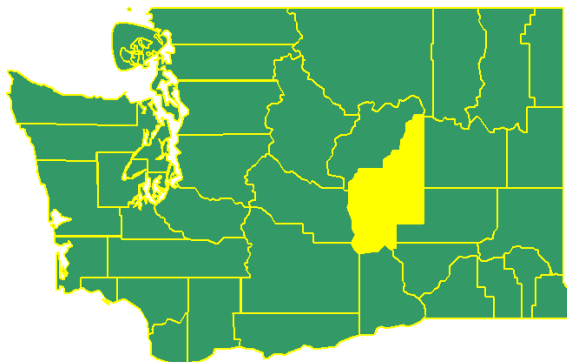


The Grant County Labor Economy (August 2003)



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Total nonagricultural employment in Grant County increased by 410 jobs in August 2003. A seasonal 180-job advance in Non-Durable Goods as well as a 240-job jump in All Other Services primarily caused the increase. Hiring in the former was largely at local food processors. Job gains in All Other Services occurred primarily at job placement agencies and temporary help services that hire workers for the Grant County Fair and supporting businesses. Conversely, the lion's share of August's 240-job downturn in Local Government was attributable to summer layoffs of non-teaching staff at public schools (see Table 1).

Over-the-year rates of change in Washington's nonagricultural employment for the past eleven months show that although job growth slightly increased during each of the first six months of 2003, the labor market stagnated this July and August. Over-the-year rates of change have not exceeded 0.6 percent since February 2003, and this July and August, the State's job growth rates again slipped back "into the red," (see Figure 1).

A comparison of the August 2002-August 2003 rate of job growth in Grant County (+1.3 percent) with that of the State (-0.1 percent) shows that the local economy is in relatively good shape. Grant County tallied 340 more nonagricultural jobs in August 2003 than in the same month one-year prior. The reason: Health Services and Social Assistance advanced by 180 jobs while Local Government and Retail Trade each increased by 130. The dark cloud hanging over the local economy is declining manufacturing employment. Durable Goods manufacturers posted 120 fewer jobs this August than last. Nondurable Goods businesses, primarily local food processors, provided 80 less jobs over the year (see Table 1).

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Between August 2002 and August 2003 the Grant County unemployment rate rose four-tenths of a point, from 7.0 to 7.4 percent (see Figure 2). Although a rising unemployment rate is never good news, this slight upturn is probably painting an overly negative picture of the local economy. Unemployment rates for all months so far this year have fallen below corresponding months in 2002. Considering the over-the-year employment gains in the local nonagricultural and agricultural sectors (nonagricultural employment grew by 340 jobs over the year, and the number of agricultural jobs increased by 300), and the numbers of Grant County residents commuting to jobs outside Grant County, the local unemployment rate is likely to rebound soon. However, there is a more fundamental concern for the local economy besides a slight over-the-year upturn in the unemployment rate. The nonagricultural and agricultural employment series tallies jobs and does not differentiate between full- and part-time employment. Many of the jobs added over the year have been in retail trade stores, on farms and orchards, or with nursing and residential care facilities. Many are part-time; meaning one person may have two or three of these “new” jobs. Thus, quantitatively the labor market looks pretty good – jobs are being added. Qualitatively things are not so rosy. The good news may be that despite tough economic times for Washington, the Grant County economy is at least inching forward.

Table 1 AUGUST 2003 NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT IN GRANT COUNTY (Prepared September 16, 2003)							
	August 2003 ¹	July 2003	August 2002	CHANGE ³ July 03 Aug 03	Aug 02 Aug 03	% CHANGE July 03 Aug 03	Aug 02 Aug 03
TOTAL NONFARM²	26,280	25,870	25,940	410	340	1.6%	1.3%
TOTAL PRIVATE	19,200	18,620	19,010	580	190	3.1%	1.0%
GOODS PRODUCING	6,270	6,050	6,420	220	-150	3.6%	-2.3%
NATURAL RESOURCES, MINING, AND CONSTRUCTION	1,110	1,060	1,050	50	60	4.7%	5.7%
MANUFACTURING	5,170	5,000	5,370	170	-200	3.4%	-3.7%
Durable Goods	1,140	1,150	1,260	-10	-120	-0.9%	-9.5%
Non-Durable Goods	4,030	3,850	4,110	180	-80	4.7%	-1.9%
SERVICES PROVIDING	20,010	19,820	19,530	190	480	1.0%	2.5%
WHOLESALE TRADE	1,180	1,140	1,200	40	-20	3.5%	-1.7%
RETAIL TRADE	3,290	3,210	3,160	80	130	2.5%	4.1%
TRANSPORTATION, WAREHOUSING and UTILITIES	760	770	790	-10	-30	-1.3%	-3.8%
INFORMATION and FINANCIAL ACTIVITIES	890	900	840	-10	50	-1.1%	6.0%
ALL OTHER SERVICES	6,800	6,560	6,590	240	210	3.7%	3.2%
Health Services and Social Assistance	2,360	2,390	2,180	-30	180	-1.3%	8.3%
Accommodation and Food Services	1,840	1,820	1,830	20	10	1.1%	0.5%
GOVERNMENT	7,080	7,250	6,930	-170	150	-2.3%	2.2%
Federal Government	640	640	650	0	-10	0.0%	-1.5%
State Government	700	630	670	70	30	11.1%	4.5%
Local Government	5,740	5,980	5,610	-240	130	-4.0%	2.3%
Workers in Labor Disputes	0	0	0	XXX	XXX	XXX	XXX

¹ Preliminary employment estimates.

² Excludes proprietors, the self-employed, members of the Armed Services, unpaid family members, workers in private households, and agricultural workers. Includes all full and part-time wage and salary workers receiving pay during the pay period including the 12th of the month, by place of work.

³ Differences in industry employment of 20 or less may not be significant due to rounding.

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Figure 1
GRANT COUNTY versus WASHINGTON STATE:
OVER-THE-YEAR EMPLOYMENT CHANGE RATES
(Prepared September 16, 2003)

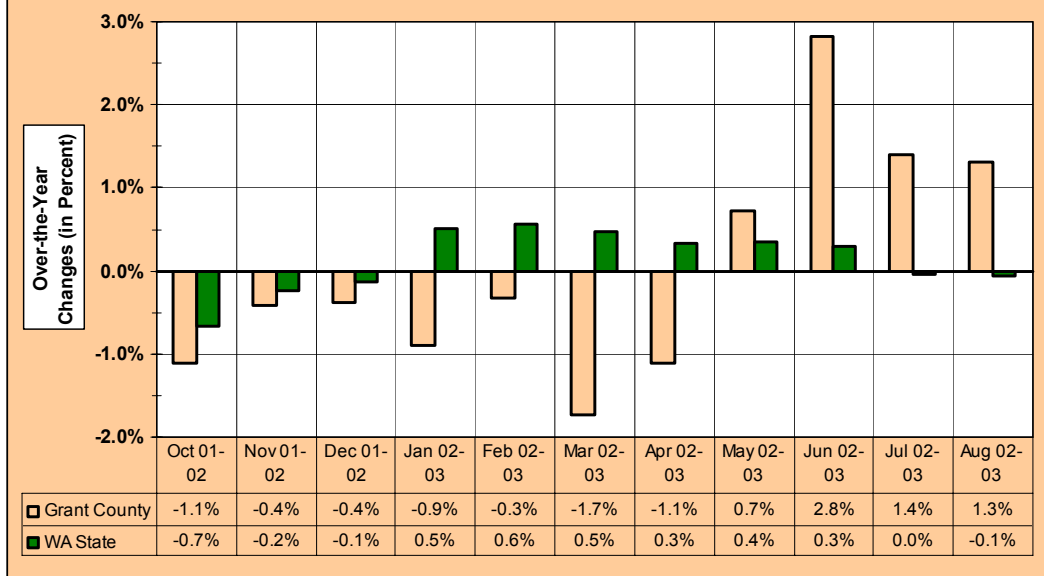


Figure 2
UNEMPLOYMENT RATES IN GRANT COUNTY
AND IN WASHINGTON FROM JANUARY 2001 TO AUGUST 2003
(Prepared September 16, 2003)

