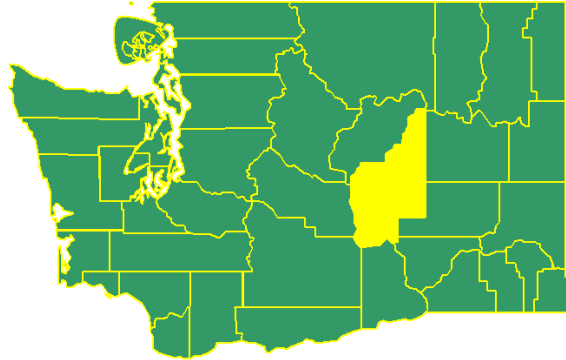


The Grant County Labor Economy (July 2003)



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Total nonagricultural employment in Grant County decreased by 370 jobs in July 2003, as shown in Table 1. An employment drop between June and July is the rule in Grant County, rather than the exception. The over-the-month contraction last June to July was 170, while between June and July 2001 the economy lost 630 jobs. Why does the local labor market usually shed jobs between these two months? The answer is - seasonal layoffs of non-teaching staff in public education at the end of each school year. This year the lion's share of the 130-job downturn in local government (i.e., primary and secondary schools) and the 290-job decline in state government (i.e., community college) were caused by these seasonal layoffs.

Figure 1 plots over-the-year total nonagricultural employment change rates in Grant County and in Washington for the last calendar quarter of 2002 and the first seven months of 2003. Statewide, employment growth was negative from May 2001 until January 2003 when job gains finally exceeded job losses – a step in the right direction. Although Washington's job-growth pace has been flat or "in the black" in the first seven months of this year, it has not been particularly robust. Since January 2003 over-the-year change rates have never exceeded 0.6 percent, and this July the statewide labor market provided roughly the same number of jobs as in July 2002.

A comparison of the July 2002-July 2003 job growth rate in Grant County (+1.4 percent) with that of the State (0.0 percent) shows the local economy is in relatively good shape. Grant County tallied 360 more nonagricultural jobs in July 2003 than in July 2002. The reason: Health Services and Social Assistance advanced by 300 jobs and Non-Durable Goods (i.e., food processors) increased by 270 jobs over the year.

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The Grant County unemployment rate declined from 8.5 percent in July 2002 to 7.7 percent this July (see Figure 2), a substantial improvement of eighth-tenths of a percentage point. In July 2003 the number of “unemployed” people fell to 3,180, which was 320 below last July’s level of 3,500.

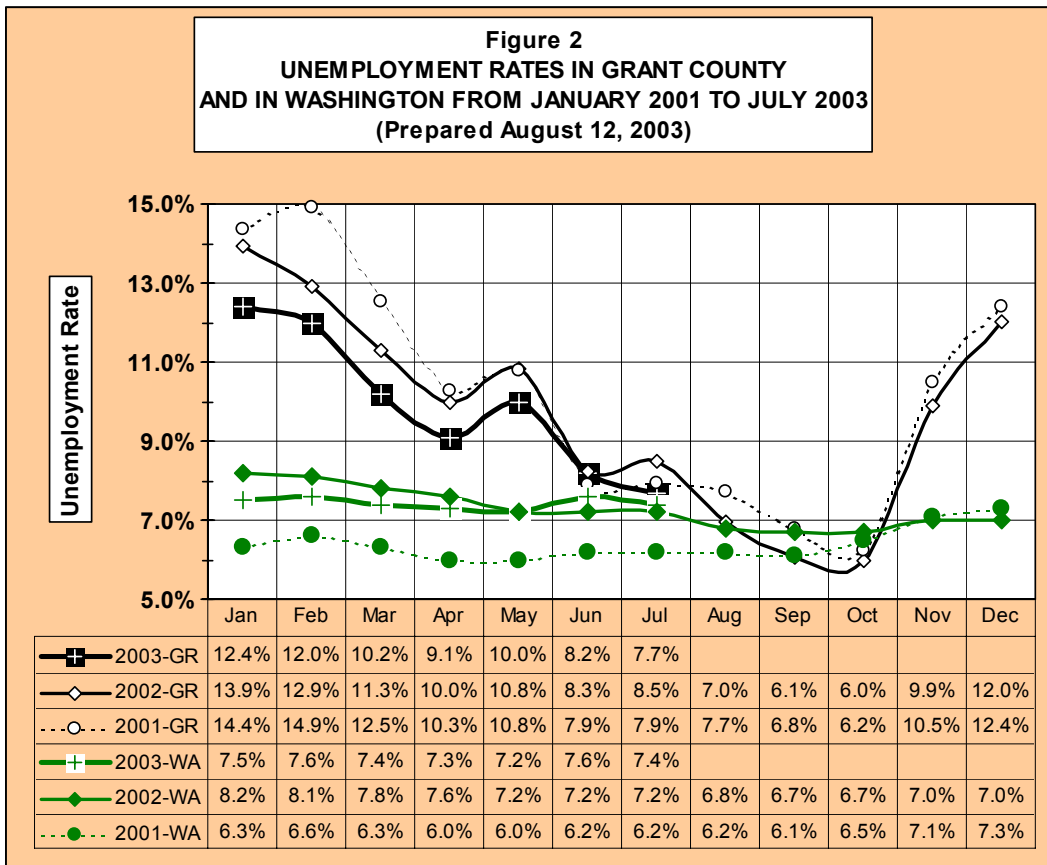
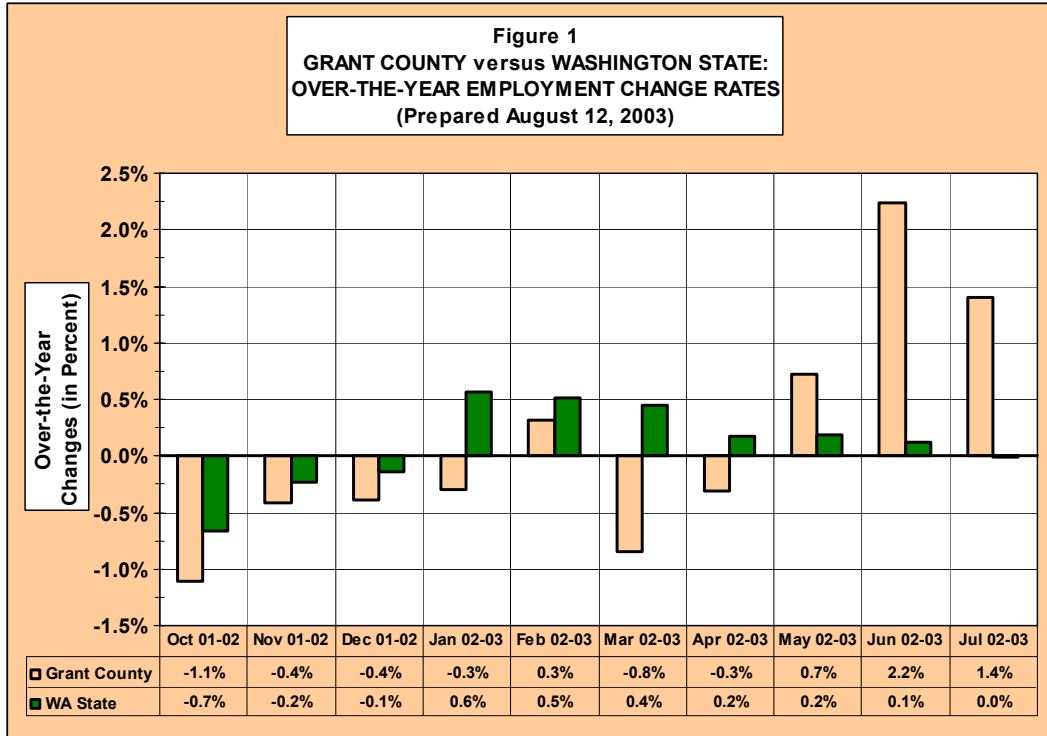
Total taxable retail sales fell during the Christmas shopping season of 2002 before rebounding in the first quarter of 2003 (see Figure 3-A). Taxable retail sales netted \$4.7 million more in the first quarter of 2003 than in the first quarter of 2002, a gain of 6.3-percent.

Compared with the same quarter in the prior year, total taxable retail sales increased \$3.5 million in the 2nd Quarter 2002, rose \$4.6 million in the 3rd Quarter 2002, fell \$2.6 million in the 4th Quarter 2002, and jumped \$4.7 million in the 1st Quarter 2003 (see Figure 3-B). General merchandise stores expanded their sales in each of the last four quarters while food stores suffered through four quarters of declining sales. One explanation for this shopping pattern change is that more Grant County residents are buying groceries at big-box stores, which are classified as “general merchandise” versus “food” stores.

			CHANGE ³		% CHANGE		
	July 2003 ¹	June 2003	July 2002	June 03 July 03	July 02 July 03	June 03 July 03	July 02 July 03
TOTAL NONFARM²	25,530	25,900	25,170	-370	360	-1.4%	1.4%
TOTAL PRIVATE	17,180	17,100	16,930	80	250	0.5%	1.5%
<i>GOODS PRODUCING</i>	6,090	5,930	5,920	160	170	2.7%	2.9%
CONSTRUCTION	1,090	1,070	1,030	20	60	1.9%	5.8%
MANUFACTURING	5,000	4,860	4,890	140	110	2.9%	2.2%
Durable Goods	1,120	1,110	1,270	10	-150	0.9%	-11.8%
Non-Durable Goods	3,890	3,740	3,620	150	270	4.0%	7.5%
<i>SERVICES PROVIDING</i>	19,440	19,980	19,250	-540	190	-2.7%	1.0%
WHOLESALE TRADE	1,190	1,210	1,110	-20	80	-1.7%	7.2%
RETAIL TRADE	2,940	2,980	3,040	-40	-100	-1.3%	-3.3%
UTILITIES	710	720	710	-10	0	-1.4%	0.0%
INFORMATION and FINANCIAL ACTIVITIES	860	860	860	0	0	0.0%	0.0%
ALL OTHER SERVICES	6,580	6,620	6,410	-40	170	-0.6%	2.7%
Health Services and Social Assistance	2,470	2,470	2,170	0	300	0.0%	13.8%
Accommodation and Food Services	1,780	1,780	1,800	0	-20	0.0%	-1.1%
GOVERNMENT	7,160	7,590	7,130	-430	30	-5.7%	0.4%
Federal Government	640	650	650	-10	-10	-1.5%	-1.5%
State Government	660	950	610	-290	50	-30.5%	8.2%
Local Government	5,860	5,990	5,870	-130	-10	-2.2%	-0.2%
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 3-A
TAXABLE RETAIL SALES IN GRANT COUNTY
FROM 2ND QUARTER 2001 TO 1ST QUARTER 2003
(Prepared August 18, 2003)

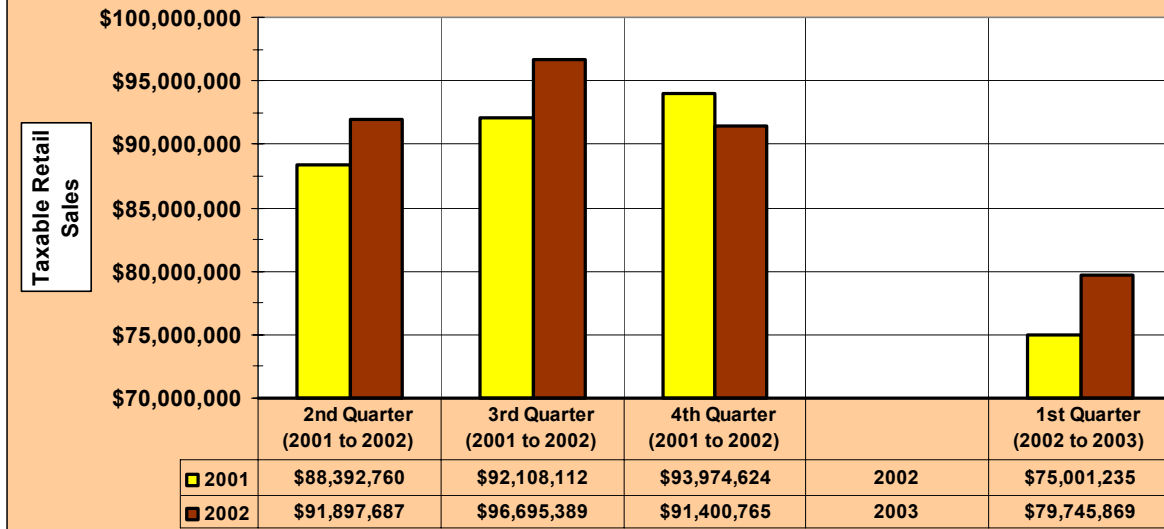


Figure 3-B
GRANT COUNTY: QUARTERLY GAINS OR LOSSES IN TAXABLE RETAIL SALES BY INDUSTRY
FROM 2ND QUARTER 2001 TO 1ST QUARTER 2003
(Prepared August 18, 2003)

