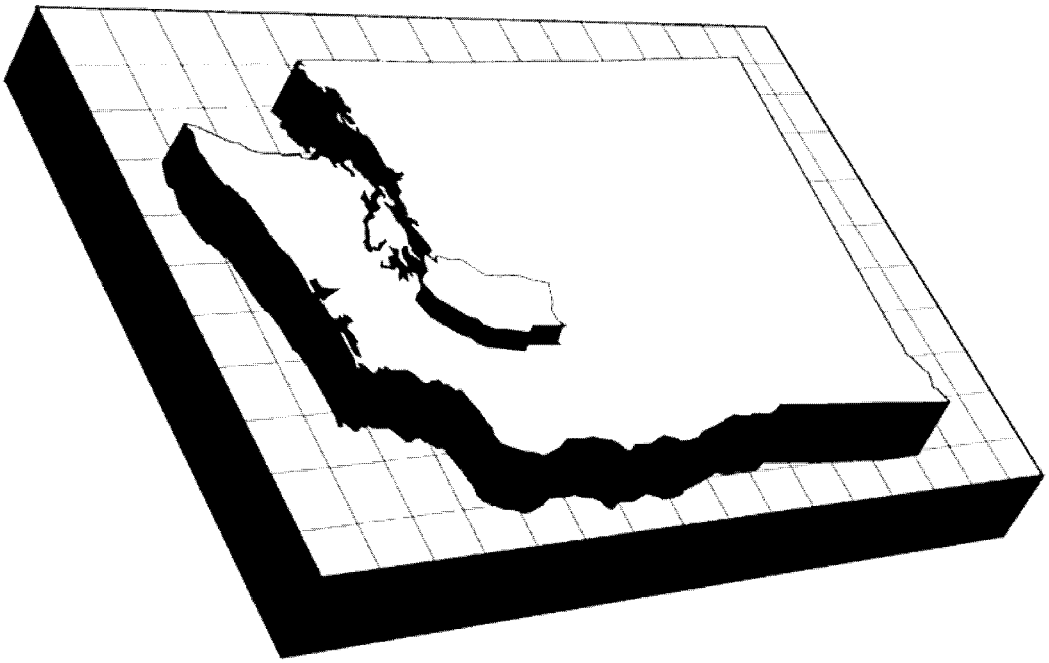
PIERCE COUNTY PROFILE



March 2001
Labor Market and
Economic Analysis Branch
Greg Weeks, *Director*

Washington State
Employment Security

PIERCE COUNTY PROFILE
MARCH 2001

Labor Market and Economic Analysis Branch
Employment Security Department

This report has been prepared in accordance with *RCW 50.38.050*.

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- *homepage at* ***www.wa.gov/esd/lmea***
- *On-line database (WILMA) at* ***www.wilma.org***
- *Labor Market Information Center (LMIC) at* ***1-800-215-1617***

TABLE OF CONTENTS

EXECUTIVE SUMMARY 1

INTRODUCTION 2

GEOGRAPHY 3

ECONOMIC HISTORY 4

POPULATION 7

- Towns and Cities
- Age Groups
- Demographics

CIVILIAN LABOR FORCE 12

- Demographics

UNEMPLOYMENT 14

- Unemployment Insurance Claims
- Industrial Typology

INDUSTRIES, EMPLOYMENT, AND WAGES 17

- Employment Trend
- Location Quotients
- Goods and Services
- Annual Average Covered Wage
- Agriculture, Forestry, and Fishing
- Construction and Mining
- Manufacturing
- Transportation and Public Utilitles (TPU)
- Trade
- Finance, Insurance, and Real Estate (FIRE)
- Services
- Government
- Industrial Projections

OCCUPATIONAL PROFILE 29

INCOME 32

- Personal Income
- Components of Personal Income
- Earned Income
- Transfer Payments
- Investment Income

EMPLOYMENT SERVICES AND ECONOMIC DEVELOPMENT 36

- Workforce Development
- Economic Development

APPENDIX - Pierce County Selected Economic Data A-1

EXECUTIVE SUMMARY

Pierce County is one of the major counties of Washington State with one-tenth of the state's population, labor force, and job base. The county has a number of attributes including: an excellent job-training and educational infrastructure that includes colleges and voc-tech institutions; a prime mid-Puget Sound location on the I-5 corridor; close proximity to the Sea-Tac international airport; a highly developed railway and trucking web; and an excellent deep-water port that can handle high volumes of traffic and has significant back-up land.

Since the last national recession (1990-91), employment growth has been strong in the county, with an average annual growth rate of 2.7 percent since 1990. However, the annual growth rate has declined over the last few years from 3.7 percent in 1997 to 1.7 percent in 1999. At the same time, the statewide average growth rate declined from 4.1 to 1.8 percent.

Overall the goods and services sectors expanded by 15 and 9 percent respectively, from 1995 to 1999, which may seem unusual as the economy is perceived to be more service oriented. Growth in the goods sector was driven by construction which increased by 26 percent since 1995. Within the broader service sector the largest growth was seen in the services and FIRE sectors, 17 and 16 percent, respectively, since 1995. Although manufacturing increased by 14 percent from 1995 to 1998, it then contracted by 4 percent in 1999.

Jobs are being created at a pace greater than the corresponding increase in the work force. Although the growth rates for both have been declining since 1997, the annual growth rate for jobs is still higher than that for the CLF. While the CLF growth rate declined from 3.4 percent in 1997 to 0.8 percent in 1999, at the same time the growth rate for jobs decreased from 3.6 percent to 1.7 percent. The unemployment rate remained at 4.5 percent from 1997 to 1999, even lower than the statewide rate of 4.8 percent.

In addition to its own substantial employment base, significant numbers of residents in Pierce County work outside the area. In 1999, Pierce County's resident labor force numbered 335,300 workers while the county's number of employer-based nonfarm jobs totaled 239,300. Prior Census figures indicate that the difference stems from county residents commuting outside the county to work, predominately in King County. The percentage of total personal income earned by people working outside the county increased from 3 percent in 1970 to 24 percent in 1998.

Pierce County's economy is also bolstered by the presence of the military in the area. McChord AFB and Fort Lewis employ a large number of federal civilian employees as well as about 19,000 active duty armed forces personnel. The military's presence is not limited to the payrolls, though. Not only do numerous contractors supply the military, significant amounts of construction are related to the Department of Defense (DOD), either directly contracted by the DOD or done by private developers to provide, for example, housing and rental units for the military and their dependents.

A decade-long decline in the county's annual average wage bottomed out in 1989. After a brief drop it has been increasing every year since1994, reaching $28,646 in 1999, still somewhat less than the 1979 average wage or $29,937. The average wage ranked eighth among Washington's 39 counties. In 1998, per capita income in Pierce County was $24,500, ranked 7th among all 39 counties.

The median income in Pierce County in 1998 was $43,592, ranking 6th in the state. The large difference between the median and per capita income is a good indicator of a relatively even distribution of income throughout the county. Some counties, for example San Juan, have high per capita income and low household median income, indicating a high concentration of income in relatively few hands.

In sum, the county is in good shape to enter the 21st century. It has strong and expanding industries, a well-developed infrastructure, and a prime location with access to all modes of transportation. Wages and income have been growing and unemployment has been declining. The economy is performing well and faces a very bright future.

INTRODUCTION

This report profiles the labor market and economic characteristics of Pierce 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 *Pierce County Profiles*, the purpose of this report is to provide a comprehensive labor market and economic analysis of Pierce County. Characteristics profiled include the following:

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

The data for this profile are derived from various state and national sources. All dollar figures are in current or nominal values, except where real values are specified. Real dollars are inflation adjusted, using the Personal Consumption Expenditures deflator with 1998 equal to 1.0. The data used are the most recently updated, even though some data are up to 2 years old.

> The profile is available in a Pdf format from the LMEA internet homepage. Much of the information included in this report is also regularly updated on the homepage. Current and historical labor market information that can be accessed by area or by type of information can be found at:
>
> **http://www.wa.gov/esd/lmea**

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

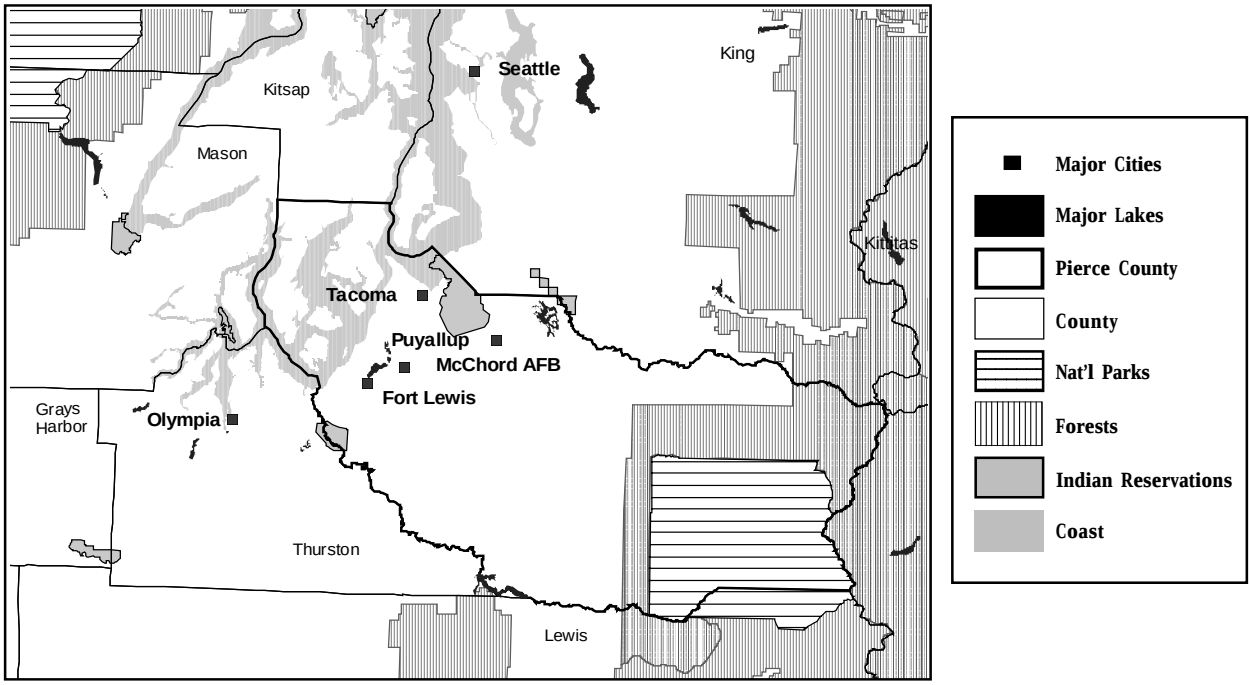
GEOGRAPHY

Pierce County is southernmost of the four counties generally referred to as the central Puget Sound region (the others being King, Snohomish, and Kitsap). Pierce County is more or less equidistant from the northern and southern borders of Washington State. The county's boundaries are heavily influenced by natural features. It is separated from Thurston and Lewis counties to the south by the Nisqually River, and from King County to the north by the Green and White rivers. The Pacific Crest Trail represents its eastern border with Yakima County. The county's northwest boundary extends into Puget Sound, which separates it from Kitsap County.

Pierce County comprises a total land mass of 1,675 square miles (2.5 percent of the state's total land mass). As such, it ranks 23rd in size among Washington counties. Pierce County rises from sea level along its western Puget Sound exposure to more than 14,000 feet above sea level at the summit of Mount Rainier. Few counties in Washington display such topographical extremes. Indeed, the division between west and east Pierce County more or less marks the transition from the plains to the foothills of the Cascade Range. Within the eastern part of the county rests virtually all of Mt. Rainier National Park and parts of Gifford Pinchot National Forest.

The topography in western Pierce County is primarily one of flat plains at or just above sea level. It is on this relatively level terrain that almost all of the county's economic and population growth has occurred. Two prominent salt-water features in the county are a deep-water harbor at Commencement Bay and The Narrows, a strait that separates the county between its main body of water and parts of the Kitsap Peninsula under its jurisdiction. Several islands—namely McNeil, Fox, and some of Henderson—lie within county waters. The southern part of the county shoreline borders on a wetland and national wildlife refuge known as the Nisqually Delta.

Major tributaries in Pierce County include the Nisqually, Puyallup, White, and Carbon rivers—all of which flow out of the Cascades and through Pierce County before emptying into the Sound. While the county is dotted by hundreds of small fresh-water ponds and lakes, Lake Tapps is by far the largest. Other large bodies of fresh water are Bonney Lake, American Lake, Lake Steilacoom, and Gravelly Lake.



ECONOMIC HISTORY

The following is largely excerpted from three publications: *History of Pierce County, Washington* by William Pierce Bonney, *Tacoma Beginnings* by Winnefred L. Olsen, and *Tacoma 1869-1969* by Charles F.A. Mann, ed.

Native Americans were the first known inhabitants of present-day Pierce County. The area's principal tribes were the *Puyallup* (north county) and *Nisqually* (south county). They depended largely on cedar canoes as a means of transportation for trade with one another and various other tribes around Puget Sound. Their trading activities are widely considered to be the first forms of commerce in what is now Pierce County.

On May 26, 1792, an expeditionary party led by Captain George Vancouver put ashore at present-day Dash Point or Brown's Point (it's not entirely clear which). Later that day, they explored Commencement Bay. The party is believed to be the first whites to set foot in what is now Pierce County.

In 1824, the British Hudson's Bay Company sent John Work and a 40-man party to explore the waters charted by Vancouver. In December of that year, they reached the Nisqually River and the Indian village of Chilacoom (present-day Steilacoom). Soon, fur trappers were traveling through the area. To accommodate the traffic, the Hudson's Bay Company built Fort Nisqually trading post in 1833 (near present-day Du Pont), claiming virtually the entire land between the Puyallup and Nisqually rivers. It was on this claim that the company raised cattle and sheep.

Commander Charles Wilkes and his survey party were the first Americans in Pierce County. They spent the summer of 1841 mapping Puget Sound. American settlers began trickling into the region in the late 1840s. In 1849, Snoqualmie Indians attacked Fort Nisqually. The U.S. Government responded by building Fort Steilacoom near a stream of the same name. Steilacoom thus became the first American settlement in present-day Pierce County. In fact, there were two Steilacooms. The first was established by LaFayette Balch in January 1851 when he set up a house and store about eight miles from Fort Nisqually, naming the site Port Steilacoom. Another Steilacoom began in August 1851 when John Chapman established residence near Balch and called his site Steilacoom City.

In December 1852, the Oregon Territorial Legislature created several new counties, including Pierce (to honor President Franklin Pierce). Steilacoom City was the county seat. When Washington became a territory in 1853 the Steilacooms merged and became a shipping and trading center.

The first settler to build at present-day Tacoma was Nicholas DeLin. He arrived at Commencement Bay in April of 1852 and selected a site on the south shore to erect a sawmill (the first on the Bay). DeLin used the first lumber from the mill to build homes and furniture for himself and several other new residents. Most of the lumber, though, was shipped to markets in California created by the Gold Rush.

Fishing, salting, and packing were the next industries on Commencement Bay. Coopersmithing followed as barrels were needed to pack the fish. In 1853, the Longmire party arrived in Pierce County by wagon and began farming the Puyallup Valley east of Tacoma. The valley's soil was rich and the climate was mild. This proved conducive to hops—one of the first crops. The local hop industry was destroyed by plant lice in the 1880s. However, by the 1890s, the county was producing all nature of berries, lettuce, cabbage, peas, beans, cucumber, squash, and pumpkins. The area was also the county's dairy region—producing milk, cheese, butter, poultry, and eggs. By the 1920s, daffodil bulbs were a major Pierce County commodity from the Puyallup Valley. Today, most of the world's daffodil bulbs are grown in Pierce County and shipped to Tacoma for worldwide distribution.

The Medicine Creek Treaty of 1855 was arranged by Territorial Governor Isaac I. Stevens and reluctantly signed by the Puyallup and Nisqually tribes (Medicine Creek is now called McAllister Creek). Anger over the treaty terms compelled local tribes to join the Indian Wars of 1855-56. When the war ended, white settlement of the Puget Sound region commenced in earnest.

Tacoma, like Steilacoom, had two beginnings. Anthony Carr filed a plat on November 30, 1869 and named his site "Tacoma." Morton McCarver filed a plat on December 3, 1869 and named his site "Tacoma City." The latter, however, is considered the official plat of modern Tacoma. Like other Puget Sound communities, Tacoma became a mill town. Besides the mill, Tacoma had a hotel and saloon, stores, and a post office. It was still, however, sparsely populated next to Seattle and Olympia. This changed with the arrival of the Northern Pacific Railroad.

By 1873, the Northern Pacific stretched as far north as Tenino. In July of that year, McCarver was informed that Tacoma was to be the railroad's northern terminus. A population-land boom commenced as ships brought load after load of passengers and as businesses rushed to open offices (usually in makeshift tents). As it happened, though, the railroad and McCarver had different ideas of where the terminus was to be located. The terminus was built on 2,000 acres south of McCarver's property at a site called "New Tacoma." McCarver's plat, at present-day Ruston, became known as "Old Tacoma." The line was completed on December 16, 1873.

In 1878, four large coal veins were discovered and mined near Wilkeson and other parts of the Cascade foothills. The coal was transported to Tacoma where it was stored in bunkers before being loaded onto waiting ships. Most of the coal went to Alaska and California. Tacoma also became a major coaling station for West Coast steam ships. During that period and up to the turn of the century, everything was coal-fueled—oil had not yet been discovered in California.

In 1880, the county seat was moved from Steilacoom to Tacoma and four years later in 1884, the two Tacomas merged. In 1887, the Northern Pacific completed its line across the Cascades. Tacoma was now linked with agricultural communities in eastern Washington, as well as markets in the midwest and eastern United States. Grain from eastern Washington now passed through Tacoma instead of Portland. Warehouses, granaries, and flour mills sprang up along Commencement Bay. Eastern Washington apples also began to move through Tacoma. Timber volume increased. Trade, though, was also a two-way street as a shipment of tea from Asia began Tacoma's rise to prominence as a gateway for foreign trade.

The Northern Pacific's success encouraged several other companies to lay lines to Tacoma. They came in succession: The Great Northern in 1909, the Union Pacific in 1910, and the Chicago, Milwaukee, St. Paul, and Pacific in 1911. Historic Union Station was built by the Union Pacific in 1911. Tacoma was now an intercontinental rail center and the largest in the state. Fine rail access—combined with the deep-water harbor at Commencement Bay—was a healthy incentive for manufacturing industries.

In 1889, Dennis Ryan built a smelter north of Old Tacoma to reduce lead ore from Idaho. He liked the ease with which it could be transported by rail or ship to domestic and world markets. William Ruston bought and enlarged the smelter in 1890 before selling it to American Smelting and Refining Company (ASARCO) in 1895. The smelter was the world's largest in the 1960s. Today, ASARCO is closed, but alumina (mostly from Australia) still arrives by tanker for delivery to local smelters such as Kaiser's Tacoma plant. There it is processed into pure aluminum ingots and shipped to plants and mills for use in products such as sheet metal and wire.

Logging and lumber milling were the most important industries in Pierce County virtually since its inception. Companies formed to purchase huge tracts of forestland. They were soon hard at work clearing what is now western Pierce County. Lumber and shingle mills lined Commencement Bay. Other wood products also dominated: furniture, doors, boxes, chairs, broom handles, and matches. The Wheeler Osgood Company, known for its doors, produced the first plywood in 1910. It led a host of firms that made Tacoma the plywood center of the nation.

One of the most notable events was the establishment of The Weyerhaeuser Timber Company in Tacoma in 1900. Weyerhaeuser started the practice of tree farming, then called "high yield forestry." Today, the Tacoma-based company manufactures more than 5,000 products worldwide and is one of the largest forest product firms in the nation.

Paper and pulp came to Pierce County in 1927 when St. Paul and Tacoma Lumber Company set up a mill near Commencement Bay. The company became the St. Regis Paper Company in 1959. The West Tacoma News Print Company was started by a group of northwest publishers during World War II to insure a steady supply of newsprint. The local pulp industry, in turn, spawned a vibrant chemical industry since the latter inputs to the paper-making process.

Food processing had its early beginnings in Pierce County with salmon salting and packing. In 1913, J.C. Haley founded Brown and Haley, a candy manufacturing company. His original markets were logging camps. However, when World War I broke out, he secured a government contract to supply candy to American doughboys overseas. In 1918, Marcus Nalley began making potato chips. He soon diversified into mayonnaise, salad dressing, syrups, pickles, and relish. Transportation (i.e., railroads, the port, and relatively new highways) and a readily available supply of cheap electricity were the factors that persuaded both companies to set up in Tacoma.

A readily available supply of low-cost electricity was a key reason medium and heavy industry moved into the Tacoma and Pierce County region. This began in 1893 when the City of Tacoma bought Tacoma Light and Water Company. Its first big expansion occurred when the city-owned LaGrande Dam was commissioned in 1912. Since then, the city has added two more dams—Mayfield

(1963) and Mossyrock (1968)—both on the Cowlitz River in southwest Washington.

The turn of the century saw heavy ship traffic on Commencement Bay. New docks and terminals appeared overnight. The bay was dredged constantly. But there was little planning. Consequently, in 1918 county residents voted to form the Port of Tacoma. That brought about a more orderly process for developing port property and facilities. The Port of Tacoma is now the second largest port in Washington and one of the largest in the world. Its intermodal rail system—the only one of its kind in Washington—puts the Port on the cutting-edge of container shipping technology.

The military has long had an impact in Pierce County. Fort Lewis began in 1917 when 70,000 acres of land in the American Lake-Nisqually Plains area was deeded to the U.S. Government by Pierce County citizens. Then known as Camp Lewis, it trained 60,000 soldiers during World War I and was renamed Fort Lewis after the Armistice. During World War II, it was an induction, training, and embarkation center for troops in the Pacific Theater. It was active again in the Vietnam conflict—processing nearly two million troops from 1966-72. Fort Lewis is today the third largest U.S. military installation in land mass. On a side note, the British Army maintains a training facility at Fort Lewis. Nearby Camp Murray was used to train soldiers for the Spanish American War in 1898 and is now home to the Washington National Guard.

Land for McChord Air Force Base, then called Tacoma Field, was deeded to the U.S. Government in 1938 by the City of Tacoma. Originally a B-18 and B-23 bomber base, it was the largest B-25 bomber-training base in the nation during World War II. After the war, McChord became home to the 62nd Military Airlift Wing which flies C-141 transports (McChord also has the reserve 446th Military Airlift Wing). In 1950, McChord also became home to the North American Air Defense Command's 25th Air Division and the Tactical Air Command's 318th Fighter Interceptor Squadron (the latter having since been deactivated).

The military has also impacted Pierce County indirectly. During the first and second World Wars, Kaiser Corporation's Tacoma shipyard built hundreds of naval vessels. That mantel has since been assumed by a number of boat building and repair firms, which currently (1999) employ almost 300 workers.

Mount Rainier National Park was established by Congress and signed into law by President McKinley in 1899. The 250,000 acre park, along with a section of the Gifford Pinchot National Forest, dominates eastern Pierce County. The park contributes tremendously to the county's tourism and recreation sector, most of which is otherwise centered in the greater Tacoma area.

Because of its substantial population base, it is not surprising that education came to play a significant part in the Pierce County economy. Pacific Lutheran University and University of Puget Sound are private four-year institutions founded in 1860 and 1880, respectively. Two state-supported two-year colleges—Tacoma Community College and Pierce College—were established in the 1960s, and in 1990 a branch campus of the University of Washington was put in place. Two of the state's five vocational colleges—L.H. Bates and Clover Park—are also sited in the county. When combined, these institutions make up a significant share of the local employment base.

POPULATION

The Office of Financial Management has estimated Pierce County's 2000 population at 700,000, ranking it the second most populated of Washington's 39 counties. With an area covering 1,676 square miles, Pierce County's population density stands at 418 people per square mile, making it the fourth most densely populated county behind King, Kitsap, and Clark counties.

Over the last 30 years, Pierce County's population growth has been similar to the state's. From 1970 to 1999 the population in Pierce county increased by 170 percent (*see Figure 1)*. On an annual basis, population growth has averaged 1.8 percent in both the county and the state since 1970. The pattern is not surprising given that Pierce County is an integral part of the central Puget Sound region—a region that supplies the major thrust for overall state growth.

The 1970s started with a decline of roughly 5.4 percent over the 1972-73 period. This came about in the wake of a troop reduction of more than 15,000 at Fort Lewis as the U.S. scaled down its involvement in the Vietnam War. The decline was exacerbated by the concurrent Boeing Bust of the early 1970s. For the decade of the 1970s, Pierce County experienced growth averaging 1.5 percent per year, slightly below the statewide average of 1.7 percent.

Throughout the 1980s Pierce County sustained a 2 percent average growth rate, compared to the state which was 1.7 percent. During the 1990s, both the county and the state sustained an average population growth rate of 2 percent. The annual growth rate for 1998 and 1999 was 1.9 percent in Pierce County.

Components of population change such as births, deaths, and migration can provide insight into larger population and economic trends. From 1990 to 2000, Pierce County gained 119,797 residents *(see Figure 2)*. Of that number, 52,061 were the result of natural increase and 67,736 resulted from net in-migration. *Figure 3* shows the changing migratory element of Pierce County from 1971 to 1999. The periods with the greatest levels of in-migration were 1978 to 1981 and 1989 to 1993, both with migration levels of over 40,000.

This migratory element has generally followed cyclical economic patterns. In the 1980s in-migration tapered off during the national recessions. From 1991 to 1993, migration reached its peak with over 10,000 persons moving into the area each year. Migration then declined dramatically to less than 3,000 in 1994, and then began increasing steadily since 1996, from 1,284 to over 8,800 in 1999.

In light of the military's substantial presence in Pierce County and its effect on local population, some mention should be made of the resident military population. Personnel strength at Fort Lewis Army Post and McChord Air Force Base can fluctuate rapidly. It plummeted sharply during the early 1970s, but from the late-1970s through the mid-1980s, the number remained

Figure 1
Population Trend
Pierce County, 1970-2000
Source: Office of Financial Management

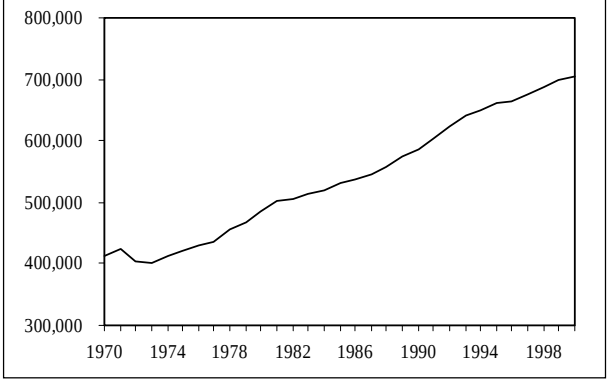


Figure 2
Components of Population Change
Pierce County, 1990-2000
Source: Office of Financial Management

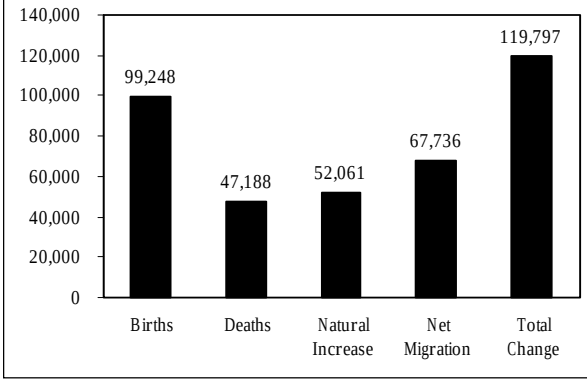
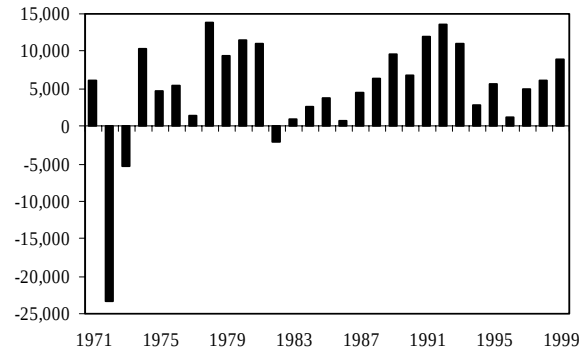


Figure 3
Migration Trend
Pierce County, 1971-1999
Source: Office of Financial Management



fairly level. Starting in the late 1980s, gradual cutbacks have lowered Pierce County's military population. In 1999 resident military personnel in the county (19,393 persons) represented approximately 38 percent of the total statewide military, down from nearly 50 percent throughout the 1980s.

Towns and Cities

Of Pierce County's 706,000 residents, 45 percent lived in unincorporated areas in 2000. Since 1990, population in unincorporated regions has actually declined by six percent, while the population for incorporated areas has increased 57 percent. Similarly, statewide growth was also concentrated in the cities, but not so dramatically, with 34 and 3 percent growth for incorporated and unincorporated areas, respectively.

The city of Tacoma, not surprisingly, was by far the most populous municipality, comprising 48 percent of the incorporated population. Before the incorporation of Lakewood, Edgewood, and Pacific City in 1995, Tacoma comprised 70 percent of the incorporated population. In 2000, Tacoma was followed by Lakewood (16.5 percent), Puyallup (8 percent) and University Place (7.9 percent). *Figure 4* shows the specific data for Pierce County between 1990 and 2000. While Tacoma was the most populous municipality, it was not the fastest growing. Du Pont showed the most dramatic growth of 248 percent, virtually all of which occurred since 1995, after Intel and State Farm Insurance moved into the area. After Du Pont, the fastest growing cities were Gig Harbor, South Prairie, and Orting all of which grew between 90 and 100 percent since 1990.

Figure 4
Population of Cities, Towns, and County
Pierce County, 1990-2000
Source: Office of Financial Management

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	% Chg 90-00
Pierce	586,203	603,800	624,000	640,700	648,900	660,200	665,200	674,300	686,800	700,000	706,000	20%
Unincorporated	339,679	354,102	370,432	383,130	388,321	396,357	295,533	301,196	308,270	316,566	319,945	-6%
Incorporated	246,524	249,698	253,568	257,570	260,579	263,843	369,667	373,104	378,530	383,434	386,055	57%
Auburn (Part)1/	-	-	-	-	-	-	-	-	-	-	375	
Bonney Lake	7,494	7,860	8,110	8,500	8,805	9,085	9,350	9,590	9,825	10,060	10,280	37%
Buckley	3,516	3,560	3,600	3,720	3,840	3,870	3,905	3,920	3,950	3,980	4,040	15%
Carbonado	495	495	500	505	540	605	584	629	630	649	655	32%
Du Pont	592	590	585	585	585	590	680	915	1,370	1,755	2,060	248%
Eatonville	1,374	1,435	1,470	1,545	1,555	1,610	1,680	1,780	1,905	1,915	1,990	45%
Edgewood 2/	-	-	-	-	-	-	10,534	10,630	10,690	10,700	10,830	
Fife	3,864	3,870	4,300	4,455	4,420	4,250	4,475	4,545	5,000	5,155	5,100	32%
Fircrest	5,258	5,280	5,310	5,315	5,330	5,375	5,445	5,895	5,930	5,935	5,955	13%
Gig Harbor	3,236	3,310	3,600	3,660	3,730	3,890	4,110	4,130	6,350	6,405	6,575	103%
Lakewood 2/	-	-	-	-	-	-	62,786	62,240	62,540	63,820	63,790	
Milton (part)	4,298	4,300	4,365	4,410	4,450	4,475	4,540	4,680	4,715	4,785	4,840	13%
Orting	2,106	2,240	2,240	2,240	2,245	2,475	2,960	3,385	3,575	3,825	4,030	91%
Pacific (part)3/	-	-	-	-	-	-	195	195	195	195	190	
Puyallup	23,878	24,453	25,400	26,140	26,680	27,250	28,660	29,490	29,910	30,740	30,940	30%
Roy	258	337	355	345	340	380	362	360	375	370	370	43%
Ruston	693	695	700	705	705	720	735	740	745	745	755	9%
South Prairie	245	245	343	345	445	533	533	535	530	485	485	98%
Steilacoom	5,728	5,790	5,910	5,980	6,065	6,120	6,135	6,185	6,185	6,240	6,250	9%
Sumner	6,459	7,368	7,410	7,550	7,645	7,700	7,840	8,070	8,130	8,495	8,605	33%
Tacoma	176,664	177,500	179,000	181,200	182,800	184,500	185,000	185,600	186,000	187,200	187,200	6%
University Place 3/	-	-	-	-	-	-	28,751	29,160	29,550	29,550	30,310	
Wilkeson	366	370	370	370	399	415	407	430	430	430	430	17%

1/ Auburn annexed some territory in Pierce County in 1999
2/ Edgewood and Lakewood were incorporated in 1996
3/ The city of Pacific and University Place were incorporated in 1995

Age Groups

The distribution of the population among various age groups, as well as the changes in this distribution over time shows aspects of the population not revealed by the overall numbers. *Figure 5* categorizes the population of Pierce County and Washington State by age group share size. The age categories are stratified as follows:

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

In Pierce County, as in Washington State and the nation, the population is getting older. The primary factor behind this overall trend is the aging of the Baby Boomers (those born between 1946 and 1964). This is clearly seen in *Figure 5*, which shows that the major shift occurs between the 25 to 44 and 45 to 64 age groups, continuously from 1990 to 2010. There is very little change among the other age groups. As can be seen in *Figure 6*, Pierce County does have a slightly younger population compared to the state. This difference may be attributed to the very urban nature of the county and the large number of colleges and universities.

Figure 5
Population by Age Group
Pierce County, 1990, 2000, and 2010
Source: Office of Financial Management

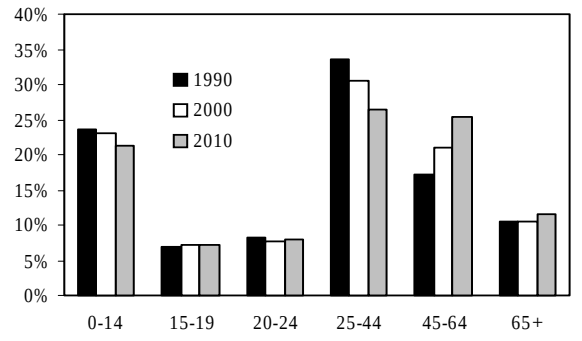
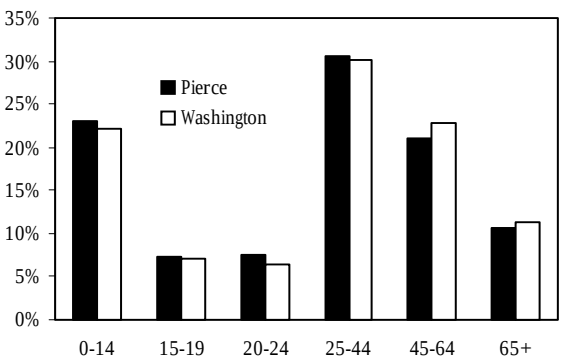


Figure 6
Population by Age Group
Pierce County and Washington, 2000
Source: Office of Financial Management



Demographics

Though Pierce County's population grew strongly between 1980 and 1990, its gender makeup did not change. According to the 1990 Census and the 1998 estimates, females accounted for 50 percent of the population.

In accordance with the federal Office of Management and Budget, the state Office of Financial Management tracks five broad race and ethnic groups: White, Black, American Indian/Eskimo or Aleut (AIEA), Asian or Pacific Islander (API), and Hispanic origin. (People of Hispanic origin can be of any race and are tallied separately.) The share of the total population of these categories, for Pierce County and Washington, is shown in *Figure 7*. Pierce County has significantly higher percentages of minority ethnic groups than the rest of the state, although whites still account for 80 percent of the county population. Blacks were the next largest

Figure 7
Population by Race and Hispanic Origin
Pierce County and Washington, 1990 and 1998
Source: Office of Financial Management

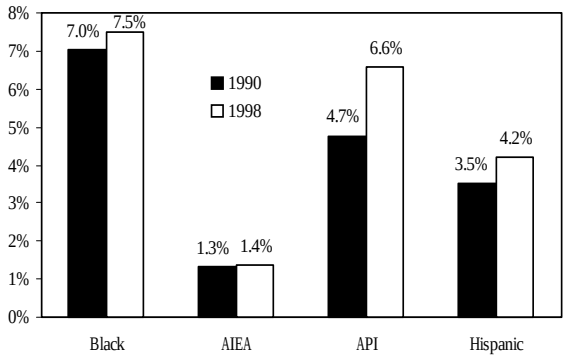
Pierce	**1990 Census**		**1998 Estimates**		**1990-1998 % Change**
Total	586,203	100.0%	686,800	100.0%	17.2%
White	488,869	83.4%	551,670	80.3%	12.8%
Black	41,206	7.0%	51,397	7.5%	24.7%
Indian/Aleut	7,729	1.3%	9,468	1.4%	22.5%
Asian/Pacific Islander	27,837	4.7%	45,363	6.6%	63.0%
Hispanic*	20,562	3.5%	28,901	4.2%	40.6%
Washington					
Total	4,866,692	100.0%	5,757,400	100.0%	18.3%
White	4,411,407	90.6%	5,107,571	88.7%	15.8%
Black	152,572	3.1%	198,670	3.5%	30.2%
Indian/Aleut	87,259	1.8%	109,509	1.9%	25.5%
Asian/Pacific Islander	215,454	4.4%	341,650	5.9%	58.6%
Hispanic*	214,570	4.4%	356,464	6.2%	66.1%

**Hispanics may be of any race*

group representing 7.5 percent of the county's population; statewide they account for 3.5 percent. Blacks were followed by Asian and Pacific Islanders (6.6 percent) and Hispanics (4.2 percent). Statewide they represent 5.9 and 6.2 percent, respectively.

Racial characteristics have shifted slightly over the years. From 1990 to 1998, the white population in Pierce County has decreased from approximately 83 to 80 percent; the same group decreased from 92 to 89 percent for the state. Among the predominate minority groups in Pierce County the greatest growth has been among the Asian/Pacific Islanders and the Hispanics, 63 and 40 percent, respectively (*see Figure 8*).

Figure 8
Population by Race and Hispanic Origin
Pierce County, 1990 and 1998
Source: Office of Financial Management



CIVILIAN LABOR FORCE

The resident civilian labor force is defined as all persons 16 years of age and older within a specified geographic area who are either working or actively seeking work. This excludes those serving in the armed forces. Like the general population, the labor force can be seen as a key economic indicator. Patterns of growth and decline in the county's labor force are largely driven by economic cycles as well as activity in the local construction, government and/or other predominant sectors in the county economy. Since gross domestic product and gross state product are not gathered at the county level, labor force changes, as well as other measures, serve as proxies.

In 1999, the labor force in Pierce County was estimated at 335,300. *Figure 9* displays the trend of the county's labor force from 1970 to 1999. Over that period, Pierce County's civilian labor force grew 238 percent. By comparison, the state's grew 218 percent.

Annual average rates of growth in the local civilian labor force varied somewhat in the 1970s (*see Figure 10*), averaging 2.7 percent, but ranging anywhere from a 1 percent decline in 1974 to a 6 percent increase in 1978. This average rate lagged behind the overall state growth of the 1970s by nearly 1 percentage point. But not in the 1980s and 1990s. The 1980s began with two national recessions, neither having much effect on Pierce County's labor force. Growth was strong during the entire decade, averaging 3.6 percent annual growth, compared to a 2.4 percent average for the state.

(*In 1983 there was a break in series as the county's civilian labor force was re-calculated to take account of the 1980 commuter patterns*.)

In the 1990s, Pierce County again experienced growth stronger than the state's, a 2.8 percent average annual growth rate compared to 2.3 percent for the state. The 1990s started with both the county and the state dipping slightly, most likely because of the 1990-91 national recession. The following year Pierce County more than made up for this loss by increasing to a decade peak of 5 percent growth. In recent years, the annual average growth rate has declined from 3.4 percent in 1997 to 0.8 percent in 1999.

One of the more interesting aspects about Pierce County's labor force is that about 25 percent work outside of the county. This issue will be discussed in greater detail in the income section.

Figure 9
Civilian Labor Force
Pierce County, 1970-1999
Source: Employment Security Department

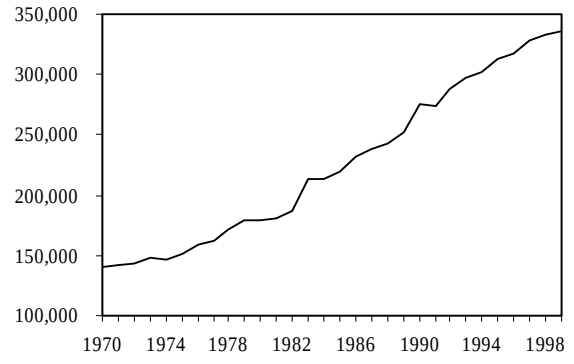
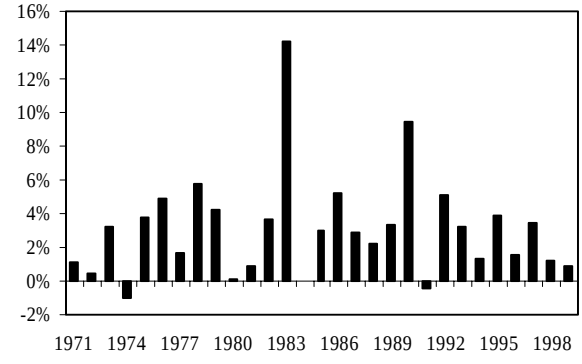


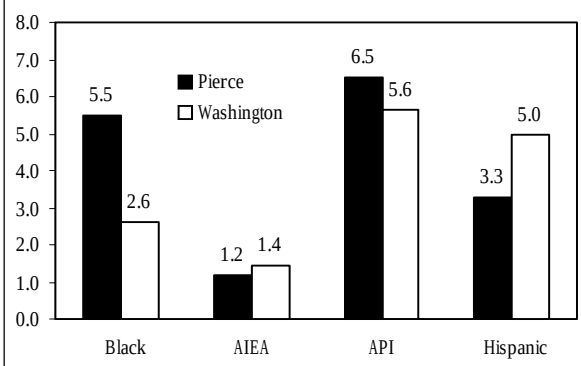
Figure 10
Civilian Labor Force Annual Growth Rates
Pierce County, 1970-1999
Source: Employment Security Department



Demographics

Ethnically, Pierce County's labor force composition is comparable to its population makeup (*see Figure 11*). According to the 1997 estimates, 83.6 percent of the county's labor force was white. The second largest racial group, Blacks, made up 6 percent. Asian/Pacific Islanders and Native Americans, accounted for 5.8 percent and 1.2 percent of the labor force, respectively. Those of Hispanic origin, who can be of any race, comprised 3.4 percent of the county's labor force. As mentioned earlier, the population of Pierce County is evenly split between males and females. The labor force, however, is not. According to the 1997 estimate, 54 percent of the work force is male while 46 percent is female. Statewide, males make up 55 percent of the labor force.

Figure 11
Civilian Labor Force by Race and Ethnicity
Pierce County and Washington, 1997
Source: Employment Security Department



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. 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 12 shows the unemployment rate for Pierce County, Washington State, and the country since 1970. As the chart shows, the county and state rates track closer with each other than either one does with the national rate. The employment patterns of Pierce County and Washington are more intertwined with each other than either are to the national business cycle. However, all three follow the same general trend, increasing and decreasing with fluctuations in the national economy. Currently, Pierce County's economy is still expanding following the 1990-91 national recession, and unemployment has declined every year since 1993, surpassing the record-setting low it attained in 1990 (4.6 percent), with a rate of 4.5 percent in 1999. The state unemployment rate was 4.7 percent in 1999.

Unemployment statistics by race and sex are extrapolated from the 1990 Census and updated by Employment Security Department analysts, factoring in population changes and other influences. The most recent update for Pierce County was 1997. *Figure 13* shows the unemployment rate for all ethnic groups and women. Although Whites do have the lowest unemployment rate of 3.9 percent, there are no unusual differences in the unemployment rate among the other ethnic groups in Pierce County, all of which are between 6 and 8 percent. The unemployment rate for women is 5.3 percent, slightly higher than that for the state. In fact, except for women and Asian and Pacific Islanders, the unemployment rate is lower for all groups compared to the state.

Figure 12
Unemployment Rates
Pierce County, Washington & U.S., 1970-1999
Source: Employment Security Department

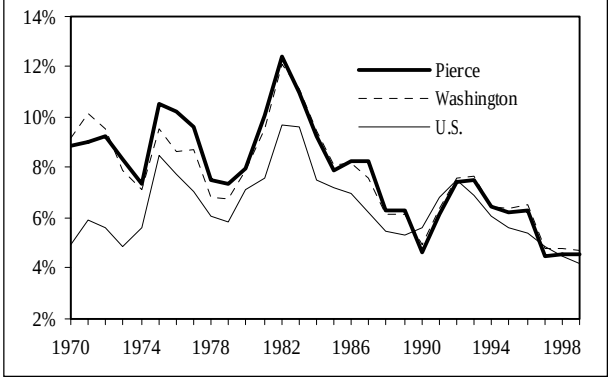
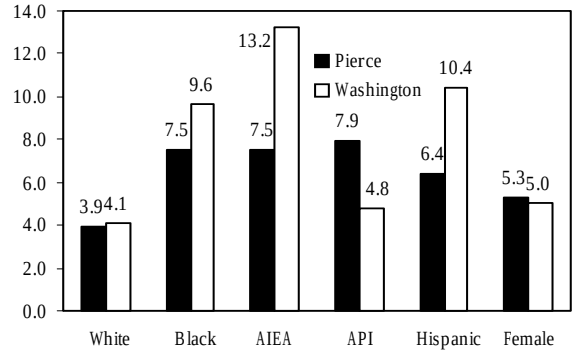


Figure 13
Unemployment by Race, Ethnicity, & Gender
Pierce County, 1997
Source: Employment Security Department



Unemployment Insurance Claims

One of the key factors, and perhaps most reliable methods, in determining unemployment is the number of claims filed with the Employment Security Department for unemployment insurance (UI) benefits. *Figure 14* shows the number of UI claims filed in Pierce County and Washington State during FY1999-2000 by occupational groupings. Occupational groupings differ from industry designations in that the former deal with the type of work performed regardless of industry and the latter deal with work performed within a given industry. Pierce County had 37,143 UI claimants between July 1, 1999 and June 30, 2000.

The concentration of UI claims in Pierce County occupational groupings closely resemble the concentrations statewide. The majority of claims fell in four principal areas: structural work, professional/technical/managerial, clerical, and service. The largest area of difference between the state and county was in the grouping of agriculture, forestry, and fishing which accounted for only 1.7 percent of all claims in Pierce County and 7.6 percent for the state. This is easily explained by the urban nature of Pierce County.

For both the county and the state, the majority of claims stems from blue-collar occupations, although more so for the state (54 percent versus 50.8 percent). Many blue-collar occupations are very much subject to seasonal variation, or, as in the case of construction, seasonality and project duration. While blue-collar jobs in Pierce County only account for about 25 percent of all jobs, they account for about 50.8 percent of all UI claims. Approximately the same ratio holds true for the statewide numbers.

Figure 14
Unemployment Insurance Claimants
Pierce County and Washington State, July 1, 1999 - June 30, 2000
Source: Employment Security Department

	Pierce		Washington	
	Claimants	**Percentage**	**Claimants**	**Percentage**
Professional, technical, and managerial	7,188	19.4%	69,757	19.7%
Clerical	4,912	13.2%	39,861	11.3%
Service	4,128	11.1%	35,562	10.0%
Sales	2,042	5.5%	17,729	5.0%
Structural Work	7,576	20.4%	68,041	19.2%
Packaging and materials handling	3,495	9.4%	26,847	7.6%
Machine trades	2,629	7.1%	21,643	6.1%
Motor freight and transportation	1,891	5.1%	16,993	4.8%
Agriculture, forestry, and fishing	617	1.7%	26,856	7.6%
Processing	906	2.4%	17,838	5.0%
Benchwork	1,476	4.0%	10,515	3.0%
Miscellaneous, NEC	283	0.8%	2,444	0.7%
Total	37,143	100.0%	354,086	100.0%
White-Collar*	18,270	49.2%	162,909	46.0%
Blue-Collar*	18,873	50.8%	191,177	54.0%

**Miscellaneous/NEC occupations excluded*

Industrial Typology

The characteristics of an area's industrial base hint at the unemployment patterns that the area might face. Therefore, calculations were made to establish the share of seasonality, cyclicality, and structural maturity in the area's employment base. These terms are defined as follows.

Industries with *seasonal* employment patterns are characterized by large employment increases and decreases in particular months of the year, for example, construction and retail sales. These variations occur during the same months each year and are caused by factors that repeat each year, for example: poor weather conditions, holiday seasons, and weather-related activities such as harvesting. A seasonal industry is one in which the maximum variation between the highest and lowest monthly employment is 18.9 percent or more of the industry's annual average employment.

Cyclicality refers to business and unemployment patterns caused by or linked to the broader movements of the economy—expansions and contractions. Unemployment in such industries is attributable to a general decline in macroeconomic activity, especially expenditures, which occurs during a business-cycle downturn. When the economy dips into a contraction, or recession, aggregate demand declines, so less output is produced and sold, and thus fewer workers and other resources are employed. Hence business activity of the cyclical variety decreases and unemployment increases. Industries that are especially sensitive to these economic swings are classified as cyclical industries, for example, ship building, aerospace and automobile manufacturing. A cyclical industry is one in which its highest to lowest annual average employment varied 24 percent or more from the midpoint trend line from 1982-90.

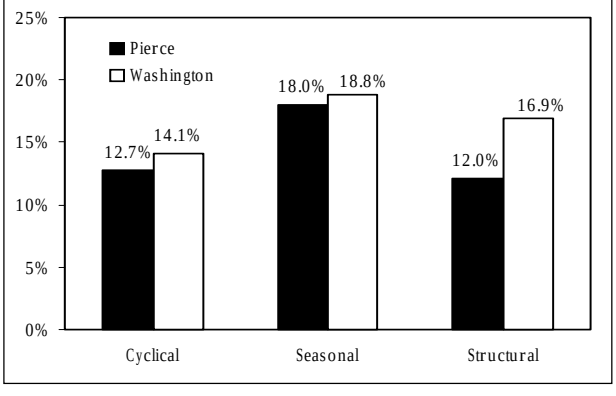
Structurally mature industries are characterized by long-term declines in total annual average employment. These declines may be the result of increased productivity, automation, technological change, exhaustion of natural resources, or other factors. Decreasing sales are due to either displacement by less-expensive competitors, or decreasing overall demand for the good. Affected industries must either shut down, or restructure. Areas with a high degree of structurally mature industries experience specific unemployment issues. First, structurally mature industries shed a significant number of workers causing unemployment to increase. Second, unemployment can persist because of a mismatch between the skills possessed by the available work force and the skills called for in existing and newly created jobs. The impact of structurally mature industries on local economies, therefore, can be devastating in the short run. An industry is structurally mature if there is a decrease in employment from the pre-recession peak of 1990.

Only private industries were included when producing the figures below, so the large impact of government employment is excluded.

Note: The percentages will not necessarily total 100 percent. 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.

The percentage of workers employed in these type of industries in Pierce County is shown in *Figure 15*. In 1999, cyclical, seasonal, and structural industries accounted for 12.7, 18.0, and 12.0 percent of all non-governmental employment, respectively. The industrial typology in Pierce County and the state are very similar, except for structural industries. Structural industries account for 12.0 percent of all jobs in the county, compared to 16.9 percent for the state. The lower county unemployment rate is accounted for by the lesser influence of structural industries within the county, compared to the state.

Figure 15
Industrial Typology
Pierce County and Washington, 1999
Source: Employment Security Department



INDUSTRIES, EMPLOYMENT, AND WAGES

Data in this section are derived through two different Bureau of Labor Statistics programs, which are conducted in Washington by the Employment Security Department. Current Employment Statistics (CES) generates monthly *nonagricultural* employment figures. The Quarterly Employment and Wages program (ES-202) includes data on both agricultural and nonagricultural employment *covered* under the state unemployment insurance program. Approximately 90 percent of all workers in the state are covered by unemployment insurance.

Employment Trend

In Pierce County, the number of nonfarm jobs has been consistently growing since 1982 when the "double-dip" recessions of the early 1980s had halted growth in most areas of Washington (and most of the nation). As *Figure 16* shows, even the 1990-91 national recession did not put a stopper on growth in the county. Overall, for the period 1970-99, the number of jobs grew by 226 percent, going from 105,800 to 239,300. Growth for the state as a whole, was 245 percent during the same period.

Figure 17 shows the average annual rate of growth for employment in Pierce County from 1970 to 1999. The average growth rate for the county since 1970 was 2.9 percent, compared to the state growth rate of 3.2 percent. The average annual growth rate for each decade has progressively declined. The average growth rate for the 1970s, 80s, and 90s was 3.2, 2.8, and 2.7 percent, respectively. Since the recession of 90-91, growth has been good but not as strong as prior to the recession. The average annual growth rate for 1998 and 1999 was 2.6 and 1.7 percent, respectively. The state growth rate for 1999 was 1.8 percent.

Of interest, and significance, is the difference in the labor force employment numbers (discussed in the CLF section) and the nonfarm employment numbers in this section. Pierce County's *resident* labor force employment in 1999 was 335,300; the number of nonfarm jobs that same year was 239,300. The potential available labor force employment figure is based on residence within the county, while the nonfarm employment is based on workplace location. Approximately 23 percent of Pierce County residents commute regularly outside the county to work.

Figure 16
Nonagricultural Wage & Salary Employment
Pierce County, 1970-1999
Source: Employment Security Department

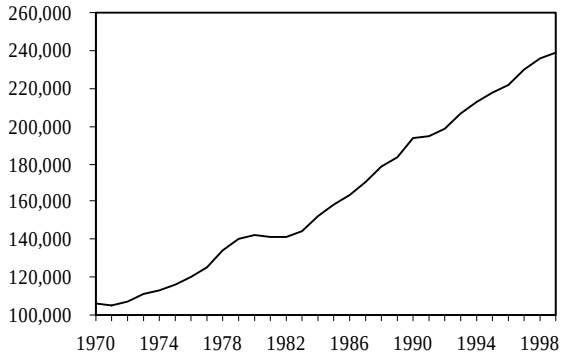
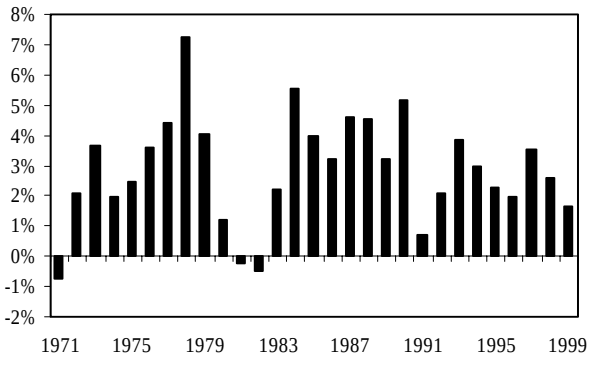


Figure 17
Nonagricultural Wage & Salary Growth
Pierce County, 1970-1999
Source: Employment Security Department



The net figure of 79,235 represents a large number of paychecks that flow into the county every month. These paychecks buy houses, cars, and groceries and pay taxes in Pierce County. This large injection of money from outside the county adds to the general prosperity and is an integral part of the economy.

Another component of Pierce County's economy, one that is rarely picked up by standard employment reports, is the military. Numbers derived from the CES program, the civilian labor force estimates, and the ES-202 Employment and Wages program do not include armed forces personnel. In addition to the 239,300 jobs reported above in Pierce County, there are about 19,000 active duty armed forces personnel in the county, all of whom are employed and whose payroll makes a sizable contribution to the county's economy.

Location Quotients

One way of determining the industrial makeup of an area, and thereby its relative economic strength or weakness, is to compare it to another area. This comparison can be done using various measures of economic activity, such as employment, income, or retail sales. In the following analysis, location quotients are calculated using employment figures.

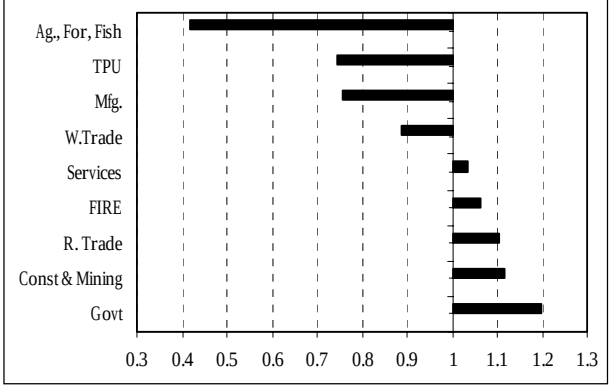
The following section shows fairly specifically, by industry sector, how Pierce County's employment patterns both differ from and coincide with Washington State's. When comparing an industry's share of all employment at the county level to the same industry's share at the statewide level, it becomes apparent that some county employment is distributed differently than statewide employment. The location quotient compares the share of total employment (ES-202) in a particular industry division in the county with the share it represents in Washington State.

The quotient is determined by dividing the local industry's share of local total employment by the same industry's share of total employment at the state level. A value higher than 1.0 denotes a local industry with a higher percentage of employment than exists in the same industry at the state level. A value below 1.0 denotes the opposite. A quotient of 1.0 denotes an industry in which the county is comparable to the state as a whole.

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 18 shows the location quotients of the major industry sectors in Pierce County. Except for agriculture, forestry, and fishing, which is a very small sector in terms of employment, all sectors are fairly close to the statewide norm (quotient of 1.0), indicating that importing/exporting consumption patterns in the county are very similar to the statewide patterns. Like the industrial typology discussed earlier, this is another signal that the county's economy tends to work very much like the state's.

Figure 18
Location Quotients
Pierce County, 1999
Source: Employment Security Department



While the somewhat low quotient of .79 for manufacturing is indicative of importation of manufactured goods, it misses the mark by not including the military establishment, which for Pierce County ranks very much a "basic export" industry. (This quotient increased from .71 in 1995 as the new Intel facility added a large number of manufacturing jobs to the county's employment base.) Government, which generally provides stable employment coupled with relatively good wages, is significantly above the standard with a quotient of 1.25.

Goods and Services

There are three broad sectors in an economy: primary, secondary, and tertiary. The primary sector is comprised of agriculture and mining. The secondary sector is the goods-producing sector, comprised of manufacturing and construction. Finally, the service sector is everything else —although government is sometimes excluded. (The easiest way to remember the difference between a 'good' and a 'service' is that dropping a 'service' on one's foot doesn't hurt.) Over the past several decades, most job growth in the U.S. has been in the service sector, an issue and concern which has been widely debated.

In Pierce County, like the state and the nation, it is safe to say that the emphasis has also shifted in favor of services. *Figure 19* shows the total number of jobs in Pierce County in 1999 which fall within the goods and service sectors, 39,600 and 199,770, respectively. The two sectors increased 155 and 249 percent, respectively since 1970. (The service sector includes government.) Interestingly, if government jobs are not included in the service sector the total percent increase is even greater, 280 percent. The government sector has not been growing as strongly as other private service sectors.

Figure 20 shows the percentage of jobs in the goods sector from 1970 to 1999, for both Pierce County and Washington State. The percentage of jobs in the goods sector (mining, construction, and manufacturing) has consistently followed the state trend, decreasing from 23 percent in 1970 to 17 percent in 1999 in Pierce County. The gap between the county and the state appears to be at its greatest between 1989 and 1993, but then narrows again as the share of the goods sector in Pierce County begins to increase. From 1995 to 1999, there was a 15 percent increase in goods producing employment and a 9 percent increase in the service sector. This was in large part due to growth in construction employment.

There has been a definite shift in the industrial mix in Pierce County. Although this occurred simultaneously with the decline in the average wage, determining the level of causality is difficult: wages have declined in goods-producing industries as well as services-producing industries and the recent upswing in the average wage was not precipitated solely by an increase in goods-producing jobs.

Figure 19
Total Number of Jobs in Goods and Services
Pierce County, 1970-1999
Source: Employment Security Department

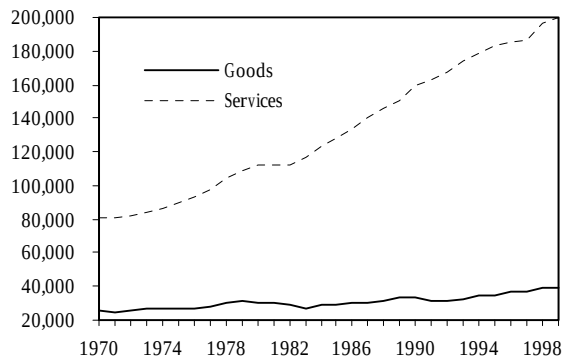
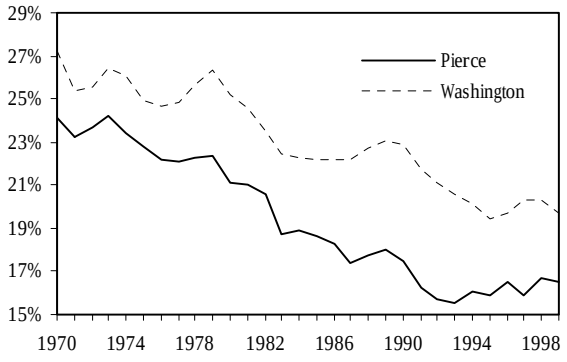


Figure 20
Percentage of Jobs in Goods Sector
Pierce County and Washington, 1970-1999
Source: Employment Security Department

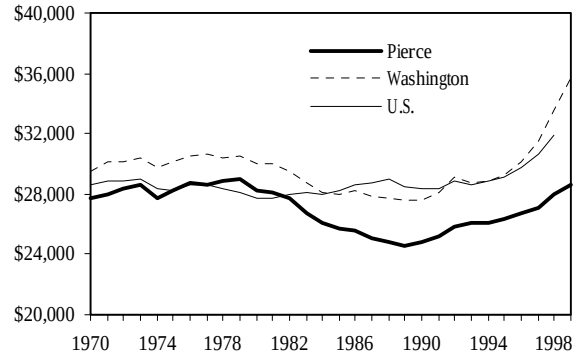


Annual Average Covered Wage

Annual average covered wages are 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, approximately 90 percent of all employment in the state is covered under the program. The average wage does not include any benefits (e.g., insurance or retirement plans) other than actual wages. *(Note: all amounts here have been inflation adjusted to 1998 dollars.)*

Figure 21 displays the average wage in Pierce County, Washington State, and the U.S. since 1970. It is apparent that the average wage in Pierce County is only re-

Figure 21
Real Annual Covered Wage
Pierce County, Washington, & U.S., 1970-1999
Source: Employment Security Department



cently beginning to recover from the decline which began in 1979, when the average annual salary was $28,937. After a steady decline from 1980 to 1989, the annual wage began to steadily increase eventually reaching $28,646 in 1999, somewhat less than 1979 peak figure. Even though employment has surged over the last 25 years, wages have fallen.

One of the reasons cited for the decrease in the average wage was the decrease in the ratio of goods-producing jobs to service-producing jobs. Comparing *Figure 20* to the trend line of the annual average wage in *Figure 21*, one can't help but notice the strong correspondence between the two. On the other hand, the wage gap between the goods and service sectors seems to be closing. In 1994, the average wage for the goods producing sector was $29,446, compared to $25,236 in the service sector. In 1999, the average wage for goods-producing industries was $33,121 and the average for services-producing industries was $32,496. The gap decreased from about $4,000 to $1,000. As the demand for service based labor has increased so has the annual wage. Also, there has been an upswing in the average wage since 1989, which does not correspond with increasing growth in the goods sector.

Although the average county salary has always been less than the average state salary, the gap became greatest in 1999 when the state average salary was $35,724—$7,000 more than the county average. The average wage in Washington is driven by the heavily populated and highly paid King County area and only 3 counties had wages higher than the statewide average. The increasing growth over the last five years in the high-tech industries has likely lead to the increasing wage gap. King County had an 11 percent wage increase in 1999, compared to the state average of 8 percent and 4.2 percent for Pierce County. Pierce County's wage ranked 8th among the state's 39 counties.

Nevertheless, Pierce County's 1999 wage, in real dollars, is still less than it was in 1979, the high point. This overall decline of the average wage has been a subject of considerable discussion for it is a national trend as well as one occurring in Washington and in Pierce County. Some of the explanations proffered are listed below; undoubtedly, each is a contributing factor.

- Pay declines within industries caused by international competition, restructuring, the decreased power of unions to set wages, and other factors.
- A relative decline in high paying goods-producing jobs accompanied by a large increase in lower paying trade and services jobs.
- The substitution of employee benefits for direct pay increases.
- Increase in part-time workers.

The annual average 1999 covered wage, and the number employed, for major industry divisions and permissible two-digit SIC code industries are shown in *Figure 22* for Pierce County and Washington State. Note that the average wage by sector throughout the state is almost always higher than Pierce County's average wage. (Again, the state's average wage data are heavily influenced by King County: the high-paying aerospace and high-tech industries drive up the wage for the densely populated county and, consequently, for the state as a whole.)

A look at Pierce County's industry divisions shows only two of the SIC two-digit industries as having a significantly higher salary than for the state. The salary for *Industrial Machinery and Computer Equipment* (35) is $68,067 compared to the average state salary of $46,556; the salary for *electronic equipment* (36) is $52,007 compared to $41,020 for the state. Besides *industrial machinery and computer equipment*, only one other industry—*security and commodity brokers*-pays more than $60,000 in Pierce County.

The lowest average covered wages were for *motion pictures* (78) at $7,018 and *private households* (88), at $8,034. These are also at the bottom of the scale for the state. These figures should be used only to draw broad conclusions. Some industries are purposefully excluded for confidentiality purposes, and the inclusion of data on part-time workers and executive earnings exaggerate wage disparities between otherwise comparable industries. Moreover, the wages have not been adjusted for regional cost-of-living variations, which can be very significant.

Figure 22
Annual Covered Wages and Employment
Pierce County and Washington State, 1999
Source: Employment Security Department

SIC		Pierce		Washington	
		Employment	Avg. Wage	Employment	Avg. Wage
	Total	**231,776**		**2,644,493**	
	Total Private	**184,438**	**$31,224**	**2,194,216**	**$36,166**
	Agriculture, Forestry, & Fishing	**3,298**	**$25,236**	**89,792**	**$27,304**
01	Agricultural Production - Crops	752	$14,166	54,110	$13,647
02	Agricutural Production - Livestock	322	$23,803	5,738	$20,133
07	Agricultural Services	1,818	$17,997	24,890	$18,966
08	Forestry	231	$33,086	2,377	$26,042
09	Fishing, Hunting, and Trapping	175	$37,126	2,677	$57,730
	Construction and Mining	**14,299**	**$36,097**	**145,913**	**$37,317**
14	Nonmetalic Minerals, except Fuels	166	$36,362	2,310	$36,408
15	General Building Contractors	3,765	$32,202	39,143	$34,383
16	Heavy Construction, except Building	2,118	$44,070	18,988	$44,209
17	Special Trade Contractors	8,250	$31,752	85,472	$34,266
	Manufacturing	**23,775**	**$38,489**	**358,121**	**$41,184**
20	Food and Kindred Products	1,852	$28,501	40,591	$31,154
23	Apparel and Other Textile Products	1,374	$20,166	7,070	$21,451
24	Lumber and Wood Products	3,896	$34,509	33,147	$37,770
25	Furniture and Fixtures	793	$30,013	4,611	$27,877
26	Paper and Allied Products	1,206	$46,483	15,769	$51,198
27	Printing and Publishing	2,312	$32,791	23,572	$33,464
28	Chemicals and Allied Products	541	$49,944	6,104	$70,893
29	Petroleum and Coal Products	428	$47,794	2,124	$66,332
30	Rubber and Miscellaneous Plastic Products	1,713	$35,875	10,015	$31,242
31	Leather and Leather Products	*	*	371	$21,713
32	Stone, Clay, and Glass Products	1,412	$36,040	8,633	$35,512
33	Primary Metal Industries	943	$37,586	11,586	$44,067
34	Fabricated Metal Products	1,712	$35,252	14,185	$32,871
35	Industrial Machinery and Computer Equipment	2,319	$68,067	24,413	$46,556
36	Electronic Equipment, except Computer	172	$52,007	18,231	$41,020
37	Transportation Equipment	2,654	$48,055	114,616	$55,599
38	Instruments and Related Products	153	$23,782	14,537	$54,866
39	Miscellaneous Manufacturing Industries	295	$27,452	8,546	$37,726
	Transportation, Communication & Utilities	**8,690**	**$34,756**	**132,876**	**$41,538**
41	Local and Interurban Passenger Transit	333	$15,797	6,680	$19,707
42	Trucking and Warehousing	3,385	$31,888	31,672	$30,801
44	Water Transportation	1,393	$58,679	8,885	$55,455
45	Transportation By Air	720	$26,723	26,406	$38,483
47	Transportation Services	599	$25,467	11,923	$33,852
48	Communication	1,314	$42,832	31,694	$59,055
49	Electric, Gas, and Sanitary Services	946	$41,903	15,616	$53,416
	Wholesale Trade	11,589	$34,983	149,133	$40,085
50	Wholesale Trade - Durable Goods	6,583	$36,476	84,772	$44,227
51	Wholesale Trade - Nondurable Goods	5,006	$33,491	64,361	$35,943
	Retail Trade	**45,742**	**$20,800**	**472,458**	**$22,582**
52	Building Materials and Garden Supplies	1,511	$26,752	21,861	$25,037
53	General Merchandise Stores	5,322	$17,839	49,287	$21,021

Figure 22 (Continued)
Annual Covered Wages and Employment
Pierce County and Washington State, 1999
Source: Employment Security Department

SIC		Pierce		Washington	
		Employment	**Avg. Wage**	**Employment**	**Avg. Wage**
54	Food Stores	**6,318**	$20,127	69,332	$20,306
55	Automotive Dealers and Service Stations	5,299	$32,617	48,050	$30,516
56	Apparel and Accessory Stores	1,679	$16,902	25,405	$21,033
57	Furniture and Homefurnishings Stores	1,867	$25,132	21,526	$27,490
58	Eating and Drinking Places	17,908	$10,518	176,049	$12,256
59	Miscellaneous Retail	5,838	$16,511	60,948	$22,993
	Finance, Insurance, & Real Estate	**12,506**	**$47,996**	**134,122**	**$52,991**
60	Depository Institutions	3,518	$35,713	38,184	$37,558
61	Nondepository Institutions	1,209	$35,034	11,538	$49,436
62	Security and Commodity Brokers	1,362	$95,012	7,981	$96,218
63	Insurance Carriers	2,141	$40,946	26,869	$44,641
64	Insurance Agents, Brokers, and Service	1,105	$33,546	13,328	$40,639
65	Real Estate	2,993	$19,259	33,633	$26,378
67	Holding and Other Investment Offices	178	$76,460	2,589	$76,065
	Services	**64,517**	**$23,254**	**710,755**	**$29,785**
70	Hotels and Other Lodging Places	1,389	$13,537	28,212	$16,637
72	Personal Services	2,753	$16,453	22,450	$17,399
73	Business Services	8,647	$20,237	165,464	$88,797
75	Auto Repair, Services, and Parking	2,799	$25,488	25,900	$24,829
76	Miscellaneous Repair Services	955	$32,683	7,575	$29,872
78	Motion Pictures	682	$7,018	9,928	$13,461
79	Amusement and Recreation Services	4,938	$15,360	40,268	$19,647
80	Health Services	20,892	$32,774	185,827	$31,616
81	Legal Services	1,426	$35,106	17,528	$44,849
82	Educational Services	3,307	$27,613	22,720	$27,132
83	Social Services	7,789	$14,566	59,140	$17,080
84	Museums, Botanical, Zoological Gardens	101	$18,341	1,532	$21,471
86	Membership Organizations	2,233	$19,067	24,580	$22,145
87	Engineering and Management Services	2,860	$35,992	64,036	$46,629
88	Private Households	3,649	$8,034	33,439	$8,814
89	Services, NEC	97	$49,800	2,156	$46,185
	Government	**47,338**	**$33,188**	**450,277**	**$36,809**
	Federal	9,584	$32,417	67,631	$42,858
	State	10,228	$32,807	116,784	$35,091
	Local	27,526	$34,342	265,862	$32,477

**Employment and wages not shown to avoid disclosure of data for individual employers.*

Agriculture, Forestry, and Fishing

In 1999, the agricultural sector employed 3,298 workers in Pierce County, almost 2 percent of the county's covered employment. Washington as a whole has about 4 percent of its covered workers in the sector. The sector paid an annual average wage of $25,236, about $2,000 less than the statewide average. Unfortunately the industry with the highest number of employees, agriculture services, receives the lowest industry wage ($17,997). Almost half of sector employment is in agricultural services with the two largest industries being lawn and garden services and non-livestock veterinarian services.

The second largest grouping, crop production, constituted 22 percent of sector jobs. Most of those workers harvest vegetables, melons, and berries. Even smaller, the livestock industry is primarily involved with dairy farming and egg production. About 200 workers were in the forestry and the fishing industries; interestingly their average wage was higher than the state average, $33,086 compared to $26,042.

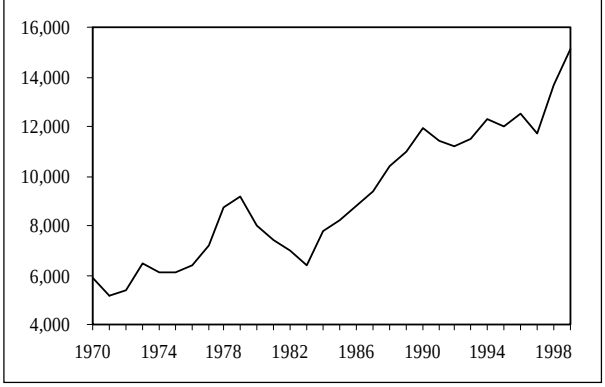
Construction and Mining

Construction and mining employment are rolled up together in this analysis. However, as mining only makes up about 1 percent of the sector's total employment the discussion will concentrate on construction. The bulk of the 166 miners in Pierce County work at construction sand and gravel pits. In 1999, almost 8 percent of the county's employment was in construction, slightly more than for construction statewide which was almost 7 percent. The annual average wage for the construction sector was $36,097 in 1999, only somewhat less than the statewide average of $37,317. The construction sector has the third highest average wage in the county.

Figure 23 shows construction employment in Pierce County since 1970. Employment in this sector can be volatile, for not only is it subject to strong seasonal variations, it is very sensitive to business cycle changes. The drops in employment all occurred during and immediately following periods of national recession. Over the period shown, sector employment grew from 5,900 to 15,100, an increase of 256 percent, compared to the state which grew by 285 percent. Except for the brief dip from1990 to 1992, employment in construction has been climbing steadily since 1983 and growth since 1997 has been especially steep. While the average annual growth rate from 1970 to 1999 was 4 percent, the growth rate for 1998 and 1999 was 17 and 10 percent, respectively.

The construction sector has three major industries: general building, heavy construction, and special trades.

Figure 23
Construction and Mining Employment
Pierce County, 1970-1999
Source: Employment Security Department



Largest is the special trades industry, which includes plumbers, electricians, carpenters, painters, etc. They accounted for 58 percent of sector jobs in 1999 and had an annual average wage of $31,752—the lowest in the sector. General building, primarily residential construction, had a 26 percent share of employment and paid a wage of $32,202. Heavy construction, mainly road and highway work, employed only 15 percent of the sector total but paid the highest average wage of $44,070.

Manufacturing

Manufacturing is a key sector in any area's economy. From an employment perspective it provides a high-wage job with a large economic multiplier. In Pierce County manufacturing firms pay an average wage of $38,489 (1999), the second highest sector wage in the county. Unfortunately, manufacturing jobs in Pierce County are not proportionately as numerous as they are statewide. Thirteen percent of the county's employment base is in manufacturing, while the share is 16 percent throughout Washington.

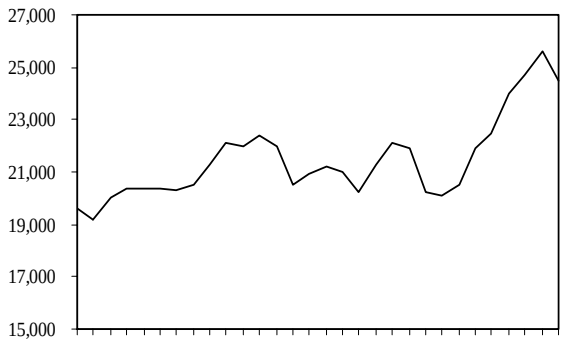
Figure 24 shows the number of jobs in manufacturing from 1970 to 1999. Except for the peaks in manufacturing employment at 22,000 jobs in 1981 and 1989, there was little overall growth from 1970 to 1992, when there were only 20,000 jobs in this sector. Since then employment in manufacturing has increased significantly, reaching a new peak of 25,600 jobs in 1998. The number of jobs then decreased to 24,500 in 1999. Overall employment in manufacturing increased by 125 percent for the county and 152 percent in the state, from 1970 to 1999.

Currently, the largest manufacturing industry in the county is lumber and wood processing, which had an average salary of $34,509. The largest amount of employment is with sawmills (1,614) followed by millworkers (685). Employment in these industries has decreased by 13 and 25 percent, respectively, since 1990.

Transportation equipment has become the second largest industry in the sector, with 2,654 workers and an average wage of $48,055, which is $10,000 higher than the average wage for the sector. While transportation equipment includes boat and ship building, the bulk of employment (56 percent) is in aircraft production. Both printing and publishing, and industrial machinery/computer equipment have about a 10 percent share of manufacturing employment, each employing about 2,300 workers.

Food processing, which was the second largest manufacturing industry in 1994, became the 5th largest industry in the sector in 1999. There was a major decrease in food processing from 2,800 workers in 1994 to 1,852 in 1999.

Figure 24
Manufacturing Employment
Pierce County, 1970-1999
Source: Employment Security Department

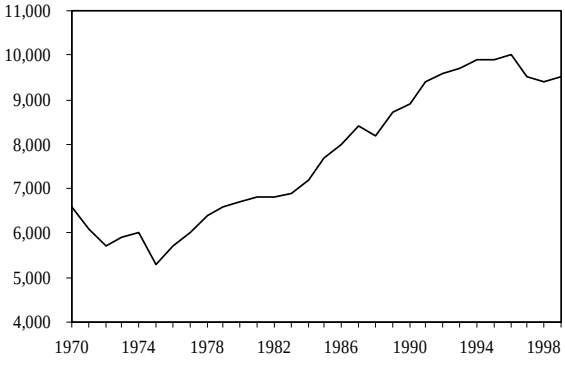


Transportation and Public Utilities (TPU)

This sector encompasses all the transportation industries (air, water, and land), as well as the gas, power, and electric services. *Figure 25* shows the growth for the sector since 1970 which has increased only 144 percent from 6,600 to 9,500. Statewide growth was 193 percent. TPU has shown steady growth from 1975 to 1996 at which point the number of jobs began to decline. Relative to work force size, TPU's share of non-farm employment is 4.7 percent for the county and 6 percent for the state.

The average wage for TPU was the highest among all sectors in 1994. Due to strong wage increases in four other sectors (FIRE, Manufacturing, Construction and Mining, and Wholesale Trade) at $34,756 the TPU average wage was in fifth place in 1999. The sector average wage is strongly influenced by the unusually large num-

Figure 25-
TPU Employment
Pierce County, 1970-1999
Source: Employment Security Department



ber of workers—compared to most other counties in the state—involved with water transportation. Water transportation accounts for 16 percent of the sector employment, and 58 percent of these workers are responsible for marine cargo handling. The Port of Tacoma services many sea-going ships. The giant Sea-Land and Totem companies operate many "roll-on, roll-off" vessels which carry freight to Alaska and other west coast areas. Crews associated with the operation of these vessels are relatively well-paid ($58,679), driving up the sector's average. The number of jobs in this industry has not increased since 1990.

The sector's largest industry, its size also stemming from activity at the port, is trucking and warehousing. With some 39 percent of the sector's covered employment, the industry employs about 3,385 workers who were paid an average wage of $31,888 in 1999. Fifty-eight percent of these workers are in non-local long haul trucking. Jobs in this industry have increased by 124 percent since 1990. Communications, which includes the telephone system, radio, TV, and cable TV, employs about 15 percent of the sector. The average wage in that industry was $42,832 in 1999. Gas, electric, and sanitary utilities employed 946 workers.

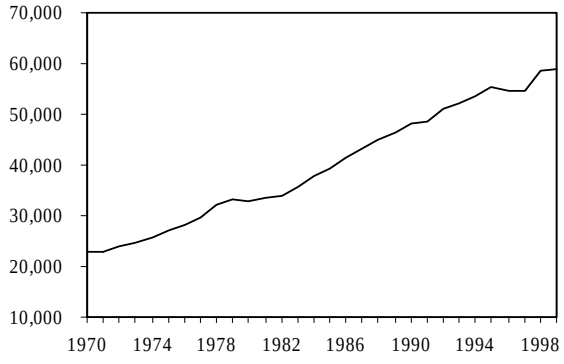
Trade

Figure 26 shows that employment in trade has grown at a fast pace since 1970. In all, the number of jobs increased by 256 percent, going from 23,000 to 58,800. State growth was slightly more at 264 percent. The average annual rate of growth in the 1980s was 3.4 percent; this declined to 2.4 percent for the 1990s. The average since 1995 was 1.6 percent with a high growth rate of 6.6 percent in 1998 and only 0.7 percent in 1999.

Trade comprises 31 percent of all nonfarm jobs in Pierce County, 25 percent in retail and 6 percent in wholesale. The state also has 6 percent of all employment in wholesale trade, but has only 21 percent in retail trade.

Wholesale trade pays significantly higher wages than retail. In 1999, the wage for wholesale trade was $34,983 compared to $20,800 for retail. The average wage data can be misleading, though, especially in retail trade. The figure is derived by dividing total payroll by average employment for the year. A part-time job is considered to be a job and carries the same weight as a full-time job in the calculations. Retail trade has a very high number of part-time workers compared to many other industries, and this alone lowers the average wage. Another factor, though, is that there are many entry-level jobs in retail trade that pay at or near the minimum wage, especially in eating and drinking establishments, which is the biggest sector in trade.

Figure 26
Trade Employment
Pierce County, 1970-1999
Source: Employment Security Department



Close to 18,000 people are employed in eating and drinking places in Pierce County. This 39 percent share of retail trade's work force was paid an average wage of $10,518 in 1999. Other large industries in the sector are food stores, general merchandise stores, auto dealers and service stations, and on the wholesale side, both durable and nondurable goods. Each of these industries employ between 5,000 and 6,500 workers.

Finance, Insurance, and Real Estate (FIRE)

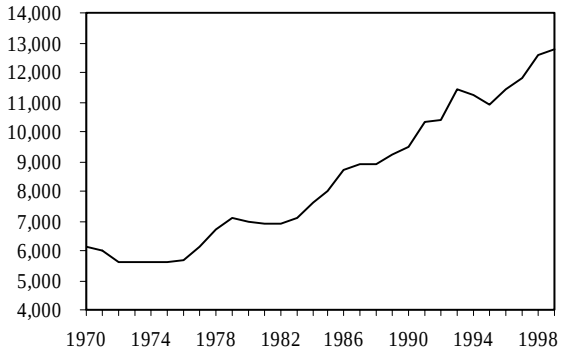
The FIRE sector, while relatively small, is a vital one. It includes the county's banking industry as well as the insurance and real estate industries. In terms of nonfarm employment, the sector comprises 6.8 percent of the total, compared to 6.1 percent statewide. In 1999, the average wage for the sector's workers was $47,996, an increase of $20,000 over the 1994 annual wage for this sector. It should be noted that the average wage is highly affected by the $95,012 annual wage for *security and commodity brokers*, which was only $52,695 in 1994.

Figure 27 shows the employment growth for the FIRE sector from 1970 to 1999 for Pierce County. Overall, there was a 210 percent increase in employment since 1970, with the number of workers going from 6,100 to 12,800 in 1999. State growth was 236 percent. Unlike trade, the average annual rate of growth has progressively increased with each decade: 1.8 percent in the 1970s, 2.7 percent in the 1980s, and 3.4 percent in the 1990s (despite negative growth in 1994 and 1995). On the other hand, like trade, there was a decline from a high rate of growth in 1998 of 6.6 percent to 1.6 percent growth in 1999.

Within the FIRE sector, the banking industry is the largest employer. Between depository and non-depository institutions, which includes national, state, and local banks, credit unions, mortgage companies, loan brokers, etc., the industry amounts to about 38 percent of the sector's employment. The workers were paid an average of around $35,000 in 1999.

Real estate is the largest single industry in the FIRE sector. It includes real estate agents and managers, apartment managers, mobile home managers, title offices, etc. In 1999, the industry employed 2,993 workers, with real estate agents and apartment managers being the largest employing industries. The average wage in real estate was a relatively low $19,259; however, the industry is characterized by significant amounts of part-time work.

Figure 27
FIRE Employment
Pierce County, 1970-1999
Source: Employment Security Department



There has been a sharp increase in employment among security and commodity brokers, with particular rapid growth in investment advisers. Security and commodity brokers have an almost 11 percent share of sector employment, with an unusually high average wage of $95,012. Insurance carriers and agents amount to 17 percent of the sector's jobs. Carriers were paid an average wage of $40,946 in 1999 while agents and brokers averaged around $33,546.

Services

The services sector encompasses many different type industries, including health and legal services, hotel and motels, computer programming, auto repair, amusement and recreation, etc. Growth in the services sector has been explosive. In terms of employment, it is now the largest sector, 35 percent of total employment in Pierce County.

Services has been the fastest growing sector in Pierce County over the last 30 years. From 1970 to 1999, the number of workers increased from 18,000 to 69,500, a total of 386 percent growth (*see Figure 28*). State growth was even greater at 434 percent. Average annual growth for this period was 4.8 percent. Since 1990, the average growth per year was 4.2 percent. The increase in 1998 was a strong 8 percent, but then fell to 2.7 percent in 1999.

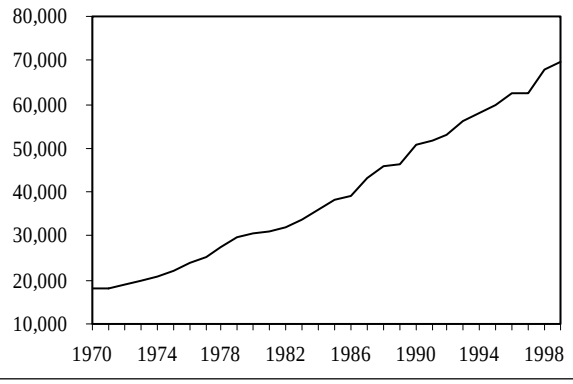
Services paid an annual average wage of $23,254 in 1999, which is relatively low compared to the county's overall average of $31,224. In fact, besides agriculture and retail trade, the service sector provides the lowest average wage. However, the services sector encompasses a broad range of industries with widely divergent pay and has a number of relatively large industries with significant amounts of part-time employment which tends to pull down the average.

Health services is the largest industry with about 32 percent of the sector's jobs. For years, this industry has been the driving force behind overall growth in services in Pierce County and has resulted in the industry being, proportionally, even larger than the statewide share. In Washington, only 26 percent of services sector employment is in health services. Since 1990, the industry has been going through a belt-tightening phase, growth is being constricted, and in some cases even downsizing is occurring.

The health industry includes hospitals, nursing facilities, in-home care, the private offices of physicians and dentists, etc. Over 20,000 workers in the industry were paid an average wage of $32,774 in 1999. The largest employers were general medical hospitals (7,000), private medical practices (over 4,600), and skilled nursing care facilities (about 2,500). While the number of medical hospitals have decreased from 10 to 7, since 1990 the total number employed has increased in this industry, but only by 13 percent since 1990. The total number of skilled nursing facilities has declined from 43 in 1994 to 23 in 1999. Within this industry the number of workers has declined from 4,325 in 1994 to 2,520 in 1999. On the other hand, the number employed in private medical practices has increased by 56 percent since 1990.

Business services is the second largest industry in services (13 percent of all services employment). These firms are considered producer services, that is, they provide services to producers—other businesses. The largest specific industries within business services are temporary help agencies and building maintenance workers. They each have 27 and 19 percent share of business service employment, respectively. The average wage for business services was $20,237.

Figure 28
Services Employment
Pierce County, 1970-1999
Source: Employment Security Department



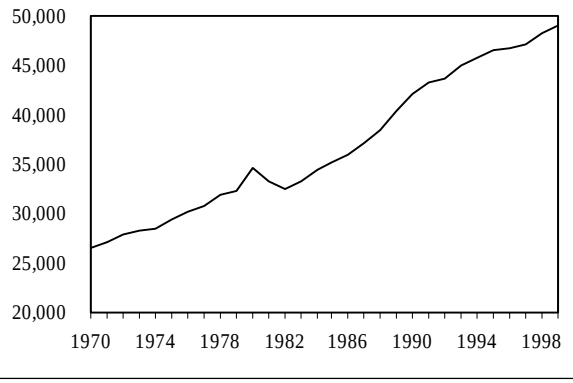
Social services has been a fast growing industry, and now has a 12 percent share of the services sector. The various services include individual and family services, day care, job training, and residential care. The highest paid services sector industry is engineering and management services. Its growth has been relatively slow, yet it has a 4 percent share of employment in the sector. Its average wage in 1999 was $35,992. Engineering services and accounting and bookkeeping services were the largest components.

Government

Pierce County has a larger share of civilian government employment than the statewide average, 25 percent compared to 20 percent for the state. The difference is predominately due to federal employment which is 20 percent of government employment in Pierce County, and 15 percent for the state as a whole. Public jobs add a positive dimension to an area's economy. They are relatively well-paying jobs (the average wage in 1999 was $33,188) and they provide a strong element of stability to the labor market.

Government employment is hardly recession-proof, though. *Figure 29* shows employment since 1970. Note the drop in growth during the severe national recessions of the early 1980s as well as the leveling-off that occurred during the 1990-91 recession. Total growth

Figure 29
Government Employment
Pierce County, 1970-1999
Source: Employment Security Department



from 1970 to 1999 was 249 percent for the county, compared to 270 percent for the state.

The federal government (civilian) presence is greater in the county than it is statewide, primarily because of employment at the two major military facilities of McChord AFB and Fort Lewis. There are about 7,900 federal civilian employees associated with the Department of Defense (this includes those working at the commissaries, post exchanges, hospitals, etc.) The approximately 9,500 federal government employees were paid an average wage of $32,417 in 1999. (The total number of federal employees in 1994 was 11,000.) The Postal Service employs about 1,600 workers and there are about 1,500 working for other federal agencies.

Additionally, there is the active duty military at these facilities. In 1999, there were 19,797 military personnel in the county at the various installations. Although the numbers are down substantially from the Vietnam era, and also are less than the level that was sustained during most of the 1970s and 1980s, the military installations in Washington (and in Pierce County) escaped most of the downsizing that has occurred throughout the nation in recent years. The number of military personnel decreased by 2,281 from 1980 to 1990. The difference between the 1990 Census figure and the 1999 estimate is -4,335.

State government employs fewer people in Pierce County, proportionally, than it does throughout the rest of the state. Even so, there are about 10,228 public employees of state government. The major employers are the Department of Corrections, Western State Hospital, Pierce Junior College, and the social service workers of the Department of Social and Health Services. The average wage in 1999 was $32,807, somewhat less than the average statewide.

Local government, like the federal government, is proportionally larger in the county than in the state. There were a total of 27,526 local government workers in 1999. Of these, the vast majority (about 60 percent) were involved in K-12 education. The average wage for local government was $34,342 in 1999, considerably higher than the county's all-sector average wage and almost $2,000 more than the statewide average for local government.

Industrial Projections

Nonfarm employment projections for the 1998-2003 period are shown in *Figure 30*. The projections are made by Employment Security Department analysts based on historical trends and anticipated developments in the various industries. The county is expected to have greater growth in its employment base than the state, 10.9 compared to 9.3 percent, which translates into 25,000 more jobs. The greatest growth for the county is expected in services at 16 percent, which is also true for the state. Trade, FIRE, and government are all expected to grow by about 10 percent. The only sectors expected to have significantly less growth than for the state are construction and TPU.

Figure 30
Industry Projections
Pierce County and Washington State, 1998 and 2003
Source: Employment Security Department

	Pierce			Washington		
	1998	**2003**	**% Change**	**1998**	**2003**	**% Change**
Total Nonfarm Employment	233,900	259,500	10.9%	2,595,000	2,837,600	9.3%
Manufacturing	25,400	26,500	4.3%	378,800	370,100	-2.3%
Construction & Mining	13,800	15,000	8.7%	147,000	162,100	10.3%
Transportation & Utilities	8,900	9,200	3.4%	136,100	142,700	4.8%
Wholesale & Retail Trade	58,000	63,900	10.2%	624,000	681,800	9.3%
Finance, Ins. & Real Estate	12,600	13,900	10.3%	135,000	142,900	5.9%
Services	68,200	79,300	16.3%	710,000	829,400	16.8%
Government	47,000	51,700	10.0%	464,100	508,600	9.6%

OCCUPATIONAL PROFILE

A different but informative way to view an area's work force is in terms of occupational divisions rather than industrial divisions. Occupation data differ from industry data in that the former are categorized by job function regardless of output, whereas the latter are categorized by final product. In other words, an occupation category, such as managerial and administrative, tracks employment and wages for all workers (16 and older) who perform a certain class of duties regardless of the industry. *Figure 31* shows employment in the major occupational divisions as well as the share of each grouping for Pierce County and the state. The data are based on Occupational Employment Surveys (OES) conducted in the area by the Employment Security Department in 1998.

The occupational makeup reveals only a slight departure from the state's occupational structure. The two small disparities between the county and state are for services, where the county's 18.7 percent is somewhat higher than the state's 15.4 percent, and agriculture (1.7 versus 3.9 percent). Dividing the occupational mix into blue-collar and white-collar occupations, Pierce County has a slightly higher percentage of white-collar occupations than the state as a whole, due to the higher percentage in service occupations.

Occupational employment projections for Pierce County are shown in *Figure 32*. The clearest trend shown in this table is the decline in all blue-collar categories (Ag., Forestry, & Fishing; Prec. Production, Craft & Repair; and, Operators, Fabricators, & Laborers) from 1998 to 2008. This corresponds with increases in several of the service occupations (managerial/administrative, professional, and services). This relates well to national trends that show the economy becoming more service-oriented.

Figure 33 is also based on occupational surveys conducted in Pierce County by the Employment Security

Figure 32
Occupational Projections
Pierce County, 1998 and 2008
Source: Employment Security Department

	1998	2008
Total	100.0%	100.0%
Managerial and Administrative	7.3%	7.6%
Professional, Paraprof., & Tech.	21.5%	22.7%
Marketing & Sales	12.0%	11.4%
Clerical & Admin. Support	15.1%	14.2%
Services	18.7%	19.7%
Ag., Forestry, Fishing & Related	1.7%	1.5%
Prec. Production, Craft & Repair	11.5%	11.0%
Operators, Fabricators, & Laborers	12.2%	11.9%
White-Collar	74.6%	75.6%
Blue-Collar	25.4%	24.4%

Figure 31
Occupational Employment
Pierce County and Washington State, 1998
Source: Employment Security Department

	Pierce		Washington	
Total	278,101	100.0%	3,042,950	100.0%
Managerial and Administrative	20,313	7.3%	236,687	7.8%
Professional, Paraprof., & Tech.	59,822	21.5%	689,989	22.7%
Marketing & Sales	33,253	12.0%	345,850	11.4%
Clerical & Admin. Support	42,130	15.1%	474,747	15.6%
Services	51,937	18.7%	469,185	15.4%
Ag., Forestry, Fishing & Related	4,675	1.7%	119,106	3.9%
Prec. Production, Craft & Repair	31,918	11.5%	336,198	11.0%
Operators, Fabricators, & Laborers	34,053	12.2%	371,188	12.2%
White-Collar	207,55	74.6%	2,216,458	72.8%
Blue-Collar	70,646	25.4%	826,492	27.2%

Department in 1998. The list of occupations and wages presents the various nonfarm jobs in the area and their average level of pay. Wages are generally provided as hourly rates, except for those occupations for which hourly rates are unavailable. The rank of each occupation, in terms of the number of people employed, is also shown. The occupation of salesperson is ranked number 1, which means there are more persons employed in sales than any other occupation. The occupations are organized under seven broad categories, for example, "Managerial and Administrative Occupations." Within each category the occupations are sorted by rank, the most common occupation will be at the top of the list within its category. For example, the most common occupation within "professional, paraprofessional, and technical occupations" is registered nurse.

Figure 33
Occupational Wages
Pierce County, 1998
Source: Employment Security Department

Occupational Title	Wage*	Rank**
Managerial and Administrative Occupations		
General Manager & Top Executive	$26.93	4
All Other Manager & Administrator	$24.74	7
Food Service & Lodging Manager	$12.62	38
Financial Manager	$25.71	48
Education Administrator	$27.86	70
Property & Real Estate Manager	$10.02	71
Marketing, Advertising, Public Rel Mgr	$24.24	73
Construction Manager	$25.62	86
Administrative Service Manager	$24.33	130
Medicine & Health Service Manager	$28.06	145
Purchasing Manager	$23.20	148
Industrial Production Manager	$24.82	166
Engineering, Math, Natrl Science Mgr	$32.47	184
Personnel, Train & Labor Relation Mgr	$19.89	185
Professional, Paraprofessional, and Technical Occupations		
Registered Nurse	$22.65	13
Teacher, Elementary	$37,990	15
Teacher, Secondary School	$37,640	16
Teacher Aide, Paraprofessional	$9.86	28
Licensed Practical Nurse	$15.00	32
All Other Professional, Paraprof, Tech	$18.69	35
Accountant & Auditor	$19.24	39
Social Work, Medical & Psychiatric	$16.29	42
Lawyer	$29.17	46
All Other Health Prof, Paraprof, Tech	$16.90	47
Instructor, Nonvocational Education	$16.51	52
Teacher, Vocational Education	$18.12	56
Social Work, exc Medical & Psychiatric	$16.22	58
Instructor & Coach, Sport	$11.71	60
Teacher, Special Education	$38,430	61
Physician & Surgeon	$54.93	63
Psychologist	$24.65	83
Vocational & Educational, Counselor	$20.56	92
Artist & Related	$12.75	94
Recreation Worker	$9.28	95
Loan Officer & Counselor	$17.58	100
Designer, except Interior Design	$15.17	101
Residential Counselor	$9.39	104
Computer System Analyst, EDP	$26.34	107
All Other Management Support Worker	$19.02	129
Dentist	$50.90	113
Cost Estimator	$20.55	116
All Other Postsecondary Teacher	$34,960	117
Civil Engineer, including Traffic	$27.49	126
Drafter	$16.40	127
Personnel, Train & Labor Relation Spec	$19.02	129
All Other Financial Specialist	$20.23	133
Purchase Agent, exc Whlsl, Retail, Farm	$19.45	139
Human Service Worker	$13.56	149
Physical Therapist	$28.11	150
Dental Hygienist	$28.76	152
Radiologic Technologist	$17.27	158
Computer Programmer	$24.18	160
Architect, except Landscape & Marine	$23.47	161
Pharmacist	$30.45	163
Management Analyst	$24.84	167
Writer & Editor	$19.84	172
Electrical & Electronic Engineer	$28.26	174
Librarian, Professional	$19.17	176
Wholesale, Retail Buyer, except Farm	$15.51	178
All Other Teacher, Instructor	$22,700	183
Computer Engineer	$29.10	190
Clergy	$17.51	192
Medical & Clinic Laboratory Technologist	$18.87	195
Sales and Related Occupations		
Salesperson, Retail	$10.86	1
Cashier	$9.05	2
First Line Supervisor, Sales & Related	$17.40	6
Sales Rep, exc Retail, Sci, Related	$18.94	25
All Other Sales & Related Occupation	$12.22	50
Telemarketer, Door-To-Door Sales & Rel	$7.59	59
Salesperson, Parts	$12.68	64
Stock Clerk, Sales Floor	$9.13	65
Counter & Rental Clerk	$7.94	72
Insurance Sales Worker	$20.64	90
Sales Agent, Real Estate	$14.89	112
Sales Rep, Science & Related, exc Retail	$18.23	136
Travel Agent	$10.21	164
Clerical and Adminstrative Support Occupations		
General Office Clerk	$10.75	3
Bookkeeping, Accounting & Auditing Clerk	$12.66	5
Secretary, except Legal & Medical	$12.22	11
First Line Supervisor, Clerical	$17.42	21
Receptionist, Information Clerk	$10.17	22
Stock Clerk, Stockroom or Warehouse	$11.28	33
Traffic, Shipping & Receiving Clerk	$13.50	36
All Other Clerical & Admin Support	$11.66	49
Bank Teller	$9.15	51
Typist, including Word Processing	$10.72	57
Postal Mail Carrier	$16.19	67
Billing, Cost & Rate Clerk	$13.13	96
Teacher Aide & Educational Asst, Clerk	$9.09	97
Order Filler, Sales	$10.19	114
File Clerk	$8.29	119
Order Clerk, Materials, Service	$10.60	122
Medical Secretary	$10.95	131
Data Entry Keyer, except Composing	$9.29	135
Insurance Policy Processing Clerk	$12.80	140
Loan & Credit Clerk	$13.33	141
Legal Secretary	$15.63	142
Computer Operator, exc Peripheral Eq	$13.49	154
Dispatcher, exc Police, Fire & Ambulance	$16.33	162
Bill & Account Collector	$12.13	173
Statistical Clerk	$13.78	182
Switchboard Operator	$9.79	186

Figure 33 (Continued)
Occupational Wages
Pierce County, 1998
Source: Employment Security Department

Occupational Title	Wage*	Rank**
Personnel Clerk, except Payroll, Time	$13.58	193
Payroll & Timekeeping Clerk	$13.40	196
Service Occupations		
Janitor & Cleaner, except Maid	$9.26	8
Waiter & Waitress	$6.11	9
Combined Food Preparation & Service	$6.32	12
Child Care Worker	$8.03	18
All Other Service Supervisor	$12.90	20
Food Preparation Worker	$7.39	23
Nursing Aide, Orderly & Attendant	$8.30	24
Hairdresser & Cosmetologist	$7.35	29
Home Health Aide	$6.83	30
Cook, Restaurant	$8.59	34
Bartender	$7.46	40
Guard & Watch Guard	$8.47	43
Maid & Housekeeping Cleaner	$8.18	45
Dining Room, Cafeteria & Bartender Help	$7.25	54
Cook, Institution or Cafeteria	$11.08	74
Dental Assistant	$12.44	75
Cook, Fast Food	$6.30	77
Correction Officer & Jailer	$16.91	80
Police Patrol Officer	$22.64	85
Fire Fighter	$23.64	87
Host & Hostess, Restaurant, Lounge	$6.33	89
Counter Attendant, Lunchroom, Cafeteria	$6.98	105
All Other Food Service Worker	$6.94	106
Psychiatric Aide	$12.32	109
All Other Service Worker	$9.09	115
Amusement & Recreation Attendant	$6.99	121
All Other Health Service Worker	$11.69	125
Barber	$14.78	144
Baker, Bread & Pastry	$10.02	155
All Other Cleaning & Building Service	$11.30	168
Personal Home Care Aide	$7.06	169
Cook, Short Order	$8.11	177
Medical Assistant	$10.74	181
Physical, Corrective Therapy Asst, Aide	$12.23	191
All Other Protective Service	$14.74	194
Agricultural, Forestry, Fishing, and Related Occupations		
Laborer, Landscaping & Groundskeeping	$9.87	41
All Other Agricultural, Forestry, Fish	$11.56	66
Log-Handling Equipment Operator	$15.64	137
Animal Caretaker, except Farm	$8.07	153
Farmworkers, Food/Fiber Crops	$7.04	188
Production, Construction, Oper, Maint, & Material Handling Occup.		
Truck Driver, Heavy or Tractor-Trailer	$16.35	10
Carpenter	$19.81	14
Maintenance Repairer, General Utility	$13.88	17
All Other Help, Labor, Matl Move, Hand	$11.84	19
Truck Driver, Light, incl Delivery & Rel	$11.01	26
Automotive Mechanic	$14.89	27
Hand Packer & Packager	$8.45	31
Electrician	$18.84	37
All Other Freight, Stock, Mat Move, Hand	$10.07	44
Assemble, Fabricate, ex Mach, Elec, Prec	$10.32	53
Painter & Paperhanger, Constr & Maint	$15.33	55
First Line Supervisor, Constr & Extract	$25.21	62
Driver/Sales Worker	$11.21	68
First Line Supervisor, Production	$19.52	69
Plumber, Pipefitter, Steamfitter	$19.05	76
First Line Supervisor, Mechanic & Repair	$21.91	78
Bus Driver, School	$12.04	79
Industrial Truck & Tractor Operator	$12.59	81
Sewing Machine Operator, Garment	$7.84	82
Automotive Body, Related Repairer	$15.24	84
Vehicle Washer & Equipment Cleaner	$8.37	88
Cabinetmaker & Bench Carpenter	$11.73	91
Welder & Cutter	$14.71	93
Bus & Truck Mechanic & Diesel Specialist	$17.07	98
Machine Feeder & Offbearer	$9.66	99
All Other Hand Worker	$8.59	102
Machinist	$16.70	103
Production Inspector, Grade, Sort,Test	$12.98	108
Roofer	$15.07	111
Operating Engineer	$23.34	118
Drywall Installer	$18.65	120
Cannery Worker	$8.23	123
Bus Driver, except School	$13.81	124
Custom Tailor & Sewer	$9.30	128
All Other Mechanic, Installer & Repairer	$18.20	132
Helper, Carpenter & Related Worker	$10.86	134
All Other Const & Extract, exc Helper	$12.57	138
All Other Machinery Mechanic	$17.80	143
Heat, A/C, Refrigeration Mech & Install	$18.11	146
Packaging & Filling Machine Op/Tend	$10.32	147
Meat, Poultry, Fish Cut, Trim, Hand	$7.96	151
Refuse & Recyclable Collector	$17.31	156
Helper, Mechanic & Repairer	$9.64	157
Mobile Heavy Eq Mechanic, exc Engine	$18.35	159
Taper	$17.25	165
Electric, Electronic Eq Assembler, Prec	$10.92	170
Sawing Machine Operator/Tender	$11.31	171
First-Line Supervisor, Mgr, All Other	$20.64	175
Sheet Metal Worker	$17.15	179
Telephone & Cable TV Line Install/Repair	$15.46	180
Concrete & Terrazzo Finisher	$17.63	187
Laund, Dry-clean Mach Op/Tend, exc Pres	$8.57	189

*Wages are either hourly or annual
**Ranking is by amount of employment per occupation, from highest (1) to lowest (196)

INCOME

The following sections relate to income, which includes both wage and non-wage sources. The data are derived from the U.S. Department of Commerce, Bureau of Economic Analysis. All income data have been adjusted to constant 1998 dollars.

Personal Income

Personal income is generally seen as a key indicator of a region's economic vitality. Conceptually, personal income captures all forms of income: wages, salaries, government transfer payments, retirement income, farm income, self-employed income, proprietors' income, interest, dividends, and rent, but not contributions toward social insurance. By definition, business and corporate incomes are not included.

Figure 34 displays both real and nominal (not adjusted for inflation) total personal income in Pierce County since 1970. From 1970 to 1998, total personal income in Pierce County increased from $6 billion to over $16 billion. This 261 percent increase equates to an average 3.5 percent annual growth rate, somewhat less than the state's 4.0 percent annual growth. The average growth rate since 1995 was 4.8 percent for the county and 5.4 percent for the state. In 1997, Pierce County was ranked second among all 39 counties for total personal income, which is important since it is also ranked second in terms of population.

The total amount of income in an area is only a sensible concept if there is some relationship to the number of people in an area. Per capita income (PCI) is calculated by dividing total personal income by the total population for an area. PCI provides a figure that can be used as a common denominator between different time periods and/or different areas. It is also useful as an indicator of the character of consumer markets and of the overall economic well being of the residents of an area.

Figure 35 compares the changes in the adjusted per capita personal income for the county, the state, and the nation. Unlike the average wage discussed earlier, per capita income has been growing steadily. Although its level flattened somewhat after the 1970s, the trend remained an upward one. In 1998, per capita income in Pierce County was $24,500; for Washington it was $28,719. Of Washington's 39 counties, Pierce County ranked 7th for per capita income.

Per capita personal income is a good measure of how personal income is growing relative to the population. However, it gives no indication of how income is distributed among the population. To a degree, *median household income* does that. It indicates the point in income where half of all households have a higher income and half have a lower income. The median income in Pierce County in 1998 was $43,592, ranking 6th in the state.

Figure 34
Total Personal Income (thousands)
Pierce County, 1970-1998
Source: Bureau of Economic Analysis

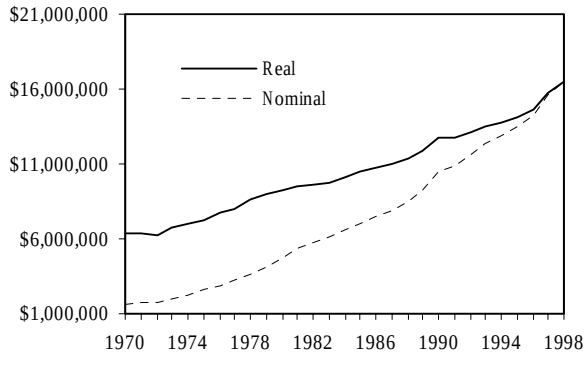
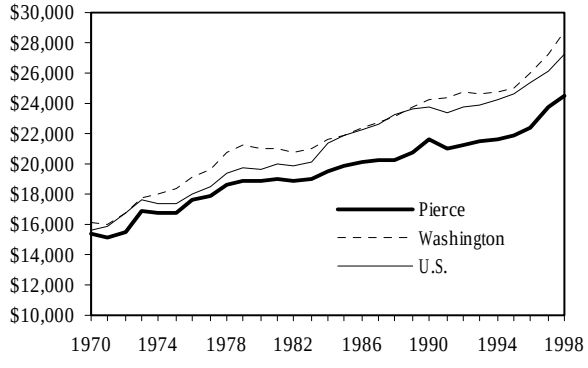


Figure 35
Real Per Capita Income
Pierce, Washington, and U.S., 1970-1998
Source: Bureau of Economic Analysis



In 1998, Pierce County had the 5th largest difference of all 39 counties between median and per capita income. This is a good indicator of relatively even distribution of income throughout the county. Some counties, for example San Juan, have high per capita income and low household median income, indicating a high concentration of income in relatively few hands.

Components of Personal Income

As mentioned earlier, personal income encompasses many different types of income. All the various types, however, can be subsumed under the three broad categories: earnings, transfer payments, and investment income. Earnings include wages, salaries, and proprietors' income; transfer payments include income maintenance, unemployment insurance, medical, and retirement payments; investment income consists of interest, dividends, and rent. *Figure 36* shows how these components of personal income have changed over time in Pierce County.

Transfer payments and investment income have both increased by about 380 percent since 1970, while earned income has only increased 228 percent. Transfer payments increased from 10 percent of personal income in 1970 to 14 percent in 1998. The share of earned income to the total dropped from 78 percent to 68 percent. Investment income increased from 12 to 18 percent of personal income, from 1970 to 1998. *Figure 37* compares the personal income components for Pierce County and Washington State in 1998. The biggest difference is for transfer payments, which hold a larger share of the Pierce County personal income, 14 percent compared to 12 percent for the state.

Figure 36
Personal Income Component Trends
Pierce County, 1970-1998
Source: Bureau of Economic Analysis

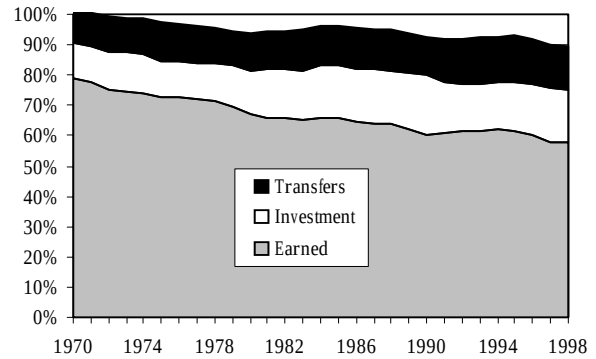
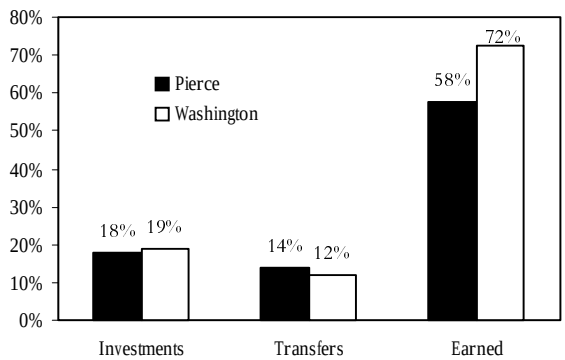


Figure 37
Personal Income Components
Pierce County and Washington, 1998
Source: Bureau of Economic Analysis



Earned Income

Earnings constitute the lion's share of personal income, although its share size has fallen significantly over the last two decades. There are three types of earnings: wages and salaries, proprietors' income, and "other labor income." Other labor income includes a number of types but is mainly driven by employer contributions to health care and retirement plans. *Figure 38* compares the share of each earned income component for Pierce County and Washington State in 1998. The components which comprise earned income are based on residence within the county. But, as total earned income includes all income earned by residents of the county a fourth component has been added—external income. This is a particularly noticeable factor for Pierce County.

External income is income earned outside of the county. This difference is most likely explained by the earlier discussion in the Industries, Employment, and Wages section. It was pointed out that the resident labor force number in Pierce County is almost 100,000 greater than the number of existing non-farm jobs in the county. A large number of Pierce County residents commute regularly outside the county to work. In other words, "external" income increased from 3 percent of total earned income in 1970 to 24 percent in 1998. This money is earned by those persons living in Pierce County and commuting outside.

As can be seen in the graph the biggest difference between the state and the county is the differences between wages and salary and "external" income. Almost two percent of Washington State income is earned outside of the state, compared to 24 percent of the Pierce County income. This component has increased from 0.6 percent in 1970 to 1.6 percent in 1998 for Washington State.

Figure 39 shows the rate of change of the four earned income components for Pierce County from 1970 to 1998. Other labor income has been the fastest growing (321 percent since 1970), and as a component it increased from 7 percent to a 12 percent share of all earnings in 1998. Wages and salaries decreased from 84 to 79 percent of the total, but increased by 178 percent since 1970. Proprietors' income increased by a healthy 208 percent and consistently comprised 8 to 9 percent of total earnings, from 1970 to 1998. External income went from 3 percent in 1970 to 24 percent in 1998 ($2.3 billion). This "external income" pretty much offsets the perceived decline in wages and salary as a component of earned income.

The big increase in other labor income stems from the tax advantages accruing to employers (and employees) on indirect sorts of compensation. Proprietors' income is the aggregate of all the self-employed workers in the county, including farmers. The dip in proprietors' income in the early 1980s was caused by the severe "double-dip" national recessions of that era which had a stronger influence on self-employed income than on wage and salary income.

Figure 38
Component of Earned Income
Pierce County and Washington, 1998
Source: Bureau of Economic Analysis

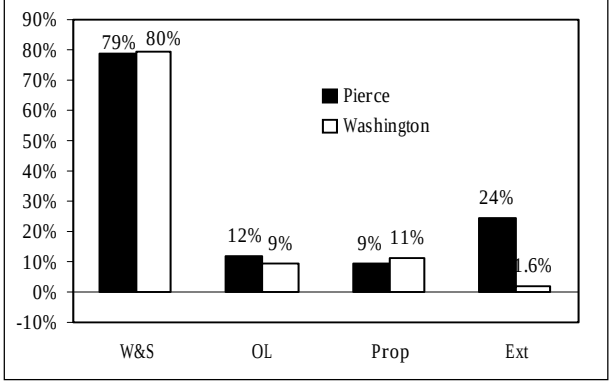
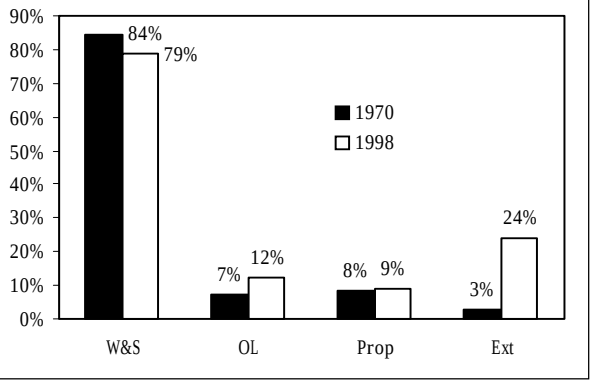


Figure 39
Trends in Earned Income Components
Pierce County, 1970 and 1998
Source: Bureau of Economic Analysis



Transfer Payments

Figure 40 shows the transfer payment components for Pierce County and Washington State in 1998. Previous county profiles included the medical component under retirement. But, as this component has become a significant percentage of transfer payments over time, it is now shown as a separate component. The county component shares are very similar to the state, except that retirement is slightly less, while unemployment and income maintenance are slightly more.

Figure 41 shows the components of transfer payments from 1970 to 1998 for Pierce County. Medical increased dramatically from 5 percent of transfer payments in 1970 to 38 percent in 1998. All other components have decreased as a share of the total over time. Unemployment insurance decreased steadily from 18 to 5 percent of the total; income maintenance from 19 to 13 percent; and retirement from 57 to 45 percent. Income maintenance are those payments generally thought of as welfare. Some of the various programs are AFDC, food stamps, and general assistance.

From 1970 to 1998, medical transfer payments increased by 3,223 percent! (The annual growth rate for medical has decline from 14 percent in 1995 to -1 percent in 1998.) This was followed by retirement which grew by 353 percent, income maintenance which increased by 294 percent, and unemployment insurance which increased by only 135 percent. Unemployment had increased 206 percent by 1993, but there has since been a steady decline in this component. Unemployment insurance does not follow a trend like the others but expands and contracts along with the economy, growing greatly as unemployment increases and falling off as it decreases. Retirement still holds the largest share of transfer payments.

Figure 40
Transfer Payment Components
Pierce County and Washington, 1998
Source: Bureau of Economic Analysis

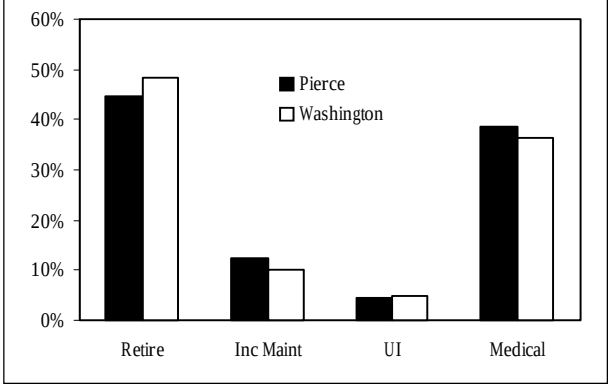
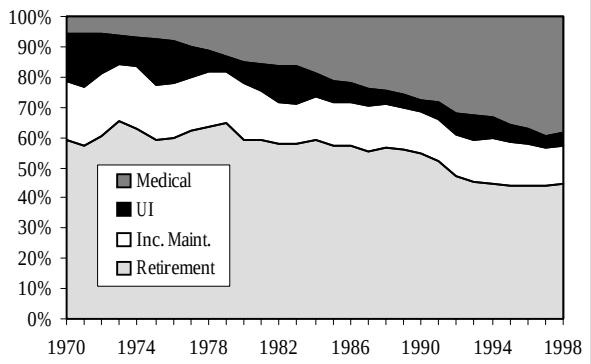


Figure 41
Trends in Transfer Payment Components
Pierce County, 1970-1998
Source: Bureau of Economic Analysis



Investment Income

As can be seen in *Figure 36*, investment as a share of total personal income has increased over time, from 12 percent in 1970 to 18 percent in 1998. At 387 percent total growth, investment income had the greatest growth over time of all income components. Investment income has had an average annual rate of growth of 5 percent since 1970, with annual rates ranging from a -17.6 percent in 1990 to 14.7 percent in 1991. The average growth rate since 1994 is 7.1 percent.

EMPLOYMENT SERVICES AND ECONOMIC DEVELOPMENT

Workforce Development

The *Workforce Investment Act (WIA)* of 1998 replaced the Job Training Partnership Act (JTPA) of 1982 on July 1, 2000. The purpose of WIA is to provide training, education, and other services that prepare all individuals, not just youth and unskilled adults, for current and future jobs. It is guided by several principles: universal access, individual empowerment, streamlined services, state and local flexibility, strong local role, increased accountability, and improved youth programs. It is upon this legislation that the Employment Security Department and other providers base their training and employment service programs.

The **Tacoma Pierce County Workforce Development Council (WDC)** was established in accordance with the requirements of the Workforce Investment Act in 1999. It represents Region 6, which encompasses Pierce County. Each WDC is responsible for strategic planning for employment and training related programs, oversight of the WorkSource system within its specific geographic area, and service delivery to eligible dislocated workers, adults, and youth. The WDC is led by private business and has wide representation from labor, education, and other local organizations in the community. The WIA and Governor Locke's Executive Order 99-02 describe the functions of the WDC as follows:

- Provides input to the state Workforce Development Board (WDB) in the development of the state unified plan, which articulates their local strategies and needs.
- In partnership with the local elected officials, develop and maintain a local unified plan for the workforce development system including, but not limited to, the local plan required by law. The WDC submits a unified plan to the WDB for review and to the Govenor for approval.
- Conduct oversight of the local one-stop system, including selection, certification, and de-certification of one-stop providers.
- Promote coordination of workforce development activities at the local level and ensure that they are linked with local economic development strategies.
- Establish youth councils, which are responsible for developing portions of the local plan relating to eligible youth, as well as implement and administer youth programs.
- Provide for a coordinated and responsive system of outreach to employers.
- Identify eligible providers using performance standards established by the WDB.
- On behalf of the Governor, negotiate with local elected officials and the WDB to develop performance measures for local programs.
- Assess the planning process to identify quality improvements.
- Implement a partnership agreement with local elected officials that establishes the working relationships and specific responsibilities of each body in the partnership.
- Collaborate in the development of WorkFirst service area plans.

The Tacoma Pierce County Workforce Development Council is located at 733 Market St., Suite 21, Tacoma, Washington 98402-3727. WDC Contact: Kathy Ross. Voice: (253) 594-7957; fax: (253) 591-5455

WorkSource Pierce@Tacoma is expected to be certified and operating by February 2001. A WorkSource Center is a facility characterized by the provision of co-located and integrated services offered through a variety of self-service, group, and one-on-one activities. The Centers will provide customers one point at which to access programs administered by multiple agencies. They will offer access to all WorkSource Center system services, most of which will be available on site. However, not all services will necessarily be provided on a full-time basis. Each area will have at least one full service Center. In terms of services, the Center must:

- provide all core services;
- provide all required services;
- serve as a "broker" for services not available on site such as training or support services;
- provide referrals for services not provided through the WorkSource System;
- coordinate services for customers; and
- provide access to the Internet and other electronic linkages.

The core services, which are available onsite or through electronic access and which are available to all customers (no eligibility required), include:

- initial assessment to evaluate job readiness based on job skills, experience, aptitudes, interests, and abilities;
- job counseling to help customers determine what services are available and best use of the information;
- job referral and placement providing access to available jobs and posting of resumes;
- employer services that provide access to labor market information, recruitment, screening, and referral of qualified applicants;
- information and referral to services such as housing, food, and medical assistance;
- information on training and retraining programs such as basic skills, literacy, occupational skills training, and apprenticeships;
- labor market information on current occupational supply and demand and occupational wages;
- computers with Internet access;
- access to a telephone to file for Unemployment Insurance benefits; and
- translation services to customers in their first language using AT&T services or the Internet.

The programs (eligibility required) include:

- WIA Title I (adults, dislocated workers, youth, and national programs)
- Title V of the Older Americans Act
- Veterans' Employment Programs
- Claimant Placement Program
- Worker Retraining
- Post Secondary Vocational-Technical Programs
- Vocational Rehabilitation
- Welfare to Work
- Adult Basic Education Programs
- ESL Programs
- Worker Profiling
- Migrant Farm Worker Services
- NAFTA/Trade Assistance Act
- HUD Employment & Training
- Early Intervention services to potentially dislocated workers
- Rapid Response to plant closures
- WorkFirst (employment services only)
- Community Services Block Grant

The WorkSource Pierce@Tacoma, will be located at 1313 Tacoma Avenue South, Tacoma, Washington 98402 from February 2001. The telephone is (253) 593-7300. Fax: (253) 593-7377

Educational Facilities. *Pacific Lutheran University* (*PLU*) is a four-year private institution. Originally founded as Pacific Lutheran Academy in 1890, it became a junior college in 1921 and then a four-year college in 1941. It was recognized as a university in 1960. The campus presently occupies 126 acres in suburban Parkland south of Tacoma.

PLU is accredited by the Northwest Association of Schools and Colleges and by the National Council for the Accreditation of Teacher Education. The university has further accreditation in chemistry, nursing, business administration, social work, music, and computer science. PLU is comprised of several schools and colleges. The largest is the College of Arts and Sciences with its divisions in Humanities, Natural Sciences, and Social Sciences. There is also the School of Arts, School of Business Administration, School of Education, School of Nursing, and School of Physical Education. Several master's degrees are also available. Contact PLU at (206) 531-6900 or on the Internet at http://www.plu.edu

University of Puget Sound (UPS) is a four-year, private institution. UPS was founded in 1888 by Methodists. It became the College of Puget Sound in 1913 after adopting a four-year program. In 1960, it became the University of Puget Sound after adopting a full university curriculum. The 72-acre campus is located in the north end of Tacoma. UPS is accredited by Northwest Association of Schools and Colleges. Accreditation has also been granted to individual programs in chemistry, education, music, occupational therapy, and physical therapy. UPS can be contacted at (206) 756-3100.

The *University of Washington* and the *Evergreen State College* have branch campuses in Tacoma. These are designed to give placebound students relative access to upper division courses. "Placebound" students—primarily those in Pierce, Kitsap, and south King counties—are those who cannot relocate because of cost, work, or other responsibilities. This is reflected by evening and weekend course scheduling. For more information about the University of Washington branch campus, phone 1-800-736-7750. For more information about the Evergreen State College branch campus, phone (206) 593-5915.

City University is an independent higher education institution with campuses throughout Washington, Oregon, California, and British Columbia. Its Tacoma-Olympia site is in downtown Tacoma. City University typically serves the education needs of those not reached by traditional means, namely working adults. As such, courses are largely scheduled in the evenings and on weekends (distance learning is also an option). City University is accredited by the Northwest Association of Schools and Colleges. City University can be contacted at 1-800-345-9056 or (206) 539-8499.

Pierce County also has a four-year degree program located on-base at Fort Lewis and McChord Air Force Base under the auspices of *Southern Illinois University*.

Other regional four-year colleges and their distances from Pierce County:

University of Washington, Seattle (35 miles)

Seattle Pacific University, Seattle (35 miles)

Seattle University, Seattle (35 miles)

The Evergreen State College, Olympia (30 miles)

St. Martin's College, Lacey (26 miles)

Cornish College of the Arts, Seattle (32 miles)

Tacoma Community College (TCC) is a state-supported two-year college established in 1965 to meet the higher education needs of Tacoma-Pierce County residents. TCC has four sites—the main campus and a branch in downtown Tacoma, a branch in Tacoma Mall, and the other in the Gig Harbor-Key Peninsula area. The college is accredited by the Association of Northwest Schools and Colleges. Contact TCC at (206) 566-5000.

Pierce College is a public, two-year community college with major campuses in Lakewood and Puyallup. Founded in 1967 as Fort Steilacoom Community College, Pierce College is one of Washington's largest colleges serving more than 20,000 full-time and part-time students each year. Pierce College offers a comprehensive program of day and evening classes, distance learning opportunities, work at your own pace learning labs, unique independent study options, credit for past education, cooperative work experience, and field study. Contact Pierce College at (206) 964-6500 or on the Internet at http://www.pierce.ctc.edu

Other regional community colleges and their distances from Pierce County:

Green River College, Midway (13 miles)

Highline Community College, Auburn (13 miles)

South Puget Sound Community College, Olympia (30 miles)

Olympic College, Bremerton (36 miles)

The Seattle Community Colleges (32-35 miles)

Bates Technical College is a state supported technical college. The mission of the school is to train people for jobs and to provide job retraining, apprenticeship and supplemental training (Bates offers nearly 60 job training programs), and home and family life education. All job training programs are approved by the Washington State Superintendent of Public Instruction, and Bates is accredited by the college division of the Northwest Association of schools and colleges. Any person who is at least 16 years old can enroll at any one of the five Bates campuses. To contact Bates Technical College call (206) 596-1500.

Clover Park Technical College serves the vocational and technical education needs of both high school and adult students. Clover Park Technical College has been accredited since 1984 by the United States Department of Education. Accreditation has also been granted by the American Dental Association and the committee on Allied Health and Education Accreditation. Vocational technical training is designed to prepare students for employment immediately following their course of study. Courses are also offered for those persons presently employed who are seeking further knowledge in their rapidly changing vocational fields. The school is organized as an upgraded vocational technical school, but high school credit is available under certain conditions. The 120-acre campus is eight miles southwest of Tacoma in the Lakewood District and can be contacted by phoning (206) 548-7611.

Economic Development

Economic Development Board (EDB) for Tacoma-Pierce County. The EDB for Tacoma-Pierce County is a private, nonprofit corporation established in 1978. The EDB is a partnership between the public and private sectors that encourages and pursues economic development initiatives that will benefit the Tacoma-Pierce County community.

The EDB assists companies by providing information about Pierce County as an area for business relocation or expansion. The results of EDB efforts are local job creation, a broader local tax base, and a climate of vitality, prosperity, and diversity essential for a healthy economy. The EDB also works to ensure that appropriate academic, professional, and technical training is available in the area and is tailored to the needs of an effective work force.

Among the confidential services provided by the EDB for Tacoma-Pierce County are:

- reference data and information on the Tacoma-Pierce County area;
- assistance, information, and referrals to facilitate employee recruitment and training;

- identification of appropriate and suitable commercial or industrial property;
- access to local, state and federal financial assistance programs;
- industrial Development Revenue Bond assistance;
- introductions to local government officials, civic leaders and the business community; and
- understanding of industrial base and key local suppliers.

For further information contact the Economic Development Board for Tacoma-Pierce County at (253) 383-4726 or FAX (253) 383-4676 or visit the website at www.gopierce.org

Chambers of Commerce. There are seven Chambers of Commerce in Pierce County: Bonney Lake, Eatonville, Gig Harbor/Peninsula, Lakewood Area, Puyallup Area, Steilacoom, and Tacoma-Pierce County. Chambers of Commerce are groups of local businesses and other interested individuals and parties who work together to further the business interests of their respective communities.

Infrastructure. An area's infrastructure is an integral part of economic development. The following are primary elements currently in place in Pierce County.

Roads and Highways. U.S. Interstate Route 5 is the main thoroughfare within Pierce County. It stretches north and south through the county, tying Tacoma with Seattle to the north and Olympia to the south. State Route 16 branches northwest from I-5 at Tacoma across The Narrows (at the Tacoma Narrows Bridge) toward Gig Harbor, Purdy, and other locations in Kitsap County. An extensive network of state routes lie east of Interstate 5 —and cover most of east and west Pierce County.

Washington State Ferries has a water route from Point Defiance in Tacoma to Tahlequah on Vashon Island. Information on rates and schedules can be acquired at (888) 808-7977 or on the Internet at http://www.wsdot.wa.gov/ferries

Air Transportation. There are a number of airports scattered across Pierce County. They include the Tacoma Narrows Airport (5,000-foot runway) with full IFR capabilities, FAA staffed control tower, and U.S. Customs. Other airports include Pierce County Airport (3,300-foot runway), Spanaway Airport (2,700-foot runway), Clover Park Technical (2,700-foot runway), and Eatonville Airport (2,200-foot runway). All, with the exception of Clover Park, accommodate private and charter aircraft, none are served by passenger carriers.

Seattle-Tacoma International Airport (Sea-Tac) is located 18 miles north of Tacoma in King County. It has a number of runways (the longest of which is an 11,900-foot all-weather concrete runway) and is the primary air transportation hub of the northwestern United States. It is a major airport for domestic and international travel and trade.

Telecommunications. Greater Tacoma has an outstanding telecommunications infrastructure with business and residents having a choice of high-speed telecommunication services. The City of Tacoma invested over $100 million to install a fiber optics network, making 'Click! Network' the largest municipally owned telecommunications system in the nation—and leading to the description of Tacoma as America's #1 Wired City.

Port of Tacoma. The Port of Tacoma was established by a vote of Pierce County citizens in 1918 and officially began operating in 1921 when Pier 1 opened (the port itself was used as early as the 1870s to ship natural resources such as coal, wheat, flour, and lumber). During World War II the Port was a transport point for troops and war material, and a major shipbuilding center. Planning in the late-1950s set the stage for major land acquisitions and terminal expansions in the 1960s and 1970s, all of which contributed to the Port's contemporary makeup.

Today, the Port of Tacoma is the seventh largest container port in North America and ranks in the top 25 for worldwide container trade. In 1999, the Port handled 15.7 million short tons of cargo including 1.27 million twenty-foot equivalent units or containers. The Port tallied over $16 billion in international trade for 1999.

The Port manages 2,400 acres of property used for terminal activity and industrial development, with over 700 acres available for development. At 920 acres, Foreign Trade Zone #86 is among the largest on the West Coast. FTZs allow importers, exporters, and manufacturers to delay duty payments until goods leave the zone, lower duties by assembling high-duty parts into a lower duty product leaving the zone, and avoid duties on goods that are re-exported. For more information, contact the Port of Tacoma, Port Relations Department at (253) 383-5841 or on the Internet at http://www.portoftacoma.com