
**COLUMBIA COUNTY PROFILE
OCTOBER 1997**

Labor Market and Economic Analysis Branch
Employment Security Department

This report has been prepared in accordance with
RCW 50.12.260.

Carver Gayton, *Commissioner*
Washington State Employment Security Department

Gary Bodeutsch, *Director*
Labor Market and Economic Analysis Branch
P.O. Box 9046
Mail Stop 6000
Olympia, WA 98507-9046
(360) 438-4800

Prepared by Jay Barrier, *Economic Analyst*
Layout by Bonnie Dalebout, *Editorial Assistant*

**Price \$4.50
plus 8.0% sales tax for Washington residents**

Acknowledgements:

Palouse Economic Development Council
NE 1345 Terre View Drive
Pullman, WA 99163
(509) 843-1104

Walla Walla Job Service Center
1530 Stevens, Drawer H
Walla Walla, WA 99362
(509) 527-4393

Fred Walsh
Washington State Employment Security Department
Regional Labor Economist
P.O. Box TAF-C-14
Spokane, WA 99220-4014
(509) 532-3188

TABLE OF CONTENTS

<p>INTRODUCTION 1</p> <p>GEOGRAPHY 2</p> <p>ECONOMIC HISTORY 3</p> <p>POPULATION 5</p> <p style="padding-left: 20px;">Trends</p> <p style="padding-left: 20px;">Towns and Cities</p> <p style="padding-left: 20px;">Age Groups</p> <p style="padding-left: 20px;">Demographics</p> <p>CIVILIAN LABOR FORCE 8</p> <p style="padding-left: 20px;">Trend</p> <p style="padding-left: 20px;">Demographics</p> <p>UNEMPLOYMENT 9</p> <p style="padding-left: 20px;">Trends</p> <p style="padding-left: 20px;">Industrial Typology and Unemployment</p> <p style="padding-left: 20px;">Unemployment Insurance Claims</p> <p>INDUSTRIES, EMPLOYMENT, AND WAGES 12</p> <p style="padding-left: 20px;">Trend</p> <p style="padding-left: 20px;">Location Quotients</p> <p style="padding-left: 20px;">Annual Average Wage</p> <p style="padding-left: 20px;">Agriculture</p>	<p>Manufacturing</p> <p>Trade</p> <p>Services</p> <p>Government</p> <p>The Small Sectors</p> <p>Industry Employment Projections</p> <p>OCCUPATIONAL PROFILE 20</p> <p>INCOME AND EARNINGS 23</p> <p style="padding-left: 20px;">Personal Income</p> <p style="padding-left: 20px;">Farm and Nonfarm Income</p> <p style="padding-left: 20px;">Components of Personal Income</p> <p style="padding-left: 20px;">Earned Income</p> <p style="padding-left: 20px;">Transfer Payments</p> <p style="padding-left: 20px;">Investment Income</p> <p>JOB TRAINING AND ECONOMIC DEVELOPMENT 28</p> <p style="padding-left: 20px;">Job Training</p> <p style="padding-left: 20px;">Economic Development</p> <p>SUMMARY 31</p> <p>APPENDIX - Columbia County Selected Economic Data A-1</p>
---	---

INTRODUCTION

This report profiles the labor and economic characteristics of Columbia County. It was prepared by the Labor Market and Economic Analysis (LMEA) Branch of the Washington State Employment Security Department and is one in a series that profiles labor market and economic conditions in each of Washington's 39 counties.

The profile is designed to assist state and local planners in developing local economic strategies. It is also an effective tool for answering labor market and economic questions frequently asked about the county. Readers with specific information needs should refer to the *Table of Contents* or to the *data appendix* to more quickly access those sections of particular interest to them.

Like the earlier *Columbia County Profile* of December 1993, the purpose of this report is to provide a compre-

hensive labor market and economic analysis of Columbia County. Characteristics profiled include the following:

- physical geography, economic history, and demographics
- labor force composition and trends
- industries, employment, and earnings
- skills and occupations
- economic development and job training

Much of the information in this report is regularly updated on the LMEA Internet homepage. The homepage contains current and historical labor market information which can be accessed by area or by type of information. The site address is:

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

Any inquiries or comments about information in the profile should be directed to the Labor Market and Economic Analysis Branch.

GEOGRAPHY

Situated in southeast Washington State, Columbia County is bounded on the north by Whitman County and the Snake River, on the west by Walla Walla County, on the east by Garfield County, and on the south by the state of Oregon.

One of the state's smallest counties—comprising a geographic area of 864 square miles—Columbia County ranks 31st in size among Washington's 39 counties.

The topography of northern Columbia County is one of rolling hills and valleys. In contrast, the southern part of the county boasts the rugged, steep, and forested Blue Mountains lying within the boundaries of the Umatilla National Forest. The highest elevation in the county is

Oregon Butte, whose summit is 6,401 feet above sea level. Other notable mountains within the county are Eckler, Robinette, Cahill, Chase and Pleasant.

Precipitation and melting snow from the Blue Mountains feed a host of rivers and streams that flow through the central Touchet Valley and into the Snake River at the county's northern border. The principle tributaries out of the mountains are the Tucannon River, Patit Creek, and Touchet River (which branches out into the North, South, and East Forks within the county). The latter two converge on the city of Dayton in central Columbia County before moving on to the Walla Walla River.

ECONOMIC HISTORY

Named in honor of the nearby Columbia River, the county was initially partitioned from what was then Walla Walla County in 1875. The enacting legislation was drafted by the Washington Territorial Legislature and signed by Territorial Governor Elisha P. Ferry. At that time, Columbia County also included the present-day counties of Asotin and Garfield. In 1881, the latter was formed out of the eastern half of Columbia County. Columbia County was reorganized for the last time by the Washington State Legislature in November of 1895, the bill having been signed by Governor John H. McGraw.

Long before the advent of white exploration and settlement, Native American Indians hunted and fished in what is now Columbia County. It was not until 1806—when Lewis and Clark passed through on their return journey—that whites first entered the area.

A handful of early pioneers ventured into Columbia County in the period following the Lewis and Clark expedition. Many were veterans of the Indian Wars. It was not until 1859, though, that the first permanent settlers arrived in the county. Most settled near the Touchet River or Patit Creek in the vicinity of what is now Dayton. Elisha Ping, the county's first permanent settler, cultivated 50 acres of wheat while Jesse N. Day—after whom the town of Dayton was named—raised cattle.

In the early pioneer days, cattlemen like Jesse Day led efforts to establish livestock raising as the first major industry in Columbia County. Within 10 years, there were as many as 3,000 to 4,000 head of cattle and 10,000 head of sheep grazing in the lowlands from fall through spring and up in the Blue Mountains during summer. The grazing land, however, was also coveted by farmers. As a result, confrontations over land-use occurred frequently.

Before the turn of the century, severe winter storms and subsequent feed shortages devastated the county's livestock industry. This led many ranchers to grow and stockpile hay and grain for winter use. Many cattlemen eventually switched to farming altogether. This move cleared the way for newcomers to cultivate crops. By the early 1900s, the cattlemen's efforts to ward off encroachment by wheat farmers proved futile. As the ranchers' dominion over the range diminished, farmers more intensively cultivated the rich and fertile soil.

Farmers initially tilled the river lowlands of the Touchet Valley. They quickly discovered, however, that

the fertile soil extended well beyond the lowlands. Consequently, crops were planted on the slopes of hills and even in forest clearings at the edge of the Blue Mountains.

In the 1860s, Columbia County wheat farmers continued to expand production. In fact, production exceeded demand to the extent that some of the wheat was shipped downriver to Portland. More significant, though, was the laying of railroad tracks through the county in the 1870s. This provided an efficient method of transporting goods to distant markets. Railroads allowed local wheat farmers to profit substantially from their ever-increasing production.

Around the turn of the century, numerous technological advances were made in the equipment used to harvest wheat. Early farmers—such as Elisha Ping—relied tremendously on their own hands to harvest their crops. Wheat stocks were felled and bundled by hand, set out to dry, trampled by oxen to separate the grain from the stock, and tossed by hand to remove the chaff. Horses, mules, and wagons were later introduced to make the harvest more efficient. Still, manual labor remained vital to the process. The first revolutionary change in the industry occurred when horse-drawn binders were introduced in the 1890s. The process evolved further with the introduction of horse-drawn combines and, later, steam-driven tractors.

In 1922, ten county farmers joined efforts and established the Farm Bureau. The purpose of the organization was twofold: (1) to establish a marketing program to ensure fair pricing and (2) to represent the interests of local farmers in Olympia. By 1924, the organization had 321 members. During the Great Depression, county farmers acted to further consolidate their power and influence by forming two additional organizations—the Columbia County Grain Growers and the Columbia County Grange.

Because of the abundant stands of timber (mostly pine and fir) in the Blue Mountains, it is of little surprise that logging and lumber evolved as yet another major industry in early Columbia County. Timber cutting was first introduced locally to provide logs for pioneer cabins. Later, crude sawmills were erected to supply lumber for the county's first homes and buildings. Real growth in the local logging and lumber industries came during

the 1880s, when migration into the county was on the increase and numerous small towns were being platted.

Throughout the 1880s and past the turn of the century, numerous sawmills were set up in the local Blue Mountains. After felling the trees, loggers would haul the timber out of the forest using ox-teams and greased skids or float the logs downstream to the mill. The mill workers would turn wood into lumber, shingles, doors, frames, and other wood products. The finished goods were then loaded onto wagons and delivered to towns such as Dayton.

The logging and lumber boom eventually subsided. Many mill owners invested their profits in land purchases, closed their mills, and turned to farming. Nevertheless, the two industries continued to be major employers in the county through the 1960s.

No account of early Columbia County history would be complete without mentioning the food processing industry—especially since it is currently recognized as the county’s major source of employment. Constructed in 1934, the Blue Mountain Cannery was among the

nation’s largest and most modern. During its initial season, the company canned approximately 7,500 cases of peas a day. Later, pea production was expanded and the canning season would last approximately four months each summer. Several years later, the firm expanded into asparagus. After changing hands several times, the facility is now owned by the Seneca Corporation and is a major employer in the area.

In 1958, the county took a major step toward centralizing its economic development efforts by forming the Port of Columbia County. This new organization was responsible for purchasing, enhancing, and leasing land for economic development purposes.

Today, along with food processing, grain production is the county’s primary industry. Among the principal cash crops are wheat, barley, and oats. Tree fruit production is also important, with local orchardists harvesting Red, Golden, and Rome apples as well as small stands of other fruit.

POPULATION

Trends

Columbia County's population fell from 4,439 in 1970 to 4,200 in 1997—a decrease of about 5 percent (see *Figure 1*). By comparison, the state's population increased by 64 percent during the same period. The decade of the 1970s saw the largest drop in the county's population; it fell from 4,439 in 1970 to 4,000 in 1983. In 1992, the population started climbing after a long period of flatness. After adding a couple of hundred residents, it leveled off in 1996 and 1997.

Changes in the population generally reflect changes in the economy—people tend to follow jobs. A look at the components that constitute population change is revealing (see *Figure 2*). The natural change (number of births less number of deaths) tends not to fluctuate

radically and usually reacts only to major social disruptions (examples are the Great Depression which led to the lowest birth rate in the 20th century, and WWII's aftermath, the baby boom).

In Columbia County, the natural change resulted in a net loss of 15 residents from 1990 to 1996 (i.e., there were more deaths than births; county residents are not even replacing themselves). It is, however, the migratory element of population change that responds quickly to economic conditions. And the 1990-96 period had 191 more people entering than leaving the county. Combining the natural change with net migration yields an overall population increase of 176.

Figure 1
Population Trend
Columbia County, 1970-1997
Source: Office of Financial Management

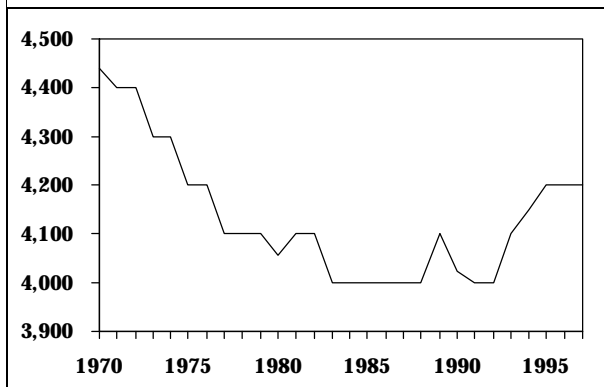
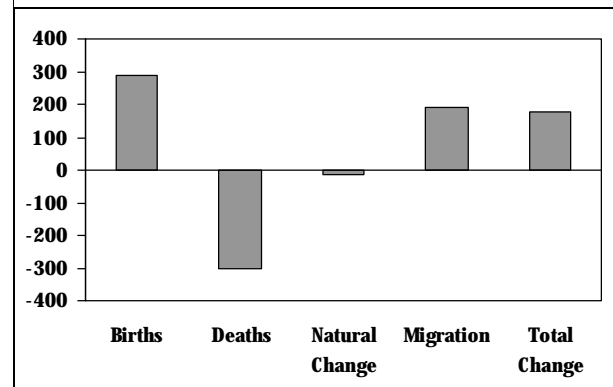


Figure 2
Components of Population Change
Columbia County, 1990-1996
Source: Office of Financial Management



Towns and Cities

Columbia County had 4,200 residents in 1997. Of these, 35 percent lived in unincorporated areas and 65 percent lived in incorporated areas. There are only two incorporated areas in the county: the largest is Dayton

(pop. 2,558); the other is Starbuck (pop. 170). *Figure 3* on the next page shows the change in the population of these areas since 1990.

Figure 3
Population of Cities, Towns, and County
April 1, 1990 to April 1, 1997
Source: Office of Financial Management

	1990	1991	1992	1993	1994	1995	1996	1997
Columbia County	4,024	4,000	4,000	4,100	4,150	4,200	4,200	4,200
Unincorporated	1,386	1,360	1,365	1,445	1,480	1,490	1,460	1,472
Incorporated	2,638	2,640	2,635	2,655	2,670	2,710	2,740	2,728
Dayton	2,468	2,470	2,470	2,490	2,505	2,520	2,550	2,558
Starbuck	170	170	165	165	165	190	190	170

Age Groups

Figures 4 and 5 show the population categorized by age groups in Columbia County and Washington. The two series of bars portray the population in 1995 and estimates (by the Office of Financial Management) for 2010.

- 0-14 - Infants or adolescents a decade or two removed from the labor force.
- 15-19 - Prospective new entrants in the labor force, less college students.
- 20-24 - New entrants into the labor force.
- 25-44 - Workers in their prime years of productivity.
- 45-64 - Mature workers with years of accumulated skills and experience.
- 65+ = Retirees.

The most salient feature of these charts is that the baby boomers, those born between 1946 and 1964, constitute a quite large segment of the population and the older ones are now entering into their 50s. Consequently, the share size of those 25-44 will be declining over the next few years while the 45-64 cohort will be growing. Another significant change in Columbia County is the decrease in the share size of the 65-and-older group while the same group statewide is growing. Even so, those over 65 in Columbia County remain a larger group than the statewide counterpart. In general, the residents of the county are older than those of Washington. Some 34 percent of Columbia's population is over age 50 compared to only 24 percent of the state's population.

Figure 4
Population by Age Groups
Columbia County, 1995 and 2010
Source: Office of Financial Management

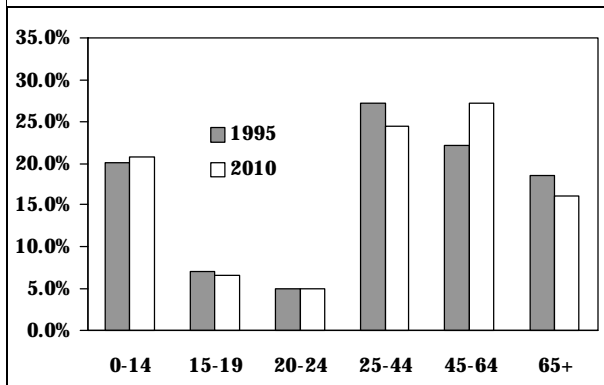
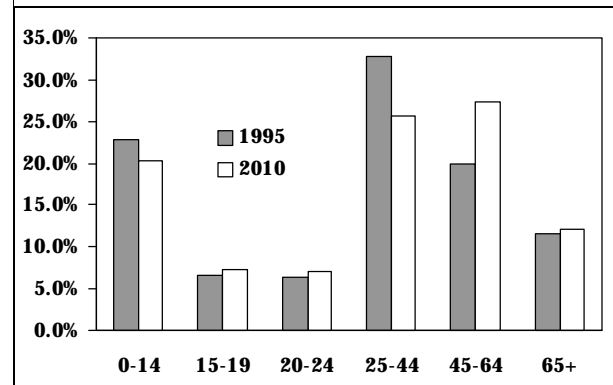


Figure 5
Population by Age Groups
Washington State, 1995 and 2010
Source: Office of Financial Management



Demographics

Columbia is essentially a white county. Estimates for 1995 give whites more than 99 percent of the total population. No other racial group accounts for more than four-tenths of 1 percent. In terms of race, Columbia is the least diversified of all of Washington's counties. Those of Hispanic origin, who can be of any race, make

up 29 percent of the population. The numeric estimates are as follows: total, 4,200; white, 4,169; black, 12; Native American, 18; Asian 1; and those of Hispanic origin, 1,219. The population is about evenly split between the sexes with 2,086 males and 2,114 females.

CIVILIAN LABOR FORCE

The resident civilian labor force is defined as all persons 16 years of age and older in a specified geographic area who are either working or looking for

work. This excludes those serving in the armed forces. Columbia County's labor force was estimated to be 1,460 in 1996.

Trend

Columbia County's labor force contracted by 31 percent between 1970 and 1996 (see Figures 6 and 7). Fluctuations in the labor force size were minimal until 1978 when strong growth began, culminating in a record high of 2,460 in 1981. The work force increased by one-fourth during that three-year period. However, the national recessions of the early 1980s precipitated a three-year period of decline in the county's labor force.

By the time the county emerged from the recession in 1984, its labor force had fallen nearly 30 percent.

The recovery following the recessions led to expansion in the labor force once again. But in 1987 a sharp decrease occurred, which was followed by further contractions. The recession of 1990-91 also hurt the labor force size, and it hit its low point of 1,340. Since then, the labor force has grown and contracted, but only by very small numbers.

Figure 6
Civilian Labor Force
Columbia County, 1970-1996
Source: Employment Security Department

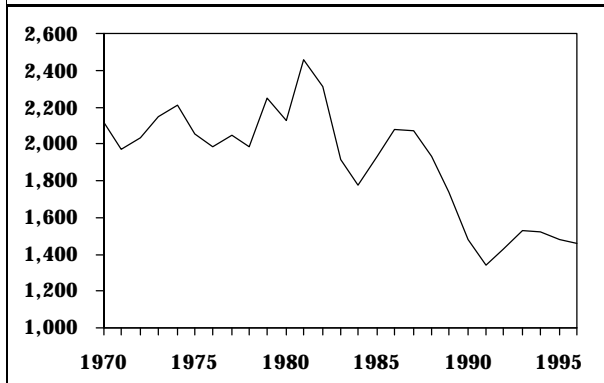
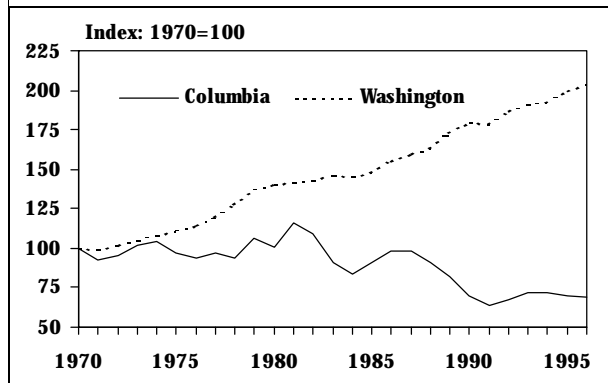


Figure 7
Civilian Labor Force
Columbia County & Washington, 1970-1996
Source: Employment Security Department



Demographics

Racially, the labor force has about the same composition as the population at large. Whites form an exceptionally large share of the total with racial minorities being extremely small or nonexistent. The most recent data (1995 estimates) show no blacks or Asians or Pacific Islanders and only 10 Native Americans in the

labor force. Those of Hispanic origin account for 39 percent of the labor force. Women in Columbia County make up about 41 percent of the labor force (1995). The percentage is lesser than found statewide, 45 percent, but not markedly so.

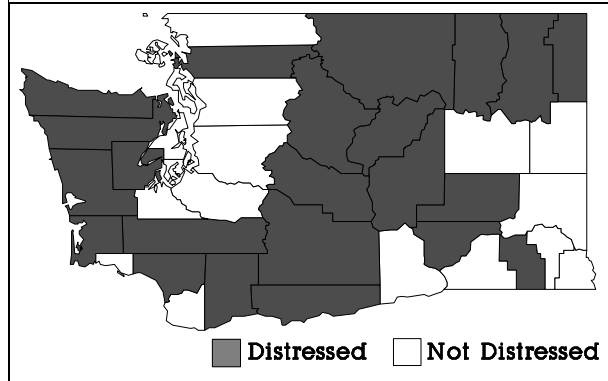
UNEMPLOYMENT

The civilian labor force consists of both those who are working and those without a job who are looking for work. The unemployment rate is the percentage of the total labor force who are not working but who are actively looking for work. The unemployed do not include retirees, persons in institutions (including the military, persons in correctional facilities, students, and others), or those who have come to be known as “discouraged workers,” that is, persons who would like to work but who are not actively searching for a job. None of these groups of people are included in the unemployment figures because they are not looking for work.

At the national level, the unemployment rate is determined by a monthly survey of households. At the local level, the state’s portion of this household survey is integrated with other information (e.g., unemployment insurance claims and surveys of business establishments) to produce unemployment rates at the state and county level.

Figure 8 shows the counties in Washington considered to be distressed; that is, have unemployment rates

Figure 8
Distressed Counties
Washington State, 1997
Source: Employment Security Department



20 percent higher than the statewide average for 3 consecutive years. Columbia County is included among the distressed counties, making it eligible for some preference in bidding for government contracts.

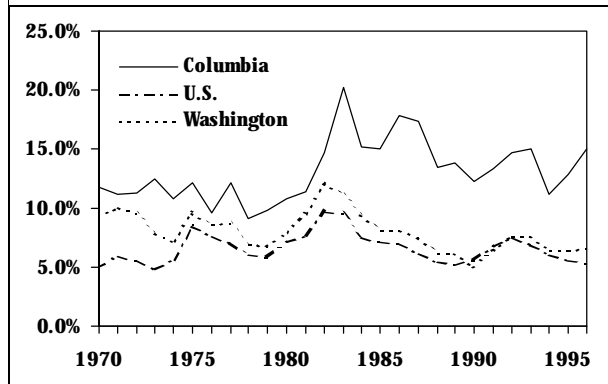
Trends

Since at least 1970, the annual average unemployment rate in Columbia County has remained consistently higher than those statewide or nationally (see Figure 9). And since 1983, it has been at least 5 full percentage points higher than the state rate every year except one.

At the end of 1970—a year mired in a national economic recession almost from beginning to end—the jobless rate in Columbia County was 11.8 percent. This was notably higher than the 9.2 percent and 4.9 percent unemployment in Washington State and the nation, respectively. Through the mid-1970s, the county’s jobless rate fluctuated no more than a percentage point in either direction. In 1976, though, it fell below 10 percent for the first time that decade (it would do so again in 1978 and 1979, though these were the last times).

At the turn of the decade, the county’s jobless rate climbed increasingly higher as its industries were hit first by a small national economic recession in 1980 and then a much more severe recession from July 1981

Figure 9
Unemployment Rates
Columbia, Washington, & U.S., 1970-1996
Source: Employment Security Department



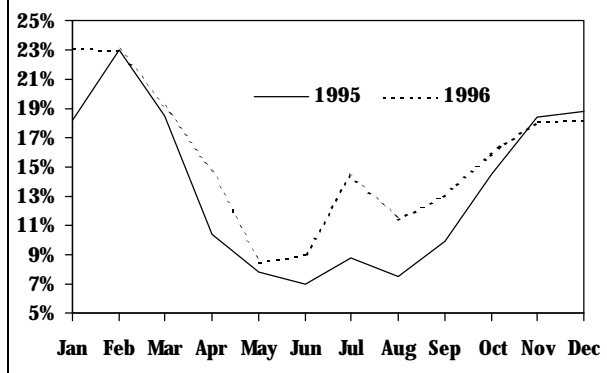
through November 1982. By the end of 1983, the county’s unemployment rate had soared to 20.3 percent—nearly double the 10.8 percent rate in 1980. The county’s

jobless rate eclipsed the 12.1 percent and 9.7 percent rates experienced statewide and nationally at the height of the recession.

Columbia County's unemployment rate subsided somewhat as the nation entered a period of economic expansion in the mid-1980s. It nevertheless remained high compared to the state and nation. For example, after falling just over five percentage points to 15.2 percent in 1984, the county's jobless rate rose again to 17.8 percent in 1986. After some decrease, the 1990-91 recession caused it to jump again, reaching 15 percent in 1993. It has seesawed down and then up since then, finally registering 15.1 percent in 1996.

Figure 10 shows unemployment distributed by month. The monthly rates for the years 1995-96 are shown (the similarities found in each of the years indicate a pattern rather than an anomaly). While the average annual unemployment rate is quite high compared to the state's rate, it does fluctuate widely throughout the year. Rates as high as 23 percent can occur during the winter but rates as low as 7 percent can be found during the

Figure 10
Monthly Unemployment
Columbia County, 1995 and 1996
Source: Employment Security Department



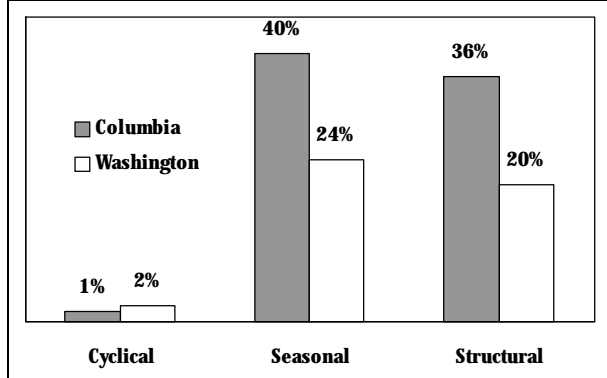
summer. This wide variation, of course, results from the seasonality of employment in agriculture and food processing where employment skyrockets during the spring and summer but declines just as dramatically thereafter.

Industrial Typology and Unemployment

A number of specific industries within Washington State have been defined as being seasonal, cyclical, or structurally mature. These designations relate to the level of variation in employment or to a decrease in employment over specific time periods. Because all three categories are reflective of employment instability or decline, the degree to which a county's economic base depends upon these industries reveals a tendency toward or away from unemployment. Government employment is excluded from these calculations.

The number of workers employed in these type industries in Columbia County has been tabulated (Figure 11). In 1995, 40 percent of all employment was concentrated in seasonal industries, 36 percent in structurally mature industries, and only 1 percent in cyclical industries. In comparison, the statewide typology was as follows: 24 percent seasonal, 20 percent structurally mature, and 2 percent cyclical. *Note: An industry can be recognized in more than one typology. Construction, for example, is very dependent upon weather and is also highly sensitive to fluctuations in overall economic activity, i.e., the business cycle. It has been categorized as both seasonal and cyclical.*

Figure 11
Industrial Typology
Columbia County & Washington, 1995
Source: Employment Security Department



Industries with *seasonal* employment patterns are characterized by large employment increases and decreases in particular months of the year. These variations occur during the same months each year and are caused by factors that repeat each year. Poor weather conditions, holiday seasons, and weather related activities such as harvesting are examples of such factors. Industries with *cyclical* employment patterns are char-

acterized by sharp increases and decreases in employment during periods of general economic growth and contraction. The employment patterns are generally related to upswings and downturns in overall economic activity. Industries such as ship building and aerospace and automobile manufacturing are examples. *Structurally mature* industries are characterized by long-term declines in total annual average employment. These declines may be the result of increased productivity, automation, technological change, exhaustion of natural resources, or other factors.

Columbia County has significantly higher concentration of workers in seasonal and structurally mature industries than does the state and a smaller concentration in cyclical industries. Given these concentrations of employment, there should be a high level of fluctuation in employment and unemployment during the course of a year, based on seasonality, and there is. The higher concentration in structurally mature industries would, in theory, negatively influence long-term growth, and, in reality, has done so.

Unemployment Insurance Claims

Figure 12 shows unemployment insurance claims, categorized by broad occupational groupings, for Columbia County and Washington State for the period July 1, 1995 to June 30, 1996.

If those occupations which have traditionally been thought of as blue-collar are segregated from the others, it is apparent that therein is the bulk of unemployment insurance claims. When professional, clerical, sales, services, and miscellaneous occupations are excluded,

the remainder, generally thought of as blue-collar, generated 213 claims, or 64 percent of the total. Statewide, that same group was responsible for 54 percent of all claims. Not surprisingly, the largest number of claims in Columbia County came from processing occupations (17 percent of the total). Statewide, the largest number came from structural occupations, which primarily contains the construction trades.

Figure 12
Unemployment Insurance Claimants
Columbia County & Washington State; July 1, 1995 - June 30, 1996
Source: Employment Security Department

	Columbia County		Washington
	Claimants	Percentage	Percentage
Processing	59	17.3%	4.5%
Service	52	15.2%	10.5%
Structural work	46	13.5%	17.3%
Agriculture, forestry and fishing	45	13.2%	7.3%
Professional/technical/managerial	34	9.9%	16.9%
Clerical	27	7.9%	11.6%
Packaging and material handling	23	6.7%	7.9%
Machine trades	20	5.8%	6.3%
Motor freight and transportation	14	4.1%	4.6%
Sales	9	2.6%	5.1%
Miscellaneous, NEC	7	2.0%	4.8%
Benchwork	6	1.8%	3.3%
Total	342	100.0%	100.0%
White-Collar*	122	36.4%	46.3%
Blue-Collar*	213	63.6%	53.7%

*Miscellaneous/NEC occupations excluded

INDUSTRIES, EMPLOYMENT, AND WAGES

Information in the following section is derived from Employment Security's Current Employment Statistics (CES) and Employment and Payrolls data. In this report, CES data are used for broad industry sector employment figures (excluding agriculture); employment figures for

specific industry groupings and for agricultural employment come from Employment and Payroll data. All wage data used here are derived from Employment and Payrolls information.

Trend

Nonfarm employment in Columbia County has been quite stable over the last quarter-century and has been characterized by slow growth with few volatile ups or downs. *Figure 13* shows employment changes from 1970 to 1996: the number of jobs grew from 1,120 to 1,460. The peak year was 1994 when there were 1,550 jobs in the county. The other chart, *Figure 14*, indexes employment to 1970=100 and compares growth in the county to the state. Over the period shown, the county's 30 percent increase was quite low compared to the 123

percent growth experienced on a statewide basis. However, Columbia's employment base, founded as it is on agriculture and food processing, is fundamentally different from the statewide base that is strongly influenced by the aerospace and high tech industries of Puget Sound. Farmers cannot create additional acreage of wheat like airplane manufacturers can build additional facilities. Rapid job growth will not occur in an area where (a) there is a finite amount of land available for farming and (b) the type of crop grown there is not labor intensive.

Figure 13
Nonagricultural Wage & Salary Employment
Columbia County, 1970-1996
Source: Employment Security Department

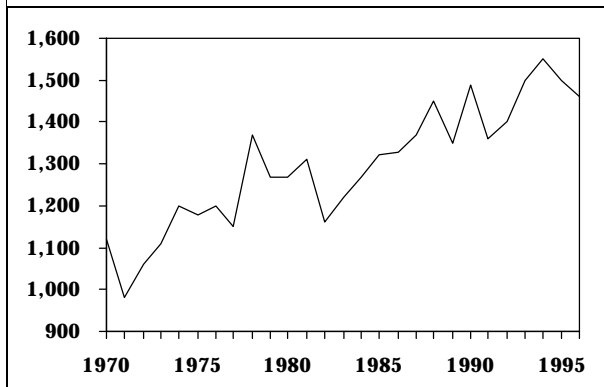
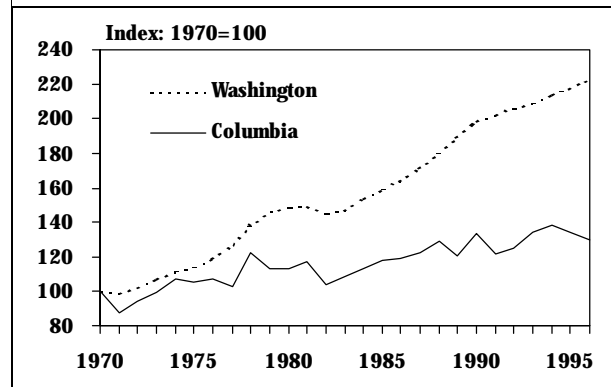


Figure 14
Nonagricultural Wage & Salary Employment
Columbia County & Washington, 1970-1996
Source: Employment Security Department



Location Quotients

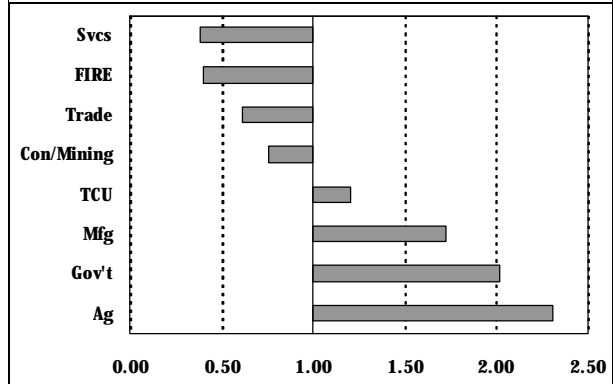
One way to determine how an area's economy is shaped is to compare it to another area. The following section shows how Columbia County's employment patterns are both different from and similar to Washington State's. When comparing the county's shares of employment by industry to Washington State's shares, it's apparent that some county employment is distributed differently than state employment. The *location quotient* compares the share of total employment in a particular industry division in Columbia County with the share it represents in Washington State.

The quotient is determined by dividing the share of state employment into the share of Columbia County employment of the same industry or sector. A quotient of 1.0 denotes an industry in which the county is typical to the state as a whole; a value above 1.0 shows an industry with a higher concentration of employment; and a value below 1.0 marks a county industry with a lesser concentration of employment than in the same industry statewide.

A quotient above 1.0 suggests that the good or service produced by an industry is exported from the area; a quotient below 1.0 is a sign that, hypothetically, goods or services must be imported into an area to provide the same consumption patterns found at the state level. The greater the value above or below 1.0, the stronger the suggestion of exporting or importing becomes.

Figure 15 shows the location quotients of the major industry sectors in Columbia County. None of the major sectors is clustered at the 1.0 quotient, indicating a significant difference from statewide employment distri-

Figure 15
Location Quotients
Columbia County, 1996
Source: Employment Security Department



bution. The quotients for finance, insurance, and real estate (FIRE), services, construction/mining, and trade are all sufficiently low to signify that residents may have to look outside the county to obtain the services or goods these sectors offer. On the other hand, manufacturing and government are well above 1.25, indicating export of goods and services. The quotient for government is skewed in a sense; the services provided are considered essential and must be provided regardless of the county's small population base. Economies of scale are not realized as they are in larger, more populous counties. The agricultural sector has a large quotient, 2.31, indicating a high degree of exportation. (The agricultural quotient is derived from covered employment figures, the others from the nonfarm data series.)

Annual Average Wage

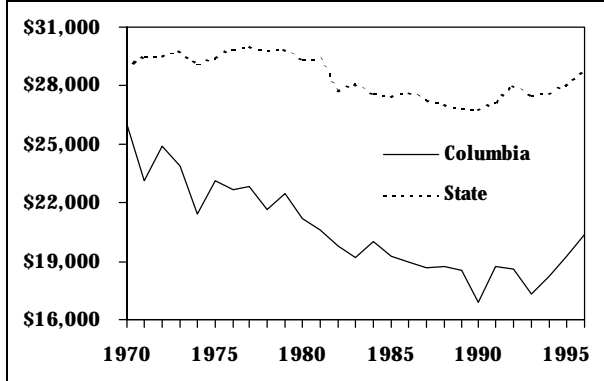
The annual average wage is derived by dividing the total wages paid in an area by the annual average employment in that area. Jobs not covered by the unemployment insurance program are excluded; however, 85 to 90 percent of all employment in the state is covered under the program. (*Note: all amounts here have been inflation adjusted to 1996 dollars.*) The average wage does not include any benefits (e.g., insurance or retirement plans) other than actual wages.

Looking at Figure 16 on the next page, which displays the average wage for Columbia County and the state, it is

apparent that a more severe decline over time has occurred in the county. In 1970, less than \$3,000 separated the county and the state averages. In 1993, the divergence was over \$10,200. The gap has narrowed every year since, but still stood at about \$8,500 in 1996 when the average in the county was \$20,385 and the state average was \$28,882. Fortunately, the inflation-adjusted wage has been climbing since 1993 and the decades-long decline seems to have been halted.

Figure 17 on the next page shows the average wage for each industry sector in the county and the state. There

Figure 16
Annual Average Covered Wages
Columbia County & Washington, 1970-1996
Source: Employment Security Department



are, of course, large differences between sectors. Of the major sectors, TCU is the highest paying, with its wage strongly influenced by relatively high wages among workers in the electric, gas, and sanitary services. However, the sector employs relatively few people. The private

Figure 17
Annual Average Covered Wages
Columbia County & Washington, 1996
Source: Employment Security Department

	Columbia	Washington
Total	\$20,385	\$28,884
Agriculture & Forestry	\$16,764	\$14,510
Agricultural Production, Crops	\$16,541	\$11,381
Construction & Mining	\$27,223	\$30,970
Manufacturing	\$23,397	\$39,091
Transportation, Communications, & Utilities	\$29,536	\$35,880
Trade	\$13,527	\$20,643
Wholesale Trade	\$22,536	\$34,884
Retail Trade	\$9,873	\$16,081
Finance, Insurance, & Real Estate	\$18,256	\$34,429
Services	\$9,594	\$28,074
Government	\$22,742	\$31,957
Federal	\$32,972	\$39,649
State	\$24,219	\$28,277
Local	\$21,290	\$29,696

sectors with large employment numbers (trade and services) have relatively low wages. The government sector averages almost \$23,000 a year and is the county's largest employer. Agriculture is the only sector where the county's wage is higher than the same sector statewide.

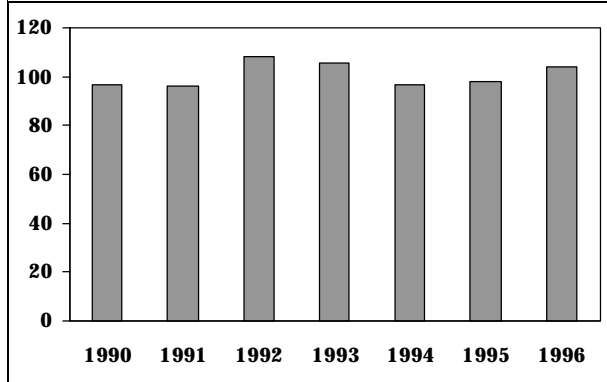
Agriculture

Columbia County (mainly the northern half) is a part of the incredible Palouse—easily the premier wheat growing region in Washington State and one of the finest in the nation. In 1995, for example, Columbia County farmers harvested 98,900 acres of wheat at 68 bushels an acre yielding 6,730,000 bushels, 4.4 percent of the state's total. That same year, county farmers also harvested 7,600 acres of barley, reaping 560,600 bushels (Department of Agriculture figures).

In the past, Columbia County was widely known for its asparagus and green pea crops. Today, however, production of these crops has, for the most part, shifted to nearby Walla Walla, Benton, Franklin, and Yakima counties. Although the processing is still done locally, apples and other tree fruit were also significant cash crops in Columbia County in years past. However, county orchardists were unable to compete with apple growers in either Chelan or Yakima counties. As a result, apples and other tree fruit from Columbia County are generally sold locally.

Even though wheat farming is not a labor-intensive venture like, for instance, apple growing, agriculture is a primary employer in Columbia County. In 1996, the

Figure 18
Crop Production Employment
Columbia County, 1990-1996
Source: Employment Security Department



farm sector accounted for almost 9 percent of all covered employment (statewide, the percentage is less than 4 percent). The great bulk of this employment was involved in crop production, mainly wheat. *Figure 18* shows annual average levels of covered employment since 1990 in crop production. The level of employment has remained remarkably stable, fluctuating by only a few workers over the period.

The sector's annual average wage of \$16,734 is slightly higher than the same sector statewide but ap-

preciably lower than the county's overall average wage of \$20,385.

Manufacturing

Columbia County's manufacturing sector has traditionally represented from one-quarter to one-third of the county's nonagricultural employment base. Within manufacturing, food processing, particularly asparagus canning, has been and is the great majority of all employment.

From 270 in 1970, manufacturing employment in Columbia grew to 360 in 1996. Although the overall trend for the period has been one of growth, it has not been smooth growth (see Figure 19). The national recessions of the mid-1970s and the mid-1980s took a toll, particularly during the 1980s. Employment peaks were reached in 1978 with the purchase of a major cannery—the new parent company brought in many additional employees to oversee the transition and to make plant improvements—and in 1990 when there was a bumper asparagus crop and more of the harvest than usual was processed instead of going to the market as fresh produce. Generally, the peaks and valleys of employment are determined by agricultural output and market demand. Figure 20 shows indexed employment and compares the county with the state's manufacturing sector.

In Columbia County, manufacturing employment, driven by the food processing industry, is sharply seasonal. Employment highs and lows vary tremendously depending upon the month of the year. Figure 21 shows month-by-month employment in 1996, which in turn reveals the tremendous effect that manufacturing and its

seasonality has on total employment in the county. The solid line shows total covered employed in Columbia County; the broken line shows what monthly employment would be if manufacturing were subtracted from it. The seasonality disappears.

Aside from government, manufacturing is the largest employment sector in the county. And although its seasonal volatility is not conducive to a well-established, permanent labor force, it provides a large number of jobs in the county.

Figure 20
Manufacturing Employment
Columbia County & Washington, 1970-1996
Source: Employment Security Department

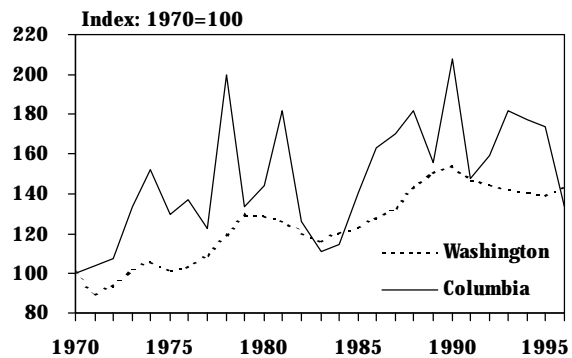


Figure 19
Manufacturing Employment
Columbia County, 1970-1996
Source: Employment Security Department

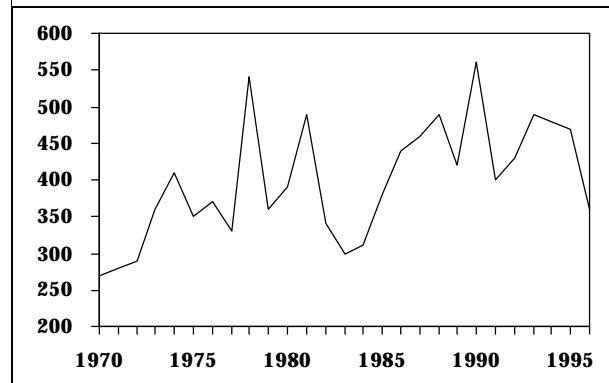
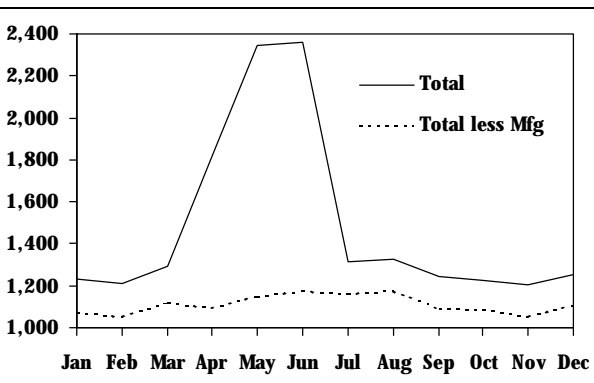


Figure 21
Monthly Covered Employment
Columbia County, 1996
Source: Employment Security Department



The average wage in the county's manufacturing sector in 1996 was considerably less than the average manufacturing wage statewide (\$23,397 opposed to \$39,091). The disparity stems from both the seasonal-

ity of the county's sector and the large, well-paid, high tech industries of the Puget Sound area that drive the statewide average.

Trade

Employment in the county's wholesale and retail trade sector increased at a notable pace through most of the 1970s. In fact, from a level of 190 in 1970, wholesale and retail trade employment grew nearly 37 percent to 260 in 1979. The sector kept most of its employment base through the national recessions that followed and reached its peak in 1984 with 280 workers. The next year, though, marked the beginning of a decline. The drop in population, which had been occurring for several years, apparently reached a threshold where trade could no longer be supported at the same level, and trade employment started falling off. The number of jobs then either stagnated or decreased each year until 1992. As the population started growing again, so did trade employment. Employment in 1996 was 220, up by 40 from its 1992-93 low point but still less than its peak of 280 in 1984. *Figures 22 and 23* portray employment since 1970.

About one-fourth of trade employment resides in wholesale trade, where the bulk of the workers are

involved with purveying farm equipment and supplies. Wholesale trade workers averaged \$22,536 for an annual wage in 1996. This compares very favorably with the average for retail trade which was only \$9,873. Employment in retail trade is dominated by employment at eating and drinking places, which has a lower average wage than the retail sector in general. Food stores and auto dealers/service stations also employed fair amounts of workers.

Low wages in retail are caused by two factors: (a) many of the jobs are entry-level and do not command a high wage and (b) there are significant amounts of part-time work. The average wage is calculated by dividing total paid wages by the average employment, and no distinction is made between part-time and full-time employment. The average wage for eating and drinking places, for example, should not necessarily be construed to be the wage of someone working full time. Also, tip income is not included.

Figure 22
Trade Employment
Columbia County, 1970-1996
Source: Employment Security Department

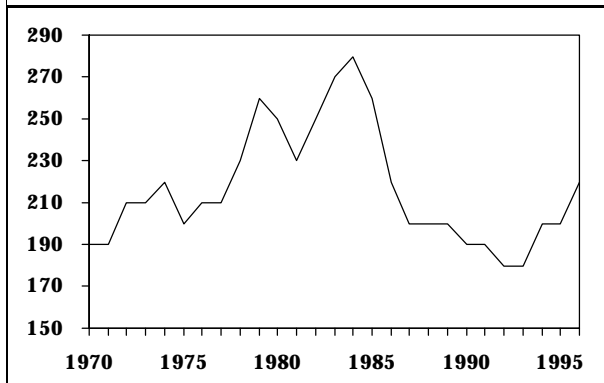
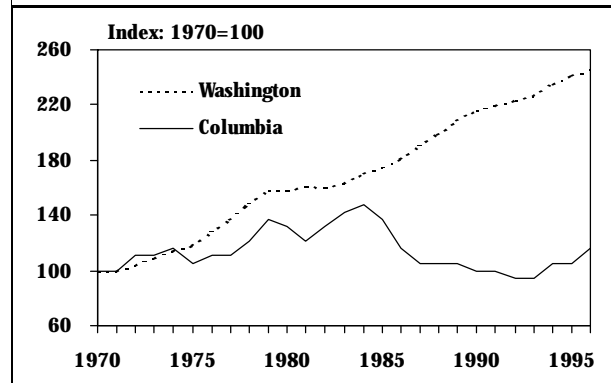


Figure 23
Trade Employment
Columbia County & Washington, 1970-1996
Source: Employment Security Department



Services

The services sector encompasses a large number of quite different industries, ranging from health care to auto repair to amusement and recreation. Services employment in Columbia County has fluctuated between 80 (1982) and 160 (1987) since 1970, but the overall trend has been rising. Employment was at 150 in 1996, up from 100 in 1970. *Figures 24 and 25* show the employment history of the services sector.

Amusement and recreation services is, by far, the biggest industry in the county's services sector. Ski Blue-

wood, a major downhill skiing operation, is the chief recreational facility in the area. Other industries include hotels and other lodging places and membership organizations. Health services, normally a large industry, is for the most part provided by sources outside the county.

Wages in the services sector are quite low—the annual average is \$9,594. Much of the work is part time or seasonal, especially at the skiing facility. The statewide average for this sector was \$28,074 in 1996.

Figure 24
Services Employment
Columbia County, 1970-1996
Source: Employment Security Department

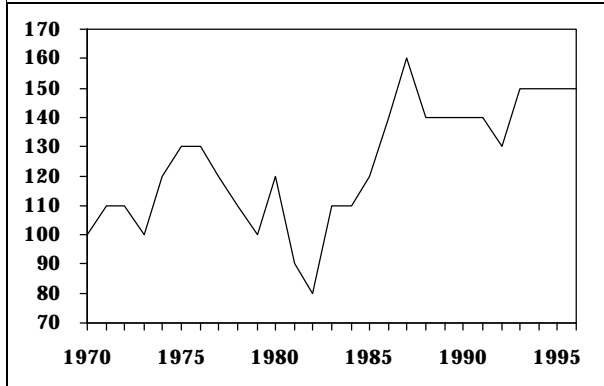
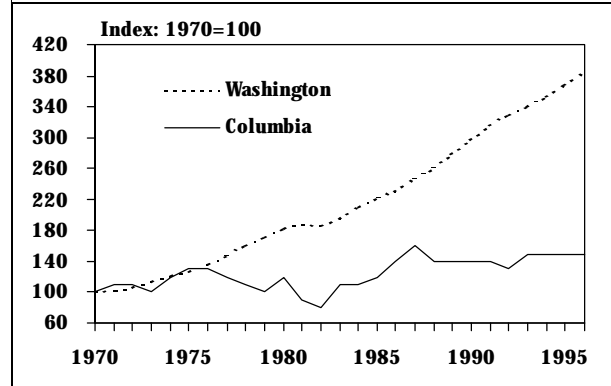


Figure 25
Services Employment
Columbia County & Washington, 1970-1996
Source: Employment Security Department



Government

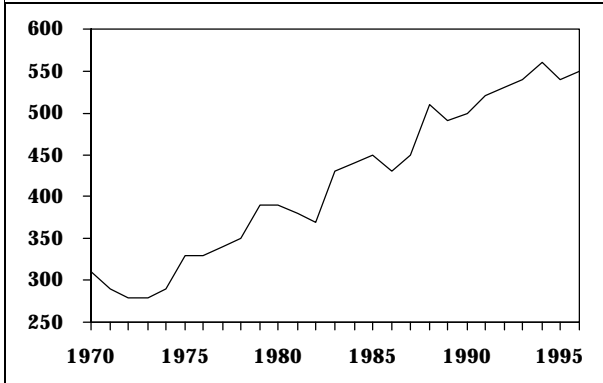
Government, considering all its levels, is the largest employer in Columbia County and it has shown greater growth over the last two decades than any other industry sector. Employment increased from 310 in 1970 to 550 in 1996, a 77 percent increase. It has a 38 percent share of all nonagricultural employment in the county—roughly 2 out of every 5 workers are employed in some governmental capacity.

Covered employment data show that the preponderance of government employment is at the local level, i.e., either county or city. Of government employment in 1996, about 11 percent was federal, 5 percent was state, and 84 percent was local. Federal employment is mostly concerned with engineers at the Little Goose Dam and the postal service. State level government consists of just

a handful of workers scattered among several areas. Local government employment is divided, almost equally, among three different service areas: health services, educational services, and general governmental functions (the combined legislative and executive offices). Health services, which include nursing care facilities and the hospital, employs about 130 workers; K-12 education employs about 140 (faculty and staff), and other governmental functions about 130.

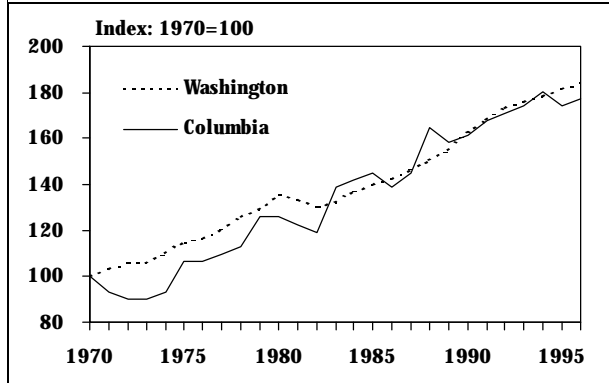
While the average annual wage for all government in Columbia County was \$22,742 in 1996, there were fairly large differences among the three levels. Federal government had the highest at \$32,972, state government was next with \$24,219, and local government had the lowest

Figure 26
Government Employment
Columbia County, 1970-1996
Source: Employment Security Department



wage at \$21,290. Statewide, the average government wage was \$31,957.

Figure 27
Government Employment
Columbia County & Washington, 1970-1996
Source: Employment Security Department

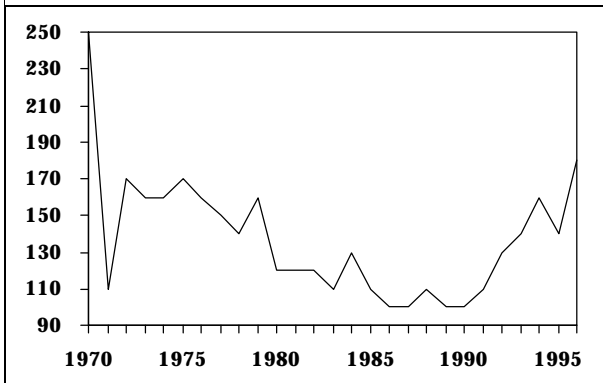


The Small Sectors

In Columbia County, there are three industry sectors whose numbers, quite small, have been combined so they can be charted more reasonably. The three are construction and mining, TCU (transportation, communications, and utilities), and FIRE (finance, insurance, and real estate). *Figures 28 and 29* show employment changes of these combined industries since 1970.

The highest level for construction employment was the 160 recorded in 1970 when work was being done on the Snake River dam project. Upon its completion, the number of jobs dropped sharply, and then ebbed gradually until 1986 when there were only about 10 workers in the sector.

Figure 28
Small Sector Employment
Columbia County, 1970-1996
Source: Employment Security Department

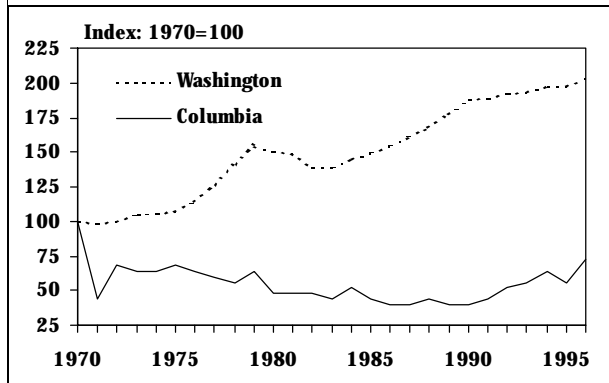


The sector has been, in general, increasing slowly since then, and in 1996 employed some 60 workers.

In the sector, most jobs are in special trades, which includes plumbers, electricians, carpenters, etc. The remainder are scattered among heavy construction, general building, and there is a handful of workers in crushed and broken stone mining operations.

The average 1996 wage for construction, \$27,223, is considerably higher than the county's overall average. The construction and mining average is strongly influenced by relatively high wages in heavy construction.

Figure 29
Small Sector Employment
Columbia County & Washington, 1970-1996
Source: Employment Security Department



Transportation, communications, and utilities has consistently employed between 50 and 90 workers since 1970. Almost half of TCU's employment is related to providing electrical services. Trucking and warehousing, which is categorized in this sector and which often generates good levels of employment in agricultural areas, is virtually non-existent in Columbia County. The annual average wage for this sector is among the higher ones in the county. Strongly influenced by the relatively

high paying electric utility, the sector wage stood at \$29,536 in 1996.

Employment in the finance, insurance, and real estate sector has ranged from 20 to 30 since 1970. The bulk of sector employment is in banking with only a handful of workers in insurance and real estate. The average annual wage in the sector was, once again, lower than the sector's statewide average, \$16,354 opposed to \$21,280.

Industry Employment Projections

Figure 30 shows the nonfarm industry employment estimates for 1996 and projections for 2001 in Columbia County. In general, the growth is expected to be relatively slow, especially in comparison to the statewide projections. The number of nonfarm jobs in the county should

increase by 5.4 percent, equating to 80 new jobs. The bulk of the growth will come from government sector jobs and there will be increases in trade, services, and TCU. Other sectors are expected to be flat.

Figure 30
Industry Projections
Columbia County, 1996 and 2001
Source: Employment Security Department

	1996	2001	% Change	# Change
Total Nonfarm Employment	1,480	1,560	5.4%	80
Manufacturing	420	420	0.0%	0
Construction & Mining	40	40	0.0%	0
Transportation & Utilities	70	80	14.3%	10
Wholesale & Retail Trade	210	220	4.8%	10
Finance, Insurance, & Real Estate	30	30	0.0%	0
Services	150	160	6.7%	10
Government	560	610	8.9%	50

OCCUPATIONAL PROFILE

Another way to look at employment is by occupation rather than industry. This section is based on surveys conducted by the Employment Security Department. *Figure 31* reflects 1995 estimates and 2005 projections by major occupational group for the combined counties of Columbia, Garfield, Walla Walla, and Asotin.

The estimates for 1995 show that the four-county region has a somewhat different occupational mix than does the state as a whole. In very broad terms, the local area has a higher concentration of "blue-collar" jobs. The largest grouping, managerial and administrative (20 percent of the total), is smaller than the statewide share size for the same group. The big difference, of course, is the share size of agricultural workers. About 9 percent of all jobs in the local area are farm-related while the figure is only 4 percent throughout the state.

The estimates and projections indicate that occupational employment in the three-county region should grow 12 percent between 1995 and 2005. Growth in the "white-collar" occupations is expected to almost double that of "blue-collar" professions, with the strongest rates of growth in the managerial and administrative grouping and in the professional and paraprofessional grouping. Agriculture related jobs are the only ones expected to decline (albeit slightly) over the period.

Figure 32 on the next page shows a list of occupations and associated pay rates found in rural eastern Washington in 1995. While the listing is not unique to Columbia County, it should be a fairly accurate portrayal of wages in the county. It shows the maximum, minimum, and mean pay for occupations, either by the month or the hour. (The hourly wage shows cents, the monthly does not.)

Figure 31
Occupational Employment and Projections
Asotin, Columbia, Garfield, and Walla Walla Counties & Washington State, 1995 and 2005
Source: Employment Security Department

	Four-County Region						Washington		
	1995		2005			Jobs	1995	2005	
	# Jobs	Share Size	# Jobs	Share Size	% Chg		Share Size	Share Size	
Total	34,196	100.0%	38,409	100.0%	12.3%	4,213	100.0%	100.0%	
Managerial & Administrative	6,686	19.6%	7,807	20.3%	16.8%	1,121	21.6%	23.2%	
Professional, Paraprof., & Tech	6,278	18.4%	7,493	19.5%	19.4%	1,215	15.7%	16.8%	
Marketing & Sales	4,797	14.0%	5,197	13.5%	8.3%	400	12.2%	11.5%	
Clerical & Admin. Support	4,431	13.0%	4,694	12.2%	5.9%	263	16.0%	15.2%	
Services	3,821	11.2%	4,347	11.3%	13.8%	526	11.6%	10.9%	
Ag., Forestry, Fishing & Related	2,998	8.8%	2,954	7.7%	-1.5%	-44	4.3%	3.7%	
Prec. Production, Craft, & Repair	2,910	8.5%	3,322	8.6%	14.2%	412	11.4%	11.4%	
Operators, Fabricators, & Laborers	2,275	6.7%	2,595	6.8%	14.1%	320	7.1%	7.3%	
White-Collar	22,580	66.0%	25,911	67.5%	14.8%	3,331	71.9%	73.8%	
Blue-Collar	11,616	34.0%	12,498	32.5%	7.6%	882	28.1%	26.2%	

Data not available for separate counties.

Figure 32
Occupational Wages, Eastern Rural Washington, 1995
 (*M/H denotes monthly/hourly pay rate)
 Source: Employment Security Department

TITLE	*	MEAN	MIN	MAX	TITLE	*	MEAN	MIN	MAX
Accountant	M	\$2,885	\$1,390	\$4,500	Guard/Gatekeeper, Unarmed	H	\$7.97	\$7.27	\$10.65
Accounting Clerk 2	M	\$1,849	\$1,217	\$2,974	Heating & Air Conditioner Mechanic	H	\$11.35	\$8.00	\$19.17
Accounting Clerk 3	M	\$1,955	\$1,286	\$3,280	Heavy Equipment Operator	H	\$13.84	\$9.00	\$27.12
Accounting Clerk1	M	\$1,453	\$869	\$2,765	Home Health Aide	H	\$5.42	\$5.00	\$7.43
Administrative Assistant	M	\$2,245	\$956	\$4,519	Host/Hostess, Restaurant	H	\$5.57	\$4.90	\$7.50
Administrative Clerk	M	\$1,781	\$1,043	\$3,481	Housekeeper, Hospital/Nursing Hm	H	\$6.68	\$5.45	\$13.55
Assembler, Mechanical	H	\$14.06	\$8.08	\$15.00	Inspector, Quality Control	H	\$11.00	\$7.00	\$19.18
Assembler, Other 2	H	\$11.39	\$6.50	\$12.49	Janitor, Porter, Cleaner	H	\$7.99	\$4.90	\$14.47
Auditing Clerk	M	\$1,568	\$999	\$3,386	Kitchen Helper	H	\$5.94	\$4.90	\$10.45
Auto Detailer	H	\$6.76	\$4.90	\$10.00	Laborer, Construction	H	\$11.52	\$6.00	\$20.63
Automobile Accessories Installer	H	\$9.28	\$5.50	\$11.65	Laborer, Material Handling	H	\$7.84	\$6.00	\$13.93
Baker	H	\$7.83	\$5.50	\$11.95	Laundry Worker	H	\$6.29	\$5.00	\$10.86
Baker, Apprentice	H	\$6.21	\$6.00	\$6.75	Lawyer	M	\$3,273	\$3,000	\$3,632
Bartender	H	\$6.10	\$4.90	\$9.00	Loan Application Clerk	M	\$1,891	\$1,542	\$2,975
Body Repairer/Painter, Auto	H	\$10.45	\$5.00	\$13.00	Loan Officer	M	\$2,929	\$2,021	\$3,671
Bookkeeper, Full Charge	M	\$1,625	\$912	\$3,042	Log Handling Equipment Operator	H	\$14.80	\$10.92	\$21.88
Bucker/Faller	H	\$21.58	\$14.29	\$26.00	Machine Operator, Metal Fabricat	H	\$9.29	\$9.00	\$15.42
Butcher/Meat Cutter	H	\$11.37	\$6.75	\$15.75	Machinist	H	\$14.22	\$8.00	\$18.80
Buyer/Purchasing Agent	M	\$2,715	\$1,295	\$4,488	Maid, Hotel/Motel	H	\$6.15	\$4.90	\$8.50
Carpenter, Construction	H	\$12.29	\$6.00	\$18.00	Maintenance Mechanic	H	\$15.71	\$6.00	\$22.62
Carpenter, Maintenance	H	\$11.02	\$6.00	\$18.91	Maintenance Repairer, General Util	H	\$10.81	\$5.00	\$26.20
Cashier	H	\$6.56	\$4.90	\$21.43	Manager, Branch/Local Firm	M	\$3,351	\$1,304	\$6,717
Chef	M	\$1,404	\$1,043	\$3,075	Manager, Hotel/Motel	M	\$1,818	\$956	\$4,592
Choke Setter	H	\$12.99	\$10.13	\$15.00	Manager, Merchandise	M	\$2,299	\$1,476	\$3,215
Clean Up Worker	H	\$7.80	\$4.90	\$16.30	Manager, Office (Administrative)	M	\$2,637	\$1,086	\$6,000
Collector	H	\$8.62	\$8.00	\$9.07	Manager, Plant (Manufacturing)	M	\$3,963	\$2,259	\$5,459
Computer Operator	H	\$12.08	\$8.00	\$20.74	Manager, Restaurant	M	\$1,660	\$956	\$2,800
Computer Programmer	M	\$2,294	\$1,477	\$4,554	Manager, Retail Store	M	\$2,671	\$1,298	\$3,999
Computer Programmer, Senior	M	\$4,058	\$2,173	\$4,920	Manager, Service Auto	M	\$2,918	\$1,477	\$6,000
Cook, Dinner	H	\$6.82	\$5.00	\$10.61	Mechanic, Motor Vehicle	H	\$12.05	\$5.50	\$17.56
Cook, Short Order	H	\$6.50	\$5.00	\$11.32	Medical Technician	M	\$1,714	\$1,390	\$2,650
Customer Service Clerk	H	\$8.79	\$5.00	\$15.34	Medical Technologist	M	\$2,438	\$1,712	\$2,955
Dairy Farm Worker	H	\$10.01	\$7.00	\$15.25	Medical/Dental Records Clk/Trans	M	\$1,469	\$869	\$2,572
Data Entry Operator 2	M	\$1,992	\$1,370	\$2,499	Millwright, Machinery Erector	H	\$14.49	\$6.50	\$19.48
Data Entry Operator 3	M	\$2,494	\$1,390	\$3,226	Nurse Aide/Orderly	H	\$6.68	\$5.10	\$10.00
Data Entry Operator 1	M	\$1,310	\$869	\$1,900	Nurse, Licensed Practical (LPN)	H	\$11.02	\$6.15	\$18.75
Day Care Worker	H	\$7.91	\$4.90	\$11.62	Nurse, Registered (RN)	M	\$2,588	\$2,086	\$3,933
Deli Worker/Pantry Goods Maker	H	\$5.94	\$5.00	\$11.38	Order Clerk	M	\$1,747	\$1,173	\$2,850
Delivery Driver/Route Worker	H	\$7.29	\$4.90	\$13.81	Order Filler	H	\$6.67	\$5.35	\$8.20
Dental Assistant	H	\$9.65	\$7.58	\$12.34	Packer, Fruit	H	\$6.94	\$4.90	\$8.81
Desk Clerk, Hotel/Motel	H	\$6.76	\$5.25	\$8.00	Painter, Maintenance	H	\$12.24	\$8.43	\$19.37
Dining Room Attendant	H	\$5.30	\$4.90	\$7.25	Payroll Clerk	M	\$1,851	\$1,163	\$3,333
Dispatcher, Motor Transportation	H	\$13.23	\$9.50	\$18.93	Personnel Clerk	M	\$2,075	\$1,368	\$3,384
Drafter, Designer	M	\$3,264	\$2,298	\$4,345	Pharmacist Assistant	H	\$8.91	\$8.50	\$10.50
Electrician, Construction	H	\$19.38	\$15.10	\$20.81	Pharmacist, Registered	M	\$3,902	\$3,215	\$5,214
Electrician, Maintenance	H	\$16.94	\$9.35	\$22.62	Plumber/Pipefitter	H	\$14.38	\$7.00	\$22.05
Electronics Technician (2 & 3)	M	\$2,155	\$1,860	\$2,744	Programmer/Analyst	M	\$3,332	\$2,047	\$3,716
Engineer	M	\$3,031	\$1,446	\$4,813	Purchasing Clerk	M	\$2,181	\$1,043	\$3,500
Engineer, Mechanical	M	\$2,974	\$2,129	\$4,514	Receptionist	M	\$1,399	\$985	\$2,320
Engineering Technician (1, 2, & 3)	M	\$2,058	\$1,455	\$2,221	Sales Clerk	H	\$6.19	\$4.90	\$11.51
Engineering Technician 4	M	\$2,200	\$1,801	\$2,576	Sales Representative (with commis)	M	\$2,567	\$994	\$6,740
Espresso Maker	H	\$5.31	\$5.00	\$5.85	Sales, Telemarketing	H	\$25.65	\$14.38	\$35.48
Estimator	M	\$2,673	\$1,217	\$4,541	Salesperson, Auto Parts	H	\$8.75	\$5.00	\$15.54
Fast Food Worker	H	\$5.60	\$4.90	\$9.50	Salesperson, Parts, Other	H	\$10.17	\$9.00	\$12.50
Field Contractor	H	\$19.88	\$15.16	\$30.77	Salesperson, Specialty	H	\$10.84	\$5.75	\$18.92
File Clerk	M	\$1,257	\$869	\$1,589	Secretary 2	M	\$1,754	\$1,217	\$2,475
Food Service Worker	H	\$7.11	\$5.15	\$10.59	Secretary 3	M	\$2,027	\$1,304	\$2,666
Forklift Operator	H	\$8.33	\$5.25	\$19.37	Secretary, Executive	M	\$2,084	\$1,100	\$4,114
Gardener/Groundskeeper	H	\$8.17	\$5.00	\$19.37	Secretary, Legal	M	\$1,891	\$999	\$2,996
General Office Clerk 2	M	\$1,587	\$982	\$2,770	Secretary1	M	\$1,618	\$956	\$2,395
General Office Clerk 3	M	\$1,920	\$1,145	\$3,599	Service Representative	H	\$13.78	\$8.50	\$25.89
General Office Clerk 1	M	\$1,337	\$869	\$1,954	Service Station Attendant	H	\$7.44	\$7.00	\$7.91
General Office Worker, 1 Pers Offc	M	\$1,573	\$1,043	\$2,463	Service Station Cashier	H	\$6.06	\$6.00	\$6.90
Grocery Checker	H	\$6.48	\$5.32	\$12.25	Service Writer, Automotive	H	\$9.85	\$5.00	\$11.51

Figure 32 (Continued)**Occupational Wages, Eastern Rural Washington, 1995**

(*M/H denotes monthly/hourly pay rate)

Source: Employment Security Department

TITLE	*	MEAN	MIN	MAX	TITLE	*	MEAN	MIN	MAX
Shipper/Receiver	H	\$7.23	\$4.90	\$20.46	Systems Analyst	M	\$4,004	\$2,372	\$4,425
Social Worker (exc. Med. & Psych)	M	\$1,578	\$1,217	\$3,043	Teacher Aide	H	\$8.51	\$6.56	\$12.05
Social Worker (Medical & Psychiat)	M	\$1,936	\$1,156	\$3,563	Teller, General	H	\$8.25	\$6.25	\$10.28
Sorter/Grader, Agricultural Produc	H	\$6.49	\$5.95	\$8.06	Teller, New Accounts	H	\$8.98	\$7.90	\$11.00
Stock Clerk	H	\$6.45	\$4.90	\$14.03	Therapist, Physical	M	\$4,538	\$3,476	\$5,848
Supervisor, Assembly	M	\$3,259	\$1,700	\$5,376	Trades Helper	H	\$10.37	\$4.90	\$14.15
Supervisor, Clerical	M	\$2,219	\$1,460	\$2,657	Truckdriver, Heavy/Tractor Trailer	H	\$11.16	\$6.30	\$20.00
Supervisor, Food Service	M	\$1,861	\$1,107	\$2,824	Truckdriver, Light	H	\$9.38	\$6.00	\$13.51
Supervisor, Maintenance	M	\$2,720	\$1,199	\$4,500	Truckdriver, Log	H	\$13.43	\$9.79	\$20.00
Supervisor, Orchard	M	\$1,404	\$869	\$3,400	Waiter/Waitress (without tips)	H	\$5.02	\$4.90	\$5.75
Supervisor, Other First Line	M	\$2,869	\$1,130	\$5,424	Warehouse Worker	H	\$9.06	\$4.90	\$17.94
Supervisor, Warehouse	M	\$2,416	\$1,304	\$5,200	Welder	H	\$11.44	\$9.00	\$18.00
Switchboard Operator	M	\$1,816	\$852	\$2,374	Word Processing Operator (1, 2, 3)	M	\$1,811	\$1,564	\$2,225
Switchboard Operator/Receptionist	M	\$1,641	\$1,100	\$2,951	Worker, Cannery	H	\$6.15	\$5.30	\$12.20

INCOME AND EARNINGS

This section deals with total income rather than wages, which were discussed earlier and which are only one aspect of income. All the data here are derived

from the U.S. Department of Commerce, Bureau of Economic Analysis. The amounts presented are adjusted to 1995 dollars.

Personal Income

Personal per capita income is usually cited as a key indicator of a region's economy. It differs from the average annual wage discussed earlier in that it takes into account all types of income. Wages, salaries, government transfer payments, retirement income, farm income, self-employed income, proprietors' income, and income from interest, dividends, and rent, are all included in this measure. Because business and corporate incomes are not included, it is considered personal income. The personal income of an area is divided by the resident population of the area to determine the per capita income.

Over the 1970-95 period, per capita income, adjusted to 1995 dollars, in Columbia County decreased by 2 percent (see Figure 33). If measured from its peak year (1973), the decline would be on the order of 37 percent. From \$19,090 in 1970, it fell to \$18,670 in 1995. Unlike the state, though, and most other Washington counties, per capita income in Columbia County has had extremely wide fluctuations throughout the entire period. In 1973, it reached \$29,433, almost doubling that of Washington

and the U.S. Four years later, in 1977, it had plummeted to \$19,331, but was still a bit above the state and nation. After hitting another peak in 1983 (\$26,119), it fell to \$19,588 in 1985—the first time since at least 1970 that it came in at less than the state level. In 1993, it almost reached the statewide level again, but fell off in 1994 and then grew, but only a little, in 1995 (\$18,670).

Total personal income in the county decreased by 7 percent between 1970 and 1995, going from about \$85 million (in 1995 dollars) in 1970 to \$79 million in 1995. Figure 34 shows the course taken by personal income in Columbia County and Washington during that period (the income is indexed to 1970=100). Comparing the charts showing personal income with per capita income, the trend is remarkably similar. This indicates that there are wide variations in income rather than wide variations in population. A closer look at personal income reveals the engine behind the wide fluctuations in income; farming. All the significant fluctuations in per capita income and total personal income have been caused by changes in farm income.

Figure 33
Per Capita Income
Columbia County & Washington, 1970-1995
Source: Bureau of Economic Analysis

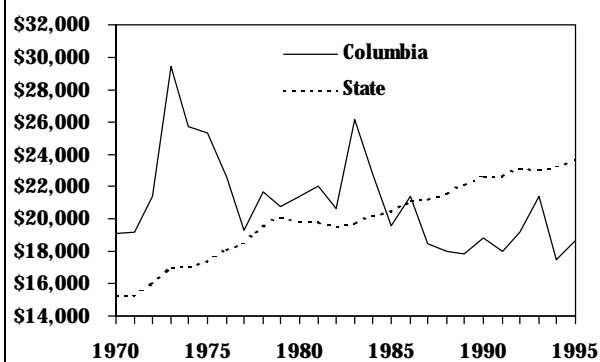
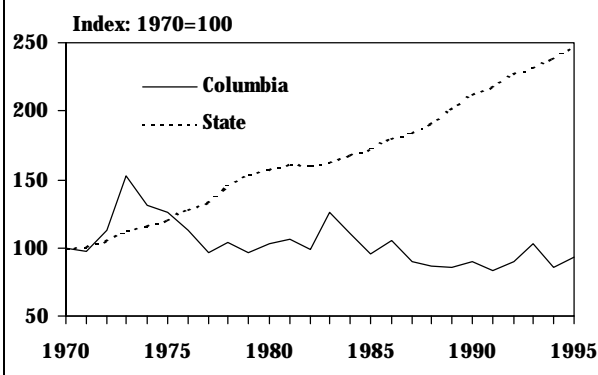


Figure 34
Personal Income
Columbia County & Washington, 1970-1995
Source: Bureau of Economic Analysis



Farm and Nonfarm Income

It is difficult to over-emphasize the importance of agriculture and its associated income to the county's economy. The Bureau of Economic Analysis income figures provide a perspective on this by dividing personal income into two broad categories: farm and nonfarm. In Columbia County in 1995, farm income accounted for 15 percent of all personal income. For Washington State, the percentage was 1 percent. Even more dramatic, in 1973 farm income accounted for 54 percent of all county personal income. Rises and falls in farm income have a tremendous effect on personal income. *Figure 35* shows, in dollars indexed to 1970=100, both farm and nonfarm income. Compare the trend line of farm income with the

charts showing the trend of the county's per capita income and personal income. It is readily apparent how significant farm income is to the area's economy. *Figure 36* displays farm income's share of all personal income over the 25-year period.

In contradistinction to farm income's volatile swings, nonfarm income has been a model of stability. Since 1970, the largest year-to-year change was 12 percent (1977-78); farm income's largest swing was a huge 108 percent (1972-73). And, over the quarter-century, nonfarm income increased by almost 21 percent, whereas farm income decreased by 60 percent.

Figure 35
Farm and Nonfarm Income
Columbia County, 1970-1995
Source: Bureau of Economic Analysis

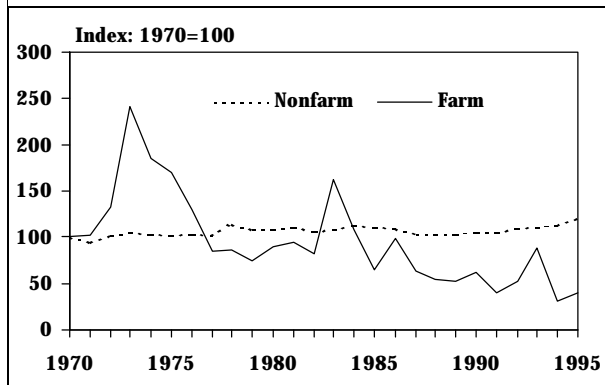
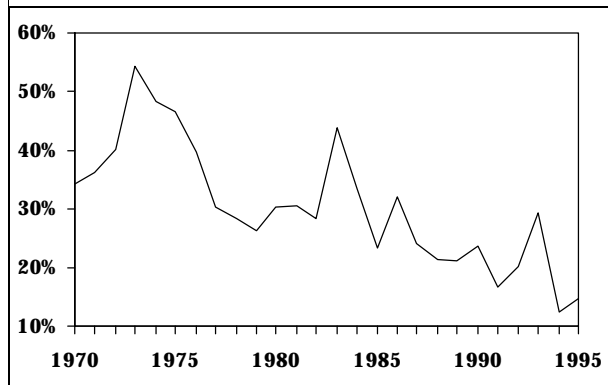


Figure 36
Farm Income as a Percent of Total
Columbia County, 1970-1995
Source: Bureau of Economic Analysis



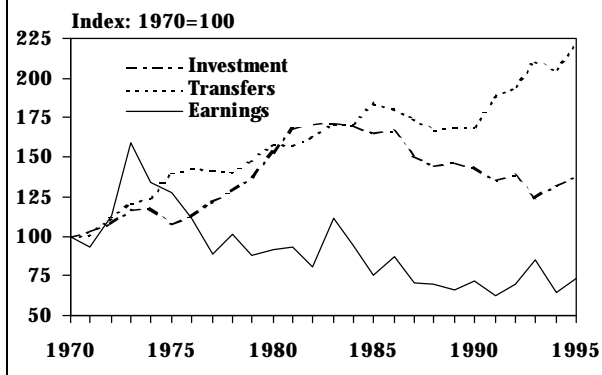
Components of Personal Income

As mentioned earlier, personal income encompasses many different sources of income. Three broad categories, however, which include all the various types of income, are earnings, transfer payments, and investment income. Earnings include wages, salaries, and proprietors' income (less contributions for social security plus an adjustment for residence); transfer payments include income maintenance, unemployment insurance, and retirement payments; investment income includes income generated from interest, dividends, and rent. *Figure 37* on the next page shows how these components of personal income have changed over time and *Figure 38* shows the percentage of total income for each compo-

nent. Earnings have been, and will continue to be, the major source of personal income. However, they have actually declined over time.

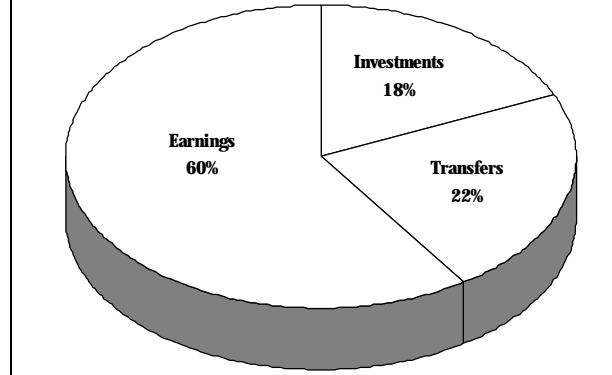
As a percentage of all personal income, earned income decreased from 78 percent in 1970 to 60 percent in 1995. The biggest gainer in this redistribution of income sources was transfer payments. They increased from 10 percent to 22 percent of the total. Investment income's share grew from 13 percent to 18 percent. Looking at it a little differently, earned income contracted 27 percent over the period while transfer payments grew 121 percent and investment income grew by 38 percent.

Figure 37
Changes in Personal Income Components
Columbia County, 1970-1995
Source: Bureau of Economic Analysis



A significant shift has occurred, and perhaps is still occurring, in the sources of income in Columbia County.

Figure 38
Components of Personal Income
Columbia County, 1995
Source: Bureau of Economic Analysis



Earned Income

The greatest component of personal income is earned income, although its share has been shrinking over time. The earnings component is an important reflection of an area's economy because it shows how much income people derive directly from their jobs. While earned income fell 27 percent since 1970 in the county, the state as a whole saw these earnings increase by 127 percent.

Earned income has three components: wages and salaries; proprietors' income; and "other labor income." Throughout the state, the wages and salaries category consistently comprises the great bulk of earned income, even though its share has somewhat declined over time.

In Columbia County, wages and salaries has alternated with proprietors' income for the lion's share of earnings. This divergence from the state trend is caused by the county's reliance upon farming; the greatest part of proprietors' income has always been garnered by farm proprietors. In 1995, wages and salaries accounted for 66 percent of earnings and proprietors' income for 26 percent; however, as recently as 1983, proprietors earned 63 percent of the total while wages and salaries only accounted for 34 percent. The dollar value of wages and salaries (in 1995 dollars) fell 13 percent from 1970 (\$38.4 million) to 1995 (\$33.2 million). Proprietors'

Figure 39
Changes in Earned Income Components
Columbia County, 1970-1995
Source: Bureau of Economic Analysis

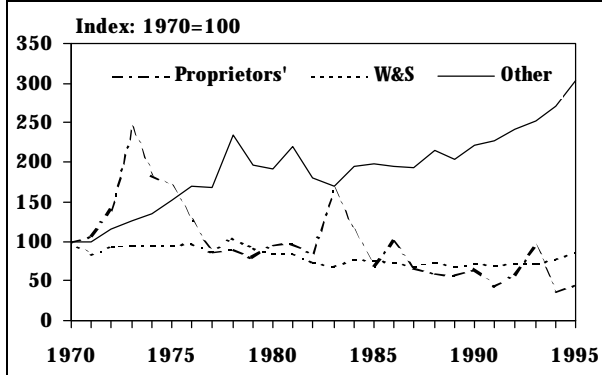
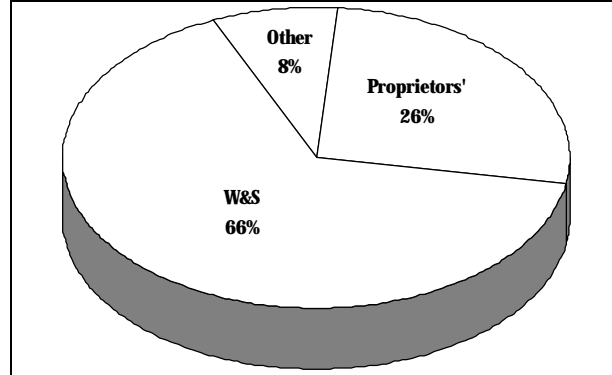


Figure 40
Components of Earned Income
Columbia County, 1995
Source: Bureau of Economic Analysis



income declined even more sharply, from \$29.2 to \$13.3 million), a 54 percent drop-off.

The only component of earnings that grew over the last two decades in Columbia County was “other labor income.” Unfortunately, this is the smallest of the three components, only comprising 8 percent of the total.

“Other labor income” contains an assortment of incomes but primarily consists of employer payments into employee pension and health care plans. From 1970 to 1995, this segment increased 204 percent, from \$1.4 million to \$4.1 million.

Transfer Payments

The next source of personal income, second in size after earnings, is transfer payments. A transfer payment is generally seen as a payment by the government to someone from whom no service is rendered. Transfer payments are split into three categories: retirement and related; income maintenance; and unemployment insurance. Overall, transfer payments increased 121 percent from 1970 to 1995 in Columbia County, expanding from \$8.6 million to more than \$18.9 million. Except for several brief periods of stagnation, growth has been constant throughout the two decades.

By far the largest component of transfer payments is retirement related. This includes social security payments, federal civilian and military retirement pay, and state and local government retirement pay. Medicare payments are also included in this series. Retirement and related payments increased by 125 percent from 1970-95, giving this

component an 83 percent share of all transfer payments in 1995. This amounted to \$15.7 million.

Income maintenance, which includes Aid to Families with Dependent Children (AFDC), general assistance, food stamps, and other transfers generally thought of as welfare, comprised 11 percent of all transfer payments in 1995 (\$2.1 million), less than its 13 percent in 1970. Although its share size diminished, there was, nonetheless, a 145 percent increase in the dollar value.

The third component, unemployment insurance payments, increased by 51 percent over the period and garnered about 6 percent of the total, down from its 1970 share of almost 9 percent. The dollar value in 1995 was \$1.1 million. UI payments fluctuate markedly and, of course, in consonance with the unemployment rate.

Figure 41
Changes in Transfer Payment Components
Columbia County, 1970-1995
Source: Bureau of Economic Analysis

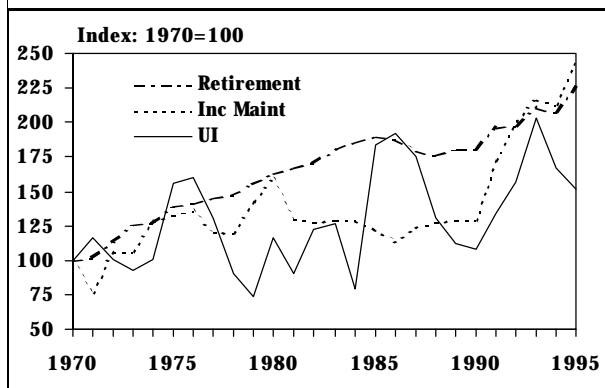
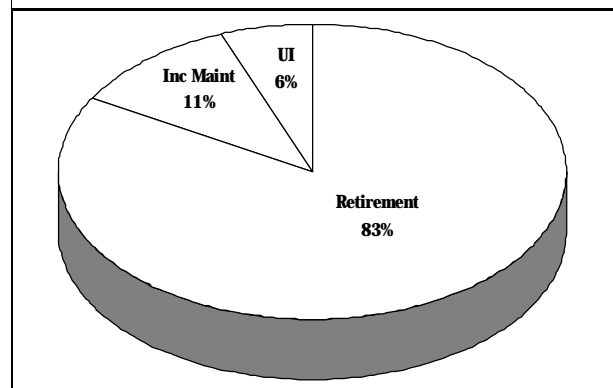


Figure 42
Components of Transfer Payments
Columbia County, 1995
Source: Bureau of Economic Analysis

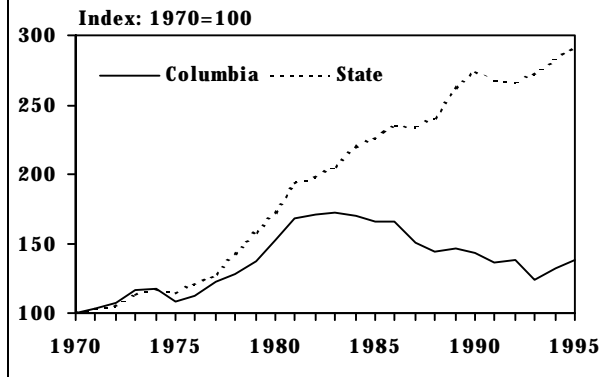


Investment Income

The final component of personal income, consisting of dividends, interest, and rent, grew at a lesser rate than transfer payments. It increased 38 percent since 1970, going from \$11.4 million to \$15.7 million in 1995.

Growth was constant throughout most the 1970s and accelerated after the recessions of that decade. The increase peaked, though, in 1983 at \$19.6 million. The general economic malaise that hit eastern Washington during that decade coupled with decreases in farm income affected investments. However, upticks have occurred in 1994 and 1995. In 1970, investment income represented 13 percent of personal income; at its peak in 1984, 19 percent; in 1995, 18 percent.

Figure 43
Investment Income
Columbia County, 1970-1995
Source: Bureau of Economic Analysis



JOB TRAINING AND ECONOMIC DEVELOPMENT

Job Training

The *Job Training Partnership Act (JTPA)* of 1982 established programs to prepare youth and unskilled adults for entry into the labor force. Of note is the emphasis placed on economically disadvantaged individuals and others who face serious barriers to employment. It is upon this legislation that the Employment Security Department and other providers base their job service programs.

Operated by the Employment Security Department, the **Walla Walla Job Service Center (JSC)** provides job services to residents of Columbia County. Consequently, Columbia County residents who want job and unemployment assistance must travel to the Walla Walla JSC to register for such services. After that, further business can be conducted by mail or by phone.

Unemployment Insurance provides temporary financial assistance to eligible unemployed individuals who are able, available, and actively seeking work, or who are in approved training programs. In addition to providing this service for the unemployed, the JSC provides a number of re-employment programs:

Dislocated Worker Programs. Workers who become unemployed due to company closure, downsizing, or a declining demand in their customary occupation are eligible for special employment and retraining opportunities. Counselors provide:

- Individual assessment
- Labor market information
- Referral to training
- Registration in the JobNet system
- Job seeking skills assistance
- Resume preparation
- Interviewing techniques
- Job referral
- On-the-job training opportunities
- Support service assistance

The Dislocated Worker Resource Room offers self-service tools to assess skills and abilities, videos, reference books, and a computer to design and update resumes.

Federal Bonding. The Walla Walla Job Service Center Local Veterans Employment Representative negotiates bonding for individuals who are “high risk” and/or cannot be bonded commercially.

Labor Exchange. The Walla Walla Job Service Center provides labor exchange service for job applicants and employers seeking to replenish, or add, to their work force. Integral to the process is our automated JobNet computer network. JobNet performs a computerized sort of registered applicants skills and experience to match job openings. To accomplish this, applicant profiles are entered into JobNet defining experience, skills, education, and other key information. Employer job listings are entered into JobNet outlining the essential functions of the job, skills and experience required, location, salary, and other appropriate information. Automation has expanded labor exchange services to meet local, regional, state, and national needs. Self-service computers for applicants are located in the JSC and at one-stop partner sites throughout the community and the nine-county Eastern Washington Work-Web Partnership area.

Migrant and Seasonal Farm Worker Program (MSFW). Walla Walla and Columbia counties are greatly influenced by the cyclical nature of our agriculture products. During harvest many workers come to our area seeking work. The MSFW Program Outreach Worker provides registration of workers into JobNet, referral to job openings, and supportive services. Service is available at the Farm Labor Camp outstation from April to June. Workshops are offered to assist with resume writing, interviewing skills, completing job applications, and other job search needs.

Veterans. U.S. Military veterans seeking employment have access to Veterans counselors for individual career guidance, re-employment counseling, labor market information, and job referral. Veterans registered in the JobNet system receive up to a 24-hour referral preference on listed job orders. Outreach services are

provided at the Veterans Administration Medical Center twice weekly.

Walla Walla Community College Co-Location. A Job Service Specialist is located on site at the community college to provide labor exchange service to dislocated workers, other students, and the public. Services include:

- Registration into JobNet
- Referral to job openings
- Job development
- Labor market information
- Coordination of both on- and off-campus student cooperative education opportunities

Worker Profiling. At the time of filing for unemployment benefits, Worker Profiling identifies individuals most likely to not return to work within the duration of their claim. Early intervention services include:

- Assessment
- Linking to existing employment and training programs
- Labor market information
- Development of job seeking skills
- Resume preparation
- Interviewing techniques
- Job referral
- Referral to training

All individual and group services are offered in both English and Spanish.

Worker Re-Training Program. In a cooperative effort between the Walla Walla Job Service Center and Walla Walla Community College, dislocated workers are given the opportunity to upgrade their skills or be retrained to become re-employed. The JSC provides recruitment, eligibility screening, skills assessment, individual employment counseling, and placement assistance. The community college assists the dislocated worker with registration into training, academic counseling, and may provide financial assistance.

WorkFirst: Washington's Welfare to Work Program. WorkFirst is a work-based program that makes immediate employment the primary strategy for helping needy families. The purpose is to move families on

welfare into employment as quickly as possible through up-front job search, work experience activities, and short-term education and training. WorkFirst is delivered through a partnership between the Employment Security Department, Department of Social and Health Services, State Board of Community and Technical College, and the Department of Community Trade and Economic Development.

Employment Security has the primary responsibility for employment services that connect WorkFirst participants with jobs. This includes identification of job openings, placement assistance, and development of state, regional, and local labor market information.

The WorkFirst Team is Co-Located with the Department of Social and Health Services at 416 East Main Street, Walla Walla, Washington 99362.

Another major provider of job services in Columbia County is the **Eastern Washington Job Training Partnership**. Comprised of government and business leaders, the partnership has jurisdiction over JTPA Service Delivery Area X, which includes Columbia as well as Walla Walla, Whitman, Lincoln, Asotin, Garfield, Stevens, Ferry, and Pend Oreille counties. Administrative responsibilities (e.g., record keeping, data collection, program planning, employer contact, etc.) are handled out of Olympia by the Employment Security Department, with executive oversight by the Eastern Washington Job Training Partnership Private Industry Council.

Educational Facilities. There are no four-year colleges or universities in Columbia County. However, located roughly 30 miles southwest of Dayton in nearby Walla Walla County is Whitman College. Pullman-based Washington State University lies about 80 miles northeast of Dayton in Whitman County.

Neither are there any two-year community colleges (or vocational schools) in Columbia County. Those wishing to attend such an institution can travel into nearby Walla Walla County. There they can attend Walla Walla Community College, a state institution founded in 1967.

Economic Development

The Pullman-based (Whitman County) **Palouse Economic Development Council** (PEDC) is the major provider of economic development information and assistance in Columbia, Garfield and Whitman counties (Southeast Washington). The PEDC is a nonprofit corpo-

ration organized as a public-private partnership. Its membership includes representatives from local governments and private businesses.

In short, the PEDC has three principal goals: (1) to provide assistance and support for business retention

and expansion in the region; (2) to promote and pursue new business development in the region; and (3) to develop and promote tourism and recreation opportunities as a major industry in the district.

The PEDC offers information and technical assistance to new and existing businesses on a wide range of topics including finance, marketing, incentives, local economic conditions and operating costs, and more. This assistance can include one-to-one business counseling, business plan development, loan sourcing, and training workshops covering the Internet, marketing, and other business topics. The PEDC also refers businesses to federal, state, and local government agencies as well as other public and nonprofit sources that provide economic development information and assistance.

The **Port of Columbia** (based in Dayton) is yet another economic development organization found in the county. Its involvement, however, is more or less limited to purchasing and converting county property into an industrial development tract, erecting buildings on the site, and then leasing building space to interested firms.

Infrastructure, particularly transportation-related infrastructure, is an integral part of economic development. The following describes the major transportation elements in the county. The main thoroughfares through Columbia County are found mostly in the low-lying northern half of the county. Rolling northeast from Walla Walla, US Route 12 enters the county near Dayton and runs northward before exiting via the northeastern corner of the county. The county's southern half—covered by part of the Umatilla National Forest and the Blue Mountains—is accessed primarily by local or access roads.

There is one air transportation facility in Columbia County—the Dayton Airport. Composed of hardpacked earth, the airport's longest runway measures 1,900 feet and accommodates small aircraft only (mostly crop-dusting planes). For those wishing to commute to destinations beyond, there is the Walla Walla Airport in neighboring Walla Walla County (roughly 30 miles from Dayton) with its 7,196-foot paved runway.

The Port of Columbia has one barge slip used to handle grain shipments. Furthermore, the Union Pacific Railroad hauls cargo such as grain, asparagus, dried peas, fertilizer, and lumber and coal on its five active spurs in and around the city of Dayton.

SUMMARY

Columbia County's economy is heavily concentrated in the traditional industries of agriculture and food processing, both of which are highly seasonal. This industrial makeup says much about the county's tendency toward higher than average unemployment rates. Nevertheless, these same industries also represent the backbone of the county's economic vitality.

After falling precipitously during the 1970s, the county's population leveled-off through the 1980s and has, for the most part, been expanding since 1991. After experiencing migration losses for about two decades, in-migration exceeded out-migration from 1993 through 1997, driving the population growth. The number of residents was estimated at 4,200 in 1997.

The size of the civilian labor force fell from a peak of almost 2,500 in 1981 to about 1,340 in 1991. After some expansion and some contraction, it stood at 1,460 in 1996. Within the labor force, though, unemployment is a problem in Columbia County. In the last quarter century, the lowest the rate has been was 9.0 percent in 1978. Its highest level was 20.3 percent in 1983. Over the last five years, the rate has seesawed quite sharply, ranging from a low of 11.2 percent in 1993 up to 15.1 percent in 1996. Further, much of the county's economy is seasonal in nature, which lends itself to volatility during the course of a year: unemployment routinely ranges from as high as 20 percent during the winter months to 7 or 8 percent during the warmer months.

Manufacturing, including food processing, and government are the largest employers in the county. To-

gether, these two accounted for almost two-thirds of the county's nonagricultural employment in 1996. (Although agriculture is a dominant aspect of the county's economy, grain crops such as wheat are not labor intensive like some others, so do not require a great number of field workers.) Employment in other sectors, particularly trade and services, just does not reach the share size found throughout most of the state.

From 1970 to 1985 per capita income in Columbia County exceeded, sometimes dramatically, that of the state. Since then, though, it has been lower. This has occurred because of slow growth in nonfarm income (compared to the state) and decreases in farm income, which has a strong affect on personal income. The most recent year, 1995, had per capita income at \$18,670. The average inflation-adjusted wage in the county had also fallen significantly; in fact, it had been spiraling downward for almost 25 years. On a more positive note, it has, and apparently in conjunction with the statewide average wage, been increasing for three years. In 1996 it was \$20,385.

Although unemployment remains a problem, the county's economy, made somewhat volatile by the seasonal and cyclical vagaries of agriculture and food processing, is stabilized to a degree by a high level of government employment. Even so, the rich and fertile Palouse region has historically been the crucial determinant of Columbia County's prosperity. Columbia County will undoubtedly continue to exploit the comparative advantages its natural surroundings have provided it with a strong base in traditional resource-based industries.