

Grant County Labor Area Summary May 2022



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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 (CLF) data. Analysis focuses on year over year (May 2021 and May 2022) and average annual data changes (between 2020 and 2021).

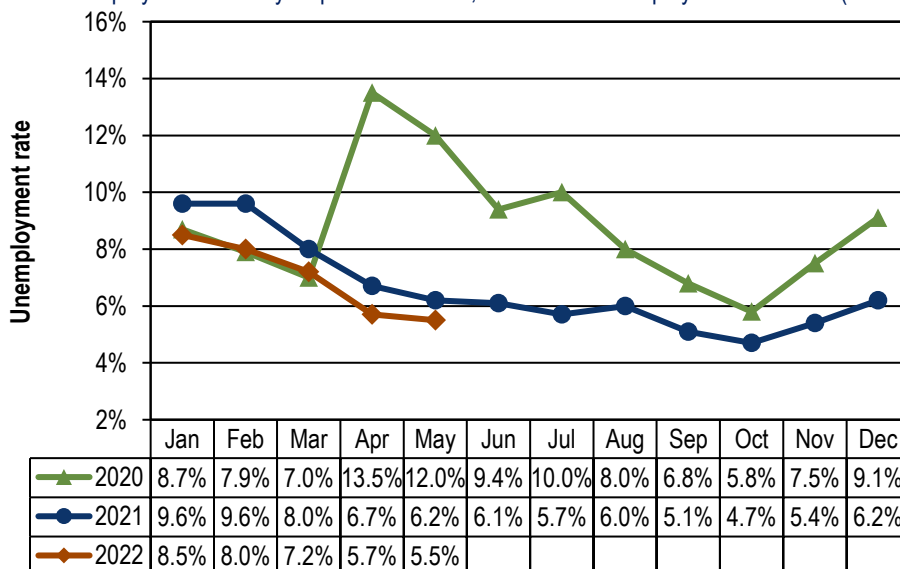
Unemployment rates

Civilian Labor Force (CLF) data show that Washington’s not seasonally adjusted average annual unemployment rate fell from 8.5 percent in 2020 to 5.2 percent in 2021. Between May 2021 and May 2022, the rate dropped from 5.1 to 3.6 percent, a decline of one and five-tenths percentage points.

In Grant County, the average annual unemployment rate declined from 8.8 percent to 6.5 percent between 2020 and 2021. Unemployment rates have declined, year over year, in each of the past 14 months (April 2021 through May 2022 (*Figure 1*)). Between May 2021 (6.2 percent) and May 2022 (5.5 percent) the Grant County unemployment rate dropped by seven-tenths of a percentage point.

Figure 1. Grant County unemployment rates, not seasonally adjusted
 Washington state, January 2020 through May 2022

Source: Employment Security Department/DATA; Local Area Unemployment Statistics (LAUS)



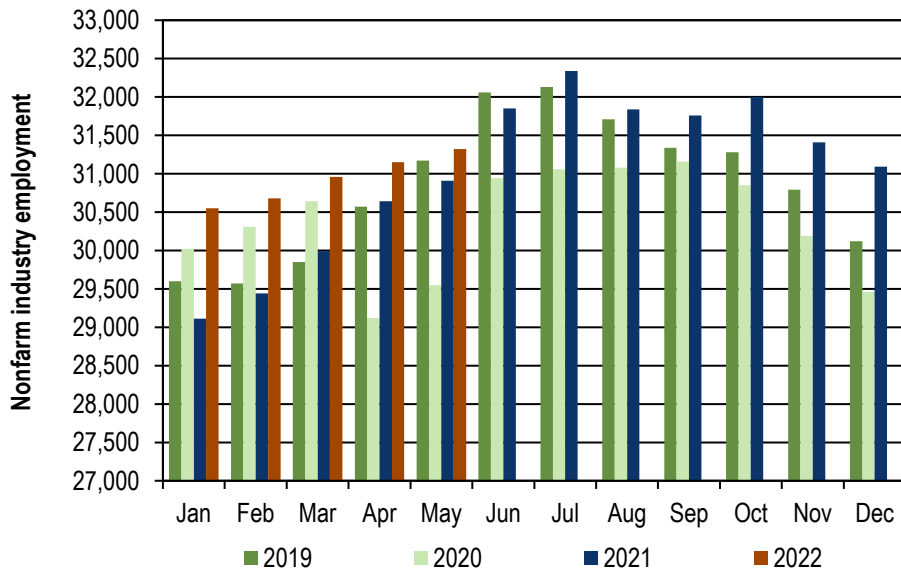
The Grant County unemployment rate dropped by seven-tenths of a percentage point from May 2021 to May 2022.

Total nonfarm employment

Between 2020 and 2021, estimates indicate that Washington’s labor market provided 81,100 more nonfarm jobs, an average annual increase of 2.5 percent. Year over year, Washington's nonfarm market contracted from April 2020 through March 2021 prior to expanding from April 2021 through May 2022. This May, business and government organizations statewide tallied 3,524,400 jobs (not seasonally adjusted) compared with 3,342,600 in May 2021, up by 181,800 jobs and 5.4 percent.

Grant County’s nonfarm economy gained 670 jobs in 2021, a 2.2 percent upturn, a bit less robust than Washington’s 2.5 percent job growth rate during 2021. However, it should be noted that the County’s nonfarm market waned by only -1.6 percent during 2020 (following the onslaught of the COVID-19 pandemic) while Washington’s market dropped by -5.4 percent in 2020. Nonfarm employment in Grant County has expanded, year over year, in each of the past 14 months (April 2021 through May 2022) as shown in *Figures 2 and 4*. Recent estimates indicate that nonfarm employment countywide elevated by 1.3 percent, from 30,910 jobs in May 2021 to 31,320 jobs in May 2022 (*Figure 3*).

Figure 2. Grant County nonfarm industry employment, not seasonally adjusted
Washington state, January 2019 through May 2022
Source: Employment Security Department/DATA; Current Employment Statistics (CES)



Nonfarm employment in Grant County increased by 1.3 percent between May 2021 and May 2022.

Employment and unemployment

Washington’s Civilian Labor Force (CLF) edged downward by 15,964 residents (a -0.4 percent downturn) between 2020 and 2021. This contraction occurred in the first half of 2021. Since then, the CLF either stabilized or expanded from July 2021 through May 2022. Washington’s labor force grew by 147,039 residents (up 3.8 percent), from 3,865,117 residents in May 2021 to 4,012,156 this May.

Grant County averaged 46,989 residents in the labor force in 2020 and 47,859 in 2021, a 0.8 percent expansion. Year over year, Grant County's Civilian Labor Force (CLF) has expanded in each of the past 11 months (June 2021 through May 2022). This May there were 592 more residents in the labor force than in May 2021, a 1.3 percent upturn. Also, estimates indicate a slightly more rapid *resident employment* growth pace of 2.0 percent between the Mays of 2020 and 2021, faster than the *civilian labor force* growth rate of 1.3 percent during this period (*Figure 3*). This could indicate that a greater proportion of employed residents

commuted or teleworked to jobs outside of Grant County. Finally, the number of unemployed dropped by 294 (down -10.3 percent); from 2,865 residents in May 2021 to 2,571 in May 2022. This decrease in the number of unemployed combined with the 1.3 percent increase in the labor force caused Grant County's unemployment rate to decline to 5.5 percent in May 2022 from the 6.2 percent reading in May 2021 – a step forward for the local economy. Another step forward is that the number of residents in Grant County's CLF this May (47,045) was a 0.5 percent greater than the 46,804 residents in the labor force in May 2019 (prior to the COVID-19 pandemic) indicating a modest labor force recovery.

Figure 3. Grant County labor force and industry employment, not seasonally adjusted
Washington state, May 2022

Source: Employment Security Department/DATA; Local Area Unemployment Statistics (LAUS), Current Employment Statistics (CES)

Grant County	Preliminary May-22	Revised Apr-22	Revised May-21	Change		Percent change
				Apr-22	May-21	May-21
				May-22	May-22	May-22
Labor force and unemployment						
Civilian labor force	47,045	46,984	46,453	61	592	1.3%
Resident employment	44,474	44,311	43,588	163	886	2.0%
Unemployment	2,571	2,673	2,865	-102	-294	-10.3%
Unemployment rate	5.5	5.7	6.2	-0.2	-0.7	
Industry employment						
Total nonfarm ¹	31,320	31,150	30,910	170	410	1.3%
Total private	22,790	22,800	22,430	-10	360	1.6%
Goods producing	5,520	5,610	5,930	-90	-410	-6.9%
Mining, logging and construction	1,540	1,540	1,760	0	-220	-12.5%
Manufacturing	3,980	4,070	4,170	-90	-190	-4.6%
Durable goods	1,440	1,440	1,390	0	50	3.6%
Nondurable goods	2,540	2,630	2,780	-90	-240	-8.6%
Service providing	25,800	25,540	24,980	260	820	3.3%
Trade, transportation and utilities	6,640	6,630	6,370	10	270	4.2%
Wholesale trade	1,760	1,730	1,670	30	90	5.4%
Retail trade	3,630	3,700	3,570	-70	60	1.7%
Transportation, warehousing and utilities	1,250	1,200	1,130	50	120	10.6%
Information and financial activities	1,430	1,450	1,370	-20	60	4.4%
Professional and business services	2,760	2,750	2,450	10	310	12.7%
Education and health services	3,290	3,270	3,010	20	280	9.3%
Leisure and hospitality	2,600	2,540	2,750	60	-150	-5.5%
Government	8,530	8,350	8,480	180	50	0.6%
Federal government	780	780	780	0	0	0.0%
State and local government	7,750	7,570	7,700	180	50	0.6%
State and local government education	3,620	3,440	3,520	180	100	2.8%
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.

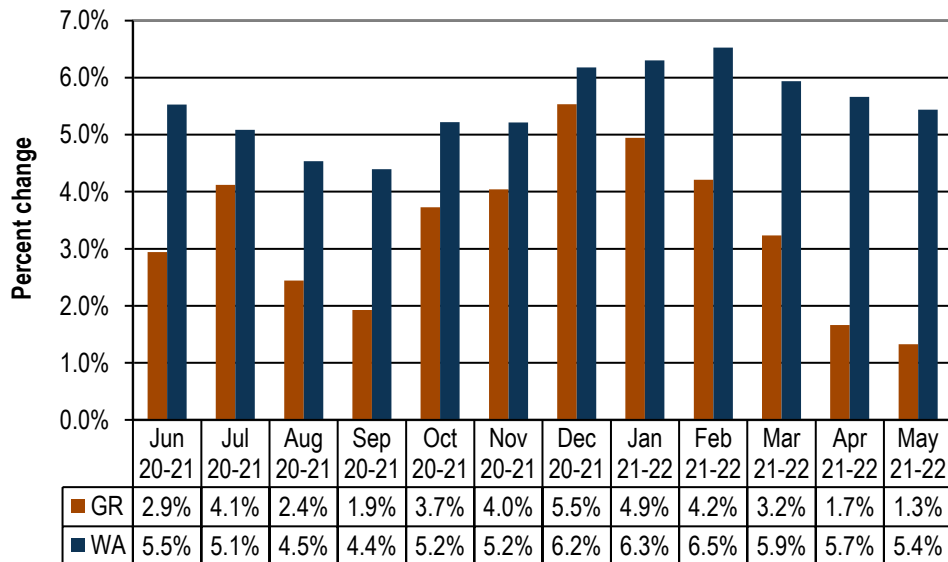
The Grant County nonfarm market provided 31,320 jobs in May 2022, a gain of 410 jobs since May 2021.

Nonfarm industry employment

Although total nonfarm employment in Grant County contracted from April 2020 through March 2021, due to COVID-19-related layoffs, it has expanded in each of the past 14 months (April 2021 through May 2022) (*Figure 4*). Total nonfarm employment increased from 30,910 in May of last year to 31,320 jobs in May 2022, a 410 job and 1.3 percent upturn. Also, total nonfarm employment countywide this May (31,320 jobs) was 150 jobs and 0.5 percent greater than the 31,170 jobs tallied in May 2019 (three years ago). This indicates that as of May 2022, the local economy has recovered (in aggregate) all the nonfarm jobs lost since the onset of the COVID-19 pandemic.

Figure 4. Grant County and Washington total nonfarm employment changes
Washington state, June 2021 through May 2022

Source: Employment Security Department/DATA; Current Employment Statistics (CES)



Year over year, total nonfarm employment in Grant County retrenched for 12 months (April 2020 through March 2021) before expanding in each of the past 14 months (April 2021 through May 2022). Washington's nonfarm market also retrenched from April 2020 through March 2021 prior to expanding from April 2021 through May 2022.

Summaries of employment changes between May 2021 and May 2022 for three local industries (durable goods manufacturing, professional and business services, and leisure and hospitality) follow:

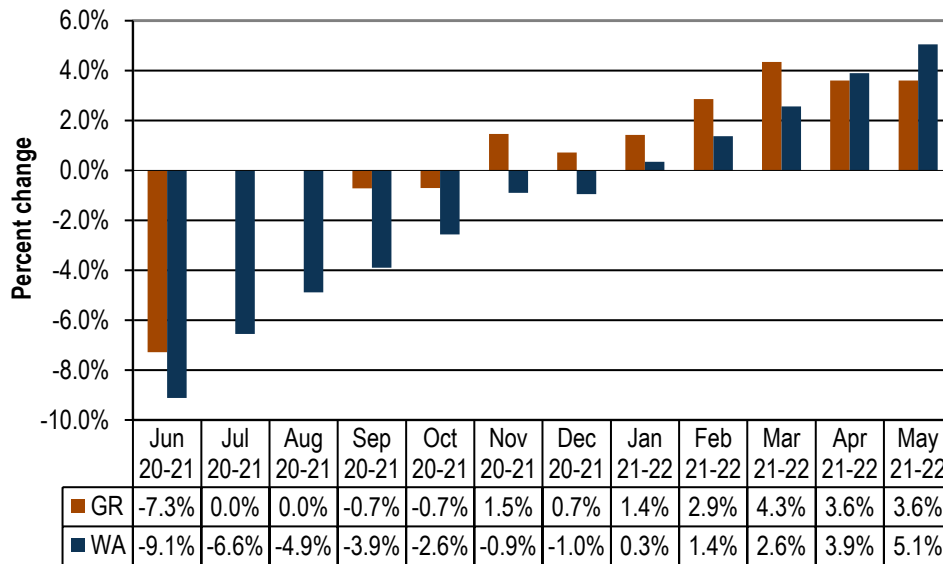
- On an average annual employment basis, Grant County's durable manufacturing firms have experienced a "tough patch" during the past four years. Employment in this industry:
 - Decreased from 2,020 jobs in 2017 to 1,870 in 2018 (down by 150 jobs and -7.4 percent).
 - Decreased from 1,870 jobs in 2018 to 1,760 in 2019 (down by 110 jobs and -5.9 percent).
 - Decreased from 1,760 jobs in 2019 to 1,460 in 2020 (down by 300 jobs and -17.0 percent).
 - Decreased from 1,460 jobs in 2020 to 1,390 in 2021 (down by 70 jobs and -4.8 percent)

However, an encouraging trend for Grant County's durable goods manufacturing industry is shown in *Figure 5*. Year over year, this sector has been in a hiring mode in each of the past seven months (November 2021 through May 2022). Countywide, durable goods manufacturers provided 50 more jobs in May 2022 (1,440 jobs) than in May 2021 (1,390 jobs), a 3.6 percent upturn. Statewide, durable goods manufacturers lost jobs for 24 months (January 2020 through December 2021) before expanding from January through May 2022. In May of this year Washington's durable goods manufacturers tallied 182,900 jobs, an 8,800 job and 5.1 percent advance above the 174,100 jobs

provided in May 2021. Of these 8,800 new durable goods manufacturing jobs, approximately 4,300 (48.9 percent) were in the transportation equipment manufacturing category.

Figure 5. Grant County and Washington state durable goods manufacturing employment changes Washington state, June 2021 through May 2022

Source: Employment Security Department/DATA; Current Employment Statistics (CES)



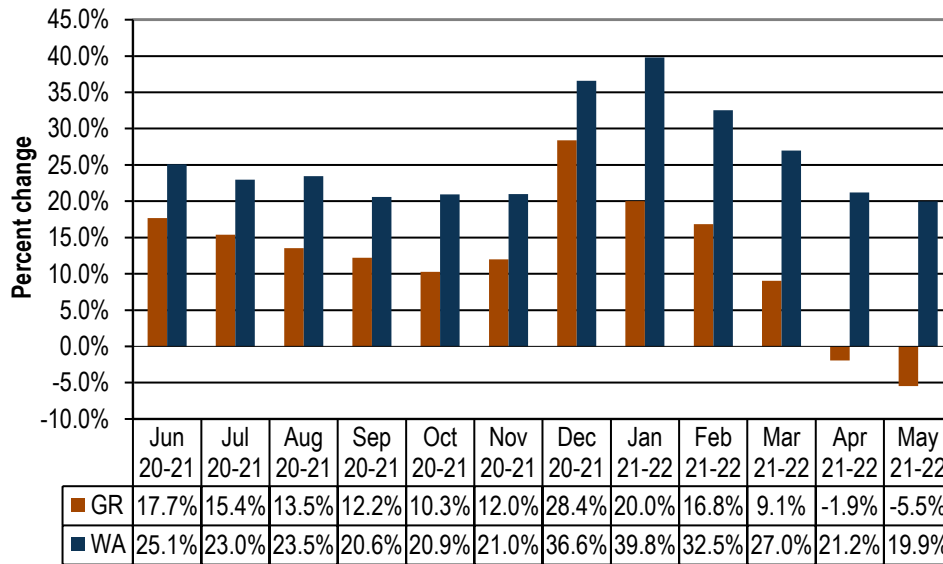
Year over year, Grant County's durable goods manufacturers have added jobs in each of the past seven months (November 2021 through May 2022). Statewide, durable goods manufacturers lost jobs for 24 months (January 2020 through December 2021) before expanding from January through May 2022).

- Year over year, employment in Grant County's professional and business services sector has risen in each of the past five months (January through May 2022). In May 2021 professional and business services establishments (i.e., legal, accounting, architectural, engineering, and computer systems design services; management of companies and enterprises; employment placement agencies; travel agencies; temporary help, security guard, janitorial, and landscaping services, etc.) provided 2,450 jobs countywide versus 2,760 jobs in May 2022, a strong 310 job and 12.7 percent upturn. Washington's professional and business services industry has added jobs in each of the past 14 months (April 2021 through May 2022). Between the Mays of 2021 and 2022, professional and business services businesses across the state rose from 443,600 jobs to 478,200, a gain of 34,600 jobs and an advance of 7.8 percent. Over a third (34.1 percent) of this year-over-year professional and business services upturn was in "employment services" which saw employment rise from 54,000 jobs in May 2021 to 65,800 jobs in May 2022, a hearty 21.9 percent uptrend.
- Leisure and hospitality employment in Grant County industry had expanded, year over year, in each of the 12 months from April 2021 through March 2022), before slipping by -1.9 percent in April 2022 and by -5.5 percent in May 2022 (Figure 6). Preliminary estimates indicate that, between May 2021 and May 2022, leisure and hospitality (primarily hotels, eating and drinking places, and amusement and recreation services) decreased from 2,750 jobs to 2,600, a 150 job and a -5.5 percent abatement (Figure 3). This local industry made quite a comeback in 2021 (up 230 jobs and 9.5 percent) following the massive COVID-19-related layoffs in 2020 (down 340 jobs and -12.3 percent). Nevertheless, the 2,600 leisure and hospitality jobs tallied countywide this May were still 250 jobs and -8.8 percent less than the 2,850 jobs recorded in this industry in the pre-COVID month of May 2019. The number of leisure and hospitality jobs in Washington state has grown in each of the past 14 months (April 2021 through May 2022). Statewide, leisure and hospitality employment elevated 19.9 percent between the Mays of

2021 and 2022 (*Figure 6*) with accommodation businesses (within this leisure and hospitality sector) rising by a more rapid 29.8 percent, from 24,200 jobs in May 2021 to 31,400 in May 2022.

Figure 6: Grant County and Washington leisure and hospitality employment changes Washington state, June 2021 through May 2022

Source: Employment Security Department/DATA; Current Employment Statistics (CES)



Year over year, leisure and hospitality employment in Grant County decreased in April and May 2022. Employment in Washington's leisure and hospitality industry has expanded in each of the past 14 months (April 2021 through May 2022).

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 September 2021, revised annual average QCEW data for calendar year 2020 became available. An analysis of employment changes from 2010 through 2020 shows that in Grant County:

- Total covered employment rose from 34,271 in 2010 to 39,186 in 2020, a 4,915 job and 14.3 percent upturn with annualized employment growth between 2010 and 2020 of 1.3 percent. The number of agricultural jobs (a subset of total covered employment) increased from 8,674 in 2010 to 9,200 in 2020, a 526 job and 6.1 percent uptrend with annualized employment growth between 2010 and 2020 of 0.6 percent. In 2010, Grant County's agricultural industry accounted for 25.3 percent of total covered employment. In 2020, agricultural employment accounted for 23.5 percent of total covered employment countywide. The share of agricultural employment (versus total covered employment) dropped one and eight-tenths percentage points (from 25.3 to 23.5 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 somewhat less "influential" in Grant County's economy (in terms of the agricultural employment to total covered employment ratio).
- Total covered wages rose from \$1.13 billion (in 2010) to \$1.95 billion (in 2020) a \$823.7 million and 73.1 percent upturn with annualized payroll growth between 2010 and 2020 of 5.6 percent. The agricultural payroll (a subset of total covered wages) advanced from \$178.6 million in 2010 to \$304.8 million in 2020, a \$126.3 million and 70.7 percent uptrend with annualized payroll growth between

2010 and 2020 of 5.5 percent. In 2010, Grant County's agricultural industry accounted for 15.8 percent of total covered wages, while in 2020, agricultural wages accounted for 15.6 percent of total covered wages. Hence, the share of agricultural wages (versus total covered wages) earned in Grant County edged dipped by a marginal two-tenths percentage point (from 15.8 to 15.6 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>