

Okanogan County Economic Update

For: Board of Directors, Economic Alliance of Okanogan County

Donald W. Meseck, Regional Labor Economist

May 27, 2015



Today's presentation

Covered employment and wage trends from 2004-2013 and structure of the Okanogan County labor market in 2013

- Slides 3-8

Unemployment and labor force trends in Okanogan County through April 2015

- Slides 9-11

Nonfarm employment trends through April 2015

- Slides 12-18

Summary and Questions

- Slides 19-20

Analyzed county-level QCEW data for 22 industries/sectors

19 private-industry sectors

NAICS 11 (Agriculture, forestry and fishing)

NAICS 21 (Mining)

NAICS 22 (Utilities)

NAICS 23 (Construction)

NAICS 31-33 (Manufacturing)

NAICS 42 (Wholesale trade)

NAICS 44-45 (Retail trade)

NAICS 48-49 (Transportation and warehousing)

NAICS 51 (Information)

NAICS 52 (Finance and insurance)

NAICS 53 (Real estate and rentals)

NAICS 54 (Professional and business services)

NAICS 55 (Management of companies)

NAICS 56 (Administrative and waste services)

NAICS 61 (Private education services)

NAICS 62 (Health services)

NAICS 71 (Arts, entertainment and recreation)

NAICS 72 (Accommodation and food services)

NAICS 81 (Other services)

Three government sectors

Federal government

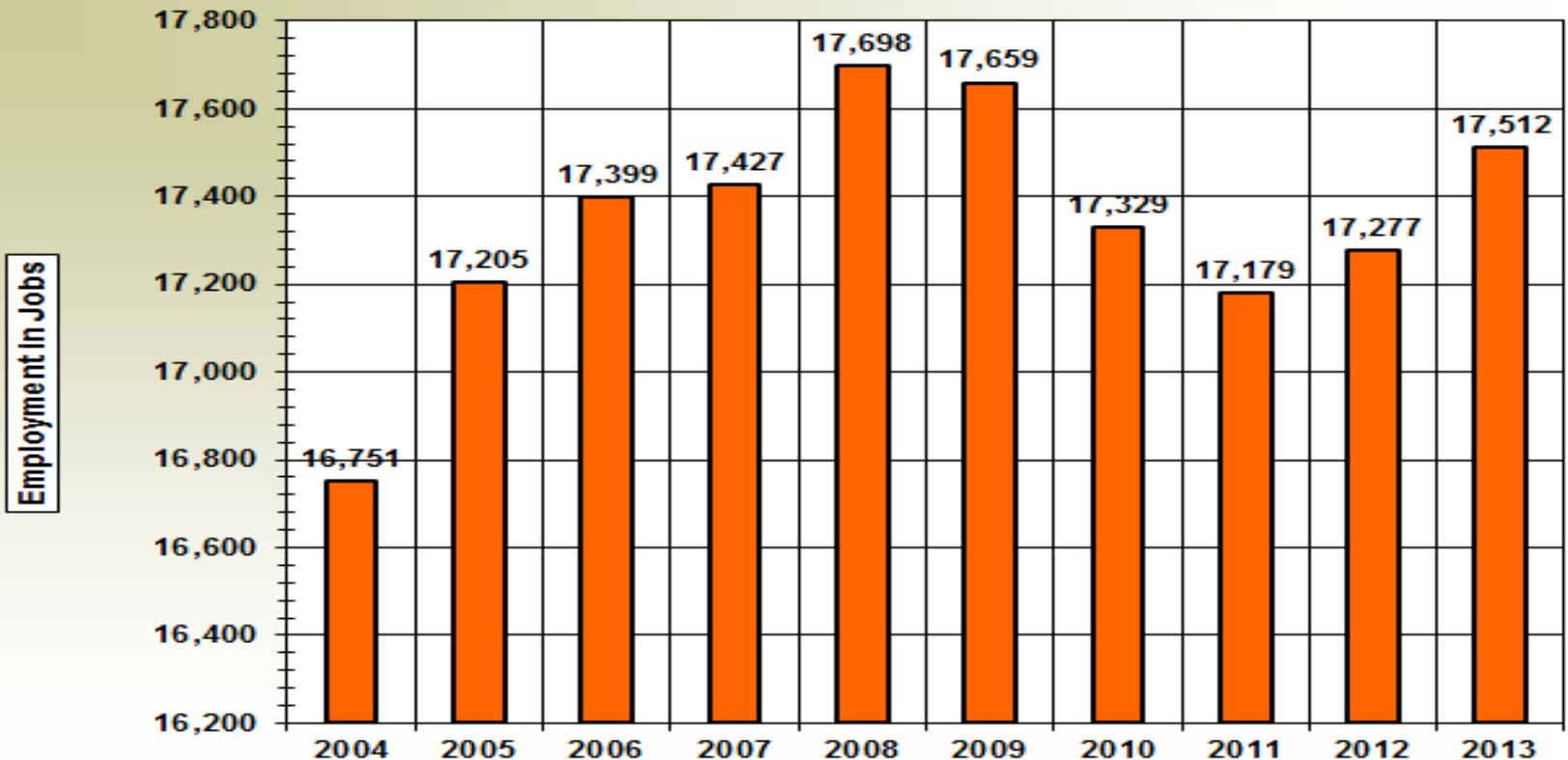
State government

Local government

* North American Industry Classification System (NAICS)

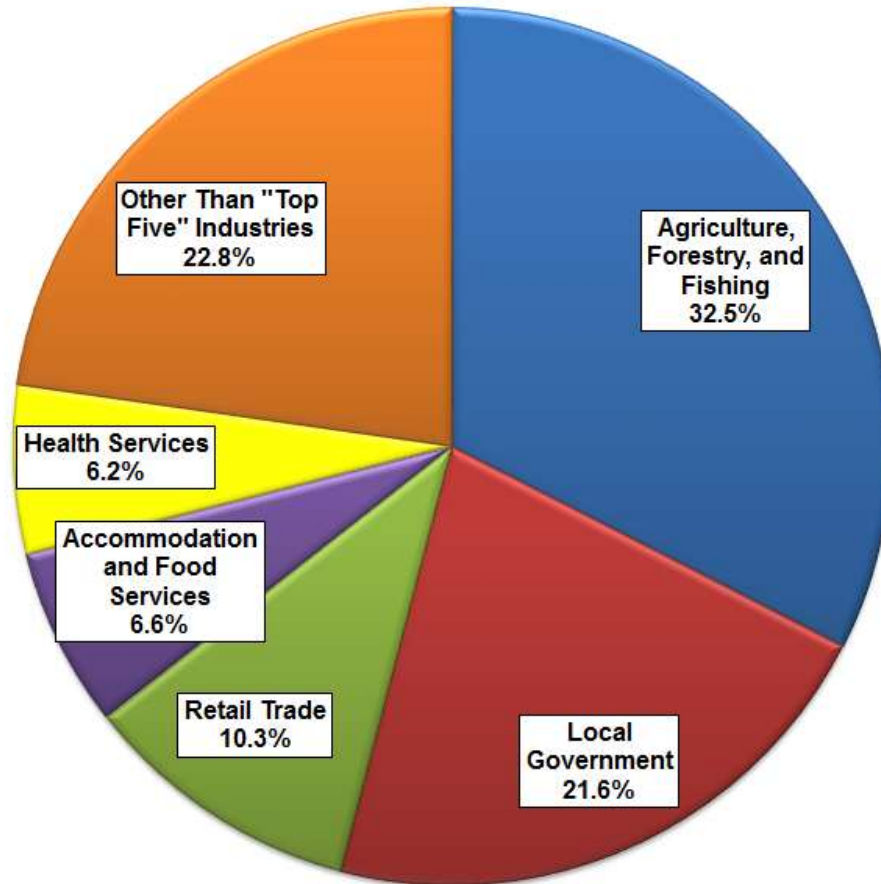
QCEW is the Quarterly Census of Employment and Wages, a U.S. Bureau of Labor Statistics data set.

Okanogan County 2004-2013: Covered employment trends



Source: QCEW Data

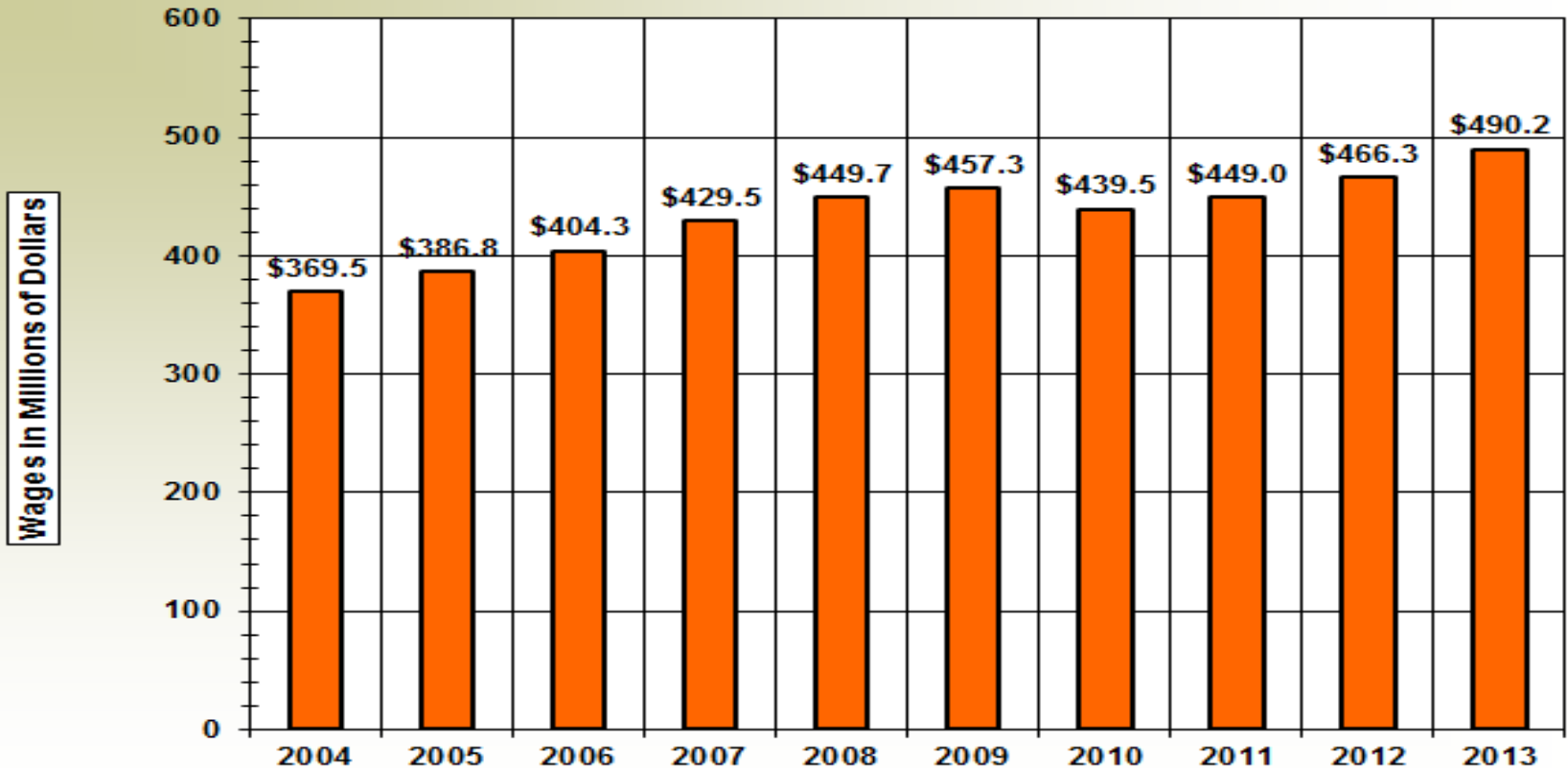
Okanogan County: Top 5 industries by employment in 2013



Industry	Number of Jobs
Agriculture, Forestry, and Fishing	5,694
Local Government	3,777
Retail Trade	1,809
Accommodation and Food Services	1,162
Health Services	1,086
Other Than "Top Five" Industries	3,984
Total Covered Employment	17,512

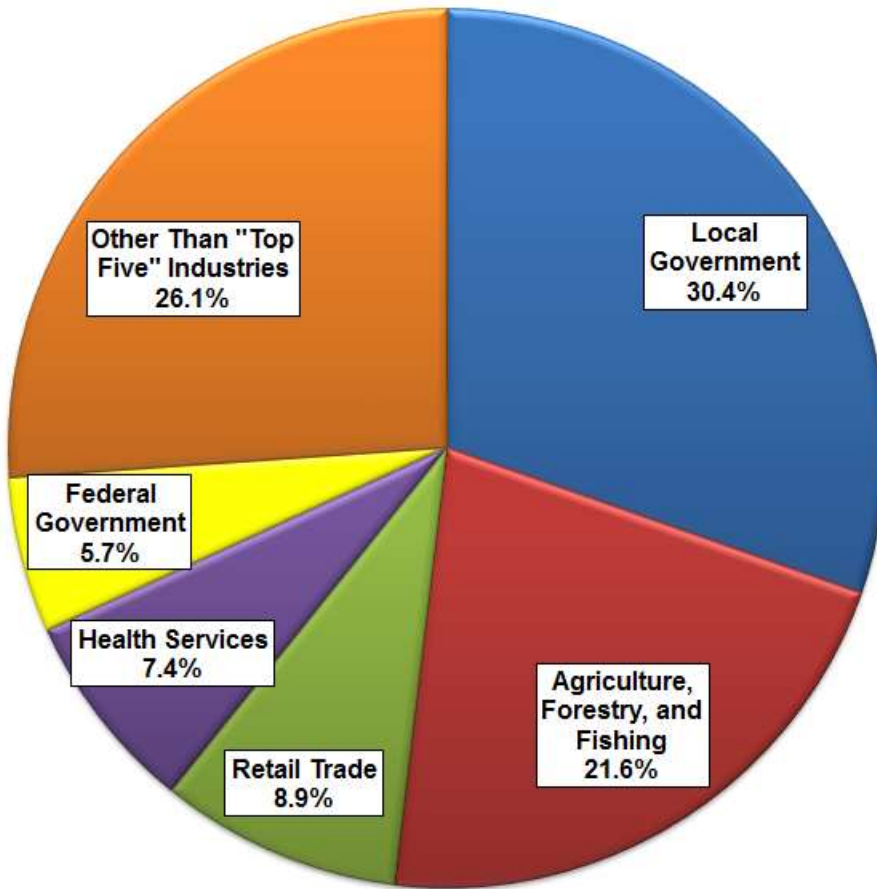
Source: QCEW Data

Okanogan County 2004-2013: Covered wage/payroll trends



Source: QCEW Data

Okanogan County: Top 5 industries by wages in 2013



Okanogan County: Top Five Industries by Wages in 2013	
Industry	Wages (in \$)
Local Government	\$148,825,737
Agriculture, Forestry, and Fishing	\$105,648,175
Retail Trade	\$43,564,984
Health Services	\$36,342,907
Federal Government	\$27,967,234
Other Than "Top Five" Industries	\$127,893,360
Total Covered Wages	\$490,242,397

Source: QCEW Data

Okanogan County in 2013: Summary of “Top 5” industries (by Jobs)

Total covered wages = \$490.2 million

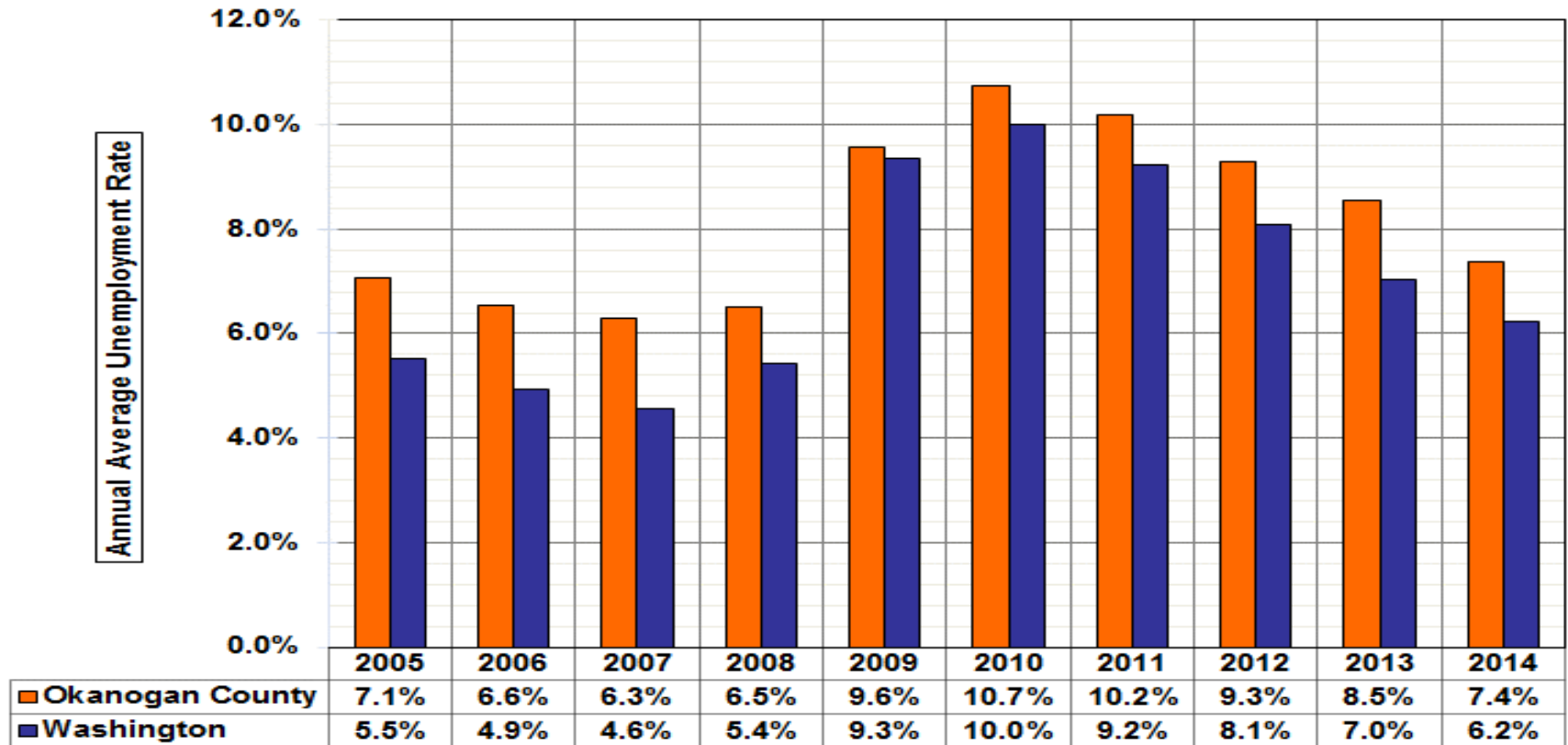
Average annual employment = 17,512

Average annual wage = \$26,994

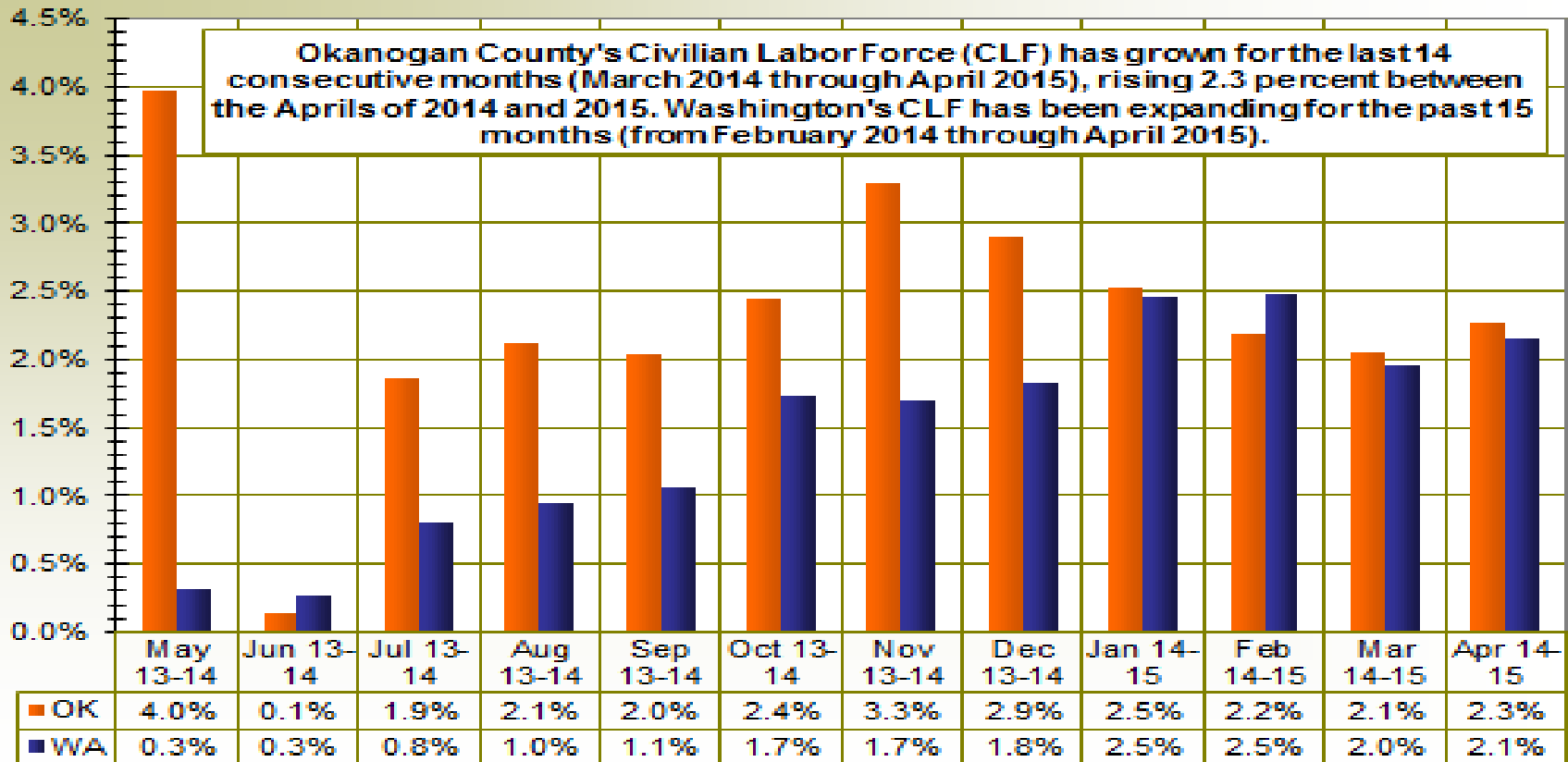
Washington state average annual wage = \$53,030

Industry	Percent of jobs	Percent of wages
Agriculture	32.5	21.6
Local government	21.6	30.4
Retail trade	10.3	8.9
Accommodation and food services	6.6	3.6
Health services	6.3	7.4

Average Annual Unemployment Rates in Okanogan County and in Washington from 2005-2014



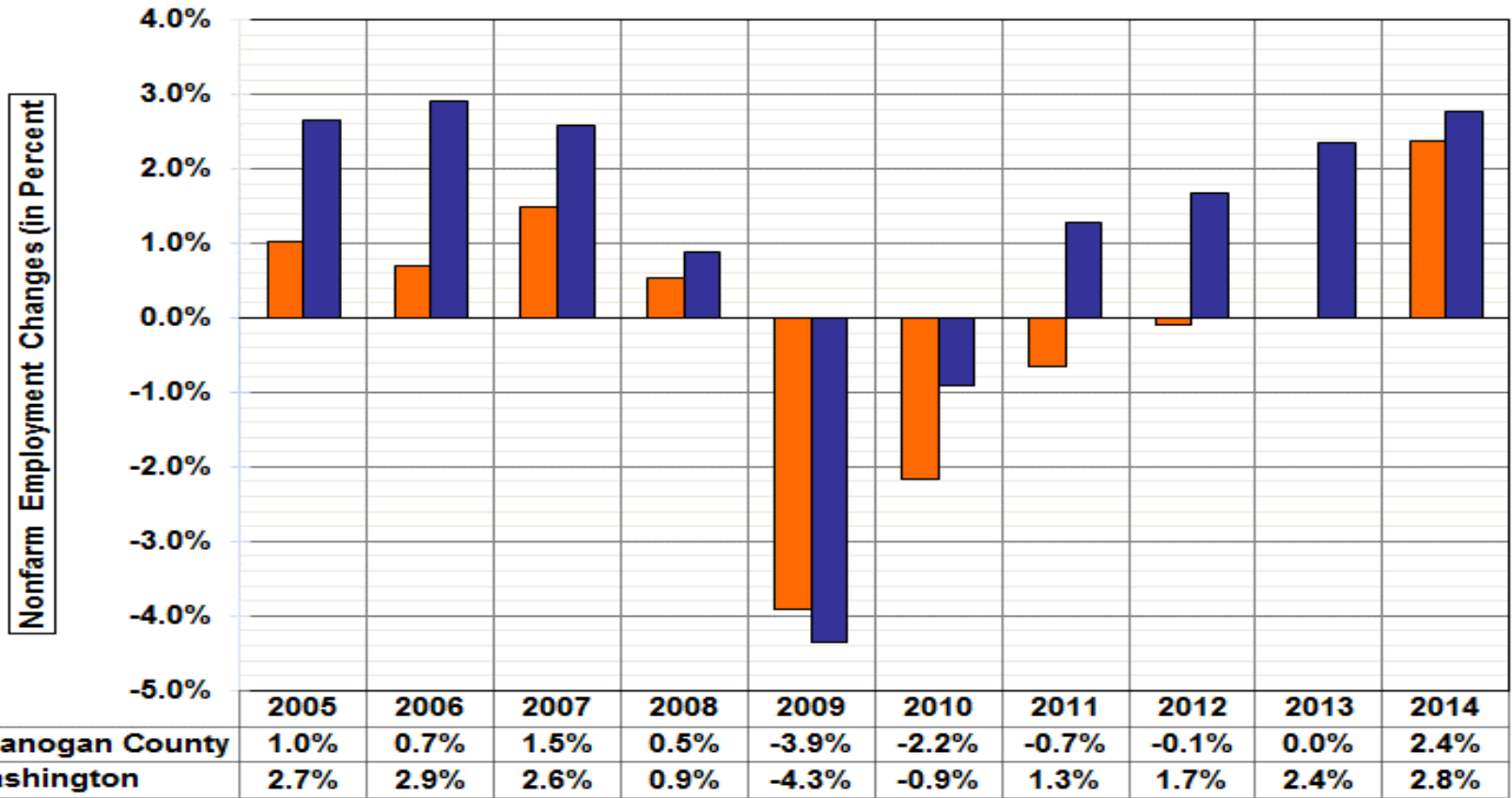
Labor Force Changes in Okanogan County and Washington in the last twelve months



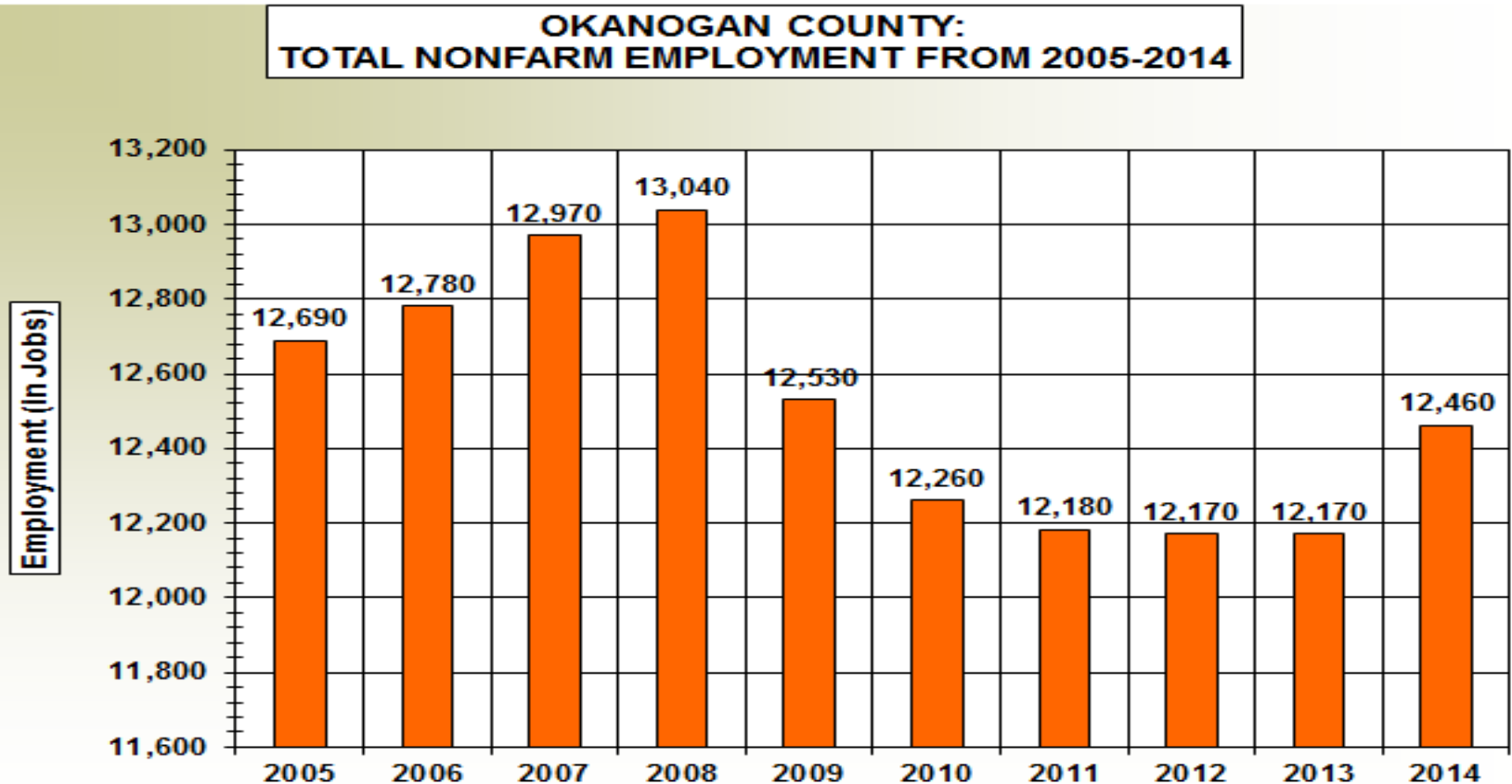
Okanogon County's Civilian Labor Force: From April 2014-April 2015

Okanogon County	Preliminary Apr-15	Revised Mar-15	Revised Apr-14	Change		
				Mar-15	Apr-14	Apr-14
				Apr-15	Apr-15	Apr-15 %
Labor force and unemployment						
Civilian labor force	19,850	19,830	19,410	20	440	2.3%
Resident employment	18,500	18,130	17,870	370	630	3.5%
Unemployment	1,350	1,700	1,540	-350	-190	-12.3%
Unemployment rate	6.8	8.6	7.9	-1.8	-1.1	

Okanogon County and Washington: Nonfarm employment changes during the past ten years (2005-2014)



By 2014 the local economy had still not regained all nonfarm jobs lost since 2008

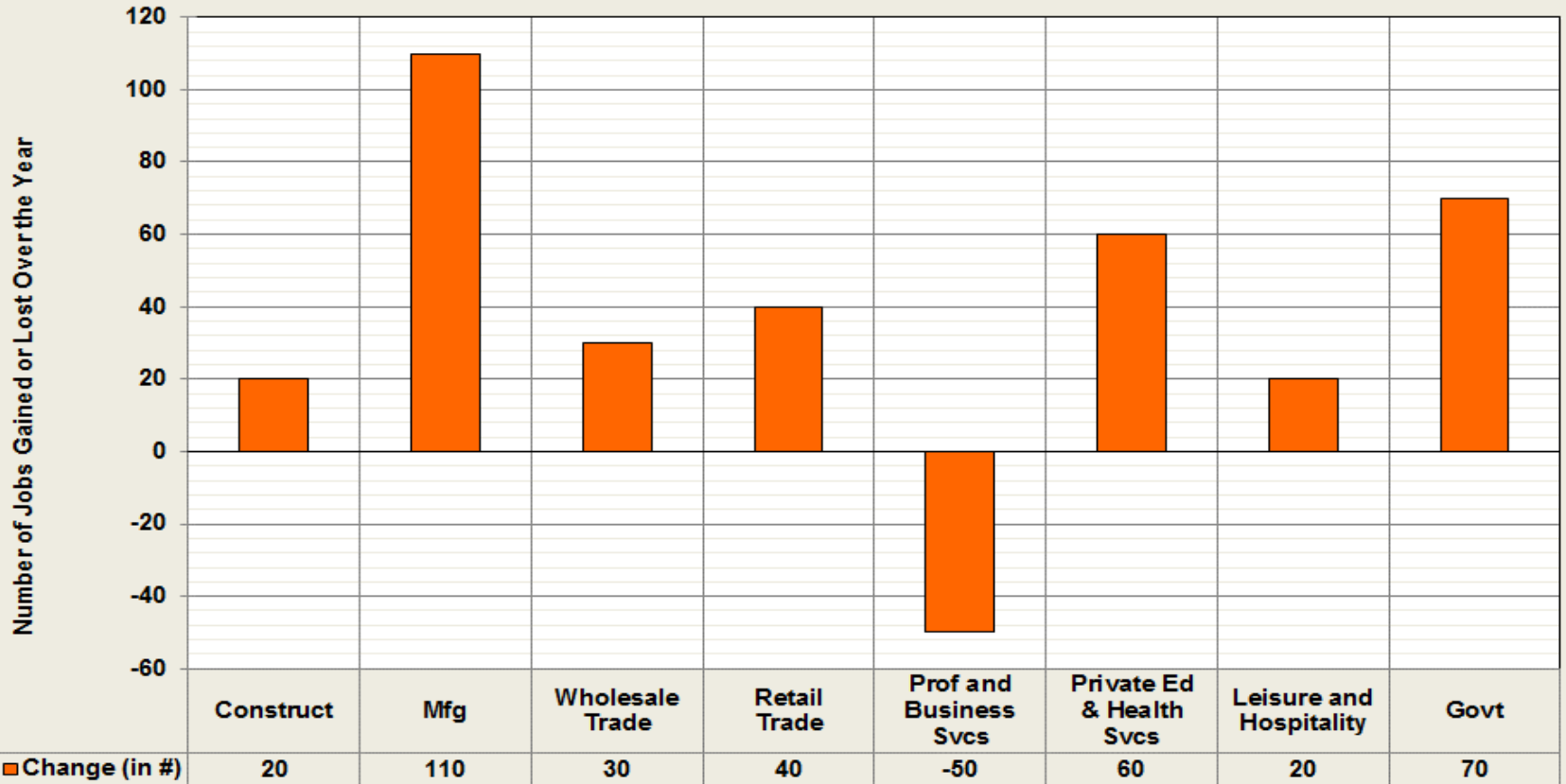


Source: CES Data, LMPA, ESD

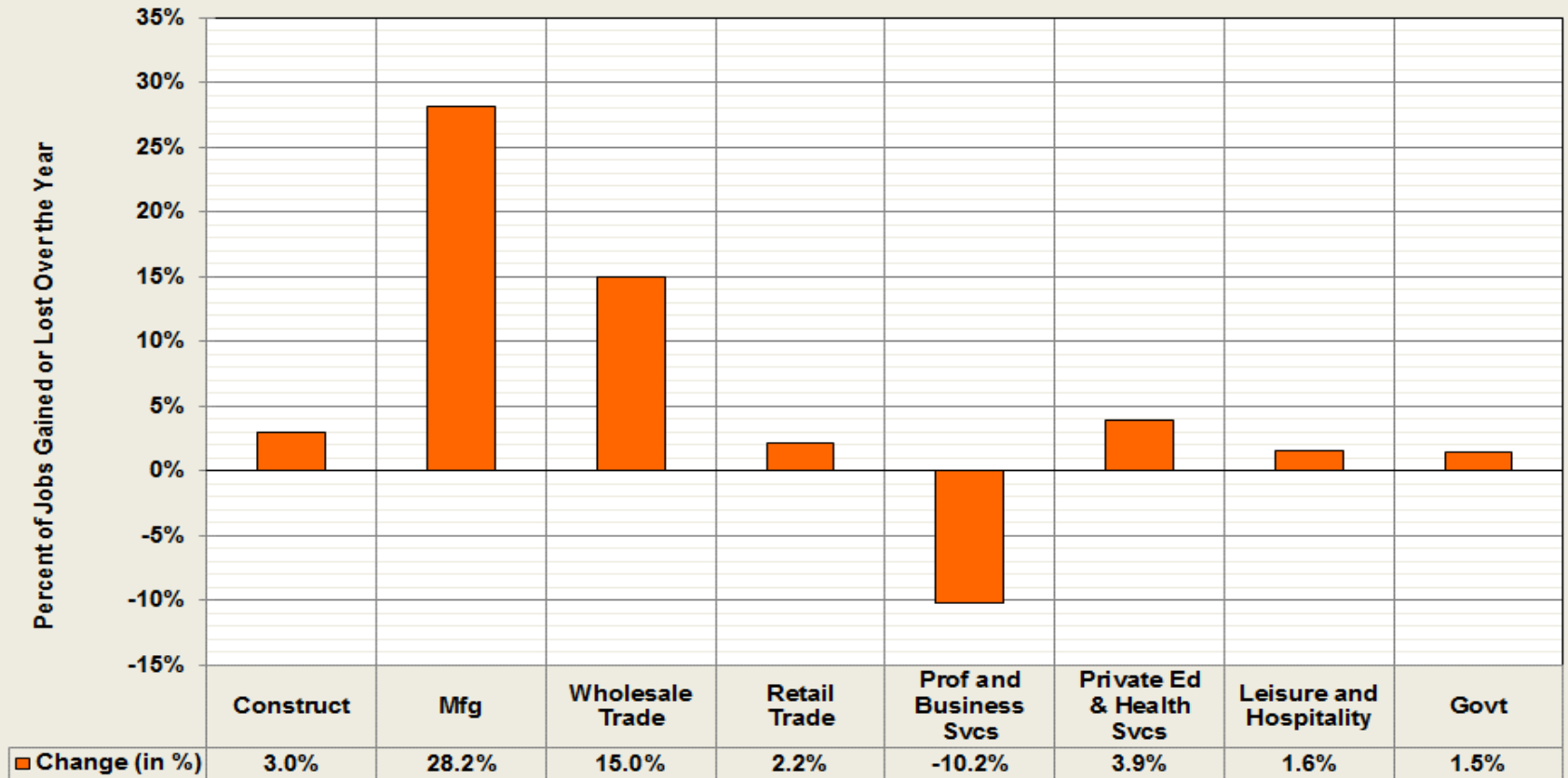
Okanogan County - Nonfarm job growth in major industries in 2014

Industry	Annual Avg. Employment in 2013	Annual Avg. Employment in 2014	Job Change	Percent Change
Total nonfarm ¹	12,170	12,460	290	2.4%
Total private	7,470	7,690	220	2.9%
Goods producing	1,060	1,190	130	12.3%
Mining, logging and construction	670	690	20	3.0%
Manufacturing	390	500	110	28.2%
Service providing	11,110	11,270	160	1.4%
Trade, transportation and utilities	2,290	2,360	70	3.1%
Wholesale trade	200	230	30	15.0%
Retail trade	1,810	1,850	40	2.2%
Information and financial activities	540	520	(20)	-3.7%
Professional and business services	490	440	(50)	-10.2%
Education and health services	1,540	1,600	60	3.9%
Leisure and hospitality	1,290	1,310	20	1.6%
Government	4,700	4,770	70	1.5%
Federal government	440	420	(20)	-4.5%
State and local government	4,260	4,350	90	2.1%
State and local government education	1,400	1,450	50	3.6%

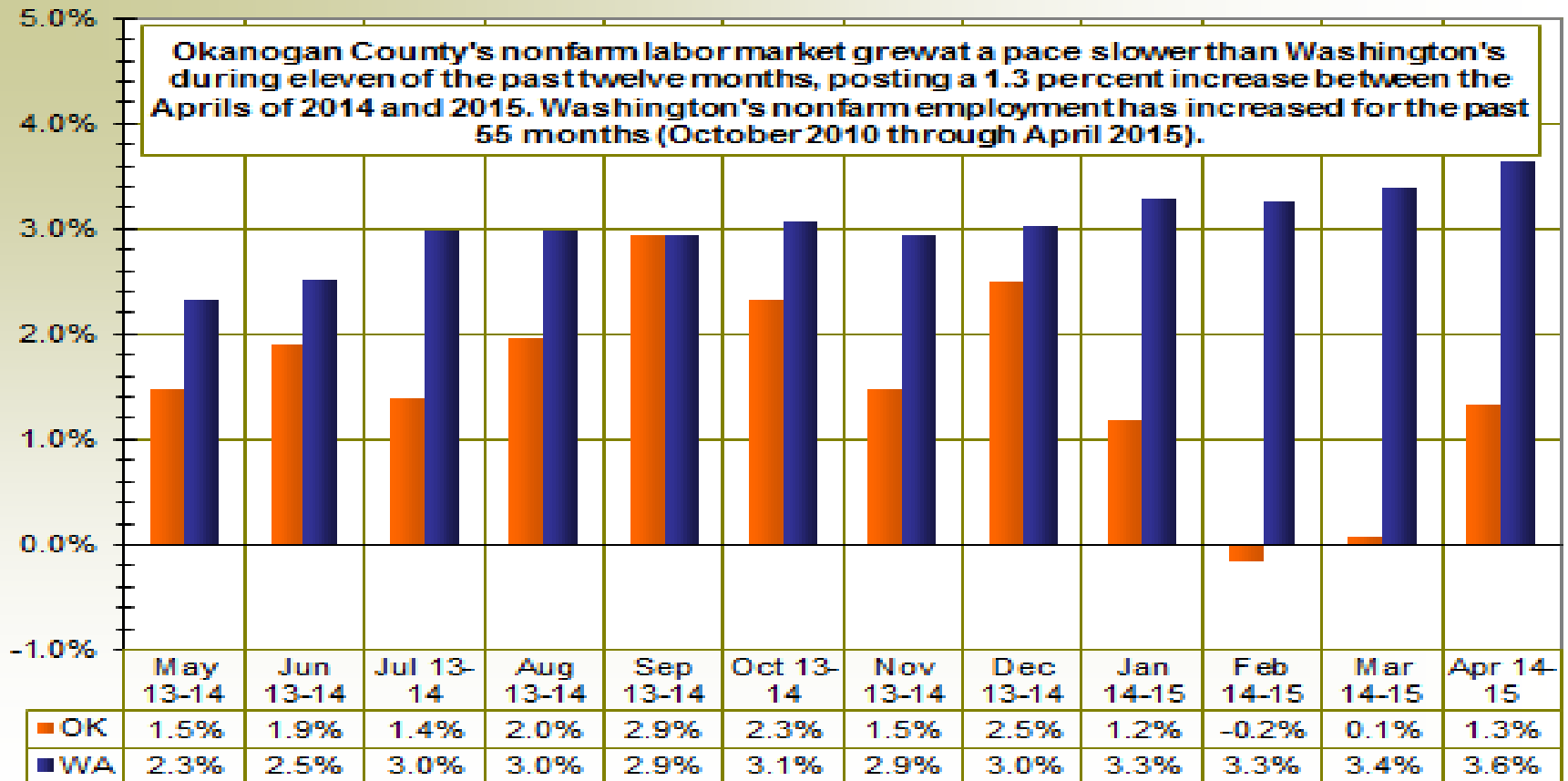
Summary of job gains/losses (in #) in major Okanogan County nonfarm industries in 2014



Summary of job gains/losses (in %) in major Okanogan County nonfarm industries in 2014



Nonfarm employment changes in Okanogan County and Washington in the last twelve months



Okanogan County - Nonfarm job growth between April 2014 and April 2015

Industry	Employment in April 2014	Employment in April 2015	Job Change	Percent Change
Total nonfarm ¹	12,090	12,250	160	1.3%
Total private	7,390	7,570	180	2.4%
Goods producing	1,130	1,170	40	3.5%
Mining, logging and construction	650	650	0	0.0%
Manufacturing	480	520	40	8.3%
Service providing	10,960	11,080	120	1.1%
Trade, transportation and utilities	2,290	2,460	170	7.4%
Wholesale trade	190	270	80	42.1%
Retail trade	1,840	1,890	50	2.7%
Information and financial activities	520	510	(10)	-1.9%
Professional and business services	420	400	(20)	-4.8%
Education and health services	1,610	1,630	20	1.2%
Leisure and hospitality	1,180	1,130	(50)	-4.2%
Government	4,700	4,680	(20)	-0.4%
Federal government	400	390	(10)	-2.5%
State and local government	4,300	4,290	(10)	-0.2%
State and local government education	1,500	1,580	80	5.3%

During 2014: Okanogan County's labor force and nonfarm employment expanded.

- The local unemployment rate fell from 8.5 in 2013 to 7.4 percent in 2014, a one and one-tenth points decrease during 2014.
- The Civilian Labor Force (CLF) rose from 20,940 in 2013 to 21,260 in 2014, a 1.5-percent increase. (The CLF contracted 0.9 percent during 2013.)
- Nonfarm employment averaged 12,460 in 2014; up 290 jobs since 2013, a 2.4-percent increase – slightly slower than Washington's 2.8-percent growth rate.
- All major nonfarm industries grew last year with the exception of professional and business services.

Labor Market Information (LMI) POC

Donald W. Meseck

Regional Labor Economist for Adams, Chelan, Douglas, Grant, Kittitas, Okanogan, and Yakima Counties

Labor Market and Performance Analysis (LMPA)
Employment Security Department

Address: 306 Division Street, Yakima, WA 98902

Phone: (509) 573-4564

Email: dmeseck@esd.wa.gov

Website: <https://fortress.wa.gov/esd/employment>