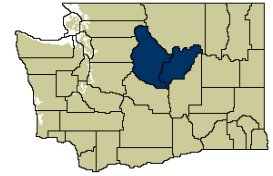




# Wenatchee MSA (Chelan and Douglas counties) Labor Area Summary Volume 2008, Number 8



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## Summary

The preliminary report of nonfarm employment in August 2008 for Chelan and Douglas counties (also called the Wenatchee Metropolitan Statistical Area or MSA) showed a continually weakening job market. Overall, nonfarm wage and salary employment declined to 41,000 from 41,100 in August 2007, as the year-over-year pace of growth shrank in goods-producing industries and expanded at a slower pace in the services-providing industries.

## Goods Producing

- From August 2007 to August 2008, the number of workers in the goods producing industries (which includes the subsectors of manufacturing, and natural resources, mining and construction) was down 300, a 5.1 percent decline after increasing 1.7 percent between August 2006 and August 2007.
- Over the month, employment declined by 1.8 percent, or 100 jobs, following an increase of 200 jobs (3.6 percent) in July.
- Statewide, employers lost 1.0 percent of the workforce compared to August 2007, while expanding at 0.4 percent in the month of August and at 0.9 percent in July.

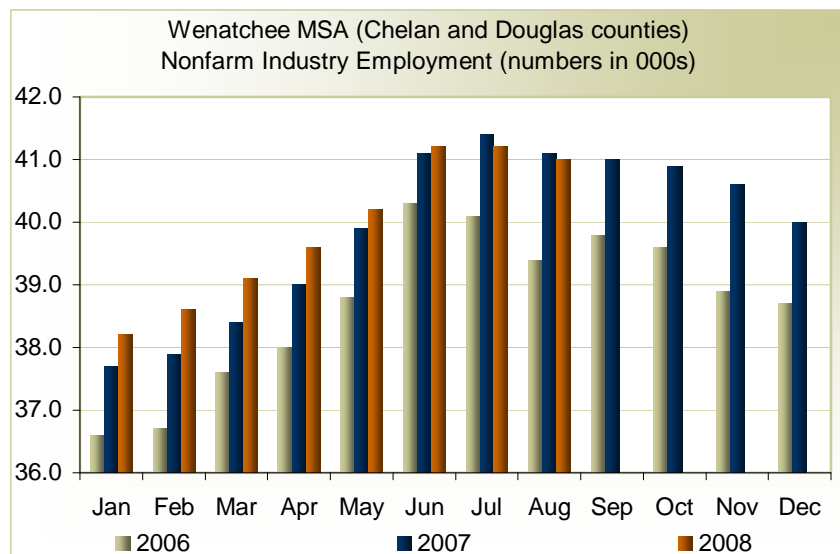
## Services Providing

- With the revised July 2008 figures, the services providing sectors (trade, transportation, warehousing, and utilities, education and health services, leisure and hospitality and government) has lost jobs for the second consecutive month.
- During August 2008, 100 jobs were lost, a 0.3 percent decrease, following a 0.6 percent or 200-job drop in July, and 2.9 percent, or a 1,000-job gain, in June.
- Between August 2007 and August 2008, 200 jobs were added for a 0.6 percent increase, following a 4.8 percent increase (1,600 paychecks) from August 2006 to August 2007.
- Statewide, employment declined by 0.2 percent in August, by 0.8 percent in July, while increasing by 2.0 percent over the last 12 months.

## Performance by Sectors and Subsectors

- The manufacturing sector employment was down 4.2 percent, or 100 paychecks, over year-ago totals, while remaining flat at a total of 2,300 workers since April 2008.

- Statewide, employers in the manufacturing sector have added jobs at a 0.6 percent rate since August 2007, while cutting 0.1 percent of the workforce between July and August 2008.
- Natural resources, mining and construction was down 5.7 percent or 200 paychecks over year-ago totals after posting a 9.4 percent increase (+300 jobs) between August 2006 and August 2007. Over the month, employers shed 100 jobs, a 2.9 percent decline, after a 6.3 percent (or 200-job) gain in July. Across the state, natural resources and mining was down 9.5 percent, while construction was down 2.9 percent over the year, but up 1.0 percent over the month.
- Employment in the retail trade sector has remained unchanged at 6,200 jobs since June 2008, but declined 200 paychecks (3.1 percent) over the August year-ago totals. Statewide, retail trade was up 1.1 percent over the year and up 0.2 percent over the month.
- Education and health services gained 100 paychecks (1.8 percent) between August 2007 and August 2008, while posting no change over the last month. In the state, education and health services was up 2.2 percent over the year and 0.2 percent over the month.
- Leisure and hospitality increased by 1.7 percent (100 paychecks) over the year, while posting no change over the last month. Statewide, employers added jobs at 2.1 percent rate between August 2007 and August 2008 and at 0.8 percent rate over the month.
- The government sector was up 100 jobs, for a 1.1 percent increase over the year, while declining by 200 paychecks over the month, by 400 jobs in July and by 300 in June.

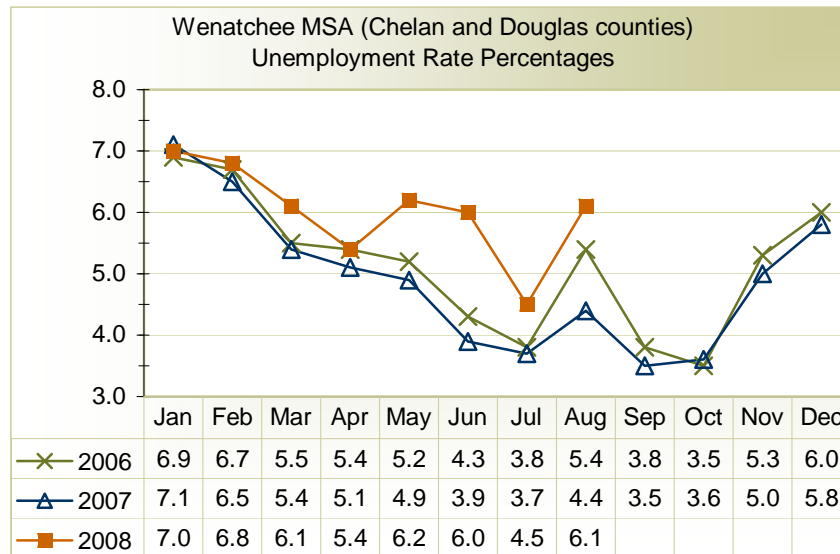


## Unemployment

From August 2007 to August 2008, the number of farm workers, laborers, crop, nursery and greenhouse filing for the unemployment insurance claims rose sharply from 1 to 144 (see table below), while the claims increased by 9 for construction laborers, and by 25 for truck drivers, heavy and tractor trailers. The increase in the unemployment insurance claims reflects, in part, the increase in the jobless rate, which rose to 6.1 percent, up 1.7 percent above the August 2007 rate of 4.4 percent. Over the last month, the unemployment rate was up 1.6 percent from the revised July 2008 rate of 4.5 for the Wenatchee MSA. Meanwhile, the number of residents out of work and actively seeking employment increased from 2,880 in August 2007 to 4,040 in August 2008, up 1,160 out of a total labor force of 65,810. The state jobless rate reached 5.8 percent, up 1.5 percent compared to the August 2007 rate of 4.3 percent and has increased four tenths of one percent from July 2008.

*SOC	Occupation	Aug-08	Jul-08	Aug-07	Change	
					Aug-07 Aug08	Jul-08 Aug08
537064	Packers and packagers, hand	284	119	230	54	165
452041	Graders & sorters, agricultural products	206	73	204	2	133
452092	Farmworkers and laborers, crop, nursery and greenhouse	144	46	1	143	98
519198	Helpers, production workers	55	24	42	13	31
472031	Carpenters	52	28	26	26	24
472061	Construction laborers	41	40	32	9	1
533032	Truck drivers, heavy and tractor- trailer	36	31	11	25	5
537051	Industrial truck and tractor operators	33	19	32	1	14

\*Standard Occupational Classification Code and associated occupational title.



The unemployment rate is the ratio of the unemployed (individuals who are actively looking for work) divided by the total labor force, which consists of the employed plus the unemployed. It can be affected by changes in the labor force participation rate (a ratio of the total labor force divided by the population age 16 and older). Over time, the makeup of the labor force also changes. New graduates are joining the labor force for the first time, while some currently employed are retiring. At other times, some job seekers may be in or out of the labor force depending on the state of the economy and their hope of finding a job. All these factors suggest that the unemployment rate does not and should not be expected to respond one-for-one to changes in employment. When employment expands, not all the added jobs are filled by the previously unemployed. Some of the openings may be filled by residents who just joined the labor force, while others are taken by previously discouraged workers who were not formerly counted as part of the labor force.

## Summary Table

Labor Market Information for the Wenatchee Metropolitan Statistical Area (Chelan and Douglas Counties) Not Seasonally Adjusted/*Updated with ***QCEW Data: March 2008						
				Change		
(Employment statistics in whole numbers)	Prelim	Revised	Revised	Jul-08	Aug-07	Aug-07
Employment by Place of Residence	Aug-08	Jul-08	Aug-07	Aug-08	Aug-08	Aug-08 %
Civilian Labor Force	65,810	73,810	64,830	-8,000	980	1.5%
Resident Employment	61,770	70,520	61,940	-8,750	-170	-0.3%
Unemployment	4,040	3,290	2,880	750	1,160	40.3%
Unemployment Rate	6.1	4.5	4.4	1.6	1.7	
Employment by Place of Work (**NAICS Industry Titles, numbers in thousands)						
Total Nonfarm 1/	41.0	41.2	41.1	-0.2	-0.1	-0.2%
Total Private	32.2	32.2	32.4	0.0	-0.2	-0.6%
Goods Producing	5.6	5.7	5.9	-0.1	-0.3	-5.1%
Natural Resources, Mining, and Construction	3.3	3.4	3.5	-0.1	-0.2	-5.7%
Manufacturing	2.3	2.3	2.4	0.0	-0.1	-4.2%
Services Providing	35.4	35.5	35.2	-0.1	0.2	0.6%
Private Services Providing	26.6	26.5	26.5	0.1	0.1	0.4%
Trade, Transportation, Warehousing, and Utilities	9.4	9.4	9.4	0.0	0.0	0.0%
Retail Trade	6.2	6.2	6.4	0.0	-0.2	-3.1%
Education and Health Services	5.7	5.7	5.6	0.0	0.1	1.8%
Leisure and Hospitality	5.9	5.9	5.8	0.0	0.1	1.7%
Government	8.8	9.0	8.7	-0.2	0.1	1.1%
Federal Government	1.0	1.0	1.0	0.0	0.0	0.0%
State Government	1.3	1.3	1.2	0.0	0.1	8.3%
Local Government	6.5	6.7	6.5	-0.2	0.0	0.0%
Workers In Labor/Management Disputes	0.0	0.0	0.0	0.0	0.0	0.0
<p>1/ Excludes proprietors, self-employed, members of armed forces, and private household employees. 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. *Prepared by the Labor Market and Economic Analysis branch using a Quarterly Benchmark process. This process uses the most recent quarter from the Unemployment Insurance Tax Reports (currently 1st quarter 2008) and estimates employment from that point to present.</p> <p>**North American Industry Classification System. ***QCEW = Quarterly Census of Employment and Wages</p>						