.4	1,690	1,530	160	9.4	1,710	1,570	150	8.6
Walla Walla	27,460	25,510	1,950	7.1	27,380	25,250	2,130	7.8	26,730	24,610	2,110	7.9
Whitman	19,700	19,180	520	2.6	19,870	19,300	580	2.9	19,300	18,770	530	2.8

1/ Official U.S. Department of Labor, Bureau of Labor Statistics data. 2/ Estimates are determined by using the Population/Claims Share disaggregation methodology. Detail may not add due to rounding.

Directory of LMEA Economists and Areas Served

Economists	Address/Telephone	Areas Served (MSA Counties are Capitalized)
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Graudins, Ivars, Area LMI Supervisor 360/438-4825 FAX 438-4846	PO Box 9046, MS: 46000 Olympia, WA 98507-9046 igraudins@esd.wa.gov	Statewide
Bailey, Scott, Regional Economist 360/735-5043 FAX 735-5093	5411 E. Mill Plain, Suite B3 Vancouver, WA 98661 scott.bailey@esd.wa.gov	CLARK, Cowlitz, Skamania, Wahkiakum, SPOKANE
Johnson, Chris, Regional Economist 253/593-7336 FAX 593-7377	1313 Tacoma Avenue South Tacoma, WA 98402 chris.johnson@esd.wa.gov	PIERCE, Columbia, Garfield, Lincoln, Whitman
Meseck, Don, Regional Economist 509/963-2606	Central Washington University 400-E 8 th Avenue Ellensburg, WA 98926-7486 dmeseck@esd.wa.gov	Okanogan, Chelan, Adams, Douglas, Grant, YAKIMA, Kittitas, Klickitat*
Pauer, Roberta, Regional Economist 206/720-3394 FAX 720-3393	400 E Pine, Suite 310 Seattle, WA 98122 rpauer@esd.wa.gov	KING Seattle-Bellevue-Everett PMSA
Schau, Dean, Regional Economist 509/547-0511 ext. 2217 FAX 546-0401	Columbia Basin College 2600 N 20 th Avenue Pasco, WA 99301-3379 schaud@cbc2.org	BENTON, FRANKLIN, Walla Walla
Thompson, Donna, Regional Economist 425/339-4954 FAX 425/339-1949	PO Box 870 Everett, WA 98206 dthompson@esd.wa.gov	SNOHOMISH, Ferry, Stevens, Pend Oreille
Turek, Paul, Regional Economist 360/438-4813 FAX 438-4846	PO Box 9046, MS: 46000 Olympia, WA 98507-9046 pturek@esd.wa.gov	Grays Harbor, Lewis, Mason, Pacific, THURSTON
Vleming, Jim, Regional Economist 360/438-4821 FAX 438-4846	PO Box 9046, MS: 46000 Olympia, WA 98507-9046 jvleming@esd.wa.gov	Clallam, Jefferson, KITSAP WHATCOM, ISLAND, San Juan, Skagit
Labor Market Information Center 1-800-215-1617 Fax 360/438-4109	PO Box 9046, MS 46000 Olympia WA 98507-9046 dayers@esd.wa.gov	For statewide and area information Asotin**

*For current information on Klickitat County, please contact Scott Bailey at (360) 735-5083.

**For current information on Asotin County, please contact Doug Tweedy, Labor Market Analyst, Lewiston ID at (208) 799-5000.

Revised 04/15/03

Across the MSA

NAICS: “Think of it this way—you’ve been learning and using Latin for the past 15 years, now we’re switching you over to Greek.”

First, our sincere apologies for the tardiness of this publication. This issue marks the first Washington State Labor Area Summaries report to use the North American Industry Classification System (NAICS). With its implementation, the Standard Industrial Code (SIC) system is gone (though definitely not forgotten). Every aspect of labor market information is affected...and therein lies the tale.

As Southwest Washington’s Regional Economist, Scott Bailey, so aptly put it:

“**For the past month or two** [or three], regional economists all over the nation have been working feverishly to revise employment data for the 2001-2002 period, a process known as “benchmarking.” Preliminary employment data is based on a sample of employers, which may or may not be large enough to fairly represent major industries in each county. The trend in this federally-controlled program over the past few years has been to pare down the number of employers in the sample, especially in non-urban counties. While estimates at the state level appear to be more accurate due to better methodology, the dearth of sample at the county level has left us guessing in many cases, with only historical trends as a backstop. And when the economy starts plunging, historical trends don’t work very well as predictors.

The grinding of teeth you hear in the background comes from regional economists comparing their initial estimates with the “true” data based on tax reports from [almost] every employer in the state. But that’s just the first task in the benchmarking process.

In the state database of 200,000+ businesses, there is a constant program of error checking to ensure employers are coded to the right county and industry. In Southwest Washington, that means riding herd on almost 15,000 employer accounts, and double-checking the corrections made by fellow workers in Olympia.

This year, the benchmarking process has been complicated by the conversion from the *Standard Industrial Code (SIC)* to the *North American Industrial Classification System (NAICS)*. Think of it this way—you’ve been learning and using Latin for the past 15 years, now we’re switching you over to Greek. In

more visual terms: the NAICS manual is twice as thick as the SIC manual, and NAICS codes are 6 digits long, versus 4 for SIC.”

The 2001-2002 benchmarked tables are being prepared for publication, with a target date of mid-April for posting in downloadable Excel files on the Workforce Explorer web site.

Also, in June, the U.S. Bureau of Labor Statistics plans to publish NAICS-based historical numbers, some dating back to the 1940s or earlier. They have already begun reporting and benchmarking data in NAICS for the U.S. and individual states, with metropolitan areas and county data to follow shortly. For more information on NAICS, please go to:

www.bls.gov/NAICS.html

On a final note, those of you familiar with our other labor market publications may have seen many of them switch to electronic versions rather than hard-copy publications. This transition is a faster and more timely mode of getting the most current data to our readers. There is still the option of printing a PDF-version of a chosen publication, or in many cases, downloading only those statistics needed. Eventually, the LAS, too, will join the ranks of the strictly electronic files.

If you haven’t visited the new Workforce Explorer website, you will be pleasantly surprised to find many of the familiar reporting systems, as well as expanded information: news articles, more links and easier access to more labor market information than ever before. Go to:

www.workforceexplorer.com

L. J. Ojard, LMEA Publications

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

February data for the Bellingham MSA tracked along seasonal lines as the nonagricultural wage and salary series gained 500 jobs over the month. Total nonag employment for the month of February was 71,000, up 3,400 over the February 2002 revised figure. The over-the-year gains represents a 5 percent expansion in the local economy.

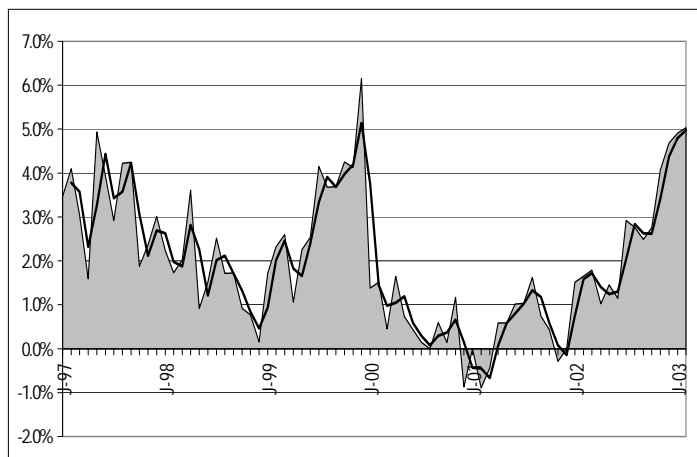
Over the month, the 500 increase was spread evenly between goods producing and service producing jobs, with each adding 200 jobs from January. Seasonal losses cut into employment in both the retail sector and in non-durable goods, as each lost 100 jobs over the month. In the government sector, local government was up 200 over-the-month; also gaining 200 jobs over this time period was construction.

The construction sector can claim much of the credit for the strong over-the-year total gain. In a rather tepid economy, construction projects in the MSA have added 1,500 jobs to the 3,400 increase. Without the construction strength, the over-the-year growth would be a more modest 2.8 percent. Obviously, the construction jobs are good news for the economy and should continue to be a major contributor well into 2003. Also adding fuel to the growth were the service-producing sector, which gained 1,000 jobs, and government, which added 800 to payroll.

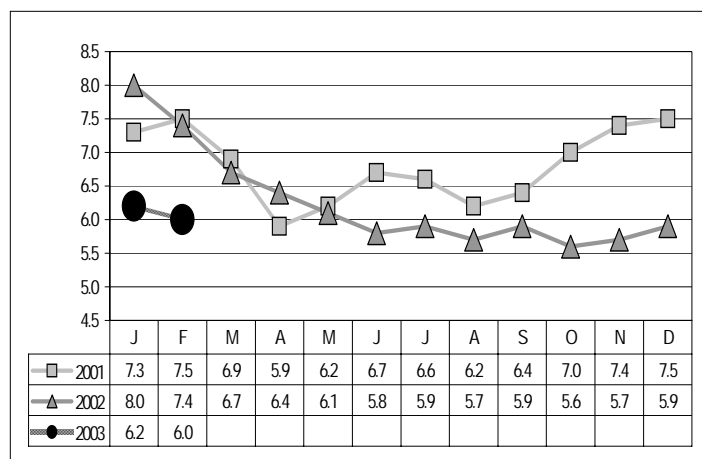
The unemployment rate in the MSA dropped to an even 6 percent in February, down from 6.2 in January and well below the 7.4 percent of February 2002. During the month, 81,700 county residents were employed as 5,300 were seeking employment. Statewide, the February rate was unchanged from January at 7.5 percent.

The coming months should bring more in construction growth as the days grow longer and the weather cooperates more. The growth in construction should also aid in some modest expansion in trade employment. The MSA looks to be in good shape as spring rolls around.

**Bellingham MSA Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Bellingham MSA 2001-2003**



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

NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	71,000	70,500	67,600	500	3,400	5.0%
TOTAL PRIVATE	57,300	56,900	54,800	400	2,500	4.6%
GOODS PRODUCING	15,800	15,600	13,400	200	2,400	17.9%
NATURAL RESOURCES and MINING	400	400	300	0	100	33.3%
CONSTRUCTION	6,800	6,600	5,300	200	1,500	28.3%
MANUFACTURING	8,600	8,600	7,900	0	700	8.9%
Durable Goods	4,600	4,600	4,300	0	300	7.0%
Non Durable Goods	3,900	4,000	3,500	-100	400	11.4%
Food Manufacturing	1,500	1,600	1,300	-100	200	15.4%
SERVICE PROVIDING	55,200	55,000	54,200	200	1,000	1.8%
TRADE, TRANSPORTATION and UTILITIES	13,500	13,700	13,100	-200	400	3.1%
Wholesale Trade	2,700	2,700	2,400	0	300	12.5%
Retail Trade	9,000	9,100	8,800	-100	200	2.3%
Transportation, Warehousing and Utilities	1,900	1,900	1,800	0	100	5.6%
INFORMATION and FINANCIAL ACTIVITIES	4,200	4,200	4,100	0	100	2.4%
GOVERNMENT	13,700	13,600	12,900	100	800	6.2%
Federal Government	1,000	1,000	900	0	100	11.1%
State Government	3,900	3,900	3,700	0	200	5.4%
Local Government	8,900	8,700	8,300	200	600	7.2%
Workers in Labor-Management Disputes	0	0	0	0	0	0.0%

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

www.workforceexplorer.com

Washington State LABOR AREA SUMMARY

Bremerton PMSA

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

HIGHLIGHTS

February unemployment in the Bremerton PMSA went up slightly from the January revised rate of 6.5 percent. The 6.6 percent rate represented 6,800 PMSA residents actively seeking employment during the month of February as 95,900 were gainfully employed. Over-the-year, the unemployment rate in the PMSA is down from the 6.7 rate of February 2002.

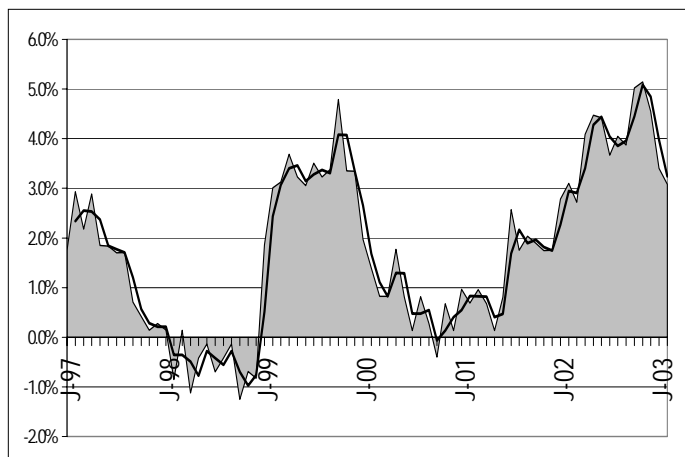
Statewide, the 7.5 percent unemployment rate was unchanged. Over-the-year, the rate was down from the 8.1 percent rate posted in February 2002.

Nonag employment between January and February reflected the sluggish nature of the local economy. Total nonagricultural wage and salary employment bumped up by 100 jobs, for a February total of 77,900. The detail found the service providing industries adding 200 jobs in February as the goods producing sector cut 100 jobs. It was in government where you could find the 200 added jobs. In a seasonal, move retail trade lopped 100 jobs from payroll over the month.

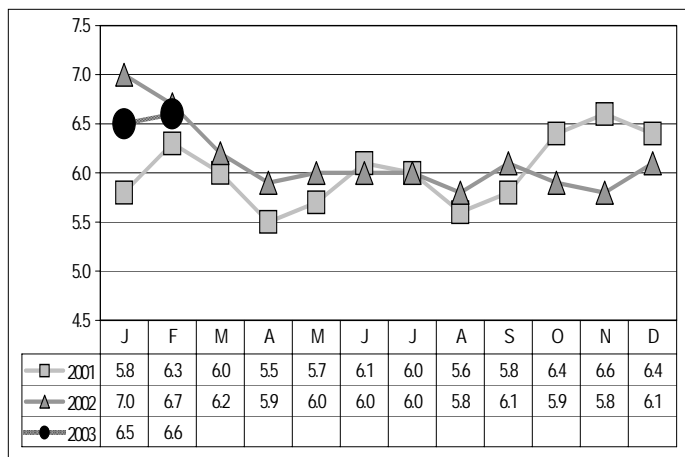
Over the year, the PMSA has added 2,300 nonag jobs. Of that total 2,100 can be attributed to the service-producing sector. Within that grouping, trade (+600) and government (+300) were key participants in the over-the-year gain. In the goods-producing arena, construction, natural resources and mining added 300 jobs.

Overall, the monthly figures show a consistency in both the nonag and unemployment numbers. With spring around the corner, the numbers should show some seasonal gains in some areas. The wild card to the future may be the military action and the length of the many Deployments the PMSA has endured. As that population remains away, the local economy may begin to sputter in several sectors. But for the most part, the base of the economy is strong and in place, and the expectations is that this too will be overcome.

**Bremerton PMSA Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Bremerton PMSA 2001-2003**



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

NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	77,900	77,800	75,600	100	2,300	3.0%
TOTAL PRIVATE	50,200	50,200	48,200	0	2,000	4.1%
GOODS PRODUCING	6,200	6,300	5,900	-100	300	5.1%
CONSTRUCTION, NAT. RESOURCES and MINING	4,400	4,400	4,300	0	100	2.3%
MANUFACTURING	1,800	1,800	1,700	0	100	5.9%
SERVICE PROVIDING	71,700	71,500	69,600	200	2,100	3.0%
TRADE, TRANSPORTATION and UTILITIES	12,600	12,600	12,000	0	600	5.0%
Wholesale Trade	1,100	1,100	1,100	0	0	0.0%
Retail Trade	10,500	10,600	9,900	-100	600	6.1%
Transportation, Warehousing and Utilities	900	900	1,000	0	-100	-10.0%
INFORMATION and FINANCIAL ACTIVITIES	5,300	5,200	4,900	100	400	8.2%
GOVERNMENT	27,700	27,500	27,400	200	300	1.1%
Federal Government	14,700	14,700	14,600	0	100	0.7%
State and Local Government	13,000	12,800	12,800	200	200	1.6%
Workers in Labor-Management Disputes	0	0	0	0	0	-

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

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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

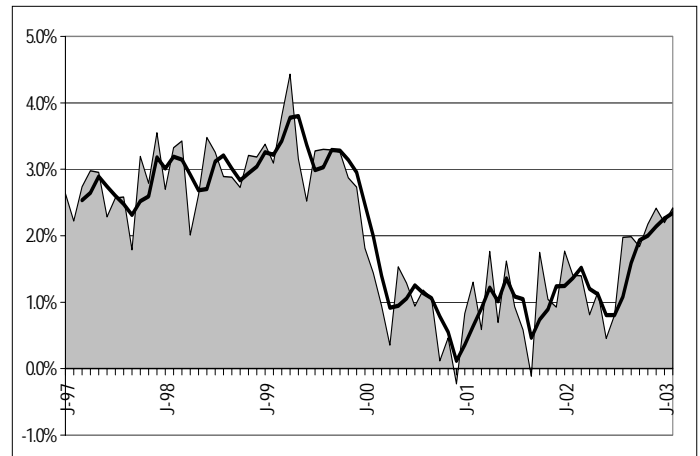
HIGHLIGHTS

The slow hiring pace is continuing based upon employment conditions for February 2003 in the Olympia PMSA labor market. Although the local economy gained 600 jobs for the month, the gain was typical of the seasonal pattern in place for this time of year. The numbers indicate that the local labor economy has improved compared with the previous three years. However, the rate of improvement over the past several months has been gradual and uneven. Without any growth in terms of new job creation, the unemployment rate for Thurston remained fixed at 5.6 percent. Monthly gains in education (+400) and professional business services (+200) served to offset the declines realized in the retail sector (-100) for the month. The recent evidence suggests that the sustained strength of retail sales may be weakening as consumer spending shows signs of flattening. Much of the gain in this sector over the course of the year was produced through the opening of a half-dozen big box stores in the area. These stores had been planned and constructed based upon economic information generated before the start of the downturn in the economy. Consequently, the near term prospects for continued expansion of retail activity will remain on hold until the current economic outlook shows some firm evidence of improving.

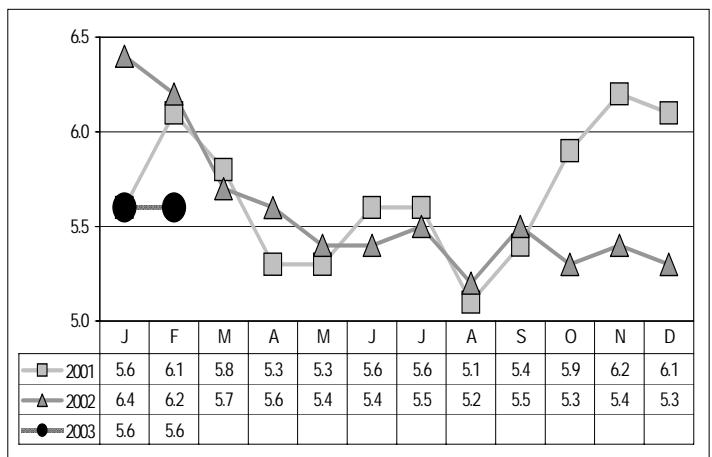
In the meantime, emerging national economic news tended to be negative and appeared to indicate the economic recovery could derail. Manufacturing activity and factory orders declined significantly. Jobless claims remained at an elevated level as workers continued to be whittled away. Near-term hiring prospects remained restrained based upon hiring surveys. Help wanted advertising remains very low as well. The economy appears to

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**Olympia PMSA Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Olympia PMSA 2001-2002**



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

NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	88,900	88,300	86,800	600	2,100	2.4%
TOTAL PRIVATE	52,300	52,100	50,700	200	1,600	3.2%
GOODS PRODUCING	7,700	7,600	7,500	100	200	2.7%
NATURAL RESOURCES and MINING	500	400	500	100	0	0.0%
CONSTRUCTION	3,800	3,800	3,600	0	200	5.6%
MANUFACTURING	3,400	3,400	3,400	0	0	0.0%
SERVICE PROVIDING	81,200	80,700	79,300	500	1,900	2.4%
TRADE, TRANSPORTATION and UTILITIES	13,700	13,800	12,500	-100	1,200	9.6%
Wholesale Trade	1,600	1,600	1,600	0	0	0.0%
Retail Trade	10,800	10,900	9,800	-100	1,000	10.2%
Transportation, Warehousing and Utilities	1,300	1,300	1,100	0	200	18.2%
INFORMATION and FINANCIAL ACTIVITIES	4,500	4,500	4,600	0	-100	-2.2%
PROFESSIONAL BUSINESS SERVICES	26,400	26,200	26,100	200	300	1.1%
GOVERNMENT	36,600	36,200	36,100	400	500	1.4%
Federal Government	1,000	1,000	1,000	0	0	0.0%
State Government	24,100	23,900	24,300	200	-200	-0.8%
State Government Educational Services	2,500	2,300	2,400	200	100	4.2%
Local Government	11,500	11,300	10,800	200	700	6.5%
Local Government Educational Services	7,200	7,000	6,700	200	500	7.5%
Workers in Labor-Management Disputes	0	0	0	0	0	0

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

www.workforceexplorer.com

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have been put on hold, pending further developments in the Iraqi war and rebuilding plan. While the latest news from Iraq has been positive and oil prices have retreated, businesses and consumers have not yet begun to make positive adjustments. There is still a pervading wait and see mentality being manifested, which could dissipate as quickly as oil prices fall.

The implication is for a slower moving economic recovery. The short term manufacturing outlook is troubling given the timing of the layoffs that will occur due to the Miller Brewery closing. Another economic drag for the area appears to be mounting in the form of state government staff reductions designed to fill the budget hole. The confluence for these events should occur in a few months. The brewery will begin reducing production levels after April meaning that layoffs will begin concurrently. The state legislature should determine what the degree of spending and payroll adjustments will be at the end of April, barring the holding of a special session. Together with the oil economy, this will go a long way for helping to determine the economic situation for the county.

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

February was the month prior to the start of the war with Iraq. So, labor market figures do not reflect activities occurring during the month of March. However, anticipation of the war with Iraq and concern about terrorist retaliation elsewhere appeared to have been reflected in a softening of the employment situation. Uncertainties affecting business investment and consumer behavior resulted in a pull-back in recovery trends.

In the so-called “Seattle” area, the three-county Seattle-Bellevue-Everett PMSA labor market, the picture is even less favorable than for the balance of the state. There has been weakness in employment trends since September 2002. While the state as a whole saw slight growth, Seattle has remained on the weak side of flat. Seattle is, of course, home to the Boeing job cuts, and is more sensitive to the weakness in world and national travel than is the rest of the state.

The time line for getting our employment economy back to the number of jobs we had in December 2000 (just prior to the recession’s start in January 2001) is mid- to end-2005. Slow recovery in 2003, picking up in 2004, is the outlook, with Seattle lagging the balance of the state.

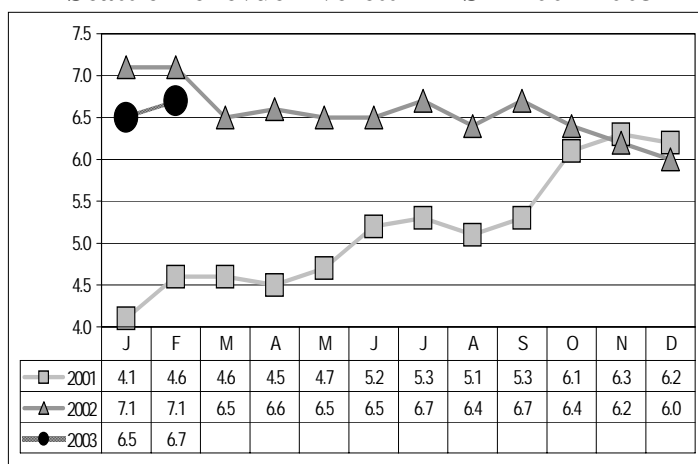
Benchmarked Data & New Industry Classification System:

All months of 2002 and 2001 in both the Labor Force, Resident Employment, Unemployment and Unemployment Rate series and the Nonagricultural Wage and Salary Employment series have been revised. This revision was conducted as part of a routine, annual process called benchmarking. Benchmarking is done annually by all states in cooperation with the U.S. Bureau of Labor Statistics.

In addition, the Nonagricultural Wage and Salary Employment series has been reissued for the period 2001 through 2002 using a new industry classification system called NAICS. This revision has also been done by all states in cooperation with the U.S. Bureau of Labor Statistics. Thus, the January and February monthly data must be appended to the newly revised series. The formerly published data series, which used an industry classification system called SIC, should be replaced in any on-going time series data set, including graphs. All data prior to 2001 remains in SIC classification.

Tech Notes:

**Unemployment Rates by Month
Seattle-Bellevue-Everett PMSA 2001-2003**



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 labeled “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.

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

NAICS INDUSTRY TITLE (number in thousands)	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Revised Jan-02	Change			
					Jan-03 Feb-03	Feb-02 Feb-03	Jan-02 Feb-02	Feb-02 Feb-03%
TOTAL NONFARM 1/	1,330.7	1,331.5	1,344.2	1,344.9	-0.8	-13.5	-0.7	-1.0%
TOTAL PRIVATE	1,126.2	1,129.0	1,141.8	1,145.6	-2.8	-15.6	-3.8	-1.4%
GOODS PRODUCING	228.5	231.2	246.0	248.4	-2.7	-17.5	-2.4	-7.1%
NATURAL RESOURCES and MINING	1.3	1.5	1.6	1.7	-0.2	-0.3	-0.1	-18.8%
CONSTRUCTION	73.0	73.3	74.8	74.3	-0.3	-1.8	0.5	-2.4%
Construction of Buildings	18.7	18.8	20.4	20.3	-0.1	-1.7	0.1	-8.3%
Heavy and Civil Engineering Contraction	7.3	7.3	8.0	7.8	0.0	-0.7	0.2	-8.8%
Specialty Trade Contractors	47.0	47.2	46.4	46.2	-0.2	0.6	0.2	1.3%
MANUFACTURING	154.2	156.4	169.6	172.4	-2.2	-15.4	-2.8	-9.1%
Durable Goods Mfg	122.8	124.7	136.7	139.0	-1.9	-13.9	-2.3	-10.2%
Fabricated Metal Product Mfg	8.6	8.6	9.1	9.2	0.0	-0.5	-0.1	-5.5%
Computer and Electronic Product Mfg	16.3	16.3	17.6	17.7	0.0	-1.3	-0.1	-7.4%
Navigational, Measuring, Electromed.& Control	9.2	9.3	9.5	9.6	-0.1	-0.3	-0.1	-3.2%
Transportation Equipment Mfg	71.5	73.5	81.9	83.8	-2.0	-10.4	-1.9	-12.7%
Aerospace Product and Parts Mfg	66.5	68.4	77.2	79.0	-1.9	-10.7	-1.8	-13.9%
Non Durable Goods Mfg	31.4	31.7	32.9	33.4	-0.3	-1.5	-0.5	-4.6%
Food Manufacturing	11.0	11.4	11.6	12.1	-0.4	-0.6	-0.5	-5.2%
SERVICES PROVIDING	1,102.2	1,100.3	1,098.2	1,096.5	1.9	4.0	1.7	0.4%
TRADE, TRANSPORTATION and UTILITIES	257.5	260.5	261.4	265.1	-3.0	-3.9	-3.7	-1.5%
Wholesale Trade	68.7	68.6	70.0	70.0	0.1	-1.3	0.0	-1.9%
Retail Trade	139.0	141.8	141.1	144.8	-2.8	-2.1	-3.7	-1.5%
Motor Vehicle and Parts Dealers	16.6	16.6	17.1	17.1	0.0	-0.5	0.0	-2.9%
Food and Beverage Stores	27.0	27.1	27.7	27.9	-0.1	-0.7	-0.2	-2.5%
Health and Personal Care Stores	7.0	7.0	7.1	7.2	0.0	-0.1	-0.1	-1.4%
Clothing and Clothing Accessories Stores	14.0	14.6	13.7	15.1	-0.6	0.3	-1.4	2.2%
General Merchandise Stores	18.7	19.3	18.5	19.7	-0.6	0.2	-1.2	1.1%
Transportation, Warehousing and Utilities	49.8	50.1	50.3	50.3	-0.3	-0.5	0.0	-1.0%
Transportation and Warehousing	47.3	47.6	47.5	47.4	-0.3	-0.2	0.1	-0.4%
Air Transportation	12.5	12.5	12.9	12.8	0.0	-0.4	0.1	-3.1%
Water Transportation	2.8	2.9	2.6	2.5	-0.1	0.2	0.1	7.7%
Truck Transportation	8.1	8.1	7.9	8.0	0.0	0.2	-0.1	2.5%
Support Activities for Transportation	10.4	10.4	10.0	9.8	0.0	0.4	0.2	4.0%
Support Activities for Water Transportation	2.3	2.3	2.4	2.4	0.0	-0.1	0.0	-4.2%
Warehousing and Storage	3.0	3.1	3.1	3.1	-0.1	-0.1	0.0	-3.2%
INFORMATION	73.5	72.9	73.4	73.7	0.6	0.1	-0.3	0.1%
Newspaper, Book and Directory Publishers	6.2	6.3	6.2	6.2	-0.1	0.0	0.0	0.0%
Software Publishers	35.4	35.2	34.4	34.5	0.2	1.0	-0.1	2.9%
Broadcasting, except Internet	2.7	2.7	2.7	2.7	0.0	0.0	0.0	0.0%
Telecommunications	20.0	20.0	21.8	22.0	0.0	-1.8	-0.2	-8.3%
Wired Telecommunications Carriers	6.1	6.1	7.1	7.2	0.0	-1.0	-0.1	-14.1%
Wireless Telecommunications Carriers	10.5	10.6	11.1	11.3	-0.1	-0.6	-0.2	-5.4%

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

NAICS INDUSTRY TITLE (number in thousands)	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Revised Jan-02	Change			
					Jan-03 Feb-03	Feb-02 Feb-03	Jan-02 Feb-02	Feb-02 Feb-03%
FINANCIAL ACTIVITIES	89.4	89.2	87.9	87.3	0.2	1.5	0.6	1.7%
Finance and Insurance	61.6	61.6	60.8	60.4	0.0	0.8	0.4	1.3%
Credit Intermediation and Related Activities	26.6	26.6	25.8	25.5	0.0	0.8	0.3	3.1%
Insurance Carriers and Related Activities	26.6	26.5	26.4	26.4	0.1	0.2	0.0	0.8%
Real Estate and Rental Leasing	27.8	27.6	27.1	26.9	0.2	0.7	0.2	2.6%
PROFESSIONAL and BUSINESS SERVICES	177.2	176.6	177.3	176.4	0.6	-0.1	0.9	-0.1%
Professional, Scientific and Technical Services	88.6	88.0	89.9	89.4	0.6	-1.3	0.5	-1.4%
Legal Services	13.0	13.0	12.9	12.8	0.0	0.1	0.1	0.8%
Accounting, Tax Prep, Bookkeeping and Payroll	9.9	9.6	10.6	10.1	0.3	-0.7	0.5	-6.6%
Architectural, Engineering and Related Serv	18.3	18.3	18.4	18.6	0.0	-0.1	-0.2	-0.5%
Computer Systems Design and Related Serv	16.7	16.7	18.5	18.9	0.0	-1.8	-0.4	-9.7%
MGMT OF COMPANIES and ENTERPRISES	22.6	22.6	22.5	22.5	0.0	0.1	0.0	0.4%
ADMIN, SUPPORT, WASTE MGMT and REMED	66.0	66.0	64.9	64.5	0.0	1.1	0.4	1.7%
Administrative and Support Services	63.2	63.4	61.9	61.6	-0.2	1.3	0.3	2.1%
Employment Services	26.2	26.6	25.6	25.8	-0.4	0.6	-0.2	2.3%
EDUCATION and HEALTH SERVICES	137.6	136.4	135.6	134.1	1.2	2.0	1.5	1.5%
Educational Services	21.7	21.1	22.3	21.3	0.6	-0.6	1.0	-2.7%
Ambulatory Health Care Services	47.4	47.1	46.2	45.9	0.3	1.2	0.3	2.6%
Hospitals	26.9	26.9	26.4	26.4	0.0	0.5	0.0	1.9%
Nursing and Residential Care Facilities	20.6	20.6	20.3	20.3	0.0	0.3	0.0	1.5%
Social Assistance	21.0	20.7	20.4	20.2	0.3	0.6	0.2	2.9%
LEISURE and HOSPITALITY	114.0	113.8	113.9	114.3	0.2	0.1	-0.4	0.1%
Arts, Entertainment and Recreation	19.4	19.4	20.7	20.9	0.0	-1.3	-0.2	-6.3%
Accommodation	12.1	12.0	12.3	12.2	0.1	-0.2	0.1	-1.6%
Food Services and Drinking Places	82.5	82.4	80.9	81.2	0.1	1.6	-0.3	2.0%
OTHER SERVICES	48.5	48.4	46.3	46.3	0.1	2.2	0.0	4.8%
Repair and Maintenance	13.7	13.7	13.5	13.4	0.0	0.2	0.1	1.5%
Personal and Laundry Services	13.3	13.3	13.3	13.4	0.0	0.0	-0.1	0.0%
Religious, Grantmaking, Civic, Prof. & Similar	21.5	21.4	19.5	19.5	0.1	2.0	0.0	10.3%
GOVERNMENT	204.5	202.5	202.4	199.3	2.0	2.1	3.1	1.0%
Federal Government	25.4	26.1	25.0	25.4	-0.7	0.4	-0.4	1.6%
Total State Government	60.5	59.8	60.2	59.7	0.7	0.3	0.5	0.5%
State Government Educational Services	43.9	43.1	43.4	42.9	0.8	0.5	0.5	1.2%
Total Local Government	118.6	116.6	117.2	114.2	2.0	1.4	3.0	1.2%
Local Government Educational Services	53.2	52.5	51.6	50.9	0.7	1.6	0.7	3.1%
Workers in Labor/Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture.

Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

Columns may not add due to rounding. Prepared in cooperation with the U S Department of Labor, Bureau of Labor Statistics

This and other labor market information is available on the web at:

www.workforceexplorer.com

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

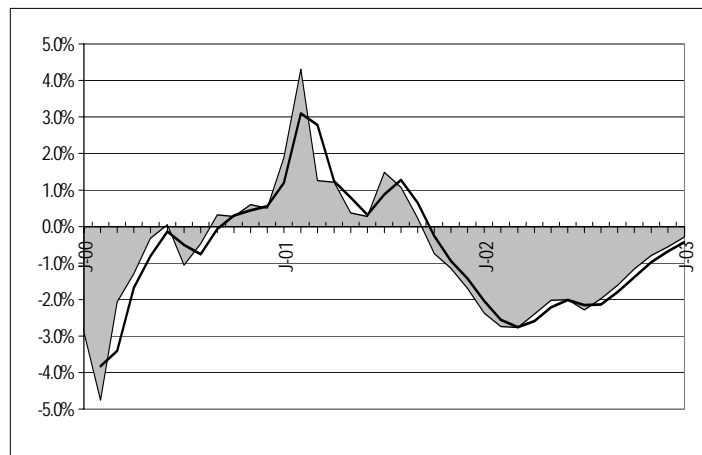
HIGHLIGHTS

Although the Unemployment Rate rose 3 tenths of a percentage point in February, bringing it up to 7.5 percent, it is still 6 tenths of a point below last February when it was 8.2percent. The current figure matches the state's unadjusted rate, which also came in at 7.5percent.

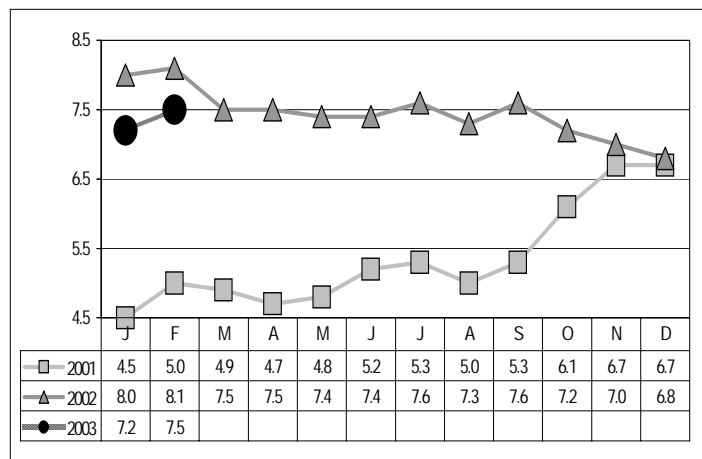
Nonfarm jobs numbered 207,300 in February, down 2,200 from January. Aerospace Products and Parts fell by 300 jobs over the month and was down 3,300 over the year. Construction fell by 100 jobs but remains up by 500 from February 2002. Retail fell by 700 jobs over the month and is down 900 from a year ago.

There are some bright spots in the economy. Financial Activities continues to hold its own and increased by 100 in February and 900 over the year. Food Services and Drinking Places are up by 500 over the month and 600 over the year. Educational and Health Services posted a 400-job loss over the month but remains up by 400 from last February. Local Education is up by 100 for the month and 400 for the year.

**Snohomish County Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Snohomish MSA 2001-2003**



Nonagricultural Wage and Salary Workers Employed in Snohomish County

Non Seasonally Adjusted (in thousands) NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03 %
TOTAL NONFARM 1/	207.3	209.5	209.5	-2.2	-2.2	-1.0%
TOTAL PRIVATE	172.5	174.6	174.8	-2.2	-2.3	-1.3%
<i>GOODS PRODUCING</i>	61.1	62.1	64.3	-0.9	-3.2	-5.0%
<i>SERVICE PROVIDING</i>	146.2	147.5	145.1	-1.3	1.0	0.7%
CONSTRUCTION	17.6	17.6	17.0	-0.1	0.5	3.2%
Construction of Buildings	3.4	3.3	3.1	0.1	0.4	12.0%
Heavy and Civil Engineering Construction	2.0	2.1	1.8	-0.1	0.2	10.2%
Specialty Trade Contractors	11.8	11.9	11.7	-0.1	0.1	0.8%
MANUFACTURING	43.6	44.4	47.3	-0.9	-3.7	-7.9%
Durable Goods	39.0	39.7	42.7	-0.8	-3.7	-8.6%
Wood Product Manufacturing	1.9	1.9	1.9	0.1	0.1	2.7%
Fabricated Metal Product Manufacturing	2.5	2.6	2.6	-0.1	-0.1	-3.9%
Computer and Electronic Product Manufacturing	5.2	5.3	5.9	-0.1	-0.7	-11.5%
Electronic Instrument Manufacturing	3.4	3.5	3.6	-0.1	-0.1	-3.6%
Transportation Equipment Manufacturing	25.3	26.2	28.5	-0.9	-3.2	-11.3%
Aerospace Product and Parts Manufacturing	24.1	24.5	27.4	-0.3	-3.3	-12.0%
Non-Durable Goods	4.6	4.7	4.7	-0.1	-0.1	-1.5%
TRADE, TRANSPORTATION and UTILITIES	34.1	35.0	35.2	-0.9	-1.1	-3.2%
Wholesale Trade	5.8	6.0	5.9	-0.1	0.0	-0.1%
Retail Trade	25.4	26.2	26.4	-0.7	-0.9	-3.5%
Motor Vehicle and Parts Dealers	4.1	4.1	4.2	-0.1	-0.1	-2.5%
Building material and garden supply stores	2.6	2.6	2.5	0.0	0.2	7.1%
Food and Beverage Stores	5.4	5.4	5.6	0.0	-0.2	-3.4%
Health and Personal Care Stores	1.7	1.7	1.7	0.0	0.0	-2.1%
General Merchandise Stores	2.9	2.9	2.7	-0.1	0.1	4.1%
Transportation, Warehousing and Utilities	2.8	2.9	3.0	-0.1	-0.2	-7.2%
INFORMATION	3.5	3.5	3.8	0.0	-0.3	-6.7%
Telecommunications	1.7	1.7	1.9	0.0	-0.2	-8.9%
FINANCIAL ACTIVITIES	11.7	11.6	10.9	0.1	0.9	7.9%
Finance and Insurance	8.7	8.6	8.1	0.1	0.7	8.1%
Credit Intermediation and Related Activities	3.4	3.3	3.0	0.1	0.3	11.4%
Insurance Carriers and Related Activities	4.9	4.8	4.6	0.0	0.3	6.5%
Real Estate, Rental and Leasing	2.9	2.8	2.8	0.1	0.1	3.8%
PROFESSIONAL and BUSINESS SERVICES	15.9	16.4	15.1	-0.5	0.7	4.9%
Professional, Scientific and Technical Services	7.1	7.3	6.9	-0.1	0.2	2.9%
Architectural, Engineering and Related Services	1.8	1.9	1.9	-0.1	-0.1	-4.6%
Admin, Support, Waste Man and Remed Svcs	7.7	7.9	6.9	-0.2	0.7	10.7%
Employment Services	3.1	3.1	2.1	0.0	1.0	46.5%
EDUCATIONAL and HEALTH SERVICES	20.4	20.8	20.0	-0.4	0.4	2.0%
Ambulatory Health Care Services	8.6	8.5	8.5	0.1	0.2	1.9%
Nursing and Residential Care Facilities	4.4	4.5	4.2	-0.1	0.3	6.2%
Social Assistance	3.1	3.2	3.0	0.0	0.1	3.6%

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Nonagricultural Wage and Salary Workers Employed in Snohomish County

NAICS INDUSTRY TITLE (in thousands)	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
LEISURE and HOSPITALITY	17.8	17.2	17.2	0.6	0.6	3.3%
Arts, Entertainment and Recreation	2.7	2.6	2.6	0.1	0.1	5.3%
Accommodation and Food Services	15.2	14.7	14.6	0.5	0.6	3.9%
Food Services and Drinking Places	14.4	14.0	13.9	0.5	0.6	4.0%
OTHER SERVICES	8.0	8.1	8.3	-0.1	-0.3	-3.3%
Repair and Maintenance	2.0	2.1	2.3	-0.1	-0.3	-13.0%
Personal and Laundry Services	2.1	2.1	2.2	0.0	-0.1	-4.0%
Membership associations and organizations	3.7	3.9	3.7	-0.1	0.0	-0.5%
GOVERNMENT	34.8	34.9	34.7	-0.1	0.1	0.3%
Federal Government	2.2	2.2	2.2	0.0	0.0	1.9%
State Government	5.2	5.2	5.3	0.0	-0.1	-2.3%
State Government Educational Services	2.2	2.2	2.2	0.0	0.0	-0.3%
Local Government	27.4	27.5	27.2	-0.1	0.2	0.7%
Local Government Educational Services	14.6	14.4	14.2	0.1	0.4	2.9%
Workers in Labor/Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0%

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other labor market information is available on the web at:

www.workforceexplorer.com

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

It may be gray outside, but going back a few years, the beginning of 2000 was positively grim. Over 900 aluminum workers were eventually locked out of the Mead Kaiser plant. After three years of multiple choruses of the *Laid-Off-Again, On-Again Blues*, this January showed a skeleton crew left at Mead.

Basically, it was the same scenario at the Kaiser Trentwood plant, the only differences being a slight variation of numbers.

Offsetting the Blue Meanies are expectations of companies like Itron, Walmart, and Supervalu. When the going gets tough, they expand.

Of course, there's Coldwater Creek. Although it is home-based in Idaho, the news is all over Spokane that the high-ranking, web-based giant catalog and on-line store is going "hard copy" so to speak. They currently have a few retail stores, but more importantly they hold 5 percent of the web retail market in women's apparel. However, when over 90 percent of the estimated \$83.6 billion made each year is walk-in business, as little as 2.5 percent cut of that market could translate to \$2-billion each year. That kind of success is bound to add to the area, either by attracting other business or more employees to handle the expansion. Wow. Two billion dollars; kind of makes you want to open up a web business of your own, doesn't it?

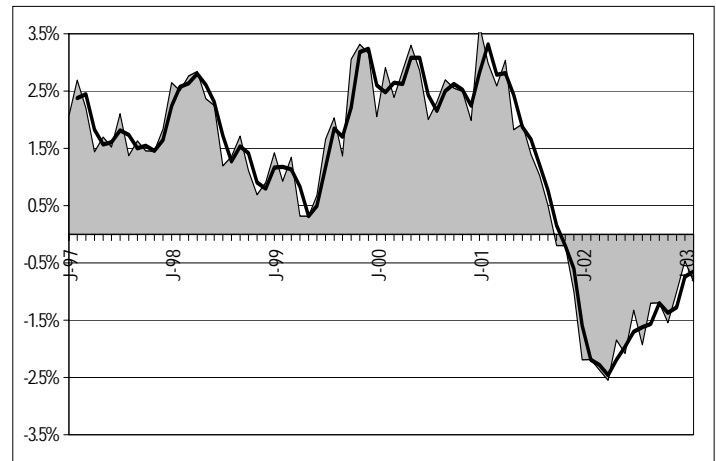
Speaking of specific numbers, the over-the-month total gain for the MSA was 100 jobs. In fact, there were several gains in quite a few sectors, but the leading edge was in State and Local governments and their associated Educational Services, each gaining 200.

The biggest drop over the month came in Retail Trade, with Food and Beverage, and General Merchandise Stores taking the brunt of the -400 dip.

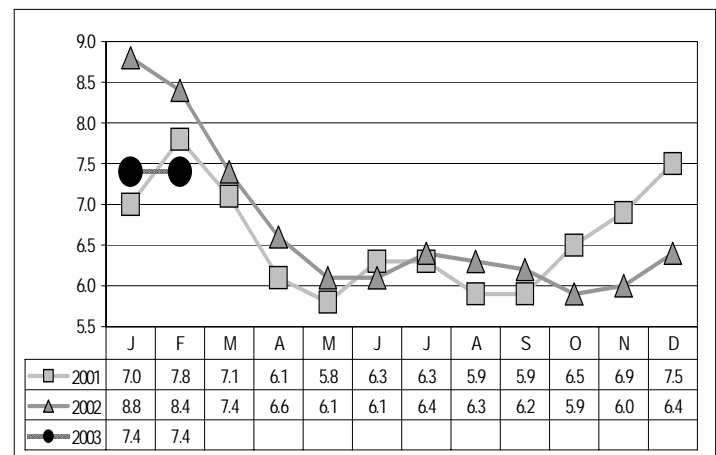
From February 2002 to February 2003, the downturn was 1,600 overall, the major contributor to the fall being specifically in Durable Goods (-800), and Computer and Electronic Product Manufacturing (-300). And again losing ground was Retail Trade (-500), with Total Local Government running close behind (-400). The nondescript Other Services dropped a whopping 900.

It may be a gray day now, but with all the plans for expansion, things should definitely get brighter.

**Spokane MSA Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Spokane MSA 2001-2003**



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

NAICS INDUSTRY TITLE (number in thousands)	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Revised Jan-02	Change			
					Jan-03 Feb-03	Feb-02 Feb-03	Jan-02 Feb-02	Feb-02 Feb-03%
TOTAL NONFARM 1/	190.9	190.8	192.5	191.6	0.1	-1.6	0.9	-0.8%
TOTAL PRIVATE	156.8	157.0	158.1	157.6	-0.2	-1.3	0.5	-0.8%
GOODS PRODUCING	25.7	25.9	26.6	26.9	-0.2	-0.9	-0.3	-3.4%
NATURAL RESOURCES and CONSTRUCTION	9.4	9.5	9.0	9.1	-0.1	0.4	-0.1	4.4%
MANUFACTURING	16.3	16.4	17.6	17.8	-0.1	-1.3	-0.2	-7.4%
Durable Goods	12.7	12.8	13.5	13.7	-0.1	-0.8	-0.2	-5.9%
Computer and Electronic Product Mfg	2.9	3.0	3.2	3.3	-0.1	-0.3	-0.1	-9.4%
SERVICES PROVIDING	165.2	164.9	165.9	164.7	0.3	-0.7	1.2	-0.4%
TRADE, TRANSPORTATION and UTILITIES	39.9	40.4	40.1	40.2	-0.5	-0.2	-0.1	-0.5%
Wholesale Trade	9.6	9.7	9.6	9.5	-0.1	0.0	0.1	0.0%
Retail Trade	24.2	24.6	24.7	24.9	-0.4	-0.5	-0.2	-2.0%
Food and Beverage Stores	4.9	4.9	5.0	5.0	0.0	-0.1	0.0	-2.0%
General Merchandise Stores	3.9	4.0	4.1	4.1	-0.1	-0.2	0.0	-4.9%
Transportation, Warehousing and Utilities	6.1	6.1	5.8	5.8	0.0	0.3	0.0	5.2%
INFORMATION	2.7	2.7	3.0	3.0	0.0	-0.3	0.0	-10.0%
FINANCIAL ACTIVITIES	12.1	12.1	11.7	11.6	0.0	0.4	0.1	3.4%
Finance and Insurance	8.9	8.8	8.6	8.6	0.1	0.3	0.0	3.5%
PROFESSIONAL and BUSINESS SERVICES	18.5	18.5	18.0	17.9	0.0	0.5	0.1	2.8%
MGMT OF COMPANIES and ENTERPRISES	2.7	2.6	2.8	2.8	0.1	-0.1	0.0	-3.6%
EDUCATION and HEALTH SERVICES	31.9	31.6	31.4	30.9	0.3	0.5	0.5	1.6%
Health and Social Assistance	27.5	27.4	27.0	27.0	0.1	0.5	0.0	1.9%
Ambulatory Health Care Services	10.3	10.2	10.1	10.1	0.1	0.2	0.0	2.0%
Hospitals	8.0	8.0	8.0	8.1	0.0	0.0	-0.1	0.0%
LEISURE and HOSPITALITY	17.5	17.4	17.9	17.8	0.1	-0.4	0.1	-2.2%
Food Services and Drinking Places	12.8	12.8	13.1	13.0	0.0	-0.3	0.1	-2.3%
OTHER SERVICES	8.5	8.4	9.4	9.3	0.1	-0.9	0.1	-9.6%
GOVERNMENT	34.1	33.8	34.4	34.0	0.3	-0.3	0.4	-0.9%
Federal Government	4.5	4.6	4.4	4.5	-0.1	0.1	-0.1	2.3%
Total State Government	11.1	10.9	11.1	10.8	0.2	0.0	0.3	0.0%
State Government Educational Services	6.0	5.8	6.1	5.8	0.2	-0.1	0.3	-1.6%
Total Local Government	18.5	18.3	18.9	18.7	0.2	-0.4	0.2	-2.1%
Local Government Educational Services	11.3	11.1	11.5	11.2	0.2	-0.2	0.3	-1.7%
Workers in Labor/Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture.

Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

Columns may not add due to rounding. Prepared in cooperation with the U S Department of Labor, Bureau of Labor Statistics

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www.workforceexplorer.com

Washington State LABOR AREA SUMMARY

Tacoma PMSA

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

HIGHLIGHTS

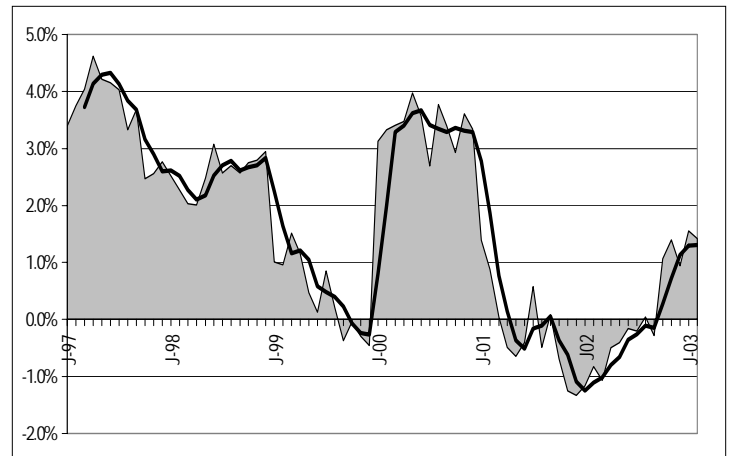
The unemployment rate in the Tacoma Primary Metropolitan Statistical Area (all of Pierce County) for January was 7.6 per cent, which continues to be essentially identical to the statewide rate of 7.4 percent, and a point above the comparable rate for the U.S. of 6.5 percent. (Unemployment rates are not seasonally adjusted, since seasonally adjusted local unemployment rates, such as for Pierce County, are not available.)

The apparent improvement in Pierce County place of work employment since January, 2002 continues, after a slight dip in the December job estimate. Over the year, nonagricultural employment is up substantially. There was a sharp drop in the month-to-month job count, most likely due mainly to normal seasonal layoffs (usually these layoffs are centered in retail trade).

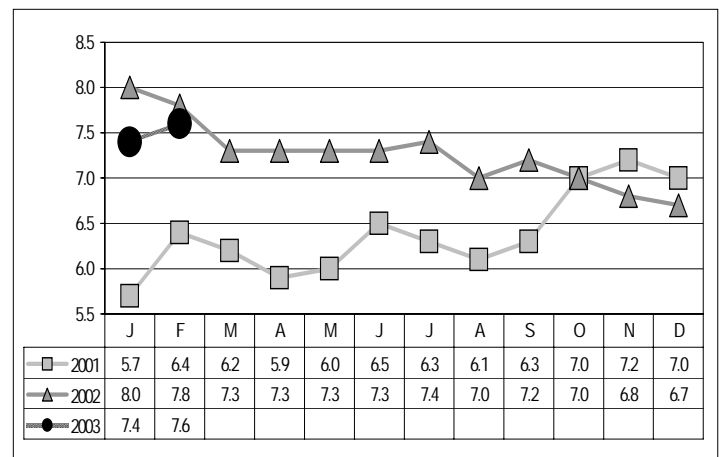
This continuing steady improvement in Tacoma's local labor economy is primarily driven by construction employment, government jobs, retail employment and jobs in the services sectors. Manufacturing industries are not, apparently, a significant positive factor in this job growth.

Total government employment was up over the year. (Much of government is local public education and state college employment, with a strong seasonal component, and as a result changes over the year may be a result of shifting seasonality.)

**Tacoma PMSA Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Tacoma PMSA 2001-2003**



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

NAICS INDUSTRY TITLE (number in thousands)	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Revised Jan-02	Change			
					Jan-03 Feb-03	Feb-02 Feb-03	Jan-02 Feb-02	Feb-02 Feb-03%
TOTAL NONFARM 1/	242.7	241.7	239.1	238.0	1.0	3.6	1.1	1.5%
TOTAL PRIVATE	189.7	188.8	186.5	185.8	0.9	3.2	0.7	1.7%
GOODS PRODUCING	34.9	34.9	35.7	35.6	0.0	-0.8	0.1	-2.2%
NATURAL RESOURCES and MINING	0.6	0.6	0.6	0.5	0.0	0.0	0.1	0.0%
CONSTRUCTION	15.5	15.5	15.2	15.1	0.0	0.3	0.1	2.0%
Specialty Trade Contractors	9.7	9.7	9.3	9.2	0.0	0.4	0.1	4.3%
MANUFACTURING	18.8	18.8	19.9	20.0	0.0	-1.1	-0.1	-5.5%
Durable Goods	12.2	12.2	12.7	12.7	0.0	-0.5	0.0	-3.9%
Non-Durable Goods	6.6	6.6	7.2	7.3	0.0	-0.6	-0.1	-8.3%
SERVICE PROVIDING	207.8	206.8	203.4	202.4	1.0	4.4	1.0	2.2%
TRADE, TRANSPORTATION and UTILITIES	46.5	46.7	45.6	46.3	-0.2	0.9	-0.7	2.0%
Wholesale Trade	9.1	9.0	8.9	8.9	0.1	0.2	0.0	2.2%
Retail Trade	28.7	29.2	28.1	28.8	-0.5	0.6	-0.7	2.1%
Food and Beverage Stores	5.5	5.5	5.6	5.7	0.0	-0.1	-0.1	-1.8%
General Merchandise Stores	5.4	5.6	5.2	5.5	-0.2	0.2	-0.3	3.8%
Transportation, Warehousing and Utilities	8.7	8.5	8.6	8.6	0.2	0.1	0.0	1.2%
INFORMATION	2.9	2.9	3.2	3.2	0.0	-0.3	0.0	-9.4%
FINANCIAL ACTIVITIES	12.9	12.9	12.7	12.7	0.0	0.2	0.0	1.6%
PROFESSIONAL and BUSINESS SERVICES	20.1	20.0	18.5	18.2	0.1	1.6	0.3	8.6%
ADMIN, SUPPORT, WASTE MGMT & REMEDIATION	11.1	11.0	9.8	9.5	0.1	1.3	0.3	13.3%
Administrative and Support Services	10.3	10.2	9.0	8.8	0.1	1.3	0.2	14.4%
EDUCATION and HEALTH SERVICES	37.3	36.8	36.8	36.1	0.5	0.5	0.7	1.4%
Ambulatory Health Care Services	12.2	12.2	11.8	11.7	0.0	0.4	0.1	3.4%
Hospitals	8.2	8.2	7.7	7.7	0.0	0.5	0.0	6.5%
Social Assistance	6.7	6.7	6.6	6.6	0.0	0.1	0.0	1.5%
LEISURE and HOSPITALITY	23.9	23.5	22.7	22.5	0.4	1.2	0.2	5.3%
Arts, Entertainment and Recreation	4.1	4.0	3.6	3.6	0.1	0.5	0.0	13.9%
Food Services and Drinking Places	18.3	18.3	17.8	17.6	0.0	0.5	0.2	2.8%
OTHER SERVICES	11.2	11.1	11.3	11.2	0.1	-0.1	0.1	-0.9%
GOVERNMENT	53.0	52.9	52.6	52.2	0.1	0.4	0.4	0.8%
Federal Government	9.7	9.8	9.5	9.6	-0.1	0.2	-0.1	2.1%
Total State Government	11.5	11.5	11.4	11.3	0.0	0.1	0.1	0.9%
State Government Educational Services	3.9	3.8	3.8	3.6	0.1	0.1	0.2	2.6%
Total Local Government	31.8	31.6	31.7	31.3	0.2	0.1	0.4	0.3%
Local Government Educational Services	17.7	17.6	18.3	18.0	0.1	-0.6	0.3	-3.3%
Workers in Labor/Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture.

Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month.

Columns may not add due to rounding. Prepared in cooperation with the U S Department of Labor, Bureau of Labor Statistics

This and other labor market information is available on the web at:

www.workforceexplorer.com

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

Total nonfarm wage and salary employment increased by 400 from January to February. The private sector contributed 220 to the gain while the public sector added 180. Of that 180, the majority was in public education and that mainly with the local school districts. The bounce in education was not uniform; two of the smaller districts reported some slight contraction in payrolls.

Construction payrolls continued their advance adding 130 new jobs over the month from January.

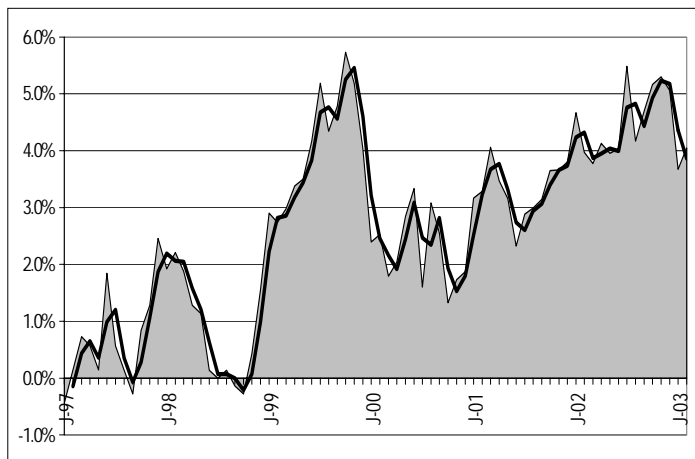
In the services sector, there was a gain of 180 over the thirty-day period, but this was a net change. Employment at Hanford with waste treatment services, as distinct from Battelle and the Vit-project, continued to leak workers. This reflected some budget retrenchments recently announced by the Federal Government. With the impact of the war, it should be interesting to see what effect it will have on the Tri-Cities economy. Of course, the community has a huge agricultural payroll that brings in roughly \$160 million and food processing plants that contribute approximately \$135 million. These compare with the Hanford payroll of roughly a little over \$1 billion. The Tri-Cities community goes from fiscal year to fiscal year and, for all of the ups and downs, the community's population still grows faster than the average for the state.

Since February of last year, the Tri-Cities economy has added 3,140 jobs, for a gain of 4.0 percent. Leading the way has been the Vit-project, where employment has risen in professional, scientific and technical services—up by 1,330. Construction is the second fastest growing industry, with a gain of 8.9 percent.

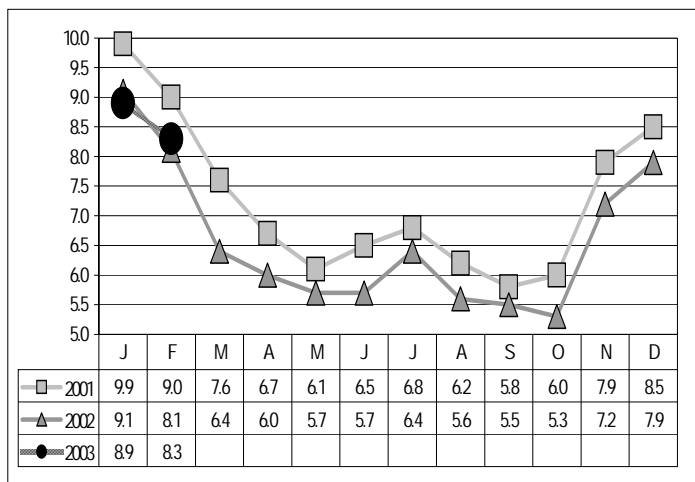
Frothy might be the adjective to best describe the current Tri-Cities economy. There was strong net growth in the primary economy with the Vit-plant. There were some negative changes in manufacturing, however, there were very strong, positive changes in the secondary economy, which would be retail, services, and commercial and housing construction. Hopefully, in the long run, the growth does not leave the local economy with a hangover.

In terms of population, the Tri-Cities is not the fastest growing community. However, the City of Pasco has been growing at a particularly fast pace, roughly five percent in only twelve months. On the other hand, Richland grew by 2.03 percent and Kennewick by less than one percent.

**Tri-Cities MSA Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Tri-Cities MSA 2001-2003**



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

NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	81,680	81,280	78,540	400	3,140	4.0%
TOTAL PRIVATE	66,330	66,110	63,550	220	2,780	4.4%
GOODS PRODUCING	10,220	10,140	9,930	80	290	2.9%
CONSTRUCTION, NAT. RESOURCES and MINING	4,790	4,660	4,400	130	390	8.9%
MANUFACTURING	5,430	5,480	5,530	-50	-100	-1.8%
Food Manufacturing	3,190	3,210	3,250	-20	-60	-1.8%
Chemicals and Allied Products	830	830	840	0	-10	-1.2%
Primary and Fabricated Metal Products	340	360	400	-20	-60	-15.0%
Other Manufacturing	1,080	1,070	1,050	10	30	2.9%
SERVICE PROVIDING	71,460	71,140	68,600	320	2,860	4.2%
TRADE, TRANSPORTATION and UTILITIES	13,470	13,520	12,890	-50	580	4.5%
Wholesale Trade	1,990	1,980	1,980	10	10	0.5%
Retail Trade	10,010	10,080	9,470	-70	540	5.7%
Transportation, Warehousing and Utilities	1,470	1,470	1,440	0	30	2.1%
INFORMATION	970	980	940	-10	30	3.2%
FINANCE, INSURANCE and REAL ESTATE	2,910	2,890	2,860	20	50	1.7%
SERVICES	38,760	38,580	36,940	180	1,820	4.9%
Professional, Scientific and Technical Services	10,380	10,330	9,050	50	1,330	14.7%
Health Services	6,470	6,420	6,060	50	410	6.8%
Waste Treatment	9,640	9,650	9,800	-10	-160	-1.6%
GOVERNMENT	15,350	15,170	14,980	180	370	2.5%
Federal Government	1,410	1,420	1,310	-10	100	7.6%
State and Local Government	13,940	13,750	13,670	190	270	2.0%
Educational Services	7,380	7,240	7,280	140	100	1.4%
Workers in Labor-Management Disputes	0	0	0	0	0	-

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

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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

Don't say you weren't warned. Clark County's January unemployment rate was revised upward by two and a half points to 9.3 percent. The February rate was unchanged. The upward revision was due primarily to the benchmarking process, with unemployment rate now revised upward for all of 2002, due to job losses that were greater than initially estimated. Also, claims data from Oregon had been coming in too late for the preliminary estimate of unemployment, and over the past six months this has led to upward revisions. This data arrived in time for February, however, so there should be no upward revision next month. The unemployment rate for February 2002 was 9.7 percent, meaning there has been some improvement over the year. About 17,400 county residents were looking for work, versus 18,100 last winter.

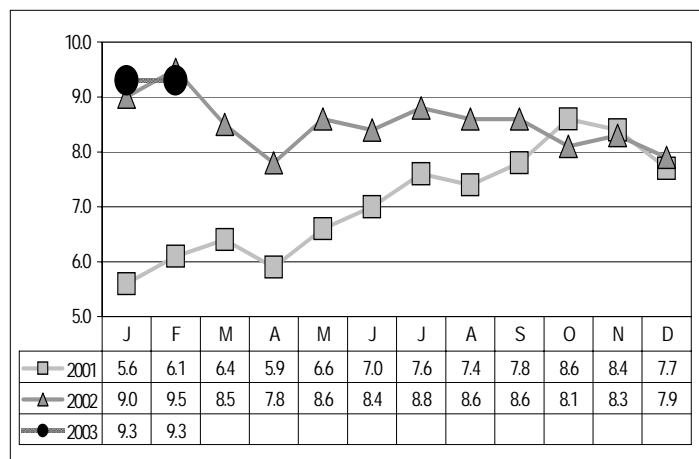
On the jobs front, there was some good news: January nonfarm employment was revised upward by 500 jobs, based on more complete returns from the employer sample. February's total was estimated at 114,600, up 600 for the month. Hiring occurred in small amounts in a number of industries, including public education, health and social services, professional services, and manufacturing.

Since February 2002, there has been no net change in employment. Construction and manufacturing have both dropped by 600 jobs (including 400 in electronics). Other services—which includes corporate headquarters—has fallen by the same amount. Job growth has been concentrated in health care (+500) and public education (+500). A raft of other industries has pitched 100 here or 200 there, notably social assistance, auto dealerships and parts stores, accommodation & food services, and professional services.

Roughly a third of Clark County workers make their way over to jobs in Portland, about the same proportion as in 1990. Numerically, there was a big jump from 35,300 to 50,900. About 65 percent worked in Clark County. A small number worked elsewhere, including 1.5 percent (2,500) in Cowlitz.

Clark County jobs, on the other hand, were largely filled by residents (87 percent), with Portlanders taking 9 percent and Cowlitz below 2 percent. These percentages were nearly identical to 1990 patterns. The number of cross-commuters from Portland grew from 9,100 to 11,100.

**Unemployment Rates by Month
Clark County 2001-2003**



Nonagricultural Wage and Salary Workers Employed in Clark County

NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	114,600	114,000	114,600	600	0	0.0%
CONSTRUCTION, MINING, UTILITIES and LOGGING	9,100	9,100	9,700	0	-600	-6.2%
Construction, Mining and Utilities	9,000	9,000	9,600	0	-600	-6.3%
Logging	100	100	100	0	0	0.0%
MANUFACTURING	12,800	12,800	13,400	0	-600	-4.5%
Food Manufacturing	1,000	1,100	1,000	-100	0	0.0%
Wood Product Manufacturing	800	700	600	100	200	33.3%
Paper Manufacturing	2,100	2,200	2,200	-100	-100	-4.5%
Plastics and Rubber Products Manufacturing	700	700	800	0	-100	-12.5%
Fabricated Metal Product Manufacturing	1,100	1,100	1,100	0	0	0.0%
Machinery Manufacturing	1,200	1,200	1,100	0	100	9.1%
Computer and Electronic Product Manufacturing	3,100	3,100	3,500	0	-400	-11.4%
Transportation Equipment Manufacturing	600	600	600	0	0	0.0%
Other Manufacturing	2,200	2,100	2,500	100	-300	-12.0%
WHOLESALE TRADE	4,100	4,100	4,200	0	-100	-2.4%
RETAIL TRADE	12,900	13,000	12,700	-100	200	1.6%
Motor Vehicle and Parts Dealers	1,900	1,900	1,700	0	200	11.8%
Food and Beverage Stores	3,000	3,000	2,900	0	100	3.4%
Health and Personal Care Stores	800	900	800	-100	0	0.0%
General Merchandise Stores	2,700	2,700	2,700	0	0	0.0%
Other Retail	4,500	4,500	4,600	0	-100	-2.2%
TRANSPORTATION and WAREHOUSING	3,100	3,100	3,300	0	-200	-6.1%
INFORMATION	2,900	2,900	3,000	0	-100	-3.3%
FINANCE and INSURANCE	3,300	3,300	3,200	0	100	3.1%
REAL ESTATE and RENTAL and LEASING	2,300	2,300	2,200	0	100	4.5%
PROF., SCIENTIFIC and TECH.SERVICES	6,200	6,100	6,000	100	200	3.3%
ADMIN., SUPPORT and WASTE MGMT.	5,000	4,900	4,900	100	100	2.0%
EDUCATION SERVICES	1,100	1,100	1,000	0	100	10.0%
HEALTH CARE and SOCIAL ASSISTANCE	13,700	13,500	13,000	200	700	5.4%
Social Assistance	2,300	2,200	2,100	100	200	9.5%
Health Services	11,400	11,300	10,900	100	500	4.6%
ARTS, ENTERTAINMENT and RECREATION	2,200	2,200	2,200	0	0	0.0%
ACCOMMODATION and FOOD SERVICES	9,600	9,500	9,400	100	200	2.1%
OTHER SERVICES	4,700	4,700	5,300	0	-600	-11.3%
GOVERNMENT	21,600	21,400	21,100	200	500	2.4%
Federal Government	2,500	2,500	2,700	0	-200	-7.4%
State Government	3,400	3,400	3,300	0	100	3.0%
Local Government	15,700	15,500	15,100	200	600	4.0%
K-12 Education	10,600	10,400	10,100	200	500	5.0%
Other Local Government	5,100	5,100	5,000	0	100	2.0%
Workers in Labor-Management Disputes	0	0	0	0	0	0.0%
<i>Nonfarm Employment without logging</i>	<i>114,500</i>	<i>113,900</i>	<i>114,500</i>	<i>600</i>	<i>0</i>	<i>0.0%</i>

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

www.workforceexplorer.com

Washington State LABOR AREA SUMMARY Yakima MSA

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

HIGHLIGHTS

Nonagricultural Employment

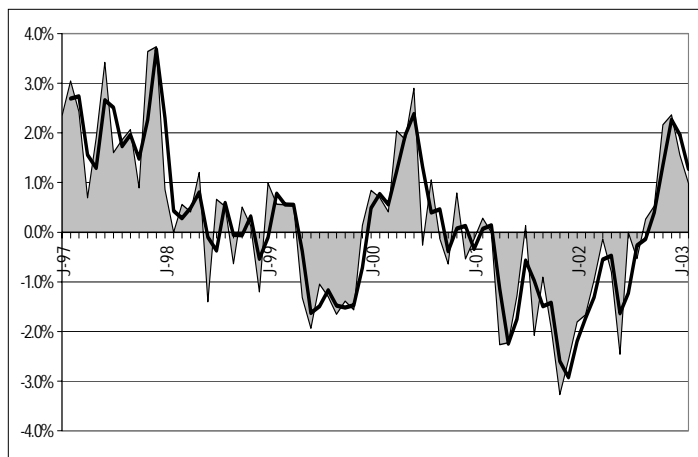
Over the month of February 2003, total nonagricultural employment in Yakima County (also called the Yakima Metropolitan Statistical Area or MSA) did not net any new jobs. Transportation and warehousing businesses, primarily trucking firms that move agricultural goods to market, saw employment slip by 200 jobs over the month. Conversely, services companies netted a 200-job advance in February. Accommodation and food services (i.e., casinos, restaurants, taverns, etc.) took on 100 new workers. Private educational services (i.e., private elementary and secondary schools, technical and trade schools, educational support services, etc.) accounted for the lion's share of the other 100 services jobs gained across Yakima County between January and February of this year.

The fourth quarter of 2002, total nonagricultural employment across Yakima County pulled solidly ahead of the fourth quarter of 2001. This expansion that began last autumn in the local labor market continued into January and February of this year. By February 2003, total nonagricultural employment was 700 jobs higher than in February 2002. Over-the-year however, manufacturing jobs losses occurred in non-durable goods (-500) due to downturns in food processing. Conversely, there were job gains in health services and social assistance (+200), accommodation and food services (+200), and local government (+700). The lion's share of over-the-year job growth was attributed to local government hiring; with 150 of these 700 new jobs arising at local public primary and secondary schools. Although it is good news that the economy added local government jobs, it would be better news if this job growth had been diversified amongst several local industries.

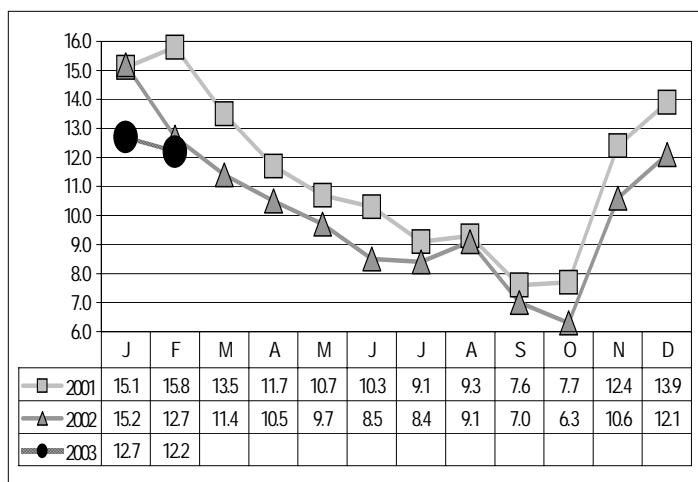
Unemployment

Over-the-year, the Yakima County unemployment rate dropped from 12.7 percent to 12.2 percent. This 0.6-percent-point drop in the rate since February 2002 probably overstates the improvement in the local economy. Why? For an answer we must look a little bit deeper at agricultural and nonagricultural employment (which account for jobs by "place of work") and resident labor force numbers (which estimates the number of people working by "place of residence"). The

**Yakima MSA Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Yakima MSA 2001-2003**



Continued...

Nonagricultural Wage and Salary Workers Employed in the Yakima MSA

NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	71,600	71,600	70,900	0	700	1.0%
TOTAL PRIVATE	54,700	54,800	54,800	-100	-100	-0.2%
NATURAL RESOURCES, MINING and UTILITIES	300	400	400	-100	-100	-25.0%
CONSTRUCTION	2,300	2,300	2,600	0	-300	-11.5%
MANUFACTURING	8,900	8,900	9,500	0	-600	-6.3%
Durable Goods	4,200	4,100	4,300	100	-100	-2.3%
Non-Durable Goods	4,700	4,700	5,200	0	-500	-9.6%
WHOLESALE TRADE	4,100	4,100	3,900	0	200	5.1%
RETAIL TRADE	8,900	9,000	8,600	-100	300	3.5%
TRANSPORTATION and WAREHOUSING	2,100	2,300	2,200	-200	-100	-4.5%
INFORMATION, FINANCE, INS. and REAL ESTATE	3,900	3,800	3,800	100	100	2.6%
SERVICES	24,200	24,000	23,900	200	300	1.3%
Professional, Scientific and Tech Svcs	1,800	1,800	1,800	0	0	0.0%
Health Services and Social Assistance	10,600	10,700	10,400	-100	200	1.9%
Accommodation and Food Services	5,200	5,100	5,000	100	200	4.0%
GOVERNMENT	16,900	16,800	16,100	100	800	5.0%
Federal Government	1,300	1,300	1,300	0	0	0.0%
State Government	3,000	3,000	2,900	0	100	3.4%
Local Government	12,500	12,400	11,800	100	700	5.9%
Workers in Labor/Management Disputes	0	0	0	0	0	0

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

www.workforceexplorer.com

Continued...

good news for the Yakima County economy is that in February 2003 the number of “unemployed” declined to 12,600 people, which was 400 below the February 2002 level of 13,000.

More encouraging news; the number of “employed” Yakima County residents expanded over the year by 2,300, to an estimated 90,900 people. However, nonagricultural employment elevated by only 700 jobs in this period, and agricultural employment was estimated to have diminished by 200 jobs. If 2,300 more Yakima County residents were working in February 2003 versus February 2002, one must ask; “Where are they working?” Much of the employment growth as indicated in the labor force estimates is not coming from within Yakima County. Many of the 2,300 additional residents estimated to be working this February commuted to jobs outside of the county, especially to the Tri-Cities where numerous jobs have been created by a new \$4 billion federal environmental clean-up program.

Washington State LABOR AREA SUMMARY

Wenatchee LMA (Chelan & Douglas Counties)

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

HIGHLIGHTS

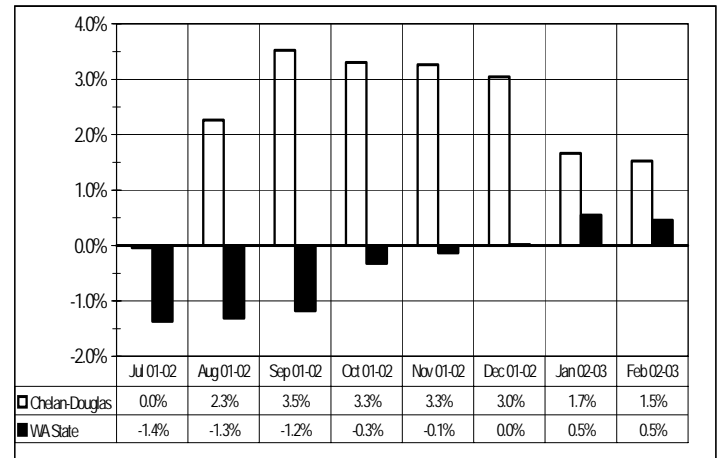
Total nonagricultural employment in Chelan and Douglas counties (also called the Wenatchee Labor Market Area or LMA) contracted by 390 jobs for a 1.1-percent shortening of payrolls over the month of February 2002. Nonagricultural employment here this February provided 34,140 jobs. The 390-job, over-the-month contraction was largely caused by a 320-job seasonal layoff in the local transportation and warehouse industry, primarily at firms that warehouse fruits and vegetables. Washington's non-adjusted wage and salary employment grew by 2,300 in February, an increase of less than 0.1-percent. Washington's losses were concentrated in manufacturing (-2,100) and retail trade (-5,900). Gains occurred in professional and business services (+2,000), education and health services (+2,700), and government (+4,200).

The first chart on the right plots over-the-year total nonagricultural employment change rates in the Wenatchee LMA and in Washington for the last six months of 2002 and the first two months of 2003. Statewide, the job-growth pace was in the negative column until December 2002, when job gains matched job losses. Then, in January and February of this year, Washington's labor economy started to turn the corner. Over-the-year job growth rates weighed in at a positive 0.5-percent for each of these months. This is certainly not a dramatic improvement, but when one considers that Washington lost jobs from May 2001 until December 2002, it is a step in the right direction. The economy in the Wenatchee LMA began to turn the corner approximately in August 2002, as Figure 1 illustrates.

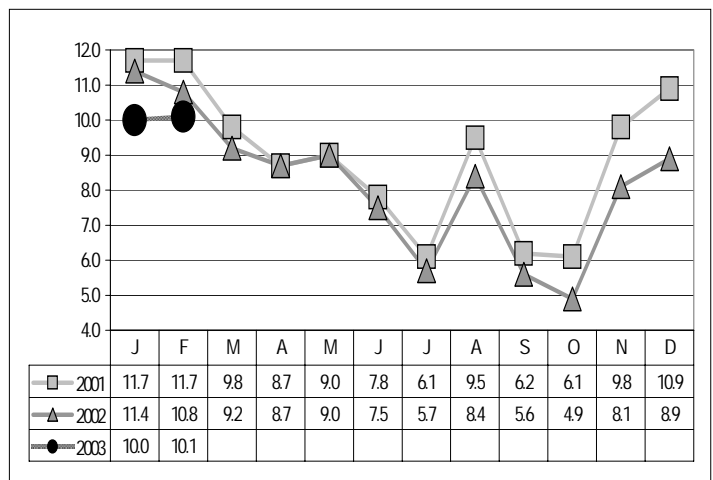
The last five months of 2002, total nonagricultural employment in the Wenatchee LMA surpassed levels for corresponding months of 2001. This expansion continued into 2003. By February 2003, total nonagricultural employment was 520 jobs higher than in February 2002. However, manufacturing job losses occurred in durable goods (-190) and in non-durable goods (-130). The former was caused by downturns in the local primary metals industry, and the latter was primarily due to downturns amongst local food processors. Last year's apple crop was smaller and more profitable than previous years, and a higher percentage of fruit was fresh-packed leaving fewer

Continued...

**Chelan/Douglas vs Washington State
Over-the-Year, Actual and Projected
Change Rates**



**Unemployment Rates by Month
Chelan and Douglas Counties 2001-2003**



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

NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	34,140	34,530	33,620	-390	520	1.5%
TOTAL PRIVATE	25,840	26,270	25,560	-430	280	1.1%
NATURAL RESOURCES, MINING and UTILITIES	130	140	140	-10	-10	-7.1%
CONSTRUCTION	2,040	2,120	1,770	-80	270	15.3%
MANUFACTURING	1,880	1,930	2,190	-50	-310	-14.2%
Durable Goods	1,270	1,310	1,460	-40	-190	-13.0%
Non-Durable Goods	600	630	730	-30	-130	-17.8%
WHOLESALE TRADE	1,470	1,470	1,480	0	-10	-0.7%
RETAIL TRADE	5,810	5,780	5,790	30	20	0.3%
TRANSPORTATION and WAREHOUSING	840	1,160	940	-320	-100	-10.6%
INFORMATION, FINANCE, INS and REAL ESTATE	1,940	1,950	1,920	-10	20	1.0%
SERVICES	11,740	11,720	11,320	20	420	3.7%
Health Services and Social Assistance	4,920	4,910	4,750	10	170	3.6%
Accommodation and Food Services	3,480	3,480	3,320	0	160	4.8%
GOVERNMENT	8,300	8,260	8,070	40	230	2.9%
Federal Government	800	800	800	0	0	0.0%
State Government	1,350	1,370	1,350	-20	0	0.0%
Local Government	6,150	6,090	5,930	60	220	3.7%
Workers in Labor Disputes	0	0	0	0	0	0

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

www.workforceexplorer.com

Continued...

cull apples for juice processing and related food-processing operations. Conversely, between February 2002 and February 2003 the following industries added jobs: accommodation and food services (+160), health services and social assistance (+170), local government (+220), and construction (+270). Thus, the bad news is that the two-county area lost good paying manufacturing jobs over the year, especially in durable goods. The good news is that the LMA added some family wage jobs in construction, government, and health services.

Unemployment

The unemployment rate in Chelan and Douglas counties was virtually unchanged over the month, edging upwards a tick from 10.0 percent in January to 10.1 percent in February 2003. This minute February upturn was not significant. For example, between January and February 2001, the unemployment rate held constant at an even higher 11.7 percent. According to resident labor force estimates, the number of unemployed residents rose by 40 in February, to 5,040 and the number of employed declined by 600, to 12,600. Nonagricultural employment shrank by 390 jobs, led by a 320-job seasonal downturn in the transportation and warehouse industry.

Over the year, the local unemployment rate declined, from 10.8 percent in February 2002 to the February 2003 reading of 10.1 percent. This over-the-year contraction in the rate is encouraging since it is a lower reading than for the corresponding month in at least the two previous years. Also, 260 fewer Chelan and Douglas Counties residents were unemployed this February than in February 2002, and the number of employed rose by 890. The resident labor force is currently estimated at 49,990, which is 1.3-percent higher than the 49,360 figure in February 2002. Nonagricultural employment stands at 34,140 jobs in February 2003, 1.5-percent ahead of the 33,620-job figure for the same month in 2002.

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

Total nonfarm employment for the valley advanced gently from January to February. Leading the growth was the private sector and this was centered in services.

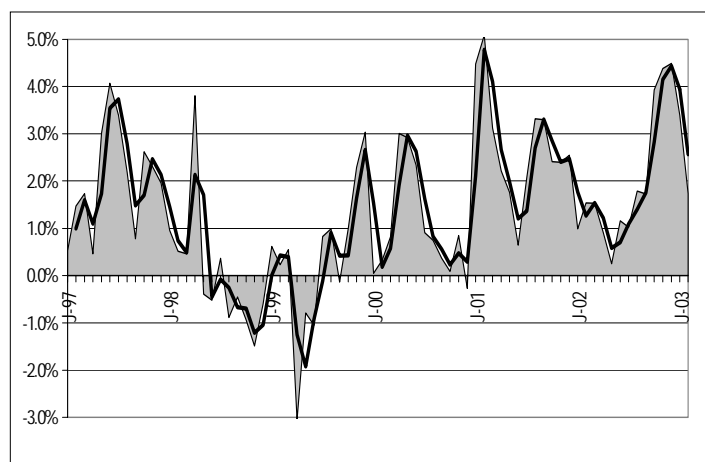
In services, student workers who were off of the payrolls during January were back on and counted as employed during February. Yes, yes, we know that these are part-time, student jobs that likely pay minimum wage, but they are jobs nonetheless and are counted as employed. Between the two private colleges and Walla Walla Community College, these student jobs at peak, employ 850 students.

Down during the month was retail and this industry will likely remain in the post-holiday doldrums until late spring. Also by spring, the industry of wholesale nondurable goods is likely to add 350 or so jobs as early grown crops need to be sorted, cleaned, and sent to market.

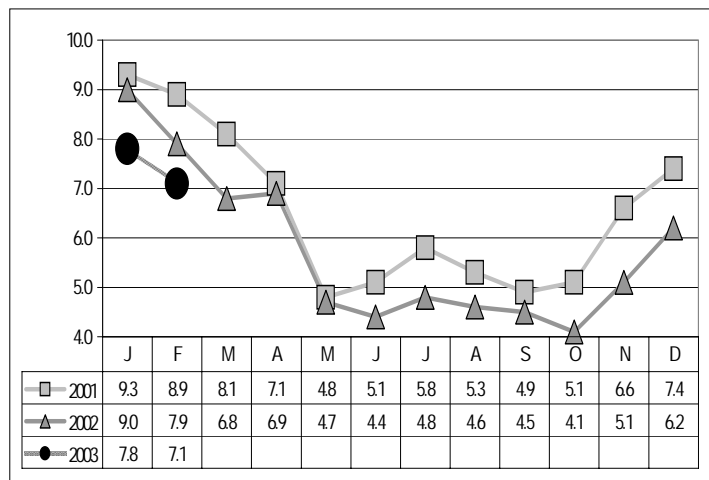
Over-the-year, the Walla Walla economy has posted some nice growth. Kind of like Goldilocks' growth: Not too torrid and not too tepid, but growth in a state's economy that should treat each new jobs as something precious.

The wineries [see chart at bottom of next page] have been leading the new job creation. The industry has a modest base, but boosts an estimated increase of roughly 26 percent over-the-year. The wineries themselves do not generate a great number of jobs. This is because much of the industry is capital intensive. Much of the job creation associated with the wines will be in the local accommodations and food services industry.

**Walla Walla County Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Walla Walla County 2001-2003**



Nonagricultural Wage and Salary Workers Employed in Walla Walla County

NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	23,480	23,150	23,040	330	440	1.9%
TOTAL PRIVATE	18,200	17,830	17,750	370	450	2.5%
GOODS PRODUCING	4,720	4,710	4,580	10	140	3.1%
CONSTRUCTION, NAT. RESOURCES and MINING	900	900	910	0	-10	-1.1%
MANUFACTURING	3,820	3,820	3,670	0	150	4.1%
Durable Goods	1,630	1,620	1,610	10	20	1.2%
Wineries	190	190	150	0	40	26.7%
Food Manufacturing	2,010	2,010	1,910	0	100	5.2%
SERVICE PRODUCING	18,760	18,430	18,450	330	310	1.7%
TRADE, TRANSPORTATION and UTILITIES	3,580	3,570	3,530	10	50	1.4%
Wholesale Trade	560	520	650	40	-90	-13.8%
Retail Trade	2,510	2,540	2,400	-30	110	4.6%
Transportation, Warehousing and Utilities	460	470	430	-10	30	7.0%
INFORMATION and FINANCIAL ACTIVITIES	1,360	1,360	1,350	0	10	0.7%
SERVICES	8,540	8,180	8,290	360	250	3.0%
Educational Services	1,950	1,560	1,930	390	20	1.0%
GOVERNMENT	5,280	5,320	5,290	-40	-10	-0.2%
Federal Government	930	930	900	0	30	3.3%
State and Local Government	4,350	4,390	4,390	-40	-40	-0.9%
Educational Services	2,280	2,320	2,190	-40	90	4.1%
Workers in Labor-Management Disputes	0	0	0	0	0	0

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

www.workforceexplorer.com

Wineries Employment - Walla Walla Co.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1992	8	8	10	10	8	10	14	26	12	12	11	11
1993	9	10	9	11	12	17	13	16	31	12	16	13
1994	12	13	12	17	18	16	27	23	38	38	19	18
1995	16	16	17	18	17	22	42	29	44	35	28	26
1996	21	20	23	37	46	49	45	42	44	37	32	29
1997	28	36	45	57	62	69	49	53	60	55	46	41
1998	33	34	50	68	75	68	63	62	50	61	47	42
1999	40	49	57	74	77	75	110	121	131	116	116	101
2000	44	61	76	91	111	114	149	150	158	177	135	127
2001	96	115	134	144	181	186	170	168	197	208	200	197
2002	145	151	175	202	220	213						

This would only include employment at the plant and not necessarily at the farm level.

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

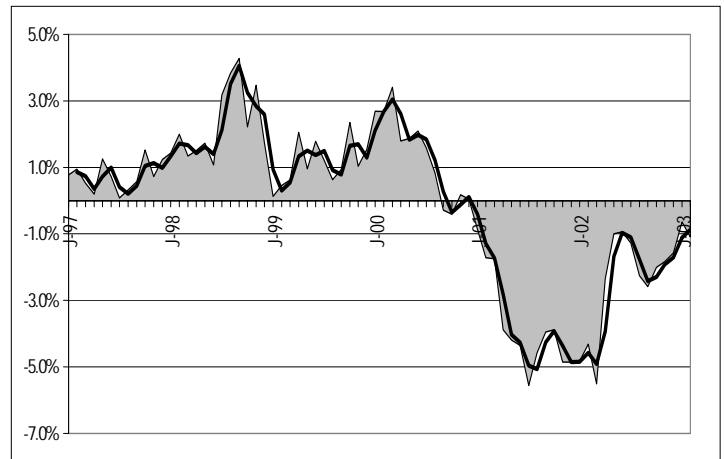
HIGHLIGHTS

In Cowlitz County in February, the unemployment rate snuck up a tenth of a point to 10.5 percent. Roughly 4,160 county residents were jobless and actively seeking work. While still in double-digits, the rate was a point lower than a year ago.

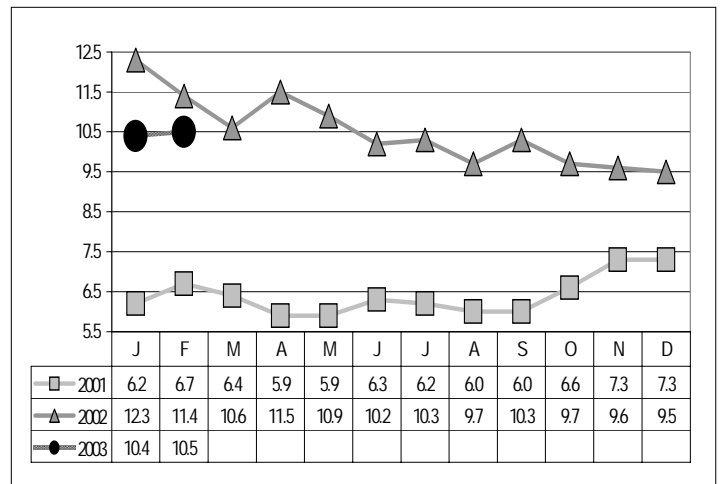
Nonfarm employment in February was estimated at 35,250. Over the month, employment fell by 180 jobs. Transportation & warehousing slipped by 110 jobs, manufacturing by 80 jobs (all in wood products), retail trade by 50, and construction by 40. Government employment was bolstered by a gain of 60 jobs in K-12 education.

Over the past 12 months, the county has lost 390 jobs, or 1.1 percent of its employment base. Losses have occurred in manufacturing (-460), transportation & warehousing (-130), construction (-90), and wholesale trade (-70). K-12 education has added 90 jobs to payrolls, while retail trade and health care & social assistance are both at +50 for the year.

**Cowlitz County Nonag Employment
% Change Over the Year 1997-2003**



**Unemployment Rates by Month
Cowlitz County 2001-2003**



Nonagricultural Wage and Salary Workers Employed in Cowlitz County

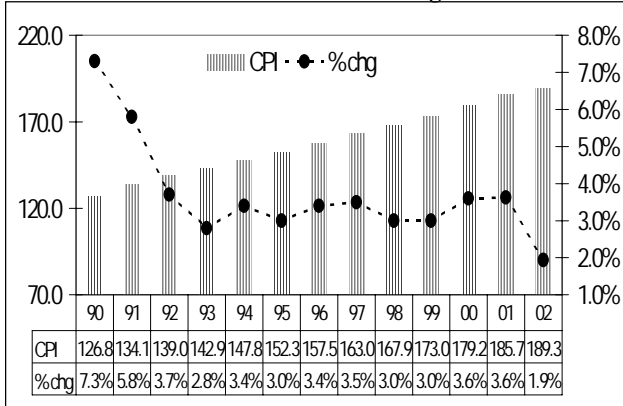
NAICS INDUSTRY TITLE	Prelim Feb-03	Revised Jan-03	Revised Feb-02	Change		
				Jan-03 Feb-03	Feb-02 Feb-03	Feb-02 Feb-03%
TOTAL NONFARM 1/	35,250	35,430	35,640	-180	-390	-1.1%
CONSTRUCTION, MINING, UTILITIES and LOGGING	3,060	3,100	3,150	-40	-90	-2.9%
Construction, Mining and Utilities	2,340	2,370	2,430	-30	-90	-3.7%
Logging	720	730	720	-10	0	0.0%
MANUFACTURING	6,800	6,880	7,260	-80	-460	-6.3%
Wood Product Manufacturing	1,100	1,180	1,190	-80	-90	-7.6%
Paper Manufacturing	2,880	2,880	3,140	0	-260	-8.3%
Other Manufacturing	2,820	2,820	2,930	0	-110	-3.8%
WHOLESALE TRADE	1,040	1,030	1,110	10	-70	-6.3%
RETAIL TRADE	4,190	4,240	4,140	-50	50	1.2%
Food and Beverage Stores	940	950	1,000	-10	-60	-6.0%
General Merchandise Stores	960	980	970	-20	-10	-1.0%
Other Retail	2,290	2,310	2,170	-20	120	5.5%
TRANSPORTATION and WAREHOUSING	1,040	1,150	1,170	-110	-130	-11.1%
FINANCE and INSURANCE	990	980	960	10	30	3.1%
ADMIN., SUPPORT and WASTE MGMT.	800	780	780	20	20	2.6%
HEALTH CARE and SOCIAL ASSISTANCE	4,700	4,710	4,650	-10	50	1.1%
ACCOMMODATION and FOOD SERVICES	2,780	2,810	2,760	-30	20	0.7%
OTHER SERVICES	3,880	3,840	3,790	40	90	2.4%
GOVERNMENT	5,970	5,910	5,870	60	100	1.7%
Federal Government	240	240	240	0	0	0.0%
State Government	1,270	1,260	1,260	10	10	0.8%
Local Government	4,460	4,410	4,370	50	90	2.1%
K-12 Education	2,830	2,770	2,740	60	90	3.3%
Other Local Government	1,630	1,640	1,630	-10	0	0.0%
Workers in Labor-Management Disputes	10	10	0	0	10	0.0%
<i>Nonfarm Employment without logging</i>	<i>34,530</i>	<i>34,700</i>	<i>34,920</i>	<i>-170</i>	<i>-390</i>	<i>-1.1%</i>

1/ Excludes proprietors, self-employed, members of the armed services, workers in private households, and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding. This and other current labor market information is available on the web at:

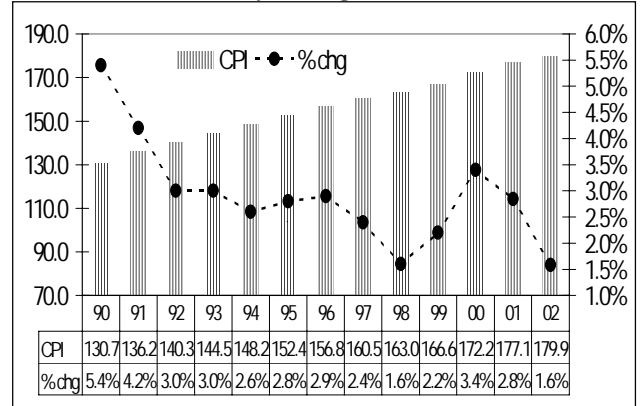
www.workforceexplorer.com

Consumer Price Indexes

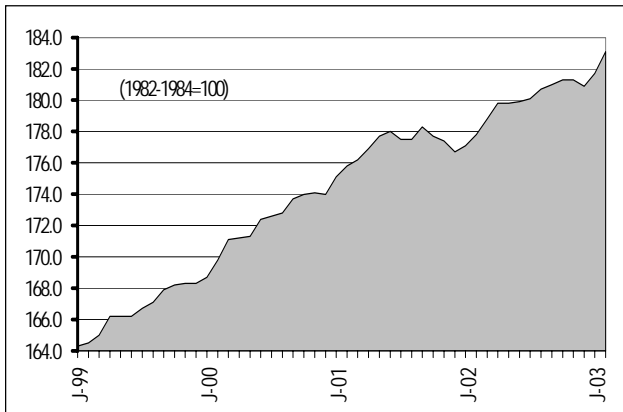
Seattle-Tacoma-Bremerton Average 1990-2002



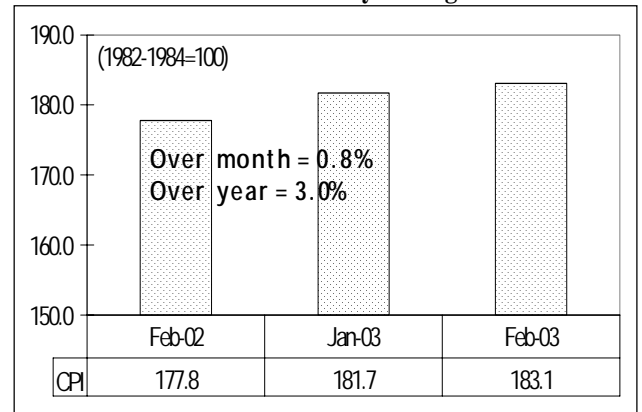
U.S. City Average 1990-2002



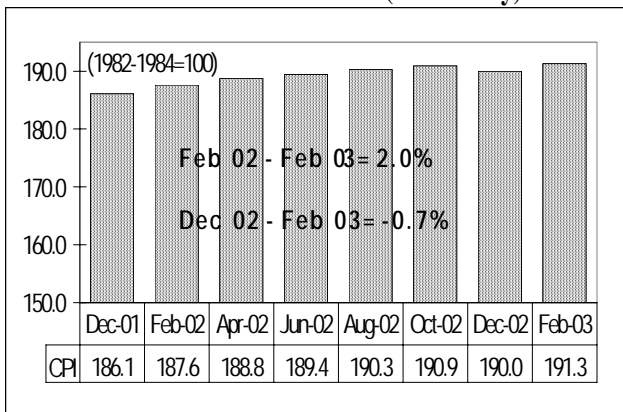
U.S. City Average 1999-2003



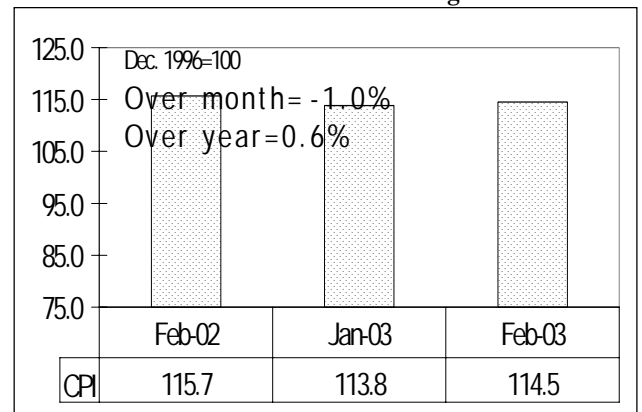
Current U.S. City Average



Seattle-Tacoma-Bremerton (bi-monthly)



Current West-B/C Average



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

Technical Notes

This release is prepared in conjunction with the U.S. Department of Labor, Bureau of Labor Statistics. The current month's estimates are preliminary, while all previous months are subject to revisions. Industries are classified in accord with the *North America Industrial Classification System (NAICS)*, and implemented with the release of January 2003 data. The benchmark for all estimates is September 2002. 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 is not strictly comparable with labor force data, which represents persons by place of residence.

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

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

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