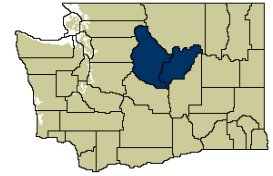




Wenatchee MSA (Chelan and Douglas counties) Labor Area Summary Volume 2008, Number 7



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Summary

The preliminary report of nonfarm employment in July 2008 for Chelan and Douglas counties showed an annual loss of 400 jobs. Nonfarm wage and salary employment fell 1.0 percent: from 41,400 jobs in July 2007 to 41,000 jobs in July 2008. Statewide, nonfarm employment expanded by 1.0 percent over the last 12 months.

Between July 2007 and July 2008, the services-providing industries posted a modest gain and the goods-producing industries shrank. Over the year, the services-providing industries (trade, transportation, warehousing and utilities, education and health services, leisure and hospitality, government and all other services) added 100 jobs, increasing by 0.3 percent, while the goods-producing sectors lost 500 jobs, a decline of 8.5 percent. Across the state, goods-producing remained flat over the last 12 months as services-providing expanded by 1.3 percent.

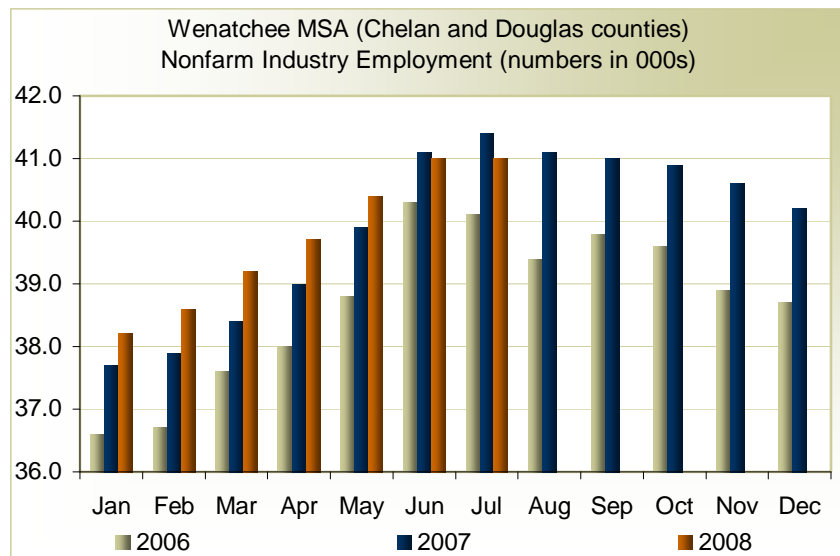
Year-over-year performance by sub sector

From July 2007 to July 2008, some sectors have gained jobs while others have lost them.

- The education and health services sector was the best performer, with 200 new paychecks added, for a 3.6 percent growth rate. The state grew at 1.7 percent.
- Government employment has shown some strength over the last 12 months, increasing 200 paychecks, or 2.2 percent. Statewide, government employment grew by 0.5 percent.
- Leisure and hospitality was up 100 jobs, increasing 1.7 percent. Statewide, leisure and hospitality paychecks increased by 2.2 percent.
- Retail trade posted no change over the last 12 months, with total employment remaining at 6,200 workers.
- Natural resources, mining and construction (primarily construction) was the hardest hit, with an 8.6 percent decline, a loss of 300 jobs. Statewide, construction employers lost 1.3 percent of the workforce.
- Manufacturing was down 200 paychecks, an 8.3 percent decline. Statewide, manufacturing employment rose 1.1 percent.

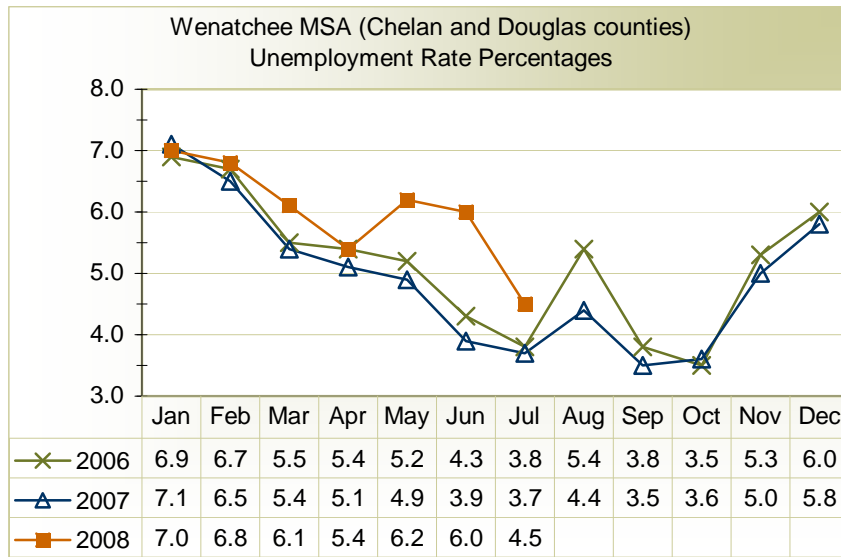
Month-over-month performance

- The education and health services sector was up 100 jobs in the month of July 2008. Last year, there was no change between June 2007 and July 2007.
- Over the month of July 2008, government employment in the Wenatchee Valley was down 400 paychecks just as in July 2007.
- Leisure and hospitality posted the same gain as in July 2007, adding 200 jobs.
- Retail trade posted no change over the month ending the month with 6,200 jobs.
- Natural resources, mining and construction went up 100 jobs in the month of July 2008, the same as in July 2007.
- Manufacturing posted no change closing the month with 2,200 workers.



Unemployment

In Chelan and Douglas counties, the number of residents who were out of work and actively seeking employment increased to 3,330 in July 2008, from a total of 2,760 in July 2007, or up 570 out of a total labor force of 74,350. At the same time, the not-seasonally-adjusted jobless rate rose eight tenths of a percentage point to reach 4.5 percent in July 2008 from 3.7 percent a year ago. Over the month of July, the unemployment rate declined 1.5 percent from the revised June 2008 unemployment rate of 6.0 percent. The state unemployment rate remained unchanged compared to the revised June 2008 rate of 5.4 percent, but was up 1.0 percent from 4.4 percent in July 2007.



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 (which is 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 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: December 2007						
				Change		
(Employment statistics in whole numbers)	Prelim Jul-08	Revised Jun-08	Revised Jul-07	Jun-08 Jul-08	Jul-07 Jul-08	Jul-07 Jul-08%
Employment by Place of Residence						
Civilian Labor Force	74,350	66,910	74,420	7,440	-70	-0.1%
Resident Employment	71,020	62,900	71,660	8,120	-640	-0.9%
Unemployment	3,330	4,020	2,760	-690	570	20.7%
Unemployment Rate	4.5	6.0	3.7	-1.5	0.8	
Employment by Place of Work (**NAICS Industry Titles, numbers in thousands)						
Total Nonfarm ^{1/}	41.0	41.0	41.4	0.0	-0.4	-1.0%
Total Private	31.8	31.4	32.4	0.4	-0.6	-1.9%
Goods Producing	5.4	5.3	5.9	0.1	-0.5	-8.5%
Natural Resources, Mining, and Construction	3.2	3.1	3.5	0.1	-0.3	-8.6%
Manufacturing	2.2	2.2	2.4	0.0	-0.2	-8.3%
Services Providing	35.6	35.7	35.5	-0.1	0.1	0.3%
Private Services Providing	26.4	26.1	26.5	0.3	-0.1	-0.4%
Trade, Transportation, Warehousing, and Utilities	9.2	9.1	9.4	0.1	-0.2	-2.1%
Retail Trade	6.2	6.2	6.2	0.0	0.0	0.0%
Education and Health Services	5.8	5.7	5.6	0.1	0.2	3.6%
Leisure and Hospitality	5.9	5.7	5.8	0.2	0.1	1.7%
Government	9.2	9.6	9.0	-0.4	0.2	2.2%
Federal Government	1.0	1.0	1.0	0.0	0.0	0.0%
State Government	1.3	1.5	1.3	-0.2	0.0	0.0%
Local Government	6.9	7.1	6.7	-0.2	0.2	3.0%
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 4th quarter 2007) and estimates employment from that point to present.</p> <p>**North American Industry Classification System. ***QCEW = Quarterly Census of Employment and Wages</p>						