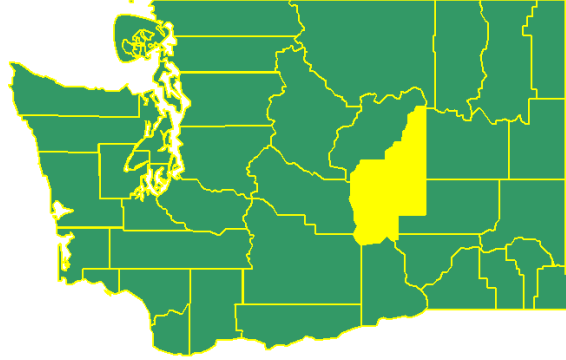


The Grant County Labor Economy (March 2003)



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Nonagricultural Employment

Over the month of March 2003, total nonagricultural employment in Grant County increased by 430 jobs, a 1.9-percent expansion, as shown in Table 1. Most of this increase was attributable to hiring amongst services employers. Health services and social assistance firms added 160 personnel this March. Professional and business services also took on 110 new workers. This latter category includes such businesses as employment placement agencies, temporary help establishments, and income tax preparation firms. The federal income tax filing deadline is the 15th of April, making each March and the first half of April a busy time for tax preparation firms. This year was no exception to that rule. Across Washington, wage and salary employment grew by 8,700 during March, a 0.3-percent increase. Washington's advances were concentrated in professional and business services (+3,000), construction (+1,700), and government (+1,500). Most of these increases were due to normal seasonal hiring in early spring. Particular areas of strength were in heavy construction, water and truck transportation, employment services, private educational services, accommodations, and in state government education.

Figure 1 plots over-the-year total nonagricultural employment change rates in Grant County and in Washington for the last two calendar quarters of 2002 and the first quarter of 2003. Statewide, the job-growth pace was in the negative column until December 2002 when job gains matched job losses. By the first quarter of this year however, Washington's labor economy started to turn the corner and in March 2003, over-the-year job changes weighed in at a positive 0.4-percent. Figure 1 also demonstrates that Grant County's economy posted positive over-the-year job growth rates in the third calendar quarter of 2002,

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but was unable to sustain this momentum into the fourth quarter. Unfortunately, this downhill employment trend has continued into 2003.

Figure 2-A quantitatively illustrates that throughout 2002, monthly nonagricultural employment levels in Grant County frequently lagged behind corresponding months in 2001. Nonagricultural employment averaged 24,560 in 2002, a 160-job dip from the 24,720 figure in 2001. Washington's nonagricultural employment slackened 1.5 percent; from 2,697,000 jobs in 2001 to 2,656,900 last year. In relative terms, Grant County fared better than Washington did, but similar to the State, durable goods manufacturers did not fare well. Figure 2-B shows that local durable goods manufacturers employed an average of 1,500 workers in 2001, but only 1,300 workers last year, a 200-job decline. Layoffs at Advanced Silicon Materials caused much of the job-loss in February 2002. Then, in June 2002, another major Moses Lake manufacturer downsized their workforce, the second of the one-two punch to the durable goods sector last year. As illustrated in Figure 2-C, local government tallied a 100-job drop between March 2002 and March 2003. All of this loss occurred in "other" local government, which will likely rebound in April. Local government grew by 90 jobs between 2001 and 2002. Public primary and secondary schools added 40 of these positions.

**Table 1
MARCH 2003 NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
IN GRANT COUNTY
(Prepared May 2, 2003)**

	Mar 2003 ¹	Feb 2003	Mar 2002	CHANGE ³		% CHANGE	
				Feb 03 Mar 03	Mar 02 Mar 03	Feb 03 Mar 03	Mar 02 Mar 03
TOTAL NONFARM²	23,500	23,070	23,850	430	-350	1.9%	-1.5%
TOTAL PRIVATE	16,400	15,950	16,680	450	-280	2.8%	-1.7%
NATURAL RESOURCES, MINING, UTILITIES, AND CONSTRUCTION	780	740	820	40	-40	5.4%	-4.9%
MANUFACTURING	4,190	4,220	4,370	-30	-180	-0.7%	-4.1%
Durable Goods	1,190	1,210	1,370	-20	-180	-1.7%	-13.1%
Non-Durable Goods	3,000	3,010	3,010	-10	-10	-0.3%	-0.3%
WHOLESALE TRADE	1,170	1,120	1,130	50	40	4.5%	3.5%
RETAIL TRADE	3,010	2,960	3,060	50	-50	1.7%	-1.6%
TRANSPORTATION and WAREHOUSING	670	680	750	-10	-80	-1.5%	-10.7%
INFORMATION, FINANCE, INSURANCE, AND REAL ESTATE	820	830	820	-10	0	-1.2%	0.0%
SERVICES	5,760	5,400	5,720	360	40	6.7%	0.7%
Health Services and Social Assistance	2,170	2,010	2,130	160	40	8.0%	1.9%
Accommodation and Food Services	1,400	1,370	1,460	30	-60	2.2%	-4.1%
GOVERNMENT	7,090	7,120	7,170	-30	-80	-0.4%	-1.1%
Federal Government	620	610	610	10	10	1.6%	1.6%
State Government	910	890	900	20	10	2.2%	1.1%
Local Government	5,560	5,620	5,660	-60	-100	-1.1%	-1.8%
Workers in Labor Disputes	0	0	0	0	0	XXX	XXX

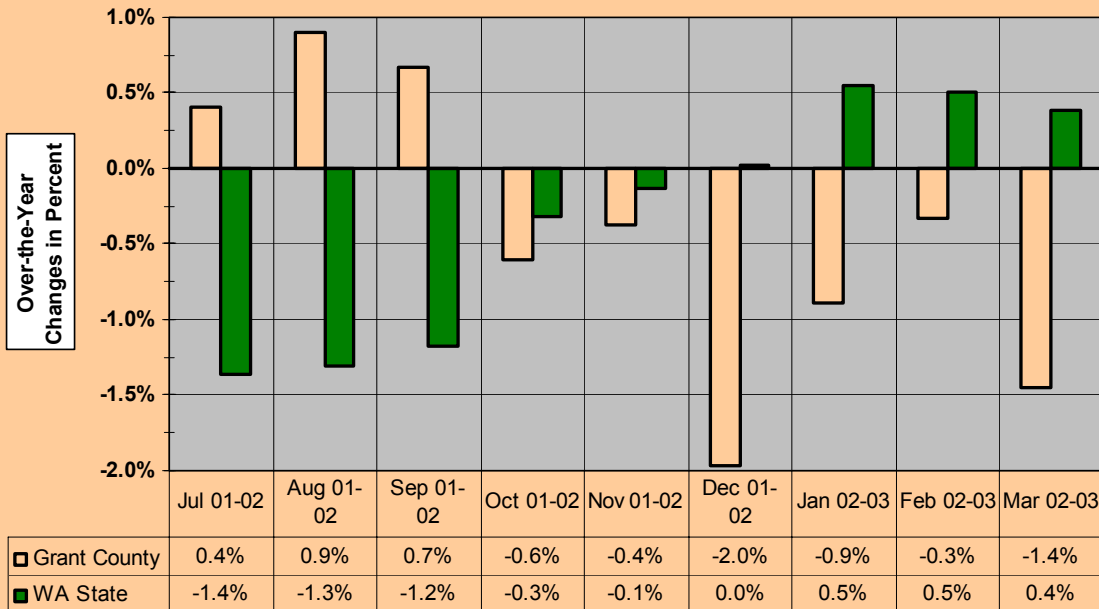
¹ Preliminary employment estimates.

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.

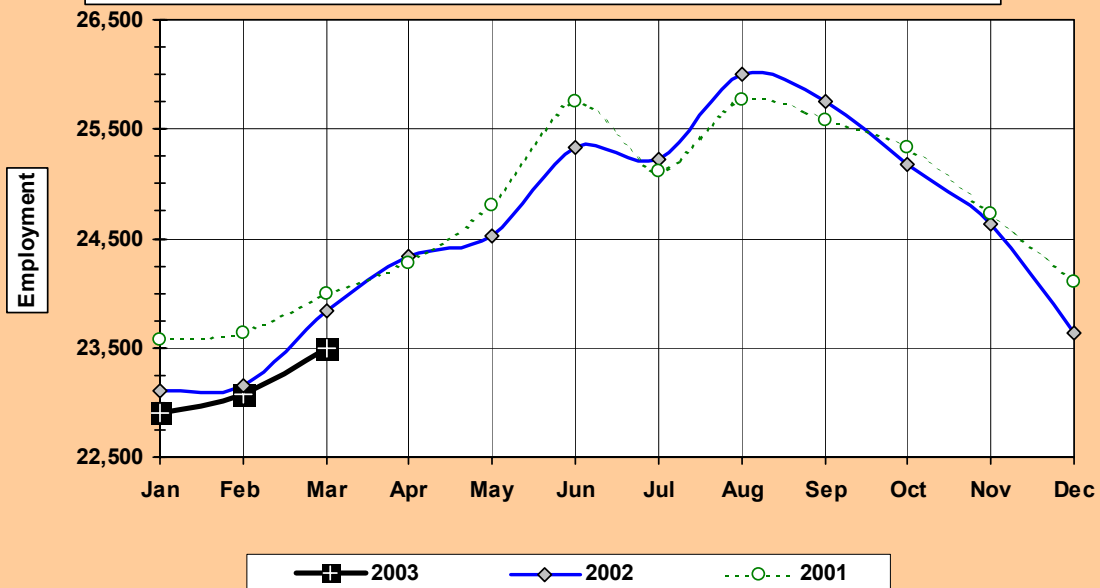
³ Differences in industry employment of 20 or less may not be significant due to rounding.

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**Figure 1
GRANT COUNTY versus WASHINGTON STATE:
OVER-THE-YEAR (OTY) EMPLOYMENT CHANGE RATES
(Prepared May 2, 2003)**



**Figure 2-A
GRANT COUNTY: COMPARISON OF TOTAL NONAGRICULTURAL EMPLOYMENT
FROM JANUARY 2001 TO MARCH 2003
(Prepared May 2, 2003)**



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Figure 2-B
GRANT COUNTY: COMPARISON OF DURABLE GOODS
MANUFACTURING EMPLOYMENT FROM JANUARY 2001 TO MARCH 2003
(Prepared May 2, 2003)

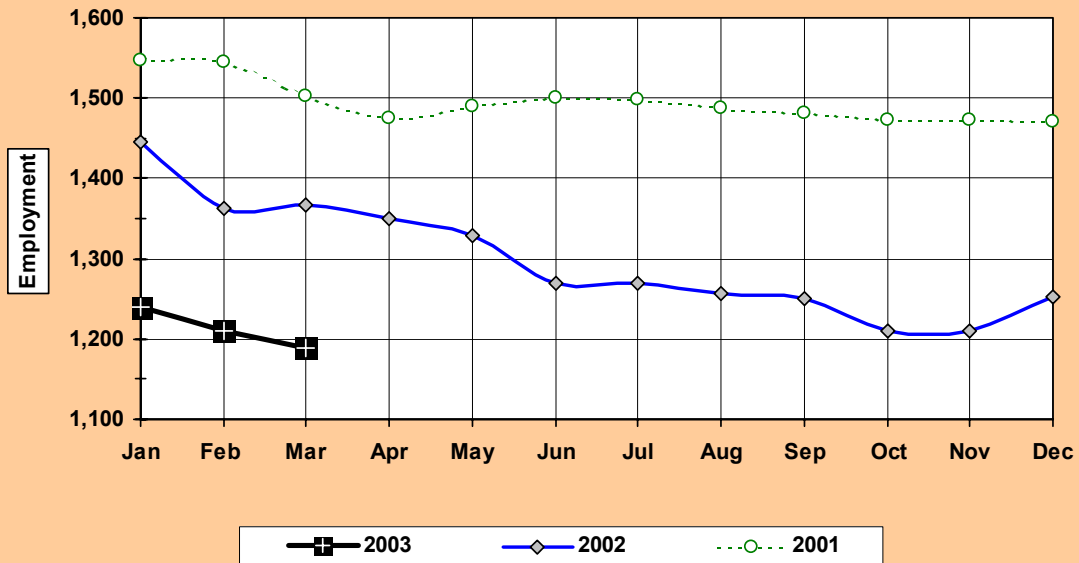
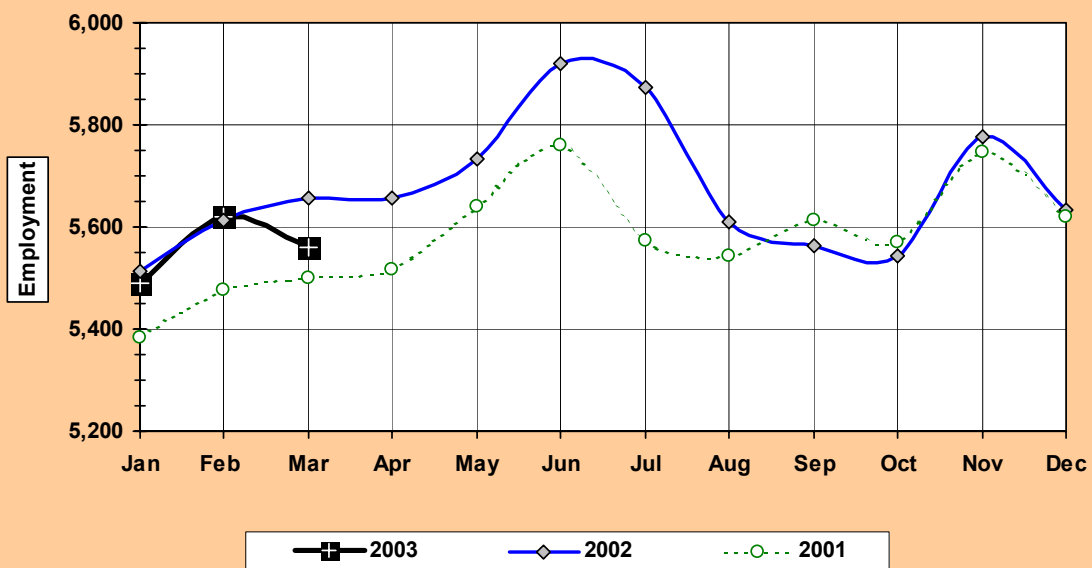


Figure 2-C
GRANT COUNTY: COMPARISON OF LOCAL GOVERNMENT
EMPLOYMENT FROM JANUARY 2001 TO MARCH 2003
(Prepared May 2, 2003)



Unemployment

The unemployment rate in Grant County fell during March 2003 from 12.0 to 10.2 percent. As Figure 3 shows, it is normal for the unemployment rate to fall between February and March, so the 1.8-point downturn was not unusual. Seasonal hiring accounted for the lion's share of the over-the-month rate drop as local farms and orchards added over 800 jobs. Nonagricultural employers contributed 430 more, led by a 360-job services increase at health services providers, employment placement/temporary help agencies, and in tax preparation firms. The number of Grant County residents out of work contracted to 3,660 this March from the 4,210 unemployed one-month ago.

Grant County's unemployment rate shrank one and one-tenth points over the year. There were about 400 fewer people out of work this March when the number of "unemployed" registered 3,660. Further, the number of "employed" in the resident labor force climbed by approximately 290. These are good signs. On the down side, total nonagricultural employment was 350 jobs less than in the same month last year. Agricultural employment was estimated to be unchanged. Thus, most of the upturn in resident labor force likely occurred because growing numbers of local residents are commuting to jobs outside of the County.

