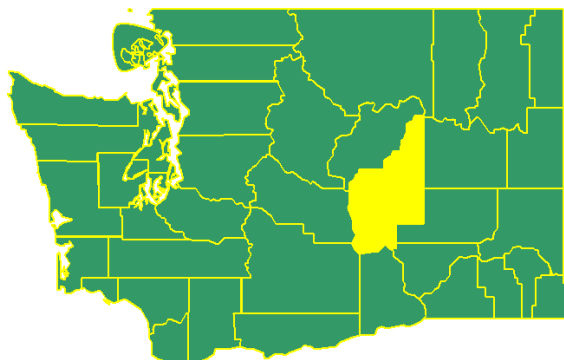


The Grant County Labor Economy (December 2003)



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Nonagricultural Employment

Total nonagricultural employment in Grant County decreased by 670 jobs in December 2003 (see Table 1). A 230-job decline in Local Government and seasonal drops of 220 jobs in Non-Durable Goods and of 90 jobs in Natural Resources, Mining, and Construction, primarily at local construction contractors, caused the lion's share of the decrease. Some of the 150-job cutback in All Other Services occurred amongst job placement agencies and temporary help services indicating that recovery in the job market is slow in coming to Grant County.

A comparison of Total Nonagricultural Employment in Grant County for each month in 2003 with corresponding months in 2001 and 2002 shows that the local labor market thinned its ranks in 2003 (see Figure 1-A). Nonagricultural employment averaged 24,720 jobs in 2001, but fell 0.6 percent to 24,560 jobs in 2002. The downward spiral continued in 2003, when nonagricultural employment in the county averaged just 24,470 jobs, a 0.4-percent dip below the 2002 level. Graphing over-the-year employment changes between each month of 2003 with the same months in 2002 (see Figure 1-B) demonstrates that job market across Grant County softened between August and December of last year.

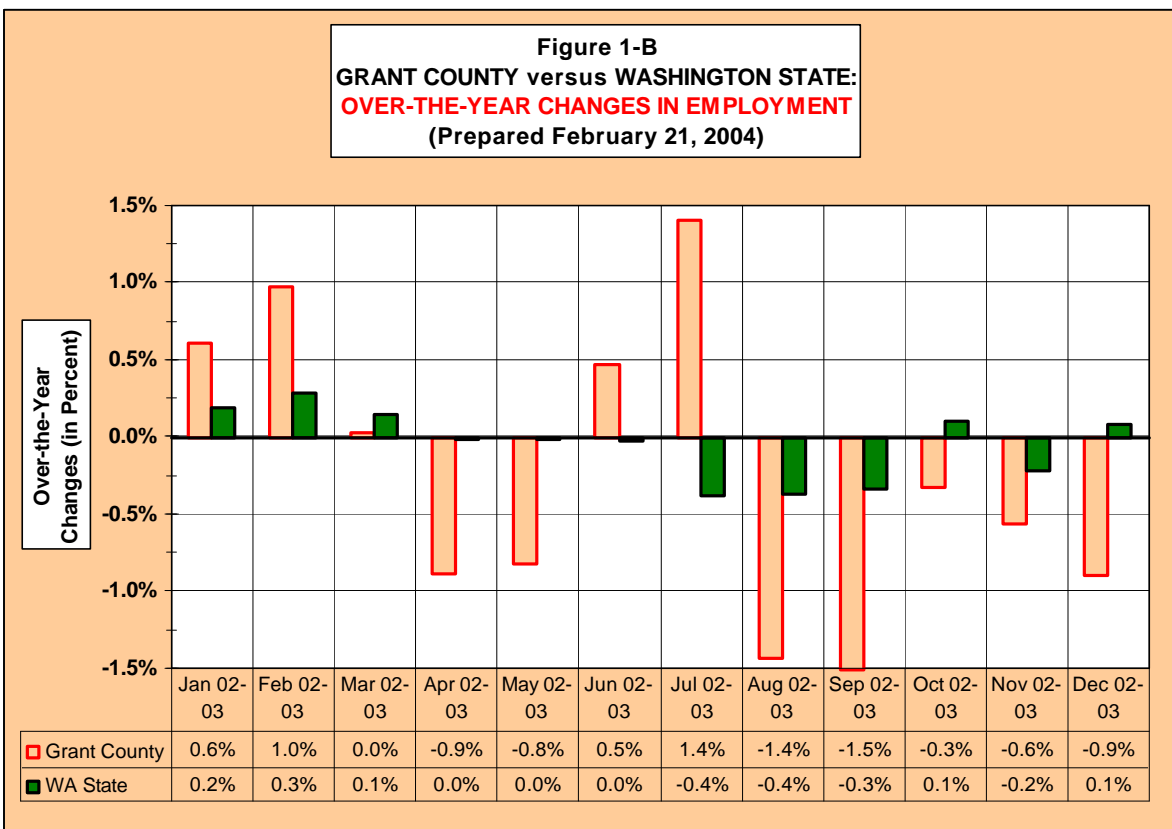
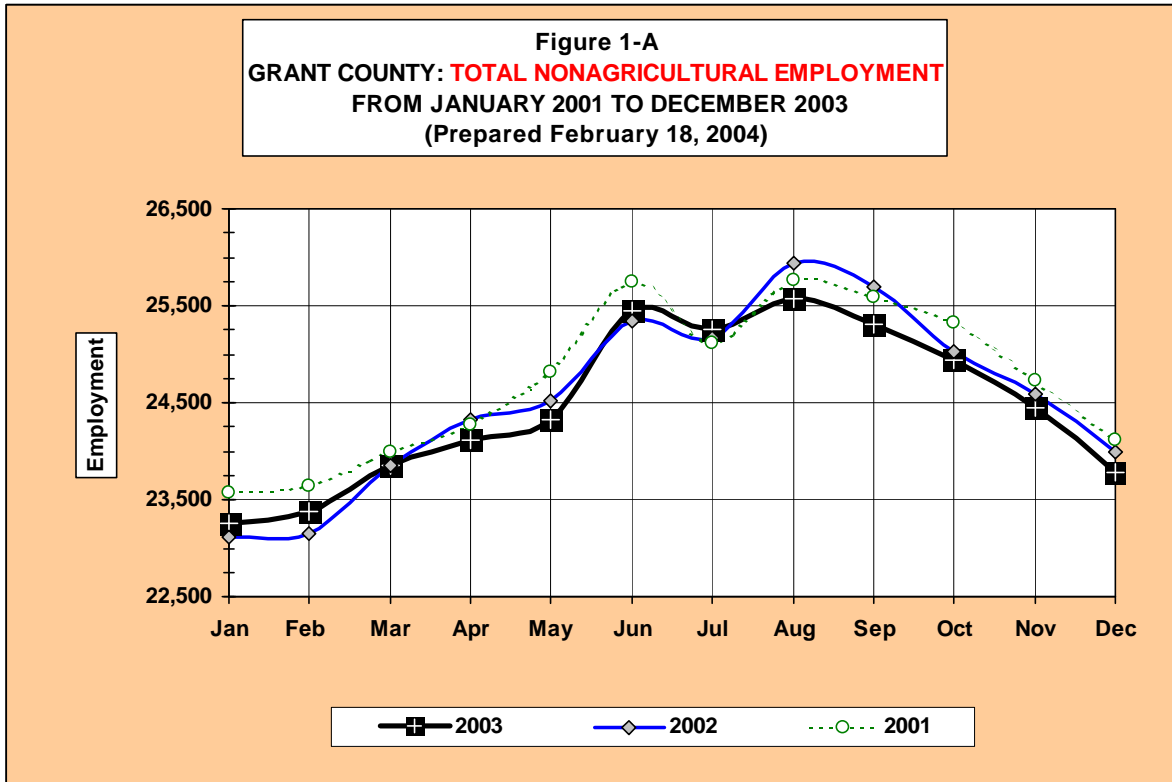
In December 2003 Grant County's nonagricultural sector tallied 220 fewer jobs than in the same month one-year prior. Health Services and Social Assistance cutbacks, especially at child day care centers, caused employment in this category to fall by 240 jobs over the year (see Table 1). In aggregate, Local Government weighed in 110-jobs lighter this December. Surprisingly, the downturn did not occur at local primary and secondary schools where employment actually increased by 90 jobs, a 3.7-percent climb above December 2002. Rather, job losses occurred entirely in the "other" local government category, outweighing hiring at public schools and precipitating the 1.9-percent decline in Local Government this past December. Transportation, Warehousing, and Utilities netted 100 fewer jobs, primarily because not as many truckers were required to haul produce from orchards to packinghouses, processors, ports, or stores, because of the smaller apple harvest in 2003. Rising insurance rates and fuel costs also have been plaguing this industry and continue to constrain employment. Conversely, Retail Trade pressed on with a substantial December 2002-December 2003 gain of 290 jobs. Retail employment

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rose 5.2 percent in the 3rd Quarter and 7.8 percent in the 4th Quarter of 2003, over corresponding quarters in 2002. This is a positive sign for the local economy, considering that retail employment posted a 0.6-percent loss in the 2nd Quarter of 2003.

	Dec 2003 ¹	Nov 2003	Dec 2002	CHANGE ³		% CHANGE	
				Nov 03 Dec 03	Dec 02 Dec 03	Nov 03 Dec 03	Dec 02 Dec 03
TOTAL NONFARM²	23,780	24,450	24,000	-670	-220	-2.7%	-0.9%
TOTAL PRIVATE	16,680	17,140	16,790	-460	-110	-2.7%	-0.7%
GOODS PRODUCING	5,000	5,310	5,180	-310	-180	-5.8%	-3.5%
NATURAL RESOURCES, MINING, AND CONSTRUCTION	860	950	900	-90	-40	-9.5%	-4.4%
MANUFACTURING	4,140	4,360	4,280	-220	-140	-5.0%	-3.3%
Durable Goods	1,140	1,150	1,220	-10	-80	-0.9%	-6.6%
Non-Durable Goods	3,000	3,220	3,060	-220	-60	-6.8%	-2.0%
SERVICES PROVIDING	18,780	19,140	18,820	-360	-40	-1.9%	-0.2%
WHOLESALE TRADE	1,180	1,190	1,130	-10	50	-0.8%	4.4%
RETAIL TRADE	3,350	3,340	3,060	10	290	0.3%	9.5%
TRANSPORTATION, WAREHOUSING and UTILITIES	680	650	780	30	-100	4.6%	-12.8%
INFORMATION and FINANCIAL ACTIVITIES	910	920	830	-10	80	-1.1%	9.6%
ALL OTHER SERVICES	5,570	5,720	5,810	-150	-240	-2.6%	-4.1%
Health Services and Social Assistance	1,990	2,010	2,230	-20	-240	-1.0%	-10.8%
Accommodation and Food Services	1,410	1,470	1,480	-60	-70	-4.1%	-4.7%
GOVERNMENT	7,100	7,310	7,210	-210	-110	-2.9%	-1.5%
Federal Government	680	650	670	30	10	4.6%	1.5%
State Government	870	870	890	0	-20	0.0%	-2.2%
Local Government	5,550	5,780	5,660	-230	-110	-4.0%	-1.9%
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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Unemployment Rates

In December 2003, Grant County's unemployment rate was four-tenths of a percentage point below the December 2002 figure (see Figure 2) – a positive economic indicator. An estimated 4,070 Grant County residents were out of work this December versus 4,090 in the corresponding month during 2002, a 20-person decrease in the number of unemployed. The number of employed Grant County residents rose by 1,170 since December 2002. Some of these new 1,170 employed residents likely commuted to jobs outside of the county, such as to the Tri-Cities, where a new \$4-billion federal environmental clean-up program has created many jobs.

Unemployment rates account for employment and labor force participation by *place of residence*, while nonagricultural employment figures count jobs by *place of work*. Thus, the nonagricultural employment figures analyzed earlier in this report, and the unemployment rates posted here, depict two different facets of the local labor market. Which data set should one use to evaluate how Grant County's labor market fared in 2003? The best advice is – "Use both." An analysis of preliminary unemployment rates in Figure 2 depicts a local economy that improved slightly in 2003 over 2002. In eight of twelve months of 2003 the monthly unemployment rates were less than those for corresponding months in 2002. Nonagricultural employment figures show the local job market regressed, since Grant County lost jobs in the last three quarters of 2003; but because of commuting, Grant County residents experienced little net change in the unemployment situation during the year.

