



Grant County

Labor Area Summary

July 2020

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Overview

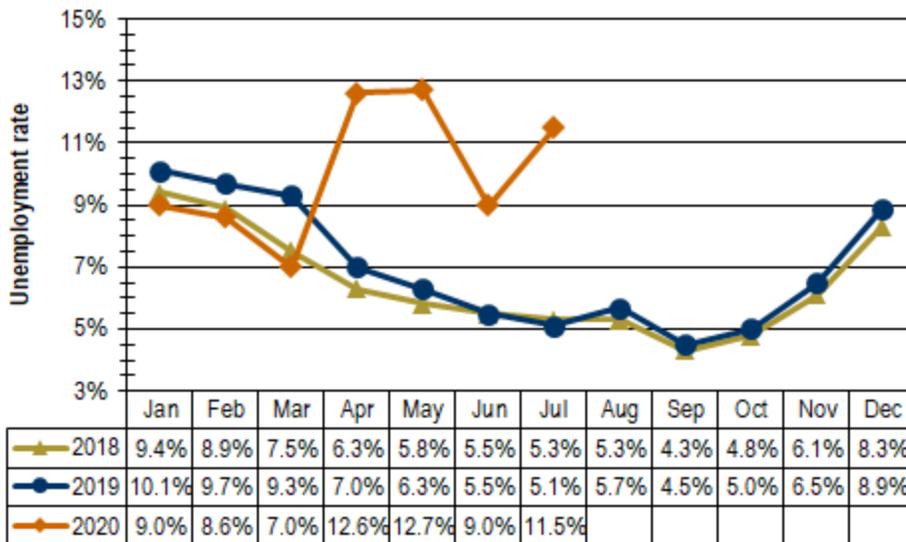
This report provides an update on the Grant County economy incorporating not seasonally adjusted, nonfarm employment and civilian labor force data. Analysis focuses on year-over-year (between July 2019 and July 2020) and average annual (between 2018 and 2019) changes in the labor market.

Unemployment rates

Civilian Labor Force (CLF) data show that Washington’s not seasonally adjusted average annual unemployment rate declined from 4.5 percent in 2018 to 4.3 percent in 2019. However, between the Julys of 2019 and 2020 the rate jumped six points, from 4.2 to 10.2 percent.

In Grant County, the average annual unemployment rate rose from 6.4 percent in 2018 to 6.9 percent in 2019. Year over year, COVID-19 related layoffs have pushed local unemployment rates upwards from April through July 2020 (as shown in Figure 1). Most recently, the unemployment rate in Grant County jumped six and four-tenths percentage points, from 5.1 percent in July 2019 to 11.5 percent in July 2020.

Figure 1. Unemployment rates, not seasonally adjusted
 Grant County, January 2018 through July 2020
 Source: Employment Security Department/LMEA; U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)



The Grant County unemployment rate rose six and four-tenths percentage points between the Julys of 2019 and 2020.

Total nonfarm employment

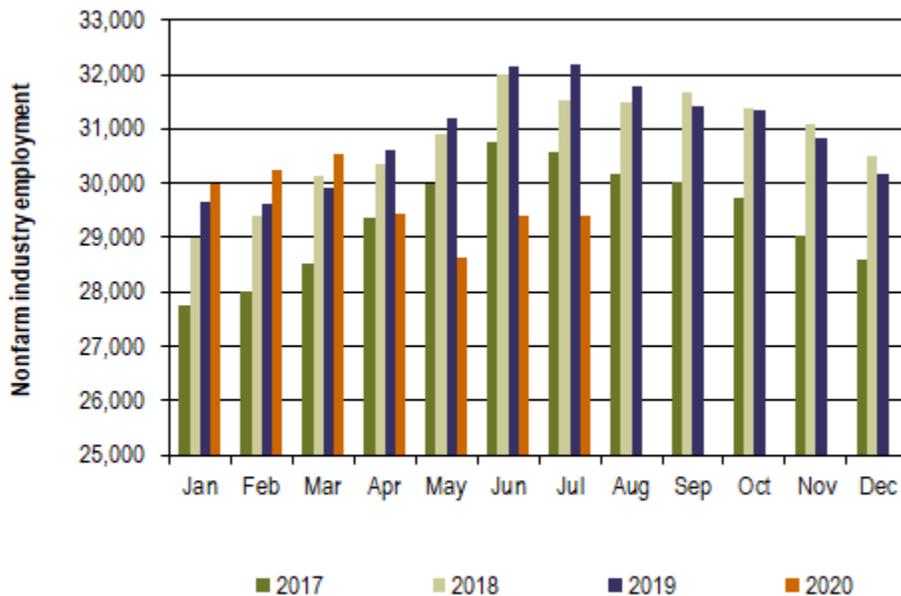
Between 2018 and 2019, Washington's labor market provided 67,100 new nonfarm jobs, an annual average increase of 2.0 percent. In July 2020, business and government organizations across Washington supplied only 3,248,400 nonfarm jobs (not seasonally adjusted) compared with 3,493,400 jobs in July 2019, a substantial loss of 245,000 jobs and a 7.0-percent downturn. Year-over-year job losses are never encouraging, but Washington's job loss-rates have been decelerating; from minus-14.2 percent in April 2020, to minus-11.7 percent in May, to minus-8.8 percent in June, and to minus-7.0 percent this July.

Between 2018 and 2019 Grant County's economy provided 120 new nonfarm jobs, an average annual increase of 0.4 percent, considerably less robust than the 2.0 percent statewide growth rate. Year over year, nonfarm employment in Grant County dipped by 3.9 percent in April 2020 before falling by 8.2 percent in May 2020, by 8.6 percent in June 2020, and by 8.7 percent in July 2020. Between the Julys of 2019 and 2020 employment plunged from 32,200 jobs to 29,410 – a loss of 2,790 jobs (see *Figures 2 and 3*).

Figure 2. Nonfarm industry employment

Grant County, January 2017 through July 2020

Source: Employment Security Department/Labor Market and Economic Analysis (LMEA); U.S. Department of Labor, Bureau of Labor Statistics, Current Employment Statistics (CES)



Nonfarm employers in Grant County provided 29,410 nonfarm jobs in July 2020, an 8.7-percent downturn since July 2019.

Employment and unemployment

Estimates indicate that Washington's Civilian Labor Force (CLF) grew by 107,141 residents (a 2.8-percent upturn) from 2018 to 2019. Washington's CLF increased year over year for 76 months (from February 2014 through May 2020) before edging downwards in June 2020 and rising by 1.3 percent this July.

Grant County's CLF expanded by 444 residents (a 1.0 percent increase) from 2018 to 2019. However, year over year, Grant County's CLF decreased by 8.9 percent in June 2020 and by 6.2 percent in July 2020. Most recently, between the Julys of 2019 and 2020, there were 3,157 fewer Grant County residents in the labor force while the number of residents unemployed swelled by 2,938 (up 113.3 percent) – as shown in *Figure 3*. Hence, a shrinking labor force coupled with COVID-19 related layoffs drove the local unemployment rate upwards from 5.1 percent in July 2019 to 11.5 percent in July 2020.

Figure 3. Labor force and industry employment, not seasonally adjusted

Grant County, July 2019, June and July 2020

Source: Employment Security Department/Labor Market and Economic Analysis (LMEA); U.S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)

Grant County	Preliminary Jul-20	Revised Jun-20	Revised Jul-19	Change		
				Jun-20	Jul-19	Jul-19
				Jul-20	Jul-20	Jul-20 %
Labor force and unemployment						
Civilian labor force	48,061	45,539	51,218	2,522	-3,157	-6.2%
Resident employment	42,530	41,460	48,625	1,070	-6,095	-12.5%
Unemployment	5,531	4,079	2,593	1,452	2,938	113.3%
Unemployment rate	11.5	9.0	5.1	2.5	6.4	
Industry employment						
Total nonfarm ¹	29,410	29,410	32,200	0	-2,790	-8.7%
Total private	21,430	21,300	23,470	130	-2,040	-8.7%
Goods producing	6,380	5,770	6,570	610	-190	-2.9%
Mining, logging and construction	1,660	1,560	1,570	100	90	5.7%
Manufacturing	4,720	4,210	5,000	510	-280	-5.6%
Durable goods	1,450	1,450	1,780	0	-330	-18.5%
Nondurable goods	3,270	2,760	3,220	510	50	1.6%
Service providing	23,030	23,640	25,630	-610	-2,600	-10.1%
Trade, transportation and utilities	5,160	5,560	6,210	-400	-1,050	-16.9%
Wholesale trade	680	930	1,590	-250	-910	-57.2%
Retail trade	3,550	3,610	3,500	-60	50	1.4%
Transportation, warehousing and utilities	930	1,020	1,120	-90	-190	-17.0%
Information and financial activities	1,460	1,410	1,450	50	10	0.7%
Professional and business services	2,090	2,210	2,680	-120	-590	-22.0%
Education and health services	3,110	3,060	3,000	50	110	3.7%
Leisure and hospitality	2,620	2,700	2,990	-80	-370	-12.4%
Government	7,980	8,110	8,730	-130	-750	-8.6%
Federal government	770	780	780	-10	-10	-1.3%
State and local government	7,210	7,330	7,950	-120	-740	-9.3%
State and local government education	3,100	3,250	3,520	-150	-420	-11.9%
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 decreased 8.7 percent, a net loss of 2,790 jobs between the Julys of 2019 and 2020.

Nonfarm industry employment

Estimates indicate that Grant County’s nonfarm employers provided 2,790 fewer jobs in July 2020 than in July 2019, an 8.7-percent upturn, while Washington’s nonfarm market shrank by 7.0 percent during this period. The following paragraphs highlight changes in several local industries between the Julys of 2019 and 2020:

- Year over year employment in Grant County's mining, logging, and construction category increased in June and July 2020, by 2.6 percent and by 5.7 percent, respectively. The lion's share of jobs in this category are in the local construction industry. This July Grant County's construction contractors provided approximately 1,660 jobs, a 90-job and 5.7-percent upturn since July 2019. Year over year, construction employment statewide grew for 97 months (from March 2012 through March 2020) before plummeting by 35.5 percent in April 2020, contracting by 13.7 percent in May 2020, dropping by 7.4 percent in June 2020, and declining by 6.8 percent in July 2020.
- The number of manufacturing jobs in Grant County decreased from 5,000 in July 2019 to 4,720 this July, a loss of 280 jobs and a 5.6-percent downturn. All the softness in these manufacturing numbers occurred amongst *durable* goods manufacturers. *Non-durable* goods manufacturing (primarily at local food processors) rose 50 jobs (up 1.6 percent) between the Julys of 2019 and 2020, as shown in *Figure 3*. Also, these manufacturing sector job losses, in aggregate, are not a recent phenomenon. Year over year, employment in Grant County's manufacturing sector has contracted in each of the past 31 months (since January 2018). Conversely, across Washington, the number of workers on manufacturing payrolls increased for 22 months (May 2018 through February 2020) before shrinking, year over year, in each of the past five months (March through July 2020).
- In Grant County, estimates indicate that wholesale trade employment decreased by 5.7 percent between the Aprils of 2019 and 2020 and that employment has continued to erode in this industry - to a minus-57.2-percent loss-rate between the Julys of 2019 and 2020 (see *Figure 3*). It should be noted however that Grant County wholesale trade employment figures from April through July 2020 are derived primarily from sample-based estimates. The sample size is small. Hence wholesale trade employment data are likely to be revised when more information becomes available. Statewide, wholesale trade employment increased for 112 months (December 2010 through March 2020) before contracting in the six- to seven-percent range during the past four months (April through July 2020).
- Year over year, Grant County retail trade employment shrank in April and May 2020 before expanding in June and July 2020. Local retailers gained 50 jobs this July, rising to 3,550 from the 3,000 jobs tallied in July 2019 (see *Figure 3*). Across Washington, hiring at building material and garden supply stores, food and beverage stores, general merchandise stores, and at other retail trade establishments (i.e., internet shopping) has countered layoffs at motor vehicle and parts dealers, furniture stores, clothing and accessories stores, etc., resulting in a marginal 0.1-percent upturn in retail trade employment between the Julys of 2019 and 2020.
- Employment in Grant County's professional and business services industry declined in each of the past four months (April through July 2020). In fact, this industry lost 130 jobs (minus-5.3 percent) countywide in 2019; quite a change from 2018 when professional and business services employers contributed 600 new jobs (up 32.3 percent) to the local economy. Recently, between the Julys of 2019 and 2020 professional and business services employers in Grant County saw the number of jobs plummet by 22.0 percent, from 2,680 jobs to 2,090, respectively. Professional and business services is comprised of a diverse set of niche industries ranging from computer systems design and accounting/tax preparation services to landscaping and janitorial services, legal services and temporary employment services. Within professional and business services, temporary employment services firms likely accounted for much of this employment downturn. Statewide, this industry expanded for 119 months (from May 2010 through March 2020) before contracting modestly in each month from April through July 2020.
- Leisure and hospitality (primarily hotels, eating and drinking places, and amusement and recreation services businesses) in Grant County added jobs, year over year, during each of the 23 months from May 2018 through March 2020, before posting COVID-19 related losses in April, May, June and

July 2020. Employment dropped from 2,990 jobs in July 2019 to 2,620 in July 2020 (down 12.4 percent). Leisure and hospitality businesses were particularly hard-hit following Governor Inslee's "Stay Home, Stay Healthy" directive issued on 23 March 2020 to counter the spread of the COVID-19 virus. Year over year, Washington's leisure and hospitality industry posted job loss rates of minus-53.8 percent in April 2020, minus-44.8 percent in May 2020, minus-34.5 percent in June 2020, and minus-28.6 percent in July 2020.

- Year over year, employment in Grant County's government sector (federal, state, and local) dipped by 3.1 percent in April 2020, and then fell by 8.4 percent in May, 9.7 percent in June, and by 8.6 percent in July 2020. This July, government tallied 7,980 jobs, a 750-job and 8.6 percent downturn from the 8,730 jobs tallied across Grant County in July 2019. Approximately 420 of the 750 jobs lost (56 percent) during this timeframe were in state and local government education (see *Figure 3*). Washington government sector also lost jobs due to COVID-19-related layoffs in each of the past four months (April through July 2020).

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 June 2020, preliminary annual average QCEW data for calendar year 2019 became available. An analysis of employment changes from 2009 through 2019 shows that in Grant County:

- Total covered employment rose from 34,753 in 2009 to 39,898 in 2019, a 5,145-job and 14.8 percent upturn with annualized employment growth between 2009 and 2019 of 1.4 percent. The number of agricultural jobs (a subset of total covered employment) increased from 9,071 in 2009 to 9,465 in 2019, a 394-job and 4.3 percent uptrend with annualized employment growth between 2009 and 2019 of 0.4 percent. In 2009 Grant County's agricultural industry accounted for 26.1 percent of total covered employment. In 2019 agricultural employment accounted for 23.7 percent of total covered employment countywide. The share of agricultural employment (versus total covered employment) dropped two and four-tenths percentage points (from 26.1 to 23.7 percent) in Grant County during this ten-year period. One could generalize that during this most recent ten-year timeframe, the agricultural industry has become less "influential" in Grant County's economy (in terms of the agricultural employment to total covered employment ratio).
- Total covered wages rose from \$1.124 billion (in 2009) to \$1.767 billion (in 2019) a \$643.7 million and 57.3 percent upturn with annualized payroll growth between 2009 and 2019 of 4.6 percent. The agricultural payroll (a subset of total covered wages) advanced from \$184.7 million in 2009 to \$301.9 million in 2019, a \$117.2 million and 63.4 percent uptrend with annualized payroll growth between 2009 and 2019 of 5.0 percent. In 2009 Grant County's agricultural industry accounted for 16.4 percent of total covered wages while in 2019 agricultural wages accounted for 17.1 percent of total covered wages. Hence, the share of agricultural wages (versus total covered wages) earned in Grant County edged upwards by a marginal seven-tenths percentage point (from 16.4 to 17.1 percent) during this ten-year period. One could generalize that during this most recent ten-year timeframe, the agricultural industry has shown little change in Grant County's economy (in terms of the agricultural payroll to total covered payroll ratio).

Web link to Monthly Employment Report (MER) for Washington state

- <https://esd.wa.gov/labormarketinfo/monthly-employment-report>