



Grant County

Labor Area Summary

March 2017

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Overview

This report provides an update on the Grant County economy incorporating not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (between March 2016 and March 2017) and average annual (between 2015 and 2016) changes in the labor market.

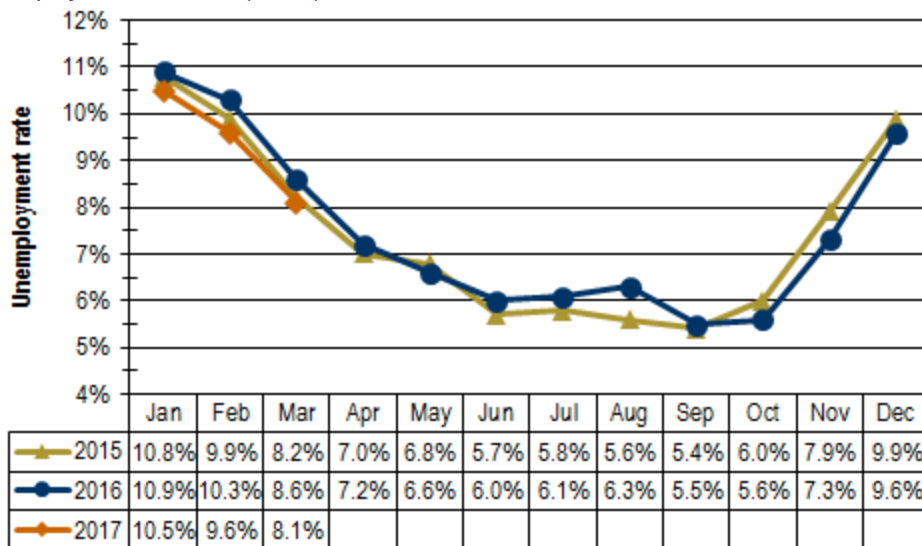
Unemployment rates

Civilian Labor Force (CLF) data show that Washington’s not seasonally adjusted average annual unemployment rate dipped two-tenths of a point between 2015 and 2016, from 5.6 percent to 5.4 percent. Between the Marches of 2016 and 2017 the rate fell nine-tenths point, from 5.8 to 4.9 percent.

In Grant County, the average annual unemployment rate edged upward one-tenth of a percentage point between 2015 and 2016, from 7.3 to 7.4 percent. Fortunately, the rate fell five-tenths of a point between the Marches of 2016 and 2017, from 8.6 to 8.1 percent, as the civilian labor force contracted modestly while the number of unemployed residents decreased rapidly (see *Figure 3*). Although a shrinking labor force is just about never good economic news, a decline in the number of unemployed residents is. Hence, the five-tenths point decline in the rate between the Marches of 2016 and 2017 is good news for the local economy.

Figure 1. Unemployment rates, not seasonally adjusted
 Grant County, January 2015 through March 2017

Source: Employment Security Department/LMPA; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



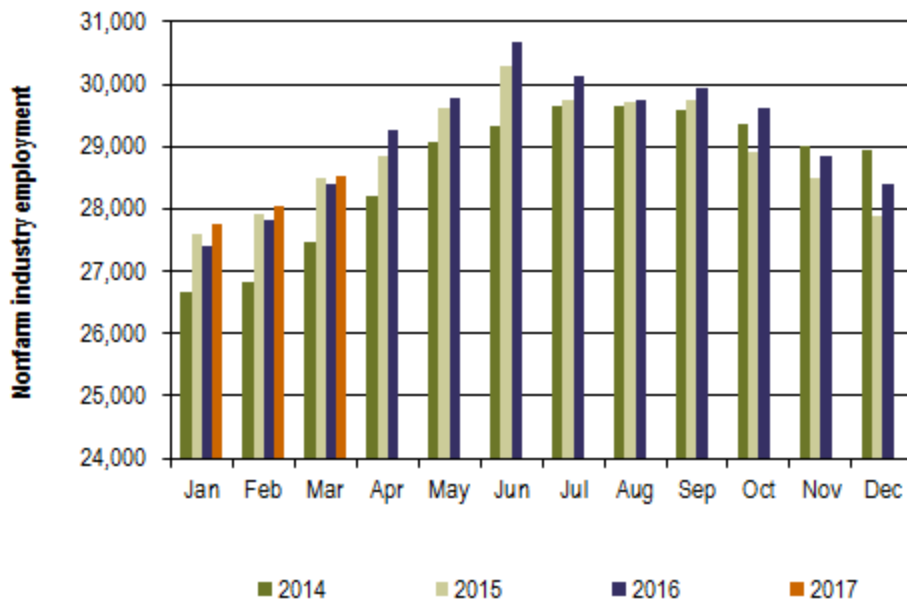
The Grant County unemployment rate declined five-tenths of a percentage point between the Marches of 2016 and 2017.

Total nonfarm employment

Between 2015 and 2016, Washington's labor market provided 98,400 new nonfarm jobs, an annual average increase of 3.1 percent. This March, businesses and government organizations across Washington supplied 3,280,800 nonfarm jobs (not seasonally adjusted), compared to 3,188,800 jobs in March 2016, a 2.9 percent year over year employment increase. The state's economy has posted year over year nonfarm employment increases for the past 78 consecutive months (October 2010 through March 2017).

Employment estimates indicate that between 2015 and 2016 Grant County's economy provided 230 new nonfarm jobs, a modest average annual increase of 0.8 percent. This was slower than the 3.1 percent growth rate statewide in 2016. In fact, job growth has still been rather sluggish in Grant County. Although local nonfarm employment has expanded in each of the past twelve months (April 2016 through March 2017), local job growth rates have consistently lagged behind statewide job growth rates. This March, Grant County employers provided 28,520 jobs, a 130 job and 0.5 percent increase from the 28,390 recorded in March 2016 - far less robust than the 2.9 percent not seasonally adjusted statewide job growth rate.

Figure 2. Nonfarm industry employment
Grant County, January 2014 through March 2017
Source: Employment Security Department/LMPA



Nonfarm employers in Grant County provided 28,520 nonfarm jobs in March 2017, a 0.5 percent upturn since March 2016.

Employment and unemployment

Washington's Civilian Labor Force (CLF) expanded by 98,209 residents (a 2.8 percent upturn) from 2015 to 2016. The state's labor force has increased, year over year, for the past 38 months (February 2014 through March 2017). In March 2017, Washington's CLF tallied 3,685,830 residents versus 3,624,428 in March 2016 equating to 61,402 more Washingtonians in the labor force (up 1.7 percent).

Grant County's unemployment rate edged upward from 7.3 percent in 2015 to 7.4 percent in 2016. This situation improved somewhat between the Marches of 2016 and 2017 as the local unemployment rate declined five-tenths of a point, from 8.6 to 8.1 percent, respectively. During this timeframe the CLF shrank from 43,474 residents to 42,834 (bad news) while the number of unemployed fell from 3,741 to 3,473 (good news). In effect, the number of unemployed declined more rapidly than the labor force, hence the County's unemployment rate fell from 8.6 percent in March 2016 to 8.1 percent in March 2017 (see *Figure 3*).

Figure 3. Labor force and industry employment, not seasonally adjusted
 Grant County, March 2016, February and March 2017
 Source: Employment Security Department/LMPA

Grant County	Preliminary Mar-17	Revised Feb-17	Revised Mar-16	Change		
				Feb-17	Mar-16	Mar-16
				Mar-17	Mar-17	Mar-17 %
Labor force and unemployment						
Civilian labor force	42,834	42,114	43,474	720	-640	-1.5%
Resident employment	39,361	38,083	39,733	1,278	-372	-0.9%
Unemployment	3,473	4,031	3,741	-558	-268	-7.2%
Unemployment rate	8.1	9.6	8.6	-1.5	-0.5	
Industry employment						
Total nonfarm ¹	28,520	28,050	28,390	470	130	0.5%
Total private	20,180	19,730	20,070	450	110	0.5%
Goods producing	5,740	5,680	5,760	60	-20	-0.3%
Mining, logging and construction	1,140	1,060	1,110	80	30	2.7%
Manufacturing	4,600	4,620	4,650	-20	-50	-1.1%
Durable goods	1,960	1,970	2,080	-10	-120	-5.8%
Nondurable goods	2,640	2,650	2,570	-10	70	2.7%
Service providing	22,780	22,370	22,630	410	150	0.7%
Trade, transportation and utilities	6,280	6,190	6,070	90	210	3.5%
Wholesale trade	1,780	1,760	1,700	20	80	4.7%
Retail trade	3,350	3,290	3,310	60	40	1.2%
Transportation, warehousing and utilities	1,150	1,140	1,060	10	90	8.5%
Information and financial activities	1,090	1,060	1,120	30	-30	-2.7%
Professional and business services	1,500	1,420	1,500	80	0	0.0%
Education and health services	2,690	2,610	2,740	80	-50	-1.8%
Leisure and hospitality	2,350	2,250	2,330	100	20	0.9%
Government	8,340	8,320	8,320	20	20	0.2%
Federal government	760	750	740	10	20	2.7%
State and local government	7,580	7,570	7,580	10	0	0.0%
State and local government education	3,670	3,660	3,680	10	-10	-0.3%
Workers in labor/management disputes	0	0	0	0	0	
¹ Excludes proprietors, self-employed, members of the armed services, workers in private households and agriculture. Includes all full- and part-time wage and salary workers receiving pay during the pay period including the 12th of the month. Columns may not add due to rounding.						

Nonfarm employment in Grant County rose 0.5 percent, a modest gain of 130 jobs, between March 2016 and March 2017.

Nonfarm industry employment

Estimates indicate that Grant County’s nonfarm employers provided 130 more jobs in March 2017 than in March 2016 (a nominal 0.5 percent upturn) while Washington’s labor market grew at a 2.9 percent clip. The following paragraphs highlight changes in major local industries between the Marches of 2016 and 2017:

- Most jobs in the combined “mining, logging and construction” category in Grant County are in construction and the local construction industry has experienced year-over-year employment

increases for the past nine months (July 2016 through March 2017). This March, construction tallied 1,140 jobs countywide, a 30 job and 2.7 percent increase from the 1,110 jobs provided in March 2016. Statewide, construction has been adding workers for 61 consecutive months (from March 2012 through March 2017).

- Employment in Grant County's durable goods manufacturing industry has posted year-over-year losses for 17 months (November 2015 through March 2017). Between the Marches of 2016 and 2017, durable goods manufacturing fell 5.8 percent, a 120 job downturn (from 2,080 to 1,960 jobs) – discouraging economic news for the local economy. Statewide, the number of durable goods manufacturing jobs has been in decline since December 2015 (the past 16 consecutive months). The lion's share of these job losses have occurred amongst Washington's aerospace product and parts manufacturers.
- Local wholesale trade employment (which includes server farm jobs) has not only been growing year over year for the past 14 consecutive months, it has been growing at rates faster than Washington's in each of these months (February 2016 through March 2017). The number of jobs at wholesale trade businesses advanced from 1,700 jobs in March 2016 to 1,780 in March 2017, an 80 job and 4.7 percent upturn. Statewide, wholesale trade employment has increased for 75 months (January 2011 through March 2017).
- Grant County's transportation, warehousing, and private utilities industry netted 90 new jobs (up 8.5 percent) between the Marches of 2016 and 2017, rising from 1,060 jobs in March 2016 to 1,150 this March. Employment in this industry has expanded in each of the past 23 months (May 2015 through March 2017). Statewide, the transportation, warehousing and private utilities category has been lengthening payrolls for the past 45 months (July 2013 through March 2017).

Agricultural employment/production

The Bureau of Labor Statistics' Quarterly Census of Employment and Wage (QCEW) program, conducted by the Washington State Employment Security Department provides agricultural and nonagricultural employment and wages for firms, organizations and individuals whose employees are covered by the Washington State Employment Security Act. Frequently termed "covered" or "QCEW" data, this information provides a reliable data set for comparing employment and wage trends in major industries at the county level. In July 2016 preliminary annual average QCEW data for calendar year 2015 became available. An analysis of employment changes from 2004 through 2015 shows that in Grant County:

- Total covered employment rose from 31,807 in 2004 to 38,987 in 2015, a 7,180-job and 22.6 percent upturn. The number of agricultural jobs (a subset of total covered employment) increased from 7,459 in 2004 to 10,513 in 2015, a 3,054-job and 40.9 percent uptrend. In 2004 Grant County's agricultural industry accounted for 23.5 percent of total covered employment. In 2015 agricultural employment accounted for 27.0 percent of total covered employment countywide. In fact, agricultural employment as a percentage of total covered employment has been in the 27 percent-range for the past four years (i.e., 27.7 percent in 2012, 27.0 percent in 2013, 27.4 percent in 2014 and 27.0 percent in 2015). Hence, the share of agricultural employment rose 3.5 percentage points (from 23.5 to 27.0 percent) in Grant County during these eleven years.
- Total covered wages rose from \$821.0 million (in 2004) to \$1.46 billion (in 2015) a \$639.0 million and 77.8 percent upturn. The agricultural payroll (a subset of total covered wages) advanced from \$134.6 million in 2004 to \$274.0 million in 2015, a \$139.4 million and 103.6 percent uptrend. In 2004 Grant County's agricultural industry accounted for 16.4 percent of total covered wages. In 2015 agricultural wages accounted for 19.7 percent of total covered payroll countywide. Hence, the share of agricultural wages rose 3.3 percentage points (from 16.4 to 19.7 percent) in Grant County during these eleven years.