



# Wenatchee MSA (Chelan and Douglas Counties)



## Labor Area Summary

Volume 2010, Number 11

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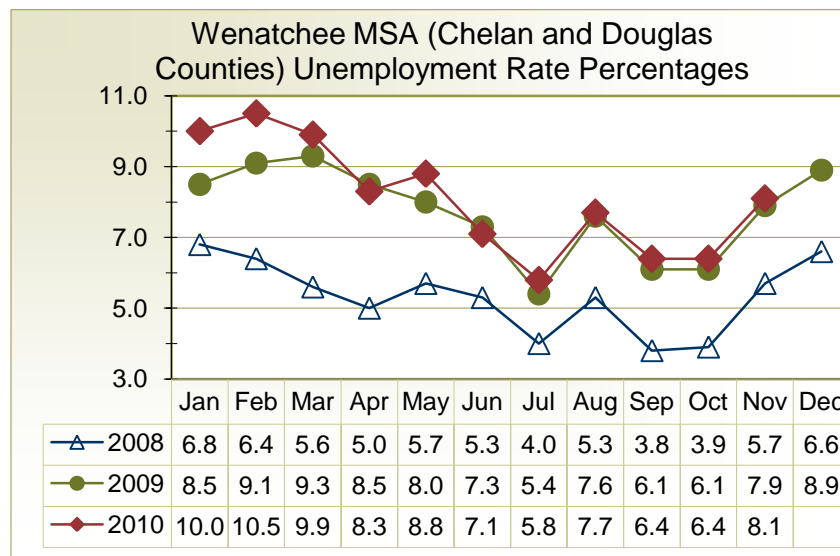
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### Unemployment

The preliminary unemployment rate of 8.1 percent (not seasonally adjusted) for the Wenatchee MSA is 1.7 percentage points higher than October 2010 and 0.2 percentage points higher than November 2010.

The end of the agricultural season tends to be October, which means a big jump in the unemployment rate in November. This can be seen in the graph below. Two important factors should be considered here: 1) in 2009 the unemployment rate had a slightly larger jump from October to November and 2) the Wenatchee MSA is still posting year-over-year gains in the unemployment rate. Throughout the year agricultural employment remained relatively steady to 2009 figures. The only difference came in October 2010 which was slightly lower than October 2009 figures. This could contribute to a smaller jump in the unemployment rate in over-the-month figures.

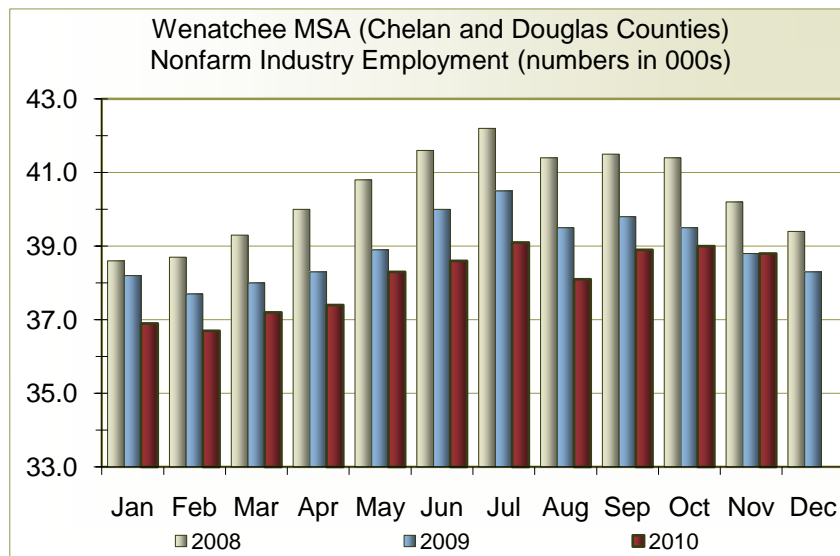
The Wenatchee MSA's labor force has increased in year-over-year figures along with the number employed and the number unemployed. While the number unemployed still increasing is a poor sign for long-term health, the increase in employment gives some insight towards a more robust labor market. That being said, the overall economic health is still struggling but there are glimmers of light.



Washington State has also seen a slight jump in the unemployment rate to 9.1 percent (not seasonally adjusted) from 8.7 percent in October 2010. The higher unemployment rates throughout the winter season is normal but higher year-over-year figures still show long-term gains are slow to recover.

## Employment

Employment figures in the Wenatchee MSA are starting to show more and more strength. Over-the-month approximately 200 jobs have been lost in total nonfarm employment. Year-over-year figures show nothing lost or gained. While a flat labor market usually signals a stagnant market, this context begins to show strength. From August to October there were month-over-month gains in total nonfarm employment when the labor market is usually slowing down and posting losses. Even with a small loss this month it is at a much slower rate than October to November 2009.



The greatest sign of strength is in private employment and in year-over-year figures there is a small gain. Specifically in the private service-providing sector the gains were made mainly in trade, transportation, warehousing, and utilities. For all-intensive purposes, the gains were most likely in the trade and transportation sectors. Although direct interaction from the retail trade sector has slowed, the direct impact from agriculture most likely contributed to employment gains in trade and transportation.

The Wenatchee MSA's concentration on retail trade and leisure and hospitality has still been slowing since the recession hit. This is starting to show a slight shift in the local economy, but most likely only in the short-term. Long-term trends will most likely continue towards the tourism industry as the area has in the past.

Washington State has seen year-over-year figures grow both in total nonfarm and total private employment. The gains have been minimal but any growth is good to see. Last month the manufacturing sector's growth was starting to see some improvement. The same can be said this month but it is still creeping along like other sectors making gains. Any growth happening at this point is going extremely slow because of the lack in consumer confidence, but consumer expectations are starting to rise. Other leading indicators are slightly mixed which shows the economy may have reached a level point for the time being.