

Grant County Labor Area Summary December 2022



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Overview

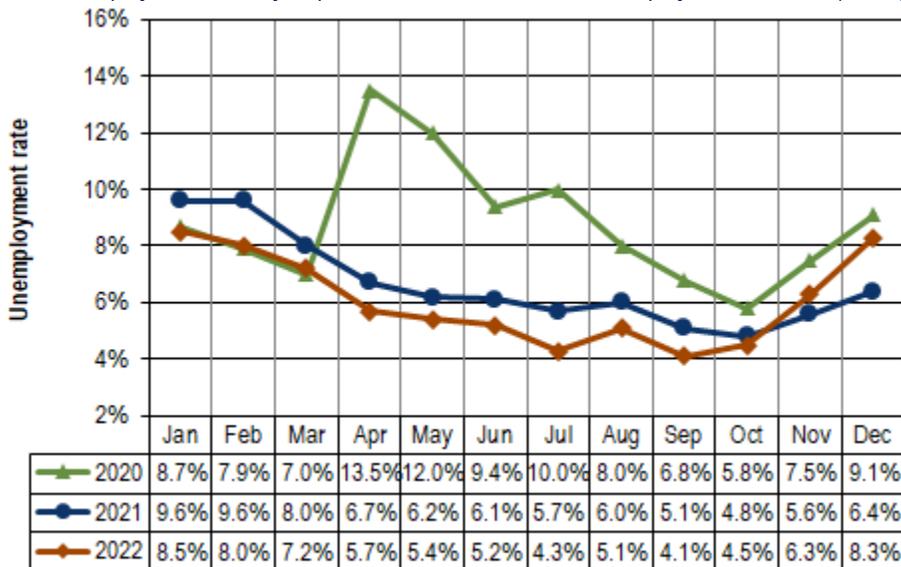
This report provides an update on the Grant County economy incorporating not seasonally adjusted nonfarm employment and Civilian Labor Force (CLF) data. Analysis focuses on year over year (December 2021 and December 2022) and average annual data changes (between 2021 and 2022).

Unemployment rates

Preliminary Civilian Labor Force (CLF) data show that Washington’s not seasonally adjusted unemployment rate fell from 5.2 percent in 2021 to 4.0 percent in 2022. Year over year, Washington’s monthly unemployment rates had decreased for 19 months before increasing in November and December 2022. The rate rose four-tenths of a point between the Decembers of 2021 (4.0 percent) and 2022 (4.4 percent).

In Grant County, the average annual unemployment rate declined from 6.6 percent to 6.0 percent between 2021 and 2022. Year over year, monthly rates had dropped for 19 consecutive months (April 2021 through October 2022) before rising in November and December of 2022 (*Figure 1*).

Figure 1. Grant County unemployment rates, not seasonally adjusted
 Washington state, January 2020 through December 2022
 Source: Employment Security Department/DATA; Local Area Unemployment Statistics (LAUS)



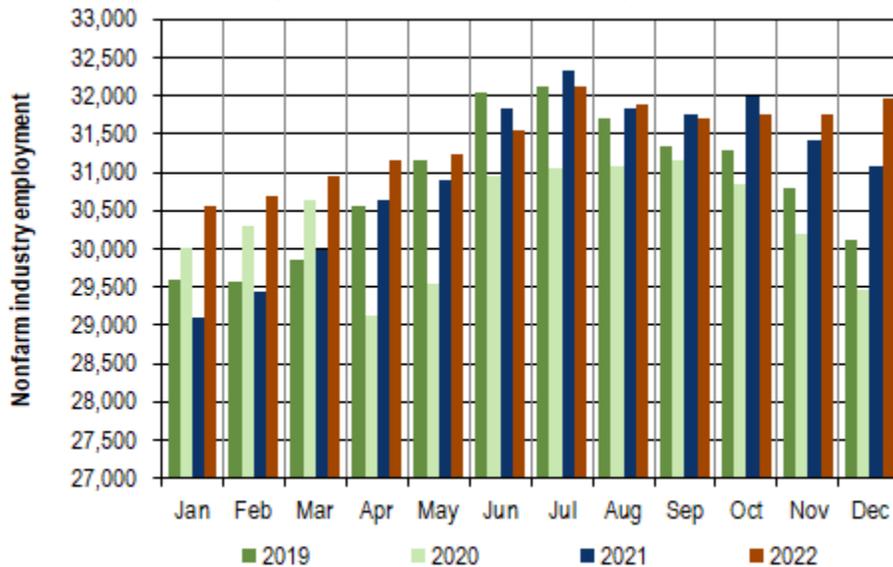
The Grant County unemployment rate increased by one and nine-tenths percentage points from December 2021 to December 2022.

Total nonfarm employment

Between 2021 and 2022, estimates indicate that Washington’s labor market provided 169,200 more nonfarm jobs, an average annual increase of 5.0 percent. Year over year, Washington's nonfarm market has expanded in each of the past 21 months (April 2021 through December 2022). This December, business and government organizations statewide tallied 3,586,200 jobs (not seasonally adjusted) compared with 3,465,000 in December 2021, up by 121,200 jobs and by 3.5 percent.

Grant County’s nonfarm economy gained 420 jobs in 2022, a 1.4 percent upturn, less robust than Washington’s 5.0 percent job growth rate during 2022. Year over year, total nonfarm employment in Grant County experienced some "ups and downs" between June and October 2022 but bounced back in November and December 2022, as illustrated in *Figures 2 and 4*. Recent estimates indicate that nonfarm employment countywide advanced by 2.9 percent (up 890 jobs) from 31,090 jobs in December 2021 to 31,980 in December 2022 (*Figures 2, 3, and 4*).

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



Nonfarm employment in Grant County increased by 2.9 percent between December 2021 and December 2022.

Employment and unemployment

Washington’s Civilian Labor Force (CLF) increased by 99,357 residents (a 2.5 percent upturn) between 2021 and 2022. Year over year, the state’s CLF has expanded during the past 17 months (August 2021 through December 2022). Recently, Washington’s labor force grew by 28,524 residents (up 0.7 percent), from 3,968,555 residents in December 2021 to 3,997,079 this past December. However, the state’s labor force growth rates *generally* decelerated, year over year, throughout 2022. For example, in January and February 2022 CLF growth rates year over year were 3.4 and 4.4 percent, respectively; but, by November and December 2022 CLF growth rates slipped to 0.5 and 0.7 percent.

Grant County averaged 47,490 residents in the labor force in 2021 and 48,074 in 2022, a 1.2 percent average annual expansion. In December 2022 there were 969 more residents in the labor force than in December 2021, a 2.1 percent upturn (*Figure 3*). This was a step in the right direction since labor force change rates “vacillated” year over year from June through November 2022. However, the number of residents unemployed surged by 923 (up 31.4 percent); from 2,943 residents in December 2021 to 3,866 in December

2022. This jump in the number of unemployed overpowered the modest labor force increase and pushed the unemployment rate up to 8.3 percent in December 2022 from the 6.4 percent reading in December 2021. Despite this rise in the unemployment rate between the Decembers of 2021 and 2022, there was another piece of modestly good news in these recent data. The 46,853 residents in the CLF in December 2022 was 0.8 percent above, and 794 residents greater than, the 46,059 residents in the CLF in the pre-COVID month of December 2019. This was a welcome switch as the County's labor force had contracted or stagnated from June through November 2022 versus from June through November 2019.

Figure 3. Grant County labor force and industry employment, not seasonally adjusted

Washington state, December 2022

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

Grant County	Preliminary Dec-22	Revised Nov-22	Revised Dec-21	Change		Percent change
				Nov-22	Dec-21	Dec-21
				Dec-22	Dec-22	Dec-22
Labor force and unemployment						
Civilian labor force	46,853	47,060	45,884	-207	969	2.1%
Resident employment	42,987	44,096	42,941	-1,109	46	0.1%
Unemployment	3,866	2,964	2,943	902	923	31.4%
Unemployment rate	8.3	6.3	6.4	2.0	1.9	
Industry employment						
Total nonfarm ¹	31,980	31,770	31,090	210	890	2.9%
Total private	23,340	23,550	22,710	-210	630	2.8%
Goods producing	6,140	6,300	5,790	-160	350	6.0%
Mining, logging and construction	1,740	1,730	1,680	10	60	3.6%
Manufacturing	4,400	4,570	4,110	-170	290	7.1%
Durable goods	1,440	1,460	1,400	-20	40	2.9%
Nondurable goods	2,960	3,110	2,710	-150	250	9.2%
Service providing	25,840	25,470	25,300	370	540	2.1%
Trade, transportation and utilities	6,730	6,690	6,650	40	80	1.2%
Wholesale trade	1,730	1,640	1,720	90	10	0.6%
Retail trade	3,720	3,760	3,660	-40	60	1.6%
Transportation, warehousing and utilities	1,280	1,290	1,270	-10	10	0.8%
Information and financial activities	1,440	1,420	1,420	20	20	1.4%
Professional and business services	2,530	2,660	2,490	-130	40	1.6%
Education and health services	3,110	3,140	3,130	-30	-20	-0.6%
Leisure and hospitality	2,840	2,780	2,670	60	170	6.4%
Government	8,640	8,220	8,380	420	260	3.1%
Federal government	740	740	750	0	-10	-1.3%
State and local government	7,900	7,480	7,630	420	270	3.5%
State and local government education	3,710	3,530	3,550	180	160	4.5%
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.

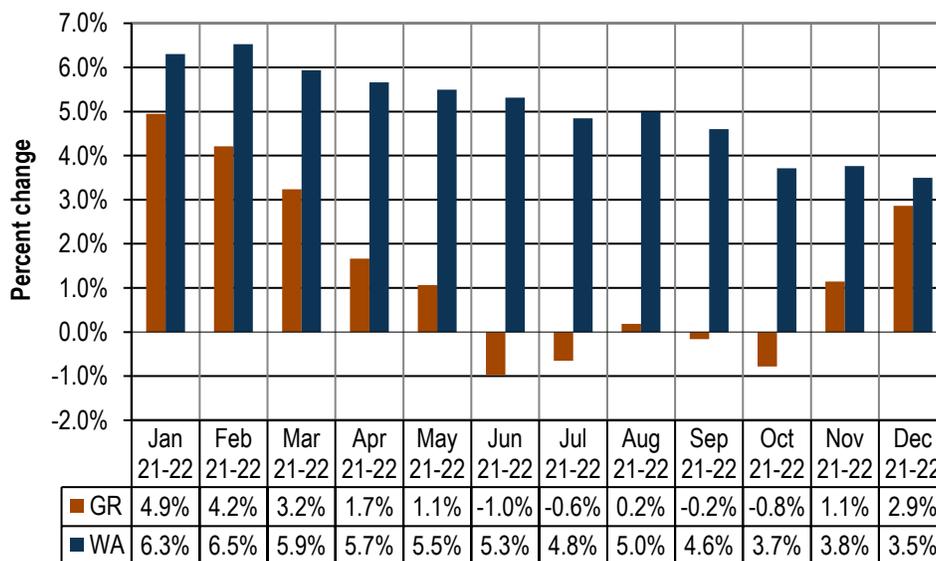
The Grant County nonfarm market provided 31,980 jobs in December 2022, a gain of 890 jobs since December 2021.

Nonfarm industry employment

Year over year, total nonfarm employment in Grant County experienced some "ups and downs" between June and October 2022 but bounced back in November and December 2022. However, during each of the past 12 months (January through December 2022), year-over-year job growth rates have lagged job growth rates statewide (*Figure 4*). Currently, total nonfarm employment countywide increased from 31,090 in December 2021 to 31,980 jobs in December 2022, an 890 job and 2.9 percent increase (*Figure 3*). Also, if one compares monthly total nonfarm employment in Grant County in 2022 versus in the corresponding months of the pre-COVID era (i.e., in 2019) the economic picture looks brighter. In fact, Grant County's nonfarm employment either stabilized or expanded in 11 of the 12 months of 2022 above January through December 2019 (the pre-COVID era). The local nonfarm market provided 31,980 jobs in December 2022 which was 1,860 jobs and 6.2 percent greater than the 30,120 jobs tallied in December 2019 (three years ago, in the pre-pandemic "days"). This trend indicates that, in aggregate, Grant County's nonfarm economy has recovered all jobs lost since the onset of the pandemic.

Figure 4. Grant County and Washington total nonfarm employment changes Washington state, January 2022 through December 2022

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



Year over year, total nonfarm employment in Grant County experienced some "ups and downs" between June and October 2022 but bounced back in November and December 2022. Washington's nonfarm market has grown from April 2021 through December 2022.

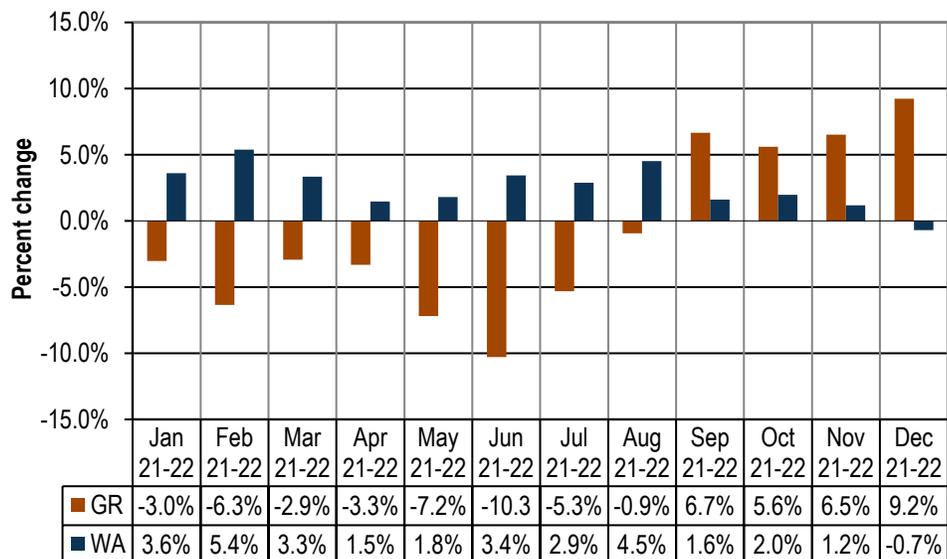
Employment changes between the Decembers of 2021 and 2022 for three local industries (nondurable goods manufacturing, retail trade, and state and local government education) follow:

- On an average annual employment basis, Grant County's nondurable goods manufacturing firms experienced a "tough patch" during three of the past four years. Nondurable goods manufacturing includes such subsectors as NAICS 311 (food manufacturing), NAICS 312 (beverage and tobacco product manufacturing), printing and related support activities (NAICS 323), chemical manufacturing (NAICS 325), plastics and rubber products manufacturing (NAICS 326), etc. Employment at Grant County's nondurable goods manufacturers:
 - Decreased from 2,910 jobs in 2018 to 2,830 in 2019 (down by 80 jobs and -2.7 percent).
 - Dipped from 2,830 jobs in 2019 to 2,820 in 2020 (down by 10 jobs and -0.4 percent).
 - Increased from 2,820 jobs in 2020 to 2,910 in 2021 (up by 90 jobs and 3.2 percent).
 - Dwindled from 2,910 jobs in 2021 to 2,880 in 2022 (down by 30 jobs and -1.0 percent).

Current Employment Statistics (CES) estimates indicate that, year over year, nondurable goods manufacturing employment in Grant County decreased from January through August 2022 before increasing from September through December 2022 (*Figure 5*). Local nondurable goods manufacturers provided 250 more jobs in December 2022 (2,960 jobs) than in December 2021 (2,710 jobs), a healthy 9.2 percent upturn. Conversely, employment at Washington's nondurable goods manufacturers had grown steadily, year over year, from April 2021 through November 2022 before backsliding this past December. In December 2022, nondurable goods manufacturers tallied 84,800 jobs statewide, a 600 job and -0.7 percent contraction below the 85,400 jobs provided in December 2021.

Figure 5. Grant County and Washington state nondurable goods manufacturing employment changes Washington state, January 2022 through December 2022

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

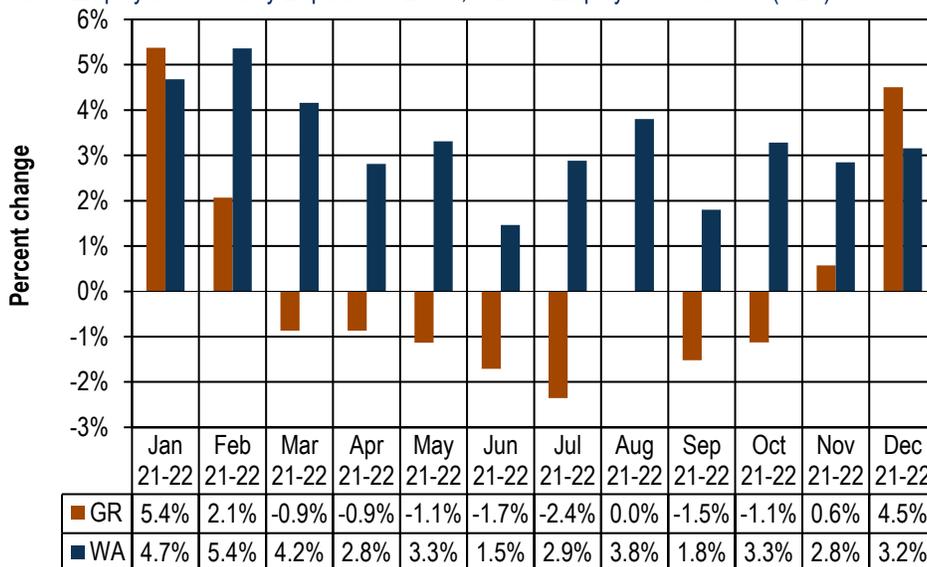


Year over year, nondurable goods manufacturing employment in Grant County decreased from January through August 2022 before increasing from September through December 2022. Employment at Washington's nondurable goods manufacturers had expanded from April 2021 through November 2022, before backsliding in December 2022.

- Year over year, employment in Grant County's retail trade sector expanded or stabilized for 24 months (June 2020 through May 2022), ebbed in June and July 2022, and added jobs from August through December 2022. In December 2021, provided 3,660 jobs countywide versus 3,720 jobs in December 2022, a 60 job and 1.6 percent expansion. Hence, if Current Employment Statistics (CES) estimates “hold,” the local job market added retail trade jobs, year over year, in 10 of the 12 months of 2022, and registered an average annual job growth rate of 3.1 percent, from 2021 (3,570 jobs) to 2022 (3,680 jobs). Conversely, across Washington state, retail trade employment increased from August 2020 through August 2022 (25 consecutive months) before receding from September through December 2022 (the past four months). Between the Decembers of 2021 and 2022, Washington’s retail trade businesses cut payrolls from 417,900 jobs to 412,900, a loss of 5,000 jobs and a -1.2 percent downturn. “General merchandise stores,” a subsector within the retail trade sector, accounted for 88.0 percent of this 5,000-job downturn this December, as employment tumbled from 77,800 jobs in December 2021 to 73,400 in December 2022, down by 4,400 jobs and -5.7 percent.
- Year over year in Grant County, state and local government education employment elevated in November and December 2022 (*Figure 6*). In December 2022 there were 3,710 state and local government education jobs countywide, a 4.5 percent upturn from the 3,550 jobs tallied in December

2021 (Figures 3 and 6). However, a comparison of monthly state and local government education employment in Grant County in 2022 with the corresponding 12 months during the pre-COVID era (in 2019) shows that this sector is still recovering from the pandemic. During the 12 months (January through December) of 2019 versus the 12 months of 2022, state and local government education employment loss rates in Grant County were *generally* in the -4 to -13 percent range. Recently, in December 2019 state and local government education tallied 3,880 jobs countywide, but in December 2022 this category provided only 3,710 jobs, a 170 job and a -4.4 percent decrease. State and local government education tallies employment at local, public primary and secondary schools and at community colleges and universities. In Grant County the “big kid on the block,” in terms of employment and payroll, is Big Bend Community College (BCC). Hence, current estimates suggest that faculty, staff, and student employment at this institution may not yet have fully recovered since the onset of the COVID-19 pandemic. But this local trend is similar to what has occurred in state and local government employment across Washington. Specifically, comparing state and local government employment across Washington during the 12 months of 2022 versus during the 12 pre-COVID months of 2019 also shows monthly job loss rates (*roughly* in the -3 to -10 percent range).

Figure 6: Grant County and Washington, state and local government education employment changes Washington state, January 2022 through December 2022
 Source: Employment Security Department/DATA; Current Employment Statistics (CES)



Year over year in Grant County, state and local government education employment elevated in November and December 2022. State and local government education employment across Washington has been growing for 20 consecutive months (May 2021 through December 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 November 2022, revised annual average QCEW data for calendar year 2021 became

available, and these revised data were incorporated into a 10-year (2011 through 2021) trend analysis of total covered and agricultural employment in Grant County, which showed that:

- Total covered employment rose from 35,186 in 2011 to 39,854 in 2021, a 4,669 job and 13.3 percent upturn with annualized employment growth between 2011 and 2021 of 1.3 percent. The number of agricultural jobs (a subset of total covered employment) increased from 8,891 in 2011 to 9,142 in 2021, a 251 job and 2.8 percent uptrend with annualized employment growth between 2011 and 2021 of a more modest 0.3 percent. In 2011, Grant County’s agricultural industry accounted for 25.3 percent of total covered employment. In 2021, agricultural employment accounted for 22.9 percent of total covered employment countywide. The share of agricultural employment (versus total covered employment) dropped two and four-tenths percentage points (from 25.3 to 22.9 percent) in Grant County during this ten-year period. Hence, 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 \$1.18 billion (in 2011) to \$2.09 billion (in 2021) a \$902.5 million and 76.3 percent upturn with annualized payroll growth between 2011 and 2021 of 5.8 percent. The agricultural payroll (a subset of total covered wages) advanced from \$194.6 million in 2011 to \$319.6 million in 2021, a \$125.0 million and 64.2 percent uptrend with annualized payroll growth between 2011 and 2021 of 5.1 percent. In 2011, Grant County’s agricultural industry accounted for 16.5 percent of total covered wages, while in 2021, agricultural wages accounted for a lower ratio of 15.3 percent of total covered wages. Hence, the share of agricultural wages (versus total covered wages) earned in Grant County edged dipped by one and two-tenths percentage points (from 16.5 to 15.3 percent) during this ten-year period. One could generalize that during this most recent ten-year timeframe, the agricultural industry has become modestly less “influential” in Grant County’s economy (in terms of the agricultural payroll to total covered payroll ratio).
- The agricultural industry is still important to the Grant County economy. But a basic data trend analysis of local employment and wage trends make it clear that this industry has become *relatively* less influential in the local economy over this most recent 10-year period (2011 through 2021). In fact, between 2011 and 2021, the number of agricultural jobs actually “peaked” countywide in 2014 at 10,658 jobs (27.4 percent of total covered employment) and this number has generally been down-trending ever since. By 2021 average annual agricultural employment countywide equaled 9,142 jobs. Anecdotal evidence suggests at least three possibilities for this agricultural employment decline in Grant County: automation, the gradual conversion of some seasonal agricultural jobs to year-round positions, and the increased use of H-2A agricultural labor.

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

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